

Implementation of the Concept of Personnel Marketing In Modern Russia

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Abstract: The current situation on the labor market in Russia and other countries reflects the high demand for the introduction and development of new methods of human resource management in organizations of different fields. The amplification of the requirements for quality and level of education of the labor force leads to the formation of modern mechanisms of interaction between the labor market and educational services, which is put into practice in using of personnel marketing, which fundamental task is the creation of an attractive image of an enterprise, as an employer, to ensure its human resources activities with optimal quantity and quality. The current situation, in which the organizational and economic motives of marketing activities for the organization's staff are not clearly defined, requires urgent attention, which appears feasible in building the innovative marketing methods as the basis for modern enterprise management, where the development of systems of personnel marketing should be used to improve efficiency of marketing of the organization. The article describes the basic concept of personnel marketing, as well as the direction of its implementation on modern Russian enterprises.

Key words: Personnel marketing • Intra-marketing • Human capital • Marketing of relationship

INTRODUCTION

The concept of personnel marketing began to emerge in the late 1970s in foreign literature, focused on service marketing. Theoretical foundations of personnel marketing as a whole system were laid in the works of the leading experts in human resource management. Among modern Russian studies we can highlight the work of E. Bogdanova, R. Vunderer, A.N. Gromov, D.C. Zakharova, C. Lavlock, O. Martynenko, I.N. Rasskazova, M.V. Rosina, T.I. Savenkova, T.P. Savenkova, etc. However, the system of personnel marketing to the present time is an unexplored area of increasing the efficiency of marketing of Russian organizations.

In general, the concept of personnel marketing is consistent with the general characteristics of the organization of the future: an organization as a business system (horizontal corporation), having a high adaptability, decentralization, weak hierarchy, innovative. At the same time, despite the attractiveness of the regulatory and model estimates of such form of organizational system, the questions about the methods

of implementation of such concept, the sustainability of such organizations, their competitive potential remain open.

Understanding the personnel marketing by foreign and domestic authors tends to two extremes: either the instrumentalist approach, or to the philosophical and ideological approach. In general, we can find two main approaches in the scientific and academic literature, the two definitions of personnel marketing. In the first case, researchers define personnel marketing as a specific activity focusing on long-term oriented regulation of attractiveness of a company in the eyes of relevant target groups of potential employees and current employees the company, [2]. A personnel marketing in this case is interpreted as a "realization" of a job in the foreign market.

According to the second view, the personnel marketing is a business of a buyer, actively shaping the market of potential sellers of labor. The essential point is that a potential or current employee, as an individual, has a low inertia of the goals and a high degree of their complexity. As for a company its goals are inert and structurally simple (cash flows, earnings, business value).

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This is resulted, in particular, in the very appearance of personnel marketing as a scientific and practical phenomenon, [5].

Another important feature of personnel marketing is the positioning of a carrier of ability to work as a buyer within the boundaries of process of equivalent exchange, that is, as an actor, which has a dedicated and actualized the need to implement his unique abilities in the socio-economic and industrial activity and which chooses a particular organizational structure most responsive to the whole cortège of his needs.

The theoretical source of approach to the labor process, inherent personnel marketing can be found primarily in the neo-institutionalism, namely in the theory of contract, where a principal is a central agent, an employer using the services of carriers the ability to work, or an employee, hiring capital.

Nevertheless it's not hard to notice that, the foundation of this approach lie in the theory of neoclassical two-factor production function $Q = f(L, K)$, where the factors (L-labor, K-capital), are commutative, that is, within this theoretical model we can "impute" production to any factor, the second factor is complementary, "hired."

Herein lies the theoretical possibilities and problems of theoretical analysis of personnel marketing. Marketing and neoclassical theory of consumer behavior explore various activities of economic agents. Actually the main problem of market relations is limited potential consumer demand, which cannot purchase all offered goods and services and therefore has to make a choice.

In a conceptual sense personnel marketing is an attempt to reposition the principles of exchange mechanism in the labor market, as well as-in a sense-to transfer the principles of market exchange to the interior of the firm. The problem with this process is to co-adapted determined elements. In this context, the main aim of this paper is to develop a scientific rationale and to establish the directions for implementing of personnel marketing as a tool of improving the effectiveness of marketing of organizational systems.

