

# The Influence of Talent Management, Job Satisfaction, and Retention on Employee Performance

Ricky Alfian Ariyanto<sup>1</sup>

<sup>1</sup>Management-Faculty of Economics and Business-Universitas Muhammadiyah Malang-East Java-Indonesia

R. Iqbal Robbie<sup>2</sup>, Kenny Roz<sup>3</sup>, Yeyen Pratika<sup>4</sup>

<sup>2,3,4</sup>Management-Faculty of Economics and Business-Universitas Muhammadiyah Malang-East Java-Indonesia

Correspondence: [iqbal\\_robbie@umm.ac.id](mailto:iqbal_robbie@umm.ac.id)<sup>2</sup>



JSM  
Volume 7  
Number 2  
July 2025

Received on 27 Jan 2025

Revised on 27 Apr 2025

Accepted on 11 May 2025

The journal allows the authors to hold the copyright without restrictions and allow the authors to retain publishing rights without restrictions. Authors retain copyright and grant the journal right of first publication with the work simultaneously licensed under a creative commons attribution 4.0 international license.



DOI: 10.37479

## ABSTRACT

**Purpose:** The purpose of this research is to determine and analyze talent management, job satisfaction, employee retention and employee performance, the influence of talent management on employee performance, the influence of job satisfaction on employee performance, the influence of talent management on employee retention, the influence of job satisfaction on employee retention, the influence employee retention on employee performance, employee retention can mediate the influence between talent management on employee performance and employee retention can mediate the influence between job satisfaction and employee performance.

**Design/Methodology/Approach:** The type of research in preparing this thesis is explanatory research with the population, namely, production employees at PT. Polowijo Gosari Gresik, namely 234 employees, with a sample size of 70 respondents. The data analysis technique uses a range of scales and Structural Equation Modeling (SEM) with the partial least squares (PLS) method.

**Findings:** The research results show that talent management is included in the good criteria, job satisfaction is quite satisfactory, employee retention is good, and employee performance is quite high. Talent management does not affect employee performance, job satisfaction has an effect on employee performance, talent management has no effect on employee retention, job satisfaction has no effect on employee retention, employee retention has an effect on employee performance, employee retention is unable to mediate the effect of talent management on employee performance and employee retention is unable to mediate the influence of job satisfaction on employee performance.

**Keywords:** *Employee Performance; Employee Retention; Job Satisfaction; Talent Management*

## INTRODUCTION

Talent management programs that are commonly used in various

types of organizations, including school organizations, are related to HR (human resource management) activities, including several stages, namely recruitment, selection, development, evaluation, retention, and succession development. Success in talent management can influence organizational success (Sivaram et al., 2019) and impact organizational performance (Lavkush Mishra, 2022). The research results of Karina & Ardana (2020), Sudarijati & Setiawan (2019), Viany & Susilo (2018), and Dixit & Arrawatia (2018) show that talent management has a positive impact on employee performance. Performance achievement is also determined by the job satisfaction felt by employees. Job satisfaction can provide a pleasant and happy feeling in carrying out work; besides that, maintaining job satisfaction will encourage employees to work enthusiastically and ultimately will help the company achieve its desired goals (Anas, 2013). Job satisfaction is a condition felt by employees as a result of an analysis of their work

The results of research (Sugiyanto & Sutianingsih, 2023) and (Ratnawati & Subudi, 2018) show that talent management affects employee performance, different results are shown from research results (Rasyid & Ikham, 2022), and Harahap (2018) shows that talent management does not affect employee performance. Furthermore, the results of research by Damayanti et al. (2018) showed that job satisfaction had an effect on employee performance, while research results (Annisa Kharenina Augustine et al., 2022) showed that satisfaction did not affect performance. Different results were also shown from the research results of Lisdayanti (2015) and Sukmadewi & Dewi (2020), which showed that job satisfaction had an effect on employee retention.

PT. Polowijo Gosari is a company that operates in the field of processing magnesium dolomite mining materials into dolomite fertilizer. Apart from operating in the fertilizer production sector, PT. Polowijo Gosari also operates in the fields of construction services, logistics, agro-industry, and supermarket trading. There are three types of fertilizer produced by PT. Polowijo Gosari, namely: premium dolomite fertilizer 100, Magfertil fertilizer 20+, and NPK Pullet fertilizer 15.15.15. However, there are problems in employee operational activities related to achieving the desired production, namely, there is a tendency to experience a decrease in the amount of production. These conditions can be presented in Table 1.

