



# Solving the Compliance Conundrum

Essential data-driven insights for ethics and compliance professionals

[www.towardsmaturity.org/compliance2017](http://www.towardsmaturity.org/compliance2017)

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In-Focus  
Report

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## About this research

This report addresses the conundrums faced by Ethics and Compliance Professionals working alongside those responsible for learning and development to develop an effective and compliant culture in the workplace. We've investigated how organisations can both increase efficiency and shift behaviours in their workforce and in their extended enterprise. Through an understanding of the tactics that support innovative, technology-enabled compliance training, this report aims to build confidence in people and risk professionals in balancing the needs of the individual with the demands of the regulator.

### Data for this report is drawn from:

- ▶ A survey of over 250 ethics/compliance and learning professionals, conducted online during March and April 2017. The survey invited them to reflect on their current compliance training, and the factors that promote – or restrict – learner engagement and organisational risk management. Findings from this survey are **highlighted in dark blue**.
- ▶ A focus group held in May 2017 with 20 L&D leaders from across a range of sectors and industries. Their insights are captured in the comment boxes in each chapter.
- ▶ The Towards Maturity 2016 Benchmark™ research with over 600 L&D leaders, reported in *Unlocking Potential* ([www.towardsmaturity.org/2016benchmark](http://www.towardsmaturity.org/2016benchmark)), which is free to download thanks to the support of [Towards Maturity Ambassadors](#).
- ▶ Data from the Towards Maturity Learning Landscape™ research, gathered online during 2016 from a sample of over 4,500 workers, published in *The Learner Voice: Part 3* ([www.towardsmaturity.org/learnervoice3](http://www.towardsmaturity.org/learnervoice3)). Findings from this research are **highlighted in purple**.

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*All the quotations in this report are from participants in the 2017 compliance survey*

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This In-Focus Report is free to download thanks to the support of SAI Global.



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## Foreword by Peter Mullins

For a third time, SAI Global and Towards Maturity have partnered to publish our latest research exploring the modernisation of compliance programmes and effective approaches in cultivating ethical culture. The report is titled, *"Solving the Compliance Conundrum: Essential Data-Driven Insights for Ethics and Compliance Professionals"*.

There is no doubt that the field of ethics and compliance can be challenging - there is nothing simple about influencing the behaviour of people from different backgrounds and cultures. As a company, SAI Global has offices in 29 countries around the world, so we have first-hand experience of those challenges. Our experience in overcoming them gives us a vital edge as we help our customers meet their own challenges.

The international and regulatory landscape is constantly evolving and becoming ever more complex, and rules-based training is no longer an effective approach to influencing employee behaviour. The recognition of this has contributed to a significant shift in ethics and compliance programmes.

We're therefore delighted to release the third instalment of our latest research undertaken with Towards Maturity, which explores how compliance programmes are evolving and what industry professionals believe to be the most effective approaches for cultivating ethical cultures. The data and insights were gathered from more than 250 international professionals working across ethics and compliance, GRC and learning and development fields. The data have been benchmarked against the previous results in 2013 and 2015 to provide an in depth overview of trends, as well as recommendations to assist any organisation implement best practice programmes.

This, together with our own observations and experience, reinforce our belief that the most successful organisations are those which are truly investing in 'doing the right thing' with values-based programmes which emphasise trust and collaboration over an extended period of time.

I'd like to extend our thanks to all the professionals and organisations who participated in the survey, as their insights and shared experiences are the backbone of this report.

I also extend our thanks to everyone who takes the time to study this research, as a dedication and commitment to ongoing learning and improvement must be the sure path to deliver the best outcomes for your organisation, its employees, and the ethics and compliance community.

I sincerely hope that you find this report valuable for the development of your organisation's ethical culture and compliance programme.



**Peter Mullins**  
CEO, SAI Global

## Fast Facts

An increasingly regulated environment is pressuring organisations to seek not just to mitigate risk and improve their business processes, but also to shift the culture and behaviour of their staff.

### The challenges of compliance training today

High awareness of data protection and privacy, financial crime and respect are driving organisations to put an average of **81%** of employees through some form of compliance training each year. In fact:

- ▶ **42%** of all online training content used within organisations is compliance-related
- ▶ Only **77%** of staff complete online compliance programmes

Three goals driving investment in risk management/compliance-related training programmes stand out as particularly challenging to achieve:

- ▶ **96%** want to generate *meaningful data* to measure and improve programme effectiveness (with only **59%** – recording any degree of achievement)
- ▶ **89%** want to ensure compliance training informs corporate business strategy and key decisions (**70%**)
- ▶ **95%** want to change working culture (**70%**)

With goals and expectations high and barriers to change even higher, compliance, risk and learning professionals are faced with a number of conundrums as they satisfy the increasing demand for mandatory training courses. Often the challenges they face appear to be diametrically opposed.

In each section we report on the tactics that are highly correlated with solving the conundrum.

### Conundrum 1: How to deliver personalised learning AND take a programme to scale

Solving this conundrum leads to:

- ▶ Greater **uniformity** and **standardisation** in work methods (largely achieved by **18%** of the sample)
- ▶ Ability to **extend** learning beyond the organisation, including to suppliers and other third parties (**15%**)

However only **one in five** use tactics that correlate highly with the achievement of these benefits:

- ▶ **19%** use models that support learning directly in the flow of work to shape their approach
- ▶ **19%** use adaptive learning to modify the learning experience based on knowledge and performance
- ▶ **19%** give contractors and suppliers of outsourced services access to their compliance training

## Conundrum 2: How to design programmes that meet the needs of both individuals AND regulators

Solving this conundrum leads to:

- ▶ **Managing risk** more successfully (**33%**)
- ▶ Improved employee **engagement** with compliance through increasing awareness (**21%**)
- ▶ Well informed **corporate business strategy** and key decisions (**21%**)

Fewer than 50% are using tactics that correlate highly with the achievement of these benefits:

- ▶ **47%** take time upfront to make compliance learning materials as engaging and memorable as possible
- ▶ **49%** ensure the business process and learning outcomes are aligned
- ▶ **33%** foster employee trust in managers and senior leaders

## Conundrum 3: How to demonstrate both efficiency AND effectiveness

Solving this conundrum leads to:

- ▶ A positive impact on staff **behaviour** (achieved by just **21%**)
- ▶ Generate **meaningful data** that can be used to measure and improve programme effectiveness over time (**16%**)

Fewer than **two in five** use tactics that correlate highly with achievement of these benefits:

- ▶ **33%** think that changing behaviour in key areas is more important than raising awareness of all the issues
- ▶ **37%** draw learning scenarios from real life situations (e.g. videos, photos, case studies)
- ▶ **30%** ensure there is a communication plan in place for all key stakeholders

# 1 Compliance training today

Organisations of all sizes and sectors are becoming increasingly aware of the need to comply with complex regulatory environments and manage risk. Mandatory compliance-related training is a crucial part of the L&D portfolio and soaks up more time, budget and resources than anything else. Expectations of compliance-related training are high, but results are not improving as fast as they should.

**81% of the workforce are involved in training for compliance each year**

People are spending more time on compliance training than on any other formal learning and development. **81%** of the workforce are involved in mandatory training each year and **42%** of all online training content used within organisations is compliance-related. And yet, only **27%** of organisations that are looking for evidence in the form of **change in behaviour** are actually succeeding. In this report we explore why all this activity is not generating the desired result and look to those factors that significantly correlate with higher achievement of business benefits that lead to success.

## 1.1 Underpinning shifts in compliance

An increasingly regulated environment is pressuring organisations to improve their business processes to mitigate risk. For many, the bulk of their energy is devoted to process management and administration, assuming, no doubt, that if these are robust enough, the desired shift in staff attitudes and everyday practice will follow. Recent research has shown:

- ▶ **Business leaders need to set the 'tone at the top':** 98% of senior managers are committed to compliance but 55% delegate compliance oversight activities to others.<sup>1</sup>
- ▶ **Few are reviewing effectiveness:** only 52% have an in house compliance committee and even then, only 70% review the effectiveness of compliance activities on an annual basis.<sup>1</sup>
- ▶ **There is a concern about the proven track record:** 78% of risk executives agree that senior managers want to take a more forward-looking view of how compliance issues affect operations, yet only 49% agree their compliance function has a proven track record of proactively addressing potential growth impediments.<sup>2</sup>
- ▶ **A Chief Compliance Officer can play a critical role:** when they are in place, organisations are twice as likely to agree that their company is very effective at creating a compliance culture (43% vs 22%).<sup>3</sup>
- ▶ **Technology, data and analytics** are increasingly being used to drive up performance in the compliance function.

<sup>1</sup> State of Compliance Study PwC, 2016  
<https://www.pwc.com/us/en/risk-assurance/state-of-compliance-study/assets/state-of-compliance-study-2016.pdf>

<sup>2</sup> Risk in Review study, *Managing Risk from the Front Line*, PwC 2017  
<https://www.pwc.com/us/en/risk-assurance/rir2017/pwc-2017-risk-in-review-study.pdf>

<sup>3</sup> Insurance, Ethics and Compliance Survey report, *Compliance to power performance* Deloitte, 2016  
<https://www2.deloitte.com/content/dam/Deloitte/nl/Documents/financial-services/deloitte-nl-fsi-compliance-to-power-performance.pdf>

Overall, there is clearly a mismatch between the energy directed towards compliance and the degree of understanding of programme impact on business performance. This is troubling given that some are calling 2017 the “Year of Regulations”, with many new regulations coming into force and nearly every department facing additional controls. In the HR space, many organisations are updating their mobile and social media policies to increase data protection and privacy and updating employee handbooks to reflect their increased focus on employee rights and protecting diversity.<sup>4</sup>

In the SAI Global report, *Compliance and Ethics Trends and Predictions 2017*, we are finally seeing the benefit of increased collaboration between compliance officers and the C-suite to not only set compliance strategy but also be better resourced and supported. Technology, particularly mobile-first approaches to learning and advanced analytics are moving compliance training from its silo to a campaign, understood across the whole organisation.

