Revisiting The Effect of Talent Management, Intrinsic Motivation, Job Satisfaction, and Affective Commitment on Employee Performance

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ABSTRACT

This study aims to analyze the relationship between job satisfaction, affective commitment and intrinsic motivation in relation to talent management on employee performance. This study tries to elaborate on the talent management approach as a program carried out by organizations with individual motivation coming from the employees themselves in the form of job satisfaction, affective commitment and intrinsic motivation, where these two approaches have not been explored much in previous studies. The literature used in this study is related to these variables. This research method refers to the variance based structural equational modeling approach, this research was conducted at the Directorate General of Treasury, hereinafter mention as DJPb from Indonesia’s Republic Ministry of Finance, the respondents were employees at the head Office, regional offices and service Offices, which was carried out on 14 to 27 March 2022. The data obtained through 278 respondents processed using Smart PLS, and to make decisions regarding whether the hypothesis is proven or not, it will be reviewed from the P-values. The results showed that talent management did not affect performance, as well as affective commitment did not affect performance and this case was found employees worked at Directorate General of Treasury.

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1. INTRODUCTION

Since many issues still need to be resolved to enhance government agency performance, high performing government agencies must act as an example of good governance. However, this has not always been the case. If state civil apparatus (SCA) or aparatur sipil negara in Bahasa ideally act professional, therefore it is expected that SCA will focus on their performance. On other case, in contemporary organizational practice, performance achievement depends on managing human resources, which also holds for government organizations. A significant development in contemporary CSA management is the adoption of Law Number 5 in 2014 about State Civil Apparatus. Implementing the Merit System, which is a policy and management of CSA based on qualifications, competence, and performance fairly and reasonably without distinguishing the various backgrounds of each individual, represents a renewal in the management of CSA that has never existed before. According to the Merit System, CSA must possess the necessary credentials, be competent in their work area, and exhibit strong performance. The dismal performance of CSA in recent years has been largely attributed to the inadequate competence and qualifications of CSA in each agency. The government also understands the significance of human resource management for CSA. As a follow-up to the CSA Law, it is stated in Government Regulation Number 11 of 2017 concerning the Management of Civil Servants that having career management that includes planning, development, career patterns, and planning groups is one of the requirements for government agencies to have implemented the Merit System, gained succession via talent management.

Talent management, practiced by government agencies, is one factor that directly relates to work, and this is supported by reports from previous research stated that the goal of talent management is to identify potential employees, develop them, and place them in strategic positions within businesses so they can have a meaningful impact on organizational and employee productivity (Collings et al., 2017). According to Mukodri (2018), the definition of talent management is the process of identifying, developing, recruiting, retention and identifying those who are talented. Talent management has a connection to seeking out people with the right traits for the right positions. Other factors, such as motivation, satisfaction, and commitment on the part of the employee, may also affect work performance (Azeem, 2014; Murgianto et al, 2016). According to general rules, human beings can be differentiated by two types of motivating factors: those that originate from inside themselves or are acquired from outside (Jumiran et al., 2020). From an intrinsic motivation standpoint, behavior results from the need for the employee to be competitive and to be in their environment. In addition, intrinsic motivation focuses on the goals that are achieved to achieve a certain goal, in which people exert effort to get benefit or advancement. Prior research has shown that intrinsic motivation is more effective and lasting in achieving individual commitment to tasks and consistently improving performance and results (Ryan & Deci, 2020). Individuals' intrinsic motivations drive them to use their skills and enthusiasm to do the necessary actions to reach their performance target level, which is self-adjudicated and valued for personal gain (Fischer et al., 2019). Previous literature has shown that people with strong intrinsic motivation are more likely to participate in group activities and share knowledge because they recognize their capacity for generosity and selflessness to assist others (Chen, Baptista Nunes et al., 2018).
Job satisfaction is an emotional state of being happy and passionate about one's work. Workplace morale, orderliness, and productivity all reflect this mentality. At work, outside of work, or a mix of the two, job satisfaction is experienced (Hasibuan, 2013). Organizations need trustworthy and high-quality human resources (HR) to carry out organizational and operational operations to achieve excellent performance in government agencies. The organization must be able to maintain CSA since it is crucial to the effective execution of government functions and the attainment of its performance. Paying attention to work happiness is one effort to sustain the human resources that the company wants (Hamidi et al., 2014; Ardyanfitri & Wahyuningtyas, 2018).

