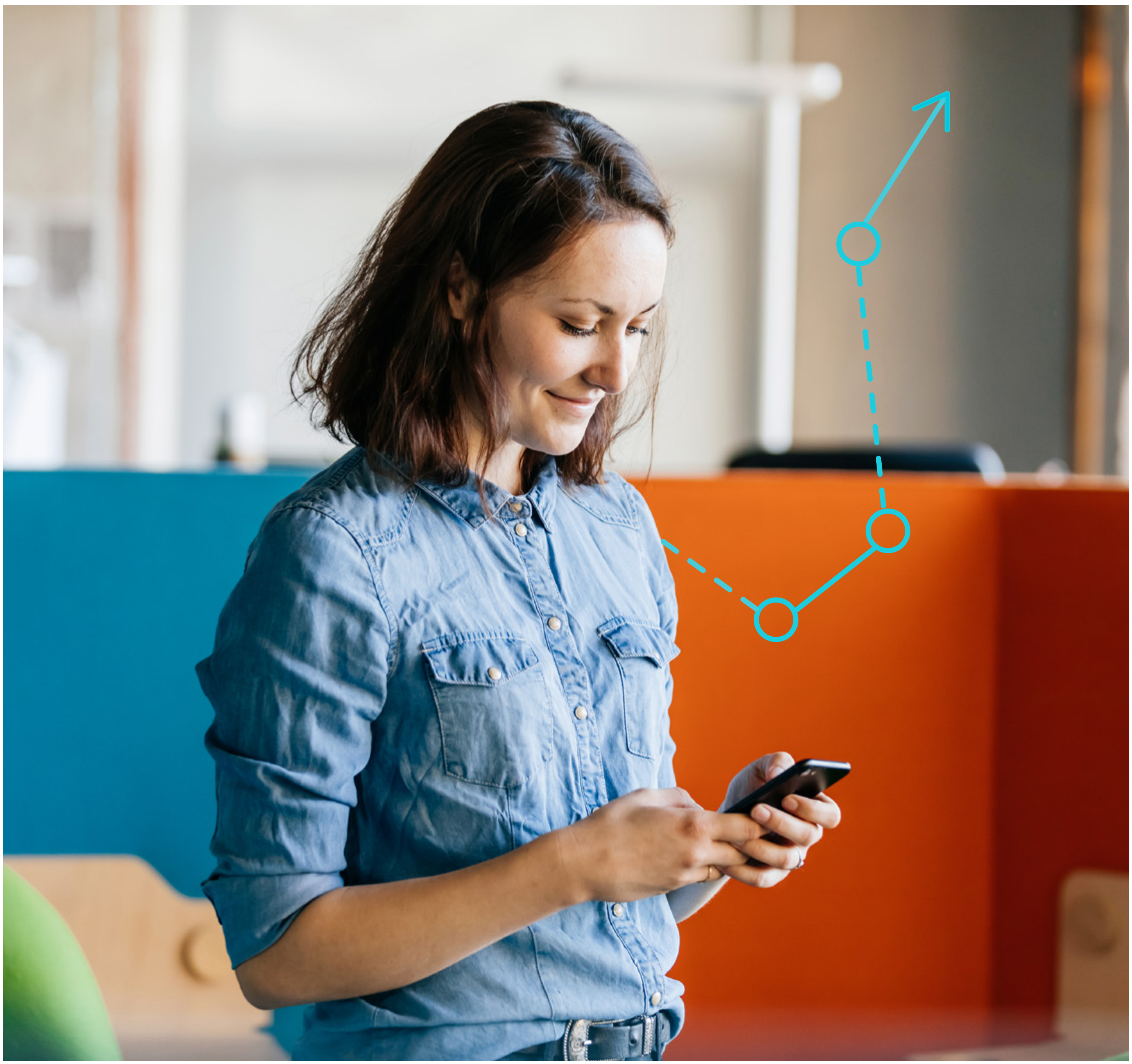
Definitive Guide to Ethics & Compliance Training



Overview

The Definitive Guide to Ethics & Compliance Training is your complete resource for creating effective and engaging training programs. It provides tips, advice and examples to help organizations develop affordable and valuable ethics and compliance training.

A good training program is vital for a fair, ethical and productive workplace. Beyond meeting the compliance requirements for training, it helps stop bad behavior, boosts employee involvement and trust, strengthens shared values, reduces risks and ensures everyone follows the rules. Ethics and compliance training is a smart investment, helping companies avoid legal problems and save money on lawsuits.

Most importantly, strong ethics and compliance training builds a good workplace culture. Companies that prioritize ethics tend to have happier employees, lower turnover and a better reputation.

This guide is divided into three main sections: Plan, Implement and Measure. You will find the tools and information you need to develop a strong E&C training strategy, implement a multiyear education plan, deploy training to advance your program goals, address your most pressing risks and measure, evaluate and improve your training effectiveness.

Contents

Introduction

Why is ethics and compliance training important?

In today's world, every dollar spent on compliance must show its worth. However, measuring the return on investment, especially for training, can be challenging. Some executives might not see the value of training and consider cutting it back or axing it altogether.

However, effective Ethics & Compliance (E&C) training is crucial for a successful and reputable organization. Laws change frequently, and few people fully understand them. Yet, everyone must safeguard their organizations. This makes it hard for compliance pros to explain legal, financial and reputational risks without good training.

The value of a culture of ethics and respect

A robust ethics and compliance training program is vital in shaping your company culture. By aligning with the organization's values and risk profile, such a program clarifies its identity and binds stakeholders to its vision. It covers crucial human resources topics that contribute to defining culture at your organization. When everyone, from board members to employees, undergoes E&C training, it reinforces the organization's commitment to an ethical culture.

This commitment extends beyond the workplace, influencing employee communities, the market and industry perceptions. Being recognized as an ethical workplace attracts and retains top talent, partners and customers, creating a self-fulfilling cycle of success.

Six objectives your organization can achieve with training.

