

Vol.3, No.2, 2023 ISSN 2477-1368 (P) ISSN 2829-8039 (E) pp. 82-95

https://journal.adpebi.com/index.php/hbr

## The Nexus Between Talent Management and Corporate University: Its Impacts on Organizational Performance

Mindarto Totok Oktaruna<sup>1</sup>, Lijan P. Sinambela<sup>2</sup>, Martino Wibowo<sup>3</sup>, Zainur Hidayah<sup>4</sup>

<sup>1</sup> Doctoral Program in Management Science, Faculty of Economics, Universitas Terbuka and Auditor of the BPKP Representative Office of Riau Islands Province

<sup>2</sup> Doctoral Program in Management Science, Faculty of Economics, Universitas Terbuka and Universitas Nasional

Indonesia

<sup>3,4</sup> Management Science Doctoral Program, Faculty of Economics, Universitas Terbuka Corresponding email: oktarunatotok@gmail.com, 530059921@ecampus.ut.ac.id, <u>tino@ecampus.ut.ac.id</u>

#### DOI: https://doi.org/10.54099/hbr.v3i2.731

#### Abstract

Research Aims: This study aims to examine the effect of talent management on organizational performance moderated and mediated by a corporate university. An investigation was performed at Indonesia's Central Finance and Development Supervisory Agency (Badan Pemeriksa Keuangan dan Pembangunan hereinafter abbreviated as BPKP) office. Methodology/Approach: This study used a disproportionate random sampling technique with a total sample of 438 participants representing management. The analysis technique uses a structural equation model using the Smart SEM-PLS application.Research Findings: The results show that talent management significantly affects corporate university and organizational performance. In addition, a corporate university moderates the impact of talent management on organizational performance. Research Limitation & Implications: This research is limited to parties who are considered to represent management at the Financial and Development Supervisory Agency (BPKP), including all structural officials at echelon II level, echelon III/Supervision Coordinator, echelon IV/Sub Coordinator, and intermediate auditors located in 34 Provinces throughout Indonesia.

Keywords: Talent management, Corporate University, Organizational Performance, Public Sector Organizations

#### I. INTRODUCTION

The purpose of performance measurement is to compare the performance of an organization across time. Comprehensive and multifaceted standards are utilized to evaluate the performance of public sector enterprises. The performance demonstrates the quantifiable results of a task based on specific criteria and objectives. The purpose of measuring performance is to identify whether performance achievements in the present period have improved or deteriorated.

In ways that can be compared between ministries and agencies, the organizational performance of public sector organizations varies depending on the tasks coordinated by several supervisory agencies, including the Government Agency Performance Accountability System, or so-called SAKIP, whose evaluation is carried out by the Ministry of Administrative and Bureaucratic Reform, as well as WTP by BPK (Indonesia Supreme Audit Institution), Reformasi Birokrasi by MenPan RB (Ministry of State Apparatus Utilization and Bureaucratic Reform), and IKPA by Kemenkeu (Ministry of Finance). Nonetheless, SAKIP is the most significant of these systems. SAKIP in accordance with Presidential Regulation No. 29 of 2014 on Government Agency Performance Accountability Systems. Performance accountability is a manifestation of government agencies' obligation to be accountable for the success or failure of implementing programs and activities mandated by stakeholders to achieve the organizational mission measurably with predetermined performance targets via periodic government agency performance reports.

Vol.3 No.2, 2023

There has been a performance gap in BPKP for five years where the SAKIP target hasn't been achieved. Based on the Financial and Development Supervisory Agency (BPKP) and Ministry of State Apparatus Utilization and Bureaucratic Reform Performance Reports from 2016 to 2020, it was indicated that the realization and target of the BPKP SAKIP were not met with a score of BB (Very Good). This problem must be resolved in order to achieve optimal organizational performance.

Individual, group, and organizational performance that successfully incorporates synergy and collaboration is reflected in achieving predefined objectives. The existence of BPKP will be more valuable and meaningful to stakeholders to enhance BPKP's function with good organizational performance. Due to the fact that talent management is a relatively new concept at BPKP, its implementation has not been effective, as seen by the gap phenomenon that happens when organizational performance has not been attained.

Obviously, to obtain professional and competent leaders, there is a need for selective recruiting to obtain excellent human resources; talent can then be nurtured by the organization so that the leaders may play a significant role in guiding the organization to reach superior performance. The BPKP's talent management policy is following BPKP Head Regulation No. 4 of 2017, as amended by BPKP Regulation No. 5 of 2020, and implementation began in 2021. According to Rachmadinata and Ayuningtias (2017), Zubir and Djati (2017: 135), Almaaitah et al (2020: 2937), and Sjachriatin (2019), talent management has a favorable and statistically significant impact on organizational performance. According to Aina and Atan (2020), talent management (talent attraction and talent retention) has no substantial impact on organizational performance, while Nisa's (2016: 141) research also concludes that talent management has no significant impact on employee performance. In relation to the occurrence of gaps and research gaps, it is intriguing to examine the impact of talent management on the enhancement of organizational performance at BPKP. In addition, the effect of organizational performance, and talent management may also influence corporate university. Nevertheless, according to Agustina and Baroroh's research (2021), talent management substantially impacts corporate university. However, Ghomi and Ahmadi's research (2018) found that talent management does not significantly impact the corporate university.

Another factor that can affect organizational performance is the corporate university. a corporate university (CorpU) which is a development of a learning center is more focused on developing more strategic competent human resources in order to achieve a more directed and measurable vision and mission of the organization. A corporate university was started at BPKP in 2018 and the new policy is contained in BPKP Head Regulation Number 1 of 2022 concerning the Integrated Learning System Government Internal Audit Corporate University. In addition, there are still differences from previous studies. Research conducted by Saifuddin and Claudia (2021), Caesariza et al. (2016) concluded that corporate university has an effect on organizational performance. In contrast, research conducted by Parshakov and Shakina (2018) concluded that corporate university has no significant impact on organizational performance.

