INSIGHT



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totara

# WHY COMPLIANCE IS CRITICAL TO CORPORATE SUCCESS

Compliance with government and business regulation has always been important, but the pressure to prove that compliance has never been higher. The business risk of noncompliance is such that the reputational damage alone can lead to significant loss of earnings or even closure. With less than 40% of organisations feeling 'thoroughly prepared' for a compliance audit (Brandon Hall, 2017), it is clear that there is much work to be done to get businesses up to the required standard.

Organisations in high-consequence industries such as healthcare, manufacturing and defence, fare a little better, with 56% reporting being thoroughly prepared for any upcoming audits, but this still leaves almost half of organisations operating in high-risk areas not feeling as though their compliance training or records are adequate.



**39%**

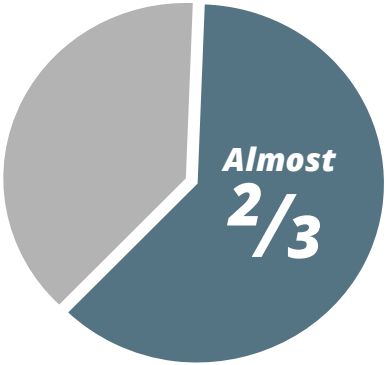
*Just 39% of organisations say they are thoroughly prepared for a compliance audit.*

The introduction of new major laws such as GDPR (which gives greater control to users of services in the EU over their personal data) are often stacked on top of existing regulations such as the Occupational Safety and Health Administration (OSHA), Health Insurance Portability and Accountability Act (HIPAA) and the Food and Drug Administration (FDA), adding an additional burden on compliance management, including the provision of staff training.

A spate of large-scale compliance violations (such as fraud and corruption in the finance sector and patient confidentiality violations in healthcare organisations) have left businesses more anxious than ever before about the potential repercussions of non-compliance. With fines, removal of licences, imprisonment and the entire future of the organisation being plunged into jeopardy, it is crucial that everyone knows the rules they must abide by, and that the organisation can prove that the relevant training has taken place and has been successfully understood and then acted upon.

# THE CURRENT STATE OF COMPLIANCE

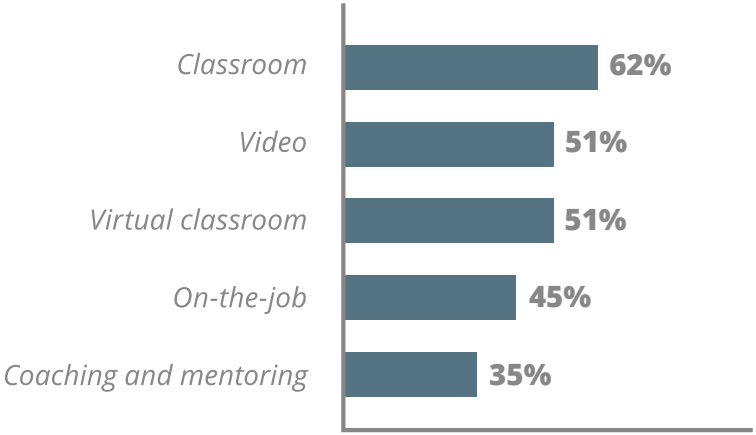
In regular organisations, 38% of organisations spend up to $500 per employee each year on compliance training, with 13% spending more than $5,000. In highly regulated sectors, 23% of organisations spend over $5,000 on compliance training per employee per year. In 50% of organisations, employees spend 10 hours or less on compliance training activities a year, so it's important that when they do take this training, it is highly effective.




*Almost two-thirds of regular organisations do not believe that their compliance training is completely effective and worryingly, 59% of those in high-consequence industries say the same.*

***So why are so many organisations falling short?***

*Most popular compliance training methods:*




Unsurprisingly, despite being overwhelmingly the most popular method for delivering training, just 14% of organisations believe that classroom training is the most effective method. In high-consequence industries, this drops to just 5%, with both groups believing virtual classrooms to be the most effective method for compliance training. There is a clear mismatch between the methods these organisations believe to be the most effective and the methods they are actually using, and there are several possible reasons for this.

