The Influence of Competence and Talent Management on Employee Performance in SMEs in Cimahi: An Empirical Analysis

Galih Raspati[1], Umban Adi Jaya[2], Firly Agustiansyah[3], Theodora Zanetha Yovitasari[4], Diah Pitaloka[5]

[1,2,3,4,5] Fakultas Ekonomi dan Bisnis, Program Studi Manajemen, Universitas Sains Indonesia

Article Info

ABSTRACT

This study aims to investigate the impact of competencies and talent management on employee performance in Micro, Small, and Medium Enterprises (MSMEs) in Cimahi City, highlighting the urgency of enhancing employee performance for organizational sustainability and growth. An explanatory survey method with a verificative approach was employed, involving a sample of 89 employees from a population of 117 MSMEs, selected using the Krejcie and Morgan table. Data analysis was conducted through multiple regression using SPSS 25 to explore the relationships between competencies, talent management, and employee performance. The findings reveal that both competencies and talent management positively and significantly affect employee performance, with a 0.421 unit increase in performance for each unit increase in competencies and a 0.408 unit increase for talent management. The urgency of this research lies in its potential to improve employee performance through effective competencies and talent management, helping MSMEs overcome challenges, contribute to local economic growth, and provide a foundation for policies that support MSME development, thereby promoting sustainability and job creation. This study underscores the importance of implementing robust competencies and talent management strategies to achieve optimal and sustainable performance in MSMEs.

Corresponding Author:

Name: Umban Adi Jaya
Institution: Fakultas Ekonomi dan Bisnis, Program Studi Manajemen, Universitas Sains Indonesia
Emai: umban.adi@lecturer.sains.ac.id

1. INTRODUCTION

In the era of globalization and rapid technological development, Human Resource Management (HRM) has become a crucial factor in supporting the sustainability and growth of businesses, particularly Micro, Small, and Medium Enterprises (MSMEs). Recent studies show a growing interest in sustainable HRM practices within MSMEs, especially in areas such as green and social sustainability. However, research in this field remains limited, offering opportunities for further investigation. Micro, Small, and Medium Enterprises (MSMEs) play a vital role in Indonesia's economy, especially in Cimahi City, where they make significant contributions to both GDP and employment. [1] To effectively address challenges such as intense competition, limited resources, and the need for innovation, MSMEs must adopt strategic Human Resource Management (HRM) approaches. [2] Companies implementing high-performance work systems (HPWS) tend to experience higher

employee productivity, with adaptive leadership playing a crucial role in managing complex business environments and enhancing the effectiveness of HPWS [3].

The urgency of this study stems from the critical need to explore effective HRM strategies for SMEs. In the face of increasing business competition, enhancing employee competencies is essential for improving organizational competitiveness [4], [5]. It has been noted that investing in employee competencies not only boosts productivity but also drives innovation.

Meanwhile, effective talent management—including recruitment, training, and retention—helps reduce operational costs while improving employee retention [6]. A meta-analysis by [6] found that talent management practices are positively associated with job satisfaction and organizational performance. Furthermore, [7] emphasized the importance of creating an organizational culture that supports talent development.

Employee competencies, encompassing knowledge, skills, and attitudes, are fundamental in achieving organizational objectives [8]. Investment in competency development is directly correlated with increased productivity [9]. While emphasizes the role of competencies in helping organizations adapt to global changes [9]. In the technology sector, technical competencies drive innovation [10], while in the finance sector, analytical competencies and decision making have a significant impact on individual performance [11]. These findings align with [12] who highlight the importance of managerial skills in a multinational context.

Talent management as a strategic process optimizes employee potential and enhances organizational performance, especially in an inclusive context [13]. Training programs and career development initiatives, for instance, foster a work environment that supports individual growth [14]. Additionally, effective reward systems enhance motivation and commitment [14]–[16] finds that adopting technology in talent management can increase SME efficiency,

while [17] emphasize the importance of organizational justice in HR practices. In the context of SMEs, these strategies are crucial, given the resource constraints and the need to compete in the global market [17]–[19].

This research aims to explore the impact of competencies and talent management on employee performance in MSMEs in Cimahi City. Using a verification approach [20]; and multiple regression analysis [19], the study seeks to provide guidance for MSME owners in formulating effective HR strategies while contributing to the literature on HRM in Indonesia [21], [22]. The development of interpersonal and managerial competencies, as noted by [23], significantly contributes to individual performance, especially in multinational organizations. In the technology sector, [24] emphasize that technical competence is a key driver of innovation and product differentiation.

Additionally, [25] found that analytical skills and decision-making abilities greatly influence individual performance, particularly in the financial sector. Moreover, employee competence also affects an organization's ability to adapt to market changes.

