

# **SFA University**

## **Learning Management System**

### **(LMS)**

BC-FY02-17

Phase 2 Business Case

September 19, 2001



# Updates to Business Case

## Updates

- Identified additional cost savings from PIC contract and segmented conference registration from training registration (slide 9)
- Identified savings from video-conference registration (slide 9)
- Updated enterprise impact to reflect partnering with TDC and opportunity to service Department conferences (slide 8)
- Revised Cost & Savings Analysis to reflect revised savings and itemize the independent cost of the internal LMS (slide 11)

## Results

- The revised business case reflects a positive cumulative net annual return of \$230,000 in BY+4



# Business Drivers

## Purpose:

**A Learning Management System (LMS) will provide the infrastructure to support the administration, management and integration of training to both external customers and SFA staff.**

## Business Drivers:

- Improve operating efficiency with streamlined process and reliable access to course information
- Increase customer satisfaction through accurate and timely notifications and updates
- Manage training offerings through evaluation and tracking to determine course effectiveness
- Cost effective – operational costs based on usage (scale as demand increases)
- Provide a single, web-based system for external partners with the potential to be a platform for other eLearning offerings

## The LMS will address key customer issues, including:

- Lack of consistent registration processes
- Lack of notification when registering for a training event
- Lack of logistical information such as lodging and maps
- Lack of access due to server downtime
- Lack of communication about training offerings



# Phase 1 Results: Business Models and Vendor Alternatives

## Phase 1 activities are complete, including:

- Gathered business and technical requirements from throughout the organization
- Evaluated and selected a business model
- Evaluated best-in-business LMS vendors
- Business case created for Phase 2

## Business models considered:

- Build
- Install at VDC
- Internal and external audiences use LMS provided by Transportation Virtual University
- Internal and external audiences use best-in-business LMS on the Jamcracker ASP platform.
- *Two-tiered – Vendor LMS on Jamcracker ASP for external audiences, leverage TDC LMS for internal audience*

## Vendor Analysis:

- Market research to assess possible providers
- 8 vendors provided written responses; 5 vendors presented demos; 2 finalists tested for 508 compliance
- Final vendor selection: Saba Learning Enterprise

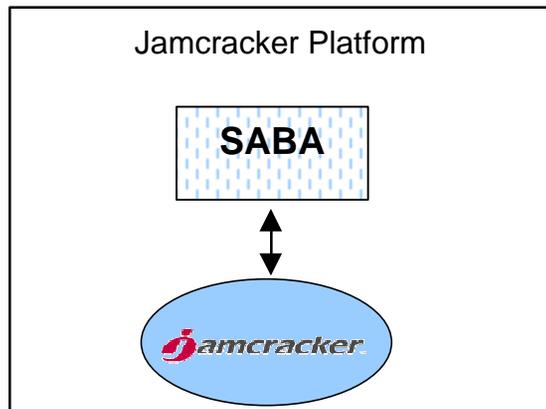


# Solution Overview

A two-tiered solution will be provided to address SFA's two main audience groups. This approach will minimize costs and reduce the technical and management risks associated with the TDC solution.

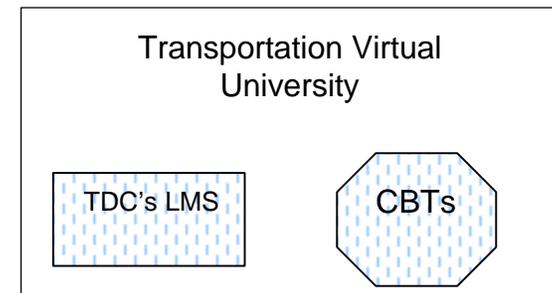
LMS provided and hosted by off-the-shelf service provider on the Jamcracker platform.

## External Partners



LMS provided by TDC in conjunction with Dept of Transportation Virtual University.

## Dept of Ed. staff (including SFA staff)



# LMS Services

The LMS will support the administration, delivery, and integration of training throughout SFA and will enable SFA U to automate many manual processes, add additional capabilities, and provide the following training services.

Primary Services/Requirements	Status Quo		LMS	
	Performed Manually	Current Website	Automated by LMS	Administered from LMS
Curriculum & Certification Management				.
Course Catalog			.	
Registration		.	.	
Notifications			.	
Online Help			.	
Course Delivery	.			.
Materials distribution	.			.
Logistics Support	.			.
Feedback & Surveys	.		.	
Reporting			.	
Resource Management				.