1. Create a culture of ethics and respect
2. Provide employees with information they need to do their job
3. Prevent misconduct
4. Establish a legal defense in the event of a misstep
5. Protect and manage reputation
6. Avoid litigation

What is ethics and compliance training?

Think of it as a toolbox for your employees! E&C training provides your team with the knowledge they need to:

- **Act ethically:** Understand right from wrong in the workplace (harassment, code of conduct)
- **Follow the rules:** Learn about company policies and laws (wage and hour, anti-bribery, and corruption)
- **Work safely:** Stay secure online and protect information (cybersecurity, health and safety)

The value of a solid legal defense

Nowadays, compliance and human resources departments face intense pressure due to evolving regulations and increased enforcement efforts. Training mandates have become common, often incorporated into settlement terms by enforcement agencies. These agencies recognize training as vital for preventing legal violations and educating employees on expectations.

Practical training helps avoid violations, builds legal defenses, and limits damages. Generic or low-quality training, like canned videotaped sessions, may not suffice and could jeopardize legal defenses. Meaningful training establishes good-faith efforts to comply with anti-discrimination laws and other regulations.

The value of good faith

While legal standards may differ, organizations can adopt common strategies to establish a compliance-based defense. Courts, juries and enforcement agencies appreciate organizations that demonstrate a substantial, good-faith effort to comply with laws and ensure employee compliance. Good faith is not a one-time event; it requires ongoing training, engagement and reinforcement.

Some of the program features required to establish legal defenses include:

- **Clear rules:** Strong policies and a code of conduct guide everyone
- **Regular training:** Keep employees up to date on the latest rules
- **Safe reporting:** Make it easy for employees to speak up about concerns
- **Fair enforcement:** Play by the rules consistently
- **Constant improvement:** Regularly review and update your training program

Eliminating even one of these critical program features can be highly problematic for an organization.

Training helps build important legal defenses

Lowers or eliminates damages
Under the "Faragher and Ellerth" doctrine, employers can improve their chances of avoiding liability in harassment claims by regularly training managers and employees on company policies, employee rights and legal obligations.

Lowers or eliminates punitive damages
In the "Kolstad" case, the U.S. Supreme Court ruled employers can avoid punitive damages in discrimination actions if they demonstrate "good-faith efforts" to comply with Title VII.

Can substantially reduce fines
Employers may avoid or significantly reduce fines for federal law violations, such as the FCPA or Dodd-Frank Act, by showing they had an effective ethics and conduct program.

Can result in a deferred prosecution or non-prosecution
The U.S. Securities and Exchange Commission (SEC) is less likely to prosecute employers for potential FCPA violations if they have a strong ethics and compliance program. Self-policing and fostering an ethical culture may deter legal action or reduce penalties.

Essential for federal contractors
Federal Acquisition Regulations mandate that organizations contracting with the government must adopt a code of ethics and train employees in its provisions. Non-compliance could lead to withheld payments, fee loss or even debarment.

Create value with effective training

Effective, risk-based, high-quality employee compliance training can dramatically reduce the likelihood of wrongful conduct taking place, and it can help an organization show it has taken deliberate steps to educate its workforce and protect itself from ethical failures across key legal risk areas.

When properly trained employees make good decisions, organizations can avoid such costs as:

- **Lawsuits:** Legal fees can drain your resources
- **Bad reputation:** Customers may avoid companies with ethical lapses
- **Lost business:** Tarnished reputations lead to lost sales
- **Unhappy employees:** Low morale hurts productivity
- **High turnover:** Replacing employees is expensive
- **Trouble hiring:** Top talent won't join companies with ethical issues

To get top-down support to establish and mature E&C training programs, it is important to educate business leaders about how this initiative will help protect the organization from legal, financial and reputational risk.

01

Plan

Create your training program strategy

Maximizing the effectiveness of your E&C training program starts with thoughtful planning. Your strategy should begin with a thorough assessment of your current program's status, followed by clearly defined objectives for improvement. Secure a budget aligned with your goals and identify the specific risks your organization faces to ensure compliance and achieve your desired outcomes.

Determine your training program's maturity

Before setting program goals, it is crucial to evaluate your existing program's maturity level. Understanding where your program stands will help pinpoint areas for improvement and determine the budget required to advance to the next stage of maturity.

In this Definitive Guide, we will begin by examining E&C program maturity comprehensively. Then, we will explore how this assessment impacts the maturity of your compliance training program.

5 stages of ethics and compliance program maturity

NAVEX aligns with the Ethics & Compliance Initiative (ECI) on their High-Quality Program (HQP) maturity model for ethics and compliance programs. High-Quality E&C programs include the following elements:

1. **Strategy:** Integrate E&C into your overall business strategy
2. **Risk management:** Identify and address potential compliance issues
3. **Culture:** Foster a culture where employees feel safe to speak up
4. **Speaking up:** Create systems for reporting concerns without fear of retaliation
5. **Accountability:** Take action to address misconduct and enforce ethical standards

The ECI High-Quality Program assesses E&C program maturity in each element as follows:

