

The Effect of Talent Management on Employee Performance at Bank BTN Bandung

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ABSTRACT --In this study there are two variables, namely variable X (talent management) and Y variable (performance). This research was conducted to determine the effect of Talent Management on Employee Performance at Bank BTN Bandung. The method used in this study is a descriptive analysis method to identify how the influence of talent management and how much employee performance at Bank BTN Bandung. While the verification of analysis to identify problems is how much influence Talent Management has on the Performance of Bank BTN Employees. This research was conducted at the Bank BTN Bandung office. This research was conducted using a sample based on Purposive Sampling. The hypothesis of this research is Talent Management influences Employee Performance at Bank BTN Bandung. To measure the effect of these variables using Simple Linear Regression with the help of the application software system SPSS 21.0. Based on the results of data analysis using statistical methods, it was concluded that there was a significant influence between Talent Management on Performance, this was based on regression analysis with the equation $Y = 3,588 + 0.293X$. In correlation there is a fairly strong or moderate relationship between Talent Management and Bank Employee Performance with a value of 0.543 Furthermore, it is obtained the coefficient of determination (KD) that Talent Management affects Performance with a value of 29.5%. Hypothesis testing of this study in which the tcount of 4.927 is greater than the value of t table 1.670 Then H1 is accepted and H0 is rejected, which means that Talent Management influences Employee Performance.

Keywords-- Talent Management, Employee Performance

I. INTRODUCTION

After the birth of industry 4.0 in the current era several countries announced to enter revolution 5.0 that is the role of human resources, where humans are one of the main factors in the success of business in an agency or company. This is because humans can find a variety of thoughts or ideas which can then be transformed into an action where the goals of the organization or company can be achieved in accordance with the funding that has been compiled so far. In general, every company is eager to run a business that can continue to grow and grow, and has increased, along with the changing times and technological developments. The company's progress is greatly influenced by environmental factors that are internal and external. To be able to continue to grow and develop amid the increasingly rapid changes in the external environment, a company must focus on changing its

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internal factors, namely to find, attract and retain the best people for the company. Only the best people, in sufficient numbers, in the right position and with optimal utilization can drive the company to continue to grow. This applies generally and is the same for every company, both companies engaged in products and services. One company that is engaged in providing products and services is a company engaged in banking. BTN carries out social responsibility activities in a planned, directed and sustainable manner in order to be able to provide maximum long-term benefits to the welfare of the community. Corporate social responsibility programs, abbreviated with (CSR) BTN are specifically directed to support the achievement of economic growth, job creation, poverty alleviation, and protection of the environment. These programs must be realized by talented people who are talented with the performance of employees who choose to recruit workers to be talented in their fields in order to realize the vision of Bank BNI. Talent management has never been applied at Bank BTN Bandung branch, so that it affects the performance of employees seen from the results of a survey conducted by the author. The talent that is in Bank BTN Bandung branch is not directed towards the ability of each employee's talent. This talent talent is not valued so that talented employees do not shake properly according to the ability of talent. If this is not directed, there may be employees who leave or do not perform well. Talent selection is very influential on employees in addition to the training conducted so that it can support the talent with employee performance. Actually, many employees who have talent because it is not well managed then it does not support the performance of employees at the BTN Bank of Bandung branch. According to Rivai (2003: 309), performance is a function of motivation and ability. To complete a task or job, a person should have a degree of willingness and a certain level of ability. Employee performance is a very important thing in the company's efforts to achieve its goals. One way that can be used to see the company's development is by looking at the results of performance appraisals. According to Bernardin and Russel cited by Kaswan (2012: 185), employee performance is what influences how much or how much employees contribute to the organization measured into six criteria used as a basis for assessing performance, namely quality, quantity (quantity), timeliness, cost effectiveness, the need for supervision and interpersonal effects. According to Pella and Afifah Inayati in their book titled Talent management (2011: 81), talent management is a process to ensure the ability of companies to fill the key positions of future leaders of the company (company future leaders) and positions that support the company's core competencies (unique skills and high strategic value). Meanwhile, according to Davis in his book entitled Talent Assessment (2009: 2), the talent management strategy is a planned and structured corporate approach to recruiting, retaining and developing talented people in organizations.