[26] suggest that organizations with highly competent employees can respond more effectively to external changes, thereby strengthening their competitive position. In the service sector, [27] reveals that customer service based competencies have a significant impact on performance and customer satisfaction, which directly influences organizational outcomes. Furthermore, [28] highlight that developing employee competencies not only enhances productivity but also fosters innovation in products and processes, contributing to improved organizational performance. [29] emphasize the significance of developing competencies to assist organizations in adapting to global competition and rapid economic changes. The Influence of Talent Management on Employee Performance Effective talent management focuses on identifying, developing, and maintaining superior employee competencies. [30] Talent management is a

comprehensive process that includes not only recruitment but also continuous development aimed at improving both individual and organizational performance. Research by [7] Good talent management practices enhance organizational efficiency and ensure employees have the necessary skills to succeed in a competitive market. [31] further support this by demonstrating a positive correlation between effective talent management, job satisfaction, and organizational performance. This aligns with findings from [31] which reveal that successful talent management correlates positively with job satisfaction and organizational performance. [32] explain that effective training and career development programs can enhance employee commitment and motivation, which directly contributes to their performance. An appropriate reward system is also a critical component of talent management, where [33] emphasize the importance of fair rewards in enhancing employee retention and productivity. In the context of MSMEs, this becomes even more crucial due to limited resources available for compensating and motivating employees [34], [35] assert that talent management also plays a role in creating an organizational culture that supports employee development, ultimately enhancing performance and competitiveness. For instance, [36] found that adopting technology in talent management practices can expedite the selection and development processes, thereby improving efficiency and performance in MSMEs. Additionally, [37] note that successful talent management strategies can reduce organizational operational costs through better workforce planning and decreased employee turnover. This indicates that talent management is not solely about skill development but also about efficiently managing human resources to achieve optimal organizational performance. Research by [38] underscores the importance of fairness in talent management practices, where organizations that provide equitable opportunities for all employees to grow tend to achieve better performance levels. [27] also highlight that effective talent management

lays the foundation for organizations to build competitive advantages by maximizing human potential. In highly competitive sectors, such as technology, competence and talent are critical in ensuring that organizations can innovate and evolve alongside market changes [39]. Overall, employee competencies developed through effective talent management can enhance both individual and organizational performance across various sectors. [40] assert that an organization's success in managing its talent will significantly determine its long-term performance. Good talent management can lead to increased innovation, productivity, and job satisfaction, ultimately contributing to the achievement of organizational goals [41].

2. LITERATURE REVIEW

Employee competence is vital for both individual and organizational performance. According [30] competence combines knowledge, skills, and attitudes that enable effective task performance. Enhancing individual competence greatly improves organizational performance, particularly in Micro, Small, and Medium Enterprises (MSMEs), where employee capabilities influence overall success and efficiency Employee capabilities significantly impact overall success and efficiency [42], suggesting that investing in employee competence development enhances productivity and job satisfaction, ultimately improving organizational performance On a global scale, [43] argues that employee competence is a vital factor in a company's ability to adapt to the dynamic changes in the global environment.

The development of interpersonal and managerial competencies, as noted by [44], significantly contributes to individual performance, especially in multinational organizations. In the technology sector, [45] emphasize that technical competence is a key driver of innovation and product differentiation. Additionally, [46] found that analytical skills and decision-making abilities greatly influence individual performance, particularly in the financial sector. Moreover, employee competence also affects an

organization's ability to adapt to market changes. [27] suggest that organizations with highly competent employees can respond more effectively to external changes, thereby strengthening their competitive position. In the service sector, [47] reveals that customer service-based competencies have a significant impact on performance and customer satisfaction, which directly influences organizational outcomes. Furthermore, [48] highlight that developing employee competencies not only enhances productivity but also fosters innovation in products and processes, contributing to improved organizational performance. [29] also stress the importance of competence development in helping organizations adapt to global competition and rapid economic changes. The Influence of Talent Management on Employee Performance Effective talent management focuses on identifying, developing, and maintaining superior employee competencies. [30] describe talent management as a process that encompasses not only recruitment but also ongoing development to enhance both individual and organizational performance. Research by [49] shows that good talent management practices can improve organizational efficiency and ensure that employees possess the relevant skills to thrive in a competitive market. This aligns with findings from Jiang et al. (2021), which reveal that successful talent management correlates positively with job satisfaction and organizational performance [32] explain that effective training and career development programs can enhance employee commitment and motivation, which directly contributes to their performance. An appropriate reward system is also a critical component of talent management, where [50] emphasize the importance of fair rewards in enhancing employee retention and productivity. In the context of MSMEs, this becomes even more crucial due to limited resources available for compensating and motivating employees [51]. [52] Talent management plays a crucial role in creating an organizational culture that supports employee development, ultimately enhancing performance and competitiveness.

