UNDERSTANDING THE IMPACT OF TALENT AND COMPETENCE MANAGEMENT ON EMPLOYEE PERFORMANCE THROUGH ORGANIZATIONAL COMMITMENT

Nik Haryanti¹, Imam Junaris²*, Winarto³

¹ Institut Agama Islam Pangeran Diponegoro Nganjuk, Jawa Timur, Indonesia
² UIN Sayyid Ali Rahmatullah Tulungagung, Jawa Timur, Indonesia
³ Universitas Islam Balitar Blitar, Jawa Timur, Indonesia

*corresponding author: im02juna@gmail.com

ABSTRACT:
This study aims to obtain empirical evidence and develop a theory (predictive orientation) of the effect of talent management and competence on performance mediated by organizational commitment at Madrasa Aliyah (MA) Ma’arif Udanawu Blitar. The research approach uses an explanatory survey approach. The questionnaire was prepared based on talent management, competence, performance, and organizational commitment. The research data was taken from 30 respondents. Data collection was carried out by using a random sampling technique. In this study, data analysis used the Partial Least Square (PLS) approach using Smart PLS software. PLS is a component or (variance) based structural equation model (SEM). The study shows that talent and competency management affect a person's performance. The better the management of talent and competency, the better the performance will be. When the performance improves, the higher the organizational commitment you have. In addition, the better one's talent management, the higher the organizational commitment.

ARTICLE HISTORY:
Received: 10 August 2022
Accepted: 22 November 2022
Published: 30 November 2022

KEYWORDS:
Employee's Competence, Employee's Performance, Organizational Commitment, Talent Management.
ABSTRAK:

Kata Kunci: Manajemen Talenta, Kinerja Pegawai, Komitmen Organisasi, Kompetensi Pegawai.

INTRODUCTION

Human resources are essential for organizations to succeed because people have an important role in every organizational activity. To achieve organizational goals, all leaders must manage their boards to do a good job. One vital resource is human resources. Human resources are permanently attached to every organization as a determining factor for existence and play a role in achieving organizational goals to advance the organization. Human resources are one essential element in an organization. Without quality human resources, an organization will have little chance of surviving in the face of existing competition because, in essence, the goal of every organization is to achieve and maintain its existence (Prabu & Wijayanti, 2016).

The demands in the organization must be met by every board member regardless of whether a member of the board has problems in his family or around the environment where he lives (Verma, 2020). These regulations, of course, make administrators have to do better, but this also causes administrators to feel burdened with organizational burdens and targets. In an organization, changes in target achievement result in higher demands for each administrator to further improve their performance. The organization's physical conditions, climate, work culture, demands, and high organizational targets cause work stress (Ramli, 2019).
Talent management is a process that organizations use to anticipate and meet their Human Capital needs. Finding the right person with the right skills for the position (Xue et al., 2011). The focus of talent management is on strategic positions in the form of managerial and executive positions. According to Prabowo (2019), Strategic talent management is a planned and structured approach to recruiting, retaining, and developing talented people in organizations. Talent management is a process to ensure that critical positions in the organization can be filled internally by first establishing a group of talent development centers consisting of highly skilled and qualified human resources (Mende & Dewi, 2021). The goal is to employ people with the competence to do a good job, these talented people can be developed to accept broader and more significant responsibilities, and the appointment and selection of these talented people can be taken from internal sources and have the same competence. Well, so that its performance can also develop optimally.

Performance is the result of work in quality and quantity achieved by an employee in carrying out his duties following the responsibilities given to him (Mangkunegara, 2013). According to Cendani & Tjahjaningsih (2016) that performance as a result of evaluating the work done by individuals is compared with the criteria set together. Organizational goals will be achieved if the management shows optimal performance (Tnay et al., 2013). For this reason, special attention is needed for organizations to properly manage the performance of administrators in the areas of assets at revenue agencies, financial management, and regional assets so that organizations can quickly achieve the goals set.

