

Compliance Training Programmes: Close the Gap Between Results and Expectations with Skills-Based Training.



Introduction

As compliance programmes mature around the world, evidence suggests that there is a corresponding evolution in what businesses and learners expect from their compliance training programmes and this certainly tallies with our own experience of evolving client expectations. Learners are increasingly sophisticated in their use of and exposure to technology and expect their online learning experiences to keep pace with developments. Compliance professionals need training that meets the evolving needs of their learners and goes beyond a 'tick in the box'. Today, the best training doesn't just transmit information; it actually cultivates compliant and ethical behaviour and decision-making in employees, which improves the effectiveness of the overall compliance programme.

As we discussed in our recent whitepaper, 'Is Your Compliance Training Creating Apathy?' a rules-based approach no longer represents best practice. However, organisations frequently struggle when it comes to interpreting what 'values-based' actually means for their compliance training programmes. As risk mitigation and protecting reputation emerge as the key drivers for implementing compliance training over and above an audit trail for defensibility, we believe it is more helpful and practical for compliance professionals to focus on the 'skills' that are required by their workforce to abide by the 'rules' and therefore mitigate the risk of a compliance breach.

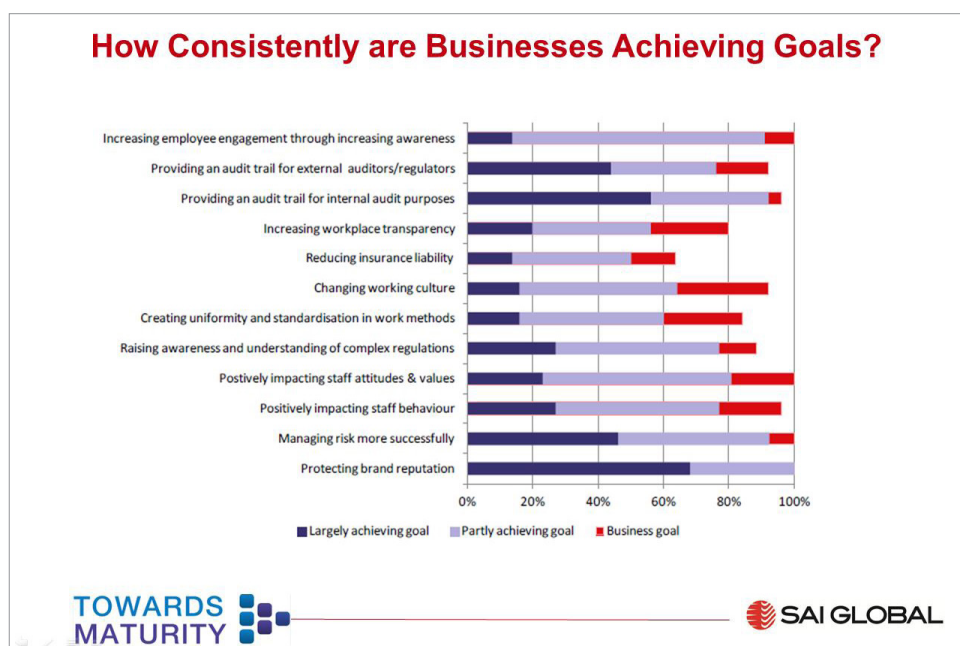
In this whitepaper, we will discuss this premise further, providing practical examples of the kinds of skills that compliance training needs to impart and suggesting some key indicators that will enable you to measure how effectively your training has transferred these skills into day-to-day working practices.

1. COMPLIANCE TRAINING - THE GAP BETWEEN EXPECTATION AND ACHIEVEMENT

A recent study commissioned by SAI Global¹ revealed that companies have extremely high expectations of their compliance training. However, whilst most organisations were confident they were at least partly achieving their goals, there was a significant drop off in the organisations who reported they were *consistently* achieving against their goals. Worryingly, the biggest gaps between expectation and consistent achievement are in the behavioural and cultural goals. For example:

- (1) Positively impacting staff behaviour, attitudes and values;
- (2) Changing working culture; and
- (3) Increasing employee engagement

Fig. 1 below shows how consistently businesses are achieving their compliance training goals¹.