Statutory or legal penalties ranging from fines, imprisonment or even mandatory closure are balanced by the indirect costs of righting mistakes, repairing damaged reputation and customer loss. Avoidance of the consequences of non-compliance has somehow moved to be more important than the reasons for implementing well designed compliance training:

- ▶ Managing and mitigating risk and ensuring that staff work within regulatory parameters
- ▶ Improving business performance through standardisation, transparency and keeping pace with change
- ▶ Encouraging a better workplace culture

## The shift in compliance training

Over the past 4 years, our research has shown that forward thinking companies are thinking about compliance training differently – rather than tick-in-the-box exercises where success is measured in completion, these companies are:

- ▶ Aligning training with business goals and objectives
- ▶ Designing training to be engaging and rooted in real-world examples
- ▶ Enlivening programmes through technology that provides compelling and varied delivery, intelligent tracking and proactive risk management capabilities (2015: *Excellence in Compliance Training* and 2013: *Reinvigorating Compliance Training*)

In 2017 86% of organisations want to improve their compliance training<sup>5</sup>, but whilst they are making some headway in improving compliance behaviour, few are achieving the all-important goal of managing risk and changing the culture in the organisation:

*“Value creation is the next step for compliance and ethics programmes. That will require adjusting the skill set in these programmes to be able to effectively use advanced analytics, perform data-driven analysis, and make data-based decisions.”<sup>3</sup>*

<sup>4</sup>[www.hrdiver.com/news/compliance-training-takes-center-stage-as-companies-face-greater-regulation/432761](http://www.hrdiver.com/news/compliance-training-takes-center-stage-as-companies-face-greater-regulation/432761)

*“From paper to practice: a shift from just-in-case to just-in-time”*



*Excellence in Compliance Training*  
[www.towardsmaturity.org/in-focus/compliance2015](http://www.towardsmaturity.org/in-focus/compliance2015)

*Reinvigorating Compliance Training*  
[www.towardsmaturity.org/in-focus2013/compliance](http://www.towardsmaturity.org/in-focus2013/compliance)

*Unlocking Potential*  
[www.towardsmaturity.org/2016benchmark](http://www.towardsmaturity.org/2016benchmark)



*"We spend more time on compliance training than ever before." (Associate Director of R&D, Biotechnology, USA)*

- ▶ **62%** have improved compliance with new regulations and legal requirements (down from 73% in 2015)
- ▶ **40%** have improved compliant behaviours (up from 31%)
- ▶ **26%** manage risk more successfully (down from 40%)

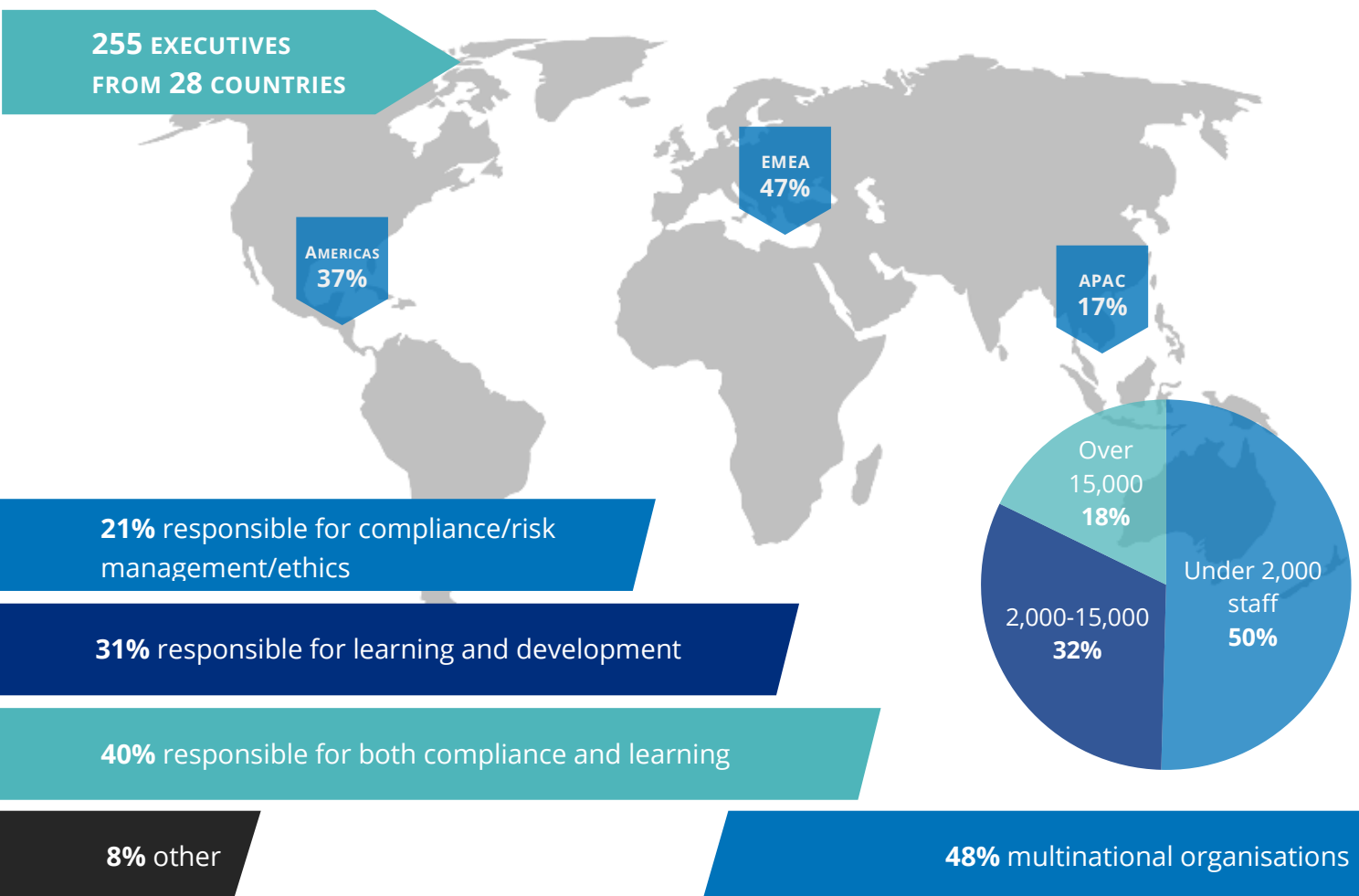
## What needs to change in 2017?

This study was commissioned to explore how this pattern is changing and if the more technology-based learning environment is making a real difference.

An international sample of 255 executives took part in an online survey during March and April 2017. A further 20 took part in a focus group and their comments are included in box-outs in this report.

- ▶ **61%** are responsible for compliance/risk management/ethics in their organisation
- ▶ **48%** are from multinational organisations (down from 62% in 2015)
- ▶ **47%** EMEA, **37%** Americas, **17%** APAC

Figure 1: Survey participant demographics



## 1.2 The current landscape

This study shows that the scope for compliance training is becoming ever more wide-ranging, with a shift from more internal, company-led mandated training to training to meet the needs of external regulators.

### The risk environment

Risk domains that are the top priorities for participants in this study:

- ▶ **81%** Data protection and privacy
- ▶ **77%** Code of conduct
- ▶ **71%** Health and safety
- ▶ **70%** Respect, equality and diversity
- ▶ **64%** Digital risk, cyber security and information security

Digital organisations are becoming more aware of their exposure to risk from cybercrime and data loss or corruption. With an ever increasing amount of data at their disposal, they are also becoming more aware of their responsibility to collect and use data responsibly.

They are also no longer simply paying lip service to equality and diversity issues through fear of litigation, but are mindful of the importance of valuing every member of their workforce and the fact that talent does not discriminate according to traditional stereotypes, irrespective of the sector they work in.

Whilst it is necessary for people to be aware of the law in both these regards, especially those whose day to day job encompasses these domains such as those in IT, security or HR, companies are looking for a shift in culture and behaviour to reduce risk and increase the sense of personal responsibility:

- ▶ Increasing personal responsibility for information and digital security
- ▶ Increasing respect for others

Despite clear articulation of the goals and receiving training, only **68%** of those that listed Code of Conduct as a driver for investment feel that staff behaviour reflects their code of conduct. Indeed, **9%** feel that staff behaviour does not reflect it at all.

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*"In our company, we are working on improving our Quality and Compliance culture. We have been struggling with adapting the culture to have a risk based outlook." (Quality & Compliance Coordinator, Agricultural Manufacturing, USA)*

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Risk domains showing the greatest increase since 2015:

- ▶ Respect, equality and diversity
- ▶ Financial crime
- ▶ Data protection and privacy

**68% of those working to develop their Code of Conduct feel it is reflected in staff behaviour**

## The compliance training landscape

Figure 2 illustrates the state of compliance training today – the risk domains, take-up, budgets, technology – and barriers.

It emerges that far from thinking that compliance training is taking an excessive amount of time and trying to reduce it – most organisations actually want to increase the hours their employees are spending in training – by an average factor of **38%**.

At the top of the list of methods used in compliance training is still the long e-learning course, although the proportion using most methods has declined since 2015. **Performance support tools** are the only exception where there has been an increase (usage up from **27%** in 2015 to **47%** in 2017).

### 1.3 Shifting goals and priorities

**51% collaborate OFTEN with department heads to learn more about the risk areas that are most relevant**

Figure 2 shows the range of internally and externally mandated areas of perceived risk covered by compliance training today. Whilst expectations of success are high, organisations struggle to largely achieve their goals.

At least **nine in ten** organisations cite the following business goals driving investment in risk management/compliance-related training programmes as important to them, but the proportion largely achieving these goals is significantly lower. In fact, *only one* business goal from a set of 17 surveyed is being largely achieved by over half of the executives in the sample that are seeking it (down from 3 in 2015):

- ▶ **59%** are successfully protecting their brand reputation (sought by **96%**)

Despite the large budget allocation, the desired shift in employee risk awareness, attitude, and behaviour is not evident.

- ▶ **33%** are managing risk more successfully (sought by **99%**)
- ▶ **23%** are positively impacting staff attitudes and values (**99%**)
- ▶ **16%** are generating meaningful data that can be used to measure and improve programme effectiveness over time (**96%**)
- ▶ **15%** are changing workplace culture (**95%**)

Benefits relating to business improvement appear to be the hardest to achieve:

- ▶ **18%** are creating uniformity and standardisation in work methods (**88%**)
- ▶ **21%** are informing corporate business strategy and key decisions (**89%**)

# The State of Compliance Today

42% of all online learning content is compliance-related



81% of staff participate in compliance-related programmes each year



72% of them access technology for these programmes



77% complete these programmes



65%

internal regulation

Mandated training

51% mandated by external regulators

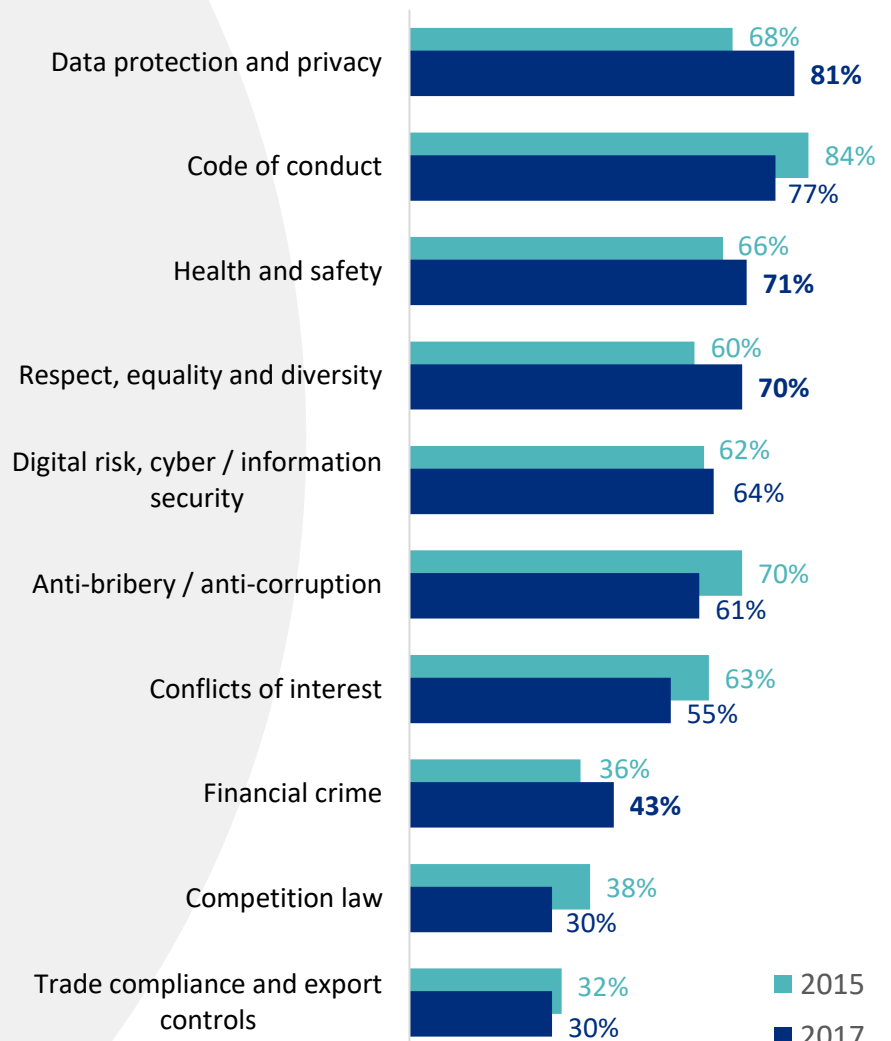
## Sources of content

58% custom-built internally (62%)