In concordance with the research gaps, it is interesting to conduct empirical investigation at BPKP to investigate the impact of corporate universities on enhancing organizational performance. Also, it is essential to understand how organizational performance can be improved by implementing talent management and a corporate university. This study's model expected to explain how talent management affects organizational performance through a corporate university.

#### **II. LITERATURE REVIEW**

#### **Organizational Performance**

Organizational performance is the result of work and behavior that has been achieved in completing tasks and responsibilities. Hapsari (2018) ascertained that performance is an output that can be produced by a person or group of people in an organization by utilizing all the talents possessed by employees in order to achieve the goals of the concerned organization legally, without violating the law, and in accordance with norms and ethics. Similar ideas have been proposed before in Kipto, et al. (2014); performance is a standard that encompasses a series of goals that the organization expects its employees to fulfill based on their primary activities, functions, and responsibilities. The performance of an organization can be measured as a function of a person's drive and ability to do a task or job. A person

Vol.3 No.2, 2023

must demonstrate a particular level of motivation and skill. Performance is an actual behavior that each employee of an organization exhibits as work performance created by employees in accordance with their function within the organization (Yuniline 2019). The corporation can attain organizational success if it is able to minimize the risks associated with performing operational activities (Adula & Kant, 2022; Ghazali et al., 2022; Iskamto, 2022, 2023; Iskamto et al., 2020; Katharina & Nurhayati, 2022).

#### **Corporate University**

One of accepted theory related to corporate university is learning organization. Peter F. Senge (1990) defines a learning organization as an organization where everyone who participates can always expand their expertise to produce the results they want. According to Allen (2014), Corporate University (CorpU) is an educational institution that serves as a strategic instrument to enable the parent organization to achieve its objective by fostering learning, knowledge, and policies. Europe has evolved the concept of corporate university, which has become an important part of training and human resource development (Prime and Ayuningtias, 2019). Corporate universities are strategic tools designed to assist organizations in achieving their objectives by conducting activities that promote individual and organizational learning and knowledge. They add value through various functions that aim to develop people and expand organizational capabilities. Grigorievna et al. (2021) expounded that establishing a corporate university is the latest trend in human resources training and development. Putri (2019) also mentioned that a corporate university is a concept in learning, knowledge development, and formal organizational processes. The term stresses a strategic emphasis on the development and management of knowledge throughout the entire enterprise. Human capital theory asserts that organizations view their human capital as an investment in the future.

#### **Talent Management**

In a broader scope, recent work by (Nusantara, 2021) suggested that talent management is how a company manages human resources, from process recruitment, placement of employees, work evaluation, training and development career to employee resignation so that the company can finally reach its goals. (Cappelli, 2008)exhibits that talent management is concerned with finding the right people with the right skills for the right positions. Meanwhile, (Pella, 2011) stated that management talent is a process to ensure the company's ability to fill the role of a future leader and a key position supporting the company's core competence. Talent management is a unique function that integrates all activities and responsibilities entangled to managing the talent life cycle and acquiring talent either to develop or retain it (Schiemann, 2014). As explained by (Van Zyl et al., 2017)constitutes sources (*finding* talent); screening (sorting out qualified and unqualified applicants); selection (assessment/testing, interviews, references/background checking of applicants); *on boarding* (offer/accept); retention (measures to keep talent that contributes to organizational success); development (training, growth, assignment); thorough deployment (optimum staffing for projects, lateral opportunities, promotions).

#### Hypothesis

An article published by Agustina (2021), suggested that there is a positive influence of talent management on corporate university. However, Ghomi and Ahmadi (2018) argued that talent management has no significant effect on corporate university. Based on the research gap, it is necessary to do research again at BPKP. Then thus, hypothesis 1 states:

#### H1: Talent Management affects positively and significantly on Corporate University

Several previous studies conducted by Rachmadinata & Ayuningtias, (2017) proposed that talent management makes a positive contribution to improving organizational performance. The research results of Rumengan, (2019), Sjachriatin, (2019), Nusantara (2021) found that talent management has a positive and significant effect on organizational business performance. Whereas, there is a research gap results investigated by Nisa (2016) showing talent management has no positive and significant effect on performance. Moreover, Aina and Atan (2020) show results that talent attraction and talent retention have no impact on sustainable organizational performance. Based on this research gap, it is necessary to do research again at BPKP, then hypothesis 2 states:

Vol.3 No.2, 2023

#### H2: Talent Management affects positively and significantly on Organizational Performance

The research findings that tested the effect of corporate university on organizational performance were examined by Saifuddin and Claudia (2021), (Caesariza et al. 2016) which found that corporate university had a positive and significant effect on organizational management performance. It is different from a research conducted by Firdaus (2017), Parshakov & Shakina, 2018) stating that corporate universities do not support organizational strategy and business performance and corporate universities have no significant effect on organizational performance. Based on the research gap, it is necessary to do research again at BPKP. , Then hypothesis 3 states:

H3: Corporate University affects positively and significantly on Organizational Performance

The research gap occurs in research conducted related to talent management with corporate universities, in research conducted by Agustina (2019) which states that there is a positive influence of talent management on corporate universities. In contrast, the available evidence points to the controversy that Ghomi and Ahmadi (2018) show different research results which show that talent management has no significant effect on corporate university. Another research conducted related to talent management and organizational performance in research conducted by Rachmadinata and Ayuningtias (2017), Zubir and Djati (2017), Almaaitah (2020) and Sjachriatin., 2019) concluded that talent management has a significant effect on organizational performance. This is different from the research results of Aina and Atan (2020) and Nisa (2016) which concluded that talent management has no significant effect on organizational performance. Furthermore, Saifuddin and Claudia (2021) and Caesariza et al. (2016) assessed the effects of corporate universities on organizational performance, and proved that corporate universities have a positive linkage with and a significant impact on organizational management performance. A study done by Firdaus (2017) and Parshakov & Shakina (2018), on the other hand, find that corporate universities do not support organizational business strategy and performance and have no significant impact on organizational performance. In addition, there is no gap in the research since the model of talent management's impact on organizational performance is governed and mediated by a corporate university, and it becomes aspect that has never been applied before. Consequently, hypothesis 4 and hypothesis 5 assert:

H4: Talent Management affects positively and significantly on Organizational Performance moderated by Corporate University.

