



Intellectual Capital for  
Communities  
In the Knowledge Economy

## Will there be ISO standards for HR?





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# Presenters

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# Intent

- **Goal:** Improve effectiveness of organizations
- **How:** By providing better insight on human capital
- **To whom:** Senior stakeholders who have not been deeply engaged in human capital management (e.g. investors, boards)

# Current Status

- American National Standards Institute (ANSI) has certified the Society for HR Management (SHRM) to create standards for HR.
- Under SHRM's leadership ANSI-SHRM 02001.201X on which human capital metrics to report to investors has been written.
- It has finished the first round of public consultation; is in the final stages of certification, and should be formally approved later this year.
- ISO technical committee 260 is thinking about moving this forward internationally; it would be natural to do so.

# Overview



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## National Mirror Committees



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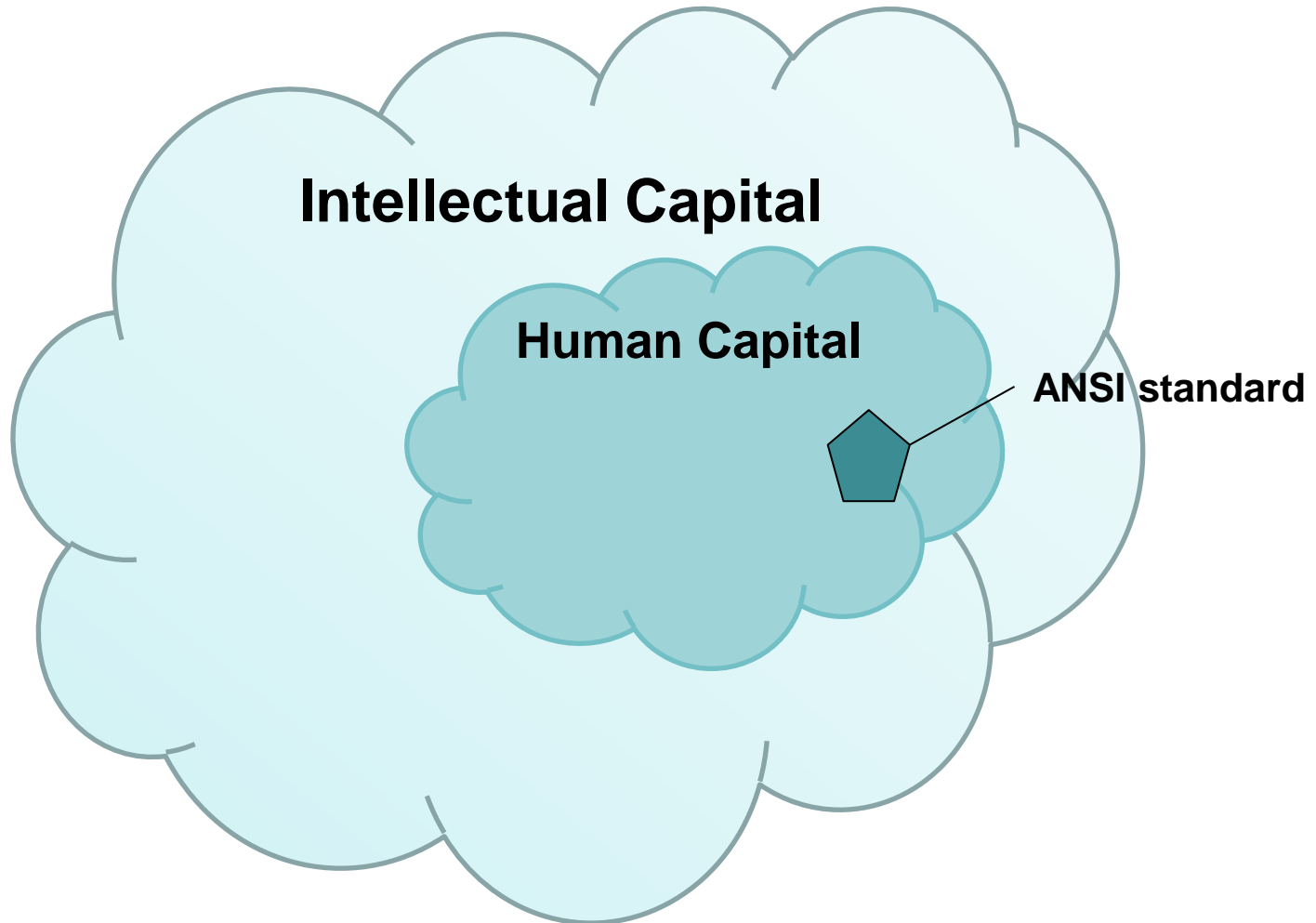
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SHRM shapes content for HR Standards in 13 taskforces

