

Fiene Algorithm for Generating Regulatory Compliance Key Indicators (RCKI)

Add up regulatory non-compliances for all programs, agencies, jurisdictions, etc...

Review Regulatory Compliance history sorted from high to low

Nominal (Compliance/Non-Compliance) or ordinal measurement (Gradient) scaling

Top 25% (High Group) and bottom 25% (Low Group) of regulatory compliance scores

Drop out the middle 50% of regulatory compliance scores

Develop a 2 x 2 matrix which includes each regulation by the High Group and Low Group

Cells of the Matrix: A = High Group + Programs in Compliance on Specific Regulation

B = High Group + Programs out of Compliance on Specific Regulation

C = Low Group + Programs in Compliance on Specific Regulation

D = Low Group + Programs out of Compliance on Specific Regulation

W = Total Number of Programs in Compliance on Specific Regulation

X = Total Number of Programs out of Compliance on Specific Regulation

Y = Total Number of Programs in High Group.

Z = Total Number of Programs in Low Group

Use the following formula: $((A)(D)) - ((B)(C)) / \text{sqrt} ((W)(X)(Y)(Z)) = \text{RCKI}$

Result will range from -1 to +1

+0.5 to +1.0 will be included as Regulatory Compliance Key Indicators (RCKI). All other regulations will not be included.