

The Concept of Personnel Marketing in Companies

JADWIGA SYNOWIEC, PhD

European University of Business, Poznań

POLAND

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Abstract: The concept of HR/personnel unit operations at many medium-sized or small companies has been noticeably transformed. The changes are related to the scope of tasks, starting with typical personnel files administration and ending with proactive personnel and personnel competence management. With these transformations, human capital gains importance within all types of organizations. With the new approach and attitude towards staff and staff affairs, and with building foundations for career development paths available within the organization, individual organizations regularly strive at improving the level of advancement and competitive edge of their companies in all the dimensions of their operations and expansion to new markets. Intellectual resources accelerate economic growth for every organization in the global dimension, which is specifically predominant in the knowledge or information era.

Keywords: personal marketing, human resources, human resources management, improvement of qualifications, work ethics.

OVERVIEW

The concept of personnel marketing opens new opportunities for human resources management, namely in the improvement of competitive advantage for recruiting new employees from the job market by particular organizations. In basic marketing terms, the baseline, or the entry point, is the recognition of customers' needs and expectations so that the promotion of action offers product support opportunities in its market presence, the product is marketed via properly chosen distribution channels, at prices corresponding to prevailing market rates. In our era of spectacular market changes, the center of gravity moves towards the practical ability to build strong relations with the employees of the given organization. This kind of attitude is offered by personnel marketing, as a coherent and integrated system consisting of two subsystems, one of them internal and the other external. Perceiving personnel marketing as a system defines a set of

selected measures reaching across as many important areas in the company as possible, where the employee is the culmination of the organization's actions. The point of the distinction made between internal and external factors is to optimize the application of all the available tools. Such a diversified application of all the instruments and the multifaceted approach of personnel marketing requires the ability to consolidate work within an internal and external HR policy.

Competence orientation seems to be of key importance, as the advantages that can be attained through such a unique investment in human capital are mutual and strongly related to the level of balance between the stakeholders' interests. Typically, investments in human capital yield such results for employees as improvement of their ability to compete on the job market (Olesiuk, 2009) A significant role is ascribed to relevant and professional management of human capital, which needs to be perceived from two

separate viewpoints, namely from the viewpoint of a company with high quality human resources, and that of an organization which is somewhat an owner of these resources. In this unique mix, the economy needs to be considered as well as a very important component of the company's external environment (Kozuch, 2001). Human capital, which is the core of a company's strength, is of major importance in determining the value of the entire company and its competitive advantage. For a company's management, this value is a complex multi-thread issue, important in terms of obtaining funds for building, maintaining and development of human potential (Sajkiewicz, 2001). In this context, a change is taking place in the meaning of an organization's wealth viewed in the perspective of its application and creation (Jarugowa, Fijałkowska, 2002).

The concept of intellectual capital at any organization encompasses the human element and the structural element, owned by the company and available to it in the form of knowledge accumulated within the organization, the corporate culture, or the intellectual property of the company (inventions, software, databases, etc.), derived from human activities in any organization (Kotarba -red., 2006). Human capital is an organization's intangible asset which is not owned by the organization as such as every employee quitting their job would take their knowledge away with them. In a broader sense, human capital can be perceived as a sort of property of organizations, derived from their knowledge (Jarugowa, Fijałkowska, 2002); in other words, it is the accumulation of knowledge, competence and skills of all the members of the given organization, as well as the susceptibility to the creation and implementation of innovation (Kotarba -red., 2006). Nowadays, with an enormous role played by information, only those organizations that place a person's intellectual capability in the center will gain importance. In this context the structure of power in society is shifting to give the well-educated group the advantage, whom are the owners of the knowledge capital. People and their skills, abilities, experience and knowledge become key. It should be emphasized here that a clear distinction is being made in every organization into traditional physical capital, i.e. tangible goods and cash, and intellectual capital, comprising human, social and organizational capital. Intellectual capital encompasses a subconscious aspect, involving the organizational capital and social capital, and a conscious aspect (thinking part), namely human capital (Zamigała, 2009).