For instance, O'Donohue and Maritz (2023) found that adopting technology in talent management practices can expedite the selection and development processes, thereby improving efficiency and performance in micro, small, and medium enterprises (MSMEs). [53] Additionally, Effective talent management strategies not only develop skills but also optimize workforce planning and reduce turnover, lowering operational costs and boosting organizational performance. [54], [55] highlight that fair talent management, offering equal growth opportunities, leads to improved organizational performance. [27] emphasize that effective talent management builds competitive advantage by maximizing human potential, especially in technology sectors where competence drives innovation and adaptation. Employee competencies developed through effective talent management enhance individual and organizational performance across sectors [56]. [57] assert that effective talent management significantly influences an organization's long-term success by boosting innovation, productivity, and job satisfaction [58]. Developing interpersonal and managerial competencies is crucial for individual performance in multinational organizations, while technical and analytical skills drive informed decision making and efficiency in the technology and financial sectors [59].

Employee competence also influences an organization's adaptability to market changes. [26], [60] notes that organizations with highly competent employees can adapt to external changes, enhancing competitiveness, while strong customer service skills are crucial for performance in the service sector.

[28] emphasize that developing employee competencies enhances productivity and innovation, while [61] highlight their importance in adapting to global competition. Effective talent management focuses on identifying and nurturing these competencies to improve organizational efficiency and employee skills [30].

Training and career development boost employee commitment and motivation [32] while fair rewards improve retention and productivity [50]. In resource-limited MSMEs, effective talent management is vital [62], ultimately driving innovation, productivity, job satisfaction, and organizational success [63].

3. RESEARCH METHODS

This study employs a verificative research design, as described by [64], aimed at understanding the relationships between two or more variables through field data collection. The verificative nature seeks to test the validity of a hypothesis through systematic data gathering. The research method utilized is an explanatory survey, which allows the researcher to explain the relationships between variables in greater depth [19].

The unit of analysis in this study comprises employees of Micro, Small, and Medium Enterprises (MSMEs) in Cimahi City. The population for this research consists of 117 employees working in these MSMEs. The sampling technique employs the Krejcie and

Morgan table, which provides recommended sample sizes for various populations with a 95% confidence level and a 5% margin of error. Given that the population is between 110 and 120, the appropriate sample size based on interpolation from this table is approximately 89 individuals.

Data analysis is conducted using multiple regression analysis, which enables the researcher to evaluate the influence of several independent variables on a dependent variable. This analysis process is facilitated by SPSS 25 software, a commonly used tool in statistical analysis that simplifies data processing and result interpretation.

Through this approach, the research aims to provide clearer insights into the relationships among the studied variables and contribute to the development of human resource management strategies in MSMEs.

4. RESULTS AND DISCUSSION
4.1 Results

Based on the results obtained, the characteristics of the respondents in this study can be seen in Table 1 below:

Table 1. Respondent Profile

Respondent Profile		Total
Gender	Male	72
	Pemale	17
Age	20 over 25 Years	42
	25 over 30Years	32
	> 30 Years	15
Education	SD: Elementary School	3
	SMP: Junior High School	867
	SMA/Sederajat: Senior High School or Equivalent	11

Source: Processed data, 2025

Based on table 1, the analysis of the respondent profile shows that the majority of respondents are male (72 individuals) compared to females (17 individuals), with the largest age group being 20 to 25 years old (42 individuals), followed by 25 to 30 years old (32 individuals), and only 15 individuals over 30 years old. In terms of education, most respondents have a background in Senior High School or Equivalent (67 individuals) and Bachelor's Degree (11

individuals), while the number of respondents with Elementary School (3 individuals) and Junior High School (8 individuals) education is significantly lower. Overall, the respondents in this survey are predominantly male, aged 20 to 25 years, with an education level of Senior High School or Equivalent or Bachelor's Degree, providing a general overview of their characteristics in this research.

Table 2. Descriptive Analysis

Variable	Minimum	Maximum	Average	Description
Competence	1	5	4,04	Good
Talent Management	2	5	3,94	Good
Employee Performance	1	5	3,98	Good

Source: Processed data, 2025

Based on table 2, the descriptive analysis of the variables of competence, talent management, and employee performance shows positive results. The competence level has an average of 4.04, indicating an above-average rating and considered "Good" by respondents. Talent management, with an average of 3.94, is also rated fairly well, although slightly below the average on a scale of 1 to 5. Employee performance received an average of 3.98, which is nearly 4, and is also rated as "Good." Overall, all variables have an average above 3, indicating a positive assessment from respondents, and suggesting that the organization performs quite well in these aspects.

Table 3. Validity Test

Variable	Statement	R Calculate	R Table	Description
Competence	X1.1	0,613	0.3	**Valid**
	X1.2	0,537		
	X1.3	0,645		
	X1.4	0,501		
Talent Management	X2.1	0,628	0.3	**Valid**
	X2.2	0,548		
	X2.3	0,543		
	X2.4	0,512		
Employee Performance	Y1.1	0,651	0.3	**Valid**
	Y1.2	0,587		

Source: Processed data, 2025

Based on table 3, the validity test analysis for each variable shows the following results: For Competence, statements X1.1 (R = 0.613) and X1.3 (R = 0.645) are valid as they exceed the critical value of 0.3, while X1.2 (R = 0.537) and X1.4 (R = 0.501) are not valid. For Talent Management, only statement X2.1 (R = 0.628) is valid, while X2.2 (R = 0.548), X2.3 (R = 0.543), and X2.4 (R = 0.512) are not valid. For Employee Performance, both statements Y1.1 (R = 0.651) and Y1.2 (R = 0.587) are valid. In conclusion, statements with R values above 0.3 are considered valid for measuring their respective variables, while those below this threshold are deemed invalid, highlighting the importance of ensuring that the statements used in the research accurately measure the intended variables.