22% off-the-shelf solutions (18%)

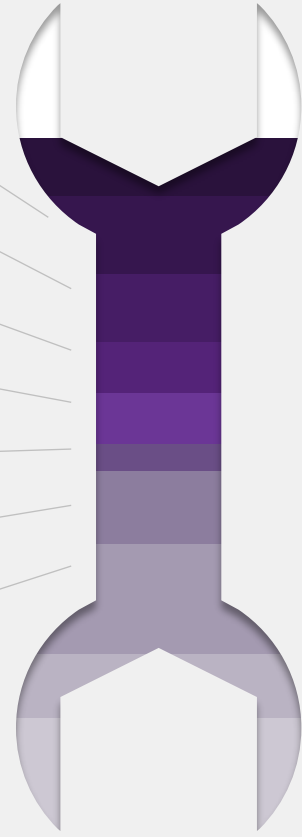
20% custom-built externally (22%)

## Areas of greatest perceived risk



## Top 10 tools used for compliance in 2017

Longer e-learning courses (30-40 mins)	72%
Instructor/facilitator-led workshops	67%
Physical communications (e.g. posters etc.)	62%
Manager-led team meetings	57%
Reference tools and resources (online portal)	54%
Digital communications (e.g. videos, teasers, webcasts etc.)	51%
Performance support tools (e.g. apps)	50%
Shorter e-learning courses (5-10 mins)	47%
Video (e.g. subject experts or user stories)	37%
Virtual classroom/webinars	33%



Most tools have *DECLINED* in usage, except **performance support tools**, which have increased significantly since 2015 (27% to 50%).



### Budgeting and resources

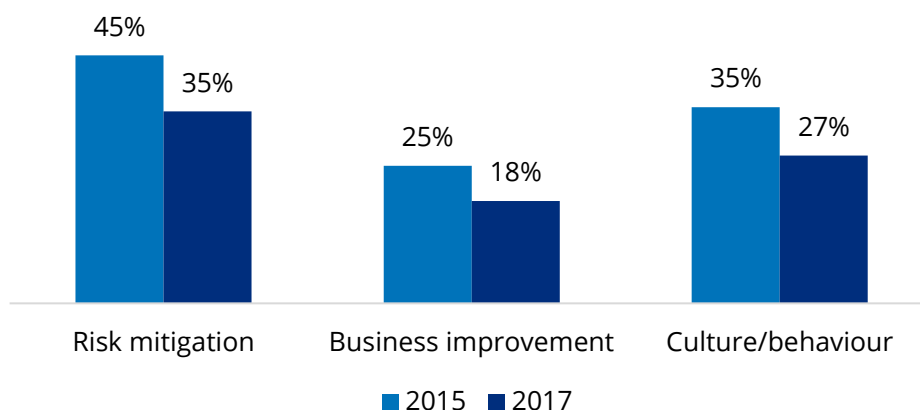
Most organisations want to increase the hours employees spend on compliance training by

**38%**

Actual average hours per employee, per year **10.90**

Desired hours per employee, per year **13.54**

Figure 3: Decline in achievement of business goals



Achievement of business benefits has decreased since our 2015 study

Taking into account those that largely *or* partly achieve the hoped-for benefit, three benefits stand out as particularly challenging:

- ▶ Generating *meaningful data* to measure and improve programme effectiveness (**59%** – recording any degree of achievement)
- ▶ Informing corporate business strategy and key decisions (**70%**)
- ▶ Changing working culture (**70%**)

## Why is so little progress being made?

More executives enjoy senior and line manager support than 2 or 4 years ago, but user engagement is now the number one barrier to using learning technologies to enhance compliance training:

- ▶ **56%** report user engagement as a barrier to success
- ▶ **47%** measuring effectiveness
- ▶ **46%** dull and boring content
- ▶ **45%** time required to develop and build content
- ▶ **43%** staff reluctant to repeat year on year

Barriers relating to content have reduced slightly since 2013 (Figure 4), but more than **one in three** still report that SMEs are overloading content and that almost half of staff are still finding compliance training dull or boring. Programmes lack innovation and those responsible feel they lack design expertise.

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*“Our goal is creating a workplace environment and culture based on mutual respect and civility. We are partly achieving this but need further improvement.”*  
(VP and Deputy CCO, Trading Company, USA)

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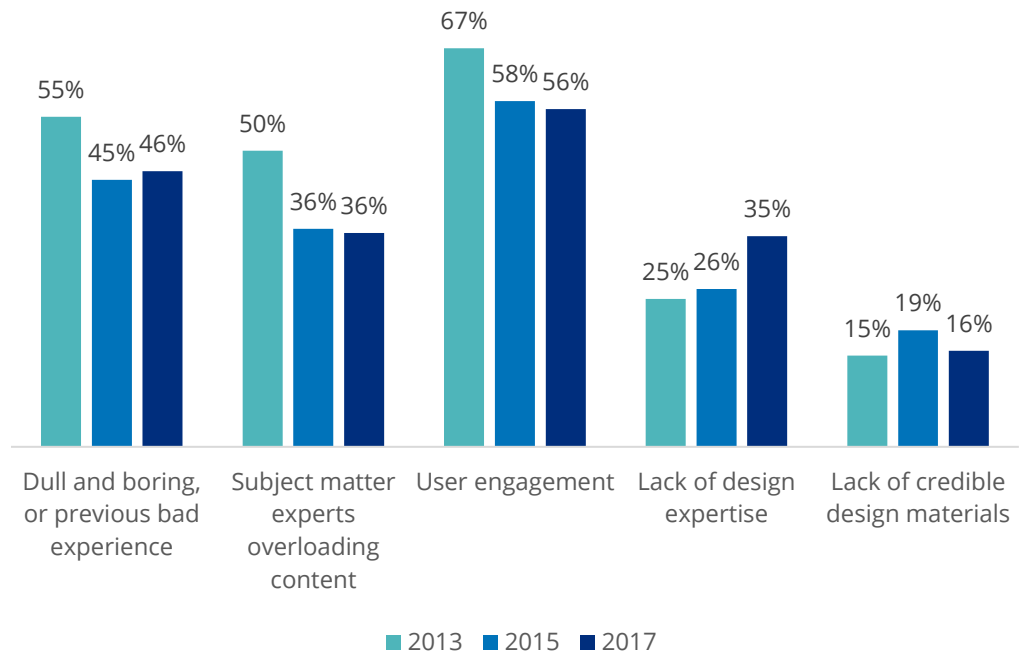


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*“We have to combat the perception that time spent on compliance is time away from business.”* (Compliance Officer, Retail Sector, USA)

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Figure 4: Changing barriers to compliance training



## 1.4 The conundrums facing learning professionals

### Definition of a conundrum

*"A puzzling question or problem."*

(Collins Advanced English Dictionary)

*"A difficult choice or decision that has to be made"* (Wiktionary)

With goals and expectations high and barriers to tackle still high, learning and risk professionals are faced with several conundrums as they try to embed modern, digitally-enabled learning throughout their organisation and continue to satisfy the increasing demand for mandatory training courses.

Some progress has been made, but how do we achieve a wide range of goals that are often diametrically opposed?

**Conundrum 1: How to deliver personalised learning to the individual AND take a programme to scale** – How do you personalise the learning for the individual and high-risk job functions and still be able to offer large-scale, organisation-wide programmes?

**Conundrum 2: How to design programmes that meet the needs of both individuals AND regulators** – How do you please both the learners and the many stakeholders involved?

**Conundrum 3: How to demonstrate both efficiency AND effectiveness** – How do you make sure that the boxes have all been ticked and still achieve real behavioural change?

## 1.5 Tackling the conundrum – tactics for success

How do we solve these conundrums to achieve the complex goals of organisations? These dilemmas are difficult to reconcile unless we take a step by step approach to solving them (see box out).

Our starting point is to look at the evidence.

Consolidating the data from over 600 executives who have taken part in this study since 2013, we have correlated tactics and approaches for compliance training with the business benefits achieved. Participants were invited to note the strength of their agreement with each of the tactics below on a scale of 1 to 9. Certain tactics emerge with a strong correlation of greater than 0.3<sup>‡</sup> with the benefits relating to both personalisation AND large scale programmes.

**Building these tactics into the approach to compliance training will give organisations strong pointers to solve the conundrums facing risk and ethics professionals.**

In this report, we expose the tactics that have a statistical significance to identify potential solutions to solve these intractable problems. Our goal is to provide learning and risk professionals with evidence to:

- ▶ Make compliance simply a part of the 'learning organisation' rather than a separate activity
- ▶ Focus training on changing behaviour and reducing risk
- ▶ Shift to a mindset where the business results are more important than the process

In the next three chapters, organised by the 'conundrums' described, we look at the factors that correlate with results and success, uncovering what successful organisations are doing whilst also exploring the learner voice.

### How to solve a conundrum step by step

1. Identify the elements
2. Be open minded to change
3. Outline the pros and cons
4. Step outside for a while...
5. Create an action plan
6. Take action

A conundrum is solved one small step at a time!

<sup>‡</sup> Significant at  $p < 0.001$



## 2 Delivering personalisation AND programme scale

Technology can help improve the individual learning experience and also offer the means to deliver large scale programmes. Those that are getting the greatest benefits from personalisation and scale are using adaptive learning, integrating learning in the workflow and extending their learning offer to customers and suppliers.

### 2.1 Defining the challenge

#### **Conundrum 1: How to deliver personalised learning to the individual AND take a programme to scale**

Attendees at a workshop in London outlined the challenges:

The sheer scale of the problem:

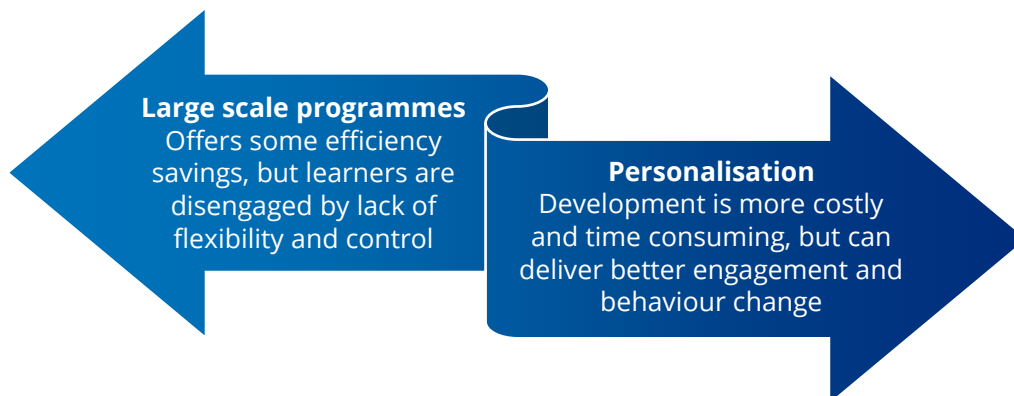
- ▶ Difficulty engaging a diverse workforce and addressing the needs of the extended enterprise to gain their buy-in
- ▶ The volume of topics is a challenge
- ▶ Working through the backlog – many compliance programmes are still on catch-up

Lack of time:

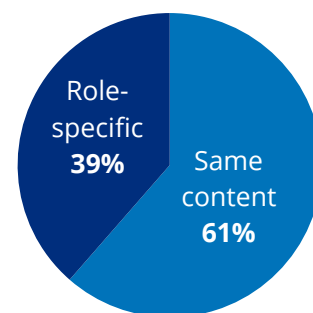
- ▶ Changing the organisation's approach to compliance will take time – it's just one of the many priorities they must deal with
- ▶ It is faster to deliver programmes in a 'one size fits all'
- ▶ Are we able to fulfil all the expectations of a modern workforce?

