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## **SELF-MARKETING AS THE BASIS OF HUMAN AND SOCIAL CAPITAL FORMING IN A MODERN COMPANY**

When it is obvious that the goals cannot be reached,  
don't adjust the goals, adjust the action steps.  
*Confucius*

What is necessary to change a person is to change  
his awareness of himself.  
We are not in a position in which we have nothing to work with.  
We already have capacities, talents, direction, missions, callings.  
*Abraham Maslow*

A great number of modern companies came to understanding that their competitive advantages depend on human and social capital. In information society and highly technological economy of the XXI century nature and rates of development, quality of goods and services are increasingly predetermined by people, their social and human capital. Therefore central objectives and priorities of contemporary social and economic development are creation of conditions which may facilitate development and increase of human and social capital. From the very beginning development of these concepts has been based on integration between traditional economic concepts and sociological and political science.

The ideas of human capital theory have changed economic policy of states and society attitude to investments into a man. Now we regard them as investments. This ensured theoretical substantiation of accelerated development of education system and training of personnel in many countries. Only those economies can be the most successful which have diverse mechanisms to form system of worthy payment for corresponding human capital and which supports high profitability of investments into it. Considerable financial expenditures for development of education are not the consequence of country welfare but its source. At micro level there are its own instruments and approaches which can help to increase social and human capital.

Constant increase of interest in concepts and technologies of personal management (self-management) has been noted in Russian educational and business environment recently. But self-marketing which is very popular in different countries has not found its proper place in theory and practice of Russian marketing until now. In contrast to enormous quantity of trainings on self-management and a sufficient number of worthy works about personal management the theme of self-marketing in Russia is only in several popular publications and small divisions in textbooks on personal management.

Theory of human capital soon will be already 50 years (G.Becker (1964) T.Schultz (1963), G.Psacharopoulos (1985), G.Becker "Nobel Lecture: The Economic Way of Looking at Behavior" (1992)). Its development has been accompanied by constant

increase in number of both supporters and critics (Mark Blaug, 1992). Russian economic science began to use a conceptual apparatus and methodology of theory of human capital actively much later than others and has begun to speak about social capital quite recently. Up today basic elements of human and social capital concept have been debatable among economists, sociologists and official statistics. The terms are not always correctly used: human and social capital, intellectual capital, human potential and human resources. The problem of correctly assessment of effectiveness of investments to them has remained until now.

Practically there is a common approach to consider human capital as totality of characteristics of health, education, qualification, professional experience. So, the most famous developments in sphere of a person education and its influence on his income level have spread widely.

Up to now there has been no universally definition of "social capital". Different branches of science propose their own definition. In management (at micro level) social capital is examined at level of an individual enterprise or an organization and it is represented in an entrepreneur's or an organization worker's life or in a whole entire working team as presence of stable public communications which are used by them in process of organization profit growing. Thus joint social capital of the workers increases joint income of an organization. Social capital is defined according to the system of advantages created by an individual due to his location in an organization hierarchic structure and due to his interpersonal relations. With the aid of this concept it is possible to explain that some people have reached success in different spheres due to their connections. However social capital can be defined as "resources which are at individual's disposal as a result of cooperation with others".

Addition of moral and ethical context to concept of social capital reveals itself with "involvement of citizens into social relations" and also with the public health standards. There are a few pragmatic concepts of social capital: "investments to social relations are profitable in the market" [6], "presence of definite stable informal social values or standards shared with members of groups which makes collaboration between them possible" [7].

Social capital dependence on public context is based on two very important circumstances: social capital is not equally accessible for all the members of society just as other forms of capital are. Geographical and public isolation do not contribute to admittance to this public resource [8]. The term "social capital" is being used by analogy with other traditional forms of capital. Social capital is not being reduced in the process of its use, but on the contrary it would be reduced as a result of no use. In this respect it adjoins upon concept of human capital.

Increasing of social capital enlarges access of a person to knowledge and promotes to increase human capital. Differences in level of education and social-professional status also create inequality of formation and using social capital possibilities. Thus education facilitates establishment of diverse social contacts whereas insufficient level of education limits the circle of interpersonal connections.

The key is in definition of social capital by management science representatives by means of concept of connections based on confidence. Confidence which is personified with established connections becomes a source of a company profit and contributes to coordinate in-company- and between-companies-cooperation, facilitates reduction of negotiations transaction cost and releases access to qualitative information, etc. In this context confidence gains various manifestations including faith in good intentions, competence and reliability of other transaction participants.

For example, business collaboration between workers and company management have become the basic factor which historically causes high competitive ability of firms in automobile branch of Japan: each worker attempts to share all he knows with the colleagues, realizing that it is possible to reach success only in a team. And in American

companies each worker himself attempts to become better than others, to achieve individual success and therefore hides his knowledge from the colleagues. Positive effect of social capital is connected with accumulation of human relations culture, their level and standard, and it reveals itself with knowledge of human relations and with help of it leads to a certain positive public consensus. Positive effects of social and human capital give powerful stimulus to company development.

