



Marketing Model of Modern Company HR Management for Provision of its Global Competitiveness

Modelo de mercadotecnia de la gestión moderna de recursos humanos de la compañía para la provisión de su competitividad global

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Received: 28/08/2017 • Approved: 06/10/2017

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ABSTRACT:

The purpose of the article is to develop a marketing model that allows achieving high effectiveness, adapting the HR management to the current needs of the company, achieving its high innovational activity, and ensuring corporate social responsibility in the interests of its global competitiveness. The methodology of the research includes the method of induction, deduction, systemic and problem analysis, analysis of causal connections, method of formalization, and method of modeling of socio-economic phenomena and processes. Theoretical foundation of the work consists of the modern concept of marketing, the concept of HR management, and the concept of global competitiveness of a company. The authors substantiate the basic marketing principles of HR management of a modern company for the purpose of provision of its global competitiveness: principle of honesty, principle of correlation, and principle of progressiveness. The work

RESUMEN:

El objetivo del artículo es desarrollar un modelo de mercadotecnia que permita alcanzar una alta efectividad, adaptando la gestión de recursos humanos a las necesidades actuales de la empresa, logrando su alta actividad innovadora y asegurando la responsabilidad social corporativa en beneficio de su competitividad global. La metodología de la investigación incluye el método de inducción, deducción, análisis sistémico y de problemas, análisis de conexiones causales, método de formalización y método de modelado de fenómenos y procesos socioeconómicos. La base teórica del trabajo consiste en el concepto moderno de marketing, el concepto de gestión de recursos humanos y el concepto de competitividad global de una empresa. Los autores corroboran los principios básicos de comercialización de la gestión de recursos humanos de una empresa moderna con el fin de proporcionar su competitividad

also offers perspective marketing tools of HR management in the interests of provision of global competitiveness: marketing research, marketing communications, PR, branding, and management of personnel's loyalty to the company, as well as recommendations for their practical application at the modern companies.

Keywords: marketing model, HR management, modern company, global competitiveness.

global: principio de honestidad, principio de correlación y principio de progresividad. El trabajo también ofrece herramientas de marketing de perspectiva de la gestión de RRHH con el objetivo de proporcionar competitividad global: investigación de mercado, comunicaciones de marketing, relaciones públicas, desarrollo de marca y gestión de la lealtad del personal a la empresa, así como recomendaciones para su aplicación práctica en las empresas modernas.

Palabras clave: modelo de marketing, gestión de recursos humanos, empresa moderna, competitividad global.

1. Introduction

New economy ("knowledge economy") opens new possibilities for entrepreneurial structures, but also sets new requirements from the society, business partners, and the state. On the whole, these requirements are brought down to the two main aspects of conduct of entrepreneurial activities: manifestation of high innovational activity due to growth of competition, dynamic change of market situation, and quick development of technologies, as well as taking corporate social responsibility due to increase of consciousness of the modern society.

Both these aspects are concentrated in the sphere of a modern company's HR management – as, on the one hand, human resources are a source of new knowledge and technologies, and, on the other hand, the attitude towards personnel is the sphere where a modern company can and should express its main social responsibility. This determines high actuality of study of possibilities and perspectives of improvement of the process of a modern company's HR management in the interests of provision of its global competitiveness.

The working hypothesis of this research consists in the idea that the traditional directive model of HR management of a company does not ensure the sufficient flexibility of management and thus is characterized by low effectiveness in the conditions of new economy. For the purpose of high effectiveness of a modern company's HR management in the interests of provision of its global competitiveness, there's a necessity for a marketing model that allows adapting such management to the current needs of a company, achieving its high innovational activity, and ensure corporate social responsibility. The purpose of the article is to develop such model.

2. Materials and methods

The sense of a traditional model of HR management of a company is described in detail in the works of such authors as (Orudjev et al., 2016), (Popkova et al., 2015), (Murphy et al., 2017), (Teimouri et al., 2017), (Ko and Ma, 2017), (Bohlouli et al., 2017), (Stone and Rosopa, 2017), (Rothenberg et al., 2017), (Koraus et al., 2017), (Pindek et al., 2017), etc.

