



## The effect of organizational culture transformation and talent management on organizational effectiveness mediated by job satisfaction

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### ABSTRACT

This study aims to determine the effect of Organizational Culture Transformation and Talent Management on Organizational Effectiveness mediated by Work. This research is based on organizational effectiveness in companies that have changed strategy due to encouragement from external industry factors so that organizational culture and talent management need to be carried out which are expected to increase organizational effectiveness. organization. The sample in this study was taken using a data collection method called purposive sampling. The sample used was 80 respondents. Data analysis using PLS (Partial Least Square) analysis technique through SmartPLS software. In addition, to test the hypothesis and the seventh, a trial was conducted to test the mediating/intervention variable in the hypothesis. The results showed that organizational culture transformation had a positive but not significant effect on organizational effectiveness. Furthermore, talent management has a positive and significant effect on organizational effectiveness. The results also show that the transformation of organizational culture and talent management has a positive but not significant effect on organizational effectiveness through job satisfaction owned by employees of PT. XYZ.

**Keywords:** Organizational Culture Transformation, Talent Management, Job Satisfaction, Organizational Effectiveness.

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### 1. INTRODUCTION

Every organization has goals to be achieved. In order for the stated goals to be achieved, the organization needs to carry out operational and functional activities. With the formation of an organization, the division of tasks, authorities, responsibilities, reporting, and relationships between people (members) within the organization becomes clear, so that the mechanism towards achieving organizational goals becomes easier. An environment that is always changing and evolving requires all organizations to always adapt to the changes that occur. For this reason, the organization that is formed must be flexible and dynamic in accordance with the needs of members who are adapted to environmental conditions. Effectiveness can be defined as individual, group, and organizational performance. The more accomplished a person, group, or organization, the more effective it is. Analysis of organizational behavior consists of

of levels, namely individual, group, and organizational levels. The responsibility for the three levels of effectiveness is a managerial responsibility. Effective management of various organizations and human resources is currently facing enormous challenges. XYZ, as a telecommunications company that operates in the voice and SMS telecommunications business, had to change its strategy in line with the increase in network costs, besides that, the revenue from both services also decreased. The strategy taken by XYZ to face the challenges of this change is to become a digital company.

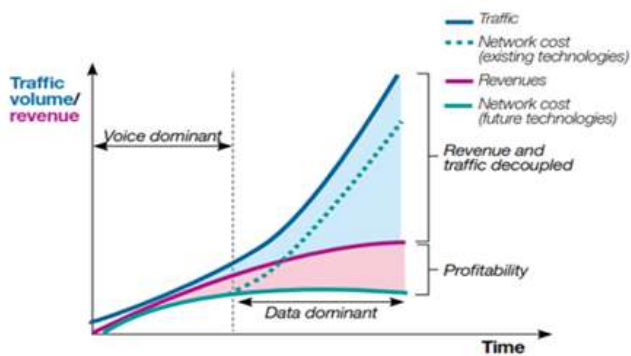


Figure 1. Revenue curve and network traffic



Figure 2. Voice and SMS Revenue Growth, 2012-2016

The strategy taken by XYZ is to transform into a digital company because of the huge potential related to internet users in Indonesia. Both individual and corporate (company).

