



# **EMBRACING A COMPLIANCE CULTURE**

## **THE ROAD TO A COMPLIANCE CULTURE**

skillsoft®

WHITE PAPER

# THE BENEFITS OF USING COMPLIANCE STRATEGICALLY

Many companies consider compliance to be a costly annoyance that, at best, keeps them off the radar of regulators and, at worst, negatively impacts the bottom line. This “check the box” approach is something of a self-fulfilling prophecy. The less effort you put into compliance, the less you get out of it.

In reality, companies perform better and are more likely to achieve their objectives when compliance is a key component of their culture — that is, when compliance becomes a component of their growth strategy.

Employees who feel their companies are ethical and take their personal safety seriously are more productive and stay at their jobs longer. Companies that adhere to labor laws, enforce workplace standards, and commit to safety regulation experience significant returns on their compliance investments.<sup>1</sup>

## 26% SAVINGS ON WORKERS' COMPENSATION

A Harvard Business School study found that within high-hazard industries in California, inspected workplaces reduced their injury claims by 9.4% and saved 26% on workers' compensation costs in the four years following the inspection, compared to a similar set of uninspected workplaces. On average, inspected firms saved an estimated \$355,000 in injury claims and compensation for paid lost work over that period.

<sup>1</sup> SumTotal, “Effective Workforce Management Drives Measurable ROI.”

## GETTING STARTED ON YOUR COMPLIANCE JOURNEY

A compliance culture doesn't just materialize out of thin air, and it can't be imposed by executive fiat. The first step in your compliance journey is to formalize the role of compliance within the organization by creating an independent project team to take the lead. This team should include stakeholders at every level from across the organization to help achieve broad buy-in down the road.

## START WITH EXECUTIVE BUY-IN

Compliance is a top-down/bottom-up process. Leadership should model desired behavior to encourage the rest of the organization to follow suit. The compliance team's first task should be to gain senior management's buy-in with a solid business case outlining **risks** of non-compliance and **benefits** of building a compliance culture.

## IDENTIFY, DEFINE, AND MEASURE

Identify the risks your company faces at a strategic level. These risks should be aligned to your business goals. For example, if increasing revenue is your most important business goal, which risks would prevent you from reaching your revenue goals, and how can you reduce those risks?

## ESTABLISH BENCHMARKS

Define success metrics at the beginning of your compliance journey, and implement systems to track those metrics over time. One obvious measure would be the number of incidents or violations over a given period, but you might also devise metrics based on root-cause research. For example, say a manufacturer measures injury on the assembly line. Further analysis may reveal that a portion of these incidents are repetitive-motion injuries caused by poor ergonomics. Ideal metrics would:

- Be easy to measure
- Provide a benchmark to gauge the success of mitigation efforts
- Provide a goal for continuous improvement



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## A STRATEGIC APPROACH TO COMPLIANCE TRAINING

Just as compliance should be strategic, so should training. Begin with an analysis of job roles that support your most important business functions, and drill deeper to understand how each of these could best benefit from training. Develop specific curricula and style for each role that:

- Supports critical job skills
- Fills specific skill gaps
- Meets employees scheduling needs
- Is in their native language
- Is offered in formats — such as microlearning and video — that engage employees and help them retain lessons learned

## ONE SIZE DOES NOT FIT ALL

When it comes to compliance training, what is important for employees in one role may be completely irrelevant for others. Consider using customized or supplemental content to make training more relevant.

## SHARE THE VISION

A compliance culture can only grow organically, so it must be cultivated with care. Be sure to communicate the vision of your compliance journey to your whole team so they have a clear understanding of what will be expected of them.

## THE JOURNEY IS THE DESTINATION

The next phases along the road to a compliance culture are initiating behavior change and then cultivating that change so it becomes permanent. This is done by planning and implementing an effective compliance program that helps your company and your employees reach mutual goals and objectives. Once you achieve a compliance culture, you must continue to maintain it.

# 1



Embracing a  
Compliance Culture

# 2



Initiating  
Behavioral Change

# 3



Cultivating  
Behavioral Change

This white paper is the first in Skillsoft's series, *The Road to a Compliance Culture: A Three-Phase Journey*. In the series, we show you how to develop your organization's culture to fully embrace compliance at both a strategic and an operational level to enhance its bottom line.

Download the next volume in the series, *Initiating Behavioral Change*, [here](#).

[Talk to an expert](#) for information on how Skillsoft can deliver results for your organization's compliance needs.

# ABOUT SKILLSOFT

Skillsoft (NYSE: SKIL) is a global leader in corporate digital learning, focused on transforming today's workforce for tomorrow's economy. The company provides enterprise learning solutions designed to prepare organizations for the future of work, overcome critical skill gaps, drive demonstrable behavior change, and unlock the potential in their people. Skillsoft offers a comprehensive suite of premium, original, and authorized partner content, including one of the broadest and deepest libraries of leadership & business skills, technology & developer, and compliance curricula. With access to a broad spectrum of learning options (including video, audio, books, bootcamps, live events, and practice labs), organizations can meaningfully increase learner engagement and retention. Skillsoft's offerings are delivered through Percipio®, its award-winning, AI-driven, immersive learning platform purpose built to make learning easier, more accessible, and more effective.

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