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Morf Media Brings Compliance Training to the Boardroom

Angela Bazigos, chief compliance officer at Morf Media Inc., which offers mobile compliance training to companies, talks about the importance of having board members trained about compliance, and the necessity of linking executive compensation with a company's compliance goals

WHAT ARE YOUR DUTIES AS CHIEF COMPLIANCE OFFICER?

Ms. Bazigos: I joined Morf Media as the chief compliance officer and I am being ratified as a board member. I have several duties. The first is to create a compliance culture within Morf Media, the second is to create compliance training for the life sciences industry. I am working with the executive staff to strategically implement compliance across the corporation.

HOW HAVE YOU GONE ABOUT CREATING THAT CULTURE?

Ms. Bazigos: We want to avoid silos. Compliance is very fragmented. Usually you see many companies for each compliance effort have a silo—a pharma company needs pharma compliance, it needs safety compliance, financial compliance—but they are different groups and all operate independently. Companies should create a C-suite-level position to lead compliance, then create a committee that will run compliance across the organization.

We also model the methodology of compliance as a strategic advantage. We are implementing our methodology as an executive

training program with technology and courseware that can help our clients implement this at their sites. We are partnering with software vendors that can implement company-wide risk management and compliance software that can produce executive- and board-level reports.

WHAT ARE COMMON COMPLIANCE CHALLENGES YOU ENCOUNTER IN YOUR ROLE AT MORF?

Ms. Bazigos: As in any small company, the demand for our products outpaces the availability of our resources. Consequently, we have implemented a partnering program, where our carefully and rigorously vetted partners can provide the expertise and resources... for our clients.

HOW DOES TRAINING AID IN SPREADING COMPLIANCE?

Ms. Bazigos: What we want to do is create training as a leading indicator of a company's compliance. We want to create training to take with you on your phone or tablet so you can do training away from the office. Training is delivered in three-minute chunks, and after every three minutes the user gets a set of

questions to test how well they understood. If they are not doing well, Morf works with the user to figure out other ways to deliver that message until the user is able to pass the test and move on. We hear from companies that say they don't have money to do training but then they spend 10 times what they would have spent on training on correcting the mistakes that occurred because people were not trained.

HOW IS TECHNOLOGY AND SOCIAL MEDIA CHANGING THE WAY YOU CONDUCT TRAINING?

Ms. Bazigos: People's way of learning has stopped being one where you give them something for an hour or an hour and a half and expect them to pay attention. Attention spans have shrunk to three minutes, so if you deliver training in three-minute chunks it goes in at a time when the attention span is active.

ARE BOARDS AND SENIOR EXECUTIVES MORE INTERESTED NOW IN COMPLIANCE TRAINING?

Ms. Bazigos: At the beginning there was no awareness from the board, the penalties weren't particularly severe. Now the needle

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has almost swung to other side; compliance and things like audits and inspections are not more frequent but the penalties are a lot more onerous. Also, it used to be serious compliance violations would take three, four years to resolve. Now they take seven years to resolve and part of that is because of a lack of understanding of compliance by the company and by the board.

WHY IS IT IMPORTANT TO TIE COMPLIANCE TO EXECUTIVE COMPENSATION?

Ms. Bazigos: The CEO has to keep the board happy or else. Because compliance is not part of the goals and objectives, all these things happen in the background, they are hidden. In my mind every executive and manager, right down to the director level, should have compliance goals that come down from the board and those goals need to be tied to the business goals. What we are bringing together is additional training and saying, OK, let's find a way to put compliance into the CEO's goals and objectives. It's very rare to see a 10-K filing with CEO goals. I would love to see a way to rate compliance readiness.

WHAT DO YOU SEE AS SOME OF THE MAJOR COMPLIANCE CHALLENGES IN THE LIFE SCIENCES CURRENTLY?

Ms. Bazigos: Morf Media recently conducted a survey to determine the latest challenges and we discovered they cover three major themes. First, compliance is publicized by management but not necessarily modeled or supported. Executive management and the board have no knowledge of either the value or the issues of compliance, other than 'it's needed for an inspection.' This results in an inconsistent message to the employees.

