Aquilon LMS

A DECISION GUIDE FOR L&D LEADERS

Buy vs Build: The LMS *Decision* Guide

A clear-eyed look at what per-seat SaaS really costs over three years — and when owning your training platform is the smarter call.

Who it's for
HR & L&D Directors at multi-site organizations

Reading time
About 12 minutes

From
aquilonlms.com

The question every multi-site L&D leader eventually hits

You run training across plants, depots, branches, or stores. Headcount moves with the seasons. Compliance never sleeps. And every year, your LMS invoice grows.

If you lead learning at a manufacturer, food producer, utility, or multi-location retailer, your LMS isn't a nice-to-have — it's how new hires get safe, how auditors get satisfied, and how frontline teams stay certified. The market's default answer is per-seat SaaS: fast to launch, familiar, and priced per learner, per year.

That default works well for some organizations. But for companies whose headcount is large, distributed, or growing, the per-seat model has a structural problem: **the better your company does, the more your training platform costs** — without the platform itself getting any better. There is another path: commissioning a platform you own outright, built on proven open-source foundations, for a fixed price.

This guide walks through both options honestly. SaaS genuinely wins in some situations — we'll tell you which. Owning wins in others. By the final page you'll have a framework and a fillable scorecard to make the call for your own organization.

> ***The better your company does, the more your training platform costs — without the platform getting any better.***

HOW TO USE THIS GUIDE

Pages 3—5 cover the economics. Page 6 gives you an honest buy-vs-build framework. Page 8 is a scorecard you can fill in with your own numbers — alone or with your finance partner — before talking to any vendor, including us.

The hidden cost of renting

Per-seat pricing looks small on day one. The structure of the contract — not the sticker price — is what catches up with you.

A per-seat LMS quote is easy to approve: a few dollars per learner per month, billed annually. But three mechanisms quietly compound that number over the life of the contract:

1. **Growth becomes a penalty**

   Open a site, run a seasonal hiring wave, acquire a competitor — every new learner is a new line on the invoice. Your training cost scales with success, not with usage or value.

2. **Renewal creep**

   Enterprise SaaS renewals commonly arrive with single-to-double-digit percentage uplifts. By year three, switching feels expensive — your content, records, and integrations live inside the vendor's walls — so the uplift usually gets signed.

3. **The add-on ladder**

   Advanced reporting, SSO, API access, sandbox environments, premium support — features that matter most to multi-site compliance teams often sit in higher tiers, purchased separately.

Per-seat × growth

Costs scale with headcount even when usage per learner stays flat.

Year-3 leverage

Migration pain shifts negotiating power to the vendor at every renewal.

Tiered features

Audit-critical capability is frequently priced as a premium add-on.

None of this makes SaaS vendors villains — it's a rational subscription business model. But it means the question isn't *"what does it cost this year?"* It's **"what does it cost over three years, at the headcount we're planning for?"**

What "owning" actually means

Owning doesn't mean building from scratch, hiring developers, or running servers in a closet. It means the platform — and everything in it — belongs to you.

A

Unlimited seats, fixed cost

A platform built on open-source foundations (such as Moodle) has no per-seat license. Onboard 500 learners or 15,000 — your hosting and support costs barely move. Growth stops being a billing event.

B

Your data, your records

Training histories, certifications, and audit trails sit in a database you own and can query directly. When an auditor asks for five years of completion records, you don't file a vendor ticket — you run the report.

C

No lock-in, real leverage

You can change hosting providers, support partners, or developers at any time — the code and data move with you. Every future negotiation happens with options on your side of the table.

D

Built to fit your operation

Shift-based assignment rules, site-level dashboards, your compliance matrix, integrations with your HRIS — built in, not bolted on. The platform matches how your sites actually run.

