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Human resource management — Guidelines on human governance

Management des ressources humaines — Lignes directrices sur la gouvernance humaine

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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 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.

The committee responsible for this document is Technical Committee ISO/TC 260, *Human resource management.*

Introduction

People are at the heart of every organization. For an organization to achieve long-term sustainable success, it is important to consider all stakeholders within the governance system.

All organizations have governance. Governance refers to the system by which organizations are directed, controlled and held accountable. Governance defines rules, systems, processes and behaviour. To be effective, a governance system needs to consider the whole organization in all of its dimensions. Effective governance promotes confidence in both present and future stakeholders (employees, investors, shareholders, customers and other interested parties) in the long-term viability of the organization. Effective governance contributes to strategic decision-making by creating responsible, accountable, well-managed and value-focused organizations.

Human governance refers specifically to the system or systems by which people within an organization are directed and held accountable. The governance of people is as important as the governance of physical assets or financial capital, and how this is done is instrumental in promoting appropriate behaviour within an organization. By considering human and social factors in the decision-making process, the human governance system will lead to positive outcomes for all stakeholders.

By aligning effective human governance practices with strategic planning, the organization can:

— respond to organizational, regulatory and operational needs;

— anticipate and manage human resource risks;

— ensure associated costs are managed and the value of such investments is measured;

— develop an organizational culture which reflects its organizational values;

— foster increased management, effective communication and collaboration across all stakeholders;

— optimize overall performance.

The purpose of this document is to provide organizations with guidelines to structure a human governance system and align it to the needs of the organization.

This document provides guidelines for the alignment of relationships, roles and responsibilities within human governance systems, recognizing that these systems are fundamental for directing behaviour within an organization.

Human resource management — Guidelines on human governance

1 Scope

This document provides guidelines on tools, processes and practices to be put in place in order to establish, maintain and continually improve effective human governance within organizations.

This document is applicable to organizations of all sizes and sectors, whether public or private, for profit or not for profit.

This document does not address relations with trade unions or other representative bodies.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

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

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

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

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

3.1
human governance
system by which an organization is directed and controlled, taking into account the organization's stakeholders as well as human and social factors, at the highest and every level of decision making

4 Principles of human governance

Human governance principles refer to human governance domains relating to organizational, social and managerial choices.

They guide human behaviour within an organization and provide a framework to assist organizations in establishing and implementing human resource management practices that add value to the organization.

Management should formally consider and align human governance principles when establishing strategic organizational objectives and communicate these to stakeholders.

Underlying principles can include:

a) fairness and transparency in the design and outcomes of the organizational processes and practices;

b) openness in organizational processes, practices and outcomes;

c) accountability to the organization's governing bodies, legal authorities and stakeholders.