

# LABOUR ECONOMICS, PERSONNEL MANAGEMENT AND MARKETING

UDC 331.108.5

<https://doi.org/10.26661/2414-0287-2020-4-48-20>

## THE RELATIONSHIP BETWEEN HR-MARKETING AND HR-BRANDING IN THE MANAGEMENT OF THE ORGANIZATION

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### Key words:

personnel management, HR-management; HR brand; HR Marketing; management processes, business processes, information processes, corporate brand, corporate strategy, HR-strategy.

The article contains the results of an investigation of the understanding of the essence of HR-marketing and HR-branding in the management of the organization. The defined boundaries of the concept of "organization" suggest that the proposed approach to the interconnected construction of the HR-marketing and HR-branding complex can be used for a variety of organizations, among which may be state and commercial enterprises of various industry and interindustrial purposes, institutions, design, public, charitable organizations, etc. The close interweaving of the corporate, HR and personal brand will reduce existing contradictions, the staff turnover, and focus on those functional and managerial processes that have the greatest impact on the results of implementing the overall corporate strategy of the organization. The delineation of external and internal marketing allows you to determine the position of the organization in the labour market (or employment, the fields of civil society), as well as to create an impression of the organization as a whole and its individual specialists and impressions of workers and dismissed workers also form a rating of HR-brand.

The top-down approach - from mission, strategy, targeted general and HR-marketing-enable over time to form a general ranking and HR-brand. And, conversely (bottom to top), known as manufacturers popular products and services, companies are becoming better employers and grow their own personal talents with a high personal rating. The processes of HR-brand construction are strategic and are not only a strategic branch of HR management and marketing goals but are also present in each target strategy of the overall strategy. The reason for such an integrated approach is to increase the value of human capital in the development of organizations. The proposed approaches and recommendations for HR strategy, marketing and brand development will allow organizations of different forms and scales to position themselves as organization that promote their own development and increase the professional and personal qualities of its staff.

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## ВІДНОСИНИ МІЖ HR-МАРКЕТИНГОМ І HR-БРЕНДИНГОМ В УПРАВЛІННІ ОРГАНІЗАЦІЄЮ

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### Ключові слова:

управління персоналом, HR-менеджмент; HR-бренд; HR-маркетинг; управлінські процеси, бізнес-процеси, інформаційні процеси, корпоративний бренд, корпоративна стратегія, HR-стратегія.

Стаття містить результати дослідження розуміння сутності HR-маркетингу та HR-брендингу в управлінні організацією. Обумовлені межі поняття «організація» свідчать про те, що запропонований підхід взаємопов'язаної побудови комплексу HR-маркетингу та HR-брендингу може бути використаний для різноманітних організацій, серед яких можуть бути державні та комерційні підприємства різного галузевого та міжгалузевого призначення, установи, проектні, громадські, благодійні організації тощо. Тісне переплетіння формування корпоративного, HR- та особистого бренду дозволить зменшити існуючі протиріччя, плінність кадрів та сфокусувати увагу на ті функціональні і управлінські процеси, які мають найбільший

вплив на результати реалізації загальної корпоративної стратегії організації. Розмежування зовнішнього і внутрішнього маркетингу дозволяє визначити позицію організації на ринку праці (або зайнятості, соціальної складової громадянського суспільства), а також сформулювати враження від діяльності організації загалом та її окремих фахівців, а також враження працюючих та звільнених працівників також формують рейтинг HR-бренду.

Підхід зверху-вниз – від місії, стратегії, цільових заходів загального та HR-маркетингу дозволяють з плином часу сформувати рейтинговий загальний та HR-бренд. І, навпаки (знизу до верху), відомі за рахунок популярних продуктів та послуг компанії стають кращими роботодавцями та вирощують власні таланти з високим особистим рейтингом. Процеси побудови HR-бренду є стратегічними та входять не тільки в стратегічну гілку цілей HR-менеджменту та маркетингу, а і є присутніми в кожній цільовій гілці загальної стратегії. Причиною такого комплексного підходу є посилення значення людського капіталу в розвитку організацій. Запропоновані підходи та рекомендації щодо побудови HR-стратегії, маркетингу й бренду дозволять організаціям різних форм і масштабів позиціонувати себе як організацію, що сприяє власному розвитку та зростанню професійних і особистих позитивних якостей її персоналу.