Employees must provide good service and be committed to carrying out their duties. Organizational commitment is the degree to which individuals identify themselves in an organization based on their goals and desire to maintain membership (Robbins & Judge, 2013). Yucel & Bektas (2012) said that organizational commitment is a strong desire to remain a member of the organization, a willingness to exert its best effort for the organization, and a deep belief in and acceptance of the values and goals of the organization. In other words, organizational commitment relates to the efforts made by members. Without the commitment of its members, an organization will not be able to run well because there is no maximum effort from its members.
Talent management concentrates on the future needs of the organization. Organizational strategy to achieve future goals by assigning important jobs for growth and development and selecting the best candidates for these jobs (Almaaitah et al., 2015). Organizations have faced various challenges in attracting talented and intelligent human resources, considered valuable in the organizational structure. For this reason, they began to develop strategies and tools for managing talent, linking it to the human resource procurement development plan for future system development. Research conducted by Almaaitah, Alsafadia, Alhata, & Yousfi (2020) states the positive impact of talent management on performance has effective continuity in organizational commitment. With the high commitment of leaders and employees, achieving the madrasah vision and mission is straightforward. However, the fact is that employees still need to improve their competence. Therefore, it requires high organizational commitment from madrasas to improve employee performance. This study aims to obtain empirical evidence and develop a theory (predictive orientation) of the influence of talent management and competence on performance mediated by organizational commitment at Madrasah Aliyah Ma’arif Udanawu Blitar.

**METHODS**

This study aims to obtain empirical evidence and develop a theory (predictive orientation) of the impact of talent management and competence on performance mediated by organizational commitment at Madrasah Aliyah Ma’arif Udanawu Blitar. This study uses an explanatory research approach with a survey approach. The questionnaire was prepared based on talent management, competency, performance, and organizational commitment variables (Fitri & Haryanti, 2020). The research data was taken from 30 respondents, which is the sample of this study. Data collection was carried out by using a random sampling technique.

In this study, data analysis used the Partial Least Square (PLS) approach using Smart PLS software. PLS is a component or (variance) based structural equation model (SEM). In the analysis with PLS, there are two things done: testing the Outer Model or measurement model and the inner model or structural model.
There are three criteria for assessing the outer model: Convergent Validity, Discriminant Validity, and Composite Reliability. Convergent Validity is a measurement model with reflected indicators assessed based on the correlation between the item score/component score calculated by PLS. The individual reflection measure is considered high if it correlates more than 0.70 with the measured construct. For research in the early stages of developing a measurement scale, a loading value of 0.5 to 0.6 is considered sufficient.

Assessing the outer model with Discriminant Validity is comparing the Root of Average Variance Extracted (AVE) value of each construct with the correlation between one construct and the other constructs in the model. If the AVE value of each construct is greater than the correlation value between the construct and the other constructs in the model, then it is said to have a good Discriminant Validity value. It is recommended that the AVE value be more significant than 0.50. Composite reliability is an indicator block that measures a construct so that it can be evaluated with two kinds of measures, namely internal consistency and Cronbach's alpha developed by Wert et al. (Ghozali, 2016).

The inner or structural model is tested to see the relationship between constructs, significant value, and R-square of the research model. The structural model was evaluated using the R-square for the dependent construct, the Stone-Geisser Q-square test for predictive relevance, and the t-test and the significance of the structural path parameter coefficients. Assessing the model with PLS begins by looking at the R-square for each latent dependent variable. Changes in the R-square value can be used to assess the effect of certain independent latent variables on the latent dependent variable and whether it has a substantive effect.

**FINDINGS**

**Data Quality Test Results (Outer Model)**

There are three criteria for using data analysis techniques with SmartPLS to assess the outer model: Convergent Validity, Discriminant Validity, Composite Reliability, and Average Variance Extracted (AVE).
Convergent Validity

The convergent Validity of the measurement model with reflexive indicators is assessed based on the correlation between the item score/component score estimated by the PLS Software. The individual reflexive measure is considered high if it correlates more than 0.70 with the measured construct. In this study, a loading factor limit of 0.70 will be used. Based on the table below, all outer loading results are > 0.60, so all research items are included in the criteria. The results of outer loadings are in Table 1 below:

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Research Model</th>
<th>Indicators</th>
<th>Research Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent management</td>
<td>Competency</td>
<td>Talent management</td>
<td>Competency</td>
</tr>
<tr>
<td>X11</td>
<td>0.675</td>
<td>X11</td>
<td>0.675</td>
</tr>
<tr>
<td>X12</td>
<td>0.923</td>
<td>X21</td>
<td>0.789</td>
</tr>
<tr>
<td>X13</td>
<td>0.642</td>
<td>X22</td>
<td>0.806</td>
</tr>
<tr>
<td>X14</td>
<td>0.611</td>
<td>X23</td>
<td>0.821</td>
</tr>
<tr>
<td>X15</td>
<td>0.742</td>
<td>X24</td>
<td>0.688</td>
</tr>
<tr>
<td>X16</td>
<td>0.923</td>
<td>X25</td>
<td>0.634</td>
</tr>
</tbody>
</table>

Based on the results of processing using SmartPLS can be seen in Table 1. The value of the outer model or the correlation between constructs and variables has met convergent Validity. The estimation results for calculating the outer loading test using PLS. From the output, it can be seen that all items are valid. It is because the Factor loading values are all more than 0.6.

Evaluating Reliability and Average Variance Extracted (AVE)

The validity and reliability criteria can also be seen from the reliability value of a construct and the Average Variance Extracted (AVE) value of each construct. The construct is highly reliable if the value is 0.70 and AVE is above
Table 2. Outer Model, AVE, Composite Reliability

<table>
<thead>
<tr>
<th>Variable</th>
<th>AVE</th>
<th>Composite Reliability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>0.511</td>
<td>0.798</td>
<td>Reliable</td>
</tr>
<tr>
<td>Organizational</td>
<td>0.500</td>
<td>0.855</td>
<td>Reliable</td>
</tr>
<tr>
<td>commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competence</td>
<td>0.524</td>
<td>0.809</td>
<td>Reliable</td>
</tr>
<tr>
<td>Talent management</td>
<td>0.510</td>
<td>0.852</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Based on Table 2, all constructs meet the criteria of reliability. It is indicated by the composite reliability value above 0.70 and AVE above 0.50 according to the existing criteria.

Model Feasibility Test Results (Inner Model)

The inner or structural model is tested to see the relationship between constructs, significance value, and R-square of the research model. The structural model was evaluated using the R-square for the dependent construct t-test and the significance of the structural path parameter coefficients. Assessing the model with PLS begins by looking at the R-square for each latent dependent variable. Table 5 is the result of R-square estimation using SmartPLS.

Table 3. R-Square Value

<table>
<thead>
<tr>
<th>Variable</th>
<th>R-Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>0.982</td>
</tr>
<tr>
<td>Organizational</td>
<td>0.768</td>
</tr>
<tr>
<td>commitment</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 shows the R-square value for the performance variable obtained at 0.982. It means that the variability of the performance construct can be explained by the variability of the talent management and organizational commitment constructs of 98.2%. In contrast, the rest is explained by other variables outside the model studied. The greater the R-square number indicates,
the greater the independent variable can explain the dependent variable so that the structural equation is better. As for the organizational commitment variable, it was obtained at 0.768. The greater the R-square number indicates, the greater the independent variable can explain the dependent variable so that the structural equation is better.

**Hypothesis test**

The significance of the estimated parameters provides beneficial information about the relationship between the research variables. The basis used in testing the hypothesis is the value contained in the output result for inner weight. Table 5 provides the estimated output for testing the structural model. In SmartPLS, statistical testing of each hypothesized relationship is carried out using a simulation. In this case, the bootstrap method was carried out on the sample. Testing with bootstrap is also intended to minimize the problem of abnormal research data. The results of testing with bootstrapping from the SmartPLS analysis are as follows:

![Results of Bootstrapping](image)

Figure 1. Results of Bootstrapping
The significance level in hypothesis testing is measured using the parameter path coefficient value. This test looks at the estimated path coefficient and t-statistic value with significance at $\alpha=5\%$. The hypothesis is accepted if the t-statistic value is higher than the t-table value, which equals 1.984 for the one-tailed hypothesis. The following is the path coefficient value in testing the central hypothesis of this study:

**Table 4. Path Coefficient Value**

<table>
<thead>
<tr>
<th>Correlation</th>
<th>Original Sample</th>
<th>Sample Mean (M)</th>
<th>Sd</th>
<th>T-Statistics</th>
<th>P Values</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management (X1) -&gt; Performance (Y)</td>
<td>0.847</td>
<td>0.842</td>
<td>0.04 8</td>
<td>17.498</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Competence (X2) -&gt; Performance (Y)</td>
<td>0.167</td>
<td>0.173</td>
<td>0.05 4</td>
<td>3.123</td>
<td>0.002</td>
<td>Accepted</td>
</tr>
<tr>
<td>Talent Management (X1) -&gt; Organizational Commitment (Z)</td>
<td>0.742</td>
<td>0.755</td>
<td>0.05 4</td>
<td>13.813</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Competence (X2) -&gt; Organizational Commitment (Z)</td>
<td>0.147</td>
<td>0.154</td>
<td>0.04 7</td>
<td>3.128</td>
<td>0.002</td>
<td>Accepted</td>
</tr>
<tr>
<td>Performance (Y) -&gt; Organizational Commitment (Z)</td>
<td>0.876</td>
<td>0.896</td>
<td>0.02 7</td>
<td>32.899</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

1. Hypothesis 1 test: talent management affects performance
   The performance test produced a t-statistic value of 17.498 with a P value of 0.000 <0.05 (sig level). The test results prove that the hypothesis proposed in this study can be accepted: talent management affects performance.

2. Hypothesis 2 test: competency affects performance
   The competence test resulted in a t-statistic value of 3.123 with a P value of 0.002 <0.05 (sig level). The test results prove that the hypothesis proposed in this study can be accepted: competence affects performance.
3. Hypothesis 3 test: talent management affects organizational commitment

The test on talent management resulted in a t-statistic value of 13.813 with a P value of 0.038 < 0.05 (sig level). The test results prove that the hypothesis proposed in this study can be accepted: talent management affects organizational commitment.

4. Hypothesis 4 test: competence influences organizational commitment

The competency test resulted in a t value of 3.128 with a P value of 0.002 < 0.05 (sig level). The test results prove that the hypothesis proposed in this study can be accepted: competence affects organizational commitment.

5. Hypothesis 5 test: performance affects organizational commitment

The performance test produced a t-statistic value of 32.899 with a P value of 0.000 <0.05 (sig level). The test results prove that the hypothesis proposed in this study can be accepted: performance affects organizational commitment.

Mediation Test Results

Influence analysis was carried out to analyze the strength of influence between direct, indirect, and total influence variables. The direct effect is the coefficients of all the coefficient lines with one-pointed arrows.

Table 5. Indirect Effects

<table>
<thead>
<tr>
<th>No.</th>
<th>Correlation</th>
<th>Original Sample</th>
<th>Sample Mean (M)</th>
<th>Sd</th>
<th>T-Statistics</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Talent Management (X1) - &gt; Performance (Y) -&gt; Organizational Commitment (Z)</td>
<td>0.742</td>
<td>0.755</td>
<td>0.054</td>
<td>13.813</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>Competence (X2) - &gt; Performance (Y) -&gt; Organizational Commitment (Z)</td>
<td>0.147</td>
<td>0.154</td>
<td>0.047</td>
<td>3.128</td>
<td>0.002</td>
</tr>
</tbody>
</table>
From Table 5 above, the results show an indirect effect of talent management on performance through organizational commitment $P$-values $0.000 > 0.05$. The results of the indirect effect of competence on performance through organizational comments $P$-values $0.002 < 0.05$ means significance.

**DISCUSSION**

Talent management affects performance, as evidenced by the $t$ statistic value of $17.498$ with a $P$ value of $0.000 < 0.05$. It shows that the higher the talent management, the higher the performance. The results of this study are in line with previous research, which states that talent management that is provided and developed has a positive influence on improving employee performance (Agustiani & Sadana, 2019; Malika & Irfani, 2022).

Competence affects performance as evidenced by the $t$ statistic value of $3.123$ with a $P$ value of $0.002 < 0.05$, this shows that the higher the competence, the higher the performance. Competence is a fundamental characteristic of an individual, namely the causes related to the reference criteria for effective performance. Some experts also formulate the notion of competence, such as Lauda et al. (2018), that talking about HR competencies cannot be separated from the existing job requirements. Competence includes employees' knowledge, skills, attitudes, and behavior.