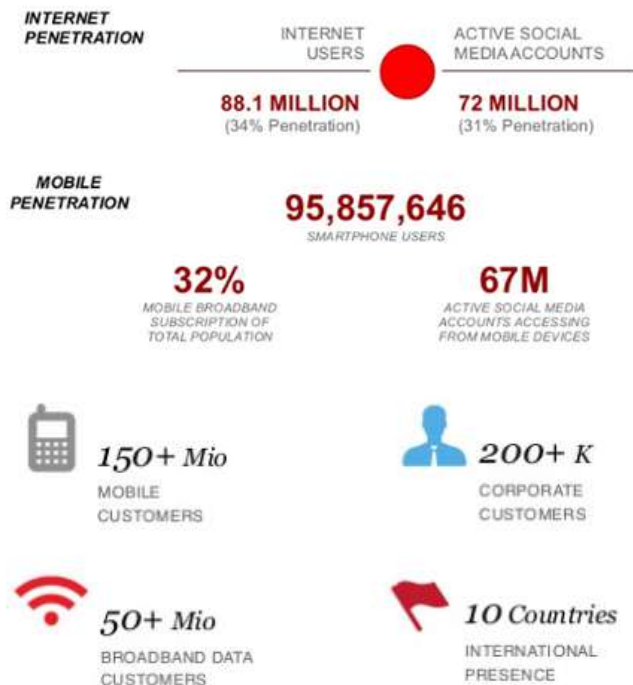


Figure 3. Internet customer market in Indonesia 2015

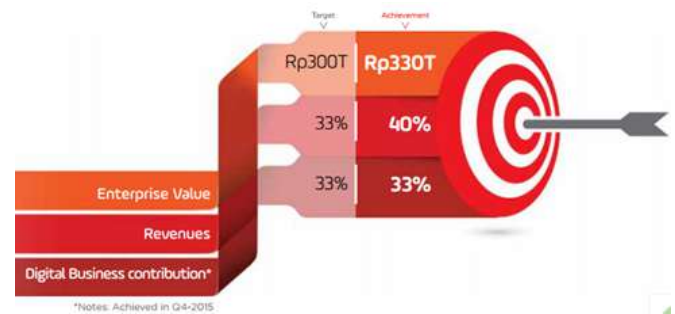


Figure 4. Achievement of XYZ Vision 2012 - 2015

If you look at the achievement of this vision, it can be said that XYZ has succeeded in achieving it, but the other biggest challenge is the development of human resources so that they can always innovate and change their work culture to adapt as a digital company. The efficiency of the ratio of employees to the number of customers is always increasing from year to year is a challenge in itself regarding the magnitude of the responsibility of employees to bring XYZ to become the leading cellular telecommunications company in Indonesia.

Table 1. Number of employees and efficiency ratio

Description	2011	2012	2013	2014	2015
<b>Employee Data</b>					
Total Employees (excl. BOD)	4,417	4,557	4,781	4,880	4,930
Efficiency Ratio (subs/employee)	24,228	27,452	27,916	28,809	30,962

The company is an organization which consists of many employees, gather and interact with each other. The interaction between individuals in an organization gives rise to an organizational culture that is unique and differentiates one organization from another. Organizational culture is about the subjective aspect of what happens within a company, referring to abstractions such as values and norms that cover the whole or part of a business. It may not be defined, discussed or even noticed. But culture can have an influence on a person's behavior at work. Organizational culture is needed by every company that needs to always be developed and adapted to changes in the organizational environment. The organizational environment consists of human resources with different backgrounds and levels. Thus, changes in organizational culture are carried out first through changing the mindset of all human resources in the organization. Culture is developed and expresses itself in different ways in different organizations, therefore organizational culture is dissimilar in several respects. There is no ideal culture, only a suitable culture.

Organizational culture is a pattern of shared beliefs, norms and values within an organization that shape the way people act and interact and greatly influence the way in which things are done (Armstrong, 2009: 35). Another quite complex challenge is changing the old work culture that is no longer in accordance with the values of the new work culture for all employees or employees voluntarily and employee participation on a voluntary basis. People will not change automatically just by being ordered to, and will only change if he realizes it and wants it voluntarily,

people who are willing to leave the old way are very few in number, even when the situation warrants it (Osborn and Plastrik, 2000: 241). Therefore, the company is expected to have values that can be a reflection of the attitudes and behavior of employees at work. The commitment of employees will bring the company towards the best performance as expected by the company.