	Strategy	Risk	Culture	Speaking Up	Accountability
Underdeveloped	Ethics and Compliance program activities do not exist or are not foundational to the organization; where programs do exist, they are decentralized	A formal risk assessment program is not fully established or does not yet exist	Leadership does not promote ethics and compliance, or does so on an individual, ad hoc, basis	A formal employee speaking-up/ reporting structure is NOT established; employee reporting occurs on an infrequent, ad hoc, basis	No established formal structures or communicated regarding consequences for violations or for escalation, tracking, investigation and accountability for misconduct
Defining	Ethics and Compliance program is established, but is not embraced by the organization and operates tactically	A formal risk assessment structure is established and operating in a few departments or functions, but operates tactically	The organization has in place a code of conduct and related policies, but only senior leadership makes the effort to promote ethics and compliance	A formal employee speaking - up/reporting structure IS established and operating in a few departments, but operates tactically and inconsistently	The organization has policies addressing standards and consequences; escalation, tracking and investigative protocols apply, but lack consistency and with little root cause assessment or trend reporting to business
Adapting	Ethics and Compliance program is beginning to embed with accountability assigned for key ethics and compliance risks; consistency is lacking	A formal risk assessment process is in place with accountability assigned for ethics and compliance risk management, but is not consistently performed	Leaders are beginning to embed E&C program with accountability assigned for key ethics and compliance risks	A formal employee speaking up/reporting structure is partially embedded but more progress is needed	The organization communicates applicable standards and out - comes to employees and has established escalation, tracking and investigative protocols, including measures to ensure consistency of consequences and basic root cause analysis
Managing	Ethics and Compliance is embedded with program controls and procedures operating as an integral part of business processes	Formal risk assessment process is developed and embedded as an integral part of business processes	Leaders are engaged in promoting E&C with program controls and procedures operating as an integral part of business processes	Formal employee speaking up/reporting structure is established and operates as an integral part of business processes	Organization maintains communication of standards and outcomes to employees reinforcing value placed on reporting; embedded escalation, tracking and investigative protocols exist
Optimizing	Program activities follow best practice in Ethics and Compliance program management, and externally exhibits leadership in the field	Risk assessment follows best practices and includes all aspects of a leading risk management program	Organizational leadership is committed to best practice in E&C program management and leading the field externally	A formal employee speaking-up/reporting structure is used by employees to report concerns and by management to identify systemic issues	The organization demonstrates the value placed on reporting and accountability and employs best practices in escalation, tracking, investigation, and risk mitigation

As the overall program maturity progresses, it delivers better performance and provides a stronger return on investment. Comprehensive and well-designed compliance training is an integral piece to a mature and optimized E&C program and helps to solidify a culture of ethics and compliance within the organization.

Benefits of optimized training programs:

- **Engaging and effective:** Trainings are relevant, up-to-date, and legally sound
- **Tailored for your needs:** Address your company's specific risks and goals
- **Broad coverage:** Train on a wide range of compliance topics
- **Meaningful learning:** Make training relevant and memorable for employees
- **Reduced training time:** Focus on what matters most, without losing effectiveness
- **Frequent reinforcement:** Keep key messages top-of-mind with ongoing reminders
- **Measure and improve:** Track results and adjust get even better
- **Strong communication:** Clearly explain the value of training and secure necessary resources

But while the importance of E&C training is well-established, many organizations still struggle to effectively train their workforce and measure the impact of the training. In a 2024 NAVEX survey, 38% of respondents indicated their organization was "poor" or "fair" at measuring the effectiveness of training measures. Additionally, 41% indicated "poor" or "fair" performance at measuring the impact of training on employee behavior and/or operations.

These findings highlight the ongoing need to improve and mature training programs. Addressing issues such as handling failed training and measuring effectiveness are vital steps toward achieving a mature training program.

How would you rate your organization's performance in the following aspects of ethics and compliance training?

Optimized programs yield superior outcomes across key indicators, including enhanced employee morale, positive behavioral changes, increased trust in leadership, greater willingness to speak up and leveraging training as a legal defense when necessary.

Importantly, success in advanced programs is not solely determined by budget or employee engagement. Instead, organizations prioritizing program enhancements – such as educational planning, risk-focused training, and precise effectiveness assessments – tend to achieve significantly stronger outcomes. These practices are central to program success.

As you assess your program's maturity, identify successful program features and advance to the next level. While you may not address all aspects of high-functioning programs immediately, initiating progress will profoundly enhance your program's effectiveness.

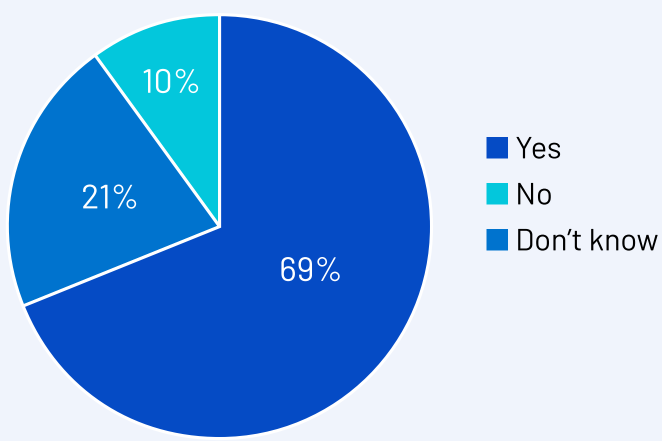
Establish program objectives

Clear objectives are essential for the success of any significant business initiative, yet many organizations fail to define their goals for training initiatives precisely. By establishing focused and measurable objectives, organizations can elevate their programs to a higher level of effectiveness.

Ask yourself and other key stakeholders: "What are our organization's training program goals?"

However, established training goals are not a given and data suggests this is an area where improvement is needed. In the aforementioned NAVEX survey, only 69% of organizations reported having a risk and compliance training plan. And with 10% not having a training plan and 21% not knowing, this highlights a clear area to improve program maturity.

Does your organization have a risk & compliance training plan?



Setting goals for training is important, but don't try to do too much at once.

- **Pick clear goals:** What do you want employees to learn?
- **Stick to the plan:** Follow your training program
- **Make adjustments:** Change things if needed to reach your goals

For example, a one-time training won't be enough to improve morale or change behavior.

You might need to offer more training on different topics to make a real difference and to improve the stickiness of the information.

By focusing on clear goals and adjusting, you can create training that is effective and helpful for everyone.

Common program pitfalls that undermine efforts

- Not educating key decision-makers about program objectives
- Not having an established budget for training program activities
- Not educating executives about the value delivered by training-program efforts
- Allowing cost, rather than effectiveness, drive decisions about which training to deploy
- Not assessing program results against program goals
- Not updating or deploying refreshed training to learners
- Not seeking additional budget if needed to improve program effectiveness

It is paramount to recognize that your training program is a continuous effort – it will never be "finished." Training represents an ongoing commitment to your employees and organization. Your program must adapt as your organization evolves and the external environment changes. Periodically reassess and adjust your objectives to align with market realities.

By maintaining focus on your training program's objectives and adapting to emerging risks and training needs, you're more likely to cultivate a robust and successful training program.

