

Optimizing Talent Management Practices: a Case Study of PT X'S Head Office in Indonesia's Forestry Sector

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Abstrak: Ketidaksetaraan struktural dalam manajemen talenta semakin diakui sebagai hambatan sistemik terhadap keberlanjutan organisasi, terutama di industri yang beroperasi di lingkungan yang tersebar secara geografis dan beragam secara sosial. Penelitian ini mengkaji bagaimana penerapan kesetaraan struktural dalam siklus manajemen talenta yang mencakup perekrutan, penempatan, pengembangan karier, promosi, dan perencanaan suksesi diterapkan di sebuah perusahaan di sektor kehutanan. Dengan menggunakan pendekatan studi kasus kualitatif, data dikumpulkan melalui wawancara mendalam dengan sebelas informan kunci dari berbagai tingkatan organisasi, yang dilengkapi dengan analisis dokumen dan pengamatan lapangan. Temuan penelitian menunjukkan bahwa kesetaraan struktural belum sepenuhnya terwujud, yang disebabkan oleh tidak adanya Sistem Informasi Sumber Daya Manusia (HRIS) yang terintegrasi serta kurangnya jalur karier yang terstruktur secara formal. Kondisi-kondisi ini mengakibatkan ketidaksetaraan dalam akses terhadap peluang pengembangan karier, memperpanjang siklus stagnasi talenta, dan berdampak pada keberlanjutan tenaga kerja dalam jangka panjang. Berdasarkan Manajemen Sumber Daya Manusia Strategis (SHRM), teori keadilan organisasi, dan teori pemangku kepentingan, penelitian ini mengusulkan kerangka kerja intervensi tiga fase yang berpusat pada kesetaraan: (1) implementasi HRIS terintegrasi sebagai landasan data, (2) penetapan KPI individu dan struktur jalur karier yang terstruktur, serta (3) pengembangan mekanisme komunikasi terstruktur dan budaya transparansi. Temuan ini berkontribusi pada wacana akademis mengenai keadilan dalam Manajemen Sumber Daya Manusia (MSDM) dalam konteks organisasi yang beroperasi di sektor-sektor padat sumber daya.

Kata kunci: keadilan, manajemen talenta, keadilan organisasi, HRIS, sektor kehutanan

Abstract: Structural inequality in talent management is increasingly recognized as a systemic barrier to organizational sustainability, particularly in industries operating in geographically dispersed and socially diverse environments. This study examines how the implementation of structural equity in the talent management cycle encompassing recruitment, placement, career development, promotion, and succession planning is applied at a company in the forestry sector. Using a qualitative case study approach, data were collected through in-depth interviews with eleven key informants from various organizational levels, supplemented by document analysis and field observations. The findings reveal that structural equity has not been fully realized, stemming from the absence of an integrated Human Resources Information System (HRIS) and a lack of formalized career paths. These conditions result in unequal access to career development opportunities, perpetuate a cycle of talent stagnation, and impact long-term workforce sustainability. Based on Strategic Human Resource Management (SHRM), organizational justice theory, and stakeholder theory, this study proposes a three-phase intervention framework centered on equity: (1) implementation of an integrated HRIS as a data foundation, (2) establishment of individual KPIs and a formalized career path structure, and (3) development of structured communication mechanisms and a culture of transparency. These findings contribute to the scholarly discourse on equity in HRM within the context of organizations operating in resource-intensive sectors.

Keywords: equity, talent management, organizational justice, HRIS, forestry sector

Introduction

Human resource management in organizations operating in geographically dispersed and contextually complex environments poses challenges for conventional HR frameworks alone. In Indonesia, the forestry sector is one such context, where companies must manage vast operational areas spanning multiple islands and provinces, retain technical expertise in remote field locations, and navigate significant disparities in educational levels, regional identities, and

social capital among the workforce.

Although academic attention to strategic human resource management (SHRM) and talent management in emerging economies continues to grow, the issue of structural inequality defined here as systemic disparities institutionally embedded in access to career opportunities, development resources, and organizational advancement remains under-researched in the context of Indonesia's forestry sector. Most of the existing literature focuses on talent shortages as a supply-side issue, overlooking the extent to which organizational systems themselves create and reproduce unequal conditions.

PT X, a forestry company that has been operating for more than five decades in Indonesia, faces challenges in the area of human resources. With approximately 602 employees spread across Kalimantan and Sulawesi, the company operates on more than one million hectares of managed forest land. However, internal data reveals persistent recruitment shortfalls, high rates of refusal to accept transfers, leadership succession gaps, and unequal access to training and career development conditions that collectively constitute a talent pipeline crisis.

