

The Influence of Succession Management, Human Resource Planning, and Performance of Employees toward Corporate Success (Analysis of PT. Pisma Group)

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The purpose of this study is to comprehensively comprehend corporate success as a tool for the business world for consideration in formulating company policies that are very useful in the field of human resource standardisation, by applying variables that have a major influence consisting of Succession Management, Human Resource Planning and Employee Performance. The sample that we examined was 365 employees from the total population of PT, and the Pisma Group which was divided into 5 subsidiaries – as many as 4,204 employees, using proportional random sampling technique, using the Slovin formula. Sampling for each part is done by drawing attendance numbers, the numbers that come out being entitled to be research respondents. This research uses a quantitative approach with a survey method, through path analysis techniques with the help of the SPSS program, conducted in three company locations: Semarang, Pekalongan, and Surabaya. This study found that 1. There is a positive relationship between Human Resource Planning and Corporate Success. 2. There is a positive relationship between Succession Management and Corporate Success. 3. There is also a positive relationship between Employee Performance with Corporate Success. 4. There is a significant positive influence between Succession Management with Human Resource Planning. 5. A significant positive influence between Employee Performance and Human Resource Planning, and 6. There is a significant positive effect between Succession Management and Employee Performance which is analysed overall at PT. Pisma Group.



Key words: *Planning for human resources, Succession planning, Succession management, Employee performance, The company's success, Criteria, Process and output.*

Introduction

Background of the Problem

Developing a company business is not an easy job – it takes a long period of time continuously for the next few years, decades or even generations. *Corporate success* shows a better result than it was generally possible to achieve in the past. Without employee performance and good human resource planning that has a close relationship in the formation of a succession of all managerial layers in a well-planned company it is impossible to make a business successful. *Corporate success* depends on human resource planning in adopting and translating key businesses. Employee performance indicators provide a clear picture of the organisation's targets both short and long term. Employee performance must be given a standard of performance so that employees can provide new ideas in business and provide challenges for the company to answer and be able to provide performance that is used as a measurement of career development so that the succession of all levels of employees can make a positive contribution to the organisation. With employee performance appraisal and correct succession management, productivity can be assessed and valued in accordance with the business and the premiums received by all employees in accordance with the value of performance achievement.

The quality management system that has been running at PT. Pisma Group is an ISO 9001: 2000 management system. Employee performance appraisals conducted so far have not answered all organisational factors, because there is no evaluation of employee productivity, frequent delays in decision making by management, low motivation of employees in work and companies are unable to compete and adapt to technological and information advancements and their results. The criteria tend to focus on improving performance appraisals which are done only limited to the appraisal without any evaluation of employee performance appraisals continuously in the company to find out the success of the business and to determine priorities for improvement. Based on the background of the problems that have been raised, it is deemed necessary to conduct research on the effect of *succession management, human resource planning, employee performance, and on corporate success*; see the analytical study at PT Pisma Group.

Identification and Formulation of Problems

Based on the background that has been explained above, the authors identify the problems that exist in this study related to the problem of *corporate success*. The problem of *corporate success* through human resource management activities will in turn be able to produce competent leaders who are willing to be dedicated to the organisation, satisfied with their work and have high productivity.

Given the factors identified above, many things can be explored for research studies. These studies include: (1) Does *leadership* directly influence *corporate success*, (2) Does *human resource planning* directly influence *corporate success*, (3) Does a *customer focused* approach directly influence *corporate success*, (4) Does *measurement analysis* directly influence *corporate success*, (5) Does *succession management* directly affect *corporate success*, (6) Does a *workforce focused* approach directly affect *corporate success*, (7) Does an *operation focused* approach directly affect *corporate success*, (8) Does *knowledge management* directly affect *corporate success*, (9) Does the focus on results and value creation directly influence *corporate success*, (10) Does the perspective system directly influence *corporate success*.

Problem Limitation

In order to make this research more directed, focused and not widespread, the author limits the scope of the discussion by not discussing all the *variables* that can affect *corporate success*, but is directed specifically and limited to three factors, namely: (1) *human resource planning*, (2) *succession management*, and (3) employee performance. The next limitation relates to research subjects which are limited to employees only about the influence and relationship between *succession management*, *human resource planning*, employee performance and *corporate success* at PT Pisma Group.

Usefulness of Research

Based on the formulation of the problem, this study has the following uses:

1. Academic Benefits.

Research is intended as a medium of scientific information for educational institutions, applying reports so that it can be used as a reference for developing science as a very useful entry in the field of standardisation of human resource management, towards *corporate success*.

