



Employee Performance Improvement Based on Talent Management

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Abstract. This study focuses on the population of BUM Desa (Village Owned Enterprises) in Seram District West, totaling up to 90 units and spread across 11 districts. Improvement in Employee Performance that relies on talent Management as a result of rapid technological changes has led to increased responsibility within the organization to predict the skills needed in the future and to recruit and retain employees who have the strengths and skills needed to achieve long-term strategy. The performance of human resources is the result of work that has been done achieved by employees who are oriented towards company goals. Each performance must be assessed to determine its level success that has been achieved in the work performed. One of the things that affect the high-performance achievement is the implementation of Talent Management which consists of recruitment, selection, orientation, mentoring, performance management, career development, leadership development, replacement planning, career planning, recognition and reward. This study used a qualitative research method with a descriptive approach analyze the performance of BUM Desa which focuses on various solutions to problems that exist in BUM Desa and the possibility of developing BUM Desa in the future. The data used is qualitative data in the form of direct interviews with BUM Desa management. Data collected through observation, conduct interviews according to guidelines, study documents, which are then processed through recording and edit document. Researchers use triangulation as a technique to check the validity of the data. Informants for this study are village heads and village BUM administrators.

Keywords: performance · planning · talent management

1 Introduction

Rural development is a method to reduce poverty in Indonesia. Building economic centers in rural areas has long been carried out by the government through encouraging various programs. However, these efforts have not shown satisfactory results in accordance with the society's needs. One of the factors which quite dominant in this issue is the limitation of human resources, which resulting in the inhibition of the creativity and innovation of rural communities in organizing and managing the available economic centers. It is consistent with the opinion of [1] that rural areas in general have abundant of potential, especially natural resources. However, the low quality of human resources

and the lack of availability of supporting facilities and infrastructure are obstacles in managing the existing potential in order to strengthen village economic resilience.

Village-Owned Enterprises (BUM Desa) are institutions established by the Village. Establishing BUM Desa is part of performing the mandate of laws and regulations and is based on various legal regulations. Law Number 6 of 2014 concerning Villages, Chapter X, Articles 87, 88, 89, and 90, particularly Article 87, states that 1). Villages can establish Village Owned Enterprises called BUM Desa, 2). BUM Desa is managed in a spirit of kinship and mutual cooperation, 3). BUM Desa can run a business in the economic sector and/or public services in accordance with the provisions of the legislation. Furthermore, in Article 88, it is stated that 1). The establishment of BUM Desa is decided through village deliberation, 2). The establishment of BUM Desa as referred to in clause (1) shall be stipulated by a Village Regulation. As in Article 89, it is also stated that BUM Desa business results are used for, a). Business development; and b). Village development, village community empowerment, and assistance provision to the poor through grants, social assistance, and activities with revolving fund, which stipulated in the Village Revenue and Expenditure Budget. Similarly, Article 90 explains that the Central Government, Provincial Government, District/City Government, and Village Council encourage the development of BUM Desa by, a). Providing grants and/or access to capital b). Offering technical assistance and access to markets; and c). Prioritizing BUM Desa in managing natural resources in the Village.

In line with the regulations regarding BUM Desa above, the underlying thought of the establishment of BUM Desa is the needs and potential of the village, [2] as the implementation of effort to improve community welfare. The planning and establishment of BUM Desa is carried out through community initiatives, with member-based mechanisms, based on cooperative, participatory, transparent, emancipatory, accountable, and sustainable principles. Overall, the most important thing, in regards of BUM Desa, is that its management must be conducted professionally and independently. According to Rivai, Basri in [3], performance is a person's achievement or level of success in performing tasks during a certain period, based on various matters, such as work standards, targets or targets or criteria that have been determined in advance and have been agreed upon together.

Performance is the work result or work achievement and the ongoing process of a job. Armstrong and Baron, in [4] stated that improvement the performance of BUM Desa causes the necessity for efforts to improve the performance of BUM Desa administrators.