Talent management affects organizational commitment, as evidenced by the $t$ statistic value of $13.813$ with a $P$ value of $0.038 < 0.05$. It shows that the higher the talent management, the higher the organizational commitment. Onodi, Ibiam, & Akujor (2021) also defines: "Talent management as a way of managing talent in an organization effectively, planning and developing succession in the organization, realizing the maximum self-development of the board, and optimally utilizing talent." According to Ari Andriprianto & Maridjo (2022), that talent management is a process to ensure an organization fills the critical positions of future leaders and functions that support the organization's core competencies (unique skill and high strategic value).

Competence affects organizational commitment, as evidenced by the $t$ value of $3.128$ with a $P$ value of $0.002 < 0.05$, which means that the higher the competence, the higher the organizational commitment. According to Kuswibowo (2022), competence is a character's ability to carry out activities.
well and have excellence in subjects that refer to knowledge, skills, and attitudes. Referring to view (Smith-Strøm et al., 2016) state that competence is an ability to carry out or carry out a job or task based on skills and knowledge and is supported by the work attitude demanded by the job. Organizational commitment is the degree to which individuals identify themselves in an organization based on their goals and desire to maintain membership (Kartika & Pienata, 2020). Organizational commitment can also be interpreted as a form of individual expression in self-identification, loyalty, and organizational involvement (Fachrunnisa et al., 2014). Organizational commitment involves three attitudes, namely: (1) self-identification of organizational goals, (2) the desire to be involved in organizational tasks, and (3) a sense of loyalty to the organization (Banjarnahor, 2016).

Performance affects organizational commitment, as evidenced by the t statistic value of 32,899 with a P value of 0.000 < 0.05. It shows that the higher the performance, the higher the organizational commitment. Gibson, Folley, & Park (2009) define performance as the result of work related to corporate goals such as quality, efficiency, and other work effectiveness criteria. Performance is basically what the board does or does not do. Performance is essential for an organization to achieve its goals. Employee performance (Rivai & Sagala, 2011) states that performance is natural behavior as an achievement produced by administrators according to their role in the organization.

There is an indirect effect of talent management on performance through organizational commitment P-values 0.000 > 0.05. Talent management is a process carried out by organizational management that manages their talents to be competitive with other organizations (Mende & Dewi, 2021). The results of the indirect effect of competence on performance through organizational comments P-values 0.002 <0.05 means significance. Competence is a fundamental characteristic of an individual, namely the causes related to the reference criteria for effective performance. According to Gustianto & Islamuddin (2022), discussing HR competencies cannot be separated from the existing job requirements. Competence includes employees’ knowledge, skills, attitudes, and behavior. According to Jalil (2020), competence is a character's ability to carry out activities well and have excellence in subjects that refer to knowledge, skills, and attitudes.
CONCLUSION

The results of his research show that: talent management affects performance, as evidenced by the t statistic value of 17.498 with a P value of 0.000 < 0.05. It shows that the higher the talent management, the higher the performance. Competence affects performance as evidenced by the t statistic value of 3.123 with a P value of 0.002 < 0.05, this shows that the higher the competence, the higher the performance. Talent management affects organizational commitment, as evidenced by the t statistic value of 13.813 with a P value of 0.038 < 0.05. It shows that the higher the talent management, the higher the organizational commitment. Competence affects organizational commitment, as evidenced by the t value of 3.128 with a P value of 0.002 < 0.05, which means that the higher the competence, the higher the organizational commitment. Performance affects organizational commitment, as evidenced by the t statistic value of 32.899 with a P value of 0.000 < 0.05. It shows that the higher the performance, the higher the organizational commitment. There is an indirect effect of talent management on performance through organizational commitment P-values 0.000 > 0.05. The results of the indirect effect of competence on performance through organizational comments P-values 0.002 < 0.05 this means significant

Research recommendations for improving employee performance at Madrasah Aliyah Ma’arif Udanawu Blitar so that it is better than now is that management must continually improve and update the talent management process and increase the competence of its employees, especially permanent employees who occupy critical positions as strategic leaders in madrasas. With these efforts, Madrasah Aliyah Ma’arif Udanawu Blitar has indirectly been able to face and anticipate internal and external changes, which is strengthened by organizational commitment to employees.

REFERENCES


Nik Haryanti, Imam Junaris, Winarto