This is not a *choice* to be taken between personalisation *or* scale. The challenge for ethics and compliance professionals is to personalise programmes for the individual and high-risk job functions AND still scale up delivery across all teams, departments and even beyond the organisation boundary to influence their customers and supply chain.

Both approaches have their pros and cons:



Across the sample as a whole, **61%** of all employees are getting the **same** compliance training content. Staff that are getting role-specific training are only those in high risk job roles.



The benefits linked to personalised but large-scale programmes include:

- ▶ Improved **consistency** and **quality** of learning experience (largely achieved by **43%** of the sample)
- ▶ **Minimised risk** for third party (contractors, suppliers) (**22%**)
- ▶ Greater **uniformity** and **standardisation** in work methods (**18%**)
- ▶ Ability to **extend** learning beyond the organisation, including to suppliers and other third parties (**15%**)

Addressing both personalisation and scale can help reduce the negativity that is sometimes encountered when staff are faced with yet more e-learning courses. Tackling this conundrum however is tough. Understanding the tactics that highly correlate to success points a way forward.

## Tactics that are highly correlated with the benefits of BOTH personalisation and scale

These tactics are not common practice. Across the sample as a whole:

- ▶ **19%** use models that support learning directly in the flow of work to shape their approach
- ▶ **19%** give contractors and suppliers of outsourced services access to their compliance training
- ▶ **19%** use adaptive learning to modify the learning experience based on knowledge and performance
- ▶ **33%** foster employee trust in managers and senior leadership
- ▶ **47%** take time up front to make compliance learning materials as engaging and memorable as possible

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*"We are reducing group-wide learning by 20% by the end of 2017. Then business area specific learning needs to be reduced, but complexity over budget and ownership is a huge problem."*  
(Curriculum Manager, Mandatory Training, Financial Services, UK)

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**Table 1: Tactics that correlate with delivering benefits of personalisation AND scale**

	Standardise work methods	Build consistent quality experience	Minimise risk	Extend learning to third parties	Raise understanding and awareness
Our approach is shaped by models that support learning directly in the flow of work	✓				
We use adaptive learning to modify the learning experience based on knowledge and performance				✓	
Contractors and suppliers of outsourced services have access to our compliance training	✓		✓	✓	✓
We foster employee trust in managers/senior leaders	✓		✓		
We take time up front to make compliance learning materials as engaging and memorable as possible		✓			

Employees need to be at the heart of the compliance strategy. When they fully appreciate the business reasons driving the training, compliance becomes important to them too.

## 2.2 Personalisation begins with the staff

Today's increasingly self-directed learners are looking for engaging and interesting learning that will help them to succeed in their job and develop their career.

In a sample of over 4,500 learners that took part in a Towards Maturity Learning Landscape study during 2016, we find that learners also want flexibility, ease of use and a level of control over the pace and type of training:



- ▶ **91%** want to learn at their own pace
- ▶ **69%** want clear objectives, with assessment to check that they have been met
- ▶ **46%** access learning resources at the point when they need them the most

Technology is a critical element to provide individuals with that personal touch. **61%** of learners are motivated by using new technology in learning and **73%** will engage in online learning without prompting.

What is more, staff are in strong agreement over the technology tools that they find essential or very useful to help them learn what they need to do their job.

If they cannot find the answer from their colleagues or manager, they are most likely to turn to the internet for help:

- ▶ **70%** Google or other online search
- ▶ **49%** job aids/checklists
- ▶ **47%** self-paced e-learning courses
- ▶ **45%** online performance support tools
- ▶ **42%** internal networks and communities
- ▶ **38%** external networks and communities
- ▶ **36%** open online courses
- ▶ **29%** external blogs and news feeds
- ▶ **28%** video clips/podcasts



**91% of learners own a smartphone or tablet**

Mobile learning is high on the learner agenda. With most staff owning a smartphone or tablet, **45%** find accessing learning on their mobile device essential or very useful to give them the access and flexibility they are looking for – both on- and offline.

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*“Training is a hard thing to make fun while still getting the subject across in a manner that folks need to take seriously. Engagement is a big issue in our health plan culture. We realise we can't make everyone happy, but the majority would be a great accomplishment.” (Compliance Specialist, Health Sector, USA)*

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## 2.3 Using technology to support both personalisation and scale

Apart from the benefits of consistency and scale that can be gained from using online content, technology also offers the opportunity to gather and analyse learner data and adapt the approach according to need.

Role-specific learning is just one aspect of personalisation to consider; technology can also offer powerful diagnostic tools to help tailor the learning to individual need, so that staff can do just the training they need, access content in a flexible way to suit their work and lifestyle, and record progress as it happens rather than against whole programmes.

Allocation of budget is an indicator of the direction of travel, and **two in three** organisations expect to increase the proportion of their training budget allocated to mobile apps in the next 2 years.

**7% have compliance content available offline on mobile devices**

- ▶ **25%** use mobile tablet devices (e.g. iPads) with internet access to online learning content/courses (rising to **26%** in the next 2 years)
- ▶ **7%** use mobile smartphone devices (e.g. Android phones/iPhones) with internet access to online learning content/courses (rising to **14%**)
- ▶ **7%** use mobile devices (tablets & smartphones) to access offline learning content/courses and performance support using apps (rising to **42%**)

Note that whilst the use of technology is increasing, our study did not find a specific correlation with the types of tools that were used and the reported benefits of personalisation and scale. However, the context and situations in which these tools were used *did* make a difference.

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*“e-learning helps us reduce cost, reach more and report on compliance completions but more needs to be done to ensure that this is engaging for learners, is helping us manage risk, is actually impacting the levels of risk and is changing behaviours.” (L&D Manager, Voluntary Sector, EMEA)*

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## Integrating learning and work

One of the strategies that showed significant correlation with results was the way that compliance training is being shaped by models such as 70:20:10.<sup>5</sup> The basic concept of the 70:20:10 approach is that most learning takes place through experience and exposure to others in social networks rather than through formal courses.

### **19% agree their approach to compliance training is shaped by models that support learning directly in the flow of work**

Whilst the numbers employing this approach are low, **19%** of executives are reinforcing formal learning through social tools and offering performance support at the point of need. In comparison with the rest of the sample, this group are:

- ▶ **4x** more likely to achieve uniformity and standardisation of work methods
- ▶ **2x** more likely to note over **15% improvement** in employee understanding of compliance policies and procedures

Those that are using such models in compliance are more likely to be using social media for learning with and from others together with self-study resources such

<sup>5</sup> 70:20:10 is “a reference model that helps organisations extend their focus on learning and development beyond the classroom and course-based e-learning to build more resilient workforces and create cultures of continuous learning.” <http://charles-jennings.blogspot.co.uk/2015/08/702010-primer.html>

as workbooks and e-journals that allow learners to progress at their own pace. Fewer rely on the long e-learning course.

- ▶ **55%** use in house social media (**24%** of those not integrating learning in the workflow)
- ▶ **55%** use e-learning courses of 30-40 minutes in length (**72%**)
- ▶ **48%** use self-study materials (**25%**)

In two years' time, although the e-learning course is still forecasted to remain top of the list of compliance methods (for **85%** of organisations), performance support tools move into the top 5 technologies (forecasted use up to **74%**).

**56% plan to increase spend on performance support tools in the next two years**

## Improving the individual experience

How can we give learners an individual experience that is personalised for them, but still take programmes to scale?

Adaptive learning is another example of how technology can help and is a specific tactic that has a strong statistical relationship with delivering personalisation and taking a programme to scale.

In adaptive learning, the individuals needs are moved to the forefront. They are no longer simply a passive recipient, but a collaborator in a model that tracks and learns with them. Questions are tailored to learner knowledge and skill; the content and level of difficulty is tailored to past input; the pathway through the programme is adapted according to an underlying decision model that looks at what the learner is doing, their prior decisions, their performance and interactive activities; the degree of support and feedback are tailored to need.

Such methods need not be complex.

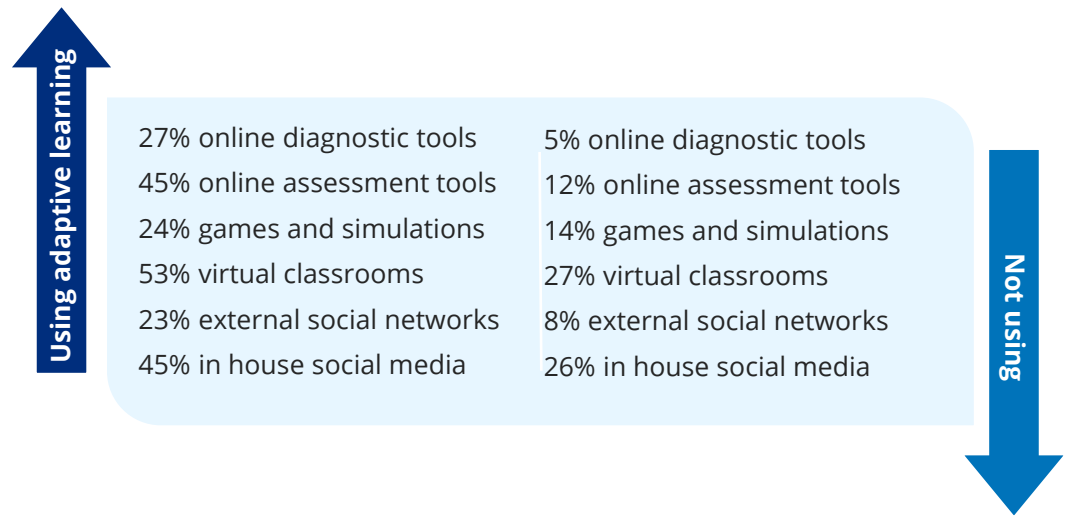
- ▶ Personalised feedback can be part of communities of practice, social media and other collaborative tools
- ▶ Learner choice and pathway control can be enhanced with shorter e-learning courses in the learning management system
- ▶ Games and simulations allow people to learn from mistakes and adapt their behaviour accordingly

Compared to the rest of the sample, those using adaptive learning have:

- ▶ Doubled the degree of standardisation in work methods (**32%** vs **13%**)
- ▶ Pushed up completion rates by 10% (**83%** vs **73%**)

**19% use adaptive learning to modify the learning experience based on knowledge and performance**

Figure 5: Tools used by those using adaptive learning techniques



## 2.4 Offering to an extended audience

Despite over **four in five** organisations seeking this, only **15%** have largely achieved their goal of extending learning beyond the organisation through the use of digital learning. Technology can help scale content to diverse audiences, across departments, business locations – and beyond the organisation’s boundary.

### 19% offer contractors and suppliers access to their compliance training

The benefits are clear. Compared with those that exclude the wider audience, those that offer their compliance content to contractors and suppliers are:

- ▶ **3x** more likely to minimise third party risk
- ▶ **2x** less likely to report barriers due to local data protection and employment laws

They are almost **2x** more likely to be using:

- ▶ Digital communications (such as video clips, podcast, teasers and webcasts)
- ▶ Social media
- ▶ Virtual classrooms and webinars

The short example of Barnardo’s shows how an organisation is using technology to address the compliance conundrum of delivering both personalisation AND scale.

