

Application of Talent Management Model in Improving the Company's Competitiveness in the Global Market

Khalifachri Albi¹, Tatum Artha², Iwan Subandi³

Universitas Tangerang Raya, Tangerang, Banten, Indonesia¹

ITB Ahmad Dahlan Tangerang, Banten, Indonesia^{2,3}

Emails: khalifachrialbi@gmail.com, tatumartha@gmail.com, iwansubandi108@gmail.com

Abstract

Competition in the global market increasingly demands that companies remain competitive and excel in their industries. One of the key factors in achieving a competitive advantage is effective human resource management. Talent management, as a strategy for attracting, developing, and retaining top talent, is crucial for organizations to face market challenges and dynamic changes. Companies that implement talent management strategies tend to achieve higher performance outcomes than their competitors. This study aims to evaluate talent management models in companies operating in the global market and analyze how these strategies enhance corporate competitiveness. The research employs a descriptive qualitative approach, with data gathered from various literature studies. Quantitative data such as employee retention rates, productivity levels, and innovation indexes were also considered to highlight the measurable impact of talent management. The data was analyzed through filtering, presentation, and conclusion-making stages. Results show that implementing talent management models significantly strengthens a company's competitive position. For example, companies that implemented talent management strategies saw an average 15% increase in employee retention and a 10% rise in innovation outputs. These improvements in innovation, productivity, and operational efficiency demonstrate that the correct application of a talent management model can serve as a sustainable competitive advantage in the global market.

Keywords: Talent management model, competitiveness, company, in the global market.

INTRODUCTION

The rapid development of the global market has intensified competition between companies, forcing businesses to continuously innovate and evolve to meet consumer demands. To survive, companies must not only capture market share but also explore new opportunities within a rapidly changing landscape. However, many companies in Indonesia are still unprepared to face these global challenges, making them prime targets for foreign competitors (Nst et al., 2021). To succeed on the global stage, local companies need to enhance their competitiveness, especially as workplace trends shift due to digitalization, flexible work arrangements, and changing workforce demographics.

Competitiveness, in this context, refers to an enterprise's ability to generate sustainable income and employment in the face of international competition. It is often evaluated through

performance metrics, such as productivity, which measures output per labor unit (Fadhilah et al., 2023). To excel, companies must continuously improve their business processes, and one crucial factor is having a competitive advantage derived from high-quality human resources (Sihite, 2018). In this regard, companies with superior human capital can achieve better performance and a stronger market position.

Talent management has emerged as a strategic solution for companies looking to develop high-quality human resources. It is an integrated system that manages the recruitment, selection, development, and retention of employees aligned with the company's long-term goals (Amelia & Rofaida, 2023). Talent management, when effectively implemented, can foster the skills and competencies essential for achieving organizational success (Mujibi & Azmy, 2024). Moreover, as global workforce trends evolve, companies must adopt talent management systems that not only cater to current business needs but also anticipate future shifts in the labour market.

Recent comparative studies from various industries show that talent management is a crucial factor in enhancing innovation, productivity, and adaptability to market changes. A study by Rahmat et al. (2022) demonstrated that competency-based management significantly improves organizational competitiveness by maximizing employee potential when aligned with talent optimisation. However, many industries still face difficulties in adopting these strategies due to changing market dynamics and digital transformations. Integrating this understanding across different sectors and countries can provide deeper insights into the practical applications of talent management (Acar & SARNIÇ, 2024).

Moreover, Rabbi et al. (2015) highlighted the importance of forming successful teams by engaging talented personnel, particularly in global organizations. Their findings reinforce the idea that companies must effectively manage talent to thrive in the global market. Failure to do so can lead to diminished competitiveness and missed opportunities for growth and innovation. Companies that successfully implement talent management strategies are better positioned to attract and retain top talent, giving them a distinct advantage in a highly competitive global environment (Cappelli & Keller, 2014).

