# On-Premise or Cloud LMS:

How to Make the Best Choice

If you're starting to think about your next learning management system, you have an abundance of choice. Whether your organization is a corporation, nonprofit, or government entity – or a company that sells training – you'll want to find an LMS with the features that are most important to **YOU**. You'll also need to decide whether on-premise LMS software or a cloud LMS will work best. Both have pros and cons, benefits, and tradeoffs.

Here are a few differences to help determine which is the better fit for your organization.

LMS Implementation Differences

The biggest difference between an on-premise LMS and cloud learning management systems is where the LMS software sits and how it is activated for your learners and administrators.
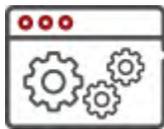
On-premise learning management systems are hosted locally, on your company's servers. Most implementations involve a combination of your IT staff – to install, test, and deploy the software in your environment – and the vendor's implementation team, who may configure the system for your learning management process.

Cloud learning management systems are located on remote servers. Your IT team may outline security requirements related to employee access, but the vendor is responsible for the installation, activation, and maintenance of your system. It's up to them to ensure that everything runs smoothly.

Customization Considerations

Especially for larger organizations, customization may be an important consideration. You'll definitely want to learn about the flexibility of the learning management systems you're considering.
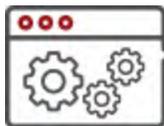
On-premise LMS: Having your LMS in your own data center gives you greater control when it comes to customization. You can make changes to the code and integrations without having to consider other organizations. However, the more customizations you make, the more chance you have that you'll need to make further adjustments when software enhancements are released and implemented.

Cloud LMS: Because most cloud learning management systems have one basic code base that is used for many customers, you will generally have less ability to customize a cloud LMS. However, you can expect a good amount of personalization such as adding your logo, color scheme, feature selection, and integration with a range of pre-configured plug-ins to make the LMS experience reflect your learning processes.

Relative Performance

These days, cloud solutions are much more scalable and reliable than in the early days of cloud. Still, if your LMS is a critical application to support your training business, you may need to reduce your risk of temporary access and performance disruptions by hosting it yourself or paying for a premium performance guarantee.
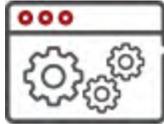
On-premise LMS: By not sharing your training servers with anyone else, an on-premise LMS will generally deliver better performance compared to a basic cloud LMS.

Cloud LMS: For most organizations, a cloud-hosted LMS is reliably available when they need it. If there are times when performance is slower, most organizations work around the delays with little significant impact. For an additional fee, most cloud vendors will offer a premium performance option.

Security Comparison

High-profile data protection laws have elevated conversations about data protection in recent years. Both LMS options provide some level of data and access security.
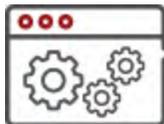
On-premise LMS: Since an on-premise LMS sits in your own data center, you retain full control of who and how employees can access the system. You also have direct control over your data.

Cloud LMS: Data security is a top priority for nearly all cloud LMS providers. Ask about your options for data security. Most cloud LMS vendors will have some flexibility in where your data sits, how and how long it's stored, and how it is safeguarded from those who should not have access.

Distinct Cost Models

Cost model is another big difference between on-premise and cloud learning management systems.
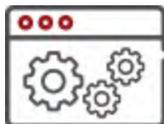
On-premise LMS: Plan to pay a one-time, up-front fee to purchase the license for an on-premise LMS. Additionally, if the vendor is involved in the implementation, there will often be a separate service fee for installing and activating the LMS. There may be a smaller annual fee for maintenance and support, giving you access to tech support, bug fixes, and feature enhancements.

Cloud LMS: Essentially, you rent a cloud LMS. You'll pay a predictable monthly or annual service fee, usually based on the number of people who access the system and any premium features or plug-ins you've selected.

Weighing the Pros and Cons

At its core, the differences between cloud LMS and on-premise learning management systems is convenience versus control.

On Premise may be the best fit for organizations with:

- Larger IT staff that prefers to own the implementation and management of your system
- Heavy customization needs
- For-profit training business or other conditions where LMS performance and availability is a top concern
- Needs to integrate your LMS with other enterprise systems
- Very high data security standards
- A desire to avoid the perpetual subscription costs of a cloud LMS

Cloud LMS may be for you if you have:

- Smaller IT staff that prefers having your LMS hosted off-site
- Minimal-to-moderate personalization needs
- Prolonged wait times for internal IT resources to address performance or change requests
- Moderate data protection needs
- A desire to avoid larger up-front costs and to have a predictable monthly or annual fee

About Avilar and WebMentor™ LMS

At Avilar, we are proud of having an LMS that's extremely flexible. Our WebMentor™ LMS is highly configurable and can be deployed either as an on-premise or cloud-based system. As part of your selection process, ask your IT team about their hosting and maintenance preferences. Then check with your potential LMS providers before scheduling a demo to learn what options they offer for implementation, personalization, and security.

Avilar – The Competency Company – can help you transform your organization from ordinary to extraordinary. You can be confident that we will listen to your organization's specific needs and help you find the best solutions to the learning and development challenges you're facing. To learn more, contact us or schedule a demo.