How much does it cost for business to train its own personnel itself? The budgets of Russian companies for education of their staff are several million dollars. And the number increases rapidly. According to different estimations, increase of Russian market for short term education is 15-55% per year. American companies expend on education of their own personnel more than 50 billions dollars. Leading American companies (10%) train 98% of their personnel and the rest try not to lag – more than 30% of employees obtain knowledge due to the employer. In France, for example, companies expend 30 billions dollars per year and in Great Britain – 40 billions.

Marketing is science which is developed at the turn of a large quantity of adjacent disciplines: psychology, sociology, management, statistics and others. This gives basis for development of new directions which are in the greatest demand of business and society: interaction marketing, interrelations marketing, in-firm services marketing, marketing of intellectual products, social marketing and etc. Often these new disciplines don't take interrelation with other disciplines into consideration and that leads both to problem narrowness and to assessments groundlessness. In connection with this it is necessary to examine interrelation between personal management (self-management) and self-marketing, and also to examine basic concepts of marketing in context of self-marketing.

Personal management [5] is a field of knowledge which studies organization of a worker personal labor using working methods and principles. Self-management is science about self-organizing and self-guidance of a person which is widely studied in foreign practice of administrative personnel training. In other words, this is management of personal resources and skills which are to be acquired, preserved, developed and rationally used in order to be successful and a self-sufficient person. It is goal-aimed and sequential use of practical management methods in daily activity for optimal and effective use of a personal time. Most frequently seven manager features are distinguished: capacity to formulate and to realize vital purposes; personal organization; self-discipline; knowledge of personal work technique; ability to make himself healthy; emotional-volitional potential and self-control.

In our view, all this to a larger degree is aimed at career promotion, but self-marketing is the basis of a personality complex development. It does not only consider personal career promotion, but also considers functional, spiritual, mental and social development, which emphasize variety of each person specific features.

Self-marketing makes it possible to estimate advantages and disadvantages of a person taking into account one's environment and on the basis of this it allows to make recommendations regarding self-improvement and self-correction of one's certain nature features, psychological features, management style, communication line features, etc. The main ideological promise in marketing is satisfaction of needs. In self-marketing it is personality realization, satisfaction with consciousness of one's significance and usefulness for society.

Marketing-mix is traditionally examined with the position of 4P and with the point of producer view and it allows to form a product which will be of a great interest in market and it also determines transaction holding conditions. Another approach to marketing complex forming was proposed by R.Loterborn (4C).

The central objective of marketing as a special form of activity consists of satisfaction of customers needs. Thus the traditional tools of marketing can be transformed into self-marketing ones as follows (see table 1).

Table 1.

## Content of the marketing-mix in self-marketing

<b>4P</b>	<b>4C</b>	<b>Self-marketing</b>
Product	Customer needs	Person needs. Person features. Individuality
Price	Cost	Investment to human and social capital (level of income)
Place	Convenience	Transfer and spreading one's knowledge, habits and experience
Promotion	Communication	Communication for the purpose of generating of interest and attention to individual and professional features of a person. Investments to social capital

The main characteristic of self-marketing complex is its flexibility, which reveals itself with change in set of instruments under various conditions of individual activity. Using of a marketing-mix model helps to understand individual needs more completely and more deeply. It helps to adapt goods and services for a target group and to acquire steady competitive advantages. Speaking about a product in self-marketing, we should speak about construction of a personal brand [9] with the following key characteristics: attributes; advantage; value; individuality and essence (nucleus of a brand).

Marketing is not a function; it has grown together with management and has become its meaningful filling and self-marketing also can be meaningful filling of self-management, make it deeper.

Self-marketing is a program of specific actions of a personality and that must create maximal favorable conditions for realization of main "goods": knowledge, skills, talent and professionalism. As a result these "goods" can be sold under maximal favorable conditions for its owner and it needs a number of sequential actions, which are akin to a marketing program or a plan [4]. In our point of view it is very useful to each person to make SWOT-analysis which makes it possible to strengthen personal capacities and advantages and to decrease influence of deficiencies. Person can obtain satisfaction with consciousness of his significance and usefulness for society. It is not possible to consider it only like a working force. Development of personality must be many-sided. And therefore in self-marketing it is insufficient to consider only employers as market segments as self-management does.

Within the frameworks of self-marketing there is also a very actual question: "How to position oneself?" And first of all this is the answer to a question: "What are you?" Positioning must be corrected in according to dependence on difference in experience or phase of life cycle. Al Ries and Jack Trout in the book "Positioning: the battle for your mind" consider this question in chapter "Self-Positioning".

Thus the most practical aspects of self-marketing are: the methods of "personal competitiveness" increasing; personal brand construction; how to "sell" ideas and talents of a person? How much does a professional cost? How to promote a personal brand? What does a person transmit to surroundings? Each day we "sell" ourselves, our ideas and influence. How can we make this process easier and more effective?

Forming the basis for his career, an individual appears simultaneously both as a creator, and as a salesman of his working force. Therefore it is necessary to determine correctly what goods will be in a great demand and how to find a customer for them. Even having valuable goods it is possible to suffer crash in their sale if we don't know how to organize their promotion.

To be a master of self-marketing methods is a necessary condition of career. Tools of self-marketing will help a person in career promotion and will increase his cost in the labor market and the standard of life as a whole.

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