

# Compliance Training: *Check the Box or Buckle Up?*

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*The following is based on actual events. Names and locations have been omitted to protect the parties involved...*

A nurse sits at her computer to renew her certification. As she “takes her test,” the answer sheet lies next to her on the desk. When she hits “Submit,” her new certification is complete. She has complied.

An employee goes through an intranet course in safety. When he’s done, the LMS tracks his participation. He may not have read a single word but legally, he has completed the training.

During a meeting, a senior executive apologizes for being distracted about compliance training. “I’ll just check these boxes while we’re talking,” he said. “I committed to get this completed.”

What’s going on here? Is this how we define “compliance” today?

Apparently, even at the senior level, we at times miss what compliance is all about. Yes, compliance laws are intended to instill behaviors that keep you and your company “off a list,” but does anybody really believe that it’s more than that?

What we have frequently adopted is an engagement charade – one company labels this “outlier-mania.” The game is to keep your name off the outlier list that shows you are out of compliance. How you do this has become a cat-and-mouse game that exhibits true entrepreneurial behavior but a total disconnect from the original intent.

Humans can modify behavior quickly when we see the reasons for it. Yet, post-Enron, with the initiation of Sarbanes-Oxley, we seem to continue to separate the letter of the law from the spirit. So what is our responsibility to appropriately change this?

## **The Seat Belt Saga: Norms Do Change**

In an ideal world, we wouldn’t need compliance laws. Humans can modify behavior quickly when we see the compelling need for it. After all, it took less than a day to convince us to take off our shoes at airport security after the infamous Richard Reid tried to use his shoe to blow up an airplane in December 2001.

Let’s look at another familiar example where compliance has taken hold – seat belt usage. Not long ago, few people wore seat belts regularly, but today, it’s clearly become the norm rather than the exception. Seat belts weren’t even offered in cars until 1956, and use wasn’t required in any state until

1968. At first, cars were built to make an annoying noise if you didn't buckle them, so people buckled the belts and sat on them. (Very much like checking compliance boxes!) We had tons of reasons not to follow the law. We were good drivers. Seat belts increased the cost of cars. They were uncomfortable. They wrinkled your clothes. And besides, if your car somehow became submerged in water, it would take longer to escape. How is that safe?

So what happened to make us a nation of (mostly) seat-belt-wearers? An overarching multi-year communication and education campaign that not only changed the law to force us to comply, but also got us to change our thinking. TV commercials. Signs everywhere. Slogans like "Click it or ticket." The constant reaffirmation of the message that it's not just a really good idea, but it's the law. Ultimately, the message came from those we couldn't ignore – our children. If you have kids who watch the Disney Channel, you're probably familiar with cartoon characters like Captain Carlos and his Safety Patrol. Captain Carlos teaches kids to be sure that all passengers in the cars they're riding in buckle their seat belts and that parents never use cell phones while driving. Our littlest passengers have become our compliance officers for safe driving.

Over time, people began to focus on why the law actually mattered. Seat belts saved lives and reduced injury – and thus, improved everyone's quality of life. Soon, we learned that noncompliance with seat belt laws didn't just mean a ticket and a fine. There is finally a stigma attached to noncompliance, especially when it comes to children. And so the norm changed.



### What Are We Really Trying To Do?

The bottom line is that it's not so important how many people wear seat belts, but how many lives are changed because of this behavior. The same applies for compliance training. It's much more than "following rules." It's about changing how we behave, for good reasons. Tracking how many people took a safety course via an LMS might be important to avoid legal liabilities, but it won't really change behaviors. What ultimately matters is this: How do you really change the way people think about a particular issue so that you achieve the results you are seeking?

To make compliance training strategic, you need to focus on the outcome. It must be about changing behaviors not just because it's illegal not to, but because your company stands to benefit from changing those behaviors. If approached correctly, compliance training can be a competitive advantage. You can move from being "compliant" to leading your industry as a best-in-class example of a company that does the right thing – and benefits from it. We can choose to be either the reluctant follower or the leader in change.

