Nine Steps for Selecting an LMS

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Overview

In this report, we provide an overview of the learning management systems (LMSs) market, along with a guide to help you in selecting this type of system for your company. The research on which this report is based was conducted between July and December 2013[1].

In This Report

- The LMS Marketplace

- Selecting an LMS

- Solution Provider Profile—SumTotal Systems, Inc.

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[1]   Throughout this report, any reference to "the research" or the observations presented here should be understood as resulting from a survey to solution providers in fall 2013.

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The LMS Marketplace

It Is a Big LMS World (And You Can Buy Local if Desired)

For this 2014 study, we identified more than 600 solution providers offering learning systems, including more than 500 of which market products to the corporate world.[2] We expect that there are quite a few more unknowns, especially in emerging markets. The good news for buyers around the world is that there are now many locally based providers as options. The challenge is the sheer number of options.

Figure 1: LMS Providers by Region[3]

North America ~350
W. Europe ~125
E. Europe ~25
East / Southeast Asia ~50
South Asia ~40
Middle East & Africa ~25
Latin American and Caribbean ~25
Australia & New Zealand ~30

More than 600 worldwide!

Source: *Bersin by Deloitte, 2014.*

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[2]   For more information, *The Global Market for Learning Management Systems 2014*, Bersin by Deloitte / David Mallon, Todd Tauber, Wendy Wang-Audia, August 2014. Available to research members at www.bersin.com/library.

[3]   Based on data supplied by the providers participating in this year's survey.

Why is there growth with new LMS providers, especially around the world? In short, the primary reason may be the increasing acceptance and demand for e-learning. Online, self-paced courseware is growing in value in parts of the world that were skeptical of such approaches even five years ago. As e-learning grows, the need for platforms through which to launch, consume, track, and report on e-learning also grows.

Just as in North America and Europe, other technology-enabled approaches to learning and development are also taking hold around the world, including social and experiential strategies, the virtual classroom, mobile learning, and talent-driven learning (learning to close skills gaps and to further career goals). Therefore, talent management systems, including LMS functionality, are also increasing in adoption.

Keep in mind—functionally, an LMS from a provider based in southeast Asia will be, by and large, the same as one from a U.S.-based provider. However, prospective buyers might prefer a local provider because of the availability of local support resources, as well as expertise in solving for local learning and talent needs.

Selecting an LMS

Given the wide variety in providers and feature sets, how do you go about selecting the right system? Our research has illustrated many leading practices to help in selecting the right system and the right partner provider.

Figure 2: A Nine-Step Process for LMS Selection

Source: *Bersin & Associates, 2009.*

Step 1: Develop and Communicate the Business Case

The first group of questions an organization should answer before purchasing (or replacing) a learning management system include the following.

- What business problems are we trying to solve?

- Why is this project important?

- What strategic goals will it address?

- When will it provide a return on investment (ROI)?

These are all questions that need to be answered early in the process. The answer is not automating our training delivery process but, rather, statements such as the following.

- We want to save time in the training delivery process.

- We want to capture higher-quality information on development needs to improve workforce skills.

- We want to implement a sound career management and development process to improve our leadership pipeline.

- We want to implement on-demand or social learning to improve worker performance.

At an even higher level than this, you should to ask if these goals designed to:

- Increase sales

- Drive expansion into new markets

- Reduce costs

You should have these business goals clearly defined before you set out to select a system.

When you have the answers to these questions, you are able to evangelize the LMS to others in the company in order to secure their support throughout the procurement and deployment processes. The business case should identify the strategic corporate objectives being addressed and provide specifics on how this project will contribute to the objectives. If

improving customer satisfaction is a strategic objective, for example, then providing better training to customer service staff will help to achieve that objective. The LMS is a means to this end; it is required to administer and track staff compliance with training standards.