In addition to organizational culture, other factors such as talent or talent within an organization are other important things. Organizations that have employees with talents that match the needs of the organization will make the company more competitive. Organizations that understand the importance of retaining talented people will try their best to make it maximal, this is known as talent management.. Talent consists of people who can make a difference in an organization's performance, either through direct contributions or by demonstrating the highest level of potential over the long term. While talent management is the process of identifying, developing, recruiting, retaining and using those talented people (Amstrong, 2009: 582). The greater the organization's awareness of these talents, nowadays they are competing to get highly talented employees, either by seeking from outside as well as from training and regeneration. Talent shortage is a serious matter for the future growth of the organization. A fairly difficult task for organizations is to identify individuals who fit into the existing organizational culture. This is done by studying and evaluating each individual on their abilities, talents, personality, and character, in relation to filling certain vacancies in the organization. An effective human resource selection procedure will be able to identify employee skills appropriately. If you succeed in getting individuals who are better than the afternoon, you will get an organization that will be better than other competitors.

Talent management will not succeed if there is no selection system, one of which is a system for identifying performance results. If an employee has a performance that is considered average then they must be rewarded for their performance, while those who excel in the company must receive higher rewards or compensation to maintain their motivation and will increase the employee's job satisfaction. In the course of an organization, the factor that is expected to support the effectiveness of an organization is employee job satisfaction, where employees can assess how satisfied or dissatisfied they are with their work. Job satisfaction can also be described as an employee's emotional state, whether or not there is a meeting point between the remuneration value of the employee and the company or organization with the level of remuneration value that is desired by the employee concerned (Martoyo, 2000: 142).

In the world of telecommunications in Indonesia, with rapid technological changes, it requires telecommunications operators to move quickly in adopting the right technology, so that they do not take wrong strategic decisions which result in the failure of the telecommunications company to continue its survival. This makes companies that want to survive in the telecommunications industry to always be flexible and always innovate in various ways, both related to preparing resources (both human resources or other resources), implementing strategies that pay attention to long-term customer needs, budgeting financing, control, product planning, and other organizational managerial matters within the scope of telecommunication companies. The condition of cellular

telecommunications that is faced with challenges where the main revenue backbone of this business, namely voice and SMS (short message service) has started to dim, even in Europe the growth has started to minus, so there are only two choices, namely life or death. However, there is also an advantage in Indonesia because we are behind Europe in technology development, so there is still time to make changes. From the existing analysis, digital technology is the biggest factor that has the potential to take over voice and SMS traffic, so the strategy is that companies must immediately adopt digital communication services that are richer in products and services, most of which are run by so-called over-the-top companies. (OTT).

XYZ as a cellular telecommunications company is aware of this and must take steps to implement a new business strategy that does not only make voice and SMS the backbone of the business, but also has to do something else, namely in the field of data and digital services. In its implementation, XYZ must adapt to the new strategy, namely as a digital company (digital company) with its new jargon, namely XYZ 2.O, where O is "Opportunity" or opportunity, which means this is XYZ's second chance as a company engaged in the ICT industry. (information & communication technology). Change is an important part of management and every leader's success is measured by his ability to predict change and make the change a potential (Kasali, 2005). The business world always requires companies to achieve a renewal that is supported by advances in knowledge and technology. Every company must be able to adapt to various demands and changes in the existing environment. That's why many well-known companies both at home and abroad make changes just to survive and show their existence as companies that are not outdated. PT. XYZ has Vision, Mission, Values (VMV) which is used as a key element of the organizational strategic plan. However, the behavior, habits, and procedures of employees in dealing with changes in the company's strategy that transforms from a telecommunication company (telco company) to a digital company (digital company) are considered not optimal in reflecting new corporate values to support the new strategy.

Facing the change in organizational strategy, of course, there are various kinds of problems. The problems that arise need to be recognized, even problems that are still in the form of potential need to be encouraged to emerge in the hope that they can be anticipated or a solution can be found so as not to have a negative impact on the progress of the company. The general environment of organizations in society includes technological, economic, legal, political, demographic, ecological, and cultural factors (Hasyimi Ali, 2007: 894). Planned changes require serious attention, especially defining and anticipating problems and challenges from various parties, both internal and external to the organization. An effective organization can be seen from the extent to which an organization which is a social system with all available resources and certain means fulfills its goals without waste and avoids unnecessary tension among its members (Georgopualos in Etzioni, 1969: 82). PT. XYZ as an organization is also required to be effective in achieving its organizational goals.

