Chapter 21
Perspective of Managing Talent in Indonesia: Reality and Strategy

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ABSTRACT
A superior organization is usually supported by systematically managing talent. The effective talent management will increase employees’ commitment and satisfaction that lead to employees’ engagement. Some of the issues that led to the ineffectiveness of management talent are a lack of understanding of the concept in managing talent, low commitment from every department, and goings of the best talents of the organization. This study aims to identify effective talent management processes in an organization, especially in Indonesia. This study also focused on how to retain employees who belong to the Y generation. A qualitative approach is used to explore the conditions that occur in every process of managing talent in 12 major companies in Indonesia were obtained through interviews and surveys. This study proposes a conceptual framework that shows several steps as a solution to the problem associated with managing the talented employee. There are three major groups in the talent management process including attracting talent, developing talent, and retaining talent.

INTRODUCTION
The global competition is currently in a situation that cannot be predicted and high complexity, competition lies not only in the product but in the way of thinking of creating knowledge. Therefore, the ability to compete in the future and prosperity of a company depends heavily on employees as the prime mover of the organization. Schiemann (2011) reveals the top ten trends will change the future of the organization including uneven distribution of talent and increased the cost of talent mismanagement. Competitive advantage is achieved by having the talent at every level of the organization (Armstrong, 2009).

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Talent in an organization is employees who have the competence and potential, which brings forward the organization both today and in the future. Employees who enter into the talent pool is that they have advantages as individual compared to other employees of the competence, potential and attention from the company. One of the strategic issues related to talent today is the ease of the best talent leaving the organization. It is quite a dilemma for the organization is when the best effort given to the best talent was not quite able to make them want to always stay in the organization. The impact arising from this situation is the increase of the organization such as increased training costs, procurement costs and moral effect for talented employees who remain in the organization.

Some companies in Indonesia have implemented talent management which has proven effective. Here are some of the best practices of companies that have successfully implemented talent management and to date, these companies are still developing a talent management process that is better for the company. PT Astra International Tbk. is a company engaged in multiple business segments includes automotive, financial, heavy equipment and mining, agribusiness, information technology, and infrastructure, logistics, and more. Astra believes that human resources are one of the main assets of the company’s most valuable so Astra seeks to create programs to support business growth through optimal contribution according to its competence and talent possessed by each employee. The program aims to identify, manage and develop the talent Astra to be the leading cadres Astra in the future. Some facilities management development talent in the Astra include the Astra Management Development Institute (AMDI) that play a role in preparing the cadres of leaders Astra, Integrated Talent Development (ITD) is a pattern of development of integrated HR for employees of Astra, especially the talent to combine the elements of training, coaching/mentoring and job assignment/rotation (Astra International, 2016).

In addition, companies in Indonesia that have implemented talent management is PT. GMF, an international company which is a subsidiary of PT. Garuda Indonesia, Tbk. Strategic talent management system used in PT.GMF AeroAsia an integrated framework and consists of a series of processes, namely: Human Capital Planning where planning process is focused on units operation by making Man Power Plan (MPP) every three months in which the calculations were taken from the two sides of the target company’s revenue and the scale of production. While planning for the procurement of human resources for the unit non-operation tends to be done by the method just in time; Development System is an employee competency development plan according to their respective needs as outlined in the Individual Development Plan (IDP), while for the talented employee by arranging Individual Development Acceleration Plan (IDAP); Career Management System where each employee has a career roadmap; and Reward Management System is a reward for employees in accordance with each performance. In addition, this policy is taken as an effort to promote the spirit of achieving employees and lower turnover (GMF AeroAsia, 2016).

Awaldi, Director of Talent & Rewards Tower Watson Indonesia (Berita Satu Magazine, 2014) states the challenges faced by companies in Indonesia is the ability to recruit and retain the best employees. One of them caused difficulties in understanding the factors that drive loyalty and engagement the best workers in Indonesia. About 66% of employees in Indonesia will leave its place to work within a period of 2 years of work. It’s important for companies to take corrective and preventive action to resolve this matter.

Other strategic issues related to talent turnover are focused on how to retain employees who belong to the Y generation. Currently, the corporations in Indonesia compete for and bind the Y generation (Kompas Magazine, 2016). According to Robbins and Judge (2013) stated that compared to other generations, Y generations have high expectations and are always looking for the meaning of the work they do.