

# Implementation of Talent Management as a Strategy for Achieving Company Competitive Advantage

Hady Siti Hadijah

Faculty of Economics and Business, Universitas Pendidikan Indonesia, Indonesia  
hady@upi.edu,  
\* corresponding author

---

## ARTICLE INFO

*Article history:*  
Received 19 March 2022  
Revised 23 May 2022  
Accepted 26 June 2022

---

*Keywords:*  
Talent Management,  
Competitive Advantage,  
Strategy,  
Organization,  
Company

## ABSTRACT

The challenges of the times and the talent shortage have compelled businesses to develop and implement effective human resource management methods. Talent management is one of the successful human resource management tactics applied. If a company or organization is able to recruit individuals who are superior to its competitors, it will be able to create a superior organization. The implementation of talent management will fail if it is not supported by a selection system, specifically a system for identifying attainable performance results. With the implementation of talent management, the objective of this study. This study employs a qualitative approach using the literature review method. In the era of globalization, the achievement of organizational goals in terms of productivity may always be accomplished with high-quality products that meet market demand. For this reason, the Company must be able to secure the availability of the required talent in a timely manner, in a number and diversity commensurate with current demands, and with qualities that can be realized within the constraints of the organization's competitive advantage. It may be claimed that the organization's survival is highly contingent on the effectiveness of this process in attaining its vision, mission, and strategic objectives.

Copyright © 2017 International Journal of Artificial Intelligence Research.  
All rights reserved.

## I. Introduction

In the current period of globalization, business competition is becoming more intense, and every organization must be ready to compete through preparing qualified human resources [7]. The fulfillment of the need for competent human resources must be taken seriously by the organization in order to meet the need for successors in the future [11]. In order for organizations to continue to exist in the national and worldwide arena, Human Resource Development is a crucial factor for achieving goals and objectives. Human Resource Development is an organizational function that focuses on recruiting, management, and navigation for people working in an organization, which is achieved through synergies that strengthen mutuality toward common goals [9].

In order to ensure the company's long-term viability, it must process the need for qualified human resources with great care. The amount of employees who have left the firm generates a labor supply and demand mismatch [20]. This mismatch creates a talent problem that threatens the company's future viability by preventing it from satisfying the needs of its successors. The fulfillment of talent requirements (individuals with the highest potential and skills) can be obtained from both external and internal sources. This can be accomplished through succession planning, which is a procedure that ensures a supply of individuals with the capacity to take key firm positions is available from inside the organization [16]. Facing the difficulty of a talent shortage, succession planning initiatives must be combined with retention activities [8].

The organization must implement a successful strategy for managing human capital in order to meet the demand for human resources and maintain a high level of employee retention. One of the finest human resource management responses to demographic shifts and talent problems is talent management implementation [3]. Talent management is the process of identifying, attracting, and retaining key members of an organization's strategic workforce [14]. They also show how talent management rewards those who succeed at specific tasks or performances and encourages them to

"push the envelope" while documenting and disseminating their unique approaches so that others might emulate them [14]. In order to maximize an organization's potential, talent management focuses on training and placing workers in positions where they may best use their skills and experience [1].

Talent management's benefits are numerous and extensive, including but not limited to increased productivity, a more positive work environment, and a culture of excellence [5]. Talent management's contributions to an organization's success may be broken down into three main areas: the provision of incentives, the creation of advancement opportunities for bright employees, and the guarantee of high-quality work inside the business [12]. Human resource management problems arise in today's fast-paced, cutthroat commercial environment. The importance of effective human resource management cannot be overstated for companies that compete on a global stage. Since these individuals will be responsible for steering the ship at the corporation, they must meet extremely high requirements to even be considered for the top jobs [22].