Build a training program tailored to your organization's needs

Take stock of how your training program is currently working and meeting the needs of your employee audience.

Answer these questions to get started:

- What training methods are being used, and how successful are they?
- What training methods are most effective for your audiences?
- Is training mandatory or optional? Do you need to change this?
- How old is the current content? Who will update it?
- Are you planning any technology enhancements that could expand delivery options or reduce seat time for learners?
- Are current vendor relationships meeting your needs?
- Have you considered emerging trends?
- When developing your training program, remain open to innovative approaches beyond your usual methods. Learners may express interest in receiving content through mobile devices rather than traditional desktops or desire more just-in-time resources and higher-quality training. Incorporate learner feedback into your program evaluations and use it to shape the future of your program.

Engage employees from all roles and functions to gather input on improving program elements and effectively delivering your message. This may involve experimenting with latest trends like video podcasts, microlearning, or internal social media platforms. By prioritizing employee needs, you will ensure that training is engaging and beneficial for them, benefiting the organization.

Training complexity – considerations for remote and hybrid work environments

The pandemic changed the way many businesses operate and introduced many new risks that needed to be covered in training.

So, what does this mean for ethics and compliance training programs? Training in a hybrid or remote environment presents challenges that must be addressed to ensure program efficacy. A prime example of this was in March 2020 when many companies were underprepared with policy and IT infrastructure when they sent workforces home for an undetermined amount of time. Now, most companies have adapted to the new paradigm and have established resources to accommodate remote and hybrid work for the near and long-term.

However, considerations should be made to account for how learners' access, process and retain information presented to them in remote training environments. Additionally, given the now hybrid or remote nature of many businesses, how training is completed and attested to must be managed in an organized and tracked manner.

When completing a training plan, organizations must now add work location and access to technology to their considerations. And we must also ensure the training is engaging, accessible and compliant with applicable regulations.

Plan for known challenges

Part of building program discipline is planning for regular challenges to ensure your progress is not disrupted by preventable setbacks.

NAVEX survey data from 2024 indicates training employees on policies is the top challenge for organizations today. Some of these challenges may stem from:

- Limited hours available for training
- No policy management solution making it difficult for employees to access policies
- Evolving risk areas and policies that are not updated
- Demand for updated training formats and delivery methods that engage with increasingly interactive and on-the-go learners
- Connecting your policies to your training
- A fluid regulatory environment that requires frequent updates to training content
- Insufficient or stagnant budgets and limited program staff adding an additional dimension to challenges

47%

of respondents state that training employees on policies is a top policy management challenge.

To ensure success in training programs, look for training programs that allow you to integrate your policy into the training, allow you to build a learning campaign that can include your policy with training and that speak to policy (and not just the law) throughout the course.

Secure your budget

Having a set budget specifically for training over several years is important. This helps create a strong E&C training program because:

- **It allows for a thorough plan:** The budget helps create a comprehensive training program that tackles all the important risk areas for your company
- **It shows commitment:** Having a dedicated budget shows everyone in the company E&C training is important
- **It allows for better learning:** A multi-year budget allows for training sessions to build on each other, making learning more effective

Working together for successful training

For E&C training to be successful, the budget authority people need to work closely with the program leadership. This ensures:

- **Money is spent wisely:** The people who control the budget understand what the training program is trying to achieve
- **Training is effective:** The training program is designed to help employees learn what they need to know
- **The program keeps going:** Having support from those who control the budget helps ensure the training program continues over time

Investing in long-term learning

Here is why a multi-year budget is important:

- **Learning builds on itself:** Just like learning to ride a bike, E&C training builds on previous knowledge. A multi-year budget allows for this
- **It is a continuous effort:** Just like saving time for a vacation, E&C training is an ongoing investment
- **It avoids surprises:** A multi-year budget avoids having to scramble for money every year, making the training program run smoother

While getting a multi-year budget might not happen right away, planning shows responsibility and helps everyone understand the long-term benefits of E&C training.

Identify and prioritize risks facing your organization

When defining the scope of your training program, it is important to identify the key E&C risks facing the organization. This may include known regulatory or compliance risks but also extend into employee behaviors and actions not defined by laws or easily categorized within standard practices.

In many cases, organizations may be subject to regulations and vulnerable to risks about which they know little. Don't assume that you fully understand your organization's risks. After conducting a thorough risk assessment, you are likely to discover some risks that are new or that have become more significant since the last time you completed an assessment.

Prioritizing training topics based on your organization's specific needs and risks is an indicator of a mature program, yet 2024 NAVEX research indicates only 34% of organizations consider learners' exposure to risks in the process of creating risk and compliance training plans, and only 24% consider the learner level (board of directors, management, etc.).

Building a strong E&C program starts with understanding your company's unique risk profile.

Here is how to get a clear picture:

- **Industry insights:** Research regulations and enforcement trends specific to your industry
- **Benchmarking reports:** Review industry reports on E&C best practices and usual challenges
- **Expert consultation:** Meet with your company's legal and compliance teams to understand potential legal and compliance risks
- **Business leader input:** Discuss E&C challenges faced by key business leaders across different departments
- **Training requirements:** Research legal obligations related to E&C training, including specific topics and frequency

It is also a clever idea to consider investing in a professional risk assessment conducted by a consultant or an attorney. E&C assessments can help you identify the drivers of risk based on:

- Your industry
- Your location
- Your network of partners, buyers, sellers, supply chain, contractors, vendors, and other third-party engagements

- The regulatory environment
- Enforcement trends
- Changes in your business (acquisitions, right-sizing)
- How you conduct business
- The education, backgrounds, and diversity of your workforce
- Internal drivers (culture, local customs, leadership)
- Internal trend data (litigation, hotline data)
- Your reputation

Once risks are identified, you need to analyze and prioritize them. A risk profile is unique to each organization and not all risks are created equal. For one organization, the risk of bribery and corruption may be high due to its business; for another, that risk may be incidental. These two organizations would approach education on this topic in quite different ways.

