Talent Management and Organizational Sustainability: Role of Engagement and Satisfaction

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**ARTICLE DETAILS**

**History**

Revised format: Nov 2022

Available Online: Dec 2022

**Keywords**

Talent management, Organizational sustainability, Engagement, Satisfaction.

**JEL Classification**

Q00, Q01

**Objectives**—This study aims to determine the role of talent management in achieving organizational sustainability. This study also examines the role of engagement and satisfaction in achieving organizational sustainability goals (i.e., social, economic, and environmental).

**Methodology**—This research focuses on the internal organization and the student activity unit at Nahdlatul Ulama University, Sidoarjo. Data collection was carried out through a closed questionnaire with a purposive sampling technique. Data be analyzed using PLS (Partial Least Squares) program with outer and inner models.

**Results**—Results indicate a significant direct impact of talent management on achieving organizational sustainability. The research findings improve understanding of the role of talent management in achieving organizational sustainability. The results also confirm that engagement and satisfaction have a positive influence and be a mediator between talent management and organizational sustainability.

**Implications**—This study only focuses on the small organizational sector in a university. The findings imply that organizations can consider talent management as a strategy in maintaining the organization. The research findings imply that acquiring, developing, and retaining talented members can be an important strategy for achieving organizational sustainability. In addition, the engagement and satisfaction can provide a positive role between talent management and achieving organizational sustainability.

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Introduction
Sustainability is currently an important and continuously discussed topic at the global level, and even in a global survey of 2,800 international companies, it was found that 70% of these companies consider sustainability a top priority (Chams & Blandon, 2019). The United Nations (2015) defines the term sustainability in the 2030 sustainable development goals and integrates them into three dimensions of sustainable development: social, economic, and environmental.

Ulus et al. (2016) considers sustainability as a business approach that can support business profitability continuously, and can be the only way for companies to maximize revenue, cut costs, grow and innovate products, as well as expand the company through sustainable development (Nidomulu, 2009). Therefore, employees, consumers, governments, investors, and also communities are increasingly pushing organizations to adopt sustainable business practices (Digest and Chou, 2019). Organizational sustainability mainly depends on how the management of existing human resources or human capital (Mujtaba and Mubarik, 2022) and talent management can be the main key to organizational success, especially in today's competitive market (Ifaem et al., 2015).

Talent management is part of the process carried out by organizational management in terms of fulfilling the availability of talented employees within the organization (Dhanabhakyam & Kokilambal, 2014). In a broader scope, talent management includes the management of human resources from employee procurement, employee placement, job appraisal and training, employee development, until employees leave the company so that company goals can be achieved (Lewis & Heckman, 2006). However, Mathew's research (2015) found that 35% of leading companies had difficulty getting talented people, and showed a gap between the supply of talented individuals and the increasing demand.

To achieve sustainable organizational success, employee engagement in an organization or workplace is seen as an important component and is one of the most popular topics to study (Kim et al., 2016). Employees who are engaged with their company will have a tendency to be energetic and enthusiastic about their work, and enable them to carry out their duties and obligations more seriously and lead to increased performance so that organizational sustainability can be realized (Kim et al., 2013). In addition, employees with positive personality traits will take advantage of opportunities to develop their abilities, and the potential for job satisfaction is also greater (Lange, 2021).

With the above background, the purpose in this study is to explore the linkages of talent management with organizational sustainability and to find the mediating role of engagement and satisfaction in the relationship between the two variables. This study refers to researchers who have shown that tertiary institutions can be one of the best places to implement talent management (Runhaar, 2019) and have a positive effect on satisfaction. Therefore, this research was conducted on internal organizations and student activity units within Nahdlatul Ulama University, Sidoajo.

Theoretical Concept and Hypothesis
Talent Management and Engagement
The term talent or talent can mean an individual or group that is strategically important to the goals and objectives of the organization (Avedon & Scholes, 2010), while engagement is defined by Cook (2012) by how employees think positively about the organization, their feelings about the organization and their proactive attitude in achieving organizational goals.

