

The Strategic Potential of Compliance Training

Research Brief



David Wentworth
March 2013

Research Brief

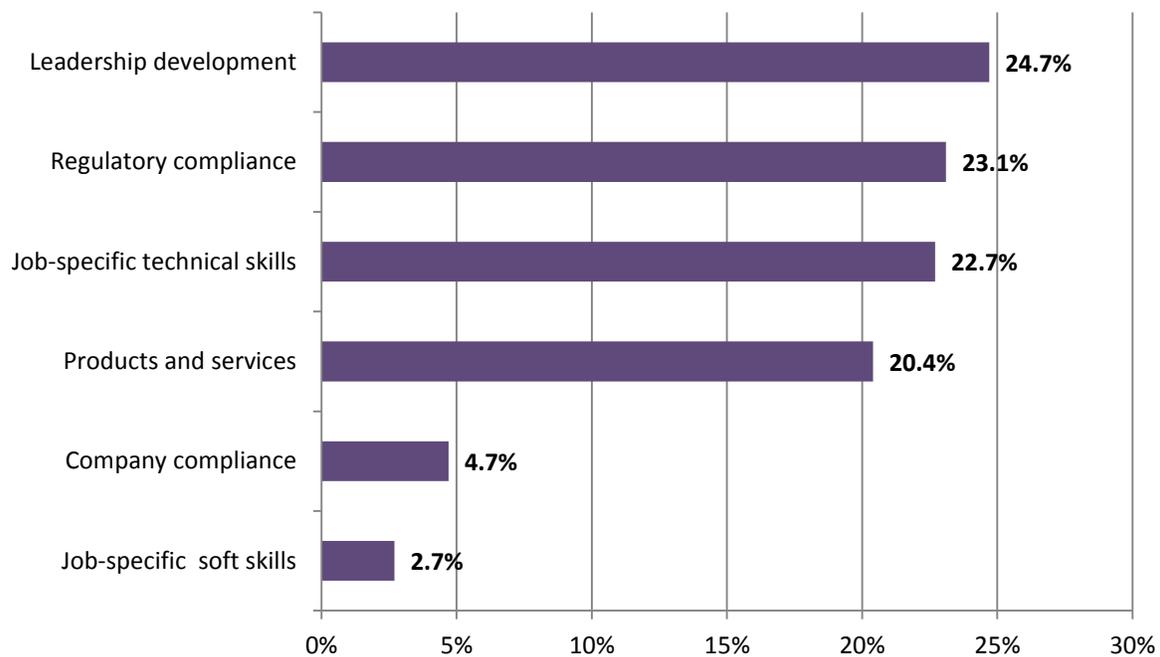
The Strategic Potential of Compliance Training

By:
David Wentworth, Senior Learning Analyst
March 2013

Introduction

For those organizations that are accountable to outside agencies, compliance is arguably the most important piece of the training puzzle. In Brandon Hall Group's 2013 Compliance Survey, 404 companies were asked which learning programs were most important to their business strategies. As shown in Figure 1, regulatory compliance was considered to be the second most important, less than 2 percentage points behind leadership development, when it came to number one votes.

Figure 1: Importance of Learning Programs



Source: Brandon Hall Group, 2013

When the number one votes for both regulatory and company compliance are combined, compliance becomes the clear leader when it comes to learning importance. It can be argued that the consequences for a poorly executed compliance training program would be greater and more immediate than those of an ineffective leadership development program.

Taking all of this into consideration, plus the fact that two-thirds of companies in the survey said that the need to demonstrate learning compliance to an external agency was either very or critically important, the crucial role compliance plays is evident. However, compliance training does not get the same kind of attention as other programs when it comes to design, development, or delivery, according to the survey. It is very often seen as dry, boring, and

The Strategic Potential of Compliance Training

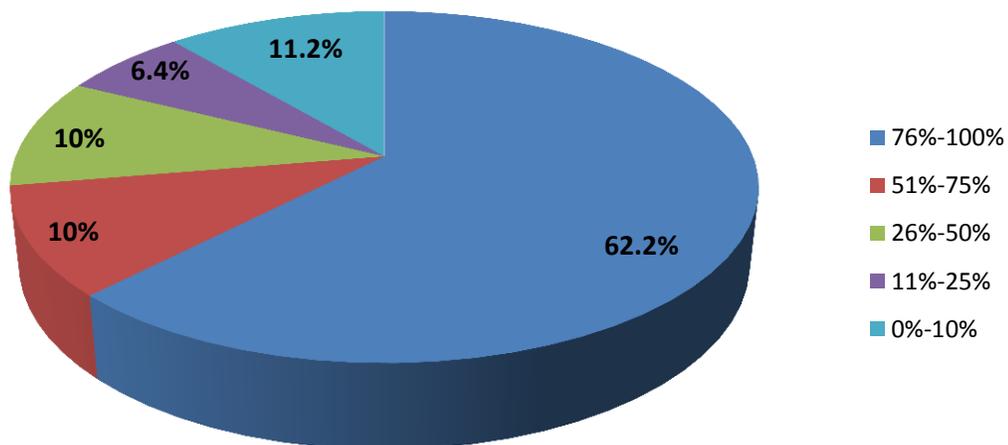
almost a necessary evil. Employees are presented with the plain, rote material delivered in seemingly outdated modalities.