## II. Methods

In order to gain a competitive advantage in the field of talent management research, qualitative methods along with literature review methodology are utilized. The goal of qualitative research is to develop one's knowledge through the processes of understanding and discovery. A process of inquiry and understanding based on an approach to exploring social and human problems is an example of qualitative research technique. In this study, the researchers capture intricate images, dissect language, report in great detail, and investigate the circumstances that were encountered. [15]. For the purpose of data collecting on the subject under investigation, this study makes use of library resources. Research in libraries is an activity that involves collecting, researching, and processing library data without the need for conducting field studies. [24].

## III. Result and Discussion

### A. *The need for talent management in the Organization*

Competence [13] seen from an individualistic perspective, is considered as a characteristic that defines a person, and governs the way they think and act in certain situations; These skills are related to the personal success of workers, because in addition to regulating their behavior, it defines the values and perceptions of what they want and do, as stated by [14] "Skills, as is well known, they are a set of characteristics of each person, which determines the way they think and act; is the knowledge, skills, attitudes, perceptions, values or behaviors related to successful performance, including the reasons that each individual has. Therefore, to consider ourselves competent and talented, we must have knowledge, learning, willingness to change and actions that facilitate new personal and professional outcomes considering why I should change, feeling the need to change and changing what I can handle. In addition, there is emotional competence, which is also part of everyone's personal behavior, and determine how workers communicate love each other, interact and be their own leaders.

According to [17], human talent consists of the skills, knowledge and abilities that each individual acquires during their education and job training, while individual talent, which is specific to each person, consists not only of acquired skills, but also of forged commitments. to do things responsibly and actions, which make him perform an activity. In light of this, some authors consider that, in order to fully develop individual talents, these three factors must be run together, as stated by [19] "Talent requires all three ingredients at the same time. If one of them is not present, then superior results will not be achieved. If the professional is committed and takes action, but lacks the necessary skills, he will almost certainly not achieve results, even if he has good intentions. If, on the other hand, you have the skills and you act on the spot, but you are not committed to the project, you can achieve results. The only drawback is that his lack of motivation will prevent him from innovating or proposing things beyond what his leader gives him. On the other hand, if a professional has the skills and commitment, but when he acts that time has passed, he will not get the desired result either for the simple reason that one could have anticipated it. Today, neither technological evolution, competition nor customers wait. Either you're fast or you're out of the market." It should be added that human talent management, with the help of the Human Resources department, seeks to promote teamwork and leadership, as well as individualism so that each human being can work on their own life and work projects, because in the end they not only prepared for work life but for everyday life.

Explain [19] that one aspect that characterizes individual talent is commitment, the key point needed to involve people in the organization, because it is stated that intellectual capital not only needs to be linked to financial resources to generate productivity, but workers must feel committed. to provide improvements for the company. To strengthen collective work, it is also necessary to cultivate individual skills, as it has been proven that providing workers with a better quality of life will improve their work performance, in addition, managers should intervene in negotiations between employees - companies seeking a balance point where both achieve their goals and objectives, this is according to [19] "To involve people in the organization, it is not enough to mobilize their intellectual, physical or related resources, expect increased productivity, what is required involves people as personality subjects them in relation to work and organization. In this sense, the management of human talent for the strengthening of the company's work aims to be configured as an administrative process that includes a human component, based on the individual skills of each person, for the achievement of organizational goals, taking into account the planning stages. , execution and control, under the principles of identity, culture and collective philosophy... Organizations are immersed in a network of interactions between people (owners, administrators, workers, customers, suppliers, communities), each with its own universe, its own own vision of the world and that has needs and goals, not only material, but also emotional and spiritual. This diversity of actors, with their needs and goals, compels managers to act in the process of negotiation and conflict resolution, not in a hostile environment, but seeking the advantage of all participants, and this is one of the most important components of management". is that the latter is a major problem facing organizations and financial benefits depend on it, in other words, because human beings are considered as proactive and capable agents given the task of making decisions, doing and innovating for the benefit of the company and its performance, increasing its production.

