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Training: The good, the bad, and the ugly

by Calvin London

Compliance training is crucial for an organization to inform employees of its regulatory/legal responsibilities and internal policies. In most cases, it is mandatory to provide some assurance that the company is committed to upholding the law and reinforcing a culture of ethical behavior. Disregarding the required rules, regulations, or policies within an organization can have drastic consequences, including loss of employment, fines, criminal prosecution, problems in audits, and—last but not least—damage to the business’s reputation.

In a recent benchmark report, almost half of participating companies (48%) indicated that training employees on policies was one of the top three challenges for them.^[1] Across my time in compliance and as an auditor of quality and compliance systems, I have seen them all—good, bad, and ugly. This article discusses some of the telltale signs characteristic of each, suggestions for a good compliance training process, and, conversely, six ways to sink your compliance training.

Training and the need to get it right

As with any business process, the type of strategies used to train your employees will affect the quality and effectiveness of that training. In many cases, training *per se* is seen by management as an unnecessary evil that must be done in order to tick a box that says, “We have a training program.” Similarly, for employees, it is seen as a waste of time and interference to doing their job. Three important factors can affect whether you start with an “ugly” or a “good” system.

Training is a process, not a program

It is my opinion that training is a process, not a program. As discussed in an article last year, I also think it is time to start referring to compliance training as education more so than training.^[2] We want employees to understand how to interpret a code of conduct or regulation rather than simply listing all the components without understanding how to interpret them. This is different from training, which is more appropriate when employees learn how to do a particular action, complete a form, or fill out an application.

It follows that when we talk about compliance training or education, it needs to be ongoing as regulations change and employees develop new skills. By calling it a training program, it suggests an endpoint and compliance training should be ongoing.

The quality of your training will reflect the culture of the organization

Organizations that view compliance education as nothing more than a necessary evil—and implement training

reflecting this—have already expressed a negative culture. A 2020 survey showed that 52% of respondents agreed or strongly agreed that their employees view compliance as a necessary burden.^[3] Remarkably, 72% agreed on some level that it is more financially viable to essentially ignore compliance and instead pay the fine if an incident occurs. Only 6% strongly disagreed with this strategy.

Culture is as much about what you do as what you say. Implementing training that provides the employee with a one-time onslaught of everything they are supposed to know for their role at the start of their employment, with no further mention of the word “training,” shows a decided lack of continuous improvement or concern for the welfare of employees.

Buying an off-the-shelf training system is only part of the answer

Globally, organizations spend just over \$100 billion on job training; in the U.S., an average of 16% of training budgets are spent on external (outsourced) supplier learning tools and systems.^[4] Despite this amount of money, 70% of employees say they have not mastered the skills they need to perform their jobs.

The number of organizations using online and e-learning tools as their main delivery method for compliance training is estimated to grow by 21% to 60% in 2024.^[5] This projected growth indicates that the challenge of developing and maintaining an internal compliance training system is either too costly or time-consuming. Hopefully, such a transition will not result in the loss of valuable information concerning the “why” of training that makes up part of an employee’s education. Outside products can provide solutions to the “how,” assisting employees to understand the broad principles of compliance required for their roles; however, they do not provide an understanding of their roles, what their organization is about, the values and ethics, or specific policies and procedures. This fine-tuning has to be done by an organization to put their own individual stamp on the training provided.

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