II. LITERATURE REVIEW

A good company is a company that has a predetermined vision, mission and corporate value that is run by a number of talented employees who work together and work together (Pella & Afifah, 2011: 70). Talent can also be interpreted as employees who are identified as having the potential to be future leaders of the company (company future leader) (Pella & Afifah, 2011: 81). To interpret talent management or talent management must first understand what is meant by talent itself. Talent according to Pella and Afifah Inayati are people who want to be maintained by the company because of its advantages. (Pella & Afifah, 2011: 75). Talent management in a company has two main roles. The first role is to be a value creator and the second role to be a value protector. As

a value creator, the duty of every manager and leader in a company is to produce people who have value. Talent management can also be interpreted as strategic management to manage the flow of talent in a company with the aim of ensuring the availability of talent to align the right employees with the right job at the right time based on the company's strategic goals and the priority of company activities or company business (Pella & Afifah, 2011: 81). Another understanding of talent management is as a comprehensive and dynamic process to develop the highest potential group of people in an organization through unidirectional and integrated development, which is practiced by leaders associated with the company, related to attracting employees who have talent, selecting it, developing it and maintaining it. . Another meaning is that talent management is a process undertaken to ensure that key positions within the company can be filled internally by means of first, establishing a talent development center group consisting of a group of human resources with high skill and qualifications (talent pool). According to Cappelli in his book *Talent on Demand* (Cappelli, 2008: 1), talent management is the process through which employers anticipate and meet their needs for human capital (talent management is a process carried out by companies to anticipate and meet the company's needs for human resources). The global economy has created a more complex and dynamic environment in which most firms must learn to compete effectively to achieve sustainable growth. Workforces around the world have become larger, increasingly diverse, more educated, and more mobile.

(Briscoe et al., 2009). This global environment has not only changed the way business is conducted, it has also created the need for organizations to manage their workforces in a global context. As a consequence, the notion of a “global workforce” has received extensive discussion recently (Briscoe et al., 2009; Collings et al., 2009). Talent management is a mission critical process that ensures organizations have the quantity and quality of people in place to meet their current and future business priorities. The process covers all key aspects of an employee’s life cycle – from selection to development, succession and performance management. Although many Indian organizations have begun to recognize the important role talent plays in their success few are managing talent

strategically. Leaders need to identify and invest in critical talent that provides a platform for successful growth and new opportunities (Cappelli, 2008). The increasing fluidity of global labor markets, shifting workforce demographics and changes in the nature of work make it more difficult to attract, engage and retain the critical talent that creates value for the organization (Cheese et al., 2008). Talent management encompasses the additional management, processes and opportunities that are made available to people in the organization who are considered to be “talent”. Talent drives performance and teams with the best people perform at a higher level. Leading organizations know that exceptional business performance is driven by superior talent. People are the difference. Talent management is the strategy (Taleo, 2010). The process of talent management is being widely adopted and adapted by large organizations and multinationals. They have streamlined their processes to gain strategic advantages by using talent management. The narrowing of borders and the free and fast flow of information within the global economy has transformed these processes into a globally accepted phenomenon. However, adopting talent management processes does bring about some major challenges, including the Identification and assessment of new and existing talent, grooming the talent pool, maintaining a high level of engagement throughout an employee’s tenure, Retention of the talent pool, Maintaining adequate bench strength. Organizations are facing numerous challenges in the effort to make talent management processes effective for the entire workforce. If successful, they lead to accelerated growth and development for organizations and employees, and propel

employees to work harder to increase their level of achievement. Talent management is a hot topic within HR – and has been for many years. But this brings with it the risk of ending up meaning “everything and nothing” and becoming just an umbrella term for a loose collection of practices, tools, and frameworks. Boudreau and Rice (2015) capture the tendency of HR to chase after “Bright, shiny objects”, becoming enamored with practices that are superficially attractive and seductive while paying insufficient regard to their actual value to our businesses. What are the fundamental truths that we can believe in? Unfortunately, HR keeps rediscovering them rather than acknowledging and applying them consistently. This lack of consistency is often the cause of credibility issues with business colleagues. From my experience of practising talent management in several large international companies, here are a few core beliefs, Human capital management is a compelling concept – if applied thoughtfully, Talent is not generic. Talent management is not the same as people management, Talent decisions are made by business leaders, not by HR. HR’s “Moment of Truth” – who gets the job?

