

THE EFFECT OF TALENT MANAGEMENT AND EMPLOYEE COMPENSATION ON THE INCOME OF PDAM TIRTA HANDAYANI

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INFO ARTIKEL

Riwayat Artikel

Diterima : 01-07-2024

Direvisi : 19-08-2024

Dipublish : 19-08-2024

Keywords:

*talent management,
compensation, work motivation,
employee performance*

Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh talent management dan kompensasi karyawan terhadap pendapatan Perusahaan Daerah Air Minum (PDAM) Tirta Handayani Gunung Kidul Cabang Bribin.

Penelitian ini menggunakan pendekatan deskriptif kuantitatif dimana data dalam penelitian ini berbentuk numerik. Lokasi penelitian adalah PDAM Tirta Handayani Gunungkidul Cabang Bribin mensurvei 36 responden selama periode survei dari bulan Februari s/d April tahun 2024. Teknik pengambilan sampel yang digunakan dalam penelitian ini adalah metode

probability Sampling. Metode analisis data yang digunakan adalah metode analisis regresi linier berganda.

Berdasarkan pada hasil analisis menerangkan bahwa talent management memiliki pengaruh yang signifikan terhadap pendapatan perusahaan. Ditemukan bahwa strategi pengembangan bakat, perekrutan, dan retensi karyawan berkontribusi positif terhadap peningkatan pendapatan perusahaan. Selain itu, kompensasi karyawan juga memiliki pengaruh yang signifikan terhadap pendapatan perusahaan. Karyawan yang merasa bahwa mereka mendapatkan kompensasi yang adil dan sesuai dengan kontribusi mereka cenderung lebih termotivasi untuk meningkatkan kinerja mereka, yang pada gilirannya akan berdampak positif pada pendapatan perusahaan. Dalam konteks ini, manajemen PDAM Tirta Handayani Gunung Kidul Cabang Bribin disarankan untuk memperhatikan pengelolaan bakat dan sistem kompensasi karyawan dengan lebih serius. Investasi dalam pengembangan bakat dan pemberian kompensasi yang adil dapat menjadi strategi yang efektif untuk meningkatkan kinerja karyawan dan pendapatan perusahaan secara keseluruhan.

Abstract

This study aims to analyze the influence of talent management and employee compensation on the revenue of Perusahaan Daerah Air Minum (PDAM) Tirta Handayani Gunung Kidul, Bribin Branch. The research employs a quantitative descriptive approach where the data is numerical. The study was conducted at PDAM Tirta Handayani Gunungkidul, Bribin Branch, surveying 36 respondents during the survey period from February to April 2024. The sampling technique used in this study is the probability sampling method. The data analysis method utilized is multiple linear regression analysis.

Based on the analysis results, it was found that talent management has a significant impact on the company's revenue. It was discovered that talent development strategies, recruitment, and employee retention positively contribute to increasing the company's revenue. Additionally, employee compensation also has a significant impact on the company's revenue. Employees who feel that they are being compensated fairly and in accordance with their contributions tend to be more motivated to improve their performance, which in turn will positively affect the company's revenue. In this context, the management of PDAM Tirta Handayani Gunung Kidul, Bribin Branch, is advised to pay more attention to talent management and the employee compensation system. Investing in talent development and providing fair compensation can be an effective strategy to improve employee performance and overall company revenue.

INTRODUCTION

The company's talent management can significantly contribute to the success of the organization. One way for a company to improve its performance in talent management is through proper talent mapping. With proper talent mapping, companies can enhance their performance by ensuring that positions are filled according to the skills and talents of the employees themselves, thereby improving their performance (Kardo et al., 2020).

Talent management is one of the strategies to enhance employee performance in the face of business competition, consisting of skills and knowledge. Effective talent management is crucial for developing and finding new talented employees in the job market, with an emphasis on talent acquisition, integration and adaptation, development, compensation, participation, and training (Kaleem, 2019).

Proper compensation determines the quality of human resources in the workplace. It is related to the effectiveness of employee goals and the efficiency of the organization's budget, as well as how the organization performs in an increasingly competitive business environment. Good compensation will influence employee performance. When compensation fails to meet employees' expectations, it can lead to subtle resistance or even demonstrations (Dwianto et al., 2019).

The achievement of company goals depends not only on talent management and compensation but also on work motivation. Each motivated employee can develop through a series of activities undertaken. Improving the performance of each company is the greatest hope for achieving the company's vision and mission. Work motivation is one of the most important factors for company leaders to inspire enthusiasm, encourage more active work, and ensure that work is done meaningfully, quickly, carefully, and accurately (Goni et al., 2021).

Perusahaan Daerah Air Minum (PDAM) is a government agency that plays a strategic role in meeting the community's need for clean water. In facing the increasingly complex dynamics of the business environment, PDAM is challenged to increase its revenue to maintain operational sustainability and provide quality services to the community.