Firstly, classroom training has been the status quo for decades. Traditionally, training was delivered as face-to-face workshops at regular intervals (often annually), so it is possible that the L&D team simply doesn't have the time, resource or knowledge to switch to a more effective method. It could also be a matter of perceived complexity - for instance, 15% of organisations believe simulations to be the most effective method of delivering compliance training, but the assumed expense of content creation could put L&D teams off. Another reason could be that if the classroom training is working 'well enough', they may feel inclined to stick with this approach rather than risking a new method, especially when it comes to compliance. This 'good enough' attitude is misplaced and fosters a culture of complacency. One where tick-box training is completed but little or no behavioural compliance is achieved. The devastating effects of this have been experienced in many sectors, including the oil industry where health and safety lapses causes loss of life and large-scale environmental damage. The financial services sector's ignorance of regulation has ultimately led to significant economic turmoil, misselling scandals, money laundering and fraud.

## COMPLIANCE TRAINING PLATFORMS

In terms of where learners go to find their compliance training, 62% of compliance training takes place on a learning management system, with just 14% opting for a specialist compliance management system.

This makes sense - if it's possible to use a single platform to support all learning initiatives, it is generally the most cost-effective option to do so. Separating compliance training onto its own platform could mean setting up a complex system of integrations to ensure that data is transferred seamlessly between platforms for accurate, up-to-date evidence of compliance.



**62%**

**COMPLIANCE TRAINING IS VIA LMS**

# HOW TO MANAGE COMPLIANCE

Delivering compliance training is only half the battle. Equally as important is the need to track completion of compliance modules to provide evidence to regulatory boards as part of an audit or in the event that something goes wrong. Without this evidence, auditors cannot be sure that the right people have completed the appropriate training, which can make assessing compliance almost impossible.

Some organisations keep manual records of compliance training, whether this is in spreadsheets or on paper. However, these are difficult to maintain and keep up to date, especially when there are hundreds, thousands or even millions of learners to track. Instead, a more practical and efficient method is to use a system that automatically delivers and tracks compliance training, sending reminders and prompts to learners when necessary to ensure that everyone completes the correct training within the specified time frame. In case of a compliance audit, the organisations are only given a short time to pull out compliance training records. If an organisation has hundreds of thousands of employees and the training records are being managed using spreadsheets or, even worse, on paper, this can be a hugely manual task with great potential for inaccuracy.



For organisations relying on their learning management system (LMS) to deliver and record compliance, there are several important features to look out for. All of these features are available in Totara Learn, and are used by organisations worldwide to manage compliance.

## CERTIFICATIONS

Digital certifications are particularly useful for organisations who need to prove compliance - especially large companies for whom tracking compliance training manually would be a time-consuming, confusing process. The certifications functionality within Totara Learn supports the creation of custom learning pathways for compliance or mandatory training. A range of personalised, customisable notifications can be set to automatically notify learners, and optionally their managers, of any upcoming recertification requirements.

## PROGRAMS

Setting up mandatory programs within an LMS means that learners must take these courses. Some programs may be optional (such as those designed to help with personal development) while others can be mandatory to ensure their completion by a certain date. For instance, many organisations released mandatory programs to ensure compliance with GDPR (the personal data protection laws applicable in the EU) before the deadline. Learners who had not yet completed the training could be sent reminder emails from the system to ensure they completed the program in time.

## AUDIENCES

Audiences allow an LMS administrator to deliver different courses to different groups of learners. Audiences may remain static (such as where the same learners need to take the same learning each year - such as health and safety training) or may be dynamic (where the need to take certain compliance training changes over time). Different learning paths can be assigned for certification and recertification and assigned to specific positions, organisations and audiences, or to nominated individuals to help automate the management of compliance training.

## REPORTS

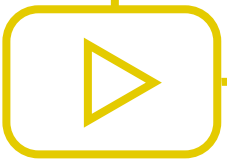
Custom certification reporting can be created and scheduled to run and emailed to managers and learning administrators to proactively track and manage compliance and other mandatory training. This can automatically generate evidence of compliance for an individual or across an entire team, department or organisation, making it easier to be proactive about providing auditors with proof of compliance training.

