

Decision Making for Succession Planning of PT Borneo Coal Dynamic (BCD) Business Unit Head

Wening Wijayanti^{1*}, Pri Hermawan²

Institut Teknologi Bandung, Indonesia

Emails: wening_wijayanti@sbm-itb.ac.id1, prihermawan@sbm-itb.ac.id2

ABSTRACT

PT BCD, a leading coal mining company in Indonesia operating under a Coal Mining Concession Work Agreement (PKP2B) with a 24,100-hectare area in Tanah Bumbu Regency, South Kalimantan, aims to achieve an ambitious production target of 54 million tons annually. However, the company faces significant challenges due to impending leadership turnover within the next five years, including vacancies in key positions such as Business Unit Head and Chief Operating Officer (COO) caused by retirement and internal rotation. To sustain operations and meet production goals, effective succession planning is essential. This study explores and develops a leadership succession strategy for PT BCD by focusing on preparing internal candidates with the necessary technical and managerial competencies for the Business Unit Head role. Employing a qualitative research approach, semi-structured interviews were conducted with key stakeholders, including the COO, Business Unit Head, Division Heads, and HR personnel. Three potential candidates were identified and assessed using the SMART method and Nine Box Talent Matrix to evaluate their performance and potential. Findings revealed competency gaps in both technical and managerial areas, which can be addressed through an Individual Development Program based on the 3E system (Exposure 20%, Educating 10%, Experience 70%). The research emphasizes the importance of a structured succession plan encompassing competency mapping, talent development, and continuous evaluation. The proposed strategy aims to equip future leaders with the skills necessary to maintain operational stability and competitive advantage. Successful implementation of this plan will ensure a smooth leadership transition and support PT BCD's long-term success in the mining industry.

Keywords: Leadership Succession, IDP Planning, Nine Box Talent, SMART, Competency, Potential, Performance.

INTRODUCTION

Leadership has a very strategic role in determining the continuity and success of the company, including mining companies such as PT BCD. The success or failure of an organization is highly dependent on the quality of the leader who leads it (Huang et al., 2020). One important aspect in measuring the success of a leader is his ability to prepare a successor who can replace him through the leadership succession process (Groves, 2016). The leadership succession process aims to ensure the sustainability of the organization, especially when there is a change of leader (Clunies, 2021; Garman & Glawe, 2018). An effective leader will prepare his successor with technical skills, managerial skills, and values that are relevant in facing the future challenges of the company (Bass & Bass, 2017).

Research conducted by KPMG on 2,300 directors illustrates the importance of succession planning. Only 14% of directors have a clear succession plan for their board of directors (KPMG, 2020). This finding is supported by survey results from Heidrick & Struggles, which show that many companies are not

prepared for CEO succession Heidrick & Struggles (2019). More than half of the companies were unable to provide a firm answer regarding the new CEO candidate in the event of a change (Zhang & Rajagopalan, 2021). In fact, succession planning is a crucial element in maintaining business sustainability. Therefore, companies need to pay more attention to the succession process to support long-term growth and operational stability (Le & Kroll, 2017; Cannon & McGee, 2020).

Leadership change within a company is almost inevitable (Harvard Business Review, 2021). Based on data from Harvard Business Review, around 10% to 15% of companies face CEO turnover every year. Unfortunately, there are still many companies that have not developed a leadership succession plan (Kesner & Sebora, 2018). This lack of preparation risks causing various negative impacts, especially if the process of finding a new leader is carried out in a hurry (Khoreva & Vaiman, 2015). Decisions made in a hasty situation tend to be suboptimal and have the potential to disrupt the stability and performance of the company in the future (McDonald, 2020; Finkelstein et al., 2021).

Research conducted by Q4 Psychological Associates reveals that 40% of new CEOs fail to achieve expected targets within the first 18 months of their tenure. This finding is an important warning for companies not to neglect succession planning. With a well-thought-out strategy, the transition process from the old leader to the new leader can take place smoothly. A well-prepared successor is able to immediately adapt and take over strategic roles without disrupting the stability or performance of the company.

Succession planning is a crucial form of long-term investment in ensuring a company's competitiveness, agility and readiness to face future challenges. One important element in this process is the company's ability to maintain the trust of stakeholders. This trust is a vital part of the company's smooth operations. By implementing a planned leadership succession, the company demonstrates a strong long-term vision, while minimizing the risk of miscommunication or operational disruption due to a change of leader, so that the sustainability of the company is maintained despite facing unexpected changes. A structured and well-thought-out leadership succession plan ensures the availability of candidates who are ready to fill vacant positions within the organization whenever necessary. With this preparation, the process of changing leaders can take place without a hitch, so that the company remains stable and stakeholders feel confident that operations are running smoothly.

Leadership change is often a sensitive issue, given the many interested parties involved. Therefore, succession planning is a very important step that must be prepared by the company. This process must be clearly structured and communicated to all relevant parties, so that it can be carried out transparently and objectively. This approach will create trust among stakeholders that succession is based on fair and professional criteria. In addition, effective succession planning includes assessing the potential of candidates through accurate assessment methods, such as competency evaluations and work simulations, which can be used to predict the performance and capabilities of future leaders. Thus, the company not only gets the right leader, but is also able to maintain long-term continuity and growth. These assessments can measure a candidate's cognitive abilities, competencies, motivation, and personality, with valid results that can be obtained in a short period of time. With this approach, companies can obtain comprehensive assessments with a high degree of predictability and validity, which will facilitate the implementation of leadership succession plans.

This research focuses on PT BCD, a coal mining company located in South Kalimantan. Given the important role of the mining sector in supporting the development and improvement of the Indonesian economy, this study highlights the mine's significant contribution to state revenue and other economic impacts. By 2023, data from the Ministry of Energy and Mineral Resources shows that non-tax state revenue (PNBP) from the minerals and coal sector will reach IDR 173 trillion, or 58% of the total PNBP of the ESDM sector, making it the highest contributing sector compared to oil and gas, and new and renewable energy. This large contribution reflects the important role of the mining sector in the national

economy, both through foreign exchange earnings, job creation, infrastructure development, increasing foreign investment, and improving the welfare of local communities. (Mining Industry for Economic Revival and Sustainability) <https://nasional.tempo.co/read/1884071/industri-pertambangan-untuk-kebangkitan-ekonomi-dan-keberlanjutan>).

In this case study, PT BCD's production target is set at 46.8 million tons for 2024, with a projected increase to 50 million tons in 2025 and 54 million tons in 2026. To achieve this target, PT BCD needs leaders with strong technical and managerial competencies, especially as the company will face a leadership transition in the next five years. Some management positions will retire, while others may be transferred to other business units once production targets are achieved. Therefore, leadership succession planning is an urgent need to support optimal, efficient and safe operations. Despite the importance of succession planning, PT BCD faces internal challenges in running the program, so the leadership succession program has not been fully implemented. Accelerated steps are needed to ensure the company's readiness to face a change of leader, either due to retirement, rotation, or resignation.

Studies underscore the critical importance of leadership succession planning in ensuring organizational continuity and success. For instance, Charan, Drotter, and Noel (2011) emphasize that effective succession planning strengthens leadership pipelines by systematically developing internal talent to fill key roles, thereby minimizing disruption during leadership transitions. This study aims to explore and develop an effective leadership succession strategy for PT BCD to ensure operational sustainability and support the achievement of increasing production targets. Specifically, it seeks to assess internal candidates' competencies for key leadership roles, identify gaps, and design targeted development programs that prepare future leaders to meet the company's technical and managerial demands. The findings of this research are expected to provide PT BCD with a structured and practical succession plan that enhances leadership readiness and smooth transition processes, thereby maintaining operational stability and competitive advantage.

RESEARCH METHOD

Research Design

The research design used in this research is Qualitative Methods. Qualitative methods can be used to dig deeper into the parameters and criteria for leaders in certain positions to design leadership succession at PT BCD. Aims to understand the phenomenon in depth of the research subject. Used when researchers need to consider complex and dynamic contexts. Involves direct and in-depth interaction between researchers and participants, in the form of open interviews or group discussions. Qualitative methods are carried out on a small scale with the aim of being more in-depth.

