Integrating Compliance with Business Strategy: The Skillsoft® Compliance Maturity Model™
EXECUTIVE SUMMARY

Compliance training is a necessity to reduce the liability and legal risks businesses face on a daily basis. But how do businesses integrate compliance training with their business strategy? Skillsoft has developed the Skillsoft Compliance Maturity Model to help organizations identify the right learning content and approaches that will focus on behavior and culture to reap the full business benefits of investments in compliance programs. This paper explores the stages of the maturity model, citing specific examples of compliance successes and failures as they pertain to each stage. By defining compliance practices in this manner, businesses gain a better understanding of where their compliance program currently stands and what they can aspire to achieve.
A NATURAL PROGRESSION FROM “TRAINING” TO “STRATEGY”

Starting from the perspective that compliance should benefit the company and its employees alike, Skillsoft examined the way organizations at different levels of learning maturity perceive compliance training. Having been in this market for more than 15 years, we noticed a distinct pattern that many organizations follow in expanding their compliance and ethics capabilities. To that end, we identified five stages of compliance achievement:

- **Stage 1**: Awareness of compliance requirements
- **Stage 2**: “Check-the-box” to meet the minimal requirements
- **Stage 3**: Top-down behavioral change
- **Stage 4**: Self-driven behavioral change
- **Stage 5**: Full integration of compliance and business strategy

Ideally, organizations grow from an early focus on compliance training to a mid-cycle focus on behavior and culture to maturity, in which compliance learning becomes a fully embedded part of the business strategy. This progression also shifts the value basis of compliance investments from an emphasis on avoiding negative consequences of non-compliance to gradually placing a spotlight on a culture of compliance, which delivers powerful business benefits – positive brand recognition, attracting top talent, increased competitiveness and contribution to employee loyalty.
Between January 1, 2015, and June 2016, OSHA issued more than 500 citations with fines of more than $50,000; two companies incurred penalties of more than $1.7 million.1

Cybersecurity incidents continue to grow in both volume and sophistication, with 64% more security incidents reported in 2015 than in 2014. The average total cost of a breach climbed to $4 million per breach, with the average cost per record reaching $158.2

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**STAGE 1 - AWARENESS OF COMPLIANCE REQUIREMENTS**

Organizations pay little attention to compliance and ethics requirements, and provide employees with minimal resources to meet baseline standards. They hope problems will not occur, and when issues do arise, these businesses typically end up paying steep fines, penalties and other damages. These organizations may or may not make any compliance training available to employees because, in their view, it is too expensive. If they do provide training, it is implemented only after a major violation has occurred to show they are trying to meet compliance standards.

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**STAGE 2 - “CHECK-THE-BOX” TRAINING TO MEET MINIMUM REQUIREMENTS**

Companies acknowledge that the only way to get the message of compliance organization-wide is to ensure that all employees are afforded appropriate access to training materials. Businesses emphasize successful completion of course materials so the business can provide a record demonstrating an effort was made to meet regulations and standards. In other words, they check the box on compliance training in an attempt to avoid the damages that can occur to Stage 1 companies.

Some organizations at this level establish rudimentary programs targeted to managers only, thereby putting the responsibility on each manager to ensure that his or her direct reports are made aware of the various requirements that apply to each of them. This approach lacks the clarity and transparency to prove whether or not an employee was informed. Other organizations may take a “shotgun” approach and assign the same training to all employees without regard to specific job roles, areas of responsibility or other role-unique attributes. While this approach ensures that all staff receive training and there is a record of completion, employees become disengaged when training is irrelevant to their day-to-day functions and covers topics that they will never encounter.

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**STAGE 3 - TOP-DOWN BEHAVIOR CHANGE THROUGH TRAINING**

Organizations understand how training impacts the fundamental behaviors of their employees in the processes and tasks they undertake. Here, companies begin to affect a “top-down” cultural change in working to incorporate lawful

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The Bureau of Labor Statistics reported a decline in non-fatal workplace injuries and illnesses in 2014; part of a pattern of declines spanning more than a decade. Previous BLS reports have credited improved compliance training efforts as a key factor in declines in workplace accidents.3

practices. Meaning, that it is the job of executives to enforce training on managers and managers enforce training on employees. Training is seen as more strategic. Assignments are made based on job roles and responsibilities. Site-specific information, including local policies and procedures, in addition to regulatory requirements, is addressed. Many organizations stop here on the maturity model because there is perceived accountability on all levels. However, this is not true accountability as there is no belief in the program. Compliance is maintained by avoiding being punished. Additionally, if managers never witness wrongdoing, how can they enforce policies?