Empirical evidence that there is a positive and significant effect of talent management on employee engagement has been carried out by several previous studies and states that there is a link between talent
management and employee engagement (Sadeli, 2012; Ramli et al., 2018). Subsequent research was conducted by Pandita and Ray (2018) who have also proven that implementing good talent management can be one of the most effective tools for ensuring that employees can remain engaged and committed to their work. Thus, the first hypothesis in this study is:

**H1**: Talent management can positively influence engagement

**Talent Management and Satisfaction**
Currently, many researchers from various domains, especially from the fields of management, business, and psychology, have studied the relationship between talent management and job satisfaction, and both show a beneficial relationship. This has indicated that there is a positive sentimental condition that results in employee evaluation of their work (Maryatmi, 2020).

Saleh & Atan (2021) included those who stated in their findings that talent management can affect job satisfaction and stated that pleasant and positive welfare situations at work are determined by how talent management is implemented, including how job satisfaction is for employees which can be obtained from how the work conditions and possibilities for career development, reward systems, employee relations with administration, job security, and an environment for member engagement. Thus, the second hypothesis in this study is:

**H2**: Talent management can positively influence satisfaction.

**Engagement and Organizational Sustainability**
A study on the driving factors of employee engagement conducted by Mani (2011) predicts that there are four factors, namely employee growth, empowerment, interpersonal relationships and employee welfare. Meanwhile, Buckingham and Coffman (1999) commented on this matter, that employee engagement can be encouraged by giving the right role guided by the right manager. Employee engagement can increase along with the extent to which employees feel they can convey their aspirations and ideas and how leaders listen to and respond to these ideas, depending on how much leaders value employee contributions and how leaders involve them in decision making (Robinson et al, 2004).

Trends that have emerged in the field of employee engagement in particular have been highlighted by Kim, et al (2016) in their study, that the important role played by companies in building concern for the surrounding environment, not only has an impact on increasing levels of employee engagement, but also has a positive impact on organizational sustainability. Thus, the third hypothesis in this study is:

**H3**: Engagement can positively affect organizational sustainability.

**Satisfaction and Organizational Sustainability**
Organizations do many things and pay special attention to ensuring employee satisfaction not only in their work, but also in the organization where they work (Lange, 2021). Because job satisfaction can serve as an important element of sustainable human resource management practices, and from an organizational perspective can make a sustainable contribution to the workplace, and can support long-term sustainable organizational development goals (Heimerl, et al, 2020).

Employees who are satisfied with their jobs will provide better performance, show a productive attitude, and will rarely be absent from work or quit their jobs, and this becomes an alternative behavior that shows affective commitment to the organization. The existence of employee satisfaction can also be a motivation to contribute actively, which will also affect the profitability of the organization on an ongoing basis. So, the fourth hypothesis in this study is:

**H4**: Satisfaction can positively affect organizational sustainability.
Talent Management and Organizational Sustainability
According to Silzer and Dower (2010) talent can refer to individual abilities and skills and what can be done to be given to the organization. One of the efforts to acquire, retain and manage talented employees is through talent management (Bibi, 2018). Talent management can also refer to the strategic management of talent whose purpose is to ensure that people with talent get the right job, managed by the right manager and at the right time based on strategic goals (Duttagupta, 2005).

Leading entrepreneurs from business circles have recognized that talent management can be an important factor behind their continued success (Gallardo-Gallardo et al., 2013). Furthermore, Mujtaba and Mubarak (2020) found in their study that a well-managed talent management strategy can have a positive impact on organizational sustainability, and talented people who provide great performance can be the main source of organizations to achieve various three-dimensional sustainability goals. Thus, the fifth hypothesis in this study is:

H5: Talent management can positively influence organizational sustainability

Talent Management, Engagement and Organizational Sustainability
According to Kim et al, (2016) talent management can be a cycle, which is mostly based on talent procurement, talent development, and talent retention which affect engagement. Kim also stated that engagement in the workplace is also considered an important component for achieving sustainable organizational success. Talented people who are managed well, have a significant contribution to organizational performance and the extraordinary performance they have can directly affect the sustainability of the organization (Behera and Mohapatra, 2020). So, the sixth hypothesis in this study is:

H6: The relationship between talent management and organizational sustainability is mediated by engagement