Project teams that have not gone through the rigor of the previous steps in this methodology tend to struggle with clearly articulating and quantifying the value that the organization will receive as a result of the requested investment. One of the most common problems we encounter is an organization that tries to justify the cost to implement systems outside of addressing an overarching learning strategy and the measurable outcomes of the specific learning program initiatives which the system will ultimately support. Not surprisingly, these same organizations lack a senior leader outside of L&D to champion the initiative and the funding request. In the competitive landscape of business today, many executives are truly committed to improving workforce productivity and ensuring that the organization has the right talent to deliver on the business strategy. L&D's role is to be the enabler of organizational performance and to support these goals.

A leading-practice approach is to create a story that illustrates how the requested investment will add value and pay off over time—allowing executives and stakeholders to envision the direct connection to the business. This type of high-impact business case should include both direct benefits (identified through the outcomes aligned to specific measures) and indirect benefits (described as other business measures and descriptions of the user experience).

Once the business goals are identified, an ROI analysis should be conducted to justify the purchase to the organization. All of the costs and potential savings for the project need to be identified. Companies have many different standards for what can be considered cost-savings and what type of financial model should be used to calculate ROI.

Once you have documented the goals and ROI for the project, you will need to present your findings to the executives who can help to fund and support your project.

Step 2: Gather Requirements

Conduct Process Design Sessions

Once your organization has developed a business case for an LMS, it is time to focus on process design and requirements gathering. You will need to identify, very specifically, what you want the system to do for your company. Taking control of this step can help you to ensure that you get a solution which will truly solve your training challenges and reduce your chances of being the victim of an aggressive sales job by a vendor.

In advance of conducting the process design sessions, we recommend documenting and distributing copies of any current process flows (if they exist), including identifying the following:

- Process and data inputs

- Process and data outputs

- Audience(s) / users

This documentation and appreciation of the current state will help the team assigned to design the process to leverage existing work—and to identify gaps in supporting a more integrated approach to data, process, and analytics.

Any process design effort should begin with the end in mind. The business goals identified should determine the process and data outcomes, as well as the overall user experience.

Due to the complexity of each individual process, truly integrated processes typically evolve over time as foundational data is established. L&D leaders charged with organizing and facilitating these sessions should try to involve representatives from key stakeholder groups (such as employees, managers, and business leaders) to provide additional perspectives—thus beginning your change management efforts. The team should include representatives from all affected groups. The IT group should be at the top of your list, since you need their help to implement the system. If you are training customer service agents, then the director of customer service may be on your list of stakeholders. By including all affected groups, you may not only get a better list of requirements, but you will likely receive better support when the time comes to implement the system.

Determine High-Level Requirements and "Big Rocks"

You can interview the stakeholders or ask them to prepare a list of requirements from a structured document. The requirements document itself should include as much detail as you need to communicate what you require the system to do. Also remember that requirements may also include things that you do not consider product features, but are needed for the success of your project, such as price, adherence to certain IT standards, and implementation within a certain timeframe.

Your high-level requirements statements should include both your mission-critical functional requirements (as identified in the process design sessions), as well as any technical requirements (such as the type of architecture and delivery model). At this stage, we recommend identifying four to six requirements that are deal-breakers for your organization—meaning that your company would not select a provider which did not support these requirements. For example, a large consulting firm's "top four big rocks" for a talent management solution included:

1. **Functionality**—Support for integrated performance management, informal learning / knowledge-sharing, deep virtual classroom integration, and competency management

2. **Global Capabilities**—Multiple languages, multiple currencies, localized user experience, and flexible business rules

3. **Delivery Model**—Software-as-a-Service

4. **Architecture**— J2EE and SOA[4]

Step 3: Identify Solution Providers

By identifying the "big rocks," your organization is able to more effectively narrow the field of providers that are appropriate to invite to a more in-depth evaluation process. We recommend that you

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[4]   "Services Oriented Architecture" (SOA) is a methodology for systems development and integration where functionality is grouped around business processes and packaged as interoperable services. SOA also describes IT infrastructure, which allows different applications to exchange data with one another as they participate in business processes. The aim is a "loose coupling" of services with operating systems, programming languages and other technologies, which underlie applications.

leverage industry research to build an understanding of the changing provider landscape. Be certain to clearly understand your unique mix of requirements before you engage any provider. In doing so, you may save your organization precious time and money.

