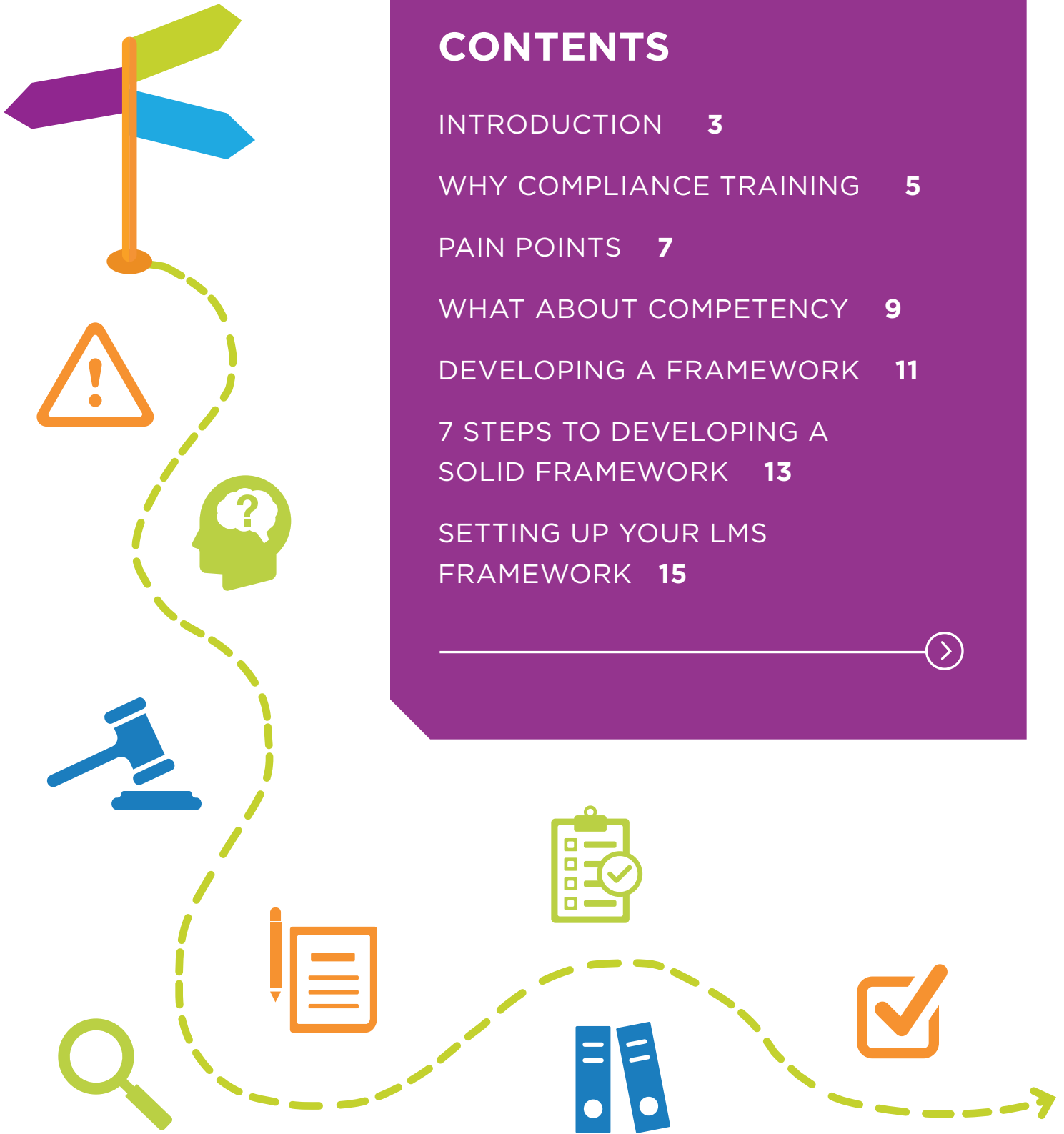


eBOOK

# COMPLIANCE AND COMPETENCY TRAINING MADE EASY WITH LMS

A Guide to Reducing Costs, Mitigating Risks,  
Elevating Team Members & Increasing Business Value





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## INTRODUCTION

According to an ADP Research Institute survey, 30% of midsized companies surveyed reported expenses, including fines, lawsuits or penalties, due to noncompliance with basic government workforce and payroll regulations alone.