Based on the description above and the various phenomena that occur, where strategic changes need to be supported by a new organizational culture that supports the new strategy, must be

carried out by talented leaders and have the required competencies, as well as job satisfaction felt both individually and in groups, and all of which become very difficult to implement because the employees are comfortable with the existing conditions, but the organization is also required to always be effective and efficient in order to achieve organizational goals. From these reasons, researchers are moved to conduct research on several factors that are considered to have an effect on organizational effectiveness.

## 2. RESEARCH METHODOLOGY

This study uses a descriptive correlational method, namely research designed to determine the level of relationship between different variables in a population. So correlational descriptive research is research that describes or looks for the level of relationship between one variable and another variable. In this study, the variables of organizational culture transformation and talent management are used to determine the level that has the most influence on the level of job satisfaction and the level of organizational effectiveness on respondents in the sub-directorate of Network Operation Management PT. XYZ head office in Jakarta. The results can be used as a reference to see the level of organizational effectiveness in achieving company goals, especially at PT. XYZ.

Outer model evaluation, also known as measurement model evaluation, is carried out to assess the validity and reliability of the model. Outlier models with reflexive indicators are evaluated through convergent and discriminatory validity for indicators forming latent constructs, as well as through composite reliability and Cronbach alpha for indicator blocks (Chin, 1998 in Ghazali, 2011).

Convergent validity relates to the principle that the manifest variables of a construct should be highly correlated. The validity test of the reflexive convergent indicator can be seen from the loading factor value for each construct, where the recommended loading factor value must be greater than 0.7 for confirmatory research, and the loading factor value between 0.6 to 0.7 for research. exploratory nature is still acceptable, and the average variance extracted (AVE) value must be greater than 0.5.

Discriminant validity relates to the principle that different constructs should not be correlated with height. The way to test discriminant validity with reflexive indicators is by looking at the cross loading value for each variable that must be  $> 0.70$ . Another way that can be used to test discriminant validity is to compare the square root of the AVE for each construct with the correlation value between constructs in the model. Good discriminant validity shown from the square root of AVE for each construct is greater than the correlation between constructs in the model (Fornell and Larcker, 1981 in Ghazali, 2011).

In addition to the validity test, model measurement is also carried out to test the reliability (accuracy) of a construct. The reliability test was conducted to prove the accuracy, consistency and accuracy of the instrument in measuring the construct. The reliability test of a construct with reflexive indicators can be done in two ways, namely composite reliability and Cronbach's alpha. The use of Cronbach's alpha to test construct reliability will give a lower value (under estimate) so it is more advisable to use composite reliability in testing the reliability of a construct. While the outlier model with formative indicators is evaluated through its substantive content, namely by comparing the relative weight and seeing the significance of the construct indicators. The value of the weight of the formative indicator with the construct must be significant ( $p < 0.05$ ) (Chin, 1998 in Ghazali, 2011).

In assessing the structural model with PLS structural, it can be seen from the R-Squares value for each endogenous latent variable as the predictive power of the structural model. The R-Squares value is a goodness fit model test. Changes in the value of R-Squares are used to explain the effect of certain exogenous latent variables on endogenous latent variables, whether they have a substantive effect. R-Squares value 0.67; 0.33; and 0.19 for endogenous latent variables in the structural model indicating a strong, moderate, and weak model (Chin, 1998 in Ghazali, 2011). The results of the PLS R-Squares represent the amount of variance of the construct described by the model. Furthermore, the evaluation of the model is carried out by looking at the significance value to determine the effect between variables through bootstrapping or Jackknifing procedures. The bootstrap approach represents a non-parametric for precision of PLS estimation. The bootstrap procedure uses the entire original sample for resampling. Hair et al. (2011) and Henseler et al. (2009) provide a recommendation for the number of bootstrap samples, which is 5,000 with a note that the number must be larger than the original sample, but some literature, see Chin (2003) suggests a bootstrap sample size of 200 to 1,000 is sufficient to correct the PLS standard error estimate.