One should not disregard the level of personnel

costs generated at an organization, yet the more important element is the production efficiency which, in addition to the applied technology solutions and organizational change, can be raised through emphasizing a more proactive attitude in HR work. The foundations of higher efficiency/performance should be viewed as advanced human capital qualifications available to the enterprise, i.e. the general academic qualifications of individual employees, their ability to work several jobs/duties, their willingness to improve and enhance their professional competence, and the advanced level of ethics of the whole personnel.

The main purpose of this paper can therefore be defined as a description of the issue of personnel marketing components (subsystems), i.e. internal and external marketing. The paper will elaborate on the presented key tools of personnel marketing oriented towards recruitment of valuable employees. In addition, a literature review will be presented, extended with the relationships between personnel marketing and the broad area of management in this respect.

The arguments presented in the paper are based on national and foreign literature sources, mainly English-language references.

THE CONCEPT AND ASSUMPTIONS OF PERSONNEL MARKETING AND RELATIONSHIP MARKETING.

The concept of personnel marketing as adopted in literature supports such conceptualization of HR work that will enable it to generate competitive improvement at organizations, skillful recruitment of personnel from the job market and, indirectly, possible improvements of market activities. The theory has its roots as early as in the Middle Ages, when the origins of trade were formed and the concept of relationship marketing was formed (Mitręga, 2008) between purchasing entities and sellers. However, one cannot disregard a reference to the present era, when it has become possible to set up strong relationships with employees in an organization in its broad sense. The traditional concept of marketing focuses on the analysis of customers'/buyers' needs and expectations so that the promotional tools can support the product in its market presence and the product can be offered via the right distribution channels, at prices acceptable to buyers (Fonfara, 1999). Relationship marketing at every organization is determined by several key activities, namely: development of the core of each product; adaptation of

the proposal to consumers' tastes and preferences; expanding the core with special services in the sense of added value; influencing consumer loyalty through the determination of an adequate price; and building specific marketing activities targeted at a group of employees, so-called internal customers within the organization (Berry, 1995)

It should be emphasized here that every company/organization focuses first on the accomplishment of its goals in the short term (Żabiński, 2000), as the results can be observed relatively soon.

Personnel marketing, like marketing as such, has been given multiple definitions and discussions in subject-matter literature. The most extensive approach defines it as a system of certain methods of a company's actions and behaviors on the market, oriented towards the interests and expectations of the organization's current and future employees (Schwan, Seipel, 1997). Another definition presents marketing as a scheme of activities oriented towards the inside and the outside of every company, focused on comprehensive management of the broadly understood potential of the organization, building its right size and structure, and the continuous improvement of processes. These activities make it possible to build optimal foundations for employees' involvement in the performance of their duties, and to increase the organization's operating efficiency on the market, while picking the right employees from the job market (Penc, 1997).

The issue of relations management, understood as the process of the organization's cooperation with its employees and other stakeholders in the field of development of profitable relations to customers, based on their satisfaction and emotional commitment (Penc, 1997) cannot be omitted in the analysis. It would be reasonable to emphasize that every human resources management approach or technique is focused on a certain interest, attraction and motivation for employees to be more efficient in running the company (Certo, Peter, 1998).

All the human resources constitute a critical component in the process of effective management of any organization (Griffin, 2008).

Entities capable of identifying effective application of personnel marketing tools define the common concept of the external and internal job market as a market, i.e. the interface of demand and supply, with regard to specific offers and candidates who meet all the criteria specified in the offers. Dynamically defined market and all its participants (business operator-employee) are not defined according to fixed parameters,