### The Compliance Burden

Compliance. A scary word that implies a prime risk for companies and that managers take very seriously. Current compliance environments in almost every industry are increasingly onerous, more complex and continuously shifting—particularly in highly regulated industries like finance, insurance, healthcare and oil and gas. Executives struggle to interpret regulations and turn them into business practices that meet requirements. And, there is a growing disconnect between business leaders' confidence in their ability to manage regulatory compliance compared to the reality of keeping pace with evolving requirements.

In an ironic twist, the very systems put in place to make workplaces safer and less prone to error, have become the biggest source of corporate risk. The stakes are higher too—accrediting bodies and enforcement agencies are wielding their considerable power and imposing stiffer penalties.

How do small to mid-sized companies keep up? Most simply don't have the resources to hire full time compliance officers, or buy and implement governance, risk and compliance software suites. However, they do usually have training programs to ensure employees understand how to be compliant with the regulations pertinent to their industry.

Learning Management Systems (LMS) can help executives to manage the mine field of compliance and legislated regulations their workers must meet. In this guide, we'll be exploring how by training workers for compliance, they get the added benefit of aligning individual employee performance to meet corporate goals—resulting in added business value and a serious competitive advantage.



#### Old Industrial Workforce Model

"... to create good workers, education systems put a premium on compliancy and rote memorization of basic knowledge—excellent qualities in an industrial worker ..."



#### Modern Workforce Model

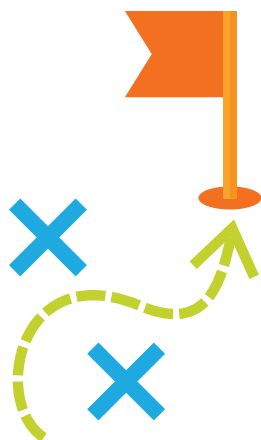
"... demands citizens who are self-learners; who are creative and resourceful; who can adjust and adapt to constant change ..."





## Reducing the Risk of Non-Compliance

The ideal system combines online learning with talent management so that compliance training can be linked directly to employee performance. A good talent management system monitors and assesses each individual's existing credentials and any progress towards new ones. This reduces the risk of non-compliance by monitoring training levels and maintaining accurate records as evidence of compliance. Alerts can be set to let managers and workers know when credentials require renewal. The system will show the worker exactly which course they need to take in order to keep their status, allowing them to obtain permission and register in the course they need all from one interface.



## Audit Trails

If your organization has an accrediting body, they will want to see proof that your staff maintains credentials in order to be able to perform their jobs. The right reporting solution can make producing the necessary reports a breeze, without laborious manual processes or spreadsheet manipulations—making the adoption of an LMS for compliance financially viable. As an added bonus, if you are going to use eLearning for compliance reasons you can also use it for training of all kinds, including competency training. eLearning programs can also improve course consistency, track who has taken which courses toward certifications and provide a built-in audit trail.



## Competence vs Compliance

And what does competency training have to do with it? Actually, everything. Ensuring your organization is covered in all areas of compliance, starts with monitoring the competency levels of your team and building training programs to fill gaps and fulfill compliance obligations.

In the coming chapters, we explore how using certain features of your Moodle or Totara LMS is the starting point to developing a framework for creating cost-effective programs that elevate team members and reduce your organization's risk.



## WHY COMPLIANCE TRAINING

### Foster a safe workplace and avoid breaking the law



- ▶ Who are the staff with the right training for this job?
- ▶ How do I get staff the right training for this job?

These two burning questions are constantly in the minds of managers and administrators. Take forest management for example. In the province of British Columbia, the BC Wildfire Service employs seasonal personnel each year including firefighters, dispatchers and other seasonal positions. Almost 64% of the province, about 149 million acres, is forested. So when a forest fire starts, personnel are immediately deployed to quell furious flames that can spread in seconds and have devastating consequences. All workers, before being allowed to work on a forest fire site, must prove that they have the basic fire safety certification that requires a mandatory annual recertification. If workers don't possess these credentials, they are directed to go online to take the course and provide certification proof before being accepted for work.



Food safety is a global concern and in the US, there is a long established system of food safety control and regulation, with several agencies involved at the federal and state levels. The main agencies involved are the Food and Drug Administration (FDA) and the Food Safety Inspection Service (FSIS) of the United States Department of Agriculture (USDA). Other agencies enforce regulations around cosmetics, meat, eggs and other products. Managers in a food processing plant must diligently ensure that their staff are highly trained and that legislated safety standards and practices are adhered to by workers throughout the entire supply chain. Casinos also can't afford to gamble on not meeting strict compliance regulations similar to those imposed on banks that help monitor, detect and report on potentially illicit financial activity.