While hypothesis 5 states:

H5: Talent Management affects positively and significantly on Organizational Performance mediated by Corporate University.

#### III. RESEARCH METHOD

#### **Data Collection**

The questionnaire was administered to 1,132. 438 respondents (38.69 percent) from middle to higher-range officials in managerial level constitute echelon II, echelon III/ coordinators of monitoring and assessment, echelon IV/ sub coordinators, and middle auditors who undergo work performance appraisal in order to acquire relevant information. It was done using a technique of proportional random sampling.

Data collection method that is carried out by giving a set of closed questions that have been prepared by researchers to respondents in the shape of multiple choice questionnaire. As the respondent only had to put a check mark in the answer column provided. The method used for data processing and data analysis is descriptive statistics using a Likert Scale according to Ghozali (2015: 53), the scale that is often used in the preparation of questionnaires is an ordinal scale or often called the Likert Scale, which

Vol.3 No.2, 2023

is a scale that contains five levels of preference for answers with choices as follows: 1 = Strongly Disagree, 2 = Disagree, 3 = Less Agree, 4 = Agree, 5 = Strongly Agree. Several dimensions and indicators are utilized to describe the research variables, which are then combined into questions or questionnaires and distributed in the research survey.

#### **Data Analysis Techniques**

Primary data processing obtained from research respondents is using SEM (Structural Equation Models) to determine the relationships between latent variables. Wijanto (2017:10) explains that in SEM the key variables that are of concern are latent variables or latent constructs. Latent variables which are abstract concepts, for example: people's behavior, attitudes, feelings and motivations. This latent variable can only be observed indirectly and imperfectly through its effect on the observed variable. SEM has two types of latent variables, namely exogenous and endogenous variables. SEM distinct these two types of variables based on their participation as dependent variables in the equations in the model.

Moreover, the study utilizes Partial Least Square (PLS) as alternative method with a variancebased or component-oriented approach to model predictions. The PLS approach is based on a shift in analysis model parameter to estimate relevant predictions. Besides the focus of the analysis shifts from just simple measurement of significant parameter interpretation to prediction validity and accuracy. PLS forms a model of latent construct relationships and manifest variables that are reflective (reflects the indicators) and formative (constructs the indicators). PLS analysis forms two equations, comprising *the inner model* and *the outer model*. *The outer model* determines the specification of the relationship between latent constructs and other latent constructs, comprising the relationship of variables X, variable Z and variable Y using a *reflective approach*, while *the inner model* determines the specification of the relationship between latent constructs and their indicators using a *formative approach*. The reflexive outer model calculates *convergent, discriminant validity*, and *composite reliability*.

#### **IV. RESULT AND DISCUSSION**

#### Validity test

Discriminant validity requires the variable/construct to be theoretically distinct and experimentally demonstrated using the HTMT measurement methodology. The HTMR (Heterotrait Monotrait Ratio) value for each pair of variables is less than 0.90. The HTMR measure is highly recommended because it has better accuracy than other methods, Henseler and Sarstedt (2014). In addition, the evaluation of the measurement model also needs to examine discriminant validity, namely checking that the variable is different from other variables in theory and tested statistically. Statistical measures for discriminant validity are Fornell and Lacker criteria (root AVE> correlation between variables), and HTMR below 0.90, Hair et al (2017). However, the results of this study also present the Fornell and Lacker Criterion methods where the value in the diagonal is the root of the AVE variable, which is higher than the correlation between variables, Hair et al (2017). Table 2 shows evaluation of the discriminant validity of the accepted measurement model.

Table 2 . Discriminant Validity Test								
HTMR	Corporate	Organizational						
	University	Performance						
Organizational Performance	0.670							
Talent Management	0.612	0.801						
Fornell Lacker	Corporate Organizational							
	University	Performance	Talent Management					
Corporate University	0.769							
Organizational Performance	0.629	0.786						
Talent Management	0.578	0.759	0.770					

Source: Results of Smart PLS Version 4 data processing

Vol.3 No.2, 2023

#### **Reliability Test**

Hair et al. (2017) suggest that the reliability is shown by convergent validity (AVE = 0.5) and Composite Reliability (CR) above 0.70, and/or Cronbach's Alpha. The measurements model is assessed on variables or dimensions with sufficient causality and outer loading of greater than 0.60. Variablesdimension causality has a 0.60 outer loading. Five talent management dimensions have a Cronbach's Alpha of over 0.70 and an outer loading value of greater than 0.60. This variable's outer loading is highest for talent pool selection and key point assignment.

Three dimensions with outer loadings between 0.83 and 0.93 are significantly associated with organizational performance, and above 0.70 is acceptable. Metrics and evaluations of performance are significant to organizational performance. Corporate university consists of four dimensions with outer loading between 0.844% and 0.934% and dependability value greater than 0.70. As revealed from Hair et al. (2021) that the convergence validity of the measurement model could be identified when the AVE is greater than 0.50. The outer loading shows that each dimension makes a substantial contribution to the measurement of the variable. Table 3 displays reliability test results:

Variable	Dimensions	Outer Loading	Composite Reliability	Cronbach's Alpha	AVE
Talent Management	Talent Pool Selection	0.915	0.806	0.932	0.787
	Talent Criteria	0.844	_		
	Talent Acceleration Development Program	0.856	_		
	Program Monitoring	0.894	_		
	Key Position Assignment	0.924			
Organizational Performance	Performance Parameters	0.934	0.927	0.892	0.810
	Performance Factor	0.835			
	Aspects of Performance Appraisal	0.928	_		
Corporate University	Partnership Profile	0.934	0.941 0.919		0.799
	organizational profile	0913			
	Operation profile	0.844	_		
	Learning Delivery Profile	0.882			