whether quantitative or qualitative. In today's market environment, it becomes indispensable to plan, study and interpret the results derived from the job market and in this way to consider new market tendencies in personnel marketing strategies and its far-reaching repercussions. This kind of perspective gives permission to the application of 'strategic HR management' with reference to 'personnel marketing'. A highly complex and multifaceted assumption on which the concept is based seems to be essential for the results actually achieved and expected. Not so long ago, HR marketing activities were limited to the acquisition and recruitment of the right personnel. With this approach, the effects are not consistent with expectations. In our times, when multiple attempts at comprehensively defining the aspects of marketing in all the possible areas of HR management in an organization are undertaken, personnel marketing and the concept as such can go beyond the traditional interpretation of marketing. In this option, emphasis is on the ethical orientation, for which all the assumptions defined for HR policies cannot be based on ordinary manipulation of employees, and the strategy itself cannot be focused on noisy job advertising without previously building the right atmosphere and structure at the organization. The person within the organization will always remain the central point of interest for personnel marketing. It should be emphasized that people create a unique subsystem within an organization, which remains unique in its individual dimension as well as the team dimension. All new recruits, the new individuals entering an organization, contribute their knowledge, talents or abilities, skills and values, thus contributing to the development of the organization's unique culture and atmosphere, while at the same time building the diversity of the entire system constituting the business organization. Therefore, every organization sets itself the goal or the objective to acquire and retain employees characterized by relatively prominent commitment in the process of performing joint tasks and therefore, the company will be able to achieve systematic growth. Thus, the overall duty of the organization is to provide appropriate work resources, the ability to set the objectives for every specific workstation, and a positive/friendly environment of people cooperating and collaborating on behalf of the employee's own unit of organization as well as all the other units of organization within the particular departments of the company. If the organization is successful in meeting these requirements, it will facilitate the employee feeling an affinity with the structure, being willing to learn and to continuously improve their qualifications, and building a motivation that would lead to optimized

performance of all tasks. The advantages that can be generated at the organization, beneficial for the organization itself and for the employee's satisfaction, should be noted as well, including the reduction of wasted time, less fluctuation, higher work efficiency (reduction or elimination of nonconformities/errors), more stable production process and other flows, and therefore the feeling of more stability at work and in life, the right interpersonal atmosphere, closer relations to the organization, the feeling of affinity to the organization, and perceivable own contribution to the improvement of corporate culture. All the aspects enumerated above indirectly affect a company's competitive advantage. Personnel marketing is a concept which, if implemented, makes all the employees feel that they have performed well in the contemporary business organization.

The stages of transformation towards personnel marketing orientation are presented in Diagram 1.

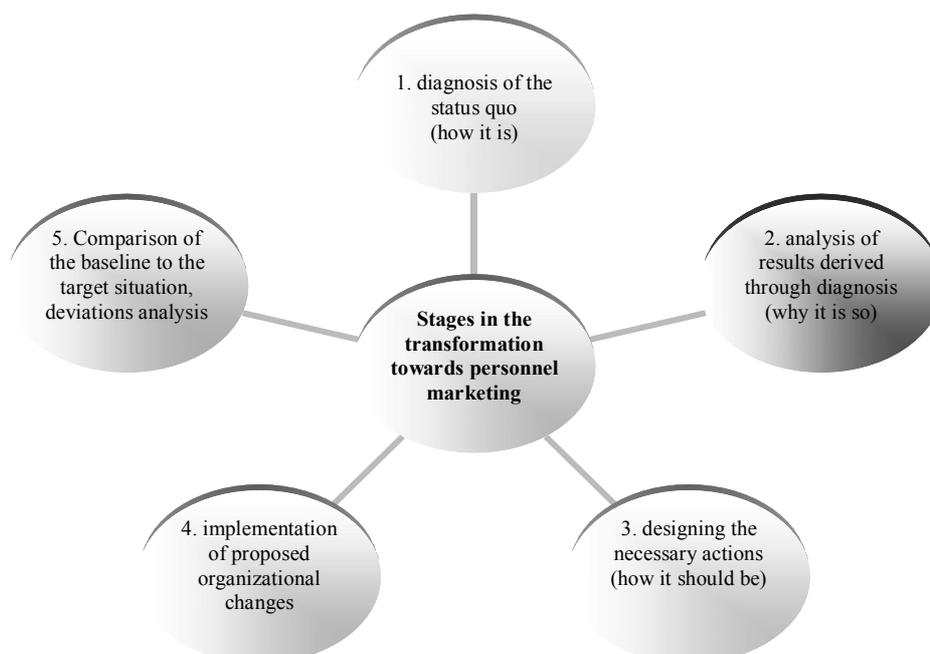
PERSONNEL MARKETING SUBSYSTEMS

Personnel marketing is a highly coherent and integrated system; therefore, its two subsystems - internal and external personnel marketing - should always be considered together.