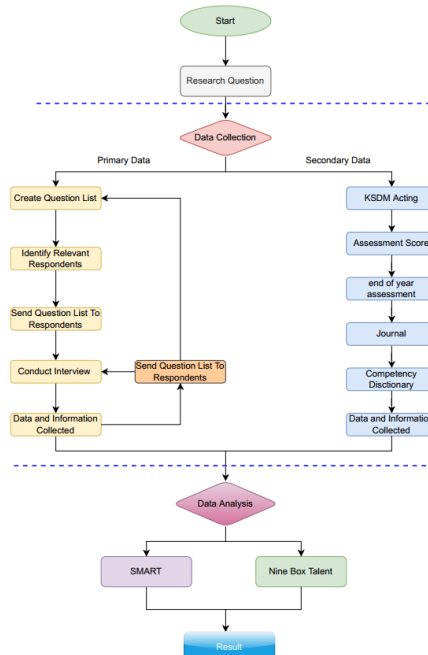


Figure 1. Research Design Diagram

The beginning of the research process, starting with the identification of research problems. Formulating research questions that will be answered with qualitative methods. Collecting primary and secondary data and then analyzing the collected data. Interpreting research results using the results of qualitative data analysis, linking back to research questions and decision analysis literature. Formulate Talents that can be a solution to obtain the research objectives. Draw conclusions based on decision analysis and provide recommendations for further action or research.

Data Collection Methods

The process of collecting data and information for this research is carried out based on the type of data needed, namely primary data and secondary data.

Primary Data

Primary data was obtained through semi-structured interviews with relevant parties and in accordance with the research questions in this study. The primary data collection process was carried out through the following stages:

1. **Compilation of Questionnaire:** The first step was to compile a comprehensive list of questions designed to cover all the information needs required in the research. These questions were developed based on the research objectives and the conceptual framework that had been determined.
2. **Identification and Selection of Respondents:** Potential respondents were carefully selected based on criteria of relevance to the research topic. The selection of respondents is aimed at ensuring that the information obtained has high validity and relevance.
3. **Conducting Interviews:** Semi-structured interviews were conducted using a pre-formulated list of questions. During the interview process, data was recorded, both in the form of voice recordings and written notes, to ensure that all important information was well documented.
4. **Data Screening and Quality Checking:** The data obtained from the interviews will go through a filtering process to eliminate irrelevant or invalid information. Furthermore, a data quality check was conducted to ensure that the data used in the analysis was free from flaws or ambiguities.
5. **Additional Interviews (If Required):** If incomplete or unclear data were found during the checking process, additional interviews were conducted. A list of additional questions was developed as needed to complete the missing data.

With these stages, the primary data obtained is expected to meet research quality standards, so that it can provide accurate and accountable results.

Secondary data

Secondary data is obtained from Assessment consultant documents and reports, competency dictionaries, End of Year Assessment (PAT) and public documents including journals and books related to the research. For company documents and reports, filtering and control are necessary, because not all company data can be submitted to the public. The data collected, both primary data and secondary data, is then analyzed to make decisions and make alternative Talents.

Data Analysis Methods

Qualitative Data Analysis

Qualitative research generally refers to a type of research approach that produces findings without relying on number-based measurements or statistical analysis (Corbin and Strauss, 2015).

Qualitative data analysis is a process that involves in-depth understanding and interpretation of descriptive data, such as interview results, observation notes, or documents. This process is carried out systematically to uncover patterns, identify main themes, and find the meaning contained in the data.

1. Familiarization with Data

Review the data repeatedly to fully understand its content and context. If the data is audio or video, transcribe it first before analyzing. Record initial reflections or observations that may help identify key themes or patterns.

2. Coding

Coding is the process of labeling parts of the data that relate to the research objectives. Data is broken down into small units, such as sentences, phrases, or paragraphs, which are then coded or labeled according to emerging themes, ideas, or categories. Codes that have similarities can be grouped together to make it easier to identify broader themes.

3. Identifying Themes or Patterns

Once the coding is complete, the next step is to recognize the main themes that emerge from the set of codes. This process involves grouping the codes into broader themes or categories. Next, the resulting themes are evaluated to ensure their relevance and consistency with the data. Similar or less relevant themes can be refined by combining or deleting them.

4. Conceptual or Thematic Analysis

Relate the themes or patterns found to the research questions. Identify themes that are found to be interrelated and form larger patterns. Interpret the meaning of these relationships in the context of existing theory or literature. Create a narrative that describes the main findings based on the identified themes.

Nine Box Talent

Data analysis for leadership succession using the 9-Box Talent model is a frequently used tool in human resource management to assess employee performance and potential. This process helps in identifying future leaders and planning succession more effectively. Here is how to conduct data analysis for leadership succession with the 9-Box Talent model:

1. Performance and Potential Data Collection

- a. Performance: Collection of employee performance data based on performance appraisals that have been conducted. This could include target achievement, contribution to the team, innovation, and the like.
- b. Potential: Data collection related to employee potential, as measured through 360-degree feedback assessment, leadership ability assessment, and other competencies.

2. Employee Placement in the 9-Box Grid

- a. X-axis: Represents employee performance (low, medium, high).

- b. Y-axis: Represents employee potential (low, medium, high).
 - c. Place each employee in the appropriate box based on their performance and potential assessment.
Box 1 (Bottom left): Low potential, low performance
Box 9 (Top right): High potential, high performance
3. Data Analysis
 - a. Identify Future Leaders: Focus on employees who are in boxes 7, 8, and 9, as they have high potential. Employees in box 9, in particular, are high-performing stars with high leadership potential.
 - b. Development Plan: For employees in boxes 4, 5, and 6, consider providing further training or development to improve their performance or potential.
 - c. Performance Management: Employees in boxes 1, 2, and 3 may require more rigorous performance management, including more frequent feedback and possibly improvement programs.
 4. Decision Making for Succession
 - a. Critical Position Filling: Use this data to make decisions about who can be promoted or groomed for critical leadership positions in the future.
 - b. Succession Planning: Create a succession plan that includes the development steps needed for potential leaders to be ready to fill higher roles.

The Nine Box Talent Matrix can better reflect an accurate picture of employee performance and potential, supporting more informed decisions in talent management and leadership succession.

SMART Method

The SMART (Simple Multi-Attribute Rating Technique) method is a decision-making technique that helps in selecting the best Talent based on multiple criteria or attributes. This method is especially useful when you need to evaluate several alternatives based on various factors.

1. Identifying the Decision Objective
Determine what you want to achieve with the decision.
2. BCDine Alternatives
List all the possible alternatives or Talents that can be selected.
3. Identify Criteria
Determine the criteria or attributes that will be used to evaluate each alternative. For example, cost, quality, time, risk, etc.
4. Criteria Weighting
Give each criterion a weight based on its importance relative to the overall goal. The total weight amount is usually 100% or 1.
5. Value of Each Alternative
Provide a value for each alternative for each criterion. This value is usually on a numerical scale, for example 1 to 10, where 10 is the best.
6. Calculate Total Score
For each alternative, multiply the value of each criterion by its weight, then add up the results to get the total score.
7. Make a Decision
The alternative with the highest total score is considered the best according to the SMART method.

RESULT AND DISCUSSION

Based on the data obtained, the decision-making formulation process will be carried out using the SMART (Simple Multi-Attribute Rating Technique) method and the Nine Box Talent Matrix. This approach aims to determine a measurable and suitable leadership succession candidate to occupy the position of

Business Unit Head. Thus, the operations of PT BCD will continue to run smoothly despite the change of leaders, either due to resignation, retirement, or promotion.

Data Collection

Supporting data is used to analyze and formulate alternative leadership succession candidates to ensure the operations of PT BCD (PT BCD) continue to run effectively, efficiently and safely. Succession candidate criteria for the Business Unit Head position are formulated through data collection methods, which include interviews with relevant parties as well as a review of secondary data relevant to employee competencies at PT BCD.

Interview

The researcher collected data from the management of PT BCD consisting of structural positions in the organization, namely Department Head, Business Unit Head, and Chief of Operating, as well as from non-structural positions, namely Human Resources Business Partner (HRBP). Data collection was conducted through interviews aimed at obtaining an overview of the current leadership succession conditions and determining the ideal criteria for leader candidates who will fill the position of Business Unit Head in the operational area of PT BCD.

Table 1. The Identify Person in Charge of Leadership Succession Business Unit Head.