Besides bootstrap, another known alternative resampling model is Jackknifing which was developed by Jackknife in the 1990s. This method uses a sub sample of the original sample to perform repeated resampling. The Jackknifing method is less efficient than the bootstrap method because it ignores confidence intervals (Efron et al. 2004 in Ghazali, 2011). Therefore, the Jackknifing method is less widely used in SEM than the bootstrap method.

Hypothesis testing is done by statistical test t (t-test). If in this test the p-value is  $< 0.05$  ( $\alpha$  5%), it means that the test is significant, and conversely if the p-value is  $> 0.05$  ( $\alpha$  5%), it means that it is not significant. If the results of hypothesis testing on the outer model are significant, this indicates that the indicator can be used as an instrument for measuring latent variables. Meanwhile, if the test results on the inner model are significant, it can be interpreted that there is a significant influence on one latent variable on the other latent variables.



### 3. RESULT AND DISCUSSION

**Table 2. Path Analysis**

Variables	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
tbo -> kk	0.394	0.390	0.120	3.293	0.001
mt -> kk	0.326	0.338	0.107	3.049	0.002
tbo -> eo	-0.028	-0.044	0.166	0.169	0.866
mt -> eo	0.250	0.252	0.148	1.691	0.092
kk -> eo	0.528	0.541	0.146	3.624	0.000
tbo -> eo	-0.028	-0.044	0.166	0.169	0.866
tbo -> kk -> eo	0.528	0.541	0.146	3.624	0.000
mt -> eo	0.250	0.252	0.148	1.691	0.092
mt -> kk -> eo	0.172	0.180	0.074	2.321	0.021

The estimated parameter of the relationship between organizational culture transformation and job satisfaction can be seen in table 4.13 above which shows that organizational culture transformation has an effect on job satisfaction with the original sample value of 0.394. Hypothesis H1 is accepted because the t-statistic value of 3.293 is greater than the t-table value (significance level 5% = 1.96). So it can be concluded that the transformation of organizational culture has a positive and significant effect on job satisfaction, so the higher the success rate of the cultural transformation process in the organization, the higher the job satisfaction of employees.

Thus, hypothesis 1 (H1) is accepted because there is a positive and significant correlation between organizational culture transformation and job satisfaction. These results prove that the importance of a successful organizational culture transformation can maintain the profitability of a company which in the end has a positive and significant impact on job satisfaction felt by employees because of the direct or indirect impact on employees if the company's profitability is always maintained. This is in line with the theory by Obgor in Sopiah (2008: 181) which states that an organizational culture that provides a sense of comfort in work and high trust will encourage an increase in work behavior through cohesiveness between individuals and commitment from members of the organization to do everything that is best for the benefit of the organization. The results are also in accordance with previous research conducted by Asri Yursil and Nurul Huda (2016), Adel Mohamed Ali Shurbagi and Ibrahim Bin Zahari (2012), Eric W. MacIntosh and Alison Doherty (2010), Pirzada Sami Ullah Sabri, Muhammad Ilyas and Zahra Amjad (2011) which states that there is a positive and significant

influence between organizational culture transformation and job satisfaction.

The estimated parameter of the relationship between talent management and job satisfaction can be seen in table 4.14 above which shows that talent management has an effect on job satisfaction with the original sample value of 0.326. Hypothesis H2 is accepted because the t-statistic value of 3.049 is greater than the t-table value (significance level 5% = 1.96). So it can be concluded that talent management has a positive and significant effect on job satisfaction, so that the better talent management is carried out by the organization, the job satisfaction of employees will be higher as well.

