# HUMAN RESOURCE MARKETING

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Human Resource Marketing

Monograph

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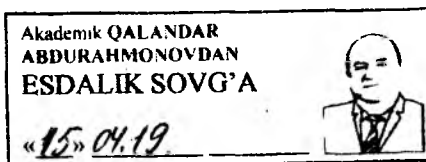
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The monograph describes the evolution of the theory of organization, management principles and practices. The management decisions modeling is used as the basis for management.

The book is intended for students, professors, lecturers and may also be useful to scientists, practitioners and graduate students.

Content

Introduction

Vast variety of new forms and methods of management focused on the target market, the concrete situation, and a particular consumer lets us talk about overall principals of driving business. Actually, marketing binds all structural elements of the enterprises at the present phase of the development of the market relations. The industry processes complications and competition intensification demand more accurate accordance between marketing and strategic goals and the ability of companies to react to market challenges properly.

Any organization does business under the influence of complex of marketing factors and its competitiveness as an employer concerning the main subsystems of Human Resource Management. Taking into account the manufacturer's concernment about the enterprise effectiveness Human Resource Marketing is turning into the main factor of survival for organization. Sometimes organizations win the competition with minimum investment but staking on the Human Resources. As a tool for purposeful and effective staff work, Human Resource Marketing can be concerned as the integral part of the strategy and tactic of survival and development for organizations in the market relations.

Human Resource Marketing is a relatively new concept in the practice of Human Resource Management. It has been applied in the early 90s of the last century. In Russia, this sort of marketing does not have wide application in the praxis of Human Resource Management. Just few companies put Human Resource Marketing under their Human Resource Management service. It should be noted that even in these cases the marketing is often substituted by the staffing planning and restricted advertising campaign. In such cases the requirement in staff has so-called reactive nature by the vacancies occurrence but does not work for long-term perspective. This situation is typical for many companies in the world, not just in Russia.

Today, not only technologies and their impact on management methods are changing rapidly, but ethics, morals, ideology. The level of changes are up, the issues complicate, risks and threats grow but benefits, opportunities increase to. The borders between countries disappear. It manages labor-market, working conditions and staff composition into reformation. With the advent of new business rivals, including overseas, the number of bankruptcies, mergers and acquisitions will be increased. These processes put the theory and practice of

Human Resources Marketing ahead according to risks, degree of uncertainty and gained opportunities. All of this requires:

- Marketing approach to human resources;
- Long-term strategic approach to staff educations while considering management principles;
- The development high competitiveness of the organization and staff;
- Focusing on innovation and investment sector of the market.

In these circumstances, the strategic dimension of Human Resource Management and staff image get tremendous importance on both the labor and the consumer market. Organizations operating on different markets make great demands of the personnel quality analysis. They compare competitive advantages of staff on various kinds of interaction and communication. This is a result of turning all business functions, including staff recruitment, into professional skills set. The intensity of these actions depends on market niche of company and currently personnel requirements. Human Resource Marketing allows sorting out a similar problem from another point of view. This implies that organizations should make a major effort on employer branding to get a staff with the best quantitative and qualitative parameters. Positioning and image making of the company on the labor market is carried out gradually and purposefully.

The solution of this problem provides an employer for construction and operation integrated system of Human Resource marketing. It includes strategic planning, marketing analysis of supply and demand, promotion, advertising and stimulation of setting up in employment, price of labor power determination. Some marketing methods have practical application now. In the Russian numerous studies it is only macroeconomic aspects of problem on the nationwide and regional level are considered. It is confirmed by the analysis of state employment and private recruitment agencies activities. State employment follow to sale marketing, private recruitment agencies on the other hand are used to some elements of the traditional way of marketing. The recent Russian studies of this subject do not look in detail the development of Human Resource Marketing system including setting goals, the getting position in organizational framework, the Human Resource allocation and promotion police making and cooperating with other labor market entities. This observation would hold for researches independently of the origin, but in lesser degree then Russian.

Consequently, the value of Human Resource Marketing is determined by the following factors:

- Marketing allows employers and state employment agencies to raise awareness because most of them work and employ staff;

- Marketing significantly influence over views a lifestyle of people, increasing the professional competence requirement, efficiency, enterprise, initiative, self-discipline, lifestyle, working knowledge of a foreign languages etc.;

- Marketing improves the regulation of the making-up and distribution (redistribution) personnel due to collection of information and analysis, market trends research, evidence of volumes and the structure of professions;

- Human Resource Marketing can help improve the quality of life.

Chapter 1.
Marketing Conceptions and Ones Application to the Human Resource Management

As it is known, marketing is a kind of management to get maximum success in distribute and sell goods with emphasis on production, financial, organizational, promotional and advertising actions.

Currently, marketing is undergoing a considerable transformation. The following express it [Катернюк А. В., Терских М. С., Салов А. Н. 3D-менеджмент: управление персоналом, маркетингом и продажами. Ростов н/Д, 2011.]:

- The drift "quality goods–client base–satisfaction level of the customers" is occurred. Costumers do not purchase goods as a set of certain characteristics or parameters. They buy the pleasure of possession and consumption of anything;

- Importance of sustainable relations with customers rises. Relationship marketing is considered as a competitive resource. This conclusion is borne out by CRM systems spreading and enthusiasm for customer loyalty programs;

- High expectations are concerned with Internet marketing: "I am online, therefore I am." The recent crisis has shown the growing role of marketing communications in the Internet. For instance, blogs have turned into a full-fledged marketing toolkit to collect and use information getting from consumers, to carry on a dialogue with them;

- Service marketing is not allocated as a class of its own. Any kind of goods contains a part of services. In addition, this part will only increase, inasmuch as consumers are getting more "lazy";

- Targeted audience drops in segmentation that is more drastic. We are talking about a fragmented audience. The term "fragmented" does not mean only the division of the audience into smaller fragments. It does not mean the segments and niches. The consumer wants to be able to design a personal product blended elements of other products;

- More people are being exposed to customization of the goods as a trend to adaptation of the product according individual wants of particular consumer;

- Total acceleration and reducing process cycle time is observed. It consider to product life cycle, technology life cycle etc. In addition, time depth of enterprises is reduced; the period of being employees in the same company is shortened.

Therefore, market environment is getting more and more rigid. If we talk about Russia, situation is complicated due to local distinguishing features and business environment peculiarities.

Numerous scientific discussions about the evolution of marketing and the formation of its new paradigm, in spite of their scantiness, agree on the definition of the most important components of modern marketing. For instance, in the article by S. Vargo and R. Lasch "Development of a new dominant logic of marketing" (Journal of Marketing, 2004) a modern marketing is primarily defined as a service marketing.

According to F. Kotler, the service is "any activity or benefit that one party can offer to another and which are mostly intangible and do not lead to get ownership of anything."

Russian standard GOST 50646-94 and International Standard ISO 9004-2 define service because of performer and service costumer interaction.

C. Gronroos: "A service is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems."

The above-mentioned S.Vargo and R. Lasch interpret services as an implementation of special competences like knowledge and skills via the processes and actions aimed at benefits creating for another agent or for oneself. Modern marketing is not only the market-oriented thinking and actions, but also the coordinating of all processes and circumstances connected with the market. Today the conventional view is that marketing is the basic management science in the market conditions and a kind of foundation for all the market activity of an enterprise. At the present stage of development, it is clear that long-term market success would be guaranteed if the long-term balanced and mutually beneficial relationship between the company and all involved special interest group were set in. In these conditions, the gaining and keeping competitive edge requires special efforts, material assets and immaterial resources. Marketing is faced with

new challenges consisted of reduction of expenses through performance optimization, cutting of production costs, as well as the search for new resources. Management control systems of the leading enterprises have been improved according to environmental, social, political and ethical aspects and development trends of society. The term "integration marketing" was coined because modern marketing plays unification role in business processes. On the other hand, marketing trend, as an integrator of enterprise structure, turn into backbone of all enterprise structural elements. Thus, marketing is getting a fundamental management philosophy and a way of thinking, and above-mentioned global processes are considered as a new form of market activity.

The formation of this approach is an effect of new knowledge-based economy. This view has found support among prominent representatives of marketing scholarship like E. Gummesson, G. Dey, S. Hunt and S. Prahalad.

In the new knowledge-based economy, immaterial resources play the leading role; they form new assets and wealth of modern organizations, firms, corporations, etc. Human Resource Marketing is turning into the crucial factor of survival for organization in the current market situation. Sometimes minimal investments and maximum human resource involvement enable the organization to keep their leading edge. Human Resource Marketing as an instrument for targeted and effective personnel development is an integral part of the strategy and tactics of survival and development of the organization in market relations. Progress of the employee personality brings to revise market conditions and ones' interests. Business development requires intensification of human resource planning.

The fundamental difference between personnel and other business resources is that human as a conscious being combines the spiritual, emotional, intellectual and physical origins and takes the properties of subjectivity on.

Managers should take into account the specific subjective nature of employees like:

- Self-dependence in the selection of life goals and ways to achieve them;
- Ability to anticipatory reflection of reality and abstraction and, consequently, to the prediction and simulation event;
- Initially, preferable relation to the realities of life, which mediates all external influence and sometimes paradoxically;
- Emotional-value attitude as a phenomenon that determines the human activity more than intelligence;

– Capacity to study as the ability to purposeful development.

It is important that listed features of the person, as an employee should be considered in an integrated manner.

Unfortunately, most of Russian companies keep on disintegrated implementation of key Human Resources functions. For instance, the development of training programs for staff is based on formal learning compulsory subjects or according to the principle "to learn what the teacher knows". In the same time, the discrepancy between actual capabilities of the personnel and what skills are needed for job are being disregarded.

Certification of personnel can promote the development and motivation of staff. In turn, staff development should be based on the results of the assessment of trainee personnel, motivate them and provide optimal staff deployment. The company's management team should carefully consider these issues and adjust their personnel development functions.

The visible transition from human resource management to face-to-face work with people modifies key employees' bedrock operational principles. They should [Клевина И. А. Современные мотивационные рычаги воздействия на персонал предприятия в системе управления маркетингом // Экономика и управление: новые вызовы и перспективы. 2010. № 1. С. 277–279.]:

– Improve their own human qualities;

– Take on responsibilities for organizational decisions;

- Provide facilities for the employees' education;

- Encourage employees' needs and aspirations;

- Put about clear information and explanation;

- Provide opportunities for professional activities;

– Assist employees with their self-fulfillment;

– Appreciate employees to motivate them;

– Develop healthy industrial relations.

Of particular interest in light of the considered problem is the Russian practice of personnel management.

The main shortcomings of the Russian practice of personnel management:

– Insufficient orientation of personnel management on the formation of the workers of the organization's image that applies to all employee groups. Depersonalization leads to demotivation, because in recent decades a growing level of claims of the majority of workers;

For example – lack of horizontal integration of critical HR functions such as recruitment, appraisal, reward and development of staff. Managers perform these functions outside of a single integrated approach to staff (in Russia) or very weakly given in their practice, their relationship (as is done in Western countries);

- Lack of involvement of line managers and staff in the development and implementation of concepts of personnel management, which is typical for most countries;
- Low objectivity in assessing the success of personnel management, which discourages all professionals involved with this work;
- Weak orientation of personnel management in perspective;
- Ignoring changes in value orientations of employees in the West and in Russia.

In the work of HR managers very often there are cases where top managers and/or owners of a company belong to this area of activity, as something secondary, not very important.

Change in connection with the foregoing, and understanding of the role of marketing in modern organizations, which increasingly must act as a system integrator, which provides, firstly, the relationship and coordination of various marketing functions at all levels of the value creation chain. Secondly, the implementation of various marketing functions of all structural divisions of the company and the coordination of their activities at all levels of the management pyramid. In other words, there is a gradual change in the role of marketing: moving from marketing as a set of specific functions to the management company based on marketing.

Thus, prior to marketing in the near future will be important tasks:

(1) Managing the company through the effective perception of the market;

(2) A clear definition and presentation of the new offer values;

(3) Management through the establishment of the company the necessary links, which guarantees the emergence of a single coherent system.

On the other hand, a number of scholars and practitioners say about the loss of marketing their positions in the company. Focus on operational functions within the traditional marketing ideas; it does not use its potential as a tool of strategic management.

In many companies, marketing is gradually turning into a fourth variable – promotion and marketing managers do not speak the language of business.

The essence of marketing management reflects the marketing concept, arguing that the key to gain the organization's goals is defining the needs and requirements of the target markets. In our case, labor market and desired satisfaction getting are more efficient and more productive than the competition. [Голубкова Е. Н., Михайлов О. З. Внутренний маркетинг и управление персоналом – инструменты повышения эффективности управления // Маркетинг в России и за рубежом. 2008. № 3. С. 27–34.].

The concept of marketing-oriented services includes:

– Identification and development of core competencies that represent potential competitive advantages;

– Identification of other economic actors, who are the beneficiaries of the above competencies;

– Creation of customized offers value to meet the specific needs of each region;

– Detection of return signals market by financial audit.

Thus, the following express the marketing concept: the main object of attention is the needs of consumers; the means of achieving objectives are integrated efforts of marketing; the ultimate goal is to profit by ensuring customer satisfaction. Such marketing policy can fully relate to the marketing staff.

This policy should be developed with due regard for several factors.

Internal factors are factors of the internal environment, i.e. the conditions that are largely amenable to the relevant impacts. Internal factors can be subdivided further into three groups: social, personal and corporate. The social factors include gender composition of personnel, conditions of employment, social protection of workers, including various benefits, grants, etc., relationships within the team, between employees and employer, organizational culture, traditions and
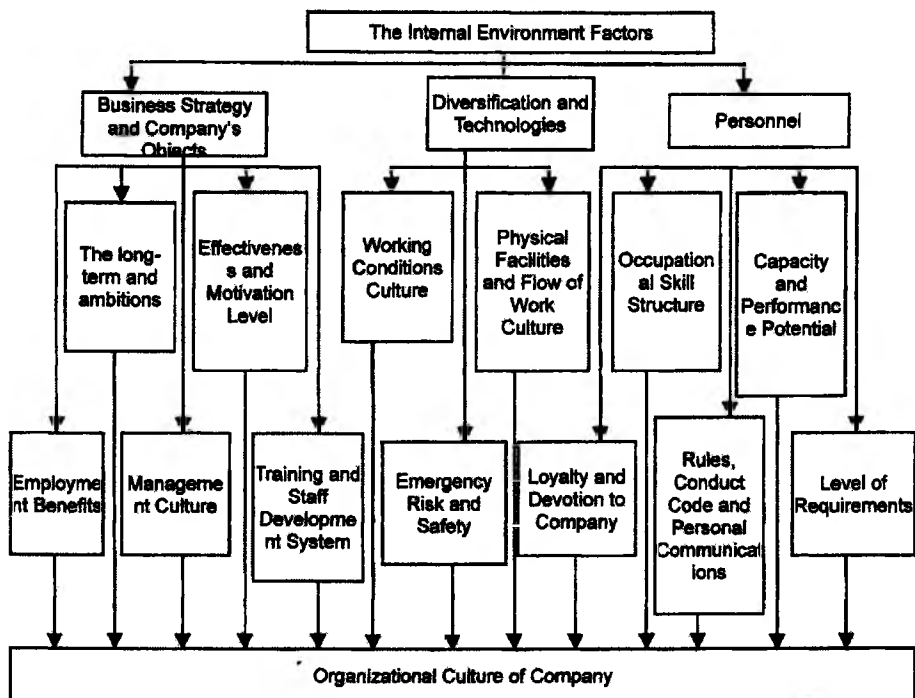
norms of behavior within the organization, etc. Personal factors include the characteristics of the personality of each employee: age, education, family structure, psychological characteristics of personal competences, etc.

Corporate factors cover conditions generally relate to the activities of the enterprise, for example the objectives of organization, financial capabilities, industrial, information, business activity, etc.

Marketing factors are intermediate between the external and internal factors and concern the special features of marketing component of Human Resource management. Among these are external and internal company image, employer branding, and marcoms in the positioning and innovative marketing techniques on the labor market.

The concepts of internal and external environment of the business are classical (Fig. 1 and 2). Probably it is the cause why the studying of their content has received too little attention. These terms are considered as established and not requiring further clarification.

However, this is far from being the case. Evolution of business practices and the rapid development of technology have brought new forms of enterprises into being. New approaches to business (franchising, outsourcing) have been

appeared. It is observed boom of shadow economy. Companies found strategic alliances and cooperate with competitors.

A. The Direct Impact Environment (External Micro Environment)

Fig.1. Organization's Internal Environment Factors

B. Indirect Impact Environment (External Macro Environment)
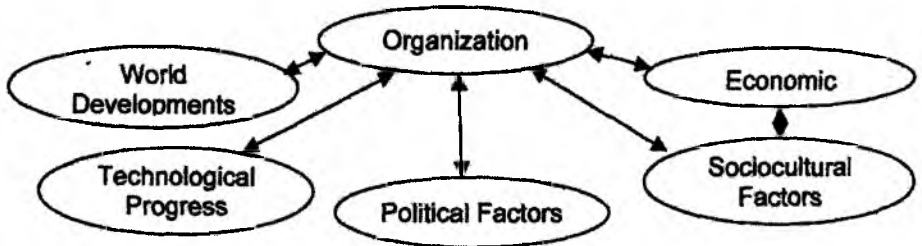
Fig. 2. Macro-environment and Micro-environment

As it follows from the figures, the external environment is traditionally divided into two levels – external microenvironment, consisting of set elements are directly interacted with the company, and the external macro-environment as a set of factors formed business principles. In its turn the internal business environment does not have such differentiation, but it is too heterogeneous. It can consist of obvious and objective factors to take into account accuracy like personnel, capital equipment, material resources. In other hand, components difficult to observe (core values, social-psychological climate, etc.) are the factors of the internal business environment. However, they are extremely important to the business success.

Internal institutional environment is a set of formalized and non-formalized internal rules of interaction. Among formalized ones there is mission, vision, standards of business processes, code of business conduct and ethics, etc. Non-formalized rules consist of culturological features of the business, social-

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psychological climate. Internal institutional environment determines the quality of internal interactions, but also the mode of interaction between company and its external environment. The attractiveness of the internal environment allows the business to mobilize the resources of the environment for their own purposes.

Internal functional environment is the set of interacting elements, human, material, financial resources, staff, forming a company as entity to transact business.

Comparison of modern and traditional conditions of the internal environment of the enterprise is presented in the table 1 [См. Менеджмент и бизнес-администрирование. 2012. № 2. С. 86.]. It does not mean that "modern" or "network" configuration is inherent any existing in our days business. It does mean the internal environment of the enterprise may take a form radically different from the "traditional."

Elements of Internal Environment	Conventional Approach	Modern (network) approach
The structure of the enterprise	Hard and established for a long term	Flexible. The number of units, the mechanism of their interrelation and interaction can vary depending on the problems facing the company at the moment tasks
Units of the enterprise	Ones are in hierarchical subordination relations	Ones are in networking. The centralized control and the alienation from the core of the enterprise for different departments varies
Personnel	Personnel is hired for a long time, put apart from means of production of product means and made to the enterprise through economy. Employment is unify.	Employment is getting flexible forms with different guarantees, durations and alienation from the means of production, depending on the value of the employee for the company. Loyalty is the essential factor. Personnel is considered as human capital

The owners of the business	Circle of company owners clearly defined, they shall have complete legal and actual control over the enterprise (in some cases the control can be partially transferred to hired managers)	The ownership is smoothed out: – a number of essential for the successful functioning of the enterprise assets (e.g. knowledge and experience of employees) not owned by the enterprise; – if it is virtual enterprises, the owner of this company is absent
Technologies	Ones are owned by the company and used for independent performance of the full cycle of production of goods or provision of services	The company can be an integrator (drawing necessary for the production of goods or provision of services technology from outside providers), or provider of a technology, refusing to self-perform a full production cycle and integrated into the production cycle integrator

Table 1. Comparison of Modern (network) and Conventional Methods of Internal Environment Analysis

Corporate marketing is a conceptual comprehension of the organization marketing efforts and ability to offer innovative value as a market proposition to implement corporate mission and business interests.

Corporate marketing is a strategic and operating choice to provide corporate growth, based on an understanding of the unique market power and market outlook of the company.

Corporate marketing consists of:

– Strategic marketing as the using of resources for innovation in creating and delivering values to customers. According to Kotler, the creation of a profitable business through the development of value propositions;

– operating marketing as a commercial transactions with the innovative product, cost, distribution and promotion. J. J. Lamben says that the commercial process of achieving the share of the target market through tactical means, associated with the product, distribution, price and communication;

– a system of company marketing as the cooperation arrangements among

functional units, aimed at creating value propositions. P. Doyle says that the establishment of the company's value, on which are based the growth, profitability and return on investment.

Its application is marketing-management focused on technology decision-making in marketing. Here the ability to renounce deep-seated ideas about economic branches, markets, competitors, even on major sources of proceeds, in other words creativity, is beginning to dominate.

The concept of total quality management (TQM) based on balanced scorecard (BSC), as well as modern approaches to the management of business value (Value Based Management, VBM), have a profound influence on the Human Resource marketing. Let us dwell briefly upon some of them.

Detailed studies of total quality management, development of ISO-9000 quality management systems standards and followed them the concepts of reengineering and organizational restructuring have brought out new responsibility and issues of marketing performance measurement.

Basic postulate of TQM for the HR function are:

- The organization is a complex system of consumers and provider of services. Every manager or employee is a consumer and a provider of services in the same time.
- Quality, meeting the demands of the consumer, is a priority and is considered as crucial factor of surviving, growing and prosperity of the business. Continuous improvement is the guidelines. This applies to goods and services, and overall competence.
- The "teams" and the groups are the main factor for the effectual planning and problem solving.
- The basic requirements for the success of the organization are openness and trust relationship between teammates at all levels.

Process-oriented approach is the basis of TQM. It means a transition from management and coordination group of partly related functions to structuring, distribution and control of complex processes. The process approach does allow building a client-centered organization, where the results of each process are considered from the standpoint of meeting customer's both external and internal needs and wants.

Marketing processes play the crucial role in TQM. TQM can improve marketing processes to ensure integration marketing into the overall system of management. In the modern concept of TQM, also represent new trends of modern marketing including relationship marketing (RM) and marketing services.

Corporate factors involve conditions generally related to the activities of the enterprise, for instance, the objectives of business, financial capabilities, industrial, information, business activity, etc.

Marketing factors are intermediate between the external and internal factors and concern the special features of marketing component of Human Resource management. Among these are external and internal company image, employer branding, and marcoms in the positioning and innovative marketing techniques on the labor market.

Marketing in the terms of Balanced Scorecard is defined as system based on strategic objectives interrelated with financial results as well as staff activities at each layers of management. It is important to add that marketing brings Balanced Scorecard into development and enrich one with marketing tools for costumers' attitude measurement in its turn.

Corporate marketing is closely related to corporate governance, what in Russia is considered as an open management system being under business environmental variation. For that matter, all organizational management bodies, including Boards of Directors and Top Managers in their activities should take into consideration the interests of all concerned parties. Fair and equal treatment of shareholders, the orderliness and performance quality of the management bodies (Board of Directors), transparency and corporate sustainability are analyzed when governance-level assessment is carried out. According to the Russian Institute of Directors Russian companies have been keeping sustainable dynamics in this areas of corporate governance over the last decade [Никитчанова Е. В., Гуляев К. А., Лихачева Н. Г. Тенденции развития практики кор-поративного управления российских компаний (по результатам исследования Рос-сийского института директоров) // Акционерное общество: вопросы корпоративно-го управления. 2013. № 1. С. 50–55 ; Никитчанова Е. В., Ахмед И. И., Бекшокя А. А. Практика корпоративного управления в российских компаниях с госучастием: сильные и слабые стороны (Итоги исследования российского института директо-ров) // Управленческие науки. 2014. № 2. С. 17–25.].

The main drivers of the overall improvement of the performance quality in Russian are government-sponsored enterprises of the second and third tiers, which are under pressure from the government have to implement standards of corporate control [Вербицкий В. Кому и какое корпоративное управление нужно сегодня? // Рынок ценных бумаг. 2013. № 7. С. 58–60.]. In this process are involved medium-sized business owners, who withdraw from day-to-day management and form boards of Directors as a corporate governance bodies engaging independent professional from the outside. That is why in the near future the spreading of the principles and procedures of corporate governance among Russian companies in various fields of business, various legal forms and forms of ownership are expected. For instance, in the Federal program "Administration of State Estate" the improving the quality of corporate governance is put forward as a priority for companies with state participation to enhance their management efficiency [Государственная программа Российской Федерации «Управление федеральным имуществом» (утверждена Постановлением Правительства РФ от 15 апреля 2014 г. № 327) // Информационно-правовой портал ГАРАНТ. URL: http//www/garant.ru/ products/ipo/prime/ doc/70544258/].

In 2012, the level of development of corporate governance practices in state-owned companies has increased significantly compared with the previous period, although the ratio between the each single component according to their level of development does not change significantly. The best parameter is "Transparency", the worst one is "Corporate Sustainability" (Fig. 3).
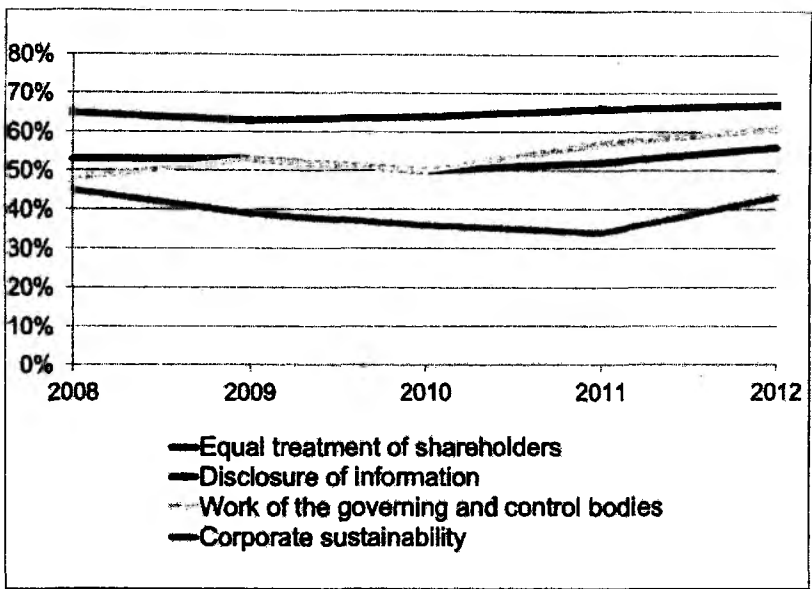
Fig. 3. Evolution of Management Practices in Russia

The result of the Russian Institute of Directors shows that the rate of public state-owned companies' development is higher than one of closed state company (Fig. 4).
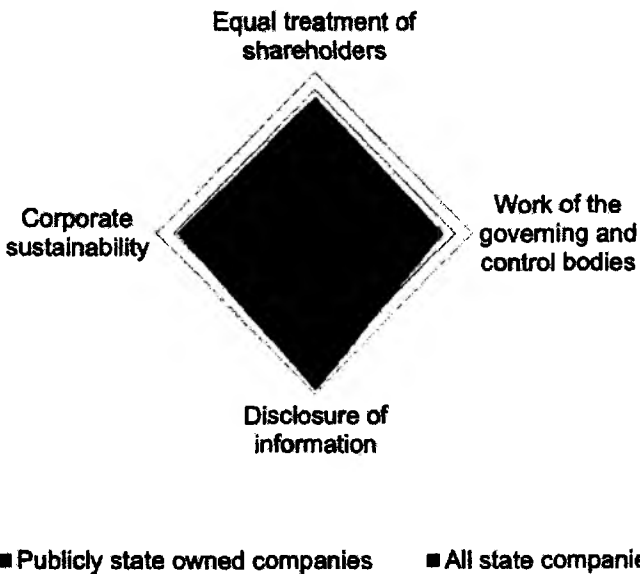

Fig. 4. The Management Development in Russian State Companies in 2020

Meanwhile, the majority of Russian blue chip companies are closed and non-transparent still, even if they show the adherence to principles of openness and disclosure.

According to researches of Standard&Poor's, even the most transparent companies disclose the approximately 60-70 % of the Board of Directors and one's activities information, 60-70% of financial information and shareholding structure and less than 26% information executive and bonuses information [Исследование информационной прозрачности российских компаний / Материалы Standart&Poor's. URL: http://fs.rts.ru/f/1001/10-00-3.pdf].

In our opinion, these four components are clearly insufficiently for the adequate corporate governance performance evaluation in the contemporary context.

It seems necessary to consider at least two addition options:

- The corporate relationship space, including traditional participants and the most important stakeholders of the company;
- The time horizon of company's managerial decisions in key areas of business.

This will allow implementing the model of properly corporate governance, ensuring the efficiency of company's operation taking into account long term interests of all related parties, including the state.

The financial and economic crisis of 2008-2009 showed that Russian companies pay insufficient attention to development long-term strategy, focused primarily on short-term results.

In general, during the 2001-2008 corporate governance priority was compliance with formal requirements of the best practices including the adoption of Codes of Business Conduct and Ethics and other regulations, elaboration of internal documents, complementation the Board of Directors by independent members, etc. However, the crisis and its aftermath have revealed the importance of non-formal and conscious approach to the formation of corporate governance to ensure the effective and balanced development of the business and to strengthen resilience in the face of uncertainty and high risks. In this regard, further development and improvement of corporate governance of Russian companies with the best Russian and word practices currently is getting great significance.

Since 2008 to the present day, the trend of corporate governance is the stakeholder approach. Many authors have noted that the success of modern companies is largely facilitated by immaterial resources, and the owners of non-financial, immaterial resources add considerable support for business results. Therefore, it is necessary to consider the interests of stakeholders regarding the company and to use the ones capacity for effective business development.

In the context of the corporate governance development it is the strategic stakeholders, who make the most tangible impact on the company and do the most valuable contribution to the business, have the main significant for the corporate governance. They are investors interested in long-term and successful development, the owners who supply financial and business resources as well as non-financial stakeholders within the company including management [Долматова И. Н. Корпоративное управление на основе стейкхолдерского подхода. Опыт непубличных компаний // Управленческие науки. 2013. № 2 (7). С. 18–26; Ивашковская И. В. Финансовые измерения корпоративных стратегий. Стейкхолдер-ский подход : монография. М. : ИНФРА-М, 2013. 320 с. ; Ткаченко И. Н. Влияние глобализации на развитие стейкхолдерской модели корпоративного управления // Известия УрГЭУ. – 2013. № 1 (45). С. 19–27.] and staff with key managerial and technical competencies [Долматова И. Н. Корпоративное управление на основе стейкхолдерского подхода. Опыт непубличных компаний // Управленческие науки. 2013. № 2 (7). С. 20.]. The improvement of corporate governance based on harmonizing the interests of shareholders, owners top managers of the company and a wider range of stakeholders to back the sustainable growth of business. In our opinion, this is the crucial trend for the development and improvement of Human Resource marketing in current situation.

In this regard, great importance is to play an updated national Code of corporate governance [Кодекс корпоративного управления (проект). URL: http://www.fcsm.ru/ru/legislation/ corp_management_study/corp_governance/], which to replace adopted one in 2002. Companies with state participation should apply the new code. However, any companies for development internal standards to improve different aspects of corporate relations can adopt the basic principles, rules, provisions of this Code. They include not only the treatment of shareholders, the protection of the rights and legitimate interests of investors, orderliness of the Board of Directors, fair disclosure rules but risk management, improvement of system of remuneration of the Board of Directors and top managers, attracting long-term investors, intensification of the social

responsibility policy, optimization of the business processes, focus on strategic development objectives according to interests of stakeholders and society, the increase of efficiency of the business.

In the Western traditions, ones have highlighted four models of HR management. They are [См.: Управление человеческими ресурсами / под ред. М. Пула, М. Уорнера. СПб. : Питер, 2002. С. 352–353.]:

1. "The integrated model" in which staff matters are solved in the framework of functional and line managers' responsibility. The functional is internally divided due to the lack-dedicated professionals who are dealing just with problems of staff or the contribution their share to the work is extremely slight. The same situation is when external support services are used or companies has an in with them or turns to them about solve some problems);

2. Model with "delegated authority", in which personnel management routine tasks have been transferred to technicians with low status but the decision-making power is up to functional managers and supervisors.

3. Model of "advice and support", in which organizations are provided with specialized, experienced HR managers with high managerial level. It allow service employee to get expert advice before making a decision the last word rests with functional managers.

4. Model of "external advice" within HR managers make decisions and act according to the best available method, using available information resources and knowledge, and taking into account that they are objects of the external evaluation of their activities either by judges or by the arbitrators whenever the need arises.

What is generally defined as "HR management" is described in models 2 and 3. Model 1 is "personnel governance" by procedure "without specialists". It is typically for the modern approach of human resource management.

Model 4 has less reason to consider it as a model of HR management, but is considered typical for such kind of processes in many countries, especially in Western Europe. Consequently, it can exist simultaneously with the other three models. As its popularity grows, organizations will be less to use services of "generalists on staff", who are able to manage the whole range of tasks, and more to rely on specialized experts, such as lawyers, psychologists, or experts on wages to do payroll or to provide advice on a temporary basis and no more.

The interrelations of the basic functions are shown in Fig. 5. These functions can be structured in more detail by HR (Fig. 6) and control levels (Fig. 7) functions.
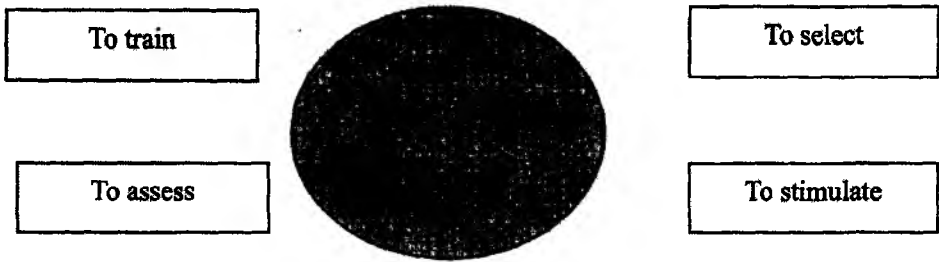

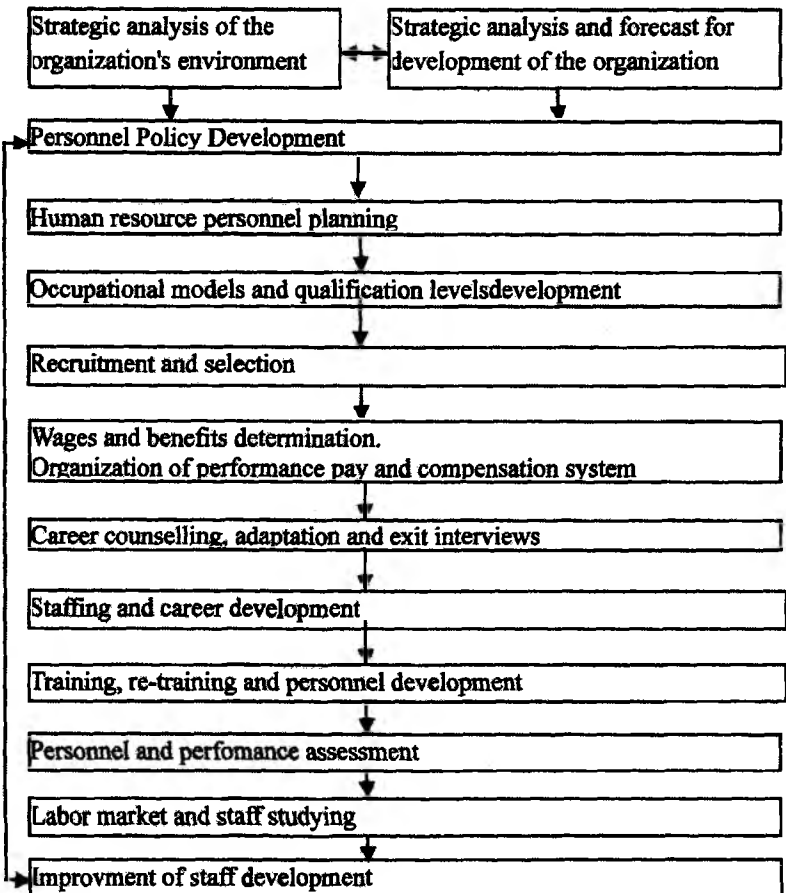*Fig. 5. The System of Basic Function of HR Management Interaction*

Fig. 6. Functions of Organization's Staff-Service

Personnel selection
Personnel, including managers, differentiation
Corporate recruiters
Recruitment department specialization
Budgeting
The recruitment market investigation
Specific Media and Web-sources relations

Personnel assessment and certification
Assessment expediency consideration
AssessmentCenter
Performance measurement and personality measure
Career planning
Staff reserve development

Corporate culture management and welfare activities
Development of corporate culturprinciples
Corporate parties
Congratulation to employees
Employee getaway and recreational activities for children

Functions of Staff Service

Payment Improvement
Justification of salary
Optimization of rewards
Compensation package (salary scales, bonuses, insurance, credits)

Personnel Training
Market of training services study
Training selection
Re-training and personnel development
Optimization of budget

Staff records management
Labor and tax legislation monitoring
Regulatory development
Execution of employment contracts
Employment cards execution
Orders, information putting out

*Fig. 7. Functions of Organization's Staff-Service According
to Management Level*

Analysis of the functions of HR services that use different technologies and their structure are presented in table 2 and in Fig. 8.

Personnel Services' Function	
Innovative	Conventional
1. Workforce planning – determine staff requirements depending on the strategy of the production development.	1. Paperwork while recruitment, transfer, dismissal, vacations, etc.
2. The personnel reserve development, staff selection, defining the reserve group.	2. Putting down new information about employees on personal file.
3. Selection of personnel from the reserve.	3. Examination employees of the papers upon signature.
4. Employment contracts execution.	4. The issuance of certificates and references.
5. Employee performance assessment.	5. Record keeping for persons liable for call-up including reservists.
6. Move, promotion, demotion of employees, dismissal depending on the products of ones' labor	6. Correspondence with the military enlistment office.
7. Career counselling, adaptation of personnel.	7. Reporting.
	8. Help with pensions
	9. Help with survivor's benefits for children.
	10. Inventory and archiving.

8. The payment and benefits determination to attract, retain and retention personnel.	11. Formulating of orders on encouragement and punishment.
9. Organization of the training.	12. Correspondence with social services
10. Organization of the training for leaders.	13. Sick pay recording.
	14. Time keeping.
11. Management discipline.	15. Personal files of employees keeping.
	16. Technical training, re-training and engineers development.
	17. Contracts for professional development making.
	18. Examination of the organization's leadership with proposals for employees development.
	19. Organization of workers and apprentices training.
	20. Monitoring the progress of students enrolled in universities and colleges according to organization specialization.
	21. Making payment to the group leaders being on a field trip from universality.
	22. Participation in the qualification Commission. Advising staff.
	23. Listing of employees on seniority, to award by results of work for the year.
	24. Correspondence with external organizations, employment offices, newspaper offices, local police Department.
	25. Making of orders of the head of personnel.

Table 2. Comparative analysis of personnel services' functions keeping to innovative and conventional technologies
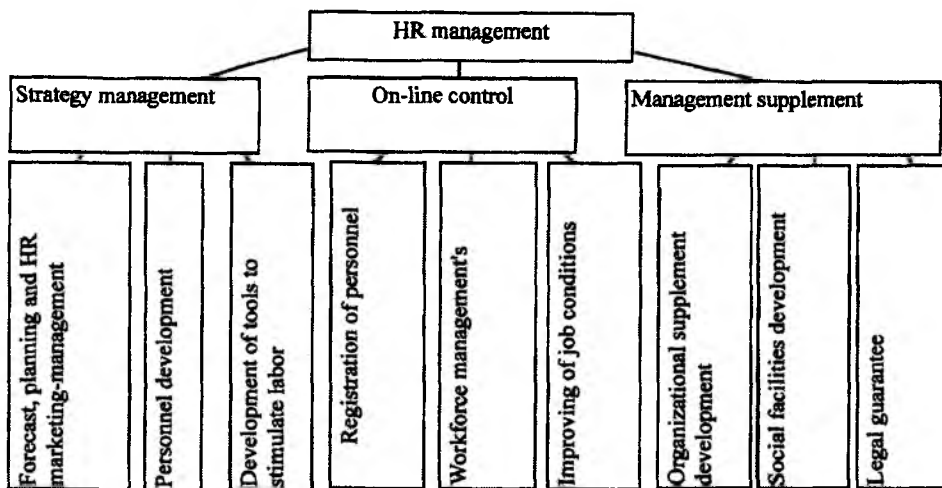
Fig. 8. Functions of Human Resource Management Department

The main tasks of the HR management service (HRMS) are following [Махметова А. Е. Методология развития персонал-маркетинга на промышленных предприятиях // Вестник Саратовского государственного социально-экономического университета. 2009. № 3. С. 111–115.]:

- The formation of the HR infrastructure that provides high competence, professionalism, loyalty, and commitment of staff;

- Staff development to implement the principles of the learning organization being the essential in the transition from the sales organization to a client-centeredness;

- The formation of the motivation system or the system of corporate values where relativity, responsibility, honesty and personal interest in the work are priority;

- The formation of corporate culture, aimed at the acknowledgment corporate goals and values by employees and creating and maintaining a sustainable positive image of the company in internal and external environment;

- Ensuring change management through the formation of new thinking and involvement staff in change management.

HRMS mission is meeting the needs of external and internal environment of the organization in the creation and development of an effective HR management structure as a basis for the formation of the corporate culture.

Strategy the HRMS consist of:

– Creation and development of an effective HR management structure as a basis for the formation of the organizational culture of the enterprise;

– Creation and improvement of the system of continuous training and development of staff as a basis for the formation of qualified and competent personnel;

– Creation of effective system of measures for advertising and staff recruitment.

The specific activity of HRMS on the implementation of this strategy is the development and implementation of various programs of adaptation, development candidates' pool, motivation, public relations, etc.

Activities HRMS include:

- Legal,

- Training,

- Teaching,

- Psychological,

- Economic,

- Information.

In each direction the HRMS implements set of functions (Table 3) [Шипов А. В. Совершенствование системы управления персоналом многоуровневого маркетинга // Аудит и финансовый анализ. 2010. № 2. С. 358–363.].

Sectors	Legal	Pedagogical	Psychological	Economic	Information
Functions	• Development of job descriptions • Staffing • Personal contracts • Labour disputes • Dismissal • Archive, records management	• Training • Training adaptation • Evaluation of effectiveness of training • Curriculum development	• Selection • Evaluation • Social and psychological climate • Managing conflict • Motivation • Corporate culture • Mission of organization	• The incentive payment • Assessment of cost-effectiveness	• An integral database • Ensuring transparency • Rapid collection and transmission of information

Table 3. HRMS Function in Specific Sector

An important currently task of the HRMS in modern conditions is the management of moral and psychological environment in the team.

The set of functions the HRMS is closely associated with the business stage of life.

1. Creation stage. The organization looks for a market niche, and outputs their product.

   Certain activities of the HRMS consist of:

   (a) Staff requirements calculation;

   (b) Analysis of activities;

   (c) Drafting of job descriptions;

   (d) Setting of selection criteria;

   (e) Planning and building the body of the organization;

   (f) Development of HR strategy.

2. Intensive growth. Departments, branches, representative offices are being created. The main issue is the marketing development. The features of HRMS are:

   (a) Recruitment and personnel screening;

   (b) Methods definition;

   (c) Candidates assessment method development;

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(d) Staff adaptation system development;

(e) Corporate culture (traditions, norms, habits, style) formation;

(f) Internal Public Relations planning.

3. Stabilization (stagnation). It is the stage of the gained results preservation. Perhaps new competitors are emerged. HRMS have to focus on the following issues:

(a) Labor regulation;

(b) Job descriptions;

(c) Development of a system for the personnel assessment;

(d) Development of a system of c personnel certification;

(e) Development of valuable human resources (training, internships, etc.);

(f) Development conflict management principles (conflict diagnosis, neutralization of conflicts);

(g) Social and psychological monitoring (definition of the first signs of discontent);

(h) The maintenance of corporate and in-house culture (traditions, legends, etc.).

4. Recession (crisis). There are two ways. Organization either shall pull through the crisis due to new potential or shall perish in case of inability to get out of this situation.

Features HRMS are:

(a) Organizational change (persuasion, education, etc.);

(b) Evaluation of staff;

(c) Performance rating;

(d) Motivation innovation;

(e) Partial change of personnel, but without social conflict on reducing justified system;

(f) Re-education;

(g) cross-training.

These phases are a cycle, they may occur at all stages of the life of the organization.

Based on current trends of development of businesses in Russian, it would seem logical to use the level of development (type of) system as an indicator of differentiation implemented in practice HR management systems.

According this approach HR management service of Russia can be attributed with some assumption into three groups (Table 4):

(a) Services had been switched to a new HR technology – SS;

(b) Services partially converted to new technologies – reorganization (PCS);

(c) Services working on the old way – the Personnel Department.

Indicators	Type of organization of HRMS		
	Staff Service	HR Management	Reorganization (reform)
Organization of HR management	HR management is carried out by separated departments and services. Structures involved in problems of personnel are uncoordinated. There are no regulations of subjects's activity.	HR management subjects are interconnected, Central Department are being Integral subordination. A sufficient formalization of the HR management	HR management subjects are interconnected, Central Department are being Integral subordination. A sufficient formalization of the HR management
HR technologies	The main functions are accounting. Other functions are performed using traditional methods mainly.	All basic functions of the HRMS are used. The focus is on improving the quality HR-management	Some of the technology HR-management meet the modern requirements and apply in parallel with the traditional ones
HR management strategy and policy	There are lacks a clear strategy and policy. Activities are scattered and uncoordinated.	A unified HR policy have been designed with accordance to the organization goals and is implemented.	The need to develop HR policy have been realized but does not formalized yet
HR management's role in management of organization	Supporting role, providing accounting, hiring and dismissing.	Prevailing understanding of the HRMS as active subsystem.	Prevailing understanding of the HRMS as active subsystem defining the development organization.

Table 4. Differentiation of the Approaches and Types of HR Management Services Organization

This qualification can be updated taking into account the transition from SS to PCS. Thus, allow to identify four additional groups (Table 5).

Functions and capabilities	Functions and capabilities
	Papework and personnel documentation in accordance with the labour code,
	Working time,
	Record the personnel movements,
	Social and cultural events,
	Intermediary in selection of personnel, evaluation of staff
Potential use	It is to be used in enterprises-monopolists in their industry or enterprises receiving
	subsidies from the state budget
Limitation	The inflexibility of response to new problems.
	Lack of effectiveness while personnel is assessed, promoted, motivated and when prediction.
	HRMS do not take part in decision making, tactic development and HR strategy implementation

B. Transitional type of HR management services

Functions and capabilities	Solution of one-time and short-term personnel problems not requiring special knowledge.
	Pursuance of head orders.
	One-off event
Potential use	This type is usually inherent in small and medium-sized enterprises (employing up to 50-60 people), are being at the stage of "survival" and in branches of foreign companies that have a small number of employees.
Limitation	The inability to meet renewable issues problems as recruitment, staff assessment. Recurring problems require specific skills, technological support. Staff of HR Departments should be off other functions.

C. Adaptive type of HR management services

Functions and capabilities	Staff records management, assessment, motivation and personnel training.
	Consulting management on staff, sometimes the management structure.
	The major of functions is defined by just emerged objectives with a little delay. In this regard, the structure and strength of personnel service is constantly changing

	the "survival" stage, striving to orderly internal structure
Limitation	The lack of stability and consistency of work. The inability to formulate the strategic objectives of HR development, export management decisions in the context of HR and socio-psychological after-effects.
D. Progressive type of HR management services	
Functions and capabilities	Organization of system work with personnel, from personnel records and to HR policy. The corporate culture development as part of a general firm's policy in the market. Researches. Examination of projects in the context of HR and management structure
Potential use	Large enterprises and associations, competing aimed at diversification.
Limitation	Large financial costs of HR service. The need to delegate responsibility in making personnel and management decisions. The inability to meet renewable issues problems as recruitment, staff assessment.

Table 5. The Main Characteristics of the HR Management Services Types

For example it is only 4% of the companies in Russian town Tula has introduced a new HR technologies allowing HR Departments to manage the processes and to have they own budget. Most of them are large-scale and profitable enterprises or branch offices of transnational companies [См.: Управление персоналом. 2003. № 7. С. 63.].

On this basis let define the following classified:

Group A ("traditional" type of HR management) consist of so called "traditional" Personnel Departments working in the old way. Personnel services of this group almost are copying the Soviet personnel Department in functions, powers and structure. The main objectives are to maintain the documents related to the movement of personnel, control over the observance of the provisions of the Russian Labor Code, timing, record the movement of personnel, event management.

Group B ("transition" type of HR management) includes Personnel Departments partially converted to new technologies. Within this group, the development of staff does not stand out as an independent function. Responsibility for HR activities scattered among various unrelated functional

departments: clearance of personnel documentation, calculation and accrual of wages and awards are gave over to Personnel or Account Department with limited functions. Performance Evaluation, assessment and certifications are functions of CEO or supervisor. Lower (if available) levels are responses for labor relations. Social issues, human engineering and safety are the features of CEO or chief engineer.

Group C ("adaptive" type of HR management). Personnel Departments, which come under this category come, have moved to a new human technology completely. But lack of personnel having the relevant experience bring to growing of functional charges on staff caused by much wide field of application of formal evaluation, motivational approaches, professional learning. Development and self-education are considered as a fundamental element of the career planning of employees. As a result, the internal specialization of HR Department is growing. It requires delegation large amount of HR management functions to staffers. As a consequence, qualification requirements for HR managers are increasing.

The group G ("progressive" type of HR management) is the pool of HR Departments based on the latest achievements in the HR management and having relevant experience. The main objective of the HR Departments of this type is the achievement of organizational goals and its development through staff development and forming development strategy and policy accordingly business mission and strategy.

According to researches [Грибкова О. Г. Роль маркетинга в управлении персоналом организации // Вестник Московского финансово-юридического университета. 2011. № 2. С. 186–199.], groups A and B are the most multitudinous. To some extent, it explains the current state of enterprises in Russia.

Structure of elements embodied HRMS depends on a set of organization's attributes.

Chapter 2.
Nature and Functions of Human Resource Marketing

Actually, every organization is challenged to use optimally human resources **balanced** to needs and interests of both the organization and each employee. **Currently,** the implementation of marketing methods in Human Resource **Marketing** needs to achieve this balance.

Marketing is getting more popular in the practice of Russian companies. **Marketing** infrastructure, consulting, research, advertising, and other **organizations** develop intensively. However, the spreading of marketing round **the** Russian companies requires further comprehension and structuring. We see a **variety** of attempts to make out this problem based on the situations that occur in **practice.** Russian Experts often borrow world practice concepts like marketing of **Small** Businesses and Entrepreneurship, regional marketing, viral or guerrilla **marketing,** trade marketing, gender marketing, marketing staff, etc. Each of them **carries** its original idea associated with the selected goal set. May be it is ordinary **inasmuch** as an active cognitive process of marketing activities in Russia go on.

The first, Human Resource Marketing manages people to be well informed, **because** most of them work or hire workers. The second, it affects people and **their** way of life, increases the requirements for professional competence, **initiative,** organization, efficiency, second-language skills, ability to use technical **devices.** The third, marketing helps to improve the staffing and personnel **replacement** through business intelligence, the market research, the information **accumulation** about professional classes, etc. Fourthly, Human Resource **Marketing** helps to improve the quality of life because it causes people's wants to **progress** to get more interesting and well-paid work.

Currently, HR marketing as a theory has all signs of complaint that comes with **growth** like terminological confusion and lack of consistency. A content analysis **of the** domestic published research of this type shows the mostly used terms as **"marketing staff",** "staff-marketing", "HR marketing", "marketing of the labor **market",** "marketing staffing", "corporate marketing", "marketing jobs", "work **force** marketing", "HR management marketing", "marketing jobs". Most authors **consider** the marketing system as an element of HR management as a market **strategy** to analyze the labor market for long-term staffing.

In the past decade, there was a lot of published research of foreign authors that shows the real capacity of marketing for HR management. A few studies of Russian researchers (A. I. Turchinov, D. K. Zakharov, A. J. Kabanov, I. B. Durackova, O. N. Gromova, I. V. Savenkova, etc.) were given up to these subject. Currently there are different interpretations of definitions, concepts, and terms of HR marketing. Their using is depend on aspects in its definition focuses.

HR marketing staff is the employment services marketing. Diplomas, certificates, recommendations, etc. confirm the most significant characteristics of the staff. Therefore, various marketing tools can be classified in two categories of marketing. The first one is a marketing of the product, which is a staff. The second category is marketing, focused on the satisfaction of employers, with regard to the innovative investment activity

Adaptation to the market situation has great importance for person and staff. It defines the main goals of marketing as studies of labor demand and forming auspicious conditions for saturation of this demand through flexible market, training and retraining staff to meet current demands of innovation and investment field of activities [Управление персоналом : учебник / под общ. ред. А. И. Турчинова. Изд. 2-е, доп. и перераб. М. : Изд-во РАГС, 2008.].

In that way, the HR marketing currently is defined in terms of two fundamental approaches. On the one hand, the HR marketing is considered as part of the marketing workforce. On the other hand, as independent phenomena it is gotten with function of long-term labor support to organization.

Labor marketing aims to achieve a balance between supply and demand to meet the needs of the labor of all labor relations parts and employment regulation. Russian published researches of this type set macro level, in other words, national and regional aspects of labor marketing.

HR marketing is a special kind of activity to supports business on the service markets due to employer branding identifying and gaining the devotion of employees as a targeted audience. Along with workspace and operation condition are considered as competitive advanced. Thus, the HR marketing is not marketing of the workforce, but is not a part of it. The development of HR marketing in enterprises, including the identification of objectives, tasking, stationing in the organizational structure and HR policy, cooperation with other market parties, are not embodied in current Russian HR management research. It is true for foreign studies, but to a lesser extent.

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Whether one should consider HR marketing in the enlarged or restricted sense *of the word depends on the tasks.*

In the broad sense of the word, the HR marketing is kind of philosophy and strategy of human resource management. Along with, staff and prospective employees are considered as customers of the organization.

The aim of the HR marketing is the optimum employment of human resources whereby creating the most favorable working conditions to improve efficiency, partnership and loyalty of all members of the staff. In fact it is nothing else than "distribution" of company as a goods to its employees. In its broadest interpretation, human resource marketing derives its support from market-based thinking, which distinguishes it from traditional administrative concepts of HR management.

In broad terms, the marketing staff is the active form of social exchange between the enterprise and the labor market. In addition, the person in competitive environment should occupy an honorable position in society by maximal concentration of energy and initiative, capability and dexterity, acquired knowledge and skills and a proactive approach to life.

