

FROM INFORMAL PRACTICE TO STRATEGIC TALENT MANAGEMENT: A QUALITATIVE CASE STUDY OF AWA GROUP

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Abstract

Talent management in growing organizations often develops through informal managerial practices before becoming more strategically coordinated. This study examines how talent-management practices emerge and become strategically organized within AWA Group while balancing inclusion and differentiation, agility and governance, and current performance and future potential. An interpretive qualitative single-case study was conducted using purposive maximum-variation sampling involving 12 informants across five organizational stakeholder groups. Data were collected through semi-structured interviews and analyzed using reflexive thematic analysis with an abductive approach, supported by cross-level triangulation and negative-case analysis. The findings identify five interrelated themes: talent is recognized as trusted readiness rather than a fixed label; an inclusive development floor coexists with selective strategic acceleration; informality functions as both an organizational capability and a governance risk; fairness depends on explainability and mobility rather than equal treatment alone; and organizational growth creates pressure for a hybrid and selectively formalized talent architecture. Based on these findings, the study develops the AWA Emergent Talent Management Model, which connects business growth triggers, talent recognition, developmental exposure, readiness evidence, and strategic deployment and succession. The study highlights selective formalization as a mechanism for strengthening transparency, accountability, and succession readiness while preserving contextual managerial flexibility.

Keywords: *Talent Management; Strategic Talent Management; Selective Formalization; Talent Development; Succession Planning; Organizational Growth*

1. INTRODUCTION

Talent management is increasingly understood as a context-sensitive strategic process rather than a standardized set of human resource practices. Contemporary scholarship emphasizes the importance of identifying strategically valuable people and roles, developing organizational capability, retaining key contributors, and aligning people-related decisions with evolving business requirements (Anlesinya et al., 2019; Gallardo-Gallardo et al., 2020). However, the formality, inclusiveness, and strategic orientation of talent-management

practices vary considerably across organizational contexts. This issue is particularly relevant in growing organizations, where business expansion may create new roles, leadership requirements, and succession needs more rapidly than formal human resource systems can be developed.

This challenge becomes more visible in smaller, entrepreneurial, and emerging organizations. Recent qualitative studies demonstrate that organizational size, ownership structure, sector, relational context, and stage of growth influence how talent is defined, identified, developed, and retained (Cantoni et al., 2025; Hapsari & Flåten, 2026). Research on SMEs further indicates that talent-management practices tend to vary considerably rather than converge around a single best-practice model (Tasoulis et al., 2025). These findings point to an important research gap. Formal concepts such as talent pools, succession systems, structured potential assessments, and differentiated development frameworks may not fully explain how talent management develops in organizations where people-related decisions initially emerge through day-to-day managerial judgment, interpersonal trust, performance observation, stretch assignments, and informal role allocation.

The first contradiction concerns inclusion versus differentiation. An inclusive approach assumes that every employee possesses potential that can be developed, whereas strategic differentiation directs limited developmental resources toward individuals or roles considered particularly critical to organizational continuity and future growth. A systematic review suggests that inclusive talent development may support organizational capability and long-term sustainability, although empirical research on inclusive approaches remains less developed than research on exclusive talent-management systems (Kaliannan et al., 2023). At the same time, organizational justice research indicates that employees do not automatically perceive inclusive systems as more equitable. Perceptions of fairness are also influenced by self-interest, transparency, procedural consistency, and the principles through which developmental opportunities are allocated (Dries & Kaše, 2023). Consequently, the central issue is not simply whether talent management is inclusive or exclusive, but how organizations reconcile broad access to development with selective investment in strategically important talent.

The second contradiction concerns current performance versus future potential. Current performance is relatively visible, measurable, and easier to justify in managerial decision-making. Nevertheless, strong performance in an existing role does not necessarily indicate readiness for leadership, cross-functional coordination, strategic decision-making, or responsibilities that differ qualitatively from an employee's current position. Contemporary talent scholarship challenges rigid binary classifications and instead encourages a paradoxical “both/and” understanding in which talent may be contextual, developable, and differentiated at the same time (Vardi & Collings, 2023). For growing organizations, this creates a significant managerial challenge because future potential must often be assessed from incomplete evidence. Managers may therefore rely on observed

learning agility, judgment, autonomy, adaptability, influence, problem-solving capacity, willingness to assume responsibility, and responses to unfamiliar assignments when determining who is ready for greater organizational responsibility.