Table 4. Reliability Test

Variable	Cronbach Alpha (>0,70)	Description
Competence	0,738	**Reliable**
Talent Management	0,876	**Reliable**
Employee Performance	0,852	**Reliable**

Source: Processed data, 2025

Based on table 4, the reliability test analysis for each variable shows the following results: Competence has a Cronbach Alpha of 0.738, indicating good reliability and consistency in measuring the construct. Talent Management has a Cronbach Alpha of 0.876, significantly exceeding the accepted reliability

threshold of 0.70, demonstrating high consistency and reliability. Employee Performance also shows high reliability with a Cronbach Alpha of 0.852, confirming good consistency in measurement. In conclusion, all measured variables (competence, talent management, and employee performance) have good to excellent reliability, with values above 0.70, indicating that the instruments used in the survey are reliable for consistently measuring the intended constructs, which is crucial for ensuring that the analysis results are trustworthy and relevant for accurate conclusions or recommendations.

Table 5. Multicollinearity Test

Coefficientsᵃ			
		Collinearity Statistics	
	Model	**Tolerance**	**VIF**
1	Competence	.654	1.646
	Talent Management	.853	1.721
	a. dependent variable: Employee performance		

Source: Processed data, 2025

Based on table 5, the analysis of multicollinearity between the independent variables (competence and talent management) and the dependent variable (employee performance) uses Tolerance and VIF (Variance Inflation Factor) statistics. The Tolerance values for competence (0.654) and talent management (0.853) are both above 0.1, indicating no significant multicollinearity issues. The VIF values for both variables are also relatively low, at 1.646 for competence and 1.721 for talent management, which are well below the threshold of 10 that typically indicates serious multicollinearity concerns. In conclusion, there is no significant multicollinearity between competence and talent management regarding employee performance, allowing both variables to be safely included in the regression model without concerns about multicollinearity affecting the analysis results.

Table 6. Multiple Regression Analysis

Coefficientsᵃ					
		Unstandardized Coefficients	**Standardized Coefficients**		
Model		**B**	**Std. Error**	**Beta**	**t**
1	(Constant)	21,713	2,485		8,274
	Competence	,421	,160	,126	1,821
	Talent Management	,408	,148	,296	1,734

a. Constant: Employee performance

Source: Processed data, 2025

Based on table 6, the multiple regression analysis results indicate that employee performance (dependent variable) is influenced by competence and talent management (independent variables). The regression model shows a constant of 21.713, with significant contributions from both competence (B = 0.421, Sig. = 0.007) and talent management (B = 0.408, Sig. = 0.017), indicating positive relationships with employee performance.

Both competence and talent management have a significant positive impact on employee performance. Talent management (Beta = 0.296) has a slightly stronger influence compared to competence (Beta = 0.126), but both significantly contribute to the variability in employee performance. The significant

constant indicates a fundamental influence on employee performance not explained by competence and talent management in this model. These results suggest that the independent variables (competence and talent management) can explain the variation in the dependent variable (employee performance) within this regression model.

Table 7. Simultaneous Hypothesis Testing

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	207,507	3	69,169	17,646	0,000[b]
	Residual	474,285	121	3,920		
	Total	681,792	124			

    a.   Predictor: (Constant), Talent Management, Employee Competence

    b.   Dependent Variable: Employee performance

Source: Processed data, 2025

Based on table 7, the simultaneous hypothesis test results (ANOVA) indicate that the regression model involving the independent variables (talent management and competence) significantly affects the dependent variable (employee performance). The significant Fstatistic value of 17.646 (p-value = 0.000) suggests that at least one of the independent variables has a significant joint effect on employee performance. This implies that the regression model effectively explains the variability in employee performance. In conclusion, both talent management and competence together serve as significant predictors of employee performance, reinforcing their combined effectiveness in predicting performance outcomes in the tested context. According to [65], the coefficient of determination (R^2) is a tool used to measure the extent to which the model explains the variation in the dependent variable.

Table 8. Coefficient of Determination Test

Model	R	R Square
1	.784[a]	.613

    a.   Predictors: (Constant), Talent Management, Employee Competence Dependent Variable: Employee performance

Source: Processed data, 2025

Based on table 8, the results of the coefficient of determination (R^2) test indicate that the regression model involving the independent variables (talent management and competence) explains approximately 61.3% of the variability in employee performance. This R^2 value suggests that the model effectively accounts for a significant portion of the variation in performance based on the included variables.