This research brief looks at the results of the Brandon Hall Group's 2013 Compliance Survey, as well as interviews with compliance professionals and explores the strategic potential of compliance training.

The Role of Compliance

Compliance training is often an employee's first encounter with the organization's learning management system. If the feedback on these programs is negative, it could affect employees' impression of the organization's overall learning program. Compliance training requirements typically affect a majority of the workforce. When asked what percentage of their organization's workforce is impacted by compliance training requirements, as shown in Figure 2, nearly two-thirds of companies surveyed said more than 75% of their employees are affected.

Figure 2: Impact of Compliance



Source: Brandon Hall Group, 2013

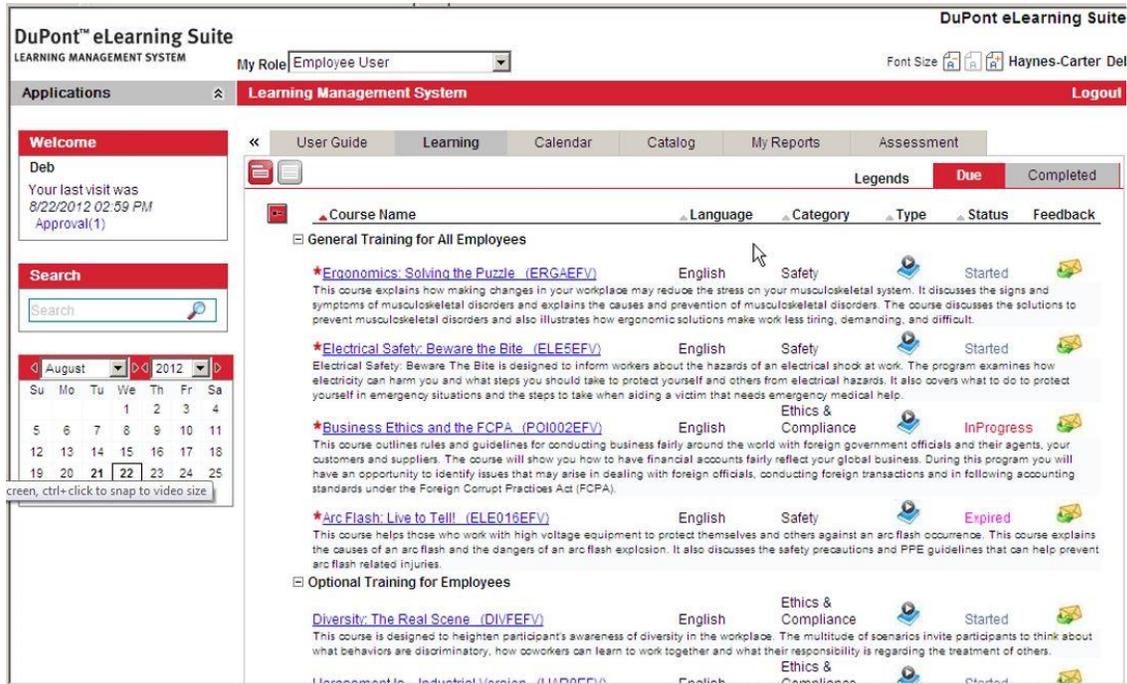
It is clear that the impact of compliance training is far reaching and has the power to influence employees. Therefore, if compliance training is designed and executed well, it can be used to market learning throughout the organization.

Creating an easy-to-use environment with engaging content helps build a strong relationship between learners and the learning platform. This relationship can lead to higher enrollments

The Strategic Potential of Compliance Training

and quicker completions because employees are already comfortable with the tool. The compliance training environment can also be branded with company logos, colors and language to make it familiar and integrated with the overall learning platform, as shown in Figure 3 below.

