

HelmholtzZentrum münchen

Deutsches Forschungszentrum für Gesundheit und Umwelt

Leading Science to Health

Managing Human Capital

13th Israeli-German Administrators' Conference

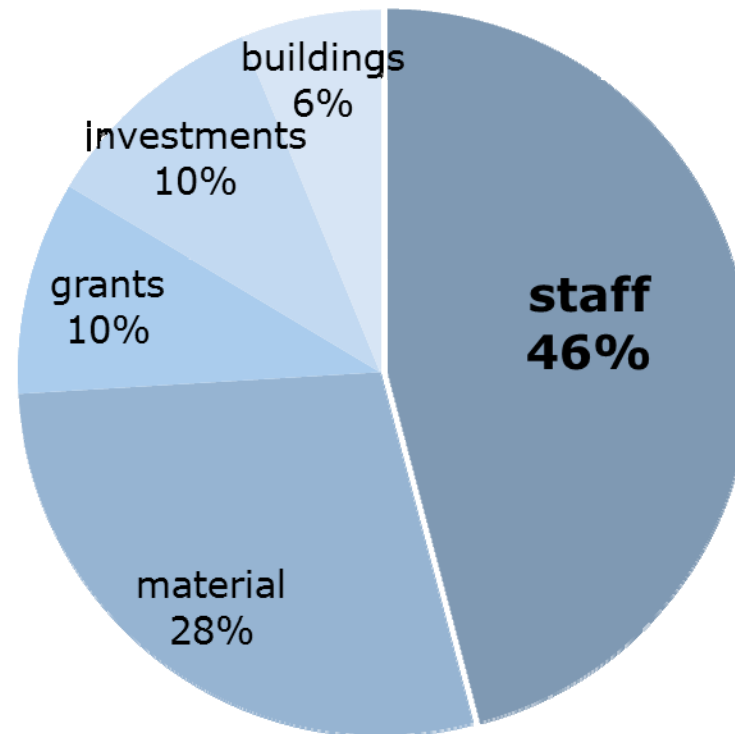
Jan-Henrik Laschke, Human Resources

Definition

- Human Capital is the individual capabilities, knowledge, skills and experience of an organization's employees and managers
- Importance of managing human capital is obvious
 - 20th century managers were concerned with tangible resources, such as land, equipment and money and their efficient allocation
 - today's success derives from knowledge, know-how and intellectual competencies – all embedded in people

Implications at HMGU

Operating Expenses



HIRING

Input control is the first step of attracting and selecting the right people:

➤ *Precise-Matching Approach*

- emphasis on task specific skills
- thorough analysis of job (lock) and candidate (key)

➤ *Hire-for-Attitude-Train-for-Skill Approach*

- emphasis on general knowledge and experience, social skills, values, beliefs and attitude
- if these are right, task specific skills can be learned in relatively short order

DEVELOPING

Training and development is essential on all levels and throughout the whole work life. Closely related topics are:

- *Encouraging widespread involvement*
 - not only responsibility of HR
 - requires active involvement of all leaders
- *Transferring Knowledge*
 - transferring unique and specialized knowledge is vital aspect of development
 - establishment of working teams spanning all experience levels
 - mentoring programs

DEVELOPING

- *Monitoring Progress and Tracking Development*
 - tracking individual progress
 - sharing this knowledge with employee and key managers is essential

- *Evaluating Human Capital*
 - traditional systems evaluate performance from a single perspective (top down)
 - 360-degree evaluation and feedback systems ensure involvement of softer dimensions of communication and social skills

RETAINING

Retaining talented employees is probably the biggest challenge in managing human capital.

➤ *Legal means*

- employment contracts and competition clauses

➤ *Identifying with Mission and Values*

- ensuring that core values are observed at all levels

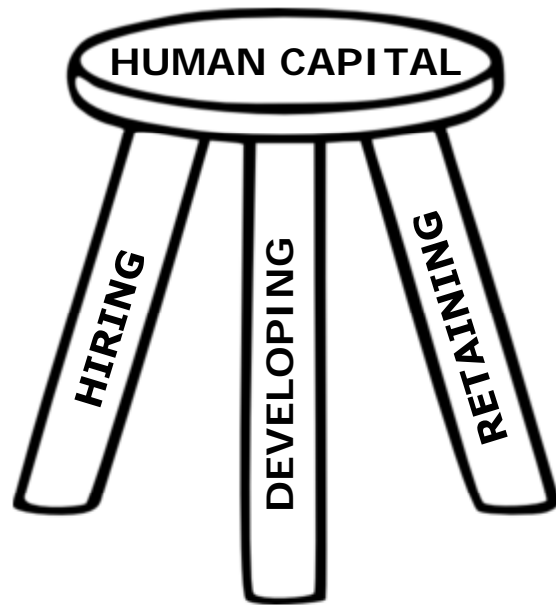
➤ *Challenging Work and Stimulating Environment*

- attractive campus and modern facilities
- high degree of freedom to organize own work
- international teams

RETAINING

- *Financial and Nonfinancial Rewards and Incentives*
 - money – but should not be primary choice
 - pension plans
 - coping with conflicting demands of family and work
 - flexible work models (time and space)
 - education and training

The three legged stool



All activities are **highly interrelated**:

- poor hiring impedes effectiveness of development and retention processes
- decrease in development activities result in an increase of hiring and retention efforts
- ineffective retention efforts place additional burdens on hiring and development

If one leg is weak or broken the stool collapses!

