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Personnel marketing as a guarantee of recruitment improvement

The present paper develops the idea of personnel marketing application with the purpose of meeting recruitment needs. Personnel marketing becomes more popular among companies as it successfully complements to their development solving a range of relevant issues. One of those issues is satisfying recruitment needs of short and long-term character. The paper also covers the challenges of companies applying personnel marketing in their business activities and defines an HR brand and an employer brand. The distinctive features of the employer practicing personnel marketing are specified by the authors. Additionally the key functions of personnel marketing are described. The main objective of the paper is demonstration of the advantages of companies practicing personnel marketing in comparison with their competitors not applying it. The specificity of recruitment steps implementation by the mentioned companies is analyzed in detail. Finally, the paper concluded positive influence of personnel marketing on human resource management by satisfying short-term recruitment needs and securing long-term recruitment tasks.

Key words: personnel marketing (PM), recruitment, HR-brand, employer brand, steps of personnel recruitment, recruitment needs.

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Қызмет маркетингі рекрутингті жақсарту кепілдігі ретінде

Осы мақаланың негізінде рекрутинг қажеттілігін қанағаттандыру мақсатында қызмет маркетингін қолдану идеясы жатыр. Компаниялар арасында қызмет маркетингін қолдану өзінің бірнеше өзекті сұрақтарға жағымды ықпалымен танымал болуда. Осындай бір сұрақ вакантты қызметке кандидатты тағайындау қажеттілігін қанағаттандырады. Қызмет маркетингін қолданатын ұйымдардың алдында күрделі мәселе жұмысын көрсетеді және жұмыс берішінің брендіне және HRбрендіне түсініктеме береді. Мақаланың авторлары қызмет маркетингін тәжірибелейтін жұмыс берушінің ерекшеліктерін және берілген түрдің негізгі функциясын қарастырады. Мақаланың басты мақсаты қызмет маркетингін қолданатын компаниялардың оны қолданбайтын бәсекелес компанияларға қарағанда ерекшелігін көрсету. Компанияларда айтылып кеткен рекрутинг үдерісінің сатысы өзіне тән сипаты жұмыста талданған. Қорытындысында адам ресурстарын басқару қызмет маркетингінің рекрутингті қысқа мерзімді және ұзақ мерзімді қанағаттандырудың жағымды әсері бар екенін көрсетеді.

Түйін сөздер: қызмет маркетингі (ҚМ), рекрутинг, HR-бренд, жұмыс берушінің бренді, қызмет рекрутингінің кезеңдері, рекрутингтің қажеттілігі.

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Маркетинг персонала как гарантия улучшения рекрутинга

В основе данной статьи лежит идея применения маркетинга персонала с целью удовлетворения потребностей рекрутинга. Маркетинг персонала набирает популярность среди компаний благодаря своему положительному влиянию на их развитие посредством решения ряда актуальных вопросов. Одним из таких вопросов является удовлетворение потребностей в привлечении кандидатов на вакантные должности. Работа также описывает сложные задачи, стоящие на пути организаций, применяющих маркетинг персонала, и дает определения HRбренду и бренду работодателя. Авторы статьи приводят отличительные черты работодателя, практикующего маркетинг персонала, и основные функции данного вида деятельности. Главной целью статьи является выявление преимуществ компаний, применяющих маркетинг персонала, в сравнении с их конкурентами, не использующими его в своей деятельности. Специфический характер осуществления ступеней процесса рекрутинга упомянутыми компаниями детально проанализирован в работе. В заключении сделаны выводы о позитивном влиянии маркетинга персонала на управление человеческими ресурсами посредством удовлетворения краткосрочных и долгосрочных потребностей рекрутинга.

Ключевые слова: маркетинг персонала (МП), рекрутинг, HR-бренд, бренд работодателя, стадии рекрутинга персонала, потребности рекрутинга.

**PERSONNEL MARKETING
AS A GUARANTEE
OF RECRUITMENT
IMPROVEMENT**

Personnel marketing means the company's activities directed to build an image of a beneficial and responsible employer with the best employees in its staff. Personnel marketing assumes the high level of the employer's responsibility before his/her employees from one side and employment of the most professional personnel with the enterprise from another side. Consequently personnel marketing has to operate in two directions, that is inside and outside.

