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Innovative Human Resource Management

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Abstract

The paper focuses on personnel marketing, which treats employees like customers as part of an innovative approach in the field of human resource management. Using primary data, the work aims to identify attributes that lead to employee satisfaction. Collected from graduates of the Faculty of Economics at the Technical University of Liberec and businesses in the Liberec Region in 2016-2017, the results of primary research allow not only the identification of the most important attributes of satisfaction, but also a comparison of the results from the point of view of both employees and employers. Computer assisted web interviewing (CAWI) was employed as the data collection method. The outputs of the qualitative research represent knowledge important for recruiting employees and stabilising staff.

Keywords: personnel marketing, employee, satisfaction, research, innovation

JEL classification: M31, M51

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Introduction

The lack of qualified staff, the need for effective use of recruitment procedures, and the quality of employee care are the reasons why there is a stronger focus on the job market for staff and managers to follow trends and use modern tools to acquire and stabilize employees. Lack of skilled workers is a constantly increasing problem (Personalista, 2017) that negatively affects the development of the industry (Businessinfo, 2017).

This paper aims to broaden knowledge in the area of personnel marketing, which can be seen as an innovative method in the field of human resources management. In particular, the paper focuses on internal personnel marketing, which Georg (2015) describes as an effective tool for employee stabilization.

In the introductory part, the concepts of personnel marketing and internal personnel marketing are explained. In addition, the results of two quantitative research studies are presented and compared. One study focused on employers (companies in the Liberec Region) and the second focused on employees (graduates of the Faculty of Economics of the Technical University of Liberec). *The aim of both studies was to identify significant attributes (their importance) that lead to employee satisfaction.* Subsequently, the outputs from both studies are compared and interpreted.

The paper is based on foreign and domestic professional sources, secondary data and above all the findings of primary research.

Definitions and specifics of personnel marketing

The definition of personnel marketing varies slightly across the literature; however, the key part of all definitions is the statement that personnel marketing applies marketing approaches to human resources management and sees the employee (current and potential) as a customer.

Worldwide, the concept of personnel marketing began to appear in German professional literature in the mid-1960s. In that time it was characterized as a recruitment method. Due to the lack of demand for workforce, business managers began to become aware of the importance of a skilled workforce and the competitive advantage arising from it (Meier, 1991).

Since the 1980s and 1990s, personnel marketing was already divided in the world literature into internal and external. It was not only about recruiting new employees, but also above all about keeping them (stabilization). A new approach in the perception of personnel marketing began to be promoted (George, 2015).

The key moment for today's personnel marketing was the paper by Kotler et al. (2010) in *Principles of Marketing*, in which the author discussed the role of the employee whom an organization does not only see as workforce but treats as a customer.

In addition, Škare et al. (2015) and Žarnik-Žuławaska (2012) state in their works that a high-quality and skilled workforce is the most valuable resource that a company has and which it can appraise. They posit that qualified and motivated employees can help the enterprise survive less economically successful periods and encourage growth.

Internal personnel marketing

Internal personnel marketing consists of a wide range of activities undertaken to increase or maintain the attractiveness of an enterprise, both in the eyes of existing employees and potential jobseekers. In the framework of internal personnel marketing, companies strive to maintain qualified and sufficiently motivated employees who are subjected to proper management and encouragement to develop both professional and personal qualities (Strutz, 1992).

Another task of internal personnel marketing is to meet the expectations of employees who need to identify with the employer and its goals. If they can identify with them, it is possible to see in their work increased interest, commitment, dedication, self-satisfaction and satisfaction with the employer as a partner in working life. Internal personnel marketing is therefore focused on existing employees of the enterprise, who are offered benefits (financial as well as non-financial) with the main goal of retaining (stabilizing) employees, reducing fluctuation and the departure of these employees to other sectors.

Existing employees are a reference point for the public about the company that employs them, about their behaviour towards them, talks about working conditions. They influence the perception of the business among the general public. In this fact, there is a risk as well as an extraordinary opportunity for the company, because if the employees have a positive impression of a company and gain positive experience then they become the best promoters of the employer's brand (Stejskalová, 2009). Satisfied employees have a positive relationship to the business, are loyal to the

employer, are willing to work for the company beyond the call of duty, and willingly recommend the company as a good employer (Kucharčíková et al., 2011).

Work satisfaction is influenced by job security, sufficient financial and non-financial valuation of work, management style and business organization, employee's relationship to the work done, visible meaningfulness of work and self-satisfaction with the results achieved. In addition, it is possible to include among the elements determining employee satisfaction the level of working conditions that the company can provide for its employees, the possibilities of professional development, training and development plans. Last but not least, the style of communication and information sharing, the provision of information at all levels of the enterprise, the provision of standardized communication channels, or the sharing of reliable information (Herzberg et al., 2011) is crucial for employee satisfaction.