#### An effective compliance training program:

- Avoids violations by employees that could lead to legal liability for the organization
- Creates a more hospitable and respectful workplace
- Adds business value and a competitive advantage



**Compliance Training** is the process of educating employees on laws, regulations and company policies that apply to their day-to-day job responsibilities



## Upping Your Competitive Game

Aside from concerns stated above that effective compliance training addresses, let's not forget about how it can add tremendous business value. Going back to the casino example, large amounts of currency is exchanged daily in a casino and being in compliance is literally like being granted a license to print money. In fact, the American Gaming Association estimates that there are over 1,000 casinos (commercial and tribal) and card clubs operating in the U.S. generating over \$60 billion in revenue, so the stakes are high.

On the other end of this spectrum, not meeting legislated compliance can seriously damage a business. Take for example a popular restaurant chain with locations throughout the country. Restaurants undergo frequent and ongoing safe food handling and cleanliness inspections (often with no notice) and if they are found to not be in compliance, risk being fined. Or worse, ordered to shut down operations until deficiencies are met. Loss of revenue is only one aspect of risk for that restaurant chain. What about the PR and reputation disaster if word got out that the restaurant's food isn't safe to consume? Consumers will simply choose another establishment to spend their hard-earned dollars in, could post negative online reviews that last into eternity and may take a long time (or never) to regain their confidence in the restaurant and return.

## Minding the Law

In Canada, all companies that have employees, no matter what their business, are legislated by a federal law called the Occupational Health and Safety Regulation (OHSR). The OHSR contains safety and legal requirements that must be met by ALL workplaces and each province manages their own programs. In British Columbia, the inspectional body for the OHSR is called WorkSafeBC.

According to WorkSafeBC: "This legislation was put in place to promote occupational health and safety and protect workers and other persons present at workplaces from work-related risks to their health, safety and well-being. Compliance with the requirements provides the basis on which workers and employers, in cooperation, can solve workplace health and safety problems."

Smart companies use these requirements not as an end in themselves, but as a foundation on which to build an environment that is safer for everyone and fosters a more respectful workplace.

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According to findings in NavexGlobal's 2017 Ethics & Compliance Training Benchmark Report:

*"Our survey revealed two primary motivations for organizations pursuing ethics and compliance training: complying with laws & regulations (59%) and creating a culture of ethics and respect (57%). Improving employee understanding of compliance priorities and obligations was the third-most important objective (47%)."*