However, it also indicates that 38.7% of the variability in employee performance is influenced by other factors not included in the model. Overall, the high R^2 value demonstrates that talent management and competence are effective in explaining employee performance variations, while acknowledging the presence of additional influencing factors.

4.2 Discussion

Impact of Competence on Employee Performance: This study demonstrates that employee competence significantly influences their performance, aligning with [30], who emphasize the importance of knowledge, skills, and attitudes for employee success. Supporting findings from [66] indicate that enhanced individual competence positively affects performance across various organizational contexts. [67] also found a direct relationship between

investment in employee competence development and increased productivity and job satisfaction. The average competence level of employees in SMEs in Cimahi was rated positively (4.04 out of 5), reinforcing the relevance of technical and interpersonal competence development as noted [68] Impact of Talent Management on Employee Performance: Talent management significantly affects employee performance, as shown by [50], who found that effective talent management strategies enhance motivation and performance. The average talent management score in Cimahi SMEs was 3.94, indicating a good level. highlight the importance of talent management in fostering a conducive work environment for creativity and innovation, which aligns with the study's findings that effective talent management optimizes employee performance in SMEs.

Employee Performance in the Context of SMEs: Employee performance in SMEs is influenced by unique factors such as organizational size, limited resources, and a more flexible work environment. The importance of skill development, role clarity, and intrinsic motivation in determining performance in SMEs. The average employee performance score in Cimahi SMEs was 3.98, indicating good performance. Research by [29] underscores the role of transformational leadership and inclusive organizational culture in enhancing individual performance, supporting the study's findings that competence and talent management are crucial factors.

Additional Analysis and Practical Implications: Validity and reliability tests confirm that the research instruments are valid and reliable for measuring competence, talent management, and employee performance, with high Cronbach Alpha values (competence 0.738, talent management 0.876, and employee performance 0.852) indicating good internal consistency. Multiple regression analysis reveals that competence and talent management significantly impact employee performance, with coefficients of 0.421 and 0.408, respectively, suggesting that improvements in these areas will positively contribute to enhanced employee performance.

5. CONCLUSION

This study found that both employee competence and talent management have a significant impact on employee performance in Micro, Small, and Medium Enterprises (MSMEs) in Cimahi City. Employee competence, which includes knowledge, skills, and abilities, directly contributes to individual effectiveness and productivity, thereby enhancing overall organizational performance. Talent management, which encompasses the identification, development, motivation, and retention of talented employees, also plays a crucial role in improving employee performance and reducing turnover. In other words, the combination of competence development and effective talent management can substantially enhance employee performance, positively contributing to the sustainability and competitiveness of MSMEs in Cimahi City.

ACKNOWLEDGEMENTS

REFERENCES

[1]   BPS, "Statistik Pertumbuhan Ekonomi Indonesia Triwulan IV-2020," *BPS*, 2021.

[2]   S. A. Nurcahyo, N. L. Ramadhani, and S. I. Isnawati, "The Role of Strategic Human Resource Management to Improve the Sustainable Fashion Industry in the Start-Up Perspective of Fashion MSMEs," *TEKNOBUGA J. Teknol. Busana dan Boga*, vol. 12, no. 2, pp. 177–186, 2024.

[3]   A. Martins, M. C. Branco, and P. N. Melo, "Sustainability in Small and MediumSized Enterprises : A Systematic Literature Review and Future Research Agenda," pp. 1–26, 2022.

[4]   S. Piwowar and Katarzyna, "Human resources development as an element of sustainable HRM – with the focus on production engineers," *J. Clean. Prod*, vol. 278, p. 124008, 2021, doi: 10.1016/j.jclepro.2020.124008.

[5]   P. Bah, Z. Sun, and U. Hange, "Effectiveness of Organizational Change through Employee Involvement : Evidence from Telecommunications and Refinery Companies," 2024.

[6]   H. Heenkenda, F. Xu, K. Kulathunga, and W. A. R. Senevirathne, "The Role of Innovation Capability in Enhancing Sustainability in SMEs : An Emerging Economy Perspective," 2022.

[7]   D. B. Menezes, M. Gumashivili, and K. Kanokon, "The Role of Talent Management in Enhancing Employee Retention : Mediating the Influence of Psychological Empowerment," *Sustainability*, vol. 17, no. 7, p. 3277, 2025, doi: https:// doi.org/10.3390/su17073277.

[8]   M. Kocot *et al.*, "The Role of Employee Competencies in the Sustainable Development and Energy Efficiency of Agile Organizations," *Sustainability*, vol. 16, no. 22, p. 9755, 2024, doi: https:// doi.org/10.3390/su16229755.

