



Compliance Training is a Cost-Effective Risk Management Strategy!

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Given the current COVID-19 Pandemic, Employers and employees are more than ever looking towards compliance experts to receive updated, accurate, and reliable information to understand all the changes in federal, state, and local regulations that have changed as a result of COVID-19. We cannot forget that there is a multitude of regulations in the multi-state arena expected to be launched that will impact the workplace in 2021.

Employers must ensure that they understand how all the regulations will impact their employees and their workplace. One of the best methods of gaining an understanding of how to mitigate all the regulations is by providing training.



Regulatory agencies remind us that although COVID-19 is here, they will continue to process all claims of violation of workplace regulations and conduct audits. Training is one of the most effective and low-cost risk management strategies.

Training of Managers on compliance in the workplace is a "good legal defense" for Employers and this can be a good line of defense for future audits. Many auditors have decreased fines and penalties when they find out that the Employer has instituted compliance training as part of their risk management strategy.

Compliance Training is the most low-cost & effective option to reduce risk and fines, penalties, and criminal sanctions

Cost of Non-Compliance

Non-compliance costs include fines settlements, business disruption, productivity loss, revenue loss, etc. What's more, it's getting more expensive every year.

The biggest cost of non-compliance is business disruption rather than any fines or penalties. When found to be non-compliant, businesses can be forced to implement compliance changes before being able to resume business.

This can have a knock-on effect on business areas that aren't even subject to the regulations being breached, potentially paralyzing the entire business. If compliance has to come in the form of new processes being introduced, further disruption will come in the implementation and training of staff.



Fines are only one aspect of the costs of non-compliance. What other factors does non-compliance involve?

- **Business disruption** – Any business activities that may be affected by compliance violation consequences or legal holds
- **Productivity losses** – Business productivity is generally impacted when compliance violations are levied against your business
- **Revenue losses** – Revenue can certainly be impacted by regulatory violations
- **Fines, penalties, and settlement costs** – As shown above, these can be significant
- **Reputation damage** – Negative media coverage of data mishandling which often leads to compliance violations, fines, etc., can also damage customer confidence. This results in lost revenue that can last for years.

Non-compliance cost consequences	Average	Median	Maximum	Minimum
Business disruption	\$5,107,206	\$4,232,786	\$20,396,716	\$1,100,745
Productivity loss	\$3,755,401	\$4,667,300	\$17,336,500	\$997,600
Revenue loss	\$4,005,116	\$3,995,194	\$19,176,931	\$ –
Fines, penalties & other	\$1,955,674	\$1,100,500	\$5,301,500	\$ –
Reputation damage	Immeasurable	Immeasurable	Immeasurable	Immeasurable
Overall	\$14,823,397	\$13,995,780	\$62,211,647	\$2,098,345

The cost of non-compliance continues to skyrocket with detrimental consequences to your business if it is found to violate today's compliance regulations.

The key objectives of compliance training are to:

- Ensure that staff are aware of their compliance responsibilities
- Reduce risk for fines, penalties, and criminal sanctions
- Remove legal liability from the organization in the event of malpractice and vicarious liability by their Leadership, Managers, and HR Professionals
- Protect the organization's reputation
- Encourage a better workplace culture

Qualified and Certified HR and Compliance Trainer

Ensure you hire a qualified and certified compliance professional who has conducted training for all populations. They need to have credentials and provide proper tracking for all training conducted. Depending on your state regulations, those who conduct mandatory training will support you with follow up on all inquiries and guide you to be compliant. The trainer should be able to conduct training onsite, seminar-style, and online training. Your corporate compliance training should cover your internal regulations as well as external laws. You should also conduct a **risk assessment** to identify areas of high risk so you can prioritize resources to tackle these first and ensure appropriate and sensible control measures are put in place.



Make It Accessible

Employees are busy and taking them away from their working environment to do their corporate compliance training limits how often you can provide training and the positive impact it will have.

By making your content available online, you're able to provide 24/7 training, so your staff can keep up to date regardless of their location.

You also reduce the risk of regulatory changes being missed as online training programs allow you to update content in real-time. As your practices and policies change, so can your resources. Remember, consistency is key.

Updated and Accurate Information

Create a Compliance Training that participants can understand and rely on the accuracy and sources. Creating an effective corporate compliance training program that addresses all of your organization's requirements and is easily accessible will prove to be of huge value to the business. Your role should be to educate your employees to ensure they have all the information they need. By considering the points above, you're on the right track to ensuring the business is approaching training in an ethical and compliant way.

Offer Resources

It is best practice to offer resources for the participants to access if they need more information on the topic of the training. Offering regulatory resources can be helpful since it is what they need and it is free.

Training as a Cost-Effective Risk Management Strategy

Training continues to be a cost-effective risk management strategy. With all the changes in federal, state, and local regulations it is more critical now to ensure training for Leaders, Managers, Supervisors, HR Professionals, and Compliance Professionals. There are so many training options to choose from that it is important to have a trainer with compliance experience, experience with creating and conducting training, and the necessary credentials.

Margie Faulk, PHR, SHRM-CP, High Value at a Great Price Compliance Training Option

Margie Faulk, PHR SHRM-CP, Compliance Officer for HR Compliance Solutions, LLC has over 15 years of HR and Compliance experience, Margie has been providing compliance training for over 21 compliance institutes for 5 years.

Margie is offering her compliance training for her contacts, members, and subscribers. The High Value at a Great Price Training Series is offered at a lower cost than other compliance training Margie conducts with other compliance institutes.



The compliance series is Margie's commitment to the HR and Compliance Industries that has provided her with great mentors, colleagues, and support throughout her HR and Compliance career.

The cost of these compliance webinar training from **\$99 a 50% savings** from the compliance company-sponsored webinars.

Free customized compliance tools created by Margie will, free unlimited answers to inquiries no matter how long the training occurred, will be part of the resources and HR certification from SHRM will be offered as well.



Contact Margie Faulk, PHR, SHRM-CP to schedule your High-Value Compliance Training at mfaulk@hrcompliance.net or via cell phone at (407)914-7336.

For more information about the impact of Workplace Compliance Regulations, please subscribe to my website at www.hrcompliance.biz and receive updated compliance alerts, webinar notices, and information on compliance resources!



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