> ***Renting optimizes for month one. Owning optimizes for year three — and every year after.***

HONEST CAVEAT

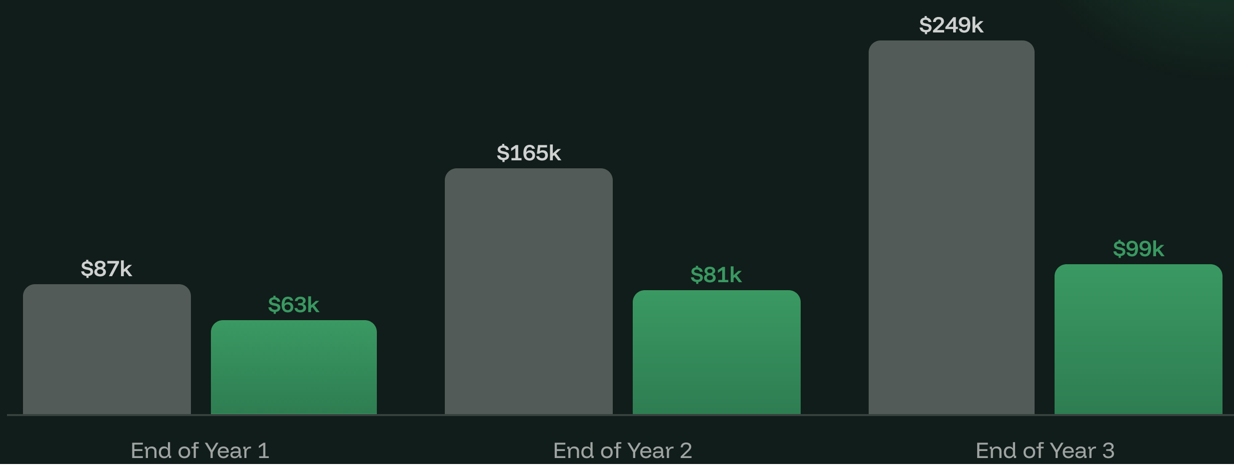
Owning is a commitment: someone must host, update, and support the platform. In practice that's a managed-service agreement measured in hours per month — not an IT department. But if your organization can't own *any* system, SaaS remains the right answer. Page 6 helps you judge which side you're on.

The 3-year cost comparison

A model for a 1,000-learner, multi-site organization. The **own** side uses Aquilon's published Moodle Workplace pricing; the **rent** side is an illustrative per-seat example you adjust to your own quote.

Cumulative cost over three years

1,000 learners • rent = illustrative per-seat SaaS at $6/learner/mo, 8% annual uplift • own = Aquilon Moodle Workplace ($45k + $1,500/mo)



THREE-YEAR MODEL — ADJUST TO YOUR SITUATION	YEAR 1	YEAR 2	YEAR 3	3-YR TOTAL
Rent — illustrative $6/learner/mo + 8% annual uplift	$87,000	$77,800	$84,000	$248,800
Own — Aquilon Moodle Workplace ($45k + $18k/yr managed)	$63,000	$18,000	$18,000	$99,000
Difference in favor of owning	**–$24,000**	**+$59,800**	**+$66,000**	**$149,800**

RAPID UPGRADE
$15,000
Harden & extend an existing Moodle

MOODLE WORKPLACE
$45,000 + $1,500/mo
Owned multi-site platform (modeled above)

BESPOKE LMS
$95,000+
Ground-up, fully tailored build

Own figures use Aquilon's published Moodle Workplace pricing (USD); £/€ available on request. Rent is an illustrative example: $15k implementation + $72k year-one subscription, rising 8% per renewal — swap in your real quote. Owning costs more in year one and pays back across years two and three; at small seat counts the crossover may never arrive. Run your own numbers on page 8.

When to buy. When to build.

An honest split. If the left column describes you, buy SaaS with our blessing — it's the right tool. The right column is where owning earns its keep.

Per-seat SaaS wins when...

RENT IT

- You have **under ~200 learners** and headcount is stable
- You need to launch in **2—4 weeks**, not 2—4 months
- Your training needs are **generic** — off-the-shelf courses, standard reports
- No one in the organization can own a vendor relationship for a platform
- You're **piloting** a learning program and may shut it down
- Budget strongly prefers small operating expense over any upfront project

Owning wins when...