Talent Management, Satisfaction and Organizational Sustainability
Saleh and Atan's (2021) research conducted in the higher education sector has shown the importance of the relationship between talent management and member satisfaction. First, talent management can have a positive influence on job satisfaction, and secondly it shows that the higher the satisfaction possessed, the higher their willingness and effort to share knowledge and experiences with others, where this can also affect organizational sustainability (Altindag, 2018). Thus, the seventh hypothesis in this study is:

H7: Satisfaction mediates the relationship between talent management and organizational sustainability

Methods
Research begins by seeking information about existing phenomena and problems, clearly defining the goals to be achieved, collecting and analyzing data as material for making conclusions. Quantitative methods are used in this study, by proposing hypotheses that are presented through a conceptual model. This research focuses on the internal organization and the Student Activity Unit at Nahdlatul Ulama University, Sidoarjo, with a total sample of 97 respondents who are student organization activists who have experience in organizations or have worked for at least 2 years. Data collection was carried out through a closed questionnaire with a purposive sampling technique. Data be analyzed using the PLS program with 2 models, namely the measurement model fit test to ensure the validity and reliability of the instrument,

Variable Measurement
This study emphasizes four variables, namely talent management, engagement, satisfaction and organizational sustainability. The first variable is talent management as an independent variable whose measurement uses the dimensions of global talent management proposed by Tarique and Schuler (2010),
namely talent attraction, talent development, and talent retention. Furthermore, the second variable, namely engagement as a mediating variable, is measured based on Schaufeli and Bakker (2004) which consists of three dimensions, namely vigor, an aspect characterized by a high level of strength and mentality at work and earnestness in work, dedication, an aspect characterized by a meaningful feeling of the work being done, a sense of pride and enthusiasm, and the third is absorption.

The third variable is satisfaction and also the second mediating variable is measured based on Elahinejad and Gholami (2015) divided the dimensions of satisfaction into five, namely job nature, salary, improvement opportunities, monitoring and care, and co-workers. Organizational Sustainability as the dependent variable has three dimensions adapted to the dimensions of sustainable development by the United Nations in 2015, namely economic, social and environmental.

The relationship between the variables in the study is shown in Figure 1. This model illustrates how talent management can achieve organizational sustainability, as well as how the mediation role of member engagement and satisfaction in the organization. The framework of thinking in the research is described as follows:

![Conceptual framework](image)

**Figure 1: Conceptual framework**

**Results and Discussion**

**Results**
A total of 97 respondents who came from student organization activists managed to fill out the questionnaire correctly and could be analyzed. In order to see convergent validity and reliability, it is tested for compatibility with the outer model. The convergent validity test parameters are known by looking at the output results of the SmartPLS algorithm in the form of outer loading. The Average Variance Extracted (AVE) value is also used to measure convergent validity. The following is the PLS output:
Figure 2: Measurement Model Results

The instruments in this study have fulfilled the convergent validity test results because all constructs have an AVE value > 0.5 and have an outer loading value > 0.7 which can also be seen in table 1:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Outer Loading</th>
<th>AVE</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management (X)</td>
<td>X1</td>
<td>0.854</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Talent Management (X)</td>
<td>X2</td>
<td>0.932</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Talent Management (X)</td>
<td>X3</td>
<td>0.813</td>
<td>0.716</td>
<td>Valid</td>
</tr>
<tr>
<td>Engagement (Z1)</td>
<td>Z11</td>
<td>0.878</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Engagement (Z1)</td>
<td>Z12</td>
<td>0.923</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Engagement (Z1)</td>
<td>Z13</td>
<td>0.904</td>
<td>0.782</td>
<td>Valid</td>
</tr>
<tr>
<td>Satisfaction (Z2)</td>
<td>Z21</td>
<td>0.844</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Satisfaction (Z2)</td>
<td>Z22</td>
<td>0.933</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Satisfaction (Z2)</td>
<td>Z23</td>
<td>0.809</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Satisfaction (Z2)</td>
<td>Z24</td>
<td>0.801</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Satisfaction (Z2)</td>
<td>Z25</td>
<td>0.924</td>
<td>0.803</td>
<td>Valid</td>
</tr>
<tr>
<td>Organizational Sustainability (Y)</td>
<td>Y1</td>
<td>0.913</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Organizational Sustainability (Y)</td>
<td>Y2</td>
<td>0.803</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Organizational Sustainability (Y)</td>
<td>Y3</td>
<td>0.844</td>
<td>0.705</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Furthermore, reliability is known by looking at the Cronbach's alpha value with the parameters for each construct must have a Cronbach's alpha value > 0.7 so that it is said to be reliable.