Employees with a high level of emotional commitment are more likely to stay with the company because they identify with, participate in, and have an inner connection to it (Allen & Meyer, 1996). Employees who believe the company cares about their personal growth will thus exhibit more emotional commitment (Chami-Malaeb & Garavan, 2013). According to Tsui et al. (1997), spending money on talent development is also linked to a greater degree of emotional commitment among employees. This conclusion is supported by a study by Iles, Mabey, and Robertson (1990), who discovered that workers' emotional commitment was positively impacted by the training and development they received and passionate dedication. According to Mensah, Bawole, and Wedchayanon (2016), there is a stronger link between emotional commitment and talent management methods, which are seen as investments in talent development.

Within the Ministry of Finance, the Directorate General of Treasury, known as DJPb, is echelon I, a level government organization. Since the Ministry of Finance's Bureaucratic Reform initiative was started in 2007, DJPb is one of the government organizations presently adopting the Merit System via talent management. Many interesting DJPb research-related items are available, one of the example wrote by Sabihaini (2020), while on the other hand at DJPb, performance is measured by contrasting the goals/plans and the accomplishment of the Key Performance Indicators (KPI) in each viewpoint (source: djpb.kemenkeu.go.id, 2023).

The adoption of talent management had a considerable impact on employee work happiness and employee job satisfaction had a big impact on employee performance (Ismawarni. 2019). According to Kumara (2019), there is a significant partial relationship between employee engagement and performance, a significant partial relationship between affective commitment and performance, a significant partial relationship between employee engagement and job satisfaction, a significant relationship between job satisfaction and performance, and significant relationship between employee performance and affective commitment. The direct impact of employee engagement on performance is outweighed by the indirect impact of engagement on performance via work satisfaction. The direct impact of emotional commitment on employee performance is greater than the indirect impact of affective commitment on performance via work satisfaction. Accordingly, it is known from prior research that talent management affects employee performance in various ways, including via the engagement of elements like work satisfaction and emotional commitment. Research by Sudarijati and Setiawan (2019) that claims that talent management influences performance also raises the possibility that motivation and talent management is relate.
According to earlier research, talent management is one of several elements that affect employee performance. The research by Jung and Basalamah (2020) highlighted employee performance concerning leadership and discipline in the development of studies carried out within the DJPb in the previous ten years (2010 - 2021). Additionally, research on performance connected to competence, training, and work environment was brought up by Gafur (2017), Haranto (2017), and Romli (2019). Furthermore, research on a performance about organizational commitment and work satisfaction was carried out by Sumadi, Andri, and Yonaldi (2013). The link between talent management and performance, as well as the relevant elements, has not received much academic attention, even though talent management has been in use since 2007.

Since the 2007 adoption of the Ministry of Finance's bureaucratic reform agenda, giving external incentives has been adopted with a considerable pay value in connection to the DJPB. According to research by Purwanto and Susanto (2010), intrinsic motivation is necessary for the professionalism of staff members inside the Ministry of Finance. It is important to research talent management, intrinsic motivation, job satisfaction, affective commitment, and employee performance at the DJPb following the implementation of the Merit System policy in government agencies, according to the background of the problem discussed above. Although research has been done on the five factors listed above, no particular study has identified emotional commitment, work satisfaction, or intrinsic motivation as mediating factors. Therefore the research framework of this research as seen at Figure 1.