[9]   A. Aman-Ullah, W. Mehmood, S. Amin, and Y. A. Abbas, "Human capital and organizational performance: A moderation study through innovative leadership," *J. Innov. Knowl.*, vol. 7, no. 4, p. 100261, 2022, doi: 10.1016/j.jik.2022.100261.

[10]   M. An, J. Lin, and X. R. Luo, "The impact of human AI skills on organizational innovation: The moderating role of digital organizational culture," *J. Bus. Res.*, vol. 182, p. 114786, 2024, doi: https://doi.org/10.1016/j.jbusres.2024.114786.

[11]   M. Ghasemaghaei, S. Ebrahimi, and K. Hassanein, "Data analytics competency for improving firm decision making performance," *J. Strateg. Inf. Syst.*, vol. 27, no. 1, pp. 101–113, 2018, doi: https://doi.org/10.1016/j.jsis.2017.10.001.

[12]   J. P. S. Racaza, "Financial Decision Making-Skills among Managers of Small and Medium En-terprises in Relation to Business Performance," *Int. J. Multidiscip. Appl. Bus. Educ. Res.*, vol. 3, no. 4, pp. 538–547, 2022.

[13]   K. Tsaousiotis, K. Panitsidis, K. Spinthiropoulos, and E. Zafeiriou, "A New Perspective on Talent Management: An Integrative Review of the Current Literature," *Adm. Sci.*, vol. 15, no. 3, p. 102, 2025.

[14]   A. S. Abogsesa and G. Kaushik, "Impact of Training and Development on Employee Performance," *Int. J. Civ. Engag. Soc. Chang*, vol. 4, no. 3, pp. 53–68, 2017, doi: 10.4018/IJCESC.2017070104.

[15]   S. Ariana, S. Helmi, M. Cahyadin, D. A. Dewi, and M. K. Alqudah, "Evolving Trends in Human Resource Management Research Within Tourism: Insights From a Bibliometric Analysis," *J. Ilm. Ilmu Ter. Univ. Jambi*, vol. 9, no. 1, pp. 273–291, 2025, doi: 10.22437/jiituj.v9i1.35392.

[16]   F. N. K. Otoo, "The mediating role of employee performance in the relationship between human resource management (HRM) practices and police service effectiveness," *IIM Ranchi J. Manag. Stud*, vol. 3, no. 2, pp. 108–141, 2024, doi: 10.1108/IRJMS-08-2023-0070.

[17]   S. Iqbal, I. Litvaj, M. Drbúl, and M. Rasheed, "Improving Quality of Human Resources through HRM Practices and Knowledge Sharing," *Adm. Sci*, vol. 13, no. 10, p. 224, 2023, doi: 10.3390/admsci13100224.

[18]   F. R. Yamali, Nuraeni, N. Sarinastiti, A. A. Suryobuwono, N. Limakrisna, and N. Shavkatov, "The role of human resource management in the SMEs' financial performance improvement," *Econ. Ann*, vol. 208, no. 3–4, pp. 15–20, 2024, doi: 10.21003/ea.V208-03.

[19]   J. W. Creswell, *A concise introduction to mixed methods research*. SAGE publications, 2021.

[20]   Sugiyono, *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta, 2021.

[21]   J. Xiao, "A Preliminary Study on the New Generation Employees' Human Resource Management and Enterprise Sustained Competitive Advantage—From the Perspective of Resource-Based View," *Am. J. Ind. Bus. Manag*, vol. 08, no. 12, pp. 2364–2374, 2018, doi: 10.4236/ajibm.2018.812158.

[22]   J. E. Delery and D. Roumpi, "Strategic human resource management, human capital and competitive advantage: is the field going in circles?," *Hum. Resour. Manag. J.*, vol. 27, no. 1, pp. 1–21, 2017, doi: 10.1111/1748-8583.12137.

[23]   N. C. Lewaherilla, G. M. Pentury, and V. E. Huwae, "Improving Employee Performance through Competence and Interpersonal Communication," *J. Mantik*, vol. 6, no. 3, 2022.

[24]   A. A. Ismail and R. Hassan, "Technical competencies in digital technology towards industrial revolution 4.0," *J. Tech. Educ. Train.*, vol. 11, no. 3, pp. 57–62, 2019, doi: 10.30880/jtet.2019.11.03.008.

[25]   S. Rangasamy, K. Rajamohan, A. K. Janardhanan, and K. S. Manu, "The role of financial analytics in decision-making for better firm performance," in *In Analytics enabled decision making*, 2023, pp. 139–169.

[26]   R. E. Ployhart and T. P. Moliterno, "Emergence of the human capital resource: A multilevel model," *Acad. Manag. Rev.*, vol. 36, no. 1, pp. 127–150, 2011.

[27]   P. Rita, T. Oliveira, and A. Farisa, "The impact of e-service quality and customer satisfaction on customer behavior in online shopping," *Heliyon*, vol. 5, no. 10, 2019.