The paper now discusses each of these beliefs. People management is about “the deal” that every employee can expect. All employees deserve to know what is expected of them, have a good boss, receive the training needed to perform, and have a healthy working environment, to be paid fairly in line with their contribution and to know how they can develop. Each company needs to have a strong foundation of people management practices for all employees. These practices contribute to effective talent management too, but they are not sufficient.

Talent management places an additional focus on the relatively few people who make a disproportionate impact on the success of the company. It requires individualized and customized solutions. It is a different, more demanding deal – high hopes and higher expectations to match the increased investment made in them. Individuals identified as having the potential to be top talents need to consider carefully whether “high hopes, higher expectations” is for them. nd capabilities within the business. A good example of a powerful decision-making framework is the widely used “Talent 9 Box” (see Figure 2), which pulls together most of the important talent decisions for business leaders – performance calibration, development planning, short- and long-term compensation, succession planning, and so on. Although widely used among businesses, companies achieve very different results. Merely adopting the framework does not denote the outcome, rather it is how companies use the tool that determines the output. Consistent, disciplined application across cycles drives success and chasing after the latest “Bright, shiny objects” instead does not. Michaels et al. (2001) believe that talent is a code or a word for effective leaders and managers that can help an organization to reach its goals. Managerial talent is a combination of a sharp strategic mind, leadership ability, emotional maturity, communicative skills, and the ability to attract and inspire other talented people, entrepreneurial instincts, functional skills, and the ability to deliver results (Michaels et al., 2001). According to Williams (2000), talented people are those who have exceptional abilities and they are successful in a range of activities or in a specific field. The literature review shows that there are a variety of definitions about talent management. From Schweyer’s view, talent management includes all the processes of human resource activities, and usually refers to the sourcing, selection, deployment, socialization, maintenance and development of talented staff. It has a cycle that includes three main fields: talent identification and absorption, talents maintenance and talents development (Schweyer, 2004). Strategic talent management is a process that includes systematic identification of key positions which differently contribute to the organization’s sustainable competitive advantage. Development of a talent pool of high potential and efficient incumbents to fill

these roles, and development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents to ensure their commitment to the organization (Collings and Mellahi, 2009).

Global talent management is defined as organizational efforts for recruitment, selection, development and maintenance of key talented employees in strategic positions on a global scale. A key aspect to this definition is its concentration on the key employee group instead of multinational ones (Scullion et al., 2010). Lewis and Heckman (2006) investigated the problems with the definition of talent management and presented a systematic definition that concentrates

on strategic talent management, showing opportunities for future research in the field of talent management. Khilji et al. in their research referred to the extant limitation of global talent management by concentrating on individual and organizational factors, and presented a conceptual framework for macro global talent management which is the activities developed to enhance the quality and quantity of talent within and across countries and regions. They also referred to challenges like nationality's effects in talent mobility, and direct intervention of the governments in the recruitment and development of national talents (Khilji et al., 2015).

According to Rivai (2003: 309), performance is a function of motivation and ability. To complete a task or job, a person should have a certain degree of willingness and level of ability. Employee performance is a very important thing in the company's efforts to achieve its goals. One way that can be used to see the company's development is by looking at the results of performance appraisal. According to Simanjuntak (2011: 1), performance is the level of achievement of the results of the implementation of certain tasks. Performance management is the overall activities carried out to improve the performance of a company or organization, including the performance of each individual and work group in the company. Individual performance, group performance and company performance, are influenced by many internal and external organizational factors. According to Bernardin and Russel cited by Kaswan (2012: 187), several performance dimensions, namely quality, are the level at which the process or results of completing an activity are near perfect. According to Armstrong (2010: 198) performance management is a process that encourages dialogue, a reflective (or evaluative) conversation about performance and development. According to Jose Pottinger, Personnel Director of Cummins Engines Limited, quoted by Armstrong, performance management will provide clarity of expectations, provide links between individual targets and organizational goals and provide a focus for improvement consisting of determining the data needed to make improvements and the form of feedback. Performance management must cover both individual and organizational needs where the direction of performance management is to move from the controlling process to the enabling process. During the last two decades, policymakers passed a number of performance assessment mandates on agencies. As part of a strategy that tried to make governmental agencies more entrepreneurial, these assessments theoretically made government more effective by mandating the measurement of outcomes and more accountable by linking those measured outcomes to budgetary decisions. The assumption was that measuring performance would make public management more effective since managers could now identify areas where programs failed to achieve their goals and objectives, and policymakers could examine the same performance data to determine if an agency or a specific program warranted continued funding. Before the Great Recession of 2008, federal performance mandates in the US required the development of strategic and annual performance plans via the Government Performance and Results Act of 1993 (GPRA) and program effectiveness through the Program Assessment Rating Tool of 2002 (PART) (Breul, 2007; Moynihan, 2008; Radin, 1998, 2000). With these two