A third contradiction emerges between informality and formalization. Informal people-management practices can support organizational speed, flexibility, relational closeness, and the use of contextual knowledge in decision-making. Such practices may be particularly valuable in growing organizations where rapid responses are required and formal procedures remain underdeveloped. However, excessive dependence on informal judgment can also make selection criteria unclear, strengthen visibility bias, increase dependence on a small number of decision makers, and create uncertainty among employees regarding how development and promotion opportunities are allocated. Studies of SMEs suggest that formalization is highly contingent on organizational context and often develops gradually as growth increases coordination, accountability, and succession requirements (Cantoni et al., 2025; Hapsari & Flåten, 2026). The relevant organizational question is therefore not whether informal practices should simply be replaced by bureaucratic procedures, but which high-consequence talent decisions require greater transparency, documentation, consistency, and multi-source evaluation.

A fourth contradiction concerns strategic differentiation versus organizational justice. Differentiated investment in employees may be strategically justified when certain individuals possess capabilities, responsibilities, or potential that are especially important for organizational growth. Nevertheless, such differentiation can also generate perceptions of exclusion when employees do not understand why particular individuals receive greater developmental opportunities, strategic assignments, or leadership exposure. Differentiated talent management is more likely to be perceived as legitimate when employees understand the basis of decisions, believe that opportunities remain attainable, and recognize that talent status can be reassessed rather than permanently assigned (Dries & Kaše, 2023). This tension makes contradictory accounts analytically valuable in qualitative research. Differences between managerial interpretations and employee experiences can reveal how talent management actually functions within an organization, including the implicit rules, assumptions, and trade-offs that may not be visible in formal human resource policies.

Within this context, AWA Group provides a relevant case for examining the emergence of strategic talent management in a growing organization. As organizational growth increases the need for dependable employees, future leaders, role flexibility, and succession readiness, the organization must simultaneously determine who should receive greater responsibility, how potential should be recognized, how developmental opportunities should be distributed, and how key employees can be retained without undermining perceptions of fairness. These conditions provide an appropriate setting for examining how informal managerial practices may gradually evolve into more strategically coordinated

talent-management mechanisms. Accordingly, this study addresses the following research question: How do talent-management practices emerge and become strategically organized in AWA Group while balancing inclusion and differentiation, agility and governance, and current performance and future potential?

This study makes two contributions. First, it contributes conceptually by examining selective formalization as a possible mechanism through which a growing organization can preserve contextual and flexible managerial judgment while increasing transparency, fairness, talent mobility, and succession readiness. Second, it contributes empirically by examining talent management as an evolving organizational practice rather than treating it solely as a formal human resource system. By paying particular attention to contradictory interpretations across organizational levels, the study seeks to explain not only what talent-management practices exist within AWA Group, but also how these practices are interpreted, negotiated, and transformed as the organization grows.

2. RESEARCH METHOD

This study employed an interpretive qualitative single-case study design to examine how talent-management practices emerge and become strategically organized within AWA Group. A case-study approach is appropriate for investigating contemporary organizational processes within their real-life context, particularly when the research seeks to understand how practices develop, are interpreted, and are enacted rather than to measure the frequency of predetermined variables (Yin, 2018). The interpretive orientation allowed the study to capture differences in meaning, experience, and managerial judgment across organizational levels.

Participants were selected through purposive maximum-variation sampling to represent different organizational positions involved in, affected by, or observing talent-management practices. The study involved 12 informants across five stakeholder groups: two top-management representatives, two employees responsible for people or human-resource functions, four unit leaders, two employees who had received expanded responsibilities, and two regular employees. This cross-level composition enabled comparison between strategic intentions, HR governance, managerial judgments, developmental experiences, and employee perceptions of fairness.

The category expanded-responsibility employees refers to individuals who had been assigned broader duties, strategic projects, supervisory responsibilities, or other forms of increased organizational responsibility. This term was deliberately used instead of *high-potential employees* because potential was treated as an analytical issue to be explored through the data rather than as a predetermined label assigned before the interviews.

Data were collected primarily through semi-structured interviews. Rather than beginning with technical talent-management terminology, interviews focused on concrete organizational experiences and critical incidents. Informants were asked to describe how

employees were selected for greater responsibilities, how management recognized future potential, what factors influenced delegation and promotion decisions, how developmental opportunities were allocated, and how the organization responded to employees considered important for future growth. This approach was intended to capture organizational meanings of talent as they were actually understood and practiced by participants.

The interview protocol covered five major domains: the organizational meaning of talent; the distinction between current performance and future potential; access to development and stretch assignments; deployment, promotion, retention, and succession decisions; and perceptions of transparency and organizational fairness. Follow-up questions were used to explore concrete examples, exceptions, and inconsistencies within participants' accounts.