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**Figure 1.** Research Framework of Relation Between Talent Management and Employee Performance

*Source: Researcher, 2022*

2. **RESEARCH METHODS**

This research utilizes a quantitative approach focused on positivism and uses numerical data to be statistically measured as a test tool for calculating, referring to the issue being examined,
and drawing conclusions. This research population comprises the 7,110 DJPb from Ministry of Finance - Indonesia who are the target of talent management implementation. All DJPb workers with more than a year of service make up the sample in this research, including all DJPb employees who target talent management implementation. The author employed sampling method based on the Krejcie-Morgan (1970) table to adjust for populations greater than 7,000 (; the study's approximate sample size is 364, and the survey was distributed between 14 to 27 March 2022, the technique of sampling is non random sampling, since the research included three units: head Office, regional offices and service Offices, researcher divided 364 to three units, or at least 122 respondents involved within one unit. The research instrument (Appendix 1) was evaluated in this study utilizing a Likert scale in order to provide reliable results. The highest score is 5, and the lowest score is 1. The Structural Equation Model (SEM) technique, using Smart PLS used to examine hypothesis testing and based on P-Values resulted from bootstrapping.

3. RESULTS & DISCUSSION

This research originally targeted 364 respondents, however, after one month survey distributions (from 14 to 27 March 2022) resulted in 278 forms. The respondents' profiles who participated in this research were derived from the questionnaire’s responses. Respondents involved in this research mostly CSA, male, between 36 to 40 years old, with an S1 level of education, between 10 and 20 years of service. According to Alaydrus and Hardjomuljadi (2018), a validation test is a measuring technique that reveals an instrument's degree of validity or validity. The questionnaire is deemed legitimate if the answers to its questions can be used to identify the variables being assessed. A value of 0.5 must be met by the individual reflexive loading value $\geq$ with the latent variable to be assessed. The question item must be eliminated if one of the indicators has a loading value ($\alpha$) < 0.5 since this shows that the indicator is insufficient to measure the hidden variable adequately. The test was carried out with 278 respondents and showed that all measurement items were considered reliable because they had an alpha coefficient value > 0.6 (Malhotra, 1996).

<table>
<thead>
<tr>
<th>Table 1. Composite Reliability and Construct Validity</th>
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<tr>
<td>Cronbach's Alpha</td>
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<td>Job satisfaction</td>
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<td>Performance</td>
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<td>Affective commit-</td>
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<td>Talent management</td>
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<td>Intrinsic motiva-</td>
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Source: Data Processed (2022)

From table 1., above, it can be seen that all variables in reliability and validity testing used AVE with a value > 0.5 while the Composite Reliability value was as expected, namely > 0.7. So it can be concluded that the variables tested are all valid and reliable. After the outer model testing is completed, the next step is the Inner model, which has the aim of predicting the relationship...
between latent variables. The inner model is evaluated by looking at the variance percentage explained by the R Square value. The higher the R Square value, the better the research model.

**Table 2. R-Square**

<table>
<thead>
<tr>
<th>Performance</th>
<th>R Square</th>
<th>Adjusted R Square</th>
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<tbody>
<tr>
<td></td>
<td>0.834</td>
<td>0.832</td>
</tr>
</tbody>
</table>

*Source: Data Processed (2022)*

Additionally, the graphic below provides a visual representation of the outer model that was produced during the original study.