Keep in mind that vendor viability is a key consideration for many companies. Vendors that are not considered financially viable may not be a good solution for you (your purchasing department can provide criteria for financial viability).

Step 4: Make Initial Contacts and Create a Request for Information (RFI)

Developing and submitting an RFI to this select group of vendors is your next step. The purpose of the RFI is to get enough information from the vendors to determine if you should spend any more time with them. Include the big rocks and / or other vendor characteristics that you cannot live without, and ask the vendors to respond as to how they would fulfill each one of your needs.

You may need to qualify the vendors on things other than product features. For example, perhaps your budget is very limited and you suspect that only a few vendors will be able to meet your price (although remember that vendors are very flexible on price these days). In the RFI, you should ask for some approximate pricing. Also, there may be a specific product feature that automatically removes a vendor from further consideration if the company cannot provide that capability. For example, some industries must comply with very strict federal laws on how training records must be maintained and how quickly they can be accessed. If this applies to you, then not having this feature is a "showstopper" in proceeding further with that vendor.

The RFI will help to reduce the time you spend with vendors that will not meet your needs. You should not submit the RFI to any more than 10 vendors. By the way, if you skip this step, your RFP process could become a nightmare. The RFI process will give you the information to narrow down the list to a few (ideally two or three) vendors for the RFP. Sending out an RFP to a dozen vendors is a frustrating and very time-consuming process—for you, as well as for the vendors themselves.

We also recommend conducting discovery briefings with three to four providers and your core project team before issuing a request for proposal (RFP). The goal of the briefings is to familiarize your project team with the providers' capabilities and to explore potential solution options based on your critical requirements (all before your procurement team puts a moratorium on communications with the providers). Advances in software development and delivery models have created an environment in which innovative features are released with great frequency. Providers that have adopted open standards and Web 2.0 technologies are now offering highly interactive user experiences, including capabilities that were not previously possible with earlier generations of learning management systems.

During the briefing, your team should see what is possible in terms of data and process integration, and enhanced user experiences—which will ultimately help to shape your detailed requirements documents (including the use-case scenarios). The briefings can be conducted using a web-conferencing tool, and should last about an hour or two.

Additionally, the rationale for determining your high-level requirements and conducting the provider briefings before the development of the business case is to determine the most accurate solution definition, and to establish some baselines for pricing and level of effort.

Step 5: Develop Detailed Requirements Documentation

Once you have received approval of the business case, it is time to document the detailed requirements and selection criteria you will use to evaluate the providers. The process documentation is an effective starting place. Each process step, with the inputs and outputs, should represent one (or many) features that you would like to have in a system. We recommend organizing these features by functional or process area. For each feature, your project team and stakeholders should identify the level of criticality. We recommend identifying the features you need to have for the initial deployment separately from the features you will need in subsequent phases.

Many providers are feature-rich in some areas, and lighter in newly developed or acquired applications. Developing a clear understanding of your immediate and long-term needs will aid in the evaluation of how a provider's product roadmap aligns with your roadmap.

While "feature lists" are helpful for general analysis of providers, they will not do you much good in the final selection—and, in our experience, developing use-case scenarios is the most effective approach in determining which providers truly understand and have resolved the problems you want to solve. A use case is a complete scenario that describes how your organization handles (or expects to handle) a specific business process. Use cases deliberately focus on the nitty-gritty, real-world details (not the sexy features that often get attention in standard provider demonstrations). Additionally, use cases let your organization set the playing field based on your actual needs—not the provider's strengths.

Since each provider under evaluation gets the same use cases, you also have a strong "apples-to-apples" comparison of systems. For the most realistic use cases, we recommend involving managers and employees in the design or review phase of the use-case development effort. Figure 33 is an example of the structure for an in-depth use case. Some organizations also supply the providers with sample data and content to streamline the evaluation process.

