



## Next Generation Learning @ Work in Coventry Building Society

## Proving compliance effectively and efficiently

The Coventry shows how to save money, save time, prove compliance in a simpler way and provide a better and more secure standard of service to customers. Subject experts own the compliance content which is always up to date and assessment is specific to job roles.

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## ***The Business Need***

Like all businesses in the Financial Sector proving capability and competency is crucial to staying in business for The Coventry. Demonstrating that staff give quality service and best advice retains customer confidence at a time of uncertainty in financial markets. Doing this robustly, effectively and efficiently is the hallmark of a productive business which is precisely what The Coventry has done. Introducing e-learning gives more knowledgeable staff, better customer service and hassle free proof of compliance, all ticks in the box for Learning and Development.

## ***The Business Challenge***

The Financial Services and Markets Act of 2000 brought mortgages under the remit of the Financial Services Authority at the end of October 2004 putting responsibility on all providers of mortgages, including mutual building societies, to prove that they are compliant. Proving the competency of their workforce is an essential requirement. Coventry Building Society is the fourth largest building society in the UK with over a million members, assets of over £17 billion, 1300 staff, 48 branches and one call centre.

The Coventry must meet the requirements of the FSA, specifically the Mortgage Code of Compliance and the Treating Customers Fairly initiative. In addition, the Coventry needs to follow other statutes such as the Data Protection Act, the Banking Code and anti-money laundering legislation. But these are not just legislative requirements - The Coventry takes the treatment of its members extremely seriously, believing that taking care of customers and the information held about them is crucially important. Likewise, the safety and security of Society employees is also a high priority of the business and, naturally of the Learning and Development team.

## ***Compliance adherence before 2004***

Originally the Coventry relied heavily on the induction process to inform individuals of their responsibility in compliance.

In day one, new employees were given a basic policy sheet, supported by information booklets. Individuals signed a document to confirm that they had read the policy requirements. This provided a compliance paper record. The information booklet included sections on computer security, data protection and the Building Society Privacy Policy.

Individuals then attended face-to-face training specific to their role. This included additional compliance requirements specific to the role. The onus was on individual trainers to implement any changes to policy and compliance requirements.

Unsurprisingly, this was expensive both in time and money! Before 2004 the total number of trainer hours to provide this programme was 49 hours per individual. Costs of this face-to-face delivery during a typical year was £190 per individual and on average 100 staff would be trained in this way every year

This system needed to be modernised and reporting improved, not only to meet the new requirements of the FSA but also to provide a better and more efficient standard of service. The aim of the change was to:

- ? Standardise reporting.
- ? Validate assessments.
- ? Include assessment of the induction process.
- ? Personalise assessment and training to a specific role.
- ? Adapt learning to individual learning styles.
- ? Provide information and learning at the right time for each individual.
- ? Engage subject matter experts to ensure that the content is accurate and up-to-date.
- ? Discover how long learners take to study specific items of information.
- ? Collate statistics on validity and reliability.

### ***The Learning Solution***

Initially the Coventry purchased a Learning Management System and appointed an e-Learning manager. Over time this role developed from a designer of content to a consultant to the business reflecting the increasingly vital support that learning technologies are giving to the business.

The e-Learning project set out to produce both assessment and content by converting existing resources and adding new ones. In order to do this a partnership was quickly established between the subject matter experts and the creators of the content and assessments. This proves to be a critical component of the project and of the way in which work is conducted. This specialist compliance team took responsibility for monitoring learning progress centrally. They ensured the compliance materials were updated and that the Building Society could meet the requirements of their external regulators.

Learning content and information could be quickly and easily presented to all staff rather than relying on paper-based systems such as briefings supported by PowerPoint presentations. A consistent or tailored message is delivered depending on the specific requirements or circumstances of individuals. This enabled the training delivery to extend beyond the requirements of induction into supporting business change for all staff.

### ***Business Impact***

Compliant performance is delivered faster, cheaper and more successfully with the support of learning technology. Customer Services Assistants, who work on branch counters, now only take two weeks from starting in their role to learn about and prove their competency in Data Protection, anti-money laundering processes and the Banking Code.

There is better alignment between the assessment of individuals and the required performance for each role. Information about products and services are delivered through the LMS. Levels of knowledge are tested before learners attend face-to-face Courses which in turn focus much more on skill development. For example, Customer Services Advisors, both those who work in branches face-to-face with customers and those in the call centre, are able to prove their compliance in this much more detailed and complex job within six months of starting the role. Previously it had not been easy to prove individual compliance reliably.

E-learning has enabled the Coventry to deliver more learning; before e-learning approximately 100 staff per year were trained in the minimum topics for compliance. Now all front line employees refresh and prove their compliance knowledge; a total of 1385 individuals. If we add compliance topics and staff numbers there are a total of 4,704 separate assessments annually. New employees and those in new roles are able to acquire the necessary knowledge for their role immediately on starting and all employees keep their knowledge up to date at no extra cost. In addition many other non-compliance topics have been introduced. Currently 81% of the e-learning content delivered is not related to compliance.