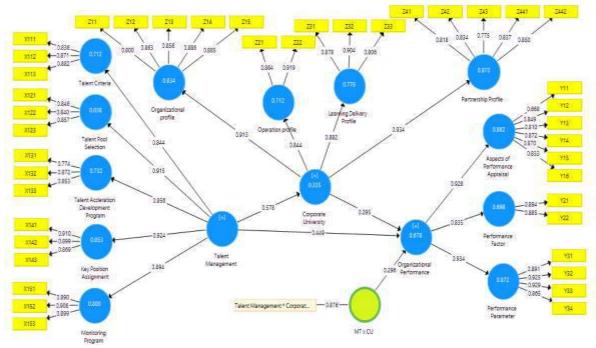
#### **Table 3. Reliability Test**

Source: Results of Smart PLS Version 4 data processing

#### **Evaluation of structural models**

Evaluation of the structural model relates to testing the hypothesis of influence between research variables that were previously hypothesized. Evaluation of the first structural model is an examination of collinearity between variables with the Inner VIF (Variance Inflated Factor) measure where the variance inflated factor value is less than 5, indicating that the resulting model is not biased. Furthermore, the second stage is the evaluation of the entire model, namely whether the model has a good fit, and the resulting level of predictions. The R square measure for Corporate university is (0.335) > (0.33) and the R square for Organizational Performance is (0.675) > (0.67). The R square value refers to Chin (1998) classified as a moderate effect for corporate university and a high effect for organizational performance. The Q square value is obtained through a blindfolding procedure where corporate university and organizational performance above 0 indicates the model has predictive relevance, Hair et al (2017). The SRMR value generated by the model is 0.076 < 0.08 indicating that the proposed PLS model is acceptable. The model has a good level of fit, namely the model data correlation matrix is close to the correlation matrix estimated by Hair et al (2017). Furthermore, the goodness of fit model (GoF) can refer to Henseler and Sarstedt (2012) which can be applied to the reflective measurement model. This value is obtained from the root of the geometric mean of communality with the average R square. The calculation result is 0.635 > 0.36. The interpretation of this value refers to Wetzel et al (2009) namely 0.10 (low GoF), 0.25 (moderate GoF), and 0.36 (high GoF). Figure 1 shows the effect of talent management on organizational performance mediated by a corporate university.

Vol.3 No.2, 2023



**Figure 1. Structural Model Evaluation** 



#### Hypothesis test

The third stage is testing the path coefficient hypothesis by involving moderating and mediating variables and estimating the path coefficient within a 95% confidence interval with the Bootstrappping procedure, Hair et al (2017). PLS SEM does not assume that the data has a certain distribution (normal distribution). Therefore, hypothesis testing is carried out using the *boostrapping process (resampling method)*. The method used is *the Bias Corrected and Accelerated Method (BCa)* which according to Hair et al (2021) this method has the ability to scale data when the data is not normal.

hypothesis	Path Coefficient	T Statistics	P Values	95% Confident Interval Path Coefficient		F Square
				Lower	Upper	
H1. Talent Management → Corporate University	0.578	14,592	0.000	0.518	0.650	0.503
H2. Talent Management → Organizational Performance	0.449	7,901	0.000	0.339	0.560	0.321
H3. Corporate University → Organizational Performance	0.295	6,219	0.000	0.203	0.379	0.179
H4. MT x CU → Organizational Performance	0.296	6,345	0.000	0.197	0.391	0.148
H5. Talent Management → Corporate University → Organizational Performance	0.170	5,077	0.000	0.116	0.234	0.029

#### **Table 4. Hypothesis Testing**

Source: Results of Smart PLS Version 4 data processing

Vol.3 No.2, 2023

Furthermore, to evaluate the influence of variables at the structural level, the f square measure is used. As can be seen as Table 4, Evaluation of the influence of the model at the structural level effect size using three criteria, namely the direct effect of f square can be interpreted as low influence (f square = 0.02), medium effect (f square = 0.15), and high influence (f square = 0.35), Hair et al (2021). The f square effect of the moderation test refers to Kenny (2018) in Hair et al (2021) is a low effect (f square = 0.005), medium effect (f square = 0.01), and high effect (f square = 0.025). Meanwhile, the mediating effect refers to the upsilon v statistic recommended by Lachowicz et al (2018) with an interpretation referring to Cohen in Ogbeibu et al (2020) namely low effect (f square = 0.01), medium effect (f square = 0.075), and high influence (f square = 0.175).

The estimation of the moderation test used is the two-stage approach which according to Ramayah et al (2018) is better used when the research objectives emphasize the strength aspect of the significance of the moderating effect. These results show that the role of corporate universities is very important in organizations that can strengthen the influence of talent management on improving performance. In the simple plot analysis it can be seen that the increasing role of the corporate university, the influence of talent management on organizational performance will get stronger. These results prove that the corporate university has become an important part of the organization that is attached to each organizational system. In addition, a corporate university can also act as a mediating variable with a path coefficient (0.170) but at a structural level, the effect is low. Whereas the f square in the mediation test uses the recommendation of Lachowicz et al (2018) with the Upsilon v statistic which is the squared form of the mediation path coefficient.

#### V. DISCUSSION

4.5.1. In the first hypothesis (H1) talent management is proven to have a significant effect on corporate university.

From the results of the analysis, it is evident that talent management has a significant effect on corporate university with a path coefficient (0.578) and has a high influence (f square = 0.503). Thus good practice in managing talent management at BPKP will also encourage good corporate university practices at BPKP, so that the impact will also add more value to the corpu.