As has been said, staff and prospective employees are considered as customers of the organization. In its turn, the general aim of the HR marketing is the optimum employment of human resources. On this basis, personnel can be considered as commodities and as purchasers. For this approach, on the one hand, we have the labor market; on the other hand, we have the job market. Hence, HR marketing staff includes:

– Nearly all HR management functions among them marketing ones independently of business value, ownership and financial capabilities;

– Development of external (and internal) advisory, brokerage firms, working with organizations on a contractual basis;

– Delegation of authority and responsibility for the HR management functions to professionals with their regular development and training.

The impact of human resource departments on personnel is in accordance with the vision, values, culture and strategy. [Волошина Е. С. Внутренний маркетинг как новая концепция управления персоналом // Сборник статей IV Международной научно-практической конференции. Ставрополь, 2014. С. 60–64.]

Human Resource marketing in a broad sense is an element of logistics because its main task is staffing as "personnel delivery". This is a special service function of HR management, aimed at identifying and meeting the demands human resources. The purpose of this activity is to control the situation on the labor market for effective staffing and implementation business goals.

In a narrow sense, the Human Resource marketing is a research of labor market to identify vacancies and correlate them with personnel requirements of company. This is passive kind of marketing. It consists of labor market review and various methods for prediction of demand for personnel ways to meet one. Active marketing includes not only marketing research but also marketing communications.

Interpreted in the narrow sense HR marketing defines as a special personnel service for staffing. Its main task is gathering accurate, complete and timely information about the situation on the labor market (sectoral, regional, etc.).

This information is necessary in order to full to fill current and future vacancies in the organization to implementation and gain the goals. This activity is relatively de-coupled from other functions of human resource management and includes:

- Analysis of external and internal factors that determine the direction of marketing activity regarding staff;
- Development and implementation of marketing activities regarding staff, including the development of core staff requirements;
- Determine the qualitative and quantitative staffing requirements; staffing and the continued use human resource cost calculation; selection of sources and ways of staffing.

Thus, the broad interpretation of HR marketing as an element of personnel police through combination of functions HR management like development goals, requirements planning, appraisal, career management, motivation, etc., is the essential difference between two approaches.

In general, the HR marketing is an effective tool to better align national programs with the consumer demand in the labor market to ensure the stable business success and to help maintain a sustainable competitive edge.

To sell oneself as an employee at a maximum profit it is necessary to undertake a number of activities equal to the marketing program for the sale of goods, including:

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- Self-assessment: what exactly one interested in, where would like to work, what is the balance between a person's wishes and skills;
- The precise definition of objectives of seeking employment: stated preference valuation, orientation patterns, pretension to live or work in a particular location, etc;
- The real jobs market of jobs study and the evaluation of its possibilities: the number of vacancies on the market for employee positions, state industry, an average salary level, prospects for professional and career growth, etc.;
- resume development containing all relevant information for employer.

In addition, the HR marketing needs to be analyzed from the standpoint of individual marketing, self-marketing. Self-marketing is a program of specific actions to realize by the individual who should sell "the most prized asset". This asset is labor power, in other words knowledge, skills, talent and professionalism. The algorithm for individual marketing consists of:

- Identification of locations of potential employee interests;
- Identifying of requirements for candidates;
- Elucidation of the essence of the personnel policy organization, appointment and rotation of staff;
- Pick out the best available vacancies;
- Intensive involvement in innovative programs and commitment to professional development, quality performance, strict adherence to deadlines.

The main principles of HR marketing are:

- Results-orientation in the formation of human resources in accordance with real demands and wants of employers;
- Insuring the achieving strategic business and society goals through training level and personal qualities and competences;
- Impact the market and consumers' demand to choose the way of society development;
- Education information on future customers to manage ones;
- State involvement in the regulation of the labor market via direct and indirect impact on the demand and supply of labor force.

HR marketing is the meeting the needs of the employer and employee along the being recruitment by equivalent exchange in various forms to meet the labor needs of the parties of labor relations.

It affects all stages of recruitment and selection personnel: formation, replacement, exchange and use. The conceptual elements of the HR marketing are:

- Strategic and operational staff planning;
- Construction database for staff development by the methods of the research of external and internal labor markets;
- The getting employer attractiveness through communication by target groups or market segments,
- The labor costs determination;
- Marketing research of demand and supply of labor force,
- Advertising;
- Promotion of employment.

In other words, the goals of HR marketing at the level of organization consist of identification of labor demands and meeting staffing needs by exchanging and linked directly with terms like needs, demands, claims, exchange, market, goods, contract, transaction, marketing management, marketing Manager, HR marketing, etc.

HR marketing means substantial expansion of the industrial marketing functions in human resource management. When marketing considered as a human activity to satisfy needs and wants by exchanging, one can make out that HR marketing is a sort of management aimed at the definition and meeting staff needs and enabled for personnel development. [Управление персоналом : учебник / под общ. ред. А. И. Турчинова. Изд. 2-е, доп. и перераб. М. : Изд-во РАГС, 2008.]

Thus, the philosophy of the HR marketing is to meet both the needs of qualified personnel and the demands of employees. In other words, each employee is a kind of customer and should be being motivated and encouraged to further development as a consumer to buy goods. Conditions must be created so that every employee feels the presence of "labor market" within organization. Organization while meeting their staff needs, must also meet the demands of employees.

Sometimes the relation may vary and the business is only possible under

certain conditions. The employer as a customer is able to affect the employee as a seller, refusing to buy or withdrawing from recruitment. The acquirer of the staff can take substitutes instead of conventional staff. On the other hand, employers as a seller can threat to company like any risk and hazards associated with the consumption and the goods substitution. The nature of the threat depends on the availability of substitutes and/or a significant price movement that is often because new technological developments, in particular the training and accumulation of information. One addition key factor affecting the threat is cost structure in the training of human resources market. Some hazards are difficult to avoid, and as a rule, they are not within the staff control.

The concept of personnel marketing system can be defined as a system of theoretical and methodological goals, objectives, criteria, principles and practices of Human Resource management.

The mission of the HR marketing is to increase awareness of the organization about the state of the labor market situation, the correspondence between the supply and demand of employees and working conditions. This policy will inevitably lead to the development of benefit of labor, the rising of work quality and hence to corporate profit markup and earnings growth.

In a broad sense, the task of marketing in the labor market is establishing the conditions under which personnel would meet the special requirements with regard to underlying business issues and needs and at the same time, people would be able to realize their potential consistent with their interests and contribute themselves into with the interests of company.

Because of variety form of ownership, the different levels of regions development, the special features of employment in *megalopolises*, industrial and one-company towns may exist different regional models as a component of employment within the national labor market. Demography structuring and classification according to occupation characteristics of categories and groups of the working age population is an important form of the labor market structuring.

The follow can be subsumed under strategic level:

– Labor market research and the forming segments required workforce;

– Evaluation of personnel requirements;

– positioning of the company as an attractive employer;

– Employer branding.

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- Implementation of scheduled activities for development or for generated task groups;
- Follow-up for scheduled activities;
- Identification task groups and work teams.

Thus, marketing personnel includes adaptations of each person to the market situation with the changes of profile, professional development, wages, etc., according to varies developments on the market environment. The key and overriding factor is a maximum adaptation of the person to market and current situations based on results of marketing research. Additionally, the HR marketing functions includes not only research, but also dissemination their results among market participants, who to make a choice and to adjust their behavior, etc. So using marketing principles allows decreasing the uncertainty when administrative deciding and the situation on the labor market assessing. Moreover, it increases the forecast of changes in market reliability.

Unemployment and competition make marketing the crucial means for appropriate job getting. The main subjects of marketing in the labor market are the staff (future and current employees), the employers, state employment agency, private employment services, the state immigration service, vocational establishments and trade unions.

HR marketing is concerned with any object in the market, what is offered on the market to exchange some amount of benefits and because of this has demand. The guarantee of stability position of the persons on the labor market is a result of business object hierarchy being. The starting point of marketing is that each participant of market on the one hand could effect on, to turn it into enabling environment. Therefore, marketing is a managerial system and a managed system in the same time.

Marketing as an element of HR management is a set of interrelated phases of development and implementation of HR marketing plan. The main phases are:

- Selection and analysis of sources and methods of staffing in accordance with the demands of the business structural bodies;
- Analysis of internal and external factors influencing the development of marketing;
- Development of HR marketing effort;

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- Development and implementation of HR marketing plan.

In this manner, the system of HR marketing should include [Кузьмин С. Методы подбора персонала в общей системе маркетинга персонала // Экономика и социум. 2013. № 4-3 (9). С. 425–428.]:

- Assessment of the needs of the internal organization market in the workforce;
- Survey environment, person, groups and categories of personnel;
- Identification of future staff needs in accordance with categories of personnel;
- Company's image evaluation;
- segmenting of the labor market for own needs;
- development of HR marketing effort for target segment, for example, the studying and employer branding of identification medias for dissemination of information, etc.;
- encouraging future workers.

HR marketing is a kind of distribution on the labor market when the commodity is a "labor power". The sellers are employees and the customers are employers. However, each participant is a consumer and a commodity at the same time. The HR marketing is like marketing of goods and services. The customers invest in staff and wait for efficiency and increasing productivity. In usual terms, the results correspond to investments. The enterprise's aim is to sell the product most profitable and the worker is bent to sell one's labor, knowledge, skills, experience etc. with the maximum profit.

There is an opposite effect when employer as sellers chooses customers and sells goods to peculiar buyer. The current situation on the employment market is the same. The need for professionals' manages to inverse relationship. It is valuable collaborator, who has special features like knowledge, experience, reputation, etc., chooses the employer and agrees to work. It is nothing but the buying a job offer.

Thus, in the labor market there is a direct and inverse correlation relationship:

- Employee (personnel/person) acts as a "goods" that "is acquired" by the employer;
- The organization tries to sell workplace with maximum benefit and to employ valuable specialists.

...being understood that staff is the most important social resource. Overcoming its capacity constraints demands special solutions depending on peculiarities of business challenges addressed by each work group and employee.

It must be emphasized that HR marketing concerned with such as human, intellectual, communicational capital. Thus, the marketing functions are inextricably linked with the generation, distribution (redistribution), exchange and use of human capital and its transformation into intellectual capital of the organization.

The intellectual capital have an interesting feature to accelerate the mass gain profits due to implementation of knowledge system, relations and objects, which in their turn provide high efficiency of the business. HR marketing involves allows to use this one.

If strong demand for skilled high-paid labor exist in an economy and businesses suffer from a lack of work force, HR marketing will gain particular significance. Under the given circumstances, all parties take into account the labor market situation: price and non-price factors, demand and supply. Market relations are appearing, marketing methods are applying, in other word the methods of market control are developing while the staff shortage is being.

Thus, the employee and the employer as sellers should develop marketing mix. It is a set of impact on consumers of the labor market to trigger a required feedback. There are four marketing tools: product, price, place, sale and sales promotion. By means of the first letters of their names, the marketing mix is also known as the marketing "four P" (4Ps) [P] (see Fig. 9) [Кибанов А. Я. Управление персоналом организации: стратегия, маркетинг, интернационализация : учеб. пособие / А. Я. Кибанов. И. Б. Дуракова. М. : ИНФРА-М. 2007. С. 87.].
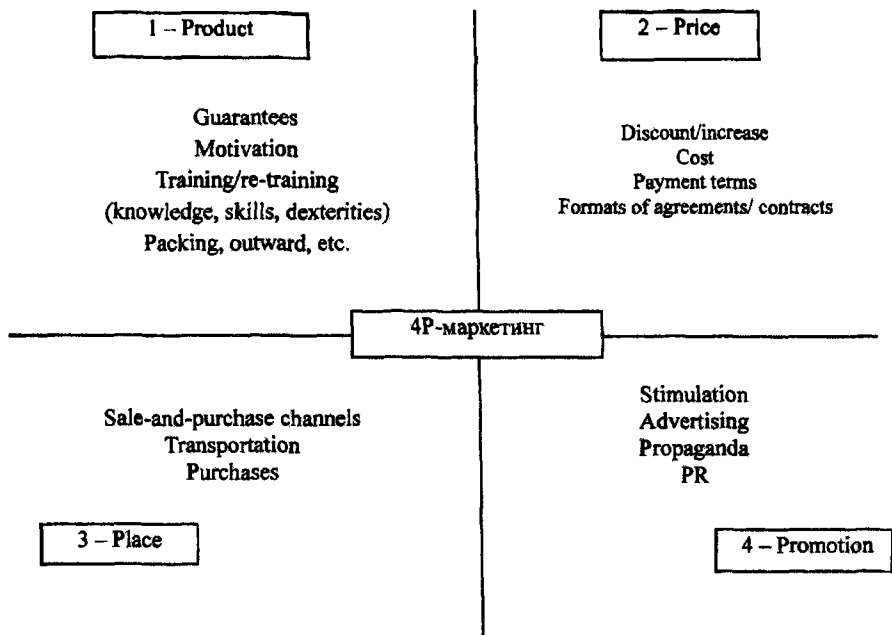
1 – Product	2 – Price
Guarantees Motivation Training/re-training (knowledge, skills, dexterities) Packing, outward, etc.	Discount/increase Cost Payment terms Formats of agreements/ contracts

4P-маркетинг

3 – Place	4 – Promotion
Sale-and-purchase channels Transportation Purchases	Stimulation Advertising Propaganda PR

Fig. 9. The Essence of the 4P-HR Marketing

The price is the cost of a position or a particular individual on the labor market. The employer offers to pay for work, but future employee can bargain to bring up the salary raise fixed by the labor market. In order to underscore his claims the future employee may get supplementary education or improve knowledge, skills, experience.

The product is a workplace that is sold on the labor market and includes the motivation and incentives of all kinds, the image of the organization, the status, the code of business conduct and ethics, the providing career progression opportunities, individual self-fulfillment, etc.

The promotion consists of two components. On the one hand it is workspace promotion including the advertising of vacancies, the employer branding, PR, etc. On the other hand employee should promote himself by summary, recommendations, interviews, etc. As tools of promotion in the HR marketing are a number of measures to establish an effective system of internal and external communications, as well as measures for the personnel image formation and employer branding. This measure ensures the formation of channels of human capital, and provides the employer with the maximum attractiveness for future employees.

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... place is the location of the organization, the industry, the state of mind and culture of the country, relocation, etc.

After all, consumer whether personnel or organization strives to earn profits buying. Positioning is a process of identification the points of goods in contrast to competitors. The method of focused consumer positioning is PR. In this case, advisable course is to adjust policy and reach level of PR and to center on inner positioning according to market evolution. Before expanding into a new market or establishing a position on the market, personnel should assess the treats from competitors. Probably, existing staff commands the market and is able to produce a service/product with lower costs. In this case, there are advantages arising out of education, skills, knowledge, trademarks, etc. However, the most serious barrier is a counteracting of market, like reduction in the cost that can break profit down.

The nature and intensity of competition among the staff depends on the market, multiplicity of competitors, but also from the market over saturation which leads to price wars.

In the new economy, qualified labor is appreciated, not cheap labor. It is felt lack of talents. Labor is getting more expensive. Consequently, to recruit highly qualified professionals is becoming not the trivial issue. In this situation, the HR marketing mix extends to 5Ps and includes personnel.

The people or personnel are the fifth component of the marketing mix. There are two key points. Who does sell? What does ones sell? The labor market researches explain the first issue. The answer to the second issue depends on a number of criteria. When production capacity inclines, rate of wages is becoming the main criterion for employee to choose an employer. Now the following feature characterizes the situation on labor market: the most valuable professionals pay heed to other criteria when they seek employment. One of them is the code of good practice, which is beginning to become a commodity and is the most conservative and inconvertible element of management. Ones mythologize the history of the organization, the time when competitive advantages came out, describe ones doing with myths and legends and using the power of linguistic influence to push the organization development. Organizations are trying to stand out among others, because the singularity has the attention-getting power that allows HR managers to form the future development of the organization. Correct positioning, the uniqueness of the offer create a competitive advantage for the organization or person, mission, values, etc. [Лазарева Н. В., Фурсов В. А.

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The corporate values formation deserves special attention because these components being poorly formalized determine in large measure the success of the company. Their special nature can be universal, but their combination and, most importantly, the manner of their generation and confirmation should be maximum comply with the company. Hence, on the one hand, values are part of the mission and strategy of the company; on the other hand, they support the business strategy implementation.

Twentieth twenty-first centuries the core values are the self-improvement, the life satisfaction, the emancipation of women, the decreasing willingness to subordinate, the getting down the promptitude in obeying, the declining value of work as a duty, the rowing importance of "rest and leisure", the appreciation of nature preservation, the healthy lifestyle.

Today on the labor market are people of generations X, Y, Z. The each group representatives have their special attitudes towards work and job requirements but in the same time, they think highly of themselves, look at employer with a critical eye and exceed beyond material needs. Thus, the value judgment brought to the fore non-material incentives motivators for career planning and building of employable population.

Currently, in order to employees share the values of organization; staff should be involved in the development of values with regard to the ones' willingness and ability. The starting point are the values and managerial vision of top leaders. Are people for the organization or the organization for humans? Are people skillful and willing to work or them should they be ruled to happiness with a rod of iron? These subjective issues exert a decisive influence on the choice of human resource management conception.

To meet the challenges of the modern economy, HR marketing should search for new methodologies and tools. Traditional instruments like the "classic" cost model, strategic business plan, etc. – give a cursory sense and incomplete comprehension of the business system and its environment, and the marketing mix is transformed into the 6Ps model by incorporating business processes (Fig. 10).
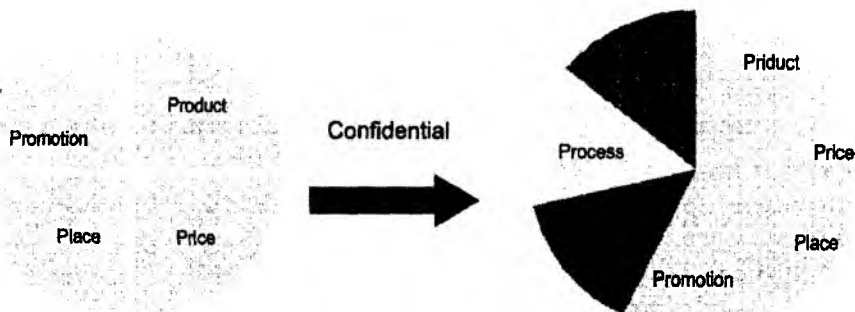
Fig. 10. The Modern Model of HR Marketing-Mix

To deal with above disadvantages of "traditional" tools and techniques it can be used a complex system of interrelated key business objects and business processes. For each object is completed table, scorecard or scorebook by set of attributes (IDs) and true-balanced indexes of effectiveness of the object (financial, functional, and labor). In addition, each scorebook contains a brief account of the object development that may be of use for the analysis of brands, products, business units, relationships with key counterparties, etc.

Based on the values of these parameters is estimated the total value index of the objects including but not limited to product, brand, counterpart, business unit, etc.

An additional advantage of CVS cards is the ability to assess the performance indicators of a single object of itself as well as the degree of synergy between the objects in other words how well objects, strategy, vision, core competencies, external factors, customer and other interested person's needs, etc.

While determine of the index or the values of performance indicators is being, the crucial inefficiencies of key business items could be identified. This enables to develop and implement financial and operational plans to optimize (improve or reengineering) existing facilities and/or create the missing objects [Багирова В. Л., Киселева В. А. Классический маркетинг в системе управления персоналом компании // Фармация. 2014. № 1. С. 24–26.].

Let us consider the internal and external HR marketing. The HR marketing is the thrust of HR management strategy when current personnel and future employees seen as jobs consumers. Effective marketing part in HR significantly reduces costs for identification, recruitment, deployment, retention, loyalty forming because when the shortage of qualified personnel is being the companies
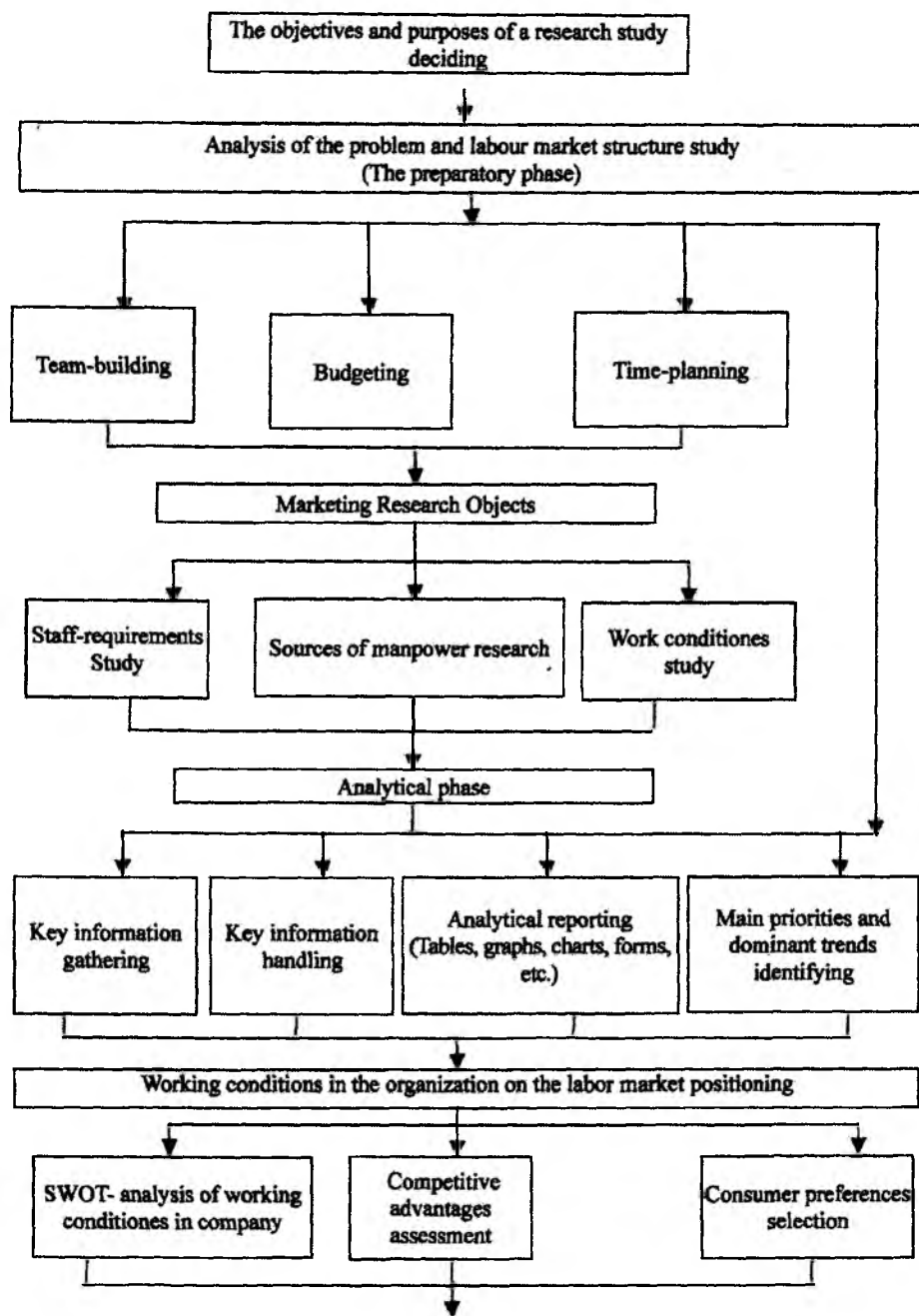
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compete in the labor market as in the consumer market. In this case, successful "sales jobs" means the gain willingness of required staff to serve or commitment to the organization on equal remuneration of labor.

HR marketing is an activity to adapt business to market demand consisted of job and workplace analysis, qualification requirements, market research and price policy. A personnel advertising is a part of HR marketing. The HR marketing can be external when the staff services is focused on the external labor market as well as internal, which aims to increase the attractiveness of jobs not only for future employees, but also for current ones.

Thus, there are three types of HR marketing corresponding to the sphere of action - external, internal and integrated marketing and marketing mix consists of two subsystems - external and internal marketing. External marketing subsystem involves permanent monitoring of the labor market situation by the staff services, core staff profile description, employer branding through the complex of marketing communications, as well as the formation of a staff-image and definition of strategic attachments in the labor market.

External HR marketing means that the organization is focusing on the external labor market (see Fig. 11). Its main task is external positioning of the organization and promotion jobs for future employer, whereby competent "sell" the brand of the organization as an employer is held. Several challenges should be met to implement these ones:

– To develop advertising campaign of organizations as job side and bring information to future employees;

– To manage various events to attract the candidates for the vacant posts (professional consultations, thematic exhibitions, posters, etc.);

– To make specific proposals to bring new employees into the organization, depending on the demand, target groups and timing to cover staffing needs;

– To analyze the application documents and recruitment.

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│  The objectives and purposes of a research study │
│                   deciding                    │
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│  Analysis of the problem and labour market structure study │
│              (The preparatory phase)          │
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Team-building	Budgeting	Time-planning

Marketing Research Objects

Staff-requirements Study	Sources of manpower research	Work conditiones study

Analytical phase

Key information gathering	Key information handling	Analytical reporting (Tables, graphs, charts, forms, etc.)	Main priorities and dominant trends identifying

Working conditions in the organization on the labor market positioning

SWOT- analysis of working conditiones in company	Competitive advantages assessment	Consumer preferences selection

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                              │   Marketing-mix development      │
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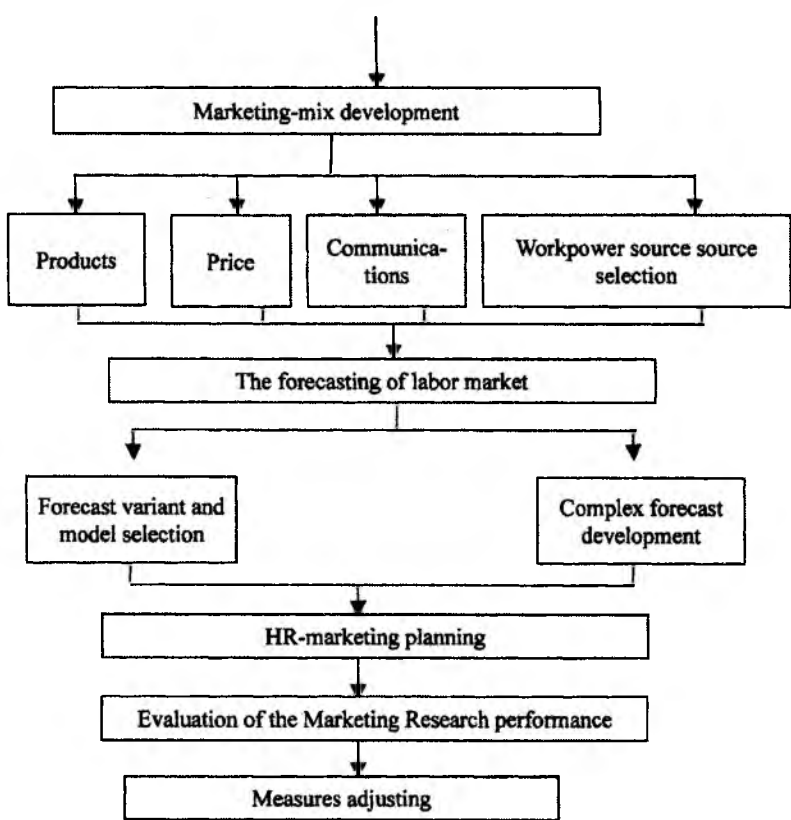
Fig. 11. Complex Marketing Research of Labor Market Scheme

The purpose of the marketing investigation of the labor market in HR practice is identification how core staff profiles are adapted to the modern requirements on the labor market when work collective is stable. According to the purpose, the marketing investigations concerned with the study of staff requirements of the labor market to develop practical measures to improve staff qualities with respect to the profile of personnel professional work. The second objective of the investigation is the dissatisfaction with working conditions to improve theme and to provide stability work collective activities.

Internal marketing is tailored for current staff. The tightening competition and the enhancing of the pool of qualified professionals in contemporary companies increase staff loyalty requirements and demands to remuneration system and provision of incentives and the scheme of labor remuneration of the company's employees.

The larger the company the greater is the feeling amongst the junior employees that they are merely small cogs in a giant wheel. The more the professionals in the organization, the more of them have a low loyalty because for several reasons. The first is the hierarchy of knowledge what caused the lack of subordination. The professionals do not consider themselves just subordinates; they are out of control, it is impossible to order them. Secondly, professionals perfectly aware that they are not who need in organization, it is the organization needs in them. Thirdly, they are aligned to the field of knowledge and to the specific nature of their activities more than to the current job place.

The essence of internal marketing is that the relationship of the employer and employees are built on the same grounds as relations between organization and customers. The leadership "offers" special product – work position with specific rights and responsibilities. Employee "buys" the product and "pays" by labor.

Thus, the purpose of internal marketing is interaction between clients of the company with a motivated and customer-oriented staff. Internal marketing consider staff and internal environment of the business as customers.

The goal of internal marketing is the attractiveness of the organization as an employer. To gain it requires:

- To make each employee a walking advertisement of the company;

- To put about the maximum satisfaction of business customers;

– To consider employees as internal customers;

– To develop motivational potential of staff (Fig. 11) [Мотивационный потенциал – наличие потребности, интереса, склонности, положительного отношения к работе / компании, внутренняя энергетическая заряженность человека.].

The internal marketing should go on systematically, including all its elements, including:

- Mission, traditions, history and image of the company;

- Recruiting;

- Development of staff;

- Organizational structure and job descriptions;

- The service quality standards;

- Staff motivation and evaluation of its work;

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-- Information and communication;

- Internal and external PR.

The circumstance that each element in greater or lesser extent, affects the satisfaction of employees with their work and motivates them, defines the feasibility of the method.

Leaving aside, any element could reduce to zero the results of efforts expended on the organizing, maintenance and development of the business. Orientation in internal marketing is a sustained and firm interference into   deeply entrenched internal social processes aimed at changing the attitudes and behavior of people. There are three phases of internal marketing introduction.

The First Phase includes:

- The research of employee satisfaction with their work, domestic product, the identification and ranking of factors motivating employees for effective work;
- The expert evaluation of the internal marketing capacity prior to the `changes to be through;
- The interviews, mini-workshops with senior management, middle management and employees to change attitudes and behavior.

The Second Phase includes:

- The mini-workshops for reorientation of the internal values of employees and managers on the basis of marketing principles to increase the level of communication and independence in solving problems of division and the organization as a whole;
- The development of the elements of internal marketing.

The Third Phase is the evaluation of internal marketing capacity after changes.

As noted by the senior and middle management) the main problem with the traditional external marketing is that the involvement of qualified marketers from outside is almost impossible, because their assistance is too expensive, but more importantly to pick them up in small towns, settlements and rural areas is extremely difficult. Internal hiring for the marketing service development is also difficult, because employees do not have the appropriate qualifications.

Integrated HR marketing can be identified as bound system of external and internal HR marketing. The organization focuses not only on the external labor market, but also sometimes on it current staff. The main objective of integrated

HR marketing is an external positioning of the organization, jobs advertising, and employer branding.

While developing an implementation marketing strategy, organization can use its bulk and target option [Казанцева С. Ю. Текучесть персонала как показатель оценки эффективности работы в сфере маркетинга персонала // Современные тенденции в образовании и науке : сб. науч. тр. по материалам Междунар. науч.-практ. конф. : в 14 ч. Тамбов : Юком, 2014. С. 61–62.].

The bulk marketing involves a vast prospective market where, for example, promotion of the services does not take into account the consumers particulars

The target marketing involves maintenance of specific consumer groups, related to one or more segments of the market, distinguish making between consumers. It is based on individual approach and has a number of advantages:

– The position strengthen in the special labor market niche;

- The focusing on a specific target group of employees;

– The replacement according to qualification for a new profession.

The international oriented target HR marketing with foreign outlet has been recently gaining momentum as an important method because of demographic problems and the changing values both of candidates for hiring and staff.

Chapter 3.
Marketing Strategy in Human Resource Development

The market is dynamic, changeable and as it often says "uncertain" reality. Scope of the market is widening or getting narrow, there are various structural changes and in the main events of previous period always influence the overall supplies. Hence, the identification and analysis of the dynamic trends of market processes are among the most challenging tasks in market situation study.

The focus of the HR marketing should be in keeping with the overall strategic purposes of the organization. The objects of the HR marketing are classified as business-like and formal.

The business purpose of the HR marketing is meeting the personnel requirements for organizational excellence backing according to human resource personnel planning.

The formal purpose of HR marketing of the personnel can be divided into economic and social. According to the formal economic ones, efficiency and profitability are the essential criteria of the HR policy. When the formal social purposes are being, the criteria of HR policy implementation are personal expectations and subjective sense of the usefulness of the staff.

Personnel policy, in the framework of the philosophy and strategy of human resource management, as it pertains to HR marketing should be considered and implemented through a set of tasks, including development of the target system, requirements planning, business assessment, career management, motivation, and determination of specific activities of personnel management.

Thus, the policy of the HR marketing defines key values and key objectives: the people are the core value, and the main goal are the most important directions of their activities and the crucial assets are knowledge, abilities, skills as a kind of specific goods.

There is a widespread opinion that an intuition is essential along with precise quantitative estimates, when market situation is interpreting and characterizing. There is no contradiction. The combination of statistical methods of analysis and subconscious intuition, based on experience and talent of the researcher or expert, allows sizing up a situation.

The central issue of competitive strategy is market standing of company.

Porter's five forces model (Fig. 12) defines competitive strategies according to industries profitability. It was used in the context of the humanization to identify the staff's key success factors. The model have allowed analyzing a broad range of staff skills and market conditions [Яшкова Е. В. Особенности применения технологий маркетинга в управлении пер-соналом современной организации // Инновационные технологии управления : Всерос. науч.-практ. конф. Н. Новгород, 2014. С. 37–41.].

Suppliers
It is mainly companies within one Corporation

Potential competitors
There are domestic competitors, but their competitive position is weak
Foreign competitors are very active in overseas markets

Competition
Competition in overseas markets
Growing, large market

Substitute products
No

Customers
A significant impact of customers (Ministry of defense of Russia and foreign countries)
The brand effect
Relatively low price

Fig. 12. The Improving of the Marketing Strategy. The Analysis of the External Competitive Environment of the Business according to Porter's Five Forces Model

Positioning determines whether the profitability of the company is above or below the average value of economic activity. A company that can position itself well may gain high image, even if its organization is disadvantageous and the average profitability is modest.

In the long term, the basic principle to have profitability above the average mean can be determine as a keeping competitive advantages. A company may have its strong and weak features compared with competitors, but it can draw upon two core competitive advantages: low cost or differentiation. Strong or

weak features of company or person has affects the relative cost or differentiation ultimately. In turn, the advantages of cost and differentiation are the results of the company's ability to position itself better than competitors have.

Two basic types of competitive advantage combined with the scope of activities that organizations/persons have to gain, bring to three universal business strategies to achieve higher than the average results as cost leadership, differentiation and focus.

Each of these strategies has a substantially different way to achieve competitive advantage, combining the choice of advantages and choice of strategic objectives (Fig. 13).

Organizations, personnel who use these strategies, but do not get result in any of them, do not gain competitive advantage. Usually, this strategic position is the sign of performance below the average.
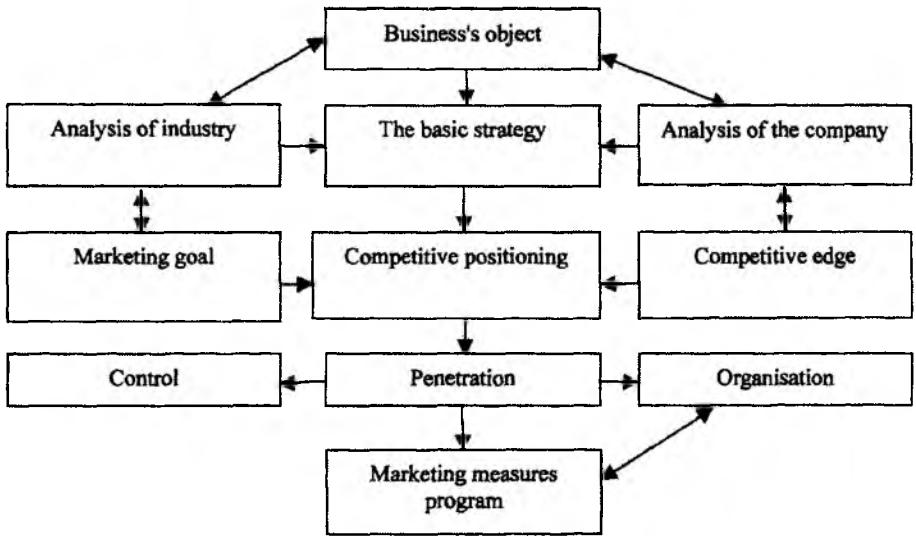
Fig. 13. The Marketing Strategy Development.

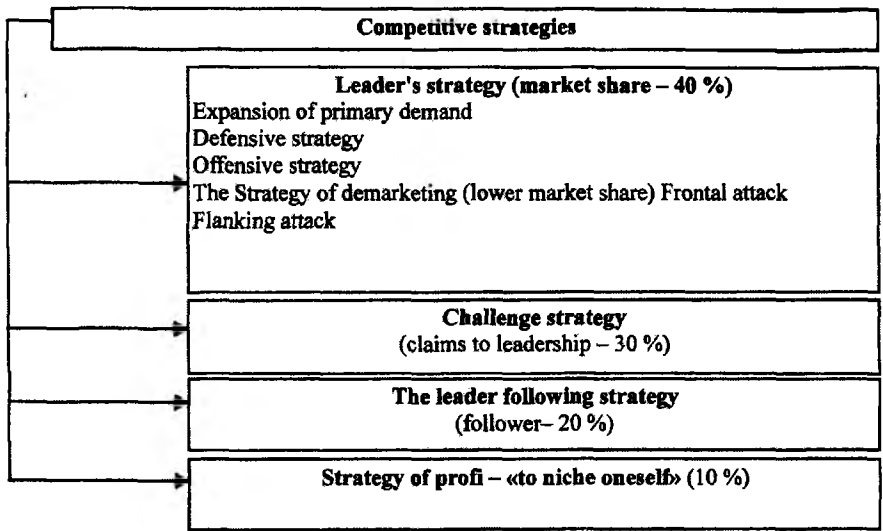Kotlers' the competition strategies are represented in Fig. 14.

Competitive strategies		
Leader's strategy (market share – 40 %) Expansion of primary demand Defensive strategy Offensive strategy The Strategy of demarketing (lower market share) Frontal attack Flanking attack		
Challenge strategy (claims to leadership – 30 %)		
The leader following strategy (follower– 20 %)		
Strategy of profi – «to niche oneself» (10 %)		

Fig. 14. The Marketing Competition Strategies.

Let us take as a case in point the marketing strategy of Closed Joint-Stock Company Efes Rus.

Mission is a manufacture the high quality alcohol products using advanced technologies and innovations that meet the needs of the today's consumer.

Strategic intention is the keeping in sales and the gross profit increasing.

The strategy of company can be identify as a intensive growth strategy or product development and market entry strategy.

The policy is a policy of product leadership or policy differentiation.

There are two major lines of the human resource management strategy of Efes Rus.

The first is the passive HR marketing focused on staff planning and providing the business with skilled human resources. It is the function of HR service of company and is performed separately from other ones.

The second line is active HR marketing that focused on more global, strategic issues of work force policy of company.

Both employees and potential applicants for a job are seen as internal and external clients of the company. Correspondingly, *the main goals of HR*

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marketing include the enhancing productivity though the optimal use of human resources, employees development and their participation in the affairs of the company so called participatory management, the cultivation a team spirit and loyalty to the organization [Ф. Котлер. Основы маркетинга. СПб. : Коруна : Литера плюс, 1994. С. 26.]. In other words, the staff can be imaged as customers of their company.

The key of the active marketing is based in market thinking of employees and very different from traditional administrative methods of HR management. However, the introduction of the active marketing requires a sorting out of complex of tasks connected with the development of the targeted HR management strategy, workforce planning, business evaluation of employee performance, the motivation, learning, code of business conduct and ethics.

Both lines of the marketing strategy of human resource management thwart but supplement each other. If company is anxious for success in its market segment, it should develop ones in parallel.

The "active HR marketing" includes:

- The latest techniques in recruitment, selection and evaluation used in the practice of management of various domestic companies;
- The corporate training system to enhance the value of labor capacity, and hence the cost of human resources;
- The organization of in-house financial motivation based on the research performed in various local companies.

One of the promising areas of HR marketing policy is a development of code of good practice allowing bringing down losses from employee turnover and at the same time to affirm corporate values among employees. After all, along with the external labor market, the domestic market exists where companies, which are parts of large holdings, corporations and clusters, are active.

Thus, the organizational culture, on the one hand, keeps the staff in promotion on the domestic labor market and on the other hand increases the overall staff efficiency and, as a consequence, the efficiency of the organization.

The above elements form the marketing strategy of human resource management. It phases of development are represented in table. 6.

The HR marketing practice involves a certain degree of risk. It level in the labor market caused by the well-known time delay of the investments in human

capital accompanied by changes in occupational, educational, and cultural levels of the workers. Rapid innovations changes call forth-new business logic and ability to view the variety of interacting, often countervailing, factors of external and internal environment.

Marketing research	
Market research	Studies the activities of the firm
1. Analysis of market capacity 2. The study of consumer demand 3. The study of the competition intensity in the market, activity of competitors 4. Study of the conjuncture and its dynamics 5. Industry research 6. Sale research 7. The study of marketing macro- and microenvironment	1. Production and sales indicator analysis 2. The Organizational structure analysis 3. Cost analysis 4. Financial analysis 5. Analysis of existing models
Development and implementation of marketing strategy	
1. Identifying strategic programs options (global, marketing, pricing, brand, promotion, demand) 2. The choice of the strategy (diversification or concentration) 3. Working up of options and a strategy, tactics methods 4. The revision of the strategy	

Table 6. The Phases of Marketing Strategy Development.

In the context of marketing, the environment includes the level of the performance and efficiency of actors, feedback and adaptation, controlled and uncontrolled factors.

Key changes affecting the business environment can be characterized as follows: the business climate determinants are less volatile than those ones that influence the global economic, social and political processes. However, these phenomena cannot be considered in isolation.

The controllable marketing factors include those, which can manage by market parties as employees, employers, employment intermediaries, etc. These factors first are determined by the following marketing procedures:

- Choice of market segments, where can be bought or sold the labor force as a goods;

- Design of marketing goals marketing including employment and getting new or additional qualities to improve the competitiveness of the labor force in the market change of occupation; saving job; the recruitment of skilled manpower with minimal costs; comparison of costs for self-training and retraining in accordance with the needs and the costs of hiring skilled labor force, etc.;

- Development of the structural body for the marketing management;

- Control to correct policy according to changing of market environment;

- Combination of marketing elements to achieve the goals and market segments satisfaction.

Besides controllable marketing factors, uncontrolled, but adjustable, environmental factors as political-legal, socio-economic, demographic, technological, environmental, cultural, info media have an effect on marketing.

The human resources aspect of marketing involves factors that inevitably change the leadership style. At the same time, the staff requires greater investments in personnel development, job simplification and more flexible management. The changed nature of the employment contract bereaved the personnel of all hope to save job in concrete company along active working age but employees expect to get skills for fruitful career development or individual

The development of market relations requires the specific development of business to to ensure the required level of competitiveness. To do this, the key managers when planning should use all means of action at their disposal.

The list of the measures, correlation and interconnections can be evaluated on the basis of the organization model is being a modification of the well-known model Nadler and Tushman's Congruence Model of Change. The spatial lattice concept of the model is represented Fig. 15. The any of element change affects the others with feedback and any change is only possible when a complete change of other factors have been occurred. It is the principle of all structural elements of the model correlation.

Having based on this approach it is possible to analyze one after another indicators of the situation of organization to identify opportunities for betterment
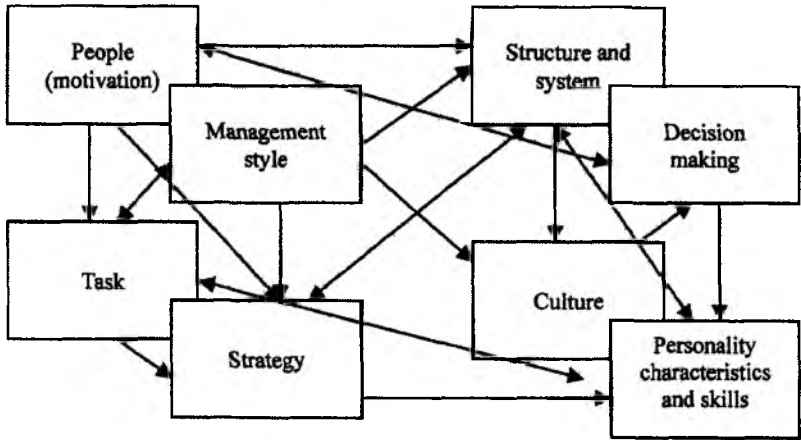
ones to improve the organization.

Fig. 15. The Model of Organization's State

Improving marketing strategies can be carried out using the analysis of the external environment based on the definition of competitive forces according to Porter's Model (Fig. 16) and internal environment (matrix GE or McKinsey – Fig. 17).
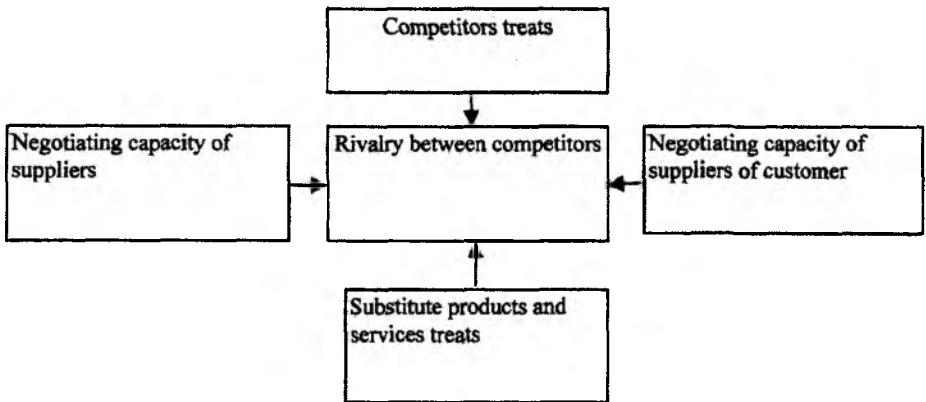

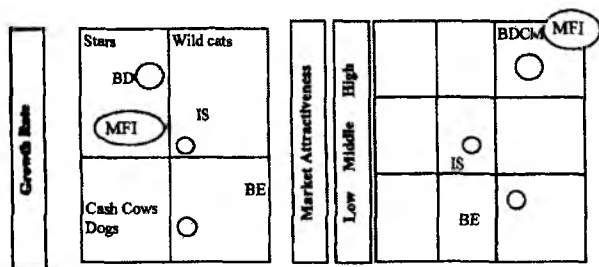*Fig. 16. Porter's Five Forces Model.*

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The GE Matrix

The share of the market

4 3 2 1 0

The McKinsey Matrix

The Competitiveness

weak average strong

Legend: BE – basic elements; IS – inertial systems; BDCM – on-Board digital computing machine; MFI – multi-function indicators

Fig. 17. The Analysis of Internal Environment of Organization

In this process, the SWOT analysis and the PEST analysis are used to evaluate the threats and to assess the capabilities [Котляров И. Д. Новые формы маркетинга персонала // Практический маркетинг. 2010. № 8. С. 16–20.].

The capabilities are:

– Human resource strategy is better than the competitors' ones;

– Advantageous location of the organization;

– High job placement capacity;

– High labor productivity level against the competitors;

– High quality of services or products thanks to qualified personnel;

– Favorable image of the organization;

– Agreeable, friendly employees, etc.

The threats are:

– Economically and socially disadvantaged state policy or in organization;

– Untoward population condition;

– Deteriorating social conditions in the city, region and organization;

– Poor implementation of the personnel policy against the competitors;

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– Job losses due curtailment of production, etc.

Internal environment	
Strengths	Weaknesses
– The company's image – Substantial financial resources – Experience – Highly qualified staff – Good reputation among customers – Availability of own technologies and own equipment	– Unclear strategic direction – Possible violation of delivery time – The developed to maximum marketing skills – Problems in the advertising
External environment	
Opportunities	Threats
– Boost of market – Entrance to the new market or new market segments – Cooperation with foreign companies – Diversification to meet a wider range of the population	– Massive state demand on the aircraft absence – Ban the Defense Ministry of Russia to sell foreign customers modern aircraft – Reducing the procurement of aircraft for India and China – Limitation on the Western electronic components suppliement – Change in the exchange rate – Changes in the Russian and foreign countries legislation

Table 7. The SWOT-analysis.

Strengths	Weaknesses
1. The company takes the 2nd place based on the sales in the Russian market	1. Desintegrated staff because of the two companies merging
2. Synergies after the merger of the two companies	2. Dependence on prices for raw materials (malt, barley)
3. Large distribution system	3. The lack of highly qualified specialists in the regions
4. High quality products	4. The decrease of sales in the traditional retail channel through of stricter legislation force on the sale of beer
5. Balanced brand portfolio	5. The incomplete distribution in the HoReCa channel
6. Highly qualified staff	
Threats	Opportunities
1. The decline of beer production in the whole industry	1. Shifting of the sale channel to the modern trade channel
2. A potential ban on the sale of beer in plastic bottles	2. Optimization of distributors in the HoReCa channel
3. The disproportionate growth of raw materials price compared with the HICP	3. Innovative developments in the beer production and packaging
4. A further increase of excise duties	4. The repositioning of beer products in the medium price segment to the premium segment to increase profit
5. The increase in transportation tariffs	5. The development of soft drinks production
6. Further market share gains strong alcoholic beverages	

Table 8. The SWOT-analysis of the Efes Rus JSC

The strengths are:

– Developed HR management system;

– High level of management competence;

– High level of employee qualification;

– having the innovative capacity of personnel;

– Sufficient funding of HR management;

– High level of labor satisfaction among staff;

– Developed system of staff motivation to work;

– Social protection system;

– Favorable working conditions;

– High rate of remuneration against the competitors.

The weaknesses are:

– Lack of strategic aims at personnel;

– Lack of managerial talent and understanding of HR management issues;

– Lack of competence and qualifications;

– Poor funding of HR management;

– High level of vacancy rate;

– Outdated job descriptions and staff requirements;

– Low rate of remuneration and lack of reward systems;

– Poor social protection system against the competitors;

– Outdated system of evaluation of staff performance;

– Limiting staff career progress, etc.

Two companies PEST-analysis results are shown in Fig. 18.
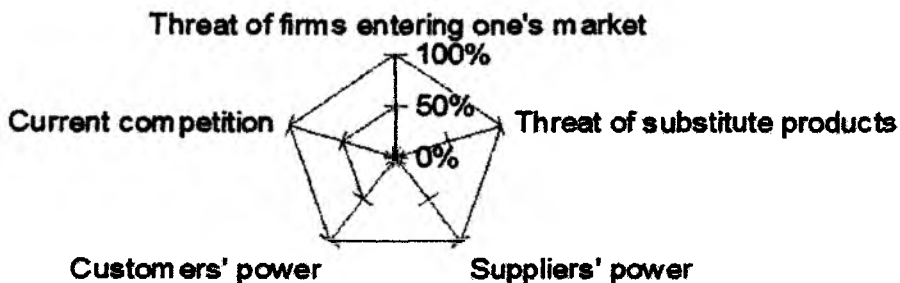

Fig. 18. Company marketing PEST-analysis

Conclusions through the results of the PEST analysis are following:

- The number of competitors is reducing, but the consolidation in industry is increasing through the mergers and acquisitions of businesses;

- The competitors' capacity is getting more equable;

- The low cost of switching customers to the competitor.

The strengths of the staff are knowledge, abilities, skills (merits), sensitivity, investments, etc. The weaknesses are insufficient investment in education, training and/or retraining, age, and mean abilities to find markets.

Both strengths and weaknesses in the market are more related to internal factors. The other two parts of the SWOT-analysis matrix are more related to external factors.

Therefore, personnel capabilities include everything that should be snatched what are being used to get advantages usually financial and investment, allowing gaining new technologies, markets, etc. Threats are usually a new competitor, ageing personnel and adaptation capacity rate reducing, legislation restricting freedom of choice and action, etc.

We point out that, the strengths of one could be the other's weaknesses depending on situation. To turn weaknesses into strengths, to know how strengths could be associated with the possibilities and what benefits give to competitor weaknesses, to be up to change threats into opportunities, that is what counts.

The teamwork because of collective effort and training is an additional staff advantage.

There are three levels of marketing strategy [Банникова Л., Щелоков В. Маркетинг персонала как фактор кадровой безопасности предприятия // Человек и труд. 2008. № 5. C. 45–47.]:

- Corporate (portfolio strategy, growth strategy, competitive strategy);

- Functional (segmentation strategy, positioning and marketing mix strategy);

- Instrumental (product, price, distribution, communication, partnerships).

HR marketing strategy is an element of the overall strategy of the organization, aimed at a systematic and ongoing analysis of the needs and requirements of all sides in their employment relationship, including the development of concepts effectively meet the needs of employer and employees according to business goals.

In implementing the strategy, it is important to position and segment not only future employees but also the company itself. Thus, the selection process gets mutual. Before market studying and segmenting, communicating to different target audiences, the organization should consider itself as a marketing object to determine its affiliation to one or another group of employers or providers of employment, to determine both tactical and strategic features. The success of cooperation between the organization and staff depends on an proper understanding of the marketing peculiarity of each other and on signals had been given each other while mutual selection. Accordingly, the feature of HR marketing is an orientation on specific communications in the labor relations.

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The corporate strategies are the prime interest for marketing studies.

The current problem is a development of marketing strategies aimed at the building of trust. However, it is not much observed in practice [Хиггинс Р. Отношения с инвесторами: передовой опыт. Пути создания акционерной стоимости. М. : Альпина Бизнес Букс, 2005. 224 с.]. However, many researchers point out on the importance of partnership cultivation through trust. For example, O'Shaughnessy says that the purpose of marketing is to help companies to gain consumers' trust, because trust is the basis of the brand loyalty. R. Higgins attaches strategic importance to the trust value and puts forward the concept of "strategic trust" as an element of perception of company by stakeholders, who form attitude over the company on the basis of understanding its activities, objectives and strategy relevance. The profit growth starts with the satisfaction of partners, then comes the phase of trust building. This, in turn, leads to the adherence and increase acquisitory potential.

For the development of trust, it is necessary to perform a number of actions: to offer a quality product, to have a fair name in the market and to be able to establish personal personalized relationships between staff of partner companies.

Reputation, competence, trustworthy of the first person, company's transparency, etc. are emphasized among factors making for trust building. The only business-to-business form of relation, based on economy goals, does not allow to contribute to the true convergence of businesses, because it is nothing but pragmatic.