STAGE 4 - SELF-DRIVEN BEHAVIOR CHANGE

When an organization's approach to compliance becomes more mature, the focus shifts to empowering individual employees to make informed decisions to reinforce the company's lawful and ethical culture. This stage is a by-product of establishing a culture with high compliance awareness. Everyone in the company at all levels shares accountability for following a higher standard. Employees are self-directed to make the “right” decisions at this stage because everyone else is making these same decisions. Policies are understood and the reason why behind the policies are clearly explained. Engagement is high at this level because all members of the organization are now responsible for the success of the program.

STAGE 5 - FULL INTEGRATION OF COMPLIANCE AND BUSINESS STRATEGY

Organizations see a seamless integration of compliance with business strategy and it is measured as a component of business performance. In accomplishing this level of sophistication, compliance programs are aligned to actually assist organizations in accomplishing their business goals as opposed to serving merely as a function of risk mitigation.

Some large government contractors have noted that many of the opportunities that they are awarded are due in part to their ability to demonstrate the integration of compliance with their business operations.

In order to reach this stage, an organization must maintain a comprehensive view of learning – a company's maturation to Stage 5 cannot happen overnight. By keeping focus on continued growth and maintaining an upward trajectory, a company can continually improve its processes and realize meaningful results along the way. Employees,

managers, and executives alike see and understand their responsibility to the company by ensuring the success of the compliance program. Failure is not an option – as failure would mean a fundamental failure in the business strategy. Honesty, accountability, respect and leadership are principles of these organizations and transparency is a default.

**HOW SKILLSOFT CAN HELP**

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<th>Expansion Phase</th>
<th>Stage 5</th>
<th>Optimized - Learning adoption is ubiquitous and has become a core organizational advantage</th>
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<td>Stage 4</td>
<td>Integrated - eLearning is woven into the workflow, accelerating business impact and organizational ability</td>
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<td>Transformation Phase</td>
<td>Stage 3</td>
<td>Strategic - Learning is aligned to strategic business objectives and begins to connect to talent management</td>
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<td>Stage 2</td>
<td>Targeted - Targeted learning begins to support specific initiatives and job roles</td>
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<td>Implementation Phase</td>
<td>Stage 1</td>
<td>Supplement - eLearning is introduced to address scalability challenges and reduce costs, adoption is ad-hoc</td>
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Complex and continually evolving regulatory standards are placing increased pressure on our customers to “do the right thing and do it right now.” That’s why we’ve established Skillsoft Compliance Solutions, which offers training solutions and management tools to assist our customers in promoting ethical and lawful cultures, reducing legal and regulatory violations and minimizing their exposure to operational risk.

Skillsoft Compliance Solutions focus areas are divided into two groups: Legal Compliance and Workplace Health and Safety Compliance. We provide service to over 1,800 organizations worldwide – many of which are leading Fortune 500
CUSTOMER SUCCESS STORY: FLINT GROUP

A printing, publishing, and digital printing company based in Luxembourg, Flint Group, wanted to provide relevant, appealing compliance training to approximately 3,000 employees—in 20 different languages. After a thorough review of the market, Flint Group determined that Skillsoft was the best fit for their needs.

What Lisa Johnson, Director of Capability and Talent, has to say about working with Skillsoft: “The account team actually came on site to Flint Group, met with our project team, and we built the course work together with the engineers, and were able to deploy a product that blended with not only Skillsoft product, but with our product as well.”

“Our partnership has had a very positive impact from a strategic level. We’ve been very pleased that we have been able to launch the civic targeted training that is very appealing and relevant to our employees. We’ve gotten excellent feedback from them, and we’ve been able to accomplish our business goal.”

“From a standpoint of engagement, with the good feedback that we’ve received, it encourages us that the message is being delivered appropriately. Our employees have been very pleased that it is clearly specifically branded to Flint Group. They see our products, they see our individuals in the trainings. And it’s been a great impactful experience at all levels.”

companies. Skillsoft has one of the largest selections of compliance training, covering over 500 risk topics and localized in over 32 languages. We ensure organizations meet regulatory requirements, mitigate risk and address global audience requirements by employing a full adaptation strategy and developing awareness around critical risk areas. Skillsoft addresses these key initiatives, all while building a strong culture of compliance, through a comprehensive suite of training courses, services and technology.