Table 1. Target Data and product amount PT. Polowijo Gosari Gresik Year 2022 (in Ton)

Month	Production Target	Realization	Amount
January-March	150.000	135.650	14.350
April-June	150.000	132.770	17.230

July-September	150.000	129.540	20.460
October-December	150.000	121.043	28.957

Source: PT. Polowijo Gosari Gresik

Based on Table 1, it shows that the actual production has not been able to meet the targets that have been set, this is because the production employees have not been able to work optimally following the targets set by the company. During this time, employees in the production department have not been able to meet the targets set by the company in relation to production quantity targets, quality, and time for completing work, and this condition means that production realization has not been able to reach the targets that have been set. The achievement of production results, apart from not being able to achieve the set targets, also shows a tendency to decrease the amount of production. Some of these conditions cause problems in achieving employee performance, which is indicated by not achieving the set production targets. Apart from that, the existence of a gap in research is a motivation to conduct studies on talent management and job satisfaction on employee performance, with employee retention as a mediating variable.

## METHODS

The type of this research is explanatory research. The population in this research is production employees at PT. Polowijo Gosari Gresik, namely 234 employees, with a sample size of 70 respondents. The number of samples is determined using the Slovin formula with the following formula:

$$n = \frac{N}{1 + Nd^2}$$

Requirement :

N = Population size

n = Sample size

d = Precision (10%)

1 = Constan

If the population is calculated using the formula with a precision of 10% or 0.1, then the sample size is as follows:

berikut:

$$n = \frac{N}{1 + Nd^2} = \frac{234}{1 + 234(0,1)^2} = \frac{234}{3,34} = 70,05 = 70$$

The sample size in this study was 70 respondents. Sampling from the research population was carried out using the proportional random sampling technique. The method used for data collection is a questionnaire, with the scale used in measuring variables being the

Likert scale. The questionnaire used in this research is closed, meaning that respondents are expected to answer all the questions and are not allowed to answer beyond the answers provided. This questionnaire was carried out to obtain responses about the phenomena studied regarding talent management, job satisfaction, employee retention, and employee performance. The data analysis technique uses a range of scales and Structural Equation Modeling (SEM) with the partial least squares (PLS) method.

## RESULTS

### Scale Range Analysis Results

The results of the scale range analysis are used to determine talent management, job satisfaction, employee retention, and employee performance at PT. Polowijo Gosari Gresik, and in full, can be seen in the following table:

#### 1. Talent Management (X1)

Table 2. Talent management

Item	Respondent Answer Frequency					Indicator score	Criteria
	SS	S	N	TS	STS		
X <sub>1.1</sub>	5	32	27	6	0	246	Good
X <sub>1.2</sub>	1	39	15	15	0	236	Enough
X <sub>1.3</sub>	2	41	15	12	0	243	Good
X <sub>1.4</sub>	4	42	15	9	0	251	Good
X <sub>1.5</sub>	3	22	37	8	0	230	Enough
X <sub>1.6</sub>	5	17	39	9	0	228	Enough
Variable score total						1434	
<b>Means</b>						239	Good

Source: Processed Primary Data, 2024

Based on the results of calculating the average range of the talent management variable scale, the number obtained is 239, which means that the talent management variable is included in the good category.

The good results mean that, according to employees, the company has and implements a good strategy in recruiting and selecting employees, the recruitment and selection strategy is based on the skill level of employees, and the company has a strategy to retain the best talent owned by employees. In addition, employees stated that the company provides good positions in the company, clear career paths, and employees utilize the suggestions given by their leader in the process of achieving a better career.