The creative approach to establishing personalized relationships, including unusual action to contribute to building trust, could provide real and long-term partnership. First, a creative approach concerns the choice of techniques and methods of personal communication that cause positive emotions for the partner.

According to research reported by R. A. Schnappauf, mind and consciousness head only about 10% of human action and the other 90% is a result of the feelings. Professional using of creative techniques of communication allows to make a significant shift away from a purely business relationship towards informal emotional contacts that enables the trust-based cooperation between the partners.

The approach to the management of marketing channels based on the paradigms of power and trust, allows making for coordination and interaction between the business participants. First, the importance of building trust should be highlighted as an additional income source of the marketing channel

participants, but it requires creativity to achieve this results.

Implementation of marketing strategies requires some effort. The channels that enable the marketing activity are presented in Fig. 19.
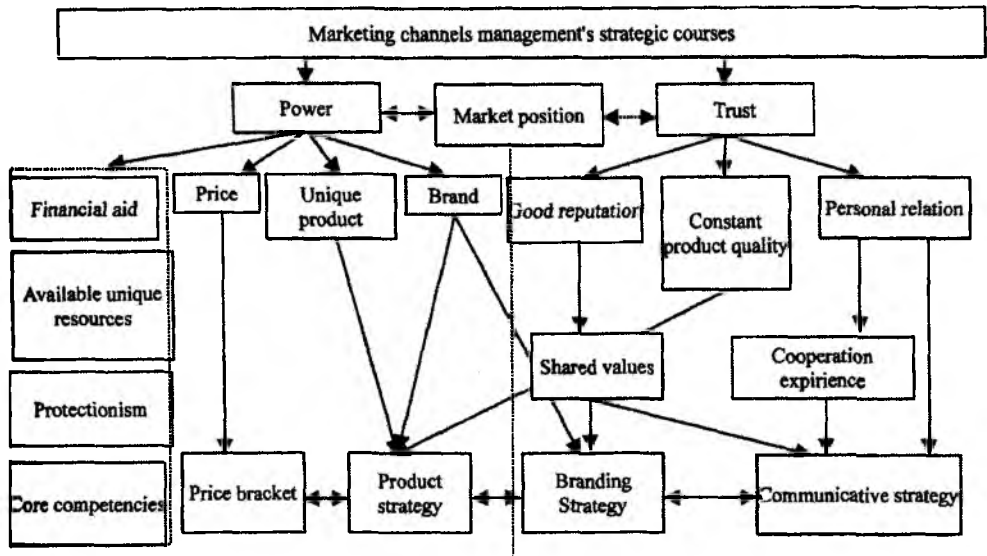

Fig. 19. The Management of Marketing Channels Development

In the context of the unity of information and communication, the information and communication functions are the main HR marketing instruments.

The information function of the HR marketing is to create an information base of planning in market segments and to make target groups communications. It includes:

– Study of the requirements for the positions and jobs;

– Study of the internal and external environment of the organization;

– Study of the labor market;

– Study of the organization image as an employer.

Marketing information system in human resource management is a system of exchange of information that allows professionals to analyze, plan and implement marketing efforts.

Communication function of the HR marketing is to establish and implement ways to meet staff needs and provide advantages to the organization as an employer. The objects of the communication functions are:

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- The employees of the organization who act as participants in the internal labor market and do as image-holder of the organization;
- The external labor market as a comprehensive source of the future employees;
- The disclosure of the management as the main factor of influence on the forming opinion about the organization.

The appearance in Russia of the prerequisites of the information society came to the fore the problem of providing organizations with effective communications and the development of models of management of communication processes. J. Dalton distinguishes four causes why the role of communication in the modern world is growing [Сравнительная политология сегодня / Г. Алмонд, Дж. Пауэлл, К. Стром, Р. Далтон. М. : Аспект-Пресс, 2002. 537 с.]. They are:

- The traditional production factors (labor, land and capital) gave place to new factors (competence, consumers and knowledge);
- The knowledge has become the main source of competitiveness in the context of the company's strategy;
- The intellectual capital (knowledge, experience, and knowledge) is getting the main asset of the company and its cost can be several times higher against tangible assets;
- The concept of the customer capital is turning up as a value of the relationship between organization, partners and customers.

Obviously, with the development of society based on innovation economy, the attitudes towards information are changing and along capabilities to obtain and use information to improve competitiveness of businesses are growing.

While adapting to the information society, the role and place of communication change and turn into strategic and subsistence resource for any organization. In this way, the communication concept of marketing may form the basis for development and competitiveness of the organization. It should be noted that the communication concept implies the formation and the integrated use of communication systems as the primary factor of the most effective promotion of the organization and its products or services on the market.

In existing research, three approaches appear definable. The first approach focuses attention on the studying of communications within the organization. The second one is to promote sales in the market through communications.

The third approach is based on the assumption that communication is any exchange of information between complex dynamic systems and their parts, which are able to construe the information, gather it and convert.

The overwhelming majority of Russian studies on communication theory devoted primarily to public relations – PR. Along this, the economic aspects of this problem for various reasons are considered of secondary importance. In most companies, the communication functions are limited and include information, coordination, motivation, public relations, advertising, etc. Thus, as a rule, there is no unified communication concept.

Today, in order to get success the company should use a wide range of tools of marketing communications mix (MCM) to tailor the specificities of the goods and to take into account mood and shift on the market, as well as consumer behavior and general terms of business. Relationship between company, client and immaterial resources like front-line employees, technologies, knowledge, customers, consists of three types of marketing communications:

- External (classical) ones allow informing clients (future or existing) about the company or products and services;
- Interactive communications is to put customers in contact with the front-line employees and include so called WOM communication (word of mouth);
- Inner marketing communications include contacts between management and front-line employees and communication between departments.

On this basis, it is possible to speak about the transformation of communications in the foundation not only for the marketing mix, but for management in general, to allocate and manage the company's informal elements being generated within the formal structure.

The objects of communication functions are:

- Employees who act as participants in the internal competition for jobs and are image-bearers of the company in the labor market;
- The labor market as an integrated source of future employees;
- Information component of management as a demonstration of management transparency as the main factor of the shaping opinion about the company. Employees are viewed as the image bearers.

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Current CMC combines traditional external communications with the communication aspects of production and consumption or the relationship between employee and customers, WOM communication, etc.

Developing a set of marketing communications, the company should consider the following factors:

– The industry or market type in which the company operates. Features manufactured and sold products, as well as its target audience require different approaches to the formation of a complex of marketing communications;

– The strategic objectives of the business. They define the breadth of the market coverage and the development prospects of the company (e.g., diversification or integration), areas of innovative activity;

– The strategy of promotion and sales. It determines the choice features of marketing communications elements depending on the enterprise focuses on intermediaries (pulling) or consumers (pushing);

– The life cycle of the market (industry) in which the company operates, and sells products. Depending on the stage of the life cycle of the market, the company defines its competitive strategy and marketing communications part to implement it. The life cycle of products is the basis for the development of a promotion strategy of particular product or service on the market.

Stages of definition and implementation of complex marketing communications are following [Чащин В. В. Формирование системы маркетинга персонала на рынке труда : дис. ... д-ра экон. наук / Ростовский государственный экономический университет. Ростов н/Д, 2013.]:

(1) Analysis of the current situation in the external macro environment and at "close quarters" to determine external environment influence.

(2) Analysis of the current CMC of enterprises to identify its strengths and weaknesses together with a comparative analysis of competitors and assessment the extent to which the goals and targets was set out for the marketing communications.

(3) The definition of the goals and target to set out for new CMC and the expected results of its implementation, for example, increase awareness of the company and its products, switching demand, information on current promotions or promotional events, etc. The purpose of the complex of

marketing communications must comply with the chosen strategy of the enterprise.

(4) Evaluation of the product offered in the context of its competitive advantages, accordance with the consumers' demands, availability for consumers, recognition and memorization.

(5) Setting the budget of marketing communications. The basic methods of the required funds calculation are as follows: fixed amount method; experimental method; residual method; a method of doubling the market share; simulation method; a method based on the goals and objectives. In modern conditions the most appropriate to use a method based on the goals and objectives, however, it should be aware of the limitations in funds by the management.

(6) The definition of tactical actions for the chosen strategy implementation in accordance with the funds of marketing communications. Development is carried out in the form of a detailed plan. It is recommended at this stage to make a comparative analysis of posting information from the point of view of the target audience correlation, scope, cost, and frequency of contacts with the target audience, the presence of competitors in advertising niche.

(7) The final stage is the implementation of a complex of marketing communications and the evaluation of its effectiveness.

Evaluation of the performance and the achievement of results by the CMC is one of the most difficult tasks in the management of marketing communications, as not all existing methods of evaluation are perfect. Furthermore, in addition the sales level is influenced by marketing communications only but set of factors as seasonality, the withdrawal of competitors from the market, the getting into the habit of buying something, the quality and consumer properties of a product.

Because of different goals being there are various criteria for evaluating effectiveness. In accordance with that, the economic evaluation of the effectiveness of CMC is used.

What follows below are the most popular methods to evaluate complex marketing communications company.

The simplest method is the definition of efficiency as the difference between the profits gained and the costs for the CMC. However, this approach excludes the impact of other factors that could lead to revenue growth and profit. Similarly,

the efficiency can be calculated as the ratio of profit increase to the cost of marketing communications.

The determining the correlation between volume of sales and costs of marketing communications is another method. The drawback of this method is indefinability of marketing communications influence on volume of sales, since the CMC always leads to sale uplift at the very least, minimum essential levels.

Another method is based on the measuring awareness, recognition and memorability of the company and its products. The drawback of the method is the consumers can be affected by the previous set of marketing communications.

Evaluation method is based on the comparison of sales volumes before and after the implementation of the complex of marketing communications. However, in this case the impact of other factors may affect.

One more method is based on comparison of volume of sales of two similar companies. In this case, the influence of other factors is eliminated, however, extremely difficult to pick out company for comparison.

Thus, the presented in this chapter algorithm enables to develop and implement an effective CMC according to the features of modern marketing communications, the crucial factors of influence, as well as to achieve high efficiency of the complex of marketing communications.

Chapter 4.
Concept and Essence of the Image.
Elements and Types of Its

How the organization put itself over or another word – the image of organization, is one of the most important aspects to make general effect and to assess the organization. Without regard to the desires of the executives and public relations managers, the image is an objective factor that plays a significant role to correct assessment of any social phenomenon or process. D. Doty gives a broad and clear interpretation of the term "image" as everything and everybody concerned to the company. It is an integrated complex is being created of words and figures, which are intricately mixed [См. Д. Доти. Паблисити и паблик рилейшнс : пер. с англ. М. : Филинъ, 1998.].

In current thinking the word "image" is used since the beginning of the XX century, and since the 40s, the term came to be used by specialists in advertising and public relations.

The need for positive and stable image is explained by the fact that well-known brand and the reputation provide the constant volume of output and development of earning from year to year. A sustainable brand is extremely tenacious, and this property gives enormous cost savings. Organizations with stable image and reputation have higher prices in the market and ready sale. They have better chance to survive and win in price competition against to unstable brand. There is not much they lose with the advent of the new "stars" and they credibility is restored as the only new product's charm of novelty starts to come down. Firms with a stable reputation bring considerable profits for every dollar invested and have been popular among wholesalers and all other, including spreaders, consumers, packers. Firms with a stable reputation increase the own assets [См. Д. Доти. Паблисити и паблик рилейшнс : пер. с англ. М. : Филинъ, 1998.]. Thus, the image is an artificial core or expression about a product, project, person, company, organization that impressed a human being, audience or group of people formed in public conscience or individual consciousness by media and psychological impact.

The image of the company is consumer's confidence in the company and its product, sales, credits, and therefore, the factor of prosperity or decline of the business and **well-being** of the owners and the personnel. The image is created

by propaganda and advertising to treat the mass consciousness and direct it towards promote object with accordance the business goals. It can combine both a real object's features and non-existent, arrogated to object attributes. Each specially designed image is indissociably from the object and has to be associated to any object or phenomenon, in particular to the organization.

The image of the organization, company, firm, is its holistic perception by the various groups of community and is existed in the minds of people. This is the very thing how the organization is seen by group or groups. The corporate image is a result of how the society perceives the communication messages generated by the organization. Each organization has the image, regardless of whether somebody is working hard on it or nobody at all.

In this way, the image of the organization can be seen as the set of existing in the minds of people appreciations and ideas about the object.

There are different types of image that in the same time are integral parts of the overview about the company's image:

(1) The image of the goods or services is the way of people thinking about unique characteristics, which, in their opinion, has the goods:

- Functional value of the product is the basic benefit or any service that provides with the goods;

- Additional features (attributes) are what provide the product distinctive properties (name, design, package, quality, etc.);

(2) The image of a consumer includes ideas about the life style, social status and some individual, psychological, characteristics of consumers.

(3) The internal image of organization is how employees view the organization. The main determinants of internal image are the corporate culture and socio-psychological climate.

(4) The image of the head or main leaders of the organization include ideas about the abilities, attitudes, value orientations, psychological characteristics and one's appearance.

(5) The image of the staff is a collective, generalized image of the personnel, revealing the chief traits including:

- Professional competence: mobility (service rate and quality of service); the accuracy in the functions performance; awareness or willingness to inquiry any answer of customer; skill training;

- Culture: sociability (friendliness in communication, smiling); the correctness of speech; socio-psychological characteristics of employees;

- Socio-demographic and skill training: age, sex, educational level, presence or absence physically challenged persons;

- Visual image: dress-code, face-control, etc.

The image of the staff is based on the immediate contact with employees of the organization. Each front-line employee represents the organization's image by which the staff is mainly assessed. Therefore, it is difficult to overestimate the role of front-line employees working directly with customers for holistic positive organization's image development.

(6) The visual image is an image of the organization formed based on visual sensations coming from information about the office interior, retail and showrooms, branding of the organization.

(7) The social image of the company is the public's opinion about the social policy of company, and its participation in economic, social and cultural. Social image is formed by putting about the social aspects of the company's activities, such as sponsorship, patronage, support social movements, environmental and employment policies and practices, carrying of public health, assistance to certain persons, etc.

(8) The business image of organization's includes the organization performs business reputation, sales volume, share of the market, innovation, product range, flexible pricing policy, etc.

(9) The image of the company to the state consist is how the company is viewed by the local government. The image settings for government agencies are the significance of the company's products to the region, the participation in regional social programs, the law-abiding habits, and the vacancy rate for local residents, the willingness to informal contacts.

(10) The image of the company among consumers is the people attribute the ideas regarding unique characteristics to the company products. They are quality, design, brand awareness; services and discounts; cost-policy; being in mission and strategies of the company and its corporate identity.

In the Fig. 20 is shown a possible structure of the company's image embodying the main elements listed above.

The following factors play main role in creating employer's image:

- The competitive posture in the market and business solvency;

- The industry;

- The usefulness and importance of the activity;

- The quality products and services;

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- The age and history of development;

- The company size;

- The management;

- The image of leaders and high ranking it managers;

- The public opinion about the organization and its importance for the region;

- The prestige;

- The relations with clients and partners;

- The customers and personnel trust;

- The comfortable working conditions;

- The corporate culture;

- The compensation and benefit packages for staff;

- The career and self-development opportunities for employees;

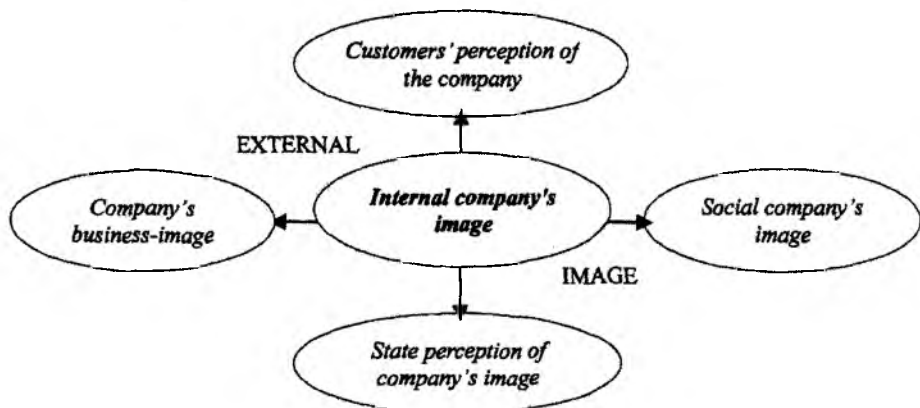- The moral and psychological climate in the team, etc.

Fig. 20. The structure of the Company's Corporate Image

The image of an organization as committed to the highest standards of quality, commitment and loyalty of employees is developed by PR-events. However, the most important factor, illustrating the reputation and image of the employer is the personnel policy.

There are two main approaches to the personnel policy-making in organizations [Мусаева А. 3. Маркетинг персонала организации // Вопросы структуризации экономики. 2013. № 2. С. 144–146.].

The first one is when purposeful and systematic work with the staff prevails. The distinctive feature of such organizations is the emphasis on managing, systematization, formalization and standardization HR and the active use of and improving the existing HR tools. Most often this approach is used in large and moderate-sized firm, with the staff over 300 to tens of thousands of people, although occurs in small companies with staff about 100 people.

The second approach is when work with staff is spontaneous and unsystematic and depends on the situation mostly.

These organizations are characterized by the absence of standard operational procedures for working with staff.

Decisions associated with the main phase of HR management are based on the situation and common sense. By itself, the HR management function is shared among all the managers of the company and there is no specialized service or HR Manager [Нестеренко Т. В., Гущина Ю. И., Сапункова Л. В. Роль маркетинга персонала в по-вышении конкурентоспособности предприятия // Современные фундаментальные и прикладные исследования : междунар. науч. изд. 2014. № 1 (12). С. 173–174.]. Most often this approach is typical for companies with the staff over 100 to 300 people. The organizations building on the principle of financial holding and consisting of the group of small and sufficiently free companies can be deemed exception to the rule.

HR policy in some organizations is very deliberate, systematic and formalized, while others are barely outlined and carried out spontaneously.

The main image making factors are shown in table. 9.

Table 9. The General Image Making Factors

The structure of the image of any company (organization), based on the corporate image theory, and is formed of four fundamental elements:

(1) The foundation of the company's image;

(2) The internal company's image;

(3) The external company's image;

(4) The intangible company's image.

The main objectives of each these parts are:

- High level of competence and effective work with the purchasers, ensuring the increase of competitive capacity of the firm achieving, because, when goods are identical, it is the image give a competitive edge;

- Maintaining the image of a efficiently-run company through effective advertising and event marketing to make buyers trust to company;

- Emotional connection with the buyer and society and enhancing the prestige of the company as development of corporate identity shows attention not only to issues of production.

B. Gee in his work "The image of the company: the planning, development and promotion" offers some components of corporate (organizational) image as described below.

The foundation of image is touchable image. This is just what customers can see, smell, hear, touch and taste the company's product. Besides the foundation of the image includes: ethical principles (social significance); long-term targets; corporate mission; personal and business philosophy; values and meanings; pragmatic target; code of business conduct and ethics.

It maintains the creation, development and preservation of a positive company's image. The following steps need to be taken to get the foundation. The first one should be a revision of business principles from which to develop the business goals of company. Then the brief and clear working version of the company's philosophy should be put down according to the principles and objectives of business. The next step is to define long-term objectives. After the company has determined that it wants, it should define requirements to the employees. The setting up of the foundation of image is a values, goals, principles and philosophy definition to serve as the basis of the plan.

The internal company's image is the atmosphere within the company, positive and negative attitude of employees to managers and company policy, which is expressed primarily in the loyalty of employees to employer. The internal image includes financial policy; HR policy; reward system; career progression; internal communications. Everything is important, starting with career growth and encouragement programs.

Intangible image is "the ego" of consumers or their feedback on the tangible being including service and friendly manner of all the staff; corporate spirit; staff motivation. The company's positive image creating is more than just effective advertising campaign but the complex and many-sided plan with interrelated and

interdependent parts. The plan is most effective when all its sections working together.

The external image is the impact of the mentioned above three factors, plus the public opinion about the company generated by advertising campaign, product quality, relationships with the media and public activities.

The external image includes quality of products/services, corporate advertising, touchable image as an information resource, name, logo, slogan, public activities, sponsorship, charity, job and dress-code attitude of staff, communication with the media.

The image creation is a long-termed, continuous, purposeful and complex campaign. Before proceeding to campaign, it is necessary to develop language definition and have a way with words to formalize thoughts that will be sustained by public relations. In it turn the formulation process and image production put ahead the philosophy of the company.

Several factors affect the image development. The first one is the own promotional activities of company and its reputation among business partners.

As the more known name of company, the future employees have more illusion. The large enterprise, the higher chance to get positive image is being. Company that produces well-known products has quite certain image. On the other hand, the information will spread rapidly if any problem emerges in the well-known companies.

The second factor is the **contentment of the employees** both staff and retired or fired. The more negative information about their work employees is putting about, the lower the attractiveness of the company among professional community. This factor is directly correlated with reasoning of the HR policy in the company. The main elements of the company's image development are shown in table 10.

Essential components	Description
Moral principles	The principles are well-established guidelines in company. The principles of the enterprise are clear, there is a certain completeness. Life changes, but the principles remain the same. For example: - complete honesty in the relationship with the client; - financial transparency for the state tax authorities; - concern with quality of products, etc.
The purpose clause of the business start-up	The purpose clause defines the duties. It drives the company to keep the promised services, to perform a specific task or assignment. The purpose clause is an internal driving force of the company. For example: the desire to gain a foothold in its market segment; striving to strengthening connections to devoted customers; improving the range and diversity of provided services; consumer requirments studying and following them
Personal and business philosophy	Management should evelop a corporate philosophy based on the principles and purpose clause
Conduct and dress code	Company standards have been documented. Standards define, apply, meet philosophy, goals and principles of the enterprise. Standards are the tools of employees to keep public perception of company's image

Table 10. The Main Elements of the Company's Image Development

There are four main rules of organization's image formation [Колесник Е. Н. Оценка маркетингового потенциала предприятия // Финансы и кре-дит. 2013. № 34 (562). С. 63–70.].

The Rule 1. The image of the company should be in keeping with strategy of company development to meet the demands of the market segment. The commitment to accommodate the needs of the customers has to be shown to the client. Accordingly, the image should be built based on customers' needs studying.

The Rule 2. The image of the company corresponds to the level/stage of development of the company.

The Rule 3. The internal image of the company matches to the external image of the company.

The Rule 4. The image of the company corresponds to the current development of a society.

Therefore, the corporate image is been formed according to the corporate mission and identity. The strategic corporate identity is the basis for the formation of corporate image. The own corporate image is the only result of working away at corporate identity and communications. If the company does not carry out purposeful image creation, the consumers will have got the spontaneously opinion about the company and there will be no any guarantee of its being up to the business. It should note that the development of the positive image is fewer complexes and more benefit than the correction of spontaneous negative one.

The image development includes four phases:

- The of the targeted audience definition;
- The strengths and weaknesses of the object identifying;
- The bringing the characteristics of the object into accord with requirements of the audience;
- The transformation of the required characteristics of the object into verbal, visual and event forms.

The image creation is carried out specifically for each target group and by various means. For large-scaled companies, while image development, it is extremely important to cooperate with the media because large-scale operations require a blaze of publicity that can be provide through the mass media using integrated marketing communication. It should be remembered that each marketing communication method has its strengths and weaknesses. System integration of these tools adjusted for time and sequence of use, distribution of funds, provides each method's amplification and eliminates its disadvantages.

The main tools for image making are positioning, manipulation, myth creation, emotion pulling, format, verbalization, detailing, distancing and inculcation the perception and visualization [Чащин В. В., Керимова Л. А. Маркетинг персонала и институциональные аспекты функционирования организационных систем: проблемы взаимодействия // Эконо-мика и управление: анализ тенденций и перспектив развития. 2013. № 7-1. С. 128–132.].

(1) The positioning is the accommodation of the object in a favorable information environment. In fact, the positioning is an option the most attractive for consumer object's characteristics. Usually positioning is being by the side of something. The meaning of this process is not only option a number of preferred characteristic and selection the way of ones' development, but also to determine the advantages of product or company,

i.e. those parameters that clearly show the competitive edge.

(2) The manipulation is shifting focus to another object. It may be exercised in self-confidence, imperturbability, sincere and open appearance.

(3) The myth creation is the making image up based on the real or unreal events. Mythologization is the adjustment to a myth already existing in the popular consciousness.

(4) The emotion pulling is the turning rational message into emotional one. Emotional actions are paramount to the leader and have a great informational influence. The company should be seen as emotionally involved into the consumers' problems.

(5) The format is a feature of the communication environment. Here the media is meaningful. The format is the creating the favorable for communicator contexts and matching promotional tools to the particular event to form a favorable consumer attitude.

(6) The verbalization is detailing and emphasizing information along the advertising. Image-maker can skillfully verbalize reality. This is very important, when a top company can describe the situation in glowing terms. Verbal means are specially selected tools and style oriented on the consumers' needs.

(7) The detailing is the increasing of influence on the consumer through the working out in information detail. This is another level of confidence, because the details are always trusted more than abstractions.

(8) The distancing is the remote company from clearly negative signs.

(9) The visualization as an impact on several channels is an important feature of image theory. When the stable symbolization occurs, there is a tendency to visualize oneself beside the audience. Visualization includes design techniques of image formation including the design of package, ads, shop-window arrangement, the interior design of offices and the exhibitions. The very important is that the promotional products, for example dummy layouts could be different, but one or several symbols or elements should be the same to make the campaign recognizable. The color of the symbols plays important role too.

(10) The inculcation the positive perception and visualization captures the effect that the information or stove piping is an important element of public attention management as well as the way of taking information and positive its evaluating by audience. A person gets not only message about

any company but also the directions of its approval from the respected and popular personality. The inculcation the positive perception and visualization is a transformation the official communication into informal. The mass media in any case strongly oriented on the interests of the audience. They are as "echo" repeat that audience expressed. The basic mechanism of company's image making is the public relations activities as deliberate, planned and sustained effort to form and maintain desired public opinion, ethics and reputation. First, the activities include exhibitions, presentations, press conferences, sponsorship events, cooperative relations with media outlets. PR-actions should be in to company's peculiarity. The relation to the ongoing PR campaigns of the target groups and scale of audience are important too.

Depending on the organization purpose the company using the above mentions tools, chooses the strategies of image making. Thus, the "unique product" strategy is to give the positive impression about goods depending on its consumer properties and quality. Strategy "a customer at a glance" is based on customers' image studying and using the received data in the promotion program. Strategy "the best organization" is focused on the internal image of the company made by the heads of its departments and staff mainly.

The strategy of "top-class leader" is formed by founder and/or key executives image and includes founder's (leader's) intent, motives, abilities, attitudes, values and psychological feature based on observable characteristics perception. Strategy "the personnel is the organization's image of the" makes collective and combined image of the staff on the basis of direct contacts between the employees themselves. The strategy of "everyone knows our organization" is based on the organization's visual image consists of the design of the office interior, commercial and show rooms, appearance of personnel, as well as corporate identity. The "social life" strategy focused on a wide range of public and information about the social goals and the role of the organization in the economic, social and cultural life of society. Through image making PR-managers press towards people providing with social responsibility and if not sense of ownership but sense of belonging to big business as awareness of its necessary in everyone's life. The ordinary citizens must be made to outline companies in social terms even though the effect of most businesses on petty interests is not clear and companies are not consumer staples. It is important to show that the business, regardless of the location and purposes, tirelessly cares about the everyday life of their customers, and they by the way of gratuity will

return affection. The toughest challenge of the company's image making is a development of the image formation system.

There are two main groups of methods to define lines of company action and proper set of tools, techniques and technologies, namely:

(1) The set of marketing ways, including the direct sales arrangement, participation in exhibition and fairs, putting PR-actions into effect, advertising, product placement, etc.

(2) The set of organizational and economic methods of favorable company's image maintain, where could be emphasized the three most important. They are the make of the image development fund, the determining the structure of the company's image management and its performance system. The last one includes the specialized services building up and the responsibly sharing among them and as besides the system of incentives is set to make positive image through development of psychological, social, and economic incitement and commitment of the staff employees.

Let us consider each stage of the company's image making in details [Башмачникова Е. В. Формирование культуры качества в образовательных органи-зациях и повышение имиджа российского образования // Школа университетской науки: парадигма развития. 2014. № 1. С. 35–39.].

(1) Image formation at the making of the company.

When the company is in its infancy, the cost of image formation and advertising are minimal. The internal image of the company at this stage is also beginning to form.

Key internal challenges with regard to internal image to solve at this stage are:

— to define short-and long-term goals of the company and action plan;

— to segment market in accordance with the plans;

— to make up a trademark and the company logo;

— to select staff and perform the placement of personnel in line with the estimated posts and the overall objectives of the company;

— to develop a corporate identity and concept of exterior design of office;

— to carry out marketing research and forecast company's development with the assistance of external experts;

— to create the initial database of being and would-be customers.

At this stage because of the lack of advertising investment, the company should send out a letters and leaflets to future partners and customers to inform them about start up, objectives and overall strategy of the firm.

In the external advertising, the company should focus on the uniqueness of the services or products, thereby defining a future niche on the market.

The advertising should be conducted according to the market niche is intended to take by company and emphasized the high quality of products and services. At this stage, the trademark should be promoted softly-softly. Trademark at this stage should be present unobtrusively.

The uphold business ethics standards in interaction with the client is getting great importance, because is the most reliable confirmation of a true image of the company.

The very first consumer's impression from the staff cannot be changed easily and it has a high cost for company. Therefore, the recruitment of frontline staff should be payed special attention.

(1) Image formation at the stage of taking over market niche by company.

Since the taking over market, niche and strengthening there the company could increase the investment in commercial and image advertising.

The internal image making of the company at this stage addresses the following key problems:

(1) The implementation and strengthening of the companies traditions among employees to create a corporate spirit.

(2) The development of the overall style of the company's office in accordance with its traditions, peculiarities of the coverage and financial capabilities.

(3) The intensification of marketing research and the formation of the corporative structures or outsourcing research centers to make predictions is the necessary condition for a transition of the company to the next level of development.

At this stage of life, the external company's image making aims to achieve the following goals:

(1) The emphasis in the advertisement stability of the company.

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(2) The maintaining feedback with actual clients consisted of mailing for the holidays, notification about new lines or services, etc.

(3) The advertising technology firms in the relevant publications.

(4) Active use of a trademark, logo, slogans in branding activities.

(5) The events of public relations: presentations open days, charity sales, etc.

(6) The social advertising enlargement, declaring company's care of young generation (for example, discounts for the students), the nation's health, for example ("the product is placed through a rigorous audit to ensure for compliance with environmental standards"), the environment (for example, "our filters allow you to breathe pure air"), etc. At the same time, this advertising can be used for testing of the company innovative activity.

3. Image formation at the stage of stabilization.

This stage is characterized by a so-called "golden age" or favorable period for the company. There was an expansion of social advertising. Innovations are traced in image and fitted into the overall style.

The internal image of the company at this stage is associated with the following factors:

(1) The creating of its branches in the number of regions when images of ones comply with the fundamental principles of its construction in the parent company, but take into account features of locale. For instance, all that are popular in the urban agglomeration can be wrong accepted in the provinces;

(2) The stimulation of innovative activity that required the staff is being involved in various programs to improve the skills, conversion and competition for projects;

(3) The development of new, pilot lines of activities both fitting into the overall style of the firm and fully innovative;

(4) The maintaining interrelationships and client feedback.

The external image of the company at this stage involves:

(1) The decreasing the costs of commercial advertising, because the trademark "speaks for itself" already;

(2) The advertising campaign of innovations company's projects launch;

(3) The active participation in different kinds of events, including public,

partnership and charity, well matched to the style and image of the company;

(4) The expansion of social advertising, charity, support of any public organization like university, theatre, hospital.

The fourth stage can be considered in combination with other ones rather than in isolation, as if the company has developed innovations, then the whole cycle would have started again, but making through all stages is easier because there are longer-standing traditions and experience as a basis. If the company is crashing, it is available to use the negative image.

Technology of corporate image production is adjusted depending on the type of organization. Corporate image can be positive, negative, or fuzzy [Грицкевич О. В. Особенности формирования имиджа организации на современном этапе // Интерэкспо Гео-Сибирь. 2011. Т. 3, № 1. С. 34–38.]. Usually the different groups interpret organization image ambiguously in different ways. Achieving a positive corporate image and customer's loyalty is the main objective of corporate identity management.

Sometimes it takes twenty years to carve out a reputation and five minutes to ruin it. This vision of the famous investor Warren Buffett will be followed by the economy in the coming years according to the Reputation Institute annually updates the ranking of the most respected word companies. If the 1990s were, the decade of innovation and the 2000s were a period of risks, the business of nowadays would be in the being of the reputational economy. Standard, adjusted and routine sales tactics after the crisis had been got ineffective. Customers change their tastes constantly. Product itself is no longer important for consumers, but civic stand of company and way of doing business. Charity, environment, attitude towards employees, ethics and security define current business.

Positive image and publicity are created by the main activity of the company, as well as information work focused on target public groups. This work is carried out largely through marketing communications as public relations, advertising, personal selling and sales promotion.

In general, the technology of development and doing PR campaign consist of several elements:

- The situation evaluation;

- The organization's goals definition;

- The target audience identification and analysis;

- The tools to impact selection in the context of the PR;
- The campaign budget development;
- The planned activities carrying out;
- The results check and performance evaluation.

Advertising as a proactive tool of marketing communications aimed at demand making through buyer behavior modification in market segments by propaganda of consumer value of the goods (services) and operational feedback adjustment.

Corporate (image) advertising is not the advertising of any product or product line, but the advertising of the firm itself focused on importance of company for economy, industry and improvement of the people's well-being.

In order to produce a positive image of the organization, the advertising communication, in the framework of image making, should be coordinated.

The internal company communications include vertical and horizontal business interaction among employees, as well as corporate PR to create the image of the company, standards, values, product or service as well as managerial decisions and to inform personnel for the staff loyalty, motivation and efficiency development.

The most essential parameters of the internal communication systems for competency of managers' framework development are:

- Interpersonal style in company, including formal, business and informal interpersonal relationships);\
- Teamwork or individual work preferences;
- Formalization of the values and rules and following ones by top executives while they communicate with managers and employees or being lack of common priorities or the double standards presence and "fuzzy" values and norms.

A well-made internal company communications are the key to success teambuilding and team's positive image maintaining (table 11).

Thus, increased attention to the problem of formation of a strong company image enable to impact market positively, is not random. A powerful corporate image is getting a prerequisite for sustainable business success of company. In addition, there is a reasonable explanation.

Firstly, a powerful image is a supplementary market power source for organization because reduces its sensitivity to price. Secondly, a powerful image allows organization to repulse attacks of competitors more effectively and fortifies its positions against me-too products. Thirdly, a powerful image enables the access of company of firms to financial, information and human resources.

Ones believe that the image should not be cared because comes into existence and its value is difficult to identify and quantify. The image is not indicated within financial documents, but affects the performance of the company. If the company has not positive reputation, its products will be not sold.

In this regard, the most organizations in Russia bring the development of its positive image to the external attributes of business transactions. This is a simplistic and therefore superficial and "cosmetic" idea. In fact, the organization's management often needs therapy, and even surgery treatment. The shortcoming of image or at least lack of positive reputation of the product is often an outward fault symptom of governance and organization positioning in the market and society in general. The steady decreasing company competitiveness and even break-up of business are the result of a superficial and restricted approach to the organization destiny from management.

The first why the image is "a must" because business should be shown as well as possible, just like "person". With all this going on, the set of internal attributes as accordance to current requirements of accommodations, equipment, communication style, are disclosed. Secondly, organizations should be of good "reputation" or to be known.

Thirdly, the organization must show one's "character", i.e. that is exactly what the business is actually. Thus, if welfare and prosperity of the organization (company, firm) depend on the attitudes of partners, consumers, public, this correlation will be more and more noticeable while market mechanisms and public opinion are getting more considerable. Moreover, the correlation by itself is determined by company's image in business environment.

As noted above, the main condition of image formation and its basis is, of course, the essence of the organization, its activity on the market. However, its

social nature is very important. Therefore, though the main goals of business are to get profit through development, it trends towards public activities contribution.

Thus, the image of the company depends not only on the product's features, but also on its social responsibility and societies consider its activities as positive if ones are in accordance with public interests and worries.

In the world practice, the social responsibility is often interpreted as free-will engagement of the business in sustainable economic development through employees, their families, the local community and society supporting to improve quality by mutually beneficial actions [Документы Всемирного банка по проблемам социальной ответственности бизнеса. URL: www.wordbank.org; Корпоративная ответственность перед обществом. Реко-мендации Ассоциации менеджеров, 2005. URL: www.amz.ru.].

The key part of corporate social responsibility is a consciousness and voluntariness of socially responsible activities, i.e. business acts and makes decisions according to public desires and values in economy and environment, which are associated with the company's core business, but beyond the statutory requirements. In other words, it is a kind of social agreement between business, consumers and the government, which sought to promote the well-being of the society. The company improves the areas linked with business and funds this activity beyond a certain minimum.

The concept of corporate social responsibility traditionally includes:

– Responsibility to partners;
– Liability in respect of consumers;
– Responsibility to employees;
– Responsibility to environmental;
– Responsibility to society at large.

Profitability and expediency of socially responsible activities are the basis of motivation in this area. And while the monetary gauge of the positive impact of this approach on the reputation, image, human, and social capital is very difficult, however leaders believes that this investment is of paramount importance and pays back soon.

The following advantages of responsible behavior are particularly worthwhile:

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- **Reduction of losses** inherent in the negative impact on morale, motivation and capacity for work of employees who escaped cutting down of the staff. Research has shown that these losses can be so massive and could jeopardize the organization. Among them, there are new highs of instability among staff and, as a rule, the loss of key employees, quality fall-off and decline in innovative capacity of the team, what is especially important for the organization in the long term;
- Keeping a positive image and reputation of the company. It has a very significant economic benefit, especially over the medium to long term. Firstly, a good name helps to engage and retain the best talent. It is not for nothing that most of graduates of business schools agree to work for less payment in companies, known for ones socially responsible policy. Just as important, the reputation impacts on brand image and, consequently its competitiveness;
- Ability to lean constantly on stakeholders and gain from their loyalty and trust. This is true for local authorities, materials and semi-finished products distributor, financial institutions, etc.

In addition to these advantages, some studies revealed a significant relationship between social activity and profitability of enterprises, as measured by the amount of dividends, assets and sales volume (Waddock and Graves, 1997).

Over the last few years, the importance of corporate social responsibility in international organizations has increased significantly. In many European countries, the rating agencies assess the impact of companies on the social environment.

Management of corporate social responsibility can become one of the engines of employer brand creating and talent attracting. Here are a few examples of this approach.

A major French company, a food manufacturer, has created a Social Responsibility Committee at the highest levels of the organization. A third of differential part of executive compensation is dependent on their success in the social objectives of the firm achievements.

Global pharmaceutical company, headquartered in the UK, knowing that its success depends on the public trust, considers corporate social responsibility as one of the strategic supports. HR service actively monitors the research,

production marketing and sales of pharmaceuticals. The reward system and training system to work based on social responsibility was created. If it is necessary to make difficult decisions about closure of the enterprise or personnel retirement, companies with stable HR experts usually do tactfully and thoughtfully. For example, ones turn off the activity for several years to allow to region of company localization to prepare well for the large employer leaving.

The highest level of social responsibility of business is corporate charity and sponsorship of environmental protection [См. Князев С. CRM (Cause Related Marketing) – маркетинг социально значимой про-блемы как метод маркетинговых коммуникаций // Маркетинговые коммуникации. 2004. № 6. С. 23–27 ; Туркин С. Cause Related Marketing: подарок вашим клиентам // Управление компанией. 2004. № 12.].

It should be noted that most of the "responsibility" refers to the interaction with people (employees, suppliers, customers) and society as a social institution. In other words, socially responsible business should be focused above all on the creation of social investment in staff, such as:

- Creating conditions for safe and decent working condition;
- Wage stability;
- Maintenance of socially significant wage;
- Additional medical and social insurance of employees;
- Development of human resources through training programs and advanced training courses.

It is only after above mention action, company should focus on economic and other problems of society.

Flexible adaptation to changing market conditions and complication of consumer demands are creating fundamentally new challenges to the modern theory of marketing, which should "empower" business of the XXI century by new marketing tools.

One of those sorts of marketing activity, comprehensively affecting the image and position in the labor market, becomes the involvement in tackling the problems of region, local society as a response to demand for social function activation of business, from stakeholders, primarily consumers.

As L. Johnson points out, the increased interest of business to social issues creates co-branding as a fundamentally new type of marketing synergy between

the private (commercial) and nonprofit sectors of economy. These alliances are called socially significant and bond in the consumers' minds of company brand with any public benefit or a good cause [**Johnson L. C. Understanding The Role Of Cross-Sector Strategic Alliances In The Age Of Corporate Social Responsobility : Analysis Of Private And Nonpprofit Sector Relation. The Fletcher School, 2005.**].

Thus, a socially responsible approach, as it defined by F. Kotler and K. L. Keller, is an understanding of the ethical, environmental, legal and social context of marketing activities, and attention to the role that market actors are playing or can play in the supporting of well-being of society, becomes an integral part of modern marketing, is gradually transforming into a holistic system of company management.

According to S. Knyazeva, socially responsible marketing is a commercial activity in which companies develop partnerships with charitable organizations or social institutions with to increase reputation and at the same time to promote a product or service.

In recent years, along with traditional branding strategies companies were increasingly using new marketing practice known as "co-branding". It is a new form of marketing communication between companies and nonprofit organizations aimed at solving urgent social problems.

As a result, a new area of marketing activities of companies, Cause-Related Marketing (CRM), is being formed. If company to keep competitiveness of their products integrates social values in one's brand, such alliances will become a standard element of co-branding strategy.

Factors that drive the positive attitude of consumers to that sort of cooperation between the companies are:

- Consumers involvement in addressing significant problems, defined as motivation, excitation and interest in participation in the company's projects;
- Compliance between socially relevant problem and the company, as defined in terms of the mission, attributes, categories, and other associations. In other words, it is about how social problems are integrated to ensure the existence of the company, its values, products and services [Hoeffler S., Keller K. L. Building Brand Equity Through Corporate Societal Marketing // Journal of Public Policy&Marketing. 2002. № 21 (1). P. 78–70.].

The image can be created for a newly established organization or it would have been corrected if one had been formed in the minds of a certain public group. The image formation to be successful needs the management, including planning, organization, control.

Enterprise's image management is the taking and implementation effective management decisions through qualities development, which give a competitive edge to use effectively potential of a company for dynamic development in the competitive environment against to other objects – competitors (see Fig. 21).
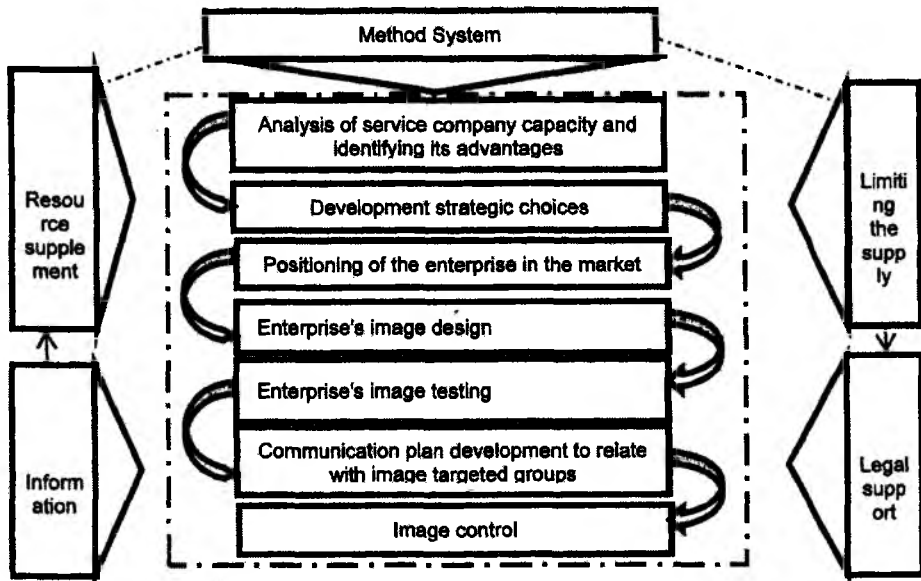

Fig. 21. The Image Management Conception

Image management starts long before the development of the visual attributes of the organization as logo, letterheads, interior, employee appearance and behavior. It begins with the formulation of vision and mission as a socially important status of the organization. The vision and then mission as socially significant status development are where it all starts. On the next step, a corporate identity or "personality of organization" should be defined.

Corporate identity includes the values, judgments and code of conducts in the company and determining the identity corporate culture essence. Corporate identity is that the company is being actually and analogue of the personality or individuality of the person. Corporate identity is refracted in the organizational culture that reflects the lifestyle of the company, the way of time spend, the

material, financial, informational, human and other resources use. For example, Microsoft devotes its resources on challenging and almost fantastic future projects on selection and support of creative employees and develops the global telecommunications infrastructure. Besides Microsoft invests millions of dollars in global awareness about this activity and positive attitudes towards one.

After the culture of the company had been defined how to inform the target groups about favorable distinctions of company's real values and to make them available to the public is getting focus. At this stage corporate identity is formed. Corporate identity is a system of communicative means, projecting or reflecting the company's "individuality". Corporate identity should reflect the mission, structure, business and ambitions of the company. Development of corporate identity is so important that resulted by structural changes, leadership changes or the organization repositioning to act in other market segment. That means the changing of the organization "personality". These changes are more important, significant for company's positive image than cosmetic renovation of the interiors, and painting of facades.

Clear ideas about the image structure and the psychological peculiarities of image formation in the minds of individuals are essential to effective corporate image management.

To achieve this goal, it is necessary

- To put out reports on the organization business performance periodically;
- To develop relationships with to consumers societies;
- To put out non-commercial articles and television films;
- To do charity and social act.

The features of corporate image are perception, set of perceived and measurable properties of the organization, the grade values of the properties of their weight, their perception by the public. Life, clarity and stability, positiveness, optimality, activities, creation and maintaining costs are also important characteristics of the image. However, the management of corporate image should be tailored to each organization.

Image is not only a means and a tool to control public opinion, but at the same time, it is the control object [Горчакова Р. Р. Имидж организации // Акутальные вопросы экономических наук. 2012. № 25-1. С. 82–86.]. Image should be managed continuously. It is extremely necessary for the following phases of corporate system development:

– Mergence and split up. The public should be informed about the new businesses and newly formed structures if company merges with other, or large corporation splits up into several independent companies. It is the image promotion allows spread new image quickly and efficiently.

– Significant staff changes. The main capital of the organization, are usually its leaders and employees. Publicity staff performed by advertising impresses upon the public with that the organization values its staff, is proud of them, and rallies the team around the image.

- Getting new resources. The organization's investments in research and new technological developments show it is serious and plans, which is the value to be promoted. The putting out the scope of services information provided by the organization can add a lot to its social image.

- Informing. Precise delivery of quality products as an organization ability is very highly appreciated by the consumers. This advantage is to be advertise by organization. The organization ability to provide high quality and required services is that consumers have to know. The organization's credibility strengthens its image.

- Opportunities for growth. Growing company that constantly gets stronger, evolves, and is used to profit the advantages is wanted to collaborate by people. It is also exactly the kind of the most desirable employer. Thus, the history of the company development is important when corporate advertising is go on.

- Impressive examples of financial strength and stability. The companies enjoy showing ones. The image advertising focused on healthy financial situation gains truth and gets clients and investors.

- Well-known persons as a company's customers. The presence of leading personalities among consumers is a powerful argument to marketing development. This strategy is urgent to move into high value niche markets and advertising costly goods, such as luxury cars or sports equipment.

– Change of company or its brunches. The new name should be widely publicized to be stuck in memory. People will learn of new name and new image if ones are repeated constantly.

– Misuse of trademark. Well-known companies offering products and services to numerous of people are concerned their products to be used on purpose and with respect to recommendations. These companies remind people through time-to-time advertising.

– Unusual situations. Sometimes, organizations face with extraordinary circumstances as strikes, occupational accidents or disruptions of services. The best way to clarify the position of the organization is the media buy to avoid the incorrect interpretation the journalists or the editors. This approach allows putting out the comprehensive information about the problems causes and the responses to the challenges.

Management based on scientific studies should take into account the image model building [Попов В. В. Современные средства формирования имиджа организации // Вестник Самарского государственного экономического университета. 2007. № 8. С. 104–105.]. The image and image management model building based on information models as the essential of professional image making. This modeling, as well as the corporate image management requires a fundamental and systematic knowledge of management and marketing.

The image has a model and structure, described by set of parameters. As the model is a reflection of the most important aspects of the object, it can be described by various characteristics. For example, the image can be described by the profile of perceptual and semantic differential method.

The system of components to make up the image is based on information models. Currently this sort of models is being developed by specialized organizations that form the database and decision support systems used to evaluate and optimize the organization's image. Therefore, the American consulting company Delahaye Group is assessing the public relations performance for IBM, Microsoft, Novell, Intel, etc.

Building a model of the image, its content by specific information about the organization, a clear identification of the organization's "target" image aimed to target public are necessary for effective image making. With all this going on, it should be taken into account that corporate image can be based both on beliefs and facts. Thus, the portal Job.ru survey shows that about 70 % of Russians believe in the legends and rumors associated with their work.

The company, its partners, consumers perceive the company's image differently. In everyday life, the founders of enterprise do not take notice the external attributes that primarily are caught the new person's eyes. The image of the company consists of the integrity of form and content, professional, moral and aesthetic characteristics. It is their harmonious combination determines the image and reputation of the company.

One of the difficulties to build the system of reputation management is the lack of clarity in terminology. Because of the erroneous concept of "reputation" and "image" raises many difficulties.

Despite the apparent diversity of interpretations, there are three groups to define reputation. They are:

- General awareness about the company's activities doing without in-depth analysis and evaluation;
- Some knowledge obtained by the direct engagement of the target groups in evaluation of the company based on their own experience or outside experts' opinions;
- Intangible object that has monetary value or in fact is financial and economic asset.

This classification enables to formulate three basic definitions to sort concepts and to identify the managed object clearly.

Corporate image is stable emotionally charged visualization is getting into minds of target groups because of perception about the organization.

Corporate reputation is the collective opinion of the company formed in the minds of target groups with time based on an expert assessment of economic, social and environmental aspects of its activities.

The firm's reputation is objectively formed opinion about it, based on a rational approach and the people experience. It is created for longer than the image and requires a strategic, comprehensive approach, a defined cost, but is benefited and bears dividends over a long period.

Reputational capital is the cost of reputation as an intangible asset of the company.

In such ways, if reputation is a category purely rational, formed based on actually experience of interaction between target groups and organization, evidence-based arguments, informed comparison or on experts' assessment, the image is an emotional and even shallow category based on impressions without balanced assessments and conclusions.

Figuratively speaking, the image is a mask, reputation is that the hiding under it. When it comes to business, "the mask" and "face" have to complement and enhance, but do not contradict each other. These are two sides of the same coin,

each of which performs its own function and plays a special role.

Reputation is a feature of the company and cannot be make away of it. It may not be an independent object of the transaction, because it is not the company's property and inalienable property just as personal reputation.

Generated internally goodwill is not an asset because cannot be monetized. It is not property and not subject to alienation. It is what mainly distinguishes the goodwill from the intangible assets. That is why business reputation is the most vulnerable asset of the organization.

The only one negative compromising newsbreak can instantly spoil the business value. In addition, the crisis of reputation leads to a crisis of sales. Even in case enterprise had been sold the reputation would be injured, because the former leadership, leaving company kills skills, business contacts, experience, etc.

The image and reputation of the employer should be focused on drawing attention to the organization and positioning of prospects and prestige to be with it. Proper solution of this problem will help the organization to influence public opinion. Purpose both of employer's image and reputation formation is the same, but if the reputation is strategic in nature, the image is tactical.

These objects require different approaches to management and, in particular, the distinct ways of communication as one of the most influential tools to affect the target group.

Methods to evaluate goodwill for internal use are usually aimed on identification descriptive characteristics or qualitative parameters of the company's reputation and image, which cannot be expressed in quantitative and financial parameters.

The resultant of the study is the analytical report, which allows obtaining very detailed information for the management of the company and planning. These methods mainly involve surveys and expert assessment. The last one includes the ranking score and assessment of recommendation.

The poll methods make known the views of the respondents who are directly affected by company. The surveyed public are authorities, market analysts, investors and shareholders, consumers, who determine the market and media reaction [Рогалева Н. Современная концепция имиджа организации // Управление персона-лом. 2007. № 2. С. 42–45.]. It is believed that this sort of assessment is the true one and that other methods are to clarify the situation.

Rating score method includes the business reputation classification had being done through by independent organizations.

The main feature of this method is that a company by itself does nothing to assess its reputation. Any rating is set through of analysts and well-known consulting groups and is backed by major business print media. If corporate reputation management performs effectively, by year-end, the company will inevitably get appraisals, expressed in the "standpoints", "points" and "scores". It is not only about global reputational rankings of the largest multinational corporations, but also about the numerous local industry ranks. Ratings are set by respected independent organizations as Fortune magazine or Financial Times. In addition to business reputation, ratings are there similar corporate governance ratings (CGR). In Russia, the Standard&Poor's and the Institute of corporate law and governance are ranking CGR. When ranking, various factors, that directly affect the company's business reputation, as relationship between shareholders, management, Board of Directors and stakeholders, are taken into account.

Thus, the business reputation management is getting a valuable strategic competitive tool, because it gives the organization a specific market forces. The image of the organization as a holistic perception, understanding and measuring of the organization by various community groups is formed based on information kept in their memory on various aspects of its activities. In other words, the concept of the organization's image includes an evaluation component and descriptive (informative) component relevant for the organization or the combination of definition or knowledge about the organization. The image making is evaluated qualitatively including objectives, structure, content, performers, technology and quantitative including cost, schedule, results, economic efficiency. The evaluation component exists because the information stored in memory is not perceived indifferent but wakens an appraisal and emotion of different intensity to accept or condemn specificities of the organization's image. People assess the organization with regard to their experience, values and universally accepted norms and moral principles. The image and the appraisal can be classified by the only relative conceptual distinction. In reality, they are inextricably linked and form a single whole.

Analysis of the company's image management includes three part are presented in Fig. 22.

How do human resources managers measure the results of this process and what are parameters and criteria for this process necessary?

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About 64 % of the respondents indicated that they evaluate company's image in the labor market "spontaneously and intuitively". Other 36% of respondents mention the developed in enterprises system of indicators, which are considered separately to draw conclusions about the success of company's image making performance.

There are different theoretical and practical methods and ways to evaluate the company's image. Obviously that the very effective is one meets more of the requirements for the assessment and gives the most objective results in terms of the company's image perception by most consumers.