In modern conditions the marketing of organizations does not contribute to sustainable performance of the company because it involves mostly gain mismatch of interests of management and staff, the owners and managers, while the personnel marketing allows to extract the mutual benefits of cooperation of partners in the work processes, to contribute the improving the competitiveness of labor market participants, repeatedly reinforcing the potential of marketing impact on target

audiences and with synergy of cooperation. Implementation of the system of personnel marketing using tools adapted for use in the marketing practices of Russian enterprises enables to evaluate alternative strategic decisions about ways, forms and methods of partnership and collaboration within work processes, to develop up to date tactical approaches to consultation and coordination of actions aimed at providing competitiveness of enterprises.

Personnel Marketing as the Basis of Management of Organizational System: The theory of personnel marketing follows an approach in which in the basis of staff and marketing process is the formation of a positive image of the employer in the eyes of potential and current employees. It is now necessary to ensure mutual transformation of complex teleological system of staff and implementing a simple system of the organization's goals, to find the optimal technology of such transformation. We must move from the structural and functional to transact (process) approach.

Process approach allows bridge the gap between the neoclassical economic theory and the theory of marketing and between economic theory and application systems of motivation, incentive and marketing.

As part of personnel marketing relationships with employees has a special character in comparison with the marketing of goods and services. According to the author, a man is a buyer of a vacancy only in growing innovation economy, where qualified labor is valued instead of cheap labor.

Personnel marketing is not just one of the elements of human resource policy, implemented through the complex of tasks of human resource management and the more it is not an element of human resource department. Personnel marketing is the foundation of building a new relationship with employees, relations based on system, investment and agreed principles.

In other words, the features of personnel marketing are, above all, the focusing on the formation the intellectuation that takes into account the structural features of the activity areas of partners and the idea of "credit mindset" that is semiotically standard method of the labor relationship as a private, not the main way of interacting of actors in the labor market.

For effective operation of the mechanisms of personnel marketing, in our view, it is necessary to develop strategic models of personnel marketing, consisting in the formation of a strategic partnership between the government (at all levels), businesses and educational and research centers.

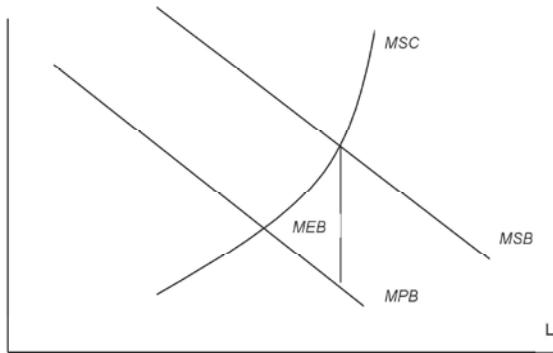


Fig. 1: The efficiency of the staff

where U - utility, L - the number of newly recruited agents, MEB - the marginal utility of an external third party (the newly-recruited agent), MPB - the marginal utility of the current agent, $MEB + MPB = MSB$ - the marginal utility of the collective staff of the organizational system, MSC - the marginal cost of the organizational system

Source: Compiled by the author

The special attention in the system of personnel marketing should be paid to issues of the motivational work in organizational systems, that can be explained by the special role of this instrument in the implementation of employment, especially for the regulation of their activity in certain conditions. Thus, motivation is closely linked and should be included in the concept of competence as a rational combination of not only the knowledge, skills and methods of communication that the employee has at any given time, but also the ability for self-reflection, determining the structure of his investment field, field of his needs, ability to arrange them in time.

Pointing to the relevance of positioning as a selection the needs of specific actors (sellers on the labor market) to implement their unique abilities in the socio-economic and industrial activity and choice specific organizational structure, determines whether it's expedient to reference to the phenomenon of external effects in the recruitment and adaptation of new employees by an enterprise.

Thus, with positive externalities limit marginal utility of an individual is lower than the marginal utility of public that should be considered in designing the model of personnel marketing of any organizational structures (Fig. 1).

Personnel marketing, making possible the explicit repositioning of the pair "buyer-seller" in labor relations, makes impossible the separation of target areas of an employee and an organization: cooperative nature of production of utility for a company and for an employee

is explicated, at the same time preconditions of "utopian" nature are not allowed in the model, for example, about a "conscious" worker that unconditionally accepts and follows the definitions of organizational values (the absence of moral hazard).