2. Practical benefits.
 - a. Can be used as material for assessment and information for companies about whether *succession management*, *human resource planning*, and employee performance can be used as material for organisational leaders in its implementation of realising the company's vision and mission towards *corporate success*.
 - b. The results of this study are expected to provide input to business practitioners in order to get a picture of the direct influence of *succession management*, *human resource management*, employee performance and *corporate success*. So that it can provide meaningful input for improving the company's business performance as an inseparable part of *corporate success* for the business world, as one of the considerations in formulating company policy.

Theory Study Thinking Framework and Hypothesis

Corporate Success

Performance measurement is a process of evaluating the company's operational activities in the form of actions and activities of an organisation in a certain period in accordance with the objectives set. In other words, performance measurement is an assessment of the level of effectiveness and efficiency of an organisation's activities. The main purpose of performance appraisal is to motivate personnel in achieving organisational goals and in meeting predetermined standards of behavior, so as to produce actions and results desired by the organisation. Performance appraisal can be used as a medium to suppress undue behavior and stimulate and enforce inappropriate behavior, through feedback that results in time performance and rewards, both intrinsic and extrinsic in nature. Performance appraisal can be used by a manager to obtain an objective basis in providing compensation in accordance with the achievements of each responsibility centre to the company as a whole. All of this is expected to be able to provide motivation and stimulation to each part to work more effectively and efficiently.

Succession Management

Preparing individuals for future positions, especially in a fast-spinning world, is widely known to be important for the success of an organisation.

Succession is an unavoidable event in a company's business. The company is demanded to be able to realise succession from the first generation to the next generation. Leadership succession ensures the continuity of the company to survive, grow and make a profit. The company is attached to the existence of negative myths, one of which is the myth that the first generation of the company is the party that builds, the second generation is the party that enjoys, and the third generation is the party that destroys. The significance of the existence of



this myth is the emergence of an understanding that companies are often faced with the challenge of maintaining existence when switching generations. It is difficult for so many companies' businesses to survive past three generations because many companies are involved in conflicts related to the fight for power within the company.

Succession management has a critical role in achieving organisational effectiveness. Rapid change and high competition in the global market requires competitive and able human resources to *survive*. Thus, activities are needed that can integrate skills and knowledge for human resource planners and all executives responsible for strategic planning. Human resource planning, one of which is planning succession clearly, involves who will continue the business, what criteria are needed for successor candidates and how clear succession management can affect employee performance.

Human Resource Planning

In the literature concerning *Human resource planning* much attention was focused on the estimates of human resources who joined and left the company, and techniques that analyse the movement of human resources in an organisation to foresee the key human resource planning in the past. Now a combination of qualitative and quantitative can be used to determine the future requirements of the organisation and the availability of human resources, although it depends on past data to overcome an unstable and uncertain environment.

Human resource planning is an integral part of business planning. The strategic planning process defines projected changes in the type of activities carried out by the organisation and the scale of those activities. It identifies the core competencies that need to be achieved by the organisation's objectives and therefore skills and behavioural requirements. Human resource planning interprets this plan in terms of the requirements of people in business strategies in a way that people can be developed and deployed more effectively to continue achieving business goals and focus on problems that may need to be solved to ensure that people need them will be available and will be able to make the necessary contributions. As Quinn Mills points out, human resource planning is a decision making process that combines three important activities:

1. Identify and obtain the right number of people with the right skills,
2. Motivate them to do it to achieve high performance, and
3. Create an interactive relationship between business goals and people planning.



Employee Performance

Employee performance is part of the results of employee work both in terms of quality and quantity based on predetermined work standards. As for the opinions of experts regarding the notion of performance, as follows:

- a. According to Anwar Prabu Mangkunegara performance is the result of quality and quantity of work achieved by an employee in carrying out their duties in accordance with the responsibilities given to him.
- b. Meanwhile according Sedarmayanti the performance is a translation of the performance which means that work is a worker, a management process or an organisation as a whole, where the results of such work must be shown proof in concrete and measurable terms (compared to the standard that has been determined) .
- c. According to Wibowo, the performance was about doing the work and the results achieved from the work.

Performance is a condition that must be known and confirmed to certain parties to determine the level of achievement of an agency's results associated with the vision carried by an organisation or company and to know the positive and negative impacts of an operational policy.

The terms of performance or *the performance* refers to the results and anything resulting from processes, products and services that can be evaluated and compared relative to the objectives, standards, results-results that last and other organisations.