Particular attention was given to contradiction-sensitive probing. Contradictions were not assumed in advance but explored when an informant's initial statement indicated a possible difference between general organizational principles and actual practice. For example, when participants stated that developmental opportunities were available to all employees, they were subsequently asked to describe a recent strategically important assignment, identify who had been considered, explain why particular employees had been selected, and clarify why others had not been chosen. This procedure enabled comparison between espoused principles and enacted practices without assuming that inconsistencies necessarily existed.

The interviews also examined negative and deviant cases. Informants were encouraged to discuss situations in which high-performing employees were not considered ready for leadership, employees declined promotional opportunities, relatively less-visible employees subsequently demonstrated strong potential, or managerial trust conflicted with formal performance evidence. Examining such cases reduced the risk of constructing findings solely from accounts that confirmed dominant managerial assumptions.

The complete interview dataset was transcribed and reviewed as the primary basis for analysis. From this broader dataset, 24 analytically significant excerpts were selected for focused cross-level and contradiction analysis because they most clearly represented convergent, divergent, and negative-case patterns across informant groups. These excerpts were not treated as the entirety of the interview data, but as illustrative evidence used to demonstrate the analytical process from raw accounts to codes, categories, themes, and conceptual interpretations.

Data analysis followed reflexive thematic analysis, moving through familiarization, initial coding, category development, theme construction, theme review, and interpretive writing (Braun & Clarke, 2021). The analytical process was iterative rather than strictly linear, allowing emerging interpretations to be continuously compared with the complete interview material.

Coding followed an abductive logic, combining sensitizing concepts from talent-management scholarship with meanings emerging directly from participants' accounts. Initial sensitizing concepts included *performance*, *potential*, *inclusion*, *differentiation*, *fairness*, *succession*, and *formalization*. These concepts were compared with locally grounded expressions used by participants, such as “trusted,” “can be left alone,” “more visible,” “ready to take responsibility,” and “tested while working.” The purpose was not to force organizational experiences into predetermined theoretical categories, but to establish dialogue between participants' interpretations and existing talent-management concepts.

The analytical process proceeded through four interconnected levels: Raw interview accounts → Initial codes → Analytical categories → Interpretive theme. For example, statements concerning being trusted with difficult assignments, working with limited supervision, responding effectively to unfamiliar problems, and repeatedly receiving greater responsibility were initially coded separately. These codes were subsequently compared and grouped into broader categories concerning trust, autonomy, learning agility, and readiness, which then contributed to higher-order themes related to talent recognition and strategic responsibility.

Negative-case analysis was applied throughout the coding process. Evidence that contradicted or weakened an emerging interpretation was retained and compared with dominant patterns rather than excluded from the analysis. This was particularly important in examining tensions between high performance and leadership potential, inclusive development and selective acceleration, informal managerial trust and procedural transparency, and strategic differentiation and perceptions of fairness.

Research credibility was strengthened through cross-level triangulation. Accounts from top management and HR representatives were compared with those of unit leaders, expanded-responsibility employees, and regular employees to identify convergence, divergence, and differences in organizational interpretation. Relevant organizational information and documents were also used where available to contextualize participants' accounts. Analytical decisions were recorded through reflexive memos and an audit trail linking interview excerpts to initial codes, analytical categories, themes, and conceptual interpretations.

The analytical process maintained a clear distinction between participants' accounts, researcher interpretations, and theoretical concepts derived from prior scholarship. Themes were therefore developed on the basis of patterned meaning across the dataset while remaining sensitive to alternative explanations and contradictory evidence. This procedure enabled the study to move beyond describing existing HR practices toward explaining how talent-management mechanisms were constructed, negotiated, and progressively institutionalized within AWA Group.

Table 1. Informant Structure and Analytical Focus

Informant Group	Informant IDs	Core Interview and Analytical Focus
Top Management	M1-M2	Organizational growth, critical roles, meaning of talent, allocation of greater responsibility, agility versus governance, and succession risk
People/HR Roles	H1-H2	Evidence used to assess performance and potential, developmental opportunities, consistency across units, documentation, fairness, and formalization
Unit Leaders	L1-L4	Daily judgments of trust and readiness, delegation, performance versus leadership potential, visibility bias, and alternative candidates
Expanded-Responsibility Employees	E1-E2	Access to stretch assignments, developmental support, workload, career aspirations, transparency, and perceived fairness
Regular Employees	E3-E4	Access to learning and strategic assignments, perceived selection criteria, visibility and proximity effects, developmental mobility, and legitimacy of differentiation