Figure 3: An Example of the Structure of a Use Case

- Use Case Title

- Scenario Objective(s)

- Actor(s)

- Preconditions / Setup

- Step-by-Step Actions

- Success Case Results

- Success Case Expectations / Notes

Source: *Bersin & Associates, 2009.*

We recommend that you select five to six scenarios to be supported by a use case. These scenarios should come from your "big rocks" (the non-negotiables), as well as any process that is particularly complex in its management. We advise organizations to develop use-case scenarios for each user role. Use cases are a fantastic way to evaluate the user experience. Providers may not be able to support your processes exactly

as they are defined in the use-case description—but providers may be able to offer you a more effective and efficient approach, based on the flexibility of their products and customer experience. An effective course of action is to truly understand and document what your needs are, as well as the desired results / outcomes.

Your technical requirements are another set of needs that should be documented before you formally engage the providers. We recommend engaging your IT business partners as early as possible and including them on the core project team (if they were not involved in the development of the business case). One of the biggest decisions your team will make will be on the delivery model. Unfortunately, this decision is made difficult because of the inconsistent use of terminology and associated definitions among providers on the three models.

Regardless of the type of delivery model you select, IT is a major contributor and partner in the selection, implementation, operations, and maintenance of your solution.

Step 6: Develop a Request for Proposal Document

Once you have received responses back from the RFI, you can determine which vendors are suitable for further discussion. You should select no more than three to four vendors to take to the next step—the RFP.

Your requirements documentation will provide the bulk of the content for the RFP. Many companies have standard RFP templates that their procurement / purchasing teams have designed. At a minimum, an effective RFP should ask the providers to address their company, their customer experience, their corporate vision and philosophy, their financial strength, their product roadmaps, and their services and support structures. It is helpful to ask vendors when they will support a certain feature if it is not currently available in the product.

Submit the RFP to the vendors you qualified from the RFI phase.

Step 7: Evaluate Providers

Develop an Evaluation Scorecard

Many organizations include many stakeholders in the evaluation of the providers' responses and onsite demonstrations. With multiple perspectives evaluating different aspects of a provider's submission and information, the evaluation process quickly becomes unwieldy. For example, we have included a breakdown of the typical high-level "sections" included in an in-depth scorecard:

- Written RFP response

- Functional section

- Technical section

- Company overview

- Oral provider demonstration

- Company positioning

- Intangibles

- Use-case scenarios

- IT briefing

- Customer reference checks

- Financials / provider analysis

- Pricing

- Service-level agreement

We strongly recommend establishing a specific protocol that addresses which members of your project team will be evaluating and scoring each aspect. Criteria, weightings, and evaluation scales should be established to ensure consistency and to focus on the most important requirements.

Score RFP Responses

Using the scorecard, identified project team members should score the responses from the providers. We recommend that the team members

score individually and then come together to calibrate those scores with each other. This evaluation should be completed before the provider demonstrations begin, so that items in question or that require further discussion can be highlighted and addressed when the provider is onsite.

Conduct Provider Demonstrations

Your final three providers should be invited to meet onsite with you for five to six hours—to provide a thorough company overview and to demonstrate their capabilities to support your unique use cases. To ensure that this is a valuable use of time and to control the content of the day, we recommend providing the providers with an hour-by-hour agenda with explicit instructions for them to prepare. The objective is to help the providers to shine against your requirements, so you should provide them with as much support and context as possible.

Score Provider Demonstrations

Following each provider demonstration, we recommend that all of the evaluators meet for a facilitated debriefing session—which typically involves the communication of the score totals, as well as a plus / delta analysis of each provider and its solution.

Step 8: Check Provider References

There really is no substitute for a reference. We recommend that organizations interview five customer references from the provider using a standard set of interview questions (see Figure 4 for sample questions). Keep in mind that each organization's requirements, deployment plans, and technical landscape will vary; therefore, questions related to implementation timelines and pricing should be asked with an understanding of the organization's current context. It is preferred to have the customer references represent organizations of similar size and industry, with common business strategies and use cases to your own. Customer reference interviews present a wonderful opportunity to probe into the areas in which concerns surfaced during the demonstrations or from the written responses. We encourage you to take the time to visit these companies in person, if possible.

