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Human resource management — Organizational culture metrics cluster

Management des ressources humaines — Indicateurs de mesure de la culture d'entreprise



ISO/TS 24178:2021(E)

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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).

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For an explanation of 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 www.iso.org/iso/foreword.html.

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

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

Introduction

ISO 30414 highlights guidelines on the following core human capital reporting areas or "clusters":

- compliance and ethics;
 costs;
 diversity;
 leadership;
 organizational culture;
- organizational health, safety and well-being;
- productivity;
- recruitment, mobility and turnover;
- skills and capabilities;
- succession planning;
- workforce availability.

This document deals specifically with the cluster of metrics in the organizational culture area.

An organization's workforce includes permanent employees, casuals, contingent workers and all workers who fall within the reporting organization's governance and leadership structure. Where possible and practical, reporting and metrics should include the breakdown by type of worker. There should be both aggregated measures that assess the overall assessment of culture across the whole workforce and breakdowns that link metrics to factors that can be acted upon to influence changes in culture. For example, outsourced workers can operate within a different leadership or governance structure yet have an influence on the overall performance of one or more different business units.

All such people are contributing components of overall human capital yet can also be part of a supplier, distributor or other third-party contracted organization. Assessment of culture in this situation can be assessed as part of supply chain, supplier performance evaluations or both. Such reporting of culture falls outside the scope of this document.

Each organization should document the worker categories that make up the workforce pertinent to its activity and ensure this definition is reviewed and updated regularly. For example, worker categories can include employees and casuals for a period then additional contractors or outsourced labour will possibly be required. This would necessitate changes to the definition, metric and reporting of these worker categories.

Breakdowns and analysis of data can include:

- subsidiary, division, department or cost centre hierarchy;
- geographic location;
- workforce category or grouping;
- position or level (e.g. management, supervisory, front line);
- function (e.g. technical specialization);
- tenure or length of service;
- values or culture orientation at time of assessment.

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Organizations need to understand the drivers of a committed and engaged workforce and ensure that the metrics and groupings selected can be linked to a causal relationship with factors that can be addressed to change current performance. Some examples include:

- lack of clearly defined organisational purpose can create conflicting priorities;
- lack of clearly defined or understood values can cause inconsistent behaviour;
- inconsistent supervisory direction can cause lower engagement;
- inadequate hiring practices can introduce employees who do not share organizational values;
- poor departmental safety records can impact employee retention.

The metrics that indicate key aspects of corporate culture are defined in ISO 30414 as follows:

- engagement, satisfaction and commitment;
- retention rate.

This document describes the following components for each of the above metrics:

- general description;
- purpose;
- formula;
- contextual factors:
- predictive factors.

Metrics relative to organizational culture can be considered an ongoing and evolving area and organizations should strive to continually develop their understanding of their culture and link metrics within the culture cluster to key components that driver the overall level of a high-performance culture.

Organizational culture is a reflection of the way an organization operates and deals with the creation of a work environment that defines, supports and creates the expected behaviours of the workforce. The outcome of an effective culture is a workplace that encourages engagement, involvement, commitment, innovation and those attributes that support the corporate vision and purpose.