'Reinvigorating Compliance Training', Towards Maturity and SAI Global, Jul 13

It takes just one error of judgement by a negligent or ignorant employee to result in a high profile and extremely damaging compliance case. So ensuring that employees have the right skills to recognise and correctly respond to compliance red flags should be a pre-requisite for protecting brand reputation and mitigating risk - and yet our research suggests businesses are not confident they are achieving the necessary impact on employee knowledge, attitudes and behaviour.

There are two possible interpretations of this anomaly:

- (1) either businesses are not currently able, or routinely attempting, to accurately measure achievement of behavioural and cultural goals;
- (2) or many existing compliance training programmes are not actually designed to change behaviour, failing to go much beyond simply raising awareness of compliance policies and procedures. This in turn may well be a function of the historic prevalence of 'tell and test' compliance training, which disseminates information then tests that it has been remembered, but does not necessarily focus on equipping employees with the skills to deal appropriately with compliance risks and evaluating to what extent these skills are being applied in the workplace.

2. HOW FOCUSING ON SKILLS CAN CLOSE THE GAP BETWEEN EXPECTATION AND ACHIEVEMENT

The concept of 'values-based' compliance based on desired outcomes can be somewhat vague and ambiguous. Each organisation must determine for itself the appropriate policies and procedures to deliver the required outcomes throughout their organisation, how these will be published, communicated and enforced and how they will collate a compliance system of record. Training plays a central enabling role, but it can be challenging for businesses to interpret the vagaries of a values-based approach for their employees or establish KPIs against which progress can be measured.

Whilst it is essential that your employees know the 'rules', and that your training clearly communicates your policies and procedures, focussing on 'skills' that will achieve the desired 'values-based' outcomes is likely to be more effective from a compliance risk management perspective. Training that imparts skills will make compliance issues more tangible and provide employees with practical ways of dealing with risky situations more confidently and consistently.

Fig. 2 below shows some practical examples of rules vs. values. vs. skills

'RULES-BASED'	'VALUES-BASED'	'SKILLS-BASED'
You must carry out training that tells your employees not to make facilitation payments.	You must ensure you've put adequate procedures in place to prevent your employees from making facilitation payments.	Equip your employees to recognise a facilitation payment red flag and how to report it.
You must carry out training that tells your employees not to bribe public officials.	You must ensure that your employees do not bribe public officials.	Equip your employees to identify public officials, recognise bribery risks and how to report a concern.

Whilst each compliance risk area will require some specific skills connected to the particular risks involved, the kinds of skills your employees will need to acquire in order to effectively mitigate the risk of compliance fall broadly into three categories:

1. Issue spotting skills (Do I know a red flag when I see one?)

Employees need to recognise situations that could evolve before they escalate into a full-blown breach. With a subject like compliance, these are not always black and white. To be effective at risk mitigation, your training must equip your workforce with the skills to spot a red flag in their daily job roles and motivate them to take the correct course of action to prevent it escalating.

2. Information seeking skills (Do I know how to find out what to do?)

Once they have spotted a potential red flag, employees may need to check the correct course of action. Your training must therefore provide your employees with the knowledge they need to know where to go or whom to approach for assistance. It must also motivate them to do so in the case of any doubt.

3. Communicating and reporting skills (Do I know when and how to report a concern?)

Taking the right course of action often requires employees to log their concerns with an individual or through an automated system. Your training must equip them with the skills to do this to ensure all concerns are consistently recorded, appropriate investigations are instigated and where necessary corrective action taken. This in turn will provide you with a full system of record, enabling you to provide an audit trail for enforcement agencies or giving you the information you need to self-report if misconduct is identified.

Fig. 3 below shows some practical examples of the kind of skills your compliance training needs to impart.

