

Influence knowledge Management and talent Management on Employee Performance With employee Engagements as an Intervening Variable in the Youth and Sports Service of West Sumatra Province

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Article Info	ABSTRACT
Keywords: knowledge management, talent management, employee engagement and employee performance	This study aims to examine the influence of knowledge management and talent management on employee performance, with employee engagement as an intervening variable, at the West Sumatra Provincial Youth and Sports Office. Data collection was conducted through a survey and questionnaire distribution, with a sample of 78 respondents. The analysis method used was structural equation modeling using SmartPLS. The research results obtained Knowledge management has a positive and significant effect on employee engagement. Talent management has a positive and significant effect on employee engagement. Knowledge management has a positive and significant effect on employee engagement on employee performance. Talent management has a positive and significant effect on employee engagement on employee performance. Employee engagement has a positive and significant effect on employee engagement on employee performance. Employee engagement mediates the effect of knowledge management on employee performance. Employee engagement mediates the effect of talent management on employee performance.
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INTRODUCTION

Human resource management is a branch of management science, encompassing the directing and managing of human resources within an organization, enabling them to think and act in accordance with the organization's expectations. A successful organization is likely to be the result of staff capable of managing the organization toward its desired progress. On the other hand, many organizations fail due to an inability to manage their human resources. Human resource management can be defined as the process and effort involved in developing, motivating, and evaluating all the human resources a company/organization needs to achieve its goals. (Azan, 2021).

The West Sumatra Provincial Youth and Sports Office has the task of organizing government affairs in the field of youth and sports. The scope of duties of the West Sumatra Provincial Youth and Sports Office based on the Regulation of the Governor of West Sumatra

Number 29 of 2023 concerning the Position of the Organizational Structure, Duties and Functions and Work Procedures of Regional Services includes the Secretariat, Youth Empowerment Sector, Youth Development Sector, Sports Cultivation Sector, Sports Achievement Improvement Sector, Functional Position Groups, and UPTD. In 2018, the UPTD PPLP changed its nomenclature to the UPTD Sports Talent (UPTD KBOR) of West Sumatra based on the Regulation of the Governor of West Sumatra Number 100 of 2017 concerning the Establishment of the Organization and Work Procedures of the Regional Technical Implementation Unit of the West Sumatra Provincial Youth and Sports Office..

Indicators for increasing independent young entrepreneurs target 100% realization 49%. In the indicator of increasing youth roles and participation in development target 100% realization 4.38%. In the indicator of increasing community participation in fitness activities target 100% realization 14%. In the indicator of increasing West Sumatra sports achievements at the regional and national levels target 100% realization 63%. In the indicator of increasing organizational internal performance accountability target 100% realization 70.44%. In the indicator of increasing organizational service quality target 100% realization 80%. The Performance Report of the Government Agency of the Youth and Sports Office of West Sumatra Province in 2023 is a manifestation of the obligation of the Provincial Youth and Sports Office in accounting for the success/failure of the implementation of Programs and Activities that have been mandated by stakeholders in order to achieve the organization's mission in a measurable manner with the established performance targets/targets. This executive summary provides brief information on the achievement of strategic targets, performance indicators, and targets and achievements of realization as stipulated in the West Sumatra Dispora Performance Agreement in 2023.

KCompany activities are so dynamic, where internal and external forces tend to encourage changes to previously established regulations. Consequently, companies must change or adopt new strategies to remain competitive, as strategic changes will determine the direction of each organizational function, including human resource management. Essentially, human resource management encompasses all employee activities within a company that can be used to achieve various goals. Therefore, managers at all levels of the organization must pay close attention to employee performance. Employee performance is the result of an individual's work, a management process, or the organization as a whole, and these results must be demonstrated concretely and measurably in the form of performance.

According to (Thian, 2022) Performance is a process of how work proceeds to achieve results. In this case, performance is a benchmark for companies in viewing and evaluating their employees. Performance is the result of an action that contributes to the organization's success in achieving its goals. Managing employee performance is essential to achieving established organizational goals. Assessing employee performance is crucial in human resource management..