The novelty of this study lies in its comprehensive and forward-looking approach to talent management within the context of recent global changes. Unlike previous studies that primarily focused on short-term benefits, this research emphasizes how talent management can serve as a long-term strategy for enhancing competitiveness, particularly as companies navigate the complexities of digitalization and workforce diversification. Empirical data from multiple industries further supports this study's claim that a more integrated approach to talent management can significantly impact organizational success (Shah et al., 2024).

This research not only aims to evaluate the application of talent management models in companies but also offers practical recommendations for HR policies and long-term strategies. The study's findings can be applied to develop human resource strategies that ensure sustainable competitiveness, especially in industries facing rapid technological advancements and

demographic changes. By adopting these recommendations, companies can strengthen their position in the global market and ensure long-term success.

RESEARCH METHODS

This research employs a qualitative method, which is designed to explore social and cultural phenomena in depth. The qualitative approach was selected because it allows the researcher to gain a deeper understanding of the subject, providing richer insights than quantitative methods. This approach is especially effective when the research questions require exploring experiences and perspectives that cannot be adequately addressed through numerical data (Sitorus, 2021). The decision to use qualitative methods is grounded in the recognition that certain complex social phenomena cannot be fully captured by quantitative analysis alone.

The data for this research was gathered through literature study techniques, which involved reviewing a variety of written sources such as books, articles, notes, and reports relevant to the topic. The sources used for data collection were carefully selected based on their relevance, credibility, and contribution to the subject matter. These sources included peer-reviewed journals, scientific articles, and books, ensuring a comprehensive foundation for analysis.

To enhance the robustness of the research, the data underwent a rigorous analysis process. The analysis began with the selection of relevant information through a detailed coding process, where key themes and patterns were identified. Following this, the data was processed through various stages, including filtering, categorizing, and presenting the information in a structured narrative form to reveal connections and relationships. The final step involved drawing conclusions by comparing the findings with existing theories and literature, ensuring that the interpretations are aligned with the research objectives and questions.

By incorporating systematic data analysis techniques such as coding, thematic analysis, and critical comparison, this methodological approach ensures a thorough and credible exploration of the research topic.

RESULT AND DISCUSSION

In the midst of dynamic external changes such as technological developments, market changes, or new regulations, it often affects companies (Dixon et al., 2014). However, in order to remain competitive, companies need to focus on their internal factors, especially human resources (HR), which are key elements in achieving business success. One way to improve the quality of human resources is through the implementation of a talent management model. Talent management is a series of steps designed to recognize and develop employees' knowledge, skills, and abilities to become superior human capital (Sopiyan, 2021). Companies that are able to retain quality employees can increase productivity and ensure that they have a workforce that is competent and ready to face business challenges. Ultimately, this helps companies achieve short-term and long-term targets more efficiently.

According to Mujibi and Azmy (2024), companies that successfully implement talent management strategies tend to have superior performance compared to their competitors. This

success is due to the company's ability to maximize the potential of talented employees, increasing productivity innovation and providing a competitive advantage. Effective talent management not only impacts the performance of individual employees but also contributes to the overall success of the organization. In the famous article “The War of Talents”, talent is defined as a combination of a person's abilities, innate talents, knowledge, judgment, skills, character, sources of motivation, and capacity to learn and develop. Talented individuals can also be defined as those who consistently demonstrate exceptional skill and achievement in various activities or in certain specific fields (Amelia & Rofaida, 2023).

Talent management is an important step in the management of a company's human resources (HR). This process includes the introduction, promotion, retention, and placement of appropriate personnel in the right position. In addition, education and training also play an important role in developing superior and competitive human resources (Hosnaidah & Sulis, 2023). There are several reasons why the talent management model is essential for a company's competitiveness in the global market. One of them is that HR is considered the company's main asset. Qualified and dedicated employees are the most valuable assets for the company because of the role of employees who are able to create innovation, increase productivity, and provide superior customer service. The opinion of Al Rinadra et al. (2023) asserts that the essence of talent management is to ensure the company has individuals with the appropriate skills and potential to achieve short-term and long-term goals. This process covers various aspects, such as recruitment, employee development through continuous training, career management, and talent retention. In a competitive business, talent management helps companies to remain innovative and adaptable.