The notion of talent management that is widely used is the use a holistic human resources strategy for recruiting, upgrading, protecting, and using the workforce in a productive way with the required skills, in meeting current and future business requirements. Talent management was originally conceived to improve the hiring and development process human beings with the skills and abilities needed to fill the organization's current needs. Lardner in [5] explains various aspects talent management namely recruitment, selection, orientation, mentorship, performance management, future career planning, leadership development, succession planning, career planning, recognition and awards.

[6] talent management is a very important tool to achieve high performance in an organization. Maintain Talented employees are the key to improve the excellent performance of an organization. This making talent management a very important issue

for organizations today. Moreover [7], talent management is an existing activity and process carried out systematically and contribute to sustainable organizational development excellence and development of employees with high potential. [6] stated that rapid technological and organizational change led to an increase in responsibility on the organization to forecast future skills requirements and the company must be able to attract and retain employees with the skills and abilities that will be needed to achieve long-term strategy.

To achieve organizational goals, talented employees are required to create more competitive companies. [8] "Talent management is carried out by getting workers with the appropriate skills for the appropriate positions. [9] explained that there is a connection between HR implementation and organizational tactics in improving performance. In practice, human resource management requires the ability to describe all the skills possessed as a competitive advantage. For organizations. Currently, strategic HRM has become important for companies. This is further strengthened by changes in the social environment related to the current characteristics of human resources which are influenced by the digital information era. Companies compete on the individual level of productivity improvement. If a company has employees who on average have better skills than other companies, then the company concerned will have better performance. Therefore, the current challenge for companies is to win the talent war, because having better talent will have a positive effect on the ability to win the market.

Based on the data obtained, until 2021, BUM Desa in the area of the District of Seram Bagian Barat (SBB) is as many as 90 units which spread over 11 Sub-districts. Among those 90 BUM Desa, there are 61 active units, 25 inactive units and 4 units currently in the process of being established. One method to find out about the development and impact of BUM Desa on economic activities and the level of community welfare is by looking at data on poverty rate in the District of Seram Bagian Barat.

Table 1 shows that the number of poor people in the District of Seram Bagian Barat is 21,077 households out of the total population of 420,334 people. (BPS data, 2020). This means that BUM Desa as one of the institutions established by the Village Council to spur the improvement of the village's economy has not been fully managed properly. Based on the above background, the scope of this research is limited to the issue of Employee Performance Improvement on the basis of Talent Management as a result of rapid technological changes, which leads to an increase in organizational responsibility for estimating future skill needs, attracting and retaining employees with skills and the abilities required to accomplish the long-term strategy.

1.1 Village-Owned Enterprises (BUM Desa)

According to the Law Number 6 of 2014 regarding Villages, Villages are legal community units that have territorial boundaries, which are authorized to regulate and manage governmental affairs, the interests of local communities based on people's initiatives, origin rights and/or traditional rights that are recognized and respected in the governmental system of the Republic of Indonesia (Law Number 6 of 2014). Thus, this law is intended to improve the welfare and quality of life of rural communities, by encouraging the development of independent and sustainable villages which possess social, economic and environmental resilience. It is also explained in this law, that the Village

Table 1. Poverty Rate in the District of Seram Bagian Barat 2017–2018

Sub-districts	Households
Kairatu	1.274
Kairatu Barat	2.878
Elpaputih	490
Seram Barat	2.094
Huamual	4.671
Huamual Belakang	4.771
Kepulauan Manipa	532
Taniwel	1.892
Taniwel Timur	897
Ina Mosol	539
Amalatu	1.039
Total	21.077

Source: Government of the District of Seram Bagian Barat, 2022

Chief (or other similar titles), as the head of village council, has 15 authorities. Of those 15 authorities, there are 5 authorities related to village finances, such as, to manage village finances and assets, to determine the village's income and expenditure budget, foster and improve and integrate the village economy in order to achieve the economy maximum productive scale for the prosperity of the village community, to develop village income sources and, to propose and accept the delegation of portions of the state's wealth in order to improve the welfare of the people in the village.