## Case study: Barnardo's

The 8,500 strong staff at the UK children's charity, Barnardo's, work to transform the lives of the most vulnerable children. Their compliance training covers a range of critical topics from internal awareness of IT systems to safeguarding children. Like many organisations they face the challenge that existing staff and volunteers, and those joining the organisation from similar organisations, already know much about mandated subjects. Yet traditional approaches to compliance training waste time repeating what staff already know. They also leave organisations strategically vulnerable - staff may have passed their assessment with an 80% pass rate but which 20% did they fail?

Barnardo's took inspiration from recent experiences in the world of consumer learning where algorithms have been used to understand the context, job role and experience of individuals in order to filter and present back the learning elements they need. Using Filtered.com's experience in the consumer market they took an internally mandated programme, broke it into 20 modules and adapted it by:

- Identifying the cornerstone elements of the programme - key themes compulsory for all.
- Establishing a series of filtering questions linked to experience and job role
- Mapping the filters to key components of the programme
- Gathering feedback on the usefulness of the modules
- Continually using the data generated to train the algorithms used to filter the content

This approach used technology to predict the best modules for each individual (whilst maintaining exposure to key elements of the course at all times). The predictive and continually enhanced algorithms now deliver a personalised experience for staff, in some cases reducing the learning time by over 50%, but is delivering a consistent outcome at scale across the organisation.

What's more this data-driven system is able to identify underperforming content that needs to be revised and can target individuals with performance support tools to help them connect and engage with mission-critical material.

*"By applying this approach, our staff receive only what they need, which results in them spending less time in more relevant, personalised learning experiences. What's more, our system is continually learning, which means we can take this increasingly personalised experience to scale across the whole organisation."*

*(Lisa Johnson, Head of IS Communications and Learning, Barnardo's)*



## 3 Designing for individuals AND regulators

Learners are looking for flexible, engaging learning that meets their needs. Successful organisations are finding ways to ensure that learning is aligned to business outcomes and that the governance of compliance programmes is effective.

### **Conundrum 2: How to design programmes that meet the needs of both individuals AND regulators**

Why are we not achieving our goals? Our focus group offered a number of challenges they face in trying to meet the sometimes conflicting demands of all the various stakeholders:

#### **Conflicting priorities:**

- ▶ Other business risks are taking priority (compliance isn't the biggest risk to companies' future)

#### **Reluctance to embrace the new:**

- ▶ How do we continue to engage staff after their initial learning?
- ▶ Internal status quo prevents change: "we've tried that" "we can't do that" "we haven't got the resources" – there is a lack of willingness to challenge the status quo
- ▶ The perception that compliance MUST be a course

#### **The risk of change:**

- ▶ It takes time and leaps of faith to migrate or introduce new compliance systems: What new risks might develop?

#### **Perceptions vs reality:**

- ▶ Staff lack willingness to learn: "I know it all", "I've done this before, what's changed?"
- ▶ Staff not buying in to compliance training: Compliance training is seen as something we "have to do" rather than "need to do"
- ▶ Experienced people in business are not receptive

#### **Lack of connection to what people actually do:**

- ▶ Online learning not visibly relevant to learners and their role, the company and values. Current training approaches are not creating a shared vision
- ▶ Not keeping compliance training alive – e.g. by creating time to reflect
- ▶ One size fits all – how do we reach all generations?

#### **User experience:**

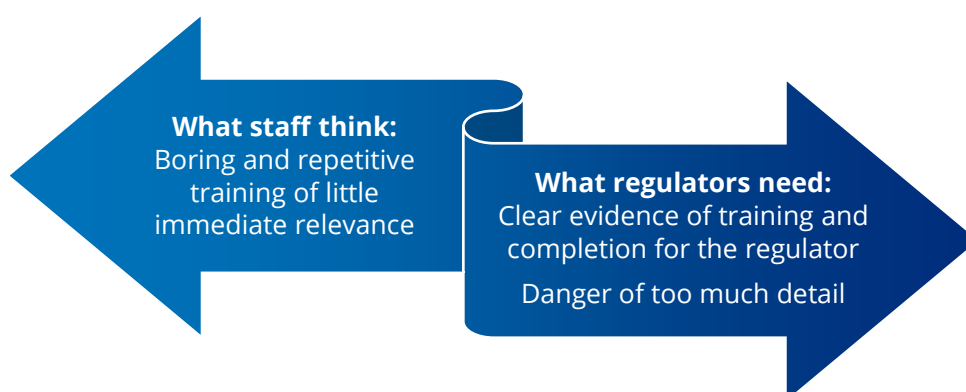
- ▶ Content that gives a poor learning experience, tarnishes others
- ▶ "Old-fashioned", "Dull", "Boring" (quotes from learners)

Learning and risk professionals face competing demands from their various stakeholders. On the one hand, staff are looking for engaging, satisfying, meaningful and enjoyable learning experiences, but against this is the pressure to meet the corporate requirements of regulators, lawyers, experts and the board.

How can you please BOTH the individual staff member and the regulators?

Focusing on the learner as customer and providing a customer-centric solution may help build the brand reputation, but at the same time, the regulators are looking for evidence. Overloading programmes with detail to attempt to meet the regulators' demands may end up achieving the opposite to what is intended, as staff are turned off by the training and don't engage with the critical messages behind it.

There are pros and cons of focusing on the staff versus the demands of the regulators:



A number of benefits are linked to meeting the needs of both the individual and regulatory requirements, but few are being achieved:

- ▶ Protecting brand **reputation** (largely achieved by **59%** of the sample)
- ▶ **Managing risk** more successfully (**33%**)
- ▶ Preventing or **reducing misconduct** (**32%**)
- ▶ Improved **measurement** of awareness of compliance risk (**22%**)
- ▶ Improved employee **engagement** with compliance through increasing awareness (**21%**)
- ▶ Informing **corporate business strategy** and key decisions (**21%**)
- ▶ Improved effectiveness of the learning experience (**20%**)

Solving this conundrum can help improve the relevance of compliance training to staff and therefore their engagement. We investigated which tactics are highly correlated with results in both meeting staff needs and regulatory requirements.

**Tactics that are highly correlated with meeting learner needs and the needs of the regulator:**

- ▶ We ensure the business process and learning outcomes are aligned (largely achieved by **49%** of those that seek this goal)
- ▶ We take time upfront to make compliance learning materials as engaging and memorable as possible (**47%**)
- ▶ We foster employee trust in managers and senior leadership (**33%**)
- ▶ We report progress against key indicators for the business (**35%**)
- ▶ We collect information from learners on the extent to which they have applied the learning (**14%**)

**Table 2: Tactics that correlate with delivering benefits for the individual and the regulators**

	Protecting reputation	Managing risk	Reducing misconduct	Improving engagement	Informing strategy	Improving measurement of awareness	Improving learning experience
We take time upfront to make compliance learning materials as engaging and memorable as possible				✓	✓		✓
We collect information from learners on the extent to which they have applied the learning				✓	✓		✓
We foster employee trust in managers and senior leadership	✓	✓	✓	✓	✓		
We report against key indicators for business						✓	

Three key themes that emerge underline:

- ▶ the need to consider learner needs and make compliance learning as engaging and memorable as possible
- ▶ the need to clearly align compliance learning to the needs of the business and to any external regulatory requirement, and
- ▶ the central role of the manager as role model (“tone at the top”).

### 3.1 Connecting with the individual

One of the biggest challenges from the participants is staff reluctance to keep repeating their compliance programme.

**46% report that dull and boring content or previous bad experience is a barrier to using learning technologies in compliance training**

From the learner perspective, **90%** understand how they contribute to the organisation's overall objectives, and for **69%**, their primary motivation for learning online is to do their job better and faster:

However, only **66%** feel that their company provides them with online learning that is directly relevant to their current job. The other **one in three** report that learning content is uninspiring and **one in four** report that current learning is not relevant to their needs.

**40% find staff reluctant to repeat compliance training year on year**

#### The learner perspective: what is stopping them from engaging with compliance training?

**56%** lack of time

**35%** uninspiring learning content

**34%** lack of somewhere appropriate to study

**33%** lack of appropriate IT equipment

**32%** unreliable IT infrastructure/bandwidth or firewall problems



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*"The use of learning technologies has significantly changed perceptions of compliance training within the business, but behaviours remain largely the same – it's compliance so we HAVE to do it."  
(e-Learning Specialist, Manufacturing, UK)*

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## 3.2 Designing learning to meet the needs of all stakeholders

**60% report that learner engagement is a barrier**

With compliance training comprising some 51% of all online training for organisations taking part in the 2016 Towards Maturity Benchmark, most L&D professionals recognise that there is much to be done to ensure that they make learning as engaging and interesting as possible – but time is short and the audience hyper-critical.

- ▶ **31%** report that they lack the time to develop and build content
- ▶ **33%** report that they lack the time to update or change content
- ▶ **27%** report that they lack design expertise

Those managing compliance programmes are very aware of the need for engaging and effective content but are still held back by a lack of innovative ideas and design expertise.

Result? Too many learners are compelled to repeat the same, uninspiring content time and again.

### Designing for learner engagement

**47% take time up front to make compliance learning materials as engaging and memorable as possible**

So how can we do this? Respondents noted which methods are having the greatest effect on learner engagement.

**Table 3: Methods that impact on learner engagement**

#### Highest impact

<b>57%</b> Games and simulations
<b>55%</b> Instructor-led workshops
<b>53%</b> Video (e.g. subject experts and user stories)
<b>52%</b> Shorter e-learning courses
<b>51%</b> Manager-led team meetings
<b>49%</b> Digital communications

#### Lowest impact

<b>36%</b> Self-study materials
<b>36%</b> Physical communications
<b>36%</b> Longer e-learning courses (30-40 mins)
<b>33%</b> External social networking sites

Our learner sample report the following factors contribute to a smooth and successful learning experience:

- ▶ **77%** look for learning that is relevant and timely for their situation
- ▶ **69%** want recommendations of how to use what they learn in their work



## Aligning learning to the needs of the business

When business process and learning objectives are well aligned, there is a high correlation with the successful informing of business strategy and key decisions. However, there are many organisations who are not yet on top of this. Just **57%** analyse the business problem before recommending the solution.

### 49% ensure the business process and learning outcomes are aligned

Compared to the rest of the sample, those **49%** that align business processes and learning outcomes are:

- ▶ **3x** as likely to improve workplace transparency (**28%** vs **9%**)
- ▶ **2.5x** as likely to achieve their goal of informing corporate strategy and key decisions (**26%** vs **10%**)
- ▶ **1.5x** as likely to understand the regulators' requirements for compliance training (**82%** vs **55%**)

They are also **3x** as likely to be using communities of practice to support learning and more likely to be achieving other significant business benefits:

- ▶ **Reducing penalties** in the event of significant misconduct (**42%** vs **26%**)
- ▶ **Reducing insurance liability** (**31%** vs **19%**)

## Developing trust in management

Managers need to model compliant behaviour – fostering trust in leaders has a strong relationship with results.

### 33% strongly agree that they foster employee trust in senior managers and leaders

Compared with the rest of the sample, building up that trust in senior managers and leaders pays dividends with at least **3x** greater achievement:

- ▶ informing corporate strategy and key decisions (**32%** vs **11%**)
- ▶ Creating greater uniformity and standardisation in work methods (**37%** vs **8%**)

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*"In my experience of leading by example consciously, with total conviction, it generates that all people in the organisation follow and repeat those behaviours."*  
(Partner, Professional Services, Colombia)

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They are **2.5x** more likely to achieve:

- ▶ Managing risk more successfully (**49%** vs **21%**)
- ▶ Preventing or reducing misconduct (**37%** vs **8%**)

Compared with the rest of the sample, these 33% have a significantly higher proportion that have seen at least a 15% improvement in:

- ▶ Staff understanding of compliance policies and procedures (**39%** vs **24%**)
- ▶ Staff behaviours (**31%** vs **17%**) and
- ▶ Staff attitudes towards compliance (**31%** vs **14%**)

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*“We are often limited by our ability to influence change with line managers who are often seen as masters of their own destiny.”  
(L&D Consultant, Healthcare, Australia)*

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The influence of the line manager cannot be underestimated. Not only do they help their teams learn what they need, but through their own approach and behaviour, they set the tone for building a compliant culture in their team. Their role will be explored in more detail in Conundrum 3.