As you work to prioritize and assess your identified risks, consider the following:

- Likelihood and frequency
- Potential impact of both time of money
- The organization's risk tolerance and objective (avoid, reduce, transfer, retain)

You can effectively allocate training resources based on the risk's magnitude by evaluating the likelihood, frequency, and potential impact of each risk on factors like time, money, resources and reputation. Establishing risk ratings helps determine the depth, duration, frequency, and necessary tools for training development to support your learners.

If your organization already has an E&C program or you're reassessing an existing one, ensure your risks and training objectives are aligned with your broader organizational compliance strategies. With identified priority topics, you can develop a risk-based compliance training program tailored to your organization's needs.

Plan a multiyear training program to fit your organization

Once you have identified your program objectives, approach, budget and risks, you are ready to build the foundational elements of your training plan.

Key elements of an effective multiyear education plan

Topics

Identify and prioritize risks and learning objectives

Audience

Identify the groups that need to be educated about each topic

Timing

Determine the timing of communications to optimize your limited training hours

Frequency

Determine how often you will deploy training on a particular topic, guided by your organization's risks and tolerance level

Depth and duration

Determine how best to balance your risks and training needs against the realities of your resource limitations; prioritize training depth and duration to maximize impact. Considerations for depth and duration include relevant experience of your learners, time in seat and specific responsibilities or roles requiring specialized training. Solutions like adaptive learning allow learners to advance through their training more quickly by taking comprehension tests and advancing them accordingly.

Centralized management

Create a single resource through which your multiyear training program can be managed and assessed

Topics

Use your risk profile to select training topics

The first element of your plan is to use the risk profile you developed during your risk assessment to define the topics you need to cover first. At this stage, list the primary topic areas in your training program. Many organizations find their list robust. If you have access to peer organizations, benchmark your program against theirs to help identify risk areas you may have missed while conducting your risk assessment. It is common for organizations in moderately regulated industries to identify 10 to 20 topic areas they need to address.

Most organizations find that they have a set of core training topics that don't change much from year to year. NAVEX data from 2024 found the most common training topics are ethics and code of conduct (64%), cybersecurity (62%) and harassment and discrimination (54%) – all of which have been top priorities year-over-year.

While it is common for some core topics to remain important every year, an evolving risk landscape can sometimes dramatically shift training priorities. Some needs materialize quickly – remember the COVID-19 pandemic? This created more risk for employee health and safety and a shift to remote work and resulted in a huge upheaval of priorities for organizations.

Others emerge more predictably, such as a known date when new regulations will go into effect. When planning training topics, the best practice remains to implement requirements that directly address identified and prioritized risks for the organization looking out two-to-three years.

Audiences

Identify, segment and understand your audiences

Investing in employee E&C training is crucial, but not all employees need the same training. Effective programs segment audiences based on risk. Here is why:

- **Reduced costs:** Training only what's relevant saves time and resources
- **Increased engagement:** Training that adapts the content based on how the employee interacts with the course is more engaging and effective for employees
- **Improved learning:** Employees gain the specific knowledge they need for their roles

Start with basic segmentation: all employees, managers, leaders, etc. Then, as your program matures, consider deeper segmentation:

- Various training depth (basic vs. in-depth) based on risk level
- Adjust training duration and frequency for specific needs
- Tailor content to address the unique risks employees face in their roles

This targeted approach ensures employees receive the most relevant training, maximizing your investment and impact.

A more granular segmentation might include such factors as:

- Risk exposure
- Departments
- Industry and business units
- Location, region and facility

- Languages
- New hires and promotions
- Interactions with customers, government officials, third parties and the media

Always consider subgroups within your audience. Some people have learning constraints, require translation or have location needs.

When constructing training groups, be sure to include your third parties. Recent high-profile third-party ethics failures demonstrate that third-party risk is your risk. Be sure to train contractors, vendors, and the entire supply chain on key topics, including code of conduct, Foreign Corrupt Practices Act (FCPA), cybersecurity and other critical topics.

E&C training and your board of directors

The U.S. Federal Sentencing Guidelines state: "The organization shall take reasonable steps to communicate periodically [about]... aspects of the compliance and ethics program, to board members by conducting effective training programs and otherwise disseminating information appropriate to such individuals' respective roles and responsibilities."

This standard applies equally to public and private organizations. Boards help set the tone at the top, and they need training on the issues unique to their role and relevant to their organization. Just like employees, boards of directors should be trained in the organization and its culture, values, and programs.

Training helps ensure directors understand the exact nature of oversight expected of them. This is critical, as many board members lack the experience needed to confidently oversee corporate compliance and risk management.

In-person training, usually as part of a scheduled board meeting where directors can discuss and debate issues such as program oversight responsibilities and culture management, can be highly effective, though many organizations offer online training. It is important to note that board reporting – briefing the board on the status and success of your compliance program – is an important part of board engagement but is not considered training.

Tips for identifying and accommodating training needs

Language barriers

Offer written or simultaneous translation or subtitles when training in multiple languages.

Learner locations

Provide online training, remote dial-in options, or recorded sessions for employees and third parties who work remotely or cannot attend in person.

Personal disabilities

Make reasonable accommodation for individuals who may have difficulty accessing content.

Lack of computer access

Ensure training is available on various devices (kiosks, PCs, tablets, mobiles) and offer flexibility in completion time and location, especially for industries with limited computer or email access.

Generational variance

Utilize diverse training strategies appealing to different audiences and consider offering resources in multiple formats.

Timing

Determine the right timing for effective training results

Determine the right timing for effective training results based on your company culture and needs. Adjust training deployment throughout the year or in smaller windows to accommodate learners' schedules and capacity.

The right timing can make a significant difference in the effectiveness of your E&C training. Here are some key considerations:

- **Avoid busy periods:** Don't schedule training during peak workload times
- **Space out communication:** Don't overwhelm employees with information overload
- **Be responsive:** Address any training-related issues promptly
- **Seasonal training:** Conduct gifts and gratuities training near holidays when these situations might arise
- **Consistency is key:** Hold annual code –of conduct training and attestation at the same time each year
- **Legal requirements:** Ensure training rollout meets legal deadlines or mandates

Frequency

Determine the right training frequency based on risk and tolerance level

Training in a risk area should not be a one-time event; employees need ongoing education about the risks they face in their roles.