## 2. Job Satisfaction (X2)

Table 3. Job satisfaction

Item	Respondent Answer Frequency					Indicator score	Criteria
	SS	S	N	TS	STS		
X <sub>2,1</sub>	2	34	23	11	0	237	Quite satisfied
X <sub>2,2</sub>	1	38	18	13	0	237	Quite satisfied
X <sub>2,3</sub>	1	39	16	14	0	237	Quite satisfied
X <sub>2,4</sub>	1	44	13	12	0	244	Quite satisfied
X <sub>2,5</sub>	2	24	33	11	0	227	Quite satisfied
X <sub>2,6</sub>	2	25	35	8	0	231	Quite satisfied
Variable score total						1413	
Variable score means						235,5	Quite satisfied

Source: Processed Primary Data, 2024

Based on the results of calculating the average range of the job satisfaction variable scale, a figure of 235.5 was obtained, which means that the job satisfaction variable is included in the quite satisfied category.

The results of the analysis mean that employees feel quite happy with their current jobs because they are following their abilities, the company has provided employees with sufficient salaries following applicable standards, and employees feel quite happy with their performance achievements as a basis for promotion (job promotion) in the Company. The results of the analysis also show that employees are quite happy with superiors who can provide support to their subordinates, are quite happy working with co-workers who provide sufficient support to employees, and are happy because their work is supported by facilities provided by the company.

## 3. Job retention (Z)

Table 4. Job retention

Item	Respondent Answer					Indicator score	Criteria
	SS	S	N	TS	STS		
Z <sub>1,1</sub>	7	43	20	0	0	267	Good
Z <sub>1,2</sub>	1	54	14	1	0	265	Good
Z <sub>1,3</sub>	3	52	15	0	0	268	Good
Z <sub>1,4</sub>	1	56	12	1	0	267	Good
Variable score total						1067	
Variable score means						266,75	Good

Source: Processed Primary Data, 2024

Based on the results of calculating the average range of the employee retention variable scale, a figure of 266.75 was obtained, which means that employee retention is included in the good category.

Good results mean that employees are willing to work hard to support the achievement of the Company's goals, and according to employees, the company provides clear career opportunities to employees who excel. The results of the analysis also show that the company provides a clear career ladder as a form of appreciation to employees, and the company clearly defines tasks or jobs for employees.

#### 4. Employee Performance (Y)

Table 5. Employee performance

Item	Respondent answer					Indicator score	Criteria
	SS	S	N	TS	STS		
Y <sub>1.1</sub>	5	17	37	11	0	226	Quite high
Y <sub>1.2</sub>	9	23	27	11	0	240	High
Y <sub>1.3</sub>	9	23	29	9	0	242	High
Variable score total						708	
Variable score means						236	<b>Quite high</b>

Source: Processed Primary Data, 2024

Based on the results of calculating the average range of employee performance variable scales, a figure of 236 was obtained, which means that employee performance is included in the quite high category.

These results can be interpreted to mean that in working, employees are quite capable of completing the number of tasks or jobs according to the targets set by the Company, can complete the quality of work according to the targets set by the Company and can complete work according to the time standards set by the Company.

### Path Analysis Results

#### 1. Hypothesis Test Results

The path coefficients test is carried out by using a model test to see the direct relationship between variables. The following output is a path coefficient test.

Table 6. Hypothesis test

	Originality	Sample	Standar	T Statistic	P Values	Description
Job satisfaction to perform	0,571	0,578	0,176	3,248	0,001	Accepted
Job satisfaction to retention	0,186	0,214	0,216	0,859	0,391	Rejected
Talent management to performance	0,193	0,187	0,177	1,091	0,275	Rejected

Talent management to retention	0,187	0,183	0,199	0,940	0,347	Rejected
Retention to performance	0,168	0,162	0,081	2,070	0,039	Accepted

Source: primary data processed, 2024

Based on the output table above, the results of a direct relationship with the following results are obtained: (1) Job satisfaction has a significant effect on employee performance as seen from the p-value (0.000) < 0.05 or t-statistic (3.248) > 1.96. The direct effect of job satisfaction on employee performance is 0.571, which means that if job satisfaction increases by one unit, employee performance can increase by 57.1% and this influence is positive. (2) Job satisfaction does not have a significant effect on employee retention as seen from the p-value (0.391) > 0.05 or t-statistic (0.859) < 1.96. (3) Talent management does not have a significant effect on employee performance as seen from the p-value (0.275) > 0.05 or t-statistic (1.091) < 1.96. (4) Talent management does not have a significant effect on employee retention as seen from the p-value (0.347) > 0.05 or t-statistic (0.940) < 1.96. (5) Employee retention has a significant effect on employee performance as seen from the p-value (0.039) < 0.05 or t-statistic (2.070) > 1.96. The direct effect of employee retention on employee performance is 0.168, which means that if employee retention increases by one unit, employee performance can increase by 16.8% and this effect is positive.