This is achieved at less cost per individual. The cost of the LMS was £85,716 spread over nine years; £9,524 per annum. Each lesson takes on average 4 days to design and publish. A total of 317 lessons have been created in 3 ½ years. However the cost of delivering these lessons in other ways would have been significantly greater; here are five examples:

## Examples of improved efficiency

Topic	Attendees	Face-to-face cost estimate	e-Learning cost	Saving
ATM 1 day course	381	£38K	£3K	£35K
Health and Safety 1 day courses	449	£45K	£3K	£42K
Branch Security 1 day course	634	£64K	£5K	£59K
Absence Management 1 day course	165	£17K	£2K	£15K
Advisors accreditation course 3 day course	66	£24K	£6K	£18K

The Learning Management System records the various lessons completed and test scores for each individual. The data held on learners means that reports could be created taking a slice of the data. For example, internally the Compliance Management team will analyse the training and compliance performance and learning progress of individual locations and areas. The needs of external regulators can be met by providing reports on job areas and particular role types

## Right First Time

A significant benefit both for the business and for individuals, in terms of their sense of achievement, is the first time pass rate and the average score.

Exam Topic	Number taking the test	Percent of first time pass rate	Average score on attempt 1	Other data
Anti-Money Laundering	1331	92%	97%	
Data Protection (pass rate 80%)	1337	86% 1/3 <sup>rd</sup> gaining 100% test score	94%	12% at the second attempt
Banking code	642	89%	95%	14% at the second attempt
Money Laundering	1332	92% 1/3 <sup>rd</sup> gaining 100% test score	92%	7% at the second attempt

The first time pass rate is an indication of the effectiveness of timely delivery, it is important to the business staff and new recruits rapidly acquire the knowledge to perform properly. The first time pass rate is a measure, not only

of the capability of individual employees but a measure of the effectiveness of the training material

### **Staff Impact**

Training is now immediately available on entering or taking up a new role. This is a time when staff are most likely to be motivated to learn and when learning has the biggest benefit. The high pass rates translate to a sense of achievement for more staff. Learning is now available for everyone at their desk, both in branches, the call centre and all Head Office departments. They can choose the best learning environment for themselves, printing out some information to read away from the desk or their computers if they wish. Learners have the satisfaction of immediate feedback and being able to understand their own progression and performance at all times.

Personal convenience was a big plus point for many staff.

Regional Sales Manager in the Network said

*"I spend time over Christmas doing my learning and tests so this saves me time when I'm back at work in the New Year"*

Customer Service Assistant said

*" I can take the amount of time I need to complete my lessons - and I need more than most to take it all in, I don't feel under pressure to read as quickly as the person next to me"*

Department manager said

*" I can allocate time for individuals to complete their compliance annual learning which suits our operational requirements"*

Learning and development advisor said

*" I can concentrate the time I spend with people developing their skills rather than spending additional time giving out information about products"*

### **Beyond a tick in the box**

Organisations using tests for compliance purposes must provide information on reliability and validity of their tests and questions. The Learning Management System provides a wealth of data to assist the Coventry Building Society in conducting this analysis. The Coventry knows who has done what, when, how long they took and what results are being achieved. This enables them to assess the quality of their own learning materials that provide learning content to employees. But compliance is not just about tick in the box.



Validity is maintained by the close involvement with Subject Matter Experts so that the content is directly relevant to business performance. Key stakeholders are involved in the sign-off process, which ensures that current and future business issues are addressed through the training material. New lessons material is piloted across appropriate audiences who supply feedback on the quality and ease of use of the learning material.

This robust system ensures that learning content directly supports business benefit. Assessment is tailored specifically to particular job roles. All assessments are related to procedures of processes the learner will carry out in their job role. There is a direct link between training and business performance.

#### Nine Top Tips from the Coventry Building Society for creating compliance content

##### Top tips for Next Generation Learning @ Work success

- a. Establish a Project Team with an e-Learning Project Manager with a specific responsibility for delivering and implementing the whole project.
- b. Ensure this management structure can be set up and established for the future and ongoing maintenance of both assessments and content.
- c. Engage Subject Matter Experts closely with the creation of content and assessments. SMEs must be the clear and acknowledged owners of this material.
- d. Monitor and report progress and success against management responsibility areas. For example, report progress made in individual branches to the Line Manager of that branch.
- e. Continuously review and monitor the quality and success of learning material and collect feedback from learners
- f. Re-purpose and re-utilise existing material both in assessment questions and in learning content.
- g. E-learning is not always the right solution so remember traditional methods too
- h. Remember to think colours and font sizes and test it out on some people before publication
- i. Have some way of tracking changes so that you can link lessons together for amendments and updates