Currently, human talent and its management have taken a big influence in the management of human resources or human capital, because it is one of the strategies to generate value for company actions and processes, as well as become a competitive advantage [6]. Intellectual capital is the greatest force that drives an organization, endowed with abilities that make it face challenges, therefore it is necessary to intervene not only in the implementation of actions but also in the design of strategic plans, according to [2] "Similarly, the ability to maintain a company's competitive advantage focused on a strategy that focuses on the value added by human talent to the organization, through a strategy of focusing human talent on the line of action the company considers. In this sense, Dessler proposes to balance a firm's capabilities with the demands of its environment, and, therefore, an organization's human capital to meet those challenges. In addition, it is stated that human talent managers face three basic strategic challenges: first, the need to support efforts to increase productivity and company performance; second, employees have a broader role in the employer's efforts to improve performance; and third, superiors perceive that their human resource unit should participate more in designing (not only in implementing) the company's strategic plan". "Social pacts" between employees-companies work with win-win assumptions, where the person is only offered a contract as long as it benefits both parties, for that is sought instead of throwing away employees who become obsolete knowledge, he is equipped with greater capacity and competence, with this method will not cease to be useful for the organization.

As mentioned above, aspects such as market demands, globalization and radical external changes force organizations to provide greater value to employees, stop seeing them as simple work resources and start giving them a place as strategic partners that drive the organization's economy. . Talent management consists of six basic processes, which relate to the recruitment of employees to the company, their compensation and development of their job skills, and the retention or maintenance of personnel, under constant evaluation. Whatever the process, [21] emphasizes that "Today the management of human talent is a sensitive area of thinking and the objects that dominate within. Situational in nature, because it depends on several aspects such as the culture of each organization, organizational structure, characteristics of the environmental context, organizational business, technology, internal processes, and others. Talent management includes six basic processes, namely: Recruitment of people, application of people, compensation of people, development of people, maintenance of people and evaluation of people. This last process is also known as personnel audit, which aims to monitor and control all the activities of the worker, able to verify the results from time to time. During this evaluation, databases and administrative information systems that have been collected during the employee's career are used.

In order to promote talent management in organizations, it is important to take into account various elements, as these factors enable human management and therefore companies should track them. To exemplify a few, reference is made to planning personnel requirements, i.e. knowing the number of employees needed and for what positions, or what functions they should perform, this will avoid unnecessary work. On the other hand, the job description is specified to establish the remuneration or compensation it offers; Likewise, the management of human talent is present at the time of recruitment and selection of personnel, not to dispose of people who do not have intellectual qualities, but those who have the potential to become human talents. The fundamental part of staff formation is that organizations are involved in planning the professional careers of employees, adding elements such as various evaluations to their development, motivating them with better incentives and opportunities, promoting a better working environment [23].

That is why, in order to manage human talent within the company, it is important to keep in mind certain elements, which make this hard work possible, both for its execution and for tracking it. These elements are as follows: a) personnel needs planning, b) job analysis and description, c) compensation administration, d) personnel recruitment and selection, e) personnel induction, f) training and development, g) professional career development plan, h) performance evaluation, i) internal communication, j) work motivation, k) work team management, l) work environment, m) organizational culture, n) change management, o) time management, p) organizational leadership, q) stress management, r) job satisfaction and s) work safety and hygiene". These elements are based on the need to adhere to basic human talent management processes, but if they are not balanced, a Balanced Scorecard (CMI) is required which will facilitate the integration of these processes in relation to each of the departments involved.

#### *B. Talent Management and Company Competitive Advantage*

Any successful business plan will prioritize boosting the efficiency and productivity of internal processes. When a business aims to field a championship-caliber team, it must prioritize talent management. Companies will form such groups to address departmental issues or gaps [4]. If there's an issue at the Ministry of Finance, for instance, the organization will put together a team of experts in the field to figure out the source and implement a solution. If organizational strategy and technology are going to be complex, research shows that the success of both will depend on the human element. Consequently, managers should think about what influences the organization's performance. When looking at the efficacy of talent management strategies, [14] identified three key avenues. First, there is the school of thought that uses analytics to establish a direct correlation between talent management and financial outcomes; second, there are those who stress the importance of analyzing and optimizing talent management systems; and third, there are those who seem to view analytics as a collection of metrics and measures that can be applied by a variety of stakeholders. From a monetary standpoint, the researcher evaluates the connection between talent management expertise and financial organizational success, demonstrating the value of investing in talent management. When compared to their competitors, companies that invest in talent management practices achieve superior financial results in a variety of metrics, including revenue growth, sales productivity, net profit margin, operating profit, return on assets, return on equity, return on shareholders' value, and market value. Proactive internal succession planning and improved retention rates have been shown to reduce the overall cost of personnel management.