## PAIN POINTS



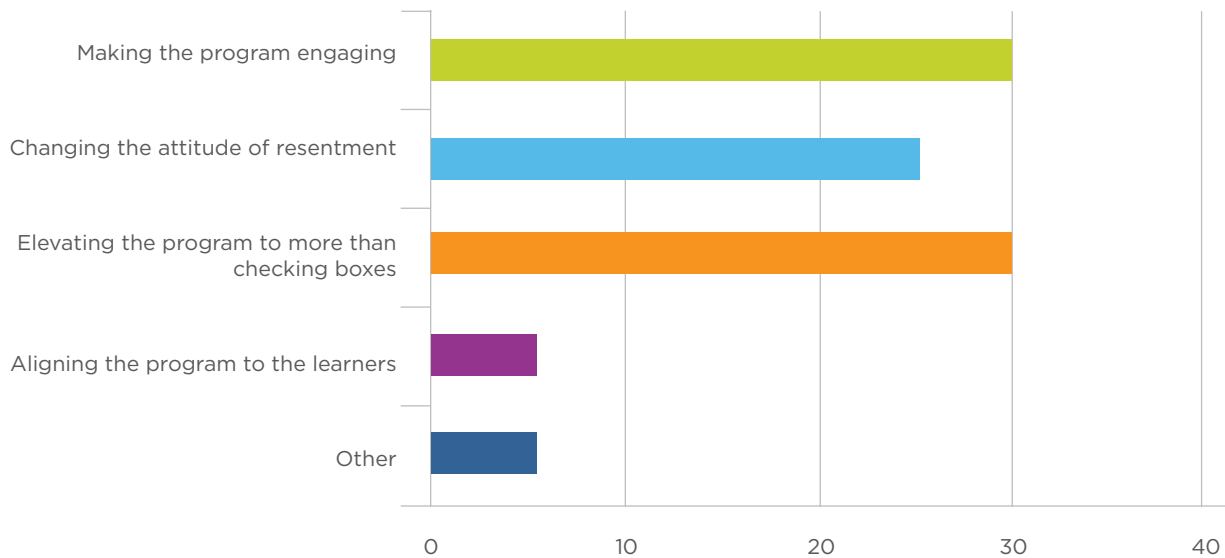
### Challenges with Compliance Training

Why do so many companies struggle with compliance training? First of all, this type of training is compulsory and is designed to be as efficient as possible. Make it quick, cheap and be as non-disruptive as possible. It immediately puts people on the defensive with its guilty-until-proven innocent approach and breeds a resentment mentality.

Learners become resistant to the material if it is not immediately applicable to their work. Ticking boxes is boring and they would rather be engaged and working on solving problems through teamwork, dialog, debate and reflection. To make matters worse, most compliance training involves testing and requires a certain grade to be achieved—a major stress factor that takes people back to their old school days. Add to this the potential dire consequences of not meeting standards. If desired outcomes are not reached within certain timeframes, employees may even be at risk of not being able to continue, or be allowed, to do their jobs.

### Top Frustrations

In a poll, we asked a number of our customers what some of the frustrations they are facing with their compliance programs are and here's what they had to report:



## Stepping Up Your Compliance Training Game

Compliance training doesn't have to be relegated to the bottom of the eLearning barrel. Follow this checklist to ensure your employees have a more positive experience and are fully invested in the programs.



### POSITIONING

Provide rationale for the training. Right up front remove the “Why the heck am I here?” questions in learners’ minds. Change the attitude of resentment.

### PRESENTATION

Present the policies and procedures, clearly and simply, and in the most engaging ways possible. Use graphics and other interactive elements in your instructional design that hold the interest and attention of your learners.

### CONTROL

Many companies have discovered that giving employees some element of control over mandatory compliance training increases employee engagement and satisfaction with the training.

### REAL WORLD EXAMPLES

Make it real by aligning the training with work examples that employees can relate to.

### SAFE ENVIRONMENT

Allow ample opportunity for practice, safe from danger and the risk of embarrassment. Use simulations and scenarios that relate to employee’s jobs.

### SUPPORT

Support learners in applying what they have learned on the job through a variety of ways including coaching or supplementing reference information available on demand.

### REWARDS

Managers need to “walk-the-walk” and reinforce the new behaviors by modelling skills themselves and providing rewards through a performance management system.



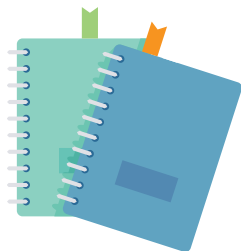


## WHAT ABOUT COMPETENCY

*“Employers pay almost \$1 Billion per week for direct workers’ compensation payments, medical expenses and costs for legal services.”*

Occupational Safety and Health Administration (OSHA)

US Department of Labor



### Ensuring workers can competently do a job

#### ▶ How can I create a system to train staff when they need it?

Competency-based training focuses on enabling employees to learn concrete skills and demonstrate their ability to do something. The fact is, people want to do a good job when they come to work. Competency works both ways: employees need the support to do their jobs effectively and employers want to reduce their risk of having people who are performing incompetently.

#### **In order to be competent at their jobs, workers need four basic things:**

- Knowledge of the position and expectations
- The right training in order to do the job
- An understanding of the laws and legislations pertaining to the job
- The right behavior that is in the line with the role

Competencies are the sets of skills in a workers journey that are learned and make compliance work on the ground. Some competency training pieces are defined to cover off meeting the rules for compliance as set out by an external body. Or, management will set parameters around how things are meant to be done in the organization.

Going back to a previous example, a food processing plant manager must stay on top of ensuring their line workers are adequately trained and are competent to do the job. Perhaps a new machine is introduced on the production line that requires special manual skills and is dangerous to operate. So safety measures also come into play.