Within the concept of personnel marketing we can formally represent labor relations in the form of a specific production function that combines behavior of organization and employee:

$Q = F(L_1; L_2)$, where Q -production, L_1 -demand of a dedicated worker to work within system of production of a company, L_2 - the supply of labor of other workers.

The main feature of this function is to combine the subjective and objective aspects of the organization of production systems, in particular, the selected employee is here at the same time the center and the agent (in the framework of the behavior management contractor). In general, conditions and limitations of this model can be summarized in the following positions:

Reward (utility) of the selected employee L_1 obviously depends on the value of production Q and this dependence is recognized dedicated employee (the enterprise is a factor for the selected employee);

Accordingly, the target function of maximization of output is relevant for the selected employee;

Other employees L_2 are factor of production for the selected employee;

The selected employee can assess his costs c on the implementation of activities within the production system of the company;

The selected employee determines labor cost (the cost of labor as a factor of production) of other employees as value of their wage w .

So, we have the above-described two-factor combined twice differentiable production function $Q = F(L_1; L_2) [F(L_1) > 0; F(L_2) > 0]$.

Consequently the target function (cost minimization) of the selected employee (firm in terms of the selected employee) can be represented as:

$\min \{C = cL_1 + wL_2 \text{ under the condition of limitation } (a \text{ given amount of production}) Q = F(L_1; L_2)\}$

We make the Lagrangian: $\Lambda = cL_1 + wL_2 + \lambda(Q - f(L_1; L_2))$

A Necessary Condition for Cost Minimization:

- $D\Lambda/DL_1 = c - \lambda f'(L_1) = 0$
- $D\Lambda/DL_2 = w - \lambda f'(L_2) = 0$
- $D\Lambda/D\lambda = Q'f(L_1; L_2) = 0$

From the equation 1 and 2 we have: $c/w = f'(L1)/f'(L2)$, that is, formally ratio of the margin labor of the selected employee and other employee as a factor of production, must be equal to the ratio of the marginal cost of the selected employee and wages of other employees, [4].

Because of the properties of the compensated demand for labor, we can deduce that $DL1/Dc < 0$, that is, the demand of the selected employee for the implementation of labor under this organizational system is reduced with increasing costs. Taking into account that the cost of the selected employee grow with decreasing wages, which is the price of labor of other employees, as a factor of production for the selected employee, we can deduce that $DL2/Dc > 0$, so there is an increase of demand of the selected employee for labor of other employees, as factor of production with an increase in his (the employee) costs (for example, decrease of wages) and with given value of production. Accordingly, $DL1/Dw > 0$ and $DL2/Dw < 0$.

So there is a peculiar effect of substitution, which, among other things, determines the specific opportunism of the selected employee. Since, as mentioned above, in the model the selected employee is the principal (the set output is the necessary plan for him) and the agent (he is directly involved in the production by his activity, that is, from an abstract point of view of organizational system in general he is a factor of production) he performs his opportunistic behavior in the horizontal plane, in response to an increase or decrease of his costs (decrease or increase of wage) by increase the demand for his labor or increase the demand for labor of other employees.

If we refer to the game-theoretic paradigm for modeling organizational processes, we will see that the models described above are summarized in the game models of "principal-agent", where agents are guided in their behavior to the behavior of each other. Game theory highlights in this case, two principal strategies:

- Division of games, a transition from principals to individual games;
- The principal focuses on aggregate information of the activities of the agents and the cumulative effect of their activities.

In the first case, the principle of co-operative is contravened violates, in the second case, the above-described specific horizontal opportunism is permitted.

This approach can also be represented by the following formalism (taking into account the possibility of two types of situation opportunism: opportunist agent, using the state of the world, withdraws part of the utility from another agent, or opportunist agent, using the state of the world, provides additional specific investments and removes all received additional utility).

We assume that there are N agents acting within the organizational system. The value of the marginal utility from the agent with the number n is denoted by X_n ($n = 1, 2, \dots, N$). We assume that the set of numbers X_n is a point in N -dimensional space, which is the current value of the marginal utility produced organizational system. This point in the course of business is always on the hyperplane $X_1 + X_2 + \dots + X_N = Q$, where Q -the total number of marginal utility produced by the organizational system. Naturally, all the X_n also satisfy the condition $0 = X_n = Q$ ($n = 1, 2, \dots, N$).