Findings [10] suggest that talent asset management has an impact on company performance. Value creation for a company's main stakeholders has been shown to have a significant impact on a company's bottom line. Several competences are found to underpin successful organizational procedures, which are then employed to run a company. The created value plays a significant part in the administration of corporate operations. Talent asset management as an organization's final step in developing and processing organizational competencies. Accordingly, it has been established that the key to organizational competence is the efficient and effective management of talent assets that boost both business performance and value creation. The same is true for businesses: competent talent asset management will equip them to match supply and demand for talent. When markets change, arise, or perish, businesses leverage dynamic capabilities to achieve new resource configurations. When it comes to achieving long-term success and gaining a competitive edge, dynamic capabilities are far more valuable to individual businesses.

The importance of people management strategies in maintaining market competitiveness and gaining an edge over the competition has been established by extensive academic study. It is also discussed how innovations and new technology are the only ways for businesses to quickly achieve a competitive edge. Only through the systematic attraction, development, motivation, management, and appreciation of talent can a business maintain a competitive edge in the marketplace. Similarly to how machines require design, operation, and maintenance to function properly, businesses will fail to operate successfully if critical parts like processes, systems, and structures are not aligned or hampered by friction between those elements. The company's human resources (or "talent") are responsible for carrying out these duties. Talent (i.e., the people working for the company) is the primary factor in determining the level of success a company has. The organization's fundamental capabilities are the sum total of the expertise of the people who work there. Injecting a company with talent allows it to do things that are hard to replicate in a competitive market. Having talented people on your team is the single most important factor in maintaining a sustainable competitive advantage.

#### IV. Conclusion

In light of the study's findings, it can be concluded that the company has a strong interest in talent management, as they believe that if they hire employees with the appropriate profile and skills to carry out their duties, the company's results will improve by participating in a global environment. However, business owners must recognize that training is an investment in the company's future and not an extraneous cost. Due to the fact that most organizations in Indonesia are micro-enterprises, the majority of them do not understand talent management or the process of recruiting, selecting, recruiting, and training. This is an issue for these organizations, because they hire people without knowing their profile and talents to develop, in addition to not training them. As a result, their market development is inadequate, and some of them fail and close down. opening to the public Human talent management is a must for all businesses, especially those who wish to remain competitive in the market. In addition, talent management seeks to develop and place the appropriate people in the right jobs at the right time and offer the ideal atmosphere for them to demonstrate their abilities in the most effective manner for the firm..

