

IMPLEMENTING TALENT MANAGEMENT APPROACH, TO IMPROVE NON-TAX REVENUE IN CENTER FOR INNOVATION

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ABSTRACT

The role of human resources management, in determining the success of the process of organizational change is important because, human resources management is an important subject, that will carry out the process of change. To carry out the process of change, it can be done through innovation in achieving competitive advantage, for personnel of the organization. Competent human resources are indispensable in a competitive environment. Individuals who have a good working competence, would be easy to carry out the job responsibilities and able to adapt well to their environment. The relationship between human capital (talent) and competitive advantages are as follows: Talent is the right stone fundamental building, comes to creating an organization that is able to innovate and change, and uses it as a source of competitive advantages. This talented employee development should be done gradually, in order to improve organizational performance, especially for the financial performance of Non-Tax Revenue. The methodology that used to enhance the strategy divided into three steps: formulating, implementing and evaluating strategy. Formulating strategy resulted from an identification factual condition of Non-Tax Revenue, in Center for Innovation; collect and analysis data production Non-Tax Revenue in Center for Innovation; collect data and analysis for Talent Management factors. The next step is making an identification matrix to utilization all potential of the combined implementation strategy using SWOT analysis; try to get a solution from all weakness and threat. From its matrix will get a mapping of action that expected accurately. The final step, doing an evaluation to control each action and making programs more focused. This management strategy of talent management approach expected able to improve Non-Tax Revenue in Center for Innovation.

KEYWORDS: Competitive Advantage, Non-Tax Revenue, SWOT Analysis, Talent Management

INTRODUCTION

RESEARCH BACKGROUND

The participation of human resources in determining the success of organizational change process is very important because human resources is an important subject that will carry out the process of change. To implement the process of change can be done through innovations in achieving competitive advantage. Competent human resources are essential in a competitive environment. Individuals who have a good work competence would be easy to carry out their job responsibilities and able to adjust well to the environment.

Rayadi (2012; p. 114) says that one of the big problems for the company is to find professional and skilled human resources in an instant time, both in technology, especially in managerial terms. If these human resource issues are not corrected, then this can negatively impact the company's productivity, efficiency, and competitiveness. Therefore, one of the company's goals and strategies is to develop technological, managerial, and professionalism, capabilities of human

resources, as well as increase productivity by increasing value-added contents of products and or services faster than its competitors.

Adi (2015: p. 3) Said that the relationship between human capital (talent) and competitive advantages, as follows: Talent is the right stone fundamental building comes to creating an organization that is able to innovate and change and uses it as a source of competitive advantage (competitive advantages). By developing the right talent, both companies and employees will benefit and gain optimal benefit (Iwan & Ashar, 2016: p. 86). This talented employee development should be done gradually, in order to improve organizational performance, especially for the financial performance of Non-Tax Revenue.

Talent management in an organization, is able to give direction to the development process, utilization ability, expertise, and talent owned by employees. It is important to recognize that, employee skills and knowledge play an important role in organizations in all sectors, employees are critical in all sectors and measures to identify, develop, deploy, and sustain the key to organizational success. To attract people with high potential is not enough; there must be a planned strategy to manage their talent.

The best organizations are organizations that focus on the future and predict what skills, attitudes, and behaviors they need from their talented individuals. Organizations that have employees with talents that fit the needs of the organization will make the organization more competitive and competitive. Gifted people need to feel appreciated and their contribution can make positive changes. This change is one of them is the improvement of work achievement by each employee, so that can give more contribution to the organization.

Increasing the contribution of high talented employees can provide results in the improvement of the financial sector and non-financial for an organization one of which is the Government Agencies. The needs of talented people need for Government Institutions one of them is Center for Innovation - LIPI¹. To gain an increase in the financial sector or so-called Non-Tax Revenue, Center for Innovation - LIPI requires highly skilled and competent and talented employees to provide good service to stakeholders.

By providing good service and timely completion of work, it will have a positive effect on the development of the financial sector. The existence of such positive effects then provides an increase in Non-Tax Revenue will continue as expected and can be trusted by stakeholders. Previously need to be known related to the advantages and disadvantages of the HR Center for Innovation LIPI in the process of improving the financial sector. By knowing this, it will show a good talent management program to be developed further. In addition, it can show that the human resources are able to compete in the future, thus helping the achievement of a better organization. The existence of talent management will provide valuable information related to the development of human resources in the future, in order to be able to have a very good standard of competence in the face of the current era.

