

BRYTER

NOBODY READS YOUR POLICIES

**HOW AI BRINGS POLICIES TO LIFE
AND REDUCES THE RISK OF NON-COMPLIANCE**

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FOREWORD

**Nobody reads
your policies**

Has compliance ever been this difficult?

Complex regulations. Changing policies. Distributed workforces. Trying to ensure your organization, and the employees within it, remain compliant has never been so challenging.

Over the past few years, you and your compliance team have been caught up in this Gordian knot. And the age-old responses of more shared policies, more employee training, and more email reminders simply aren't working.

Employees today don't remember their company's policies on critical compliance issues — no matter how many policies we create, or how often we ask them to undertake training. The hard truth is most employees have very little comprehension of what they need to do, even in the most basic compliance areas.

42% of employees don't recall their company's gift and hospitality policy.

27% don't even remember completing finance compliance training¹.

¹ 5 Legal Technology Predictions Through 2025 (Gartner, 2022)

This training-focused strategy is dead.

It doesn't work.

And it has created three major problems:

- **Organizations are more open to risk.**

Organizations today are increasingly complex. As are external risks. This, of course, requires greater degrees of compliance. But so few employees understand policy that the risk is potentially huge.

- **You get thousands of questions on policies.**

Employees don't understand policies, and they often turn to emailing or calling someone in the compliance team with their questions. The result? You repeatedly answer the same requests instead of focusing on oversight, monitoring, and more complex problems.

- **It's hard to prove what you're doing to regulators.**

It's not enough to just have policies that can be read by employees. Regulators need you to be able to evidence this. Creating an audit trail, and showing that the processes and procedures you have in place are effective, can be difficult.

So, how can you undo this knot, and mitigate risk without resorting to what we know doesn't work?

Thankfully, there is a better option: embracing the powers of generative AI.

In this eBook, we'll examine in detail exactly why today's approach to organizational compliance is falling short. Then, we'll look at the alternative – the PolicyAI approach to compliance – and show you how you can adopt it. By the end, you'll have an idea of how you can start minimizing risk at scale, in a feasible, sustainable, and integrated way.



Joanna Sidhu

VP Global Growth and Community
BRYTER

CHAPTER 01

**Why training sessions,
policy manuals,
and attestations
fail to manage risk**

**FLUENCE**

A Siemens and AES Company

“

Training and education remain a unique challenge. It would be naïve to pretend that people enjoy going through their training modules. Moreover, there is only so much you can do with slideshows.

Miriam Lafuente

Head of Ethics and Compliance, Fluence

Here's where we're at

Most employees participate in compliance training during their onboarding process. Often, they take part in refresher sessions at regular intervals afterwards. At the end of every session, they take a digital assessment, attest to understanding the policy, and return their focus to their functional work as quickly as possible.

Let's be honest, these training sessions are something employees just want to get out of the way so they can focus on work that matters more to them. In many cases, employees only half-listen to training modules and guess the answers. And paradoxically, the more training you conduct with employees, the less information they are likely to retain.²

But compliance really matters. Non-compliance fines to financial institutions alone average about \$8 billion per year³. When employees don't have a clear understanding of policies and how to apply them in their day-to-day work, organizations are left exposed to massive financial and reputational risk, and potential criminal sanctions.

The current mainstays of enforcing organizational compliance — training, written policies, and attestations — don't work, especially when the regulatory landscape is evolving more quickly than ever⁴. These tactics don't help employees understand policies effectively, nor do they help much to enforce those policies.

² Information Overload: Memory and Focus Are at Risk (Morris Psychological Group, 2014)

³ Global Financial Institution Penalties on the Decline (Fernago, 2022)

⁴ Regulation Tomorrow: What Happens When Technology Is Faster than the Law? (American University Business Law Review, 2017)

Imagine it from the employees' perspective.