The important things in employee performance are quality, quantity, timeliness, effectiveness, and independence. Work quality is measured by employee perceptions of the quality of the work produced and the perfection of the employee's skills and abilities. Quantity

of work, which is the amount produced, is expressed in terms such as the number of units and the number of activity cycles completed. Timeliness is the level of activity completed at the beginning of the specified time. The effectiveness of the level of use of organizational resources is maximized with the aim of increasing the results of each unit in the use of resources. The level of independence of an employee who will later be able to carry out his work functions.

Every worker expects satisfaction from their workplace. Job satisfaction is fundamentally individual, as each individual will have varying levels of satisfaction based on their values. The more aspects of a job that align with an individual's desires, the higher the level of satisfaction. Job satisfaction is an affective or emotional response to various aspects of one's work, so job satisfaction is not a single concept. A person can be relatively satisfied with one aspect of a job and dissatisfied with one or more others. Job satisfaction is a (positive) employee attitude toward their job, arising from an assessment of the work situation. This assessment can be made for one's job, as a sense of appreciation for achieving one of the important values in the job. Satisfied employees prefer their work situation to those who dislike it. (Rachmad, 2022).

Performance appraisal refers to a formal, structured system used to measure, evaluate, and influence job-related attributes, behaviors, and outcomes, including attendance. Performance appraisal is the process by which individual performance is measured and evaluated. Performance appraisal answers the question of how well an employee performed over a specific period of time. (Sudiri, 2022). Thus, performance appraisal is the result of employee work within the scope of his/her responsibilities. In the business world that competes globally, employees really need high performance.

From this data, it can be concluded that employee performance is suboptimal, likely due to poor knowledge management, talent management, and employee engagement. Performance is defined as an employee's success in carrying out assigned tasks. Good employee performance can be seen from their ability to understand and complete assigned tasks, thus achieving optimal and satisfying results.

One of the factors that influences employee performance is knowledge management. According to (Yunus, 2022) *knowledge management* it is a series of processes for creating, communicating, and applying organizational knowledge as learning to improve employee performance. Knowledge management issues in agencies typically relate to how knowledge and information are managed, disseminated, and applied within the organization. Lacking systematic knowledge management, agencies lack a clear and structured system for managing knowledge. Without a sound knowledge management system, critical information can be lost or difficult to access by those who need it. There is no effective mechanism for long-term employee competency development. This can hinder the growth of an agency's capacity and ability to adapt to changes in the external or internal environment.

Besides knowledge management, talent management also influences employee performance. According to (Arraniri, 2021) *talent management* Talent management is a series of processes carried out by companies to identify, develop, retain, and place the right people

in the right places. Talent management is concerned with finding the right people with the right skills for the right positions. Talent management issues in agencies are often related to various factors that influence the effectiveness of managing and developing employee potential. Agencies experience limitations in terms of budget, time, and manpower to optimally manage talent. Without proper resource allocation, employee development initiatives can be hampered. Agencies often struggle to identify employees with high potential. Without a good system or process for assessing potential and performance, existing talent can be overlooked. Furthermore, an unclear or non-objective performance appraisal system can leave employees feeling unfairly treated. This can also influence decisions about who deserves promotions or further development.

Besides talent management, employee engagement also influences employee performance. According to (Sudiri, 2022) *employee engagement* is an emotional attitude towards their organization and is highly involved in their work with great enthusiasm for the success of their company, working harder than the contractual agreement. Employee engagement issues in organizations are often related to various factors that influence employee motivation and involvement. Employees who feel they lack opportunities for growth, both professionally and personally, tend to lose their sense of involvement. Training, skills development, and promotion opportunities are crucial for improving engagement.

The results of research conducted by (Primawanti & Ali, 2022) which states that knowledge management has a significant influence on employee performance. Research conducted by (Akbar et al., 2022) which states that knowledge management has a significant influence on employee performance. As well as research conducted by (Mahayanti, 2022) which states that talent management has a significant influence on employee performance. The results of research conducted by (Panjaitan, 2022) which states that talent management has a significant influence on employee performance. Research conducted by (Sinambela, 2022) which states that employee engagement has a significant influence on employee performance. As well as research conducted by (Haedar et al., 2021) which states that employee engagement has a significant influence on employee performance.