Source: *Data Processed, 2026*

3. RESULTS AND DISCUSSION

The analysis identified five interrelated themes that explain how talent-management practices are understood and enacted within AWA Group. Rather than presenting talent management as a fixed or fully formalized system, the findings reveal a dynamic process shaped by managerial judgment, developmental opportunity, organizational growth, and employee perceptions of fairness. Importantly, the findings also demonstrate several tensions across organizational levels. These tensions were not treated as inconsistencies to be removed, but as analytically meaningful differences that illuminate how talent management operates in practice.

The five themes are: (1) talent as trusted readiness rather than a fixed label; (2) an inclusive development floor combined with selective strategic acceleration; (3) informality as both an organizational capability and a governance risk; (4) fairness as a function of explainability and mobility rather than equal treatment alone; and (5) the emergence of a hybrid and selectively formalized talent architecture. Table 2 summarizes the analytical pathway from recurring evidence patterns to codes, categories, and themes.

Table 2. Condensed Coding Chain from Interview Evidence to Themes

Evidence Pattern	Illustrative Codes	Analytical Category	Theme
Strong current performance alone is considered insufficient for broader responsibilities; managers also consider learning ability, autonomy, judgment, and leadership behavior	Performance; agility; leadership reliability	learning autonomy; Readiness potential; judgments	Talent as trusted readiness
General developmental opportunities are widely available, while strategic projects selective	Inclusive selective	access; Differentiated acceleration; development	Inclusive development floor,

Evidence Pattern	Illustrative Codes	Analytical Category	Theme
and leadership exposure are concentrated on a smaller group	stretch assignment; strategic exposure		selective acceleration
Managers rely on experience and rapid judgment, while criteria for larger responsibilities are not always fully documented	Tacit talent pool; managerial discretion; speed; opacity	Informal talent governance	Informality as capability and governance risk
Employees are more accepting of differentiated opportunities when the reasons are understandable and future access remains possible	Transparency; visibility bias; procedural fairness; opportunity access	Legitimacy of differentiation	Fairness through explainability and mobility
Greater responsibilities are granted progressively, and judgments about talent change as employees accumulate new evidence of readiness	Staged responsibility; reassessment; dynamic status; experiential development	Talent mobility	Talent as an evolving developmental process

Source: *Data Processed, 2026*

3.1 Talent is Recognized as “Trusted Readiness,” Not as a Fixed Label

The first theme indicates that talent within AWA Group is not understood solely in terms of current performance. Consistent work outcomes remain important, but they function primarily as an initial indicator rather than a sufficient condition for greater organizational responsibility. Managers also consider how individuals respond to change, learn from unfamiliar situations, exercise independent judgment, solve problems, and coordinate others.

As one top-management informant explained:

“Bagi saya orang bagus bukan hanya yang targetnya tinggi. Yang penting ketika situasi berubah dia tetap bisa belajar dan tidak menunggu terus diarahkan.” (M1)

A unit leader expressed a similar distinction between current performance and broader readiness:

“Orang yang paling cepat menyelesaikan pekerjaan belum tentu yang paling bagus memegang tim. Saya lihat juga cara dia menyelesaikan masalah dan membawa orang lain.” (L1)

These accounts suggest that talent is constructed through a combination of demonstrated performance and perceived readiness for more demanding future responsibilities. The findings therefore support an understanding of talent as trusted readiness: an organizational judgment that an individual can be relied upon not only to perform current tasks but also to learn, adapt, make decisions, and assume responsibilities under more complex conditions.

This interpretation is consistent with contemporary talent scholarship that challenges binary classifications of employees as either “talent” or “non-talent” and instead treats talent as multidimensional, contextual, and developable (Vardi & Collings, 2023; Tasoulis et al., 2025). Within AWA Group, the relevant distinction is therefore less about who permanently

belongs to a talent category and more about who currently demonstrates credible evidence of readiness for broader responsibility.

However, the findings also reveal an important contradiction. Trust is valuable because managers possess contextual knowledge about employees that may not be captured by formal performance indicators. At the same time, trust may be influenced by proximity and visibility.

One unit leader acknowledged this limitation:

“Kedekatan dengan pimpinan memang bisa membuat seseorang lebih terlihat. Makanya kalau hanya mengandalkan ingatan manajer, ada risiko orang lain tidak terbaca.”
(L4)

This account functions as an important negative case. It demonstrates that trust cannot automatically be treated as objective evidence of potential. Employees who interact more frequently with leaders may become more visible and therefore more likely to receive opportunities that further reinforce their reputation.