The vendor will most likely give you the names of satisfied customers, so you will need to dig a bit deeper to get a true reflection of how satisfying the experiences have been for the customers.

Figure 4: Sample Customer Reference Questions

Does the functionality of the system meet or exceed your business needs?

Did the vendor deliver the solution on time, on budget, and at an acceptable quality level?

How would you describe the customer service and the post-implementation support (i.e., poor / good / excellent / exceptional)?

Was the training provided on the use of the system thorough and appropriate?

Were promised upgrades, enhancements, patches, and service packs delivered as scheduled / promised?

Would you buy this product again, and choose this vendor and solution?

Source: *Bersin & Associates, 2009.*

Step 9: Make Provider Recommendation(s)

You now have all of the information you need to make a final product selection. Once the team has scored the providers in the intended areas, it is time to make a recommendation to the key stakeholders. The final summary should include all of the feedback—including the information gathered by the procurement department on prenegotiated pricing, service-level terms, and an analysis of the provider's financial performance. You should identify your top two recommendations (in the event that contract negotiations with your top provider do not work out appropriately).

If you discover that more than one vendor will meet your needs, then you will be in a good position to select the vendor that will give you the best price.

Other factors in making the decision could include such things as price, the implementation timeframe for the product, the resources that the company can make available for the implementation, the company

location, the enthusiasm of the staff, and so on. Ultimately, you will need to consider some or all of these factors before you make a final product decision.

This Process, although Complex, Does Work

This is not a process that we made up. We have worked with dozens of companies and helped them through this process—and this is what often works. If you are in a hurry, you may try to skip some of these steps but, in fact, you will probably find that you will need to go back and do them later. Keep in mind that you need not perform all of these steps in a specific order. You may, for example, begin vendor research before conducting an internal needs analysis. While this is okay, you do not want vendor capabilities to dictate your needs. Only you know what you really need for the business problems that you are trying to solve.

Develop a Methodology and Make It a Team Approach

The most important thing to keep in mind is that you have some type of methodology for determining what you need and which vendor can provide the preferred solution.

Summary

The vision of integrated talent management has become a reality with many more organizations opting for product suites. Other organizations are sticking with LMS providers that have made a strategic decision to stay focused on learning—and they are growing, while some of the past market leaders are shrinking.

The LMS is being reinvented. Standard functionality is commoditized and solution providers are focusing on differentiating their offerings.

Appendix I

Solution Provider Profile—SumTotal Systems

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Appendix I: Solution Provider Profile—SumTotal Systems

The graphical data in the following profile is derived from vendor-provided information. Our analysis is based on extensive product demonstrations, discussions with users and executives, and multiple conversations with the provider.

The following legend applies to all charts in this section.

○ = No functionality in this area or not applicable.

◖ = Limited functionality in this area. May support some use cases.

◑ = Basic functionality in this area. Will likely support most use cases.

◕ = Advanced functionality in this area.

● = Complete or near complete functionality in this area per market at report publication date.

SumTotal

Company Snapshot

2850 NW 43rd St., Suite #150
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Year Founded: 1985

Number of Employees: 1,000

Size of Target Markets:
- 30% of Customers with < 1,000 Employees
- 35% of Customers with 1,000—10,000 Employees
- 35% of Customers with 10,000+ Employees

Top Industries Served: Business Services / Consulting, Federal Government, Healthcare, Manufacturing-Durable, Retail

Geographic Presence: 68% North America, 2% South America, 22% Europe / Middle East / Africa, 8% Asia-Pacific, 8% Other

Public or Private Company: Private

Current Total Revenue: $250+ million

Growth Rate over Previous Fiscal Year Revenue: Not Disclosed

Number of Customers: 3,500

Three Largest Customers / Implementations and Number of Users:
- Global Retailer (2.1 million users)
- Global High-Technology Manufacturer (40,000+ users)
- Global Automotive Manufacturer (320,000 users)

Company Overview

SumTotal Systems provides human capital management (HCM) solutions that support all aspects of the workforce—hourly and professional. A pioneer in human resource software, founded in 1985, the company

provides learning management, talent management, and workforce management solutions. As a provider of core HR, payroll, and benefits, SumTotal is one of only a few whose solutions cover all of human capital management.

