

Impact of Talent Management on Organizational Performance with Political Skills as a Moderating Variable

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Abstract

The purpose of this study is to have an in-depth analysis of the relationship between Talent Management and Organizational Performance. As well as knowing in detail the role of political skills in the organization. A quantitative approach was used in this study. The data for this study were collected from PT Bank Sulselbar through a survey method via a questionnaire, sampling using purposive sampling with a total sample of 80 respondents. The data analysis technique in this study uses Moderated Regression Analysis (MRA), with tools (SPSS) which will provide clear results using validity and reliability testing, data normality test and classical assumption test. The results are in the positive direction and meet the research objectives, which reveal that there is a positive relationship between talent management and subsequent organizational performance, Political skills moderate the relationship between talent management and organizational performance.

Keywords: Talent Management, Political Skills, Organizational Performance

1. Introduction

Today we live in an era where change is inevitable. Human resources are the most valuable and necessary factor for an organization to function smoothly, effectively and efficiently [1]. The success of an organization depends on the hard work, and commitment of managers and employees. Employee management is highly dependent on the quality of organizational leadership [2]. The concept of talent management (TM) has been widely studied in the management literature over the past ten years [3], so different studies were conducted separately for this concept with the aim of finding how it impacts organizational performance. This study examines the relationship between talent management and political skills and the relationship between these two concepts and their impact on organizational performance. Some literature reviews clearly show that most studies on this topic focus more on the western context, in Indonesia itself some studies have examined talent management but still less have linked it in detail with political skills. Thus, this may increase the need for further research in Indonesia, especially in the banking sector in South Sulawesi. This study provides empirical evidence on the relationship between talent management and organizational performance, and more specifically, the moderating effect of political skill factors on talent management and organizational performance, using quantitative methods. The purpose of this study is first to contribute to the academic literature in the field of human resources. Second, this research is expected to increase understanding of the relationship between talent management and organizational performance at Bank Sulselbar, and third, this research aims to provide empirical evidence of the positive impact of political skill as an antecedent between talent management and organizational performance.

2. Literature Review

2.1 Talent Management

Collectively defined by academics, researchers, and practitioners, talent management is a term that refers to activities related to the recruitment, selection, development, and retention of employees. The main contribution of Talent Management is to analyze and bridge the gap between the demand and supply of talent by identifying the weaknesses and strengths of employees as well as the management and strategic flow of talent throughout the organization, which helps link individual goals with organizational goals and from workforce strategy to business strategy.[4]; [5]; [6]; [7]); [7]; defines Talent Management as a process that includes a comprehensive and interrelated set of organizational activities such as identifying, selecting, developing, and retaining the best employees, strengthening their potential in the most strategic positions, and helping to articulate the best use of strengths to achieve their participation and contribution, ultimately promoting the interests of the organization. [8]; [9]; [10]; [8]. This activity begins with identifying the most suitable individuals and ends with retaining them. [11]; [12], all human resource management processes, used to optimize and utilize talents. [13]. Therefore, the various aspects of the talent management process are as follows: Talent Identification is the selection of future managers, not candidates for specific positions. Succession Planning is the manager or leader planning the future tasks of the identified talents according to their competencies, skills, knowledge and abilities. Talent Development is the development of selected talent through talent management tools such as work experience combined with targeted training (formal or informal), functional training, stressful tasks, challenging tasks, career development and increased support through coaching and mentoring. Talent retention is something that can be retained through performance-based compensation, training, challenging work, career development and promotion. Talent retention can improve employee performance resulting in improved organizational performance.[14]

2.2 Political skill

Political skills are part of the concept of organizational politics, political skills in organizations as activities that are not part of a person's formal role in the organization, but affect or try to influence the distribution of advantages and disadvantages in the organization. Politics in organizations is a strategy of power and tactics that can have an effect on achieving the best results for its users. (Vigoda, 2003, 2006). Organizational politics is the self-serving, superiority and advantage-seeking behavior of employees, which is sometimes contrary to the interests of the entire organization or work unit. This behavior is often associated with manipulation, slander and illegal ways of using power to achieve goals. [15]. However, another thing revealed by [16], states that political skills are the ability to understand others in the workplace and use this knowledge to influence others in the workplace and use this knowledge to influence others to act in ways that advance personal or organizational goals. Good political skills can increase positive relationships between employees so that they can jointly improve organizational goals, this can also be used by a manager in finding people who have high talent for the future of the organization. politically savvy individuals are socially intelligent people, can effectively read others and have the ability to organize and adapt to various situations, ([17], With high political skills, employees will have exceptional networking capacity, so they can get more opportunities to meet, communicate and cooperate with leaders than other employees. Political skills are composed of four interrelated dimensions: social intelligence, networking ability, interpersonal influence, and visible sincerity. Networking ability helps politically skilled individuals to develop a wide range of contacts and networks.[18]. Therefore, employees who are able to have political skills can detect opportunities and can know the expectations and goals of the organization where they work.