Table 7. Specific Indirect Effects Hypothesis

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Description
Job satisfaction to job retention to perform	0,031	0,026	0,036	0,862	0,389	Rejected
Talent management to retention, to perform	0,031	0,037	0,043	0,735	0,462	Rejected

Source: Primary data processed, 2024

## DISCUSSION

### Conditions of talent management, job satisfaction, employee retention, and employee performance at PT. Polowijo Gosari Gresik

Talent management at PT. Polowijo Gosari Gresik is included in the good criteria, good results show that employees are the company's assets that must be managed proactively and strategically. The condition of PT talent management. Polowijo Gosari Gresik is good

because the management in the process of recruiting and selecting prospective employees is actually carried out following the SOP that has been set, so that the recruiting and selection process really selects employees who have the ability to be placed in the positions needed by the company.

Job satisfaction is included in the quite satisfied category, this fact shows that employees feel that their current job is quite in line with their abilities, the company has provided employees with sufficient salaries following applicable standards and employees feel quite happy with their performance achievements as a basis used for promotion (promotion) and fairly good working relationship conditions with other employees. The fairly satisfied condition felt by employees shows that the satisfaction felt by employees is not yet optimal.

Employee retention is in the good category; this condition shows that employees are willing to work hard to support the achievement of company goals. The survey results show that companies provide clear career opportunities to employees who excel, provide clear career paths as a form of appreciation to employees, and the company assign tasks or jobs to employees. Employee performance is in the quite high category. However, the condition of achievement is quite good, indicating that employee performance has not been achieved optimally. The resulting production realization has not been able to meet the targets that have been set, as shown by an increase in the difference between the target and actual production, where in 2022, in January-March there is a difference of 14,350 tons, in April-June it is 17,230 tons, in July-September it is 17,230 tons. 20,460 tons and in October-December it was 28,957 tons.

### **The influence of talent management on employee performance**

Talent management has no effect on employee performance, meaning that as talent management increases, employee performance does not increase. Talent management does not influence employee performance, as indicated that with the strategy implemented by PT. Polowijo Gosari Gresik in recruiting and selecting employees, the recruitment and selection strategy is based on the level of employee skills, and the company's efforts to retain the best talent owned by employees have not had a positive impact on improving employee performance. In addition to a good position in the company, a clear career path, and employees utilizing suggestions given by leaders in the process of achieving a better career, have not yet improved employee performance at PT. Polowijo Gosari Gresik.

Talent management is a term for managing talent based on performance, and something that can be distinguished that arises from humanistic and demographic perceptions. Mutinda (2017) said that in

his research, it was determined that through talent management practices such as job rotation, organizations are able to increase employee competency, which influences the achievement of high employee performance. Talent management can directly influence employee performance if the employee's career growth and organizational progress are planned. The results of this research support the results of previous research conducted by Ivana & Marzuki (2023) and Rasyid (2022), which showed that talent management does not affect employee performance.

### **The Effect of Job Satisfaction on Employee Performance**

Job satisfaction influences employee performance, meaning that as employee job satisfaction increases, employee performance will increase. The results of the analysis show that employees are happy with their current job because it is in accordance with their abilities, the company has provided employees with sufficient salaries following applicable standards, and employees feel quite happy with performance achievements as a basis for promotion (increase in position) within the company. The research results of Damayanti et al. (2018) show that there is a significant influence between job satisfaction and employee performance, meaning that as job satisfaction increases, employee performance will increase.

### **The influence of talent management on employee retention**

Talent management has no effect on employee retention, meaning that as talent management improves, employee retention does not increase. Talent management is not just a single process or how a development program runs, but rather includes a series of processes carried out by the company to make employees comfortable in maintaining their desire to stay. Wibowo et al. (2017) define talent management as a concept starting from how to plan, acquire, develop, and retain talent. In other words, talent management is not just a single process or how a development program runs, but includes a series of processes. Nisa (2018) stated that talent management is a process of identifying a series of initiatives.