Another important reason for implementing a talent management model for companies is the global competition for the best talent. Today, companies around the world compete fiercely in finding and recruiting employees with superior skills and abilities (Sumartik et al., 2023). In this case, effective talent management is key for companies to attract, develop, and retain talented employees. Companies need to have a solid talent management strategy to attract qualified candidates. In addition, this strategy helps in the development of employees to continue to grow and contribute to their full potential, as well as in the retention of talented employees to remain in the company. This model is important to facilitate companies to not only have a competent workforce but also to be able to retain employees in the long run so as to give the company a competitive advantage.

In addition, the importance of implementing a talent management model is also driven by rapid changes in the business environment. Rapid technological changes and changing consumer preferences mean that companies need to constantly adapt to stay relevant and competitive (Susilowati et al., 2024). To effectively deal with these changes, companies need employees who have skills and knowledge that are always updated and relevant. Good talent management helps companies identify and develop employees who have these abilities so that they can contribute optimally to dealing with these changes. So for these reasons, implementing a talent management

Khalifachri Albi, Tatum Artha, Iwan Subandi

model is very important for companies to ensure they have a workforce that is ready to face challenges and remain competitive in the market.

According to Anugrah (2019), the purpose of talent management is to ensure that an organization has the necessary resources to identify future leaders and place individuals in positions that make optimal use of individuals' internal competencies, especially unique skills, and high strategic value. According to HR Technologist cited by Aziz (2022), there are six main processes in talent management involving strategic steps to manage human resources effectively. The following is an explanation of each of these processes:

1. Planning

Planning is the first step in talent management, where the company identifies the need to start this process. Planning involves determining job requirements, drafting job descriptions, and developing the necessary workforce plan for recruitment. The goal of planning is to ensure that all labor needs and shortages are identified and properly planned for.

2. Attracting applicants

After planning, the next step is to attract suitable applicants for the required position. This step involves deciding whether the position will be filled from within the company or through external recruitment. If done externally, talent management will announce the position through various channels, such as job portals, social media, and referrals. It is important to identify the talent pool effectively to keep the process smooth and efficient. Employer branding plays an important role in attracting quality applicants.

3. Selection of applicants

The selection process involves using various methods to assess the match between applicants and available positions. The selection process includes written tests, interviews, discussion groups, psychometric tests, and in-depth analysis of information about candidates. The goal is to get a comprehensive picture of the applicants and select the best fit for the position.

4. Developing employees

Employee development is a process that aims to help employees grow together with the organization. Employee development can be provided with training for necessary skills, as well as effective orientation and training programs to help employees adjust to their roles. In addition, development includes counseling, training, mentoring, and job rotation to effectively improve employee skills and talents, build loyalty, and increase employee engagement.

5. Retaining existing employees

To ensure the long-term success of the company, it is important to retain existing employees. This can be done through promotions, career development, involvement in special projects, and decision-making. Reward programs and opportunities for higher role training also contribute to the retention of qualified employees.

6. Transition

The transition process involves managing change and evolution within the organization with a focus on individual employee growth. Transition can be accomplished by providing retirement

benefits, conducting exit interviews, and effective succession planning. This process helps employees feel part of the overall organization and supports their career journey well.

The implementation of a talent management model by a company can have a significant positive impact on the company's competitiveness. The first major benefit of effective talent management is its ability to attract and retain the best employees. According to Hosnaidah & Sulis (2023), effective human resource management can substantially improve employee performance. This is because good talent management helps companies to identify and allocate talents within the organization optimally, thus supporting the achievement of company goals.

In addition, talent management also plays a role in designing training and development programs that suit employee needs, helping employees to continuously improve their skills and knowledge in the workplace. The implementation of good talent management facilitates companies in retaining employees' performance better. Accurately mapping talents and placing employees in positions that match individual abilities and talents will contribute to improving the performance of the employees themselves. As a result, companies can achieve better employee performance and, ultimately, higher competitiveness in the market (Hosnaidah & Sulis, 2023).