2.3 Organisational Performance

Organisations play an important role in our daily lives and therefore, successful organisations are a key ingredient for developing countries. Sustainable performance is the focus of organisational

performance determinants of any organisation as it is only through performance that organisations are able to grow and progress. As such, organisational performance is one of the most important variables in management research and arguably the most important indicator of organisational performance. Managers began to understand that an organisation is successful if it achieves its goals (effectiveness) using minimum resources (efficiency). Thus, the organisational theories that followed supported the idea of an organisation achieving its performance goals based on constraints imposed by limited resources [19]. In this context, profit becomes one of the many performance indicators. The authors [20] provide a set of definitions to describe the concept of organisational performance: performance is a financial and non-financial indicator that offers information about the level of achievement of goals and outcomes [20]. Performance is dynamic; it requires judgement and interpretation and can be illustrated using causal models that describe how current actions can influence future outcomes. To define the concept of performance it is necessary to know the characteristics of its elements for each area of responsibility. Which can be seen in figure 1.

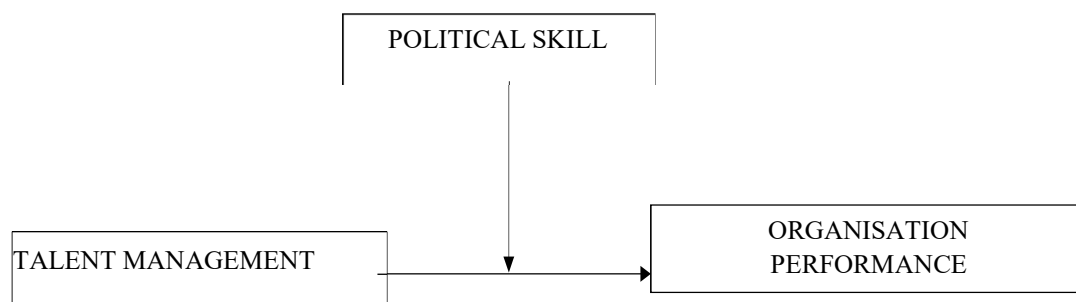


Figure 1 conceptual framework

HYP1: Talent management leads to organisational performance.

HYP2: Political skills moderate the relationship between talent management and organisational performance.

3. Metodology Research

This study involves three variables, namely the independent variable consisting of Talent management, and (moderating variable), namely political skills, and the dependent variable, namely organisational performance. This research was conducted at a bank owned by the province of South Sulawesi, namely PT Bank Sulsebar. The sampling method in this study used purposive sampling method. The sample consideration in this study is the leadership, the head of the board of directors both at the centre and at the branch, or who have a relationship with the research objectives. Which amounted to 80 respondents. The type of data used by researchers is primary data collected through questionnaires. and observation.

3.1 Data Collection Method

This research uses a survey method with a questionnaire as a data collection technique. The questionnaire consists of a set of statements arranged systematically so that the same statement can be submitted to each respondent.

3.2 Data Analysis Technique

This study uses Moderated Regression Analysis (MRA), using the Statistical Package for Social Science (SPSS) application which will provide clear results using validity and reliability testing, data normality test and classical assumption test. The reason for using the Moderated Regression Analysis (MRA) analysis tool is because in this research there are moderating variables. This test is carried out in two stages, the first is regression carried out without moderating variables, then the second is

regression carried out with the interaction between the independent variable and the moderating variable.

