

Personnel Marketing as Perceived by HR Managers in Czech Republic: Results of a Qualitative Research Study

Lukáš Mazánek, Zdeňka Konečná

Abstract—The article is devoted to the area of personnel marketing. A comprehensive review of scientific literature and articles published predominantly in personnel-oriented journals was carried out, followed by a qualitative exploratory research with the aim to explore and explain the perception of personnel marketing. Due to the lack of research in this field in Czech Republic, we have focused on Czech HR managers, more specifically, on how they understand the tasks of personnel marketing, which tools they use and whether the companies they work for try to be a preferred employer. The answers from our respondents were used to help us determine what is important within this field. All of the respondents strive to be a preferred employer and try to achieve it by using an extensive range of marketing tools. The most frequently used tools are advertising, job fairs presentations, employee care and employer brand promotion.

Keywords—Czech Republic, personnel marketing, preferred employer, qualitative research study.

I. INTRODUCTION

IN order to increase the effectiveness of a company, several types of resources can be used. When considering money, humans and machines, the most important of them all are the people [1]. Personnel marketing helps when it comes to the effort to form and maintain the necessary and talented labour force of a company. Therefore, it represents the use of a marketing approach in the area of personnel. It was formed as a separate discipline within personnel management at a time when labour supply was exceeding demand. This situation could be described, as a labour market disposed with many job vacancies, which were difficult to fill with good quality employees using traditional methods of recruitment within personnel management [2]. Personnel marketing, as a field, reflects the need of a company to sell a vacancy in the most effective way: sell it to a good candidate for the lowest cost incurred with regard to its presentation in the labour market and the whole execution of the selection process. It represents the tools, manners and procedures of offering a vacancy on the labour market employed by the owner of the labour force, and the way the company acts and behaves in the role of a vacancy seller on internal and external labour market [3].

Instead of a product and service, the labour market's

Lukáš Mazánek, doctoral student, and Zdeňka Konečná, associate professor, are with the Department of Management, Brno University of Technology, Faculty of Business and Management, Kolejní 2906/4, 612 00 Brno, Czech Republic (e-mail: mazanek@fbm.vutbr.cz, konecna@fbm.vutbr.cz).

demand for labour meets the offer of available positions by companies. Hence, job applicants are considered customers and the offer is provided by employers [4]. Apart from hiring new employees, personnel marketing includes the task of creating an employee's profile before he or she actually becomes an employee, and it is also responsible for dynamic motivation and development of employees [5]. Sagaidak views the aim of personnel marketing as a systematic approach to the improvement of work with employees [6]. According to Poláková and Häuser, it helps to recognize the needs and expectations of employees and could ensure the acquisition of competitive advantages over other organizations. In their view, an important part of personnel marketing lies in the analysis and research of factors on the labour market. The goal of such personnel research should be the optimization of internal and external personnel policies and strategies [7]. Effectively applied, personnel marketing is one of the significant ways to achieve an increase in quality of human capital within a company. However, it is necessary to apply the chosen tools within the context of a concrete organizational culture [4].

II. THEORETICAL BACKGROUND

A. Perception of Personnel Marketing

An equivalent term commonly used in English-language publications to the concept of personnel marketing, is internal marketing. The concept of internal marketing has been studied for more than 30 years to understand how marketing principles can be directed towards employees, based on the understanding that the marketing success of a company is partly determined by its employees [8]. The results of the literature review indicate that internal marketing has been variously defined and differently understood.

There has been a great deal of debate about the construct of personnel marketing and the crux of these discussions largely centres around determining whether internal marketing is a human resource [9] and/or marketing [10] function, and whether internal marketing is a philosophy or a set of initiatives and activities for implementation. Arnett also considers training and motivating part of internal marketing [11]. This idea is also compatible with the most recent definition of internal marketing that was put forward by Munir in 2015 [12].