The implementation of talent management also has a significant impact on improving company performance and productivity. According to assumptions in human resource management, improved performance is achieved through effective employee management. In this case, employees are considered valuable assets that can boost the company's performance. When human resources are optimally utilized, companies can achieve an infinitely high level of productivity, efficiency, and performance (Zhenjing et al., 2022). However, each employee has a different working style, so not all of them work in the same way. Understanding the potential and development needs of each employee allows companies to design more relevant and effective training programs. These training programs help employees to develop their skills and knowledge according to their needs, which in turn improves performance and productivity.

Furthermore, when companies pay special attention to employee development and identify their personal potential, this also has an impact on employee motivation. Employees feel valued and get opportunities to grow, consequently leading to increased motivation and commitment to the company. According to Anugrah (2019), placing employees in positions that match individual skills and interests can assist in their role to make maximum contributions.

In addition, there are indications that affective commitment, namely, deep emotional feelings towards the company and employee performance, are positively related. This suggests that when employees feel that the company treats them fairly and involves them in decision-making, employees are more likely to have strong loyalty to the organization (Zhenjing et al., 2022). Employees who have a high level of commitment to the company's goals tend to feel a strong sense of ownership of their job responsibilities. In contrast, employees with lower commitment do not feel the same obligation, which can affect the level of company performance (Zhenjing et al., 2022).

Khalifachri Albi, Tatum Artha, Iwan Subandi

Furthermore, implementing a talent management model also has a positive impact on reducing employee turnover rates. By using a good talent management strategy, companies can reduce the likelihood of turnover. Turnover intention refers to an individual's intention to leave the organization due to the desire to find another job with better rewards. Often, this turnover rate occurs when employees feel dissatisfied with what they receive from the company or feel that the company's attention to them is lacking, which results in not maximizing competence (Anastasia et al., 2021). This certainly affects the achievement of company goals. Thus, effective talent management helps companies reduce costs related to recruiting and training new employees, thereby saving company expenses.

Finally, the implementation of a talent management model also contributes to the strengthening of corporate culture. A conducive work environment and an organizational culture that supports learning and innovation can encourage employees to develop new ideas, which in turn increases the competitiveness of the company (Tripathi & Kalia, 2024). Employees with various expertise can work together more effectively, produce innovative solutions, and support productive cooperation in the organization.

So, considering the previous explanation, the findings conclude that the implementation of an effective talent management model is a long-term investment that will provide great benefits to the company. Thus, an emphasis on the development and utilization of employee talent by companies can strengthen their competitiveness in an increasingly competitive global market.

CONCLUSION

To strengthen the implementation of the talent management model, companies should consider concrete actions to leverage these findings. This includes establishing clear strategies for attracting, developing, and retaining skilled employees while aligning talent management practices with long-term business goals. Additionally, companies should explore specific frameworks or tools that can support talent management processes, ensuring continuous innovation, productivity, and operational efficiency.

Furthermore, future research could delve into how specific industries or regions can optimize talent management models in various cultural or economic contexts. Expanding research in this area could provide more detailed insights into tailoring these strategies, fostering a deeper understanding of how talent management can be adapted for different organizational needs.

BIBLIOGRAPHY

- Acar, S., & SARNIÇ, A. (2024). A qualitative study on talent management in enterprises within the Industry 4.0 process. *SEISENSE Journal of Management*, 7(1), 101–116.
- Amelia, E., & Rofaida, R. (2023). Talent Management in Organizations: Systematic Literature Review. *Airlangga Journal of Innovation Management*, 4(1), 41–59.
- Anugrah, C. M. R. (2019). Kajian Penerapan Manajemen Talenta dalam Rangka Mengoptimalkan Kinerja Sumber Daya Manusia pada Bank Bri Kantor Cabang Sukabumi Kantor Wilayah