mandates in place, agencies and programs could theoretically identify specific goals and objectives that could be measured against quantifiable outcomes to determine if strategic plans were being achieved. After the implementation of these mandates, researchers discovered two major themes that caused problems with the idea that performance assessment could improve public management. First, the real purpose of these performance mandates was not clear, especially with PART. As originally envisioned by policymakers, PART was supposed to link program performance outcomes back to funding decisions in order to make budgetary decisions more objective and based more on quantifiable performance data. However, that did not occur. Research has revealed that PART scores were generally not associated with funding levels (Gilmour and Lewis, 2006a). Additionally, the PART assessment often did not link back to measures identified under GPRA and often treated vastly differently programs the same in regards to their ability to collect output and outcome based performance information (Gueorguieva et al., 2009). As a result of these failures, PART's usefulness as an objective measure of performance was unclear. Second, performance assessments were sometimes seen more as political tools used to justify funding cuts for agencies/programs with missions not aligned with the politicized agenda of the elected executive (e.g. the President of the US). For example, previous research has indicated that conservative leaders used outcome based performance data generated from the PART assessment to justify cuts to liberal agencies/programs (e.g. agencies/programs that regulated the environment or provided social services) while ignoring outcome based performance data from more conservative agencies/programs (e.g. programs that provided security) (Gilmour and Lewis, 2006a). The resulting impact was that the goal of using performance assessments to make public management better often just reinforced the existing politicized nature of management in the public sector.

Performance management as an identifiable subject for academic study and research arguably began in the mid-1990s (see, for example, Eccles, 1991; Kaplan and Norton, 1992; European Foundation for Quality Management, 1998). However, the study of the narrower fields of performance improvement, such as industrial engineering, work study and management services have had a much longer tradition (see, for example, Hicks, 1977). Since this time, the academic research in the field has in performance management posted on the Performance Measurement Association's Web site shows that of the 51 articles referenced, 32 were published since 1990 and the rate in growth in articles was exponential (Neely and Waggoner, 1998; Neely, 2000). To support this a review of the key reference works in the 1980s shows that many of the contributions are accounting related. The establishment of the Performance Measurement Association and the British Academy of Managements Performance Management Special Interest Group are new groups that are indicative of the emergence and growth of interest in forming academic networks to focus study around new topics relating to performance whereas the Management Control Association (with a focus on accounting) has been active for many years.

III. RESEARCH METHODOLOGY

The method used in this study is a descriptive analysis method to identify how the influence of talent management and how much employee performance at Bank BTN Bandung. While the verification of analysis to identify problems is how much influence Talent Management has on the Performance of Bank BTN Employees. This research was conducted at the Bank BTN Bandung office. This research was conducted using a sample based on Purposive Sampling. The hypothesis of this research is Talent Management influences Employee Performance

at Bank BTN Bandung. To measure the effect of these variables using Simple Linear Regression with the help of the application software system SPSS 21.0.

IV. RESULTS AND CONCLUSIONS

Based on the results of data analysis using statistical methods that there is a significant influence between Talent Management on Performance, this is based on regression analysis with the equation $Y = 3,588 + 0.293X$. In correlation there is a fairly strong or moderate relationship between Talent Management and Bank Employee Performance with a value of 0.543 Furthermore, it is obtained the coefficient of determination (KD) that Talent Management affects Performance with a value of 29.5%. Hypothesis testing of this study in which the tcount of 4.927 is greater than the value of t table 1.670 Then H1 is accepted and H0 is rejected, which means that Talent Management influences Employee Performance.

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