TECHNICAL                                                    ISO/TR

First edition
2017-05

# Human resource management — Sustainable employability management for organizations

*Management des ressources humaines — Management de l'employabilité durable pour les organisations*

**COPYRIGHT PROTECTED DOCUMENT**

# Contents

Page

# Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation on the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT) see the following URL: www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 260, *Human resource management*.

# Introduction

## 0.1 General

Sustainable employability is a relatively new term reflecting a component or strand of the larger business sustainability movement. The term "sustainability" itself refers to the capacity to endure, and in this instance reflects a commitment to creating value for a business, its workforce, industry, community, society and the economy through embedding the capabilities and capacities necessary to deliver enduring or ongoing employment over the long term.

Broadly, sustainable employability also refers to a person's ability to gain or maintain quality work throughout their working lives, and to have the opportunity and the appropriate work context to be able to transfer knowledge, skills and abilities (KSAs) to another job, organization or future role. In addition, sustainable employability refers to an organization's commitment to balancing the well-being and job requirements of workforce members [1][2].

Globally, the world of work for both large and small-to-medium-sized organizations is in the middle of fundamental changes resulting from factors including demographic shifts, technological advances, changes in types of work, globalization, the increased interest of individuals in working at the location and hours of choice, and the diminishing viability in the world economy of some industries. Among the most significant changes is the fact that in most economies, the concept of a "job for life" is no longer applicable for all industries or for individuals. A manifestation of different methods of work involves flexible workforces at different professional levels in different industries and with different working patterns. However, as organizations and individuals also operate in very fast-paced and competitive environments, the new world of work requires workforce and skills planning, as well as a workforce that is agile and adaptable to regularly learning new skills, in order to keep pace with organizational and industry/discipline developments.

## 0.2 Benefits of focusing on sustainable employability

The phrase "war for talent" was first coined by Hankin of McKinsey and Co. in 1997, before being adopted by Michaels, Handfield-Jones and Axelrod as the title of their book in 2001[3]. The phrase emphasizes the importance of talent (in the form of KSAs) to an organization's success. This can also refer to the demand for certain KSAs at a given time. Organizations can find that they lack the necessary KSAs when needed. At the same time, organizations can find that they have a surplus of KSAs that they no longer need. Either factor or both can result in excessive spending on recruitment and buying in talent, expensive layoffs of workforce members that are no longer needed and/or falling behind in the organization's market. However, an approach of sustainable employability can help organizations save money and build agility into their own operations.

Such an approach involves:

— assessing market requirements;

— planning the workforce's KSA needs and retraining and redeploying its workforce to meet changing business imperatives;

— considering workforce members' individual life cycle and lifestyle requirements.

Sustainable employability also relates to the balance between the physical and mental demands of the job and the physical and mental abilities of workforce members.

Competitive organizations support, nurture and promote sustainable employability for their workforce through monitoring and keeping an inventory of KSAs necessary for current business requirements and the workforce's existing KSAs, training workforce members in under-represented KSAs and looking ahead to changing business conditions to ensure workforce members are prepared to adapt to KSAs required in the future. On a macro level, organizations also promote sustainable employability by working with industry and local, regional and national authorities on KSA availability inventories and by exploring the nature of transferrable KSAs in diminishing industries which can be redeployed in others.

While it is widely acknowledged that the financial impact of environmental sustainability on business profits has been difficult to measure, metrics for determining the value created through sustainable employability are more tangible because of costs resulting from laying off staff, recruiting new staff, lack of organizational continuity and other related financial impact. The white paper "Sustainability Value Management: Stronger metrics to drive differentiation and growth"[4] asserts that consistent application of new valuation approaches to identify and measure the value of sustainability to business and society will foster better decision making and value generation.

At the time of publication, there are already metrics available in the area of sustainability that can also function for sustainable employability. For example, the Global Reporting Initiative defines environmental, social and governance (ESG) factors and metrics for sustainability. Savitz and Weber connect environmental, social and economic factors with sustainable organizations[5].

NOTE        Human resource metrics are addressed in other documents developed by ISO/TC 260, notably ISO/TS 30407.

Benefits of focusing on sustainable employability include the following:

— reduction in:

  — absenteeism;

  — burnout;

  — costs related to recruitment, absenteeism, liability and outplacement;

  — workplace accidents and incidents;

  — underemployment and unemployment;

  — liability;

— improvement in:

  — positioning as an organization of choice;

  — staffing cost management;

  — workforce commitment, attitude and loyalty;

  — flexibility;

  — innovation;

  — organizational agility and ability to adapt in changing markets;

  — planning capabilities;

  — productivity and performance;

  — product quality;

  — right talent at right time;

  — staff retention;

  — workforce morale;

  — labour relations;

— quality improvement programmes:

  — map and track organization's overall sustainable employability;

  — map and track an organization's health profile long term.

### 0.3 Aim of this document

This document can form a bridge between human resources and other business units such as the executive board, management, operations and occupational health and safety.