Talent management and employee compensation are two vital aspects in maintaining organizational competitiveness and performance, which also impact the revenue of Perusahaan Daerah Air Minum (PDAM) Tirta Handayani Gunung Kidul, Bribin Branch. Talent management is closely related to the strategic management of human resources (HR) to ensure the organization has qualified, skilled, and potential employees to face future challenges. Meanwhile, employee compensation is a crucial factor in motivating employees to contribute their best efforts in achieving the company's goals. At PDAM Tirta Handayani Gunung Kidul, Bribin Branch, talent management and employee compensation are key to increasing the company's revenue. However, there has been no specific research examining the impact of these two factors on PDAM's revenue in the region. Therefore, this study aims to fill this knowledge gap by analyzing how talent management and employee compensation affect the revenue of PDAM Tirta Handayani Gunung Kidul, Bribin Branch.

The importance of this research lies in its contribution to providing a deeper understanding of the factors influencing PDAM's revenue, which in turn can serve as a basis for formulating more effective management policies and strategies for PDAM. The results of this study are expected to provide valuable insights for PDAM

managers, local governments, and researchers interested in the field of human resource management and the water industry. This research will be conducted using a quantitative approach through surveys of PDAM Tirta Handayani Gunung Kidul, Bribin Branch employees and statistical data analysis. Additionally, interview techniques and documentation studies will be used to obtain more in-depth information regarding HR management practices and the compensation system in the company.

By understanding the impact of talent management and employee compensation on the revenue of PDAM Tirta Handayani Gunung Kidul, Bribin Branch, this research is expected to make a significant contribution to the development of human resource management theory and practice, as well as provide valuable guidance for decision-making at the organizational level and policy-making at the local government level.

RESEARCH METHODS

This research was conducted from February to April 2024 at PDAM Tirta Handayani Gunungkidul, Bribin Branch, located in Dadapayu Village, Semanu District, Gunungkidul Regency. This study employs a quantitative approach to analyze the impact of talent management and employee compensation on the revenue of PDAM Tirta Handayani Gunung Kidul, Bribin Branch. The quantitative method involves studying a specific population or sample, collecting data using research tools such as questionnaires, and utilizing quantitative/statistical methods to test the hypothesis used for data analysis. This method is based on the philosophy of positivism (Sugiyono, 2016).

The population of this study consists of all employees working at PDAM Tirta Handayani Gunung Kidul. The total population for this research includes all 40 employees at PDAM Tirta Handayani Gunungkidul, Bribin Branch. The sampling was conducted using the simple random sampling method. The sample size was determined based on a sample size formula relevant to a 95% confidence level and a 5% margin of error.

According to Sugiyono (2016), a sample is a small part of the total number and characteristics of a population, or the smallest part of a population that adequately represents the entire population according to the established procedures. The sample size for this study was determined using the Slovin's formula:

$$n = \frac{N}{1 + Ne^2}$$

Description:

n: Sample Size

N: Population Size

e: Tolerable margin of error

In this study, it is determined that e is 5% while N is 40.

Thus, the minimum sample taken by the researcher is:

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{40}{1 + 40(0,05)^2}$$

$$n = \frac{40}{1,1} = 36,3 \approx 36$$

So the minimum sample that can be taken by PDAM Tirta Handayani Bribin Branch is 36 employees.

The research instrument used was a questionnaire consisting of two main parts. The first part contains questions about the demographic characteristics of respondents (age, gender, education, etc.), while the second part contains questions about employee perceptions of talent management practices and compensation at PDAM Tirta Handayani Bribin Branch and the income earned.

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The collected data will be analyzed using statistical analysis techniques, including regression analysis to test the relationship between independent variables (talent management and employee compensation) with the dependent variable (employee income). In addition, descriptive statistical analysis will also be conducted to obtain a more detailed picture of the characteristics of respondents and other research variables. This research will be conducted with due regard to the principles of research ethics, including aspects of data confidentiality, compliance with personal data protection regulations, and voluntary consent from respondents.

ANALYSIS RESULTS AND DISCUSSION

Results

Respondent Characteristics

Respondent characteristics refer to the different backgrounds of the respondents themselves. These characteristics are used to understand the backgrounds of respondents in this study, with a focus on age and gender. The results obtained include:

a. Age Characteristics

Tabel 1. Age Characteristics

Age	Number of Respondents	Percentage (%)
<25 Tahun	5	13,9 %
26-40	23	63,9 %
41-55	8	22,2 %
Total	36 Respondents	100%

This research shows that from a sample of 36 respondents, the age distribution is divided into three groups. Respondents under the age of 25 account for 5 respondents, those aged 26-40 years account for 23 respondents, and the last group, aged 41-55 years, accounts for 8 respondents. This indicates that the majority of employees working at Perusahaan Daerah Air Minum (PDAM) Tirta Handayani Gunungkidul, Bribin Branch, are between the ages of 26-40 years.

b. Demographic Characteristics

Tabel 2. Demographic Characteristics

Gender	Number of Respondents	Percentage (%)
Man	31	86,1 %
Woman	5	13,9 %
Total	36 Respondents	100%

This study involved 36 employee respondents, and when viewed in terms of gender, the sample consisted of 31 male respondents and 5 female respondents.