In developing talent management, BPKP is seen as successful by management throughout Indonesia. Talent management has been able and successful in setting talent criteria, talent selection, talent development, key positions and program monitoring. On the talent criteria dimension, BPKP has identified key organizational needs that require talented employees to achieve the vision, mission and strategy of the organization, BPKP has prepared employee talent groupings at each leadership level (Es I, II, III, IV, A. Utama, A. Madya), BPKP has determined targeted competencies for developing the talents of prospective leaders / leaders. On the Talented Employee Selection Dimension, BPKP has established a methodology and talent selection tool for prospective leaders/leaders, BPKP has carried out assessments and collected data on disabled employees, BPKP has carried out employee talent mapping based on organizational needs in each work unit both at the center and at the representative office. In the dimension of accelerating talent development, BPKP has carried out formal learning including competency development through course activities, seminars, workshops, BPKP has implemented enrichment experience for talented employees in the form of rotation in work units, transfers between provinces and consulting/assurance assignments, BPKP has developed employee competencies talent through mentoring (boss to work) guidance and 360degree feedback. On the dimensions of key positions in assignments, BPKP has determined key positions for prospective leaders/leaders who have talent (Es I, Es II, Es III, Es IV or equivalent, Main & Middle Auditor), BPKP has determined the mapping and adjustment of key positions that will be held by prospective leaders/leaders, BPKP has carried out talent performance evaluation activities in key positions. Whereas in terms of program monitoring dimensions, BPKP has succeeded in preparing the number of successor candidates at one lower level who are ready to fill target positions in less than one year, BPKP has collected data and evaluated an effective and efficient talent program through observation / interview / questionnaire methods / direct measurement, BPKP has conducted a comprehensive evaluation to increase the effectiveness of accelerating talent development every year. Thus, from the results of collecting data analysis, it can be concluded that management's assumptions state that talent management practices at BPKP have been going well. However, when talent management at BPKP has been well

Vol.3 No.2, 2023

developed without proper talent development, the development will not be successful and will not work as it should. Success in managing these talents, encourages and is able to grow the implementation of a corporate university. In the BPKP, candidates for echelon 2 or equivalent, echelon 3 or equivalent, echelon 4 or equivalent and Auditor Functional Positions have gone through a long stage in their determination as definitive officers. They will be more appropriate and competent when they are educated, where their leadership is forged at a corporate university so that their competence can be further developed so that they can fill the knowledge gap according to needs in line with the times. In this case the corporate university aligns competencies according to the needs of the prospective leader/leader. To prepare the selected talents, the corporate university prepares everything the talents need. The corporate university has succeeded in preparing everything to improve talent competency in terms of the dimensions of the organizational profile, operational profile dimensions, learning delivery profile dimensions and partnership profile dimensions. On the dimension of the organizational profile BPKP has developed a corporate university (GIACorpu) to encourage competency, management of learning, and knowledge management as part of a strategy to improve organizational performance and achieve BPKP's vision, mission, goals and strategic objectives, GIA Corpu BPKP already has a framework in the form of governance manage learning strategies and BPKP leaders encourage competency development for all BPKP HR, GIA Corpu has developed a Learning Management System in the form of elearning, face-toface and blended learning as well as a Knowledge Management System in the form of explicit and tacit knowledge, GIA Corpu has developed competencies for HR and BPKP organizations and organizations outside the BPKP related to internal control, GIA Corpu already has a continuing existence as a learning organization for government internal supervision. On the operational profile dimension, GIA Corpu has been funded with an adequate budget, GIA Corpu has used and implemented technology in its activities. In the learning delivery profile dimension, GIA Corpu has developed curriculum and internal organizational learning materials to improve skills and capabilities, GIA Corpu has implemented internal learning for all human resources, GIA Corpu has evaluated post-learning participant learning after returning to the workplace. Assessment and measurement of learning outcomes includes changes in participant behavior and the effect of learning outcomes on the performance of work units or organizations. On the partnership profile dimension, GIA Corpu has partnered with business units both at the central level and at the representative office level in HR competency development, GIA Corpu has partnered with the HR Bureau in HR competency development, GIA Corpu has partnered with external parties as instructors such as CRMP certification, C.Fra, CGCAE etc. certification in HR competency development.

From the explanation above, the selected talents deserve to be educated and have been prepared in the corporate university environment. With the influence between talent management and the corporate university, talent management has succeeded in selecting the right human resources as prospective leaders/leaders at BPKP and corporate universities have succeeded in preparing and increasing the competence of prospective leaders/leaders at BPKP. The results of this study support Agustina's research (2021) which states that there is a positive influence of talent management on corporate universities.

4.5.2. In the second hypothesis (H2) it is proven that talent management also has a direct influence on improving organizational performance.

From the results of the analysis, it is vindicated that talent management has a significant effect on improving organizational performance by (0.449) and has a close to high influence at the structural level (f square = 0.321). Thus good practice in managing talent management at BPKP will improve organizational performance at BPKP. The more talent management is well managed, the better the performance of the BPKP organization will be.

In developing talent management, BPKP is seen as successful by management throughout Indonesia. Talent management has been able and successful in setting talent criteria, talent selection, talent development, key positions and program monitoring. According to the assumptions of the management in the sample, the dimensions built have improved organizational performance related to the dimensions of aspects of performance appraisal, performance factors and organizational performance parameters. On the dimension of the performance aspect, BPKP in its performance assessment on the input aspect has succeeded in measuring the targets to be achieved with the resources it has (man, money, method, machinery, material) to produce clear outputs, as well as in its performance evaluation on the process aspect it has been successful measuring activities in terms of speed, accuracy and level of accuracy in

Vol.3 No.2, 2023

carrying out activities effectively and efficiently, also in assessing their performance on the output aspect has succeeded in measuring the achievement of targets from planned activities, BPKP in evaluating its performance on the outcome aspect has succeeded in reflecting the functioning of activity outputs in the long term which has a direct effect, BPKP in evaluating its performance on the benefit aspect has succeeded in achieving the ultimate goal of implementing activities, BPKP in evaluating its performance on the impact aspect has succeeded in concluding that there is an influence, both positive and negative. On the dimension of performance factors, BPKP has succeeded in using the available budget economically, effectively and efficiently in various types of activities that are determined and implemented, BPKP has succeeded in providing services to partners. Whereas on the performance dimension, BPKP has succeeded in setting performance parameters based on productivity gains in the use of organizational resources, BPKP has succeeded in developing performance achievement parameters to increase service responsiveness and employee responsiveness to work partners, BPKP has succeeded in applying the principle of responsibility as a performance measurement, BPKP has has succeeded in applying the principle of responsibility as a measure of performance, and BPKP has succeeded in applying the principle of accountability as a measure of performance. this is inseparable from BPKP's success in developing talent management so that it influences the success of organizational performance. The results of this study support previous research, Rumengan, (2019), Sjachriatin., (2019), Nusantara (2021) which shows that talent management has a positive and significant effect on organizational business performance.

