

TALENT MANAGEMENT SYSTEM : CHALLENGES FOR ORGANIZATIONAL SUSTAINABILITY

Anjar Sulistyorini

Universitas Airlangga

Email: anjar.sulistyorini-2021@feb.unair.ac.id

Abstract

Business developments that are increasingly competitive and full of challenges and even uncertainty require organizations to adapt to changes for sustainability. Talent management is a series of organizational activities in attracting, retaining and developing talented people needed by the organization. This study presents the main concepts in the talent management system and the success factors for implementing a talent management system in organizations through a comprehensive and relevant literature review. The results of this study are expected to be considered by organizations in managing talent effectively.

Keywords: talent, talent management system, organizational sustainability

Introduction

Business developments that are increasingly competitive and full of challenges and even uncertainty require organizations to adapt to changes for sustainability with the support of adequate organizational resources (Pucciarelli & Kaplan, 2016). Human resources are the main resources of the organization so they need to be managed optimally (Elsharnouby & Elbanna, 2021). Organizations tend to have high performance if they are supported by reliable human resources. Reliable human resources will make a high contribution to the company for business and sustainability goals (Michael, 2009). Organizations must acquire, retain, and develop human resources who have superior performance and competence or superior talents needed to achieve goals and maintain organizational sustainability (Farndale, E. Beijer, JPM Van Veldhoven, Kelliher, & Hope-Hailey, 2014).

Talent Management System is an organizational activity that is part of the human resource management strategy to obtain, retain, and develop the best talent needed by the organization. The implementation of a talent management system is an organizational challenge in an effort to obtain superior performance and maintain organizational sustainability (Gallardo-Gallardo, Thunnissen, & Scullion, 2020). This study present the

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concept of a talent management system and important factors related to the implementation of a talent management system in an organization by searching the literature and sources of information on the journal related to the problem discussed for later analysis. This study is expected to provide consideration in managing organizational talent effectively.

Talent Management System is part of human resource management to attract, retain, and develop the best talent needed by the organization (Silzer & Dowell, 2009). The successful implementation of the talent management system is expected to contribute to the achievement of organizational performance and goals. Talent Management System is a strategy that can be used by organizations in responding to future business challenges in order to remain competitive and maintain organizational sustainability.

The added value that can be provided by organizational talent includes the knowledge, competence, and performance needed in the organization (Cheese, Thomas, & Craig, 2007). The added value possessed by talent will encourage talent to execute organizational strategies in achieving its performance goals and targets so that talented employees are strategic assets of the organization.

Research Method

This research was conducted by searching for sources of information and literature related to the topic of an integrated talent management system (Egerová, Eger, & Jirincova, 2013). The stages of research carried out include:

- a. Find and collect existing sources of information and literature, both from existing books or research journals and from other sources of information related to the topic;
- b. Read the literature and information that has been obtained;
- c. Conduct analysis and summarize key points of relevant information;
- d. Compile and present important points about the topics discussed in a structured and comprehensive paper.

