



WHITEPAPER

Maturity Matters: Is It Time to Advance Your Compliance Training Program?

Our clients tell us that compliance training must support two top priorities—risk mitigation and alignment with guidance from the U.S. Department of Justice (DOJ). SAI360's Compliance Training Maturity Model is a diagnostic tool designed to reveal weak spots and highlight priorities for training program advancement.

We discovered during our 2023 Learning Market Survey¹ of compliance professionals that they are in the midst of a significant shift in mindset—from minimizing and controlling misconduct to preventing it outright. In the wake of this shift, training is emerging as a key component in compliance strategy. Chief Compliance Officers are reinforcing compliance frameworks with sophisticated learning programs that are thoughtfully designed to align employee behavior in a manner that supports risk management objectives.



As a result, ethics and compliance training programs have matured rapidly during the past several years. Over 70 percent of the compliance professionals we surveyed for our 2023 report believe that their compliance learning programs are successfully changing employee behaviors—a huge leap for the profession.

However, our survey respondents also shared that they continue to struggle with a number of challenges, including how to improve learner engagement and how to incorporate reliable and meaningful data to measure and improve program effectiveness. How will compliance training continue to adapt and innovate to drive better outcomes?

To answer that question, SAI360 has closely analyzed its client cohort to define the spectrum of capabilities in compliance learning at this time. [SAI360's Compliance Training Maturity Model](#), available here, can show you where your company falls within the maturity curve of compliance learning and can illustrate the value add of advancing your program.

WHAT IS A MATURITY MODEL AND WHY DO YOU NEED ONE?

Maturity models abound throughout the discipline of business management. In this instance, we define “maturity” as the degree and sophistication in which compliance training is formalized, implemented, integrated with risk management, and measured.

In general, higher-maturity learning programs are more effective at mitigating people risk by aligning employee behaviors to compliance standards and corporate values. They adhere more closely to DOJ expectations for corporate compliance management. They are closely integrated with overall risk management programs to ensure they address evolving risk profiles and market expectations (such as ESG risks and objectives). Finally, they generate actionable data that demonstrates the impact that training is having on compliance—and by extension on the business itself.

Our compliance training maturity model is a diagnostic tool that can help you:

- Benchmark your company's learning program against best practices and DOJ expectations
- Reveal areas of weakness
- Illustrate the value-add of program advancement
- Identify a wish list for program advancement
- Measure training program progress over time

¹ SAI360's 2023 Learning Market Survey Report: 2022 Global Insights: Evolving Ethics and Compliance Training Program Practices, available at <https://www.sai360.com/resources/ethics-compliance-learning/2022-global-insights-evolving-ethics-and-compliance-training-program-practices-whitepaper>.



INTRODUCING SAI360'S COMPLIANCE TRAINING MATURITY MODEL

The organizations we support have risk profiles as unique as fingerprints; however, their compliance programs are all subject to DOJ scrutiny. Therefore, when constructing a rubric to assess the maturity of compliance training, we started with the three primary questions that the DOJ advises a prosecutor to answer when evaluating a corporate compliance program:²

1. Is the corporation's compliance program well designed?
2. Is the program being applied earnestly and in good faith?
3. Does the corporation's compliance program work in practice?

With those questions in mind, we looked at the quality and implementation of five key components of compliance training to scope out a maturity curve. The five components, and how we assessed them, are as follows:

CURRICULUM CONTENT & DESIGN

- Do learning topics cover a full spectrum of compliance-related risks?
- Is the scope of training tied to the organization's annual risk assessment?
- Is content customized/relatable to the company, its industry, and/or learner roles and responsibilities?
- Is training delivered in a manner designed to optimize learner engagement and retention as well as change behaviors?
- Is curriculum designed around learning objectives?

LEARNING COHORT

- Is the company training everyone who should be trained, including third parties and agents?
- Is content globalized to ensure the entire learning cohort can access, understand and relate to the material?

TRAINING FREQUENCY

- How often are employees trained?
- Are micro-refreshers offered?

LEARNING SPACES

- How and where do employees receive and/or access learning, self-study materials and Code of Conduct policies and procedures?