METHOD

Structural Equation Modeling (SEM) Analysis

This study used the Structural Equation Modeling (SEM) analysis tool using the SmartPLS program. SmartPLS is a component-based approach for testing structural equation models, commonly called SEM. SmartPLS is based on the idea of having two iterative procedures that use least squares estimation for single and multi-component models. By applying these procedures, this algorithm aims to minimize the variance of all dependent variables, therefore the cause and direction between all variables need to be clearly defined. SmartPLS is divided into measurement models and structural models. SmartPLS is a powerful method because it is not based on many assumptions. Data does not have to be multivariate normal distribution (indicators with categorical, ordinal, interval, and ratio scales can be used in the same model). SmartPLS is also more efficient with algorithmic calculations that are capable of estimating

larger and more complex models with hundreds of latent variables and thousands of indicators.(Sukmawati, 2023).

Measurement Model Test (Outer Model)

In data analysis techniques using SmartPLS, there are three criteria for assessing the outer model: Convergent Validity, Discriminant Validity, and Composite Reliability. Convergent validity of a measurement model with reflective indicators is assessed based on the correlation between item scores or component scores estimated using SmartPLS software. An indicator is considered to have good reliability if it has a value above 0.7. We can see this figure by referring to the Outer Loading table in SmartPLS.(Darwin, 2021).In this composite reliability test, there are two tables that must be observed: the values contained in the Composite Reliability table and Cronbach's Alpha, which must be greater than 0.7. For the Discriminant Validity test, it can be seen from the cross-loading value. The correlation value of the indicator to its construct must be greater than the correlation value between the indicator and other constructs. There is another way to test Discriminant Validity by comparing the root value of the Average Variance Extracted (AVE) for each construct with the correlation between the construct and other constructs.

1. *Measurement Model* Validity

The outer model assessment aims to assess the correlation between item or indicator scores and their construct scores, indicating the level of validity of a statement item. Outer model testing is conducted based on the results of a questionnaire trial conducted for all research variables. There are three criteria in the use of data analysis techniques to assess the outer model: Convergent Validity, Discriminant Validity, and Composite Reliability. In the development stage, a correlation of 0.50 to 0.6 is considered acceptable. In research, the limit for convergent validity is above 0.7.

2. *Reliability*

Once the data validity level is known, the next step is to determine the level of data reliability or the level of reliability of each construct or variable. This assessment is done by looking at Composite reliability value and Cronbach alpha value. A construct is said to be reliable if it provides a Cronbach alpha value > 0.70 .

3. R-square

Next, as explained previously, the inner model assessment will be evaluated through the R-Squared value, to assess the influence of certain exogenous latent constructs on endogenous latent constructs to see whether they have a substantive influence.

Path Coefficient and Hypothesis Testing

Inner model or structural model testing is conducted to examine the relationships between variables, their significance values, and the R-square of the research model. Model assessment using PLS begins by examining the R-square for each dependent latent variable. Changes in the R-square value can be used to assess the substantive influence of a particular independent latent variable on the dependent latent variable.

RESULTS AND DISCUSSION

Research Description

Table 1. Calculation of Questionnaire Distribution Results

No	Questionnaire	Amount	Percentage
.		t	%
1	Distributed questionnaires	78	100
2	Unreturned questionnaires Incorrectly filled out (defective or damaged)	0	0
3	questionnaire	0	0
4	Questionnaires suitable for data processing	78	100

Source: Survey Results, 2025

Research Data Analysis

The data processing technique in this study uses the SEM method based on Partial Least Square (PLS) which requires two stages for the assessment of a research model: the outer model and the inner model. The outer model assessment aims to assess the correlation between item or indicator scores and their construct scores, which indicate the level of validity of a statement item. Outer model testing is carried out based on the results of questionnaire trials that have been conducted for all research variables. There are three criteria in the use of data analysis techniques to assess the outer model: Convergent Validity, Discriminant Validity, and Composite Reliability. In the development stage, a correlation of 0.50 to 0.6 is considered adequate or acceptable. In research, the limit for convergent validity values is above 0.7.

