Consultation questions
The IIRC welcomes comments on all aspects of the Draft International <IR> Framework (Draft Framework) from all stakeholders, whether to express agreement or to recommend changes. The following questions are focused on areas where there has been significant discussion during the development process. Comments on any other aspect of the Draft Framework are also encouraged through the questions. Please provide all comments in English. All comments received will be considered a matter of public record and will be posted on the IIRC’s website (www.theiirc.org).

Name: Paul Kearns
Email: paulkearns@hrmaturity.com
Stakeholder group: Professional Bodies (other)
Organization name: Institute of HR Maturity
Industry sector: N/a
Geographical region: Global

Key Points
If you wish to briefly express any key points, or to emphasize particular aspects of your submission, or add comments in the nature of a cover letter, then the following space can be used for this purpose. Please do not repeat large amounts of material appearing elsewhere in your comments.

Our key points are all associated with reporting on human capital. We would not regard intellectual and human capital as separate. We have extensive knowledge and experience of earlier attempts to report on human capital going back to the UK's 'Accounting for people taskforce report' (2003) and beyond and believe there are many lessons to be learned from the basic failure to accurately identify what is required to report on human capital.

The HR profession that might have been expected to provide the answers has signally failed to produce meaningful metrics or indices to enable companies to report on how effectively human capital is being managed (see 'Professional HR. Evidence-Based People Management & Development, Paul Kearns, Routledge 2013). Without the requisite indices we believe truly integrated reporting is unattainable. At the Institute of HR Maturity (www.hrmaturity.com) we have developed ways to define and assess the extent to which a company is creating sustainable value from its human capital. This is a complex process requiring a sophisticated approach that combines 10 dimensions, which together produce a very comprehensive picture.

Another key issue is the question of setting human capital management standards. In conjunction with the British Standards Institute we are working on setting standards around human governance and people risk management that can be used not only for reporting purposes but for due diligence exercises in M&A and company valuations.

We believe that these are fundamental issues that have to be successfully incorporated into any integrated reporting framework.

Thank you. Paul Kearns