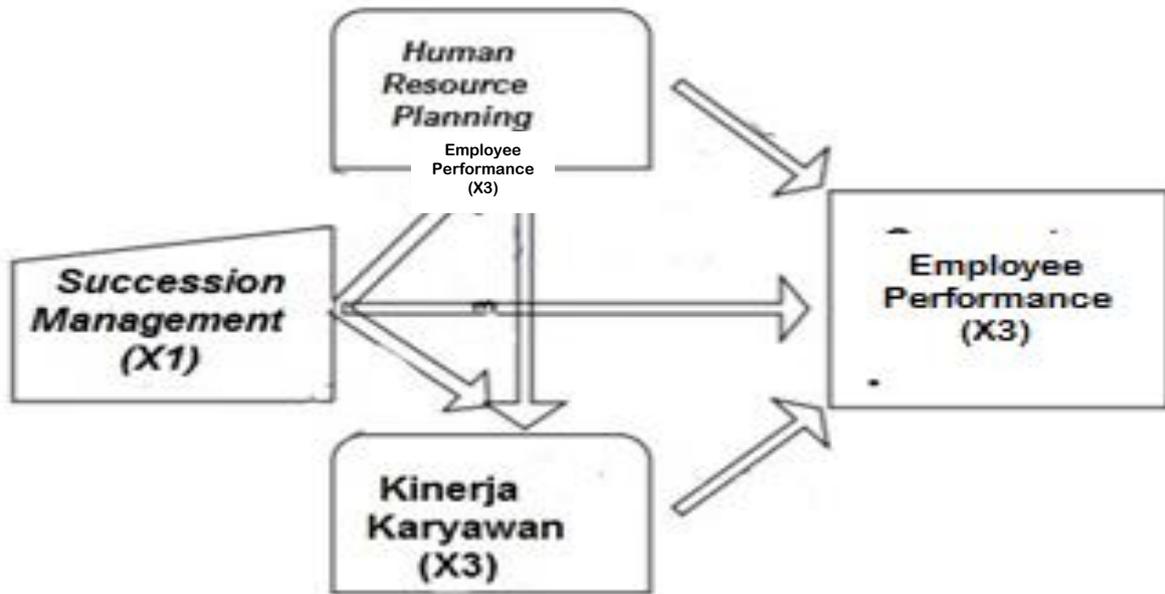
Based on the conceptual description above, it can be synthesised that employee performance is something that is produced based on goals, standards, feedback, opportunities, facilities, competencies and motivations expected by the organisation to be achieved, with the following indicators: (1) competency (2) work motivation (3), empowerment, (4) job satisfaction, (5) work productivity, (6) commitment.

Theoretical Framework

It is said that the influence of *succession management*, *human resource planning* on employee performance and *corporate success* at Pisma Group. In the *literature*, researchers have observed the relationship between *success management*, *human resources planning* on employee performance recognizing the dependence on *corporate success*. This research tries to confirm and re-examine Bass and Avolio research by entering four variables. Thus, further research on *human resource planning* and *success management* is influenced by employee

performance and *corporate success*, the following is a theoretical framework of research:

Figure 1. Theoretical Framework



1. *Success Management* with *Corporate Success*
2. *Human Resource Planning* with *Corporate Success*
3. *Employee Performance* with *Corporate Success*
4. *Succession Management* with *Employee Performance*

Research Hypothesis

Based on the theoretical studies that have been presented, the following research hypotheses can be compiled:

1. *Success management* has a direct positive effect on *corporate success*.
2. *Human resource planning* has a direct positive effect on *success corporate*.
3. *Employee performance* has a direct positive effect on *corporate success*.
4. *Success management* has a direct positive effect on *employee performance*.
5. *Human resource planning* has a direct positive effect on *employee performance*.
6. *Success management* has a direct positive effect on *human resource planning*.

Research Method

Method Used

This study uses a quantitative approach with survey method through the technique of path analysis (*path analysis*) with SPSS. The variables of this study are *succession management* (X), *human resource planning* (X₂), *employee performance* (X₃), and *corporate success* (Y).

This research was conducted at PT Pisma Group, located in Surabaya, Pekalongan and Semarang.

Population and Research Samples

Population

Population is all units of analysis that are examined in a study by an institution or institution or in human form. Population is a generalisation area that consists of objects or subjects that have the quality and characteristics set by the researcher for further study so that a conclusion can be drawn. In this study the population is all employees of the Pisma Group.

Table 1: The Total Employee Population of PT Pisma Group

No.	Name Business unit	Number of employees
1	PT Pismatex	3,163
2	PT Pisma Putra Textile	800
3	PT Pisma Garment Indonesia	150
4	PT Pisma Griya	60
5	PT Pisma Daffa	31
amount		4,204

The sampling technique was taken by *proportional random sampling*, using the Slovin formula according to Husien Umar as follows:

$$n = \frac{N}{1 + Ne^2} = \frac{4204}{1 + ((4204 \times (0.05)^2)} = 365 \text{ orang}$$

Information:

n = sample size

N = population size

e = Percent allowance for inaccuracy due to sampling errors that can still be tolerated or desired (5% or 0.05 in this study).