Periodic training

Periodic training involves ongoing training on a recurring basis, rather than a one-time event. Organizations often train on critical topics every 12 to 24 months, with refresher sessions or burst learning in between. For secondary risk areas, training may occur every 18 to 36 months, supplemented by regular communication and less extensive training solutions. Periodic training for managers is often legally required and failure to provide it can result in damages levied by local authorities.

Effective training

Effective training covers relevant information, enhances employees' understanding of organizational policies and expectations, and fosters cultural and behavioral change. Ineffective "check-the-box" training, which employees disregard, or non-mandatory training, which employees are less likely to engage with, signifies a lack of effectiveness.

Delivering the right message to the right audience at the right time is essential. Be mindful of busy periods, space out communications to allow employees to digest information, and promptly address any issues that arise.

Depth and duration – Maximize impact by balancing needs with realities

Given the constraints of time and resources, most programs cannot conduct full-length training on every risk area annually. Consequently, organizations must decide on the length of content they will deploy. Shorter courses may lack depth and comprehensive learning experiences compared to longer ones. Therefore, organizations should consider their risk profile when making these decisions. It is essential to balance training length with the need to effectively address key risk areas.

Tips for depth and duration

- Increase depth and duration in relation to risk exposure
- Know what training and communications resources you have available to you
- Consider time in seat and leveraging adaptive content to account for learner experience
- Reflect on the learning objective (foundational training, refresher, awareness, periodic reminder)
- Consider all the planned touchpoints for this audience on this topic and other topics
- Define what is realistic to expect of learners
- Consider test down and test out options for tenured employees who have taken the course multiple times
- Identify gaps and opportunities to bridge those gaps with broad-topic education or microlearning refresher content
- Ensure alignment with larger organizational E&C initiatives

Consult with legal and compliance professionals if you have questions about establishing the appropriate duration.

Best practice

Frequency for critical risk areas:

- Full-course training at least every 12 to 24 months
- Augment with less formal methods of education on a regular basis
- Train a wide audience

Frequency for secondary risk areas:

- Communicate regularly
- Increase frequency and reduce intensity of solutions
- Train only those employees affected by risk areas

"The organization shall...communicate periodically and in a practical manner its standards and procedures, and other aspects of the compliance and ethics program... by conducting effective training programs and otherwise disseminating information appropriate to such individuals' respective roles and responsibilities."

– U.S. Federal Sentencing Guidelines

Centralized management

Optimize your training program with a single resource

The most effective education programs are centrally managed using a single asset. This enables program owners to organize topics, courses, audiences, target timelines and training objectives logically and sequentially.

Like a project management tool, you can create detailed schedules to maximize learner hours, track milestones and targets, develop multiple pathways tailored to individual roles or audiences and establish clear measures of success.

A centralized multi-year education plan sample

Risk	Course	Audience	Schedule							
			Year One				Year Two			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
High	Ethics & Code of Conduct (ECOC)	All employees	35				ML			
High	Workplace Harassment (WPH)	All employees				60				60
Med	Conflicts of Interest (COI)	All employees			25				ML	
Low	Antitrust & Competition Law Basics	All managers		25		ML				
Low	Insider Trading	All managers						ML		
		All employees in finance		25				ML		
Low	Environmental, Health and Safety	All employees					25			
Med	Cybersecurity	All employees			ML			25		
Med	Bribery and Corruption	Limited audience	25				ML			
Low	Third Parties for Global Data Privacy	Limited audience			25				25	
Total training by quarter (up to mins)			60	50	55	65	30	35	30	60
Total training by year (up to mins)			230				155			

Implement

Operationalize your training program

In the **Plan** section of this guide, you defined your organization's risk profile, prioritized your risks, and determined the appropriate audiences. In this section you will begin implementing your formal education plan. Below are tips for choosing training methods and determining the format and the right approach to buying or building your training solution. As always, consult your organization's legal counsel when finalizing your training program.

Key elements to implement an effective multi-year education program

Focus

Maintain focus on your core objectives and policies, including your organization's code of conduct and program objectives

Methods

Determine which education methods (live, online, documents, multimedia) to use. Best practice is to choose methods that will work well with your learners needs and work environment. In some cases, mandated training methods are required and should be considered in your training program as appropriate.

Options

Discover how to buy solutions for your training requirements

Focus

Review and update your code of conduct and other policies.

Your training focuses on key company guidelines. These guidelines all stem from our code of conduct, which acts like a company rulebook. It explains what is expected of you, our core values and how we treat each other. This code creates a positive work environment where everyone acts with integrity and responsibility.

Consider these two questions when evaluating your code of conduct: **Is it current? Is it compelling?**

Is it current?

The regulatory world is constantly changing. Code of conduct documents must keep pace for training to keep pace. Consider when the last time your code of conduct was updated and then consider all the regulatory, legal and social issues that have surfaced since that time. Is your code still accurate? Does it address the organization's stance on recent and emerging issues that employees need to know?

Is it compelling?

Your organization has a mission and a set of values to guide that mission. Those values need to be distilled in your code in a way that informs readers about what is expected of them, while also inspiring them to do it. This inspiration should resonate in your training to reinforce the organization's messaging and continue cultivating its culture.

Methods

Match training methods and formats with the audience and objectives

Selecting the training methods you will use is a particularly important part of the process. Ideally, you will focus not only on your risks but also the needs of your learners. Think about the important resources and any unique challenges you want to address in the course. Ultimately, you want learners to engage with the content and retain it.

Formality and informality

Training methods can be formal (such as live and online training sessions) or informal (group discussions or success-story sharing), full-length or short form. You can use a combination of formal and informal methods for individual audiences or teams. The idea is to make the most of a learner's limited time and ensure that messages are delivered effectively.

Although training programs are unique to each organization, most successful training programs share a common set of core fundamental practices.