¹ Lembaga Ilmu Pengetahuan Indonesia (LIPI) is a state research institute Classy world in research, development and use of science to Improve nation's competitiveness. The mission is: (1) Create inventions of science to encourage innovation in order to improve the competitiveness of national economies; (2) Develop useful knowledge for the conservation and sustainable utilization of resources; (3) Increase international recognition in the field of science; (4) Improve the quality of Indonesian human resources through scientific activity. The objectives are: (1) Increased findings, breakthroughs and renewal of knowledge and its utilization in realizing the nation's competitiveness; (2) Increased the added value and sustainability Resources Indonesia; (3) Improvement of the position and image of Indonesia in the global community in the field of science; (4) Increased scientific culture of Indonesian society.

LITERATURE REVIEW

Armstrong (2009: p. 264) talent management is the process of ensuring that the organization has the talented people needed to achieve its business goals. Rampersad (2006: p. 234) argues that: "talent management is a way of managing talent in organizations effectively, planning and development of succession in the company, the realization of maximum employee self-development, and the optimal utilization of talent". The definition shows that talent is Something that an employee built and nurtured through an organization's training and development program for a long-term process can improve its performance so that it can be a driver behind their contribution to organizational success.

Shruti (2012: p. 36) explains; Talent Management is a strategic and holistic approach to business planning, for human resources for organizational effectiveness. It is used to improve the performance and potential of talented people, who can make a measurable difference to organizations now and in the future. So, it can have an impact in improving the performance generated between all levels in the workforce, allowing everyone to reach their potential. James (2012: p. 179) Talent Management is the application of an integrated strategy or system designed to improve work productivity by developing improvement processes to attract, develop, retain and utilize people with the skills and talents necessary to meet current and future business needs. According to Pella and Afifah (2011: p. 81): "Talent management is a process to ensure a company fills the key position of future leaders and positions that support the unique skill and high strategic value". Talent are human beings who want to maintain company because of its advantages, talent can also be interpreted employees who are identified as having the potential to become future leaders of the company "Based on the above understanding can be concluded that talent management is a process undertaken by the management of companies that manage their talent in order to be competitive With other companies. This talent management consists of various processes, namely planning, recruitment, placement, orientation, development, assessment, management, and appropriate compensation to all employees owned by the company. In the very business conditions of today's talent, every organization is faced with the challenge of attracting, appraising, training and retaining talented employees.

Mohammad (2013: p. 27) Talent Management is about Human Resources how organizations can recognize, recruit, develop, promote and retain high-potential and growing people within the organization. According to (Dessler 2013: p. 130) Talent Management as a goal-oriented and integrated process of planning, withdrawing, developing, managing and compensating employees. Talent management also means how the company manages its resources from recruitment, staffing, performance appraisal, training and career development until employees leave the company so that ultimately the company's goals can be achieved.

Talent employees can be observed from their attitudes and behaviors (Hermin, 2013: p. 2). Here is presented attitude/treatment of talented employees:

- Talented employees create and formulate rules (breaking the rule). High-talented employees do not hesitate to create and formulate rules that can improve performance;
- Talented employees start and make changes;
- Talented employees create creativity;
- Employee talent is often a reliable source of information within the unit or organization; They provide data, suggestions, and creativity to shape important new things and change to a better direction;

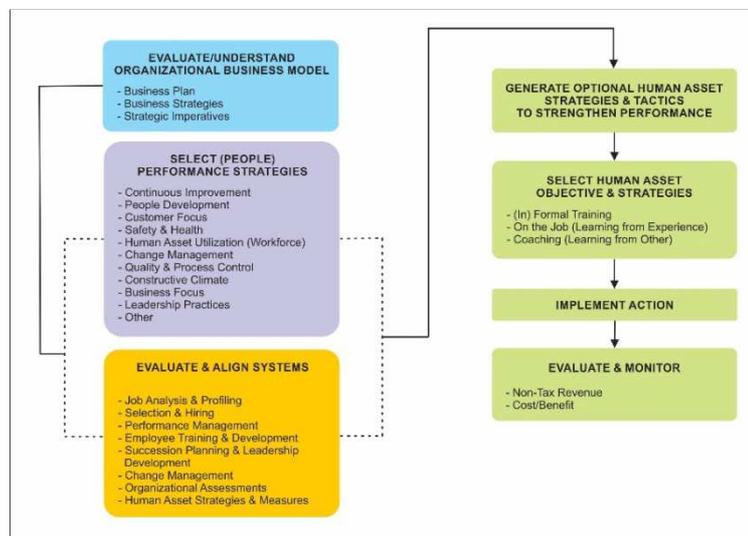
- Talented employees create innovation;
- Talented employees are able to direct employees;
- Talented employees inspire and motivate employees.