![Outer Model (Appendix 2)](image)

*Source: Data Processed, 2022*

Next, the hypothesis is tested based on the Inner Model (structural model) test results, which include the r-square output, parameter coefficients, and t-statistics. To determine whether the hypothesis is accepted or rejected, pay attention to the significance value between constructs, t-statistics, and P-value. These values can be seen from the bootstrapping results. The rule of thumb used in this study is if the t-statistic value is > 1.96 (significance level 5%) for each path relationship.
Table 3. Bootstrapping

| relationship                                    | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|-------------------------------------------------|---------------------|-----------------|----------------------------|------------------------|----------|
| Talent Management → Performance                 | 0.003               | 0.002           | 0.049                      | 0.056                  | 0.478    |
| Talent Management → Intrinsic Motivation        | 0.715               | 0.720           | 0.061                      | 11.757                 | 0.000    |
| Talent Management → Job Satisfaction            | 0.703               | 0.707           | 0.044                      | 15.925                 | 0.000    |
| Talent Management → Affective Commitment        | 0.721               | 0.726           | 0.031                      | 22.955                 | 0.000    |
| Intrinsic Motivation → Performance              | 0.766               | 0.785           | 0.120                      | 6.375                  | 0.000    |
| Job Satisfaction → Performance                  | 0.200               | 0.191           | 0.078                      | 2.569                  | 0.005    |
| Affective Commitment → Performance              | -0.034              | -0.044          | 0.082                      | 0.407                  | 0.342    |

Source: Data Processed (2022)

Figure 3. Inner Model

Source: Data Processed, 2022
The Impact Of Talent Management On Performance

The results show that the hypothesis stated that talent management on performance is not supported, this research result might related with respondents, who mostly came from only one department. However, due to this circumstance, talent management implementation has little impact on performance.

Although talent management is often claimed to impact performance in other research, this demonstrates an oddity in which talent management has no such impact. The background of the respondent profile in this research is assumed to be the source of this anomaly since the typical responder is still an executor who has not completely experienced the effect of adopting talent management. There is no discernible correlation between talent management and employee performance.

According to prior research by Almaaitah et al (2020), talent management considerably impacts performance. The theory is not validated, however, since it differs from the findings of this research, which show that the link between talent management and performance is unrelated. The findings of this study contradict earlier studies that claimed talent management had a favorable and substantial impact on performance.

Talent management has not been shown to directly impact performance, which can be attributed in part to the influence of demographic factors like age, education level, class, tenure, and work unit. The researcher connects the findings of this study with those of several other studies that have already been conducted to make this claim. However, talent management impacted performance if there is mediation in the form of job satisfaction and motivation.

The Impact Of Talent Management On Intrinsic Motivation

The hypothesis is supported by the relationship between talent management variables and intrinsic motivation; in other words, the hypothesis is accepted. This research implies that implementing talent management at DJPb affects employee intrinsic motivation. With talent management, employees have the individual motivation to excel. Employees are motivated in carrying out their work, so they always try optimally to display the best work results. There is encouragement from employees to be able to achieve success and work performance because each result of their work will receive a proper appreciation. The existence of talent management is a driving factor for employees in increasing motivation, where talent management can identify, retain and find employees who have high motivation to be rewarded in the form of career advancement.

The implementation of talent management at DJPb can be felt by employees so that they have high motivation in carrying out their duties. Talented employees are highly motivated to continue to grow and have a passion for achievement because they realize that everything they do can be assessed through talent management. The talent management system at DJPb has a track record of employees in the form of records of performance, achievements, discipline, expertise, and employee skills. This track record in talent management becomes a portfolio of individual employees that motivates employees to make optimal efforts in carrying out their duties and
responsibilities. The need for talented employees and the difficulty of retaining talented employees to survive in the organization are well accommodated through DJPb talent management so that employees have the desire to continue to survive and are motivated to continue to excel and have a stronger career desire at DJPb. Talent management variable affects intrinsic motivation, so the hypothesis is supported, and this supports previous research conducted by Zulkarnain (2021), which in his research suggests that intrinsic motivation is significantly influenced by talent management.

**The Impact Of Talent Management On Job Satisfaction**

In the relationship between talent management variables and job satisfaction, it is stated that the hypothesis is supported; in other words, the hypothesis is accepted, and this indicates that the implementation of talent management carried out by DJPb has a positive influence on employee job satisfaction. The talent management program is seen as a mutualistic relationship (mutually beneficial) between the organization and employees that is correlated with employee satisfaction at work. DJPb demands high employee performance to carry out the treasury function (State General Treasurer). Employees perform better on core tasks with a mutually beneficial relationship, reflected in positive performance. In addition, employee achievements are always appreciated and serve as added value for employees, especially in talent management programs.