This indicates that the majority of employees working at Perusahaan Daerah Air Minum (PDAM) Tirta Handayani, Bribin Branch, are male.

Descriptive Statistical Test

Descriptive statistics are statistics used to analyze data by describing and explaining data as collected with the intention of drawing generally valid conclusions (Sugiyono, 2016).

Tabel 3. Descriptive Statistical Test of Talent Management Variables

Nilai	1	2	3	4	5
Jumlah Responden (<i>f</i>)	1	1	3	12	19

$$x = \frac{\sum f \cdot x_i}{\sum f}$$

$$x = \frac{1 \times 1 + 2 \times 1 + 3 \times 3 + 4 \times 12 + 5 \times 19}{1 + 1 + 3 + 12 + 19}$$

$$x = \frac{155}{36}$$

$$x = 4,30$$

Based on the table above, the measurement results regarding talent management show that the highest score given is 5, while the lowest score is 1. The average score given by the 36 respondents is 4.30, indicating that talent management has a considerable impact on improving employee welfare at PDAM Tirta Handayani Gunung Kidul, Bribin Branch.

Tabel 4. Descriptive Statistical Test of Compensation Variable

Nilai	1	2	3	4	5
Jumlah Responden (<i>f</i>)	-	-	1	3	32

$$x = \frac{\sum fn.xn}{\sum f}$$

$$x = \frac{3 \times 1 + 4 \times 3 + 5 \times 32}{2+6+28}$$

$$x = \frac{175}{36}$$

$$x = 4,86$$

Nilai	1	2	3	4	5
Jumlah Responden (<i>f</i>)	-	3	5	17	11

Based on the table above, it states that the measurement results regarding Compensation, the highest value is given at number 5, while the lowest value is 3. From the results given by 36 respondents, an average of 4.86 is given, which states that Compensation is very influential and very important in improving the quality of employee welfare and increasing the income of PDAM Tirta Handayani Gunung Kidul, Bribin branch.

Tabel 5. Descriptive Statistical Test of Work Motivation Variable

$$x = \frac{\sum fn.xn}{\sum f}$$

$$x = \frac{2 \times 3 + 3 \times 5 + 4 \times 17 + 5 \times 11}{3+5+17+11}$$

$$x = \frac{144}{36}$$

$$x = 4,0$$

Based on the table above, it states that the measurement results regarding Work Motivation the highest value is given at number 5, while the lowest value is 2. From the results given by 36 respondents, it has an average of 4.0, which states that Work Motivation does not have much influence in improving the quality of employee welfare and increasing the income of PDAM Tirta Handayani Gunung Kidul, Bribin branch.

RESULTS AND DISCUSSION

The conclusion of this article is that talent management and employee compensation have a significant impact on the revenue of Perusahaan Daerah Air Minum (PDAM) Tirta Handayani Gunung Kidul, Bribin Branch. This underscores the importance of effective talent management and fair compensation in enhancing the performance and financial outcomes of PDAM Tirta Handayani Gunung Kidul, Bribin Branch.

In this context, talent management helps PDAM Tirta Handayani Gunung Kidul in identifying, developing, and retaining talent that aligns with the organization's needs. Through effective talent management strategies, the company can improve the quality of its workforce, foster innovation, and increase productivity, all of which can, in turn, boost revenue.

Meanwhile, fair and competitive employee compensation plays a crucial role in motivating employees to perform well and achieve the company's goals. By providing rewards that are commensurate with employees' contributions and performance, PDAM Tirta Handayani Gunung Kidul, Bribin Branch, can ensure high employee retention, reduce turnover, and increase employee loyalty, ultimately leading to a positive impact on the company's revenue.

Recommendations

1. Enhance Talent Management Strategies:

PDAM Tirta Handayani Gunung Kidul, Bribin Branch, should continue to improve its talent management strategies, including recruitment, development, and retention of talent. This can be done by identifying long-term talent needs and developing appropriate employee development programs.

2. Evaluate the Compensation System:

The company should regularly evaluate its compensation system to ensure that the rewards offered are aligned with the market and employee contributions. This may involve industry compensation surveys as well as internal reviews of performance and rewards.

3. Invest in Employee Development:

PDAM Tirta Handayani Gunung Kidul may consider allocating more resources to employee training and development. This will not only enhance employees' skills and competencies but also increase their engagement and job satisfaction.

4. Effective Communication:

It is important for management to maintain open and ongoing communication with employees about talent management and compensation policies. This will help build trust and transparency, as well as ensure a clear understanding of expectations and rewards.

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