### Statement of the problem

Marketing approach in management allows you to form the focus of management on goods and / or services, focusing on customer needs. Client-oriented strategies and tactics of activities have a target set-up to promote the market offer. In the management of personnel, the market of advancement is the labor market and vacancies of enterprises on the one hand, and the supply of labor force of various qualifications - on the other. But similarly with any market there is no unambiguousness and balance between demand and supply. This imbalance can be reduced by creating and developing of the brand of the employer, professions, industries and the personal brand of a specialist.

### Analysis of recent studies and publications

A number of research and practical works on HR issues addresses HR-marketing, as a rule, at the recruitment stage, and HR-branding as a part of a general brand of an enterprise or employer loyalty level [1-8]. The construction of an HR strategy is also not always complex and related to the overall strategy, although attempts at such an interconnection and the study of the assessment of the impact of human resource development on the overall indicators of economic growth of the enterprise are [9-15]. An integrated approach to the formation of an organization with a high level of corporate culture, team work, the introduction of professional and personal learning through life, involves the active development of internal and external HR-marketing, whose purpose is to form HR-branding organization at all its levels of management.

### Objectives of the article

The aim of the study is to identify the relationship of HR-marketing and HR-branding in managing the organization and formulating proposals for their development. The research is based on the analysis of the experience of companies with a high level of brand employer. Also, methods of modulating the system of links between strategy, marketing and brand in personnel management; interviewing IT workers; simulation of strategic projections were used.

### The main material of the research

**HR-marketing** involves analyzing the economic behavior of employees as clients and behavioral processes of other

participants in the labor market. If earlier the staff turnover excited managers only relatively highly skilled workers, today the introduction of sophisticated technologies in production, as well as various demographic processes require an employer to lean towards human resources. Despite the fact that the HR department directly does not make money for the company, it has a very large impact on the formation of its profits. Similarly to the efficiency of customer retention compared with the processes of finding a new one, it is necessary to monitor the staff turnover and find out the reasons for their transition to other companies. In pic. 1. the marketing logic of HR-management is presented. It shows the need to balance and determine the choice of search for a trained specialist and training existing ones.

Corporate training should also be targeted and trained in specific areas according to the needs of the organization. Structuring and describing business processes, identifying their owners and participants allows to optimize of business processes and their automation. Important are also strategic marketing tools like PESTL analysis, SWOT analysis. In some sectors, the labour market has become a market for the acquirer, especially for innovative organizations in such industries as IT, but in other industries, also it is necessary to "hunt" highly skilled professionals. The organization purchases the trained specialist at the expense of the various offers offered at the time of the invitation to work. The training of a specialist allows such proposals to be provided gradually, as well as more consistently form the corporate culture and even devotion to the company.

**HR brand** as the formed brand by the employer's, according to R. Mosley, "this is much more than a good logo. An advertising posters on the wall, etc., is a collection of material, functional and psychological benefits that are received by collaborators." [16]. It is important to understand by the employees that they are a part of the organization-brand, which cares about its employees and their development. The effectiveness of an enterprise brand in general and as an employer depends on staff managers, marketers and top managers. They work together to create an employee-based environment based on knowledge, technology and experience. In Figure 2 the relationship between HR-marketing and HR-brand is presented.