Inside personnel marketing is closely connected with such human resource management terms as motivating, compensating, retention, employee turnover, personnel commitment and loyalty to the enterprise. Outside marketing requires investing in corporate social responsibility, participation in public events, advertisement, public relations, and promotion. The Universum conducted the survey "2020 outlook: the future of employer branding" in the period from October till December 2014. Above 2,300 interviews were carried out in 18 countries with CEOs and HR managers operating in various industries. This research identified that the companies invested more in external employer brand than in internal [1]. The research results allow to make the conclusion that personnel marketing of the majority of companies is more focused on external employer brand than on internal, hence employer is ready to put up money in public events, charity, employer brand direct promotion, public relations and save on employee compensation, motivating, etc.

Personnel marketing is similar to the new trend in human resource management called human resource (HR) branding. Mansurov R. designates HR-branding as "a complex of goal-oriented events for building an employer's positive image to constantly attract best of the best specialists in their fields" [2, p.8]. Meanwhile personnel marketing purports to be a wider term in comparison with HR branding, simply taking into account that branding is just only one element of marketing. HR brand means a positive employer's image. Personnel marketing does not create only employer image, the second serious contribution to personnel marketing is an employee image. Both two images must have their specific characteristics to perform their main function – attraction of candidates who consider the company as the best workplace with perfect personnel.

The distinctive features of such kind of an employer can be better described by the given below characteristics:

- caring;
- socially responsible;
- proactive;
- successful;
- acknowledged.

In its turn, the characteristics of an employee working for such a company should involve the following:

- professional;
- experienced;
- loyal;
- committed to the company;
- outwardly emphasized the company image by his/her appearance and behavior.

Once declared the personnel marketing as its philosophy, the company cannot change the route for another way not to ruin the developed image. Personnel marketing puts serious responsibilities on top management, public relations managers and human resource specialists to constantly sustain the HR-brand for the general public.

Among the strong sides of personnel marketing should be marked out: easier attraction of candidates for vacant positions, better chances of getting best people to fill in openings, higher level of employee commitment to the place of work, spending less time for finding candidates, saving financial resources on advertisement, recruiting agencies and personnel turnover consequences. The personnel turnover causes a series of challenges: the necessity of forming a new pool of applicants, repetitive selecting and orienting. All the mentioned actions demand additional financial resources in a form of paying salaries to HR specialists, recruiting agencies, and a loss of human efficiency. The last issue is revealed through average time of a new employee psychological, organizational and professional adaptation, and decrease of overall unit and company's effectiveness until he or she is fully socialized and integrated in the work process.

The challenges of personnel marketing embrace: significant initial financial investment in building an image of a good employer and its further constant sustainment, spending great time resources for keeping track on walk-ins, the necessity of special software to keep a great deal of applicants' data, constant society's stare to the company's behavior and high cost of mistakes in its activities. However, in comparison to personnel marketing results these obstacles are minor.

Being an activity personnel marketing plays a range of functions. The functions of personnel marketing are of general and specific character. By the direction of personnel marketing the informational

and communicational functions are distinguished. Informational function assumes gathering, processing and interpreting data to create positive informational basis for transmitting the enterprise's official messages to the public. Informational function is interlinked with communicational function. The last serves to transfer the obtained information to stakeholders with the purpose of the company's HR-brand building, development, and sustainment.

Considering personnel marketing in a time perspective the following classification of functions can be used: strategic and operational. Strategic function of personnel marketing is based on the company's attachment to PM as its main philosophy, when the company considers HR-brand and consumer-brand the same. Operational function deals the short-term issues: faster finding necessary specialists, current filling in vacancies, orientation time decrease, etc.

The main advantage of personnel marketing is to improve the recruitment process therefore to provide the company with the bigger pool of applicants. The companies applying personnel marketing have better chances to attract best talent in comparison with their competitors lacking this activity. The rule of recruiting is in the following: the more candidates you have for one vacancy, the more effective will be selection and placement, the better candidates you possess for new openings, the higher chances to get best personnel.

In accordance with Head Hunter company's statistics, the enterprises with strong HR-brand have the feedback from candidates on their openings greater by 39%, decrease time of openings closure by 24% and receive applicants' quality CVs by 18% than their colleagues ignoring personnel marketing [3].

Personnel recruiting is "finding and/or attracting applicants for the employer's open position" [4, p.161]. Recruiting is one of the most important functions of human resource management. Attracting and employment of perfect specialists leads to high quality of performing work tasks that in its turn contribute to overall organizational effectiveness improvement and achievement of organizational goals.