Thus, hypothesis 2 (H2) is accepted because there is a positive and significant correlation between talent management and job satisfaction. The results of testing hypothesis 2 prove that talent management has a positive and significant effect on job satisfaction. These results prove that the importance of implementing good talent management by the company by giving employees tasks according to their maximum abilities will have a positive effect on job satisfaction because employees will feel valued and proud to have contributed to the company. This is in line with the theory of Berger (2004: 40) which argues "While coaching focuses on the individual, its successful implementation brings significant benefits to both the individual and the organization. These benefits include retention of valued talent, increases in productivity, development of high-potential performers, greater job satisfaction for the participant, and achievement of organization objectives." The results of the study are also in accordance with previous research by Venkateswaran, N (2012), Naser Hamidi, Hassan Saberi and Mohamad Safari (2014). Zeinab Elahinejad and Abdolkhalegh Gholami (2015), Mary Karuri (2015), and Nasrin Khodabakhshi and Abdoal rezagholizadeh (2015) which state that there is a positive and significant influence between talent management and job satisfaction.

The parameter estimation of the relationship between organizational culture transformation on organizational effectiveness can be seen in table 4.15 above which shows that organizational culture transformation does not have much effect on organizational effectiveness with the original sample value of -0.028. Hypothesis H3 is rejected because the t-statistic value of 0.169 is smaller than the t-table value (significance level 5% = 1.96). So it can be concluded that the transformation of organizational culture has a positive but not significant effect on organizational effectiveness, so the higher the success rate of the cultural transformation process in the organization, the less effect it has on increasing organizational effectiveness.

Thus, hypothesis 3 (H3) is rejected because there is a positive but not significant correlation of organizational culture transformation and organizational effectiveness. The results of testing hypothesis 3 prove that organizational culture transformation has a positive but not significant effect on

organizational effectiveness. This can happen because the new organizational culture and the previous organizational culture are slightly different only as symbols or due to the lack of alignment between the new organizational culture and the company's targets or goals, for example targets that are too high or the targets set by top management are not clear. Another factor as explained in the descriptive analysis is the high level of education and maturity of the employees, so that insignificant changes in organizational culture are considered easy to implement. This is not in line with the theory put forward by Robbins (1996) who argues that organizations with weak cultures, individuals in them do not have the readiness for a change to occur. They prefer values, both individual values and group values that they already have. However, similar research results were also produced in previous studies by Volodymyr E. Momot and Olena M. Litvinenko (2012), and Wei Zheng, Baiyin Yang and Gary N. McLean (2009) which stated that there was an insignificant effect between transformations. organizational culture with organizational effectiveness.

The estimated parameter of the relationship between talent management and organizational effectiveness can be seen in table 4.16 above which shows that talent management has an effect on organizational effectiveness with the original sample value of 0.250. Hypothesis H4 is rejected because the t-statistic value of 1.691 is smaller than the t-table value (significance level 5% = 1.96). So it can be concluded that talent management has a positive but not significant effect on organizational effectiveness, so that the better talent management is carried out by the organization, the organizational effectiveness also increases, but not as much as the resources spent on talent management.

Thus, hypothesis 4 (H4) is rejected because there is a positive but significant correlation between talent management and organizational effectiveness. These results prove that the talent management run by the company is less able to increase the effectiveness of an organization at PT. XYZ. In a previous study conducted by Sarmad Iqbal, Tahir Masood Qureshi, M. Aslam Khan and Syed Tahir Hijazi (2011) suggested that Guthridge (2008) conducted a survey of more than 13,000 HR professionals worldwide. The results identify several obstacles to good talent management as follows: top management is not properly involved in implementing talent management, managers do not have enough time to maintain and utilize employee careers and competencies, managers are not interested in distinguishing employees based on their performance, as well as vision, mission and organizational policies that are not in line with talent management practices are the cause of the failure of talent management implementation within an organization.