Fostering trust, engaging individuals and alignment requires stakeholders to work together and to address potentially challenging issues of governance (see next box for recommendations).

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*“Specifically the challenges are responsibility from individuals and line managers and that includes filtering down from senior management (Essentially the behavioural change within the business so that compliance is seen as important).” (e-Learning Specialist, Manufacturing, UK)*

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## Establishing effective governance of compliance: who needs to do what?

### Policy and Standards – Governance

- Establish a clear owner of the compliance agenda – a top director who can cascade to colleagues. Make the Chief Compliance Officer as senior as possible, but ensure the compliance leads feed in to the Board
- Sort out the labels used (Governance, Compliance/Mandatory) to give clarity of meaning and language
- Check that SMEs are connected to the needs of the organisation and are sure about what regulators need before sign-off
- Form a Compliance Steering Group
- Integrate compliance into day-to-day activities

### Define accountabilities and responsibilities

- Establish clear roles and responsibilities for staff at all levels, from the most senior to the newest recruit
- Map out a document to set out the accountabilities and expectations for those in compliance and ethics roles and those in learning and development roles
- Where compliance is only one part of a composite job role, ensure there is still a strong lead
- Secure Senior Leadership sponsorship and demonstrate their buy in
- Demonstrate how compliance training is enabling the business and linked to its success

### Link to risk management profile

- Identify risk owners
- Identify the owners of essential policies and processes
- Define clear processes
- Secure clarity and guidance from regulators on requirements and what reports they need
- Upskill key stakeholders on compliance requirements (across all teams L&D/Risk/Compliance)

*Source: Compliance workshop*



## 4 Demonstrating efficiency AND effectiveness

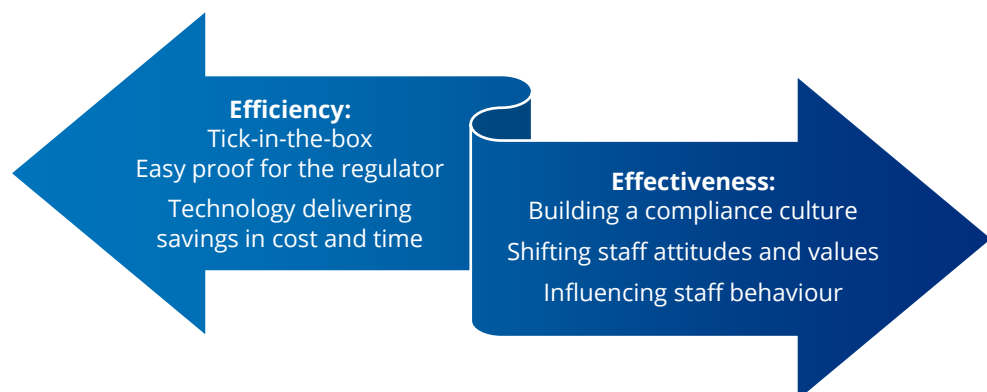
Evidence of training can be gathered at the same time as improving efficiency. Gathering meaningful data and setting relevant measures of success, coupled with using every means to communicate with stakeholders and encourage staff help to shift the organisation culture to one of compliance.

### Conundrum 3: How to demonstrate both efficiency and effectiveness

How do you make sure that the boxes have all been ticked and still achieve real behavioural change? How do you achieve real behavioural change and still make sure that efficient records are kept to meet the demands of the regulator?

In the effort to prove that everyone has been through mandatory training, it is easy to lose sight of the reason why that training was essential in the first place. Whilst regulators (internal or external) are focusing on that audit trail, compliance, ethics and learning professionals are focusing on increasing efficiency AND effectiveness. This calls for redefining the internal goals in terms of shifting staff behaviours, attitudes and ultimately the working culture throughout the organisation.

There are pros and cons to both approaches:




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*“Using our LMS to automate reminders for renewable learning has been revolutionary in reducing admin and increasing compliance. We have also spent time reworking our modules so that they test at the start. This has had a significant impact on engagement as we are maximising the relevant content whilst minimising the impact that compliance training has within the business.” (e-Learning Specialist, Food Processing, UK)*

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Those attending the focus group describe the challenges they face in achieving all their goals relating to efficiency and effectiveness:

**Budget and resource:**

- ▶ It costs, to be fully immersive
- ▶ Significant investment still needs to deliver value for money
- ▶ Time to complete is also a cost

**Unclear benefits:**

- ▶ Time is money so what is the benefit?
- ▶ We are not clear on what we want the outcome of each module to be

**We are measuring the wrong thing:**

- ▶ What is stopping us moving away from percentage completion even if our regulators are satisfied?
- ▶ Lack of thoughtful planning – need for compliance leads to knee-jerk reaction and sheep dip for all!

**Technology:**

- ▶ Technology in the workplace is not advanced enough and can be a barrier to progress
- ▶ Technology barriers for field-based colleagues are significant

**Designing for behaviour change:**

- ▶ SMEs need educating on all the information that does not work
- ▶ New learning options are not suitable for all (e.g. game-based learning)
- ▶ Not enough transparent performance support at the point of need
- ▶ Style of delivery – “tell me” versus “show me”
- ▶ Lack of constructive challenge in design – do we really need to do this this way now?

**Benefits linked to improving efficiency AND effectiveness**

- ▶ Improving ability to provide **evidence of training** (achieved by just **59%** of those seeking this benefit)
- ▶ **Improving reporting (40%)**
- ▶ **Raising awareness** and understanding of complex regulations (**26%**)
- ▶ Positively impacting staff **attitudes and values (23%)**
- ▶ **Improving measurement of awareness** of compliance risk (**22%**)

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*“Far too little attention to performance and behavioural change and too much drive to prove training has happened.”*  
(Learning Resources Manager, Health Sector, UK)

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- ▶ Positively impacting staff **behaviour (21%)**
- ▶ **Improving effectiveness** of the learning experience **(20%)**
- ▶ Generating **meaningful data** that can be used to measure and improve programme effectiveness over time **(16%)**
- ▶ Changing working **culture (15%)**
- ▶ Increasing **workplace transparency (20%)**
- ▶ **Improving measurement of behavioural change (11%)**
- ▶ **Cost saving** over traditional methods **(31%)**
- ▶ **Reducing time** away from work on training **(25%)**

## Tactics that are highly correlated with the benefits of BOTH efficiency and effectiveness

### Techniques for improving the application of learning:

- ▶ We take time upfront to make compliance learning materials as engaging and memorable as possible **(47%)**
- ▶ We provide managers with resources and job aids to encourage application back in the workplace **(23%)**
- ▶ We apply techniques such as spaced learning to aid retention and application of learning **(18%)**

### Designing relevant, attractive, 'sticky' learning:

- ▶ Learning scenarios are drawn from real life situations (e.g. videos, photos, case studies) **(37%)**
- ▶ We use storytelling to bring learning alive **(24%)**
- ▶ We create online opportunities for learners to practice **(20%)**
- ▶ We foster employee trust in managers and senior leadership **(33%)**

### Involving leaders and other stakeholders:

- ▶ We ensure there is a communication plan in place for all key stakeholders **(30%)**
- ▶ Subject matter experts work in conjunction with learning professionals **(46%)**
- ▶ We include managers/learners in the design process for the programme **(31%)**
- ▶ We influence regulators to focus on behaviour change **(12%)**
- ▶ We work with local champions to support learners **(18%)**

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*"It is better to spend more time in creation for engagement than to rush the product so the business has something." (Trainer, Consultancy, UK)*

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Table 4: Tactics that correlate with delivering benefits of efficiency AND effectiveness

	Impacting behaviour	Impacting attitude and values	Changing culture	Workplace transparency	Improved measurement of behavioral change	Improved measurement of risk awareness	Improved learning effectiveness	Generating data	Improved reporting	Reducing time away from work	Cost savings
Learning scenarios are drawn from real life situations (e.g. videos, photos, case studies)			✓					✓	✓	✓	✓
We apply techniques such as spaced learning to aid retention and application of learning			✓		✓	✓		✓		✓	
We use storytelling to bring learning alive							✓			✓	
We create online opportunities for learners to practice			✓		✓			✓	✓	✓	✓
We ensure there is a communication plan in place for all key stakeholders				✓	✓			✓		✓	
We influence regulators to focus on behaviour change			✓		✓			✓		✓	
We work with local champions to support learners					✓			✓	✓		

Many of the tactics explored in the last two chapters also have a strong correlation with benefits of efficiency and effectiveness.

	Impacting behaviour	Impacting attitude and values	Changing culture	Workplace transparency	Improved measurement of behavioral change	Improved measurement of risk awareness	Improved learning effectiveness	Generating data	Improved reporting	Reducing time away from work	Cost savings
We foster employee trust in managers and senior leadership	✓	✓	✓	✓	✓			✓	✓		
We take time upfront to make compliance learning materials as engaging and memorable as possible			✓				✓	✓			
Our approach is shaped by models that support learning directly in the flow of work			✓		✓	✓		✓	✓	✓	✓
We use adaptive learning to modify the learning experience based on knowledge and performance					✓			✓	✓	✓	✓
We report progress against key indicators for business						✓		✓	✓	✓	
We report progress against key performance indicators for learning					✓			✓			
We ensure the business process and learning outcomes are aligned			✓		✓			✓			
We align learning to performance objectives					✓						
Contractors and suppliers of outsourced services have access to our compliance training					✓				✓	✓	✓

## 4.1 Designing efficient AND effective solutions

Efficiency is a goal sought by nearly all organisations wanting to ‘deliver more for less’. In practice, *more* is usually synonymous with volume

- ▶ **96%** Improved volume/reaching more people
- ▶ **81%** Extending learning beyond the organisation, including suppliers and other third parties

and *less* is synonymous with efficiency savings in time and cost

- ▶ **85%** Reducing the time away from work
- ▶ **89%** Cost saving over traditional methods

However, greater efficiency in demonstrating compliance, sought by over **nine in ten** organisations, is more likely to be measured by evidence of training having taken place than on results:

- ▶ **97%** Improved ability to provide evidence of training
- ▶ **96%** Providing an audit trail for internal audit purposes
- ▶ **96%** Providing audit trail for external auditors/regulators

However, focusing all the attention on efficiency and providing a solid audit trail is what has led to a ‘tick-box’ image of compliance and mandatory training, and perceptions by staff that the training is not of immediate relevance and can be boring and repetitive.

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*“We have decreased cost and improved compliance rates in a tick box sense but I don't think we are significantly changing behaviours and that's the bit I'd like to tackle as we revamp our on-boarding/induction and compliance approach this year.”*  
(Head of Learning and Communications, Voluntary Sector, UK)

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## 4.2 How to generate meaningful results

At least **four in five** organisations are seeing direct impact from modernising their compliance training using learning technologies. Given the emphasis in so many organisations on recording completion, almost half (**47%**) are able to report that they have improved completion rates by at least 15%.

