What is a Learning Management System (LMS)? Definition and Features

More businesses than ever are recognizing the value of supplementing or replacing traditional in-person training with flexible eLearning solutions. And the best way to take advantage of the potential of eLearning is by using a learning management system.

A learning management system consolidates training initiatives on a scalable web-based platform, benefiting everyone involved in the learning process. Administrators can easily manage training programs with learning automation features; trainers can easily assemble and deliver content; and learners can enjoy personalized and self-guided experiences.

The size of the learning management system market is growing rapidly, from $9.2 billion in 2018 to an estimated $22.4 billion by 2023, and there are hundreds of platforms to choose from. It’s important to understand what a learning management system can offer and what features you need before selecting one. You don’t want to end up with an outdated platform that lacks key capabilities or integrations, or a tool that makes you pay for features you never use.

Read on to learn what a learning management system can offer your business and how to get started using one.

What is a Learning Management System?

A learning management system, or LMS, is a software application used for implementing and administering online training and learning programs. It acts as a centralized training platform that serves as the hub of any learning ecosystem. You can use an LMS to host and organize your learning content, deliver it to your audience, and assess how your learners perform. Once those learners — whether employees, customers, or other users — are provided with a login and password, they can access the LMS and start learning from anywhere with an internet connection.
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Advantages of an LMS

LMSs are the gold standard for creating exceptional eLearning experiences for a reason. They offer a variety of impactful benefits that other eLearning options don’t.

Ease of Use
Learners want a great user experience so they can focus on studying rather than navigating a clunky interface. From searchable course catalogs to configurable pages and dashboards, eLearning has never been easier than with an LMS. And LMSs also integrate with HR systems and important third-party services so you can create a seamless experience on the front-end and the back-end. The best LMSs even feature multilingual support so global organizations can meet the educational needs of their international workforces in their preferred languages.

Improved Efficiency
An LMS reduces the overhead of implementing an eLearning initiative in your business — or starting to sell courses online — with a suite of powerful learning automation features. You can set up rules to automatically enroll learners, define permissions, and control access to courses, so administrators don’t need to handle these tasks manually and learners always know what they need to do next.

Support for Multiple Learning Methods
Everyone learns differently, and LMSs can accommodate everything from traditional instructor-led training to defined learning paths that include a series of related courses. Group projects and discussion groups can be added for employees that do better in social learning environments, and on-the-job training can be made available to facilitate hands-on work and performance evaluation.

Game-Changing Insights
LMSs feature reporting capabilities that give you access to important data, like whether any employees have failed to complete assigned training, average assessment scores for specific lessons, or how many courses have sold over the last week. You can schedule reports on these and many other key performance indicators (KPIs) for regular delivery or generate them on an ad hoc basis. This information provides the insights you need to constantly improve your training offerings and tailor them to your audience.
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LMS Use Cases

There are many ways to use an LMS. Two of the most common are corporate training and selling courses online.

Corporate Training

All organizations need to educate their employees, whether it’s onboarding a new team member, working to obtain a compliance certificate, or instructing the entire company on the use of a new software platform. Many also need to train customers on how to get the most out of their products and services.

Businesses that use an LMS can do it all for a fraction of the cost of traditional in-person training. LMSs provide features beyond what in-house eLearning solutions can offer, like support for blended learning, built-in assessment tools, guided learning paths, and integration with third party tools like CRM platforms.

Selling Courses Online

Selling courses online connects eLearning with eCommerce. Online course providers need tools for managing pricing, registration, promotions, and payment processing. An LMS provides a unified system that includes these capabilities and more, so you can start building out your catalog and establishing a sales funnel without the hassle of creating a website from scratch or handing over a hefty slice of your profits to an online course marketplace.
Key Features of an LMS

The features offered by LMSs on the market vary tremendously. Here are some of the most important that you should ensure your LMS provides.

1. Customizable User Interface

Creating a user interface tailored to learners’ specific needs improves accessibility and end user satisfaction. Look for an LMS that lets you customize and brand every page and control what each user can view, as well as create configurable dashboards for everyone on the system, from admins to managers to learners.

2. Social Learning

Social learning meets the needs of those who learn best by discussing information with others. An LMS should provide a dynamic environment to ensure that employees can communicate with classmates and trainers through a built-in messaging system, robust online communities, and moderated forums that can be associated with certain groups or courses.

3. eCommerce

If you’re interested in producing courses to sell — or if you think some of your courses produced for internal training might appeal to an external audience — you’re going to need tools for managing your sales funnel, processing payments, and seamlessly registering and onboarding new customers. Make sure your LMS includes an integrated shopping cart, compatibility with payment gateways like PayPal, the ability to use discount codes, and integration with social media platforms for marketing.
4. Mobile Compatibility

Mobile devices have been more popular than desktop devices for years, and you need an LMS platform that supports the latest Apple and Android smartphones and tablets. Creating a responsive, seamless mobile experience is the key to giving students the freedom to learn from anywhere. You can even incorporate the enhanced interactivity of mobile devices to create a truly exceptional m-learning experience.

5. Learning Automation

Administrating online courses involves registering users, granting access and permission to various data assets and groups, generating reports about the status of courses, and more. An LMS can automate all these steps to save administrators valuable time and remove human error from the equation. For instance, onboarding can be converted into a generalizable process where users are granted permission to specific course material and sent instructions on how to register themselves and gain access. Look for an LMS with a rules-based system that lets you create automated processes for any situation.

