ETHICS & COMPLIANCE TRAINING: WHAT GETS RESULTS

Executive Summary

ECI ethics & compliance initiative™

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compliance
initiative™

The Ethics & Compliance Initiative (ECI) empowers
organizations to build and sustain High Quality Ethics &
Compliance Programs (HQPs). ECI provides leading ethics
and compliance research and best practices, networking
opportunities and certification to its membership, which
represents more than 450 organizations across all industries.
ECI is comprised of three nonprofit organizations: the Ethics
Research Center, the Ethics & Compliance Association and
the Ethics & Compliance Certification Institute.

www.ethics.org

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Employee training is a subject that has been examined at length. This ECI research report offers an exclusive ethics and compliance perspective on training. The report acknowledges a certain amount of overlap with studies that more broadly examine training methods. However, because of the specificity and design of ECI's research, the report provides important insights related to ethics and compliance (E&C) training.

Two complementary surveys were conducted. The first survey explored the experiences of employees who had taken company E&C training. The second gathered information about training from the perspective of E&C practitioners. The results of these two surveys contrast the intended goals of E&C training and the employee beliefs about the usefulness of the training they received. The results outline which activities are associated with the best results.

Important E&C training components emerged. Employees see the need for and have positive views of ethics and compliance training, but stress the need for the training to be applicable and informative. The survey indicates, and the results advocate, the use of in-person or monitored training when organizations are influencing their culture or critical policies. The survey also identified the critical importance of senior leadership's visible participation during the training process. Whether in person, or by video, the impact and desired results of training are significantly better when senior leaders are a visible part of the training. This aligns with previous research by ECI indicating that employees' perceptions of the tone at the top come from their perceptions of their personal interactions with leadership. Even if by communicated video, employees indicate that they are positively impacted by senior leadership's endorsement of training.

Other Key Findings:

- E&C practitioners indicate that changing behavior and preventing future misconduct are the most important objectives for training; yet few actually implement methods that accomplish that goal.

- Most employees see the need for and have positive views of ethics and compliance training, but far fewer find it applicable and believe they learned something new during their training.

- Employees say E&C training focuses on compliance, regulation, and standards. This is in direct opposition to the stated objectives of the practitioners who responded to our survey, but coincides with practitioners' beliefs about how training time is used and is most successful.

- Case studies, role play and learning how to solve ethical dilemmas are all associated with improved results. Of these, learning to solve dilemmas seems to be the single most effective activity.

- Live in-person training is linked to far better results – even when the same activities are used.

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Recommendations

- Frame ethics and compliance training as important to business success. Workplace integrity is not about a different set of rules applied only in very specific situations, it is woven into the fabric of everyday work life. Rather than competing with business goals, ethics and compliance—and E&C training—should support and inform them.

- Create opportunities for employees to engage with supervisors, senior leaders and peers to discuss and apply the concepts conveyed in training. It is the interaction with leadership that reinforces the importance of culture and changes behavior.

- Take a multi-faceted, blended approach to get the best of both worlds.

  » Technology-based training is cost effective and consistent.

  » Just-in-time training delivered via technology can be particularly powerful for sharing critical, targeted information when it will be most useful.

  » Engage employees in live-in-person training for discussions that are more nuanced, e.g., ethical decision-making.

- Involve leaders. The visible presence of senior leaders makes training more powerful and effective, while serving as a powerful messaging tool regarding the importance of E&C.

- Utilize interactive strategies. Engage employees in discussion.

- Evaluate effectiveness. E&C training is valuable, necessary, and requires considerable investment. Companies should consider evaluation of its effectiveness an essential part of training design and implementation.

MEASURES OF TRAINING SUCCESS

Employee beliefs about the training

- Relevant to my job/role
- Relevant to my seniority/level in the company
- Relevant to my industry/sector
- Learned something new
- Useful in guiding my decisions at work
- Satisfied with training

Employee behaviors and attitudes post-training

- Believe work decisions sometimes or frequently involve ethics or compliance issues
- Frequently or sometimes directly apply training to my job
- Am confident in my ability to recognize ethical issues that may affect my work
- Reported misconduct when observed

ABOUT THE ECI EMPLOYEE AND MEMBER TRAINING SURVEYS

The data reported in this report was gathered from two separate, but complementary, surveys.

Between Dec. 14-15, 2016, ECI fielded a study of employees. Participants were drawn from Qualtrics Panels. In order to take part in the study, respondents had to be 18 years of age or older and working at least 20 hours per week at a for-profit company of at least 5,000 employees *and* who had taken company ethics and compliance training. The Employee Survey yielded 510 employee responses.

ECI also offered a voluntary survey to its membership, as of Nov. 7, 2016. The Member Survey was fielded Nov. 14-Dec. 5, 2016. ECI received 91 responses. ECI filtered out blank surveys, those who only completed the demographic questions and surveys from duplicate companies. When deciding between duplicate responses, ECI gave priority to fully completed vs. partial completes. If both/all were fully complete, priority was given to the senior-most member. Duplicate responses from two companies were left in because these companies employ different programs in different countries. Although ECI retained all data collected, for comparison to the Employee Survey, we filtered the responses to those from for-profit companies with 5,000 or more employees to increase comparability to the employee survey. As a result, the Member Survey responses reported in this brief come from 46 surveys.

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