The fundamental and applied aspects of management of a company's global competitiveness are reflected in the research materials of such scholars as (Suresh et al., 2015), (Rajagopal, 2014), (Lin, 2013), (Kaur et al., 2017), (Kamp and Parry, 2017), (Westerlund et al., 2017), (Niaki and Nonino, 2017), (Olevsky, 2016), (Cheng and Yiu, 2016), (Bogoviz et al., 2016a), (Bogoviz et al., 2016b), etc.

A company's global competitiveness is its capability to compete globally and oppose the foreign economic threats, as well as enter the world markets. As in this case the market is viewed as a global system, the company's position in this system is determined in comparison to other companies represented in the global economy.

As compared to the closed economy, in which the comparison is conducted with national or even local rivals, open economy supposes determination of a company's global competitiveness through its comparison to the global rivals. Therefore, the model company should be a leading enterprise in the world market.

The performed literature overview on the studied issues allows concluding that despite the acknowledgment of the connection between a company's HR management and its global competitiveness and the necessity for modernization of the approach to HR management due to formation of a new economy, the modern scientific literature lacks specific recommendations for its conduct and the outlines of such perspective model. Thus, we deem it necessary to develop the scientific thought in this direction.

The methodology of the research is based on using the method of induction, deduction, systemic and problem analysis, analysis of causal connections, method of formalization, as well as method of modeling of socio-economic phenomena and processes. The theoretical foundation of this work consists of the modern concept of marketing, the concept of HR management, and the concept of a company's global competitiveness.

3. Results

In view of the fact that market relations are present in all spheres of economy, marketing plays a key role in supporting and increasing the competitiveness of a modern company. This study offers to expand the limits of a company's marketing activities and to expand its influence to the sphere that is not traditional for it – HR management.

The main argument in favor of marketization of the process of HR management is the fact that modern companies compete not only for material and financial resources and sales markets – in their activities, the foreground is occupied by the intellectual components, formation and development of which are impossible without human resources, for which a tough struggle is conducted.

A peculiarity of competition for human resources is the fact that they should not only be attracted (like material and financial resources), but also be kept and developed, which makes HR management a very subtle, responsible, and risky business process, predetermining its high complexity. The main marketing principles of a modern company's HR management in the interests of provision of its global competitiveness are the following:

- principle of honesty: honest and responsible attitude towards a company's personnel, full observation of the effective labor laws, and, if possible, voluntary provision of additional privileges;
- principle of openness: creating and supporting two-party bilateral marketing communications between human resources (acting personnel and potential employees, presented in the labor market) and the company's management;
- principle of correlation: constant monitoring of the global tendencies in the sphere of HR management and supporting such management in the company in the actual state – if possible, the better state that with the rivals;
- principle of progressiveness: constant development of means and tools of HR management and adaptation to the actual market situation for the purpose of attracting and keeping the best human resources and for the purpose of their development and opening the innovational potential.

The authors offer the following marketing tools of a modern company's HR management in the interests of provision of its global competitiveness. The first tool: research marketing. Research should be conducted for determination of the current tendencies in the labor market and the targeted sales market for the company's products. They are necessary for selecting the optimal human resources and their timely renovation and development.