Ideas for formal methods include:

- Online training
- In-person training
- Blended learning
- Video or animated training content
- Microlearning refresher or gap-filling training
- Gamification or competitions within training sessions
- Mobile accessibility
- Special training events

Ideas for informal methods include:

- Case studies
- "Did you know" fun-facts
- Newsletters
- Hallway and cafeteria monitors
- Posters and brochures
- E&C program stats
- Polling questions
- Topical articles or Q&A
- Social and collaborative learning
- Meeting-in-a-box: short PowerPoint with participant handout
- Manager-led materials

An effective education program uses many different methods

- Online training
- Awareness (posters, bursts, wallet, cards)
- Targeted communications (emails, newsletters)
- Documents (policies, code of conduct, materials for staff meetings)

Optimizing online training for learner retention

To enhance learner retention in online training, it is crucial to address two key challenges: knowledge retention and learner fatigue. An effective strategy involves integrating various training formats.

- Combine different training styles, like live video and animations, to keep things interesting and cater to different learning preferences

Another effective tactic is the incorporation of periodic microlearning sessions.

- Break down complex topics into short, focused bits (microlearning) – think 2-8 minutes! These quick bursts are perfect for refresher or filling knowledge gaps

Adaptive learning advances program maturity and increases engagement

Traditional training can be repetitive and boring, leading to learners just going through the motions. But there is a better way!

Adaptive learning: Imagine training that adjusts to your knowledge and experience. Adaptive learning assesses your knowledge, rewards what you know and focuses on what you need to learn. This personalized approach keeps things interesting, saves you time and helps you retain information better.

Benefits of adaptive learning:

- **No more training fatigue:** Focus on what you don't know, skipping unnecessary repetition
- **Learn faster:** Get through training quicker by focusing on your learning gaps
- **Stay engaged:** Personalized learning keeps you interested and motivated

Adaptive learning makes training more efficient and effective for everyone and takes employee knowledge and experience into account, creating more meaningful content.

Additional options for engaging with today's learners

Over the years, the training world has adopted many innovative approaches – including everything from gamification to mobile-enabled courses. Some of these tools and strategies can enhance your training program, but you need to be critical about the trends you incorporate and whether they make sense in the culture and context of your program.

For example, using social media to educate learners about compliance and ethics is an emerging trend area, with organizations taking a variety of approaches:

- Using tools to set up a private social network for employees; with this kind of social tool, organizations can host conversations and present information
- Publishing an internal blog that allows employees to join the conversation or comment
- Using social media tools to connect compliance experts with employees who need help or resources
- Encouraging employees to create E&C videos (submitted to and reviewed by the compliance department) that can be shared with employees through an internal-only network

Options

Identify the right training solution to buy when weighing your training options. Remember that not all training is created equal. Training that is described as "effective and engaging" may not live up to the promise. Training that helps you "check the box" will not build trust with your employees and will not be viewed favorably by juries, judges, or enforcement agencies.

Providing a training program is not the goal – changing behavior is. This requires careful consideration of your industry, the nature of your work and the learning styles of your employees. Training should be specific to the risks your organization faces while also relevant to the situations employees encounter daily.

Effective training solutions help you

Address specific risks

Along with matching training to the needs of your employees, match it to your industry. This will help your organization stay ahead of new regulations and enforcement trends. Training that can include content, language and images specific to your company is going to better reflect your values.

Engage learners

Training should match the learning preferences of your employees. The way you present the content must fit within the employee's consumption patterns, or the information will not be retained. This is especially important today, as there are more generations in the workforce than ever before. It is important to accommodate all learners.

Deliver content effectively

For instance, training on cybersecurity can address anything from password protection to phishing emails, but it needs to include more than just text on a page. These threats use very tech-savvy techniques and so should the training.

Evaluate your options for training solutions

Training options can feel overwhelming. Many companies mix custom content with pre-made courses. But how do you pick the right training partner? Here is what to consider:

- **Quality matters:** Look for training that is legally sound, engaging and regularly updated. Top vendors offer high-quality training that helps you achieve your goals
- **Trusted sources:** Choose training endorsed by respected organizations like legal firms or industry groups. Look for content created by experts to ensure accuracy and relevance
- **Brand fit:** Regardless of who builds the training, it should reflect your company culture and policies
- **Customization is key:** The best vendors allow you to tailor the training to your organization. This could mean adding your company policies, contact information and resources, or including additional content, quizzes or interactions that address company specific challenges.

Look for standard and advanced customization settings that include:

- Your policies in the training, allowing for quick and easy learner access
- Preferred reporting instructions
- Your organization's personnel resources and contact information
- An introduction or conclusion from an executive
- Your logo on every screen within the training content
- Additional customized course configurations, screens, videos, or questions

Measure

Monitor and improve the effectiveness of your training program

After launching your training program, monitoring its performance closely is paramount. Ensure you can mandate training for specific audiences on designated topics and assess if executives and board members receive E&C training adequately. Evaluate whether the organization derives measurable value from the program.

A program guided by vision and focused on measurable outcomes outperforms an ad-hoc approach. Structured programs accommodate adjustments to business requirements and changes in topics, audiences, and timelines. Remember, a multiyear education plan is dynamic and should evolve continuously. Regularly revisit the plan, at least annually.

Periodically measure the program's effectiveness to validate its impact, identify learning gaps and any ineffective or unengaging training content. Setting milestones for performance measurement enables organizations to evaluate and refine their programs, select better training tools, courses and methodologies, and optimize seat time and budgets for more effective utilization.

There are four components of measuring the effectiveness of your multiyear compliance training plan:

1. Goal setting based on measurable outcomes
2. Deciding which metrics matter in defining whether you met your goals
3. Defining how much change in a measurement signals success
4. Selecting the tools you will use to measure your goals

Unfortunately, completion rates alone don't measure the effectiveness of training. Ideally, learners are quizzed on the topic both before and after the training – and several months later to assess retention rates – which can show the impact of the training program.

Best practice: Capture 5 levels of measurement

Level 1: Reaction Were participants pleased? Was it engaging?