4.5.3. The third hypothesis (H3) is proven that corporate university has a direct influence on organizational performance.

Dari hasil analisis, terbukti bahwa corporate university mempunyai pengaruh langsung terhadap kinerja organisasi, with a path coefficient (0.295) but at a moderate level of influence (f square = 0.179). Thus good practice in corporate university at BPKP, it will improve organizational performance at BPKP. The more a corporate university improves human resource competency, the better the BPKP organizational performance will be.

In building a corporate university, BPKP is seen as successful by management throughout Indonesia. The existence of a corporate university has been able and succeeded in aligning competencies according to the needs of improving organizational performance for all of its human resources to support individual performance and organizational performance. corporate university prepares everything needed in improving organizational performance. Corporate university has succeeded in preparing everything to improve organizational performance in terms of organizational profile dimensions, operational profile dimensions, learning delivery profile dimensions and partnership profile dimensions. According to the assumptions of the management in the sample, the dimensions built have been able and succeeded in improving organizational performance related to the dimensions of aspects of performance appraisal, performance factors and organizational performance parameters. The results of this study support the research of Saifuddin and Claudia (2021), (Caesariza et al. 2016) which states that there is a corporate university that has a positive and significant effect on organizational management performance.

4.5.4. The fourth hypothesis (H4) shows that corporate universities also play an important role in moderating the influence of talent management on organizational performance.

Dari hasil analisis, terbukti bahwa corporate university juga beperan penting dalam memoderasi pengaruh manajemen talenta terhadap kinerja organisasi, with a path coefficient (0.296) and according to kenny (2018) in hair et al (2021) is in high influence.

Thus the corporate university greatly strengthens the relationship between talent management and organizational performance at BPKP. The better the talent management is strengthened by a corporate university, the better the organizational performance of the BPKP. According to the management representing BPKP throughout Indonesia, in improving the performance of its organization, BPKP has implemented talent management properly, strengthened by increased competence carried out by the corporate university. This moderation modeling is the finding in this study.

4.5.5. The fifth hypothesis (H5) shows that corporate universities also play an important role in mediating the influence of talent management on organizational performance.

Vol.3 No.2, 2023

From the results of the analysis, it is evident that corporate universities also play an important role in mediating the influence of talent management on organizational performance, with path coefficient (0.170). In addition to the fourth hypothesis it has been proven that corpu moderates talent management with BPKP organizational performance, corpu also mediates the influence of talent management on BPKP organizational performance. BPKP organizational performance will increase with good talent management and competence is always forged through the corporate university. According to management representing BPKP throughout Indonesia, good talent management practices which are always followed up with good corporate university management have also proven to improve BPKP organizational performance. This mediation modeling is also a finding in this study.

#### VI. CONCLUSIONS

This study aims to examine the effect of talent management on organizational performance mediated by a corporate university. The research results show:

In building talent management, BPKP is considered successful by management throughout Indonesia. Talent management has been able and successful in establishing talent criteria, talent selection, talent development, key positions and program monitoring. Similarly, with the corporate university, BPKP has successfully prepared to improve talent competencies in terms of organizational profile dimension, operational profile dimension, learning delivery profile dimension and partnership profile dimension. With the influence between talent management and corporate university, talent management has succeeded in selecting the right human resources as prospective leaders in BPKP and corporate university has succeeded in preparing and improving the competence of prospective leaders in BPKP.

The dimensions built on talent management according to the assumptions of the management in the sample affect the improvement of organizational performance, especially in the dimensions of performance assessment aspects, performance factors and organizational performance parameters.

Although relatively new, the corporate university has successfully prepared the improvement of BPKP organizational performance in terms of organizational profile dimension, operational profile dimension, learning delivery profile dimension and partnership profile dimension. The dimensions built according to the assumptions of the management in the sample have been able and successful in improving organizational performance related to the dimensions of performance assessment aspects, performance factors and organizational performance parameters.

The corporate university greatly strengthens the relationship between talent management and organizational performance at BPKP. The better talent management is strengthened by corporate university, the more the organizational performance of BPKP will increase. According to the management representing BPKP throughout Indonesia, in improving organizational performance, BPKP has organized talent management well strengthened by competency improvement implemented by corporate university.

Corporate University also mediates the effect of talent management on BPKP organizational performance. BPKP's organizational performance will improve with good talent management and always forged competence through corporate university. According to the management representing BPKP throughout Indonesia, good talent management practices and always continued with increased competence in a good corporate university as well.

#### VII. LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

This study has limitations in the scope of research which is limited to the perception of respondents who are management or structural officials and middle auditors where these officials represent characteristics in evaluating organizational performance at the Financial and Development Supervisory Agency (BPKP). The assessment of these perceptions is limited by the assessment of measurable answer criteria with a value determined by the researcher to represent these perceptual answers. So that this research cannot dig up more in-depth information about the implementation of talent management and corporate university to improve BPKP organizational performance.

Suggestions for future research are to use a mixed methods approach, namely mixed research between quantitative and qualitative with case studies to explore broader and in-depth information about the implementation of talent management and corporate university in public sector organizations to

Vol.3 No.2, 2023

achieve optimal organizational performance, so that an overview is obtained k. research results that can describe in detail and detail. Apart from that, models can be added with current variables that can also improve the performance of public sector organizations such as organizational risk management variables and other variables.