# HOW ARE ORGANISATIONS HANDLING COMPLIANCE TODAY?

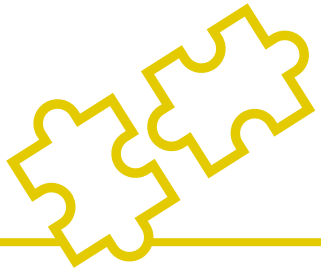
Compliance is a key part of the learning programme for most organisations, but we know that not everyone is getting it right just yet. The Compliance Training 2017 report by Brandon Hall provides an eye-opening insight into this critically important area of learning to shed some light on what's going well and what needs to change in the future.

## 59% WILL USE THIRD-PARTY CONTENT PROVIDERS

59% of organisations will be using third-party content providers more in the future for compliance training.



Video (48%), simulations (45%) and virtual classroom (44%) will be used more often in future.

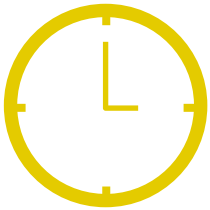


33% of large organisations want to use more games for compliance in future.



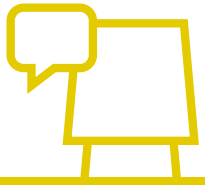
## 57%
## DEVELOPED IN-HOUSE

On average, 57% of compliance content is developed in-house.



## SPEND 10H OR LESS IN COMPLIANCE TRAINING ANNUALLY

In 50% of organisations, employees spend 10 hours or less in compliance training annually.



## CLASSROOM TRAINING

Classroom training is the top delivery method for compliance.



**In 31% of organisations, the learning team is responsible for compliance training.** In 28% of organisations, HR is responsible, and in 27%, it's the responsibility of a compliance officer.



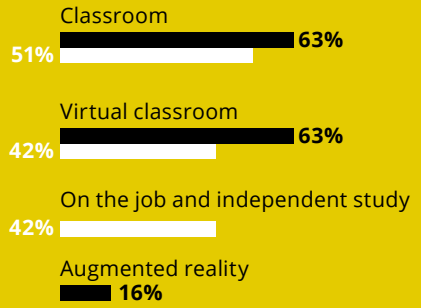
**45%**

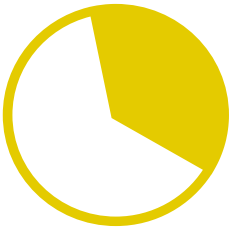
**45% of compliance training is from outside agency requirements** (e.g. regulatory board), 55% internally mandated.

## COMPLIANCE TRAINING SPEND PER EMPLOYEE

38% of organisations spend $0-500 on compliance training per employee a year.
13% more than $5,000.

## MOST POPULAR



## OVER A THIRD

**Over a third (36%) of employees participate in compliance training once a year.** Just over a quarter (27%), once a quarter.

# COMPLIANCE CASE STUDIES

In an area as crucial as compliance, it can help organisations to know what other businesses are doing to ensure their employees and processes remain compliant with industry regulations.

Organisations across sectors worldwide, including those in highly regulated industries such as healthcare and manufacturing, manage and track compliance through their learning platforms - and here are just a few examples of businesses using Totara Learn to do just that.



## NHS

Compliance is a key concern for the NHS. There is an ongoing need to deliver cost-effective compliance training on a tight budget and with limited learner time, so getting it right is crucial - and often literally a matter of life or death. Totara Partner, **Think Learning**, works closely with NHS departments across the UK to help them instil a cultural change around compliance training, manage the delivery process and maintain a clear and accurate audit trail to manage organisational risk.

Think Learning helps NHS departments introduce management hierarchies, comprehensive reporting and management of target audiences, as well as making enhancements to their IT structure. In a survey, 100% of respondents working in NHS Trusts supported by Totara Learn have experienced an increase in staff taking online courses, and 75% of respondents felt that staff and managers find the platform's compliance reports and blocks useful.