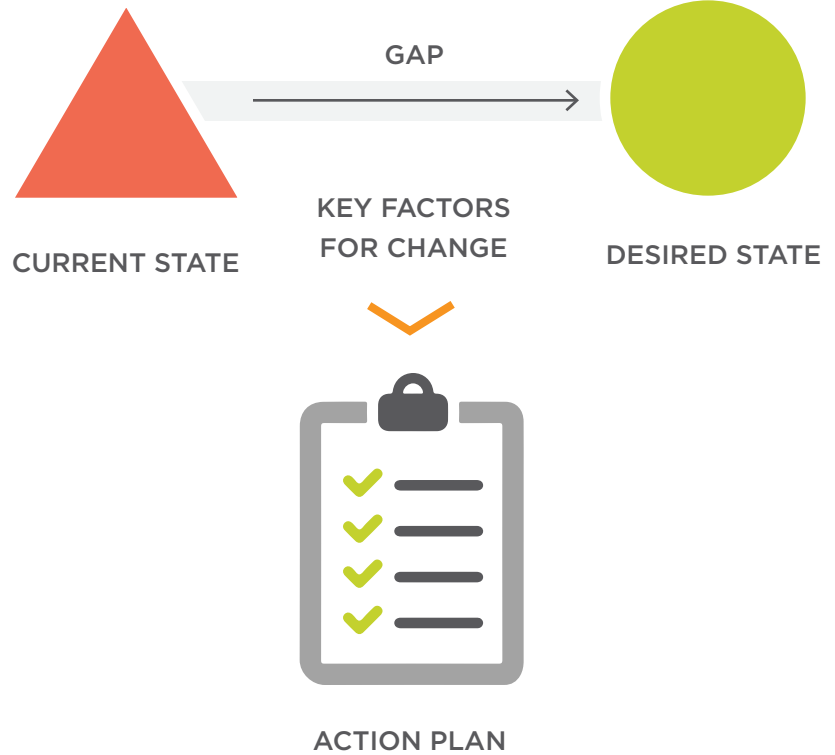
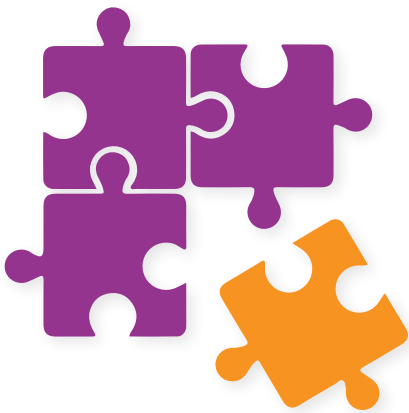
#### **Effective competency-based training (CBT) programs:**

- Evaluate learners on individual competencies
- Evaluate competencies of learners on a scale
  - Not competent
  - Competent with supervision
  - Competent
- Align the roles and responsibilities specific to an individual’s job

Assessing learners’ competencies on an individual basis and rating them on a scale helps define gap analysis—making it easier to pinpoint those workers who are not competent in a certain area and identifying getting them the right training. Knowledge gap analysis enables managers to fine-tune workers’ training to get optimal results.



### Gap Analysis



**Competency Training** defines clusters of interrelated knowledge, skills, attitudes and values in employees that are necessary for performing effectively in a certain area.



“If this training isn’t helping to build my competency and capability, it’s useless.”

LUCY LEARNER



## DEVELOPING A FRAMEWORK

### Creating a System of Competence

We've identified how competency training can add value to your compliance program by engaging workers so that real learning can happen. Audits and compliance are only one piece that help make workplaces safe. The bigger picture is ultimately about meeting the company's strategic goals and increasing your competitive edge. The way to do this is by setting up a framework.

### Why a Competency Framework?

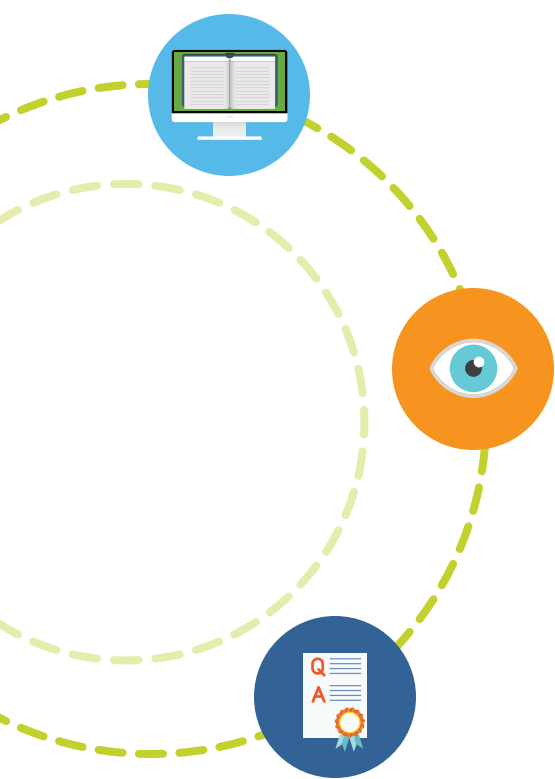
A competency framework is a basic structure that allows you to set up a system for training. This system:

- Houses and connects trained professionals with their credentials
- Identifies gap analysis
- Determines the learning path
- Produces reports

Within organizations, there is an ongoing need for trained workers or professionals. But how can you track these needs with people in your organization and how can you identify if their skills match the need? And once this is identified, how do you get employees the right training? The system should be designed to identify skills/knowledge gaps, find a way to fill the gaps and build the competency training program. This is the element of the learning pathway.

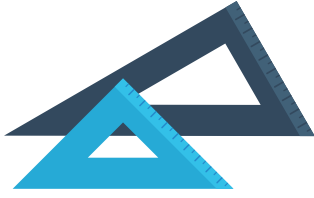
### Learning Paths and Reporting

In Moodle and Totara, individual Learning Plans can be set up by assigning courses and competencies to learners. The Zoola Analytics reporting solution provides the ability to conduct a gap analysis—it can pinpoint what the employee has accomplished versus what still needs to be done. So the reporting solution starts the process with gap analysis, which leads to conducting compliance/competency training. Once complete, tailored reports can be automatically sent to management and external regulatory boards.



## Common Competencies

- Technical Competencies
- Core Competencies
- Leadership Competencies



### TECHNICAL COMPETENCIES

**Technical Competencies are defined for a specific role.**

- The skills a person needs in order to effectively perform in a specific job, role or function
- “Units of work” performed by an individual
- Developed at the industry or professional level to set performance standards
- Used for national certification and training programs (this part is about compliance)

Defining technical role-based skills and competencies that individuals need provides input for instructional designers and trainers to create effective training programs.

### CORE COMPETENCIES

**Core Competencies are defined for your organization and culture.**

- Behaviour sets required for all employees in an organisation regardless of role or department. These may include being able to communicate effectively, be a self and continuous learner and be a team player.

### LEADERSHIP COMPETENCIES

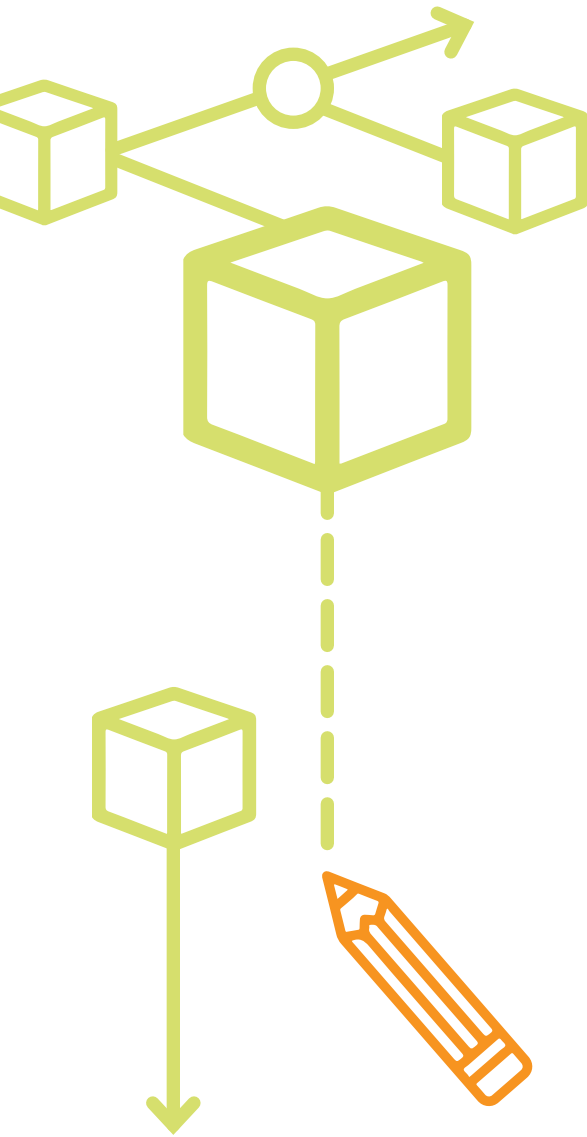
**Leadership Competencies are defined for the managers and leaders of your company.**

- Describe factors that lead to success for company leaders
- Are used to design leadership programs
- Identify opportunities for self-development, professional judgement, relationship development

By developing a sound framework, managers are better able to define the knowledge, skills and attributes needed for people within an organisation. Each individual role will have its own set of competencies.