**RISK MITIGATION**

Skillsoft eLearning solutions help companies address key compliance risk areas via video, course materials and tests for ethics, legal compliance, workplace health and safety, transportation, environmental safety, higher education and government training.

**CONTENT DESIGN**

Skillsoft has won many awards for its instructional and content design. Designed for the adult learner, our multi-modal courses specifically address the three established adult learning styles: auditory, visual and kinesthetic. Leveraging the latest brain science research, our content utilizes a data driven mix of instructional design approaches that foster the linkage between emotion and cognition to strengthen learning and retention. All courses have clear, tangible learning objectives, which are met through an engaging presentation of information, practice opportunities, and evaluation. The net effect is that our solution “assures learning.” Our instructional design staff continually refines its Adult Learning Model, using learner and training administrator comments, focus groups and regulatory guidance.

**CONSISTENCY OF MESSAGE**

Regardless of job level or language, our training is best-in-class. With support from our subject matter experts, we deliver content that is relevant, up-to-date and effective. Skillsoft partners with nationally and globally recognized law firms and industry leaders to serve as our subject matter experts in the development and maintenance of our compliance content.

The collaboration between our partners and our award-winning instructional designers means that the content built not only addresses pressing compliance topics, but also provides a practical approach to training.
SERVICE LEVEL

Skillsoft has created an organization that is able to offer a significantly broader range of learning solutions, increased service levels and a greater value to your organization than ever before. With 24x7 global, multi-lingual support you can be sure that we are there when you need us.

ACCESS TO THE INTELLIGENT LEARNING PLATFORM, PERCIPIO

Skillsoft offers an enhanced learning management system, called Percipio Compliance, that combines leading content and a modern user experience. Percipio Compliance provides the robust functionality necessary to help organizations meet complex regulatory needs.

Percipio Compliance helps organizations manage, track and report compliance training across all formats (e.g. online, classroom, on-the-job and other offline training events). The platform allows organizations to easily monitor and adjust their compliance training program in real time to align with changing regulations, evolving risks and emerging best practices. Flexible training assignment options, customizable dashboards and enhanced reporting capabilities provide the advanced administrative functionality required to manage intricate regulatory requirements while also able to demonstrate compliance with a complete an auditable training history.

And with access to one of the largest selections of Legal and Workplace Safety & Health training courses through Skillsoft Compliance Solutions, Percipio Compliance offers a seamless learning experience by uniting compliance with leadership, business, IT and digital skills content. Leveraging Skillsoft's comprehensive suite of training solutions, Percipio Compliance allows your organization to meet regulatory requirements, mitigate risk and promote a culture of compliance while supporting broader learning objectives.
A COMPLETE LEARNING PACKAGE FROM ONE OF THE LARGEST ELEARNING PROVIDERS IN THE WORLD

Skillsoft’s learning library provides the building blocks of effective learning programs. You can choose from these components to build a rich set of effective, interactive curricula.

Skillsoft has the most extensive eLearning catalog in the industry, covering not only compliance products, but many topics including business and leadership skills, digital skills, IT skills and certifications and government-specific knowledge. In partnership with the industry’s foremost publishers, vendors, analyst firms and business thought leaders, we provide on-demand, instant access to the complete text of thousands of best-in-class online books, book summaries, audiobooks, research reports and best practices, ensuring the best possible learning experience.
ABOUT SKILLSOFT

Skillsoft is the global leader in corporate learning, delivering beautiful technology and engaging content that drives business impact for modern enterprises. Skillsoft comprises three award-winning solutions that support learning, performance and success: Skillsoft learning content, the Percipio intelligent learning platform and the SumTotal suite for Human Capital Management.

Skillsoft provides the most comprehensive selection of cloud-based corporate learning content, including courses, videos, books and other resources on Business and Management Skills, Leadership Development, Digital Transformation, IT Skills and Certification Training, Productivity and Collaboration Tools and Compliance. Percipio's intuitive design engages modern learners and its consumer-led experience accelerates learning. The SumTotal suite features four key components built on a unified platform: Learning Management, Talent Management, Talent Acquisition and Workforce Management.

Skillsoft is trusted by thousands of the world's leading organizations, including 65 percent of the Fortune 500. Learn more at www.skillsoft.com