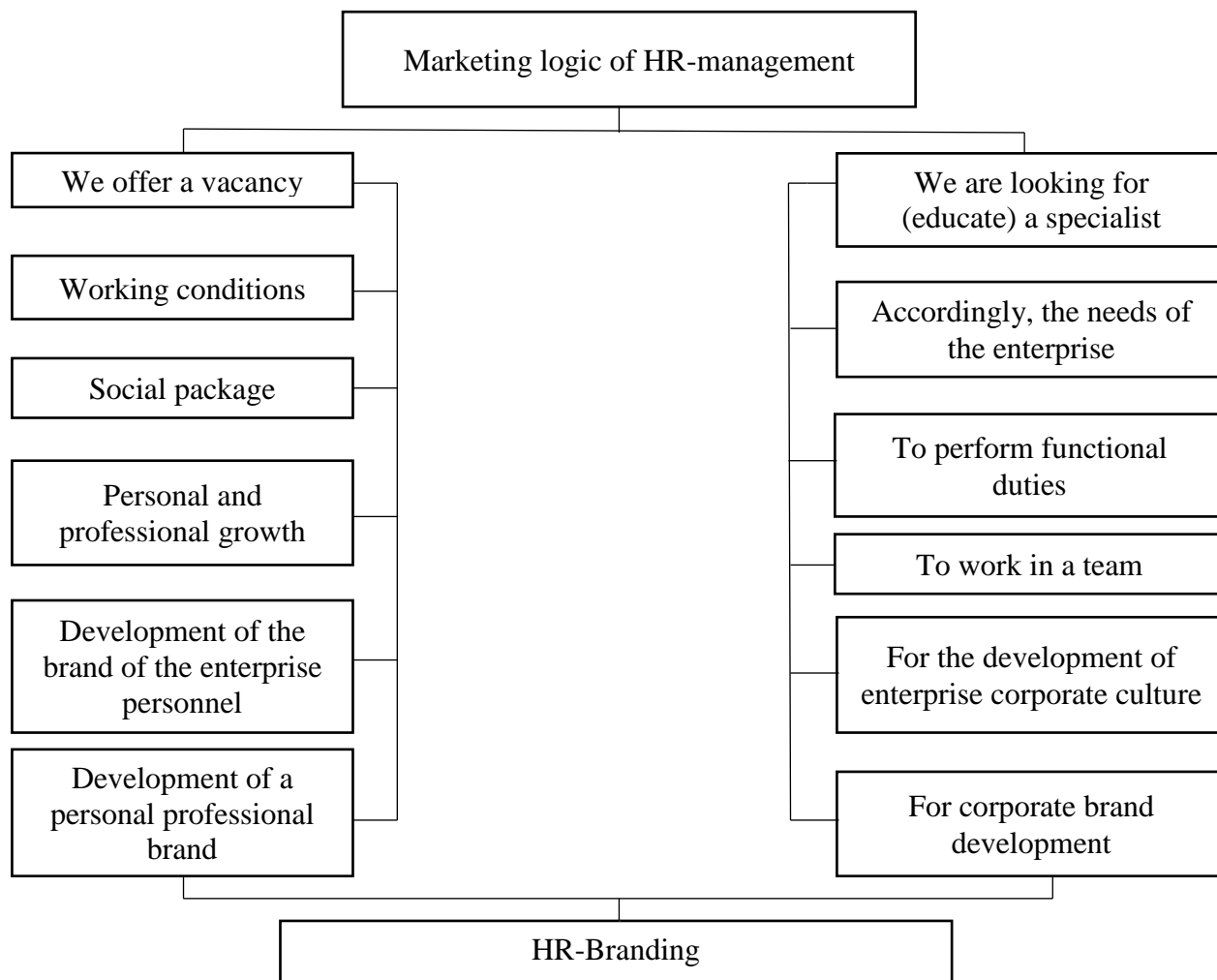


Figure 1. Marketing logic of HR-management and HR-branding

\* - developed by the author on the basis of his own research

The brand of the employer is it, what people think about the organization. The HR-brand is the complex of the brand of the employer and the brand components of individual specialists, teams, projects. The key features of this brand are determined by external assessments in the labour market and product and service market. In addition, today the HR-brand is actively influenced by the social activities of the organization.

The main balance of supply and demand in the labour market and in the organization itself is to find a golden mean between what people want and what their employer can provide.