One of the most important factors in talent management is the mindset (mindset) rather than the technology or practice of implementing talent management itself. Organizations whose top management takes seriously that talent will perform better in all aspects of talent management will be more

successful in implementing talent management. To ensure the successful implementation of the talent management process, a small additional investment of time is required. Usually, talent evaluation and development planning processes are neglected not only because of time constraints but also because of the absence of strong accountability mechanisms within the organization. The results of the study are also in accordance with previous studies by Aiza Hussain Rana and Abdus Sattar Abbasi (2013), Ladislav SOJKA (2013) and Ilir Rexhepi (2015) which state that there is no positive and significant effect between talent management and organizational effectiveness.

The estimated parameter of the relationship between job satisfaction and organizational effectiveness can be seen in table 4.17 above which shows that job satisfaction has no effect on organizational effectiveness with the original sample value of 0.528. Hypothesis H5 is accepted because the t-statistic value of 3.624 is greater than the t-table value (significance level 5% = 1.96). So it can be concluded that job satisfaction has a positive and significant effect on organizational effectiveness, so the better job satisfaction felt by employees, the better the organizational effectiveness in achieving its strategic goals.

Thus, hypothesis 5 (H5) is accepted because there is a positive and significant correlation between job satisfaction and organizational effectiveness. These results prove that job satisfaction has a significant effect on organizational effectiveness. This happens because the higher the level of job satisfaction of an employee, the higher the sense of belonging to the company, so that it will increase motivation, innovation and skills in carrying out work which will ultimately have an impact on increasing organizational effectiveness because all employees have a great passion in building vision and mission of the company they work for. This is in line with the theory by Meyer and Allen (1997) which states that job satisfaction in several studies is an important variable that is closely related to commitment where organizational commitment is related to employee relationships with their organizations, how they affect employee behavior, welfare, and contribution to organizational effectiveness. . The results of the study are also in accordance with previous research by Joby Jose and Dr. N. Panchanatham (2014), and Irfan Ullah (2013) which stated that there was a positive and significant influence between job satisfaction and organizational effectiveness.

The parameter estimation of the relationship between organizational culture transformation on organizational effectiveness through job satisfaction can be seen in table 4.18 above which shows that organizational culture transformation affects organizational effectiveness through job satisfaction with the original sample value of 0.528. Hypothesis H6 is accepted because the t-statistic value of 3.624 is greater than the t-table value (significance level 5% = 1.96). Lift the t-statistic indirect effect (indirect effect) is also greater than the direct effect of the variable talent management on organizational effectiveness of 0.169. So it can be concluded

## 4. CONCLUSION

that the transformation has a positive and significant effect on organizational effectiveness after job satisfaction is a mediating variable, so that the transformation of organizational culture accompanied by job satisfaction felt by employees will also improve the effectiveness of the organization in achieving its strategic goals.

Thus, the indirect influence model of the organizational culture transformation variable on organizational effectiveness through job satisfaction can be accepted. Thus Hypothesis 6 is accepted. The results of testing hypothesis 6 prove that the transformation of organizational culture mediated by job satisfaction has a positive and significant effect on organizational effectiveness. This can be interpreted that the transformation of organizational culture which directly does not significantly affect the effectiveness of the organization, if mediated by job satisfaction becomes significant. This means that the transformation of organizational culture that is not accompanied by an increase in job satisfaction by employees will be useless, but on the contrary, if the transformation of organizational culture is accompanied by employee job satisfaction, it will have a significant and positive effect on organizational effectiveness. The results of this study are in accordance with previous research conducted by Chamdan Purnama (2013), and Dr. Adel Mohamed Ali Shurbagi (2015) which states that there is a positive and significant influence between organizational culture transformation on organizational effectiveness mediated by job satisfaction.