Second, today's training methods are often described as 'a lot of PowerPoint and not enough getting to the point.' Compliance training can now become a compelling interactive experience that can be played as a social activity, while offering individualized virtual coaching for remediation. Individual rote learning simply does not work. Third, the cost of training is high—whether it's the cost of the training itself or pulling people out of their productive job to attend training. [By offering] training on the go, finally we can remove the barrier caused by the competition between training and people's time and budget. **o**



Morf Media Creates a Game Plan for Compliance Training

Employ New Techniques To Attract Millennials Into The Mortgage Industry

By Ginger Bell

SVP OF eLEARNING MORF MEDIA



Finding the right people to work for your company is a delicate balancing act. And once these new employees are in the door, the job becomes even more difficult, as training them for current and future success is a necessity.

Never has effective training been a bigger challenge than with the millennial generation. Raised on technology and gaming, this generation often can't be effectively trained using tried-and-true techniques from previous decades. But there are methods that can help reach millennials, and with some sound investment in training, your company will continue to climb.

Many great business leaders haven't backed down from change. Over the course of history, they have shown the type of leadership and commitment to making a change that our industry needs now, especially when it comes to attracting more millennial professionals to the mortgage industry.

This issue is top of mind for all involved in the mortgage banking industry, and with good reason. The mortgage industry is facing significant changes related to professional workforce and overall operations. More than 50 percent of the workforce — from the baby boomer generation — is likely to retire in the next five to seven years, opening up concerns related to loss of valuable expertise. According to the Bureau of Labor and

Statistics, the average age for an employee in the United States in 2013 was over 42.

The risk of "lost knowledge" is real for many companies and industries today. Two major forces are in play: an aging population and the increasing complexity of knowledge, skills, rules and regulations that companies must capture and share with the incoming workforce.

The millennial population is bigger and more diverse than the boomers. There are 80 million millennials in the United States, and every day another 10,000 people turn 21.

By the year 2025, three out of every four workers globally will be millennials. A path must be created to train and mentor the next generation. The challenge, however, lies in creating training programs that are engaging and relevant to the methods in which millennials learn and excel.

A CHANGING INDUSTRY

The nature of work is changing. Processes and communications must meet evolving regulatory mandates. Training the work-

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force to master specialized skills and work processes often requires technologies that are as mobile as today's workforce.

In many industries, including the mortgage industry, changes pose challenges with respect to attracting new staff, engaging employees and providing proper training.

Addressing training for new and existing employees requires a comprehensive yet adaptable system that accounts for people, processes and technology in a mobile, collaborative and productive work environment.

A variety of delivery methods are used to train and educate, and some are more impactful than others. The reality is that the industry needs better ways to create a more connected workplace that supports continual learning aligned with individual and organizational goals.

Learning investment is primarily driven by two motivating factors: Fear of loss and promise of gain. A shift in mindset is also needed, to move beyond looking at training as a cost that could result in a loss. Instead, focus on the promise of gain. Good training creates engaged, productive employees and is a sound investment in the future.

WHY TRAINING MATTERS

No matter the size of your company, if you have ever uttered the words, "We believe in developing our people and their talent," showing that commitment through engaging educational content is critical to the longevity of your organization. If you haven't said that, you are essentially telling employees, business partners and customers that investing in high-quality training content is not important, and that your status quo is good enough.

What can you do to create engaging training content in an industry that many would consider to be dry or boring? The real test to measure engagement is: Would the

Morf Media CEO Joins Life Sciences Leaders to Discuss the Strategic Impact of Meeting Compliance Goals at Medical Device Summit 2015

"Compliance Goals and Targets Need to be Part of Executives' Compensation Goals and Reported in a Company's Annual Report"



Eduardo Cervantes
CEO & PRESIDENT
MORF MEDIA INC

International business, regulatory experts, compliance officers and technology leaders will converge at the Medical Device Summit 2015 in San Diego to debate the momentum, economic impact and viability of meeting strategic compliance goals given the need for innovation in today's global economy. A panel of experts will discuss the value of bringing compliance to the boardroom.