### **The influence of job satisfaction on employee retention**

Job satisfaction has no effect on employee retention, meaning that as employee retention increases, employee retention does not increase. The relationship between job satisfaction and employee retention is as follows: individuals who feel satisfied with their work tend to stay in the organization. Meanwhile, individuals who feel less satisfied with their work will choose to leave the organization. Perceived job satisfaction can influence an individual's thoughts about whether to stay or leave the company (Mathis & Jackson, 2016).

### **The effect of employee retention on employee performance**

Employee retention affects employee performance, meaning that as employee retention increases, employee performance will increase. This condition is also determined by the characteristics of the respondents, where the majority of employees are aged 24 - 27 years, which shows that some employees are of productive age, so they support operational activities in the company. The research results of Rasyid & Ikhram (2022) show that job satisfaction has an influence on employee retention.

### **Employee retention mediates the influence of talent management on employee performance.**

Employee retention is not able to mediate the influence of talent management on employee performance, meaning that increasing employee retention cannot increase the influence of talent management on employee performance. Retention is not related to performance, in the sense that maintaining and retaining employees is the company's job, while performance is influenced by internal and external factors of the employee.

According to Morton & Ashton (2005), talent management is a strategic and holistic human resource management (HRM) approach to improving the performance and potential of 'talent' whose results can be measured against the effectiveness of the organization now and in the future. Furthermore, talent management is also the ability to attract, develop, and retain the right people (talent) (Morley et al., 2015).

### **Employee retention mediates the influence of job satisfaction on employee performance.**

Employee retention is not able to mediate the influence of job satisfaction on employee performance, meaning that increasing employee retention cannot increase the influence of job satisfaction on employee performance. Andoh et al. (2021) said that job satisfaction is one of the factors that influences employee retention, because the higher the level of job satisfaction, the lower the employee's intention to leave. The job satisfaction received and felt by an employee will influence the results obtained from their work.

## **CONCLUSION**

Based on the results of the research and discussions that have been carried out, the following conclusions can be drawn:

1. Talent management is included in the good criteria, job satisfaction is in the quite satisfied category, employee retention is in the good category, and employee performance is in the quite high category.

2. Talent management does not affect employee performance, meaning that as talent management increases, employee performance will not increase.
3. Job satisfaction affects employee performance, meaning that as employee job satisfaction increases, employee performance will increase.
4. Management talent does not affect employee retention, meaning that as talent management improves, employee retention does not increase.
5. Job satisfaction does not affect employee retention, meaning that as employee retention increases, employee retention does not increase.
6. Employee retention affects employee performance, meaning that as employee retention increases, employee performance will increase.
7. Employee retention is not able to mediate the influence of talent management on employee performance, meaning that increasing employee retention cannot increase the influence of talent management on employee performance.
8. Employee retention is unable to mediate the influence of job satisfaction on employee performance, meaning that with an increase in employee retention, it cannot increase the influence of job satisfaction on employee performance.

From the conclusion above, it is expected that the company will provide support to employees in the process of achieving a better career, namely by being transparent in employee career development policies based on the potential of the employee. The company is expected to always strive to provide support to create job satisfaction, namely by maintaining a harmonious work environment so that employees are happy to work with colleagues who provide support in the process of completing work. It is hoped that further researchers will use other variables that influence employee performance, including compensation, organizational climate, work stress, and other variables, so that this research can develop further.

## REFERENCES

- Ahmed, H. K. (2016). The Impact of Talent Management on the Competitive Advantage in the Organizations Hossam Korany Ahmed. Proceeding of 37th ISERD International Conference, Abu Dhabi, 6th June 2016 ISBN : 978-93-86083-33-3, June, 978–993.  
[http://www.worldresearchlibrary.org/up\\_proc/pdf/335-146720444428-36.pdf](http://www.worldresearchlibrary.org/up_proc/pdf/335-146720444428-36.pdf)
- Alfattama, L. C. (2021). Pengaruh Kepemimpinan dan Stres Kerja terhadap Kinerja Pegawai melalui Kepuasan Kerja sebagai Variabel Intervening PT Gardha Jaya Sakti di Surabaya. *Soetomo Business Review*, 2, 60–73.