In this way, the norm must change in businesses regarding compliance in the areas of financial transparency, safety, ethics, sexual harassment, and others. When we are truly compliant, the immediate reaction to any noncompliant behavior becomes "This is unacceptable." The norm has to change through the support of the whole company, not just by marking checks in boxes. When compliant behavior becomes the norm, the need for formal compliance diminishes. The debate changes from "How will we satisfy compliance rules?" to "Do we really need compliance rules?"

## Strategy Makes the Difference

There's clearly a need to revise how we're conducting compliance training. Several years ago, ControlPath, a developer of automated compliance management solutions, surveyed 132 financial, compliance, and technology leaders from across the U.S. in multiple industries to analyze process pain and barriers to achieving compliance. The survey found that only 28% of respondents felt fully confident that they were complying with applicable regulations. Senior managers said the most challenging aspect of compliance was the cost to manage it; indeed, another study reported that organizations were projected to spend billions on labor associated with compliance.

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Interestingly, only 30% of the ControlPath respondents said they were leveraging a unified

compliance process to deal with multiple regulations. The conclusion: Businesses are not treating compliance as a holistic business issue, but as disparate processes with different owners and redundant costs. Most organizations look at achieving compliance as one-dimensional: Get 80% of our business to be compliant, and we're through! But if you truly want to change behaviors and norms, you need to plan and execute an educational, context-setting initiative and instill an ongoing reward/reminder/punishment element, using influencers (like our kids and the seat belts).

So, as you consider how to execute the change required by regulations, first be very clear about what you're trying to do. You can legally comply, and do it with no expectations. Or you can try to drive behavioral change in your organization at an aggressive pace, adjust your business practices, and look at this with a systems view of true change.

## Four Steps to Strategic Compliance Training

If you really want to change norms, there are four things you should be doing to paint a holistic picture that will really help to change people's behaviors.

### 1. Create the "why"

Before getting into the details of the new norms and behaviors, ground people in the "why" of change. There is an old saying – "People will tolerate the conclusion of others, but will act on their own." Exploring the "why" of change in a meaningful way will accelerate the behavior change. For seat belts, one primary factor would be the opportunity to save thousands of lives.

### 2. Explain the "what"

To maximize the money you invest in compliance training, paint a holistic picture of what the change is. In the seat belt case, this would be changes in the law and the consequences of not abiding by it. Communicate through any means possible exactly what the requirement is, in clear language that everyone can understand without being patronized.

### 3. Describe the "how"

How will this change impact my job day to day? How will my skills or processes change? How can I best implement the change? The answers to these questions may be significant or negligible, but people will be more comfortable complying when they know how to implement the change. This is pretty easy for seat belts – just buckle up!

### 4. Reinforce, recognize, and reward the new behaviors

Celebrate when compliance has been achieved, and set metrics for continuing compliant behavior. Tell people how many accidents they have avoided, how many fines the company hasn't had to pay (and how this affects their personal bottom line), or

how the everyday culture has improved. Use various media and methods to reinforce the messaging, and hit all the relevant audiences. Remember the Captain Carlos Safety Patrol.

### From Compliance to Compelling

To determine your approach to effecting a change in the compliance training experience, ask these questions:

- Are you telling the truth about your compliance training? Is it a charade, or is it an authentic attempt to change behavior?
- Do you see compliance training as a compelling campaign that is a holistic approach to change beliefs, mindsets, and actions?
- Are you constantly searching to be relevant to the learners in ways that stick with them? (Example: Seat belts – “What’s holding you back?”)
- Are you using technology primarily to create true engagement or simply to track completions?
- Are you guided by the spirit of compliance or the letter of the law?
- Have you calculated in practical business terms what’s at stake if you don’t comply?

You’ll know you’ve done it right when your people “wear their compliance seat belts” not because they have to, but because they’ve learned that it’s a better way to behave – for themselves and for your company.



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