Based on the above calculation, the total population of respondents taken was 4,204 people. The sample size of 365 people (8.68% of the population) has met the recommendations of Hair et al. (1995) regarding representative samples to be used in path analysis techniques ranging from 200-400 respondents. Pisma Group is divided into 5 subsidiaries, while the number of each sample for each section is as follows:

Table 2: Number of Research Samples

Information	Proportion	Number of Samples
PT Pismatex	$(3163/4204) \times 365$	275
PT Pisma Putra Textile	$(800/4204) \times 365$	69
PT Pisma Garment	$(150/4204) \times 365$	13
PT Pisma Griya	$(60/4204) \times 365$	5
PT Pisma Daffa	$(31/4204) \times 365$	3
amount		365

Indriantoro, selects samples by first classifying a population into sub-populations based on certain characteristics of the population elements. Sampling in each sub-section is done by drawing employee attendance numbers, and the numbers that come out are entitled to be research respondents.

Data Collection Technique

Data Technique Collection is done by using research instruments in the form of a questionnaire compiled by a team of researchers under the guidance of the promoter. The statements in the survey questionnaire are closed question types using a Likert Scale with a value of 1 to 5, the instruments in this study consist of 4 (four) types, each instrument about (1) *succession management*, (2) *human resource planning*, (3) *employee performance*, and (4) *corporate success*. All instruments took the form of questionnaires. Technique scoring as above uses a Likert scale model.

1. For the *corporate success variable* (Y), using a questionnaire technique based on a questionnaire with a Likert Scale with 5 (five) alternative answers: Very Disagree / Very Dissatisfied has a score of 1, Disagree / Dissatisfied has a score of 2, Quite Agree / Enough Satisfied has a score of 3, Agree / Satisfied has a score of 4, and Very Agree / Very Satisfied has a score of 5.

2. For *variable succession management* (X_1), *human resource planning* (X_2), *employee performance* (X_3) using a questionnaire technique based on a questionnaire with a Likert Scale with 5 (five) alternative answers: Very Disagree / Very Dissatisfied with a score

of 1, Disagree / Dissatisfied has a score of 2, Quite Agree / Satisfied has a score of 3, Agree / Satisfied has a score of 4, and Very Agree / Satisfied has a score of 5.

Sources and Methods of Determining Data / Information ***Corporate Success Variable***

Corporate success is the success of the business able to achieve its objectives, in which the success obtained from entrepreneurs who have a smart brain, the talent of creativity, the ability to keep up with technology and know-how to implement proactively, it is evident from the efforts of entrepreneurs in which a state of the business is better than the previous period and describe more than others of equal or class. *Corporate success* referred to in this study is the evaluation of the employees of PT. Pisma Group in order to fulfil its role in the business industry that can be measured based on its contribution to organisational effectiveness.

With the following indicators: (1) being action oriented, (2) learning about consumer needs, (3) developing initiative and independence, (4) being guided by organisational policies, (5) providing information, (6) controlling costs, (7) providing services.

Trials were conducted on 365 employees at PT. Pisma Group The trial is intended to test the validity and reliability of the items of the instrument used in research. For this reason, an analysis of the relationship between statement items and indicators and variables is carried out.

Validity and Reliability

The validity of 30 instruments tested in the study was tested using the coefficient between the instrument scores and the total scores through the *Pearson Product Moment* correlation technique. Analysis was carried out on all instruments. The test criteria are determined by comparing r_{counts} based on the results of calculations with the help of Microsoft Excel and r_{tables} obtained from the Critical Value of the Correlation Coefficient (Hinkel) table. If $r_{\text{arithmetic}} > r_{\text{table}}$ then the instrument items are valid and will then be used for data collection. Conversely, if $r_{\text{arithmetic}} \leq r_{\text{table}}$ then the item is invalid and subsequently not used in research. In the table of critical prices r_{table} . *Pearson's Product Moment* is known = 0.361, for $n = 365$ with $\alpha = 0.05$.

Based on the results of testing the validity of the *success* instrument is invalid, so there are no items *dropped*. The number of items valid and used as a research data collection tool was 30 items. By using a range of theoretical scores between 30 and 150.

Calculation of reliability of the instrument *of corporate success*, against the grain a valid question as much as a 30 item ($k = 30$) with r values obtained r_{11} amounted to 0,656. Considering this number is close to number one, this instrument is stated to be reliable and can be used in research.