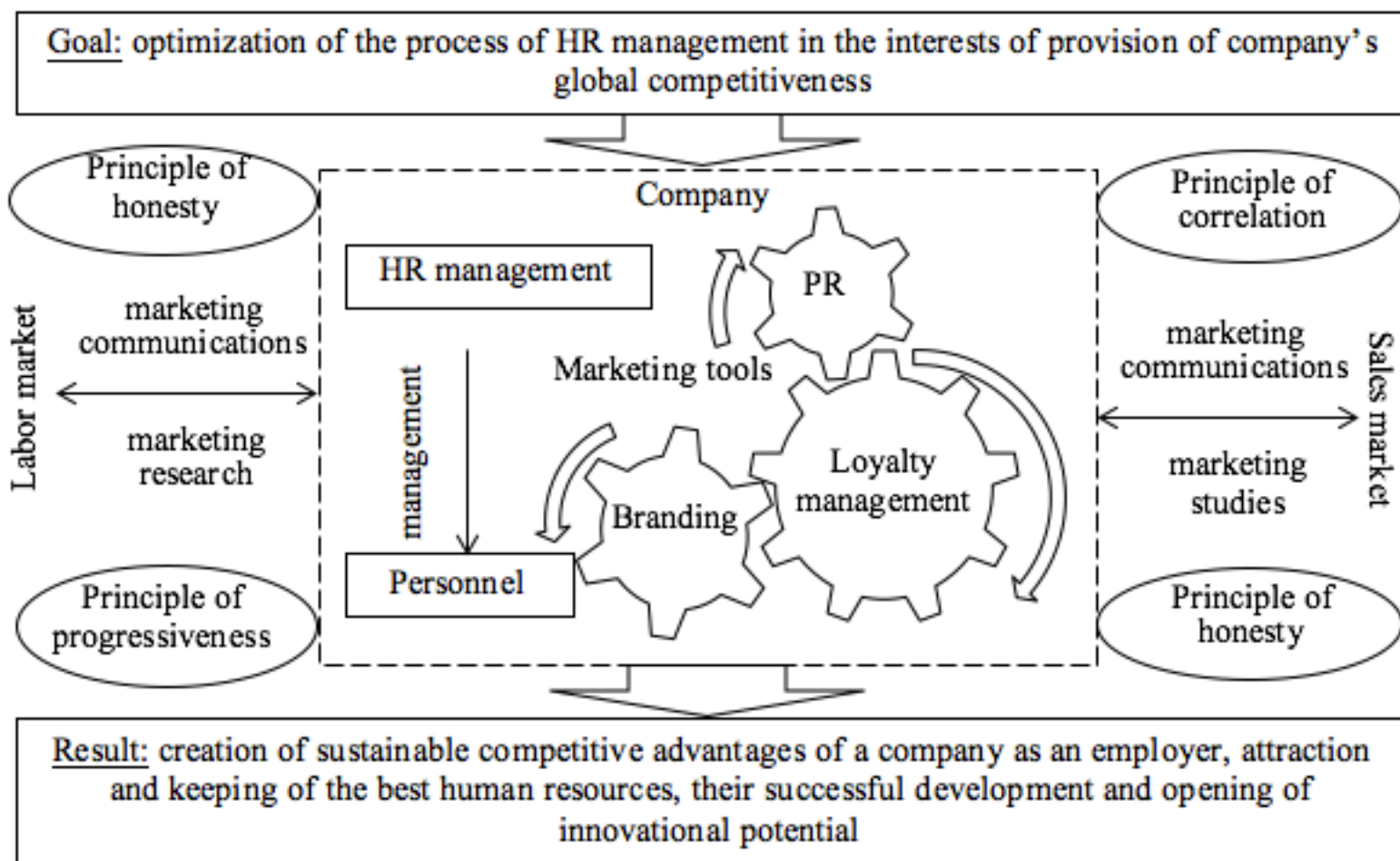
The second tool: marketing of communication. It should be used for formation of the interested parties' ideas on HR management at this enterprise. The third tool: PR. It is used within the company for establishing and supporting the dialog between the management and the company's personnel. Such bilateral dialog allows determining the possibilities, needs, and the potential of the employees and to explain the strategic goals of the company's development.

The fourth tool: branding. Its use should be oriented at formation and support for positive reputation of the company as an employer, so that all representatives of the labor market would strive to work at it – due to which the company will be able to attract and select the best human resources. The fifth company: management of personnel’s loyalty to the company. This is related to the existing employees and is aimed at creation of favorable conditions for their work at the company: opening the creative potential, high evaluation of their work, etc.

In general, application of these tools allows starting the process of intensive development (progress, modernization) of the system of HR management at the modern companies, thus increasing their global competitiveness. The offered marketing model of a modern company’s HR management in the interests of provision of its global competitiveness is shown in Figure 1.

Figure 1

Marketing model of a modern company’s HR management in the interests of provision of its global competitiveness



As is seen from Figure 1, the set goal of optimization of the process of HR management in the interests of provision of a company’s global competitiveness is achieved within the offered model with the help of creation of sustainable competitive advantages of a company as an employer, attraction and keeping of the best human resources, their successful development and opening of innovational potential of employees with the help of implementation of marketing tools into the process of HR management.