Let's take the example of someone in one of your customer-facing teams. They've been out with a customer for drinks and accidentally picked up the bill. What do they do in most cases, and what do we expect of them?

From the compliance perspective, they need to remember what they learned in an anti-bribery and corruption (ABC) training they might have taken a year ago. Realistically, they didn't take in everything that you'd want. And they're unlikely to know off the top of their head that such dealings with customers might fall foul of ABC regulations and that in some instances, approvals might be required.

With the current training-led approach, you're counting on the employees to remember, interpret, and enforce policies against their own actions.

Sure, they might reach out to the your team for clarification, but if they are moving quickly and need to make a fast decision, they might prefer the self-guided approach rather than waiting on an official answer from a team they might regard as overly cautious. This comes with clear and obvious risk, especially if they choose to bury their head in the sand.

CHAPTER 02

**The blind spots,
challenges, and risks
of a training-based
approach to compliance**

50% of new information is forgotten 1 day after it's learned.

4 days out, less than 20% of information is retained.

It's just not realistic to expect employees to retain what they learn in compliance training.

Ebbinghaus' famous Forgetting Curve suggests that 50% of new information is forgotten just 24 hours after it's learned, and information retention continues to drop from there⁵. In a workplace setting, this number can be even higher. In one survey, 70% of employees admitted to forgetting the contents of a company training in less than 24 hours⁶.

The shortcomings of today's compliance tactics go beyond just information retention. The velocity of regulatory change also necessitates a different approach.

Even in a perfect world where employees retained everything they learned in a training session, you'd still have to re-train them as policies evolve — or rely on them to check for policy updates every time a relevant situation arises. And let's be honest, the latter rarely happens.

⁵ Replication and Analysis of Ebbinghaus' Forgetting Curve (PloS One, 2015)

⁶ How to Help Employees Remember What They Learned in Training (Entrepreneur, 2017)

“42% of employees don’t recall their company’s gift and hospitality policy”.

- Gartner, 5 Legal Technology Predictions Through 2025

In the hoped-for scenario, where an employee knows where to revisit policy on a company intranet as needed, the employee still must be confident enough in the nuances of the policy to apply broad guidance to their specific situation. If you’re lucky, the employee might reach out to a compliance manager, but that adds to the time-consuming backlog of similar, repetitive questions your team has to field.

The reality is that even these risky best-case scenarios are rare. Even if employees know how to navigate a policy, they might not recognize the need to do so in the first place. They can’t be relied upon to constantly think, “Is there a compliance issue at play here?”

Is there a company policy related to what I’m about to do?” And they shouldn’t be responsible for interpreting all the implications of a policy and accurately applying them to their unique situation.

So, to truly mitigate risk, **you need to make compliance easy** — easy for employees to consider policies, and easy for them to get clear and transparent answers. These answers need to also be made available quickly, so employees don’t see compliance as a bottleneck to essential business activities.



CHAPTER 03

**Making compliance
a shared responsibility
— the right way**

Compliance teams need to empower employees with the tools to share the ownership of compliance effectively.

Compliance is ultimately a responsibility shared by everyone at the company. There needs to be a culture of compliance, where employees take ownership of understanding and applying policies, and actively participate in mitigating risk. It needs to be an essential part of the way the business operates – across every business unit and process.

But for that to happen, you first need to empower employees with the tools to share the ownership of compliance effectively.

It's not reasonable to expect shared ownership of compliance after simply providing policies and training employees on them. And even when employees are willing to engage with the compliance department, answering repetitive requests is painful and time-consuming.



How many times do you get asked the same questions every week, the answers to which are available in a company policy on your intranet, or were part of training your team conducted?

It's a lose-lose — your team spends countless hours answering repetitive questions, employees are slowed down in their activities, and risk still isn't effectively mitigated.

While overall responsibility for compliance is shared, it's for you and your team — not individuals at the company — to determine when guidance is needed and what that guidance is. Making a broad policy available for interpretation is simply not enough. You can't be everywhere at once, but you can make policies accessible and usable, embedded where employees work to help them remain compliant without having to think twice about it.