First Stage

$$\text{Model } Y = \alpha + \beta_1 X_1 + \varepsilon \dots \dots \dots (1)$$

Description:

X_1 : Talent Management
 Z : Political Skill
 Y : Organisational Performance
 $\alpha_0 - \alpha_3$:
 Konstanta
 e :
 Error Term

Second Stage

$$Y = \beta_0 + \beta_1 \{X_1 * Z\} + \varepsilon \dots \dots \dots (2)$$

Description:

X_1 : Talent Management
 Z : Political Skill
 Y : Organisational Performance
 β_1 : Konstanta
 e : Error Term.
 A : Konstanta
 $(X_1.Z)$: Interaction between TM dengan PS

4. Result

The data in this study were obtained by distributing questionnaires to all respondents by directly visiting the sampling location at Bank Sulsebar. or indirectly by using an online questionnaire. The number of questionnaires distributed was 150 questionnaires, but 80 questionnaires were returned to the researchers.

Hypothesis Testing

Table 1 Linear Regression Analysis

Variabel Independen	Koefisien	Std.Error	T	Sig.	Conclusion
Konstanta	3.269	0,778	4,201	0,000	Significant
Talent Management (X1)	0,501	0,094	5,312	0,000	Significant
R Square = 0,507					
Fhitung = 65,187					
Sig. F = 0,000					

The multiple linear regression equation model

obtained is as follows: $Y = 3.269 + 0,501X_1 +$

0,778

Based on table 1, the coefficient of determination R Square in model 1 shows a value of 0.507 or 50.7%. This means that the organisational performance variable is influenced by 50.7% by talent management (X1) while the remaining 49.3% is influenced by other variables outside the independent variables studied.

Moderated Regression Analysis (MRA)

Table 2 Moderation Regression Analysis Test Results

Variabel Independen	Koefisien	Std Error	t	Sig.	Ket.
Konstanta	2,088	1,710	1,221	0,022	signifikan
Talent management * Political skill (X1Z)	0,562	0,211	2,659	0,009	signifikan
R Square = 0,518					
Fhitung = 25,806					
Sig. F = 0,000					

The moderation regression analysis equation model based on table 2 above is $Y = 2,088 + 0,009 X1Z + 1,710$

Based on table 2, the coefficient value (0.562) is positive, identifying the effect is positive. This means that the political skill variable strengthens the effect of talent management (X1) on the quality of organisational performance (Y). political skill (Z) both directly and interaction both have a significant effect on the quality of organisational performance (Y), it can be said that political skill (Z) in this case is a quasi moderator that interacts with the talent management variable (X1) on the organisational performance variable (Y).

5. Discussion

This paper discusses how talent management and political skills have the potential to facilitate organisational performance, thereby enhancing the organisation's dynamic capabilities as employees are able to compete in a changing environment. This study highlights the importance of political skills between talent management and organisational performance. Our study explores the following issues:

- 1) The impact of talent management on organisational performance.
- 2) Moderating effect of political skill between talent management and organisational performance.

Our study has several important findings. First, our results show that talent shows empathy, consideration, and support for employees, which helps them overcome fear, challenging which leads to better organisational performance. talent management is positively related to organisational performance because it can provide clear guidance on how to make good use of opportunities to improve performance levels. In addition, employees can learn more from the valuable experience provided by managers. Another point is that talent management can attract employees to develop and retain, reach their full potential and break through the boundaries of learning. The study also shows that talented employees have high personal commitment to better organisational performance. Second, political skills can help managers or management in maintaining the talent needed by the company, especially Bank Sulselbar, even though we know that political skills lead to negative things and are considered as self-serving behaviour by employees to achieve interest, excellence, and profit which sometimes this is contrary to the overall interests of the organisation or its work unit. But in this study, politics is not always a win-lose game, even good political skills can bring positive results for all parties. With political skills one is enabled to adapt their behaviour to the other party in a particular

context, which in turn opens up organisational space to unlock their potential. One's ability to understand and influence others effectively, for personal as well as organisational benefit. Leaders or managers need to constantly adjust to others in different situations, especially in situations of uncertain economic turmoil. Those with political skills will understand how to diagnose the situation and adjust their behaviour accordingly. So it is easy for them, in this case, leaders or managers, to find and retain talented employees. And ultimately improve the sustainable performance of the organisation.

6. Conclusion

Our findings strongly support the proposition that political skills moderate the relationship between talent management and organisational performance. On the positive side, the results of this study offer useful theoretical and managerial implications for researchers and practitioner managers of banking companies, especially PT Bank Sulsebar, in designing management practices and formulating human resource policies. This study opens new lines of inquiry into the neglected situation of talent management and organisational performance in the field of organisational behaviour..

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