# Impact

## Who will this impact and how?

<b>External Customers</b>	Reduced number of complaints and increased satisfaction due to improved information and registration capabilities
<b>SFA Employees</b>	Reduced number of complaints and increased satisfaction due to improved information and registration capabilities
<b>SFA University</b>	<p>More efficient processes and greater employee satisfaction; related to:</p> <ul style="list-style-type: none"> <li>• Researching Training</li> <li>• Training Registration</li> <li>• Conference Registration</li> <li>• Curriculum Planning</li> <li>• Reporting on Training Usage and Effectiveness</li> <li>• Resource Management</li> <li>• Certificate and Name Tag Printing</li> <li>• Course Evaluations</li> </ul>
<b>Department of Education</b>	<ul style="list-style-type: none"> <li>• SFA University partners with TDC to provide training capabilities for internal staff</li> <li>• SFA University could provide conference registration for other Department conferences (in discussion)</li> </ul>
<b>Legacy Systems</b>	<ul style="list-style-type: none"> <li>• Retire current SFA U registration website (provided by ED CIO)</li> <li>• Retire EAC website (provided by TIVWAN contract)</li> </ul>
<b>When</b>	5 – 8 months after Task Order signed (for external customers)



# Hard and Soft Dollar Benefits

## Hard Dollar Benefits

A comparison with the current *system* is *not applicable* since SFA historically has not provided these services, however, the following contract costs to provide these services will not be incurred:

- Conference registration for 6 conferences annually: \$382,500
  - registration management (4875 participants): \$158,800
  - web-site development: \$123,400
  - web-site maintenance (\$6183 p/month): \$74,200
  - on-line evaluation: \$26,100
- Registration for video conference (3 x \$3600): \$10,800
- Current SFA University registration website (provided by ED CIO): \$15,000

Total Annual Benefits	
	\$382,500
	\$10,800
	\$15,000
	\$118,000
Total:	\$526,300

## Soft Dollar Benefits

- If SFA University was to outsource registration services for external training of 10,000 participants, these services would cost: \$118,000
- Avoidance of cost duplication: Dept. of Education TDC will pay the implementation costs and seat licenses for SFA staff for the use of an LMS and CBT



# Planning – Timeline for External Audience

**Phase 1** – Requirements and Solution Selection: COMPLETE

**Phase 2** – October 2001 to June 2002

**Releases 1** – Registration, catalogue and notification capabilities - October 2001 to March 2002 (5 months after TO awarded)

- Finalize business design
- Finalize functional and technical design and determine security plan
- Finalize process design and determine deployment plan
- Configure LMS, load data, test system functionality
- **Limited rollout of LMS for the Direct Loan Conference starting in January 2002**
- Deploy LMS core functionality to end-users

**Release 2** – Customizations - March 2002 to June 2002 (8 months after TO awarded)

- Finalize functional, technical, and business design for customizations
- Determine deployment strategy
- Build and test customizations
- Pilot and deploy LMS customizations

*Dates assume that the Task Order will be signed for an October 1<sup>st</sup> start date. If the task order is delayed, the milestone dates move out accordingly.*



# Cost & Savings Analysis

## Cost Summary

Phase 1 (COMPLETED): \$150,000

Phase 2: \$1,000,000

Annual Operating Costs: \$250,000

## Other Assumptions

<sup>1</sup>No existing system exists to evaluate for cost, estimated cost to contract for services \$526,300 (see slide 9 for breakdown).

<sup>2</sup>Majority of IV&V and Security assessment costs are included in Task Order 62 Automated Human Capital Model, some costs allocated for highlevel reviews.