With 2,250 enterprise customers (75 with more than 100,000 users), and 1,250 small and medium-size customers, on average, its customers' user count is 17,000.

At this writing, SumTotal is supported in 160 countries, and is enabled in 29 languages and 140 currencies. To date, there are 20 international offices; more significantly, SumTotal has a "follow-the-sun" system for both development and support.

Year-over-year growth since its 2013 report indicates a 110 percent increase in new small and medium-size customers, a 200 percent increase in new enterprise customers, and a 124 percent increase in new cloud bookings. Despite this and a reported 95 percent customer retention rate, the company has indicated the same number of total customers over the last two years.

Products and Services

Core Strengths

- Talent Management Suite

Offerings

Services	Platforms	Content	Tools
Background Checking	Assessment System	Competency Libraries	Advanced e-learning Development
Benefits Administration	Career Management System	Compliance	Rapid Content Development
Community Management	Compensation Management System	Customer Service	Simulations & Games
Community Moderation	Competency Management System	Digital Resource Library	Survey & Assessment
Competency Development	Enterprise Content Management	Executive Education	Web-Based Content Development
Content Localization	HR Management System	Financial Management	

Offerings (cont'd)

Services	Platforms	Content	Tools
Employer Branding	Job Board	General Management	
Employee Engagement	Job Search Engine	General Personal Development	
HR Technology Consulting	Learning Analytics	General Professional Development	
Learning Administration	Learning Content Management System	Healthcare	
Learning Content Development	Learning Management System	HR Benchmark Data	
Learning Delivery	Mobile Learning	IT Desktop	
Learning Measurement	Onboarding System	IT Systems & Programming	
Learning Process Outsourcing	Performance Management System	Leadership Development	
Payroll Processing	Performance Support System	Project Management	
Recruitment Advertising	Social Learning Platform	Quality / Manufacturing	
Strategic L&D Consulting	Social Software	Sales	
Technology Hosting	Succession Management System		
Technology Implementation	Talent Acquisition System		
	Talent Management Suite		
	Workforce Analytics		
	Workforce Planning		

Product Overview

Product Name	Current Generally Available Version Number	Date Current Version Released	Number of Previous Versions Officially Supported	Underlying Development Technology	Delivery Models Supported (SaaS / multitenant, hosted, and / or on-premise)	SaaS-Supporting Data Centers
SumTotal Talent Expansion Suite: Learn 2013	LM 2013.01	September 2013	All	Microsoft .NET	Multitenant and single-tenant SaaS, on-premise	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal elixHR Platform	2013.01	September 2013	All	Microsoft .NET		5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal Talent Expansion: Maestro	2013.01	September 2013	N / A	Microsoft .NET	Multitenant SaaS	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal Talent Expansion: Talent	2013.01	September 2013	All	Microsoft .NET	Multitenant and single-tenant SaaS, on-premise	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal Talent Expansion: Work	WFM 2013.01	September 2013	All	J2EE	Multitenant and single-tenant SaaS, on-premise	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal Talent Expansion: Expense	EXP 2013.01	September 2013	All	J2EE	Multitenant and single-tenant SaaS, on-premise	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal Talent Expansion: Payroll	2013.01	September 2013	All	J2EE	Multitenant and single-tenant SaaS, on-premise	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific
SumTotal Talent Expansion: Analytics	2013.01	September 2013	All	Cognos	Multitenant and single-tenant SaaS, on-premise	5 in North America; 3 in Europe / Middle East / Africa; and 1 in Asia-Pacific

Product Capabilities

How This Year's Study Is Different

Note that this year's evaluation of providers' products has changed. Because of the increased commoditization of learning management software, we have made the assumption that, for core areas, the functionality has to be in the product. In our summaries and comparisons, therefore, we focused on areas of functionality that could prove to be differentiating. We trust this will be more useful to our members in evaluating applications for their product decisions.