In conclusion, it may be added: human work, interpersonal relationships within the enterprise and the relations of the enterprise with its surroundings are one of the most important factors for competitiveness. Employee satisfaction has to be seen as one of the main goals of internal personnel marketing. Employee satisfaction is the foundation of an employers' good reputation.

Methodology

The aim of both presented studies was to identify the importance of satisfaction attributes (both from the employers' perspective and from the point of view of employees).

In terms of the methods used, the quantitative method has been applied in the surveys. The logic of quantitative research was deductive. Quantitative research requires strong standardization that ensures high reliability. The purpose of quantitative research was to determine the frequencies that the variables gain (Molnár, 2012). With regard to the aims of the work, a descriptive purpose can be identified in the research. The descriptive purpose directly examines the rate of frequency and effectiveness (Saunders, 2002).

Methods of selecting respondents: In the questionnaire survey aimed at businesses in the Liberec region, a total of 1,605 entities were addressed in 2016, of which 53% were micro-enterprises, 34% were small enterprises, 10% were medium enterprises and 2% were large enterprises. From the MagnusWeb database all companies from the Liberec region were chosen – the basic set contained about 10,000 units. However, only those businesses that were economically active, generating profits, were not bankrupt or liquidated, and were capable of being contacted (so that they could be subsequently emailed) were addressed.

In the questionnaire survey focusing on employees, in 2015–2018 all graduates of full-time studies, Faculty of Economics of the Technical University of Liberec, master's study were addressed. In total, there were 165 graduates who are now employees.

Data collection methods: Due to its direct applicability as well as its lack of financial and time demands, the research method of collecting data in the form of online electronic surveys (CAWI – Computer Assisted Web Interviewing) was used in both primary research studies (Roman et al., 2011). Information from the respondents was obtained via a link in the email that referred to a questionnaire located on the Survio website. A structured questionnaire was used as the primary data collection tool.

Data evaluation methods: These were derived from the research objective and type of data surveyed. The data obtained was evaluated using the Statgraphics 16 statistical program.

Results

This chapter presents the results of both studies obtained by means of primary data collection. The aim of both studies was to identify the importance of satisfaction attributes. The results of the research will be presented first from the point of view of employers, and then from the point of view of employees. The paper provides a comparison of the outputs of both studies.

HR professionals and graduates evaluated the importance of the attributes presented on a scale of 1–6, where 1 was of the utmost importance and 6 meant completely unimportant. An attribute whose median lies in the interval <1;2> is considered important, a median in the interval <3;4> has neutral importance, and a median in the interval <5;6> is unimportant.

Table 1 demonstrates the results of the study, in which respondents were HR professionals from companies in the Liberec region. The object of the finding was to determine the importance of defined attributes that lead to satisfaction. The questionnaire was filled in by 156 respondents.

Table 1

Evaluation of the Importance of Attributes that Lead to Satisfaction (Employer Perspective)

Attribute	Average	Median	Evaluation of importance
Salary level	1,9	2	important
Relationship with superior	1,9	2	important
Job security	1,9	2	important
Self-fulfilment	2,4	2	important
Social prestige of the position	3,3	3	neutral
Good reputation of the company	2	2	important
Possibility to apply own initiative	2,4	2	important
Management effectiveness	2,2	2	important
Working hours	2,3	2	important
Employee benefits	3,5	3	neutral
Job description	2,2	2	important
Workload	2,4	2	important
Work variety	2,5	2	important
Increase of qualifications	2,9	3	neutral
Friendly relationships with colleagues	1,9	2	important
Work environment	2,2	2	important
Career growth	3,3	3	neutral

Source: Authors' work

The table shows that none of the attributes submitted was rated by HR staff as irrelevant. As a neutral were evaluated *Social prestige of the position*, *Employee benefits*, *Increase of qualifications*, and *Career growth*. All other factors were rated as important. The most important attributes that HR personnel consider lead to

employee satisfaction were *Salary level*, *Relationship with superior*, *Job security*, and *Friendly relationships with colleagues*.

Table 2 shows the results of the study, in which respondents were graduates of the Faculty of Economics of the Technical University of Liberec (in the role of employees). In addition, in this research, the object of the finding was to determine the importance of defined attributes that lead to satisfaction. Respondents were interviewed in 2015, 2016, 2017 and 2018. In total, 164 respondents participated.