Image is assessed using the experience, values, standards, principles. Assessment and image have relative conceptual distinctions and are inextricably linked. The image may be positive, negative and unclear for objective reasons. The purpose of the organization is the creation of a positive image to raise competitiveness, call attention of society, accelerate acceptance and increase the amount of supporters that will activate the financial, information, human and material resources.
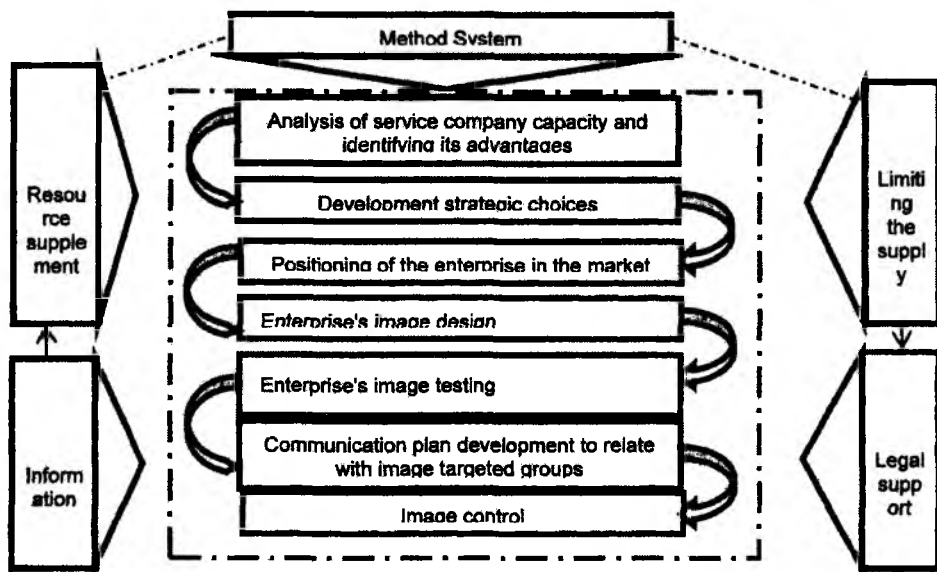

Fig. 22. The Model of Company's Image Management Analysis

The essential tools used in the image studying are focus groups; large-scale questionnaire survey; interviews with representatives of market segment; analysis of secondary information or the analysis of mass media impression.

Focus groups method is qualitative technique and interviews, questionnaires and analysis of secondary information are quantitative. Qualitative methods in image studying are most often used in the initial stage and their main goal is to create a descriptive base and scale for future quantitative assessments, to build hypotheses for further testing. The examples of those methods are the ranking and modified Thematic Apperception Test (TAT) developed by psychologist Henry A. Murray to study the underlying motives of consumers and to research the brand or product consumer's vision. Quantitative methods required to evaluate the importance of quality characteristics. These include International Corporate Reputation Report as building of the semantic profiles of the organization's image based on the descriptor "scaling" results. While the wide-ranging image studying is carrying out both quantitative and qualitative methods are often used because, since they give a different depth of the issue. The survey provides statistical and mass information about the parameters and the image state reflects back the public opinion and attitude towards the organization and its image [Макеев В. А. Стратегия развития деловой репутации и ее влияние на имидж организации // Власть. 2009. № 3. С. 52–56.]. Additionally it allow finding out the effectiveness of advertising impact on customers whether it forms the organization's image in the minds of consumers correctly and in keeping with plan. Questioning is a very time consuming way of communication with the public. After collecting all the questionnaires the second part followers the analysis and making single document out. Focus groups method is an innovative organization's image assessment model. Most often, the segment is divided into several focus groups to hold discourse with concrete moderator who are the company's employee, or PR-manager of marketing agency asked the company, during which opinions and ideas about image making are found out. The focus group participants are consumers of company, whose opinion is important to image study. This communication allows getting the company's image focused estimation from representative of different segments. Thus, it is possible to know how the company's effect on minds of representatives of different social strata and what they would like to add to the image or to remove. Besides, consumers can be asked for their attitude towards competitors, their strengths and weaknesses. This requires the mystery shopper/call surveys conducting too. The getting data are analyzed in the marketing Department, and are approved by the supervisor, and then the company's image will have been adjusted. Method focus groups and questionnaires cover segments necessary to the company segments, make it more informative, but not on the broad level of surveys.

The method of interviewing is the most profound method of the organization's image assessment. Most often an interview is conducted with one person who represents a group particular important for the company. While the interview, interviewee has been put important and personal questions about thought to organization, vision of it image and wishes how to change it. The point of the interview is to know the consumer's opinion about the company at the micro level of consciousness.

What does interviewee feel when uses the product of the company, what emotions are evoked by goods, what is one's reaction when cannot purchase products. The respondent is often chosen from the focus group results and the representative is often determined by the leadership qualities and independent opinion presence. All data obtained in organization's image study have great importance. The analysis of the obtained data is compiled the view about the external organization's image. If there is a negative effect from any of the factors likes unsuccessful advertising, public statements, errors in production, etc., it should be corrected as soon as it is practicable.

While the image studying is occurred the accuracy of information is took into account depending on the method. The more extensive survey, the more respondents, the more accurate results studying are. The questioning method has the lowest level of the information reliability.

One of the common methods of improving the company's image is based on the assumption that the image as a tool to affect the external environment has to bring about positive, increasing the "market power" of the enterprise. The parameters characterizing the corporate image of the enterprise should correspond to a positive image. The more information collected from variety sources is extensive, the more complete will be the view of the company's image, its real position in the market and the clearer has its capacity realized. The structure parameters of the organization's image is shown in Fig. 23 [Беляев В. П., Дроздова А. В. Безопасность корпоративных отношений как фактор формирования позитивного имиджа организации // Прикладная юридическая пси-хология. 2010. № 3. С. 133–136.].
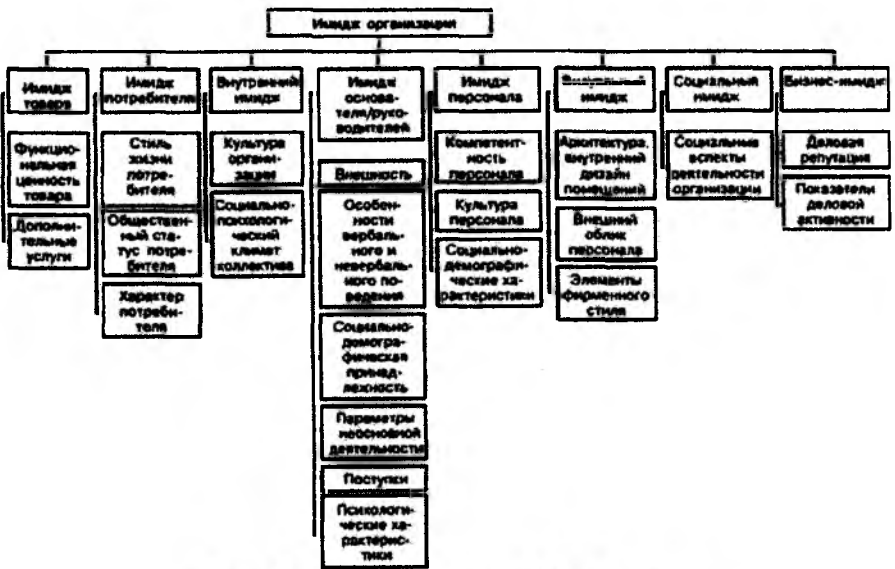
Fig. 23 Image Structure and Its Features

Corporate image can be evaluated through expert interviews with representatives of relevant groups of perception and employees.

To identify the company's corporate image experts should assess each parameter if it positive and grade it according the following scale:

"5" – if the parameter is in keeping with the positive image;

"4" – if the parameter is not fully in keeping with the positive image;

"3" – if the parameter is weakly in keeping with the positive image;

"2" – if the parameter is absolutely not in keeping with the positive image.

Assessment of corporate company's image and each of its components is defined as the average value using the following formula:

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Here b_{ij} is the j_{th} expert's numerical score of i_{th} parameter compliance with positive image; m is the number of considered parameters; n is the number of experts.

Based on the obtained average value conclusions that the real company's image is positive or no in accordance with the scale are made out (Fig. 24).

2	2,5	3,5	4,5	5
Absolutely out of keeping	Weakly keeping in	Partly keep in	Absolutely keep in	

Fig. 24. Scale of Corporate Image Assessment Compliance with Positive Image

What should be done if the image had been measured, and would have been negative? First, this fact has to be recognized and measures to remedy the situation have to be developed. Weak points of the company had been identified while studying having to be adjusted.

To give but one example, without the deliberated management (arrears amounting to 3 months' salary with excellent external development indicators) a large company pulled through a complex managerial crisis and has lost about a third of the team. This scandalous result destroyed the hope to recruit competent professionals from specialized market because details was known by all [Поляков П. В. Структура имиджа организации // Фундаментальные и прикладные исследования кооперативного сектора экономики. 2010. № 1. С. 63–67.]. The company refocused its recruitment policy on "youth", i.e. primarily at young people with minimal work experience, and specialists from other markets. The reorientation allowed to recruit required staff and to overcome the crisis properly, because the company has always a strong training system for new employees, but there was negative rumors going round for two years.

The mediation actions are temporary reorientation of the company recruitment policy and when "the negative facts" have been eliminated, a personnel selection will propel to new level as the company with "good conscience".

Company develops a plan to bring the image parameters nearer to the positive image values in the table 12 in accord with corporate image assessment.

The problem of organization's image assessment has two aspects. The first one is the organization's image analysis including its advantages and disadvantages. The second aspect is the comparative-equitable the similar product companies' image analysis.

When enterprise's image studying one should pay attention to the fact that, the image is a complex and multifaceted phenomenon and the external and

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internal aspects consideration is extremely necessary to analyze it. External organization's image focuses on the perception of the company by external audiences. In this aspect, it is important to determine how the company positions itself in the market through the survey of executives, business partners, consumers. Company's internal image in contrast to external image involves analysis of the following components: the leader's image and management style; psychological climate of the organization; corporate culture.

To analyze the leader's image can make use of psycho-diagnostic methods to assess its identify through introspection and based on the subordinates' opinion.

In this case, can be a useful S.A. Budassi's method of self-identity, the method of team management style determining of V. P. Zakharova and A. Fiedler's methods of psychic atmosphere assessment.

Perception group	Measure to good cooperative image development
Customers	Advertising campaign to make up a trademark's positive image (to increase public awareness). Advertising information should be based on intelligent power level of consumers, as well as high products quality. The cost of advertising in the regions should be increased. Advertising information about drugs should be put up in drugstores.
Society	Advertising campaigns in media sources, including regional about mission and strategic goals of the enterprise (taking into account the public interest) is necessary. The company should take part in various social programs. The publication of the interview of the head to make its positive perception image by the public. Informative seminars for specialized and sub-specialized doctors in medical fields.
Authorities	Government Relations through participation in political life, addressing the regional environmental, health challenges facing the regions.
Partners	Facilitation of introducing partners with mission and strategic goals of company. High business reputation development through strict contractual compliance.
Staff	It is necessary to drive a clear understanding of the mission and strategic goals of the enterprise to employees through content posted within office premises. To increase information transparency of company staff is had to inform about business task. Non-material motivation of employees should be widely accept. Individual tangible and intangible incentives should be designed on the results of individual surveys for each employees about ones wants. Surveys among staff on the loyalty to the company are expedient.

Table 12. Measures to Develop Positive Image of Berlin-Chemie LTD

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Thus, the conclusion can be made out that analysis and measurement of the organization's image demand examination of all of its elements through variety of methods. The choice of assessment depends on the investigated factor thus, psychological methods are used to organization's internal image study and marketing quantitative and qualitative are proper when external image is examined.

The image making and its promotion involves the use of given in table 13. One of them is corporate identity.

Adavantages	Disadvantages	Image change possibilities
Good reputation; High advertising activities; Charity vents to increase image	Gaps in the advertising; Uninformative, dull and rarely updated website; Lack of corporate style	Brand promotion, not just only products; Information sharing improving Website improving; Distribution of own printed materials, including magazines; Positioning business in the context of corporate identity; Development internal corporate relations; Participation in special events, exhibitions, welfare and useful for society organizations.

Table 13. Technique to Promote the Company's Image

The first impression is getting off on the non-verbal level in just a few minutes. Person does read information in details and turns it into known images.

Company, as a person, sticks to one's memory by appearance. With clearly defined corporate identity company stand out in the crowd. Each company has its own style of HR management, its corporate culture and internal rules. In addition, that does not fit one of them, sometimes is need by another. Elements of a corporate style help the consumers to distinguish the company from others, and theirs compliance demonstrates the model order in the company. Thus, the corporate identity is a set of embodied colors, fonts and graphics symbols. The branding is based on the trademark, logo or both. A trademark is a designation to distinguish the goods, enterprises or entrepreneurs. The legislation recognizes the exclusive right to the certified trademark.

The image of the company is like the "cover" by which the "book is judged".

More attention is focused on the visual style, the more trustworthy the company gets from customers and it creates preconditions for long-term and fruitful cooperation.

Future consumers can made initial finding out while visiting company's website and it is the very first step towards credibility. It should be detailed website with friendly interface, made up according to the corporate style and enabled to understand the specifics business, transaction principles, programs and services of the company, company info, and to get other information positive lighting the company's activities.

The employees' looks demonstrates their attitudes towards work. The dress code in the organization has to be complied strictly, because customer contact has to be done with irreproachable etiquette observation. The formal dress of employees demonstrates it. Theirs looks should not be provocative. On the contrary, the sober style makes the business relationship.

Office equipment is also an indicator of the business level. Air conditioning, availability of computer workstations, technical means and equipment for accounting and communication are the elements of the company's visual image.

The norms of telephone communication with current and futures customers should be kept to the corporate standards. First, theirs include polite invitation and accessible presentation of customer information. Any well-established organization trains employees to hold phone conversation.

In the modeling image in the context of analysis can be used the following additional tools:

(1) Integrated analysis methods of the enterprise image (assessment method by semantic differential, assessment method with scales using, assessment methods through calculation of the integral indicators, image valuation method by the goodwill definition);

(2) Method of the function performance assessment while the enterprise's image is being managed (the set of control functions is defined);

(3) Assessment of rational sharing of functions between actors of enterprise's image management matrix;

(4) The method of coefficients, which measure the means to ensure image management calculation (table 14).

Key elements	Coefficients and ratios
1. Methodology	1.1. Coefficient of methodological support of decision making in image management
	1.2. Coefficient of image management practices efficiency
	1.3. Coefficient of timeliness of image management method renovations
	1.4. Coefficient of sustainability of means to process information while image managing

Key elements	Coefficients
2. Information	2.1. Coefficient of information completeness to make decision
	2.2. Coefficient of information accuracy to make decision
	2.3. Coefficient of technologies applied to collect information
	2.4. Coefficient of internal environment factors are being analyzed
	2.5. Coefficient of internal environment factors are being analyzed
3. Resource	3.1. Coefficient of modern technological equipment provision
	3.2. The ratio of computer technology
	3.3. The coefficient of adequate provision of skilled workers
	3.4. The coefficient of displayed materials using
	3.5. Area used factor
4. Organizational support	4.6. Coefficient of customers' loyalty
	4.7. The coefficient commodity supplies reliability
	4.8. The ratio of the partnerships strength
	4.9. The coefficient of efficiency of the rights, duties and responsibilities of staff allocation
5. Legal enforcement	5.10. The ratio of management decisions labor support
	5.11. The coefficient of efficiency of technical regulations requirements, standards and specifications using
	5.12. The ratio of trades execution legislative reliability
	5.13. The coefficient of services' quality
	5.14. The ratio of certified services enlisting

Table 14. The System of the Means to Ensure Enterprises' Image Management Coefficients, Ratios and Factors

In conclusion, it can be noted that the investment in positive human resource image is returned tenfold volume by increasing the company stability and the resource saving because there is no need to go headhunt. A company with a positive image in the labor market automatically attracts the best talent.

Chapter 5.
Human Resource Image of
the Organization

If the company's image is the view of the company is had by people, the human resource image is that current and future employees think about company as an employer.

Between employees' ideas about company and public view may be apparent discrepancy. The employees' ideas form internal image of the organization. The external image is that how job seekers and «outside experts» in this market perceive the organization. For the image in general this classification is not essential, since people are constantly move from one category to another, but research methods for each category will be different.

Internal image, as mentioned above, is directly linked to the coherency of the company human resource policy and staff satisfaction. Accordingly, in order to assess the internal image, it is necessary to answer the question are employees satisfied by current working conditions? To sort out this problem the ready-made like Comprehensive Study of Staff Satisfaction (CSSS) or self-made questionnaires can be used.

When self-made questionnaires are making out it is important to consider each component or at least most of the "image-array" elements such as incentive systems of the company, the socio-psychological climate in the team, management style and other techniques of the CSSS. In addition to traditionally monitored parameters the "image component" is picked out that allows to assess not only the employees' satisfaction of (Fig. 25), but also their thoughts about company and it place in the market among competitors and partners.
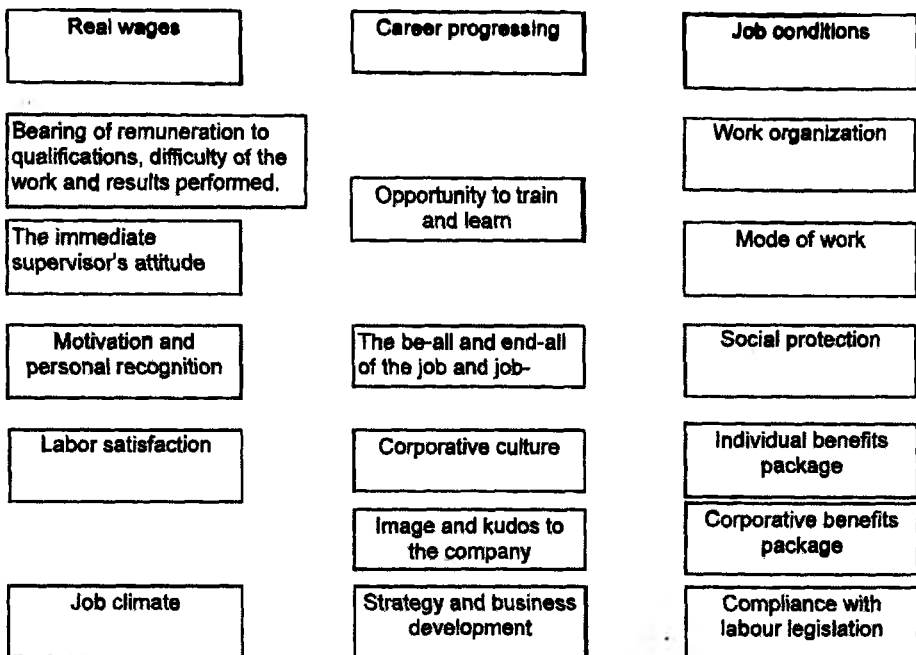
Real wages	Career progressing	Job conditions
Bearing of remuneration to qualifications, difficulty of the work and results performed.	Opportunity to train and learn	Work organization
The immediate supervisor's attitude		Mode of work
Motivation and personal recognition	The be-all and end-all of the job and job-	Social protection
Labor satisfaction	Corporative culture	Individual benefits package
	Image and kudos to the company	Corporative benefits package
Job climate	Strategy and business development	Compliance with labour legislation

Fig. 25. Work life factors causing the satisfaction of the labor

The "leading questions" should be avoided in questionnaires to decrease the impact on the quality of the study. For example, wordings such as "How do you like work in our company, which is the leader in the market?" are improper.

Sometimes the questionnaires with following options are met:

"Would you like to pick out the greatest disadvantage among following:

- Low salary.

- Bad working conditions.

- Bad relationship within team..."

It is clear that this form of options bring thoughts about something wrong has been happened in organization.

According to the results of internal satisfaction survey, the conclusions about current company's image among employees and loyalty of the staff can be drawn [Борисова С. Г. Модель управления корпоративной культурой как ключевым марке-тинговым активом компании, корпоративные ценности и организационная культура // Менеджмент сегодня. 2013. № 4. С. 236–244.]. "Loyal" has French originated word and means "faithful". This interpretation

corresponds to the modern employer expectations. Loyal in need is a loyal indeed. The people, who are need by employers, are faithful, reliable. As it said, prosperity makes loyalists, adversity tries them.

The basis of loyalty is a feeling pride in company and understanding that global brand means high quality and demands people of high interior worth. The internal corporation info-media appeal to the similar feelings because the being in the known about financial results, corporate advances and achievements gives the employee a sense of self-worth, even if partly illusory.

The Index of Job Satisfaction in 2011

The loyalty may be unconditioned or acquired. For example a just hired person, still does not know about employer, but is ready to take pride in boss and to share corporate values, etc.

Whence does unconditioned loyalty get? It is associated with personality type. It is forming by such pairs of nature properties as "social vs. individualism", "obedience vs. leadership", "conformism vs. non-conformism". Socially oriented person is more disposed to accept social values than one of the naturally self-centered individualists. The conformists can be said the same but they keep to the loyalty until everybody is "pro". However, immediately everybody turn into "contra", the conformists will join to majority. Leaders are usually by nature self-centered and subordinates rather prone to take group norms and values.

Perhaps it sounds ungrateful; the loyalty may be "the loyalty to all". However, as it known, a friend to all is a friend to none. This sort of loyalty is not related to any company specifically, i.e. "born to be loyal" can be loyal to the company and to the group of opposition within it. Hence, this sort of loyalty cannot be taken into account, since is not unconditioned loyalty. There is only long-continued work with staff to develop positive attitudes toward the company or acquired loyalty.

The acquired loyalty is of two types: pre-loyalty and really loyalty. Pre-loyalty is a positive attitude toward the company, existing before one got the job and resulted from advertising and communication with its former and current employees. The real loyalty is an attitude of employee towards employer formed while one works in company. Thus, the image making way to define means of loyalty development has been discovered.

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Companies employing a large number of professionals need in internal marketing because this sort of personnel has a low level of loyalty for the following reasons [Скуратовская Н. С. Инвестиции в культуру: влияние корпоративной культуры на финансовые показатели компании // Мотивация и оплата труда. 2007. № 1. С. 56–64.]:

- Because professionals are knowledgeable, they do not consider themselves only staff or subordinates and ones are not controlled or commanded.

- Professionals realize that they do not need company, and the company needs them;

- Professionals associate them more with the field of knowledge and work than with the employer.

The personnel loyalty building should be based on the conformity between competence and professional level of employees and business strategy. It is the only way when company would be interested in investing in the human capital.

According to the authors, the HR management conception of professional development should be aimed primarily at employees who are loyal to the corporate culture of the company, because the only "voluntarily loyal" personnel is able to support the company even in a crisis, without seeking to resign positions (Fig. 26).

Central to the framework of HR marketing is to achieve the business goals the clear definition of job requirements, the personnel needs while working and how to meet ones more effective than competitors, should be done. HR marketing is an element of management aimed at determining the personnel requirement to meet according to qualification requirements [Экономика и управление персоналом : энцикл. сл. / сост. С. И. Сотникова и др. Но-восибирск : НГУЭУ, 2012. С. 150, 160]. In the specialized literature also pointed: "The set of job requirements is being developed includes skills, specific abilities, characteristics and motivation to ensure high quality work [Экономика и управление персоналом : энцикл. сл. / сост. С. И. Сотникова и др. Но-восибирск : НГУЭУ, 2012. С. 150, 160]." These requirements reflect the essence of the term "competence" as necessary for specific job rules of conduct. It is a bound system consisting of the following elements: knowledge, skills, abilities, personal qualities and motivation. The crucial elements in the competence structure are subject's values and abilities, motivation.
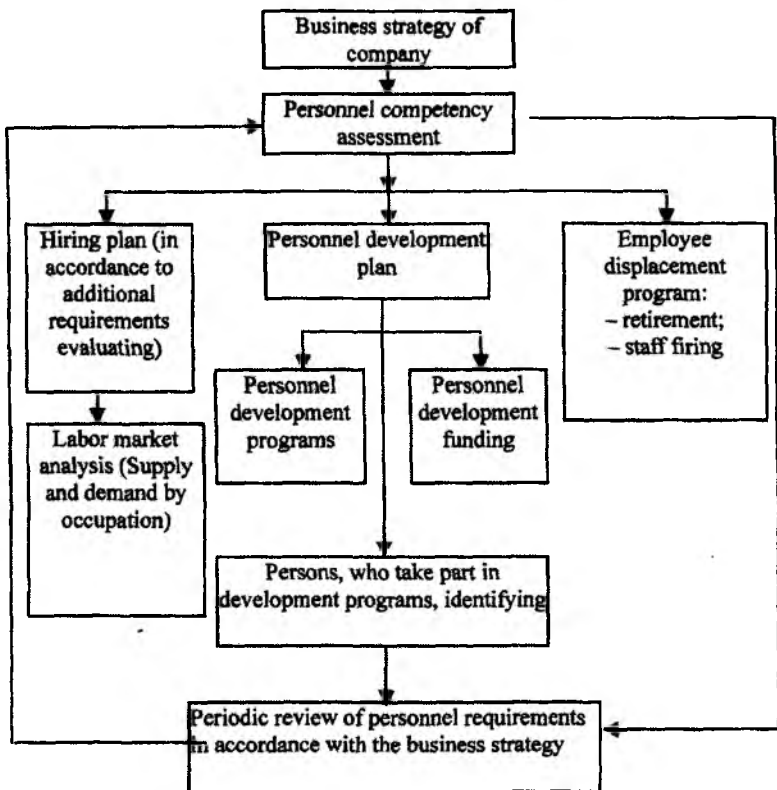
Fig. 26. Personnel Development in the Company

Competence is the person's ability to sort out work problems and to get the required results, i.e. it is the level of employee proficiency in the required rules of conduct. Thus, the functions of marketing in addition to others, include the personnel and qualification requirements studying, offer making for top-qualification personnel, development measures to meet the labor demands.

Ultimately, the core competencies model reflect the employer's preferences and measures to meet the labor demands include various methods to select and train employees.

In the current practice of large companies, these preferences are formalized. Often can be find selection system based on the competence profiles consisting of mandatory requirement of the candidate's accordance with the corporate culture, such as PERSON which stands for:

- Personal (personal skills);

- Experience;

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- Records (achievements and evidence of it (list of one's projects or transactions);
  - Skills (academic degrees, language proficiency, etc.);
  - Organization match;
  - Needs (demands and expectations of the future employees).

In the organizational aspect of the development of corporate competencies assumes the continuous development and training of the staff to out-market competitors. Staff should develop corporate competence at least as market situation changes to be effective and to keep the achieved level but to forestall future the competence improvement must be faster. The development of corporate competencies such as that helps transform the organization into a self-developing system using their units as laboratories of excellence and engages all personnel in competence developing. This situation make less experienced employees for the highest labor quality (see Fig. 27).
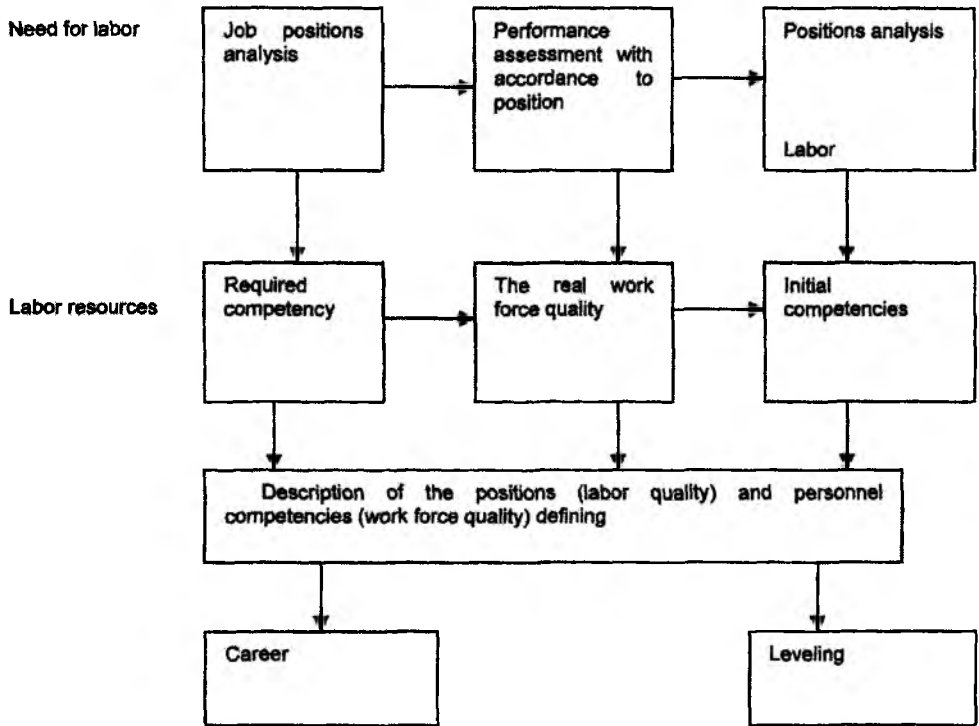

Fig. 27. Corporate competency development

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The corporate competency development has the following features:

- The organization development is above all;

- The measures for socio-political stability ensuring are priority;

- The economic conditions of competitive advantages in labor market of each employee and maintenance ones with accordance to the human capital structure and volume are created;

- The opportunities for each employee to develop and keep their advantages in labor market are equal, etc.

The following elements can raise the loyalty of business partners:

(1) Letters, gifts, newsletters. The main demand is the originality and usefulness. For example the Russian telecommunication company MTS gave a DVD with movies for the ladies on International Woman Day celebrating in Russia.

(2) Parties, hearty welcomes. These events should be thought of name to underline status of partners. For example, the company has six key wholesale dealers. The idea to name this party G6 was put forward. It is liked partners, because an impression of elitism has been gotten.

(3) Clubs, communities. One-class clubs can be established. One of the company formed The Beloved Ladies of Business Partners Club. The Clubmen was wives of the first-string counteragent's bosses. The women are invited to Moscow company office their husbands successes and plans are told and then sopping, spa-salon and gala dinner. When the other partners found out the Club, each of them wondered how their wife to get clubmen? The only way is fulfillment procurement plan must be fulfilled.

(4) Discounts, rewards. They should be offered to partners who have fulfilled special terms. For example, if a partner is ready to expand into a new market, one will be made more favorable terms than before. An important point is that period of validity must be limited.

(5) Birthdays, festive occasion. One company presents each lady-employee of enterprises-partners with some tulips on International Woman's Day. It is cheap, but loyalty to the company increases significantly.

(6) Benefits for partners. Key partner, when gets to home town of company, can be put a disposal an office car, irrespective of the fact that it is business trip or personal reasons, alone or with family.

Today, it is usual for companies to complain of the staff shortages. There is always shortage of highly skilled professionals in Western and Russian companies. The gap between the number of qualified personnel in different countries, cities and regions is a burning issue.

The deterrent of business development and more jobs creation is the lack of required human resources and companies feel it pretty well.

According to survey of entrepreneurs carried out in 2013, the shortage of professional personnel is the main stop to 50 % companies. About 70 % of companies face with difficulties in hiring skilled workers. The shortage of personnel is in one-fifth of theirs. In the medium term, 69 % of respondents predict the risks due to lack of professional staff.

In now days, the labor market is unbalanced. Few large companies are willing to invest in interesting new projects, and some of the "top-managers" have a tedious time. They would change job if Russian medium-sized companies that can offer them a reward and challenge do not need them talents but it is not suitable and interesting for long term. The tops can put up with it during 3 or 6 months to get some results, but long so will not proceed. Employer is feeling bad, because can find out no one to move business to the next step, and "tops" feel low, because they have lost interest to work.

"Talent Shortage Survey", the global study of ManpowerGroup, carried out in 2013, identified the main difficulties with the search and selection of personnel.

Sometimes the super professional received several offers of a job for one week. This situation there is two questions. How does the employee decide between market alternatives and how does the employer attract and retain a truly valuable employee? Almost two-thirds (65 %) of middle managers and senior managers are for to refuse a job offer if the employer image in the labor market is capable of improvement. The results of a survey of 200 managers launched by Recruitment Company Antal Russia confirm it. Another 35 %, according to experts, are willing take chances [Metro. 2012. 17 июля. С. 14.].

In this situation, the very main goal for company is correct positioning in the market. In fact, the company's HR marketing strategy is to attract valuable professionals as customers. HR marketing approach, known as the "war for talent", was developed by McKinsey & company and became wide known in the West. Nevertheless, the point is that the employer is positioning itself as a product, and this positioning is for employees and for labor market in general.

The employee sees some interest to purchase this sort of product, estimates associated risks and decides to invest his talent, skills and energy to the development of the company-employer.

The main criterion for their decision is the employer's funds for the employee development in terms career, emotions, intellect. These are companies enabling to create a class of competitive professional talents, which will bring Russia to the sixth technological structure.

While technologies are changing, the work itself is transforming too. According to Kelly Services' study, attended by 1 340 000 participants countries from 29 countries and among others 5500 from Russia, 47 % of the Russians respondents occasionally is begin to have the wishes to leave company, get free and turn into freelancer and just 11 % feel this idea extremely attractive. This study explains these results: it is not the same thing to think of becoming entrepreneurs as to enter into self-employment [Справочник карьериста. 2012, c. 45.]. The last one and unstable incomes is trouble Russians. Risks of failures and niggardly allowance stop more than 50% of Russian to make business.

At the end of the twentieth century the world economy and labor market have undergone significant changes. The remnants of the industrial era gave way to a post-industrial development, which is based on the intellectual product creation. Intellectuals are engaged in the creation of ideas, and thereby bring the lion's share of their countries gross domestic product. Is the employer brand important for persons shirking rough or dirty work? Rather yes, than no. However, does the famous name of the employer the make them to accept the job offer? No and no again. It is because the main criterion for their job selection is the quality of the professional environment.

At the same time career scenarios social mobility and the valuation of intellectual labor are changing. At the beginning of career, Albert Einstein was forced to take on a stable, promising decent earnings patent office. Who does need ideas? Now talented visionaries like Einstein hunted by leading corporations and business angels: "dream, invent, and we will pay you, and even give a share in the business"!

Origin, education, hard works are valued in the labor market but cease to be an essence of social and professional success. Creativity, empathy, interdisciplinary great erudition but also nothing that is associated with sweated guest workers and novice computer users. On the one hand, this is the path to the dream. On the other hand, the segregation of humankind into creators and

workers is a typical plot for a dystopian horror [Быков А. В каких компаниях надо работать? // Элитный персонал. URL: http://www.e-personal.ru/article.php?id=5244].

Structure of the Russian labor market in accordance with the Western trend is changing, but slower. There was IT-specialist on top of rating in terms of occupations in 2013. They deal with databases, systematization of information in the enterprise. There so many function including prevention information leakage and development defense information systems for which IT-specialists are responsible. Therefore, this profession is characterized by high wages for Russia – from 2000 dollars of USA.

In general, the situation in the labor market will be stable. Positive trend in the number of vacancies and CVS will continue rate of their growth will decrease. Young cadres are getting to be in great demand, but the number of vacancies for graduates and professionals without experience will grow by 40-50 % and the number of companies willing to take graduates on internship, will also increase. However, the main thing is that, this process is uneven.

Now in Russia there is situation when "not the company chooses a person but person chooses the company." Now, managers and specialists with empathy and bias towards generation of new ideas are looked for.

Residents of cities, being put apart of rest Russia, are used to make well-informed choice about employers, assess risks and, of even greater importance, they are being willing to take risks and prefer transparency and prospects to homespun secure. In turn, employers are competing for the best workers and managers strive to create a good corporate culture and a positive HR-brand, and ultimately the habitat for the professional elite.

While assessing the image of company as an employer, HR managers pay attention to two sources of information: internal and external. The external one is public rating of companies. Internal source is the quality or professionalism of candidates for the position: the professionalism is higher, the more prized work in this company. Actually they have more confidence in own search and recruitment results. Nevertheless, for the successful company's HR marketing it is essential to attract candidates for vacant posts. The development of positive public attitude toward company can help to achieve this goal and to invite attention to company, adding status and kudos to employer in the labor market. During certain stage of company life, it is important to focus on internal propaganda, follow for labor market development to change PR policy and

audience of town, region, country or world. Recruiters, working with various organizations, often think about what image does their client have to recruit worker or employee and would the image avail while working on the job. In this situation, the assessment of external image is becoming a major concern to recruitment and employees selection.

In the external labor market, ones who are looking for job are getting the crucial sources of information. Ill-famed companies get reduced response to job ads. People who have a negative visibility about the company ignore its offers of a job. Conversely, the number of responses will increase if the company has a good record in the professional community. The difference in the number of the profile summary that comes across these ads, characterizes the HR image.

Professional communities, especially existing on the WWW are another source of information. One claiming to look for job can ask the "colleagues" to describe a particular company. Depending on comments in response to question, one can draw certain conclusions. However, this source is not much credible, because people are much more willing to talk bad than good. Besides, direct competitors of company can take part in Internet chats, forums and communities who would defame it. One of the most informative way of examining the external HR image is to work with a group of recruitment agencies not just to recruit personnel but also to keep track of failures and their causes of the candidates. The reporting sheet, including following options "response", "awareness of the company, rating the company's attractiveness as an employer", can be put down for agencies. Another way is to chat with representatives of the Agency, asking, what are the reasons for the rejections they got most often. Working with a large flow of applicants, agencies will collect invaluable data about the company attractiveness in the HR market. Recruiter should have long-term relations with client-employer, know "tops" and be with company development and current situation to identify, while interview, does applicant "fit" or "unfit". Actually, it is impossible for new clients. In order to make out is one well in with the entire crowd the recruiter must be learned on own mistakes for a long time and wasting a pretty sum of money to minimize personal factor keeping professional qualities back. It is different situation, when employee had been fired for breach of the law, theft, betrayal of trade secrets or working for competitors, etc. In Russia, staff departments usually fire defaulters without cause to avoid labor disputes in court, which in most cases take the side of the worker. However, many companies exchange of information on the real reasons for dismissal of employees, and other internal security checks information about applicant even before the interview.

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sometimes these functions undertake recruitment agencies to examine recommendations of the employee with previous jobs.

The direct recruitment through corporate websites holds much promise but still is not too popular. The following causes explicate it. First, web developers initially received technical project to make up attractive for customers and partners website, but not for job seekers. Secondly, "job board" can be thought to undermine the firm's reputation as employer with minimum staff turnover. Thirdly, managers and HR departments do not have to use the "home" site because are used to other recruitment methods. Therefore, there are many reasons do not use the website.

What advantages has the Internet and corporate website particular for expanding company in recruitment? It allows:

(a) To formulate the vacancy list and description of duties more concise and accurate by structuring of information;

(b) To adjust the list online when ad a tender to gain a new position, remove the vacancy from the list, etc;

(c) To describe the set of responsibilities and functions according to company requirements and more detailed then "impersonal" ads in the media [Пихало В. Т., Карасев П. А. Управление корпоративной культурой современной организации // Нормирование и оплата труда в промышленности. 2013. № 9. С. 61–66.].

In addition, the most important aspect is that the person who sent resume actually had passed the very first tests. At least, the applicant is interested in company and accidentally or on purpose had visited the website got acquainted with business activities and concluded that he would be with a company. Consequently, this approach to recruitment can be considered as more targeted. The fact that candidate had found out the offered vacancy on a company "home" page proves the one's pro level, who took the trouble to do something more while looking for job.

Therefore, there is reasonable assurance that the percentage of come-and-go people among applicant will be minimal. As example, the declaration about job vacancies of one of the largest banks of Russia "Alfa-Bank" is sound "We need professionals." It was put down by bold type on the main page of banks website with click-able link to the bulletin board about job openings. There are contact details, electronic application form to put down on-line and e-mail to send resume

or CV. Each vacancy described in detail. Another Russian famous brand "LUKOIL" brings together employer and employees on website. For example, the section of the site "Labor Exchange Independent Oil Review "the Well" is a Bulletin Board of experts' mini-CV and direct vacancies. Unlike newspaper, there are e-mails, not telephone numbers. This way of recruitment has not cons, but only pros. The employers and the applicants meet in the virtual world, face to face. In addition, a special web page devoted to every industry, allows sorting the wheat from the chaff and providing business contacts of professionals. The other example is the website of hypermarkets Ramstor. Besides information about the shops, the prices and products, anyone can make out a detailed electronic application, putting down interesting for employer information on the level of professionalism and salaries, the location of future work, etc. On the website, there is no list of vacancies, but the form is added to personnel service of hypermarkets database of course. In addition, if there is a need for new personnel, experts at the personnel service will definitely appeal to Internet resources.

Thus, recruiting through the corporate website has a great future. Unlike telephone conversations and endless resume by fax it is relatively quiet and easy method for transmitting and exchanging information. In addition, a corporate website may lead to more trust because it is for "home" use. In addition, the job seeker may get the impression that the vacancy is addressed to him personally [Шишкова Л. Корпоративный сайт: новые возможности для рекрутинга и поиска работы. URL: http://www.jobsmarket.ru/ ?get_page=239&content_id=2806101].

According to a survey of HeadHunter Service carried out among employees of companies, almost all respondents (96 %) tried to find information about future employers online before to come up the interview. Therefore, the majority of applicants (84 %) had visited the official website of the company, and every third read through reviews on specialized resources (36 %) and general information in the news (32 %) to find out information on employer. HeadHunter surveyed 1931 employees of companies from all Russian regions in 5 март 2014 (URL: http:// hh.ru/ article/14743).

The most popular Web portals designed specifically for these purposes are www.o-rabote.ru (22 %) and www.antijob.net (20 %). Based on received information the majority of respondents (65 %) decide to interview, and just under half (46 %) want to find out the real situation and "vulnerabilities" places of employment (39 %). Only 15% of respondents doubt the objectivity of such information, while the majority (68 %) still tends to believe what had read. Half

of respondents (50 %) and even had canceled a scheduled interview due to negative reviews online! According to survey, men are much more trusting of the information gleaned from the Internet then women.

It is interesting that, after interviewing almost every third (30 %) had the urge to dig up the information about potential boss through social network mainly to get more information about one's human (76 %) and professional (57%) qualities. It should be noted that most often used social network VKontakte (72 %) and Facebook (61 %), less Classmates (35 %) and LinkedIn (32 %). Thus, the obtained viewing impressions were fully confirmed by only 14 % of respondents.

A popular way to make company's image through social networks in Russia pick up speed. Russian CEOs believe that the company's reputation today, almost half (54 %) is formed by social media. Three years later, in their opinion, this will rise to 73 % and in five years will reach 92 %. Representatives of Western companies believe that the impact of online tools will reach its peak in three years, and in five years, by contrast, will decline. Experts of the international network of PR agencies Weber Shandwick made out this conclusion after survey had been carried out in 2012 among 755 top managers of different companies in more than 10 countries.

According to 54% of the Russian top-managers, the positive impact of the company's presence in new media exceed the potential reputation risks of online activity, and 8 % said no [Ведомости. 2012. 20 сент. С. 16.].

Two third of companies consider both criteria as equivalent. To the most frequently, used online resources the Russian respondents put the website (90 %), social network (65 %) and microblogging site (60 %). The majority of Russian companies (60 %) using social network Facebook track the activity of competitors. This resource is also used to inform the audience about the events and news of the company (52 %) and the interaction between top management and consumers (48 %).

The main criteria for measuring the social media effectiveness, according to leaders of Russian companies, are the number of positive consumers' comments (60 %) and website traffic (46 %).

For most Russian companies promotion in social networks is not too expensive, but its effectiveness has yet to be felt.

Now, all are dealing with it, but in a few years, this will remain the prerogative of the ones who are used to spend much time on advertising on the Internet. Even if dynamic of development of social networks changes people will be spending

on the Internet most of the time, getting links from their friends on certain products and services and interact with companies though CRM interface. Customer Relationship Management system allows to keep history of contacts with clients.

Usually, image making functions are PR-managers' responsibility. However, more and more HR-managers find that the company's good name does not affect the number of people willing to work. There are apparent discrepancy between image in the consumer market and the image of the enterprise in the labor market. The last one requires targeted means to create an image of responsible employer, involves working with the target audience. However, can experts in public relations handle it? On the other hand, in tough competition on the labor market for "talent" is it exclusively function of HR-department?

According to the HR-managers, the ideal model is when the functions of employer image building are PR-managers' responsibility while the necessary information is getting from staff-departments. It is the vision of 68 % of HR managers. The other 19% of respondents believe that no one but specialists of personnel management should deal with these issues. Because, firstly, they are the only ones who can properly describe the advantages of the HR policy of the company to make it a desirable employer. Secondly, it is the hiring manager directly transmits the image when dealing with employees and applicants. Part respondents (10%) believe that the two services (HR and PR) in this process are equal. If the hiring manager has information on personnel policy of the company, the specialist in PR knows how to communicate it to the audience. Another 3% guess that the only one way does not exist and it depends on the company [Kadrovik.ru. 2007. № 4. C. 87.].

However, the situation at the Russian enterprises is far from ideal. In now days, only 9% of the personnel specialists dealing with this problem for themselves and practically do without the public relations services, 31% are trying to correct the company's image together with the PR-managers, but this cooperation is limited by requested materials and information transfer to PR Department. More than half of respondents (57 %) are not purposefully engaged in the formation and translation of the employers' image.

Studies have shown that up to 80 % of the barriers to the development of market relations in some way linked to the question of staff, including resistance to innovations and unwillingness to learn, and inability to work in new ways, and inner alienation from the goals of the organization, etc.

Thus, valuing the contribution to company's image making and its HR policy, the conclusion can be made out that HR services bear the lion's share of responsibility for creating company's good name in the market. This is because the competition for talent became keener - 58 %; PR-services cut it – 25 %; this is the direct responsibility of the HR-teams - 17 %.

However, they cannot to sort out these problems because of subjective and objective reasons.

The results gotten Institute of Labor through studies indicate that:

- Approximately third of the business entities has no documents defining human resources policy;
- 47% of the business entities have not comprehensive workforce plans;
- More than 30% do not offer any vocational qualification models, profiles, maps competence in key positions of managers and specialists to selection and placement;
- More than two thirds of personnel services have not developed a system to adapt newcomers;
- Approximately thirds of the departments ignore the social partnership events and the development fruitful cooperation between administration, trade unions and labor groups;
- On one fifth of the companies there is no to train managers on resolving problems related to the HR management;
- About 43% of HR managers are not satisfied with their status.

Conventional or functional staff-departments existing in many organizations are often unable to meet the needs of the company and to make the necessary contribution to gain the business goals. This is due to following factors:

- Lack of coordination between HR-management strategy and the business strategy of the company;
- Redundancy and duplication of personnel data;
- Lack of knowledge of HR-managers about company's business.

That is all are at the bottom of the companies looking for methods that are more efficient to improve staff departments and services activities.

As from 2013 in Russia a central place to the performance management and the alignment of reward systems among HR departments' priorities for action are

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given. That is not fortuitous. If last year the Russian employers could not make a long cast ahead, now most of them are interested in the efficiency of the business here and now. Companies want to know exactly what the employee's concrete role is and contribution into business and what is the staff paid for?

Respondents believe this issue is crucial, but investment in improved systems of performance management pays off relatively long time. The successful in this way company had picked up for each employee clear performance criteria and keep one ahead or boost salaries depending on execution of task. This is the only way then the moving up and down the career ladder of manager is perceived as logical and deserved by employees. Talk about injustice, cease, and the staff stops accuse "tops" of favoritism or nepotism and gets confidence that good work does not go unnoticed.

The role of HR-management services in major Russian companies were interested in 2013 and experts of the international consulting company Hay Group. They managed to gather detailed information about 23 HR Directors and 22 supervisors and heads of sales departments. The top five priorities for HR Directors are employee retention, increase engagement, optimization of structures and processes, creation/revision of rewards policy and, finally, training. However, as the researchers found, personnel services and departments are involved in the company's business strategy building only in 30% of cases, and the efficiency was evaluated based on the business strategy implementation only in 46 % of cases. As discovered by Hay Group consultants in 87 % of cases the role of HR bodies is changing now or will change during 1-3 years [1].

It should be noted that European companies have taken different approaches to long-term HR management. For example, the insurance company Irish Life and Permanent offers its employees financial support, if they take study leave for 2-3 years. This allows keeping key personnel in the medium term. In the French company Saint-Gobain, manufactures construction materials, the share of women among employees was deliberately increased which is still a little because of the type of firm activity. However, by new recruitment and career development procedures the company increased the number of women in leading positions and in the personnel reserve.

One of the most remarkable challenges in recent year is the development of HR-management functions to push ones into strategic priorities. The situation with the formalization of this activity is worse in many contexts: only 5% of surveyed companies have a policy document on medium-term (2-5 years). A

quarter of the respondents pointed that work out one-year plans. The others do without plans and this activity is a disconnected part of motivation, training programs, etc.

Overall, the staff services are not eager to engage in company's image making in the labor market. Actually, for over busy teams it is too wide range of additional functions from analysis of competitors' actions to performance its PR strategy assessment and requires new knowledge and skills. Developing of this activity is taking without thinking or preparation with professional literature, and exchanging experiences with PR experts and fellow practitioners.

The HR-management service (HRMS) is one of the most important sides of communication with a potential client. Therefore, it should be arranged and supplied promotional materials along with shopping facilities and Central offices.

The interview and especially the denial of employment should be treated separately in a company's marketing policy. Corporate standards of these procedures are needed to reduce negative reactions of applicants. The "quick decisions" for applicants, who wasted time to get office for interview, are not acceptable. Though actually, a practiced eye can at once detect the candidate does not fit but the time savings can damage the company's image.

The HRMS should be beyond of selection new employees and affect constructively the internal situation. The vast majority of cases, the conflict are unfair dismissal comes from the inability to agree while confrontation and inflexible behavior of the conflicting parties. In this situation, the HRMS could be a mediator to find a compromise. Finally, real experts who have positive experience to sort complex problems for which they were employed must staff the HR-management service.

Hired labor dominates in the customary system of workflow organization. The employee sells his labor in the labor market to the employer and formalizes their relationship through employment contracts and contracts of paid rendering of services [Михайлина А. В. Теоретические аспекты управления корпоративной культурой // Ученые записки Орловского государственного университета. Серия: Гуманитарные и социальные науки. 2013. № 4. С. 117–122.].

The transition to an information society means that the main emphasis in the economy will shift from products to services, which cannot be accumulated to deliver later, so employees in this area must always be available.

More demands on goods and services needs in more individual labor supply. Not surprisingly, job seekers offering their labor are getting more exacting and fastidious according as the demand for their labor.

Besides the needs of the development highly skilled professionals, there is the tendency of narrow specialization. This poses companies, which are forced to organize effective management of various specialists' labor profiles.

The above-mentioned specialists do provide the functioning and productivity of modern companies. As a rule, they are a minority, and the feasibility of increasing their number is always limited. Thus, an important objective of post-industrial society is to establish conditions for high productivity of intellectual workers.

Hence, one of the most important attribute of labor becomes increasing its flexibility, which makes the search for new mechanisms of labor relations regulation. One of them, in our opinion, is lease labor. Organizations and companies do with it to minimize personnel costs, improve production efficiency and reduce the social responsibility for their employees.

For a long time, up to 80-ies of XX century the labor law of many States rejected the possibility of the labor relations existence because according prevailing dogma the idea of paid mediation when entering into an employment relationship was unacceptably.

Until the 1980s in many countries, there was the unanimity that leas labor was only to avoid obligations to employees working under an employment contract. Leas labor was seen as one way of strengthening the exploitation of the labor force. In most countries, the leasing of the workforce was outside the law, and the activities of private employment agencies were prohibited or severely limited.

This negative attitude of the world community to the participation of commercial organizations in paid employment mediation in recruiting had been reflected in the conventions and recommendations of ILO, namely ILO conventions № 2, 34, 88, 96, 168, in the ILO recommendations No. 1, 176, etc., so the services of recruitment agencies for the performance of temporary staff were limited.

However, as economic development, modernization and non-formalization of production processes, and increase business competitiveness by reducing costs, including labor sources, it had become necessary in temporary workers. Many economically developed countries began to reform labor laws in the workplace.

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Then, the ILO has recognized contingent labor legitimate field of activity.

In 1997, the emergence of new geopolitical realities in global policy and economy gave boost to the prerequisites for significant growth of private employment agencies. It made ILO to put though Convention No. 181 and Recommendation No. 188 on private employment agencies. In article 1, paragraph 1, subparagraph "b" ILO Convention No. 181 "On private employment agencies" (Geneva, 19 June 1997), given the following definition of the leas labor - it is "services of employees hiring for the purpose of providing them available to third parties who may be an individual or a legal entity... that sets them job assignments and supervising their implementation".

The leas labor is a new phenomenon, unusual for customary scheme of the employment contract and being potentially disruptive for standards terms of labor contract and contractor definition. As an element of labor economy the leas labor embodies the needs of modern production and service sectors in the effective management of employees to improve productivity. Continuous development and complication of the humans social needs and interests of the individual will inevitably lead to more complex social and labor relations, to the changing of the relations between actors resulting in searching of new ways to legal mediate new phenomena.

The crucial changes are turned out in above-mentioned situation. The provider company (recruitment agency or recruitment company) buys in the labor market the employee's time and ability to work not for own needs but to provide a third party under certain terms. Hence, the following features describe the emerging industrial relations:

- The right to dispose of "labor force" is transferred from the employee to the company – service provider;
- Workforce acquires the properties of a conventional product;
- Workforce as a commodity is "withdrawn" from a specialized labor market and is included in total turnover of goods and services, acquires civil in nature.

Currently there are the following forms of leas labor:

- Out-staffing is casualization of the personnel and hiring the provider staff;
- Staff leasing is long-term from three months to several year provision of personnel by recruitment agency. Sometimes it is confused with out-staffing;

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- Temporary **staffing** is providing temporary and seasonal workers are on short time. Temporary staffing, from our point of view, is a separate way of the selection and provision of temporary staff and is described by the selection and timing of personnel provision.

It is very popular and sometimes is defined as temporary employment contract, i.e. employment with a lease determinable at the end of several hours to several months. Actually, the leased employee is tenured in the company-provider. This service is used for the selection of all categories of workers, including the high-level personnel.

Crisis manager may be a temporary employee. If the company has any problems, experienced specialist can be called to diagnose problems and sort out them. This practice is popular in the West, where a significant number CEO's and financial executives are employed on temporary contracts.

Skilled workers, particularly relevant for fly-in, fly-out operations and similar businesses and IT-specialist are working in the teams of Russian companies. Foreign companies that do not have offices in Russia, when the Russian workers are required for projects often use this service. This sort of personnel is joining in recruiting companies or staffing agencies staff. Company Adecco uses this technology widely [URL: http: / / www.Adecco.ru]. Temporary staff selection consists of all stages of the recruitment as usual and gets through employment in the company.

While providing this service, the provider accepts responsibility for the following functions:

- Formation of the labor contract with the employee formation;
- Establishment of a personnel bank account;
- Payroll;
- Personnel procurement.
- The company engages temporary staff in the following situation:
- Limitation of staff list;
- New project;
- Long-term projects
- Seasonal fluctuations;
- Peaks of production cycles

In European countries, the term "precarity" came into circulation along with "contingent labor" and "leas labor", which means various forms of atypical work, making schedule more flexible, multiply job working, the insecurity of employment contracts, etc. The "precarity" is a phenomenon that brings to the lack of resources and unreliable incomes.