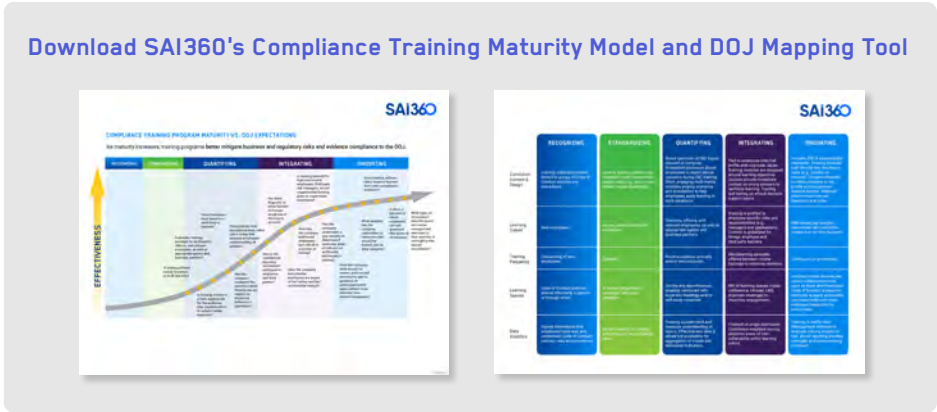
DATA ANALYTICS

- Does the company measure training effectiveness or merely training activity (e.g. learning understanding versus training completion rates)? Does training embed quizzes to measure understanding?
- Is learner cohort confidence assessed to expose areas of weakness? Are training analytics ad hoc, siloed or tracked on a collective dashboard?

²"Evaluation of Corporate Compliance Programs (Updated March 2023)," U.S. Department of Justice Criminal Division, March 2023, available at: <https://www.justice.gov/criminal-fraud/page/file/937501/download>.



We were able to isolate and define five distinct phases of maturity and map compliance learning practices and capabilities to each. Then we mapped DOJ expectations across those five stages based on training-related questions that the DOJ included in its 2023 Guidance to prosecutors. SAI360’s full Compliance Training Maturity Model framework is available for download [here](#), but below is a brief summary of each stage:



<p>RECOGNIZING</p> <p>Formal compliance training doesn't exist per se, but the organization meets the letter of the law by requiring employees to read Code of Conduct rules and policies, and sign attestations that they have done so.</p>	<p>STANDARDIZING</p> <p>Compliance training focuses on fundamental people risks, although content is generic and training is conducted sporadically by department either in person, online or some mix of both. Training data is limited to tracking learning activities such as completion rates or signed attestations.</p>	<p>QUANTIFYING</p> <p>Training is formalized across the enterprise and includes third parties. Training is conducted on a routine cadence, covering a broad spectrum of ethics and compliance topics. Learning curriculum is thoughtfully designed to increase engagement and retention, and training is delivered on data powered platforms to track and measure understanding of training topics.</p>	<p>INTEGRATING</p> <p>Risk-based training models tie learning to the risk profile and customize content to unique business and risk environments. Learning objectives drive content, curriculum design, and delivery mechanisms. Training analytics are collated across the enterprise and allow risk managers to assess training program effectiveness as well as pinpoint areas of risk or vulnerability within the learning cohort.</p>	<p>INNOVATING</p> <p>Emerging tools and more sophisticated practices help companies meet the DOJ's expectation of continuous assessment and improvement of the compliance program. Compliance learning curriculum is aligned with risk management software. Training integrates compliance "lessons learned." Integrated data tools allow boards to achieve better compliance oversight and a deeper understanding of training impact on compliance and risk management outcomes.</p>
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MATURE PROGRAMS PROVIDE BETTER EVIDENCE TO THE DOJ

Most of SAI360’s clients fall within the quantifying and early integrating stages of maturity, and it’s no coincidence that is where DOJ expectations begin to cluster.

There is clearly room for the industry to grow in terms of having the right compliance training capabilities in place to support and evidence compliance to the standards of current DOJ Guidance. SAI360 expects regulators to sharpen the focus on training as they recognize the role it plays in driving and measuring favorable compliance program outcomes.



NEW PRIORITIES ARE EMERGING FOR TRAINING PROGRAM ADVANCEMENT.

Looming risks and challenges (including the expanding expectations of the DOJ and other regulatory bodies), together with developing technologies, put increasing pressure on organizations to advance the maturity of their compliance training programs. For example, the vast majority (83 percent) of our 2023 Learning Market Survey respondents reported that better tools and data are needed to demonstrate effectiveness of training programs. We also expect to see increased client demand in the near term for:

- More integration between compliance training and risk management systems
- Compliance learning used to support ESG objectives
- Better ways to optimize and measure learner engagement
- Reporting tools for the board
- Increased on-demand training

Using our full maturity model framework in tandem with our graphic that maps DOJ expectations to the stages of compliance training maturity, you can benchmark your company's compliance training against industry best practices and capabilities and begin to conceptualize a plan for program advancement.

MITIGATE RISK WITH BEST PRACTICE TRAINING THAT STRENGTHENS COMPLIANCE

When evaluating a compliance training program, the first step is identifying where it falls on the maturity spectrum. SAI360 can help you diagnose areas of weaknesses and provide a cost-benefit analysis to advance your training program. For more information, [connect with us](#).

³ "Evaluation of Corporate Compliance Programs," U.S. Department of Justice Criminal Division, March 2023, available at: <https://www.justice.gov/criminal-fraud/page/file/937501/download/>.