Since the empirical work for this study was carried out at PT X's head office in Jakarta, the head office itself is a relevant unit of analysis. PT X's roughly 602 employees, the head office accounts for a comparatively small share, organized into the Board of Management, Division Heads, the HR Department, and staff, yet it is the seat of strategic decision-making and cross-regional coordination for the company as a whole. The head office sets recruitment quotas and placement policy applied across the regional (Divre) units in Kalimantan and Sulawesi, owns the company's HR data and promotion regulations in the absence of an integrated HRIS, and coordinates with the regions through mechanisms such as hybrid town hall meetings, even though day-to-day forestry operations are carried out locally in each region.

This study argues that PT X's talent challenges are not primarily caused by labor market scarcity alone but are compounded by structural features of its own talent management system: the absence of standardized career paths, a lack of integrated HR information infrastructure, reliance on managerial discretion in key personnel decisions, and the absence of established mechanisms that ensure equity in recruitment and development. These features result in a self-reinforcing cycle of structural inequality that perpetuates workforce disparities.

This study addresses the following research questions: (1) What are the main challenges in the talent management process at PT X, particularly regarding recruitment, placement, and human resource development? (2) What are the root causes of these challenges in PT X's talent pipeline? (3) How can equity-based mechanisms be integrated into the talent management system to enhance career mobility and stabilize the talent pipeline at PT X?

Method

This study employs a qualitative case study methodology (Yin, 2018) to generate an in-depth, context-rooted understanding of issues related to structural equity at PT X. The case study approach was chosen given the complexity of the phenomenon, the importance of the organizational context, and the need to examine various interrelated processes as part of a systemic whole. An embedded single-case design (Miles & Huberman, 1994) was adopted, with several units of analysis representing different organizational levels and functional roles.

Primary data were collected through semi-structured in-depth interviews conducted between December 2025 and March 2026. Eleven informants were purposively selected to ensure representation across organizational levels, job tenure, and regional exposure. Informants included the SEVP of HR, the Head of the HR Division, the Head of the HR Department, HR staff (including those in data management and payroll, training coordinators, and organizational development and recruitment officers), as well as several company employees with less than three years of experience from each of the different departments. Tenure among informants ranged from less than three years of service to several decades at PT X, and several informants had themselves been placed in or rotated through the regional (Divre) units in Kalimantan and Sulawesi prior to their current head-office assignment, ensuring the interview data reflected both headquarters and regional perspectives.

Interviews were conducted in Indonesian and lasted between 45 and 90 minutes. All interviews were recorded and transcribed verbatim. Secondary data sources included internal HR policy documents, organizational charts, workforce demographic reports, and pro motion regulations. Field observations were conducted during a visit to the company's headquarters.

Data were analyzed using root-cause analysis through the "5 Whys" technique and thematic analysis to trace issues related to structural equality at from surface-level symptoms to systemic root causes. Reliability was ensured through prolonged engagement, triangulation across data sources and informant types, and rich contextual descriptions (Lincoln & Guba, 1985).

Results and Discussion

Talent Acquisition: Unequal Access in the Recruitment Stage

The findings reveal structural inequalities embedded in PT X's recruitment process, particularly in the pattern of regional placement. Candidates from urban Java who met academic standards often declined assignments in Kalimantan, while local candidates who demonstrated greater willingness to relocate were initially reported to be disproportionately screened out during the psychometric assessment stage due to unfamiliarity with the test format used by the third-

party assessment provider. However, subsequent validation with the company confirmed that the passing grade for this assessment had already been lowered and recalibrated to the regional context, indicating that corrective measures had already been taken on this specific issue.

The more persistent form of structural inequity, therefore, lies in the placement refusal pattern itself: graduates from Java remain reluctant to accept regional postings, continuing to constrain the available talent pool for hard-to-fill locations such as Kalimantan. This points to a gap not in the assessment instruments themselves, but in the absence of mechanisms such as adjusted incentives or relocation support that could address candidates' reluctance to accept placements outside their preferred regions.

Career Mobility and Placement: Unstructured Rotation

The absence of a formalized rotation policy creates a situation in which decisions regarding inter-regional mobility are made on an ad hoc basis, driven primarily by short-term operational needs due to limited human resources. Informants at various levels describe a system in which employees may be transferred with minimal notice and preparation, or, conversely, remain in a single unit for years. One division head noted that some employees deliberately underperformed on assessments to avoid being transferred to unfamiliar locations a behavioral adaptation that indicates deep-seated procedural injustice.

The absence of formal mechanisms to explore the reasons for refusing transfers means the company cannot address the underlying structural barriers, such as inadequate compensation adjustments for regional assignments, a lack of family relocation support, and various other reasons that warrant further investigation.