The estimated parameter of the relationship between talent management and organizational effectiveness through job satisfaction can be seen in table 4.19 above which shows that talent management affects organizational effectiveness through job satisfaction with the original sample value of 0.172. Hypothesis H7 is accepted because the t-statistic value of 2.321 is greater than the t-table value (significance level 5% = 1.96). Lift the t-statistic indirect effect (indirect effect) is also greater than the direct effect between the variable talent management on organizational effectiveness of 1.691. So it can be concluded that talent management is significant to organizational effectiveness after job satisfaction is a mediating variable, so that talent management is accompanied by job satisfaction felt by employees, the better the effectiveness of the organization in achieving its strategic goals.

Thus, the indirect influence model of the talent management variable on organizational effectiveness through job satisfaction is acceptable. Thus Hypothesis 7 is accepted. The results of testing hypothesis 7 prove that talent management mediated by job satisfaction has a positive and significant effect on organizational effectiveness. It can be interpreted that employees who already understand and understand the implementation of talent management and then feel satisfied in their work will further increase the effectiveness of the organization. The results of this study are in accordance with previous research conducted by Mohim Sheihaki Tash, Elham Nowrouzi Cheshmeh Ali and Maryam Ahmadzadeh (2016) which stated that there was a positive and significant influence between talent management on organizational effectiveness mediated by job satisfaction.

This study aims to analyze the effect of organizational culture transformation and talent management on organizational effectiveness which is also mediated by job satisfaction owned by employees at PT. XYZ. To analyze the relationship between these variables, this study used Partial Least Square (PLS). Based on the analysis and discussion in the previous section, the following conclusions can be drawn. Implementation of organizational culture transformation, talent management, job satisfaction and organizational effectiveness at PT. XYZ are as follows: The average score of the organizational culture transformation variable index is equivalent to 80.00%, so that the organizational culture transformation that occurs at PT. XYZ is interpreted highly. The highest dimension is Goals with indicators that the company has a clear vision, mission and business values. While the lowest dimension is Development with indicators that the Company has monitored the processes that have been carried out. The average talent management variable index score is equivalent to 71.11%, so that talent management carried out at PT. XYZ is interpreted highly. The highest dimension is Talent Development with indicators There is a coaching and mentoring process in developing talents according to individual types and characteristics. While the lowest dimension is the Retention Program with indicators that there are attractive job offers.

The average index score of the job satisfaction variable is equivalent to 76.45%, so that the job satisfaction felt by employees at PT. XYZ is interpreted highly. The highest dimension is Intrinsic Satisfaction with the indicator I am given the responsibility by the company. While the lowest dimension is Extrinsic Satisfaction with indicators of the existence of interpersonal relationships within the company. The average talent management variable index score is equivalent to 75.84%, so that the organizational effectiveness that occurs at PT. XYZ is interpreted highly. The highest dimension is Mission Completion with indicators that the company's mission declared by the company is feasible to be implemented. While the lowest dimension is Productivity with indicators There is already a calculation of the level of adequacy of the comparison between the number of employees and the volume of production. There is a positive influence of organizational culture transformation on job satisfaction, meaning that the better the organizational culture transformation is carried out, the higher the job satisfaction felt by employees. There is a positive influence of talent management on job satisfaction, meaning that the better the implementation of talent management, the higher the job satisfaction felt by employees. The transformation of organizational culture has only a slight effect on organizational effectiveness, meaning that the better implementation of organizational culture transformation will not have much effect on organizational effectiveness. Talent management only has a slight effect on organizational effectiveness, meaning that the better implementation of talent management will not have much effect on organizational effectiveness.



There is a positive effect of job satisfaction on organizational effectiveness, meaning that the higher the job satisfaction felt by employees, the higher the organizational effectiveness. There is a positive influence of organizational culture transformation on organizational effectiveness through job satisfaction, meaning that in the process of organizational culture transformation, if it is accompanied by higher job satisfaction felt by employees, the better the effectiveness in the organization will be. There is a positive influence of talent management on organizational effectiveness through job satisfaction, meaning that in the talent management process, if it is accompanied by higher job satisfaction felt by employees, the better the effectiveness in the organization will be. Job satisfaction is a good mediating variable and is very much needed by organizations in order to increase their effectiveness.

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