- Damayanti, R., Hanafi, A., & Cahyadi, A. (2018). Pengaruh Kepuasan Kerja Terhadap Kinerja Karyawan (Studi Kasus Karyawan Non Medis Rs Islam Siti Khadijah Palembang) Riski Damayanti 1 , Agustina Hanafi 2 , & Afriyadi Cahyadi 3. *L Ilmiah Manajemen Bisnis Dan Terapan Tahun*, 2, 75–86.
- Hair, J. F., Ringle, C. M., Gudergan, S. P., Fischer, A., Nitzl, C., & Menictas, C. (2019). Partial least squares structural equation modeling-based discrete choice modeling: an illustration in modeling retailer choice. *Business Research*, 12(1), 115–142. <https://doi.org/10.1007/s40685-018-0072-4>
- Ivana, T., & Marzuki, F. (2023). Pengaruh Perencanaan SDM, Manajemen Talenta, dan Manajemen Pengetahuan Terhadap Kinerja Pegawai. *Journal of Young Entrepreneurs*, 2(3), 122–138.
- Karina, N. K., & Ardana, I. K. (2020). Pengaruh Talent Management Terhadap Kinerja Karyawan Dengan Komitmen Organisasi Sebagai Variabel Moderasi Pada Karyawan. *E-Jurnal Manajemen Universitas Udayana*, 9(2), 487. <https://doi.org/10.24843/ejmunud.2020.v09.i02.p05>
- Lavkush Mishra. (2022). A Study of Talent Management and Its Impact on Performance of Organizations. *Integrated Journal for Research in Arts and Humanities*, 2(4), 56–59. <https://doi.org/10.55544/ijrah.2.4.57>
- Lee, A. (2014). Virtually Vygotsky: Using Technology to Scaffold Student Learning: By. *Technology in Pedagogy*, 20, 1–9. <http://cdtl.nus.sg/technology-in-pedagogy/articles/Technology-in-Pedagogy-20.pdf>
- Lisdayanti. (2015). Pengaruh Kepuasan Kerja Terhadap Retensi Karyawan. *Jurnal MAKER*, 1(1), 30–38.
- Luthans, F. (2017). *Organization Behavior*. New York: McGraw Hill International.
- Prasetyo, W. J., Agusdin, A., & Sakti, D. P. B. (2023). Pengaruh Sistem Pola Karir Dan Sistem Manajemen Talenta, Employee Engagement Terhadap Retensi Karyawan. *Jurnal Ilmiah Mandala Education*, 9(1), 124–131. <https://doi.org/10.58258/jime.v9i1.4268>
- Priyono, A. A. (2020). Pengaruh Kualitas Kehidupan Kerja Terhadap Kinerja Karyawan Dengan Kepuasan Kerja Sebagai Variabel Intervening. *Attadrib: Jurnal Pendidikan Guru Madrasah Ibtidaiyah*, 3(1), 31–42. <https://doi.org/10.54069/attadrib.v3i1.179>
- Purnama, D. R., & Mayliza, R. (2019). Pengaruh Employee Retention

terhadap Turnover Intention dan Kinerja Karyawan pada PT. Bank Rakyat Indonesia Unit Lubuk Buaya Cabang Padang. *OSF Preprints*, 1–16. <https://osf.io/h2jqp/>

Sivaram, M., Hudaya, A., & Hapzi, A. (2019). Building a Purchase and Purchase Decision: Analysis of Brand Awareness and Brand Loyalty (Case Study of Private Label Products at Alfamidi Stores In Tangerang City). *Dijemss*, 1(2), 235–248. <https://doi.org/10.31933/DIJEMSS>

Sugiyanto, & Sutianingsih. (2023). Retensi Karyawan Memediasi Dampak Manajemen Talenta Terhadap Kinerja Karyawan (Studi Pada PD. BPR Djoko Tingkir Sragen). *Edunomika*, 07(01), 1–9.

Sukmadewi, A. W., & Dewi, A. . S. K. (2020). Kepuasan Kerja Memediasi Hubungan Kompensasi Terhadap Retensi Karyawan. *E-Jurnal Manajemen Universitas Udayana*, 9(3), 1089. <https://doi.org/10.24843/ejmunud.2020.v09.i03.p14>