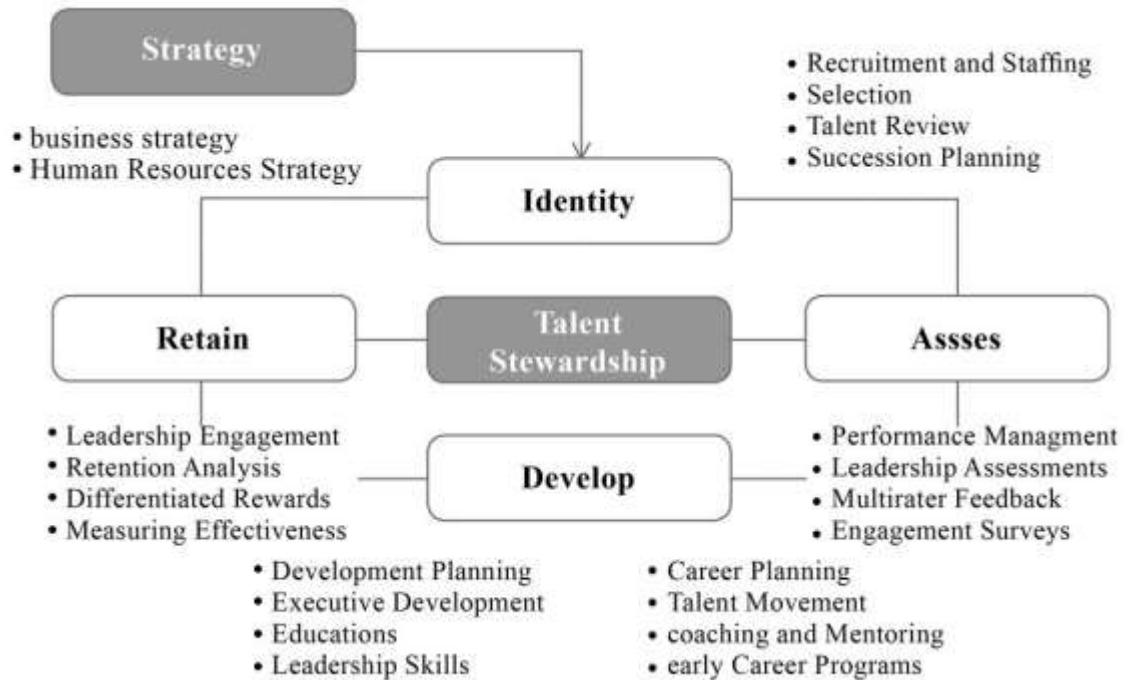
Result and Discussion

To answer business challenges and create a sustainable competitive advantage, human capital which is the most important factor in an organization must be managed and developed according to the needs of the organization (Minbaeva, 2018). An organization is expected to be able to ensure the availability and readiness of the talent needed by the organization. They need to strategize so that talent is ready to be placed in the right position and at the right time (McCracken, Currie, & Harrison, 2016). Talent management is a series of organizational activities from human capital management strategies to attract, retain, develop and benefit from people in the organization to improve and maintain organizational performance.

a. Model of Integrated Talent Management System

The concept of integrated talent management needs to be developed in line with the business strategy, human resource strategy and organizational culture (Silzer & Dowell, 2009).

Figure 1
Integrated Talent Management System Model



b. Developing Integrated Talent Management System for Organizational Sustainability

The successful development of an integrated talent management system will create a highly talented workforce for organizational sustainability. The successful development of an integrated talent management system requires the following facilities and support (Ashton & Morton, 2005) :

1) Management support

Top management has a very important role in the successful implementation of a talent management system. Top management needs to set policies and consistently be a role model in excellent behavior and ensure line managers at all levels understand the importance of the program so as to drive the success of the talent management system program in the organization.

2) Align strategy with business strategy

The talent management strategy is an enabler for the achievement of the organization's vision so that it must be in line with the business strategy. The business strategy refers to the strategy to achieve the goals and competitive advantage that the organization wants to achieve and the talent management strategy must be structured based on that point of view by attracting, retaining and motivating the talent needed by the company.

- 3) Align strategy to human resource management strategy
The talent management strategy is part of the human resource management strategy which is an enabler in creating an organization's competitive advantage. In addition to being aligned with business strategy, the development of talent management and human capital management strategies must be in line with each other, including in applying the competency model as the basis for strategy development.
- 4) Talent Culture
Talent management practices will be easier to implement if they become part of the organizational culture. Organizational culture as a guide for individual behavior in the organization will be a force that encourages a culture of superior behavior as the goal of the talent management system program.
- 5) Internal consistency
All processes and systems in talent management and HR processes, from job analysis, recruitment, training, performance to reward systems must be in harmony with each other.
- 6) Key strategic position identification
The first activity in talent management is identifying important positions in the organization and then developing talent to fill these important positions.
- 7) Stages of an integrated talent management system
The stages in developing a talent management system include the process of attracting, developing and retaining talent.

1. Attracting Talent

The process of attracting talent is an activity to attract potential talents to join and contribute to the organization. The employee value proposition that the company offers to employees is a factor that can attract employees to join and contribute to the organization (Priyadarshi, 2011). The employee value proposition offered can be in the form of income, career opportunities, reward systems, health insurance, work life balance, work culture, learning and development opportunities, etc (Borkowski & Meese, 2020).

Organizations need to take steps to attract the best talent needed by the organization. Steps to attract the best talent:

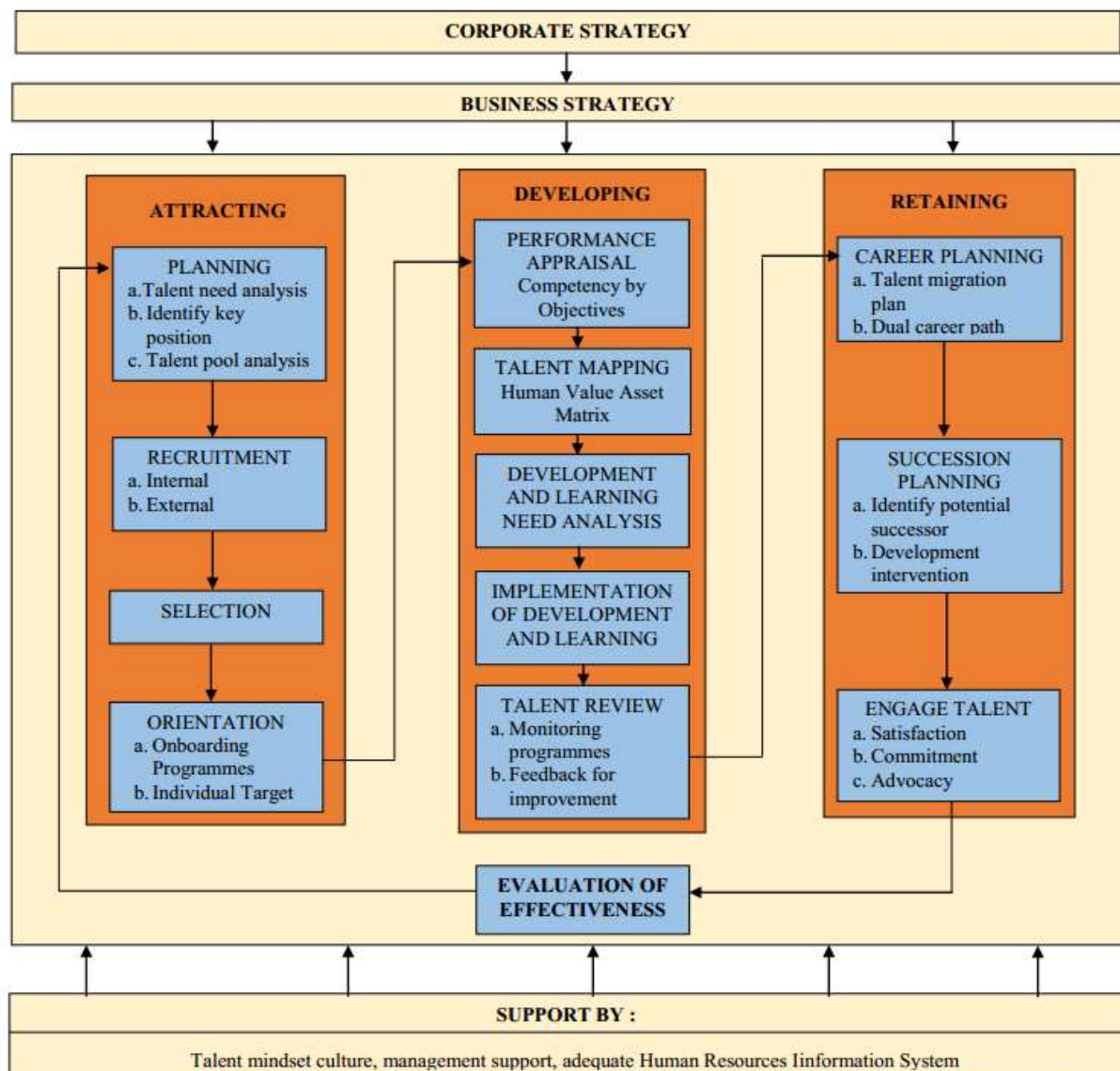
- Talent Planning.
Planning for talent needs is carried out based on organizational strategy, culture, capacity and capability of human resources, competitive environment, labor market. Organizations need to determine key strategic positions and talent criteria for these positions which are determined based on the organization's key business needs. The talent criteria needed for key positions can be determined in the competency directory at each level of the talent pool. Talent planning is needed to ensure the availability and readiness of talent in the right position and at the right time

- **Recruitment.**
Organizations must find people who meet the success criteria needed in the job. Recruitment is an activity to find the right candidate for a job position. Recruitment methods can be done through internal and external resources. Examples of internal recruitment such as job postings or job tenders. Examples of external resources are recruitment through social media or educational institutions. The selection of recruitment methods needs to consider the availability of internal worker resources and budget availability.
- **Selection.**
Selection is the process of assessing candidates who will be selected to join the organization. Candidate assessment is carried out through various tools such as psychological tests, skills and knowledge tests, competency assessments, structured interviews. To get the right workers and reduce the risk of wrong investment in hiring workers, the selection of workers must be adjusted to the criteria or competencies needed to complete the job with excellence.
- **Orientation.**
New workers need to gain an understanding of the work for which they are responsible. Organizations need to design effective orientation programs to ensure new workers can complete their jobs.