Success Management Variable

Factors affecting the company will not last long because of the lack of success of the first generation in preparing or transferring knowledge to the second generation and so on. In *succession management*, the *mentoring* process is *incumbent* so successor competencies can meet the company's needs. With the following indicators: (1) *Corporate orientation*, (2) *organisational Focus*, (3) *outcomes slating process*, (4) *Technique assessment*, (5) *communication*, (6) *selection Pool*.

Validity and Reliability

The validity of 30 instrument items was tested in the study, tested using the coefficient between the instrument scores and the total scores through the *Pearson Product Moment* correlation technique. Analysis was carried out on all instrument items. The test criteria are determined by comparing $r_{\text{arithmetic}}$ based on r_{table} calculations obtained from the *Critical Value of the Correlation Coefficient table*, if $r_{\text{arithmetic}} > r_{\text{table}}$ the instrument items are valid and will then be used for data collection. Conversely, if $r_{\text{arithmetic}} \leq r_{\text{table}}$ then the item is invalid and then used in research. In the table of critical prices F_{table} . *Pearson's Product Moment* is known = 0.361 for $n = 365$ with $\alpha = 0.05$

The validity test of the *succession management* instrument was carried out with the help of Microsoft Excel. Based on the results of testing the validity of *succession management* instruments it is known that out of 30 items, there were no invalid items, so no items were *dropped*. The number of items valid and used as a research data collection tool was 30 items. Thus, the range of theoretical scores between 30 and 150.

The calculation of the reliability of the *succession management* instrument, with valid items as many as 30 items ($k = 30$) with an r_{11} of 0.656. Considering this number is close to number one, this instrument is stated to be reliable and can be used in research.

Variable Human Resource Planning

Human resource planning is closely related to *human resource strategy*, this can be clarified where *human resource planning* is aimed at long-term *human resource* planning while *human resource strategy* is focused on short-term *human resource* planning. *Human*



resource strategy as a set of processes and activities carried out jointly both by *Human resources* and line managers to solve various human resource problems related to business issues being faced by a company. Some of the factors that drive *human resource planning* are: (1) the impact of globalisation, (2) technological progress and development that changes rapidly, (3) uncertainty about changing economic conditions, without being able to be predicted previously, and (4) changes in the workforce, so that the quality of human resource requirements will also change.

With the following indicators: (1) job analysis, (2) recruitment and selection and human resource agreements, (3) career planning (4) compensation, (5) education and training.

Validity and Reliability

The validity of 30 instrument items was tested in the study, tested using the coefficient between the instrument scores and the total scores through the *Pearson Product Moment* correlation technique. Analysis was carried out on all instrument items. The test criteria are determined by comparing $r_{\text{arithmetic}}$ based on r_{table} calculations obtained from the *Critical Value of the Correlation Coefficient table*, if $r_{\text{arithmetic}} > r_{\text{table}}$ the instrument items are valid and will then be used for data collection. Conversely, if $r_{\text{arithmetic}} \leq r_{\text{table}}$ then the item is invalid and subsequently not used in research. In the table of critical prices F_{table} . *Pearson's Product Moment* is known = 0.361 for $n = 365$ with $\alpha = 0.05$.

Based on the results of testing the validity of *human resource planning* instruments, it is known that from 30 items, no items were omitted. The number of items valid and used as a research data collection tool was 30 items. Thus the range of theoretical scores is between 30 and 150.

Calculation of reliability of the instrument *of human resource planning*, against the grain a valid question as much as a 30 item ($k = 30$) with r values obtained¹¹ amounted to 0.766. Considering this number is close to number one, this instrument is stated to be reliable and can be used in research.

Employee Performance Variable

Employee performance is part of the results of employee work both in terms of quality and quantity based on predetermined work standards. The term *performance* refers to the outputs and things that result from processes, products and services that can be evaluated and compared relative to objectives, standards, past results and other organisations.

Validity and Reliability

The validity of 30 instruments tested in the study was tested using the coefficient between the instrument scores and the total scores through the *Pearson Product Moment* correlation technique. Analysis was carried out on all instrument items. The test criteria are determined by comparing $r_{\text{arithmetic}}$ and r_{table} obtained from the *Critical Value of The Correlation Coefficient table*, if $r_{\text{arithmetic}} > r_{\text{table}}$ then the instrument items are valid and will then be used for data collection. Conversely, if $r_{\text{arithmetic}} \leq r_{\text{table}}$ then the item is invalid and then used in research. In the table of critical prices F_{table} . *Pearson's Product Moment* is known = 0.361 for $n = 365$ with $\alpha = 0.05$.

