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.
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.

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.

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 practices. Meaning, that

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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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

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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**

<table>
<thead>
<tr>
<th>Expansion Phase</th>
<th>Stage 5</th>
<th>Optimized</th>
<th>Learning adoption is ubiquitous and has become a core organizational advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformation Phase</td>
<td>Stage 4</td>
<td>Integrated</td>
<td>eLearning is woven into the workflow, accelerating business impact and organizational ability</td>
</tr>
<tr>
<td>Implementation Phase</td>
<td>Stage 3</td>
<td>Strategic</td>
<td>Learning is aligned to strategic business objectives and begins to connect to talent management</td>
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<tr>
<td></td>
<td>Stage 2</td>
<td>Targeted</td>
<td>Targeted learning begins to support specific initiatives and job roles</td>
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<tr>
<td></td>
<td>Stage 1</td>
<td>Supplement</td>
<td>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 1,400 organizations worldwide – many of which are leading Fortune 500 companies.
Additionally, we provide one of the largest selections of compliance topics to ensure organizations meet regulatory requirements, mitigate risks, address global audience requirements with language considerations, develop awareness around critical risk areas—all while building a strong culture of compliance through a comprehensive suite of training services and compliance-based learning solutions.

**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 courses specifically address the three established adult learning styles: auditory, visual and kinesthetic. 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.

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**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.”

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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.

A COMPLIANCE LEARNING MANAGEMENT SYSTEM

Skillsoft offers a proven compliance learning management system called the Skillsoft Advanced Compliance Module featuring custom demographic labels (e.g. job function, department), curriculum assignments, scheduling, tracking and reporting.

The Skillport® Learning Management System with Skillsoft Advanced Compliance Module helps organizations ensure compliance by allowing specific and consistent training requirements to be set and tracked to completion for different customer-defined learner groups (e.g. divisions, departments, teams and job functions). Automated retraining functionality alerts learners, supervisors and training administrators to training status via an email notification system, allowing immediate review of training status for planning and compliance purposes through flexible and robust reporting.

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 COMPLIANCE SOLUTIONS

Skillsoft is a pioneer in the field of learning and talent management with a long history of innovation. Our compliance centric business unit, Skillsoft Compliance Solutions provides compliance-based risk mitigation and safety training, along with certification preparation for customers ranging from global enterprises, government and education institutions to mid-sized and small businesses. Today our compliance business solutions serve over 1,400 organizations worldwide, of which many are leading Fortune 500 companies.

Our compliance courseware and videos have been developed in partnership with industry-leading compliance experts to ensure customers receive up-to-date, relevant and reliable content. We provide one of the largest selections of compliance content to ensure organizations effectively meet regulatory requirements, mitigate risks—all while building awareness and developing a strong culture of compliance.

We help businesses protect themselves and their employees through a comprehensive suite of training services and compliance-based learning solutions.