Interviewer	Number	Method	Topics
Chief Of Operating	1	Direct interview	a. A What are the criteria required for a Business Unit Head position at PT BCD? b. Have you identified employees within your team who have the potential to fulfill the role of Business Unit Head? b. How do you evaluate the competency of employees projected to fill the Business Unit Head position? c. Is there a special developing program that you implement for potential employees who still have competency gaps before they can occupy the Business Unit Head position?
Business Unit Head	1	Direct interview	a. What are the criteria that must be met by candidates for the position of Business Unit Head at PT BCD? b. Have you identified the employee competency needs required to fill the Business Unit Head position? c. Have you identified employees within your team who have the potential to fulfill the role of Business Unit Head? d. How do you evaluate the competencies of employees projected to fill the Business Unit Head position? e. Is there a special developing program for potential employees who still have competency gaps before they occupy the Business Unit Head position? f. To what extent is the role of KSDM Acting Position effective in preparing candidates for leadership succession at PT BCD?
Division Head	3	Direct interview	a. Do you understand and know the key competencies required for the position of Business Unit Head? b. Are your current competencies in line with the requirements for the Business Unit Head position? c. Do you still have competency gaps, both in technical and non-technical aspects, to meet the requirements of the Business Unit Head position? d. What strategies or steps do you take to close these competency gaps in order to qualify as a Business Unit Head? e. To what extent is the role of the Acting Human Resources Officer effective in preparing and developing leadership succession candidates at PT BCD?
HRGA	1	Direct interview	a. Have you identified the competency needs of employees required to occupy the position of Business Unit Head at PT BCD? b. Have you identified employees at PT BCD who have the potential to perform the role of Business Unit Head? c. What is your process in evaluating the competency of employees projected to fill the position of Business Unit Head?

Interviewer	Number	Method	Topics
			<ul style="list-style-type: none"> d. Do you have a development plan or program for potential employees who still have competency gaps to occupy the position of Business Unit Head? e. To what extent is the role of KSDM Acting Position effective in preparing leadership succession candidates at PT BCD?
HRBP	1	Direct interview	<ul style="list-style-type: none"> a. Have you identified the competency needs of employees required to occupy the position of Business Unit Head at PT BCD? b. Have you identified employees at PT BCD who have the potential to perform the role of Business Unit Head? c. What is your process in evaluating the competency of employees projected to fill the position of Business Unit Head? d. Do you have a development plan or program for potential employees who still have competency gaps to occupy the position of Business Unit Head? e. To what extent is the role of KSDM Acting Position effective in preparing leadership succession candidates at PT BCD?
Finance	1	Direct interview	<ul style="list-style-type: none"> a. In your opinion, what competencies must be possessed by employees to be able to occupy the position of Business Unit Head at PT BCD? b. Have you identified employees at PT BCD who have the potential to fulfill the role of Business Unit Head? c. To what extent is the role of KSDM Acting Position effective in preparing leadership succession candidates at PT BCD?

Company Document Reviews

Researchers conducted a review of company documents related to employee competencies, such as assessment reports, year-end performance appraisals, qualitative assessments, technical competency dictionaries, and managerial competency dictionaries. This review aims to map employee competencies within PT BCD.

1. Acting Human Resources of PT BCD

In the Human Resources Policy related to acting positions, a prospective leader must meet several key requirements, namely: have at least 80% of the competencies required for the position to be occupied, have a minimum Bachelor's degree, and meet the assessment criteria with a minimum score of 75%. In addition, candidates must not have any Warning Letter (SP) records and are required to have a Primary Operational Supervisor (POP) or Middle Operational Supervisor (POM) certification. Additional criteria include achieving a Year-End Appraisal Score (PAT) as follows: grade B for 3 years of service, grade B+ for 2 years of service, and grade A for 1 year of service

2. Technical Competency Dictionary

This competency dictionary is a document that summarizes all competency groups based on related fields, equipped with a level matrix for each technical competency needed by the organization to support the achievement of vision, mission and business processes effectively. The technical competency matrix serves as a standard reference in assessing the technical and managerial abilities of employees, in accordance with the demands of their role or position in the mining company environment. The competency dictionary is also a guide for PT BCD in measuring the competence of each employee according to their position in PT BCD's organizational structure, ensuring that each employee has the ability to match the requirements of their position. Technical competencies are determined based on the position and jobdesk of each employee. The technical competency groups for the Business Unit Head are as follows:

Competencies		Standard Value
General Technical Management Competencies		
1	Risk Management	4
2	Mining Contractor Management	4
3	Financial Budgeting & Cost Control	3
Core Technical Competencies		
1	Mining Safety Management	4
2	Environmental Excellence Operation	3
Specific Technical Competencies		
1	Mining Equipment Management	2
2	Mine Economic Evaluation	3
3	Mine Planning	4
4	Mine Closure	4
5	Geological Modelling & Resource Estimation	3

Figure 2. Standard Competencies Business Unit Head

Managerial Competency Dictionary

Managerial competencies are a group of specific behaviors that can be observed, verified and classified in a logical manner. These competencies are identified through job analysis and are considered crucial elements in the successful execution of tasks. Managerial competencies are also part of an individual's personality that is relatively stable, so as to predict behavior in various situations and job duties and their success in carrying out these duties.

The Competency Matrix serves as a standard reference in competency assessment, as well as a guide in employee competency development activities to align with the demands of roles and positions in the company.

No	Aspek Kompetensi	Level Jabatan					
		Chief Operating Officer	Business Unit Head	Division Head	Department Head	Section Head	Team Leader
1	Individual Value	Trustworthiness	Trustworthiness	Trustworthiness	Trustworthiness	Trustworthiness	Trustworthiness
2	Result Orientation	Inspiring for Excellence	Inspiring for Excellence	Inspiring for Excellence	Strive for Excellence	Strive for Excellence	Achievement Orientation
3	Innovation	Driving Innovation	Driving Innovation	Leading Innovation	Leading Innovation	Continuous Improvement	Continuous Learning
4	Team Orientation	Leading Through Vision and Values	Inspiring Others	Inspiring Others	Leading People	Leading People	Leading People
5	Partnership	Building Strategic Partnerships	Building Strategic Partnerships	Managing Partnership	Managing Partnership	Building Relationship	Building Relationship
6	Talent Development	Building Organizational Talent	Building Potential Ecosystem	Building Potential Ecosystem	Developing Others	Developing Others	Coaching
7	Customer	Customer Focus	Customer Focus	Customer Focus	Customer Orientation	Customer Orientation	Customer Orientation
8	Thinking Orientation & Decision Making	Strategic Orientation	Strategic Decision Making	Operational Decision Making	Problem Solving	Problem Solving	Analysis & Judgment
9	Planning & Execution	Driving Execution	Driving Execution	Planning & Execution Management	Planning & Execution Management	Planning & Organizing	Planning & Organizing
10	Technology	Technology Awareness	Technology Awareness	Technology Awareness	Technology Awareness	Technology Awareness	Technology Awareness
11	Business Orientation	Global Business Savvy	Global Business Savvy	Business Savvy	Business Savvy	Business Savvy	Business Savvy
Total Kompetensi		11	11	11	11	11	10
Ketrampilan		Personal Effectiveness	Interpersonal Skills	Leadership Skills	Business / Management Skills		

Figure 3. Structural Position level competency matrix for Business Unit Head

Employee Assessments

Assessments are conducted with the aim of mapping technical and managerial competencies to determine an employee's suitability to fill a Business Unit Head position within the organization. The assessment process evaluates various dimensions, including competencies, work style and personality, to provide a comprehensive picture of the employee's ability to meet the demands of the relevant position. To be considered for the Business Unit Head position, employees must meet the assessment standards with a minimum score of 75% on both technical and managerial competencies.

Analysis

The problem limitation in this research is focused on the Leadership Succession Program at PT BCD (PT BCD), especially in the decision-making process related to the selection of leadership succession candidates for the Business Unit Head position. This position is a key position that has a strategic role in supporting the smooth operation of the company.