6. Pre-built and Custom Courseware

The best LMSs provide access to the services you need to create your own courses as well as pre-built courseware that lets you start training your employees in moments. They should also include support for the content authoring tool of your choice, rather than locking you into a built-in tool that may not suit your needs.

7. Blended Learning

There will be times when you still need to include in-person education in your training initiatives, so ensure your LMS includes support for blended learning. You can use an LMS to handle scheduling, wait lists, and adding and dropping participants for in-person events as well as other types of live training sessions, like webinars.

8. The Right eLearning Specifications

There are a variety of technical eLearning specifications that standardize course content and facilitate compatibility with LMSs. Think of the LMS as the wall socket and your courses as different types of appliances you can plug into it. If the course doesn’t “fit” your LMS, you’re out of luck. These standards also affect interoperability with authoring tools and third party course libraries. Two of the most widely used standards are SCORM and xAPI.
**LMS Specification Standards**

As noted above, an eLearning specification is a set of rules that governs compatibility between an LMS and learning content. Three of the most common are SCORM, xAPI, and AICC.

**SCORM**

The Shareable Content Object Reference Model (SCORM) was originally created in 2000 by the Advanced Distributed Learning (ADL) Initiative of the U.S. Department of Defense, and it remains the most popular eLearning specification. It is based around its titular shared content objects, or SCOs. An SCO is a package that represents a granular item in the LMS, like a specific course score or pass/fail status. These SCOs are intended to function with a web browser for broad compatibility and easy access. An application programming interface (API) facilitates communication between the LMS and the SCO.

**xAPI (Tin Can API)**

The Experience API (xAPI) — formerly called Tin Can API — is a more modern eLearning specification and SCORM’s primary competitor. xAPI has advantages over SCORM in terms of flexibility, reliability, and data collection capabilities, but it lacks SCORM’s simplicity and widespread acceptance. An LMS that supports both standards is a modern day necessity.

**AICC**

The Aviation Industry Computer-Based Training Committee (AICC) is a legacy standard that is used by organizations that have yet to update to another specification. While it is relatively secure, it lacks many modern features, and organizations should only prioritize AICC compatibility if they know they’ll be using courses that require it.
LMS Deployment Options

In addition to evaluating the features provided by an LMS, you need to decide whether an on-premise or web-based LMS solution best suits your needs.

Organizations with experienced IT departments may be drawn to implementing an on-premise solution in the form of either an open source LMS or a paid LMS with a one-time setup fee. However, even if you can have the financial resources and technical expertise needed to host and maintain the system, you can't scale up as needed to meet expanding training needs. And your team will have to spend time on an ongoing basis to manage server capacity, handle upgrades, onboard and offboard technical users, diagnose issues, and patch security vulnerabilities. There's a reason only 13 percent of organizations choose an on-premise LMS over a web-based platform.

A web-based service avoids these technical challenges by offering the scalability of the cloud and managing implementation, hosting, and maintenance. With the many SaaS LMS platforms now available, you'll be able to find one that fits your specific requirements at an affordable price.
Real-Life LMS Examples

Companies across all industries have realized the benefits of eLearning using an LMS. Here are three examples from the manufacturing, automotive, and nonprofit sectors.

**Generac**

Generac is a manufacturer of backup power generation products with thousands of employees and external dealership staff and distributors. They needed a solution to train distributors about product benefits, installation, and compliance, along with training internal employees for onboarding and professional development.

Using a centralized LMS, Generac was able to automate the course enrollment of their dealers, schedule and manage live training events, customize the registration process for different parties, and more. By doing so, they reduced travel costs, made professional development, compliance, and product training available 24/7 to all employees, and saw an average increase of 30 percent in online pre- and post-testing.

**AWC**

Ahresty Wilmington Corporation (AWC) is a leading automotive corporation that specializes in die casting and machining. With approximately 900 employees, AWC wanted to improve the performance of their compliance and quality management training. AWC used an LMS to automate course enrollment, manage on-the-job (OJT) training, and integrate with their payroll system. This allowed supervisors to standardize and improve the quality of the training process while greatly reducing overhead.

**BoatU.S. Foundation**

The BoatU.S. Foundation is a non-profit organization that helps educate the public about boating safety and the environment. Due to varying state regulations, the Foundation’s popular Boat Safety course had to be finely tuned for every state that it operates in. Traditionally, this would have required a very expensive custom solution to maintain the course’s complexity. Using an LMS, the BoatU.S. Foundation is now able to provide a browsable course catalog with easy enrollment, handle payments with built-in eCommerce functions, and manage their training initiatives in a centralized environment, all while staying within budget.
Choose an LMS That Meets Your Needs

You need an LMS with great functionality that won’t charge you for capabilities you don’t need. Inquisiq features a great user experience for all stakeholders, robust automation and reporting capabilities, and support for blended learning. It can meet all your eLearning needs, from compliance training to creating learning paths. Inquisiq is also compatible with SCORM and xAPI, and it offers multilingual support for over 14 different languages.

Join the more than 500 organizations that use Inquisiq to provide training to over 3 million learners by trying it for free today.