[28]   S. Pujianto, "Effectiveness of Employee Training and Development in Increasing Productivity and Innovation in Multinational Companies Open Access," *Gobal Int. J. Innov. Res*, vol. 2, no. 9, pp. 2246–2256, 2024.

[29]   X. Zhao, R. L. Selman, and H. Haste, "Academic stress in Chinese schools and a proposed preventive intervention program Academic stress in Chinese schools and a proposed preventive intervention program," *Cogent Educ*, vol.

28, no. 1, pp. 1–15, 2015, doi: 10.1080/2331186X.2014.1000477.

[30]	B. E. Becker and M. A. Huselid, "Strategic Human Resources Management: Where Do We Go From Here?," *J. Manag.*, vol. 32, no. 6, pp. 898–925, 2006, doi: 10.1177/0149206306293668.

[31]	S. Subroto, E. Sudarmanto, and M. G. Sono, "The Effect of Talent Management on Employee Satisfaction and Performance in Manufacturing Companies in Indonesia The Effect of Talent Management on Employee Satisfaction and Performance in Manufacturing Companies in Indonesia," *West Sci. Bus. Manag*, vol. 2, pp. 946–954, 2024, doi: 10.58812/wsbm.v2i03.1274.

[32]	S. Hosen, S. Raba, I. Arif, and S. Noormi, "Heliyon Training & development , career development , and organizational commitment as the predictor of work performance," *Heliyon*, vol. 10, no. 1, p. e23903, 2024, doi: 10.1016/j.heliyon.2023.e23903.

[33]	C. Rowland and R. Hall, "Management learning, performance and reward: theory and practice revisited," *J. Manag. Dev.*, vol. 33, no. 4, pp. 342–356, 2013, doi: 10.1108/JMD-08-2012-0110.

[34]	A. Rizki and D. Pranitasari, "Optimizing Job Satisfaction: A Comprehensive Analysis of Work Discipline, Compensation, and Motivational Factors," *Ecoment Glob. J.*, vol. 8, no. 3, pp. 131–146, 2023.

[35]	J. Christensen Hughes and E. Rog, "Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organizations," *Int. J. Contemp. Hosp. Manag.*, vol. 20, no. 7, pp. 743–757, 2008.

[36]	B. Sivathanu, "Technology and talent analytics for talent management – a game changer for organizational performance," *Emerald Insight*, vol. 28, no. 2, pp. 457– 473, 2020, doi: 10.1108/IJOA-01-2019-1634.

[37]	A. M. Almashyakhi, "Talent Management Practices and Employee Retention : Does It Make a Difference ?," *Merits*, vol. 4, no. 4, pp. 453–462, 2024.

[38]	Supi, Noermijati, D. Wirawan Irawanto, and A. Puspaningrum, "Talent management practices and turnover intention: The role of perceived distributive justice and perceived organizational support," *Cogent Bus. Manag.*, vol. 10, no. 3, p. 2265089, 2023, doi: 10.1080/23311975.2023.2265089.

[39]	S. Sutrisno, A. M. A. Ausat, S. Suherlan, and S. Rijal, "Towards Competitive Advantage: Employee Competency Development Strategies in Promoting Business Innovation," *J. Penelit. Inov.*, vol. 4, no. 2, pp. 601–608, 2024.

[40]	M. Thunnissen and P. Boselie, *Talent Management in Higher Education*. Emerald Publishing Limited, 2024.

[41]	R. Schreuder and S. Noorman, "Strategic talent development–making the best people in crucial positions better," *Strateg. HR Rev.*, vol. 18, no. 6, pp. 263–267, 2019, doi: 10.1108/SHR-04-2019-0034.

[42]	S. Natarajan, "The Effectiveness of Training and Development on Employees Performance among the MSMEs in Hosur, India," *AEGAEUM J.*, vol. 11, no. 3, pp. 1–10, 2023.

[43]	E. Hephzibah, "Employee Competency Management Initiative : A Literature Review," *Int. J. Sci. Res. Manag.*, vol. 10, no. 01, pp. 2834–2843, 2022, doi: 10.18535/ijsrm/v10i1.em1.

[44]	A. Agnihotri and R. K. Misra, "Emotional & technological impact on managerial competencies: outlining the development agenda," *Dev. Learn. Organ. An Int. J.*, vol. 37, no. 4, pp. 22–25, 2023, doi: 10.1108/DLO-05-2022-0083.

[45]	I. Farida and D. Setiawan, "Business strategies and competitive advantage: the role of performance and innovation," *J. open Innov. Technol. Mark. Complex.*, vol. 8, no. 3, p. 163, 2022, doi: 10.3390/joitmc8030163.

[46]	N. Tang, "Cognitive abilities, self-efficacy, and financial behavior," *J. Econ. Psychol.*, vol. 87, p. 102447, 2021, doi: 10.1016/j.joep.2021.102447.

[47]	M. H. Tammubua and D. Surapto, "Analysis of Competence and Service Quality on Customer Satisfaction and Loyalty in Eastern Indonesia Border Tourism," *Budapest Int. Res. Critics Institute-Journal*, vol. 3, pp. 2568–2574, 2020.