The implementation of talent management at DJPb can be felt by employees in real terms so that employees feel job satisfaction and always try to carry out their duties well. Another thing that makes the positive value of talent management on employee satisfaction is that there is equality and opportunity for all employees to participate in the talent management program as a career advancement event, making employee job satisfaction increase because employees feel that what they have done is not in vain and even becomes an added value when they follow a talent management program. The talent management variable on job satisfaction is a supported hypothesis. Also, this supports previous research conducted by Ismawarni (2019), suggesting that talent management significantly influences job satisfaction.

**The Impact Of Talent Management On Affective Commitment**

In the relationship between talent management variables and affective commitment, it is stated that the hypothesis is supported; in other words, the hypothesis is accepted, showing that affective commitment is significantly influenced by talent management, and this indicates that DJPb as an institution realizes that employees' affective commitment is in the form of identification, participation, and inner attachment to the organization so that employees who have high affective commitment will remain with the organization.

With talent management, employees assume that DJPb is very committed to employee self-development, so employees will respond with a higher affective commitment. The employees at DJPb are known to have high loyalty to the organization and are always highly committed to their assigned tasks and responsibilities. For example, in terms of employee placement, even though they are located in remote areas and far apart from their families, they have a high affective commitment while continuing to carry out their duties and responsibilities, even though
they view the placement process as part of developing their competencies which are very useful for their careers at work in the future. This career advancement is also a part of the implementation of talent management, which shows that talent management influences employees' affective commitment, and this is in line with the thinking (Tsui et al., 1997) which states that the working relationship between the organization and employees shows that employees will have more affective commitment to the employer when the employer is committed to a long-term relationship with employees where it is contained in the investment. In talent development activities. The talent management variable affects affective commitment, so it is stated that the hypothesis is supported. The result supports previous research by Parinding (2017), Luna, and Arocas (2020), which suggests that talent management significantly influences affective commitment.

**The Impact Of Intrinsic Motivation On Performance**

In the relationship of intrinsic motivation variable to performance, the hypothesis is supported; in other words, the hypothesis is accepted, and the result shows that if the provision of intrinsic motivation is aimed at employees, such as providing opportunities for employees to try to achieve results, recognition, work itself, responsibilities, and development, it will have an impact on the organization. To achieve maximum performance, it takes encouragement to bring up the will and enthusiasm to work, namely in the form of motivation. Motivation serves to spur the ability and enthusiasm of employees to work to create maximum performance results and is in line with the opinion of (Griffin, 2013), which states that motivation is the action of a group of factors that cause individuals to behave in certain ways. A similar opinion (Siagian, 2003) states that motivation teaches how to encourage the morale of subordinates so that employees want to work harder by using all the abilities and skills they have to achieve organizational goals. At the same time, motivation is the driving force that causes an employee to voluntarily carry out the work that is his responsibility and fulfill his obligations in the context of achieving predetermined organizational goals and objectives. The intrinsic motivation variable affects the performance variable, so it is stated that the hypothesis is supported and in line with previous research conducted by Ermawati and Amboningtyas (2017) and research from Lupita and Azzuhri (2016), which suggests that performance is significantly influenced by intrinsic motivation.

**The Impact Of Job Satisfaction On Performance**

In the relationship between job satisfaction variables and performance, it is stated that the hypothesis is supported; in other words, the hypothesis is accepted and shows that if employees are satisfied with their work, it will significantly impact performance. DJPb employees are satisfied because, in general, their employees are placed by the competencies possessed by employees so that they carry out their duties without being forced. In addition, the sense of justice given by the organization in terms of work has been following employee expectations, where employees who have more responsibility are given more appreciation.