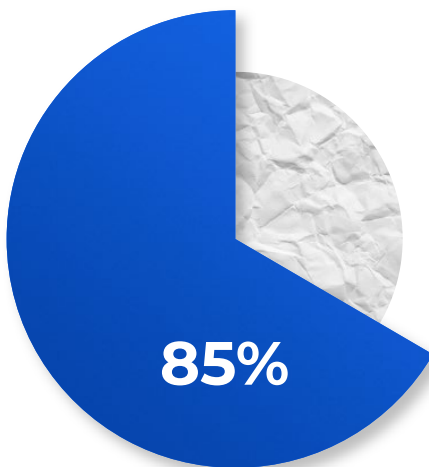


CHAPTER 04

The smarter approach to compliance

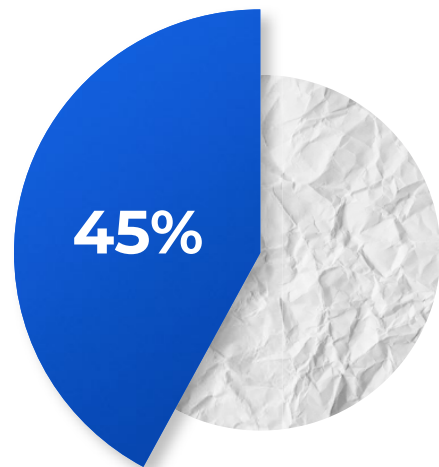
Machine learning and AI are important to our compliance strategy⁷

Very mature compliance professionals



AGREE

Not mature compliance professionals



AGREE

In defense of you and your team, until now you've lacked specialized software that fits the unique needs of regulatory and compliance content.

You've had to make do with training sessions, PDFs, and attestations as the only real tools to make policy and compliance education available to your organization. Previously, the only way to modernize was with expensive, time-consuming collaboration with IT or software development firms. Even those of you with these resources often found the tools didn't work.

Thanks to advancements in AI and large language models, we have now finally caught up to the needs of compliance professionals. PolicyAI is the solution you need. And it's come at the right time.

Compliance Week reports that 62% of compliance leaders want to replace manual processes in the next year⁸. Gartner predicts compliance departments will reduce annual training by 50% in favour of embedded digital guidance for employees⁹.

⁷ Compliance Tech Priorities in 2023 (Compliance Week, 2023)

⁸ Compliance Tech Priorities in 2023 (Compliance Week, 2023)

⁹ Gartner Predicts 50% Reduction in Annual Compliance Training by 2025 (Gartner, 2022)



CHAPTER 05

Why PolicyAI matters



It is simply not enough for policies to exist - they must be accessible and easily actionable. This is where BRYTER helps.

Arjen Schuiling

Senior Manager, Global Legal & Compliance Operations, TD SYNEX

01 It saves time answering questions on policies.

You and your team spend too much of your time searching for answers to questions on company policies and processes. PolicyAI allows you to upload policies to your own Policy Domain and use its built-in chatbot to generate accurate draft responses to questions.

02 It makes policies more accessible for your employees

Employees can't find relevant policies and rarely understand them. This creates a big risk of non-compliance. PolicyAI makes it easier for employees across the business to follow your policies through an interactive Policy Chatbot.

03 It helps you prove you have adequate policies and procedures.

It's not enough to have policies and for them to be read. Regulators need you to be able to prove this. PolicyAI's integrated management system automatically tracks and stores everything happening in the background - requests, replies and reports - giving you a complete audit trail.