The validity test of employee performance instruments is based on the results of testing the validity of employee performance instruments. It is known that from 30 items, there are no items *dropped* (omitted). The number of items valid and used as a research data collection tool was 30 items. Thus the range of theoretical scores between 30 and 150.

The calculation of the reliability of employee performance instruments for 30 valid items ($k = 30$) obtained r_{11} of 0.656. Considering this number is close to number one, this instrument is stated to be reliable and can be used in research.

Design of Analysis and Test Hypotheses

Test Validity

To test the validity of *corporate success* instrument items at PT Pisma Group, the Product Moment formula from Pearson is used, with the following formula:

$$r_{ix} = \frac{N \cdot \sum ix - (\sum i) \cdot (\sum x)}{\sqrt{[N \cdot \sum i^2 - (\sum i)^2] \cdot [N \cdot \sum x^2 - (\sum x)^2]}}$$

Where:

R_{ix} = Coefficient correlation of item (x) score with item score (y)

N = Number of samples (respondents)

X = Item score

i = total score

To be accepted or not on every item of the statement analysed, we need an analysis criterion, both criteria relating to testing the validity and calculation with reliability.

In testing the validity of an instrument, the real rate to be used is $\alpha = 0.05$. An item statement is said to be valid, if it has a *Product Moment* correlation coefficient (r_{xy}) or

$r_{count} < r_{table}$ according to the specified real rate, based on *Pearson's Product Moment* r value table.

The criteria used to determine the level of reliability of the instrument using the classification based on *Guilford*, with the following classification:

- Less than 0.30 has no correlation
- 0.30 - 0.39 = has a low correlation
- 0.40 - 0.69 = has a moderate correlation
- 0.70 - 0.89 = has a high correlation
- 0.80 - 0.99 = has a very high correlation
- 1.00 = has perfect correlation

All trials are carried out from the *corporate success* instrument, then the next step is to test the validity by using the formula specified above, using the *Product Moment* correlation formula with real rates $\alpha = 0.05$.

Reliability Test

To determine the reliability of *corporate success* instruments, the *alpha cronbach formula* is used with the following formula:

$$r_{11} = \left[\frac{k}{k-1} \right] \left[1 - \frac{\sum \sigma_b^2}{V_t^2} \right]$$

r_{11} = Instrument reliability coefficient (alpha cronbach)

k = Number of statement items

$\sum \sigma_b^2$ = Number of item score variances

V_t^2 = Total score variance

The Reliability Test shows the extent to which the measuring instrument can give relatively the same results if the measurements are taken again on the same subject. The accepted rate is 0.70, although that number is not a "dead" measure. To get the reliability level value using the formula:

$$\text{Construct Reliability} = \frac{(\sum \text{Standar Loading})^2}{(\sum \text{Standar Loading})^2 + \sum E_j}$$

Information:

- a. *Standard loading* is obtained from standardized loading for each indicator obtained from SPSS 22 calculation results;
- b. ΣE_j is the *measurement error* for each indicator. *Measurement error* can be obtained from $1 - \text{standard loading}$.

The measurement of *variance extract* shows the extent of the number of variants of the indicator extracted by the latent variable developed. The acceptable extract variant value is a minimum of 0.50. The formula to get the *variance extract* value is:

$$\text{Construct Reliability} = \frac{\sum \text{Standar Loading}^2}{\sum \text{Standar Loading}^2 + \sum E_j}$$

Information:

- a. Standard loading is obtained from standardized loading for each indicator obtained from AMOS calculation results;
- b. ΣE_j is the measurement error for each indicator. Measurement error can be obtained from $1 - \text{standard loading}$.

Statistical Hypothesis

Testing the statistical hypothesis that will be proven in this study as follows:

1. Statistical Hypothesis 1

Ho: $\beta_{YX1} \leq 0$ *succession management* has no direct positive effect on *corporate success*.

H1: $\beta_{YX1} > 0$ *succession management* has a direct positive effect on *corporate success*.

2. Statistical Hypothesis 2

Ho: $\beta_{YX2} \leq 0$ *Human resource planning* has no direct positive effect on *corporate success*.

H1: $\beta_{YX2} > 0$ *Human resource planning* has a positive effect on *corporate success*.

3. Statistical Hypothesis 3

Ho: $\beta_{YX3} \leq 0$ *employee performance* has no direct positive effect on *corporate success*.

H1: $\beta_{YX3} > 0$ *employee performance* has a direct positive effect on *corporate success*.

4. Statistical Hypothesis 4

Ho: $\beta_{X3X1} \leq 0$ *succession management* has no direct effect on *employee performance*.

H1: $\beta_{X3X1} > 0$ *succession management* has a direct positive effect on employee performance.