For practical application of the developed model, we offer to use a special proprietary scale for determining the correspondence of the model of modern company’s HR management to the interests of provision of its global competitiveness, which is given in Table 1.

Table 1

Scale for determining the correspondence of the model of modern company’s HR management to the interests of provision of its global competitiveness

Criterion for determining the model	Traditional model	Mixed model	Marketing model
Observation of the main marketing		these principles are announced	

principles of modern company's HR management in the interests of provision of its global competitiveness	these principles are not used	but are not observed systematically, or are observed partially	All these principles are observed automatically
Using the marketing tools of modern company's HR management in the interests of provision of its global competitiveness	these tools are not applied	these tools are used irregularly or ineffectively, or used partially	All these tools are used regularly and effectively

As is seen from Table 1, if the main marketing principles of modern company's HR management in the interests of provision of its global competitiveness are not used and the marketing tools of modern company's HR management in the interests of provision of its global competitiveness are not used, the model of modern company's HR management is traditional and does not correspond to the interests of provision of its global competitiveness.

If the main marketing principles of modern company's HR management in the interests of provision of its global competitiveness are announced but not observed systematically or are partially observed (but not all of them), and if marketing tools of modern company's HR management are used irregularly or ineffectively or are partially used, the model of modern company's HR management is mixed and partially corresponds to the interests of provision of its global competitiveness.

If all marketing principles of modern company's HR management in the interests of provision of its global competitiveness are systemically observed and all marketing tools of modern company's HR management are used regularly and effectively, the model of modern company's HR management is marketing and fully corresponds to the interests of provision of its global competitiveness.

The offered scale for determining the correspondence of the model of modern company's HR management to the interests of provision of its global competitiveness can be applied to any modern company, regardless on the economic system in which it functions. This allows using it by Russia and European companies.

4. Case study

Let us view the peculiarities of HR management by the example of a modern Russian company of the service sphere, which operates in Shakhty, Rostov Oblast, Russia. It is Vash Stil LLC – a trade company that has been working on the clothing marker for more than ten years. In 2015, the company's management sought our specialized scientific help, as the company had become unprofitable (losses constituted RUB 1.5 million in 2015).

We studied specifics of this company's HR management and determined that the main marketing principles of modern company's HR management in the interests of provision of its global competitiveness were not used, and the marketing tools of modern company's HR management in the interests of provision of its global competitiveness were not applied.

Based on this, we concluded that the model of this company's HR management was traditional and, under the conditions of growing influence of the market mechanism and globalization on the Rostov market of clothing, it didn't correspond to the interests of provision of its global competitiveness.

In order to solve the problem of preservation of business, the company's management was recommended to use the marketing model of modern company's HR management in the interests of provision of its global competitiveness. Due to observation of this recommendation, the company restored its global competitiveness in 2016 and gained the profit of RUB 5 million.

5. Conclusions

The results of the performed research provided a strong evidence base of the offered hypothesis on the necessity for transition of modern companies to the marketing model of HR management for supporting their global competitiveness. It should be emphasized that the developed model reflects not only the competition of companies for human resources but competition of workers in the labor market for the best employers. The bilateral character of competition ensures high popularity of the marketing model of HR management among the participants of the bilateral relations: employer-employee.

It should be noted that the targeted subjects of application of the offered marketing model of HR management in the interests of provision of the global competitiveness are not only companies presented in the global markets but all modern companies that function in the open economic system. This is caused by the fact that previously closed local markets become global, and the application of the traditional model of HR management leads to ousting the previous players from the market.

The viewed marketing aspects of a modern company's HR management in the interests of provision of its global competitiveness ensure the development of fundamental and methodological provision of the modern theory of HR management of a company and the theory of a company's global competitiveness, constituting the basis of theoretical significance of the performed research. Its practical value for modern companies consists in the applied recommendations for implementing the offered marketing model of HR management in the interests of provision of global competitiveness.

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Revista ESPACIOS. ISSN 0798 1015
Vol. 39 (Nº 01) Year 2018

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