<table>
<thead>
<tr>
<th>Dimensions &amp; Variables</th>
<th>Cronbach's Alpha</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management (X)</td>
<td>0.852</td>
<td>Reliable</td>
</tr>
<tr>
<td>Engagement (Z1)</td>
<td>0.890</td>
<td>Reliable</td>
</tr>
<tr>
<td>Satisfaction (Z2)</td>
<td>0.891</td>
<td>Reliable</td>
</tr>
<tr>
<td>Organizational Sustainability (Y)</td>
<td>0.902</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

The Cronbach's alpha value of the research variables shown in the table above is > 0.7, so that the instruments used in the study can be declared to have passed the reliable test.

Testing the inner model or structural model is known by using the path coefficients to test the significance between constructs in the model. Here are the output results:
Furthermore, from the bootstrapping results, it is known that the path coefficient value is as follows:

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>T Statistics</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management -&gt; Engagement</td>
<td>3.593</td>
<td>0.012</td>
</tr>
<tr>
<td>Talent Management -&gt; Satisfaction</td>
<td>2.073</td>
<td>0.037</td>
</tr>
<tr>
<td>Engagement -&gt; Organizational Sustainability</td>
<td>3.083</td>
<td>0.002</td>
</tr>
<tr>
<td>Satisfaction -&gt; Organizational Sustainability</td>
<td>2.593</td>
<td>0.001</td>
</tr>
<tr>
<td>Talent Management -&gt; Organizational Sustainability</td>
<td>3.339</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Based on the table above, some information is obtained, including:

1. The significance value for the Talent Management-> Engagement variable is 0.12 which means it is smaller than the 0.05 significance level and the T-statistic value is 3.593> 1.96. This shows that talent management can positively influence engagement, so the first hypothesis is accepted.

2. The significance value for the Talent Management-> Satisfaction variable is 0.037 which means it is smaller than the 0.05 significance level and the T-statistic value is 2.073> 1.96. This shows that talent management can positively influence satisfaction, so the second hypothesis is accepted.

3. The significance value for the Engagement -> Organizational Sustainability variable is 0.02 which means it is smaller than the 0.05 significance level and the T-statistic value is 3.083> 1.96. This shows that engagement can positively influence organizational sustainability, so the third hypothesis is accepted.

4. The significance value for the Satisfaction -> Organizational Sustainability variable is 0.01 which means it is smaller than the significance level of 0.05 and the T-statistic value is 2.593> 1.96. This shows that satisfaction can positively affect organizational sustainability, so the fourth hypothesis is accepted.

5. The significance value for the Talent Management-> Organizational Sustainability variable is 0.001, which is less than the 0.05 significance level. Furthermore, the value of the T-statistic is 3.339> 1.96. This shows that talent management can positively influence organizational sustainability, so the fifth hypothesis is accepted.

Furthermore, to find out the role of mediation by looking at the indirect effect and the following
data is obtained:

<table>
<thead>
<tr>
<th>Table 4 Indirect Effect</th>
<th>(STDEV)</th>
<th>T Statistics</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Management - Engagement - Organizational Sustainability</td>
<td>0.058</td>
<td>2.714</td>
<td>0.005</td>
</tr>
<tr>
<td>Talent Management - Satisfaction - Organizational Sustainability</td>
<td>0.047</td>
<td>2.419</td>
<td>0.004</td>
</tr>
</tbody>
</table>

The test results above show that engagement and satisfaction can mediate the relationship between talent management and organizational sustainability as shown by the engagement p value of 0.005 which is smaller than the significance value (0.005 <0.05) with a T-statistic value of 2.714 > 1.96, while for mediation satisfaction obtained a p value of 0.004 which means (0.004 <0.05) with a T-statistic value of 2.419 > 1.96. The existence of a mediating effect by the engagement and satisfaction variables in the relationship between talent management and organizational sustainability indicates that the sixth and seventh hypotheses are accepted.