#### References

- [1] Angliawati, R. Y., & Fatimah, F. (2020). Peran Talent Management Dalam Pembangunan Sdm Yang Unggul. *Jurnal Sain Manajemen*, 2(2), 28-40.
- [2] Edvinsson, L. (1997). Developing intellectual capital at Skandia. *Long range planning*, 30(3), 366-373.
- [3] Ekhsan, M., & Taopik, M. (2020). Peran Mediasi Employee Engagement pada Pengaruh Talent Management Terhadap Employee Retention. *Jurnal Pengembangan Wiraswasta*, 22(3), 163.
- [4] Ellitan, L. (2002). Praktik-praktik pengelolaan sumber daya manusia dan keunggulan kompetitif berkelanjutan. *Jurnal manajemen dan Kewirausahaan*, 4(2), 65-76.
- [5] Firman, Y., & Andriyani, A. (2018). Analisis Pengaruh Manajemen Talenta Terhadap Retensi Karyawan Melalui Employee Engagement Sebagai Variabel Mediasi (Studi Pada Karyawan PT. Telekomunikasi Indonesia Tbk. Regional IV Jawa Tengah & DIY) (Doctoral dissertation, Fakultas Ekonomika dan Bisnis).
- [6] Ganaie, M. U., & Haque, M. I. (2017). Talent management and value creation: A conceptual framework. *Academy of Strategic Management Journal*, 16(2), 1-9.
- [7] Hanantijo, D. (2013). STRATEGI SUMBER DAYA MANUSIA MENGHADAPI PERSAINGAN GLOBAL. *Jurnal Mimbar Bumi Bengawan*, 4(10).
- [8] Harvida, D. A., & Wijaya, C. (2020). Faktor Yang Mempengaruhi Turnover Karyawan dan Strategi Retensi Sebagai Pencegahan Turnover Karyawan: Sebuah Tinjauan Literatur. *JIANA (Jurnal Ilmu Administrasi Negara)*, 18(2), 13-23.
- [9] Kasmawati, K. (2018). Sumber daya manusia sebagai sumber keunggulan kompetitif. *Idaarah: Jurnal Manajemen Pendidikan*, 2(2), 229-242.
- [10] Kasmawati, Y. (2017). Human Capital dan Kinerja Karyawan (Suatu Tinjauan Teoritis). *JABE (Journal of Applied Business and Economic)*, 3(4), 265-280.
- [11] Kristiyanti, M. (2012). Manajemen sumber daya manusia sebagai strategi menghadapi persaingan global. *Majalah Ilmiah INFORMATIKA*, 3(2).

- [12] Labola, Y. A. (2019). Konsep Pengembangan Sumber Daya Manusia Berbasis Kompetensi, Bakat dan Ketahanan dalam Organisasi. *Jurnal Manajemen & Kewirausahaan*, 7(1), 28-35.
- [13] Le Deist, F. D., & Winterton, J. (2005). What is competence?. *Human resource development international*, 8(1), 27-46.
- [14] Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. *Human resource management review*, 16(2), 139-154.
- [15] Moleong, J. L. (2017). *Metodologi Penelitian Kualitatif Edisi Revisi*. Bandung: PT. Remaja Rosdakarya.
- [16] Nugroho, M., & Putro, B. D. P. (2021). Peningkatan kinerja berbasis manajemen bakat, servant leadership dan komitmen organisasi. *Jurnal Ilmiah Manajemen Dan Bisnis*, 22(1), 1-16.
- [17] Paterson, D. G. (2013). The conservation of human talent. In *The Discovery of Talent* (pp. 24-51). Harvard University Press.
- [18] Robinson, J. P. (2000). What are employability skills. *The workplace*, 1(3), 1-3.
- [19] Rondón, M., & Ammar, M. (2016). Human talent management in educational organizations. *Revista de Investigación*, 40(88), 148-165.
- [20] Sari, C. P., & Prasetya, A. (2017). Analisis Penerapan Strategi dalam Talent Management sebagai Upaya Perencanaan Suksesi dan Retaining Talent (Studi pada PT. Angkasa Pura I Kantor Cabang Bandara Juanda) (Doctoral dissertation, Brawijaya University).
- [21] Schuler, R. S. (2015). The 5-C framework for managing talent. *Organizational Dynamics*, 44(1), 47-56.
- [22] Sinambela, L. P. (2021). *Manajemen Sumber Daya Manusia: Membangun tim kerja yang solid untuk meningkatkan kinerja*. Bumi Aksara.
- [23] Srimulyani, V. A. (2020). Talent Management dan Konsekuensinya terhadap Employee Engagement dan Employee Retention. *INOBIS: Jurnal Inovasi Bisnis dan Manajemen Indonesia*, 3(4), 538-552.
- [24] Sugiyono, P. (2011). *Metodologi penelitian kuantitatif kualitatif dan R&D*. Alfabeta, Bandung..