Recruiting needs can be classified as long-term (planned for the period from 1 to 5 years) and short-term (till one year) should be thoroughly forecasted beforehand basing on the human resource management plan that for its part is developed in compliance with organization's strategic plan. Personnel marketing and recruiting are interlinked and interconnected. The Picture 1

below demonstrates interconnection of personnel marketing and recruiting.

In accordance with Picture 1 personnel marketing activities contribute to the development of HR-brand. Next the advanced HR-brand positively influences upon the growing number of candidates interested in new openings. HR-brand also affects the quality of applicants – mostly the best professionals apply for vacancies as the company's image forms the opinion of employing the best staff. Better recruiting influences a selection quality – the best candidates are selected out of the best. For its part more qualitative (more professional, experienced, corporate culture-compatible) people are employed by the enterprise. Top-management sets stretching goals before their employees within personnel management: to sustain the HR-brand the newcomers should be oriented, trained and developed to become more professional and loyal toward the joined enterprise.

The specificity of recruiting steps in companies oriented to personnel marketing and ignoring it. Personnel recruitment includes the following steps:

Identifying what people with what skills and background an enterprise needs for the current openings.

What sources the enterprise will use to fill in the vacancies (internal or external, if both then in what order).

Choosing and applying the most effective recruiting method or methods (recruiting agencies, college/university recruiting, participation in job fairs, advertisements in newspapers, journals, on-line networks, corporate or/and professional web-sites, etc.).

Gathering, processing candidates' information and contacting applicants to form a large and qualified pool for further selection.

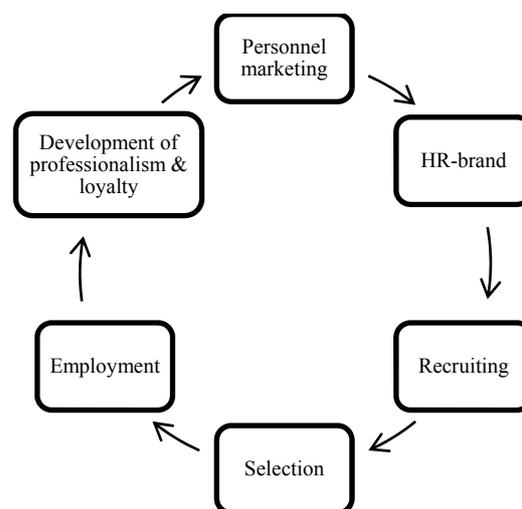
The first step of recruiting is relevant for both companies: practicing personnel marketing and non-applying it. As for any opening in any company one should have understanding of work tasks, responsibilities, conditions, level of management, subordination relationships, required personal characteristics, etc. This information can be found in job descriptions, job specifications, organizational and workflow charts, asked from an incumbent of the position, his/ her supervisors, and colleagues and so on.

The next step – determining what sources to use – is also essential for both types of companies. Depending on the company's personnel strategy, it may apply first to internal sources, then to external or vice versa. Additionally, a level of the position influences upon internal or external sources to

choose, in the majority of companies internal sources of candidates are preferred for higher positions. In companies with personnel marketing the internal sources are screened preferably first for the majority of positions. This preference requires well-developed system of posting and bidding through bulletin boards, intranet or other channels of information transfer.

The third step is the most time and money-consuming in which the recruiting process itself takes place. As for the companies involved in personnel marketing, they save time, human and financial resources in comparison to the enterprises not using this HR trend. It happens due to the company's image attracting a large number of walk-ins and other types of applicants striving to obtain a job at this popular enterprise. For this type of organizations a few recruiting methods may be used – posting a recruiting advertisement on the corporate web-site and scanning through the database full with application forms or/and CVs of those who have already sent them beforehand.

The companies ignoring personnel marketing clash against one more problem- the difficulty to form a big pool of qualified applicants, due to the orientation of the best professionals for well-known companies. Consequently they have a few highly-qualified applicants, hence the size and quality of the pool suffers.



Picture 1 – Interdependence of personnel marketing and recruiting Composed by the authors

The fourth step is faster implemented by the enterprises lacking personnel marketing. Having fewer applicants, they spend less time for screening

candidates' documents. The companies with HR-brand spend more time for obtaining enormous applicants' data, keeping and processing them. However, this is true only from the first glance, as the less candidates you have, the higher chances for recruiting worse specialists who will leave the company during their probation period. Losing

workers means to restart the recruiting process and again invest in all types of necessary resources simultaneously lacking a person who must perform ascertain work tasks at the moment.