Table 2

Evaluation of the Importance of Attributes that Lead to Satisfaction (Employee Perspective)

Attribute	Average				Median / Evaluation of importance			
	2015	2016	2017	2018	2015	2016	2017	2018
Salary level	2,0	2,0	2,6	2,9	2/I	2/I	2/I	3/N
Relationship with superior	1,7	1,7	1,8	1,7	2/I	2/I	1/I	1,5/I
Job security	2,0	2,0	1,8	1,7	2/I	2/I	2/I	2/I
Self-fulfilment	2,2	2,0	2,3	2,5	2/I	2/I	2/I	2/I
Social prestige of the position	2,8	2,3	2,3	2,4	3/N	2/I	2/I	2/I
Good reputation of the company	2,4	2,0	2,0	2,1	2/I	2/I	2/I	2/I
Possibility to apply own initiative	2,2	2,1	2,2	2,1	2/I	2/I	2/I	2/I
Management effectiveness	2,3	2,1	2,9	2,9	2/I	2/I	3/N	3/N
Working hours	2,1	2,4	2,5	1,8	2/I	2/I	2/I	1/I
Employee benefits	2,6	2,1	2,4	2,6	3/N	2/I	2/I	2/I
Job description	1,8	1,7	2,4	2,2	1/I	2/I	2/I	2/I
Workload	2,2	2,2	2,6	2,6	2/I	2/I	3/N	2/I
Work variety	1,9	2,0	2,2	2,4	2/I	2/I	2/I	3/N
Increase of qualifications	2,0	1,9	2,6	2,6	2/I	2/I	2/I	2/I
Friendly relationships with colleagues	1,7	1,5	1,6	1,6	1/I	1/I	1/I	1/I
Work environment	1,7	1,7	2,0	1,8	2/I	2/I	2/I	2/I
Career growth	2,2	2,1	2,6	2,7	2/I	2/I	3/N	3/N

Note: I = important attribute, N = neutral attribute

Source: Authors' work

From Table 2 it follows that none of the attributes is unimportant for the respondents (employees). It can also be noted that none of the attributes presented was considered continuously neutral during the four years of data collection (throughout the reference period). Conversely, most of the attributes presented were considered by the respondents to be of continuous importance (see evaluation I). The most important attributes that lead to employee satisfaction (assessed by the employees themselves) can be considered *Relationship with superior*, *Friendly relationships with colleagues*, *Work environment* and *Job security*.

Table 2 also shows a certain development in the evaluation of individual attributes. It can be stated that during the data collection period the attributes

Salary level, Management effectiveness, Workload, Work variety, Increase of qualifications and Career growth **decreased in importance** in relation to the influence on employee satisfaction and that, on the contrary, the attributes *Social prestige of the position, Good reputation of the company and Job security* **increased in importance**.

When comparing the results of research focused on employers (Table 1) and the current study (year 2018) focused on employees (Table 2), it is possible to note a difference in the evaluation of importance for **five** attributes. These are *Salary level, Social prestige of the position, Management effectiveness, Employee benefits and Increase of qualifications*. **Employees** see as being **important** *Social prestige of the position, Employee benefits and Increase of qualifications*; for employers these attributes are neutral. On the contrary, **employers** see as **important** *Salary level, Management effectiveness and Work variety*, while for employees these attributes are neutral.

Discussion

The aim of this paper was to broaden knowledge in the field of internal personnel marketing, which can be considered as an innovative approach in the field of human resources management. Applying internal personnel marketing leads to the satisfaction / stabilization of existing employees.

The paper focused on identifying the importance of attributes that lead to employee satisfaction. The results of the research presented in the paper provide the views of employers and employees on the given issue. The research has shown a certain consistency in looking at the importance of the attributes of satisfaction. Employees and employers see the most important attributes of satisfaction as *Relationship with superior, Friendly relationships with colleagues and Job security*. Employees also consider very important the attributes of *Work environment*, and employers *Salary level*. Employees and employers have also agreed that none of the attributes presented is irrelevant. Differences in the evaluation of the attributes was reflected in the attributes *Salary level, Social prestige of the position, Management effectiveness, Employee benefits and Increase of qualifications*. A certain limitation of the presented results of the study is that only people with higher education acted as respondents-employees. A more heterogeneous group of respondents may be an opportunity for further research on this subject.

Conclusion

Internal personnel marketing strengthen employee stability and reduce their desire to change jobs. It also improves the status and viability of an organization with the help of staff teams. Satisfied employees can spread positive information about their employer, and if internal personnel marketing is done efficiently, an organization can gain a major competitive advantage.

The aim of the paper and the study was to find attributes that are important for employee satisfaction and which will allow effective application of internal personnel marketing. The goal was met. Based on the study it can be stated that the most important attributes that have a positive influence on employee satisfaction are: **Relationship with superior, Friendly relationships with colleagues, Work environment and Job security**. In practice, these attributes should be used in applying internal personnel marketing to stabilize employees.

On the other hand, **Salary level, Management effectiveness, Work variety and Career growth** are attributes that have the lowers effect on employee satisfaction.

In conclusion, it can be added that just as the needs of final customers in marketing are diverse, so too are the various determinants of employee satisfaction. It is here that the author sees space for further research. This paper presents the results of research where the respondents were from a single homogeneous group.

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