The HR-brand is an integral part of the corporate brand. All key aspects of the organization's strategic goals must have their leaders and help the management team move forward. It is necessary to apply continuous monitoring

and measurement of indicators of interaction, productivity, achievement of strategic goals. HR-marketing is a complex of values of employees and organizations with measures of attraction of attention of employees and education of their leadership and their own brand.

The introduction of high technologies and the attraction of highly skilled professionals poses a threat to the company's inability to create conditions for meeting the needs of people with diverse talents, maintaining and developing their competitive advantage. Often, it is often necessary to form a team to carry out a defined activity and to take into account the compatibility of its participants and the distribution of roles. The employer's brand helps to attract the necessary talented professionals.

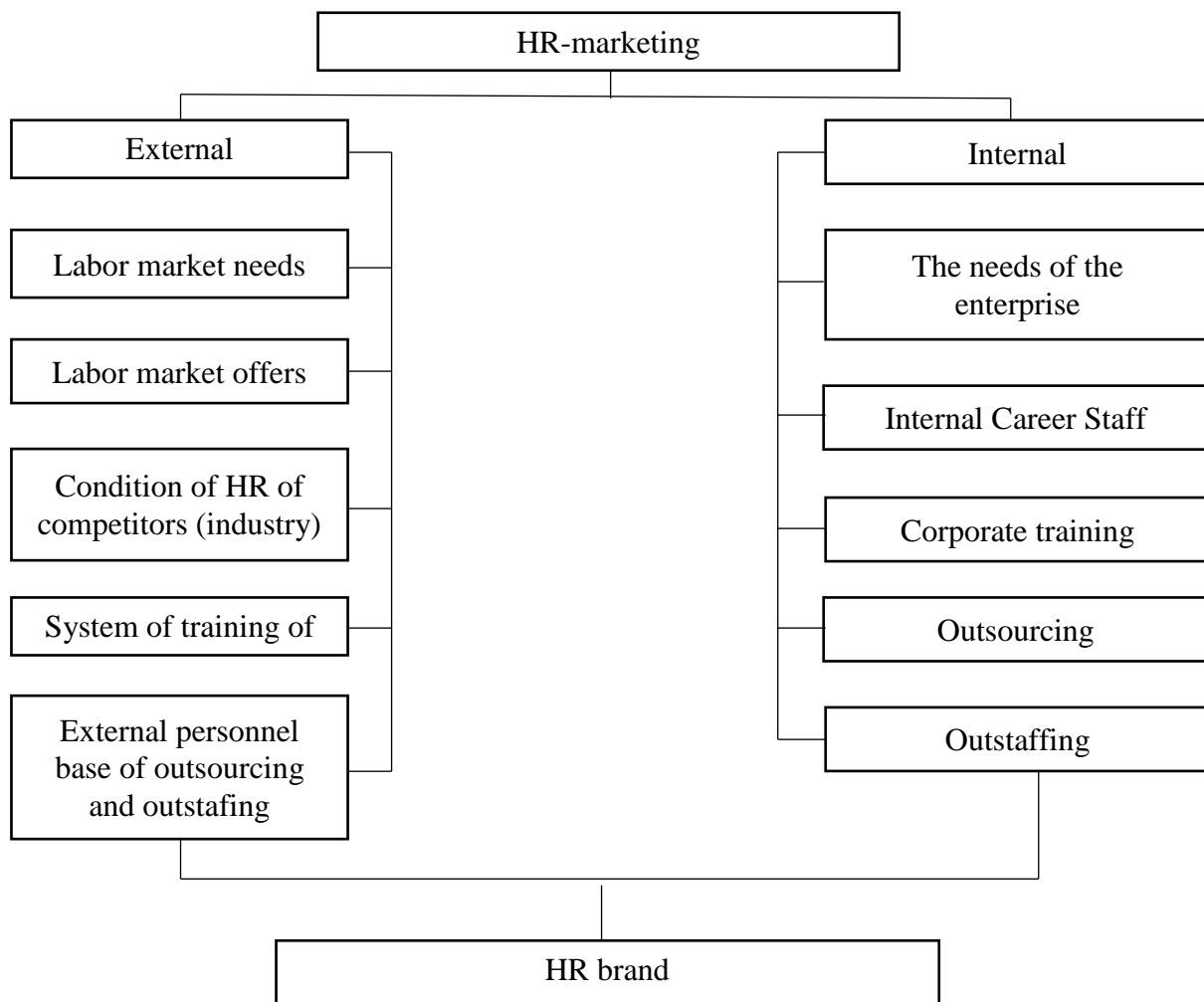


Figure 2. External and internal HR-marketing for building a HR-brand

\* - developed by the author on the basis of his own research

**Results. 7P for staff marketing.** It is also advisable to consider 7P for staff marketing. Place - the labour market and the organization itself; product (service) - a job; environment - conditions of work and training of a specialist; human resources - an employee; team of specialists; the cost of each of the specialists and teams; promotion (career of staff); processes - identification of owners and participants of business processes, responsibility and quality of execution. As for the sequence of branding and marketing research, there is no clear answer to this question. There are companies whose brand is equal to the employer's brand, there are situations in need of building HR-brand, which will be the basis for HR-marketing. And, on the contrary (more often), marketing research and events make it possible to form an effective HR-brand - a dream for highly skilled professionals.

**The HR- strategy** will be based on the formation of the main target projections. Attention will focus on measures of HR-marketing and brand outsourcing enterprises of the IT industry (according to information sources [17-20], as well as interviewing employees and HR-managers of IT enterprises in Vinnitsa )

One of example of strategy development for IT companies can be the experience of Indian companies that use the

new paradigm for human resource management and the organization of work of talented employees [18]. The role of human resource management plays a crucial role in partnering with business and external stakeholders and creates values and trust in the organization in terms of achieving its goals and assignments for the organization.

The basic projections of the HR strategy can be defined as follows:

1. Maintenance of all functional production and management processes by the personnel of the relevant qualification.

1.1. Owners and participants of business processes.