RESEARCH METHODS

The methodology that used to enhance the strategy divided into three steps: formulating, implementing and evaluating strategy. Formulating strategy resulted from an identification factual condition of Non-Tax Revenue in Center for Innovation; collect and analysis data production Non-Tax Revenue in Center for Innovation; collect data and analysis for Talent Management factors. The next step is making an identification matrix to utilization all potential of the combined implementation strategy using SWOT analysis; try to get a solution from all weakness and threat. From its matrix will get a mapping of action that expected accurately. The final step, doing an evaluation to control each action and making programs more focused.

RESULT AND DISCUSSIONS

To achieve the long-term goal is able to produce financial sector achievement (Non-Tax Revenue) which continues to increase from year to year. With the focus of that goal, the need for talented people is necessary to be achieved. To improve non-tax revenues, it is necessary to formulate strategies related to talent management system implementation. This formulation is used to be implemented appropriately in order to increase the competence of human resources can run optimally. Here is a strategy formulation of talent management implementation in improving Non-Tax Revenue.



Source: System Design Model for Talent Management Measure & Strategies, PLS Consulting, Inc.² (2015), with modification

Figure 1: Formulation of Talent Management Implementation Strategy in Non-Tax Revenue

² PLS Consulting | 15685 SW 116th Ave. Ste. 287 | Portland, OR 97224. PLS provides the services that ensure the workforce aligns to the strategic vision. In any changing business landscape, PLS helps link employee acquisition, development and retention processes into one cohesive system. PLS provides the tools, methods and infrastructure critical to a sustainable workforce strategy capable of meeting both current and future business requirements. Our approach is customer-centric with solutions tailored to the specific environment of the client. Our company is dedicated to delivering unanticipated quality with every engagement, through the development and delivery of systems that connect the Acquisition, Development and Retention of critically needed talent.

Based on Figure 1 above, the strategy formulation is based on the Organizational Business Model, i.e. Business Plan, Business Strategies, and Strategic Imperatives owned by Center for Innovation LIPI. The Organizational Business Model is structured on the basis of the main tasks and functions of the Center for Innovation LIPI so that it can be adapted to the actual conditions. The next process is related to the performance improvement strategies chosen by each individual. The selection of this strategy is tailored to the competencies of each individual.

To be able to know the job description of each employee, need Job Analysis of each job so that each employee understand the work they will do. A comprehensive evaluation system related to human resource development is needed, so they can be said to have good talent. The evaluation needs to be done by using the HR performance measurement system so that further strategies can be formulated related to the development of the human resources. By having talented employees, it can lead to a positive relationship to performance. This performance achievement can be seen after the implementation of the working mechanism carried out by evaluating based on the level of non-tax revenue achievement.

In the development of human resources many factors that affect the success or failure in improving organizational performance. The various analyses used are intended to examine various situations or the environment, both internal and external environments. One important instrument to anticipate situations and conditions need to use SWOT analysis as confirmed by Hunger and Wheelen (1993: p. 12), “The factor is most important to the corporation's future are referred to as strategic factors and summarized with the acronym S.W.O.T, standing for Strength, Weaknesses, Opportunities, and Threats”.

SWOT analysis develops strengths, weaknesses, opportunities, and threats. This approach seeks to develop the internal strengths and weaknesses of the organization (Looking In), taking into account the opportunities and threats- Existing threats from the external environment (Looking Out). The SWOT analysis also shows the important role of identification of internal strengths and weaknesses in the search for effective strategies. A careful match between the opportunities and threats facing the company with its strengths and weaknesses is the essence of the right strategy formulation. This analysis will continue with a SWOT matrix depiction which illustrates four possible strategies: Strengths, Opportunities (SO) strategy, Weaknesses, Opportunities (WO) strategy, Strength Threats (ST) strategy and Weaknesses Threats (WT) strategy.

