Leveraging the New Human Capital


What is it that is different about the workforce of today and what do organizations need to do to capitalize on these differences: these are the two principal questions addressed in “Leveraging the New Human Capital”.

The authors describe three forces which are converging to drive the need for changes in the way organizations manage people: the rise in human capital – people creating advantage through relationships, creativity and knowledge; the shift from an industrial to a knowledge society; and, the increase in dual focus workers.

Collectively, these forces create new realities which organizations must address if they are to attract and retain the workforce they need. The increase in workers juggling work and other major responsibilities (i.e., children, elders, or both), the inclination to change or interrupt careers, to retire early or work well past retirement, coupled with the fact that the majority of employees are knowledge or service workers means that managers have less power to command performance and must find new ways to manage. Practices which ‘promote creativity and connections, recognize limits on work schedules, and increase employee engagement’ [p.54] are required to fit the new reality.

Based on their research of organizations which have succeeded in managing a dual-focus workforce in a knowledge and service economy, the authors propose five inter-related strategies for managing the new human capital: choosing to invest in people; adopting a new set of beliefs; redefining organizational culture; transforming management practices, and ensuring there is a fit of beliefs, culture and practices.

Along with a thorough discussion of each of the strategies, there is a review of human capital results, customer results, and organizational performance results. The authors also document the experience of four different organizations who have undertaken this type of comprehensive adaptation.

The focus of this book is on people as the engine behind the success of any organization. Given the current initiatives in the YG to transform our culture, this is a timely and thought-provoking read for all employees of the organization.

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