- Bandung. *Digital Economic, Management and Accounting Knowledge Development (DEManD)*, 1(1), 1–18.
- Aziz, A. (2022). Talent Management: Effects on Organizational Performance in Creating Competitive Advantage. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 6(4).
- Cappelli, P., & Keller, J. R. (2014). Talent management: Conceptual approaches and practical challenges. *Annu. Rev. Organ. Psychol. Organ. Behav.*, 1(1), 305–331.
- Dixon, S., Meyer, K., & Day, M. (2014). Building Dynamic Capabilities of Adaptation and Innovation: A Study of Micro-Foundations in a Transition Economy. *Long Range Planning*, 47(4), 186–205. <https://doi.org/10.1016/j.lrp.2013.08.011>
- Fadhilah, N., Hasibuan, A., Ahmadi, A., Harahap, D. N., & Ritonga, K. (2023). Memperkuat Posisi Daya Saing Perusahaan. *Journal of Management and Creative Business*, 1(1), 79–85.
- Hosnaidah, H., & Sulis, Y. D. (2023). The Impact of Global Talent Management on Employee Recruitment. *Proceeding International Conference on Economy, Management, and Business (Volume 1, 2023)*, 1(1), 1388–1392.
- Mujibi, A., & Azmy, A. (2024). Talent Management Sebagai Penunjang Kinerja Perusahaan. *Jurnal Perspektif Manajerial Dan Kewirausahaan (JPMK)*, 4(2), 117–127.
- Nst, A. P. A., Ananda, F. T., Indahsari, L. N., & Suhairi, S. (2021). Global Marketing Decision (Keputusan Pemasaran). *Jurnal Manajemen Akuntansi (JUMSI)*, 1(3), 26–34.
- Rabbi, F., Ahad, N., Kousar, T., & Ali, T. (2015). Talent management as a source of competitive advantage. *Journal of Asian Business Strategy*, 5(9), 208–214.
- Rahmat, A., Yulihardi, Y., & Afrida, A. (2022). Talent Management in increasing Company Competitiveness in the Business world. *International Journal of Artificial Intelligence Research*, 6(1).
- Shah, N., Bano, S., Saraih, U. N., Abdelwaheed, N. A. A., & Soomro, B. A. (2024). Developing organizational performance through talent management practices: employee satisfaction's mediating role in learning organizations. *Business Process Management Journal*, 30(3), 641–670.
- Sihite, M. (2018). Staregi Membangun Sumber Daya Manusia Yang Berdaya Saing Tinggi. *Seminar Nasional Royal (SENAR)*, 1(1), 407–412.
- Sitorus, S. L. (2021). Qualitative Method (Case Study Research). *Journal Of Communication Education*, 15(1).

Khalifachri Albi, Tatum Artha, Iwan Subandi

- Sopiyan, P. (2021). *Peningkatan Kinerja Karyawan Berbasis Talent Management dan Knowledge Management*.
- Sumartik, S., Ambarwati, R., Febriani, R., & Prasetyo, W. E. (2023). Manajemen Talenta dan Implementasinya di Industri. *Umsida Press*, 1–333.
- Susilowati, E., Rezika, H. N., Rifaldo, M. I., Azzahra, M. P., Hidayat, T., & Muttaqien, D. D. (2024). Strategi Manajemen Inovasi Dan Kreatifitas Dalam Pengembangan Bisnis Kedai Kopi Imah Uing (IU). *DIGIBE: Digital Business and Entrepreneurship Journal*, 2(1), 17–26.
- Tripathi, A., & Kalia, P. (2024). Examining the effects of supportive work environment and organisational learning culture on organisational performance in information technology companies: The mediating role of learning agility and organisational innovation. *Innovation*, 26(2), 257–277.
- Zhenjing, G., Chupradit, S., Ku, K. Y., Nassani, A. A., & Haffar, M. (2022). Impact of employees' workplace environment on employees' performance: a multi-mediation model. *Frontiers in Public Health*, 10, 890400.

Copyright holders:

Khalifachri Albi, Tatum Artha, Iwan Subandi (2024)

First publication right:

AJEMB – American Journal of Economic and Management Business