Table 1: Internal Factors and External Factors Talent Management Implementation to Increase Non-Tax Revenue

INTERNAL FACTOR	
<p>Strength</p> <ul style="list-style-type: none"> • Availability of work systems and procedures in human resource management • The availability of clear job description of each function • Every HR is given creativity and innovation in producing performance • Well-managed talent development process • Rapid response from HR to every customer request • The ability of human resources in maintaining customer trust well • Flexibility of human resources in handling each case 	<p>Weakness</p> <ul style="list-style-type: none"> • Unsuitable planning and recruitment of human resources • Less optimal empowerment of human resources who have participated in training and education • The existence of human resources who still have a low ability in certain fields. • Our agency has limitations in the capitalization of the implementation of work • Lack of focus on human resources in completing the work, resulting in late work completion • Top management lacks understanding of the development of talented people

Table 1 Contd., EXTERNAL FACTOR	
<p>Opportunities</p> <ul style="list-style-type: none"> • Human resources, abilities and competencies are diverse • The number of human resource upgrades in the Talent development process • Increased compensation for human resources that can generate acceptance for the organization • Competitors in the current sector are still small 	<p>Threats</p> <ul style="list-style-type: none"> • The commitment to develop and improve the quality of human resources in the form of budget is not yet appropriate • Talent development by competitors has been oriented towards the future • New regulations relating to the use of Non-tax State Revenue Funds • Competitive strategy changes can threaten our position in the market.

Based on the above explanation, it can be known related to SWOT which is found in the development of talent in the process of increasing non-tax revenue. The main thing in this talent development process is with the availability of systems and working procedures in human resource management. The availability of such a system can provide an expected increase in talent, as a goal to gain an increase in the financial sector that has been targeted annually. With the planning and recruitment of human resources that are not appropriate will make an obstacle to the development of the organization. This is not an obstacle, but it can make an advantage in an HR development process that is done in a sustainable way.

With the ability and competence of diverse human resources, this makes the opportunity for the organization in obtaining increased acceptance from various sectors. Therefore, it is necessary to make arrangements in such a way that with the talent-talent owned can provide a positive effect for the organization. One of the efforts to develop human resources is the availability of budget, in the absence of commitments related to budget allocation; the process of human resource development cannot be done optimally, so it is necessary to optimize the human resource capability.

Table 1: SWOT Analysis

Internal Factor	Strength	Weakness
External Factor	<ul style="list-style-type: none"> • Availability of work systems and procedures in human resource management • The availability of clear job description of each function • Every HR is given creativity and innovation in producing performance • Well-managed talent development process • Rapid response from HR to every customer request • The ability of human resources in maintaining customer trust well • Flexibility of human resources in handling each case 	<ul style="list-style-type: none"> • Unsuitable planning and recruitment of human resources • Less optimal empowerment of human resources who have participated in training and education • The existence of human resources who still have a low ability in certain fields. • Our agency has limitations in the capitalization of the implementation of work • Lack of focus on human resources in completing the work, resulting in late work completion • Top management lacks understanding of the development of talented people
Opportunities	SOStrategy	WOStrategy
<ul style="list-style-type: none"> • Human resources, abilities and competencies are diverse • The number of human resource upgrades in the Talent development process • Increased compensation for human resources that can generate acceptance for the organization • Competitors in the current sector are still small 	<ul style="list-style-type: none"> • Developing Talent-based human resource development programs • Describe the description of the tasks and abilities of the expertise they possess • Preparation of compensation maps on human resource performance that can generate revenue • Development of HR related strategies with specific expertise in sectors capable of generating revenue 	<ul style="list-style-type: none"> • Improved coordination of human resource recruitment programs • Shipping of related human resources Increased competence • Preparation of HR evaluation post implementation of education and training • Division of tasks tailored to function in the execution of work • The internalization of the Talent development program by Top Management
Threats	STStrategy	WTStrategy
<ul style="list-style-type: none"> • The commitment to develop and improve the quality of human resources in the form of budget is not yet appropriate • Talent development by competitors has been oriented towards the future • New regulations relating to the use of Non-tax State Revenue Funds • Competitive strategy changes can threaten our position in the market 	<ul style="list-style-type: none"> • Preparation of a budget-based training program • Developing a future-oriented HR development system • Increase customer trust so as to provide better acceptance • It is necessary to formulate alternative strategies in running a business that is oriented to the talent owned 	<ul style="list-style-type: none"> • Human resource development programs adjust to existing budget patterns • Socialization of the latest regulations so as to encourage • Focus on your own strategies and the optimization of existing talents

Based on the SWOT analysis above, the most important thing related to human resources development program in talent management element is the need of a strategic program related to human resource development based on competency and talent owned by making an adjustment to the available budget. It also needs to be added related to the preparation of a strategy that aligns with the HR expertise that is capable of generating acceptance from various sectors tailored to the skill. Currently, every competitor has a plan related to the management of its human resources to be able to produce or get business that fits its function. HR management is done as an effort to process the talent management owned by each individual. With good talent management of each HR will give good results.