The implication is that trust should be translated into observable indicators, such as consistency under pressure, learning from feedback, decision quality under ambiguity, problem-solving capacity, and ability to coordinate others. High-consequence judgments should also be reviewed across more than one decision maker. In this sense, AWA Group's experience reflects the paradox identified by Vardi and Collings (2023): talent can be simultaneously demonstrated and developable, individual and context-dependent, visible in current behavior yet still uncertain in future application.

3.2. An Inclusive Development Floor Coexists with Selective Strategic Acceleration

The second theme reveals a clear tension between inclusive development and selective strategic investment. Across the interviews, general developmental opportunities were described as relatively open, while high-stakes assignments, project leadership, and broader responsibilities were concentrated among a smaller group of employees.

A people-management informant explained:

“Kesempatan pelatihan pada dasarnya terbuka, tetapi kalau ada proyek penting biasanya beberapa nama lebih sering dipilih karena sudah punya rekam jejak dan dipercaya.” (H1)

From the employee perspective, the distinction was expressed more critically:

“Pelatihan umum bisa diikuti banyak orang, tetapi kesempatan memimpin proyek terasa lebih terbatas.” (E3)

These accounts demonstrate that broad access to development does not necessarily translate into equal access to strategically important developmental experiences. The resulting arrangement is neither fully inclusive nor purely exclusive. Rather, it represents an inclusive development floor combined with selective strategic acceleration.

This finding extends the distinction between inclusive and exclusive talent management discussed in prior research. Inclusive approaches emphasize developmental opportunity for a broad employee population, whereas differentiated systems concentrate scarce organizational resources on strategically important individuals or positions (Kaliannan et al., 2023; Vardi & Collings, 2023). The findings from AWA Group suggest that these approaches may coexist rather than operate as mutually exclusive alternatives.

The important analytical question is therefore not whether every employee receives identical opportunities, but whether general development is genuinely accessible and whether selective acceleration is based on criteria that employees can understand.

The findings also indicate that stretch assignments serve a dual function: they develop employees while simultaneously generating evidence about future readiness.

One unit leader described this process:

“Kalau ada proyek baru, biasanya saya mulai dari tugas kecil. Kalau dia bisa pegang, tanggung jawabnya dinaikkan. Jadi seperti dites sambil bekerja.” (L2)

This finding suggests that talent identification and talent development are mutually constitutive processes. An employee does not necessarily need to be formally identified as “talent” before receiving developmental exposure. Instead, the developmental assignment itself may reveal previously unobserved potential.

This mechanism is particularly relevant for employees who are initially less visible. Research on SMEs shows that talent-management practices are often adaptive and shaped by organizational context rather than following standardized sequences (Cantoni et al., 2025; Hapsari & Flåten, 2026). In AWA Group, developmental opportunity therefore becomes not only an investment in known capability but also a mechanism for discovering future capability.

3.3. Informality Is Both an Organizational Capability and a Governance Risk

The third theme concerns the contradictory role of informality. Informal managerial judgment enables AWA Group to make rapid people-related decisions in response to changing business requirements. Managers value direct knowledge of employees and the flexibility to allocate responsibilities without waiting for complex administrative procedures.

A top-management informant stated:

“Kalau bisnis bergerak cepat, kami tidak selalu bisa menunggu sistem yang lengkap. Kadang keputusan orang harus dibuat dalam hitungan hari.” (M2)

From this perspective, informality represents an organizational capability. It supports agility, responsiveness, and contextual decision-making.

However, other informants highlighted the governance limitations of this approach.

A unit leader noted:

“Kelebihan cara informal itu cepat. Kekurangannya, orang yang tidak terpilih mungkin tidak tahu mengapa namanya tidak masuk.” (L2)

A people-management informant similarly explained:

“Kami punya catatan kinerja, tetapi alasan seseorang diberi proyek yang lebih besar belum selalu dituangkan sebagai kriteria tertulis.” (H2)

These accounts reveal that the same informality that facilitates speed can also create opacity. When criteria remain implicit, employees may not understand why particular individuals repeatedly receive greater responsibilities or how they themselves can become eligible for similar opportunities.

The findings therefore challenge a simplistic maturity assumption in which informal practices are automatically interpreted as inferior and formal systems as inherently superior. Research on smaller and emerging firms shows that talent-management formalization develops unevenly and is strongly shaped by organizational size, ownership, sector, relationships, and growth stage (Cantoni et al., 2025; Hapsari & Flåten, 2026; Tasoulis et al., 2025).