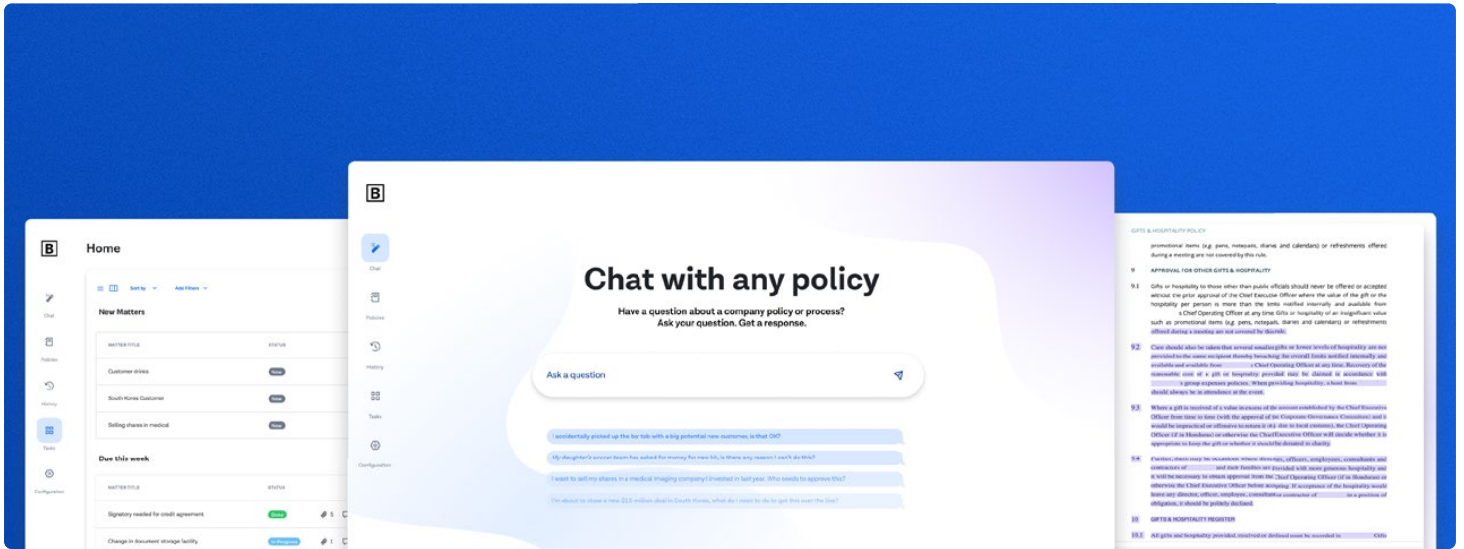
04 It helps you identify gaps in policies and improve them.

PolicyAI helps you identify gaps in your compliance process when you upload your policies and quiz them. Consequently, you can fill these gaps, improve your policies, and better manage your organizational risk.



CHAPTER 06

What PolicyAI looks like in practice



For employees

One of the biggest pain points for employees when it comes to finding relevant compliance policies is just how much time it takes. Let's take, for example, a sales representative at a US healthcare company. They're about to go into a community hospital in Jackson, Wyoming and want to know how much product they can leave as a sample. How do they find this information quickly while they're sitting in their hotel room before their meeting?

Without PolicyAI, they'd have to open their laptop, connect to their VPN, and then try to find the relevant documents on your organization's intranet. As we know, the relevant rules might be contained not just in one document, but in multiple. Knowing where to look, reading through several documents, and then trying to ascertain the right answer is time-consuming and confusing. Not ideal when you've got a meeting in a couple of hours.

Alternatively, the sales representative might email your team for an answer. Waiting for a reply might take some time and add pressure to your already stretched team. Realistically, the sales rep isn't going to get the answer they need in time.

In this situation, at best, the employees persevere by trying to find an answer themselves or asking for immediate help. The worst-case scenario is they give up and decide based on instinct. Worse still, a habit is formed, and the next time it occurs they ignore protocol altogether – leading to potentially unknown breaches of company policies. With BRYTER's PolicyAI, however, none of these scenarios need happen. Your sales rep just has to ask their question in normal, plain language, and using AI, the PolicyAI chatbot gives them an accurate answer, finding and sharing the relevant documents and passages alongside it.