B. Perception of Personnel Marketing in Central and Eastern Europe

The development of personnel marketing thinking in CEE countries has been present in German written literature since the 1960s. However, personnel marketing was perceived as a separate area from the field of human resource management. Therefore, managers recognised that the competitive advantage, as well as the company's survival, depends on the quality of human resources. Hence, these resources should be recruited in required quantity, quality and in a timely manner [13]. Due to still larger problems with recruitment from the external labour market, it was necessary to create a goal-oriented system based on human resource recruitment in the framework of personnel marketing [14]. Some authors connected personnel marketing only with a specific area where marketing tools such as 4P, are applied [15]. However, personnel marketing is not only about recruitment, it also about stability in personnel policies and about preventing workforce fluctuation [16]. The company should adapt itself to the labour market demand, not only try to sell job vacancies [17]. When defining the key activities of personnel marketing in German companies, the recruitment, selection, and development of employees, followed by personnel planning, research made to understand the personnel marketing mix and the creation of employer image are proposed [13]. Slovak authors started to address personnel marketing after the revolution in 1989 when the economy opened to foreign investment. They used this term as a modern designation for personnel recruitment. Due to economy transformation and numerous changes, which were not common during the period of central planning, there was rising unemployment connected with the inability of the workforce to succeed in the labour market. Therefore, personnel marketing had an important place within the process of finding and recruiting appropriate quality employees [18], [19]. Czech authors understand personnel marketing as an individual part of the modern tendency in marketing development. It represents a specific connection, application of concepts, functions and marketing tools under the conditions of personnel management. The main goal is to attract the attention to the employer's qualities through finding, recruiting and stabilizing the employees [20]. Tuma suggests expanding the competencies of personnel marketing on employee's professional development [21]. Stýblo argues that personnel marketing is not only about recruitment but that it is primarily a system based on thinking and managing, oriented from both the internal and the external company environment [22]. The main focus of personnel marketing is to attract potential employees, furthermore, organizations try to become the "employer of choice" or so-called "preferred employer". Therefore, sophisticated human resource management becomes a conceptual approach in today's companies, concurrently with the abovementioned need of active attraction, especially in the external promotion and online environment [2].

III. PERSONNEL MARKETING PERCEPTION: RESEARCH RESULTS FROM CZECH REPUBLIC

By searching comprehensive databases (Emerald, Web of Science, Science Direct), we have found that the concept of personnel marketing has rarely been examined in CEE countries. Interesting results were obtained in Szarková research on the conditions of the Slovak Republic, which is perceived as a small European country with fast growing open economy [19]. Therefore, we decided to conduct research on the conditions of the Czech Republic. The goal was to approach personnel managers and find out how they perceive the aim of personnel marketing in Czech companies.

A. Research Method

A qualitative exploratory research was conducted. The aim was to understand the specifics of the personnel marketing perception in the Czech Republic. The results allow us to formulate research questions and hypotheses for the future.

The research consisted of the following three questions:

1. What is personnel marketing (in your opinion)?
2. Which tools of personnel marketing do you use?
3. Are you striving to be a preferred employer in the field of your company's influence? If so, how are you trying to achieve this goal?

B. Sample

We asked 40 HR professionals to answer our questions through instant messenger on LinkedIn. A prerequisite for being chosen was professional experience in HR management in a company with a registered office in the Czech Republic, which has an independent HR management position.

We were in contact with 28 HR managers, but only five responded to our questions. Two of the participants were men and three were woman. All of them work as personnel managers in the field of logistics, pharmaceutical, financial, manufacturing and recruiting agencies.

Respondents:

- R1: HR and project specialist at a Logistics Company founded in the Czech Republic (Respondent A)
- R2: HR specialist at a global staffing and recruitment agency (Respondent B)
- R3: Senior recruiter at a global pharmaceutical company focused on research and development of innovative products (Respondent C)
- R4: HR marketing specialist at a Czech financial company (Respondent D)
- R5: HR manager at a Czech manufacturing company specializing in production and assembly of plastic components (Respondent E)

All of the responses would be processed through qualitative content analysis in the following chapter.

C. Research Results

1. What Is Personnel Marketing According to Czech HR Managers?

A few regularities were observed in the perception of personnel marketing based on the statements of respondents.

In discussing the first question – defining personnel marketing based on the respondents' opinion, they mentioned that it is connected with the application of marketing tools in HR management, especially branding. The way they achieve good reputation and employer brand is connected with company promotion. The need for strong company presentation to possible applicants was mentioned by all respondents:

"This means the use of classic marketing tools, and most of all, employers' branding." (Respondent A)

"It is a way to promote a brand of a particular employer and company values." (Respondent B)

"It contributes to the creation of a strong name and company brand in the labour market." (Respondent C)

"Currently we perceive personnel marketing as a tool for building our brand as an employer." (Respondent D)

"In my opinion, personnel marketing could be defined as all possible marketing strategies applied in the personnel field. The common aim, similar to that of marketing, is positive brand creation. In this case, the good reputation of the employer." (Respondent E)

According to all our participants, the creation of a strong brand and a positive employer reputation is key to personnel marketing. Hence, they mentioned the need for external and internal presentation to promote the company.

