

SFA University

Learning Management System (LMS)



Phase 1 Business Case

April 5, 2001

IT Investment Management Process

"SFA University was established to equal the 'best in business' corporate universities and support achievement of SFA's performance objectives - increasing customer satisfaction, increasing employee satisfaction and reducing unit costs" - Design for SFA University, Jan 2000



Learning Management System: Summary

Business Need

Develop the infrastructure to support the training and skill development functions required for SFA to achieve its mission as a PBO. Currently, SFA University has minimal resources to support the new responsibilities acquired during its reorganization into a “corporate university.”

Solution Overview

Implement a **Learning Management System (LMS)** to support the administration, delivery and integration of training throughout SFA and its external partners.

Project Schedule

		Completion
Phase 1:	Requirements and Software Selection - Complete Functional and Technical Requirements - Software Selection Recommendation - Analysis of Funding/Sourcing Options - Implementation Plan and Cost Estimate	June 2001
Phase 2:	Design, Build, Implement Basic LMS Functions for Internal Customers - Online Course Catalog - Hosting of Online Training (CBT, WBT, Webcasting, etc...) - Online Registration System	November 2001
Phase 3:	Customize and Extend LMS for Internal and External Customers - Training Surveys and Evaluations - Automatic Training Certificate Printing - Training Records Maintenance Which Include Employee “Transcripts” - Training Communication (Announcements, SFA U Listserve, FAQs)	April 2002

SFA Customers/ Target Users

	# People
• Every SFA employee who takes training or attends conferences	1200
• SFA University staff who plan, manage and deliver training	40
• External customers who rely on SFA for training & conferences, including	30,000
- Schools	- Operating partners
- High school counselors	



Learning Management System: Training Services Analysis

Customer Demands for Improved Services	SFA Employees	External Customers
• Reliable and easy access to course information, course catalogs & training materials	✓	✓
• Recommended training based on curriculum and skill needs	✓	
• Revised registration and logistics process, streamlining the current complicated and often “down” SFA University registration site	✓	✓
• Accurate and timely notifications of registration and cancellations	✓	✓
• Just-in-time tracking of course capacity; “waitlist” if course is full	✓	✓
• Complete and accurate record of training plans and training history instead of a fragmented record held in multiple locations	✓	
• Reduced and expedited inquiries through on-line support	✓	
• Expedited access to external materials (current info is often outdated or missing due to time needed to post through IFAP)		✓
• Training recognition through the awarding of a certificate at the end of training instead of waiting for manual production	✓	✓
• Influence on future training through feedback surveys	✓	✓
• Course delivery through additional delivery channels	✓	✓

SFA Management Needs

- Reduce delivery costs of training courses and training services
- Logistics and registration support to minimize manual and redundant tasks
- Accurate and timely reporting of course registration and utilization
- Analysis of course effectiveness
- Data sharing with other systems (e.g. HR, Perform.com) to provide automated updates