This document can be used to start a conversation in an organization about sustainable employability and its relationship with the future of the organization and the individual.

This document can be linked to strategic and tactical, or short-term to medium-term, objectives.

There are multiple solutions to improve sustainable employability within an organization. This document can assist in identifying which elements can be important for an organization.

This document has been developed to assist organizations and the workforce to sustain employability.

This document describes a transferable methodology for organizations of any size or type, whose purpose is:

a)   to help facilitate a common understanding of sustainable employability;

b)   to build capacity and capability.

For each sector and organization, the importance of the factors that affect sustainable employability differ, which gives an organization an organizational and/or industry-specific mix of policies. In addition, sustainability policy cannot be separated from general policy, quality policy, the improvement cycle, etc., but forms part of this.

Figure 1 displays the three clusters of sustainable employability and the relationship between organization, person and business performance. If within an organization, attention is paid to all factors (i.e. to effective workforce planning, opportunities provided through the work environment, and to organizations' and individuals' attention to skills development and well-being issues), a beneficial impact will be felt on both organization and individual, as well as more broadly on the economy.
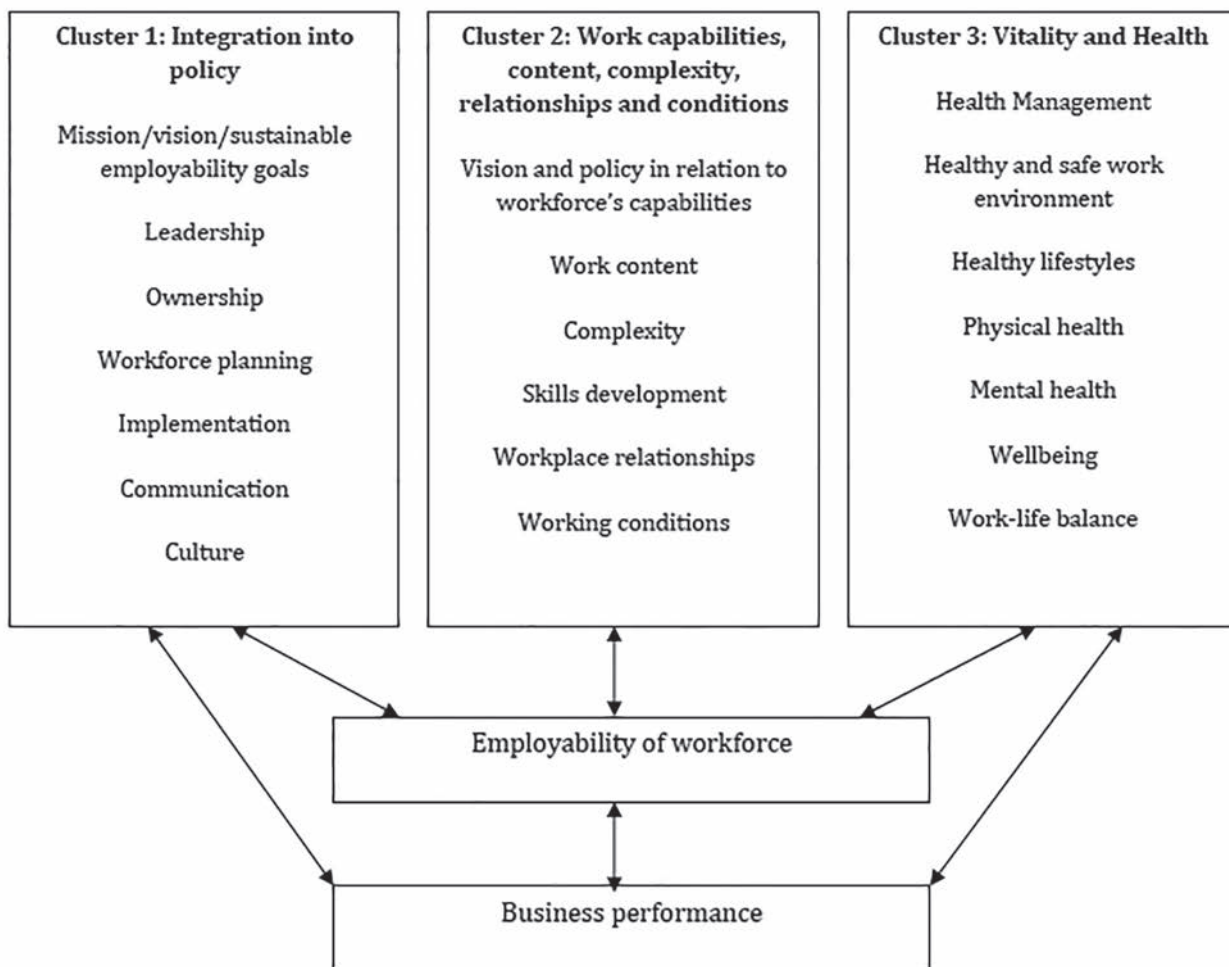
**Figure 1 — Sustainable employability: Relationship between organization, person and business performance**