Figure 3: Compliance Training Environment

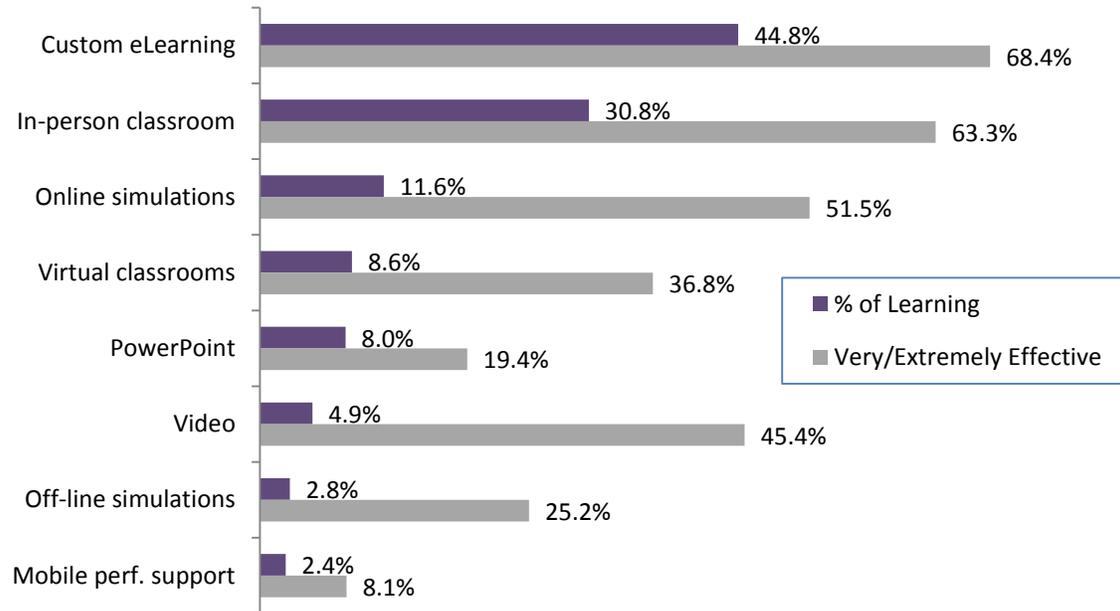


Source: DuPont Sustainable Solutions, 2013

The Right Tools

What makes for engaging compliance training? Organizations have been moving toward more stimulation and interactive learning for some time, but for companies participating in the Brandon Hall Group Compliance Survey, compliance training seems to have been left behind, with the majority of the training being delivered in a classroom setting or via traditional eLearning, as seen in Figure 4 on the next page.

Figure 4: Delivery Methods for Compliance Training



Source: Brandon Hall Group 2013

Custom eLearning is the go-to method for delivering compliance training, with respondents saying an average of about 45% of their training is delivered this way. It is also considered the most effective and in-person classroom training is similar. As we move down the list, there is an increasing gap between how effective a method is and how much it is used. More than half of companies surveyed found online simulations to be very or extremely effective, but they are only used for 11.6% of compliance training. Virtual classrooms have a similar pattern, where many companies find them incredibly effective, but they are rarely used.

The method that seems to be the most out of synch is video. Nearly half of organizations said that video for compliance training is either very or extremely effective. However, it is only used to deliver about 5% of this type of training. If video is in the same neighborhood of effectiveness as online simulations or classroom training, it would stand to reason that it should be used more.

Compliance in Action

Graham Packaging

Manufacturing is an industry that typically has a huge obligation to compliance, and the Graham Packaging Company is no exception. The company, located in York, Pa., designs and manufactures custom plastic containers for everything from juice to detergent to liquor and has

The Strategic Potential of Compliance Training

plants in Europe, South America, China, and Indonesia. Some of the plants have more than 600 people working in them, while others have as few as 30.

Despite the diversity in locations, cultures and plant sizes, Graham has to deliver training that ensures the entire organization is in compliance with various regulations. One of the most important set of regulations Graham deals with is from the U.S. Occupational Safety and Health Administration, or OSHA. The rules deal with keeping workers protected while they are on the job, whether it is proper use of ear protection, eye protection, or operating equipment. Despite being a U.S.-based set of rules, Graham needs to make sure each plant is in compliance.

Traditionally, much of Graham's OSHA training was delivered via instructor or by recorded PowerPoint sessions. While these methods delivered the information, it was difficult to track who was taking what and to assess the level. There was also no standard in place for assessing whether or not employees were absorbing the material.

John Faulkner, a health and safety program professional at Graham, said the company moved to a new platform delivered by DuPont Sustainable Solutions. The platform includes OSHA training content designed and developed by DuPont. The training covers a wide variety of topics, including forklift driving, CPR, and blood-borne pathogens. What this means is Graham employees have access to far more training material than they did before, plus the ability to access it in many different languages.