**One in four** have improved training efficiency by at least 15%:

- ▶ **28%** have decreased time spent on compliance training
- ▶ **25%** have decreased cost of delivery

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*“A recent learning module achieved a 50% reduction in time by combining subject matter that had previously been delivered in three modules.”* (Global Head of Personal & Professional Growth, Financial Services, UK)

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**One in five** have seen an improvement in staff behaviours and attitudes of over 15%:\*\*

- ▶ **28%** have improved employee understanding of compliance policies and procedures
- ▶ **24%** have improved the reporting of breaches or suspicions
- ▶ **21%** have improved staff behaviours
- ▶ **19%** have improved attitudes towards compliance

Training professionals could spend their entire time reporting different performance measures of success. For example:

- ▶ Key Performance Indicators for **Business** performance (e.g. **profit, growth, transformation**)
- ▶ Indicators for **Compliance** (**take-up, enrolment level, completion rate, pass rate**)
- ▶ Performance indicators for **Learning** (**assessment scores, feedback and satisfaction scores**)
- ▶ **Efficiency** indicators (**study time, delivery time, cost**)

However, many struggle to find adequate measures to express the shift in compliant behaviour and attitudes and the overall cultural improvement that they seek. **96%** want to generate more meaningful data to measure and improve programme effectiveness, but only **16%** are largely achieving this goal.

**16% generate meaningful data for measuring effectiveness**

When we consider those that are having more success in generating meaningful data for improving the effectiveness of learning, three themes are evident.

They are at least **3x** as likely as those that are not achieving this benefit to focus on changing behaviour through:

- ▶ Designing relevant, practical learning focused on behaviour change
- ▶ Working with line managers and local champions to support and encourage learners
- ▶ Having a clear communication strategy with stakeholders

**11% strongly agree they have improved measurement of behavioural change relating to compliance risks**

\*\* The actual level of improvement was not asked as so few organisations are measuring a 'before' and 'after' difference when implementing new technology solutions in learning. Using a conservative estimate where those that report 'over 15%' improvement are treated as 15% and those reporting 'some improvement but less than 15%' are treated as 5%, the actual levels of improvement, averaged over the last 3 studies, are in the order of 4-8% for each of these impact measures.

**37% agree that changing behaviour in key areas is more important than raising awareness of all the issues**

## Designing relevant practical learning for behavioural change

Shifting the focus to changing behaviour in key areas, rather than raising general awareness delivers the desired improvements in compliance measures too.

The methods that have the most impact on behavioural change include mobile learning and performance support tools – reinforcing the messages conveyed in workshops and team meetings.

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*“Measurement in this way has not been formalised from a before / after comparison, however, time spend on compliance has significantly reduced from previous classroom to online methods.”*

*(L&D Manager, Energy Sector, Germany)*

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## How can we generate meaningful data?

### Set smart objectives and desired outcomes:

- Look at areas of risk and identify the root causes
- Take a snapshot of the ‘now’ and set smart objectives for the future
- Run the programme, measure (what’s the difference), identify improvements
- Review your Key Performance Indicators – are you measuring what is most important?

### Define the sources of data:

- Qualitative data: speak to the learners/HR/Line Managers/Subject Matter Experts (e.g. direct discussion, focus groups, interviews) – find out what is working and what is not
- Current practice: build a library of relevant scenarios and case studies (using observation reports, video clips, recordings)
- Learner data (e.g. surveys, diagnostics, course feedback, assessments) – how can this be used to inform and guide programme improvement?
- LMS reports on participation, completion, learner engagement
- Relevant data from external bodies (e.g. benchmarks from Towards Maturity)

### Use the available technology to gather data:

- Experience API (Tin can), performance support tools, apps, surveys
- Internal audit tools
- Phishing emails – “mystery shopper”

... and work with those in IT to access and interpret that data

Source: Focus Group April 2017

Table 5: Methods that impact on behavioural change

**Highest impact**

**43%** mobile devices to access offline learning content/courses and performance support using apps

**41%** Instructor-led workshops

**38%** Manager-led team meetings

**31%** Performance support tools

**30%** Shorter e-learning courses

**30%** Games and simulations

**Lowest impact**

**33%** External social networking sites

**16%** Digital communications

**11%** Self-study materials

**10%** Third party social media

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*“It seems that most compliance training focuses on the negative side of behaviour and action; rules are so complex and intertwined and at time indecipherable that training is difficult at best – if you train for one situation you break a regulation in another area.” (CCRAO, Healthcare, USA)*

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What techniques in e-learning design correlate with both efficiency and effectiveness?

## Using the power of the story

Using realistic scenarios, storytelling, attractive visuals and animation can help to bring learning to life and make content more engaging and interactive. Stories can give learning a more realistic context which motivates the learner to engage emotionally with the content. Stories can include case studies, scenarios, illustrations, examples, critical incidents – and are powerful when they relate to the everyday work experience. Storytelling can also help to introduce a new topic and to simplify complex issues and make them more easily understandable and interesting.

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*“Often seen as tick-in-a-box exercise even though we’ve tried to tell stories and visualise the messaging.”*  
*(Compliance Learning Consultant, Telecoms, UK)*

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**37% draw learning scenarios from real life situations (e.g. videos, photos, case studies)**

When compared with the rest of the sample, those using learning scenarios and storytelling in their approach to compliance training are at least **3x** more likely to achieve benefits:

- ▶ Increasing workplace transparency (**36%** vs **12%**)
- ▶ Reducing time away from work (**46%** vs **13%**)

Those that are using learning scenarios drawn from real life situations are also seeing a significant improvement in the compliance culture in their organisation:

**Table 6: Percentage reporting over 15% improvement**

Benefit	Using learning scenarios	Not using learning scenarios
Increase in understanding of policies and procedures	47%	20%
Improvement in staff behaviour	34%	14%
Improvement in attitudes towards compliance	32%	11%
Increase in reporting of breaches or suspicions	36%	18%

Similar levels of improvement are associated with using storytelling techniques and spaced learning.

**The importance of repetition**

Reinforcing the message through repetition ('spaced learning') and practice help to aid retention and application of learning until it is successfully embedded into everyday work practice.

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*"e-learning helps us reduce cost, reach more and report on compliance completions but more needs to be done to ensure that this is engaging for learners, is helping us manage risk, is actually impacting the levels of risk and is changing behaviours."*  
 (Head of Learning and Communications, Voluntary Sector, UK)

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**Working with the 'encouragers'**

We have looked at the influence of the manager at all levels as a role model. The line manager has a particularly important role, which needs to go beyond influencing the learning and development of their direct reports through performance review, advice and guidance.

## Listening to the learner voice

**78%** of learners say that support from their manager is essential or at least, very useful to them to help them learn what they need for their job. **48%** report that their manager is the most likely to influence them to learn online.

- ▶ **64%** want direct pre- and post-learning support from their line manager
- ▶ **70%** agree or strongly agree that their manager makes time for them to learn at work
- ▶ **48%** agree or strongly agree that their manager discusses the learning objectives with them before the start of any formal learning
- ▶ **65%** agree that their manager expects them to apply the learning points afterwards
- ▶ **63%** agree that their manager supports them afterwards in the consolidation of learning in the workplace

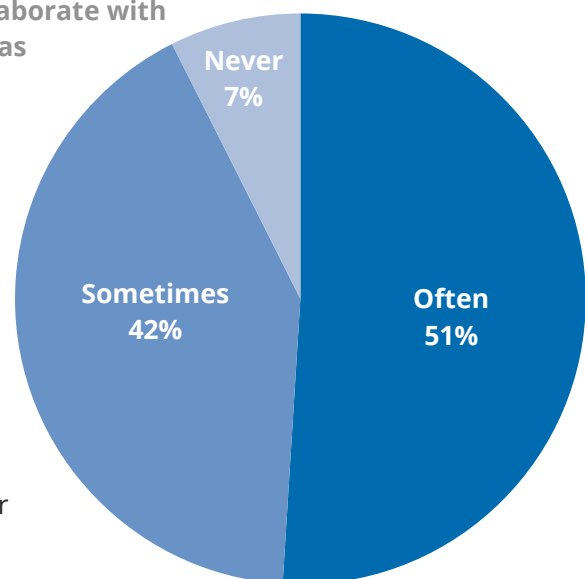


## Communicating with line managers and other stakeholders

**Figure 6 (right): How often do compliance leads collaborate with department heads to learn more about the risk areas they face?**

How can L&D, compliance and ethics teams reinforce the positive example of managers and support them in developing their teams?

- ▶ **35%** provide managers with resources and job-aids to encourage application back in the workplace
- ▶ **38%** work with directors/senior managers to endorse learning
- ▶ **31%** include managers in the design process for compliance programmes
- ▶ **27%** managers encourage and make time for staff to study on the job

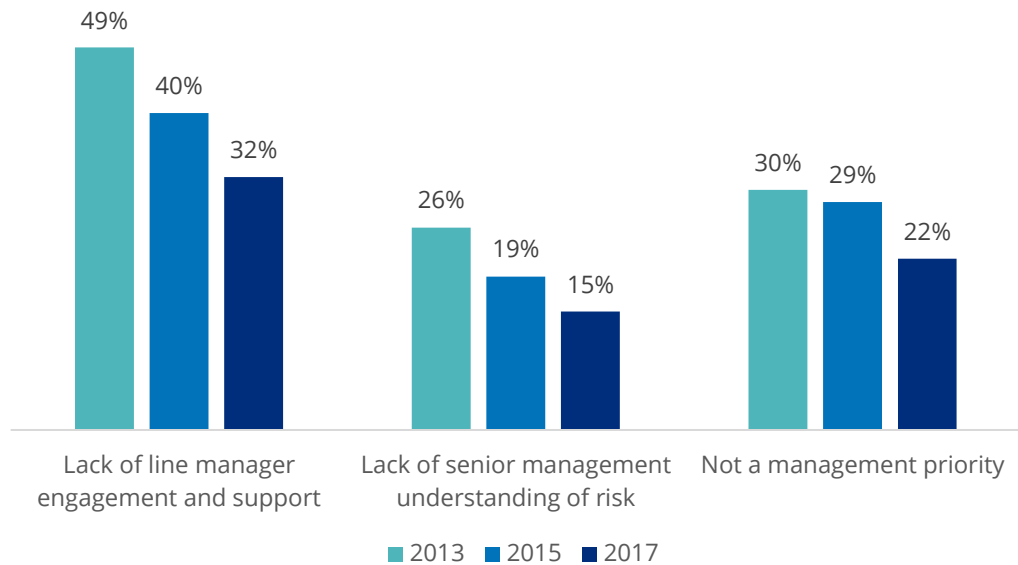


The situation is improving and managers are increasingly getting involved. Barriers related to the level of management engagement have reduced over the last 4 years:

- ▶ **32%** report lack of line manager engagement and support
- ▶ **15%** report lack of senior manager understanding of risk
- ▶ **22%** report that compliance is not a management priority

**45% believe staff feel comfortable speaking up and whistleblowing if they see something wrong**

Figure 7: Reducing barriers due to lack of manager engagement



Successful organisations look for every opportunity – and people – that could help encourage staff engagement, including local workplace union representatives and compliance champions. Fostering a whole team approach whereby staff support each other on a daily basis makes for a more open and transparent compliant culture.

### Clear communications with stakeholders

Communication needs to extend beyond the line manager to include subject matter experts and even the regulators.