At the same time, it is wide social process when people are put apart from socio-economic, cultural, legal and political life of society when well-being and persons' capacities are increasing for the development of society contribution. On the one hand, it is interesting the impact of the "precarity" on so-called traditional working class especially on the poor workers and ordinary, inappropriate work, and similar phenomena. On the other hand, this phenomenon is caused by the changes in workers' life, involuntary self-employment, multijob and other new forms of employment [Precarity – Platform for a Scientific Network of Political Excellence / P. Herrmann, L. Norreklit, R. Riesinger, R. Hepp // Newsletter of the S.U.P.I. network – 2/1 – August/September 2009.]

In Russian practice, this term reflects the trend of economic and legal deregulation of labor relations and increasing compulsion to work while social guarantees are kept down to reduce costs and expand precarious employment relationships [См.: Старостин В. Размышление о прекаризации в трудовых отношениях. Си-бирская конфедерация труда (СКТ). URL: http://sibokt.livejournal.com/4011.html.]. The assessment of the following factors clearly shows is the work precarious:

- Confidence in the continuation the employment relationship;
- Control over the labor process including working conditions, wages, the pace of work by trade unions and professional organizations;
- Protection adjustable;
- Income.

Currently, some estimates suggest that over 20 million people feel of precarity tensions. This is became apparent with reduction of employment contract terms, an excessive variable part of the salary that put employee in dependence on employer's decisions, forced shortening of the working day, pay cut, unstable employment.

Fixed-term labor contracts, part time, out-staffing through recruitment agencies, outside employment are the most popular practices of formal unstable employment (table 15).

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It is possible to change this situation in the following way:

– Create a network of agencies to help the unemployed and working part-time;

– Develop for the organization of effective incentives (e.g. tax incentives) staff retention and hiring of unemployed;

– Involve staff in educational processes – training and/or retraining.

Kind of precarity labor	Feature
Formal job instability	
Employment based on fixed-term labor contract	Labor relation regulated by fixed-term labor contract,
Part time employment	Underemployment, hiring workers by a hours, day or week
Employment in intermediator firm	Hiring by recruitment agencies contributing work force to meet requirements of companies-partners
Distant work ·	Employment out employees of workspace
Hired entrepreneurship	Hiring of entrepreneurs who cannot to make own business
Informal job instability	
Job in informal sector	Employment in informal economy, based on household on persons' activities
Shady employment	Hiring without labor contract or employment with violation of labor rights
Employment in fly-by-night companies	Hiring by firms established to evade taxes
Emploiyment in "covering" companies	Hiring by firms established to hold the purse strings or as somebody "piggy bank"

Table 15. Classification of precarity labor in Russia
[Известия УрГЭУ. 2013. № 5. С. 80.].

All of the above, show the employer image making bound up with behavioral marketing concept, which is "a management discipline aimed at development in organization behavior to meet the requirements of customers and partners, based on their expectations and preferences regarding the organization's activities studying" [Экономика и управление персоналом: энцикл. сл. Новосибирск,

НГУЭУ, 2012. C. 250.]. In this interpretation, the behavioral marketing is a special kind of administrative activity. Its purpose is the right for customers and partners behavior of employee through the expectations and preferences of actors in the external environment studying.

There are other interpretations of behavioral marketing, emphasized on the means and objectives. For example, within in framework of an approach, behavioral marketing is the study of the behavior of producers and contractors based on worked out organization's development strategy in accordance with the behaviors of employees to adapt the organization to changes in external environment [Организационное поведение. СПб : Питер, 2004. C. 372.]. A distinction is drawn between internal behavioral marketing and external behavioral marketing. The first one is focused on the behavior of different groups of employees, and the other one considers the behavior of customers and suppliers. But in any case the organizations studies the behavior of all groups to determine the most effective behavior pattern from the point of view of mutually beneficial cooperation and how it can be generated.

In a broader interpretation of behavioral marketing in the management of image making involves the study of the behavior not only of the company's staff but all stakeholders, for example, population, customers, investors, etc. The study of these groups behavior is important for their adaptation to act and to manage image in match with behavioral factors having particular importance for many organizations. Some of them even establish special funds for branding themselves as an employer and others called experienced and competent professional in HR-departments. Until recently, the importance of the HR-function had not been given, and personnel in these positions were far from now day demands to skills and dexterities. Currently specialist from more advanced in the HR-technology development industries come up to investment holdings and real estate development companies.

In the context of the HR-management, the behavioral marketing means a set of management functions implementation to form the employees' behavior model, which meets the requirements of following group:

– Representatives of the immediate environment;

– Employees, executives, managers, functional and line managers;

– Stakeholders – customers, investors, contractors, subcontractors, and other project participants.

Chapter 6.
Image Making and Human Resource Marketing.

The internal marketing is aimed to development of organizations attractiveness as an employer through making up the positive image.

If organization's image was mainly to sales growth before, today more companies press towards successful employer to be thought in labor market.

Job seekers do not hurry to get fixed up in company is thought ill and consider its vacancies the last thing. Another world such company gets employees, which have been refused, in other job. However, even this people initially consider employment as an emergency measure to work temporarily, looking for another fully suit job. Hence, the business efficiency is keeping down and instability of the team is being up. Management of these processes is getting more urgent while competition turns into struggle for human resources.
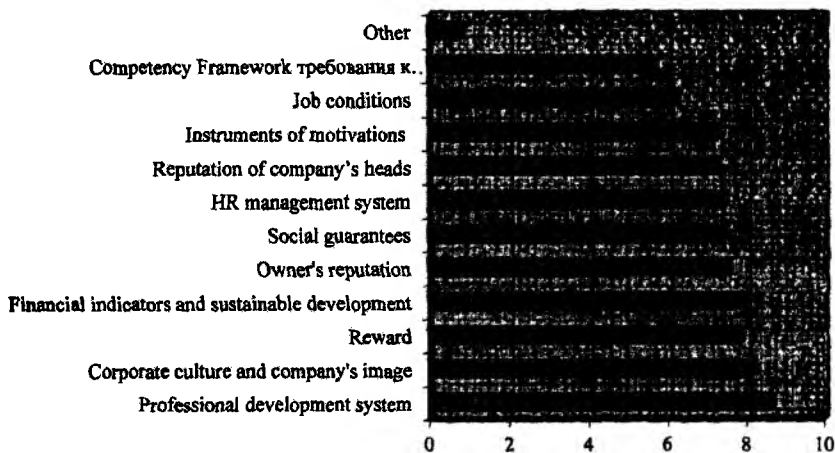
Every year the "Best employer" and "Most desired company" researches carry out in Russia and other countries together with mass media, associations, state committees and student organizations. Typically, this researches and looking for "the best employers" are limited with survey employees of various enterprises throughout the country or region to rank the employers.

As for the choice of the employers, the criteria for job attractiveness are changed year to year (Fig. 28). For example, just after the 2008 crisis, according to the research of the Russian portal SuperJob.ru, the main criteria for the new job look like this:
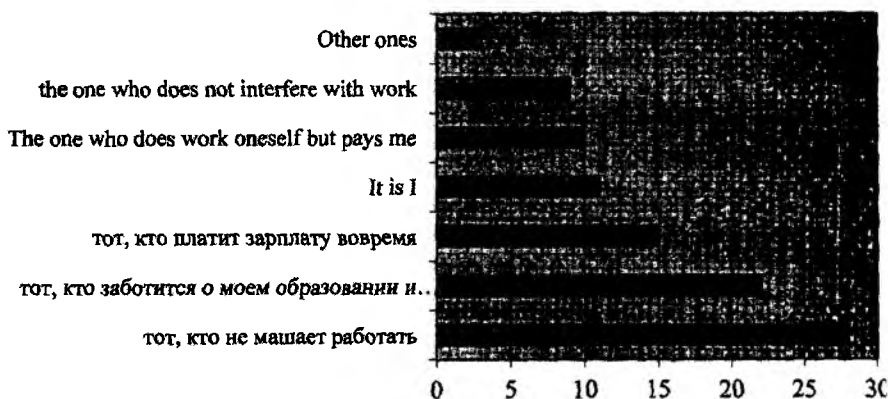
– The ceiling wage;

– The stability of the company;

– The personal growth prospects.

Each candidate wants adequate manager or the owner, a stable salary, good reputation of the company, social benefits and recognition.

A

Chart A categories (top to bottom):
- Other
- Competency Framework требования к..
- Job conditions
- Instruments of motivations
- Reputation of company's heads
- HR management system
- Social guarantees
- Owner's reputation
- Financial indicators and sustainable development
- Reward
- Corporate culture and company's image
- Professional development system

Axis: 0, 2, 4, 6, 8, 10

B

Chart B categories (top to bottom):
- Other ones
- the one who does not interfere with work
- The one who does work oneself but pays me
- It is I
- тот, кто платит зарплату вовремя
- тот, кто заботится о моем образовании и..
- тот, кто не машает работать

Axis: 0, 5, 10, 15, 20, 25, 30

*the one who pays up

the one who enables my learning and training

the one who does not impede with work

Fig. 28. Criteria of Employer's Advantages for Employees.

a - The main features of company as an employer (2013) [Экономика и жизнь. 2003. № 49. C. 3.];

b - The good employer determination (2010) [Профиль. 2011. № 12. XII.];

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Between June and August 2010 Kelly Services had carried out another one survey known as the "Personnel Motivation 2010". 3 500 respondents of different age groups from Moscow, St. Petersburg and regions of Russia was surveyed. Among them was 85% with a higher education degree and only 8 % had not work experience. The study indicates the values of income as the most parts of job. It remains a reason of paramount importance to change job (28 %) and to motivate making choice of employment (34 %). However, motivation when changing employer is said, the career opportunities (23 %), working conditions (20 %), interest (10 %), the staff and the professionalism of colleagues (7 %), the image of the company (6 %) came up to high salary. Dream employer must pay well, given the opportunity for career growth, and ensure a good and comfortable office work space, make the work interesting and exciting, build professional team and create a comfortable microclimate in the workplace and create the company's image to proud of job. The majority of Russians apparently believe that expats can meet the requirements all this can provide, because 74 % of respondents want to work in an international company (growth in comparison with 2009 – 5 %). Another interesting conclusion can be made out of survey - the majority of employers appreciate the wage paid by employers as adequate, because at least 50 % of Russians believe that their wages are average for the market.

What else is the ideal employer expected? Descending, the voluntary health insurance, payment of mobile communication, sport compensation, preferential loans, payment on the car, additional fees, voluntary medical insurance for relatives (table 16) are being expected of ideal work providers.

Table 16. The Essential Factors to Pick Up Employer

A 2006-2007 [Карьера. 2007. № 7. Июль-август. С. 57.]

A. 2006 – 2007 гг.[1]

Factors	Rank position	
	2006	2007
The premiums and bonuses by results of work	6	2
Dynamic wage hike (competitive wage)	1	2
Additional training paid by the company	8	3
Overtime work is paid	9	-
Dynamic development of the company in Russia	4	-
Fast promotion track	3	1

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[1] Карьера. 2007. № 7. Июль-август. С. 57.

Dynamic development of the company in the world	2	
Mentor who can explain all the company's business details, relationships and help to meet complex issues	5	
Compensation of expenses connected with the work needs (travel, mobile)	7	4

В 2008-2009 [Карьера. 2009. № 8. Сентябрь-октябрь. С. 48]

Factors	Rank position	
	2009	2008
Dynamic development of the company in the World	1	1
Positive job climate	2	В прошлом году этот фактор не анализировался
Dynamic wage hike (competitive wage)	3	2
Dynamic development of the company in Russia,	4	4
Fast promotion track	5	5
Additional training paid by the company	6	3
Dynamic development of industry	7	В прошлом году этот фактор не анализировался
Overtime work is paid	8	13
Stable position of company in the market	9	В прошлом году этот фактор не анализировался
Mentor who can explain all the company's business details, relationships and help to meet complex issues	10	6

Table 16. The Essential Factors to Pick Up Employer

The main conclusion is obvious and is confirmed by the practice of Western companies on the FORTUNE 500 Best companies to work for. The dream employer will help financially, because the very best employers do not save on their employees and will encourage, because the best employers care about their employees. It is important for young professionals and who have more than 10 years of experience but the concept of "dream employer" is too fuzzy.

Russians are mostly not satisfied with their employers. This follows from the same study by which 68 % respondents of 83 % employed are interested in job changing.

In 2013, the first three most important factors to make a choice of job was the fast promotion track, outburst wage increasing, bonuses and the additional training opportunities. In addition, the study was highlighted a number of new factors: flexible work schedule, opportunity to work abroad, the ethical behavior of company in the market.

The organization's HR image is embodied in a hierarchical structure. Each level of the hierarchy has an impact on the next level through the composition of the lower level elements. Ranking by priority is due to different importance of elements of each level for individuals. Any element acquires importance depending on the individual features of person or special situation in which person finds oneself. The organization's HR image body is in the table 17.

The image is a dynamic phenomenon and can vary under the influence of circumstances, new information, because of prolonged contact, etc. [Ищенко И. Г. Управление корпоративной культурой : учеб.-метод. пособие / Пензенский гос. пед. ун-т им. В. Г. Белинского, каф. менеджмента и эконом. теорий. Пенза, 2012.]

Company's Image Components	Importance (points)
Compensation packages and non-material motivation system	96
Status/career opportunities of the worker after work in the company	90
Material and technical conditions of work	80
The financial success of the company	80
The fame of the company as a whole (including its brand)	75
Experience and career opportunities in the company	74
The moral and psychological climate in the team	71
The size of the company	65
The image and reputation of the company's head	48
Industry	45
Domestic (Russian) or foreign company	40

Table 17. The Organization's HR Image Body

The first factor affects company's HR image is purposefully or inadvertently developed by HR service view of company are had applicants and employees. Candidates do not have enough time to interview in each organizations offering for their positions. Time and capacity of candidates for the job searching are

limited, so they usually make a preliminary review. The company's image prompts to pick a job. The second factor is the presence or absence of well thought out system tracking and image making system.

In sum, applicants believe that the most important causes to work in company are:

- Wage growth;
- Fast promotion track and career;
- Additional training opportunities;
- Professional trainings;
- Rewards and bonuses;
- Optimal staff accommodation less than 10 employees per office (working conditions);
- Business trips abroad.

Employers, in turn, give their requirements to the applicants. Thus, in the pre-crisis period the diligence was sounded employers as the very first requirements for future employees. Current situation influenced the employers' to underline sociability and stress immunity as most preferable features of employees (Fig. 29).
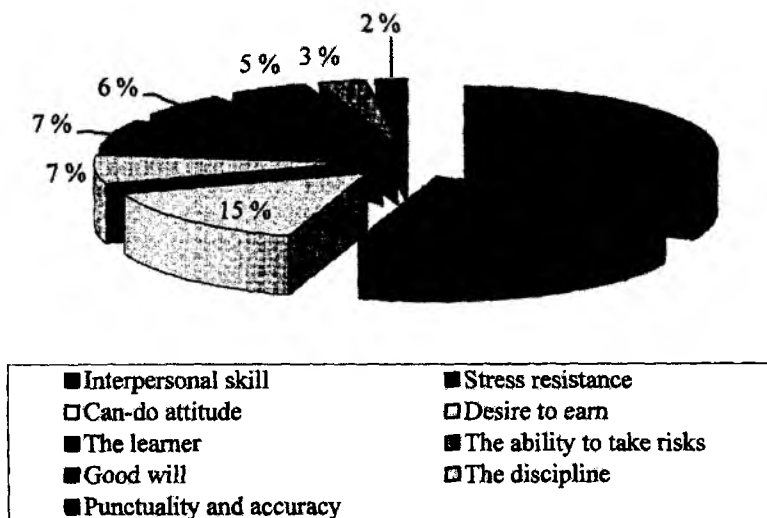

■Interpersonal skill	■Stress resistance
□Can-do attitude	□Desire to earn
■The learner	■The ability to take risks
■Good will	□The discipline
■Punctuality and accuracy	

Fig. 29. Rank of the Addition Personal Identity of Employees Are Wished by Employers. [Справочник по управлению персоналом. 2010. № 2. С. 58.]

The very first three positions in the ranking pull ahead the other ones personal qualities as a desire to earn, ability to learn, willingness to take risks, goodwill, discipline and accuracy, which emphasis by:

Over the last three or four years, employers have gotten more mercantile and do not in a hurry to fork out as easily and fast as it was before the crisis. However, companies are desperate to get a specialist of extra class. In all other respect both applicants and employers, perhaps for the first time in several years, came to a consensus are willing to make reasonable concessions.
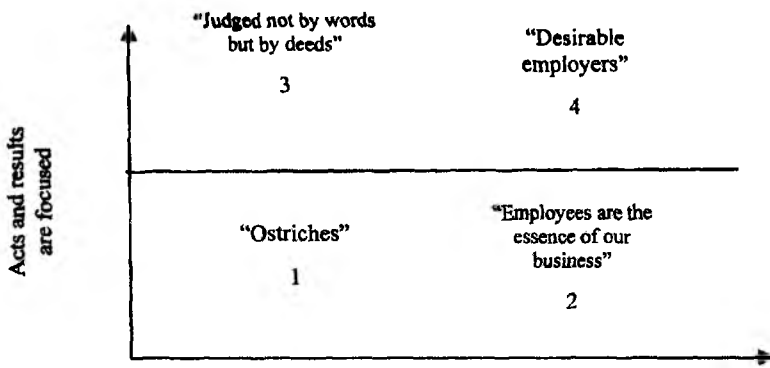
Despite the fact that experts do not predict a jump of material demands and employers are not ready to offer job seekers pre-crisis level salary, many candidates are willing to work for less remuneration with good career prospects in the near future.

The image is a delicate phenomenon. It directly depends on the quality of work and tactful behavior of employees. If the only one time customer bought defective goods or had been done by staff the firm's reputation in one's eyes will taint significantly and company will lose customer and sometimes one's friends. Recall: "Once lied – who'd believe you?" Conversely, if employees feel bad attitude towards them, that smoldering discontent will adversely affect relationship with customers, business partners and will bring to naught the company's effort to make positive image. If the majority of managers and employees have poisoned minds against company, it is immediately affected on the partners, customers, buyers and the company crisis cannot be avoided. A crisis characterized by a sharp decline in competitiveness, loss of the majority of customers. Many modern leaders understand this but in Russia, unfortunately, model of behavior, then say about customer-focused approach to business and do another, is often used. The lack of proper behavior in the market, emphasizing loyalty to the principles, wastes the company's image.

Thus, the public thoughts about image as a symbolic expression of ideas about the originality and specificity and the uniqueness of the company, as well as the reputation, largely depend on staff.

While the strategy of work with personnel is being developed and done it is important to consider the role the company as the employer. This role should hold up a mirror to the needs of the organization and interests of personnel.

Fig. 30 shows a model containing description of four employers' types.

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Diagram axis label (vertical): "Acts and results are focused"

Quadrant 3 (top-left): "Judged not by words but by deeds" — 3

Quadrant 4 (top-right): "Desirable employers" — 4

Quadrant 1 (bottom-left): "Ostriches" — 1

Quadrant 2 (bottom-right): "Employees are the essence of our business" — 2

Fig. 30. The Company's Perspective as an Employer
[Кадровик. 2004. №1. С. 45.]

- "The ostriches" are not yet fully realized the own role of employer. Apparently, they are still unable to correctly pick out and develop employees. They consider staff only as a cost to minimize and do not as a value to up competitive advantages of business through using with properly.

- Organizations with the catchword "People are our valuable treasure" certainly have a special relationship with co-workers and have a beautifully worded statement about goals and values. However, they spend too much trouble on rhetoric and too few on the intentions fulfillment.

- Employers, who follow the watchword "Deeds, not words", seem to be doing the right thing. Their focus on real action is perceived positively, however, it is always a risk to face with vast simultaneous initiatives is done without structure or coherent and easily understood goal.

- "Preferred employers" are the companies which taking the right steps to meet business requirements. They establish the necessary link between loyalty, high-commitment, and skills of employees, equity basis, so that the employees actually implement the statements contained in the strategic doing personnel work.

The category "preferred employer" may is still out of reach for most organizations. The ideal employer is almost like world peace: this is very desirable, but practically is beyond company's grasp.

However, companies from year to year try to turn the dreams of their employees in reality and ones succeed better than others do.

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Sometimes it possible to make image of organization as an employer artificially created and to changed image without altering anything within the organization. At that the staff is not only a factor of organization's competitiveness and one of the key groups of the public, but also as an important source of information about organization to external audiences. The main determinants of internal image, as mentioned above, are the cultural level of the organization and the socio-psychological climate of the team [Шарков Ф. И. Имидж фирмы: технологии управления. М. : Академ Проект, 2006. С. 31.].

Active tools influences, based on an emotional perception including communication, propaganda, advertising, etc. form the image (Fig. 31).
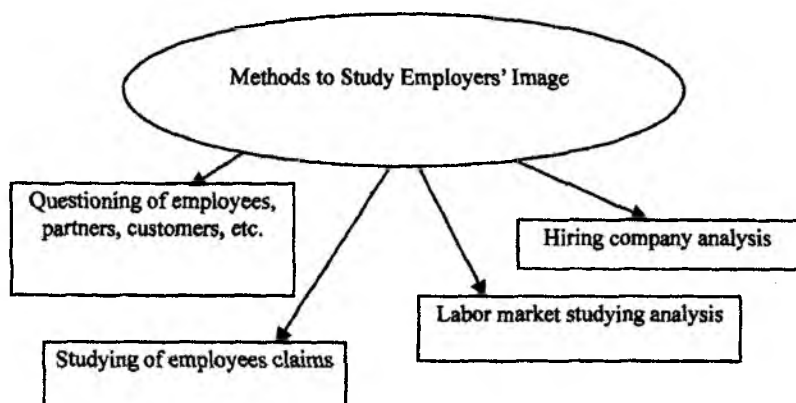

Fig. 31. Methods to Study Employers' Image

The analysis of open sources can give interesting information about situation in interesting company if to make a simple query on a job WWW and to get the number of CV specialists and vacancies. For example, in March of 2015 on the Russian job resource www.hh.ru. was 40 vacancies of Gazprom, which ranks first in "Top 50 dream employers for young professionals" and it is hard to believe that all of them are new. In any case, there was vacancies, which had appeared due to someone leaved company. However, the number of CVS of Gazprom ex-employees in the age of 25 is more than three hundred. This means that there are people who leave Gazprom, despite its advantages as an employer.

These examples show the relativity of "dream employer" concept. If anyone, who works more than 10 years and changed jobs are asked: "How does look the dream employer?" the answer will be "Are you kidding? Dream employer does not exist! It is all fairy tales for babe and suckling! Actually there are quite acceptable companies and there are absolutely impossible choices".

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For most of job seekers the "dream employer" remains a dream. However, do not despair.

If the every second Russian plans to work until the end of life, many people have a chance to get closer to the dream.

The table 18 shows the dream employer in Russians employer's opinion.

In 2009, the largest recruitment portal SuperJob.ru for the third time conducted a study "Attractive work employer" among 165 000 Russian companies. The purpose of study was to determine the most desirable for applicants companies.

Rank according to real situation analysis (There is the rank in 2008 in parentheses)	Rank according to survey of students	Companies
1 (1)	2	Procter & Gamble
2 (3)	3	Pricewaterhouse-Coopers
3 (–)	16	Rosneft
4 (–)	11	·Unilever
5 (6)	14	IBM
6 (–)	22	HP
7 (4)	12	KPMG
8 (10)	8	Microsoft
9-10 (9)	19	Samsung
9-10 (12)	5	LUKOIL
11 (8)	4	McKincey & Company
12 (–)	25	Shell
13-14 (16)	10	ВТБ
13-14 (–)	20	Intel
15 (–)	21	Coca Cola Hellenic
16 (13)	6	Ernst & Yong
17 (–)	23	L'Oreal
18 (14)	7	Troika Dialoge
19 (5)	17	Deloitte
20 (–)	24	MTS

Table 18. Top 20 of the best employers in Russia

The title of "Attractive employer" was awarded to companies that meet several criteria.

First, the company claiming for the "Attractive employer" was during four quarters of 2009 to recruit personnel, placing vacancies on the portal SuperJob.ru.

The second one criterion was the interest of job seekers to vacancies of the company. The average response for each vacancy shall be not less than 30 CVS. In addition, the only vacancies was viewed more than 500 job seekers ensure the contribution to get title of "Attractive employer".

In 2009, 591 companies were awarded the "Attractive employer" title.

According to a survey in 2010, 58 % of consumers primarily take into account the reputation of the company, its goods and services. Google and Apple, which have built own huge armies of fans, are leaders. First, one is the most desirable place of work through leadership in their field and effective management, the second one is leader through innovation and development of new goods line is queued by fans at nights. In the top five are The Wait Disney Company, BMW, and Lego. Sony after the April hacking was down on the sixth place. It struck first the tsunami and earthquake, and then the scandal with the theft of personal data was. However, despite this, consumers did not change Sony Play-station to the other, keeping the loyalty [Metro. 2011. 10.06. C. 8.].

It should be noted that top-20 companies pay great attention to the socially significant tasks: charity, environment, etc. According to the Managing Tomorrow's People study, it significantly improves the company's image as employer, but for students and graduates of Russia, these factors mean almost nothing when employer assessment.

Russian recruiting company HeadHunter in conjunction with Russian Public Opinion Research Center (VCIOM) ranked "A Rating of Employers of Russia – 2010" (table 19).

Ninety seven corporations were assessed on three criteria: the aspiration of candidates to work in the company, a survey of HR Directors and assessment of employee engagement (the motivation to perform the functions). Experts compared working conditions, social package, methods of recruitment, effectiveness of adaptation, training, motivation and dismissal and corporate culture. As a result, the top three leaders was Google, STS Media and MTS [Metro. 2011. 12.04. C. 17.].

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Research organization Great Places to Work renewed ranking of the best employers in the world. Most of them are multinational with headquarters in the United States. To determine the most worthy employer experts annually faced to interview about 10 million workers in 46 countries around the world.

Russia is outside of the survey but large sample allows considering the study of the most prestigious in this area.

Economy	Technical and natural Sciences	IT
«Gazprom»	«Gazprom»	Google
Sberbank	«Rosneft»	Microsoft
LUKOIL	LUKOIL	«Gazprom»
BMW	«Transneft»	Intel
Unilever	BMW	IBM
«Rosneft»	RZD	«Яндекс»
Google	«Surgutnaftegas»	Sberbank
«VTB 24»	Siemens	Cisco Systems
L'Oreal	Schlumberger	BMW
RZD	Google	LUKOIL

Table 19. TOP-10 of the Most Ideal Employers
[Ведомости. 2012. 24 мая. С. 12.]

The unique practices of the work with staff in companies are more interesting then subjective assessment of the companies merits. Microsoft is the rank leader of 2014 allows to personnel spend 40 paid hours on charitable work for example, the construction of the orphanage and aid to the poor. Tom Mendoza, the second person in NetApp, makes a week for thirty 4-5-minute phone conversations with thanks to the staff regardless of their rank. CEO of Cisco John Chambers invites each employee of headquarters on his birthday to talk casual things when subordinate can ask any questions or just to chat.

In the UK McDonalds agreed with the local job center to help candidates, who are long time without work. SC Johnson in Canada gives an opportunity to employees to work up to six months in different departments on independent projects.

The Indian brunch of American Express does not hide the salary of staff regardless of the levels. Finally, Intel managers are required to communicate with each employee with an eye for an eye. [Metro. 2011. 30.10. С. 8.]

French mobile operator offers to the employees working on projects that improve the enterprise's image in the field of corporate social responsibility, paid academic leave.

Major European municipal service company Veolia Environment is training employees in 12 training centers around the world, and as a result, they receive a degree confirmed by state diploma.

This approach increases the attractiveness of the organization and favors the achievement of strategic objectives due to development personnel's skills. "It is very important for the social contract that our company makes with staff, increases the attractiveness of workers inside and outside the organization" – said managers of company. [Metro. 2011. 30.10. C. 8.]

Oil and gas Corporation OVM, located in Vienna, has implemented a career development program and succession planning, which guarantees no shortage of leaders required to strategy making through and increases the commitment of the staff. Such examples can be continued.

For example, by order of the company Randotad and "Encore" in December 2013 in different regions of the country, a study was carried out to identify the most attractive employer in Russia. It was coverage 8527 economically active respondents aged from 18 to 65 years.

The Russian study was for the first time as part of a global project of Randstat Award surveyed in 23 countries with the largest economy. In Russian ICMA Group in collaboration with GMI had put survey into practice. Respondents were asked to choose the most famous of the 150 largest companies in the country by number of staff, and then to select the most desirable and the most repulsive to work.

National rankings of the best employers were put out. Of the 10 most attractive employers in Russia the only a third are Russian. In the first place, in the category "national employer" is Gazprom. Yandex is identified by respondents is the most attractive among Internet companies, and SIBUR in the chemical industry.

The most attractive among all global companies operating in Russia, respondents recognized the BMW. Abbott excels among employers of healthcare, Ericsson – telecommunications, Deutsche Bank – the financial services industry, Robert Bosch – engineering and equipment, Henkel – consumer goods sector of non-food products, Nestle – consumer goods of food products.

Generally, the respondents' attitude towards ratings was ambiguous. In their opinion, criteria for the rankings are not always clear and transparent. Moreover, most often they are based either on the company position in general economic rankings (money turnover) or on the former employees collected randomly reviews. The user confidence of such ratings especially in the second way is weak, and employers treat ones negatively. The "extreme" forms black and white lists of employers (84 % opposed them) are considered, because unlike the ratings there are not any real criteria and unbalanced or just dishonest people can cause irreparable harm to the company's reputation without any reason.

In this connection, studies and other programs are carried out. Thus, members of organizations affiliated to the International trade unions conference (ITUC) acknowledged the head of the American Internet company Amazon.com Jeff Bezos "the worst boss in the world", as reported on the organization's website. ITUC General Secretary Sharan Burrow put about it in the Third World Congress in Berlin. ITUC uniting 180 million workers firstly surveyed the members of trade unions and identified nine of the worst bosses based on the rights of workers violation. The other so-called achievements of the bosses, including tax evasion, manipulation of public opinion was took into account.

Among others the Head of the media Empire News Corp. Rupert Murdoch, the Chairman of Samsung Group Lee Ghun Hee and the President of the American retailer WalMart Stores Douglas McMillon included in list of the worst employers. The winner of the vote was Bezos, who, according to Barrow, "embodies the inhumanity of employers who promote American corporate model."

ITUC informed that workers of Amazon.com warehouses overcome the distance of about 24 km daily and are taken to hospital by ambulance regularly from the place of work. Employees of the logistics Amazon.com centers must wear electronic devices to track every worker. There is no breaks schedule and fixed work pace intimidations and threats reigned. Employees are keelhauled just for talking to each other and even stop for a break.

Amazon is the world's largest online estate agent, selling goods and services via the Internet. Besides the U.S., the company operates in Canada, China, Brazil, Japan and Europe. [См. РИА «Новости». Нормирование и оплата труда в промышленности. 2014. № 8.].

One of the most promising ways of information dissemination about the employer is the opinion of its current and former employees. An idea of what is

it like to work in large companies differs greatly between applicants and real employees. The advantages of the positions fades over time and disadvantages of working in large structures become too obvious. To assess the attractiveness of the organization as an employer the consolidated rating is built based on staff estimates and opinions of candidates posted on the company's website. Analysis of this rating show once again how dreams are far from reality. The views of applicants and employees very rarely intersect.

This is because Russian companies are out of image strengthening among personnel. "They know about our company" – says 91 % of respondents. Only 4 % are trying to "keep employees in the belief that they operate in the most promising, prestigious, etc. firm. This situation is a result of the ignoring image as a competitive factor by experts of personnel services.

Ones who think that the image is formed in the minds of the team not by itself but in close connection with the images of other companies, as a rule, inform the employees about work conditions in other enterprises and put about this information in different ways through formal analytical reports, news and rumors (table 20) [Kadrovik.ru. 2007. № 4. C. 85.].

Public company name	Labor force
A. According to their employees	
INFOWATCH	150
Store chain "Vernyi" ("Faithful")	1500
OOO «Telecom-Express"	2100
NOKIAN TYRES РОССИЯ	1336
Marketing group "Tekart"	144
ST SCAUT	120
Neurosoft LTD	180
Metallimpress	900
Pervyi BIT ("The first BIT")	715
"GiproGazoOchistka"	318
Б. According to applicants (numbers of ones)	
GOOGLE	3225
MARY KAY RUSSIA	2148
OAO «ГАЗПРОМ НЕФТЬ»	2086
MICROSOFT	2031
AMWAY	1994

MTC	1974
COCA-COLA HELLENIC	1767
«Nestle Russia»	1683
«PROCTER & GAMBLE»	1604
«MegaPhone»	1451

Table 20. The best Employers Top-10
[Коммерсант Деньги. 2014. № 9. С. 34]

Ideas about the best employers in many ways are correct. For example, the permanent leader of all available ratings "desirable" employers Google is very much appreciated among its employees too. Flexible hours, no dress code, the opportunity to learn and to try oneself in any office around the of the world's offices, free snacks and drinks in the office, ping-pong table, showers, massage, onside dry cleaning, exist in reality. Employees feel that pulled the lucky ticket.

Of course, companies like Coca – Cola, Nestle, and Microsoft invest in their HR image to good purpose.

The desire and commitment to professional and career development are not enough to work in a big company. The young specialist has to have active life position, flexible thinking to crack problems, ability to learn quickly, have excellent communication dexterity and the highest standards of professional and personal ethics.

The desire to work in large companies arises from confidence in the future. Social package, career maneuvers both horizontally and vertically, and and more pushes people to this choice. The image generated by the companies linked to the notion that big companies pay more.

Key disadvantages of working in large companies are low motivation of staff, bureaucracy and the impossibility of change.

Quite often the headhunters to hear from the candidates following: "Russian companies have not to offer..." This phrase is not surprising. On the contrary, the candidates' wants to work in Western companies is a great school, which should pass everyone who is planning to become a part of the business. Moreover, the experience of working in multinational corporations increases the chances in further employment.

If one is interesting in working in foreign companies, it will be helpful to define more exactly the foreign employer in the rankings. For example, Google

in the rating FORTUNE 500 Best companies to work for in 2009 was on the 4th place, and in Russia was on the seventh. If the parent company is in the Western rankings it is all right, what does it like in Russia?

Because the rankings are not through only simple popular vote for example, by polling registered visitors on job WWW sites, but also through interviews of various experts of personnel policy.

In addition, they can assess only the outer side of the company, for example, the efficiency of image as the result of employer branding. In such cases, reviews about company can be looked for on the web sites publishing a "black list" of employers.

There are different subjective opinions of current and former employees that can be taken seriously filter out the dirt putting down by loafers and lazybones.

Ones who want to work in a large international company focus on the prestige, since the mention of the world famous company in their CVS and record of service guarantees to get a good job and is jumping-off place in career. The applicant must pass the set of tests including application, online test, a test of leadership abilities, and then, in the office, test to identify the skills of information analysis, specialized knowledge, logic, and the conclusion is the final interview in the company.

Most of the candidates fail test tasks despite their simplicity and miss the chance, because are not attentive, concentrated and do not remember all that they taught. Applicants practically never face with such multithreaded interview marathon in Russian companies. As a result, this exhausting procedure reduces to almost zero chance of getting random people into the company. Hence, high professional level of employees and low turnover are kept. This selection creates severe competitive environment where if you do not put everybody down, somebody will put you down.

The advantage of working in such company is ability to improve oneself through corporate courses and trainings. Large companies have a drawback. The career prospects are quite distant, and the promotion is most likely horizontally to another department then vertically. In addition, the workload is extremely considerable. Above-mentioned principles of selection do not allow keeping individuality. Multinational companies are being gotten a swelled head in their majesty give rise to a huge number of conventions and restrictions unifying all corporate processes. Consequently, influence of individual, even a very gifted, is

minimum and is limited within one's functions. All decisions, regardless of their importance are subject to check of all hierarchy level between local office and headquarters to close the circle back and forth. Therefore, any innovation is almost impossible to enforce, especially if they do not fit into the corporation's goals.

This system turn people into cogs in the machine and disintegrate them as persons and professionals, but it does not worry them. Many even believe this situation is an advantage because it reduces responsibility.

The desire to work in large companies is a global trend. Confidence in the future, benefit packages, career movement though horizontally and vertical and then some push people to make such a choice. These companies are fameful and this is an important component of the employer brand.

Thus, if a person prefers stability, predictability and security, likes to bask in the global brand glory and competes in the "individual level", one will have a chance to take root in international corporations.

However, person also has to feel comfortable with the restrictions of bureaucracy, inability entrepreneurship and lack of creativity initiatives. In addition, confident in one's competitiveness has to be. For the person who combines all these features, a large international corporation is a great place to work.

In summary, it should be noted that many companies do in the market, they are different, but generally, the positive and negative aspects of each company are known.

If company pulls around personnel feral it will be know even companies made agreement about confidentiality. The company's reputation, its prestige are the most important point. The companies, where employees are guaranteed and get respect, are always attractive for job seekers. In addition, the more companies, the more difficult for uncivil companies to operate in the labor market.

Thereby the only one conclusion can be draw. The all-round dream employer for all and for ever does not exist. At every instant of the career-development there is an optimum employer and the challenge is to find out it just in time. Analysis of the views of both young and more experienced professionals about employer dreams will help companies to recruit required personnel [Некрасов С. И., Бусыгин О. В., Некрасова Н. А. Особенности управления организационной и корпоративной культурой // Проблемы экономики,

организации и управления в России и мире : материалы VI Междунар. науч.-практ. конф. Прага, 2014. С. 118–120.]. It is obvious that each person has different dreams about job. The numbers in the ratings indicates this as it said everything had been all mixed up.

Large Western and Russian corporations are peacefully with the state agencies. For example, the Coca-Cola Company on the 13th place is surrounded on both sides by state agency on the 14th place and the Government of the Russian Federation on the 15th place. It shows that now equally prestigious to work for the government, and in business!

Nevertheless, personally, person employed in the dream company enjoys of great pleasure, pride and works in great comfort. Social and charitable projects of the company are additional factor to be a dream company. If the head of the organization heavily involved in these projects and directs a pretty sum to charity, the entrepreneur is liked personally by worker. The company is capitalized and operates as a socially responsible business and eventually will pay dividends to shareholders.

Thus, on balance, it is possible to make generalized portraits of leaders, which are not always in the top of dream employers, but are very interesting for job seekers.

Chapter 7.
Corporate Culture and Its Correlation with Human Resource Marketing

Market economy qualitatively is getting complicate for nearly four hundred years of its domination. The main stages of its evolution defined milestones in the organizational culture development. In the making of market economy managers usually apprehended it intuitively and had not methods and technique to control and manage organizational culture. At the next stage of the economy development ones considered an elements of organizational culture necessary for corporations. However, it was quite mechanistic process. This period was characterized by "classic" version of the corporate culture formation. In the era of admass society and economic competition, the organizational culture was viewed as an important means to win in the competitive struggle. The concept of organizational culture was developed. Current stage of market society evolution and humanization bring new trends in comprehension of the organizational culture, which becomes an instrument of trust-building and partnership in business. The vector of development of organizational culture to improve social responsibility and ethics of entrepreneurship is getting clear [Пеша А. В. Формирование культуры обслуживания как основы корпоративной культуры организаций сферы услуг // Управление экономическими системами: электрон. науч. журн. 2013. № 9 (57). С. 18.].

The state, through cultural policy and governance directly or indirectly affects the organizational culture development in business. This impact has two levels. The first one is a system level when state favors for growth of society culture as a whole. It is indirect effect on organizational culture through situation in economy, market, etc. The second one is the level of business bodies, which affect the organizational culture. The state can facilitate the spread of socially responsible business rules and act upon humanization of business activity, etc.

The state can build it cultural state policy by dint of specific program based on effective tools proper to situation. Trust between government and business, government and society, business and society is the main purpose of state police in organizational culture formation.

Organizational and cultural relations during the Soviet period of Russia are specified by:

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- The collective ideology;
- The dominant role of government in the economy;
, - The adjustment of the natural course of economic system development by radical measures of the state;
- The lack of an entrepreneurial spirit among the people;
- The slow progress of productive forces and relations of production in comparison with a number of advanced Western countries.

While market relations are being made in the Russia, the organizational culture turns towards individualistic ideology and state gets more passive. Merger has occurred between business and the interests of the bureaucratic class replace political power and public interest. A huge impact on the organizational culture of domestic business entities had lagging innovation processes, so called catch-up modernization, that resulted in the simultaneous coexistence of three Russian socio-cultural society types including traditional, industrial and information type. The key contradiction of Russian entrepreneurship is that the traditional type exists at ordinary employees level, industrial is at mid-level, and the information type is in line with leadership.

Catch-up modernization of Russian society have led to the inevitable borrowing of foreign experience because further development is associated with combining such concurrent processes as modernization, post-modernization or the introduction of post-industrial society elements with its inherent organizational culture and globalization. The organization way of development determines not only its operation, but also state of the more complex economic systems of a higher level.

Organizational culture of businesses prompts the following conclusions:

- The successful development of entrepreneurial structures is impossible without corresponding changes in all parts of organizational culture;
- The introduction of advanced management ideas is unavailing when technological base is outmoded and standards of labor are low;
- The positive dynamics can be achieved only when all the elements of a culture develop in proportion and unidirectional;
- The culture of management not only includes the culture of management but entrepreneurial·organizational culture.

Culture is the result of certain economic prerequisites maturation, evolution

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of the company towards the humanization of its internal and external relations and the integration of the organization with its external and internal environment. There is a new business paradigm, more fully focused on human needs and interests, their integration and implementation in business practices and economic organizations. According to this terminology, it can be identified as business paradigm of the post-industrial era.

The concept of company as the mechanism is being replaced by the terms "system" and "organism". Firm is humanized and perceived as a living being, namely:

– The needs and interests of a person, engaged in organization, are greatly expanded. In operation, the person strives to meet complex of inherent needs, from the simple basic to the most high up to "religious ecstasy". The person is regarded as a member of community, social groups, team with inherent values and rules of conduct, as a subject exposed to external environment of the economy, including factors of civilization and cultural level;

– The human being is getting part of a flexible, sensitive, humanized system. Accordingly, its operating functions are complicated and enriched. Flexible, willing to challenge, high-tech post-industrial organization requires competent, creative, proactive employee. New technologies focused on pre-orders, meeting the needs of narrow market segments, enhance skills, and make for related professions learning and multi-variant and diversity employment [URL: http://uchebnik.biz/book/638-biznes-planirovanie-i-investirovanie/15-12-planirovanie-kultury-yekonomicheskoj-organizacii.html].

Dutch sociologist Hofstede has developed a set of questions for the corporate culture segmentation in the operation concept and empirical evaluation. The scale consists of nineteen points (table 21) grouped into six dimensions:

(1) Focus on the process / result orientation;

(2) Focus on employees / orientation to work;

(3) Professionalism;

(4) Open system / closed system;

(5) Low control / high control;

(6) The normativity / pragmatism.

K1	The customer satisfaction is top priority / Precise compliance with procedures is the highest priority
K2	At the forefront is the tasks execution, personal issues nobody cares / life circumstances of the employee are always taken into account
K3	Employees get lost in unknown situation, try to avoid risk / Employees take any unfamiliar situation, not afraid of risk

K4	There are detailed instructions of the authorities, which should comply strictly / Employees can organize their work independently in accordance with the common recommendations
K5	Plans are developed just only for tomorrow / We look into the future three years or more
K6	The principles of the organization are understandable to both novices and to third parties / The organization's activities are shrouded in secrecy
K7	Every employee pinches and scrapes, knowing the cost of time and materials / No one thinks about the cost of time and materials
K8	Employees do only the essential things/ The staff work very hard to make everything possible
K9	Corporate standards govern the behavior of employees not only at work but also outside / Personal life is not regulated by any instructions
K10	Organization only interested in work being done by the person / Organization accepts responsibility for personal success of employees and their families well-being
K11	Managers try to retain valuable employees in their department / Managers keep employee in their development and careers in a company-wide
K12	The organization can be a part of virtually every / In organization get the only elected
K13	The meetings follow with accuracy to the minute / Meetings go on approximately
K14	New employee needs only a few days for adaptation / New employee needs over a year to get comfortable
K15	The results are more important than compliance with procedures / Compliance with procedures is more important than the result
K16	People with the "right" background, education etc. are more likely to be hired / Ability to do the job is the only criterion for hiring people, their origin doesn't matter
K17	Ethical standards of doing business are not too high, the end justifies the means / High ethical standards, which sometimes have a negative impact on short-term results
K18	Every day is like one another / Each day brings new and interesting challenges
K19	Competitors are known / Company does not knows its competitors

Table 21. Assertions Regarding to Corporate Culture

A new paradigm of management based on the rejection of the technocratic and the up-coming transition to innovative management requires continual updating of products, technologies, structures or organizational flexibility to the changing

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external environment. The main success factors of this strategy are people and their organizational culture. [Божко Л. М. Развитие маркетинговых функций в управлении организационными изменениями на основе маркетингового подхода // Казанская наука. 2010. № 9. С. 186–189.]

The culture of an organization is set of historical patterns of staff's conduct (Fig. 32). It has always existed, regardless of whether it is made or not. However, if culture is ignored s formation, it will interfere with the organization's operations and reduce its effectiveness.
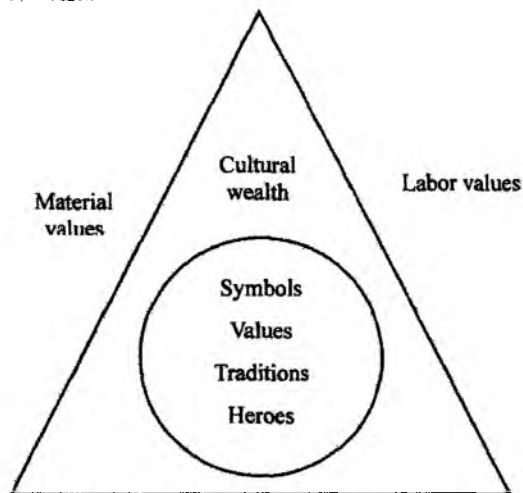
Fig. 32. The Structure of Organizational Culture

Corporate culture is an artificially space of organizational values, beliefs, taboos, ethics, ensuring the organization mission and development strategy implementation. It is an integral part of life for companies looking to succeed in current market situation. This term is only at first glance is new. It turned out at the beginning of monopoly, when Henry Ford created in their factories favorable medium among workers and managers. He allowed the employees to feel involvement in the company and importance for the firm as in the family.

A. Fayolle, E. Mayo, and G. Becker have made significant contribution to the development of the «corporate culture" concept. In the 1990s exceeded the bounds of narrow area in the management and turned into one of the main components of HR management.

All researchers of corporate culture, including luminaries of management like A. Fayolle, M. Mescon, P. Drucker, F. Hedouri and many others, pick out some of its advantages for the enterprise.

There are many definitions of the term "corporate culture" in modern literature. Like many other terms of organizational and legal subjects, it has not unified interpretation. There are about 50 corporate culture concepts in modern literature. The best-known ones are considered below.

Corporate culture consists of ideas, interests and values shared by a group. This includes experience, skills, traditions, communication, decision-making, myths, etc.

Corporate culture is essential for organization specific system of communication, interactions and relationships within a particular business activity and way of doing business.

Corporate culture is a system of principles, customs and values, allowing everyone in the company to move in the same direction towards a single whole.

Corporate culture is a set of the most important rules put through by the members of the organization based on organization values and identifying common standards for the people's conduct and actions. [Филатчева Т. М. Функции маркетинга как элемент организации и последующего развития маркетинговой системы управления // Современные тенденции в экономике и управлении: новый взгляд. 2010. № 1-1. С. 121–126.]

Corporate culture is the fears, hopes, aspirations and expectations, really experienced by managers and employees. The organizational culture is people's attitude towards well-done work and all that allows harmonize the equipment and staff. It is the glue to make fast and it is oil to soften... This makes people to do different job within the company. This is how departments and services of organization see one another and conduct is chosen of ones through gained impression. It shows its worth in jokes and cartoons on the walls or is kept covered and declared the only own. According B.Fegan it is what does know everybody except the boss probable.

Corporate culture is the prevailing psychological climate in the company, etc.

Despite the obvious diversity of definitions and understandings of organizational culture, there are common features concerned the most important principles, customs and values, adopted by the members of the organization and providing guidelines of conduct and actions. It is the sum total of personnel's beliefs and attitudes.

Nowadays approach to understand the corporate culture sees it as "organic",

self-evolving phenomenon drastically differing from "classic" strict mechanical model, which can bring to life by precise directions.

Corporate culture directly affects the formation of such HR marketing tool as staff high-commitment.

Under this term, the participation of employees in the life and activities of the company positive attitude to their work and to increase productivity should be understood.

Signs of employee high-commitment are:

(1) Interest in the work, the desire to do their job better and faster. The employee on one's own initiative is trying to find a solution to some issues, because it interesting, reads over professional literature, enjoys studying;

(2) Understanding of work tasks and ability to prioritize of employees;

(3) Commitment of employees to continuous improvement as of their own work and business processes in the company.

Components of employee high-commitment are:

(1) Participation in the gaining of corporate objectives and innovation;

(2) Involvement in the working process, interest in the work as a whole;

(3) Initiative and focus on improving the efficiency of work and development of the company.

High-commitment gives employees the impression of ownership to the rules development of their own production life, helps to understand the own and corporate's action meaning deeply. The convergence of individual and corporate values being faster the more actively involved the staff to projects.

High-commitment in solving of corporate problem involves the participation of staff in the running of the business, working groups and councils, in competitions and suggestions making; in innovations. Feedback is via a correct understanding and awareness of corporate objectives and goals.

Criteria for employee high-commitment are:

- Time workflow;

- Understanding of own tasks and functions, awareness of management expectations and evaluation criteria;

- Opportunities for qualitative performance of work, supplement (equipment, materials, information) for standard operation;

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- Regular positive evaluation of work, recognition by management;
- Carrying for employee, demonstration of interest in the results of their work by colleagues and management;
- Sharing of employee's opinion and estimates by colleagues and managers, informal communication on corporate topics, regular, free and interested exchange of opinions;
- The opportunity to study in the process of work, new challenges and assist in their implementation;
- Awareness of the importance of own work, pride in the profession and company.

The focus on improving the efficiency of operation and company development criteria include:

- Independent job design;
- Understanding the priorities in the work;
- Team results-based work;
- Enthusiasm for work;
- Compassion in work and the results;
- Creativity and initiative.

Speaking about high-commitment of employees, it should be noted that youth is more passive then older generation and respondents who inquired in greater depth about company branding are wider commitment against those who does not know about it.

However, the management of many enterprises keeps in silent information policy and dissemble any facts strategic plans and current activities of the enterprise.

Clearly, unenlightened employee as to the company does not dedicate oneself to the enterprise and one's abilities will be lost for business. It concerns to the opportunity to join management of enterprise. If the employees' sense of at-oneness with employer is low, the work relations come to economic coercion, social habits and economic interest.

The staff is not seeking to decision making, that demonstrate estrangement from the enterprise. Employees believe that management does not need their trust, understanding, support. This circumstance has an effect on the employer's

image. Currently, ones consign work to the scrap heap. Meaningful activities, interesting work, social utility, etc. are not values for employees. The dominant type of attitudes toward work is instrumental, subsidiary type to earn and consume. The work is considered as a means to meet needs are being beyond the sphere of labor [Орлова М. А. Специфические особенности работы рекрутинговых компаний в РФ // Социосфера. 2010. № 2. С. 79–85.]. Indicators of instrumental approach to work, as a values is the prevalence of employees are aimed to low earnings regarding work content. The inner motives of activity are gradually replaced with external stimulus that causes the motivation to work reducing. In Fig. 33 presents a system that determines the prevailing perceptions and attitudes throughout work and employees' conduct in the organization.
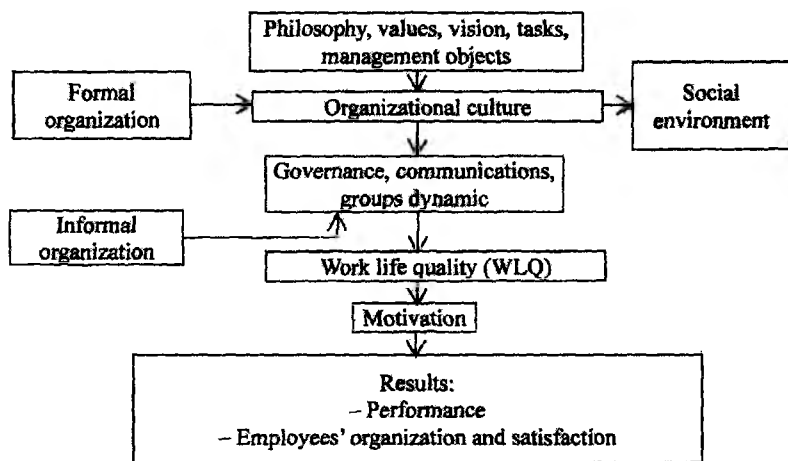

Fig. 33. The Employees' Conduct Development System in Organization

As mentioned above, the conduct of employees who have an influence makes the corporate culture (Fig. 34). The very first it is the personal and group motivation, values and norms, the system of incentives and rewards. Employee determines the values and norms of conduct on the rewards or punishes are accustomed in company. The leaders conduct, internal and external information flows, rituals, notable and solemn events that occur in the company are too powerful factors affecting the corporate culture.
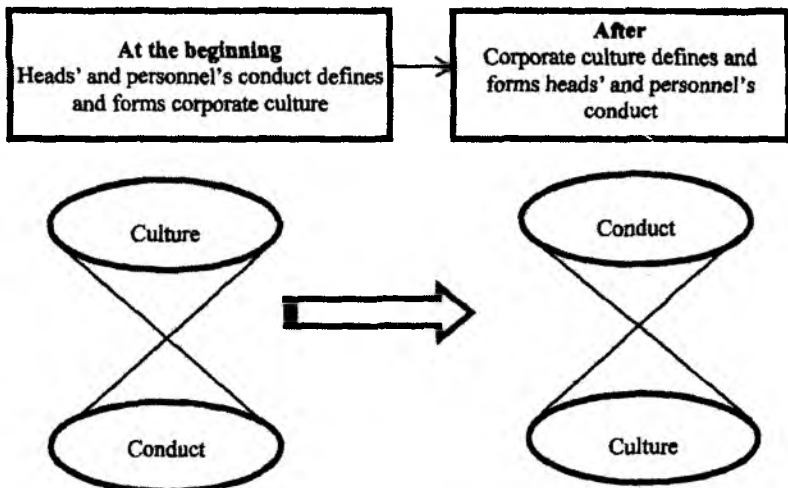
Fig, 34, Conduct Effect on Corporate Culture Development

While putting in organization, one faces with many norms and values, gets to know it of colleagues, brochures and educational materials, of persons extraneous to the organization or being on the staff.