One of the weaknesses in this talent management process is a lack of coordination related to human resource recruitment program. To generate revenue from the financial sector is good enough, it takes the process of planning and recruitment of human resources tailored to the needs that exist. With this problem, acceleration programs need to be done related to the improvement of human resource competence, in order to be able to compete in the current condition. In addition, the weakness related to human resource development is related to the unsuitable budget pattern, so it cannot run optimally.

From the result of explanation related to formulation and implementation related to talent management application, following evaluation result from applying of talent management which can increase Non-Tax Revenue.

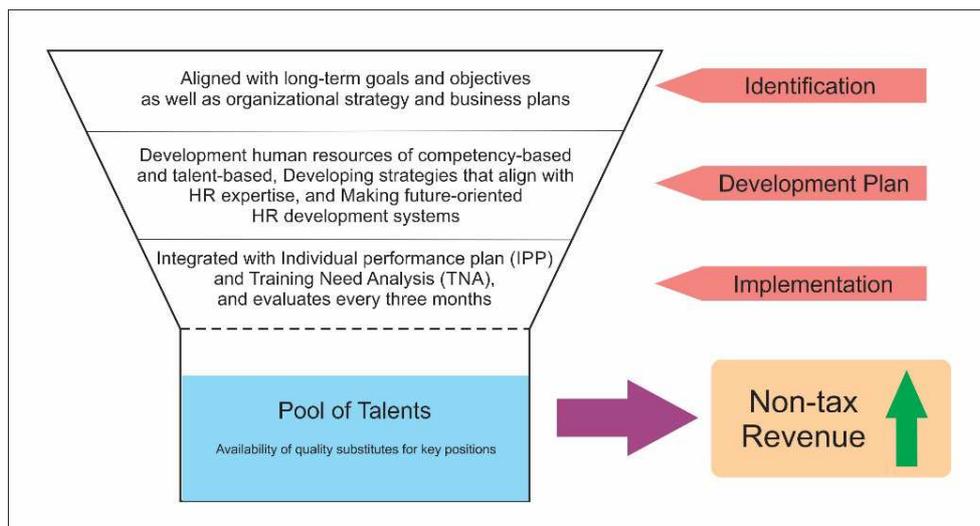


Figure 2. Evaluation Results of Talent Management Implementation

In accordance with figure 2 above, it can be explained related to the model of talent development that can provide an increase in Non-Tax Revenue. The first thing to do is to identify human resources in order to be aligned with long-term goals and objectives and need to be aligned with business plans and organizational strategies. Identification is intended to collect talented people so that the development or improvement of competence can be done well, so it can be a good substitute or a leader of a very good job executor.

Furthermore, it is necessary to plan the development of human resources based on the competence and talents possessed, the development of a strategy aligned with HR expertise, and the development of future-oriented human resource development system. This HR development process also needs to be integrated with individual performance plan (IPP) and aligned in the preparation of Training Need Analysis (TNA). The human resource development process needs to be evaluated every three months to be known related to the development of each individual. With the continued

development of talent, the organization has the availability of talents is good to be able to carry out the work well. The availability of many employees with talent, it will provide an improvement in the form of Non-Tax Revenue. Therefore, the application of Talent management in the process of increasing non-tax revenues is very good to continue to be done in this organization, so it can give a positive effect on the improvement of overall organizational performance.

CONCLUSIONS

To achieve the long-term goal is able to produce financial sector achievement (Non-Tax Revenue) which continues to increase from year to year. With the focus of that goal, the need for talented people is necessary to be achieved. With the process undertaken in the management of talented people, the organization in the future can be competitive with other companies. The advantages and disadvantages of each HR owned needs to be analyzed first in order to maximize the talent management process.

Based on the results of the above analysis, it is necessary to identify the talented people first. Identification is intended to get people who have advantages so as to compete with the outside world. From the results of identification, it is necessary to do a system of human resource development planning based on competence and talent owned. In addition, it is expected that this human resource development can be oriented towards the future in order to have more advantages than existing competitors. The availability of many employees with talent, it will provide an improvement in the form of Non-Tax Revenue. Therefore, the application of talent management in the process of increasing non-tax state revenues is very good to continue to be done in this organization, so it can provide a positive effect in improving the overall performance of the organization.

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