SMART Method

This research discusses the stages of decision-making formulation by applying the SMART method. This method is used to ensure the decision-making process meets the criteria of specific, measurable, achievable, relevant, and time-bound objectives. The stages of analysis in the SMART method consist of: identify the decision maker, identify the alternatives courses of action, identify the attributes with are relevant, assign value to measure the performance of each alternative on each attribute, determine a weight for each attribute, make a provisional decision, perform sensitivity and proposed solutions.

a. Identify the Decision Maker

In the succession of Business Unit Head leadership, the decision maker is the Chief Operating Officer (COO) who is responsible for PT BCD Operations. The COO is the operational and strategic front line of the company at PT BCD, the COO will be supported by the Chief Executive Officer (CEO) in determining the succession of leadership of the Business Unit Head.

The Business Unit Head must have the following technical and managerial competencies:

Technical Competencies : General Technical Management Competencies (Risk Management, Mining Contractor Management, Financial Budgeting & Cost Control) Core Technical Competencies (Mining Safety Management, Environmental Excellence Operation) dan Specific Technical Competencies (Manajemen Peralatan Penambangan, Mine Economic Evaluation, Mine Planning, Mine Closure, Geological Modelling & Resource Estimation)

Managerial Competencies : Personal Effectiveness, Interpersonal Skill, Leadership Skill, Management/Business Skill (Customer Focus, Strategic Decision Making, Technology Awareness, Global Business Savvy)

b. Identify the Alternatives Courses of Action

Determine alternative Talents that will be taken as problem-solving steps for the succession of Business Unit Head leadership. From the results of interviews with COO, Business Unit Head, MDC Division Head, MOP Division Head, Safety Division Head, HRBP, HRGA and Finance, 3 internal talents were obtained for the succession of Business Unit Head leadership as follows:

a) Talent 1 Internal Talent (D)

D is a Mine Development & Contract Division Head who has sufficient technical and managerial competence to occupy the position of Business Unit Division Head. D has an educational background in Mining Engineering and joined PT BCD since March 10, 2010. During his 14 years of service, D started his career as Short-Term Planning and Contract Mining Department Head. In 2018, D was promoted to Mine Operation Production Division Head and in 2023 underwent a rotation to the Mine Development & Contract Division Head position. This progressive career path reflects DW's ability to effectively manage mine operations and contracts.

b) Talent 2 Internal Talent (M)

M currently serves as Mine Operation Division Head and has sufficient technical and managerial competence to hold the position of Business Unit Division Head. M completed his education in Engineering Physics and joined PT BCD since May 1, 2009. During his 15 years of service, M started his career as a Management Trainee (MT) before transitioning to the position of Production Supervisor and then served as Production Department Head. In 2018, M was promoted to Coal Logistic Operation & Road Maintenance (CLO & RM) Division Head. Furthermore, in 2023, he underwent a rotation to the position of Production Division Head. This dynamic career path demonstrates M's ability to effectively manage mine production and logistics as well as his leadership in various operational functions.

c) Talent 2 Internal Talent (S)

S currently serves as General Manager (GM) Safety and has sufficient technical and managerial competence to occupy the position of Business Unit Division Head. S has been with PT BCD for 11 years, with rotational experience in various departments that enrich his professional capabilities.

S started his career at PT BCD in 2012 as Geotechnical Department Head. Subsequently, he rotated to the position of Infrastructure Department Head before being promoted in 2018 to HSE (Health, Safety, and Environment) Division Head.

This diverse work experience reflects his expertise in managing safety, infrastructure, and critical technical aspects of operations in the company.

c. Identify The Attributes With Are Relevant

The next step is to weight each alternative Talent that has been determined previously. The weighting process begins by determining the relevant attributes for all alternative Talents. After that, a weight scale is determined for each attribute that has been determined. The method used in weighting is a direct assessment of each attribute of each Talent, which is carried out through an interview process. To facilitate understanding, the flow of the weighting process is shown in the flowchart in Figure 4.

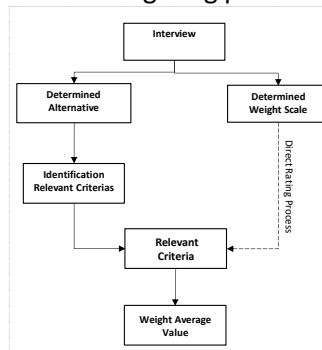


Figure 4. Flow chart of Weight Measurement

After determining several alternative decision-making solutions to determine the identification of Business Unit Head leadership succession talents, the next interview process is carried out to identify Business Unit Head succession talent criteria. These criteria consist of values that are considered when determining alternatives, in this case we divide them into 2 criteria, namely Performance Criteria and Potential Criteria. Performance criteria are divided into Quantitative and Qualitative sub criteria, while potential criteria are divided into sub criteria namely Knowledge, Experience, Assessment, Technical Competencies and Managerial Competencies. The explanation of each sub-criterion is as follows:

a) Quantitative

These criteria refer to data or numbers that can be clearly measured and compared to certain standards. The main focus is on results and achievements that can be evaluated objectively. Included in quantitative criteria are Key Performance Indicators (KPIs), which are specific indicators used to assess work effectiveness, such as customer retention rates or duration of task completion. Quantitative assessment is important in determining talent for leadership succession, especially in Business Unit Head positions, because it provides an objective, measurable, and transparent basis for evaluation.

b) Qualitative

Qualitative criteria focus more on aspects that cannot be measured by numbers, but rather on subjective qualities. These criteria are used to assess a person's behavior, character, and interpersonal skills. Quantitative assessment in determining talent for leadership succession, especially in positions such as Business Unit Head, is very important because it provides measurable and objective data as a basis for evaluation. Quantitative assessment in the form of 360 feedback from superiors, peers and subordinate employees.

c) Knowledge

Knowledge is the understanding, insight, and expertise a person has that is relevant to their role or responsibilities. It includes everything needed to support employees in making decisions, completing tasks, and facing challenges in the workplace. In the context of succession or talent

development, knowledge becomes an important aspect to assess a person's readiness to take on a larger role. Knowledge consists of Education, Certification and Work Experience.

d) Experience

Work experience is the result of a process in which an individual undertakes various responsibilities, tasks or projects in a professional environment. This experience includes the development of skills, knowledge and insights gained through direct involvement in work activities, both formally and informally. Work experience provides a real picture of one's ability to deal with various work situations, solve problems and achieve set goals. More than just the duration of employment, this experience also reflects the amount of impact and learning gained during a particular role.

In the context of professional assessment, work experience is one of the main indicators used to assess a person's readiness and potential to face challenges in the professional world. Assessment of work experience generally covers two main aspects, namely:

- 1) Career History - Career history that reflects the various positions, responsibilities, and contributions that have been carried out during the professional journey.
- 2) Project Assignments - Projects that have been worked on, including roles, achievements, and tangible results achieved in each project.

e) Assessment

Assessment is a structured evaluation process that aims to measure, analyze, and assess various aspects, such as competence, performance, knowledge, skills, attitudes, or certain characteristics of individuals or groups. In business, education, or psychology, assessment is applied for a variety of purposes, including assessing a person's suitability for a role, monitoring learning progress, or identifying development needs.

Assessment is used to measure the technical and managerial capabilities of telenta employees who are candidates for succession to the Business Unit Head.

f) Technical Competencies

Technical Competencies are a group of technical skills that are specific, observable, verifiable, logically classifiable, identified through job analysis and considered critical to the successful performance of a task.

g) Managerial Competencies

Managerial Competencies are a group of specific, observable, verifiable, logically classifiable behaviors, identified through job analysis and considered critical to the successful performance of a task. These competencies are part of a person's personality that are relatively stable, can predict behavior in a variety of situations and job tasks so that they can predict success in carrying out their duties.

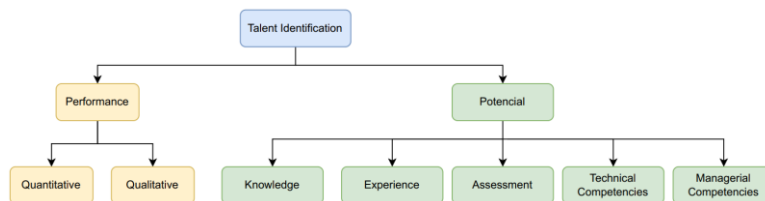


Figure 5. Value Tree of Decision Making

Assign Value to Measure Performance of Each Alternative on Each Attribute

After establishing the criteria for each alternative Talent, the next step was to measure and calculate the performance of each Talent directly through the interview process. This process involved all representatives to determine the best candidate for the Business Unit Head Leadership succession. As a

first step, a scoring scale for each Talent was created, which explains the scoring concept based on each criterion. The score scale for each criterion is shown in Figure 6.