Level 2: Learning Did participants remember the training? Did skills, knowledge or attitudes change?

Level 3: Behavior Did training result in behavior change? Are learners more likely to do the right thing?

Level 4: Results Did the training create business value? Did morale, productivity and attitudes improve?

Level 5: ROI Were costly E&C violations averted? Which of the Level 4 items can be quantified?

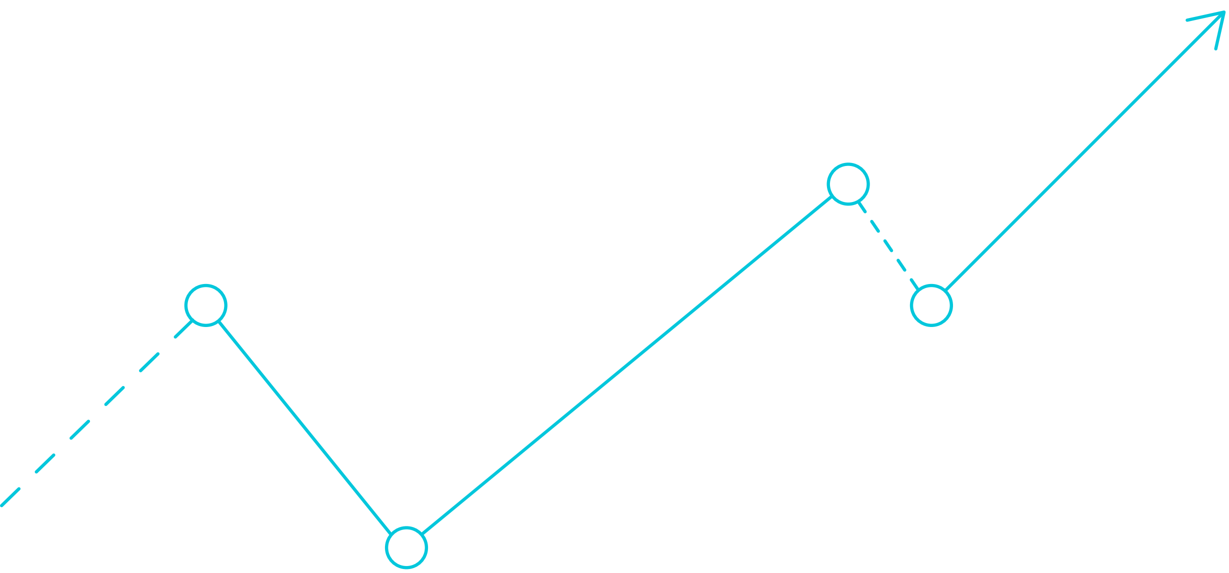
Tip: Use your whistleblowing reports and data for more than investigations and incident management!

Analyzing report category trends, report location and other data points can help you paint a picture of areas of opportunity for further training. By looking at your training program through the lens of your whistleblowing data, you can gain a better understanding of trends and changes over time and make adjustments accordingly.

Effective training programs produces significant improvements across key indicators such as heightened employee morale, positive behavioral shifts, increased trust in leadership, greater willingness to speak up, and, if necessary, utilization of the program to defend or negotiate on behalf of the organization.

Achieving these outcomes is not necessarily contingent on higher-cost programs or a more dedicated workforce. Instead, organizations that report superior program outcomes prioritize clear program goals, conduct insightful measurements, and implement program enhancements based on those assessments.

An E&C program, especially its training component, involves numerous organizational stakeholders. When notable improvements in employee morale, ethical conduct, a culture of speaking up, and employee retention result from an effective training program, it is vital to highlight successes and acknowledge achievements internally. Metrics should be openly shared, as an ethical culture thrives on transparency.



Conclusion

Strong ethics and compliance training is a win-win. Here is why:

- **Reduced risk:** A well-designed program helps employees avoid mistakes that could harm your company
- **Better behavior:** Training encourages ethical choices and compliance with company policies
- **Positive culture:** Employees feel empowered and informed, leading to a happier workplace

But creating a top-notch program requires effort.

- **Structure and investment:** Effective training takes planning and resources
- **Part of a bigger picture:** Training works best when integrated with other compliance activities

Here's how training can connect with different areas:

- **Code of conduct:** Training builds on your company's core values and ethical principles
- **Policy awareness:** Scenarios in training can bring policies to life, improving understanding
- **Incident management:** Training can be adjusted based on real-world issues your company faces

The key to success? Continuous improvement! A multi-year plan ensures employees get the right training, at the right time. This saves money, boosts engagement, and strengthens your company's overall health.

For additional information and downloadable resources, visit the NAVEX Resource Center**.**

About NAVEX Training Solutions

NAVEXEngage®, the NAVEX One ethics and compliance online training solution, is built on decades of experience in the compliance, conduct, employment law and information security training marketplace. We offer:

- Online training courses that feature multiple formats, lengths, languages, means of access and audience targets, and can be customized to reflect your organization's brand and specific needs
- Courseware content that is relevant, global, and engaging, developed in collaboration with and vetted by industry leading law firm Baker McKenzie
- A course customization application allowing you to easily customize the branding and appearance, edit course text, swap images, add custom content
- NAVEX One platform and flexible course delivery options to meet the training, reporting, certification, and management needs of organizations of all sizes and complexities
- A complete suite of legally-vetted online training solutions that can help your organization put together a multi-year training program.
- The endorsement of the Association of Corporate Counsel, the leading professional association of more than 34,000 attorneys who work in the legal departments of corporations, as their E&C online training vendor of choice

To learn more about our NAVEX One NAVEXEngage training solutions or to schedule a demonstration of any of our online courses, visit our Ethics & Compliance Training solution page.

NAVEX | Navigator Series

NAVEX is the recognized leader in risk and compliance management software and services, empowering thousands of customers around the world to manage and mitigate risks with confidence. NAVEX's mission is to help customers promote ethical, inclusive workplace cultures, protect their brands and preserve the environment through sustainable business practices.

For more information, visit NAVEX.com and our blog. Follow us on X and LinkedIn.

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