"I understand personnel marketing in two ways. The first one describes an organization as focused on promoting a company and the second one presents it as a perfect working environment. The wider conception includes all aspects of personnel activities" (Respondent A)

Participant B mentioned that it is also important for applicants to be able to identify with the values of the company:

"It is a way to express company values and allow people to identify with them." (Respondent B)

Participant C and D reflect on the task of external presentation within personnel marketing in relation to recruiting:

"In my view, personnel marketing is related to activities of human resource management. During recruiting it effectively helps present the company to potential employees." (Respondent C)

"In our company we use personnel marketing on two levels. During the recruitment enhancing when we try to ensure that talented external aspirants know about us and have an active interest in working here." (Respondent D)

Participants A, C, E notice that internal promotion is also important for the company, especially represented by the care of the current employees:

"It is not only about external presentation, but also about internal perception. In my opinion, personnel marketing is all about the first-rate care of potential, as well as current employees, and the ability to present the level of this care to the labour market." (Respondent A)

"I see the task of personnel marketing as focusing on and taking care of current employees as well". (Respondent C)

"I suggest there is a place for external strategies specifically oriented towards potential applicants, as well internally focused on current employees." (Respondent E)

Subsequently, respondents emphasized the importance of continuous care for current employees:

"It means to deal with potential workers who can become part of the company, as well the exceptional and sensitive care of current employees. In the field of personnel, I believe that this is very important because satisfied and motivated employees are the best advertisement for a company. When a company successfully manages internal processes, the external presentation can be quite simple." (Respondent A)

"Stabilizing, motivating and enhancing the loyalty of employees to the company where they are working." (Respondent E)

2. Which Tools of Personnel Marketing Are Used by Czech HR Managers in Their Companies?

"In our company we use personnel marketing tools in the framework of effective planning, timing, resources and budgeting and organizing job fairs." (Respondent C)

The description of marketing tools used in Czech companies was explained especially in the framework of external and internal presentation:

"Currently I have been working on improving internal processes and employee satisfaction. Unfortunately, any specific form of personnel marketing in my company is at the very beginning." (Respondent A)

"In my senior recruiter position, I am focused only on internal and external advertising vacancies and on the continual development of a referral program." (Respondent C)

When we looked closer at the particular tools focused on external presentation, our participants mentioned the following options:

"I am trying to use social media networks to achieve a better external presentation of the company because it is an inexpensive and strong and effective tool. It is correct to say that I am trying to implement some form of employer branding." (Respondent A)

"In our company, we use tools as career web sites, advertising, promotion at trade fairs and student events." (Respondent B)

"When discussing the tools that we currently use, there are many points. In short, in the online field we are preparing a new career site on LinkedIn (profile management and career bookmarks, active communication, Talent Direct campaigns). Something similar can be found on Facebook (career bookmarks management, regional campaigns to strengthen recruitment at selected positions). We are also focusing on campaigns in regional online journals and work

portals (highlighting positions at jobs.cz, prace.cz). We advertise on radio, in printed journals, and through OOH (outdoor media mediums e.g. banners in buses, bus stops). Job fairs, especially those organized at universities, are a good opportunity for promoting our company and are where we can promote, for example, our development programs in which we connect our employees with students (e.g. program titled: My potential)." (Respondent D)

"The personnel marketing tools that I currently use include company website management and online advertising, as well as radio, newspapers and journal advertisements, and leaflets distributed to the public, billboards, broadcasting on a local radio and presentations at job fairs... Our aim is a continuous improvement of these tools." (Respondent E)

Particular examples of internal presentation used by our participants:

"Personnel marketing tools in our company are also internally oriented, for example, promoting the internal communication connected with employee development, eventually implementing internal development tools (e.g. a career development centre) or engaging employees in a recommendation or "referral" program, (it means that an employee recommends potential talent and is adequately rewarded when that candidate is hired)". (Respondent C)

To enhance organizational culture and identity, one of our participants mentioned organizing informal corporate events in the framework of employee care.