5. Statistical Hypothesis 5

6. Ho: $\beta_{X3X2} \leq 0$ *Human resource planning* has no direct positive effect on employee performance.

H1: $\beta_{X3X2} > 0$ *Human resource planning* has a direct positive effect on employee performance.

6. Statistical Hypothesis 6

Ho: $\beta_{X2X1} \leq 0$ *succession management* has no direct positive effect on *human resource planning*

H1: $\beta_{X2X1} > 0$ *succession management* has a direct positive effect on *human resource planning*

Research Results and Discussion

Research Results Data

This study consists of four variables, with details: two exogenous variables, one *intervening* variable and one endogenous variable. Exogenous variables are human resource planning and *succession management*, *intervening* variables are employee performance, while endogenous variables are *corporate success*. To get an overview of the research data of each variable, the following will be presented research data through descriptive statistics, namely the frequency distribution of each variable.

Corporate Success

Based on the data processing using the SPSS program on *corporate success variables* are presented in table 3 below:

Table 3: *Corporate Success* Statistics

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
Corporate Success	365	29	103	132	119.19	.317	6.053	36.637
Valid N (listwise)	365							

Source: Research data from 2018 management results

Table 4.1 of the data generated by the sample amounted to 365 respondents, with a minimum value of 103 and a maximum of 132 with an average (*mean*) of 119.19. variance (*variance*) 36.637 standard deviations of 6.053 and class length (*range*) of 29 .

Succession Management

Based on the data management carried out using the SPSS program on the *succession management variable* data obtained as presented in table 4.

Table 4: Succession Management Statistics

Descriptive Statistics								
	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
Succession Management	365	33	105	138	122.39	.195	3.735	13.948
Valid N (listwise)	365							

Table 4 of the data generated by the study sample totalled 365 respondents, with a minimum value of 105 and 138 to 150, with an average (*mean*) of 122.39 variance (*variance*) 13.948, the standard deviation of 3.735 and length classes (*range*) of 33.

Human Resource Planning

Based on data management carried out using the SPSS program on the *Human Resource Planning variable* the data obtained as presented in table 5.

Table 5: Statistical Data on *Human Resource Planning*

Descriptive Statistics								
	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
Human RP	365	37	102	139	121.60	.382	7.294	53.197
Valid N (listwise)	365							

Source: Research Data on Management Results in 2018

Table 4.3 is generated from data with a sample of 365 respondents, with a minimum value of 102 and 139 a maximum of 150, with an average (*mean*) of 121.60. variance (*variance*) 53,197, standard deviation of 7,294 and class length (*range*) of 37.

Employee Performance

Based on data management carried out using the SPSS program on variables data obtained as presented in table 6.

Table 6: Employee Performance Statistics Data

Descriptive Statistics								
employee performance	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
Kinerja Karyawan	365	27	111	138	125.55	.311	5.945	35.342
Valid N (listwise)	365							

Source: Research data from 2018 management results.

Table 4.4 of the data generated by the study sample totalled 365 respondents, with a minimum value of 111 and a maximum of 138, with an average (*mean*) of 125.55. variance (*variance*) 35,342, standard deviation of 5,945 and class length (*range*) of 27.

Based on the results of testing of hypotheses and path coefficients, a recapitulation table for testing hypotheses and path coefficients is compiled, as presented in table 7 below.

Table 7: Recapitulation of Research Hypothesis Testing Results

No	Hypothesis	Test Statistics	Coefficient Pathway	t count	Decision
1	<i>Success Management</i> (X_1) has a direct positive effect on <i>Corporate Success</i> (Y)	$H_0: \beta_1 \leq 0$ $H_1: \beta_1 > 0$	$P_{y_1} = 0.709$	19,173	H_0 is rejected, means X_1 positive effect directly on (Y)
2	<i>Human Resource Planning</i> (X_2) has a direct positive effect on <i>Corporate Success</i> (Y)	$H_0: \beta_2 \leq 0$ $H_1: \beta_2 > 0$	$P_{y_2} = 0.842$	29,782	H_0 is rejected, means X_2 positive effect directly on (Y)

3	Employee Performance (X_3) has a direct positive effect on <i>Corporate Success</i> (Y)	$H_0: \beta_3 \leq 0$ $H_1: \beta_3 > 0$	$P_{y_3} = 0.841$	29,621	H_0 is rejected, means X_3 positive effect directly on (Y)
4	<i>Succession Management</i> (X_1) has a direct positive effect on <i>Human Resource Planning</i> (X_2)	$H_0: \beta_4 \leq 0$ $H_1: \beta_4 > 0$	$P_{y_{2.1}} = 0.863$	1,668	H_0 is rejected, means X_1 positive effect directly on (X_2)
5	<i>Success Management</i> (X_1) has a direct positive effect on <i>Employee Performance</i> (X_3)	$H_0: \beta_5 \leq 0$ $H_1: \beta_5 > 0$	$P_{y_{3.1}} = 0.840$	3,782	H_0 is rejected, means X_1 positive effect directly on (X_3)
6	<i>Human Resource Planning</i> (X_2) has a direct positive effect on <i>Employee Performance</i> (X_3)	$H_0: \beta_6 \leq 0$ $H_1: \beta_6 > 0$	$P_{y_{3.2}} = 0.995$	182.31	H_0 is rejected, means X_2 positive effect directly on (X_3)

Source: Research data from 2018 management results.