What emerges from AWA Group is the need for selective formalization rather than comprehensive bureaucratization. Under this approach, low-risk developmental decisions may remain flexible and managerially driven, whereas decisions with significant consequences for promotion, succession, compensation, or long-term access to strategic assignments require clearer criteria, documentation, and multi-source review. The distinction is therefore based on decision consequence rather than on an assumption that all talent-management activities require the same level of formalization.

This finding also aligns with strategic talent-management literature emphasizing that talent decisions are distributed across multiple organizational actors rather than residing exclusively within HR (Anlesinya et al., 2019). HR can provide structure, consistency, and documentation, while line managers contribute contextual knowledge regarding employee behavior and readiness.

3.4. Fairness Depends on Explainability and Mobility, Not Equal Treatment Alone

The fourth theme emerged most strongly from differences between management and employee perspectives. Managers tended to justify repeated selection of particular employees in terms of trust, demonstrated capability, and performance history. Employees, however, were less concerned with the existence of differentiation itself than with whether the pathway into differentiated treatment was visible and attainable.

One employee explained:

“Ada kesan orang yang sering berinteraksi dengan pimpinan lebih cepat mendapat peluang karena lebih terlihat. Bisa saja mereka memang bagus, tetapi prosesnya tidak selalu terlihat oleh kami.” (E4)

The same informant subsequently added:

“Saya tetap melihat orang bisa mendapat kesempatan kalau kinerjanya konsisten. Jadi masalahnya bukan selalu siapa yang dipilih, tetapi penjelasannya.” (E4)

This distinction is important. Employees do not necessarily demand identical treatment. Instead, they seek understandable criteria, credible evidence, and realistic opportunities to demonstrate readiness.

The findings therefore suggest that organizational justice in talent management depends less on equal distribution of opportunities than on explainability, attainability, and procedural mobility.

This supports the argument of Dries and Kaše (2023), who demonstrate that inclusive talent systems are not automatically perceived as fairer than exclusive systems. Fairness perceptions depend on allocation principles, procedural legitimacy, and employees' own positions within the system.

A further dimension of fairness concerns the possibility of reassessment.

One employee stated:

“Kalau gagal sekali lalu dianggap tidak potensial, menurut saya tidak adil. Kadang orang perlu dua atau tiga kesempatan.” (E2)

This account challenges the use of fixed talent labels. It suggests that employees expect talent judgments to remain open to revision as capability, experience, and career aspirations develop.

Consequently, talent pathways should permit employees to enter, exit, and re-enter development trajectories. Such mobility reduces the social cost of permanent talent/non-talent classifications and better reflects the contextual nature of potential (Vardi & Collings, 2023).

The same principle also applies to career aspirations. A high-performing employee who does not seek a managerial role should not automatically be interpreted as lacking potential. Instead, the organization may need differentiated pathways, including leadership and specialist trajectories. Talent management therefore requires not only an assessment of capability but also consideration of individual career orientation.

3.5.Organizational Growth Creates Pressure for a Hybrid and Selectively Formalized Talent Architecture

The fifth theme integrates the preceding findings and illustrates how organizational growth creates pressure for a more coordinated talent-management architecture.

The interviews indicate that AWA Group does not necessarily depend on a formally named talent pool. Nevertheless, managers often possess implicit knowledge of individuals they consider capable of assuming greater responsibilities when new business needs emerge.

One top-management informant explained:

“Kami tidak menyebutnya talent pool, tetapi ketika ada kebutuhan baru kami biasanya sudah punya bayangan siapa yang bisa diberi tanggung jawab lebih besar.” (M1)

This suggests the existence of a tacit internal talent pool, constructed through previous performance, trust, developmental exposure, and observed readiness.

At the same time, another unit leader resisted permanent categorization:

“Saya tidak suka label talent permanen. Orang bisa berkembang, bisa juga turun kalau konteks pekerjaannya berubah.” (L3)

These two perspectives are not necessarily contradictory. Together, they suggest that organizations may maintain an implicit view of succession readiness while still recognizing that talent status is dynamic.

As AWA Group grows, however, relying primarily on tacit managerial memory becomes increasingly difficult. Additional business units, roles, employees, and decision makers increase coordination requirements and raise the probability that similar employees may be evaluated differently across units. Growth therefore creates pressure for greater consistency without eliminating contextual managerial judgment.