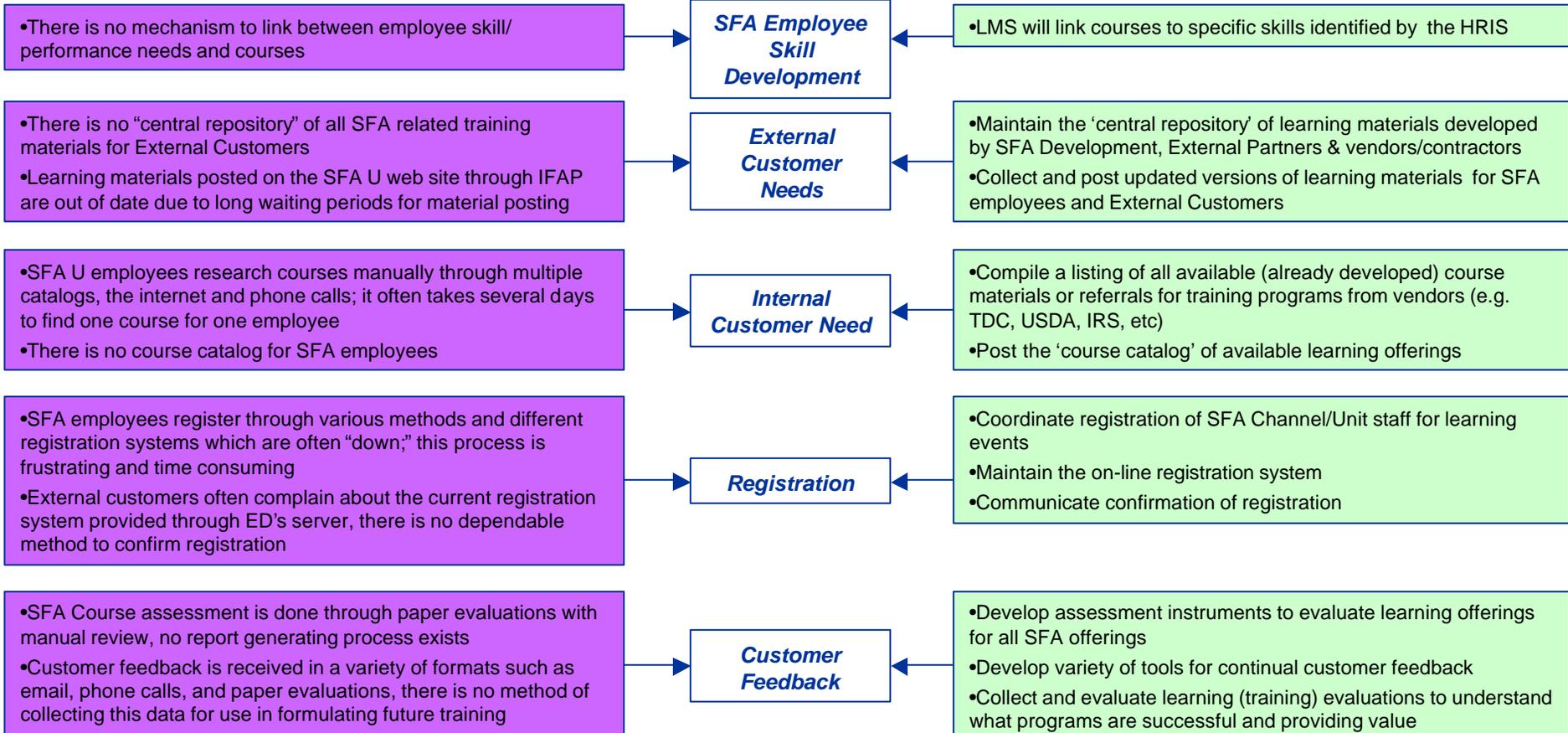


Learning Management System: LMS Process Improvements



SFA U Current Functionality and Business Processes

SFA U Future Functionality and Business Processes



Manual Process

Legend:

LMS Supported



Learning Management System: Cost & Savings Analysis

Cost Summary

- BY costs=\$710,000
- Phase 1=\$150,000
- Total implementation costs=\$1,910,000
- Annual operating costs=\$185,000

Sample costs based on sourcing/funding option of LMS using ASP hosting based on standard software costs. Actual costs and sourcing approach to be confirmed during Phase 1.

Project Year	BY	BY+1	BY+2	BY+3	BY+4	BY+5	Total
Fiscal Year	2001	2002	2003	2004	2005	2006	
New System Implementation							
Phase 1	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Complete Requirements							
Funding Analysis							
Sourcing Analysis							
Software Selection							
Phase 2							
License	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Hosting Setup	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Implementation	\$ 400,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Phase 3							
License		\$ 400,000					\$ 400,000
Implementation		\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000
Total Implementation	\$ 660,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ -	\$ 1,910,000
Operations							
Hosting	\$ 30,000	\$ 100,000	\$ 103,100	\$ 106,296	\$ 109,591	\$ 112,989	\$ 561,976
Maintenance	\$ 20,000	\$ 80,000	\$ 82,480	\$ 85,037	\$ 87,673	\$ 90,391	\$ 445,581
Total Operations	\$ 50,000	\$ 180,000	\$ 185,580	\$ 191,333	\$ 197,264	\$ 203,379	\$ 1,007,557
Total LMS Costs	\$ 710,000	\$ 1,430,000	\$ 185,580	\$ 191,333	\$ 197,264	\$ 203,379	\$ 2,917,557
TOTAL FUNDS REQUESTED	\$ 710,000	\$ 1,430,000	\$ 185,580	\$ 191,333	\$ 197,264	\$ 203,379	\$ 2,917,557

Hosting and maintenance costs were calculated using a 3-year average CPI of 3.1 %

Current Costs - Costs for the current system are not applicable since the current system was not designed to support the services of SFA University. Partial services are currently provided through manual, outsourced and system efforts. Possible cost savings = \$500,000+ (business unit registration, internal registration, hosting)

Alternative Sourcing Options - During phase 1, several sourcing options will be explored to minimize implementation & operations costs, including:

- Implement vendor LMS configured for SFA University with ASP hosting (above costs based on this approach)
- Build proprietary LMS custom designed to meet SFA University needs
- Use of TDC LMS: Partner with the TDC to use the LMS currently being implemented by the TDC
- Dept of Transportation: Outsource LMS services to the Transportation Virtual University (TVU)

Alternative Funding Options - During phase 1, several funding options will be explored to minimize implementation and operations costs, including:

- Enterprise Services: Provide LMS based services (e.g. conference registration) across SFA channels
- Fee-for-Service: Cost recovery for some LMS services to external customers



Learning Management System: Benefits

What are the benefits of the LMS?

- Reduces costs and effort through automation to manage logistics, registration process, inquiries and deliver training
- Increases productivity through training focused on skill development needs and PBO objectives
- Reduced time to identify and access necessary training
- Enables enterprise-wide opportunities to support registration and logistics for conferences and other related services
- Provides reliable and distributed access to course information and training histories
- Empowers employees/customers to select, register and track training
- Promotes learning culture, encouraging employees to take responsibility for their own learning
- Enables proactive management of training through accurate tracking and reporting of training utilization
- Provides on-line assessment capability of course effectiveness, enabling targeted and effective training
- Provides scalable solution for increased supply and demand for training
- Allows for retirement of current registration system