Compared to the rest of the sample, those with clear stakeholder communications are at least **3x** as likely to achieve the following:

- ▶ Increasing workplace transparency (**38%** vs **11%**)
- ▶ Improving measures of behavioural change related to compliance (**21%** vs **6%**)
- ▶ Generating meaningful data that can be used to measure and improve programme effectiveness (**26%** vs **8%**)

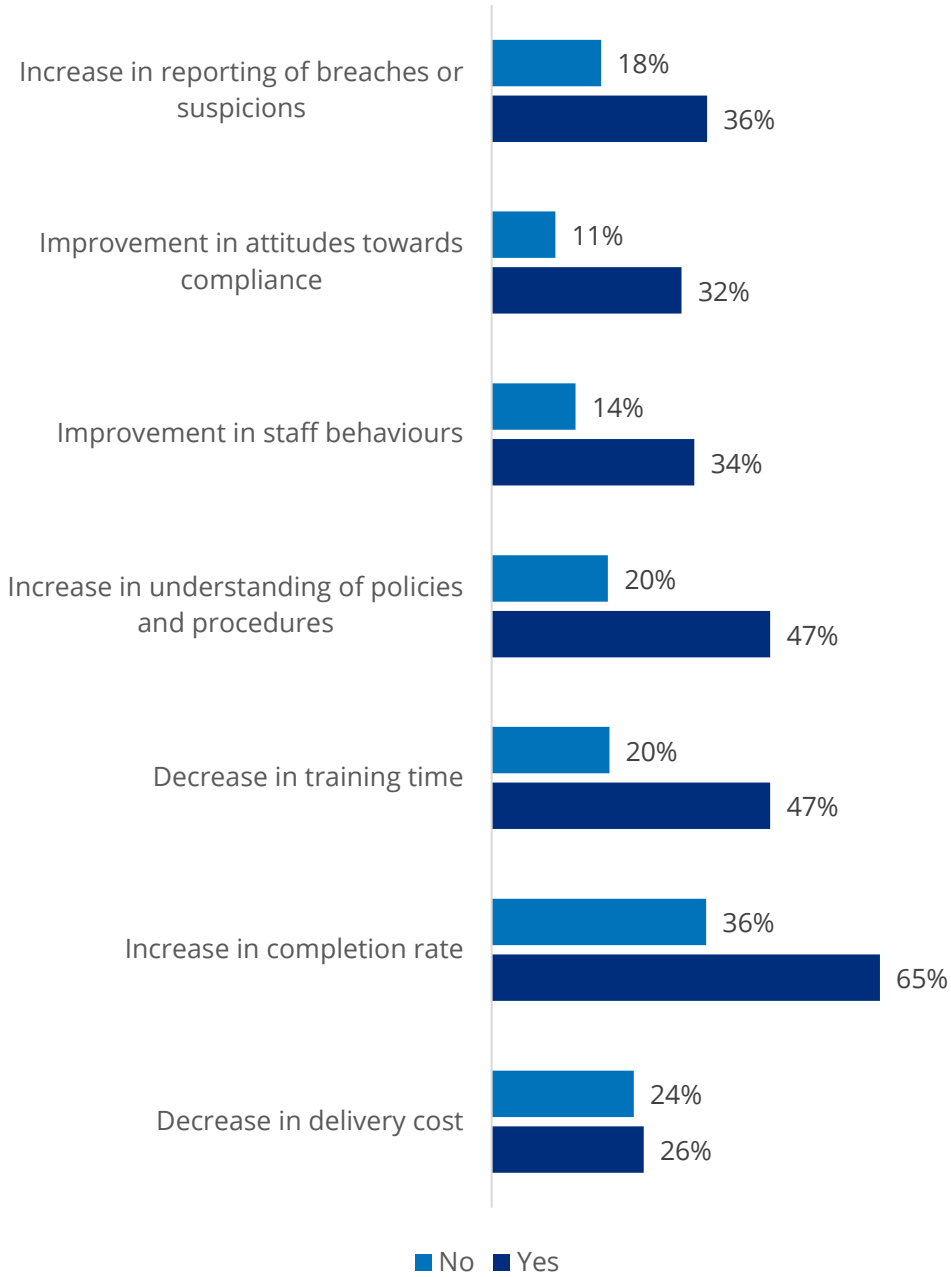
They also create significant reduction in time away from work (**35%** vs **15%**)

Compared with the rest of the sample, these 30% have measured a 14% improvement in completion rates (**86%** vs **72%**) and significant improvement in other efficiency measures too as shown in Figure 8.

**30% ensure there is a communication plan in place for all key stakeholders**

*“Communication is key for buy-in”  
(Learning and Development, Social Care, Australia)*

Figure 8: Comparison of performance between those with clear stakeholder communications



Yes: those that agree that they have a clear communication plan for all stakeholders

No: those that disagree

## How do we connect and engage managers?

### Go to their world (communication / visibility):

- Good communication – including direct conversation - is of primary importance
- Communication ‘lean in’ – go their world (alignment), sharing stories, progress plans
- Educate managers on the imperatives for compliance – the “why” – and engage them with the benefits
- Give managers evidence of the connection between good compliance and good business
- Create personalised solutions for managers – meeting their own needs
- Create a strategy and environment that allows the space, time, and trust for managers and give enough time to communicate properly

### Partnership (build relationships / reliability):

- Gain senior leadership support and challenge them to take responsibility
- Educate senior decision-makers on the impact of timescales
- Talk with the line managers and share data with them
- Find out the barriers – and address them
- Build credibility – use technology to communicate - but with the human touch
- Ask, don’t tell

### Enable successful business objectives:

- Establish a better connection between compliance and strategic needs - demonstrate the link that compliance is not about “constraining business” but is an enabler of business
- Enhance manager training (to deliver compliance, and deliver ROI on their time)
- Set clear expectations against KPIs, escalation routes
- Capture how they manage compliance rates during interview
- Motivation, recognition and incentives for sharing (better pay, bonus structure)
- Asking questions: surveys, focus groups, early engagement on projects, manager toolkits
- Focus on the consequences
- Prove what they say will change things “value”, “you said, we did”, “credit input”

*Source: Focus Group April 2017*

## Technology plans

More mobile apps.  
Shorter more frequent videos and tools.  
More use of mobile apps.  
Using diagnostic tools to customise learning.  
Shorter, scenario-based, mobile, on demand.  
Gamification, bite-sized.  
Procuring a new LMS.  
Making mandatory training available on mobile devices.  
Use of e-assessment to assess competence against learning outcomes.  
Move to more interactive and engaging e-learning forms.

## Improving engagement

Human centred design approach to understand how to improve from our learners.  
Make it more engaging and easier to access, and to be only one step in their learning journey (not the destination!).  
We're exploring adaptive learning and are piloting the use of 'burst' learning modules to replace some of our more lengthy courses.  
We would like to take a blended approach and look to make the e-learning courses engaging.

## Improving evaluation and outcomes

Better evaluation of our approach and behaviour change.  
Improving the methodology applied to it in order to achieve greater measurement of outcomes, advocacy and efficiency achieved.  
Ensure that we are delivering content that is aligned with the risk and is more engaging for learners.

## Priority risk domains

AML  
Anti Bribery  
Code of ethics, Safety, Security, Privacy  
Security Awareness  
Data Protection – new EU legislation  
Worldwide anti-corruption training  
Risk Management  
Data Protection  
GDPR  
Privacy and Data Protection  
Money Laundering  
FCPA  
Linked to the GDPR legislation  
Mutual respect and workplace civility training  
Intra-cultural training

# What are your future plans for compliance training?

## Connecting with stakeholders

We are starting a 'train the trainer' programme to train all management on how to provide training and how to do presentations. We are also collecting talking points for everything that a manager has to talk to their employees about.

## Training methods

Micro learning.  
Spatial, repetitive learning.  
More tailored compliance training.  
Easy to understand training materials.  
Leader-led training,  
Replacing face-to-face learning with webinars and video to make content quicker to access and standardised  
Modular, bite-size, experiential. Focus on spaced learning, rather than one time per year.  
5 minute in house videos on high risk topics in a Q&A session format.  
Making it simple and easy to use/access.

## Embedding compliance in behaviour

Make it part of the hiring process.  
Staff having time during their working day to study and complete training  
Increase performance support and use of technology other than LMS to run assessment components – self-driven learning with formal assessment recorded.  
Shifting away from a default position of e-learning.  
About to trial an adaptive approach to our IT Induction which if successful will be applied to all the compliance content to reduce the amount of time spent on compliance learning further than we have already.

## Personalising compliance learning

To change to an approach whereby learning needs are based on witnessed performance and behaviors rather than a 'sheep dip' training approach.  
Personalised approach based on role.  
Ability to 'fast track' through content (test up front/throughout) and skip learning if knowledge already retained.  
More detailed learning and more role-specific content.  
Targeting high-risk audiences with real-life scenarios and getting them to stop, think and protect the brand.

## 5 Conclusions / next steps

Changing the perception of mandatory compliance training is a tough nut to crack. No matter how much an organisation is 'risk-led' in terms of their approach, there is much to do to ensure that the objectives are communicated to – and shared by – all staff.

Exploring the factors that are highly correlated with results can point the way to the approaches that can help to solve the compliance conundrums and conflicting dilemmas in danger of holding us back.

The overarching themes that impact across the three conundrums are:

- ▶ **Understanding and engaging with learners:** making the learning timely, relevant and based on real-life situations that staff can easily relate to and remember
- ▶ **Working with managers at all levels:** One tactic stands out as most highly correlated with business and efficiency benefits across all three of our conundrums - leading from the top and fostering employee trust in managers and senior leadership
- ▶ **Harnessing technology:** to give greater choice and flexibility than offered by the all-pervasive e-learning course, especially in the use of mobile and performance support tools that support learning directly in the flow of work
- ▶ **Rethinking the use of data:** designing workable and effective measures of compliance performance that can be used to measure and improve training programme effectiveness over time
- ▶ **Clear communications** with all the stakeholders, including workplace champions, subject matter experts and learners
- ▶ **Extending programme reach:** opening up compliance programmes to contractors and suppliers of outsourced services

Of course, none of these conundrums act in isolation. The challenge is to deliver improvement across all three. If we are going to tackle this, we need to take action that is informed by local experience and based on evidence. Our focus group brought ethics, compliance and learning professionals together to contribute practical ideas and experiences that actually work. The boxout that follows consolidates the feedback from the focus group with evidence from the survey to provide a step-by-step guide to accelerating performance.

## What needs to change? Solving the conundrums step-by step

### Define and communicate clearer objectives for compliance

- Be clear if this is internally or externally mandated - as an organisation, sector or industry
- Influence culture by bringing stakeholders together to gain buy in on common goals
- Meet with senior leaders to learn about the risk areas of importance in their line of business

### Create a compliance business practice

- Change governance to focus on behavioural change
- Adapt to a mindset where business results are more important than the process followed
- Reduce internal tensions of accountability between ethics and compliance vs L&D professionals

### Change the 'tone' of compliance

- Focus training on changing behaviour rather than raising awareness
- Make compliance a part of the 'learning organisation' rather than a separate activity
- Do you need a name change (for the campaign or the programme) to shake mindsets?

### Use data analytics to improve the learning experience

- Understand what methods are most effective for your learners
- Develop performance indicators that measure behaviour change and shift in attitude
- Consider how you use staff feedback to improve the learning experience

### Improve communications

- Identify and engage with all stakeholders
- Open up your internal compliance training to your customer and supply chain
- Use a 'campaign' approach to market compliance training and send staff regular reminders to revisit and complete training

### Inspire and engage staff

- Build the mindset that compliance is just something we need, to help us be our best selves
- Apply change management processes to make intense and widespread changes
- Shift from 'passive' learning to 'active' learning

### Design for learner engagement

- Plan learning design to make it as engaging as possible – and accessible from mobile devices
- Use storytelling techniques to build the emotional connection with compliance objectives
- Use 'adaptive learning' to modify the learning experience based on knowledge and performance

### Promote behaviour change

- Make compliance learning role specific where practicable using learning scenarios from real life
- Build in opportunities to practice and reinforce the learning objectives and include recommendations of how to use what they learn in their everyday work
- Use collaborative tools to build personalised feedback into learning programmes



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