## 7 STEPS TO DEVELOPING A SOLID FRAMEWORK



### STEP 1: Define the purpose

- Why are you doing this?
- For compliance purposes?
- Are you developing a training program?
- Are you trying to hire people?
- Are you measuring performance?

### STEP 2: Observe the people doing the job

- What are people doing on a day-to-day basis?
- How are people doing their jobs now?
- How could they be doing them better?

### STEP 3: Involve the people doing the job\*

- How do people feel about their job?
- What are their needs?
- What do they think is good for their job?
- What do they think needs to change?

(\*IMPORTANT! Don't skip this step as it is very important to get buy in from your people in order for competency training programs to succeed)

### STEP 4: Set goals

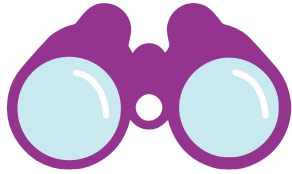
- What are your goals?
- What do you want to accomplish?
- Write out statements such as: "Have 100% compliance in all areas," or "Develop learning paths for each staff member"

### STEP 5: Create hierarchies

- Define employee groups
- Establish competencies for each group
- Create subgroups



## EXAMPLE OF A HIERARCHY



Looking at the diagram above, setting up hierarchies around the main competency areas and defining sub-groups will establish key skills development and training areas needed for members of a leadership team. In Moodle or Totara learning management systems, this is set up as a Hierarchy/Framework with parent/children relationships.

## STEP 6: Provide coaching and training

- What are the ideal skills and attributes for a role?
- How to provide training for people to match ideals?
- What kind of coaching is needed?



This follows on from Step 5. Each position or role has the framework attached to it; then the trainer uses the gap analysis to identify the missing skillsets in the employee and creates a learning plan specifically for the employee/learner.

## STEP 7: Link to business objectives

- What are your company's goals?
- How can we link training back to our business objectives?

An effective framework should provide a basis for pinpointing knowledge gap analysis and developing specific programs that are cost-effective. By having competent people doing the job, productivity and profitability can only follow. Finally, this strategy can also be used to identify compliance pieces required for roles, helping to reduce or eliminate risk altogether.





## SETTING UP YOUR LMS FRAMEWORK

At Lambda Solutions, we work with two main learning management systems with similar assets that can be leveraged: TotaraLearn and Moodle. Both systems enable multiple competency frameworks to be set up which is important if you have numerous departments that require completely different skillsets. Or, maybe you want to separate out Technical and Leadership frameworks. Totara contains a few extra enterprise level features suitable to companies as can be seen from the comparison below:



- Multiple competency frameworks
- Assign competencies to courses
- Assign competencies to users via position, organization and audience
- Learning Plans
- Scales to mark off competencies
- Can add evidence items
- Can pull into appraisals



- Multiple competency frameworks
- Assign competencies to activities and courses
- Learning plans
- Assign learning plans to individual learns or cohorts
- Scales to mark off competencies
- Can add evidence items

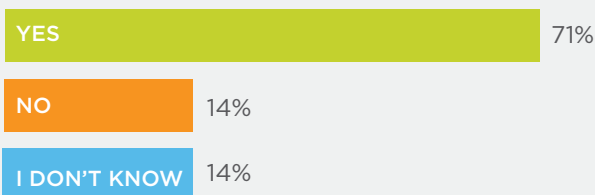
## Compliance Reporting—Easy as 1-2-3

Zoola Analytics provides comprehensive reporting for compliance and competence programs, at the click of a button. We are talking about being able to generate reports in minutes—not days or weeks. Recently we polled some of our customers about reporting and here is what they said.