This research discusses *Succession Management*, *Human Resource Planning* and *Employees Performance*. This research is in line with previous researches, including: 1) Riyanto (2017), 2) Agussalim (2016), 3) Masydzulhak (2016).

Conclusions and Suggestions

Conclusion

From the results of the research and discussion, then based on this the following conclusions can be drawn:

1. *Succession management* has a direct positive effect on *corporate success*. This means that an increase in *Succession management* led to an increase in PT. Pisma Group's *corporate success*.
2. *Human resource planning* has a direct positive effect on *corporate success*. This means that an increase in *human resource planning* led to an increase in PT. Pisma Group's *corporate success*.

3. Employee performance has a direct positive effect on *corporate success*. This means that an increase in employee performance led to an increase in PT. Pisma Group's *corporate success*.
4. *Succession management* has a direct positive effect on *human resource planning*. This means that an increase in *succession management* led to an increase in PT. Pisma Group's *human resource planning*.
5. *Succession management* has a direct positive effect on employee performance. This means that an increase in *succession management* causes an increase in the performance of the employees of PT. Pisma Group.
6. *Human resource planning* has a direct positive effect on employee performance. This means that an increase in *human resource planning* causes an increase in the performance of the employees of PT. Pisma Group.

Suggestion

Based on the description and assessment in the above, several suggestions were submitted, namely:

1. Companies need to make research designs on a regular basis to be able to identify the process of selecting *high potentials* and employee development in order to facilitate the placement of key positions of the company by applying *succession management* patterns to improve *corporate success*. One pattern of *succession management* carried out by company leaders should involve elements in the organisation that involves employees so that they are also responsible for the input they propose if the proposal becomes part of the decision taken. Thus, employees are also required to carry out their responsibilities in carrying out the decisions taken.
2. Companies need to create a policy to formally contain the organisation's policy in favour of increasing the effectiveness of employee jobs in undergoing the regeneration process that must be done through the *recruitment* of key positions from an internal or external company to provide a budget to buy a book and do a book review at least twice a year, for each office child company. This should be done as well as improving *human resource planning* by providing mastered information about work methods or techniques to colleagues so that work results get better and have an impact on increasing desired *corporate success*.
3. Organisational commitment and work motivation of employees need to be grown by the leadership of the company so that employees feel they have the company where they work. With high work commitment and motivation they will continue to fight for the interests of the company and encourage the carrying out of tasks so that this will have an impact on improving employee performance. Besides giving awards and bonuses, it should distinguish between those employees who have low work motivation and those who have high work motivation, done fairly and correctly, so that employees are more

precise in making decisions in carrying out work so that it has an impact on increasing *corporate success*.

4. Companies need to make reliable *human resource planning* that refers to long-term strategic planning to face the latest business competition by anticipating the number of employees who are not productive. Although cause problems *succession management* faced by present and future, in order to encourage employees perform excavation will impact knowledge he made policies for employees who take education to implement *flexi-time* to the hours of work, allowing employees to continue their education or to follow the lessons.
5. Companies need to do the design pattern of teaching (*learning*) *succession management*, so that managers are able to make adjustments to the pattern of *succession management* in accordance with the situation faced by employees by assessing the working position in the future, which is done by assessing the work and the requirements of competence in leadership positions in the future. Decision makers must try to assess future work requirements and competencies to be aligned with the strategic direction of the organisation. Future leaders must prepare ways to cope with changes and strategic objectives of the organisation. The company always assesses employee performance against prospective successors from the contributions made.
6. *Human resource planning* must be integrated, or integrated with the company's organisational planning. Employee performance provides the basis for personal development, but what is important is that this process is also related to efforts to ensure the support and guidance that employees need to build and improve their capacity. Employee performance can be used as a basis for job improvement (job promotion), increased compensation, transfers, and termination of work which ultimately helps achieve *succession management* goals or not. To improve employee performance, companies need to make policies that provide *rewards* for employees who conduct learning or research that provide added value to the company.



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