1.2. Forecast of development of production and management sphere of the enterprise and requirements for personnel.

1.3. Working conditions of the personnel.

1.4. Conditions and opportunities for career development of staff target groups.

2. Organizational culture as the basis for the development of each employee.

2.1. Employer's brand.

2.2. System of social support of personnel.

2.3. Training system.

- 2.4. Gameplay as an instrument of corporate culture.
- 3. Talent Management
  - 2.1. Key talented staff.
  - 2.2. Balanced formation of command groups and communications.
  - 2.3. The development of talented employees.
  - 2.4. Keeping Talented Staff.
  - 2.5. Marketing and recruitment of potential talented employees.
- 4. Labour productivity and payback of personnel costs
  - 4.1. Monitoring performance and employee performance.
  - 4.2. Assessment of Training outcomes and team work.
  - 4.3. Assessment of the impact of changes in human resource management on the results of the activity of the enterprise and its competitive advantages.

Effective human resource management is relevant to both developed economies and countries with economies in transition [21]. Depending on the life-cycle, the strategy may be more deployed [12]. It is clear that in the first stages it is difficult to talk about competitive advantages. But in later stages, as the organization grows and becomes more mature, strategic procedures and tools are more developed and the impact of the company's human resources development on its economic growth and competitive advantages.

The first projection is functional. It is designed to provide all technological and managerial processes, identify their owners, participants and component operations. This makes it possible to identify all the features of each process, the requirements for personnel. Ideally, such processes and requirements should be described in the quality management system and monitored by quality managers [22]. The second component of this projection involves performing analysis of the production and management of the enterprise, determining the life cycle of each product, service, equipment, etc. This will allow you to identify the time for innovation, technology upgrading and, consequently, the need for advanced training and / or recruitment of new staff. The first two components are detailed in the latter two as the terms of work of the staff (for IT companies - these are special platforms, remote work opportunities, the concept of project management software development, etc.), as well as conditions for career development (for example, for outsourcing IT enterprises, active is important support for studying English, included in the social package for employees of these enterprises). The latter component can only be realized under the condition of positioning each highly qualified specialist in terms of career development, monitoring the results of his activity and discussing the further career development opportunities within the enterprise.