To support the success of the orientation program, management can form an orientation team consisting of line managers and managers of human resources. The team will provide assistance and will explain job responsibilities, organizational rules, worker rights, etc. Organizations can also appoint mentors to provide technical and moral guidance in order to speed up the adaptation process of new workers in the organization. At the end of the orientation period for new workers, it is necessary to evaluate the mastery of the work that will be their responsibility.

The work orientation process is usually carried out for 1-3 months before employees carry out their duties fully and independently.

Figure 2
Stages of Talent Management System



2. Developing Talent

The development process is aimed at improving the performance and competence of workers in dealing with the business demands of the organization (Day, 1994). Development program activities include:

- Employee performance appraisal

Performance appraisal is carried out to evaluate individual performance in completing their job responsibilities. Performance appraisal is carried out based on the achievement of predetermined targets. Key Performance Indicators for the job responsibilities of a position are determined and then compared with the achievement of work results. Development can be carried out on the gap between the target and the achievement of performance. Performance appraisal can also be used as an evaluation of success in the recruitment, selection and orientation processes of employees.

Apart from being based on the gap in the performance appraisal results, talent development planning can be carried out based on the competency gap. The competency gap is measured based on the competency criteria required at a higher position level above the current position to be compared with the results of measuring the achievement of current employee competencies. This competency assessment is to predict the readiness and need for competency development needed by talents in higher positions in the future.

- Talent Mapping

Talent mapping identifies individuals within the organization based on performance appraisals and competency assessments. Talent mapping is used as a basis for identifying learning and development needs that must be carried out to ensure the availability and readiness of talent needed by the organization.

Talent mapping needs to be done regularly to evaluate talent readiness and talent development needs. Employee performance mapping is carried out based on the achievement of each employee against the main performance indicator targets that have been set. Employee competency mapping is carried out based on the competency assessment results to measure the readiness of each employee to contribute to higher positions in the future.

The organization conducts talent mapping by considering the availability of internal talent, the complexity and requirements of the position, the availability of talent in the market, and the available budget. Talent mapping can be done through the Human Asset Value (HAV) Matrix. HAV will map the position of workers in the matrix based on their performance and competence.

- Learning and Development Need Analysis.

To increase the effectiveness of learning and development, it is necessary to analyze the learning needs and development of each talent. The effectiveness of learning and development programs will increase the availability and readiness of talent to be placed in key positions in the organization.

Learning and talent development is carried out in the form of classroom learning, special assignments or coaching assistance. Specific assignments in a project increase competence effectively because it provides hands-on experience for workers to be involved in planning, managing and ensuring project completion. Job enrichment and job enlargement, job rotation, coaching and mentoring are alternative programs to improve employee competence effectively. Figure 3 presents several learning and development programs based on the results of talent mapping.

- Implementation of Learning and Development Program.

Talent management system must be supported by a reliable learning and development program. The successful implementation of learning and development programs is influenced by the following factors:

1. Top management commitmen
 - Top management needs to provide moral support, be a consistent role model so that the implementation of learning and development runs effectively at all levels of the organization.
2. Mechanisms and systematics of learning and development program
 - The learning and development program or model that is prepared must be adjusted to the results of the mapping of employee performance and competency assessments.
3. Adequate infrastructure support.
 - Adequate infrastructure is an important factor in learning and development programs because its implementation requires planning and data integration as well as relevant learning and development modules.
4. Budget availability
 - Learning and development programs require adequate budgets to prepare infrastructure and carry out its implementation.

Figure 3
Learning and Development Program Based on Result Talent Mapping



- Talent review.

Talent review is carried out to monitor and evaluate the learning and development programs that have been carried out and evaluate the availability and readiness of talent needed by the organization. The results of the talent review can be used to adjust learning and development programs, to accelerate the availability and readiness to fulfill the talent needed by the organization.

3. Retaining Talent

The talent retention program is an activity to retain talented employees in order to stay in the organization and always be committed to giving the best contribution in achieving organizational goals (Fatima, 2011). Programs in retaining talent include:

- Career Planning

Career planning is carried out to align the career aspirations of workers with the talent needs of the organization. Career planning begins with determining key positions in the organization followed by career patterns of workers and job requirements to achieve those positions. Key positions in the organization are tailored to the needs of each organization's business scope.