"Twice a year we organize corporate events for all employees." (Respondent E)

The second question was aimed at particular tools of personnel marketing which are used in the participants' companies. All respondents identified advertising as a tool used in personnel marketing, including the use of online advertising via company web sites, carrier sites and social networks such as Facebook or LinkedIn, as well as radio and printed advertising in journals, newspapers and on billboards. Job fairs and events aimed at students were also mentioned as an ideal place for presenting a company. When discussing internal tools, the participants mentioned the possibility of referencing, employee care through developmental programs and additional motivational tools, as for example, corporate events.

3. Do Czech Companies Try to Be Preferred Employers? How Do the HR Managers Strive to Achieve This?

"Certainly we strive to be a preferred employer. I think it should be a goal for all properly functioning HR departments in all companies. In order to achieve that, we provide first-rate care for our current, as well as our potential employees and we communicate our successes internal as well outside the company." (Respondent A)

"Yes, during all possible events and means in all media we communicate who we are and what is important for us." (Respondent B)

"Certainly we strive to be a preferred employer. In my particular position, I mainly try to promote the previously mentioned Referral program, alternatively, through cooperation with colleagues on other promotional activities, e.g. on job fairs." (Respondent C)

"We definitely strive to [do that]. The greatest emphasis is put on strong employer brand building. This year we have undertaken a lot of internal, as well as external research, which helps us to understand our EVP (employer value proposition). This value creates the core of our brand and of all our communication activities with newly recruited employees, as well employees who already work with us. When looking ahead to the future, during next two months we are going to run a new campaign which will present our employer brand in more detail." (Respondent D)

"We certainly try to be better than our competitors. We focus on what the competition offers and how they present themselves, and try to compare how applicants react to us and to similar companies in our sector. If we find that there is a perceived shortage somewhere, we work on the improvement immediately. For example, this year we have the increased wage assessment for a number of professions in order to get ahead of the competition. Similarly, we have complemented and improved our benefits system." (Respondent E)

In this final question, we tried to find out whether the companies endeavour to become a preferred employer. All of the respondents stated that being a preferred employer is their aim and that they also use specific methods to reach this target. The most common answer was the creation of a strong brand. The respondents stated that strong position can be achieved thanks to the impeccable care of current employees and promoting company values via all forms media. One of our respondents mentioned a key task is to understand the competition; that is how rival companies presented themselves and how applicants perceived them. The goal is to be able to offer better working conditions, and higher remunerations and benefits than the competition.

IV. CONCLUSION

In today's highly interdependent and competitive global economy, most organisations face the challenge of attracting and retaining talented employees [23]. It means that in order for a company to gain a strong reputation and prominence in the marketplace, it is crucial for an employer brand to attract talented people who represent a strong competitive advantage.

In our presented empirical study, we have dealt with the perception of personnel marketing. After a comprehensive literature review, we discuss the application of marketing tools in personnel management. An interesting finding was made in the field of terminology, as the phrase "personnel marketing" is very rarely used in written English-language literature. Generally, the term "internal marketing" is used, and as such, we focused on the explanation of this term when defining the global perception of personnel marketing. Consequently, we carried out exploratory qualitative research in Czech Republic.

The respondents were HR managers who work in companies with a registered office in Czech Republic. Our study has shown very similar results to research carried out in other parts of the world. To sum up, as essential for being perceived as a preferred employer, is the immense effort of employers for building a good reputation in the market and employee care, including professional employee development which contributes mostly to internal and external company promotion.

The main aim of our research was to discover whether personnel managers understand the function of personnel marketing as it is stated in theoretical works. The research has shown that HR managers know only the functions they use in practice and that personnel marketing is understood as a part of personnel management. In contrast to our study, they also identified the efforts to understand the labour market needs. Interestingly, according to both Szarková's research [19] and our findings, the most useful and essential elements of personnel marketing is company image creation – employer brand establishment and development. Both studies highlighted the importance of the perception of advertising and public relations management in the framework of personnel marketing.