Outer Model (Structural Model) Testing Before Elimination

Based on the results Testing the outer model using SmartPLS, obtained the correlation values between the statement items of the research variables as follows:

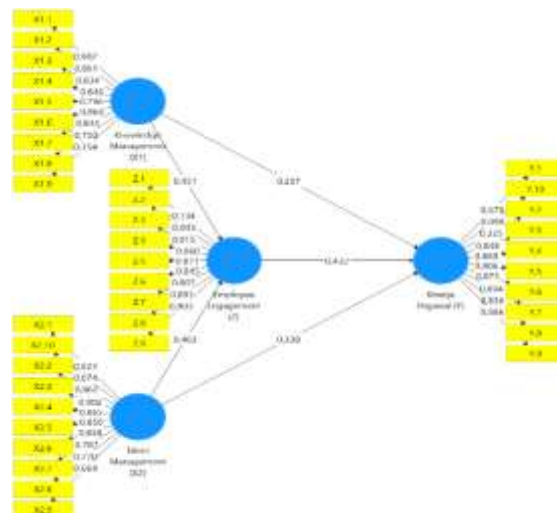


Figure 1. Outer Loadings Before Elimination

In data analysis techniques using SmartPLS, there are three criteria for assessing the outer model: convergent validity, discriminant validity, and composite reliability. Convergent

validity of a measurement model with reflective indicators is assessed based on the correlation between item scores or component scores estimated with PLS software. Indicators are considered to have good reliability if they have a value above 0.7. There are three criteria in the use of data analysis techniques to assess the outer model: convergent validity, discriminant validity, and composite reliability. In the development stage, a correlation of 0.50 to 0.6 is considered adequate or acceptable. In research, the limit value of convergent validity is above 0.7.

Outer Model (Structural Model) Testing After Elimination

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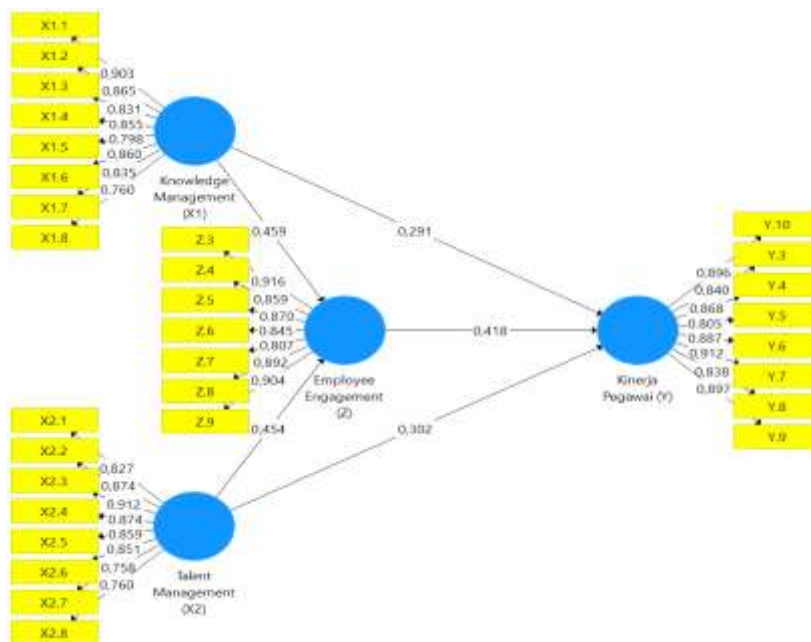


Figure 2. Outer Loadings After Elimination

Average Variance Extracted (AVE) Assessment

The validity criteria for a construct or variable can also be assessed through the Average Variance Extracted (AVE) value for each construct or variable. A construct is considered to have high validity if its value is above 0.50. The AVE values for all variables are presented below.

Table 2. Average Variance Extracted (AVE) Value

	Average Variance Extracted (AVE)
Employee Performance (Y)	0.754
Knowledge Management(X1)	0.759
Talent Management(X2)	0.705
Employee Engagement(Z)	0.707

Based on Table 2, it can be concluded that all constructs or variables above meet good validity criteria. This is indicated by the Average Variance Extracted (AVE) value above the recommended 0.50 criterion.

Outer Model Testing (Structural Model)

The next testing process is testing the inner model, or structural model, which aims to determine the relationships between hypothesized constructs. The structural model is evaluated by observing the R-Square value for the endogenous construct and the influence it receives from the exogenous construct.