ISSUE-SPOTTING SKILLS	INFORMATION-SEEKING SKILLS	COMMUNICATING & REPORTING SKILLS
Am I allowed to pay someone to fast-track this consignment through customs?	Where do I find our policy on facilitation payments?	I know how to respond to a request for facilitation payments and where to log it in the system.
Can I offer to pay for dinner for a prospective client?	Where do I check our limit for client gifts and hospitality?	I know I have to get dinner with this client authorised by my line manager and how to request this through our gifts and hospitality register.
Can I accept these tickets to Wimbledon from my supplier?	Who should authorise this client entertainment for me?	I know I have to enter this into our gifts registry for approval and to keep a record
Should I click on that email link?	What does our information security policy say and where can I find it?	That link could be malicious - I'll delete the email and inform IT
I think one of my colleagues is being bullied	What does our code of conduct say about bullying in the workplace and where can I find it?	I know how to report this concern in confidence through our hotline.
One of my team has lost a memory stick containing some of our clients' personal data.	Where do I find our data security policy and who needs to be informed?	I know how to report this through our incident management system.

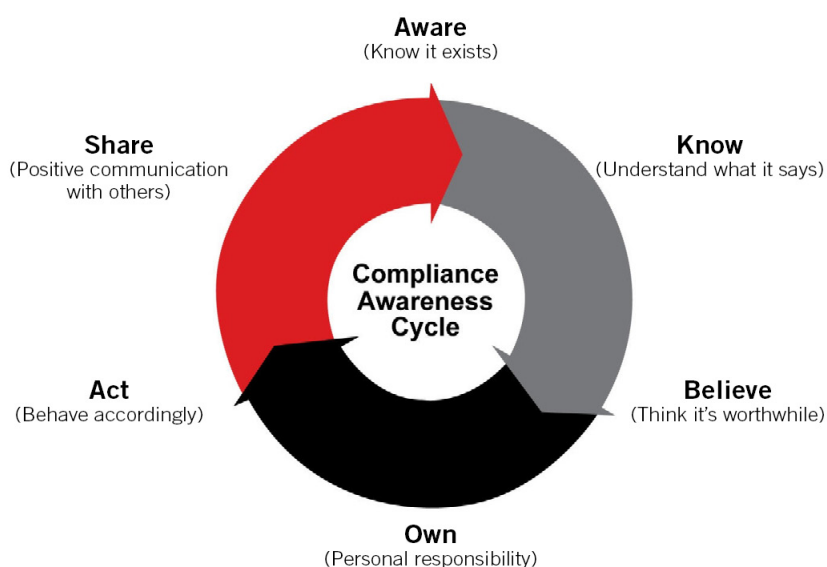
3. EMBEDDING SKILLS - THE ENHANCED COMPLIANCE CYCLE

In section 1 above we touched on the gap between expectations and achievement of compliance learning programmes and, in particular, the extremely low levels of achievement against behavioural and cultural goals. As we discussed in our previous whitepaper, for compliance training to be effective and drive the desired behaviours in the workplace it must impact your employees on three separate but interconnected levels;

- **Knowledge:** Your programme must provide a consistent, baseline *understanding* of your compliance policies and procedures as well as key compliance principles.
- **Attitudes:** Your programme must challenge existing attitudes towards compliance and make learners *believe* that compliance is important.
- **Behaviour:** Your programme must provide the necessary skills to *enable* your employees to *transfer* their learning to their daily job roles.

By adopting best practice instructional techniques based on how adults learn in the workplace, your compliance training can effectively impact these three pillars to become the medium for embedding the necessary skills throughout your organisation. However for your programme to most effectively contribute to cultural change it needs to be viewed as an on-going commitment with many stages of engagement.

Fig. 4 below shows the typical stages through which an effective compliance training programme has to lead employees for it to become embedded in the culture of the business.



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From initially raising awareness of compliance issues, through to embedding knowledge and understanding of the risks, your training programme needs to convince employees of the need for compliance by clearly demonstrating the serious consequences of getting things wrong – to them personally and to the business as a whole. Your goal should therefore be to make employees understand why compliance is important and therefore believe in the need to behave in a compliant manner. Once this foundation is set, they need the skills we discussed in section 2 above to carry that belief into action, driving a culture where compliance is valued and the expected way of doing business throughout your organisation.