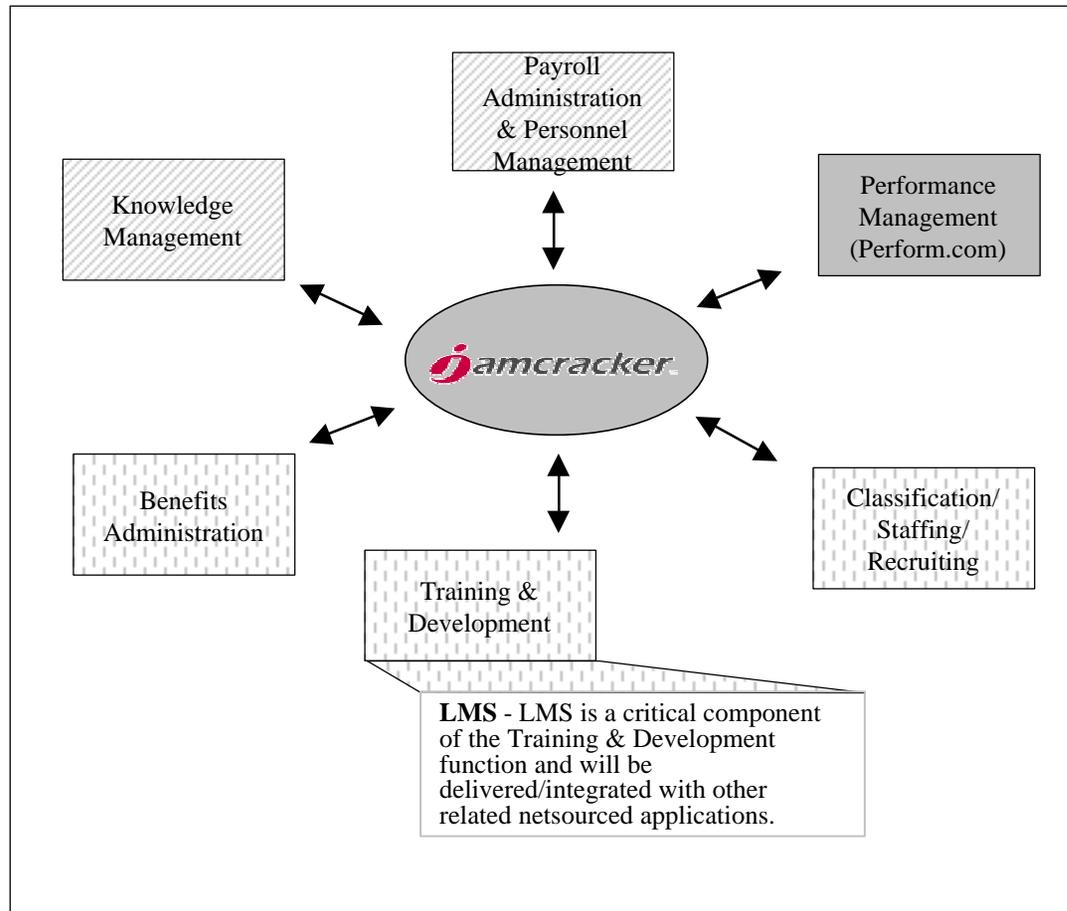
<sup>3</sup> Integration of TVU LMS and Jamcracker; NOT included in the calculation of Cumulative Net Annual Return since this cost represents functionality and benefits not represented in this business case

Dollar Values in \$000		Prior to BY	BY	BY+1	BY+2	BY+3	BY+4
Fiscal Year			FY02	FY03	FY04	FY05	FY06
<b>SECTION 1 - LEGACY BASELINE</b>							
<b>Legacy System Costs</b>							
Legacy System							
VDC Operating Costs							
System O&M							
Other Costs <sup>1</sup>		\$ 526	\$ 526				
<b>TOTAL Legacy Cost</b>	<b>A</b>	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526	\$ 526
<b>SECTION 2 - MODERNIZATION INVESTMENT</b>							
<b>Modernized System Investment</b>							
Modernized System Development							
Vision Phase/Requirements Phase		\$ 150	\$ -				
Design Phase			\$ 300				
Construction Phase			\$ 450	\$ 600 <sup>3</sup>			
Deployment Phase			\$ 200				
QA - IV&V <sup>2</sup>			\$ 25				
QA - Security Assessment <sup>2</sup>			\$ 25				
Production Support - VDC Services			\$ -				
Other Costs			\$ -				
<b>TOTAL Modernization Investment</b>	<b>B</b>	\$ 150	\$ 1,000	\$ 600 <sup>3</sup>	\$ -	\$ -	\$ -
Modernized System Operations							
Modernized O&M			\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Legacy O&M				\$ -	\$ -	\$ -	\$ -
<b>TOTAL Modernization Operations</b>	<b>C</b>	\$ -	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
<b>TOTAL Modernization System Investment</b>	<b>B+C</b>	\$ 150	\$ 1,250	\$ 250	\$ 250	\$ 250	\$ 250
<b>SECTION 3 - SAVINGS</b>							
<b>Projected Savings</b>							
Total Modernization System Investment *	E=B+C	\$ (150)	\$ (1,250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)
Total Savings/Year **	F=A+B	\$ -	\$ (724)	\$ 276	\$ 276	\$ 276	\$ 276
Cumulative Savings		\$ -	\$ (724)	\$ (448)	\$ (172)	\$ 104	\$ 380
Net Annual Return	H=E+F	\$ (150)	\$ (724)	\$ 276	\$ 276	\$ 276	\$ 276
Cumulative Net Annual Return	I=I+H	\$ (150)	\$ (874)	\$ (598)	\$ (322)	\$ (46)	\$ 230
* Investment shown as a negative number value							
** Savings shown as a positive number value							
<b>TOTAL FY02 IRB Funds Requested</b>			\$ 1,000				
<b>TOTAL FY02 Operations Funds Requested</b>			\$ 250				



# Integration

The LMS will be a Netsourced Application on the 2002 Target State Vision. It will integrate with and be delivered on the Jamcracker platform.



FY 01:   
FY 02:   
FY 03: 

