

CREELMAN LAMBERT

ANSI Standard on Human Capital Investor Metrics - Consultation

BY DAVID CREELMAN AND LAURIE BASSI (April 2012)

The draft ANSI standard on human capital investor metrics is now open for public consultation. The factors in the draft are:

1. Spending on human capital
2. Ability to retain talent
3. Leadership depth
4. Leadership quality
5. Employee engagement
6. Human capital discussion & analysis

The full draft standard is available from SHRM, David Creelman or Laurie Bassi.

The Standard is meant as a starting point, not the end point

- It covers some important human capital factors, not all the important ones.
- It provides data, not conclusions.
- It will evolve over time.
- Individual organizations will use the Standard “plus additional data.”

The Standard is part of a bigger movement to improve non-financial reporting

- Many people have long been working on non-financial reporting.
- The Human Capital Standard is intended to fold into these broader efforts.
- The momentum of this broad movement will make it hard to ignore the Standard.

The Standard is not just for investors, nor will work start with them.

- The information outlined in the Standard will not, in most cases, be reported immediately to investors. First the HR department will need a handle on the data, then the executive team and board. After a few years organizations should be ready to share the data.

The Standard is not compulsory.

- It is a persuasive and practical guide for better reporting; not a legal requirement.
- Organizations should use it because it is helpful for boards and investors or because investors are asking for it.

If you want to learn more contact me and I'll talk you through it: david@creelmanlambert.com

Creelman Lambert North America office
63 Cambridge Avenue, Toronto,
Ontario, M4K 2L2, Canada

Creelman Lambert Europe office
50 Riversdale Road, London, N5 2JT,
United Kingdom

info@creelmanlambert.com