Supposedly, there are many efforts that the Village Council can do to improve the economy for the welfare of the village community. One of them is by establishing a Village Owned Enterprise (BUM Desa). The purpose of establishing BUM Desa, which is stated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration number 4 of 2015, is to increase Village Original Income (PADes). BUM Desa is established on the initiative of both the council and the people of the village based on the village's unique potential. This potential can be developed using local resources, both natural and human. Activities towards village's economic sovereignty, which is performed through BUM Desa, are the efforts to achieve prosperity [10]. BUM Desa is one of the government's efforts to encourage the improvement of the village economy. The village fund budget, which is used to establish BUM Desa, must be accounted for by the Village Council through continually socializing the disbursement of the village fund budget as a form of accountability Ismail et al., 2016 in [11].

1.2 The Performance of BUM Desa

HR performance is the output that has been obtained by a worker who company goal oriented. Each performance must be assessed to determine the extent of the work that has been achieved Saryanto & Amboningtyas, 2016 in [12]. [13] stated that individual performance appraisal is very beneficial for growth company as a whole. Through employee assessment will be known actual conditions of employee performance. Mahmudi 2010:21 in [3] said that performance is influenced by:

- a. Personal factors, which include: expertise and capabilities, skills, abilities, and have a strong drive;
- b. Leadership, namely people who are able to direct the team. Direction, and support provided by managers and team leaders.
- c. Team factor, namely the ability to work together among fellow workers to achieve common goals
- d. System support, namely the support of all elements of the organization, both culture and available equipment.
- e. situation, namely readiness in dealing with all forms of change both internally and externally

Furthermore, according to [14] that performance is the level of success of a person in a certain time frame when carrying out work and various possibilities, for example the standard of work, the target predetermined and mutually agreed upon. Besides that The factors above are driving economic performance according to Ridwan 2016 in [15] is expertise, which is a human resource factor that can be developed through education/training.

1.3 Talent Management

[12] Talent management consists of a series initiatives driven by the company by carrying out the process of identifying, improving, and retain employees who have talent, in order to be combined with employees who fit the needs of the job. to answer the company's strategic needs and company priority policies, then the performance of talented employees is optimized for the creation of business excellence and achieving the company's vision. Ability management is an HRM process related to three processes [8]. First, improve and strengthen new employees during the recruitment process Second, developing old employees. Third, recruiting as many employees as possible who have a strong will and commitment to the company.

[16] define talent management as a tactic in order to design the benefits of talent within the organization, which is directed at ensuring the availability of talent and synchronizing the right people with the right jobs, based on strategic business goals or company activities. Talent management is also closely related to a person's ability when placed in a higher leadership position with superior staff, when this happens the company's confidence will increase. This process is related to the opinion of experts that the implementation of talent management will encourage the creation of a high- performing

workforce. Starting from this condition, it can be concluded that there is a significant relationship between management and employee performance.

Referring to the explanation above, it can be concluded that talent management is related for how to manage the available employees and channel them according to the capabilities they have and can start with the initial selection process then place them, evaluating employee performance, the career development process until the employee leaves the company, is expected to have an impact on the company's competitive advantage. [17] state that several indicators of talent management are career experience, potential, initiative, cooperation, behavior, character qualities, personality, enthusiasm for learning.

In research conducted by [18], Talent management provides reinforcement of how to apply tactics that can answer which refers to the management of human resources based on a transformation strategy by strengthening several pillars including the implementation of talent management for the future continuity of the organization through training and development to get a reliable workforce.