The resulting architecture can be described as a hybrid talent-management system. The process begins when business growth generates new capability and leadership needs. Employees are subsequently recognized through evidence of: performance + trustworthiness + learning agility + autonomy + coordination capability. Development occurs through two complementary mechanisms: broad developmental access + selective stretch assignments.

Readiness is then tested through progressively more consequential responsibilities, which provide evidence for strategic deployment, promotion, or internal succession. Surrounding this process is a layer of selective formalization, consisting of transparent criteria, multi-source review, documentation of high-consequence decisions, and periodic reassessment of employee readiness.

This architecture reflects recent research showing that talent management is better understood as a context-dependent bundle of practices than as a universal standardized system (Gallardo-Gallardo et al., 2020; Cantoni et al., 2025; Tasoulis et al., 2025).

Table 3. Core Contradictions Identified Across Informant Accounts

Position A	Position B	Informant Sources	Interpretive Resolution
All employees should have opportunities to develop	Strategic assignments are concentrated on a smaller group	H1, E3	Inclusive developmental access can coexist with selective strategic investment
Informal decisions support speed and contextual judgment	Unwritten criteria may create opacity and visibility bias	M2, L2, L4, E4	Selective formalization is required for high-consequence decisions
Current performance provides concrete evidence	Strong current performance does not automatically indicate broader readiness	M2, L1, L3	Potential requires evidence beyond output metrics
Trust helps managers allocate responsibility	Trust can reproduce proximity and visibility effects	L1, L4, E4	Trust should be translated into observable evidence and periodically reviewed
Selective acceleration rewards employees who demonstrate readiness	Fixed labels may prematurely exclude late developers	L3, E2	Talent pathways should remain dynamic, reversible, and open to reassessment

Source: Data Processed, 2026

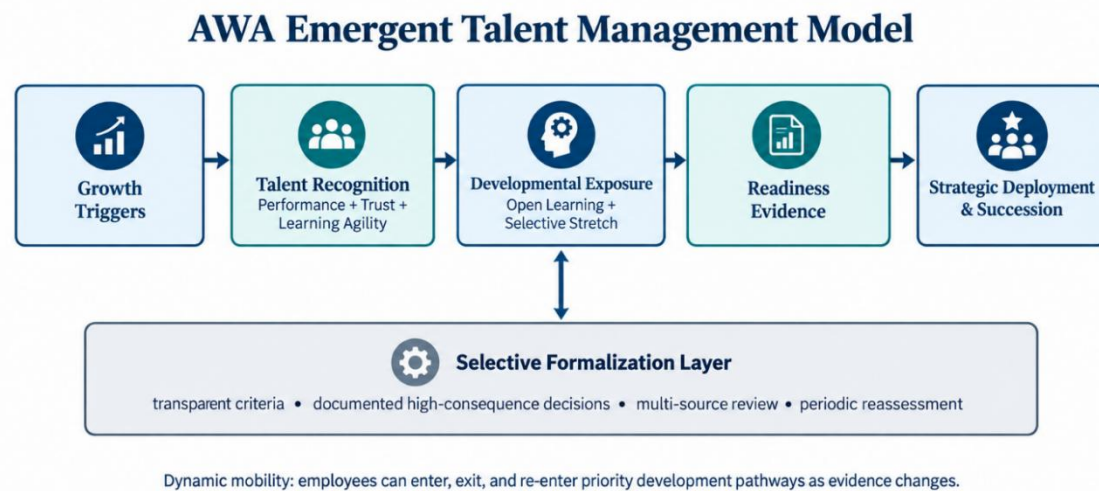


Figure 1. AWA Emergent Talent Management Model

The findings lead to an **AWA Emergent Talent Management Model** consisting of five interconnected stages:

AWA Emergent Talent Management Flow



Figure 2. AWA Emergent Talent Management Flow

The entire process is supported by Selective Formalization, which includes transparent criteria, cross-level review, documentation of high-consequence decisions, and periodic reassessment. The model indicates that talent management at AWA Group does not emerge through an abrupt transition from informal practice to a fully formal HR system. Rather, it develops through the progressive organization of existing managerial practices. Informal judgment remains valuable where contextual knowledge and speed are required, while greater formalization becomes necessary when decisions have significant consequences for employee careers, succession, and organizational continuity.