Income is one factor that makes a person feel satisfied at DJPb. As an CSA in the Ministry of Finance, employees are satisfied with the income they receive, which has remuneration that is
above the average CSA in other Ministries. With the composition of employees dominated by millennial employees who prioritize digital culture, DJPb employees are also supported by adequate infrastructure and information systems throughout the province so that wherever DJPb employees are placed, they do not experience difficulties carrying out their work. In addition, DJPb employees have almost equal competencies, so they have no difficulty working together to create comfortable and pleasant working conditions. Many things make employees satisfied working at DJPb, encouraging employee performance improvement.

Job satisfaction can be achieved if the needs of employees are met at work. Job satisfaction is a positive emotional state of a person that comes from job appraisal or experience. High employee job satisfaction will have an impact on improving employee performance in the organization where they work. Gibson, Ivancevich, and Donnelly (2000) describe a reciprocal relationship between performance and job satisfaction. On the one hand, it is said that job satisfaction causes an increase in performance so that satisfied employees will work more productively. The job satisfaction variable affects performance, so it is stated that the hypothesis is supported and in line with previous research conducted by Changriawan (2017) and Wijaya (2018), which suggests that job satisfaction significantly affects performance.

The Impact Of Affective Commitment On Performance

In the relationship between talent management variables and performance, it is stated that the hypothesis is not supported; in other words, the hypothesis is rejected. The researcher indicated that this condition occurred because of many factors, however respondents involved in this study has age range between 36 to 40 years old, thus it is interesting to explore in further research development, where within this age, possible for employee to feel comfortable with the working conditions but has less attachment to the organization because usually in that age range, colleagues with the same age range have a higher career path.

In terms of affective commitment does not affect performance; this condition is caused by the perception that exists in this respondent's profile environment has not seen affective commitment as a necessity because employees feel that they have contributed to the achievement of performance. In addition, employees with the age range 36 to 40 years old already understand the business process and assume that the work will continue without needing to be attached to the job. However, this research also show respondents within age range 36 to 40 years old is possible to have a greater affective commitment, which can boost the performance value.

This research was not conducted on minority respondents but emphasized more on the dominant respondents. In other studies, many states that affective commitment affects performance, but this study shows an anomaly where affective commitment does not affect performance. This anomaly is thought to be due to the background of the respondent's profile in this study because the average respondent is still an executor who does not view affective commitment as necessary. Affective commitment in attachment to work is seen as a form of compulsion, so no significant impact has been seen between affective commitment and employee performance, however this research can be further explored which of commitment (between affective, continuous and normative) that will affect performance.
In previous research by Ariyani et al (2020) and Saputro (2018), it was stated that affective commitment significantly influenced performance. However, it is different from the results in this study, where the relationship of affective commitment does not affect performance, so the hypothesis is not supported. The results of this study do not support previous research, which states that performance is positively and significantly influenced by affective commitment. Researchers elaborate the research results with several previous research results. It can be stated that affective commitment is not proven to affect performance directly, partly due to the influence of demographic factors, age, and position.

4. CONCLUSION & SUGGESTION

The results obtained are from the seven hypotheses proposed; two hypotheses are not proven, namely, 1) talent management implemented at DJPB does not affect employee performance, and 2) affective commitment does not affect employee performance. For the results of the proven hypothesis, it can be seen that this study shows that among respondents who come from DJPb employees, the phenomenon shows that there are perceptions about: 1) the implementation of talent management at DJPb can affect employees' intrinsic motivation, 2) implementing talent management at DJPb can affect employee job satisfaction, 3) the implementation of talent management at DJPb can affect employees' affective commitment, 4) Furthermore, intrinsic motivation of the respondents affects employee performance. Finally, 5) employee performance is influenced by job satisfaction, therefore it will be best if organization boost employee performance through activities that will increase employees job satisfaction.

REFERENCES