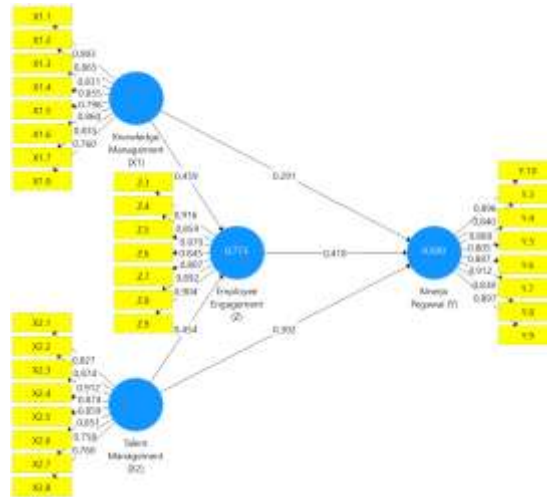


Figure 3. Structural Outer Model

Based on the image above, the structural model above can be formed into the following model equation:

- a. Equation Model I, is a description of the magnitude of the influence construct *knowledge management* and talent management to *employee engagement* with the existing coefficients plus the error rate which is an estimation error or which cannot be explained in the research model.

$$Employee\ Engagement = 0.459 Knowledge\ Management + 0.454 Management$$

- b. Equation Model II, is a description of the magnitude of the influence construct *knowledge management* talent management employee engagement on employee performance with each coefficient for each construct plus an error which is an estimation error.

$$Employee\ Performance = 0.291 Knowledge\ Management + 0.302 Talent\ Management + 0.418 Employee\ Engagement$$

Next, as explained previously, the inner model assessment will be evaluated through the R-Square value of the employee performance variable of 0.920 or 92.0%, so the contribution of the knowledge management, talent management and employee engagement variables to employee performance is 92.0%, the remaining 8.0% is influenced by other variables outside this research such as organizational culture, work discipline, work environment and job satisfaction.

PenHypothesis test

Testing The hypothesis aims to answer the problems in this study, namely the influence of certain exogenous latent constructs on certain endogenous latent constructs, either directly

or indirectly through mediating variables. Hypothesis testing in this study can be assessed from the magnitude of the t-statistic or t-count compared to the t-table of 1.96 at 5% alpha. If the t-statistic/t-count < t-table 1.96 at 5% alpha, then Ho is rejected and if the t-statistic/t-count > t-table 1.96 at 5% alpha, then Ha is accepted. The following SmartPLS output results illustrate the estimated output for testing the structural model.

Table 4. Results for Inner Weights Direct Affect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Knowledge Management (X1) -> Employee Engagement (Z)	0.459	0.449	0.117	3,936	0,000
Talent Management (X2) -> Employee Engagement (Z)	0.454	0.457	0.108	4,222	0,000
Knowledge Management (X1) -> Employee Performance (Y)	0.291	0.280	0.096	3,041	0,002
Talent Management (X2) -> Employee Performance (Y)	0.302	0.309	0.116	2,603	0,010
Employee Engagement (Z) -> Employee Performance (Y)	0.418	0.422	0.097	4,288	0,000
Knowledge Management (X1) -> Employee Engagement (Z) -> Employee Performance (Y)	0.192	0.192	0.073	2,611	0,000
Talent Management (X2) -> Employee Engagement (Z) -> Employee Performance (Y)	0.190	0.193	0.062	3,062	0,000
Knowledge Management (X1) -> Employee Engagement (Z)	0.459	0.449	0.117	3,936	0,000
Talent Management (X2) -> Employee Engagement (Z)	0.454	0.457	0.108	4,222	0,000
Knowledge Management (X1) -> Employee Performance (Y)	0.291	0.280	0.096	3,041	0,002

CONCLUSION

From the discussion in the previous chapters, it can be drawn several conclusions that knowledge management has a positive and significant effect on employee engagement at the Youth and Sports Office of West Sumatra Province. Talent management has a positive and significant effect on employee engagement at the Youth and Sports Office of West Sumatra Province. Knowledge management has a positive and significant effect on employee engagement on employee performance at the Youth and Sports Office of West Sumatra Province. Talent management has a positive and significant effect on employee engagement on employee performance at the Youth and Sports Office of West Sumatra Province.

Employee engagement has a positive and significant effect on employee engagement on employee performance at the Youth and Sports Office of West Sumatra Province. Employee engagement mediates the effect of knowledge management on employee performance at the Youth and Sports Office of West Sumatra Province. Employee engagement mediates the effect of talent management on employee performance at the Youth and Sports Office of West Sumatra Province.

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