The second projection forms the organizational culture that is the basis of the enterprise's internal environment. Ideally, the company has a modern information management environment that includes a variety of reference information tools, as well as special dynamic communication tools, knowledge bases for adopting a variety of managerial and technical solutions, professional and psychological support, etc. The level of organizational

culture supports and enhances the employer's brand level. Regular support of social packages for employees (insurance, providing quality water, snacks, availability of recreation areas, etc.) and special projects of various social events create an atmosphere of employee belonging to the brand company of the employer, an understanding of its necessity and security. The component training is separate from the projection, which requires a separate study. The focus of the training should be on the main business processes and psychological peculiarities of IT specialists and other target groups of employees, it is expedient to activate micro-training, self-learning with the help of structured knowledge bases, methods of gaming [23-28].

Gameplay is also defined as a separate component of the second projection, because it can be used not only in training, but also in attracting new employees, developing various business scenarios, optimizing business processes, engaging employees in discussing and adopting key management decisions [28].

The third projection can be realized only if the identified talents are identified for the sphere of activity of the enterprise and the conditions for their support, preservation and development. It is for this purpose that it is necessary to form an effective system of communication both in project teams and other command groups, and between them. Active introduction of various platforms and stationary systems for the development of talented employees. At various stages of enterprise development, the preservation of talented employees should be one of the most important areas, and even in the crisis, this process must be activated, which will enable the effective implementation of anti-crisis measures and the establishment of further activities. A separate component of marketing and recruitment of potential talented employees is closely linked to the development of the employer brand, collaboration with industry clusters, educational institutions and the development of their own corporate learning [8; 17; 29; 30].

The strategy can be realized on the condition of monitoring the results of the specified tasks, processes, general results of the enterprise activity and the impact on these results of the work of the personnel (as separate departments, project teams, and each individual employee). The fourth projection is one of the most complex, since the assessment of labour productivity and payback of management and training costs remains a sufficiently controversial issue and needs to be improved [14; 23; 24; 31]. Cross-checking and self-assessment of completed tasks, the number of tasks performed, and the level of their complexity - all this is included in the system of evaluation, which is carried out by managers and supported by special information platforms.

### Conclusions

The comprehensive HR-strategy focuses on HR-marketing and HR-brand development. The HR-strategy contains such modules for formulation, analysis, formation, organization, monitoring and implementation of diverse activities.

1. Mission of the organization in relation to the personnel.
2. Definition of target groups of personnel and their features.

3. Determine the organization's requirements for the target groups of staff.
4. Analysis of opportunities offered by the labour market in accordance with specific target groups of staff.
5. Formation of a job as a "delicious" product of an organization.
6. Formation of the vacancy as a goal for the career development of existing staff.
7. Organization of vertical and horizontal professional growth of personnel.
8. Formation of the staff base for implementation of outsourcing and outsourcing processes.
9. Monitoring reviews to support the brand loyal employer.
10. Active work at conferences, exhibitions, social networks, presentations in various media projects.
11. Formation of a coaching system for training the personnel and reducing the risk of loss of knowledge of the organization.
12. Active use of information technologies, including knowledge bases, internal and external web portal,

automation of basic technological and managerial processes, document circulation, etc.

13. Implementation of social entrepreneurship and social charity activities.

Despite the consistent logic of research and the determination of the need to enhance the relationship between HR-marketing and HR-brand, the formation of the main stages of building a comprehensive HR strategy are issues that contain a lot of controversy and require further research. Including:

- the limits of professional growth in a specific organization for a specialist - especially for medium and small businesses;

- the growth of a personal brand and the transition to another company of a highly skilled specialist or the establishment of his own business, work as a freelancer, etc.;

- the issue of the loss of knowledge of the organization and the reduction of the rating level HR-brand in connection with the release of a key employee.

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