CHANGING EXPECTATIONS FOR COMPLIANCE TRAINING

TRUE OFFICE LEARNING

To consider a compliance program successful (or even satisfactory), ongoing training must be an integral component of the program. However, merely its inclusion is not enough; the training must be effective. But how do you prove effectiveness and measure risk avoidance as regulatory scrutiny and business pressures on organizations continue to rise? As expectations increase, keeping up can be challenging.

Strategy

Many organizations judge training programs with a "check the box" approach because effective measurement hasn't been an easy task within most compliance programs. As long as a training program exists and employees participate, it is thought to be satisfactory. Completion records, policy attestations, and employee satisfaction surveys are relied on as measurement and proof of success. However, completion is not a gauge of effectiveness and many companies consider this approach outdated and insufficient.

The current regulatory focus on anti-corruption training demonstrates this.

Representatives from the Department of Justice (DOJ) and Securities and Exchange Commission (SEC) are clearly signaling that having employees sign a certification that they took training is no longer sufficient. The regulators want companies to demonstrate the effectiveness of their anti-corruption training...and this is just the beginning. Take, for example, cybersecurity. Nearly half of all data breaches are a result of employee or contractor negligence. According to NYSE Governance Services, 45% of employee choices on protecting company data expose the organization to risk...and these are, in most cases, trainable skills.

A strategic, data-driven approach to designing compliance training programs sets the foundation for evaluating training effectiveness. This begins with promoting training with engaging content (i.e., through video) that draws learners in to the training and will pay dividends in improved outcomes on the back end. Where compliance analytics used to consist of course completions, hotline data, and incident reports, they only provide a fractional amount of insight. The next generation of compliance training provides robust, insightful data that measures the true efficacy of training efforts and also identifies risk hot spots to address and mitigate risk before it becomes a larger issue. A data-driven approach to training is a disciplined effort that produces fundamental decisions and actions that shape and guide what a training program is, who it serves, what it does, and why it does it, all with a focus on the future. Organizations that build a measureable, effective training program set priorities, focus energy and resources, ensure that employees and stakeholders are working toward common goals, establish agreement around intended outcomes/results, and assess and adjust the organization's direction in response to a changing environment.

A data-driven approach to planning a training program considers not only where an organization is going and the actions needed to make progress, but also how it will know if it is successful. By using a strategic, data-driven approach, organizations can best plan, execute, and measure their training programs.

Planning

Strategic planning for training includes determining what topics should be included in training to satisfy the needs of the organization. Those needs are likely some combination of:

- Instructing on doing business in the desired manner (culture, revenue, and behavior)
- Reducing risks
- Driving behavioral change
- Satisfying regulatory requirements

Often regulatory requirements or focus mandate specific training topics. However, reputational risk, operational risk, new or evolving risks, and business risks dictate other topics and the content within all training. Since the risks organizations face continue to grow in scale and complexity, identifying risk areas to direct the priority and focus of training is critical.

Companies that take a proactive approach use data to help with this assessment. They use quantifiable results or analytics surrounding past training or assessments to drive plans. Taking a reactive approach to identify gaps and risks by using compliance failings, anecdotal evidence, or guessing is viewed unfavorably both internally within organizations and externally.

Executing

Once the topics and content for inclusion in training is determined, attention shifts to targeting training to the audience and making it engaging. In addition to mitigating risks, targeted and engaging training helps organizations:

- Increase learner retention
- Change behavior
- Reduce training fatigue and
- cognitive overload

If training is too generic, it becomes irrelevant. The more training is directed to a specific audience and their specific needs, the more relevant it is. Companies need to understand their audience, know as much as possible about them, and use engaging content and awareness tools that generate interest before and after training to maximize engagement, increase applicability, and raise total education ROI.

Rather than doing the same training year after year, provide learners who demonstrate proficiency with more advanced or possibly abbreviated training. Alternatively, an organization should know which employees have a lower proficiency in order to adequately address learning and knowledge gaps. Having this information helps an organization focus on areas that employees either don't know or don't understand the practical application.

There are multiple ways to make training more compelling and engaging, reducing the tedious nature of traditional compliance training. Scenario-based training utilizes storytelling to captivate an audience. By allowing learners to see how information and decisions fit into real-world application, it provides practical examples of how day-to-day choices have impact.

Requiring learners to make decisions in scenario-based training enables them to actively participate in gaining and applying knowledge. This approach is more engaging than presenting large quantities of information and expecting learners to absorb content rather than applying knowledge. Another method to increase engagement is appealing to the competitive nature of people by providing consequences. Increase motivation by scoring or benchmarking training participants.

Measuring

A strategic approach to training evaluates its effectiveness, uses the results to make necessary changes, and strengthens the overall program.

In the most general sense, evaluating training programs using similar standards to compliance programs is worthwhile. This often includes determining whether the program is:

- Tailored rather than a one size fits all
- Targeted to roles and responsibilities of learners and proficiency levels
- Customized to complement the existing business operations
- Reviewed regularly to see if it's working
- Focused on learner engagement and knowledge retention
- Changed if it is not working
- Addressing evolving risks

Measuring these criteria and demonstrating results can be challenging, but it is not nearly as difficult as it once was. Many companies are moving away from subjective appraisals and, instead, are using more objective and quantifiable standards to determine training effectiveness. Metrics and analytics help determine areas of improvement in the program. With a useful measurement system, companies can gauge proficiency, map training to identified knowledge gaps, and measure change year over year.

Awareness & Reinforcement

Equally important to formal training is reinforcing training concepts to drive retention throughout the year. Using short videos that present unique and relatable compliance situations help to set the right tone, provide context, and promote a "speak up" culture.

Summary

Training as part of an overall compliance program has been a standard for many years. However, traditionally acceptable approaches are now becoming obsolete. Internal and external pressures are forcing companies to reevaluate how they train and whether that training is effective. Using a strategic approach and various tools, techniques, and practices is helping many organizations satisfy these standards.

ELEVATE YOUR COMPLIANCE TRAINING PROGRAM

551.220.5930

info@trueoffice.com

www.trueoffice.com