**Discussion**

Organizational sustainability provides an overview of how an organization is able to achieve various social, economic and environmental performance objectives. In line with this, the leaders of global companies recognize the importance of sustainability especially in the 21st century, which can be addressed with the help of talented employees (Singh et al, 2019). Effective talent management can be the key to organizational success and sustainable growth because it allows organizations to retain the best talent while increasing productivity, especially in today’s complex and dynamic business environment (Ifeoma et al, 2015).

The results of this study provide empirical evidence that talent management has a positive effect on engagement, in accordance with research by Ramli et al, (2018) which also states that talent management can have a positive impact on engagement. Apart from having an effect on engagement, this study also found that there is an influence of talent management on member satisfaction. These findings are supported by previous research which shows that there is a positive and substantial relationship between each talent management practice and employee job satisfaction (Saleh and Atan, 2021).

Furthermore, from this study it was found that engagement has a positive effect on organizational sustainability, as the findings of research by Kim, et al (2016) which successfully highlighted emerging trends in the field of human resources, especially engagement can play an important role for a more sustainable organization. The result of further research is the discovery of a positive effect from the satisfaction of members on organizational sustainability. These findings have previously been proven by Heimeri et al, (2020) in their research which stated that from an organizational perspective, job satisfaction can contribute to a sustainable workplace and support long-term sustainable organizational development goals.

The hypothesis in this study which states that engagement and satisfaction can be a mediator between the relationship between talent management and organizational sustainability is also proven to be accepted. Previously Behera & Mohapatra (2020) has proven that talented people have a significant contribution to organizational performance and have a direct influence on organizational sustainability. Sustainable organizational success can also be obtained by paying attention to important components in
the workplace, including talent management and employee engagement (Kim et al, 2016). Furthermore, Saleh and Atan's research (2021) conducted in the higher education sector has shown the importance of the relationship between talent management and satisfaction. In addition, in other studies it was also found that the higher the satisfaction of an organization member, the higher their willingness and effort to share knowledge and experiences with others, where this can also affect organizational sustainability (Altindag, 2018).

Much previous literature has stated that employees who are satisfied with their jobs, who are happy with their work environment, are able to make a positive contribution to organizational sustainability goals (Lange, 2021), but it is still the task of the organization is how employees can achieve their potential to be engaged and satisfied and how organizations can assist in accomplishing this task, especially by paying attention to how talented people perform. Talent management is an important component in retaining talented people, but there are still very few companies implementing it (Jibril & Yesiltas, 2022), even though the right talent can be the biggest asset for any company, and being HR's role is to ensure employees especially with the right skills to stay in the organization.

Conclusion
This research has clearly identified and provided empirical evidence that talent management has a positive influence on engagement and satisfaction, which ultimately leads to the realization of organizational sustainability. Meanwhile, engagement and satisfaction can also be mediators in the relationship between talent management and organizational sustainability. Both of these variables are needed because they can bridge how talent management has a positive impact on achieving organizational sustainability.

From the results and previous discussions, it is clear that talented people need special attention and appreciation, for that companies need to make a comprehensive policy on talent management or develop a series of talent management practices to meet sustainability goals because talented people with their different skills will be able to creates enormous value in organizational performance and supports companies in achieving competitive advantage and sustainability.

Implications and Limitations
The findings in this study explore the positive relationship between talent management, satisfaction, engagement and organization sustainability. The research findings imply that acquiring, developing and retaining talented members can be an important strategy for achieving organizational sustainability. In addition, the engagement and satisfaction of members can provide a positive role for organizational sustainability. Therefore, it is important for organizations of any kind to pay attention to how to manage talented people in order to create engagement and satisfaction from members so that organizational sustainability can be realized.

The constructs in this study can make a new contribution to the development of knowledge, especially in the field of human resource management, especially those related to talent management, engagement and satisfaction which can have a positive impact on the realization of organizational sustainability. The same construct can be transferred and developed to other tertiary institutions or business organizations, because in this study it is still focused on small student organizations within universities and with a minimum number of samples. Mixed methods are recommended for use in future research, or with a larger number of samples in a wider field.
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