Internal personnel marketing encompasses a number of elements, such as:

- Internal vertical communication (employees to management) and horizontal communication (employees to their peers),
- Motivation system, including financial and non-financial (tangible and intangible) motivators,
- A system for building and reinforcement of the company's image as an employer, within the framework of internal marketing activities, particularly public relations, targeted directly at the employees working for the company,
- A training system, consisting of activities in the field of continuous professional training (i.e. expanding the current knowledge of the employees; necessary for working the given job), and further training (learning completely new skills and therefore becoming more efficient in one's tasks, or having a better opportunity for vertical and horizontal promotion),
- An internal recruitment and personnel selection system relating to employees' mobility and ability to move them to other jobs where they could make better use of their knowledge and abilities. In our times, activities in this field follow the prevailing trend (and at the same time the necessity) to contin-

Diagram 1 Stages in the transformation of personal marketing



Source: Own research, based on: A. I. Baruk, *Marketing personalny jako instrument kreowania wizerunku firmy*, Centrum Doradztwa i Informacji Difin Sp. z o. o., Warszawa 2006, s.15.

ue learning throughout the period of the employee’s professional career (Baruk, 2006).

External personnel management consists of activities undertaken within the external communication system, i.e. communication between the company and its potential employees, external recruitment, including broad and segment recruitment, and a complete system for creating and reinforcement of the company’s reputation as a good employer. All these activities are usually undertaken as external marketing activities, specifically public relations targeted at potential employees.

With the right perception of the concept of internal marketing, a company can be treated as a specific type of market. To do this, one would have to adjust the traditional marketing techniques oriented towards the company’s environment and focus them now on the internal organization (Otto, 2004). As a consequence of this approach and such activities, the expected results should improve the performance. At every company, employees spend a major part of their active time in

house. This is the environment and the surroundings in which we spend longer hours than anywhere else; therefore, many of the employees would prefer integration into a community of a reputable company rather than continuously ‘escaping’ their current organization in search of a better and newer job (Schueler, Fuchs, 2005)

Employees expect their abilities and skills to be noticed and appreciated, they seek opportunities for influencing the decision-making process at the organization. As employees have a solid sense of belonging to the organization, companies hold team-building events. The workplace can be seen as acquiring certain qualities of a second family, often more important than the original one. The manager takes on the parental role, and the employees are the children and siblings, often experiencing the emotional bond as strongly as in a real family (Hryniewicz, 2007)

The important aspects of personnel marketing oriented on acquisition and recruitment are presented in Table 1.

Table 1 Key employee-oriented personal marketing components

Visual presentation	
Preparation of information <ul style="list-style-type: none"> • Dates of trade fair events, • Information of the HR image, • Notice boards, • Information brochures, • Sponsoring. 	
Job application	Current employees
<ul style="list-style-type: none"> • Job interviews, • Site visits, • Oaths taken by new recruits, • Handling the matters of new recruits, 	<ul style="list-style-type: none"> • Employee dialogues, • Training and improvement, • Structuring wages and working times, • Discretionary personnel benefits.
Dismissal of employees	Relations with training centers
<ul style="list-style-type: none"> • Assistance (advice) for persons leaving their jobs • Dialogue with people leaving their jobs, 	<ul style="list-style-type: none"> • Academic papers, • Apprenticeships, • Internships.

Of all the aspects of the human resources market, there are three groups that deserve special attention, namely (Schwan, Seipel, 1997):

1. Corporate marketing factors

- Numbers and performance ratios of the company (sales, employment, profits, balance total, investment expense, etc.),
- legal status of the organization (ownership, applicable laws, etc.),
- geographic location and environment of the company,
- the company's reputation in its environment,
- strategic goals of the company,
- market position of the company,
- types of goods produced and sold,
- infrastructure available in the company's environment (schools, traffic, cultural environment, etc.),

2. Workplace marketing factors

- Duties and job descriptions,
- Professional relations,
- Competence, responsibilities, authority,