#### **Reference:**

- Adula, M., & Kant, S. (2022). Examining Entrepreneurship Significant Factors affecting the Performance of MSE's in Ethiopia, Horn of Africa. International Journal of Law Policy and Governance, 1(1), Article 1. https://doi.org/10.54099/ijlpg.v1i1.282
- Agustina, Sri. 2019. Analysis of Needs for Development of Corporate University in Talent Management (Case Study of the Ministry of Trade) "Jurnal Kewidyaiswaraan." 4(2): 177–87.
- Aina, Riham Al, and Tarik Atan. 2020. "The Impact of Implementing Talent Management Practices on Sustainable Organizational Performance." Sustainability (Switzerland) 12(20): 1–21.
- Allen, Mark. 2014. "Talent Management and Corporate Universities: The Intersection of Two Levers." Graziadio Business Report 17(1): 1–8.
- Almaaitah. 2020. "Effect of Manager Entrepreneurship Attitude and Member Motivation on Organizational Member Participation." Management Science Letters 10(12): 2931–36.
- Archipelago, Scholar Abiyasa. 2021. "Cendekia Abiyasa Nusantara Graha Bukopin Building 12." 1(1): 18–34.
- Arikunto, Suharsimi. 2012. Research Procedures A Practice Approach. Jakarta: Rineka Cipta.
- Baporikar, Neeta. 2014. "Corporate University Edification in Knowledge Society." International Journal of Strategic Change Management 5(2): 125.
- Caesariza, Rizky, Saddam Hussein, Laila Refiana Said, and Rini Rahmawati. 2016. "The Influence of Employee Participation in PLN Corporate University Training on Employee Competence and Performance." Journal of Management Insights 4(2): 139–51.
- Cappelli, P. (2008). Talent on demand: Managing talent in an age of uncertainty. Harvard Business School Press.
- Cappelli, P. 2008. Talent on Demand: Managing Talent in an Age of Uncertainty. Boston: Harvard Business School Press.
- Chin (1998), The Partial Least Squares Approach to Structural Equation Modeling, in George A Marcoulides Modern Methods for Business Research
- Citizens, Ella. 2017. "Quality of Performance Measurement of Public Organizations." Sociohumanities, 19(2): 86–94.
- Daughter. 2019. Indonesia's Best Practices of Corporate University Understanding Learning Value Chain in Leading Companies in Indonesia. PLN Corporate University Collaborates with PT Swasembada Media Bisnis. Jakarta.
- Ewer, Gary, and Darlene Russ-Eft. 2017. "35 Corporate University Theory and Practice: The Case of Platt University, USA." International Journal of Human Resource Development: Practice, Policy & Research 2(1): 35–49.
- Firdaus, Amen. 2017a. The Implementation of Corporate University in Public Sector: Case Study Ministry of Finance of Indonesia. International Institute of Social Studies.
- Firdaus, Amen. 2017b. "The Implementation of Corporate University in Public Sector: CaseStudy Ministry of Finance of Indonesia." Institute of Social Studies. The Hague, The Netherlands (December): 54.
- Ghazali, P. L., Guci, D. A., Zain, E. N. M., Hamid, H. C. A. x, Razak, R. A., Arifin, J., Jaaffar, S. A. S., & Remli, N. (2022). The Factors of Risk Management Effect at Slope Construction Site. *Husnayain Business Review*, 2(2), Article 2. https://doi.org/10.54099/hbr.v2i2.323
- Ghomi, Hamidreza, and Hasan Ahmadi. 2018. "Assessment of Student's Talent Management in a Corporate University." Management Science Letters 8(12): 1375–86.
- Ghozali, Imam. 2015. Application of Multivariete Analysis with the IBM SPSS 23 Program. 8th ed. Semarang: Diponegoro University Publishing Agency.

Vol.3 No.2, 2023

- Gonzales, D. 2017. Understanding and Contextualizing Corporate University. Personal Development Series.
- Grigorievna, Bondarenko Tatiana, Prodanova Natalia Alekseevna, Sotnikova Lyudmila Viktorovna, and Kosnikova Oksana Vladimirovna. 2021. "Development of a Corporate University Institution: Strategic Initiatives." Linguistics and Culture Review 5(S1): 548–57.
- Gruman, Jamie., and Saks, Alan M. 2011. "Performance Management and Employee Engagement." Human Resource Management Review 21:123–36.
- Hair et al (2017), A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM) Second Edition, SAGE Publications, Inc.
- Hair et al (2019), When to use and how to report the results of PLSSEM, European Business Review Vol. 31 No. 1, 2019, Emerald Publishing Limited
- Hair et al (2021), Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R, Springer .
- Henseler and Sarstedt (2012), Goodness-of-fit indices for partial least squares path modeling, Comput Stat (2013) 28:565–580, This article is published with open access at Springerlink.com
- Henseler and Sarstedt (2014), A new criterion for assessing discriminant validity in variance-based structural equation modeling, J. of the Acad. mark. sci. (2015) 43:115–135, This article is published with open access at Springerlink.com
- Inayati, Pella Darmin Ahmad and Afifah. 2020. Talent Management. Develop Human Resources To Achieve Excellent Growth And Performance. Jakarta: PT. Main Library Gramedia.
- Iskamto, D. (2022). Analysis of The Impact of Competence on Performance: An Investigative In Educational Institutions. *Asean International Journal of Business*, 1(1), 68–76. https://doi.org/10.54099/aijb.v1i1.74
- Iskamto, D. (2023). Organizational Culture and Its Impact on Employee Performance. International Journal of Management and Digital Business, 2(1), Article 1. https://doi.org/10.54099/ijmdb.v2i1.584
- Iskamto, D., Karim, K., Sukono, & Bon, T. (2020). Impact of Employee Satisfaction on Work Discipline in Government Office in Indonesia. *The International Conference on Industrial Engineering and Operations Management*, 13.
- Kardo, Kardo, Sri Wilujeng, and Dianawati Suryaningtyas. 2020. "The Effect of Talent Management and Knowledge Management on Employee Performance at the Transformer Center in Batu Regency." Management Student Research Journal 6(1): 1–7.
- Katharina, S., & Nurhayati, M. (2022). Talent Management Implementation for Millennials as an Effort to Achieve Sustainable Organizational Performance. Adpebi International Journal of Multidisciplinary Sciences, 1(1), Article 1. https://doi.org/10.54099/aijms.v1i1.248
- Krissetyanti, Eunike Prapti Lestari. 2013. "The Implementation Of Talent Management Strategy In Civil Servant." Journal of PNS Policy and Management 7(1). <u>https://jurnal.bkn.go.id/index.php/asn/article/download/83/98</u>.
- Lachowicz et al (2018), A Novel Measure of Effect Size for Mediation Analysis, Psychological Methods © 2017 American Psychological Association 2018, Vol. 23, No. 2, 244–261
- Nisa. 2016. "The Influence of Talent Management and Knowledge Management on Employee Performance (Study on Employees of PT. PLN (Persero) Distribution of East Java, Surabaya)." Journal of Business Administration (JAB) 39(2): 141–48.
- Nusantara, C. A. (2021). Cendekia Abiyasa Nusantara Graha Bukopin Building 12. 1(1), 18–34.
- Pella, D. A. dan A. I. (2011). Talent Management, Mengembangkan SDM untuk Mencapai Pertumbuhan dan Kinerja Prima. PT. Gramedia Pustaka Utama.
- Pella, Darmin Ahmad and Afifah Inayati. 2011. Talent Management, Developing Human Resources To Achieve Growth And Excellent Performance. Jakarta: PT. Main Library Gramedia.
- Perdana, Wiiwik Mulia and Ayuningtias, Hani Gita. 2019. "The Influence of Talent Management on Aryawan's Performance at PT Pindad (Persero)" e-Proceeding of Management 6(2): 2589–94.
- Pourrajab, Masoumeh et al. 2011. "Educational Administrators' Performance And Organizational Health: Key Factors for Sustainable Development in High Schools." International Journal of Trade, Economics and Finance 2(5): 397–401.
- Prince, C and G Beaver. 2001. "The Rise and Rise of the Corporate University: The Emerging Corporate Learning Agenda." The International Journal of Management Education.