Then the whole process of opportunism (removal of a quantity of utility by player from some other actors) can be viewed as a random walk on the N points of the hyperplane $X_1 + X_2 + \dots + X_N = Q$. The condition of attrition, that is, complete demotivation of agent means "attachment": if a point during the walk comes to one of the coordinate planes ($X_n = 0, n = 1, 2, \dots, N$), it has to stay on this plane.

Thus, bearing in mind that the value of collective marginal utility is constant, it is obvious that a system is stable (cases of "sticking" of point N are determined by the parameters of the overall probability, the dimension of the system is saved with the same probability), if there is a normal probabilistic motion of point N .

So We Can Make Two Important Implications:

- An agent in the organizational system will always adhere opportunistic behavior, when other agents expect and are able to opportunism;
- key direction of management of endogenous opportunism should be the preventing of the transition of the point N to a controlled process, it is a transformation of normal stochastic nature of opportunism in a deterministic (conscious design of opportunism situations, the existence of click, etc.).

Otherwise, the probability of emergence of the point N in some areas will be higher than the probability of its emergence in other areas of the space, that can lead to an increase of probability of "sticking" of the point N and the elimination of the agents from the system.

Such effect will be manifested in the case of attempting to correct the opportunism of the organizational system. Since this process in the model is possible only by the action of certain agents on other agents, the probability distribution will also change, moving from managed areas to the region s waiting for management. So direct control of opportunism (reducing it to zero level) can bring organizational system out of balance, when agents are waiting for opportunism.

We can also refine the model by introducing regulation exemption of utility on the hierarchical levels of the organizational system, the positional characteristics of agents, agents in relation to risk.

In addition, it is possible a situation where the marginal collective utility of the system will not be permanent. We are talking about the situations when the agent is able to extract additional marginal utility of work from an increase of specific investments. But the existence of positive externalities (the need to share with the principal added value) demotivates this investment.

It is expedient hire to let the agent appropriate all the marginal utility of additional investment-thus, a new hyperplane collective marginal utility appears. Provided strictly stochastic nature of opportunism in the organizational system, the part of the additional marginal utility will be withdrawn from the agent with a certain probability. Thus, there will be an increase of the collective marginal utility through additional specific investments of the agent, without reducing the motivational component of the activity of the latter.

At the Same Time, There Are Obvious Problems of this Model:

- The problem of determining the probability ("normal") characteristics included in the model;
- The problem of accounting ordinal nature of utility of agents (reduction of ordinal utility of agents in a single space with cardinal characteristics).

In general, these issues are usually solved within the framework of game-theoretic models, this is a traditional, well-established approach. But in our view the model, despite the artificiality and a mathematical and methodological inconsistency, is demonstrative and can point to the essence of our hypothesis: opportunism in the adaptive system should be managed, but it shouldn't be eliminated-otherwise the balance of the system will be called into question and optimality will become unattainable.

Creating an Effective System of Personnel Marketing:

Implementation of the personnel marketing involves creating its infrastructure. In this case marketing infrastructure of human resource management is a set of possible local and global institutions, which in some way affect the staff and management. We should provide the following basic subjects marketing infrastructure of human resource management:

- Potential or current workers;
- Enterprises providing jobs;
- Partner enterprises: recruitment agencies, educational institutions;
- Customers of enterprises providing jobs;
- Specialists of personnel marketing;
- The public, state and local authorities.

At the heart of the organizational management system and, in particular, management of personnel marketing is policy of the organization, which includes human resource policy.

It is particularly important in building an effective marketing system to consider that staff should be not only committed to the strategic goals, but also should focus on the change and on participation in the development of the organization.

In addition to the construction of the formal decision-making, implementation and monitoring, we should consider informal aspects of organizational relationships and even plan such a relationship to control the production. It is important to understand how organizational processes are introduced the necessary organizational values, if there is no clear written formal procedures. Institutional values, dimensions and external and internal groups create "excess satisfaction" that provides the breadth of activities in decision making. Philosophy of the organization is also important, because it is the complex of rationalize principles that connect past and present.

As part of the above-mentioned features of the structure of investments in human capital we can identify the following stages of realization of the investment programs of a company as part of the concept of personnel marketing:

Preparation Stage:

- Determination of the optimal number and composition of the staff;
- Identity itself as a recipient of investment and a source of investment;

- Identification of potential employee as the source and recipient of investment;
- Comparison of these parameters with the parameters of the main competitors.