- Transmission of information between departments and outside the company,
- Expectations of company management and officers,
- Number of employees,
- Organization chart,
- Evaluation scheme and growth opportunities,
- Basic salary, profit distributions, employee benefits,
- Information about employees previously working the given jobs,
- Communication channels existing within the company,
- Contents and term of job contracts,

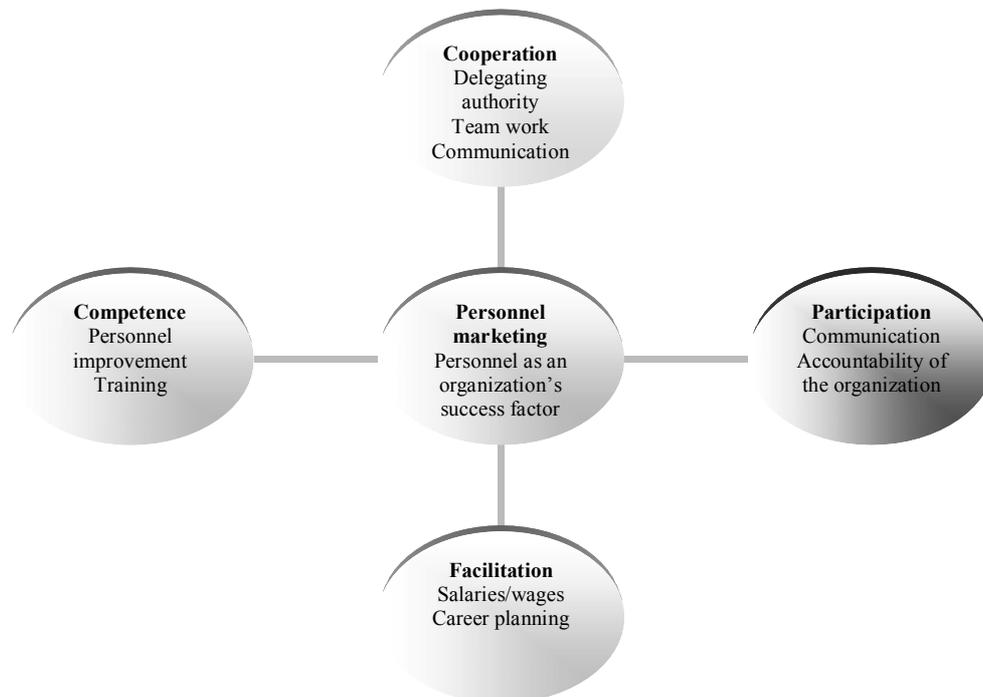
3. Corporate culture factors

- Atmosphere fostering innovation,
- Management styles,
- Rules of proceeding in different positions,
- Behavior in crisis,
- More humane approach to jobs.

All the factors discussed above are relevant for the external personnel market.

Internal personnel market factors are shown in Diagram 2.

Diagram 2 Internal personnel market



Source: Own research, based on: K. Schwan, Kurt G. Seipel, *Marketing kadrowy* - redakcja naukowa Leszek Krzysztofiak – publication quoted above, p. 14.

PERSONNEL MARKETING IN THE CONTEXT OF MANAGEMENT STUDIES

With the implementation of the concept of personnel marketing in an organization, the employee is always in the center of all processes. In addition, the involvement of HR structures at a company is aimed at offering new opportunities and growth options to employees. Building a compromised solution between the staff's and management's aspirations is the right way to enable each party and all kinds of success of a company. The issues discussed above would require management to have professional knowledge, psychology background and awareness of personnel marketing issues being implemented and adapted to every company's specific capability (Synowiec, 2011).

SUMMARY

The broad concept of personnel management places the employee in the center of attention of every organization, or even moves the employee higher on the ladder as a superior resource. Emphasis on the organization's commitment to employees' needs and growth opportunities is gaining significance and becoming the prevailing trend in human resources management. It would be useful to bear in mind that, with the time spent by every employee at the workplace, the company becomes a 'second family' for them. This is where people build relations with their superiors, business partners, and peers, and these relations affect their lives, whether professionally or privately.

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