

# Cost Culture Compliance

Accomplishing the **three C's** to transform  
your Learning and Development strategy



# Cost, Culture, Compliance

An effective **Learning Management System (LMS)** can help you to reduce your organisation's training costs, improve compliance rates and drive a change in culture in your **Learning and Development (L&D)**.

With **81%** of workforces involved in mandatory **compliance training courses** each year, compliance is a broad topic that affects every organisation. From health and safety checks through to securing and protecting data against cyber-attacks, compliance is a legal requirement and can lead to a hefty fine – or even more serious implications – if not adhered to by the organisation.

In this eBook, we will explore **cost-**, **culture-** and **compliance-**related issues that affect all businesses, and how implementing an LMS can enhance your organisation. Costs can be reduced; learning cultures can be transformed; and compliance rates can reach an all-time high.

**Help your learners to achieve the most on their learning journey.**





# Spend for success

One of the main barriers against implementing a LMS system is the cost – both the financial cost and the time it takes to implement a new system into the company culture. It can be difficult for L&D teams to justify these costs to the Board but if the proposition is delivered successfully, key business objectives will be encompassed leading to the ultimate growth of the organisation.

## Financial times

The majority – 87% – of organisations wish to reduce the cost of compliance training <sup>[1]</sup>. As a legal requirement, this is an expense that companies cannot avoid. The desire to reduce costs is often a top driver of L&D teams considering implementing an LMS, or updating their outdated system which does not work as hard for them as it should.

However, **66%** of companies believe that the cost of an LMS, its set up and its maintenance is a barrier <sup>[1]</sup>. In order to overcome this barrier, it is essential that you build a strong business case illustrating the benefits of an LMS – there are plenty of examples out there.

### The top three efficiencies that an LMS provider should be able to illustrate are:

- 1** A reduction in training costs – training delivery time can be reduced by 27%, leading to better productivity.
- 2** Improved compliance rates, reducing the risk of hefty and often crippling fines.
- 3** A reduction in administrative time – reports should be able to be produced in minutes rather than days.

When considering an LMS, make sure the supplier can not only provide you with strong case studies around these three areas, but also their typical implementation times, their implementation process, their aftercare and support processes, and their customer excellence levels to provide confidence to the board that this is a good investment.

Looking ahead, 72% of organisations expect to see an increase in the focus on managing risk and mitigating potential failures. Most respondents reported that they expected the increase in focus on regulatory risk would be due to harsher regulatory penalties and super-sized fines being brought in by compliance authorities <sup>[4]</sup>.

**Whilst conforming to compliance can be costly, not complying is costlier and could lead to devastating effects to the business.**



## Time is money

Employees are often aware of their time efficiency – or lack of. 57% of employees are motivated by wanting to increase their productivity <sup>[1]</sup> and often, compliance training slips down their list of priorities as they work through their day-to-day roles and responsibilities at work.

Users have described compliance training as ‘too long, unengaging, and, at times, not relevant to their role’ <sup>[2]</sup>. This leads to frustrations in the workplace and users are disinclined to engage with compliance training as they feel the pressure of their other work-related priorities building up.

Furthermore, managers feel the pressure of increasing their team’s productivity. Managers are expected to ‘do more with less’ <sup>[3]</sup> and therefore do not give precedence to compliance training – they instead put pressure on their teams to deliver work tasks in a timely fashion, even if this leaves their understanding of compliance lacking.

However, implementing a sufficient LMS for an organisation’s requirements can lead to a 27% reduction in training delivery time. As employees are spending less time training whilst retaining the

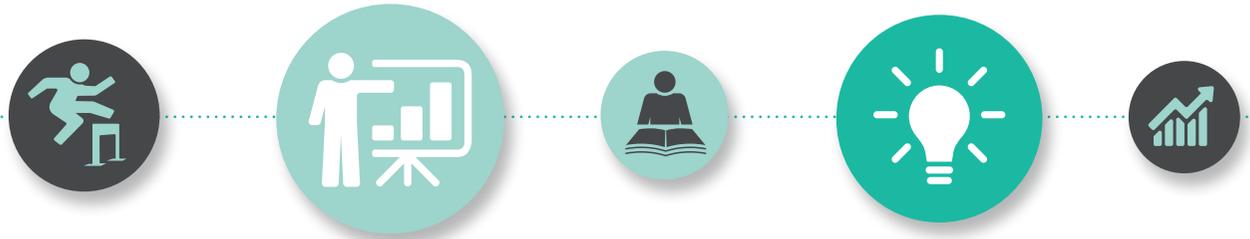
same, or better, quality of understanding, their work productivity increases. A good LMS will streamline processes, improve visibility and understanding of compliance throughout an organisation, and make compliance simple, fast and effective.