In addition to the norms accepted in society, each group of people, including the organization, develops its own cultural patterns, which have identified as business or organizational culture. The patterns include following rules:

- It is easy to draw a sharp distinction between trusted "friends" and all "outsiders" combining or separating something that put together the team's members;

- orienting and guiding is what defines the collective attitude toward "their", "other", equal, lower and higher, values, needs, goals and ways of achieving them, the complexes are necessary for the substitution of this collective knowledge, skills, abilities, typical for this collective ways to effect on people, etc.

The following elements are critically important for any modern company [Внутренний маркетинг персонала. URL: http://delovoymir.biz/ru/ articles/view/?did=10075]:

The values are:

- Growth and profitability of the company;

- The company's leadership in its industry;

- Continuous performance improvement;
- Integration of the company into a special system designed to achieve special goals;
- Flexibility and high rate of change to meet environment prompts;
- High-quality customer service both external and internal;
- Continuous training;
- Involvement in the company management.

Standards of conduct are:

- Business focused of all actions (to do only what is important for business rather than to follow blindly job descriptions);
- Quick decision making;
- High-quality customer service both external and internal;
- Continuous performance improvement;
- Free and transparent flow of information within the company;
- Feedback exchange;
- Responsibility and proactive conduct;
- Risk taking.

Beliefs are:

- The sales market of company is global;
- The competition is global;
- Key business of the company in the future is associated with the Internet and e-commerce;
- "I'm responsible for the effectiveness and efficiency of their company, because I have influence on it";
- The professionalism is not knowledge of something; it is the ability and willingness to learn. It means the conduct modification instead of formal learning as.

The building up of corporate culture usually begins with the mission and core values of the company elaboration (Fig. 35). It is of the utmost importance that Declaration on the Mission should not be a result of desk review of managers or external consultants. If employees were involved in the mission and values of the company, development the chance of ones will get an integral part of the

corporate culture of the organization rather than mere empty words.

How does the organization's mission sort with corporate culture? There are different points of view. For some people, the mission is an integral and crucial element of corporate culture. Other people consider corporate culture as a tool or rather, one of the tools to contribute the organization's mission. Obviously, both are right. Mission can be defined as the external purpose of the organization; some positive changes taking place in the external environment affected the company's activities.

The corporate mission is a socially significant status, socially meaningful role for the organization. The mission can be seen as a strategic tool that identifies the target market and comprehensively defines the business or principal activity of the company. [Нечаева Е. С. Развитие маркетингового подхода в управлении человеческими ресурсами организации: внутренний маркетинг // Известия Тульского государственного университета. Экономические и юридические науки. 2014. № 5-1. С. 167–174.] The mission is put on the very first pages of the annual report, brochures and catalogs, sounds in the heads of the organizations speeches.
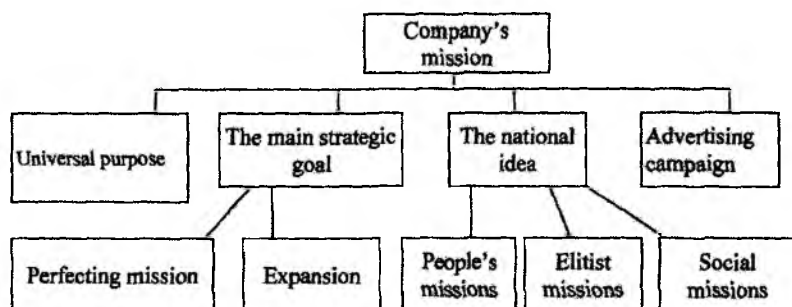

Fig. 35. The Company's Mission

The mission allows staff and managers to glimpse the activities of the organization "with the bird's eye view" that it is necessary to long-term compete. It is essential, both internal and external:

- informing the shareholders;

- informing suppliers;

- informing consumers.

Values or core culture are adopted tendency to give preference one situation to another (see Fig. 36). Values have both positive and negative sides. It can be described as follows:

- Evil versus good;

- The unnatural in comparison with the natural;

- Abnormalities in comparison with normal;

- The paradox in the comparison logic;

- Irrationality versus rationality, etc.

Employee is adopting of new values and adapting to circumstance requires a lot of effort and a time. For example, if corporate culture is developed steady the first results will turn out after about 2 years, and the complete transformation of the large company culture will take minimum of 3-10 years. Thus, corporate culture facilitates the risk is being down.
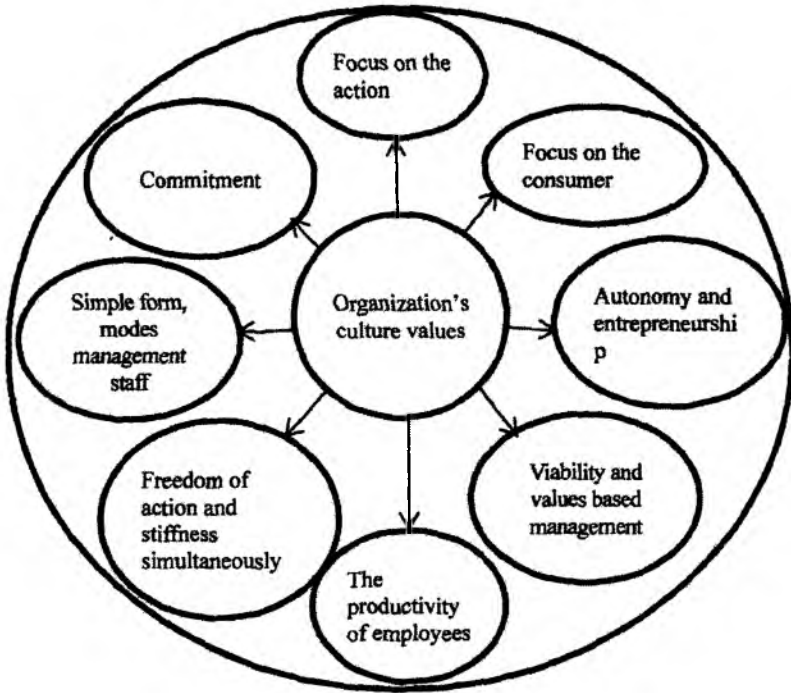

Fig. 36. The Values of Organizational Culture in Successful Companies

The company's core values are given in table 22.

Human resources management with regard to organizational culture, are being systematic, bring together corporate and individual values, which must not only be officially declared, for example, in the corporate code of the company, but also are to be an integral part of the heads' and managers' interior life and transferred to the lower levels of the organization. This significantly improves interpersonal

ana intergroup interactions. For example, the objectivity of the assessment will increase and remuneration will not offend employees' sense of justice and therefore, the possibility of conflicts in teams will reduce. Employees noted the purpose and logic of partners' action are got more apparent.

Values of organization	Employee's choices
1. Charity	
2. Future generations	
3. To be the best	
4. Bureaucracy	
5. Interdependence	
6. Vision	
7. Power	
8. Over time work	
9. Internal competition	
10. Involvement in public life	
11. A global perspective	
12. Trust	
13. A long-term perspective	
14. Achievement	
15. Employee health	
16. Hierarchy	
17. Innovation	
18. Quality	
19. Teamwork	
20. The consensus	

Table 22. Example of Questionnaire to Define Values

Establishing formal procedures of activity or else clear and unambiguous level playing field and rational linkage between basic regulation, mission and company's strategy require new conduct norms.

Labor conduct in the organization arises on values and norms depending on the organization's corporate culture on its innermost, second level (Fig. 37) [Основы управления персоналом: учебник. Москва, 2014.].

Regional and local values

Values of groups and subcultures

Personnel's personal values

Public values and norms

Professional values are the basis of professional pride

Firm's values

Public and State leaders' values

Company establishment history and historical background

Current heroes' values and ethical personalities charisma

Global, state and local politicy

Type of company's organizational culture
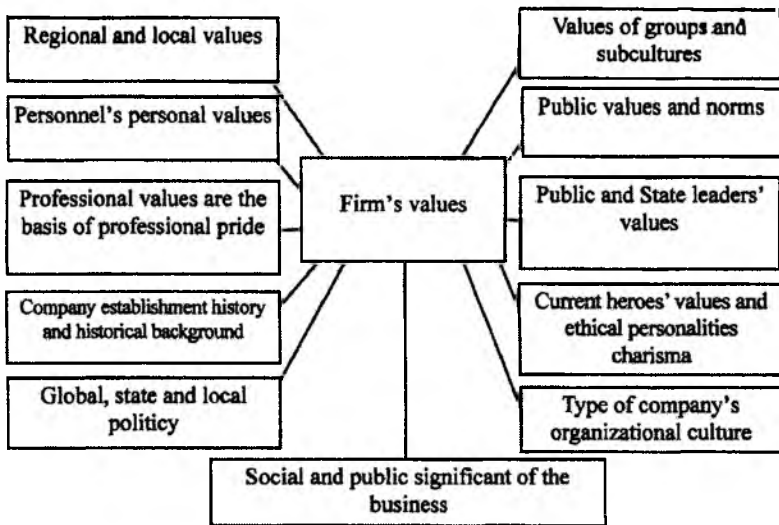
Social and public significant of the business

Fig. 37. Factors Affecting on the Firm's Values

The second level values are closely associated with visual images including slogans, ceremonies, dress code, etc. and are resulted from ones define the internal philosophy of visual images. Just the staff members cause and support the values and each employee has to share them or at least to show one's loyalty to the generally accepted corporate values.

Thus, corporate culture involves the each employee perception of organization's goals, objectives and values and incorporating them in a labor motivation. The culture must be in line with the external environment and company strategy.

If it take place, the employees work hard and high performance, put their heart in the work. On the upper (first) level, there are visible factors such as dress code, symbols, organizational ceremonies, working environment or in other words the visual factors of culture as wear. On more innermost level there are values which define and regulate the employees' conduct, and the assessment of efficiency of work of the employee should include an assessment of performance should include the loyalty and commitment assessment in accordance with organization's values and norms.

Value approach (management according values) is a management on the basis of the personality development through customer and personnel satisfaction, improvement of relations between business partners and, as a consequence, profit maximizing and raising enterprise's competitive power (table 23).

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Objects	Conduct Standards and Values		
Exceeds expectations	Excellent results, unsatisfactory conduct	Excellent results, good conduct,	Excellent results and conduct
Fully meets expectations	Good results, unsatisfactory conduct	Good conduct and results	Good results, excellent conduct
Partially meets expectations	Unsatisfactory results and the conduct	Poor results, good conduct	Unsatisfactory results, excellent conduct

Table 23. Conduct Standards and Values

The value method of approach involves the development of new values in the company:

(1) Responsibility of business, primarily social, to the society, including:

- Adherence to integrity, civilized business;

- Ensuring high quality and competitiveness of goods or services sold to consumers;

- Implementation of companies' strategies in the social sphere;

- Development of society fertility of thought.

(2) The trust that involves the positive image of business collaborates making in the eyes of the consumer. Highly individual approach to customers makes business more personalized; forms trust relationship between companies and consumers, including personnel and current clients.

(3) The ethics meaning the company's value for staff creation. The company's management should consider goals, values and interests of employees, to ensure the quality of their life and involve them in the enterprise's goal attainment, to emphasize the importance of each employee to the business success.

(4) The transparency, that means the transparent corporate governance clear to staff, clients, partners and authorities. This automatically leads to shifting of business in the market.

(5) The profit is a creating of value for stakeholders (participants of the business process lake owners, partners).

In the context of globalization and tightening competition, businesspersons move towards value-based management in any market.

Value based management is a mirror of professional and employment relations development trends as [Рассказова И. Н. Информационное обеспечение кадрового маркетинга // Коммуникология. 2014. Т. 7, № 5. С. 79–84.]:

- Intelligence increasing of mass professions;

- Greatly increasing of information base professions in Internet;

- Qualitative specificity of the profession

- Universalization of functions makes the semblance of devaluation of the specific professional skills;

- Marketization rebuilds values guidelines of professions towards commercialization and turns a into the product;

- Extreme working bring skilled worker on the brink of human capabilities

These trends have guided three components of human capital development in the market:

– Requirements for the particular person development to meet needs of the labor market;

– The willingness of people to accept knowledge;

– The availability of the unique educational and personnel policy to realize the full person's potential to get new knowledge and enable to apply acquired skills for the sake of own and company and in that way to facilitate change-over from human resource management to people management.

Easily gained goals have low motivation and unattainable and unrealistic ones can weaken the desire to do something for them. Staff participation in goals discussion through constructive dialogue between managers and subordinates to match goals and expectations of the organization with the ones of employees is beneficial to trust and increases responsibility for tasks achieving. Specific abstract objectives increase the equivocation and ambiguous expression of the requirements to the personnel, which is often the cause of conflict. Clarity of objectives is directly related to the precision of their measurement parameters. The goals have to be measurable in quantitative and qualitative terms. The difficulty in the goals achieving should be over the range from medium to high. As it known, "challenge" does not motivate everybody. There are four types of people: passive (30 %) – who have no goals and wait for instructions what to do;

reactive (50 %) – ones who respond to events, but do not initiate changes; the dreamers (10 %) focus on unrealistic goals; active (10 %) – engaged in goal development, and only 3% of them correctly set the goals. The last are the most successful in their professional activities. Consequently, the vast majority of people require assistance and support from the leaders through so-called management on the base of objectives.

Corporate culture itself does not bring revenue and profits. Therefore, it becomes important to establish a tie between activity on the building, diagnosis and changes. It is clear that not all organizations can commence t fully and comprehensively work to increasing of the loyalty and commitment of their employees. The head often regards as urgent and priority tasks such as lack of funding, taxes and non-payments pressing, difficulties in raw materials supplement and how to meet a ready sale [Лимаренко А. В. Мотивация персонала с использованием маркетинговых технологий // Мотивация и оплата труда. 2008. № 1. С. 72–78.].

However, the only boss cannot sort out these problems without the team committed to the goals of the organization backing. The serious problems in moral-psychological climate of the organization, and, therefore, doubt in the achieving of goals are turned out without this kind of compliance. In addition, corporate culture failure provokes conflicts between management and employees, between customers and service users, keeps down the image of the organization and will bring company to collapse and liquidation. In order to prevent this, managers should to bring corporate culture into line with the chosen strategy and to support one. It is quite difficult. Under fast-paced market situation, the organization should not only focus on the home affairs, but also on development a long-term strategy to keep pace with the environment changes. However, there are not a unified strategy just as no strategy fits all organizations. Strategy is modified according to period in the evolution of company and market situation and this is being accompanied by organizational culture development. The leadership should create an organizational culture fits to effective implementation of the strategy.

Thus, corporate culture should embody the mission, goals and strategy of the organization and be formed top-down. Unfortunately, vast majority of leaders do not consider themselves as corporate culture creator just because are focused on more important and urgent issues, especially on the organization's strategy implementation.

Experience shows that strong corporate culture can precipitate a deep crisis or even the chain of crises in the company and impact on the business especially in crisis-ridden region. Conversely, the crisis caused by other reasons, can discover the problems of corporate culture and pretentious nature of the company's values.

In order to understand the nature of corporate culture of the organization following elements should be paid attention: [URL: http://www.kadrovik.ru/modules.php?file=article&name=News&op=modload&sid= 8015]

(1) The appearance and conduct of the employees:

- Who does work in the company (people young or older, predominantly male or female, etc.);

- How do employees looks (happy, exhausted, confident, tense, dynamic, relaxed, friendly, moody, outgoing, athletic, sluggish, etc.);

- What is the way they dressed in (low-key, defiantly, faceless, stylish, sexy, expensive, neat, equally etc.);

- How do they interact (are all in their seats, run anxiously around with papers, leisurely chat in the hallway, smoke, etc.).

2. Office design and spatial planning:

- Harmonious overall impression, size of premises, diplomas and certificates presence, office design;

- Furniture quality, office equipment, work-site arrangement, gifts, plants, toys and signs presence;

- Placement services and departments. The priorities of the organization can be identified through analysis of the best and worst areas have been given specialized departments and services. For example, if office has multiple floors, the leaders and head managers take up top floors and "workhorses" are below.

3. Time management:

- The working hours for clients;

- Normalized or irregular working hours for employees;

- Punctuality of internal and external planning and agreed meetings, etc.

4. Rules and regulations:

- What norms, rules exist and are described; does staff know and respect norms and rules; where did these rules come from; have rules and norms

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imposed top-down or in cooperation with subordinators; do ones match each other and the outside standards; are there any exceptions;

.- Are tabooed subjects to talk about; are there prohibitions of show of certain affection like aggression, disagreement, etc;

- How is motivations defined, does it fit reality; do all employees know about motivation; what determines financial incentives a particular person from; what is the system of fines, penalties and does it apply to all employees or there are exceptions; how often do punishments administer; who a why can be laid off?

5. Legends, heroes and anti-heroes:

- Who is most often the employees mentioned in the talking about the company; what actions or characteristics of that person are particularly noted?

6. Rituals and symbols:

- What actions or procedures occurring in your organization regularly on a specific schedule, script; how meetings and gatherings, that draws particular attention; as corporate events marked which one is most solemnly, what emphases are placed.

7. Values and performance criteria:

- What are criteria for decisions making; what is the values hierarchy in company (money, justice, good relations, growth and development, creativity, etc.).

The organizational culture development is a hot topic. It is closely tied with human resource management (Fig. 38).
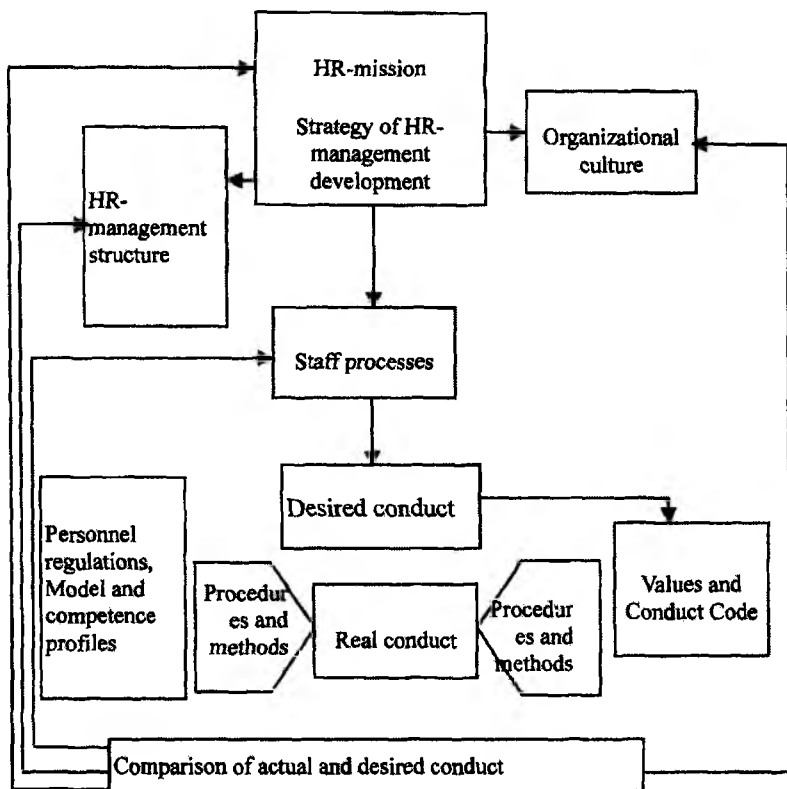
*Fig. 38. Integration of Human Resource Management with
Organizational Culture*

Thus, HR policy is the basic component of the corporate culture and it, in turn, must spiritualize and put new life into emotional world of personnel [Юхнева Е. А., Юхнева Н. У. Организационная культура как инструмент внутреннего маркетинга // Управление корпоративной культурой. 2009. № 1. С. 72–81.]. This is the only way to give employees and managers a clear idea of the reasoning and usefulness of the personnel policy points and to turn one into part of corporate culture.

Some interesting trends in the foreign companies' HR policy observed in the Russian market. In most of the foreign companies the Russians, who have better knowledge of the local market and cost half the price, replace expats. They are not paid for certain expenditures and housing. Many foreign companies invest in the training of Russian personnel. For example, in "Johnson & Johnson", wages are lower than the competition, but employees are 4-5 serious trainings per year and also have the ability by the firm to receive education within the MBA. The

same policies "Procter & Gamble" and "Ernst and Young" carried out with talented Russian students, who are taught and encouraged career growth.
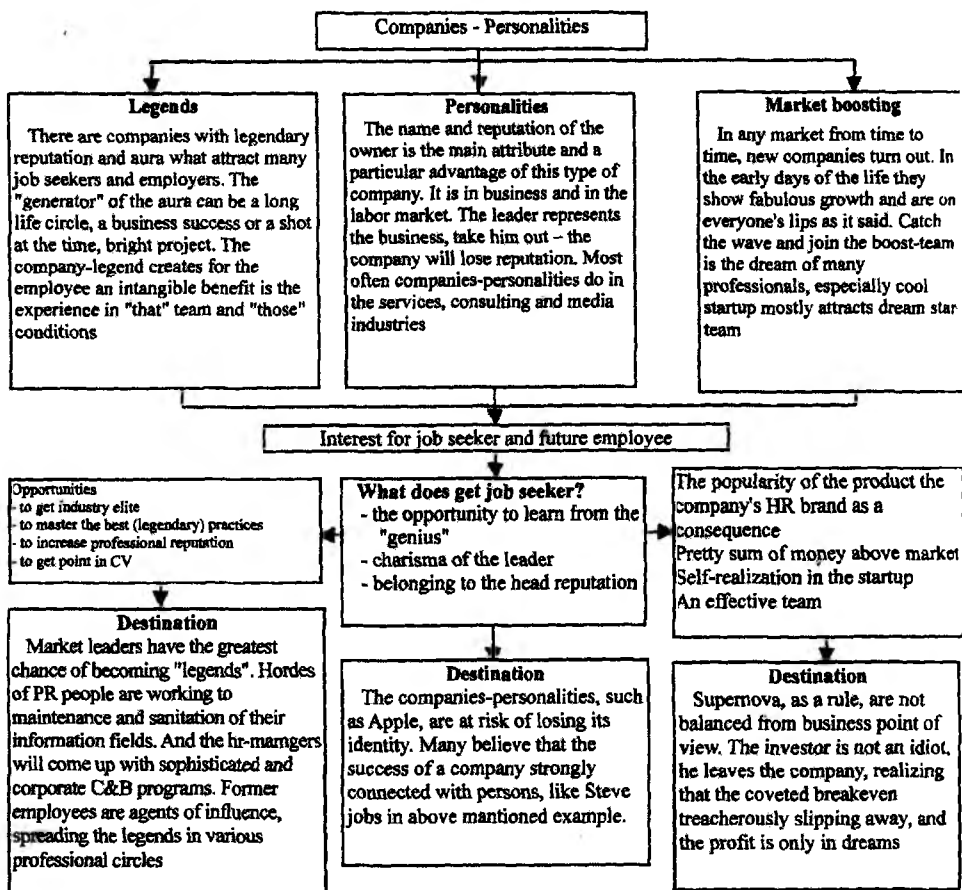
Companies - Personalities

Legends

There are companies with legendary reputation and aura what attract many job seekers and employers. The "generator" of the aura can be a long life circle, a business success or a shot at the time, bright project. The company-legend creates for the employee an intangible benefit is the experience in "that" team and "those" conditions

Personalities

The name and reputation of the owner is the main attribute and a particular advantage of this type of company. It is in business and in the labor market. The leader represents the business, take him out – the company will lose reputation. Most often companies-personalities do in the services, consulting and media industries

Market boosting

In any market from time to time, new companies turn out. In the early days of the life they show fabulous growth and are on everyone's lips as it said. Catch the wave and join the boost-team is the dream of many professionals, especially cool startup mostly attracts dream star team

Interest for job seeker and future employee

Opportunities
- to get industry elite
- to master the best (legendary) practices
- to increase professional reputation
- to get point in CV

What does get job seeker?
- the opportunity to learn from the "genius"
- charisma of the leader
- belonging to the head reputation

The popularity of the product the company's HR brand as a consequence
Pretty sum of money above market
Self-realization in the startup
An effective team

Destination

Market leaders have the greatest chance of becoming "legends". Hordes of PR people are working to maintenance and sanitation of their information fields. And the hr-mamgers will come up with sophisticated and corporate C&B programs. Former employees are agents of influence, spreading the legends in various professional circles

Destination

The companies-personalities, such as Apple, are at risk of losing its identity. Many believe that the success of a company strongly connected with persons, like Steve jobs in above mantioned example.

Destination

Supernova, as a rule, are not balanced from business point of view. The investor is not an idiot, he leaves the company, realizing that the coveted breakeven treacherously slipping away, and the profit is only in dreams

Fig. 39. Dreams companies classification

Chapter 8.
Corporate Culture Building and Management

The organizational culture building is correlated with human resource management. This connection is reflected in the fact that each component of human resources management should consider culture as a barrier or an opportunity, use it and put the responsibility for culture building on the human resources department. For this the human resources department has faced with the deep problems of binding staff functions, technologies and work processes with the desired cultural content. Personnel processes are set up so that recruitment is aimed on selection of certain culture bearers or adoptable persons, assessment culture have been mastered by staff, training and motivating corporate behavior.

In practice, very often there is a situation when due to some reasons spring from own experience than the international practice, the lack of management education, unwillingness to invest in the staff, owners and business leaders give preference to popular tools of business improvement, but the leading principle of Russia of wide delegation of responsibility and maximum centralization of authority has remained consistently dominant [Седельников В. М. Маркетинговые инструменты как эффективный способ управления мотивацией персонала // Вестник Сибирского института бизнеса и информационных технологий. 2012. № 3 (3). С. 40–44.].

Nevertheless, the quick change of the elements and principles of corporate culture, new specific policies and procedures considered as a panacea, can hardly be way out of the situation. A planned set of measures on corporate culture building is the only way out of a problem situation.

Many Russian companies and holding structures face with the issues of corporate culture development and implementation. This can be explained by objective economic and sociological causes, and business requirements. In that way the problems faced by a specific company, are unique and specific.

In the current Russian business, there are several types of home organizations and their respective corporate cultures. The first type integrates the largest organization with culture basis of the values was developed in the Soviet period. They have a lower survival rate in current market situation than small and medium enterprises. These organizations have archaic patterns of behavior are

not in line with the market environment. These companies are not up to develop in the present circumstances, when the state does not guarantee markets and resources. The basis for the second type of corporate culture is values inherent in the organizations existing in the countries with developed market economy and rich tradition. A small group of mostly foreign companies represents this type. Most of these companies came during the period of market reforms in 1990s, and their adaptive capacity is relatively low. Falling into the crime of Russian business and some other factors makes Western companies to play the game in point of the Russia. The third type of culture reflects the values, developed just after rebuilding the Soviet social and economic structure (so-called "Perestroika") then state lost control. This type is represented by the largest group of organizations doing with a culture based on distorted Soviet values placed on new political and economic situation. The third type companies are notable for semi-criminal way of getting resources or have assets by pure accident or by right of succession. Externally, these organizations look as "typical Western", but they have not learned significant values essential to the Western corporate culture. Thus, Russian companies just need to form a new business type of corporate culture, and this requires considerable administrative effort to meet staff issues. When network approaches, the people combined a fundamentally different governance structure, due to a new form of cooperation inherent to current productive forces, which, in turn, causes the necessity of studying the values, preferences and needs involved in the network. The corporate cultural approach implies the development of specific goals, assessment models and incentives to work [Погонев С. В., Бочарова И. Ю. Оценка уровня конкурентоспособности в условиях совершенствования корпоративного управления // Известия Тульского государственного университета. Экономические и юридические науки. 2012. № 3-1. С. 156–160].

The corporate culture building is a complex, multidimensional and multifaceted process because culture consists of several complementary concept ideas:

- Organizational culture as an environment where the elements of a business organization interact and are key organizational processes are developed: it defines patterns of thinking and behavior of employees in response to the changes within it and in the external environment;

- Organizational culture as a special management tool to affect the organization body and modify it. In this context, organizational culture is a controlled object affected by the controlling subject;

- Organizational culture is as a metaphor and means the very busines organization. In other words culture is a symbolic reflection of th objective organizational reality of business structure and the way o activity, behavior and thinking, a special mind;

- Organizational culture is a properly arranged management information o set of information about the changes occurring in the firm and it environment;

- Organizational culture is an aspect of national or ethnic associations including the set of characteristics pertaining to distinctive (culture specific) way of management or negotiation.

The organizational culture building is an attempt constructive impact on th socio-psychological atmosphere and the behavior of employees. However, it i important to correlate the relevance of the organizational culture with peculiarit of business or market segment. Most importantly, the neglect is inadmissible th organizational culture often turns out indeliberately and can be both positive an negative. If the corporate culture is created spontaneously, it will compose o fragments of cultures brought different people from previous groups.

Corporate principles laid down the foundation of the corporate culture (Fig 40).

The implementation of these principles should take into account the externa environment effect on the organization and the multiplicity of the corporat culture elements (Fig. 41).

The corporate culture building is influenced by following factors:

- The history of the company;

- The human resource policy;

- The symbolic system (language, communication, mythology, rites, rituals dress code, insignia, awards);

- The management style.

Based on the theory of cyclical development, it can be argued that th organization and its organizational culture pass through three main stages of th life cycle:

- The origin, formation and subsequent phase continuity;

- The heyday of mid-life.

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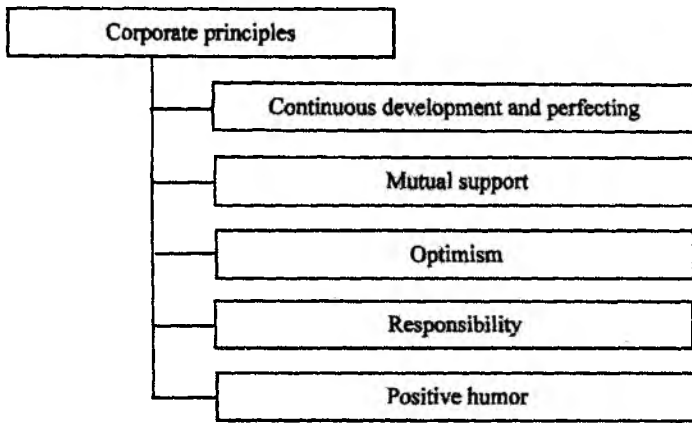
Fig. 40. The Corporate Principles

The external environment is affected the global economy alterations is undergoing a great change and more focusing on marketing (tab. 24).

Each stage of the organizational life cycle has its own subculture. Nevertheless, sequence of positive or dominant organizational culture typical of any company can be defined and consist of the following phases:

- Ideology creation;
- Enabling of communication space;
- Organizational memory creation;
- Organizational culture reproduction.

Different management tools correspond to each stage of organizational culture development. So, at the initial stage of the company's core values formation, various methods of analysis are widely used. Compliance of the current situation and target values are identified. Identity, symbolism, traditions and mythology, behavior and ways of interaction, history, heroes and antiheroes of the company are subjects should be under development at the memory creation stage.

Components of external microenvironment	Conventional methods		Advanced Methods	
	Perception	The mechanism of interaction	Customers	The way of interactio
Клиенты	Source of current company's income	- Winning new customers - Motivation of customers to buy new items continuously (not always with significant consumer value) – Maximization of price	The source of long-term company's welfare (*customer capital*)	Long-term loyalty building (by creatin; emotional attachmer a client to the firm a meeting one's value demands)
Competitors	Rivals in the same segment of the market, threatening income of the company	– Exclusion of competitors from the market – Cartel agreements – Absorption (lateral integration)	- Collaborators in the industrial development - Parties intra-industrial division of labor	– Partnership with tl non-profit associatic (lobbying for the interests of the indu: and standardization customer service) – Strategic alliance: – Mutual outsourcin
Marketing intermediaries	"Dealers", who share a profit of the company	– Price pressures – Absorption (vertical integration)	Partners in the *customer* value development	The joint program: promotion of good: services of the com;
Suppliers	Control access to important resources for the company, maximize own income by raising prices	Absorption (vertical integration)	- Partners on the creation of customer value - Parties of vertical division of labor	- For long-term cooperation progran - Relationship mark in collaboration wit suppliers - Outsourcing

Table 24. Comparison of Conventional and Advanced Methods to Analyze of the Company External Environment
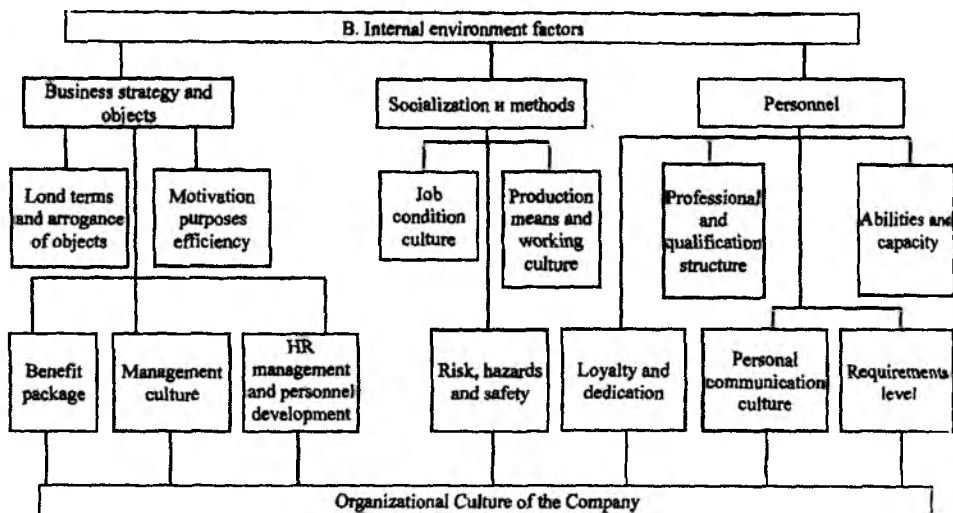

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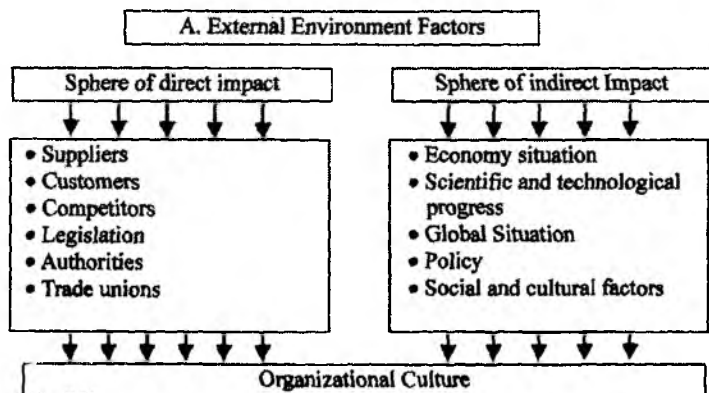
Fig. 41. Factors Affected Organizational Culture of the Company

If culture is not represented in the HR management system of the company, it will not be maintained and reproduced. The maintaining the organizational culture should be focused on the following processes:

- Selection of candidates for vacant positions (it is necessary to weed out candidates with values that run counter to those of the company);

- Adaptation (it is necessary to help a new employee to take new values);

- Motivation (it is necessary to encourage for loyalty and punish for violation of ethical principles);

- Training and development (it might be as well to develop the interpersonal skills of the participating managers);

- Adjustment of labor relations (it includes constructive resolution, conflict methods and problems discussion);

- Dismissal (the release interview should be conducted to keep positive unwavering in the employee 's view that company is the best employer and keep positive image).

The corporate culture can not only change in line with strategic objectives, but also manage it continuously through consistent and thorough work on each of stages to be up employee commitment and increase labor efficiency.

Corporate culture development may be formally described in plans, technologies, business processes, qualification requirements, etc.

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But there is also the set of beliefs, habits, norms and behavior patterns of managers and employees shown in an informal way, but defining actual state of things within the organization. The model of corporate culture has been built through done work. Description of corporate culture can be made either by the working groups of managers and employees, or through individual interviewing. The ideal is the combination of both methods.

The discrepancy between existing and desired corporate culture and between the points of view of different people should be taken into account while the descriptions are worded to balance between the different formulations [Великанова С. С. Подсистема управления развитием персонала в марках системы управления персоналом. Обучение персонала // Современные проблемы науки и образования. 2015. № 1. С. 182.].

The corporate culture descriptions are put out in specific management acts governing the actual and future activities of the company. They can be Code of Corporate Code, or documents regulating corporate body and basic HR management processes like selection, assessment, training, and rewards (Fig. 42).
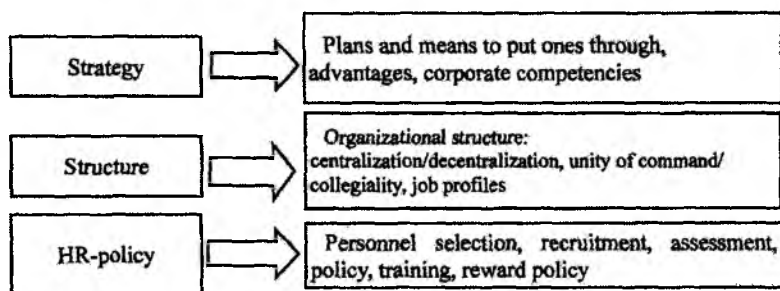
Fig. 42. The Administrative Regulation of Corporate Culture

Formal corporate culture is described in the corporate code of the company consist of the following sections: the history of the company, mission, vision, slogans, values, goals, rules and regulations internal and external behavior and interactions. Informal corporate culture is shown in management style and real interactions between members of the organization.

The management of corporate culture

Management of organizational culture is conscious and deliberate action and may strengthen or weaken of culture, peoples' adaptation, development of culture in newly founded organizations, maintaining or changing it.

The corporate culture management is interesting due to ability to control staff behaviors based on values that are acceptable to the organization, but are not a priority, and sometimes depart from the values prevailing in society.

Russian enterprises do not have targeted management of corporate culture and extreme centralization of control is kept, due to a number of features that existed at the beginning of social and economic reform in the USSR, or arose in the course of it. Primarily, they are:

- Powerful privileges, which have got directors of companies in the reform period, the only way to save which is rigid centralization and depersonalization;

- Social vulnerability of workers, that brings to the bureaucratic cruelty of Russian organizations;

- Low level of legal and economic culture of the population, because people was kept down by administrative-command system for many years.

However, this process is gaining momentum. Corporate culture inherently more inert than many other aspects of the organization, but at the same time, it is not a static, for the last time established ways of relating.

Therefore, the necessary action to developed culture has to leave behind the rest of the changes. The inertia of the cultural change is essential for radical transformation of organization cultural for example to cultivate the entrepreneurial type of culture.

The culture is changing over time, however, this process may be slowly and do not fulfill manager's wishes. All agree that the entrepreneurial culture is important for new business development, however, the replacement of conservative culture aimed at the company itself by entrepreneurial, innovative culture often means cutting down the communication, staff replacement, management, remuneration system and body of the company. It is usually impossible or at least requires considerable time.

Some social mechanism and factors affected the corporate culture development, taking into account general features of the corporate culture dynamics, will be detailed below.

The results will not be visible immediately. Many well-known Russian and international companies such as Google, Nokia, Mirax Group, focused on cultural development; however, unified approach to the management of organizational culture does not exist, as there is no unified management instrumentation. Nevertheless, Fig. 43 presents one of possible variants. [Зеркалий Н. Г. Оценка эффективности маркетинга персонала // Проблемы современной экономики. 2009. № 2 (30).]

The vision of the organization's core values in the future "how to do":	The core values of the organization at the time of the reformation "as is being":
- professional and creative approach to solving problems of the enterprise; - continuous improvement of operational processes, striving for innovation and development; - teamwork (encouraging personal and professional growth, the use of individual and collective activities)	– improving the quality of manufactured products; – care about employees and their needs; – respect for the individual rights of the employee; – training

Positive values which are being and necessary in the future:	Negative the values that are being now and unnecessary in the future:	Positive values that are missing now but necessary in the future:
– opportunity for professional growth; – the credibility of the leader; – the cultural level of workers raising; – pride of employees for the organization	– conflict between management, departments and unwillingness to compromise; – unprofessional staff; – uninformed employees about affairs	– a clear definition of the company's mission employees awareness about it; – awareness of employees about the affairs of the company; – **employees motivating**

Fig. 43. Reform of corporate culture

When should culture be changed? There are two answers. Firstly, when the staff behavior for some reason does not serve organizations turn so is necessary to control, to punish and stimulate employees to act in a desired way. This means that effective and efficient behavior is not "normal", "valuable", a typical and normal. Secondly, the culture should be changed permanently, but deliberate and well considered and what needs to change (Fig. 44).
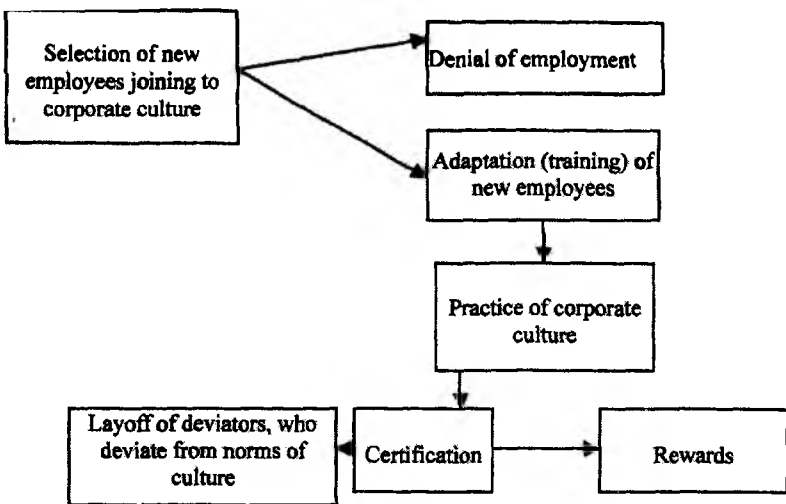
Fig. 44. Mechanism of Corporate Culture Management

The clear vision of new culture should be created and analyzed its components, impacting factors and ways to fix ones to change culture correctly, loss-free and in accordance with trends. A focused approach or the change of several factors that affect the component culture, can give the results (Fig. 45).
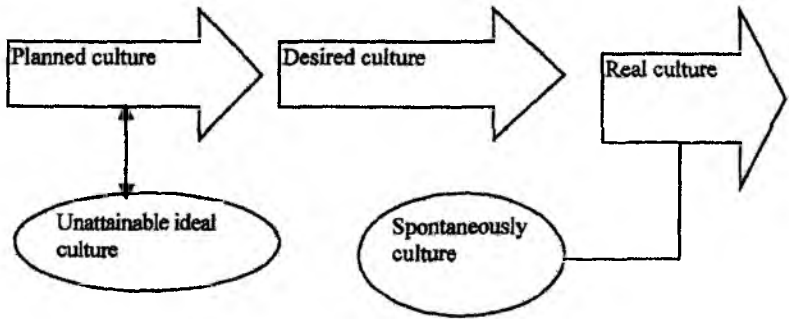

Fig. 45. The Company's Corporate Culture Development

The need to change culture can be determined according to the following findings of S. Robbins:

- The company is under gravity of the financial crisis. A crisis can be triggered by swank, undermining the status qua of the organization by unexpected financial fiasco, loss of major customers, rapid technological breakthrough of competitors, etc. It puts the question – does the current culture suitable here;

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– The leading change;

– The small size and brief period of organization's existence.

Within the small-ranged firm interaction between employees and hence the permeability of the "human environment" and culture control are facilitated. New companies are less strict and more plastic is its culture;

– Weakness of the organizational culture.

It is a real catalyst every managerial decision, because it shows the behavior of the staff as a whole.

The following aspects of corporate culture are especially important for the system of managerial decision-making in the enterprise:

– Individualism and collectivism;

– Attitude to work;

– Purposefulness;

– Coordination level;

– Managers support;

– Control;

– Self-identification with the company or group within it;

– The remuneration philosophy;

– The bearing on the conflict and criticism;

– The nature of the communications.

These parameters extremely point out the basic principles of internal marketing and performance (Fig. 46).

The organizational culture of short-term profits, corporate nepotism, disregard of universal human and national sensitivities, bureaucracy make for negative attitudes towards the organization in the labor market [Дуракова И. Экономический контроль и аудит маркетинга персонала // Кадровик. Кадровый менеджмент (управление персоналом). 2012. № 4. С. 95–102.]. Therefore, the sooner managers overcome the legacy of this kind of culture and get fundamentally new values, the sooner the company will find a way out of the impasse.

Individual leadership, regardless of the stage of organization development can manage culture in two ways. The first one is that the leader inspires and brings

life to the fundamental values of the organization. It is like a vision from above, which should arouse the enthusiasm of the majority of members of the organization.

The second method is based on the bottom-up approach, when the details of real life in the organization are paid great attention. Managers should check the activities in the organization and manage systematically the organization's culture. If leader keeps in certain values and beliefs, but do not transfer ones to employees, they will lose impact on the organizational culture.
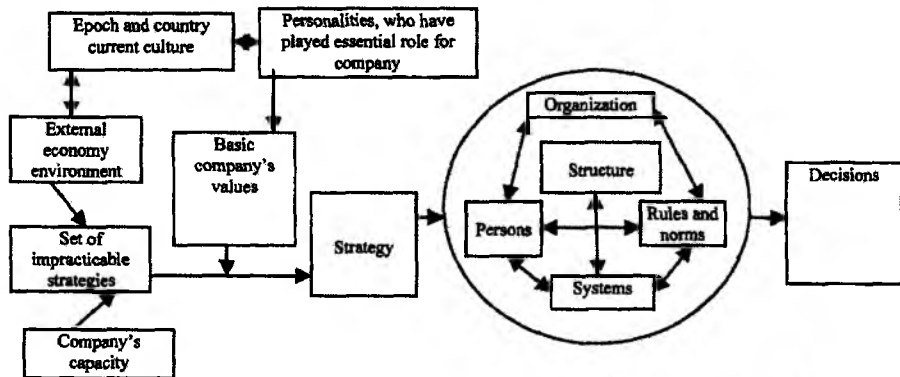
Fig. 46. Corporate Culture and Its Role in Decision Making

Thus, the first method can be through public statements, speeches and personal example, showing interest in the values. The second method requires an understanding of the importance of culture in everyday life of the organization. Thus an effective means may be to create and develop models of behavior and systematic introduce into practice new principles of interaction. If in the organization the daily managers' actions correspond to claim values, the culture will be developed and gained strength.

