TECHNICAL SPECIFICATION

ISO/TS 30423

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Human resource management — Compliance and ethics metrics cluster

Management des ressources humaines — Indicateurs de mesure pour la conformité et l'éthique

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Foreword

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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 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 (HCR) areas:

— 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 compliance and ethics area. Compliance with codes of ethics and internal policies is a major challenge for all kind of organizations. ISO 30414:2018, 4.7.2, describes the significance of the compliance and ethics metrics.

The metrics within the compliance and ethics cluster, as documented in ISO 30414, are:

1) Number and type of grievance filed.

   A grievance is a formal complaint within the workplace. There are many reasons as to why a grievance can be raised, e.g. harassment, discrimination.

2) Number and type of concluded disciplinary actions.

   A disciplinary action means the process for dealing with job-related behaviour that does not meet expected and communicated workplace regulations.

3) Percentage of employees who have completed training on compliance and ethics.

   This metric is defined as the percentage of employees who have completed training on the content of business ethics, e.g. the code of conduct of the organization, compliance rules or moral dilemmas in a given period.

4) Disputes referred to external parties.

   This metric indicates the work environment where the external resolution of internal disputes becomes necessary. The number of workforce-related disputes that are reported as being referred to third parties with appropriate jurisdiction provides a picture of the organizational climate.

5) Number, type and source of external audit findings and actions arising from these.

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

— description

— purpose

— formula

— how to use

— intended user(s)

— contextual factors

— predictive factors.

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1 Scope

This document describes the elements of compliance and ethics. This document provides the formula for comparable measures for internal and external reporting.

This document also highlights issues that need to be considered when interpreting the compliance data, especially when deciding on the appropriate intervention internally and when reporting these to external stakeholders (e.g. regulators, investors).

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes requirements of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 30400, *Human resource management — Vocabulary*

3 Terms and definitions

For the purposes of this document, the terms and definitions given in ISO 30400 apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at https://www.iso.org/obp

— IEC Electropedia: available at http://www.electropedia.org/

4 Number and type of grievances filed

4.1 General

ISO 30414:2018, 4.7.2, 1), defines the compliance and ethics associated with the workforce in organizations.

Each organization should define what is meant by "grievance(s)" for their organization and ensure all relevant internal and external parties are informed and educated about this definition(s). Any grievance should be considered formal at the point a grievance is recorded (reported) and/or an investigation has begun. All "formal grievances" should then be included in the analytics and reporting processes. To assist in this process, all organizations should develop a recording and management process and procedure to capture and manage all formal grievances. Depending on the size of the organization, this procedure may use simple worksheets. Larger organizations may require more sophisticated technology solutions.

As industry sectors and organization size have a direct impact on the interpretation of these metrics, each organization should determine, document, keep current and inform all relevant stakeholders of what the targeted compliance should be for each of the metrics. Each organization should also define what is "significant" in terms of variation from targeted compliance for each of the compliance metrics.