BUILD IT

- You have **500+ learners** or seasonal/contract workforce swings
- You operate **multiple sites** with site-level compliance reporting
- Auditors ask for **multi-year records** you must produce on demand
- You need workflows SaaS tiers don't offer — shift rules, HRIS sync, custom matrices
- You're planning **3+ years** ahead and growth is the expectation
- Data residency or ownership policies make third-party hosting awkward

THE HONEST MIDDLE

Many organizations sit between the columns. The deciding variables are almost always **seat count, growth rate, and audit burden** — the three forces that punish per-seat pricing hardest. If two of those three are high, the 3-year math usually favors owning. Score yourself on page 8.

"Isn't custom expensive and risky?"

Fair question — "custom software" has earned its reputation. Here's what's different about commissioning an owned LMS, and what risk genuinely remains.

Q. Won't the build blow its budget?

Open-ended custom projects do. That's why an owned LMS should be commissioned at a **fixed price against a written scope** — features, integrations, migration, and launch date agreed before work starts. Cost overrun risk sits with the builder, not with you. If a vendor won't put a fixed number on a defined scope, that's your signal to walk.

Q. Aren't we just swapping one vendor dependency for another?

No — and this is the structural difference. With SaaS, the vendor owns the platform and you rent access. With an owned build on open-source foundations, **you hold the code, the data, and the hosting account**. If your build partner disappoints you, you hire a different one; platforms like Moodle have a global ecosystem of providers. Lock-in is replaced by an ordinary, switchable supplier relationship.

Q. Is the underlying technology proven?

Mature open-source LMS platforms have run for two decades across hundreds of millions of learners — in universities, governments, and regulated industries. You're not betting on experimental software; you're commissioning a tailored deployment of infrastructure that's been audited, translated, and hardened worldwide.

Q. What risk actually remains?

Two real ones. **Scope discipline:** a fixed price only protects you if the scope is honest — invest the time up front to specify what you need. **Ownership commitment:** someone on your side signs the hosting agreement and owns the roadmap. Both are manageable; neither should be hand-waved away.

> ***Fixed price moves the budget risk to the builder. Ownership moves the long-term leverage to you.***

The decision scorecard

Score each row from 1 to 5, where **1 = strongly describes "rent"** and **5 = strongly describes "own."** Print this page, or score it with your finance partner.

FACTOR	SCORE 1–5
Seat count 1 = under 200 learners · 5 = over 1,000 learners	
Headcount trajectory 1 = flat or shrinking · 5 = growing, seasonal spikes, or acquiring	
Number of sites 1 = single location · 5 = many sites needing site-level reporting	
Audit & compliance burden 1 = light, occasional · 5 = regulated, multi-year records on demand	
Fit of off-the-shelf workflows 1 = standard features cover us · 5 = we constantly fight the tool	
Planning horizon 1 = piloting, may stop · 5 = core system for 3+ years	
Data ownership requirements 1 = no constraints · 5 = strict residency/ownership policies	
Capacity to own a platform 1 = nobody can own it · 5 = clear owner + managed-support budget	
Total (8—40)	

8–18 · Rent
Per-seat SaaS fits you today. Revisit this scorecard at your next renewal.

19–28 · Run the numbers
You're in the crossover zone. Model 3-year costs with real quotes (page 5) before renewing.

29–40 · Own
The economics and control case for owning is strong. A scoping conversation will cost you nothing.

NEXT STEP

See what *your* numbers say. Book a scoping call.

Bring your headcount, your renewal quote, and your scorecard from page 8. In 30 minutes we'll model your 3-year rent-vs-own math and give you a fixed-price range for an owned platform — whether or not you build with us.

BOOK A CALL	aquilonlms.com/contact
EMAIL	info@aquilontech.com
BUILT BY	Aquilon Tech · digital transformation agency

Not ready for a call? Reply with questions to the email above — we answer buy-vs-build questions even when the honest answer is "stay on SaaS."