NO	CRITERIA	REQUIREMENT	CLASS	SCORE
1	Qualitative	360 Feedback higher is better to be a succession candidate Business Unit Head	High	100
		(High > Low)	Medium High	75
		High > 4.5 Medium High 4.1 - 4.4 Medium 3- 3.9 Low < 3.9	Medium	50
			Low	0
2	Quantitative	Higher KPI scores are better for succession candidates for Business Unit Head leadership.	High	100
		(High > Low)	Medium High	75
		High > A+ Medium High, A Medium B+ Low < B	Medium	50
			Low	0
3	Knowledge	Higher Knowledge score is better for Business Unit Head succession candidate	High	100
		(High > Low)	Medium High	75
		High, S3 Medium High, S2 Medium, S1 Low, Junior high school	Medium	50
			Low	0
4	Experience	More experience is better for Business Unit Head succession candidates	High	100
		(High > Low)	Medium High	75
		High - 3 amount Core Business Medium High, 2 amount Core Business Medium, 1 amount Core Business Low < 1 amount non Core Business	Medium	50
			Low	0
5	Assessment	Higher Assessment score is better for Business Unit Head succession candidate	High	100
		(High > Low)	Medium High	75
		High, 91% - 100% Medium High, 88% - 90% Medium, 75% - 86% Low < 75%	Medium	50
			Low	0
6	Technical Competency	Higher technical competency Talent is better to be a candidate for Business Unit Head	High	100
		(High > Low)	Medium High	75
		High, 91% - 100% Medium High, 88% - 90% Medium, 75% - 86% Low < 75%	Medium	50
			Low	0
7	Managerial Competency	Higher Managerial Talent competency is better to be a Business Unit Head candidate	High	100
		(High > Low)	Medium High	75
		High, 91% - 100% Medium High, 88% - 90% Medium, 75% - 86% Low < 75%	Medium	50
			Low	0

Figure 6. Terms of Criteria Score Weight

From the interview with the Business Unit Head, a direct assessment was conducted on each sub-criterion. Identification of the status of each sub-criterion is shown in figure 7 below.

NO	CRITERIA	OPSI 1	OPSI 2	OPSI 3
1	Qualitative	MH	MH	MH
2	Quantitative	MH	H	MH
3	Knowledge	MH	MH	H
4	Experience	MH	MH	MH
5	Assessment	MH	M	M
6	Technical Competency	M	L	L
7	Managerial Competency	M	M	L

Figure 7. Identification of Sub Criteria Status for Each Talent

Furthermore, direct assessment is carried out on the sub-criteria for determining leadership succession from the qualitative value of 360 feedback scores from 0 to 100 for each Talent according to its status. 360 feedback value <3 for the lowest value, 360 feedback value 3.1 to 4 medium value, 360 Feedback value 4.1 to 4.4 medium high value and 360 feedback value > 4.5 for the highest value. The process of assessing sub-criteria in each Talent is carried out with the mechanism of Interview with Business Unit Head and interview with experts.

The assessment for the Qualitative sub criteria is taken from the 360 feedback assessment for each talent employee of the business unit Head leadership succession candidate. From the assessment results it was found that Talent 1, Talent 2 and Talent 3 had the same value with a score of 75. The results of the Qualitative sub criteria assessment are shown in figure 8 below.

No	Alternative	Qualitative	Criteria Status	Criteria Value
1	Option 1	Medium High	Medium High	75
2	Option 2	Medium High	Medium High	75
3	Option 3	Medium High	Medium High	75

Figure 8. Direct Rating Qualitative Status

The assessment for the Quantitative sub criteria is based on the KPI assessment for each talent employee of the business unit Head leadership succession candidate. From the assessment results, it is obtained that the highest score of Talent 2, Talent 1 and Talent 3 has the same value with a score of 75. The results of the Quantitative sub-criteria assessment are shown in Figure 9 below.

No	Alternative	Quantitative	Criteria Status	Criteria Value
1	Option 1	Medium High	Medium High	75
2	Option 2	High	High	100
3	Option 3	Medium High	Medium High	75

Figure 9. Direct Rating Quantitative Status

The assessment for the Knowledge sub criteria is taken from the formal education for each talent employee of the business unit Head leadership succession candidate. From the assessment results, it was found that the highest score of Talent 3, Talent 1 and Talent 2 had the same value with a score of 75. The results of the Knowledge sub-criteria assessment are shown in Figure 10 below.

No	Alternative	Knowledge	Criteria Status	Criteria Value
1	Option 1	Medium High	Medium High	75
2	Option 2	Medium High	Medium High	75
3	Option 3	High	High	100

Figure 10. Direct Rating Knowledge Status

The assessment for the Experience sub-criterion is taken from the work experience of talent employees of business unit Head leadership succession candidates in the mining business, both Core Business (Mine Plan Operation Division, Mine Development Contract Division, Health Safety Environment Division, Coal Logistic Operation & Road Maintenance Division) and non-Core Business (Coal Chain Maintenance Project & Support and Support Division, Corporate Social Responsibility Div and Support Division (External Relation, Human Resource & General Servis, IT, Finance) The same value for 3 Talents is score 75. The results of the Experience sub-criterion assessment are shown in Figure 11 below.

No	Alternative	Experience	Criteria Status	Criteria Value
1	Option 1	Medium High	Medium High	75
2	Option 2	Medium High	Medium High	75
3	Option 3	Medium High	Medium High	75

Figure 11. Direct Rating Experience Status

The assessment for the Assessment sub-criteria is taken from the Assessment assessment conducted by Corporate for each talent employee of the business unit Head leadership succession candidate. From the assessment results, it is obtained that the highest value is Talent 1 with a score of 75, Talent 2 and Talent 3 have the same value with a score of 50 The results of the Assessment sub-criteria assessment are shown in Figure 12 below.

No	Alternative	Assessment	Criteria Status	Criteria Value
1	Option 1	Medium High	Medium High	75
2	Option 2	Medium	Medium	50
3	Option 3	Medium	Medium	50

Figure 12. Direct Rating Assessment Status.

The assessment for the Technical Competency sub-criteria is taken from the results of the Engineering assessment which refers to the Engineering competency dictionary conducted on each talent employee of the business unit Head leadership succession candidate. From the assessment results, it is obtained that the value of all talents has the same value, namely low with a score of 0. The results of the assessment of the Technical Competency sub criteria are shown in Figure 13 below.

No	Alternative	Technical Competency	Criteria Status	Criteria Value
1	Option 1	Low	Low	0
2	Option 2	Low	Low	0
3	Option 3	Low	Low	0

Figure 13. Direct Rating Technical Competency Status

The assessment for the Managerial Competency sub-criteria is taken from the results of the Managerial assessment which refers to the Managerial competency dictionary conducted on each talent employee of the business unit Head leadership succession candidate. From the assessment results, it is obtained that Talent 1 and Talent 2 have the same value with a score of 75 and Talent 3 has a value with a score of 50. The results of the Managerial Competency sub-criteria assessment are shown in Figure 14.

No	Alternative	Managerial Competency	Criteria Status	Criteria Value
1	Option 1	Medium	Medium	50
2	Option 2	Medium	Medium	50
3	Option 3	Low	Low	0

Figure 14. Direct Rating Managerial Competency Status

The results of the direct assessment of all alternative Talents are listed in Figure 15 below.

No	Alternative	Qualitative	Quantitative	Knowledge	Experience	Assessment	Technical Competency	Managerial Competency
1	Option 1	75	75	75	75	75	0	50
2	Option 2	75	100	75	75	50	0	50
3	Option 3	75	75	100	75	50	0	0

Figure 15. Direct Rating Benefits of Three Talent Alternative Candidate Business Unit Head leadership succession

Determine a Weight for Each Attribute

Of the 7 existing criteria, then each criterion is given a weight value to show how important it is compared to other criteria in the selection of Succession of Business Unit Head Leadership at PT BCD. Criteria Performance (Qualitative Criteria, and Quantitative Criteria), is the top priority in decision making, followed by Potential Criteria (Criteria Knowledge, Criteria Experience, Criteria Assessment, Criteria Managerial Competency and Criteria Technical Competency). Criteria priority classification is shown in Figure 16 and Figure 17.