Career planning for filling key positions is prioritized for employees who have high talent qualifications based on the results of talent mapping. An understanding of the patterns and requirements in planning needs to be understood by every individual in the organization. Line managers need to provide direction and guidance as well as mentor the career planning of team members. Employees also need to understand all career paths within the organization, both vertical and horizontal. The choice of career development as structural, functional or specialist workers also needs to be understood so that workers can adapt to career aspirations while still prioritizing the needs of the organization.

- Succession Planning

To ensure readiness to fill positions for key positions, succession planning is required. After holding key positions in the organization, the next step is to ensure the readiness of regeneration if the position is vacant because these key positions will interfere with the effectiveness of the organization's goals.

Recruiting the right candidates to fill vacant or vacant key positions is a key activity in succession planning. The results of the mapping based on talent, performance appraisal and employee competence become one of the parameters in identifying the potential of a position. In addition, other parameters can be added to make the list of candidates, such as assignment experience, years of service, achievements, innovations made, discipline record, etc.

Potential candidates can intervene in the form of learning and development programs with a certain duration, for example six month to one year to ensure that the candidate is ready to occupy key positions in the organization.

In every key position in the organization, there are at least five potential candidates who are ready to fill the position. Potential candidates consist of three candidates who are equal to the position to be addressed and the other two candidates are candidates one level lower than the position to be addressed.

The pattern of filling positions by candidates who are equal to the position in question is a form of career experience enrichment program. The pattern of filling positions by candidates from one position level lower than the position in question is a form of competency development and leadership development.

The timing of the intervention depends on the number of gaps that need to be developed. The more gaps that need to be developed, the longer the duration of the intervention. The results of the talent review can be used to predict and prepare the candidates needed to fill key positions at the right time.

- Engage talent.

An important but sometimes not taken step by organizations to retain organizational talent is to create, involved with the organization. Engaged workers feel satisfied and enjoy their work, enjoy being in the organization, feel valuable to the organization, and are proud to be part of the organization and believe that they value every contribution made. The factors that affect employee engagement are:

1. Financial Compensation

Financial compensation can be given in the form of salary and work incentives, transportation allowance, education allowance, performance allowance, health insurance, work safety guarantee, etc.;

2. Benefits such

Financial compensation can be given in the form of career opportunities, self-development opportunities, feedback from superiors, work-life balance, conducive work environment, etc.

The level of employee involvement needs to be evaluated regularly because it tends to affect organizational performance. The level of employee engagement can be measured through engagement surveys. The results of the engagement survey were then followed up with an evaluation of the current human resource management program. Evaluation of human resource management programs must remain aligned with the organization's business strategy.

The line manager's role has a very good strategy in employee engagement because it can create a conducive work atmosphere, be a role model, mentor, and give personal attention to role members.

Organizations that have high employee engagement will encourage their employees to give their best contribution to the company's organizational goals.

- 8) Evaluation of Effectiveness Talent Management System

Organizations need to evaluate the effectiveness of implementing an integrated talent management system. The effectiveness of an integrated talent management system can be measured based on several criteria:

- Increased company profits
- Increased worker productivity
- Improved customer satisfaction
- Increased innovation and competitive advantage over competitors

9) Human Resource Information System (HRIS)

The successful implementation of a talent management system requires the support of a reliable information system. Integration and updating of curriculum vitae data, performance, competence, discipline, assignment experience, career aspirations and other parameters in talent management requires a comprehensive, user friendly and integrated information system with other related supporting information systems. The use of information systems will increase the effectiveness and efficiency of talent management in terms of time and cost and minimize human errors in managing complex data.

Conclusion

Talent management is a series of organizational activities in attracting, retaining and developing talented people needed by the organization. Comprehensive and integrated talent management is needed so that organizations are able to manage talent effectively, efficiently in terms of time and energy and minimize human error. Talent management business processes that are in line with the organization's business culture and strategy, top management support and reliable information systems to integrate various data such as personal data, career experience, performance, competencies, interests, are the keys to the success of an integrated talent management system within the organization.

The successful implementation of an integrated talent management system enables organizations to manage their best talents to achieve sustainability and competitive advantage. Talent management is a series of organizational activities in attracting, retaining and developing talented people needed by the organization. Comprehensive and integrated talent management is needed so that organizations are able to manage talent effectively, efficiently in terms of time and energy and minimize human error.

Talent management business processes that are in line with the organization's business culture and strategy, top management support and reliable information systems to integrate various data such as personal data, career experience, performance, competencies, interests, are the keys to the success of an integrated talent management system within the organization. The successful implementation of an integrated talent management system enables organizations to manage their best talents to achieve sustainability and competitive advantage.

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