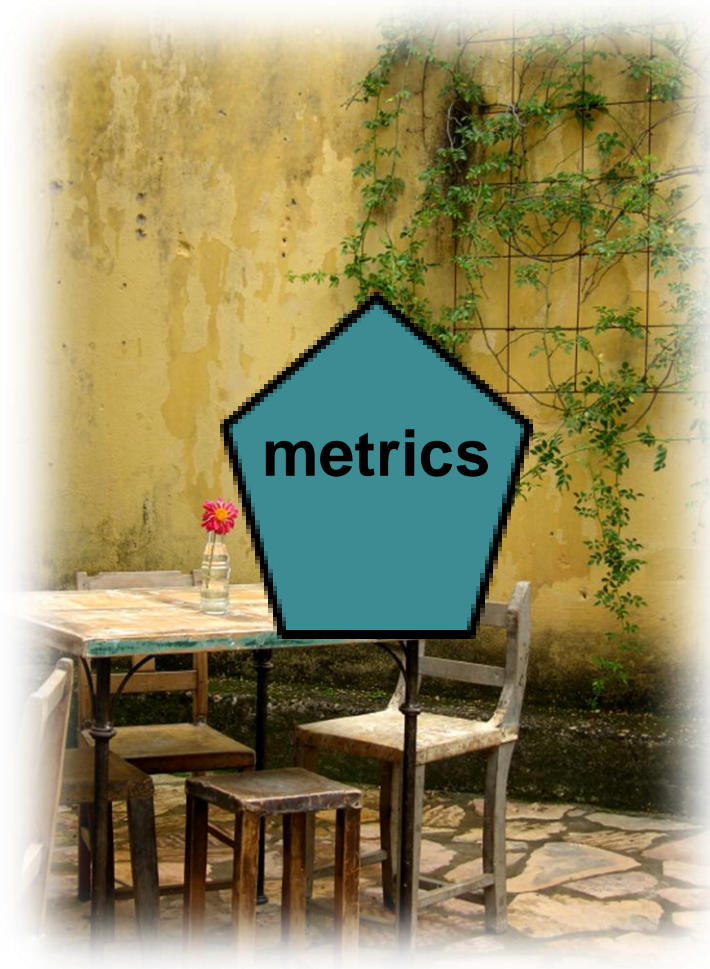
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14 National Mirror Committees actively represent their countries in ISO TC 260

# The ANSI Standard in Context



# Effect of ANSI Standard



- **Small**
- **Agreeable**
- **Fast**
- **Easy**



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# The Standard: Topics

- **Spending on human capital**
- **Ability to retain talent**
- **Leadership depth**
- **Leadership quality**
- **Employee engagement**
- ***Followed by a Discussion & Analysis***



# The Standard: Metrics

- **Spending on human capital**
  - Breakdown of key spending areas like salaries and investment in training
- **Ability to retain talent**
  - Turnover broken out by key areas like management, sales, technical

*The details can be found in the standard.*  
*Google “ANSI-SHRM 02001.201X”*

# The Standard: Metrics (cont'd)

- **Leadership depth**
  - Number of key jobs with internal successors and number of openings of key jobs that have been filled by internal successors
- **Leadership quality**
  - Employee survey on leadership practices
- **Employee engagement**
  - Employee survey on how engaged they are

# Key concepts

- **The standard is a *starting point* not an *end point*:**
  - It is **some key topics to investigate**; not a comprehensive 'balance sheet' of human capital
  - The factors are **the starting point for analysis**, the meaning will depend on context
  - **It's about topics not metrics**, the metrics simply serve to ground the conversation in facts

# What we want from you

- Find ways to incorporate this standard into broader work on intellectual capital
- Be prepared to help develop version 2 of the standard (or an ISO version) that is more sophisticated but remains true to the spirit of creating a standard that is easy to love.

# Will we have an ISO standard on human capital?

- **My prediction:**
  - Yes, and in the foreseeable future
- **Will it matter to anyone?**
  - There is reason to be optimistic



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# Backup

# Current Status



## **ISO Approves U.S. Proposal for International Standards on Human Resource Management**

New York March 3, 2011

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The American National Standards Institute (ANSI) is pleased to announce that its proposal to create International Standards on Human Resource Management has been accepted by the International Organization for Standardization (ISO).

# Roadmap 2020