Currently, there are several levels of corporate culture: surface (corporate logo), medium (beliefs, attitudes, rules, and norms), subsurface layer (stated objectives, strategy and philosophy, values and beliefs shared by employees) and core level (Fig. 47). Core values play an important role in choosing the enterprise strategy among the available ones. Rules and regulations are essential for implementation tactic selection.
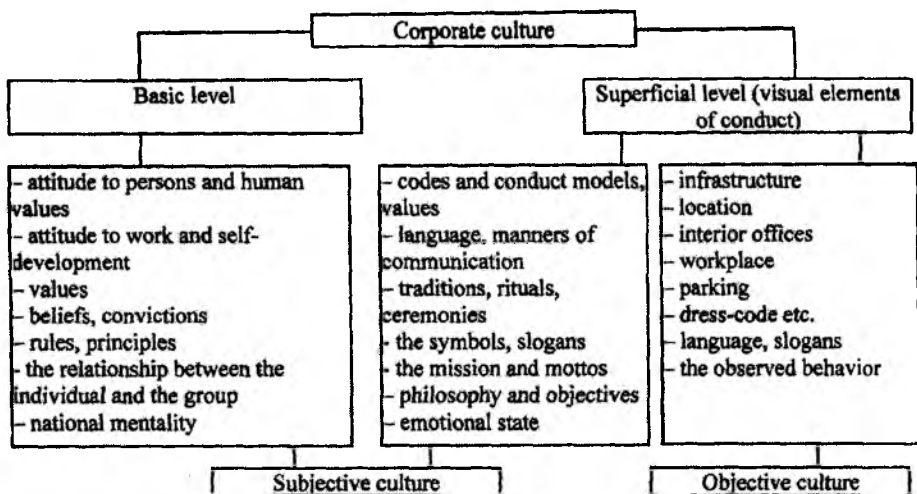
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                          ┌─────────────────────┐
                          │  Corporate culture  │
                          └─────────────────────┘
        ┌───────────────────────┐        ┌─────────────────────────────┐
        │     Basic level       │        │ Superficial level (visual   │
        │                       │        │    elements of conduct)     │
        └───────────────────────┘        └─────────────────────────────┘
```

– attitude to persons and human values – attitude to work and self-development – values – beliefs, convictions – rules, principles – the relationship between the individual and the group – national mentality	– codes and conduct models, values – language, manners of communication – traditions, rituals, ceremonies – the symbols, slogans – the mission and mottos – philosophy and objectives – emotional state	– infrastructure – location – interior offices – workplace – parking – dress-code etc. – language, slogans – the observed behavior
Subjective culture		**Objective culture**

Fig. 47. Studying Levels of Corporate Culture

While organization builds the objective corporate culture, it imposes on "external" factors like design of the building, its location, equipment and furniture, color scheme and interior space. HR manager focuses on improvement of hygiene of employees, cares about the food facilities, parking, etc.

"Subjective" corporate culture focuses on corporate mythology, the peculiarities of perception, thoughts and feelings, the style of leadership and communication. The task of the HR manager is to build motivational factors.

For convenience, two-level modification of management praxis is often used. On the upper level, there are all the visible factors (facilities design, dress code, corporate symbols, etc.). On the low levels, there are values and norms defining and regulating the behavior of employees within the company. Employees' commitment is determined at the corporate values sharing. If the employees are not fully dedicated, at least they should be loyal to the declared value. Two levels are interconnected (Fig. 48). There are two ways to build and transform corporate culture: from external to internal or vice versa.
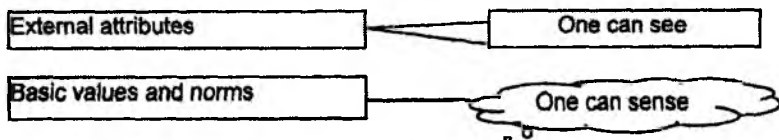

Fig. 48. Two-level Model of Corporate Culture

In practice, it is necessary to not only analyze the levels of corporate culture, but also highlight lines of activity within each level.

During the development or changing corporate culture, it is the very first to determine the cultural level of the leadership (management) and staff. For example, if workers are at the level of the "environment", it will be not available to start right from the top levels, because all efforts to develop the corporate strategy, mission, roles, and business principles will cause staff spurn. In this case, level of "Ability" should be the point of start. The leadership has to challenge itself and staff how to get the desired results.

In our view, the management of corporate culture development is a set of methods aimed at the development personnel attitude to work as a personified value.

Continuous and purposeful development of the culture of the company allows to avoid many crises, but if they do occur (that no one is immune), corporate culture will maintain stability within the organization (Fig. 49). All proposals received from company employees are accepted, new ideas are discussed openly, leaders take the risk of making decisions to create new competitive advantages of the company and promote career advancement for those employees who can generate new ideas [Управление персоналом : учебник / И. Б. Дуракова [и др.]. М. : ИНФРА-М, 2010. 568 с.]. The employees' commitment to corporate principles is greatly increased because they fell involvement in decision-making.

The corporate culture of each organization is unique and individual. It reflects the specifics of the company's business, the peculiarities of thinking and behavior of employees and the founders. Hence, there apparent discrepancies among company ways of culture, but it develops usually in the following sequence (Fig. 50, Table 25):

1. A person or the founder had agreed to establish a new business.

2. Founder gets somebody or key players to take part in business and build a core group of people who holds the same views as he. All of them have faith in the same ideas, the ideas are could work on, spent money, labor and time.
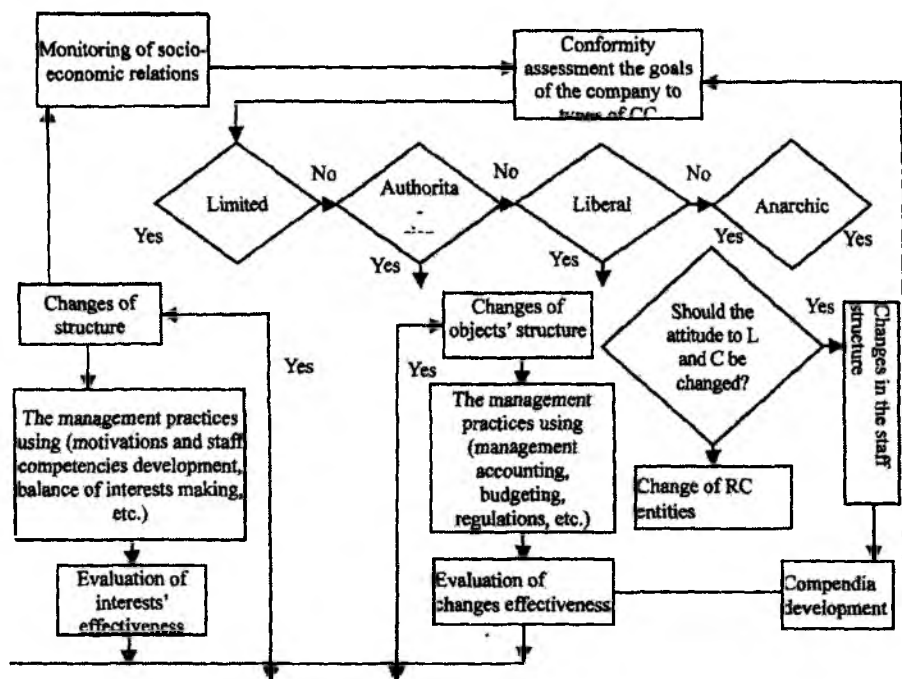
Legend: L – Labor; C – Capital; CC – Corporate Culture; RC – Relations Complementarity.

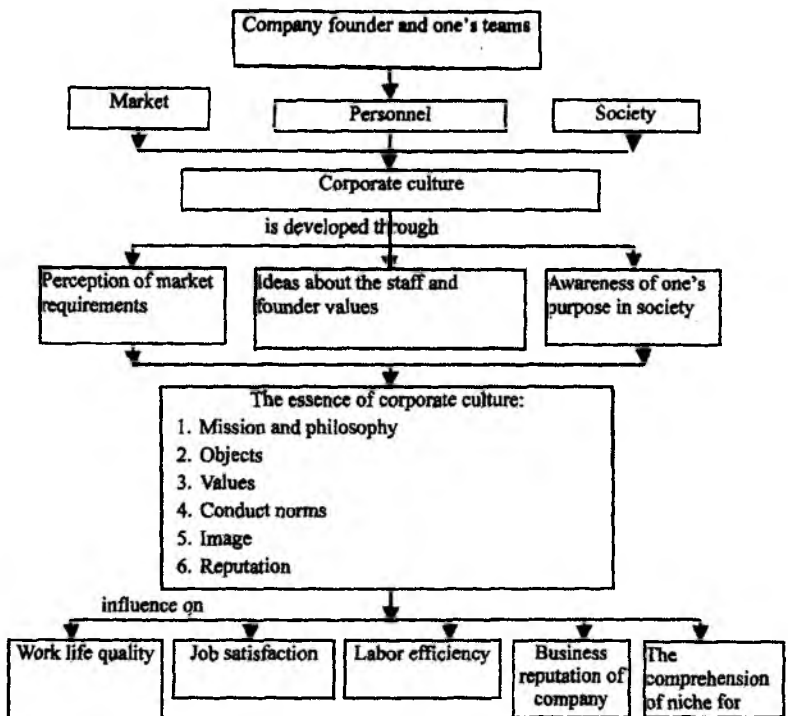*Fig. 49. The Algorithm of Management of Organizational Culture Development*

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Fig. 50. The Building of the Company's Corporate Culture

Indicators of Oranizational Culture	One responsible (Structural Attaching)	Information
A. Common set		
The building	HR Manager	Excursion Video Orientation interview [1]
Logo	HR Manager	Vacancy ad Video Adaptation training Employee Handbook
Anthem, flag	HR Manager	Video Adaptation training

Indicator of Oranizational Culture	One responsible (Structural Attaching)	Form to provide information
Productin	HR Manager	Orientation interview Video Adaptation training Employee Handbook
Corporate media	HR Manager	Orientation interview Adaptation training Employee Handbook
Website	HR Manager	Orientation interview Adaptation training Employee Handbook
Dress Code	HR Manager	Orientation interview Adaptation training Employee Handbook Adaptation training Dress Code
Corporate philosophy	HR Manager	Orientation interview Adaptation training Employee Handbook Adaptation training Information on website
Motivation and social programs	HR Manager	Orientation interview Video Adaptation training Corporate standards (regulations) Employee Handbook Posters with photos Information on website
Company's competences (proffessiograma)	HR Manager	Orientation interview Adaptation training Corporate standards (regulations)
Heroes, antiheroes	HR Manager	Employee Handbook Adaptation training Corporate media Video Information on website

Indicator of Organizational Culture	One responsible (Structural Attaching)	Form to provide information
Legends	HR Manager	Video Adaptation training Employee Handbook Information on website Employee Handbook
Taboos	HR Manager	Orientation interview Adaptation training Информационные издания
Rituals	HR Manager	Orientation interview Posters with photos Adaptation training Media Video Employee Handbook Information on website
Myths	HR Manager	Orientation interview Adaptation training
Leadership style The style of decision-making	HR Manager	Orientation interview Adaptation training Media
Б. Special set		
Building	Division Manager Mentor	Excursion Беседа[2]
Corporate philosophy	Division Manager Наставник	Interview
Website	Division Manager Mentor	Interview
Dress Code	Руководитель подразделения Наставник	Interview Dress Code
Corporate media	Division Manager Mentor	Interview

1 orientation interview is in the selection and recruitment, and after the hiring procedure.

2 the interview is before recruitment and after the hiring procedure.

Table 25. The New Employee Adaptation to Organizational Company Culture

The organizational culture development is subjected to the corporate planning logic. This process may be set of interrelated stages (table 26). [Ловчева М. Документационное обеспечение персонал-маркетинга // Кадровик. Кадровое делопроизводство. 2008. № 11. С. 33–48.]

№ п/п	Stages	The term	Price, RUB.	Method
1	Studying of the current corporate culture. Benchmarking of the current corporate culture with growth strategy of the organization, chosen by the leadership. The identification of positive and negative values	One month	25 000	Self-inspection
2	The development of the mission, strategy, the main goals and values (priorities, principles, approaches, norms and desirable models of behavior)	Three months	50 000	Brainstorming
3	Development of organizational measures aimed at the formation, development or consolidation of desirable values and behavior models	Four months	100 000	The project team
4	Purposeful impact on corporate culture to eliminate negative values	One year	100 000	Leadership and project team
5	The assessment of the impact of corporate culture and necessary adjustments	One year	25 000	Self-inspection

Table 26. The Stages of Corporate Culture Development (pro forma data)

The first stage focuses on the study and assessment of the corporate culture identification of its positive and negative sides and its accordance with the strategy check.

The second phase of the cultural development planning involves the conten and structure of organizational culture definition based upon the efficiency of the cultural forms in particular circumstances, the development of activities or building, development and desirable values and models of behavior fixing mission, goals and core values development.

In the third step, the planned cultural parameters are correlated with the actua elements of culture. Based on the obtained results managers make decisions t keep in current cultural traditions or to make up a specific culture change to kee

down the negative aspects of corporate culture and assess the changes. The transformation of culture will be unlikely to be if not all employees are involved in the "cultural restructuring". The incumbent company's organizational culture building assumes identifying the current culture and its comparison with the future would-be values of the company, identifying the points of impact on employees to "instill" ones the values and moral-ethical norms of a new culture (Fig. 51).

The market environment is constantly changing. Thus, the organization's leadership wants the best way to respond to changes, has to develop and modify business strategy and culture to enable the organization development notwithstanding environments tensions.

The development of strategy has not boundaries to perfection in relation to rational strategy making up and organizational culture building. It consists of the certain stages shown in Fig. 52. The being corporate culture development takes a pretty bit of doing, then just established organization's culture building. This requires the kind of corporate culture to enable companies to adapt to new market conditions or adaptable corporate culture.
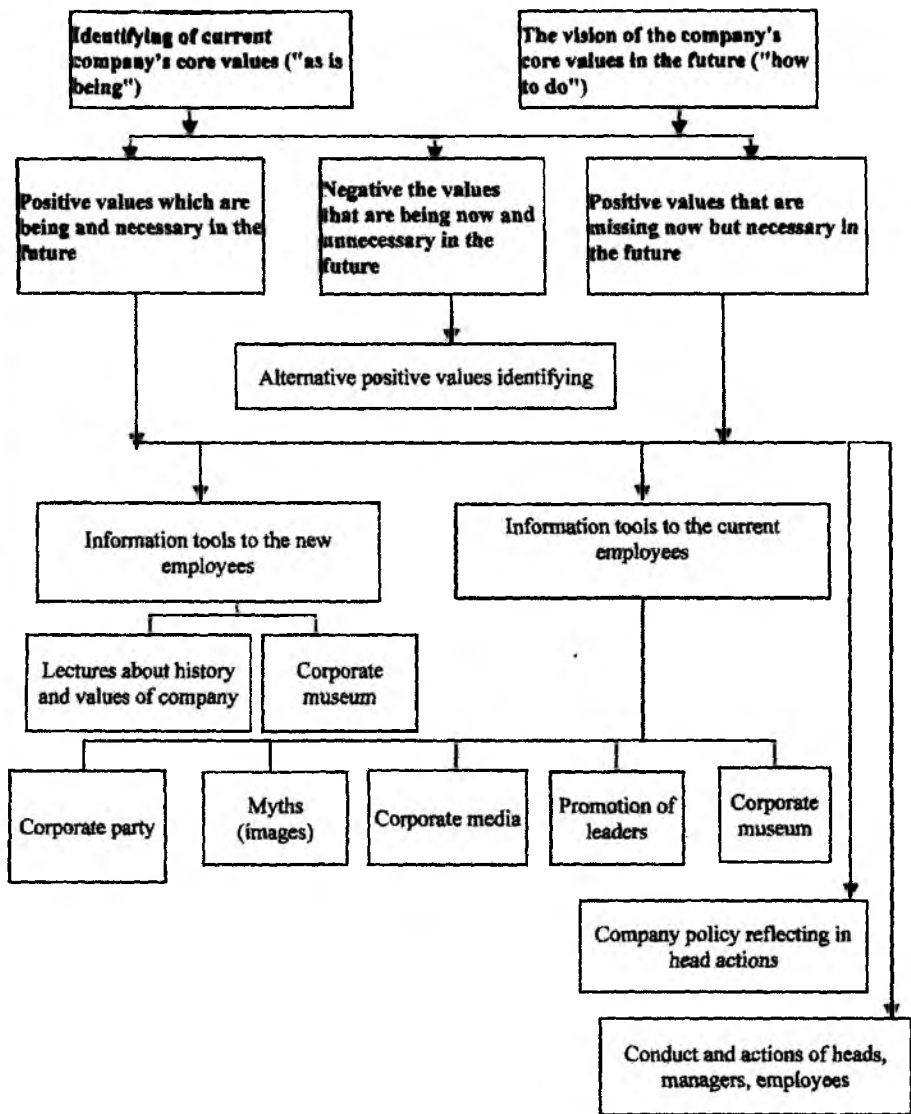
Fig. 51. The Mechanism of Corporate Culture Building and Development

The strategic objects of corporate culture building development

Type of current identifying

The current corporate culture assessment

The merits of current corporate culture identifying

The set of necessary changes defining

Method to pick out the best strategy of corporate culture building

The best strategy of corporate culture building choice

Development of the corporate culture building program

Program implementation

Control

Fig. 52. Block diagram to Select Rational Strategy of Organizational Culture Building and Development

There are different ways to change the culture. The following simple ideas can help to instill sense of history, forge a sense of unity, develop a feeling of belonging to the organization, as well as facilitates constructive exchange of views among its members. Moreover, if organization's culture is wanted to change, the roots of business will be not abandoned and so-called successful or outstanding companies will be not followed blindly. The organizational culture changes affect all business

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aspects. For example, major changes in Western firms take place in the reward system and HR-management when the concept of teamwork, reduction of recruitment, layoffs, expansion or reduction of transactions company are reflected in the company strategy and body [Мартыненко О. Маркетинг персонала: теоретический и методический аспекты // Управление персоналом. 2007. № 8. С. 88–90.]. Ensuring the continued effectiveness of the cultural traditions and customs requires implementing:

– Hiring people who have moral values the same or just as close to the corporate ones;

– Achievement within the company specialists who bear the corporate values for management vacancies of all levels (with rare exceptions);

– Codes of conduct, rules and standards development search for management practices to cultural values and norms adoption;

– Indoctrinate (suggestion) novice with a rules and regulations while learning, briefings, coaching.

– Successful examples of business conduct and actions according to core values and company policy collecting and promoting;

– Exclusivity and elitist image of company cultivation.

– Office scenery development to bring workers in close contact through open office spatial, heads doing without private office, places for informal communication (coffee nooks, sofas in the corridors, halls for sports and relaxation) (Fig. 53).

In Fig. 54 the classification of "keepers" and "transmitters" of corporate culture is shown.
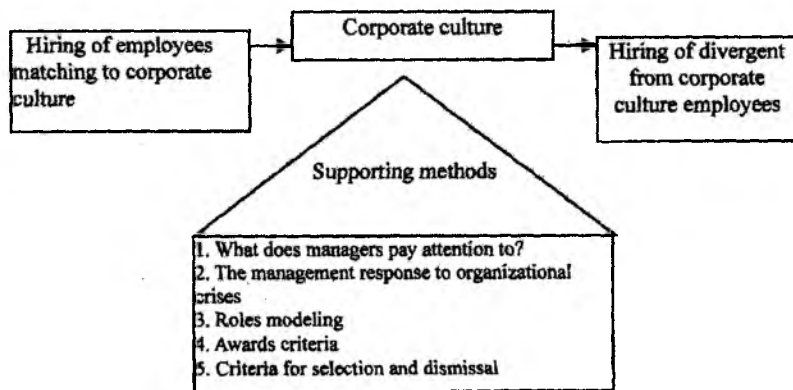
Fig. 53. Methods to Support Corporate Culture
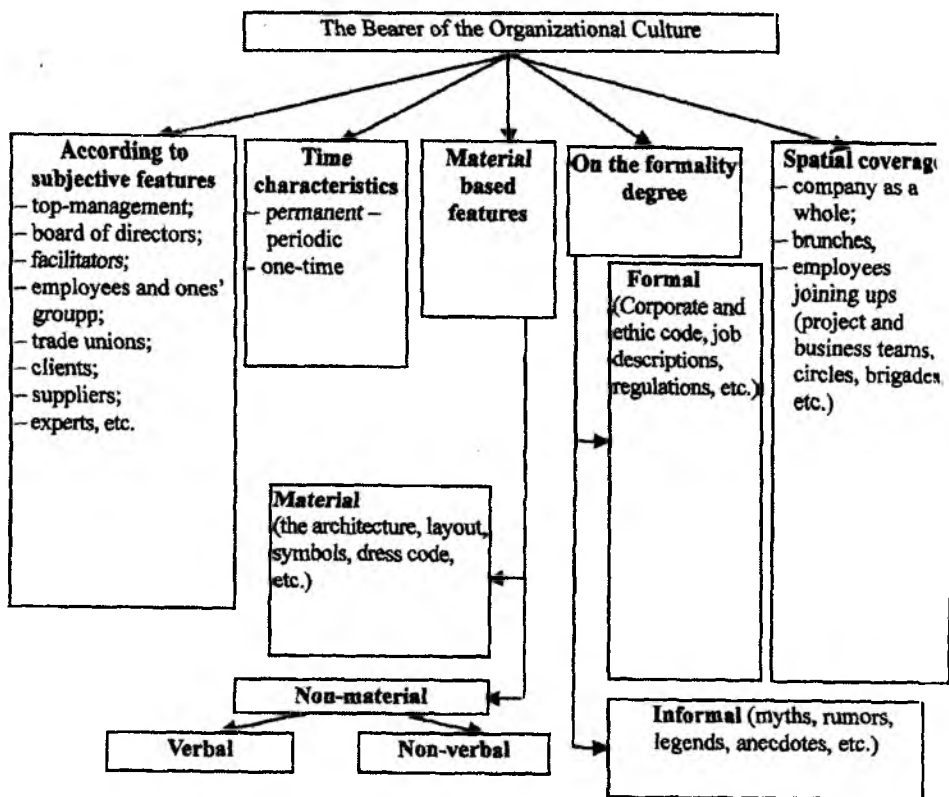
Fig. 54. The Bearer of the Organizational Culture

Thus, the corporate culture development is based on its duality. The culture is an element and a tool of human resource management and in the same time influences the HR management policy:

1. The management of organizational culture is an integral element of the HR management system along with the following functions: enterprise staff requirements meeting and personal discharge, labor organization, personal assessment, motivation and remuneration, training and development of staff, personnel reserve formation, career guidance and adaptation of personnel, personnel safety firm belief, management of professional and career promotion.

Focused management of organizational culture in the context of HR management allows improving efficient use of human resources to gain strategic

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goals, increase the company controllability, foster team cohesion, and reduce transaction costs.

2. Due to its functional specificity of organizational culture acts as a tool of HR management. In addition to the direct impact on the behavior and attitudes of employees through a system of values, norms, symbols, organizational culture affect staff through other elements of HR management.

3. Corporate culture is the environment of interaction between employees and HR management activities. While the HR strategy is developed, the particularity of organizational culture type should be considered because in this context, organizational culture affects and corrects the HR management policy. For example, organizational culture is getting an active factor in the competition for qualified employees who can improve the competitiveness of an organization through their contribution to the overall organizational culture.

In-depth study of the current corporate culture is a prerequisite for successful change. Firstly, two questions have to be answered:

(1) What is the current corporate culture?

(2) What should be it new model developed to support the leadership strategy? [Новаторов Э. В. Аудит внутреннего маркетинга методом анализа «важность – исполнение». URL: http://dis.ru/library/detail.php?ID=22236].

The diagnostic method enables to answer properly and plan actions. The main purpose of corporate culture diagnostics is to create a basis for making management decisions.

There are several methods of corporate culture diagnostics. The most known and popular is Daniel Denison's model because of ease of use. Daniel Denison is Professor of Organization and Management at IMD Business School in Lausanne, Switzerland and Chairman and founding partner of Denison Consulting. According to his model, four interrelated (parameter) – commitment, consistency, adaptability and company's mission describe corporate culture. Each of them has components.

In this way, the mission determines strategy, goals, objectives and vision of the company. Consistency makes the coordination and integration, agreement, core values. The commitment provides a focus on team, abilities development,

delegation of authority. Adaptability is the customer focus on development, training. This model can be shown in the form of a circle (Fig. 55). The horizontal line intersects the organizational parameters in the internal and external focus. Commitment and consistency determine the internal processes in the organization, while adaptability and mission describe external.

A vertical intersection of a circle parts flexible organization (left half of figure) and stable (right half of the picture). Commitment and adaptability define organizational flexibility and bent to change. Consistency and the mission determine the organization's capacity for the stability and handling.
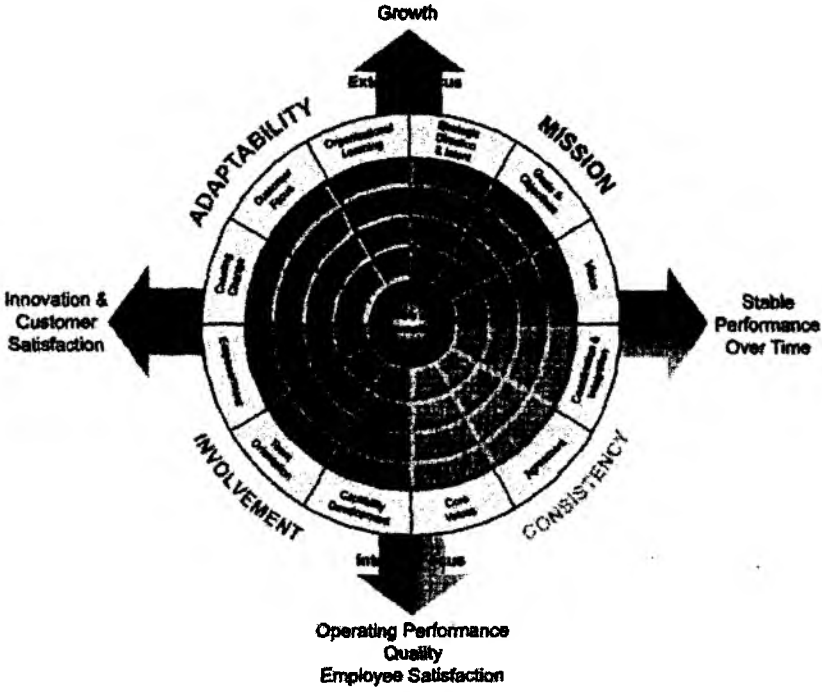
Fig. 55. Daniel Denison's Model

Mission and consistency have a greater influence on financial indicators such as ROA (return on assets), ROI (return on investment) and ROS (return on sales). The index value of the mission and consistency from three to four usually indicates a high return on investment, assets and sales, as well as the operating strength of the organization.

The consistency and commitment (internal focus) affect the quality, employee satisfaction and return on investment. They indicate a high level of product

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quality, lower scrap rates, the proper resource allocation and higher employee satisfaction.

The adaptability and commitment have an impact on product development and innovation. The index of these parameters in the range of three to four points means a high level of innovation in manufacturing , service and creativity, rapid meet the changing desires and needs of both clients and own employees.

Adaptability and mission (external focus) affect revenue, sales growth and market share. When the values of these parameters from three to four points organizations with high probability get a constant sales growth and increase market share.

Thus, the Denison's model using to diagnose company's corporate culture and survey data processing enables management to answer questions:

- Do we know what we are doing?

- How are our actions harmonized?

- Do we have the organizational flexibility?

- How are employees involved in the development of the company?

Approach to the diagnosis of corporate culture is shown in Fig. 56.

The analysis will help to identify key "levers to push change" to move the company toward the desired culture and behaviors (see Fig. 57).

Analysis of corporate culture is a very complex process, since culture is invisible, "disembodied," etc. It means the culture is impossible to "gauge". The analysis algorithm is shown in Fig. 58. At the same time, there are several ways of analyzing corporate culture indirectly via its display and the results from it, as well as through an analysis of the factors defining culture.

In order to determine whether the corporate culture is "good" or "bad" for the company, another word should it be changed, sometimes it is enough just to benchmark or compare the financial indicators with similar companies in the industry. If the company is the leader or one of the leaders in the industry, there is no reason to change the corporate culture. However, it is important to consider that the business is too unsteady and extremely depends on environment changing, competitors and consumers. Thus, the corporate culture also needs to change.
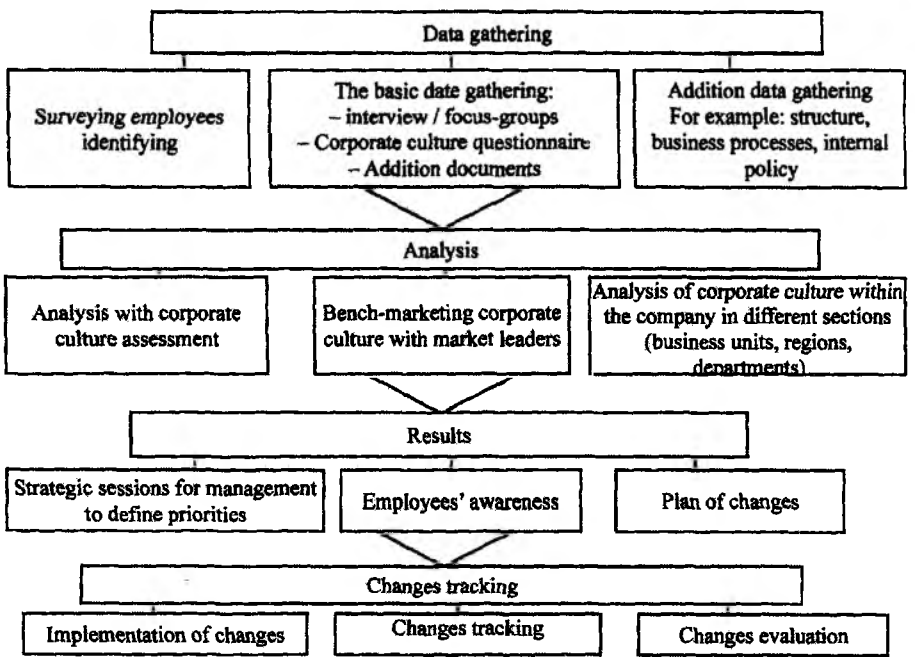
Fig. 56. A Model for Corporate Culture Diagnostics

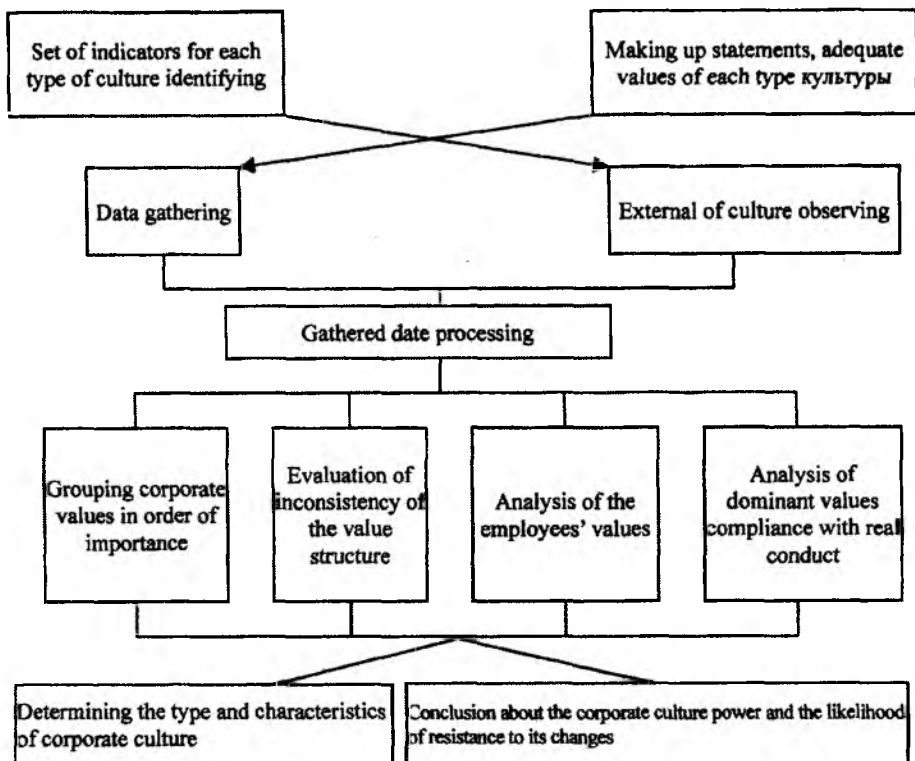*Fig. 57. The Area of Corporate Culture Impact*

Fig. 58. The Algorithm of Corporate Culture Analysis

It is possible to analyze the signals and visible display of corporate culture, the factors that affect it, to carry out surveys, questionnaires, interviews, focus groups, analysis of individual cases, to observe the behavior of employees in order to study corporate culture, understand its content and determine its elements.

Visible signals (factors) to analyze the corporate culture are [Прыпик Н. Д., Исмайлова Т. Ю. Региональный маркетинг персонала в организациях // Концепт. 2014. Современные научные исследования. Вып. 2.]:

- Formally spelled out the mission, vision, values, beliefs, policy and other formal documents of the company. It is important to know are employees well aware of the norms and the formality of bearing? Some employees should be asked do they know corporate culture components. Is the corporate culture information put out as poster on the walls, in the brochures of the company, on its web site, etc.?

- Notice boards, corporate media, website, internal information and decision-making (guidance) forms. It is necessary to determine the relevance and popular ideas in the company, conflicts, the way of problems sort out, kind of information is exchanged between the management and staff, objects of regard and what is being rewarded;
- Interview, survey, focus groups, etc.;
- The behavior of employees, decisions is being made.

All above-mentioned factors give very valuable information about the values and norms of the companies.

The answers to the following questions can help quickly enough to structure and analyze the results of own observations to see the corporate culture:

1. What qualities and characteristics should have the perfect applicant for the vacant position of the enterprise?

2. What qualities would keep this person from work in this company?

3. What would have happened if the head was absent for four weeks?

4. What not would be pleasant in the company for founder today?

5. Why will customer place a product order in this company?

6. Why should one work overtime in this enterprise?

7. How could be named a book about this company?

The following methods can be used to study the organization's culture:

- Interview;
- Questioning;
- The study of "folklore";
- Study documents (e.g., Company code);
- Study developed in the organization's rules, traditions, ceremonies and rituals.

Trompenaars and Hampden-Turner's model of cultural aspects of comparison the two consolidating companies in the following aspects: rules and relationships; group and individualism; the expression of feelings; the employees' commitment can be used to determine the differences in corporate cultures. This comparison will highlight not only the differences in cultures, but also the "danger zone" and possible causes of the culture clashes.

Also organization can be compared through a cultures typology developed by the merging companies Cart-wright S., and Coope K. L.[1]. They highlights the "culture of power" – the employee does what he is told; "the role of culture" – the employee works in accordance with official instructions; "the task culture" – the employee works effectively to fulfil tasks; a "culture of personality" – worker doing his own thing. [Целевые задачи маркетинга персонала // Кадровик. Кадровый менеджмент. 2008. № 11. URL: http://www.hr-portal.ru/article/celevye-zadachi-marketinga-personala]

The experience of corporate culture building in Russia is too small. Technology solutions are impossible in this sphere because there are little successful experience in the world and in Russia, although many of the personnel procedures and methods already are working for culture day and night. However, there are specific cultural focused methods at the stage of primary data accumulation. The establishment and further their classification based on the following methodological principles:

1. Personal impact. The corresponding group of methods is sometimes identified as the "techniques of personal work". These methods are based on the four classic mechanisms of psychological effect.

2. Organizational solutions ("staffing procedures and techniques").

3. Regulation of activities (regulations system development includes specific «cultural» regulations, such as corporate ethics, and configures other corporate regulations to meet requirements of organizational culture).

HR engineering, based on a systemic approach, is used to develop corporate culture and therefore the development of corporate should be carried out in the context of impact on the employee mechanisms improvement (Fig. 59). [Кондратьев В., Лунев Ю. А. HR-инжиниринг. М. : Эксмо, 2007.]
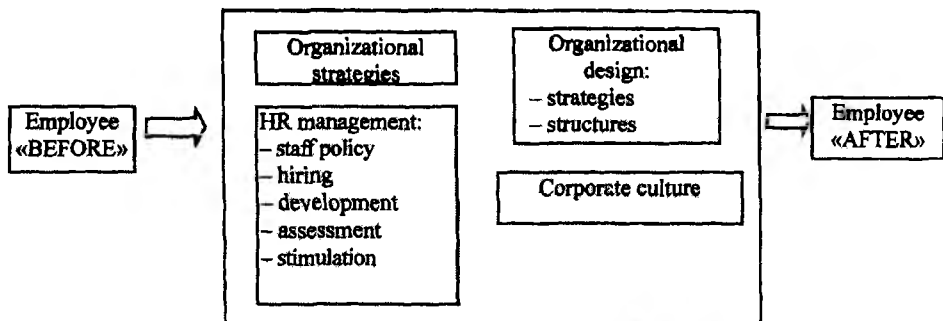
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Fig. 59. Institutional Mechanisms of Impact on Employee

The work on the cultural issues in the methodology of HR-engineering has its own peculiarities, since it is very difficult or almost impossible to put the "culture purposes" or to put down the "processes of culture". However, a vector of development can be determined and basic functions described to specify objectives and identify activities to get them. For example, if a bad employee had gotten in the company, the defects of the recruitment process would have been dealt with, starting from the requirements definition, the quality and even the availability of the job profile and finishing on the workplace model and selection procedures. But it may become apparent that the problem does not result from worker, but consider from the absence of a system of working with people, including the organization of company management in general, human resource management in particular, management of intellectual models (beliefs about employees and impact methods) and methods of personal work, i.e. Personal managers' arsenal of technique. Before blame and punishment, the manager should look into the reasons of negligence and fails of workers and clarify when they are subverted prior to entry into the company or having worked on it already for a while. The major gaps in the organizational culture inevitably will be revealed.

The organizational culture building has some specificity against the innovations in the production, sales etc. First, if the enterprise is not newly established or the incumbent company's, the certain organizational culture already exists: there are well-established traditions, customs, values, purpose, relationship to the external and internal environment, etc.

Each new person comes into an organization and brings new values and norms, which affect the behavior of other employees. Usually, the organization is growing by attracting staff from other institutions, and they unwillingly spread "virus in culture" over new place of work. Therefore, for the development and supply of desired company spirit it is important to highlight, rate and transmit values that will support development strategy.

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In Fig. 60 each culture is symbolically depicted as a vector.

The vector projection of non-conflicting subcultures collinear with the vector of the dominant culture and has a positive value unlike the vector of the counterculture.

Changes in the market, in the environment, any actions of influential personalities (management) also affect some components of the current culture. This means that this impact on culture should be monitored and manages consciously to get closer to the goal.
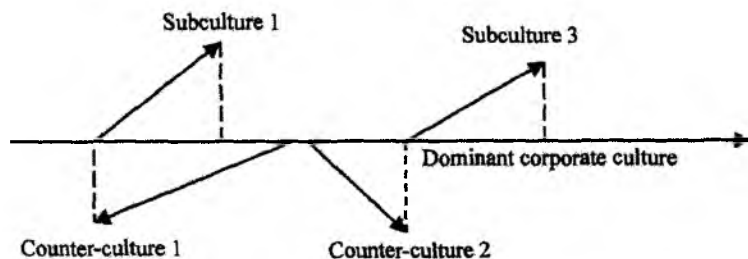

Fig. 60. The Ratio of the Dominant Culture Vector and Subcultures Vectors

Secondly, the organizational culture cannot be formed "top- down" upon orders because it is formed in the minds of employees while their joint activity of the enterprise.

The changes associated with the culture of the organization development can cause resistance of the personnel and the impact countercultures can play a decisive role during the transformations. At that, there are following the ways of the:

— Through transparent talks manage to find a compromise and reconcile the interests of the counterculture and the dominant culture of organizations (creative scenarios);

— Destructive rupture of relations with all the ensuing consequences;

o The gap is civilized ways of preserving partnership relations.

The first three of these subcultures do not compete with the dominant culture.

Moreover, they are committed to the value system uniting all members of the organization and have an additional set of values joining personnel in the sub-cultural group. To reduce the workers' resistance the understandable to each employee innovation program "Building and Development of Organizational Culture" has to be put through. All innovations must be discussed with

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employees, and the most dramatic changes in general meetings. It is important to consider the opinions of employees while the organizational culture is formed and developed. The head of the organization by own example, should acknowledge the need and the correctness of the changes and innovations when program of cultural development is launched. This principle is known as "first-person principle". : This is especially important for organizations where the first person enjoyed great prestige among the workers. Also must be implemented the principle of "waterfall". The organizational culture position developed by senior management should move up down through the hierarchical levels of the enterprise, to simple workers, "washing away" the old ties and relationship between employees and departments. All levels must be involved in the process of the organization's culture building and development. If at some level innovations are not accepted, because a resistance ones have to be returned at the highest level and adjusted.

In Russia corporate culture is defined by the authority of the company founder's or CEO's personality or the challenges facing it at a concert stage of development. [Прошина Ю. А. Теоретические аспекты маркетинга персонала в сегменте пассажирских автобусных перевозок // Молодой ученый. 2013. № 4. С. 280–284.]

If Western models impact and traditions influence in the different periods of organizational development in Russia are compared, these two factors conform to those trends.

It is noteworthy that the pre-Revolutionary traditions of Russian business minimized under the influence of the Soviet and post-perestroika era costumes.

While Russian companies absorb Western models of culture, the Western companies are adapting to the Russian realities and this process does not reduce but on the contrary increases their effectiveness. It should be noted that the original principles of a typical Russian and typical Western culture were diametrically opposed in many ways. The main difference is that the typical Russian corporate culture is focused on power, while the Western is task oriented.

Overall, the Western model is much more streamlined and more focused on the staff than the management. The main advantage of Russian culture is its flexibility and adaptability. Effective Russian companies have corporate culture different from any Western or traditional Russian model.

The sharp distinctions of this model are an attempt to create a culture in order similar to the Western model, but more humanely structured or "culture as sweet as honey".

This concept is getting more attractive year to year. We can predict that in the coming years, business will give more attention this area. However, perhaps it is most interesting that Russian business really came to its special corporate culture building.

One should have a clear idea of Western company's corporate culture, to keep of severe disappointment, choosing it for work and professional capacity realization.

Every Western company in the Russian market, can be can be assigned to one of the two groups. First is a multinational Corporation with a unified strategy and corporate culture, regardless of the region in which it operates. The second group is companies with foreign share capital, but the strategy in the local market involves the correction of corporate culture. In some cases, this separate project is not tied to the global company's activity.

The corporate culture of the first Western type companies in Russia is the spitting image of its headquarters corporate with the smallest detail of the main priorities, principles and goals, cut as brilliant for many years the corporation's existence. This identity is justified, because for the smooth operation of giant machines called "world brand" the clear functioning of each detail in both the center and the periphery is required. Therefore, an infinite number of procedures designed to coordinate decisions at any level distinguishes these companies.

However, the tracking of perfection of form often leads to «washed out" content and gradually wasted corporate values.

Nevertheless, culture is not only a set of formal rules of internal and external communications. Primarily, it is corporation life principles, transparency of its activities and obey the law.

An important point is the ethics of relationships and style of communication between employees. It is hard to imagine in a Western company disrespectful or rude to subordinates from leadership. It is nice to see friendly smiling faces, rather than sullen and unhappy forever, even a certain amount of pretense is being.

One of the fundamental principles of corporate culture of any Western company is caring about employees. This is due not humane reasons, but rational

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assumptions. It has been estimated that ergonomics, legal and social protection significantly affect the productivity of the employee, and consequently on the business.

The same applies to legal protection. In Western companies, the violation of the labor code or contract terms by managers is impossible. Any agreement of the parties (employer – employee) has the real legal force.

Thus, the management of corporate culture is correlated to the formation of "efficient organization" and the concept of corporate culture realization aimed at improving the efficiency and viability of its components, updates of the organization (company) body as a whole. [URL: http://www.creativeconomy.ru/keywords/marketing-personala/]

Chapter 9.
Marketing Functions of Human Resource Management

In Soviet times, the staff administration office bore responsibility for HR management. Such offices there were almost in every organization. Their mission drastically differed from that fulfilled by the same offices in the countries of free market economy (Table 27). This difference was predetermined by three factors: centralized management of national economy, politicized economics and totalitarian ideology. The Lenin's idea (the founder of the Soviet state) was to nationalize the economics and control it like a factory. Under such circumstances, the economical bodies lose the independence and some of the functions peculiar for market economy. E.g. the factories do not negotiate with trade unions the salaries, working hours per week, holiday, medical care, etc. All these details are determined by the state policy and mandatory. The same is about hiring (the centralized spreading of graduates), advanced training, etc. The political body, the Communist Party of the Soviet Union, fulfilled the important function for any organization and society that is training reserve staff. The main criterion was loyalty to the political order.

As the state economy was surmounting the crisis the proper activity of staff administration turned to be a critical factor. The main drawback was its old-fashioned work style. The staff administration registered the work contracts without managing the working relations.

Merits	Restrictions
Staff administration	
• The fixed ideological approach to society (from each according to his needs)	• Adherence to average worker approach
• New technical schemes for working with staff ordered by normative and juridical documents	• No specific and new approaches for staff working
• Fixed rules to specify the work expenditures in accordance with staff number	• Dedication to quantity approach
	• Dependent attitude of workers

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• Branched system of social problem settlement	
HR management	
• Adaptive technologies and approaches of staff management • Psychological knowledge • Staff administration as an adviser for staff cooperation • Taking into account the peculiarities of a concrete enterprise and a concrete worker	• Lack of HR-manager schools • Time limits • High requirements to the staff head • The possibility of conflict situation between the staff and staff head

Merits	Restrictions
Staff management service as a strategic partner	
• Systematic staff management approach • Quick response to unexpected situation • Personal contacts with enterprise's head • Systematic staff management approach • Quick response to unexpected situation • Personal contacts with enterprise's head	• Sophistication of systematic approach taking into account the different administrative levels • Ample investment without quick income • High moral and psychological burden of "burnout"

Table 27. Evolution of HR management in Russia

HR management service does not fulfill many duties and its work does not correspond to new level of economic relations.

Many enterprises underrate the importance of HR management and encounter ineffective administration system

All these flaws compel organizations, enterprises and state power bodies to reform HR management system. Its role gets more important when there is

surplus of labor force while the slowdown in production causes staff reduction [Старобинский Э. Е. Как управлять персоналом. 4-е изд., перераб. и доп. М.: Бизнес-школа «Интел-Синтез», 1998. 305 с]. High qualification workers should compensate the reduction. It means the increasing of HR management service responsibility for hiring such workers. Thus, the reforming of HR management system brings additional work to staff recruitment service. This type of work is untraditional. Usually the HR management service copes with hiring and firing and not with inclinations of the workers and their professional development.

The HR management functions are shared among different departments: HR management service, salary department, work administration department, etc. (Fig. 61). Hierarchically these departments are subjects to different services. It reduces the efficacy of administration system. The way out is to create the united HR management department with multiple responsibilities.

At the peak of the crisis (1992-1999) the amount of specialized service workers was reduced. Work administration departments, salaries departments, scientific departments were dissolved. Nowadays there is almost no sociological service or a laboratory.

Under free market conditions, the HR management service became more productive and civilized. Its role became more important (Fig. 62 and Table 28).
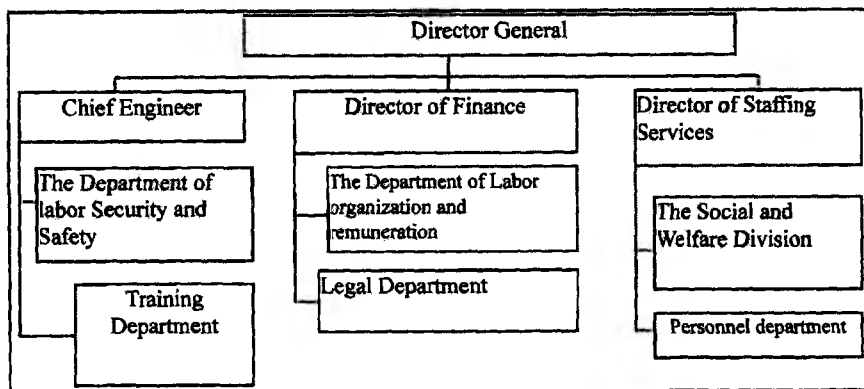

Fig. 61. Structure of enterprise HR management service

Tasks of HR management Heads	Tasks of Personnel Department			
	Planning	Consulting (support)	Sharing	Realization
• Staff planning and hiring	△	△	△	△
• Work harmonization, job interview	△	△	△	△
• System of expenditures and workers' stimulation without a tariff agreement	△	△	–	△
• Probation assessment, hiring rules	△	△	–	△
• Professional stimulation	△	△	△	△
• Evaluation of successors' abilities	△	△	△	△
• Commitments to meet clients' needs	△	△	–	~
• Administrative work	△	△	△	△
• Cooperation with workers' representatives	–	△	△	△

Fig. 62 Tasks of staff service and its participation in settlement of HR management problems

Functions of HR management	Interests
Elaboration of HR management strategy	– Implementation of all functions – HR management control
Hiring	– Providing the peculiar working staff – Elaboration and realization of hiring tests in accordance with enterprise
Adaptation	– Quick integration of a worker
Stimulation	– Elaboration of a stimulation approach – Enhancing of working efficacy
Number of workers	– Control of the balance between workplace and work power
Motivation	– Explanation of the goals to the staff – Motivated staff

Staff development	– Professional knowledge improvement (re-education, fellowship, etc.)
Working facilities	– Elaboration of individual career plans
	– Balance between workplace and workforce
	– Prevention of mass disengagement.

Table 28. Interests of HR management

Such changes happened because of the social-economic changes.

Firstly, one has to work in a new atmosphere with a high level of rivalry even for quality and preparedness of work force.

Secondly, market stubbornly dictates its conditions. They are new and untraditional – reaction to market demands, struggle for a client, moral resistance, etc.

Thirdly, high dynamics of commercial activity compels every worker to care about his\her qualification. The teaching of new staff in free market will differ from the traditional bodies like vocational schools, etc.

Fourthly, the system of motivation became more complicated because of short-term contracts, probation, and balance between salary and income.

Fifthly, all these problems are to be settled notwithstanding the political instability and massive unemployment. [Новаторов В. Е. Культура маркетинга: учеб. пособие. М. : Форум, 2012. 224 с.]

That without peculiar HR management service the administration of an enterprise won`t cope with its tasks (Fig. 63).
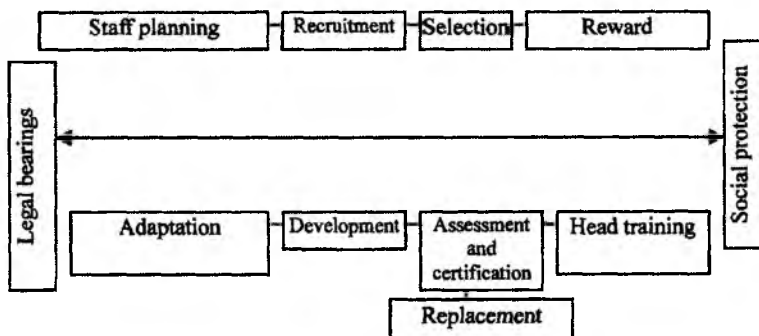

Fig. 63. HR management tasks

The role of administration service (Fig. 64–66):

(1) Advisory,

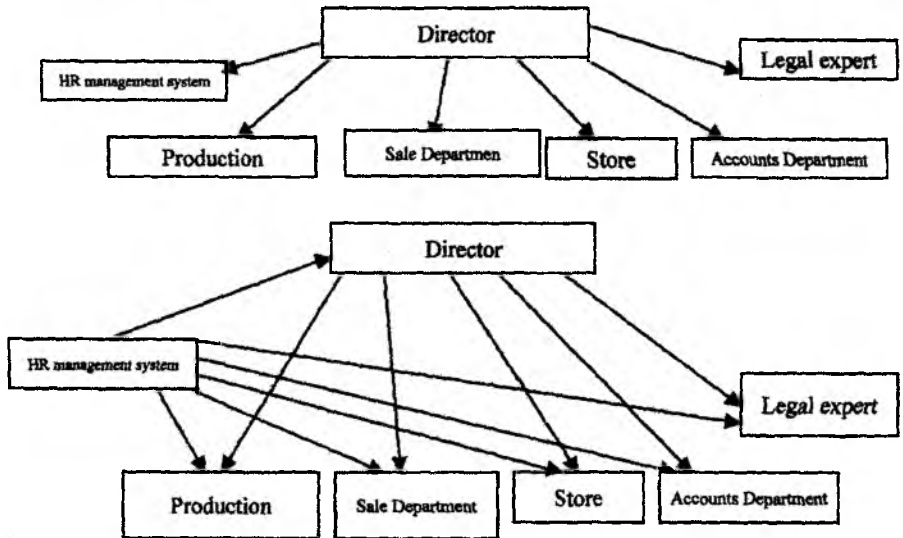(2) Regulation,

(3) Controlling;

(4) Systematic.
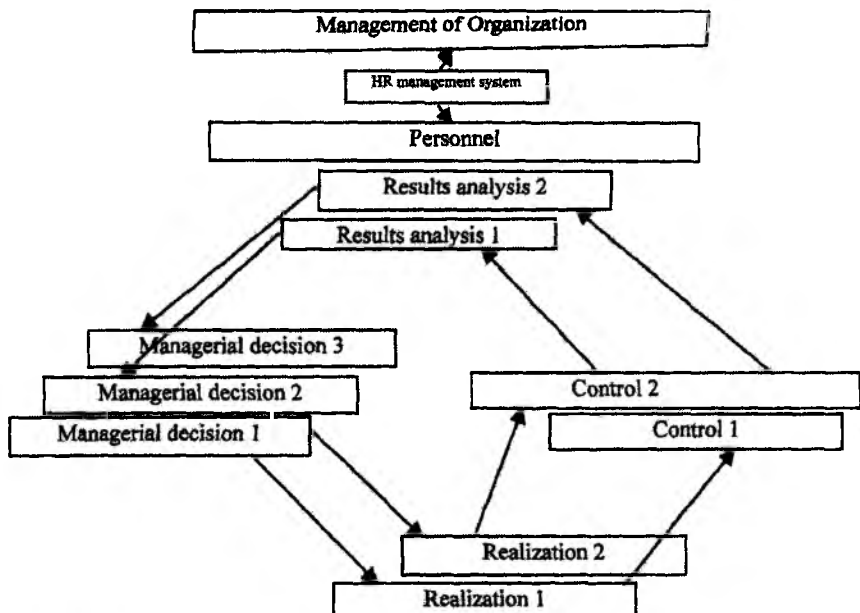

Fig. 64. Advisory role

Fig. 65. Controlling role
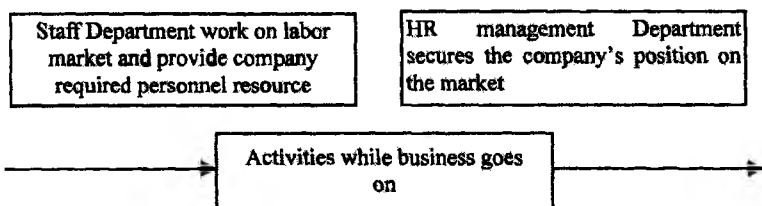
System inlet System outlet

Fig. 66. Systematic approach of administration role

The foundation of such service was provided by decision of the Ministry Council of Russian government "About the organization of work in sphere of staff preparedness in market economy" (#11373 on the 4 of Nov., 1993): HR management service are recommended to turn into departments responsible for forecasting of needs for labor power, creating of a staff reserve and staff teaching. [Собрание актов Президента и Правительства РФ. № 46. М., 1993.]

However, such changes go forth rather difficult. Being influential, the services responsible for work organization and payment resist the changes. It happens

because often HR management employees are not professionals and not able to fulfill new tasks. Enterprise administration also demands from the HR management service to keep to old-fashion style of work. It deems the enterprise to economic problems. It is tantamount to bankruptcy.

Marketing basis for HR management service (innovations and investments)

Effective HR management needs elaborated strategy of human resource politics based on market principals. Staff service should have high status and broad power for systematic rule. The enhancement of their role is determined by the following circumstances:

– the conditions for development of HR management are changed. The main thing is the better work with staff and growing responsibility for every staff member;

– the diminishing of staff should be compensated by intensiveness of work. The HR management service is responsible for qualification politics and labor stimulation;

– HR management service provides policy that is more independent.

HR management services activity is restricted only to hiring, firing, and paperwork. There is no system of HR management and no scientific approach to the abilities and professional inclinations of the workers. HR management structure, payment for its employees don't correspond to HR management tasks.

By reshaping of HR management service, the following points should be taken into consideration:

– Taking into account all aspects of human factor;

– Active methods for searching necessary workers. Agreements with educational bodies may be of great avail. Advanced staff education;

– Planned cooperation with leading personnel like planning of would-be career and contacts with reserved personnel for further promotion, probation, special training;

Shift from administrative and army-like methods to democratic form of evaluation and picking up, publicity. HR management turns into a organizational

and methodical body and it implies psychological testing and sociological methods of work;

- Stabilization of working team, enhancing its social activity based on cultural and moral motives;

- Providing social guarantees for employment market that implies re-education and employment process as well as reimbursement;

- Attraction of high quality specialists, creation of HR management service re-education system;

- Cooperation with appropriate research foundations and consulting companies for settlement of staff problems.

The key factors of staff marketing are entrepreneurship, technologies and financial resources. Entrepreneurship develops when there is dynamic rivalry but no barrier to enter the market [Железцов А. Маркетинг персонала. Оценка трудовой деятельности // Маркетинг. 2002. № 2. С. 53–64.]. Evolution of the new type economics is possible due to differentiation of solvent demand. Social climate is also important. Technologies are developed owing to unprecedented accumulation of appropriate knowledge. It is the source for active entrepreneurship. Timing in informational and telecommunication technologies gives new opportunities to capitalize the new knowledge.

Financing develops due to market liberalization with variety of venture mechanisms like a link between private companies and the market. The variety of risky capital sources let to sponsor new initiatives in a short term.

HR management is an element of administrative work. It is based on the idea about a proper place of a man in a team. Here four conceptions are conspicuous:

- The economical approach determined the role of a man and influence on him. The metaphor about a human being as a mechanism shaped the view of a human being as a detail.

- Organic approach put forth two metaphors. The first one – a team is like a person where every man is an independent subject with his\her own goals, behavior and values. Under such approach cooperation with a team member is to put forth agreed tasks. One should understand the needs of a team member.

- The second metaphor is a complicated mechanism like brain. It has different level of activity and cooperation (communication, control, etc.). Here we can manage the human resources trying to apply its potential to reach goals.

– Humanitarian tradition supposed a team to be a culture and a team member being developed in a certain cultural tradition. It means to manage the human resources taking into account its cultural values and demeanor.

The modern conception of HR management emerged in the 1970s. It was based on achievements of empirical observance, physiology, psychology, sociology and science. Human resource is the precondition for thriving and competitiveness. The success depends on team members' nuanced knowledge. Human resources cannot be substituted by investments or modernization of machinery. All well-developed companies adhere to the motto "productiveness and quality service depend on humans".

According to the modern HR management conceptions staff administration provides a competitive and goal oriented team. [URL: http://www.cfin.ru/encycl/personal_marketing.shtml]

Here the task of HR management is to shape a proper human capital and personnel reserve. A worker personality gets a more active role as well as his\her ability to find and form motives to meet the company's scope. To change the HR management policy means to change the company work as a whole. We can find out a number of consistent points.

– Finding an example from the business environment. Поиск примера в окружающем мире. Such impetus makes a company to change its methods and improve HR management policy.

– Understanding of resources. It means not to find and fix the problem but to find out the way to improve HR management and the company as a whole.

– Finding out the direction, the changes go. There exists only one method of such strategic planning – to cooperate with the company's top managers. An intensive team work helps understand the would-be goals.

– Fixing the strategy of would-be changes. Shaping the HR policy is also a task of top managers but it is initiated by HR management service.

– Planning new types of activity. The question "what has the HR management service to do to realize the company's HR policy and how many employees we need for that?" is to be answered.

– Finding the tools for such work – forms, methods and procedures of working with staff fixed in company's documentation. It is recommended

to have three documents concerning the staff policy: staff policy as a part of whole strategy, standard norms for cooperation with staff, staff service regulations.

- Controlling the changes. The clients of the service will be three categories of company's staff: all employees, managers and company's owners. Every group will put forth its own requirements to HR management service, and every group should be heard. HR management service personal must understand the responsibility it bears for every employee, manager or owner to the company's boon.

In the past HR management, service rather did the paperwork to avoid juridical conflicts with employees. Now the service should ease company's strategy realization. The main goal of such service is to earn income for the company's by doing this type of work. In theory HR management service has the following goals: [Новосельцева Е. Г. Концептуальные основы совершенствования системы управления персоналом государственной гражданской службы // Креативная экономика. 2009. № 5 (29). С. 63–68]

- staffing with well-educated employeesy;
- high working efficiency and practice experience of the staff;
- meeting the goals and needs of a company;
- informing of the staff about the cadre policy and company's strategy.

Management is the way to concentrate the employees' attention to fulfillment of forthcoming tasks determined by company's strategy; effective appliance of intellectual resources and physical possibilities of employees; strengthening the team cooperation spirit and improve the moral atmosphere. The final goal is to make company's perspectives meet the employees' interests.

It means that the employees have wider range of duties starting from personnel policy (picking up the needed personnel) to staff's motivation. Foreign specialists propose the following classification of HR management service duties:

- Working conditions: meeting with the requirement of psychology, physiology and technical esthetics; analysis of expenditures and work results; balance between items of machinery and the number of employees.
- Working team relations: analysis and regulation of group and person relations; controlling of conflict situation; social and psychological diagnostics; ethic control; cooperation with trade unions.

- Staffing and cadres: hiring and firing case registration; professional orientation;

- Planning and staff marketing: elaboration of staff strategy; analysis of cadre potential; advertising; cooperation with external cadre sources; vacancies clearance;

- Developing of the cadre system: technical and economic education; working with cadre reserve; social and psychological adaptation of new employees.

- Analysis and development of stimulation methods: billing of the working process; developing of work payment system; elaboration of moral encouragement tools; controlling the work motivation.

- Juridical system: settlement of problems in compliance with labor law.

- Social infrastructure system: feeding, cultural and physical education, health care, environment care.

- Organizational structure: analysis of the organizational structure, planning of changes, schedule and reshaping.

The set of such functions may differ because every owner pick up those which correspond to his\her needs and proper for company's success. But there exists a certain set of such functions notwithstanding the difference between companies.

- Planning of labor resources – evaluation of present resources, future needs, labor force demand and productivity demand, elaboration of a program to meet would-be goals;

- Hiring – registration of cadre reserve.

- Staff promotion – evaluation of candidates.

- Evaluation of salary and benefits to attract an employee. Salary is a solid argument for many employees. The volume of the salary is determined by the salary volume of the rivals and market conditions as well as company's income. Additional benefits also are of high importance. Like shareholding, paid holidays, etc.

- Adaptation – involvement of employees into the company's strategy and working system to help them understand the goals of their activities. Personal knowledge and working experience should meet the values and traditions of the company. Adaptation may be formal and informal.

- Elaboration of professional education programs. It is necessary for high work productiveness of every employee promoted to a new office and lack of qualification.

- Evaluation of working process and ability to estimate its intensiveness. There are two approaches to an employee as a valued resource: evaluation when hiring an employee, and evaluation of staff work as a whole. The evaluation should be held on objective basis and with proper procedure. Evaluation of staff lets to know the staff preparedness and understand the level of potential knowledge of the staff. It is a constitutive part of attestation procedure.

Promotion, demotion, firing [Внутренний маркетинг персонала: пошаговый алгоритм внедрения и реализации. URL: http://www.gd.ru/articles/3771-vnutrenniy-marketing-personala]

The characteristics of the functions concerning professional training:

- Elaboration of long-term staff development program. It contains education and re-education of employees. The technological, economic and social system of enterprise development should be taken into consideration here.

- Elaboration of a business plan (Section "Staff") based on information from other programs like staff development program, etc.;

– Expenditure estimation for all kinds of resources in compliance with long-term program and the Section "Staff" of the business plan;

– Founding of educational groups and picking up the trainers and instructors among the employees with proper personal qualities, their approval of standard or newly elaborated education programs;

– Organization of program elaboration process for team education;

– Elaboration of educational programs and methods for all groups of employees if necessary;

– Cooperation with other educational bodies (the advantages of state owned educational institutions and the advantages of transition to free market activity should be taken into consideration);

– Training of the employees participating in the educational process to improve their pedagogic skills;

– Organization of education courses for employees in different types of educational bodies in compliance with the law;

- Elaboration of regulations and concrete recommendation for employee educational process;
- Choosing of technical and educational literature and visual aids;
- Providing the staff with educational and technical rooms centers and vocational schools;
- Experience exchange;
- Preparing of labor contracts with employees who take part in training process;
- Preparing of attestation and certifying omission lists;
- Controlling of spending and accumulation of different types of educational resources;
- Preparing of resource spending reports;
- Reports on professional and economical education of staff;
- Elaboration of regulation documents naming instructions, contracts and motivation system details;
- Summing up the results of educational programs for employees;
- Knowledge improvement of educational process employees;

In a huge enterprise, it is worth to divide the labor duties among the qualified employee education service. It is worth to found a bureau of advanced training for employees. The bureau staff consists of cadre engineers, methodologists and inspectors. Their functions should be centralized by a HR management service. It means economists and educational program managers should participate in such type of work.

By small amount of employees, the process of cadre preparedness is provided by methods of intensification and cooperation. In such enterprises, HR managers have to cope with wide range of different duties. Sometimes the enterprise owners resort to other companies, which help solve HR management problems. The owner of an enterprise chooses the style and methods of education taking into consideration the expenditure and would-be results.

Today educational bodies provide actual training like sales manager, realtor, designer, etc. HR manager is a perspective. HR management is a part of company's strategy and influences the efficacy of company's activity. Although there is a balance between demand and proposal not many persons, like to devout their career to HR management.

