

The Benefits of an eLearning Compliance Training Program

By Clifford Brody

Required by United States compliance laws and international Anti-Money laundering (AML) regulations, compliance training is one of the most important responsibilities of financial institutions today. However, when a financial institution meets its compliance training requirements solely through classroom sessions, it may still be at risk for receiving inferior compliance ratings from bank examiner audits. The number one reason for lowered compliance ratings is an institution's lack of adequate, standardized compliance training for its staff.

While compliance training conducted in a classroom may be an excellent option for compliance personnel and even key executives, this method of training is inadequate for the comprehensive training of all bank staff. This is primarily due to the lack of standardization of delivery and auditability of testing that classroom training provides. In addition, some training attendees may find classroom training to be boring and uninteresting because it limits the amount of interaction that the student has with the information. This lack of interest will ultimately lower the students' comprehension and could potentially put the institution at a higher risk during an audit.

The best way for financial institutions to avoid a low compliance rating, therefore, is to provide eLearning Compliance training for all employees. An eLearning platform for compliance training offers the following benefits for any financial institution.

Standardization

One of the greatest benefits of offering compliance training in an eLearning format is the standardization and control that it provides. With eLearning, the financial institution can ensure that the content covered in the training is the same each time the student takes the program. Therefore, if an auditor or regulator questions the content of the training, the bank can easily demonstrate the uniformity and adequacy of the content. ELearning training also limits the possibility of a topic not being covered because a classroom instructor runs out of time or isn't knowledgeable on all of the subjects being covered.

The standardization offered by eLearning training benefits all types of learners – providing them a format that moves at their own individual pace, rather than forcing them to listen to an instructor while taking notes. Most eLearning programs offer a tangible element that learners can use as a reference guide, or learners can use the program itself as a resource after they complete the training.

Auditability

ELearning training is often accompanied by a Learning Management System (LMS). LMSs are designed for the administration, distribution, documentation, tracking and reporting of educational programs. While the LMS carries out various functions, the most important is its ability to audit the training on an individual and organization-wide basis. A LMS can be paired with a classroom program, but the full potential of the LMS is only realized with an eLearning program. When an eLearning program is connected to an LMS, the institution can track the following items:

- How many times the employee logged into the program.
- How long it took the employee to complete the programs.
- The scores the employee received on the test of the program.

Most LMSs also offer reporting functions that allow the institutions to generate a variety of reports based on each student and course, a targeted group of employees, or the institution as a whole. LMSs also offer an audit trail that can be used by examiners, making it simple for them to view which courses employees have completed and to measure their comprehension of the material. This benefits the financial institution by providing an up-to-date, concrete record of the training completed by all of their employees which can be accessed at any time.

Customization

For many institutions, customization is an extremely important aspect of their training programs. The specific material contained in custom compliance training includes information about the institution, as well as the compliance knowledge that is required by each individual employee's role. ELearning training can be customized to include the following:

- Logos and colors to reflect the branding of the institution.
- Nomenclature, policies and procedures used at the institution.
- A personalized message from senior management officials at the bank to inspire the student.
- Content and course designed to meet individual job skill needs.

When eLearning training that has been customized for the institution itself, as well as for each job or role, it is easier for examiners to evaluate the content of the training. Compliance examinations include evaluating training and audit systems within the bank. Therefore, having customized training that provides the bank's personalized policies and procedures will ultimately help to increase compliance ratings.

Offering customized compliance training will also help build a stronger team at the institution. When employees receive training that best meets their learning needs, they may feel more comfortable about sharing their thoughts on the concepts and ideas being taught. This sharing process will help employees to learn from each other and even provide a fresh perspective on more difficult material.

Efficiency

ELearning compliance training provides a higher efficiency rate that cannot be addressed by classroom training. If an institution does not have an adequate environment to offer the training, their employees will have to attend training at an off-site location, resulting in downtime due to travel.

ELearning training can be delivered anytime, anywhere and on almost any computer. Employees can partake in training at the institution, on their work computers, or at home on a personal computer. ELearning training is also portable, meaning the student can begin their compliance training at work and then finish it at home, if needed. Additionally, students have the option of beginning a program in the morning and coming back to it in the afternoon or even the next day.

It is important for all employees to fully comprehend the information presented to them during the training process. ELearning provides students with an efficient format that is both easy to access and easy to understand. This comprehension plays a key part in the success of an institution's overall compliance rating.

Low-Cost

The cost of eLearning training is much less compared to classroom training, and provides much more content and comprehension. Classroom training requires a facility, an instructor and materials, while an eLearning program simply requires a computer. With eLearning training, each student receives personalized training tailored to his/her unique compliance responsibilities, without additional cost to the institution.

The Return on Investment (ROI) associated with eLearning is much higher than classroom training. When employees receive appropriate and adequate training they will increase their productivity and in turn, increase overall profit for the institution. Time and money spent on providing a customized and engaging eLearning compliance training program is money well-spent, and will result in a higher rate of return for the institution in the long-term.

When an institution chooses an eLearning compliance training platform, they are only buying training once, and then using it again and updating it as necessary. With eLearning training, updates can quickly and easily be made to all of the different training programs that employees must use. If an update had to be made to classroom training, employees would have to attend a refresher session, ultimately costing the institution more money to hire a vendor to provide instruction.

Final Word

Compliance training is not a "one-size-fits-all" concept. Employees require individualized training that will enhance their job performance, while meeting the legal compliance training requirements measured by examiners and auditors. By selecting an eLearning program, the institution will benefit from training that is standardized, auditable, customizable, efficient and low-cost. As training continues to develop and change with the technological trends in the global financial services industry, eLearning remains the best way to please examiners and meet the needs of employees while benefitting the institution as whole.



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