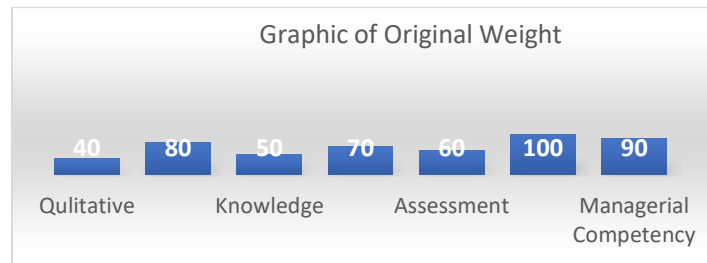


Figure 16. Graphic of Original Weight Each Criteria

Furthermore, the normalized weight in this stage with following formula:

$$Normalized\ Weight = \frac{Original\ Weight}{Total\ Original\ Weight} \times 100\%$$

The result of calculated normalized weight each criteria showing in Figure 17 bellow

No	Criteria	Original Weight	Normalized Weight
1	Qualitative	40	0,08
2	Quantitative	80	0,16
3	Knowledge	50	0,10
4	Experience	70	0,14
5	Assessment	60	0,12
6	Technical Competency	100	0,20
7	Managerial Competency	90	0,18

Figure 17. Calculated Normalized Weight

For Each Alternative, Take a Weighted Average of Values Assigned to That Alternatives

The next step is to determine the aggregate weight value of each alternative Talent after determining the normalized weight in the previous step 5. This method is done by multiplying the original value by the normalized weight of each attribute, then summing the results of multiplying all attributes. The aggregate calculation of each Talent is shown in figure 18.

No	Attribute	Normalized Weight	Value	Normalized Weights x Value
1	Qualitative	0,08	75	6,12
2	Quantitative	0,16	75	12,24
3	Knowledge	0,10	75	7,65
4	Experience	0,14	75	10,71
5	Assessment	0,12	75	9,18
6	Technical Competency	0,20	0	0,00
7	Managerial Competency	0,18	50	9,18
Total				55,10

No	Attribute	Normalized Weight	Value	Normalized Weights x Value
1	Qualitative	0,08	75	6,12
2	Quantitative	0,16	100	16,33
3	Knowledge	0,10	75	7,65
4	Experience	0,14	75	10,71
5	Assessment	0,12	50	6,12
6	Technical Competency	0,20	0	0,00
7	Managerial Competency	0,18	50	9,18
Total				56,12

No	Attribute	Normalized Weight	Value	Normalized Weights x Value
1	Qualitative	0,08	75	6,12
2	Quantitative	0,16	75	12,24
3	Knowledge	0,10	100	10,20
4	Experience	0,14	75	10,71
5	Assessment	0,12	50	6,12
6	Technical Competency	0,20	0	0,00
7	Managerial Competency	0,18	0	0,00
Total				45,41

Figure 18. Total Weight Value for Talent

The calculation of total values for all alternatives solutions are summarized in Figure 19 below.

No	Alternative	Qualitative	Quantitative	Knowledge	Experience	Assessment	Technical Competency	Managerial Competency	Aggregated of Weighted Value
1	Option 1	75	75	75	75	75	0	50	55,10
2	Option 2	75	100	75	75	50	0	50	56,12
3	Option 3	75	75	100	75	50	0	0	45,41

Figure 19. Aggregate Value for Each Alternative Solutions

Make A Provisional Decision

At the next stage is to make a temporary decision, namely by considering the weighting results of 3 Business Unit Head leadership succession Talents. To illustrate the comparative position of each Talent, the aggregate criteria plotting graph is shown in Figure 20. An Talent will be more attractive if the benefit value is higher or moves up. There is one alternative, Talent 2. The decision maker's relative weighting of benefits will determine the best alternative.

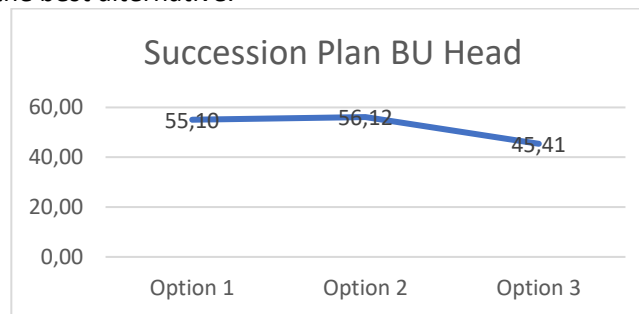


Figure 20. Graphic Plot of weight BU Head succession Plan

Perform Sensitivity Analysis

Sensitivity analysis is a method to observe the stability of the chosen solution when the level of importance of certain criteria changes. This method serves as a tool to assess how resilient or strong a solution is in the face of uncertainty or variations in the parameters in the Succession Plan. In this case, a sensitivity analysis was performed by changing the weights on the Qualitative and Quantitative criteria to

zero, considering that these two criteria affect the performance of the alternative Talents. The result of this change is that Succession Talent 2 remains the top choice with a score of 44.59. Furthermore, the weight of the Knowledge, Experience, Assessment, Technical Competency, and Managerial Competency criteria was changed to zero. These criteria relate to the potential of employees who are considered as talents in succession at the Business Unit Head. With this change, Talent Succession 2 remains the top choice with a benefit value of 91.67. The complete results of this sensitivity analysis can be seen in Figure 21 below.

Alternatives	Aggregate of Weighted Value (Performance= 0)	Aggregate of Weighted Value (Original)	Aggregate of Weighted Value (Potencial= 0)
TALENT 1	36,49	55,10	75,00
TALENT 2	44,59	56,12	91,67
TALENT 3	35,81	45,41	75,00

Figure 21. Aggregate of Weighted Value after Sensitivity Analysis

The new values in Figure 22 above are then plotted in graph form, as shown in Figure 8 below. The graph shows that TALENT 2 remains an alternative solution that is not affected by the change in weight on benefit progress and the change in weight on benefit data criteria.

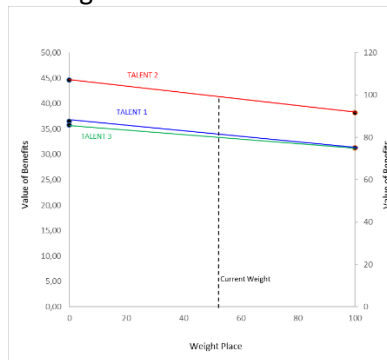


Figure 22. Sensitivity Analysis Result

This graph shows the relationship between criteria weight (Weight Place) and value of benefits for three alternative candidates (TALENT 1, TALENT 2, and TALENT 3).

- a) X (Horizontal) Axis as Weight Place

shows the weight of the criteria used in the analysis. This weight reflects the priority between performance and potential. On the right (100), potential is more dominant in decision making. On the left (0), performance is more dominant in decision making.
- b) Y-axis (Left - Primary Axis) as Value of Benefits

Shows the value of benefits of each Talent based on the weight given. The higher the value, the better the alternative fulfills the SMART criteria.
- c) Line Color as Candidate Alternative

Green Line (TALENT 3) Has the highest initial value (on the left), meaning that this candidate performs quite well when the performance weight is higher. Red Line (TALENT 2) Rises upwards as the potential weight increases, indicating that this candidate has excellent potential. Blue Line (TALENT 1) Is below the other Talents, indicating that this candidate has lower performance and potential than the other two Talents.
- d) Dotted Line

This indicates the current weight used in the decision.
If the Current Weight is in the middle (~50-70), then the decision is based on a balance between performance and potential. If the Current Weight is close to 100, then potential takes precedence over performance.

Analysis Results SMART :

1. If the weight prioritizes potential (right of the graph):
TALENT 2 (Red) has the highest benefit value, meaning that this candidate has the best potential and is most suitable for promotion.
2. If the weight prioritizes performance (left of the graph):
TALENT 3 (Green) has the highest initial value, meaning this candidate has more stable performance than the others.
3. At Current Weight in the decision:
TALENT 2 remains ahead of TALENT 1 and TALENT 3, indicating that this candidate is the best choice for leadership succession.