**Read the full case study**



## STEP ENERGY

With hundreds of employees working in high-risk oilfield environments across Canada, delivering compliance and safety training was no mean feat. It was unrealistic to expect each employee to come to the STEP Energy service centre for compliance training, and with recertification to think about too, they realised that they needed to modernise the way they administered this training. With the help of **Lambda Solutions**, they implemented Totara Learn.

Their learning platform delivers everything from compliance to safety and leadership training, with both mandatory and self-paced courses to support oilfield professionals. STEP Energy now offers much higher-quality training than was previously possible, and the cost of delivering compliance training has also decreased as they move away from face-to-face and paper-based delivery. Moving learning online also means that learners can access vital compliance and safety resources anywhere, at any time and on any device.

**Read the full case study**



## VÚB BANKA

VÚB Banka employs more than 3,400 employees in banks across Slovakia, all of whom need to remain compliant in the heavily regulated banking sector. To do this, they realised that they needed to switch from their previous small, outdated LMS to something more scalable and flexible, and chose to work with **e-learnmedia** to migrate to Totara Learn.

e-learnmedia ensured that hierarchies and dynamic audiences were set up to ensure that the right people received the appropriate training, with learning paths for easier progression through training content. Within the first six months after the platform launched, VÚB Banka had engaged almost 90% of its employees with the LMS, which helped to significantly improve compliance across the organisation.

**Read the full case study**



## WIZZ AIR

As the GDPR deadline approached in May 2018, low-cost Hungarian airline Wizz Air recognised the importance of ensuring that their systems were GDPR compliant. As part of a project with **Veloxnet**, they upgraded their Totara Learn platform from a 350-learner strong LMS to support 4,200 employees across Europe, and this provided the perfect opportunity to support GDPR compliance across the organisation.

Once the new system was in place and ticked all their boxes for supporting GDPR compliance, Wizz Air then needed to ensure that everyone completed a mandatory GDPR e-learning course within a two-week period. With the help of their Totara Partner, Wizz Air were able to ensure that they were in a great position to hit the ground running when GDPR came into force, and the flexibility and scalability of Totara Learn meant that this compliance challenge was resolved smoothly and within a very tight time frame.

**Read the full case study**



## BLIND VETERANS UK

Prior to having an LMS, not-for-profit organisation Blind Veterans UK managed training records in a very ad hoc way. With a compliance target of at least 85%, they knew they needed a way to better manage and track their compliance training, which is why they chose to implement Totara Learn with the help of **Engage in Learning**.

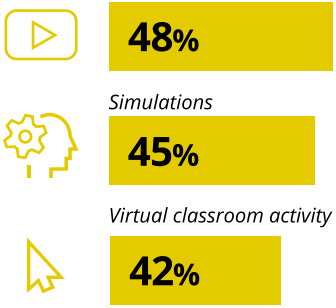
The LMS is now used to deliver compliance training covering topics such as using display screen equipment, equality and diversity, food hygiene, fire safety and infection prevention and control, which is complemented by a two-day face-to-face induction session for new starters. Totara Learn has given Blind Veterans UK invaluable access to compliance records, which can be used in future audits as evidence of employees' learning activity.

**Read the full case study**



# WHAT'S NEXT?

For standard organisations, future initiatives will include more:




Organisations in high-consequence industries have similar priorities, except simulations take the top spot with 54% planning on incorporating them into their compliance programmes.

This appears to signify a move away from traditional face-to-face training, which can be expensive, time-consuming and inefficient, and towards resources that can be accessed time and time again with no additional cost.

A video or simulation can be uploaded to the learning platform and accessed by hundreds, thousands or millions of learners, and can be accessed in learners' own time foradded convenience.

The interest in virtual classrooms also indicates that while organisations recognise the benefit of synchronous learning, this can often be done online, giving learners an opportunity to ask questions and share opinions without having to travel to a physical location.



***One-third of large organisations want to use more games in their compliance training in the future.***

***Want to take your compliance to the next level?***

*Get started with a no-obligation demo today.*


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*The data in this paper is from 'Compliance training 2017' by Brandon Hall.*

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