Nowadays there are two variants of HR manager career development. These variants partially coincide but have substantial differences. It goes about HR managers in and out enterprise HR management departments. HR manager should pay attention, primarily, to company's interests and not the interests of a worker. His\her task is to create the atmosphere contributing to company's efficacy as much as possible. He should be a good organizer, psychologist and economist, understand the specific of free market conditions and be familiar with labor law. On the personal level, he\she must be sociable, communicative, disciplined, goal oriented and assertive. HR manager has to know how: [Папонова Н. Маркетинг в области управления персоналом // Кадры предприятия. 2005. № 4.]

– to evaluate company's human resources;

– to analyze working process and technological;

– to pick up team members, determine economic policy as well as salary policy;

– to cooperate with other services of the company in the sphere of HR management;

– to analyze competitiveness of the employees;

– to work out office instructions in compliance with production process;

– to control motivation policy to reach high quality work through modern approaches;

– to maintain the policy of constant organizational improvement;

– to activate the ambition to improve specialists` knowledge;

– to improve economic competence of employees;

– to improve labor law competence;

The mission of staff service is to find out the most effective ways of HR management. The task is to stimulate the employees to accept company's goals and consolidate the team to reach the goals.

Social technologies dwell with improvement of social objects like working groups, teams, individuals. Here different ways of influence may be applied and informational one is of most important.

Social competence is the knowledge of an individual based on skills and abilities as well as social experience of interpersonal and collective communication.

Social policy – it is the determination of organizational work volume by a top manager. It implies the preparedness of a social document fixing social guarantees and priorities of an enterprise.

Business is a combination of different types of activities when one type of resources is used to get a product valued by a consumer. The goal of this process is to find out the most effective technologies and their appliance. There are a number of responsibility zones:

> Social contacts;
>
> Collective initiatives;
>
> Law responsibility;
>
> Information and analytics;
>
> External contacts.

- Social contacts means to engage a team into центр company management and propagate the history of company's success; informational coverage for employees; dealing with shareholder meetings;

- Collective initiatives means to work with young cadre; labor rivalry; creative initiatives.

- Law responsibility means working out social programs and projects; social service and retirement guarantees; cadre registration.

- Information and analytics means control over information system workers to meet the staff service tasks; paper work; monitoring of social climate; consultancy.

- External contacts means passport and visa guarantees, personal contacts, and protocol coverage.

Business process as a matrix "Improvement of social environment of a company"

The parts of business process find themselves at joints of the responsibility zones and staff duties – Table 29.

Social contacts	Collective initiatives	Law responsibility	Information and analytics	Public relations (External contacts)
Team engagement into company's activity	Working with young cadre	Social programs and projects	Control over information system workers to meet the staff service tasks.	Protocol coverage
Propaganda of a company's success history	Labor rivalry	Social services	Paper work	Personal contacts
Information coverage for company's staff	Creative initiatives	Retirement guarantees	Monitoring of social climate	Passport and visa guarantees
Cooperation with social organizations	–	Cadre registration	Consultancy	–
Shareholder meetings	–	–	–	–

Table 29. Responsibility zones

A HR manager means to:

- be a cadre strategist and a member of management team responsible for elaboration of cadre policy and its organizational coverage;

- be an organizer of cadre office work;

- be a competent inventor of creative approaches to HR management policy, able to attract internal and external resources to solve HR management problems;

- be a cadre innovator and leader to elaborate experimental projects which absorb much attention and accuracy before they will be spread in practice;

- be a specialist of a successive cadre policy;

- be a professional cadre consultant able to apply perspective views and HR management experience as well as skills for solving HR management and cadre reserve problems.

There are many HR manager competence characteristics. Eleven of them are of key importance and united in three groups: [URL: http://new-marketing.ru/articles/14/]

1. Personal decency:

- ethics – esteem for individual rights, responsibility for promises, fairness and honesty;

- diligence – high expectations for own work;

- prudence – ability to make realistic decisions;.

2. Purposefulness and productivity:

- effectiveness - goal orientation;

- assertiveness – ability to surmount restrictions imposed by a current situation;

- loyalty to organization – readiness to follow company's regulations and responsibility for the quality of own job;

- self confidence – ability to solve unusual tasks.

3. Skills for team work:

- being team oriented – understanding of team work values and ability to interact with others;

- sociability – ability to establish business relations with partners;

- communicability – oral and writing skills and stylistic methods to influence partners for reaching a mutual agreement;

- ability to listen to others- skills for accepting oral information.

HR manager may be called a staff director or a head of staff department or cadre service but these notions may have different sense. A HR manager may be just an ordinary administrator handling with work records and dependent from enterprise owners. On the other hand, he can decide who must be hired or fired. Nevertheless, in all cases HR manager is responsible for supportive team climate.

Supportive climate depends on business activity of a company. There is no supportive climate in an unprofitable company. Apathy, indifference, ineffective time schedule, gossips and individualism worsen the climate and foment conflicts. If a company thrives, its employees are highly motivated. They work enthusiastically expecting benefits, holidays, salary enhancement. It consolidates the team and foments self-confidence.

If a HR manager works with the team on regularly basis he\she can influence these processes. Even under unfavorable circumstances, a HR manager must establish communication channels and supportive relations. Being busy with every day business routine the owners have no time to communicate with workers. A HR manager should act like a mediatory and consultant and is obliged to tell true information. However, communicating with employees, he\she must not trespass the business communication limits.

A HR manager has to fire employees and he\she can do it only keeping himself\herself officially. Employees like to see a HR manager as their advocate. Meanwhile a HR manager should protect the interests of owners and employees as well. He\she is a consultant who helps solve the HR management problems. [Кибанов А. Я. Основы управления персоналом. М. : Инфра-М, 2008]

The innovation and investment potential as well as owners` opinion predetermine the role of HR management service (Fig. 67).
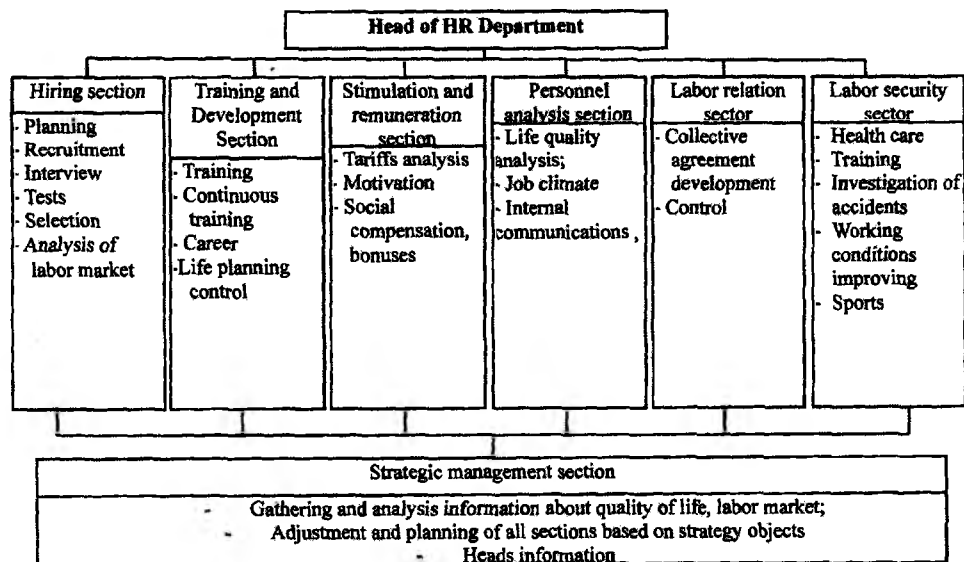
Head of HR Department					
Hiring section	**Training and Development Section**	**Stimulation and remuneration section**	**Personnel analysis section**	**Labor relation sector**	**Labor security sector**
- Planning - Recruitment - Interview - Tests - Selection - Analysis of labor market	- Training - Continuous training - Career -Life planning control	- Tariffs analysis - Motivation - Social compensation, bonuses	- Life quality analysis; - Job climate - Internal communications ,	- Collective agreement development - Control	- Health care - Training - Investigation of accidents - Working conditions improving - Sports

Strategic management section

- Gathering and analysis information about quality of life, labor market;
- Adjustment and planning of all sections based on strategy objects
- Heads information

Fig. 67. A typical organizational structure of a HR management service

The sustainable tendencies of HR management strategy are:

– functional elements as a complex of HR management problems;

– wide spreading of HR management consultant companies and active integration of organizations dealing with HR management problems;

– shifting a part of HR management responsibility to middle level managers and experienced specialists providing their lasting training;

– develop international contacts with mediatory organization, state bodies, and information services for a HR management united service.

In our country are taken pains to establish an effective HR management system.

Every company needs a special service to elaborate methods and system to deal with staff and avoid possible conflict. This thins depends upon many factors like financial ability and the size of a company, views of its owners, etc.

Small enterprises have the most unsophisticated HR management service. This service may consists of one person working as a personal officer and combine other duties. Usually all staff paperwork is made by a secretary. Делопроизводство по вопросам персонала обычно выполняет секретарь. A director fulfills administrative functions. Middle size companies can`t do without a HR management service consisting at least of one manager. (Pic. 68). [Галузинская Н. А. Маркетинг персонала: стратегия кадровой политики]
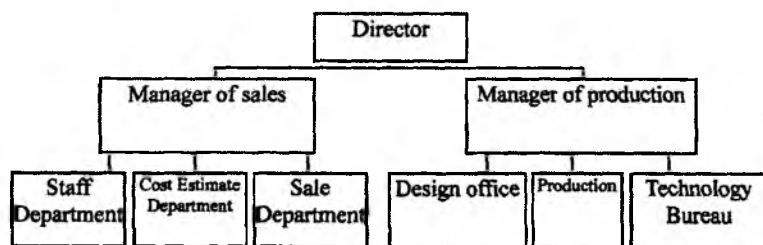

Fig. 68. HR management service of small size and middle size enterprises

Large enterprises have branched HR management system (Fig.69) taking into account different trends in this realm. It starts with a decree about the creation of such a service, nominating its head and regulations. The regulations should contain: 1) general recommendations; 2) the main tasks and goals; 3) rights and duties; 4) oresponsibility; 5relations and contacts; 6) organizational part.
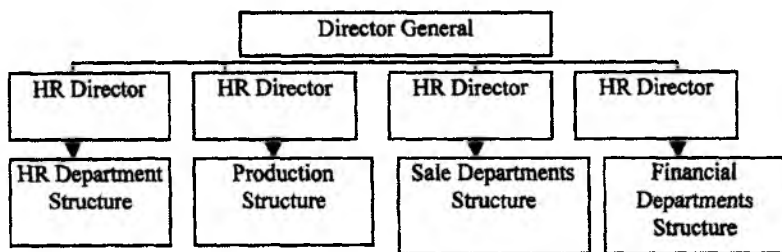
Fig. 69. HR management service in the large enterprise structure

The chapter 1 runs about law status of the service, its subordination, certifying regulations, the recommendation about promoting and firing, of a service manager as well as about the service's activity under the service manager absence. Then regulation papers are enumerated.

The chapter 2 runs about service's tasks and general ways of enterprise's activity.

The chapter 3 enumerates the certain ways of the HR management service activities.

The chapter 4 runs about the HR management service rights necessary for its work and duties towards other services of the company and external organizations.

The chapter 5 runs about responsibility of the service directors for low quality or delayed work.

The chapter 6 runs about subordination and the service relation with other departments and external organizations concerning their cooperation and paper approval.

Appendices are also possible concerning the functional structure of an enterprise and system of its activity as well as check of the activity, reorganization of the enterprise and its liquidation.

The head of a company or a newly promoted service head manager elaborates the regulations about a certain service because he\she is the person who shares his\her power. The title of the service should reflect the division of duties: HR management administration, Human resource department, Staff service, etc.

The hierarchical position of a HR management service should be high as it plays a key role for company's development. The service head is directly

subjected to the enterprise president, general director or a member of directory board. The attitude of an enterprise director towards the service head and its work is of importance. It determines which power he\she is ready to depute to it.

The structure of a HR management service depends on many circumstances and among them the company's size and its financial abilities. Theoretically, there are 40 directions for staff working. In practice all, these directions are grouped by similar traits combining into structural departments: services, sectors, bureaus, offices etc. Their titles reveal the type of activity staff office, HR management service, educational sector, salary department, juridical bureau, psychologist, etc.

The enterprises with identical staff service functions are of rarity. The most general functions are staff and workplace planning, recruitment and cadre selection, hiring and firing, adaptation, education of staff, social problem solution and improvement of labor conditions.

Under certain circumstances some of the functions may be conspicuous while the other less important. Such circumstances may be having of distant branches or prevalence of one category of workers.

The structure analysis lets determine several approaches to such functional division: in compliance with its tasks, objects, workers` categories or a mixed one. By task division (Fig.70), we see the unifying by types of fulfilled personal task: vacancy planning, salary level, signing and liquidation of agreements, education and professional skills improvement. The advantage here is the specialization of every structural unit of HR management service. It helps effectively solve the pending problems. The drawback is that the HR management service employees have to communicate with specialists from different branches of work and it may cause difficulties in their relationships.
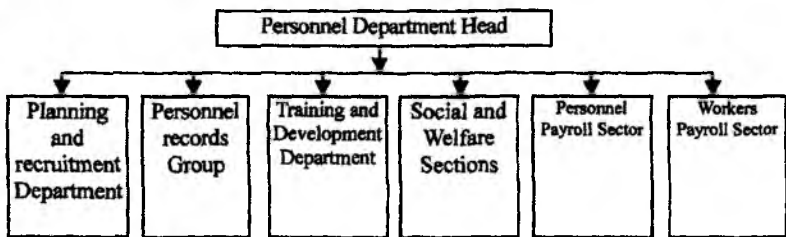

Fig. 70. The functional structure of HR management service by task

By functional division of HR management service, the functions to be done are spread among structure links. Part of them is deputed to adjacent structures

(paperwork, signing or termination of labor contracts), the other part of functions is fulfilled by the head office. The advantage - a quick solution for many problems, the drawback is difficult and complicated coordination of HR management policy.

It may cause the function duplication by categories like workers and employees (Fig. 71, 72). The advantage is a specialized approach to every category of staff. The drawback is that division of a team may bring conflicts.
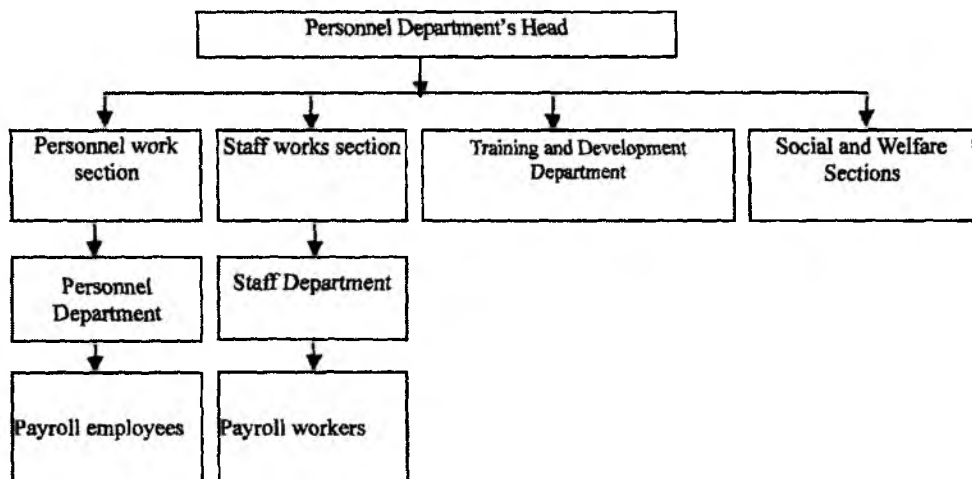

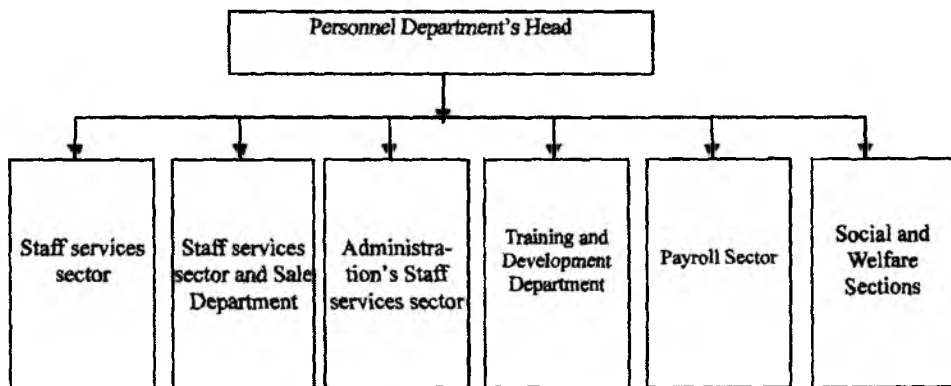*Fig. 71. The functional structure of HR management service by objects*

Fig. 72. The functional structure of HR management service by workers` categories

By mixed approach, the drawbacks of other methods should be taken into consideration. Such a method is proper for large enterprises (Fig.73).
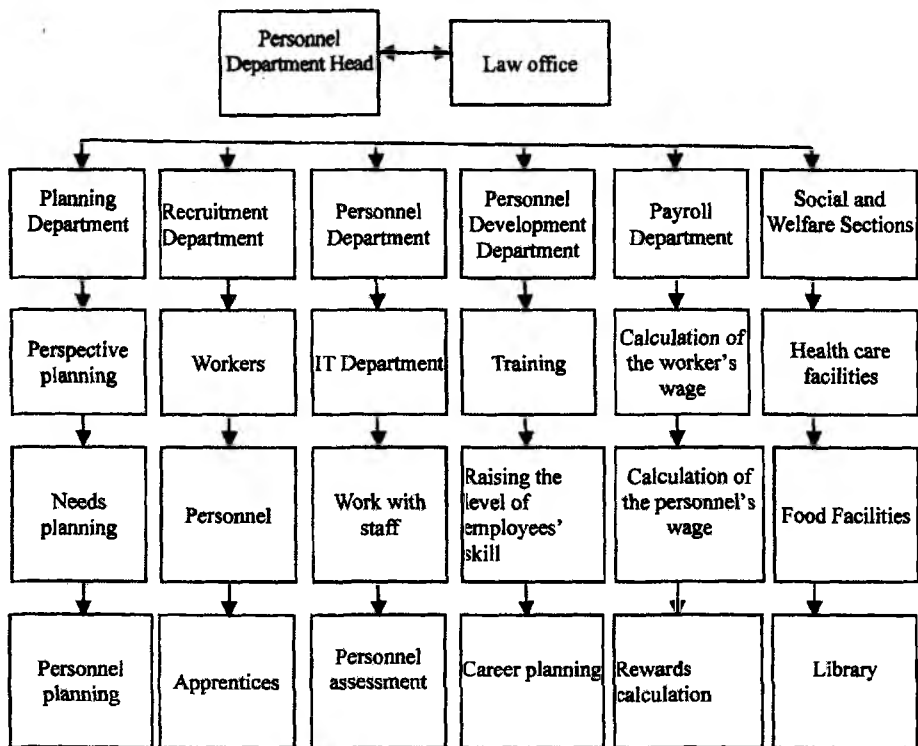

Fig. 73. The functional structure of HR management

Motivated and highly professional staff should be esteemed. The motto "Fire a team and hire a team" is inappropriate. To invest into a staff today (by training and education) bring profit tomorrow. The proper work of staff service makes its contribution playing consolidating and coordinating role. Modern specialists for HR management are being educated now and enrich their experience.

A specialized educational center should consider the integrated work of staff service and workers. The centralized structure center cooperates with decentralized department, which consists of referents attached to different offices. [Дэй Д. Маркетинг персонала / пер. с англ. В. Егорова. М. : Эксмо, 2003. 632 с.]

A work place of a referent is a staff service but he\she spends 90% of its schedule time working in a controlled department. A referent is a universal specialist for all variety of HR management problems from hiring to firing. He\she deals with workers, directors, employees, conducts talks, seminars, inquiries, consultations. He\she is supposed to have a basic education of a

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sociologist or a psychologist. It helps them solve a problem gaining mutual credence.

Staff referents help the enterprise management with their advice and practical deeds. The rest of time they devout to information exchange with their coworkers (referents) or other employees (personally or through social network).

Staff department's function is registration of cadres; forming the job conditions (high quality job conditions are a part of modern life); ethics of work relationships. Cadre service should know what is done in other enterprises to prevent the workers exodus to companies with higher salaries or better job conditions; hold juridical and psychological consultations, etc. To be more effective the marketing HR management model should base on governance system, motivation, salary, social programs, corporate culture tradition, etc. Companies should have a marketing staff development strategy, staff reserve, evaluation system with attestation grades, bonus and penalty system in compliance with salary system. Of the key role here are HR strategy; marketing organization of staff service work; cadre technologies; cadre innovations; experienced implementers; cadre consultant with a broad view of enterprise's advantages and perspectives.

Staff service is the set of specialized structures with employees conducting a certain cadre policy. It is task I not only to realize a certain cadre development strategy but do it in accordance with labor law realizing social programs at federal and not federal level. Thus, a staff service is the main structure in HR management department responsible for hiring and firing of workers, their education and retraining. [Липсиц И. В., Вигдорчик Е. А. Маркетинговые стратегии для российских компаний : учеб. пособие / Гос. ун-т высш. шк. экономики. М. : Изд. дом ГУ ВШЭ, 2006. 182 с.]

Among main tasks for HR management are social and psychological diagnostics; analysis and regulations of personal relations; relations between an employee and a director; cadre policy informational campaign; filling the vacancies; cadre marketing; career planning; work motivation; labor law topics; esthetics and ergonomics of jobs.

Among additional tasks, there are job security; salary system; different types of services like social infrastructure or informational policy. Other services or departments may also fulfill these tasks.

Fig. 74 shows the scheme of a specialized center functional structure. The main task of staff service is to do paperwork, elaborate methods and procedures for qualified training and consult middle level managers. Reshaping the HR management work, the following points should be considered:

– Middle level managers bear responsibility for company's success. They find the way how to use company's staff, resources and machinery;

– They share the responsibility with staff service managers. Under such circumstances the staff service may have power as an external consultant towards other departments, do recruitment or HR manager training.

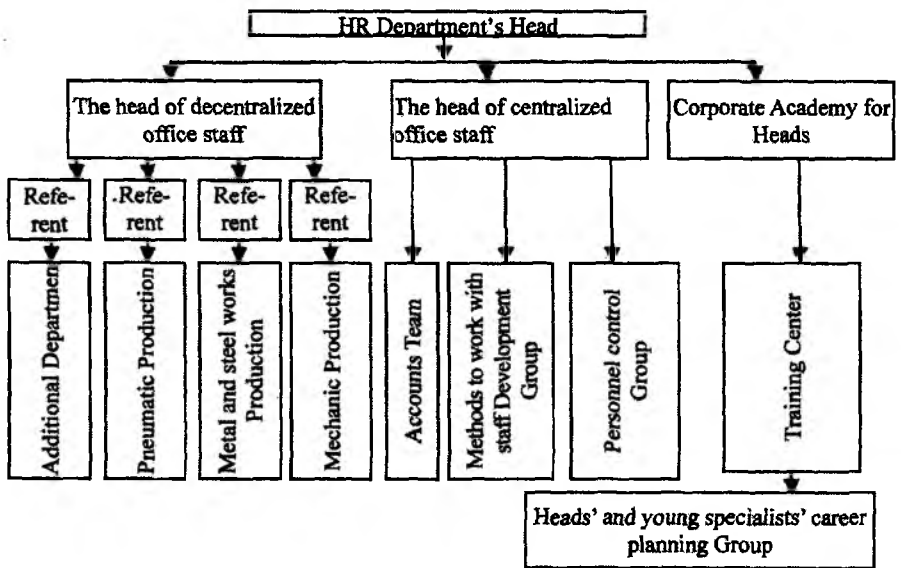The analysis of staff expenditure let make up the following matrix conception (Table 30).

Fig. 74. The scheme of a specialized staff service functional structure

| Functions of HR management service | Priorities | Responsibility sharing, % | Evaluation grade | | The cause of dissatisfaction |
			Staff service	Persons in charge	
Staff recruitment	A	60	40		• • o o o
Staff adaptation	A	70	30		• • • o o
Professional training	B	60	40		• • o o o
Administration	A	80	20		• • • o o
Staff planning	A	40	60		• • o o o
Salary system elaboration	B	70	30		• • o o o
Consultancy	C	50	50		• • o o o
Informational support	A	90	10		• • • • •
Staff certification	B	80	20		• • • • o
Job and environment security	A	40	60		• • • o o
Staff control	C	80	20		• • • • o

• satisfied   O dissatisfied

Table 30. Clients` satisfaction by HR management job HR management service

By elaboration of the matrix conception, the possibility of feedback with clients was taken into account (inquiries of departments about their satisfaction by staff working). The column "Staff service" is filled in by staff service itself. The column "Priorities" consists of A, B, C (A – less important, B- important, C – very important). The column "Responsibility sharing" is the opinion of a department about its participation in a certain service. The column "Evaluation grade" is about the staff work evaluation by 5-grade scale. If the estimation "dissatisfied" prevails, it is necessary to pinpoint the reason of dissatisfaction in the column "The cause of dissatisfaction". The results of inquiries are scrutinized by enterprise` owners as well as departments` heads.

The results of staff service by grade highlight the problem zones (Table 31). [Леманн Дональд Р., Винер Рассел С. Управление продуктом = Product Management : пер с англ. 4-е изд. М. : Юнити-Дана, 2008. 719 с. (Зарубежный учебник).]

Staff evaluation	Evaluation grade										Notes
	−5	−4	−3	−2	−1	+1	+2	+3	+4	+5	
Recruitment											
Staff adaptation											
Professional training											
Administration											
Staff planning											
Salary system elaboration											
Consultancy											
Informational support											
Staff certification											
Job and environment security											
Staff control											

Table 31. Problem zone

The results of staff service cooperation with other departments may be discussed at two levels: "round table" talks with clients finding out the cause of dissatisfaction and ways out; discussion with the heads of a manager-training center. Constant feedback makes employees and head of the staff service center improve their professionalism. A qualified HR manager is able to do a personal presentation and readiness to inform about his\her work results. The head specialist of a staff service center is an office director. The prestige of the service depends on his\her experience, education and personal traits. He\she must:

– have high moral standards to work with people, higher education (management, marketing or oriented to company's activity), work experience and psychological training;

– know company's goal and strategy, company's work philosophy, labor law, economics and labor planning, HR management methods, essentials of labor sociology, methods of paperwork, labor security;

– have practical skills for organizational work, methods of controlling for social and psychological processes, methods of business qualities and personal qualities of employees, eloquence skills and motivation methods.

Staff service center as well as its head plays an important role to procure regular upgrading of company's governance system. To do this they must have professional knowledge for recruitment, training and estimation; abilities to refresh their skills and knowledge; ability to think strategically; elaborate cadre policy; understanding of company's business interests. Every employee should be a related specialist. It helps not to swell the staff numbers. The offices and number of employees depends on enterprise's size, its financial possibilities, business type, specifications and development views. It is hard to determine the best staff number. Everything depends on enterprise's strategy and functions done by its employees.

There may be the following general work directions: analytics, planning and forecasting of staff demand; staff registration; staff development; analysis and development of motivation methods; paperwork; labor conditions; juridical service; social sphere development. Besides, the staff service center may fulfill extra duties like bear responsibility for employee labor security, internal and external communications (advertising, newspapers, radio, interviews and press conferences), international communications (post, visa paperwork and tickets), etc.

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General rules of HR matrix structure:

- The structure is formed as a powerful matrix with HR functional block feedback. To reach this special control managers are appointed for each department. The control managers may be a part of HR block or a part of industrial departments (for holdings).

- All employees' activities are restricted by its resources and results. Their work has certain time limits, price and other criteria.

- The budget is consolidated. A control manager is responsible for his\her budget's part determined by work volume. He\she may resort to cadre reserves as well as outsource cadres to meet the requirements. It implies a work timetable with work volume for all parts of work: recruitment, adaptation, cadre paperwork, staff certifying, regulations, rotation, motivation, etc. The company's needs should be determined and be part of the realms named above. We propose the following schedule form (Table 32).

Staff service work	Needs in human resources	Time planning	
		Real costs	Optimal costs
Recruitment			
Adaptation			
Staff registration			
Regulations and procedures elaboration			
Evaluation\Certifying			
Training			
Rotation			
Motivation			
Staff reduction			

Table 32. A schedule form for company's needs in time and staff numbers

Time costs can be evaluated in accordance with a norm per one employee. E.g., training time costs are determined by hour per capita. The column "Optimal costs" shows the deadline and forecast needed resources. A control manager can

resort to outsourcing too. Under such circumstances three extra columns may be added to show what job volume will be done by the control manager, by company's resources and outsourcing? Work volume can be calculated with share or hours.

By calculating the company's resources a control manager should get information from company's department directors or divide the whole working process taking into account project tenders and information from coordinating managers from other company's offices. Both approaches have their advantages and disadvantages. The success of a coordinating manager may depend on his\her personal relations with partners. From other hand, there can be discrepancies about priorities to be satisfied for each department.

Planning project costs are calculated (Table 33).

Staff service works	Needs	Time planning		Doers			Costs (hours per capita)
Staff selection		Real costs´	Optimal costs				
Adaptation							
Etc.							

Table 33. Planning project costs calculating

By planning a project budget, the whole plan should be revised taking into consideration real possibilities and available resources. The budget is to be affirmed by the departments concerning the deadline and HR management service concerning the available money resources. When verifying the plans the information about staff service resources available for the work should be taken into account. Coordinating managers may act as attracted resource for other projects fulfilled by their colleagues. Then the project is to be fulfilled during the certain time. [Роль социологических исследований в выработке стратегических направлений управленческой деятельности / В. Н. Титаев [и др.]. Саратов : Изд-во Сарат. ун-та, 1997. 324 с.]

A project report should be done for a HR management service director and for the organization's head. The report should contain the percentage of the fulfilled work concerning the deadline and the causes of failure if any. The variety of

product line and dispersion of enterprises as well as dynamics of business process make such a structure a mandatory part of staff marketing.

Such a model was tested in one of banks. Two principals divided the coordinating managers: regional and production. The reports from the managers were done both for regional branches as well as for persons responsible for production lines. The bank directors came to a conclusion that the model is strategically effective, improves the service competence and meets to the business requirements.

Chapter 10.
Human Resource and Recruitment agency in Human Resource Marketing

Market development processes preconditioned the emergence of Recruitment agencies and recruitment industry is an indicator of economic prosperity. Staff agency's activity is regulated by human resource market, rivalry between different segments of the market, labor law and factors which do not let the client company refuse from its obligations. The above-mentioned conditions predetermine the recruitment industry development. Its sense is to be a mediator between employer and an employee. It is a middle link between business and service.

From one hand, human resources here are sell-and-buy item and the payment is fulfilled not by the work done but by the fact of hiring a specialist. The absence of big investments for transporting and storing of "an item" is of great advantage here. Just an agreement between a seller and a buyer is not enough here. "The item" is so independent that sometimes it is difficult what and who is sold: whether a competitor is sold to a company or vice versa. More often, this process is coordinated by a mediator and has many juridical nuances.

There are three types of recruitment agencies: elite agencies (Executive Search); recruitment agencies; employment agencies.

Less than 10% of all agencies are the elite ones. They look for specialized cadres and top managers. Clients are ready to pay for them up to 20-30% of year salary of such specialists. This services requires a sophisticated professionalism because top specialists do not look for a job. They neither answer advertising proposition nor publish their own advertising. But the hardest work is to persuade a top specialist to drop his\her current office and start to work for another company.

The classical trait of a recruitment agency is that the work is begun by an employer's request where the employer pinpoints the qualification requirements of a specialist and preferable personal qualities. Competitors are charged with no fee but an employer pays for recruitment agency's work

Recruitment is the most popular mediatory business. The price is 7-20% of a year income of a searched specialist. The payment is provided during 3-30 days

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since the specialist starts his\her new job. Sometimes advance payment is mandatory. The guarantee is the obligation of a recruitment agency to substitute the specialist if he\she fails probation and 40-60% charge back.

The Russian recruitment agencies charge even a competitor for their service (it may be done at once, with the first salary or the first day of work). Employers are not charged.

It is not right to divide the agencies into two types (recruitment agencies and employment agencies). Both of them belong to recruitment market and search employees in compliance with clients' requirements. The difference is that the recruitment agencies do a job of high quality and their job is in great demand. Employment agencies are novices who cannot compete with influential rivals. They try to attract a client by their free services. Do not mistake these agencies with those who provide a job seeker with a vacancy list (database) taken from open sources. They do informational service to job seekers. Such work has nothing in common with recruitment or employment.

Do not divide the agencies according to their service payment. "Free – not free" and "recruitment – employment" are two different orientations. Employment is a difficult and long-term process when a job is sought in compliance with candidate's skills and salary rate. A client is either a man who seeks a job or a specialist who make a career by advancing himself to an office with better salary. Such work needs sophisticated possibilities. It is not enough to find a vacant job. It is necessary to persuade a company to hire the client. Such professionalism should be paid well (12%-15% of specialist's year income). Unfortunately, the majority of the Russian seekers are not ready for it. [Маркетинг персонала в менеджменте современного предприятия. URL: http://bukvi.ru/ uipravlenie/nanadgment/marketing-personala-v-menedzhmente-sovremennogo-predpriyatiya.html]

The advanced recruitment agencies deal with employment too. They represent their distinguished clients on special websites. However, the transaction may be successful only if a client himself\herself takes an active position including monitoring of media, etc. Big agencies can combine both types of work: staff selection and employment of those who are in demand. 50%-60% of the companies are their customers. Their service is in great demand and elite companies are ready to pay.

Some agencies do a free recruitment service if it is not necessary for an employee to have special skills. Their service is also in demand among agencies

with restricted budget and unemployed people. Informational service is also in demand. Market rules the process by itself without dividing the market players into "good" or "bad" ones.

Their motto is "Staff is a decisive factor". Recruitment process works according to the following scheme:

1. A company analyses the market climate, selects its target zone and divides into different segments. The customers and candidates are the part of these segments.

2. The volume of market is determines as well as perspective of a segment.

3. The competitiveness sphere is pinpointed.

4. A company makes up its own database according to the results of marketing research. The database contains seekers` list and their CVs.

5. The activity of enterprises is analyzed and forecasts are done about their necessity of cadres.

6. A customer put forth his\her own criteria by himself\herself or through a consultant recruiter.

7. A list of potential candidates is made up using psychological tests, interviews and check of recommendation letters.

8. Three – five candidates are proposed to a customer.

The growing demand for recruitment is a token of skilled workers deficit. The experts forecast further growing. It will be more difficult for a company then to attract a good professional. More ample approach to recruitment is called "advisory". A recruitment specialist acts like an advisor. Talking to an advisor a customer understands whether his\her requirements will be met. Thus a recruitment company does advisory service, makes staff estimation, analysis of salary, providing of seminars and trainings, and belongs to staff marketing process. The service is available not only for customers but also for job seekers (CV and interview recommendations) [Головчанская Е. Э. Фундаментальные основы формирования маркетинга персонала на рынке труда. URL: http://jurnal.org/articles/2008/ekon97.htmla]

Emergence of specialized agencies invoked the need of specialist for such a work. The new specialization was called a recruiter or a staff selection consultant. A recruiter duties: to receive orders from customers, search of a specialist, etc. That is a recruiter fulfills the whole process of a specialist search. It demands

communicative skills, intuition and the ability to sift and properly use the necessary information.

If a specialist corresponds to the requirements, he\she is a candidate for a job. The cadre needs of an enterprise should be understood. An average expenditure of a specialist search is about $30-40 000 per a person. To hire a manager means for a company 30-40% of his\her year income. It includes advertising costs, employees' salary who were involved into search of the manager, recruitment agency's fee, etc.

There are external and internal methods of searching a specialist. The internal one is the human resources of the company itself. If there is no candidate then the company seeks external resources using advertising, information from media and recruitment agencies. Sometimes a person hired by friend recommendation results in deterioration of the work or a failure. It may cause also the deterioration of interpersonal relations. It means the recommendations were not true and a candidate's skills exaggerated.

Mass media are also widely used in search of employees. However, 90% of those who answered the paper advertising do not meet the necessary professional requirements. Only one person per 100 has real skills needed for an advertised job. [Магура М., Курбатов М. Секреты мотивации или мотивация без секретов // Управление персоналом. 1997. № 13-14. Гл. 3. С. 69–73.]

More and more often companies cooperate with recruitment agencies, which work with both clients and customers together. It is a sophisticated process where high professionalism communicativeness and eloquence are in great demand, as well as readiness to bear responsibility for the agency's work.

The key aspect of recruitment is to determine professional criteria for a candidate. If the criteria are too high, the search of a would-be specialist can fail. Too alleviated demands may also make the search difficult when a recruiter lays on his\her intuition and psychological traits of a candidate.

Generally, the success of cooperation between a customer and a recruitment agency depends upon clear understanding of professional obligations for a vacant office (office structure, goals and tasks, financial opportunities, work experience, education, age, extra skills). It facilitates the search.

Often among the employer's demands for a would-be employee are education, sex and age, professional skills like work record, foreign language knowledge, work experience (in a rival company as well), medical recommendations (attitude

towards smoking, physical conditions), social and psychological information (place of living, marital status, nationality, compatibility as a member of a team, etc.).

All the requirements are reasonable but an experienced recruiter can feel dubious about some of them. Thus, many employers do not hire specialist above age of 45. They say they need an active and flexible worker. Psychology says the peak of creativity is age of 30-45. However, it does not mean that a person over 46 cannot be able to realize creative ideas necessary for his\her office.

The same is about men and women. It is well-known that women exceed men with attention, perception velocity, speech fluency, calculations, etc. Men are better with space and time orientation, math-like-judgments, assertiveness, motivation, etc. Many companies prefer to have a woman as an accountant. Women assemble watch mechanisms (Switzerland) and micro schemes (Korea). Men are more successful as trade managers, brokers, financial consultants, and so on. It is supposed that main women's problems are with family and these of men's with work. Men esteem professionalism more but women esteem good interpersonal relations.

There are many men among companies executives. If a HR manager places, an order he\she pinpointed that a vacancy is for a man up to 40-45 years old. Although it is obvious that such requirements are less important than education or special skills sometimes, a customer effuses to hire a specialist if the specialist is a woman. It contradicts the labor law of majority of countries where sex discrimination, nationality discrimination and age discrimination is out of law.

For a better result, the detailed description of the professional activity should be made up as well as criteria for a would-be employee (so called professiogram). A team of specialists can do it. Desirably they should work at the same company). Often a recruiter himself\herself advises a customer about the exact duties of a certain specialist and the necessary criteria for a certain office. In such a case he\she acts as a staff consultant familiar with company's structure, the details of the job, labor market, etc.

Recruitment agencies provide such a service as extra service to enhance the effectiveness of their main type of work i.e. search and selection of candidates by a customer's requirements.

Ethics principals help regulate relations with clients, rivals and customers. Such norms are enumerated in agency's ethic code. The ethic principals should

be observed to create the atmosphere of confidence. Confidence gives the feeling of security for both a candidate and a customer. Ethic code concerns not only information security but also this guarantees the proper treatment with discreet information an agency may get from its clients. The necessity to observe certain moral rules occur almost on every pace when searching or selecting candidates. The more detailed the ethic code of an agency is the higher is the agency's professionalism.

Below are some examples of ethic principals (excerpt from Business Link Personnel):

- We treat any information about our clients as confidential and do not abuse it;
- We will not keep as a secret the information about interview results and cause of refusals and we reveal it to our candidates by their own desire.

Staff selection includes the following: estimation by CV; interview; testing; check of recommendation letters and work record papers; hiring, etc. The above-mentioned paces can be interchanged or united and it depends... E.g., work conditions at some enterprises can be harmful for people with certain diseases or predisposition to them. E.g., Sellers at "Coca Cola" or "Danon" should be physically strong and hardy because they load and unload cargos. At tobacco companies, it is ok to smoke in offices and employees often work at smoking places. Under such circumstances, the medical examination can be a mandatory requirement.

A preliminary interview with a candidate is run by a HR manager and then by a department head. . Sometimes a candidate has to go through several stages of interviews with chiefs of different levels up to a company's director who makes the final decision. In small companies (up to 30 persons), a candidate goes through an interview with a chief. The chief makes the final decision without psychological or any other type of testing. As a recruitment agency joins the process, the levels of interviews double. For the first time a candidate goes through interviews with a recruitment agency and for the second one with a hiring company.

The main task of a recruiter is not only to find a candidate but also to forecast how successful he\she will be with a new job. How? It is a key question, which may cause a lot of problems. It may be forecast by candidate's education, work experience, etc. However, a new job means new work conditions as professional as psychological. Each organization has its own pattern of an ideal employee and a candidate has to correspond with this pattern. The test results and work

effectiveness criteria should coincide. It means the right choice of a candidate. [Егоршин А. П. Мотивация трудовой деятельности : учеб. пособие. 2-е изд., перераб. и доп. М. : Инфра-М, 2006. С. 91.]

Psychological, juridical and other tests are used to sift candidates. If a manager must be a leader, the appropriate test is for candidate to a manager office and not for secretaries. It is worth to highlight the appropriateness of different tests and their appliance phase by phase if an employee moves to a new promotion.

Many big enterprises have their own tests. Sometimes candidates go through such tests after interviews. It helps make the final decision. Sometimes the staff selection starts with such tests notwithstanding the professional skills of candidates.

The role of a psychologist by testing also is to be discussed. Computer psychological tests are getting more popular but it not always corresponds with an enterprise inner culture. A skilled worker is rejected because he\she gets different tests results than the majority of other candidates. A person responsible for testing not always can logically explain the appropriateness of such practice. Such approach is not only professional but also contradicts labor law.

An interview plays the main role by hiring an employee. For small companies an interview may be the only method of testing a candidate. Interview results base on chief's intuition or intuition of a recruiter or a HR manager. The latter need certain psychological skills to interpret test and interview results.

The well-known mistakes by a selection interview:

- "Projection" – to ascribe to a candidate your own thoughts and emotions;
- "Echo" – the persuasion that a candidate successful in one sphere may be also successful in another one;
- "Attribution" – subconscious ascribing to a candidate the traits of other employees;
- "By contrast" – an attempt to see the candidate's characteristics by comparison with others;
- "At first glance" – thinking that the first impression is the right one.

The sources dealing with HR management problems provide different ways to evade such mistakes. Among them to fix an interview date and time, the main interview topics taking into account a candidate's CV.

A preliminary interview deals with verbal and nonverbal communication. It is necessary to change the topic easily, avoid thorny situations and subjective estimation and be ready to nervous breakdown of your vis-à-vis. Psychological education is a controversial question. However, it is obvious that special psychological programs for staff specialists are of great avail. [Егоршин А. П., Зайцев А. К. Организация труда персонала : учебник. М. : Инфра-М, 2008. С. 10.]

Recruitment agencies offer extra services to enhance the efficacy of the main company function, i.e. searching and selection of employees according to customers` requirements. It includes monitoring and detailed analysis of salaries and cadre consultancy. The revival of labor market makes the company's chiefs to review salary policy and criteria for new specialists. To do this the chiefs have to answer the following questions:

- What is the salary in their company in comparison with market price?
- What salary should be fixed for a specialist in their company?
- Does salary depends on certain extra skills of a specialist?

Recruitment managers help find answers. They help the chiefs to understand the market situation and search employees.

Accountants and lawyers fulfill salary monitoring. The analysis is based on vacancy lists in newspapers, information from employers and mini-CV of would-be employees. A detailed analysis is done for a company by order to heed attention to its peculiarities.

Staff consultancy is done in the following way:

- Creation of organizational structure of a company in accordance with its goals;
- Elaboration of office instructions;
- Elaboration of professional and personal requirements for every office to optimize the search of a specialist;
- Estimation of an employee's professional skills;
- Creation of a certifying system based of company's policy and strategic goals;

Companies` executives prefer to resort to recruitment agencies. The competitive are those who offer optimized service system with high quality, quickly executed orders. Regularly refreshed database and retraining of their

consultants. Informational technologies enhance accelerate candidates selection process and order placing as well as recruitment business.

Choosing a consultant or a recruitment agency it is worth to [Факторы формирования технологий маркетинга персонала. URL: http://center-yf.ru/data/Marketologu/Marketing-personala-organizacii.php]

– determine the importance of a vacancy as well as the price for a new employee's possible mistake, which determines the order price, and order terms. The more responsible the vacancy is the higher is the price of a mistake of a recruit manager. It enhances the price of his\her work;

– pay attention how long a recruitment company works. The longer it is present in the market the higher is its professionalism;

– pay attention a consultant work experience not only in the consultancy sphere, his\her reputation, but also in other aspects as well as to adherence to professional ethics and professionalism. An experienced consultant understands the expectancy of salary and benefits for every candidate and estimate how real the hope of a customer is;

– be careful about ratings and analysis made by independent agencies. These ratings may be taken into account but it is worth reminding that they often are biased. Better to communicate with former clients of the agency to find out their opinion about its work;

– not to come to a conclusion based on the country where a certain recruitment agency is located. It is more effective are the companies with branches abroad. Special technologies facilitate the work of international consultants;

– meet with a consultant to make a right conclusion;

Sometimes a HR manager has to cooperate with several agencies. The search base is widened and the rough work is done by a customer himself\herself because a mediator does not deal with that although mediator's service is well paid. A customer gets ready to work with several agencies simultaneously and shifts a part of work to the internal recruiter (a HR manager) who narrows the search of a candidate to those who were already selected. Often a chief also is involved in the process searching for a necessary candidate through his\her personal contacts.

It is possible that no candidate meets the requirements. A candidate can also fail probation. Often neither a recruiter nor an executive chief cannot understand the cause of a failure and pinpoint its criteria. Hence, by searching a new

candidate it is hard to know what differences a next candidate should have. It occurs that formally, candidates meet the requirements but their personal characteristics, education or motivation do not correspond with them.

The intuition about compatibility of a candidate is brought with experience. A recruiter with three or four year experience can rely on his\her own experience and make a right judgment.

A recruitment agency chief faces many difficulties if the search of a candidate is based on a formal list of requirements. The HR managers' subjectivity is a problem here because it is unpredictable.

It means it is not worth working only with the same agency. From the other hand, this way stipulates the survival of an agency in the market because the agency is orientated towards its target audience. Customers and recruiters consider such a way as the best. There exists no narrow specialization by recruitment. Agencies deal with everything from searching to training and consultancy. It is worth to have a systemized approach towards technologies and candidate and company's criteria.

The task is to get real and complex information about situation in a customer company. A recruiter should be informed about its development process, company's chief qualification and his\her personal peculiarities.

No need to analyze all the levels of this Fig. It is enough to get ample information about two or three of them to understand the necessary experience and personal traits of a would-be employee. E.g., a company with hard administrative style of work will not suit a creative candidate. It is enough to find a well-prepared doer. If a company chief is a constructive person a would-be employee for such a company should have abilities of a system leader.

Being informed about the level of a company's development, it is possible to predict the set of problems it can face in future as well as its mistakes. Vice versa being informed about the mistakes, it is possible to define the level of company's development. Staff policy is also an important indicator. The problem is to find a specialist with necessary requirements for today's level of development. The popular mistake here is the search for candidates with inappropriate set of peculiarities because recruiters themselves do not understand the nuances of the problem. Understanding levels of commercial and staff development of a company helps understand its staff problems and the professional and personal requirements of a would-be candidate. It goes about the first stage of an

organizational consultancy. Each recruiter should have based skills and abilities in this sphere if he\she wants to do his\her work properly.

The main criteria necessary for a chief:

– Ability to react quickly to unexpected situations;

– Relationship with staff;

– His\her real role in the organization.

Knowing the role of a chief and his\her style of work it is possible to predict the role of an employee to get along with a team. It is possible also to suppose what kind of problems may occur and whether it`s easy to find a specialist to deal with them.

As a rule, the chief personality defines the department's work style. Dealing with management a recruiter faces not administrative but psychological consultancy. The fact that a recruiter lifts to this level means his\her high professionalism and lets him\her fix the optimal deadlines and a way to introduce candidates and their personal characteristics. If a recruiter and a customer work with mutual confidence it makes the recruiter's work successfully exclusive.

The other part of the complex approach is a complex estimation of a candidate. This estimation should correspond with a complex estimation of a company. Concerning the candidate there is necessary the following information:

– Motivation, orientation, goals;

– Professional skills;

– Personal peculiarities;

– A place in team.

For analysis that is more thorough it is necessary to know a candidate's work record, development of his\her career and reasons why he\she seeks a new job.

The ways of getting this kind of information are inquiries, interviews, expertise, tests.

Scrutinizing the results of interviews and recommendations it is possible to define a personal background of a candidate and see candidate's inclinations, his\her would-be relations with a team, preferences of a certain type of administrative style and goals. These characteristics can be determined by various psychological methods and imply that a recruiter should possess the psychological skills and abilities to analyze labor market tendencies.

thorough candidate's examination is not always necessary. It is enough to know about absence of psychological problems and see a candidate's high motivation and sincere commitment to work. Thus, it is possible to distinguish several principals of cooperation between an agency and an employer:

- Estimation of an enterprise by certain criteria taking into consideration its administrative style and owner's personal peculiarities;
- Estimation of a candidate by certain criteria and among them his\her role in a team;
- Manager's individual responsibility for order fulfillment and its results;
- Providing closed-loop technology of order fulfillment according to certain standards, its unification for different segments of labor market;
- Introduction of improved search methods to enhance speed and accuracy of order fulfillment.

Ones belief that customer will spare their time because he\she will get rid of necessity to meet with unsuitable candidates. It will let agencies to satisfy customers' requirements and gain a new quality of work.

Conclusion

The development of staff marketing theories should go alongside with multidimensional researches of relations between subjects and objects of labor market. It is rather new for domestic practice. Such approaches should be directed not only to organization-size problems but to a whole country scale, too. The staff marketing theory helps more thoroughly research the internal resources, provide company's interests succession as well as candidates' database. It also reduces the engagement of state owned employment offices and avid ineffective analysis of information about would-be candidates. The latter does not let spare money spent on cadre service or use it properly.

To grasp the situation it is necessary to:

1. Determine the goals and challenges of marketing events to pinpoint HR management aims and the way of its realizations.

2. To effectively divide staff marketing functions the structural changes of staff system are necessary. These changes let delegate obligations and duties to employees picked up in accordance with their professional skills and knowledge in the related branches. The work of a created sub-system better to unite with the work of other staff marketing sub-systems taking into consideration the complex approach to tasks on all administrative levels.

3. The mission of staff marketing is to provide team's professional integrity in enterprise's interests. The range of staff marketing methods applicability is wider but the providing of team competitiveness is the man function. This can be reached only by using a wide variety of marketing tools.

4. It is necessary to improve sub-system employees' education to realize marketing arrangement methods and marketing tasks. It is recommended to monitor the current market situation to find out whether the sub-system employees comply with modern market tendencies. It is worth to elaborate programs for education and retraining of the sub-system staff. It means the modern educational programs and methods should be taken into consideration to pick up those which comply with the principal of price and quality. It is necessary to create a positive image of the enterprise as a whole and the sub-system particularly.

5. There should be bonus policy to motivate employees by results of their work. A bonus depends on terms and results of a realized project taken into account spared time and resources by realizing the project.

6. By realizing mechanisms of labor market researches it is worth to mind the organization resources propriety. For that an effective feedback should be installed between an employer and an employee. It is important to cater acceptable work and salary conditions for employees.

To sum up, staff marketing as a set of methods can be applied in many branches of labor relations. The organizational aspect chosen by the author is just one dimension of it. The most effective appliance is possible at middle and big industrial and non-industrial enterprises where HR management system is fully represented. The system size depends upon number of employees. For small business, some phases of the proposed methods. However, in practice in small business protection prevails a popular way of staff search through personal contacts.