Matrix 9 Box talent Mapping

This research discusses the stages of decision-making formulation by applying the Nine Box Talent Mapping method commonly used in organizations to assess and map talent based on two main aspects: performance and potential.) These two aspects help companies evaluate employees and identify the best talents and determine employee development strategies.

Performance

Performance describes the extent to which an employee is able to achieve targets and perform their duties well. Based on available data, the performance aspect is measured through four main indicators:

- a) Work Results is how effective employees are in completing their duties and responsibilities.
- b) Consistency Achieving Targets is the ability of employees to consistently achieve the targets that have been set.
- c) Collaboration and Communication is how well an employee works together in a team and communicates effectively.
- d) Overcoming Challenges is an employee's ability to face and resolve challenges in the workplace.

Potential

Potential measures an employee's ability to grow in the future, including their readiness for higher positions. In the available data, the potential aspect is assessed based on the following three indicators:

- a) Readiness to Become a Business Unit Head is how ready an employee is to take on a higher leadership role.
- b) Learning New Things is How quickly an employee can adapt to change and acquire new skills.
- c) Leadership and Influence is an employee's ability to lead and influence others in the organization.

The performance aspect reflects a person's ability to achieve or exceed set targets, while potential describes an individual's capacity to develop and take on more responsibility in the future. Through a nine-box matrix, this method helps group employees into categories that make it easier for organizations to design talent development, promotion or management strategies. Each box in the matrix provides specific guidance-from development steps for employees with high potential to performance management for those who still need improvement. With this approach, organizations can manage succession and talent development more purposefully and strategically through the Nine Box Talent as shown in Figure 26.

Decision Making for Succession Planning of PT Borneo Coal Dynamic (BCD) Business Unit Head



Figure 23. Talent Mapping of 9 boxes

By knowing the BCDinition of each of the nine boxes, HR staff can identify which employees fit into which of the nine boxes. Box number 6 is high performing employees, box number 8 is employees with the best future talent and box number 9 is the best talent who will fill higher positions.

The nine box talent assessment steps are as follows:

Determining potential Business Unit Head candidates

The Business Unit Head is a very important position for the operational sustainability of PT BCD. To get the right candidate to occupy the position, identification and assessment of Talent performance must be carried out which will be used as an Talent as a succession of Business Unit Head leadership.

There are 3 talents whose performance will be seen, namely Talent 1, Talent 2 and Talent 3 where researchers conducted interviews with the Business Unit Head as the supervisor of the 3 talents and talent identification based on quantitative data (technical competence, managerial competence, achievement of performance targets (KPI), 360 feedback assessment, experience and education). Talent performance assessment for qualitative based on interviews with KTT with the results in Figure 24 for performance assessment and Table 21 for Potential assessment.

No	ITEM	PERFORMANCE TALENT		
		OPTION 1	OPTION 2	OPTION 3
1	Work Results	90	95	85
2	Consistency Achieving targets	95	100	85
3	Collaboration and Communication	90	95	90
4	Overcoming Challenges	80	90	87
Everage		88,75	95	86,75

Figure 24. Talent Performance

No	ITEM	POTENTIAL TALENT		
		OPTION 1	OPTION 2	OPTION 3
1	Readiness to become a Business Unit Head	87	90	87
2	Learning new things	90	90	90
3	Leadership and influence	85	90	80
Everage		87,33	90,00	85,67

Figure 25. Potential Talent

Talent Performance Assessment based on quantitative data, with results in Figure 26 for performance assessment and Figure 27 for Potential assessment.

Figure 26. Talent Performance

No	ITEM	PERFORMANCE TALENT		
		OPTION 1	OPTION 2	OPTION 3
1	Knowledge	75	75	100
2	Experience	75	75	75
3	Assessment	75	50	50
4	Technical Competency	0	0	0
5	Managerial Competency	50	50	0
Average		55	50	45

Figure 27. Potential Talent

No	ITEM	POTENTIAL TALENT		
		OPTION 1	OPTION 2	OPTION 3
1	Qualitative	75	75	75
2	Quantitative	75	100	75
Average		75	87,5	75

The assessment of talent performance for the succession plan of the Business Unit based on Potential and Performance is then averaged values from qualitative data and quantitative data, the results can be seen in Figure 28 for Talent Performance and Potential Talent.

No	ITEM	PERFORMANCE TALENT			POTENTIAL TALENT		
		OPTION 1	OPTION 2	OPTION 3	OPTION 1	OPTION 2	OPTION 3
1	Qualitative Data	55	50	45	75	87,5	75
2	Quantitative Data	88,75	95	86,75	87,33	90,00	85,67
Average		71,875	72,5	65,875	81,17	88,75	80,33

Figure 28. Performance Talent and Potential Talent

The results of the Talent performance assessment for Potential and Performance based on qualitative and quantitative data can be seen in Figure 29.

No	ITEM	TALENT		
		OPTION 1	OPTION 2	OPTION 3
1	Potential	81,17	88,75	80,33
2	Performance	71,88	72,50	65,88

Figure 29. Performance Assessment of Potential Vs Performance for each

Mapping employees in the Nine Box talent

At the next stage is to enter the analysis data into the nine box talent in Figure 30 and Figure 31.

Performance/Potential	Low < 40	Medium 40- 69	High 70-100
High 70-100	Good performance, but lacks leadership potential	potential candidates need mentoring	Future Leaders and Ready to be Developed
Medium 40- 69	Stable at Current Position	candidates that can be developed	Strong Candidate for Promotion
Low < 40	Underperformance, Needs Improvement	Potential but needs improvement	May be growing but performance is not yet optimal

Figure 30. Nine Box talent Value Range

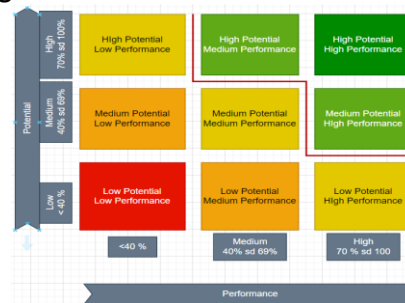


Figure 31. Nine Box Talents and their value ranges

Candidate Mapping based on nine Box Talent can be seen in Figure 32.

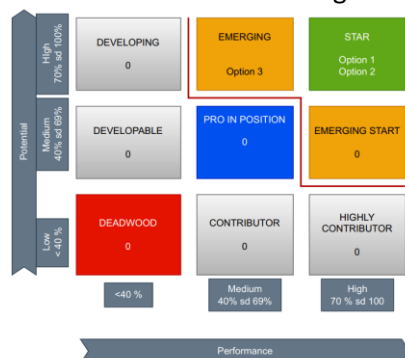


Figure 32. Mapping 3 Talent Candidate Talents to Nine Box Talent

Based on the assessment results in **Figure 36** and **Figure 37** and **Figure 38** each candidate is mapped to the Nine Box Talent Grid as follows:

a) Talent Talent 1 and Talent Talent 2 (High Performance - High Potential)

With the performance assessment of Talent Talent 1 Performance Score with a value of 71.88 and Potential Score with a value of 81.17 and Talent Talent 2 Performance Score with a value of 72.5 and Potential Score with a value of 88.75, so that Talent Talent 1 and Talent Talent 2 are in the Future Leader category. The highest score on the Performance and Potential performance assessment is Talent 2, so for now it is more ready to be promoted to a higher leadership role.

b) Talent 3 (High Performance - Moderate Potential)

With a performance assessment of Performance Score with a value of 65.88 Potential Score with a value of 80.33 so that Talent 3 is in the Specialist category, which means that this candidate has very good performance but leadership potential can still be developed further.

Development Recommendations

Based on the mapping results in the Nine Box Talent Grid, several recommendations can be given for the development of each Talent candidate:

1. Talent 2 is the main candidate for Business Unit Head succession. With high performance and potential scores, this talent can be given further development programs that focus on strategic leadership and managerial level decision making.
2. Talent 1 becomes the second candidate for Business Unit Head succession. With performance and potential scores that are at the second position, this talent can be given a further development program that focuses on strategic leadership and managerial level decision making.
3. Talent 3 can be groomed for a candidate for a mid-level specialist or General Manager role. Although a high performer, development in the aspects of leadership and influence are still required before this talent is ready to occupy a more strategic position and be considered for a higher role.