Tour activities through training and development of high potential workforce. In implementing talent management, it is very important for companies to define the definition of talent. According to [19], talent is a collection of employees that the company wants to survive because they are employees who are identified as having the ability and opportunity to become leaders in the future. Thus it can be concluded that talent management relates to how to manage employees and channel them according to their talents, starting from the recruitment process, employee placement, performance appraisal, training, and career development, until employees leave the company, with the aim of having an impact on the company's competitive advantage.

2 Methodology

This research is qualitative descriptive research, which its main purpose is to systematically describe the facts and characteristics, of the object or subject being studied, in an appropriate manner, and to provide as accurate data as possible about humans, circumstances, or other phenomena. Its main function is to reinforce hypotheses, in order to assist in strengthening old theories, or in the framework of developing new theories [20]. Therefore, qualitative research is a tool to examine the extent to which a process occurs in social phenomena. Qualitative research in general does not assess facts or social phenomena in question using numbers, but by applying quality standards expressed in words [21] Population is the whole object of research with certain qualities and characteristics that are determined by researchers to be studied and then drawn conclusions upon Sugiyono, 2004:72 in [22]. This research focuses on the population of BUM Desa in the District of Seram Bagian Barat, numbering up to 90 units and spread over 11 Sub-districts. Meanwhile, sample is a portion or part of a specific population that is of concern. For sampling, the method applied is the purposive sampling method, namely the method of determining the sample intentionally (Lin, 1976: 158–159). This determination is based on the similar (homogeneous) business character of the BUM Desa. The number of samples employed in the research is 22 BUM Desa which spread over 8 Sub-districts. Researchers use triangulation as a technique to check the validity of the data. Informants for this research are Village Chiefs and BUM Desa administrators.

3 Result and Discussion

3.1 The Profile of District of Seram Bagian Barat

The profile of an area is an important part to explain the strategic position of the area. Territory ownership is one of the absolute requirements to get recognition as a country/province/district/city. Ownership of the territory will determine the existence of government for the residents/communities who live in it. The District of Seram Bagian Barat is located between the Latitude of $1^{\circ}19' - 7^{\circ}16'$ South and between the Longitude of $127^{\circ}20' - 129^{\circ}1'$ East. Based on its geographical position, the District of Seram Bagian Barat has the following borders: - to the North it is bordered by the Seram Sea; To the South it is bordered by the Banda Sea; - To the West it is bordered by the Buru Sea; - to the East, it is bordered by the District of Maluku Tengah. The District of Seram Bagian Barat is a maritime district, which consists of 11 Sub-districts and has 67 islands.

3.2 The Performance of BUM Desa

Based on the answers of key informants shown in Table 2 and in accordance with the facts in the field when conducting direct interviews, the researcher finds that there were failures in the initial planning to determine the type of business. In this case, the BUM Desa management made mistakes because they were too hastily preparing plans to run the business. This immaturity of planning is caused by the lack of experience among the BUM Desa administrators.

The informants' answers and the results of interviews conducted by researchers find that for the sake of the validity or legality of BUM Desa, the Village Council has issued a decree (SK) as the basis for running or managing every BUM Desa business.

Table 2. Triangulation of BUM Desa Performance Achievements

Informants	Interview Results
Key Informant	With the initiative of the people and the Village Council, in accordance with the mandate of the Law, our BUM Desa has been established since 2017. In its development, this BUM Desa has several types of businesses, which are adjusted to the potential of natural resources in the village. Unfortunately, BUM Desa still has not gained any profits from the business it is running.
Key Informant	This BUM Desa has been established since 2017. In its business activities, BUM Desa takes advantage of business opportunities obtained from the potential of the Village, such as copra and tubers planted by the local community. BUM Desa also sells fuel. However, the level of profit expected by the BUM Desa management has never been achieved.
Key Informant	When it was established in 2017, our BUM Desa initial activity is a meeting between the BUM Desa management and the Village Chief to determine the amount of subsidy that should be given to BUM Desa. We, then, agreed to run a water refilling business, and to trade various village products such as cloves, nutmeg, and copra. However, all BUM Desa businesses suffered losses.