Learning Management System						
Course & Resource Management	Curriculum, Learning Plans, & Certification Management	Learning Content	Surveys & Assessments	Enrollment & Registration Administration	eCommerce	Learning Reporting
●	●	●	●	●	●	●

Product Technology				
Configurability	Interface	Usability Aids	Platform as a Service (PaaS)	Service-Oriented Architecture (SOA)
●	●	●	◑	●

Platform or Data Standards Support				
SAS 70 II	SSAE 16 Type 2	ISO / IEC 27001	ISAE 3402	21 CFR Part 11
●	●	○	○	●

Metrics & Reporting

Configuration	Data Integration	Analytics & Visualization	Includes at Least 10 Discrete Business Metrics		
			Career Planning	*Learning Management*	*Performance Management*
●	●	●	●	●	●

Global System Support & Infrastructure

System Support	Number of Languages in Which the Product Currently Ships	Number of Data Centers by Location			
		North America	*Europe / the Middle East / Africa*	*Asia-Pacific*	*Latin America / Caribbean*
●	29	5	3	1	0

Talent Management-Related

Competencies	Profiles	Career Management
●	●	●

Mobile

Mobile Learning	Learning Management	Analytics, Reporting, & Dashboards	Career Planning / Pathing	Competency Management	Collaboration (social software)	Content Authoring Tools
●	●	●	●	●	●	●

Mobile (cont'd)

Content Management System	Assessments & Surveys	Managerial Approvals	Employee Self-Service
●	●	●	●

Social Software					
Conversations	**Collaboration**	**Connections**	**Content**	**Social Learning**	**Moderation Tools**
●	●	●	●	●	●

Social Software (cont'd)	
Social Analytics	**Game Mechanics**
●	●

Bersin by Deloitte Analysis

SumTotal has 3,500 company customers, totaling 45 million end-users—17 million of which are among the 1,700 SaaS customers, the company's most rapidly growing delivery method. Geolearning, Acero, Softscape, and CyperShift are all previous acquisitions; the company has integrated the solutions into a core platform referred to ElixHR. This creates a solution that offers core HR and integrated talent management (with the addition of GeoLearning) and substantial workforce management through CyberShift. Despite its variety of product sources, the application is integrated from the user's view, easing usability and learning curves.

The company has redesigned its user's experience to be more intuitive, with rapid access to "next steps" via streamlined navigation. (The new Manager Dashboard provides one-click access to common functions, for example). It is designed for touchscreen experience on tablet devices.

The 2013 focus on analytics has resulted in charting ability for quick visual depiction of data throughout the application suite, with the added analytics data warehouse which can link data across all of a customer's business systems—such as ERPs, financial, or sales applications.

We anticipate further support for additional social platforms in the year ahead, as well as even deeper integration with Facebook, Twitter, and LinkedIn for social profile extensions.

Please Note: On August 21, 2014, Skillsoft announced the intention to acquire SumTotal Systems Inc. from Vista Equity Partners.

Appendix II: Table of Figures

Bersin
by **Deloitte**.

About Us

Bersin by Deloitte delivers research-based people strategies designed to help leaders and their organizations in their efforts to deliver exceptional business performance. Our WhatWorks® membership gives *FORTUNE* 1000 and Global 2000 HR professionals the information and tools they need to design and implement leading practice solutions, benchmark against others, develop their staff, and select and implement systems. A piece of Bersin by Deloitte research is downloaded on average approximately every minute during the business day. More than 5,000 organizations worldwide use our research and consulting to guide their HR, talent, and learning strategies.

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