Modeling of the Investee:

- Description of a workplace;
- Specification of a workflow;
- Creation of new work places (professiogram).

Simulation of Investment Options:

- Specification of tools to identify potential employees, appropriate the object of investment;
- Creating project of a potential employee, that appropriates the object of investment (psychogram, sociogram, etc etc);
- Preparation of a mechanism of mutual information (system of signals) of intent to avoid inconsistency or opportunism and to ensure the separability of the candidates on the requirements;
- Recruitment employees;

Modeling of Support of Investment Process:

- Definition of key quantitative parameters of the transaction (wage, cost of hiring, working hours, etc.);
- Identification of major institutional parameters of the transaction (environment: socio-cultural features of a region, law, business practices, internal environment: organizational culture and characteristics of organizational behavior, a set of informal relations, an image of an organization);
- Determination of the communication environment and communication tools that provide a natural transformation in the mutual investment.

Finish Stage:

- Hiring employees;
- Adaptation of newly-hired employees, as well as current staff;
- Evaluation of impact of investment on the first triggers, reconstruction of teleological framework and structure of investment area of employee (we may use rating methodologies, benchmarking between units);
- Decisions on the continuation and transformation of the investment transaction, de-investment;
- Planning the movement of personnel.

This program should be implemented by line managers, human resource managers and senior management and the separation of the stages should vary depending on the type of company-recipient of investment, because there will be different sources of recruitment.

So the company relating to the insulating type of investment, will likely consider internal sources of recruitment and line managers can play a crucial role in determining the strategy and tactics of mobility service (migration, reconciliation, process restructuring, temporary recruitment, outsourcing, etc.) and human resource managers in this case are more likely to be responsible for the formal side of the deal.

In contrast, companies that adhere to the barrier or market-type investment decision probably will often refer to external personnel. Accordingly, external communications and work related to it will be carried out by specialized personnel services.

We emphasize that using of the most modern, long-term, expensive, complex testing methods of recruitment (for example, techniques of Tarasova V.K, igrotehnika, certification based on staff-technology, technology of situational modeling) cannot guarantee successful employment without structures of investment spaces of the subjects of the deal.

Job evaluation, education, training and re-training can and should be included in the system of personnel marketing and they also should be actively used as tools and be supplemented by relevant principles. Finally, the evaluation procedure can be a tool of a broader analysis-the research of the efficiency of marketing activities of the organization that implements personnel marketing, that implies the following organizational changes:

- Automation of organizational processes (primarily related to the management of personnel and the calculation of financial index of operating activities);
- In the absence of the possibility of allocating resources for its assessment activities-external evaluation;
- The introduction of mechanisms for monitoring the activities of the company's employees, that allows to provide information system by necessary information.

Nowadays the challenge of introducing the concept of personnel marketing to the activity of an organization from the local grew into an organization-wide, that is, marketing becomes the philosophy of management of

staff in the long term lead to increase of competitiveness of an enterprise. Using the personnel marketing in practice is particularly effective and promising in the educational institutions, as it helps the one hand, linking the needs of stakeholders, eliminating the contradictions of labor market and market of educational services, on the other hand, a balanced regulation of their operation, increasing the effectiveness of the interaction.

CONCLUSION

- Personnel marketing is not just one of the elements of human resource policy, implemented through the complex of tasks of human resource management and the more it is not an element of human resource department. A personnel marketing is the foundation of building a new relationship with employees, relations based on system, investment and agreed principles.
- The features of personnel marketing are, above all, the focusing on the formation the intellectuation that takes into account the structural features of the activity areas of partners and the idea of "credit mindset" that is semiotically standard method of the labor relationship as a private, not the main way of interacting of actors in the labor market.
- The special attention in the system of personnel marketing should be paid to issues of the motivational work in organizational systems, that can be explained by the special role of this instrument in the implementation of employment, especially for the regulation of their activity in certain conditions.
- Implementation of the personnel marketing involves creating its infrastructure. In this case marketing infrastructure of human resource management is a set of possible local and global institutions, which in some way affect the staff and management. In addition to the construction of the formal decision-making, implementation and monitoring, we should consider informal aspects of organizational relationships and even plan such a relationship to control the production.

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