Table 3. Triangulation of Talent Management Factor

Informants	Interview Results
Key Informant	Through a mutual agreement between the Village Council and the people of the village, the BUM Desa administrators are selected based on the representation of clans or associations of several clans, in accordance with local customs, and adapted to the requirements of the organizational structure.
Key Informant	Some of the names nominated to be included in the structure of BUM Desa management are proposed directly by the Village Chief
Key Informant	The limited level of education in the village makes the management of BUM Desa is mostly filled by high school graduates.
Key Informant	Since being appointed as the administrator, capacity building activities, such as training on the management of BUM Desa, have only been held once in a period of 5 years

Legal certainty for every BUM Desa in running a business is required so that there are no overlapping claims to a business, especially in businesses related to the natural potential in the village. However, not all villages support the establishment of a Notary Deed and/or Certificate from the Food and Drug Inspection Agency (POM) for certain products. Another obstacle is that producers usually prefer to market their own products rather than through BUM Desa. An example is the product of eucalyptus leaf as raw material for eucalyptus oil in Piru, Buano, Kelang, and Manipa which is more often directly sold to Namlea, than through BUM Desa.

3.3 Talent Management Factor

Table 3 discloses the answers of key informants related to the Talent management aspect. In accordance with the results of the interviews, the researcher finds that, the selection process to fill the positions in the management of BUM Desa, is still strongly influenced by local customary rules, resulting in a tendency to override the recruitment of administrators based on one's abilities and talents. In addition, the authoritarian behavior of the Village Chiefs who chooses some/all of the names of the management himself, and ignores the joint election process with the community, is still common. It is usually the beginning of the emergence of internal conflicts between fellow BUM Desa administrators. Training for management capacity building is still very rarely held and has a negative effect on the management of BUM Desa, considering the educational background and skills of most of the administrators are very limited.

4 Conclusion and Suggestion

4.1 Conclusion

In order to support the village economy and improve the standard of living of its people, the Village Council is equipped in various means. One of them is by establishing a

Village-Owned Enterprise (BUM Desa). Since the purpose of establishing BUM Desa, as stated in the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration number 4 of 2015, is to increase Village Original Income (PADes), BUM Desa is established on the initiative of the Village Council and the people based on the unique potential of the village. This potential can be developed using local resources, both natural and human.

The Sustainability Principle shows that business activities must be developed by the community in the form of BUM Desa. However, it must be admitted that most BUM Desa that have been established at this time do not yet have a good development plan for a certain period of time. This has resulted in the management of BUM Desa being limited to activities of establishing BUM Desa without any follow-up. It can also be found that a number of BUM Desa have experienced business sustainability problems, and even stopped operating, as a result of the absence of careful planning.

Human Resource Performance is the achievement of work results by workers within a certain period of time when doing work and then being assessed according to the ability of the employee, such as regulations, targets to be achieved according to what has been mutually agreed upon. Therefore, performance improvement on the basis of talent management is about managing employees and channeling work according to their talents. Talent management includes a number of things such as the initial process when recruiting employees, when employees are distributed to positions that match their talents then carried out, a thorough evaluation and determining programs that can encourage employee skill improvement to the management leaving/dismissing from BUM Desa.

4.2 Suggestion

Based on the data and discussion in this research, it is imperative that the Government of District Seram Bagian Barat (SBB), in the future, to try to find and understand the various factors causing the underdevelopment of BUM Desa and develop strategies for overcoming problems in order to successfully improve community welfare. This effort must be carried out holistically by mapping the problems that exist around BUM Desa and focusing on the capacity building strategy of BUM Desa, namely developing the capacity (capacity building) of BUM Desa from the aspect of institutional governance and increasing management knowledge from managers, as well as helping to foster wider partnerships for BUM Desa through the implementation of measurable talent management.

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