Vol.3 No.2, 2023

- Rachmadinata, Niko Satria, and Hani Gita Ayuningtias. 2017. "The Influence of Talent Management on the Performance of Lintasarta Employees in the City of Jakarta." Indonesian Journal of Management 17(3): 197.
- Ramayah, T., Cheah, J., Chuah, F., Ting, H., & Memon, MA (2018). Partial least squares structural equation modeling (PLS-SEM) using SmartPLS 3.0: An updated guide and practical guide to statistical analysis (2nd ed.). Kuala Lumpur, Malaysia: Pearson .
- Rumengan, Gery. 2019. "Talent Management Contribution, Innovation and Competitive Advantage in Improving Company Business Performance." Scientific Management Journal, Volume VIII, No. 1, Feb. 2018." Scientific Journal of Management VIII(1): 136–50.
- Sarstedt et al (2019), How to Specify, Estimate, and Validate HigherOrder Constructs in PLS-SEM, Australasian Marketing Journal (AMJ) June 2019
- Sarstedt et al (2019), Structural model robustness checks in PLSSEM, Tourism Economics Journal 1–24
- Schiemann, W. A. (2014). From talent management to talent optimization. *Journal of World Business*, 49(2), 281–288. https://doi.org/10.1016/j.jwb.2013.11.012
- Schiemann, William A. 2014. "From Talent Management to Talent Optimization." Journal of World Business 49(2): 281–88. <u>http://dx.doi.org/10.1016/j.jwb.2013.11.012</u>.
- Sinambela, Lijan P. & Chotim Erna E. 2022. Social Statistics: Theory and Application for Students and Researchers of Social Sciences. Depok: PT RajaGrafindo Persada.
- Sinambela, Lijan P. & Sinambela, Sarton. 2021. Performance Management : Management, Measurement, and Performance Implications. Depok: PT RajaGrafindo Persada.
- Sinambela, Lijan P. 2019. Human Resource Management : Building a Solid Work Team to Improve Performance. Jakarta: PT Bumi Aksara.
- Singarimbun, Masri and Sofyan Effendi. 2015. Survey Research Methods. Jakarta: LP3ES.
- Sitepu. 2010. Learning Organization. Jakarta: Salemba Empat.
- Sjachriatin. 2019. "The Moderation Role of a Performance Management System. : 396–412.
- Sugiyono. 2018. Quantitative, Qualitative and R&B Research Methods. Bandung: Alphabet.
- Van Zyl, E. S., Mathafena, R. B., & Ras, J. (2017). The development of a talent management framework for the private sector. SA *Journal of Human Resource Management*, 15(0), 1–19. https://doi.org/10.4102/sajhrm.v15i0.820
- Wijanto, Hari Setyo. 2017. SEM With LISREL 8.8 Concepts And Tutorials. Jakarta: Ghalia Indonesia.
- Yamin, Sofyan and Heri Kurniawan. 2013. Structural Equation Modeling (Learning Easier Questionnaire Data Analysis Techniques with Lisrel PLS). Jakarta: Salemba Infotek.
- Yanti, Dyah Agustin Widhi, and Mursidi. 2022. "Talent Management and Risk Management Influence on the Performance of Container Company Employees in Surabaya." Journal of Business and Economics Research (JBE) 3(2): 282–88. <u>http://ejurnal.seminar-id.com/index.php/jbe/article/view/1683</u>.
- Zawaideh, Farah Hanna Saleem et al. 2018. "The Impact of Knowledge Documentation Process as an Intermediary Variable among Knowledge Acquisition Process, Organizational Culture and Human Capital." Modern Applied Science 12(11): 151.
- Zubir, Afrizayanti, and S. Pantja Djati. 2017. "The Influence of Organizational Culture, HR Placement, and Talent Management on Organizational Performance." The Effect of Career Development, Compensation and Work Motivation on Employee Job Satisfaction at Pt. Alun Alun Indonesia Kreasi VII(2): 345–57.