Whilst an LMS will reduce training costs, it can be used hand-in-hand with traditional means of learning for a blended approach. A smarter LMS should allow you to effectively manage classroom-based training, track time out of the office, and enable the scheduling of dates and times to ensure that teams are in sync with their e-learning, traditional learning, and their work priorities.

Furthermore, an effective LMS will not only improve time efficiency for employees, but that of L&D teams. More than a third of [financial] firms continue to spend at least a whole day every week tracking and analysing regulatory change <sup>[4]</sup>. This process will be shortened as L&D teams and managers will be able to monitor, track and report on completion rates of training, and pass rates of tests.

**An LMS may feel like a significant investment. Whilst you may decide to implement an LMS with online compliance training courses as a priority, your LMS can work harder for you.**

- 1** Consider tailored content by applying branding to your courses and communications. Whilst this comes with an additional cost, it can reap the rewards for you as users experience enhanced information retention thanks to the familiarity they see on screen.
- 2** Consider opting for a system that is able to incorporate ongoing learning campaigns throughout the year to continue your employees’ development, alongside their yearly compliance training.



# Cultivate culture

The training culture of an organisation is critical in the implementation of a successful learning strategy. It can make the difference between employees begrudgingly completing a ‘tick box’ exercise with little engagement and no enjoyment, or fully subscribing to training courses, actively seeking personal development and thereby improving retention rates and attracting new talent.

## Your role as a culture leader

**Organisations must be self-aware of their present company culture – for example, the learning experience of a quirky start-up software company will be very different to that of legal or financial services.**

You should also consider the users themselves. Users typically are self-motivated and eager to learn.

**83%** of employees actively seek opportunities in which they can gain new skills in the workplace <sup>[1]</sup>, with **61%** of learners wishing to be able to learn on the move <sup>[1]</sup> – nearly **40%** of learners are happy to use their personal mobile devices to do so <sup>[1]</sup>.

With commuting and working-from-home on the rise, it is essential that users are able to access learning on-the-go.

It is also worth noting that most users are receptive to the concept of training. If training is implemented with the user experience at the heart of development, users will return to the LMS when they want to develop themselves, rather than seek training from other sources such as search engines. Some compliance training, such as health and safety, can feel rewarding as it is a skill that is transferable outside of the workplace and can be used in the learner’s personal life.

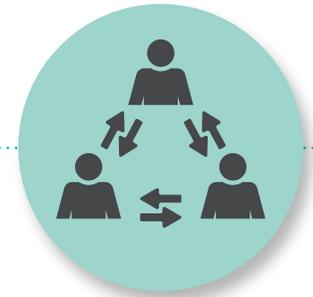
## Anyone who keeps learning stays young

**Whilst considering your company culture, also take into account your users’ generational learning preferences. Provide a platform that is simple and intuitive for all generations to use and tailor your e-learning content to their requirements. Those of the baby boomer generation may be slightly wary of technology, particularly due to cyber-security scaremongering shared throughout news features.**

Conversely, millennials can be dismissive towards clunky systems as they expect online applications to be slick and user-friendly – if the information is not immediately available, they will know of sources in which it is.

**With only 10 seconds** to gain employees’ attention <sup>[1]</sup>, the user experience is imperative in the system’s design and development. By providing a simple, modern LMS, learners will be able to access the system with minimal frustration and turn to it as their go-to source of information.

By implementing an LMS that is built to withstand your users’ needs, a cultural change of learning will naturally follow as best practices are shared.



## Management matters

An online learning culture can also be enhanced with the help of management – **41%** of learners have reported that it is their line manager that is most likely to influence them to learn online.

By encouraging managers to adapt to online training systems and embrace taking the time to do so, employees will feel more comfortable and confident in completing online compliance training during working hours. This will eliminate a negative relationship with training if the employee felt pressured to undertake training during their own time so that it did not interfere with their work productivity.

**58%** of companies believe that line managers are one of the main barriers to learning and development [1].

However, this may not be fair. As mentioned earlier, managers often feel pressure from organisations to have their team working at full productivity. It is crucial that managers are encouraged to take the time to employ sufficient

compliance training and follow ups. If managers are encouraged to embrace online learning and understand that compliance a legal responsibility alongside their management duties, they will be more understanding to it 'eating' into their team's time.