Decision Analysis (DA)

Performance assessment based on SMART and Nine Box Talent analysis for the succession of Business Unit Head leadership can be seen in **Figure 33** for SMART Analysis and **Table 34** for Nine Box Talent Analysis:

Alternatives	Aggregate of Weighted Value (Performance= 0)	Aggregate of Weighted Value (Original)	Aggregate of Weighted Value (Potencial= 0)	Conclusion
OPTION 1	65,00	72,96	75,00	Stable, has good potential but performance needs to be improved
OPTION 2	65,83	74,49	88,16	the best candidate, has very high potential and the best performance
OPTION 3	67,50	70,41	75,00	better performance than option 1 and option 2 when without potency, but lower over all

Figure 33. for Leadership Succession Analysis with SMART Method

Alternatives	Aggregate of Weighted Value (Performance= 0)	Aggregate of Weighted Value (Original)	Aggregate of Weighted Value (Potencial= 0)	Conclusion
TALENT 1	36,49	55,10	75,00	Stable, has good potential but performance needs to be improved
TALENT 2	44,59	56,12	91,67	the best candidate, has very high potential and the best performance
TALENT 3	35,81	45,41	75,00	the same performance as Talent 1 and the lowest potential

Figure 34. for Leadership Succession Analysis with the Nine Box Talent Method

Based on the results of SMART and Nine Box Talent analysis, leadership succession for the Business Unit Head position currently leads to Talent with Talent 2. This talent is ready to be promoted to a higher position and has high performance and potential.

By understanding the readiness of each talent to occupy the Business Unit Head position, which is a strategic role in PT BCD in the future, the company needs to consider the replacement timeframe as a key variable. Most talents require special development programs to qualify for the position, while the learning process also takes time for them to be fully prepared.

By analyzing the job positions of the talents, assessing their performance and competencies, and comparing them with the needs of the key positions, the Company can map the readiness of the candidates in a more structured manner. This approach supports strategic succession planning and ensures that future Business Unit Head Positions can be filled by the right talent within an optimal time frame.

Critical positions in the organization must be filled, successors for critical roles are also very important for the company. When the person in a critical position is on leave or leaves the company abruptly, the designated successor can assume the position left behind. This scheme ensures the continuity of companies like ours: Urgent, in a few years and over a few years. This scheme addresses the company's concerns regarding leadership. The following figure 35 is the candidate's readiness time to occupy the position of Business Unit head.

Critical Role Position	< 3 Years	3 Years	> 3 Year
Business Unit Head	Option 2	Option 1	Option 3

Figure 35. Candidate readiness time to take up the position of Business Unit head

Business Solution

The current condition of leadership succession planning at PT BCD (PT BCD) has not been fully integrated formally. Although an Acting Position HR mechanism has been implemented as a temporary solution to fill vacant structural positions, its implementation still faces a number of challenges. Some aspects that are of major concern are :

1. The absence of a standardized and integrated succession plan. PT BCD does not yet have a policy that systematically regulates the process of identifying, evaluating and developing talents for strategic positions, such as the position of Business Unit Head.
2. Employee assessment for acting competency-based positions has not been optimized. Assessments still rely on basic criteria, such as POP, POM, and POU certifications, which do not include specific analysis related to the technical and managerial needs of key positions.
3. Limited documentation of competency criteria. Technical and managerial criteria have not been fully used as the main reference in the promotion and rotation process, resulting in potentially suboptimal filling of strategic positions.

PT BCD's Strategic Steps in Succession Planning Improvement To ensure the smooth operation of the company despite the vacancy of the Business Unit Head position is as follows:

1. Develop a Formal Succession Plan
 Develop a structured and documented formal succession planning policy. This policy should include stages of potential candidate identification, competency gap analysis, development, and promotion to strategic positions.
 Where in the succession planning for the leadership of the Business Unit Head, a mapping of Talent candidates who are ready to occupy the position of Business Unit Head < 3 years, ready to occupy the position of Business Unit Head in 3 years and and ready to occupy the position of Business Unit Head for more than 3 years.
2. Integrating Performance and Potential Based Evaluation Methods
 Implement the SMART (Simple Multi-Attribute Rating Technique) and Nine Box Talent Matrix methods to assess employee performance and potential more comprehensively. This method can be used to map candidates based on objective and measurable criteria for Business Unit Head positions and other strategic positions.

3. **Developing Training Programs Based on Gap Analysis**
Conduct a gap analysis between the candidate's current competencies and the needs of the Business Unit Head position. Based on the results of the analysis, a development program can be developed to close the gap.
4. **Job Rotation and Mentorship Program**
Implement a job rotation program to build cross-functional expertise, which will increase employees' flexibility and readiness to face operational challenges. In addition, a mentorship program involving senior leaders needs to be implemented to directly guide candidates in honing their leadership skills.
5. **Periodic Monitoring and Evaluation**
Establish a regular monitoring and evaluation system to measure candidate progress based on key performance indicators. Regular feedback also needs to be provided so that candidates can improve their weaknesses in a timely manner.

The Talent Development Program to Close Competency Gaps is carried out by PT BCD with the aim that succession Talent candidates are ready to fill the position of Business Unit Head, a development program is needed that focuses on strengthening technical and managerial competencies. This program can be designed with the following components:

1. **Technical and Managerial Training**
The training program needs to cover technical aspects, such as Mine Planning, Financial Budgeting, and Risk Management, as well as managerial training in leadership, strategic decision making, and team management.
2. **Mentorship and Coaching**
Each candidate will be assigned a senior mentor whose role is to provide guidance and share first-hand experiences. This process aims to accelerate the learning process and candidate readiness.
3. **Periodic Assessment and Feedback**
Periodic assessments through the SMART method, Nine Box Talent and 360-degree feedback are conducted to ensure that candidates experience measurable performance improvement.
4. **Strategic Project Assignments**
Giving candidates responsibility in strategic projects that suit the company's needs. This aims to improve the candidate's ability to deal with real situations in the field.
5. **By implementing these measures, PT BCD is expected to create a solid and sustainable leadership pipeline. This development program not only prepares candidates to fill vacant strategic positions, but also ensures the smooth operation of the company in the long run.**

Implementation Plan & Justification

Implementation

Plan implementation needs to be done through the following strategic stages:
To realize the TALENT 2 Talent Candidate who has been determined as the Business Unit Head Leadership Succession at PT BCD, the implementation of the plan needs to be carried out through the following strategic stages according to Figure 36.



Figure 36. Flow Chart Succession Business Unit Head Implementation Plan

The first step taken to prepare Talent Succession candidates for the leadership of the Business Unit Head is to plan and prepare for the development of succession candidates by identifying competency

gaps, preparing a development budget, and making an Individual development program plan to develop the competencies and abilities of talents when filling future positions.

The company prepares IDP based on PT BCD's future organizational needs. In employee development PT BCD applies the 3 E Learning System, namely the 3E learning model (Education, Exposure, Experience) is an effective strategy in employee development. Education (10%) provides a theoretical basis through training, seminars, and certifications. Exposure (20%) allows employees to learn from interaction with mentors, coaching, and cross-team collaboration. Experience (70%) emphasizes learning through hands-on experiences, such as job rotations, strategic projects, and increased responsibilities. With this approach, companies can build talent that is ready to face business challenges, accelerate succession readiness, and create competent and competitive leaders in the future.

CONCLUSION

The conclusion of this study shows that leadership succession planning at PT BCD is very important to ensure smooth operations and the achievement of optimal production targets. The current situation shows that succession planning has not been formally integrated, although there have been some attempts such as the HRM mechanism for temporary positions. Based on these findings, PT BCD needs to develop more structured and well-documented succession planning, including mapping potential leaders based on an analysis of their competencies and readiness to fill strategic positions in the near future. With performance-based and potential evaluations and continuous competency development, the company can ensure that potential leaders are ready to fill important positions such as Head of Business Unit.

The contribution of this research for the future is to provide strategic recommendations related to leadership succession planning at PT BCD that can be used as a guideline in creating leadership continuity and achieving company goals efficiently and safely. In addition, this research opens up opportunities for further research that can explore other factors that influence the effectiveness of succession programs, such as organizational culture, job satisfaction, and other external factors. It is hoped that with the implementation of these recommendations, PT BCD can strengthen its competent leadership position and ensure long-term success in the mining industry.

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