REFERENCES

- [1] J. S. Kahinde, (2012), Talent management effect on organization performance. *Journal of management research*, volume 4 No 2, pp 178 - 186.
- [2] J. Koubek, (2015), *Řízení lidských zdrojů: základy moderní personalistiky*. 5., rozš. a dopl. vyd. Praha: Management Press, 399 s. ISBN 978-80-7261-288-8.
- [3] W. Maier, W. Fröhlich, (1992), Personalmanagement für Klein und Mittelbetriebe. Heidelberg: *Sauer Verlag*, s. 129. ISBN 3-7938-7069-3.
- [4] M. Antořová, (2005), Marketing-mix v personalistice. In: *Moderní řízení*, roč. 40, č. 11, s. 42-44. Praha: *Economia*. ISSN 0026-8720.
- [5] L. Klimentova, (2008), Personalny manazment verzus personalny marketing. *Dny prava – 2008*, In: Právnická fakulta Masarykovy univerzity, Brno, s. 137-149, ISBN 978-80-210-4733-4.
- [6] M. P. Sagaidak, (2013), Internal marketing and personnel marketing: The comparative analysis. *Actual Problems of Economics. National Academy of Management*. - ISSN: 19936788. - Volume 145, Issue 7, 2013, Pages 110-117.
- [7] I. Poláková, S. Häuser, (2003), Personální marketing, *Moderní řízení*, roč. 38, č. 8, str. 46-47, ISSN 0026-8720.
- [8] L. L. Berry, J. S. Hensel and M. C. Burke, (1976), "Improving retailer capability for effective consumerism response", *Journal of Retailing*, Vol. 52 No. 3, pp. 3-14.
- [9] M. Rafiq and P. K. Ahmed, (1993), "The scope of internal marketing: defining the boundary between marketing and human resource management", *Journal of Marketing Management*, Vol. 9 No. 1, pp. 219-232.
- [10] W. R. George and C. Grönroos, (1989), *Developing Customer-Conscious Employees at Every Level—Internal Marketing*, Amacom, New York, NY.
- [11] D. Arnett, S. German and S. Hunt, (2003), "The identity salience model of relationship marketing success: the case of non-profit marketing", *Journal of Marketing*, Vol. 67 No. 2, pp. 89-105.
- [12] Z. A. Munir, A. A. Othman, S. A. M. Shukur, R. Ithnin and S. D. Rusdi, (2015), "Practices of internal marketing in small and medium industry", *International Journal of Social Science and Humanity*, Vol. 5 No. 4, pp. 358-361.
- [13] W. Meier, (1991), Strategisches Personalmarketing: Analyse – Konzeption – Instrumente. In: Maier, W., Fröhlich, W.: *Personalmanagement in der Praxis*. Wiesbaden: *Gabler Verlag*, s. 65. ISBN 3-409-13852-8.
- [14] U. Buchholz, (1991), Personalrekrutierung in schierigen Beschaffungsmärkten. In: Maier, W., Fröhlich, W.: *Personalmanagement in der Praxis*. Wiesbaden: *Gabler Verlag*, 1991, s. 73. ISBN 3-409-13852-8.
- [15] R. Wunderer, and T. Kuhn, (1993), *Unternehmerisches Personalmanagement*. Frankfurt am Main: *Campus Verlag*, s. 145. ISBN 3-593-34943-4.
- [16] R. Bühner, (1994), *Personalmanagement*. Landsberg am Lech: *Moderne Industrie Verlag*, s. 62-63. ISBN 3-478-39610-7.
- [17] M. Kuypers, J. Nunne, (1991), *Personalmarketing*. In: Maier, W., Fröhlich, W.: *Personalmanagement in der Praxis*. Wiesbaden: *Gabler Verlag*, s. 62. ISBN 3-409-13852-8.
- [18] A. Kachaňáková, (1999), *Riadenie ľudských zdrojov*. Bratislava: *Ekonom*, s.74-75. ISBN 80-225-1206-0.
- [19] M. Szarková, (2014), Functions of the Personnel Marketing in the Perception of Business Managements in the Slovak Republic. *Societas et iurisprudentia*. Vol. 2 No. 1, pp. 174-185. ISSN 1339-5467.
- [20] J. Koubek, (2000), *Personálny marketing a marketing personálnej práce*. In: *Personálny a mzdový poradca podnikateľa*, č. 8, s. 86-104. Žilina. ISSN 1335-1508.
- [21] M. Tuma, (2003), *Kritériá rozpoznávania manažérskeho potenciálu*. In: *Personálny a mzdový poradca podnikateľa, Poradca podnikateľa*, č. 3-4, s. 172-189. Žilina. ISSN 1335-1508.
- [22] J. Stýblo, (2003), *Uplatňování personálního marketingu v praxi*. In: *Práce a mzda*, č. 4, s. 18-19. Praha: *ASPI Publishing*. ISSN 0032-6208.
- [23] N. Rathi, K. Lee, (2015), "Retaining talent by enhancing organizational prestige: An HRM strategy for employees working in the retail sector", *Personnel Review*, Vol. 44 Iss: 4, pp.454 – 469.