Furthermore, managers should be aware of the value of personal development within their team – if employees are empowered to find courses of their own choosing, they are likely to be more engaged, happier, better skilled and more loyal to the organisation.

A modern **LMS** will allow managers to make use of the LMSs' interface, with specific dashboards for manager-only use to gain an understanding of their teams' skillset and personal growth. They can then use this insight to encourage friendly competition amongst their team and ultimately track development.

### A positive relationship with compliance training is imperative to an organisation's learning culture.

- 1 Make compliance training simple, fast and effective to remove barriers to e-learning.
- 2 Be aware of current cultures and your employees' learning style preferences to tailor and adapt your training to suit their needs.
- 3 Encourage managers to embrace a change in learning culture and allow their team to take the time to learn and develop.





# Compliance Giants

Compliance is a legal requirement where minimum standards must be met – this requirement is often the top driver for companies looking to implement an LMS. In order to ensure that your compliance processes are at their most effective and information is being retained by employees, a modern LMS will provide automated reports, tracking, monitoring and reminders.

## What will you discover?

One of the key requirements of an LMS is the ability to report accurately on training. An effective LMS will allow L&D teams to be able to track and monitor those that have completed training, and those that have not.

With only **77%** of staff completing their online compliance programmes <sup>[3]</sup>, companies may find that they are not reaching their minimum compliance rates, leaving them at risk of an investigation following an unsatisfactory audit.

Risk can be mitigated with the implementation of an effective LMS. With a quick-view dashboard, L&D teams can review completion rates, and learners will be able to view their upcoming or incomplete courses.

L&D teams can employ an automation feature to remind staff automatically to complete their training, eliminating the need for L&D teams to spend time nagging and chasing whilst completing manual administrative tasks.

An **effective LMS** will deliver meaningful data which provides confidence – managers can be kept informed of their teams' training and completion rates. Furthermore, this meaningful data can provide reassurance during a compliance audit: reports can be extracted at the click of a button and are processed in real time, offering reassurance in the quality of the data.





## A mention of information retention

For compliance to be fully effective across an organisation, information retention must be at the forefront of all online training – often, users will complete training as a ‘tick box’ exercise, frequently skipping through the training to the test, and attempting until they reach the minimum pass rate.

**96%** of companies want to generate meaningful data – not to assist in audits, but to measure and improve the effectiveness of compliance programmes <sup>[3]</sup>.

Studies have shown that **87%** of organisations want to focus on building compliant behaviours, moving beyond the historic ‘tick in the box’ learning experience.

Indeed, **83%** of employees are seeking out opportunities to gain new skills in the workplace <sup>[1]</sup>, so the evidence is there that employees want to be able to embrace learning.

**55%** of employees find internal company documents essential/very useful <sup>[1]</sup>, so there is research to evidence that employees like to be able to reflect on their learning and refer to literature at a later date – LMSs can store documents, enabling users to access this information on demand as their learning journey requires.

**Compliance is a legal requirement, but it needn't be a headache. An online LMS will enhance the learning journey for users, managers and L&D teams, leading to the organisation's growth and ultimate success.**

- 1** Make use of an online LMS to its full potential by making use of its reporting capabilities and automation features to reduce administrative tasks.
- 2** Improve information retention by removing the ‘tick box’ exercises and have users develop a positive relationship with learning instead.



# Unlock their potential to build your learning strategy

By addressing these three key areas – **costs, cultures** and **compliance** – you will be on the journey to becoming a top performing organisation. Typical top performers report a reduction in training costs, better time efficiency, an increase in use of eLearning courses and compliance levels exceeding the average.

Get your learners onside to help your organisation to **achieve your learning objectives** and **compliance rates** whilst supporting a culture of continuous learning and development.

Research has revealed a gulf between learner aspirations and the experience of learning in the workplace – cater to your workforce's expectations whilst **reducing costs** and **increasing compliance rates**.





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### References

1. Towards Maturity's 2016-17 Learning Benchmark Report.
2. Towards Maturity's '8 Tips for Transforming Compliance Training from Tesco', 9 February 2017.
3. Towards Maturity's 'In-Focus: Solving the Compliance Conundrum', 14 June 2017.
4. Thomson Reuters' Cost of Compliance 2016.

## Find out more

**Reduce your costs, transform your culture and keep up with compliance.**

Speak with one of our experts to discuss your current costs, learning culture and compliance rates, and let us improve these for you with a custom solution designed for your organisation.

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