Talent Development: A Training Vacuum and Uneven Distribution

Access to training was found to be uneven across employee groups. The training function operates without an individual KPI framework, making systematic training needs analysis (TNA) impossible. Without individual performance data, training nominations are based on initial one-on-one interviews with each employee, resulting in uneven skill development and unequal access to competencies that support overall career advancement.

Validation with the company further indicated that this gap is most pronounced at headquarters itself: the HR team, despite being responsible for organizing training across the company, reported being too occupied supporting other divisions to invest in its own capability development. At the same time, staff in remote operational units continue to require more specialized, hands-on training for instance in technical documentation and field reporting procedures to perform their roles effectively, despite facing greater operational complexities. This pattern suggests that training inequity is rooted less in geography alone than in the absence of a structured needs-assessment system that allocates training based on documented capability gaps

rather than ad hoc requests.

Promotion Mechanisms: Objectivity Without Transparency

Although PT X uses third-party assessments for promotion decisions a practice generally considered objective by informants the results of these assessments are systematically withheld from employees. The reason given by management is to protect employees' psychological well-being. However, this practice results in significant informational inequality: employees who have passed the assessment may remain at the same grade, while those who fail do not receive detailed feedback on development issues unless they ask directly to the party administering the assessment.

Succession Planning: A Regeneration Crisis

PT X faces an acute succession challenge: approximately 67% of its workforce is over 40 years old, and the senior leadership group is dominated by employees who joined the company several decades ago. The pipeline of potential successors is thin, underprepared, and poorly monitored. The absence of a formalized succession planning framework means leadership vacancies are addressed reactively through lateral transfers that leave other positions vacant, or by promoting individuals who have not undergone structured development due to the urgent need to fill the role.

The grade mismatches documented in this study where employees hold formal positions at grade levels significantly higher than their personal grades, serving for years as Acting Officers (PLT) indicate a failure of the organizational system to build an adequate talent bench.

A Self-Reinforcing Cycle of Structural Inequality

Overall, these findings reveal a self-reinforcing cycle in which structural conditions reproduce themselves over time. The root cause identified through the 5 Whys analysis is the absence of an integrated HRIS and data infrastructure that would enable evidence-based recruitment, systematic performance tracking, transparent career path management, and succession planning. Without this foundation, all downstream HR processes revert to informality, subjectivity, and reactive decision-making.

Business Solutions and Implementation

Solution 1: Implementation of an Integrated HRIS

The primary upstream intervention proposed is the implementation of an integrated HRIS that consolidates employee data, performance records, training history, grade and placement information, and succession planning data into a single, accessible platform. This infrastructure is fundamental: it enables all subsequent equity-supporting interventions to operate based on evidence, not estimates.

Solution 2: Individual KPIs and Formalized Career Paths

The second intervention involves establishing a framework of individual KPIs linked to functional competency maps, and formalizing career paths that detail the criteria, timelines, and development milestones associated with each career stage. Transparent communication of career paths is provided to employees from the very beginning of onboarding to address the information asymmetry that currently undermines procedural fairness.

Solution 3: Communication Mechanisms and a Culture of Transparency

The third intervention targets the cultural and relational dimensions of structural inequality through the establishment of a structured feedback system, town hall meetings, and a grievance mechanism. These mechanisms create formal channels through which employees can receive career development feedback, voice concerns about equity in HR processes, and access information about promotion criteria.

Implementation Phases

A three-phase implementation plan is proposed: Phase 1 (Months 1–6) focuses on procuring an HRIS, migrating data, and strengthening the HR team's capacity; Phase 2 (Months 7–12) introduces an individual KPI framework, career path documentation, and pilot transparency mechanisms; Phase 3 (Months 13–24) focuses on institutionalization, monitoring, and evaluation.

Conclusion

This study has shown that the instability of the talent pipeline at PT X is not primarily a matter of labor supply alone, but rather an issue of equity that has not yet been structurally embedded in the design of the organization's talent management system itself. Through in-depth qualitative analysis, five manifestations of structural inequality were identified: bias in recruitment and promotion assessments, unstructured job rotation, unequal access to training, promotion practices that are not directly communicated to all employees, and an underdeveloped succession system. These manifestations are interconnected and mutually reinforcing, driven upstream by the absence of an integrated HR data infrastructure and the lack of formalized career frameworks.

Theoretically, this study advances the application of organizational justice and SHRM frameworks in the analysis of structural equity within the context of emerging markets. It demonstrates that equity-centered HR management is not merely an ethical aspiration but a strategic imperative; without it, organizations cannot build the talent pipelines necessary for long-term operational sustainability.

Practically, this study provides a replicable diagnostic framework and a phased intervention model that can be applied in Indonesia's human resources sector. Future research should examine the longitudinal effects of HRIS implementation on perceptions of equity and succession

readiness, as well as explore the moderating role of organizational culture in shaping equity-centered HR reform processes.

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