### POLLS

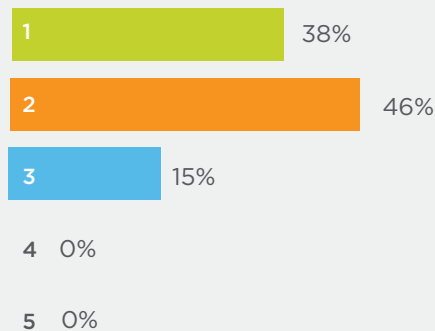
#### DO YOU NEED TO REPORT ON YOUR COMPLIANCE PROGRAM?

POLL RESULTS



#### HOW EASY IS IT TO REPORT ON THE EFFECTIVENESS OF YOUR COMPLIANCE PROGRAM

POLL RESULTS (1 - NOT VERY EASY, 5 - VERY EASY)



## GENERATING COMPLIANCE DASHBOARDS & REPORTS

Designed to provide the information you need	<ul style="list-style-type: none"> <li>• Are people doing the right thing?</li> <li>• Run detailed and specific reports for governments and regulatory boards, health and safety officers, managers and the CEO</li> </ul>
Include time spent on learning	<ul style="list-style-type: none"> <li>• Some regulatory boards need to know exactly how much time people spent on training programs</li> </ul>
Filtered by date	<ul style="list-style-type: none"> <li>• Can pick up the history in your learning management system</li> <li>• Information can be pulled very quickly by day, week, month, year, previous years</li> </ul>
Schedule and send reports to external users	<ul style="list-style-type: none"> <li>• Set up the schedule and walk away</li> <li>• Instead of two weeks preparing quarterly reports, Zoola Analytics can do this in minutes</li> <li>• Schedule reports to go to whoever in the organization needs them</li> <li>• Schedule reports to go to external stakeholders</li> </ul>

## GENERATING COMPETENCE DASHBOARDS & REPORTS

Employee's current competencies compared to the position's competencies	<ul style="list-style-type: none"> <li>• I know that this person has completed X, Y and Z but I need A, B and C for this job so I'm going to make sure this person gets the right training</li> </ul>
Current learning progress	<ul style="list-style-type: none"> <li>• With dashboards and reports we can look at individual's current progress in a particular learning pathway</li> </ul>
Different sets of information configured for managers, trainers, learners	<ul style="list-style-type: none"> <li>• Various stakeholders can receive the information they need</li> <li>• Managers will need a different set of data than a trainer</li> <li>• Learners may need a transcript of completion record that they can take away with them</li> </ul>
Reports can be accessed via the LMS or scheduled	<ul style="list-style-type: none"> <li>• Everything can be set up very easily and quickly</li> <li>• Can either be accessed directly in the LMS or can be scheduled to go out automatically</li> <li>• Lots of time saved</li> </ul>

“THE ONLY THING WORSE THAN TRAINING YOUR EMPLOYEES AND HAVING THEM LEAVE IS NOT TRAINING THEM AND HAVING THEM STAY.”

HENRY FORD, FOUNDER  
FORD MOTOR COMPANY

## Key Benefits of Competency Training

### FOR EMPLOYERS:

- Training programs are targeted with the use of gap analysis and are cost-effective
- Establishes a framework for performance management
- Establishes a framework for creating job descriptions for recruitment
- Improves quality of products and services
- Creates a framework for employee development and promotion

### FOR EMPLOYEES:

- Provides skill analysis
- Establishes a personalized learning path
- Creates a system to track progress







## ABOUT LAMBDA SOLUTIONS

As an LMS solutions provider, Lambda Solutions manages, hosts and supports some of the world's largest Learning Management Systems, helping to deliver online learning and training for over one million users. We're different because we're data-driven—we built Zoola Analytics to extend and enhance the reporting capabilities Moodle and Totara LMS. With access to all learning data, you can drag-and-drop to create reports on any aspect of learner and course activity—in minutes. Lambda Solutions also provides LMS training and certification, set-up/configuration, data migration and integration, and development services.

### Contact Our Team

We want to talk to you if you're looking for robust reporting capabilities for your Moodle or Totara LMS. Zoola Analytics provides secure access to all of your LMS data and empowers users to quickly and easily create actionable reports and customizable dashboards. Gain real insights from your learning data in minutes, instead of days and have the latest information at your fingertips. Zoola Analytics is backed by Lambda Solutions' decades of expertise in the Learning Management space.

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**RESOURCES** [lambdasolutions.net/moodle-resources](http://lambdasolutions.net/moodle-resources)

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