PolicyAI makes life easier for everyone within your organization. It speeds things up, delivers accurate results, and enables your colleagues to do their jobs more efficiently.



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We have increased the flow of information, raised the quality level of our reporting, and gained the confidence to know the house is clean and we can rely on our programs.

Dominik Waszczynski
Head of Global Compliance, Hellmann Worldwide Logistics

For compliance

One of the major advantages of PolicyAI for you and your team is it helps you save time answering questions on policies.

Using PolicyAI, you upload policies in any language to your own secure, locally hosted Policy Domain. Users ask a question, in any language, then PolicyAI translates it and runs it against your defined set of policy documents to generate an accurate answer.

When prompted by your employees, the AI extracts relevant passages from the policies you upload, delivering answers to employees while highlighting and linking them to the policies themselves. The result is a substantial reduction in the volume of repetitive and easily addressable questions that your teams receive daily. All while staying fully compliant.

Moreover, when new policies are written or adapted, or legislation changes, all you need to do is upload the policies to PolicyAI and these documents will be referenced when people within your organization have a compliance question.

It's worth highlighting here that BRYTER's proprietary pre-trained AI provides answers based on defined policy documents only. This prevents the AI from hallucinating and making up answers – one of the most common risks of using non-compliance-specific, open-access AI models.

For compliance, BRYTER PolicyAI is not just a compliance chatbot, either. PolicyAI's integrated management system automatically tracks and stores everything happening in the background – requests, replies and reports – giving you a complete audit trail, in the event you need it when interacting with regulators.

Ultimately, PolicyAI bridges the gap between what employees want (an easy-to-use, plain-language answer to their compliance questions), what you want (time-savings, reduction in repetitive questions), and what regulators want (an accurate, detailed audit trail).

Whichever way you look at it,

PolicyAI is the transformational tech we've all been waiting for.



CHAPTER 07

**The way ahead: AI,
better for compliance,
better for your organization**

We have entered a new era.

It's amazing that so many manual approaches to compliance have held on for so long. So much has changed in the past decade. Distributed work. Policy changes. Digital transformation. It's time we embrace AI and transform the way we do compliance.

It's a hard truth, but one you already know — no one likes taking time out of their day to attend policy training. Compliance may be as important as it ever was, but training sessions and attestations alone aren't an effective way to put those policies into action.

PolicyAI helps solve this problem head-on. But, as we've discussed in this eBook, PolicyAI does much, much more than solving the issue of failed training efforts for you and your team. It makes policies more accessible for your employees. It saves you time answering repetitive questions.

Try BRYTER PolicyAI yourself.

Sign up for a free trial at www.bryter.com/policy-ai

It helps you keep an accurate audit trail. And, perhaps most importantly, it allows you to spot gaps and create better, more complete policies.

We have entered a new era. An era where AI has finally moved from a mere buzzword to a technology that can positively transform the way we do compliance.

Now is the time for change. So, if you're ready to evolve your compliance practice, embrace AI, and make your organization more compliant than ever, we can't wait to talk to you.

Make policies 10x more effective with AI

**Get instant, accurate responses
to compliance questions with PolicyAI**

Learn more at www.bryter.com/policy-ai

About BRYTER

BRYTER is the automation company that enables compliance and ethics professionals to automate workflows and build intelligent applications for the enterprise. Global risk and compliance teams at companies like Telefonica and McDonald's use BRYTER to better manage risk and provide faster, more accurate services to the business.

New York

142 W 57th Street, New York, NY 10019,
United States

London

21-33 Great Eastern St, London EC2A 3EJ,
United Kingdom

Frankfurt

Biebergasse 2, 60313 Frankfurt am Main,
Germany

hello@bryter.io
www.bryter.com