The central contribution of the model is therefore not to eliminate the contradictions observed in talent management, but to organize them productively. Inclusion and differentiation, informality and governance, performance and potential, and trust and fairness are not problems that can always be resolved by choosing one side over the other. Instead, effective talent management requires mechanisms that allow both sides of these tensions to coexist while reducing their organizational risks. In this sense, AWA Group illustrates how strategic talent management can emerge from everyday managerial practices through a gradual process of recognition, developmental exposure, evidence accumulation, reassessment, and selective formalization.

4. CONCLUSION

This study examined how talent-management practices emerge and become strategically organized within AWA Group as a growing organization. The findings demonstrate that talent management does not necessarily develop through the immediate adoption of a fully formalized HR system. Instead, it evolves through everyday managerial judgments, developmental experiences, repeated assessments of employee readiness, and the gradual institutionalization of people-related decisions as organizational complexity increases.

Five interrelated findings emerged from the analysis. First, talent is understood through trusted readiness, in which current performance is important but insufficient to determine future responsibility. Employee readiness is also assessed through trustworthiness, learning agility, autonomy, problem-solving ability, and capacity to coordinate others. Second, AWA Group combines an inclusive development floor with selective strategic acceleration. General learning opportunities may be broadly accessible, while stretch assignments, leadership exposure, and strategically important responsibilities are selectively allocated to employees who demonstrate stronger evidence of readiness. Third, informality functions simultaneously as an organizational capability and a governance risk. Informal judgment allows rapid and context-sensitive decision-making, but excessive reliance on tacit criteria can generate opacity, visibility bias, and inconsistency across

organizational units. Fourth, differentiated talent investment is more likely to be perceived as legitimate when selection criteria are understandable, developmental pathways remain attainable, and previous assessments can be reconsidered. Finally, organizational growth creates increasing pressure to formalize selected talent-management decisions without eliminating the flexibility and contextual judgment that characterize a growing organization.

Based on these findings, the study develops the AWA Emergent Talent Management Model, which connects five sequential but dynamically related processes: Business Growth Triggers → Talent Recognition → Developmental Exposure → Readiness Evidence → Strategic Deployment and Succession. Talent recognition is informed by performance, trustworthiness, learning agility, autonomy, and coordination capability. Developmental exposure combines inclusive learning opportunities with selective stretch assignments, while readiness is assessed through increasing levels of responsibility, reassessment, and critical work experiences. These processes ultimately inform strategic deployment and succession decisions.

A central contribution of the model is the concept of selective formalization. Rather than replacing informal managerial judgment with comprehensive bureaucracy, selective formalization introduces greater structure where decisions have substantial consequences for employee careers and organizational continuity. Transparent criteria, documented high-consequence decisions, multi-source review, and periodic reassessment can strengthen accountability while preserving managerial flexibility. Talent pathways should also remain dynamic, enabling employees to enter, exit, and re-enter priority development trajectories as their performance, capabilities, career aspirations, and organizational requirements change.

Theoretically, the findings demonstrate that several apparent contradictions in talent management are better addressed through a both/and logic rather than through mutually exclusive alternatives. Inclusive development can coexist with differentiated strategic investment; contextual managerial judgment can coexist with procedural accountability; and current performance can be considered alongside future-oriented assessments of potential. The study therefore reinforces a dynamic and context-sensitive understanding of talent management in which talent is not treated as a permanent individual label but as an evolving relationship between individual capability, developmental opportunity, and organizational needs.

From a managerial perspective, AWA Group should avoid prematurely creating a rigid talent classification system. Instead, the organization can strengthen existing practices by defining observable indicators of readiness, expanding meaningful developmental opportunities, documenting the rationale behind strategic assignments, involving multiple perspectives in high-consequence talent decisions, and periodically reassessing employees previously selected or not selected for accelerated development. Particular attention should also be given to alternative career pathways so that strong performers who do not pursue managerial roles can continue to develop through specialist or professional trajectories.

The study is limited by its focus on a single organizational context. Talent-management practices are shaped by organizational size, leadership characteristics, business development, workforce composition, and industry conditions; therefore, the findings should be interpreted analytically rather than assumed to represent all growing organizations. Future research could compare AWA Group with other growing firms, examine how the model changes as organizations reach different stages of growth, and investigate longitudinally whether selective formalization improves succession readiness, employee perceptions of fairness, talent retention, and internal mobility.

Overall, the study shows that the development of strategic talent management in a growing organization is not primarily a transition from “informal” to “formal.” Rather, it is a transition from implicit and individually held judgments toward increasingly shared, explainable, evidence-based, and strategically coordinated talent decisions. This transition allows organizations such as AWA Group to retain the agility of entrepreneurial people management while progressively building the governance required for sustainable growth and leadership continuity.

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