HAS THE TRAINING IMPACTED BEHAVIOUR?

Our previous whitepaper talked about the need for benchmarking and an approach for measuring employees' knowledge, attitudes and behaviour to evaluate training programme effectiveness. However, based on the kinds of skills mentioned above, we recommend that you also evaluate a number of specific indicators to assess to what extent and how consistently the necessary skills are being applied in day-to-day business, for example:

- Are people using the appropriate tools to request authorisation for gifts, hospitality and entertainment? What are the trends year-on-year?
- Are employees logging incidents correctly in your incident management system? Are incidents increasing or reducing over time?
- What is the up-take on your hotline? Are there more reports because your employees are aware of their responsibilities and how to report, or are there less incidents because compliant behaviour has become the norm?
- How much activity is there on your compliance portal – are employees actively seeking information?
- How interactive is your compliance blog? Are employees engaging with the topics and sharing their thoughts, opinions and experiences?

These are all useful indicators which will give you an insight into how effectively your training programme has driven employees round the enhanced compliance cycle and transferred into skills that have become 'business as usual'.

CONCLUSION

It seems clear that expectations of compliance training are extremely high and evolving.

This is being driven by:

- Legal and regulatory factors which are moving from 'rules-based' to 'values-based' through the key concept of proportionality,
- The increasing maturity of compliance programmes in general, and
- Evolving workplace practices and increased learner sophistication

Focussing on the skills that need to be applied in an employee's daily job role gives companies a pragmatic and measurable approach to compliance training.

What is also clear is that a 'tell and test' approach to compliance training is unlikely to be sufficient to either satisfy the regulators or drive wholesale behavioural change, as it is unlikely to be able to impact the three pillars of knowledge, attitudes and behaviour. Focussing on the skills that need to be applied in an employee's daily job role however, gives companies a pragmatic and measurable approach to compliance training. Skills training based on best practice instructional design combined with the correct means of engagement at each stage of the enhanced compliance cycle will give you the best possible chance of success in driving behavioural change – and demonstrating the positive impact of your programme over time.

For a broader discussion on the interconnection between knowledge, attitudes and behaviours, read our paper '[Is Your Compliance Training Creating Apathy?](#)'. This paper provides practical examples of how compliance training can result in positive behavioural change and highlights the pitfalls that many organisations fall into, resulting in employee apathy towards compliance rather than employee engagement and adoption of compliant working practices.

USA

info.americas@saiglobal.com

Plainsboro NJ
T: +1 (877) 470-SAIG [7244]
F: +1 609 924 9207

Waltham, MA
T: +1 781 891 9700
F: +1 781 891 9701

Alpharetta, GA
T: +1 678 992 0262
F: +1 678 992 0266

Houston, TX
T: +1 713 954 4970
F: +1 713 954 4980

Europe

info.emea@saiglobal.com

Warwickshire, UK
T: +44 (0) 1926 523 149
F: +44 (0) 1926 523 130

Australia

info.asiapac@saiglobal.com

Sydney
T: +61 2 8206 6060
F: +61 2 8206 6019

Southbank
T: +61 3 9278 1555
F: +61 3 9278 1556

Osborne Park
T: +61 8 9444 2777
F: +61 8 9444 2477

About SAI Global Compliance

SAI Global Compliance is the world's leader in providing organizations with a wide range of governance, risk and compliance (GRC) products, services and technology that help build organizational integrity and effectively manage compliance risk. Our global staff includes professionals and subject matter specialists in advisory services; program design, management and implementation; instructional design; and software development. Our focus is to help establish and enhance compliance effectiveness.

With well over a thousand organizations as clients and tens of millions of satisfied users around the world, we work with clients to integrate a flexible suite of solutions and services specifically tailored for a business and industry. Our products include the world's largest library of compliance and ethics learning, Code of Conduct advisory services and training, and the Compliance 360® GRC Software Suite to manage compliance, policy, case and audit management. Our Cintellate™ EH&S Software addresses key issues in operational environmental health and safety management. For more information, please call us at the full service location nearest you or visit www.saiglobal.com/compliance.