The specificity of recruiting steps taking by enterprises involved in PM and those that do not apply it is given in Table 1 below.

Table 1 – Recruiting in companies practicing personnel marketing and non-applying it

#	Step of recruiting	Company practicing personnel marketing	Company non-practicing personnel marketing
1	Identifying required people for the current openings	Study of job descriptions, job specifications, workflow and organizational charts, questioning incumbents, supervisors, etc.	
22	Determining what recruiting sources to use	Internal sources are screened preferably first for majority of positions, requires well-developed channels of information translation	Depending on the company's personnel strategy and vacant position(s), it applies first to internal sources, then to external or vice versa
33	Forming a pool of qualified applicants	Posting recruiting advertisement on corporate web-site and examining CVs and application forms in the database	Posting recruiting ads on web-sites, in newspapers and journals, applying to recruiting agencies, HR databases, visiting colleges, universities
44	Gathering, processing applicants information	Initially needs much time to deal with great number of applicants' data	First spends less time but often restarts recruiting due to its inefficiency

The table is composed by the authors

In accordance with Table 1, three steps of recruiting differentiate in companies practicing personnel marketing and companies not applying it. As a two-way process to form an image of the most attractive employer – the company's image raises it in the eyes of own employees, if so many people are eager to be employed with the company, the employees start to value it higher. This leads to employee higher motivation, better satisfaction, loyal attitude, commitment to the organization, and decreasing employee turnover rate. All the mentioned above results in personnel efficiency raise and overall organization effectiveness improvement.

The companies investing in personnel marketing through development of advanced motivational system, special compensation plans, offering flexible benefit and incentive packages, creating atmosphere of trust and fair treatment to their employees occupy the first positions in the local and world rankings of the most attractive employers. Then these employers transfer the image of their satisfied employees to the public as a brand – a workplace of the dream. Students as the most mobile, interested and advanced part of human population pay their close

attention to the place of companies in these rankings. In accordance with the World's Most Attractive Employers – Business student 2014 research the following companies occupied the first ten places: Google, Ernst&Young, PricewaterhouseCoopers, KPMG, Deloitte, Microsoft, Procter&Gamble, Goldman Sachs, Apple, Morgan. The survey was conducted among 200 thousand of business students from 1541 universities worldwide from September 2013 till May 2014 [5].

The first award for the most successful work on company's reputation as an employer took place in Kazakhstan in 2013. Accordingly to the second Premiya HR-brand 2014 (Award HR-brand 2014) the winners in "Capital cities" nomination were Chocolife.me, BazisA, Kaztranscom, in "Kazakhstan" nomination – Dynamics Technologies, Kazvtorchermet, Mediker, in "World" nomination – "Samsung", "Procter&Gamble", "STADA". This award is given to the companies for the implemented best human resource projects and obtained positive results in attracting, motivating, and attainment of personnel and company's development as whole and its employer image [6].

Considering personnel marketing impact one cannot fully rely on this award as it is subject only to one HR project, the competition is conducted just among companies who applied for the award (20 companies participated) and appraisal of the company is given not by prospective candidates, but by HR management experts. However, this is the first and successful step of Kazakhstani companies to start sustainment and development of their HR brands. It is proved by the presence of two international companies in the ranking and in the winner list – Procter & Gamble and Samsung occupied the seventh and forty-seventh places in the World's Most Attractive Employers – Business student 2014 and the second and the first in PremiyaHR-brand 2014.

Personnel marketing has a serious impact on personnel recruiting. It guarantees recruiting improvement through its facilitation, acceleration and quality raise. The company with HR-brand saves time for finding best talent to fill in the current openings. This time saving is expressed in

decrease of human resources: the enterprise needs to have fewer employees who searching candidates that leads to spending less financial resources for these recruiting specialists' salaries. The second issue is quality that is seriously improved by the opportunities to attract first-class specialists without applying to headhunters or executive recruiting agencies. The companies practicing personnel marketing are worthy to recruit best representatives of labor population.

Another important contribution of personnel marketing is to secure long-term recruitment needs of the company. Developing and sustaining the HR-brand the enterprise builds a steady basis for strategic aspects of recruitment included in its general strategy and personnel management strategic plan. Securing its long-term recruiting needs, the company introduces and implements various strategic projects with lower risk to fail because of the deficiency of required specialists with certain personal and professional characteristics.

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