The majority of the content is video-based. Employees find this content more engaging than the standard PowerPoint presentation, plus there is built-in assessment capability. The videos are grouped into sections by topic, and the learners take short assessments after each section, followed by a post-assessment at the end of each topic. Faulkner said one of the advantages to this system is the ability to run reports on the assessments and ensure that employees are meeting the 75% passing grade threshold set by the company.

Business Impact

Compliance training does not need to be some bitter pill employees must swallow. It is far more than a means to make sure all of your regulatory boxes are checked. Instead, engaging compliance training that is easy to access, use, and understand can have huge business implications. Some of the bigger benefits of such a system include:

- **Time to productivity.** Meeting compliance requirements quickly and efficiently can greatly reduce the time it takes to get new hires up and running.
- **Compliance gaps.** Tracking enrollment and assessments will bring compliance gaps to light immediately and allow for interventions.
- **Lower costs.** The big payoff is better understanding of the material, which will lead to fewer on-the-job incidents or infractions, which can greatly reduce overhead in terms of remediation and fines.

Conclusion

Compliance training will not only remain an important issue for organizations, but it stands to grow in importance as new healthcare, financial, and environmental regulations continue to take effect. Companies that are troubled by compliance training today will only find themselves facing more challenge in the near future.

A strategic approach to compliance training will not only ensure compliance requirements are met, but it can also aid the credibility and reputation of the organization's overall learning program.

Some suggestions to realize the strategic potential of compliance training:

- Look at compliance as an integral piece of the entire learning ecosystem.
- Try to incorporate video and other rich media where appropriate.
- Look into a system for managing and tracking enrollments and assessments.
- Communicate the importance of compliance as a business strategy, rather than a mandatory exercise.
- Consider an achievement or rewards system for employees who meet compliance timelines.

About Brandon Hall Group

With more than 10,000 clients globally and 20 years of delivering world-class research and advisory services, Brandon Hall Group is the most established and well-known research organization in the performance improvement industry. We conduct research that drives performance and provides strategic insight for executives and practitioners responsible for growth and business results.

Brandon Hall Group has an extensive repository of thought leadership research and expertise in our primary research specialties— Learning and Development, Talent Management, Sales Effectiveness, Marketing Impact, and Executive Management.

At the core of our offerings is a Membership Program that combines research, benchmarking, and unlimited access to data and analysts. Our members have access to research and connections that help them make the right decisions about people, processes, and systems, coalesced with analyst advisory services tailored to help put the research into daily action.

The Value of Membership

The Brandon Hall Group Membership Program encompasses comprehensive research resources and an array of advisory services. Our Membership Program provides:

- **Cutting-Edge Information** – Our rigorous approach for conducting research is constantly evolving and up-to-date, providing your organization with current and future trends, as well as practical research insights
- **Actionable Research** – Your membership includes advisory services and tools that are research driven and provide you a breakthrough approach to addressing immediate challenges and opportunities inside your organization.
- **Customizable Support** – Whether you are an executive or entry-level practitioner our research and analyst insights can be leveraged at an individual level and across the entire organization. We realize that every organization has unique needs, so we provide multiple analyst and research access points.
- **Community of Peers** – We realize the value of connecting with your peers and being part of a community that is focused on continuous improvement. Your membership provides you with personal connections to fellow professionals.
- **Unlimited Access** – Every member of your team has the ability to utilize research, best practices, and advisory services when they need it most.

To learn more about Brandon Hall Group, please call us at (561) 865-5017 or email us at success@brandonhall.com.

The Strategic Potential of Compliance Training

About DuPont

DuPont Sustainable Solutions, one of 13 DuPont business groups, is an integrated, global services and technology delivery business. Its offerings comprise four practice areas: Safety Resources, Sustainable Operations, Learning & Development, and Clean Technologies. Together they offer consulting services, products and technologies that help organizations protect people and the environment, use assets more efficiently, and improve worker skills and performance. More than 190,000 employee development professionals in 129 countries have used DuPont's Learning & Development products and services to help transfer knowledge and sustain business competitiveness. www.training.dupont.com

DuPont (NYSE: DD) has been bringing world-class science and engineering to the global marketplace in the form of innovative products, materials, and services since 1802. The company believes that by collaborating with customers, governments, NGOs, and thought leaders we can help find solutions to such global challenges as providing enough healthy food for people everywhere, decreasing dependence on fossil fuels, and protecting life and the environment. For additional information about DuPont and its commitment to inclusive innovation, please visit www.dupont.com