Cervantes joins Mark Mitchell, SVP Corporate Development MetricStream and business head for ComplianceOnline; Rick Williams of the Newport Board Group New England Practice and chairman of Point Care Technology; and Dr. Ronald Weissman of Performance Works. They will present their war stories on linking compliance targets to executive compensation. Veteran industry compliance trainer and newly appointed Morf Media chief compliance officer Angela Bazigos will moderate the discussion.

The discussion will focus on both themes of using *Compliance as Insurance* and using *Compliance as a Best Practice*. "When looking at Compliance as Insurance, I would suggest that you look at the cost of non-compliance across the organization," said Bazigos. "You can get some of these numbers from recent fines and indictments of companies of the same size. Latest high fine I saw was for \$4.3 Billion. Or, from enforcement numbers given by regulations. E.g. in the case of the new regulation for European Data Protection Reform: this regulation currently proposes fines of 5% of annual revenue for non-compliance. Knowing this, you can determine how much compliance with this regulation is worth to your company."

The other way to look at compliance is as industry best practices combined with training: compliance consists of defining a set of processes that are efficient yet safeguard patient and / or consumer processes, and being trained on and following those processes very carefully. Cervantes stated, "The chief compliance officer (CCO) needs to work with the Board to be able to educate the Board on the importance of compliance and the cost savings achieved with an effective compliance program. Achievement of compliance targets is a leading indicator for the company's annual performance."

Mitchell of MetricStream stated, "A great way to control, enhance and report on compliance is through compliance training. Companies need to create multi-year training plans aimed at increasing training frequency and use of tracking metrics that enable executive manage-

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learner engage with and consume content if they didn't have to? The question then becomes: How do you make boring content interesting?

TRAIN ON THE GO

Technology can combine with behavioral science and human-focused design to create next-generation learning and training. Unlike years ago, when manuals, videos and PowerPoint presentations were the only media available for training the workforce, workers today may bring their computer, smartphone or tablet — perhaps even a game console — with them to work.

Live workshops work well and can be engaging, but trainees can now learn while on the go. Technology can help those within the industry collaborate and gain meaningful feedback and rewards, all while waiting for a client or partner to call back.

Having such a platform can allow new hires to engage with the wider organization. It can help them gain compliance training in three-minute playbooks on a tablet — mini-lessons that reinforce requisite operational knowledge and that can be accessed anywhere, anytime. In addition, despite the belief of many, designing high-quality, engaging training doesn't have to be expensive.

GAMIFICATION

Consider adding gamification elements to your training. Gamification — the addition of game-like elements and thinking processes — can help create engagement and motivation among employees. It provides feedback and can be used to help set goals. Social aspects can also be tied into the learning experience with gamification.

In his book, *Actionable Gamification*, Yu-Kai Chou writes that there are eight core drivers to gamification:

1. Epic meaning and calling
2. Development and accomplishment
3. Empowerment of creativity and feedback
4. Ownership and possession
5. Social influence and relatedness
6. Scarcity and impatience
7. Unpredictability and curiosity
8. Loss and avoidance

The key is understanding how to incorporate these elements into your daily learning and training, especially for millennials. Be creative and think about how to connect creative thought to the learning experience. Making an investment in this thought process is not always appealing, but taking shortcuts won't cut it.

Many available tools and apps offer social and game-like levels of engagement. Users receive instant rewards, likes and information-sharing that is highly personalized. These tools offer interactivity and compelling ways to get information. Much can be learned from consumer applications, but enterprise applications and platforms have lagged in using many of their most-compelling features, which is why companies may benefit from creating their own engaging training programs. ○

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ment to measure the level of compliance of their employees. This needs to be reported to executive management on a quarterly basis and corrective and preventive action needs to be taken when the results do not meet expectations."

"The bottom line is that meeting compliance targets and goals helps ensure patient and consumer safety at the most efficient cost," said Weissman. "Timelines for bringing a product to market must account for the value of ensuring regulatory procedures are fully met. Any ROI evaluation would have to look at both dimensions on both process definition and training for the corporation."

Bazigos added: "Training is a fundamental part of the compliant organization. Training needs to be detailed and extensive and delivered in a way that enables the trainee to absorb the material and be able to recall it under adverse conditions. Training technologies need to immerse the trainee in the material, and becomes a simulation exercise of the real world instead of just something that you memorize. Training needs to address every part of the person's job, otherwise anything left to chance will most likely be the thing that will break when "what you get" appears." ○

WANT TO LEARN MORE?

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INSIDE Morf Media

Morf Media, Inc. is shaping the future of enterprise compliance training for the mobile workforce. For the first time, a digital compliance training system, Morf Learning™, provides one to one training to millions on a smart phone or tablet. Now in pilot with more than 100 major companies in the financial services and life sciences industries, Morf Learning is proving to be cost-effective and engaging. Morf Learning delivers three-minute mini lessons with a personalized Virtual Coach using the Octalysis framework designed by world-renowned gamification designer, Yu-Kai Chou. The platform empowers professionals to train, reference policy details and get compliance training reminders on the go. Morf Learning offers secure centralized reporting on an individual's progress, course completion and other behavioral data. The platform includes a library of certified enterprise compliance courses, and offers an easy to use built-in authoring solution for rapid development and deployment of custom, company-specific policies and alerts. Founded in 2013 by a seasoned management team, the company is based in San Francisco. For more information, please visit www.morfmedia.com.



Mr. Eduardo Cervantes
CEO AND PRESIDENT

Eduardo has led three successful exits. He has managed large and small Cloud and Mobile companies in the US and Europe and provided excellent return to his venture investors. He started his career in M&A with Goldman Sachs and has led technology companies for 18 years.



Mr. Roy Hanif
CHIEF REVENUE OFFICER

Roy, Chief Revenue Officer, is an entrepreneur who has launched numerous ventures in Silicon Valley and elsewhere. He has been a part of many successful enterprises, including such notable companies as Oracle Corp., Cisco Systems, PeopleSoft, NC International, Telenor M2M, and most recently, exiting OneDrum, which was acquired by Yammer.



Ms. Ginger Bell
SVP OF eLEARNING

Ginger is a renowned education specialist in the mortgage banking industry with more than 25 years experience delivering mission critical training and compliance training. Ginger has been awarded the Presidential Award by both the California and the Oregon Association of Mortgage Professionals for her commitment to bringing quality education to the banking industry.



Mr. Rudiger Diezmann
CHIEF TECHNOLOGY OFFICER

Rudi, Chief Product Officer, is one of the top software technology experts in the Silicon Valley, having served as Director of Development for Apple Corporation, CTO at Success Factors, Development Director at Adobe Systems, VP of Engineering at CyberArts, and head of technology at several successful Silicon Valley start-ups.



Ms. Angela Bazigos
CHIEF COMPLIANCE OFFICER AND HEAD OF LIFE SCIENCES

Honored by Stanford Who's Who Registry for contributions to the Life Sciences Industry, Angela has more than 35 years of experience working with life sciences companies around the world. Most recently Bazigos was chief compliance officer (CCO) for Nexcyon Pharmaceuticals, Inc. Prior to that she was CCO for Prime Genomics, and held executive roles at Incyte Genomics, Roche and Counsyl among others.



Ms. Heidi Wieland
VP OF MARKETING

Heidi is an established tech marketing pro with start-up and blue chip experience with companies including Thomson Higher Education Publishing, Softbank, AOL (in partner marketing with HP and Apple), start ups 3Scale, Mesagraph (acquired by Twitter Europe) and DataPop (acquired by Criteo), Expertcity (GoToMyPC, GoToAssist, GoToMeeting, GoToWebinar and Citrix Online). She is a strategist who gets things done with metrics-driven brand, customer-focused, eco-system and analyst relations, PR, social and leadership marketing.