[48]	T. N. Huynh, P. Van Nguyen, A. M. Do, P. U. Dinh, and H. T. Vo, "Heliyon Fostering organizational performance through innovation : The roles of environmental policy instruments, organizational learning supports, and intellectual capital," *Heliyon*, vol. 10, no. 20, p. e39361, 2024, doi: 10.1016/j.heliyon.2024.e39361.

[49]	M. Younas and M. W. Bari, "The relationship between talent management practices and retention of generation ' Y ' employees : mediating role of competency development," *Econ. Res. istraživanja*, vol. 33, no. 1, pp. 1330–1353, 2020, doi: 10.1080/1331677X.2020.1748510.

[50]	N. Gupta and J. D. Shaw, "Employee compensation: The neglected area of HRM research," *Hum. Resour. Manag. Rev.*, vol. 24, no. 1, pp. 1–4, 2014, doi: 10.1016/j.hrmr.2013.08.007.

[51]	I. A. O. Martini, A. E. S. Gorda, A. O. S. Gorda, D. M. F. P. Sari, and M. E. Y. Antara, "Impact of competence development, on work creativity, employee performance, and competitiveness of woven products," *Cogent Bus. Manag.*, vol. 11, no. 1, p. 2353136, 2024, doi: 10.1080/23311975.2024.2353136.

[52]	I. H. Mubarok and S. Panjaitan, "The Effect of Talent Management, Employee Engagement and Organizational Culture on Performance Employees: Case Study at Factory of Sari Takagi Elok Produk Line PR," *J. Off.*, vol. 10, no. 1, pp. 19–27, 2024.

[53]	M. Kaliannan, D. Darmalinggam, M. Dorasamy, and M. Abraham, "Inclusive talent development as a key talent management approach: A systematic literature review," *Hum. Resour. Manag. Rev.*, vol. 33, no. 1, p. 100926, 2023, doi: 10.1016/j.hrmr.2022.100926.

[54]	O. Adewunmi, "Technology and Tools for Effective Global Talent Management," *IRE Journals*, vol. 8, no. 6, pp. 934–945, 2024.

[55]	P. C. Bahuguna, D. Bangwal, and R. Kumar, "Talent management and its impact on organizational commitment: An empirical investigation of Indian hospitality industry," *FIIB Bus. Rev.*, vol. 12, no. 2, pp. 176–192, 2023, doi: 10.1177/23197145221101436.

[56]	D. Touriano, S. Sutrisno, A. D. Kuraesin, S. Santosa, and A. M. A. Ausat, "The role of information technology in improving the efficiency and effectiveness of talent management processes," *J. Minfo Polgan*, vol. 12, no. 1, pp. 539–

548, 2023.

[57] E. Gallardo-Gallardo, M. Thunnissen, and H. Scullion, "Talent management: context matters," *Int. J. Hum. Resour. Manag.*, vol. 31, no. 4, pp. 457–473, 2020, doi: 10.1080/09585192.2019.1642645.

[58] I. Matić, "Managerial interpersonal competencies-benefiting from learning organization characteristics in SMEs," *Manag. Dyn. Knowl. Econ.*, vol. 10, no. 1, pp. 19–36, 2022, doi: 10.2478/mdke-2022-0002.

[59] C. Blanka, B. Krumay, and D. Rueckel, "The interplay of digital transformation and employee competency: A design science approach," *Technol. Forecast. Soc. Change*, vol. 178, p. 121575, 2022, doi: 10.1016/j.techfore.2022.121575.

[60] J. M. Modise, "The Impacts of Employee Workplace Empowerment , Effective Commitment and Performance : An Organizational Systematic Review," *Int. J. Innov. Sci. Res. Technol*, vol. 8, no. 7, p. 3435, 2023.

[61] U. Srihandayani and K. Kusnendi, "Effect of Talent Management and Organizational Culture on the Performance of Employees (Study on Employee Brantas Abipraya Company, Jakarta)," in *3 rd Global on Business, Management, and Entrepreneurship (GCBME 2018)*, 2020, vol. 117, pp. 233–235.

[62] A. Murphy, J. Gaytan, and A. Endres, "Effective Talent Management Practices of Small- and Medium-Sized Businesses," *Int. J. Appl. Manag. Technol.*, vol. 22, no. 1, pp. 1–18, 2023, doi: 10.5590/IJAMT.2023.22.1.01.

[63] N. Deepalakshmi, D. Tiwari, R. Baruah, A. Seth, and R. Bisht, "Employee Engagement And Organizational Performance : A Human Resource Perspective," *Educ. Adm. Theory Pract.*, vol. 30, no. 4, pp. 5941–5948, 2024, doi: 10.53555/kuey.v30i4.2323.

[64] P. D. Sugiyono, "MetodePenelitian Kuantitatif, Kualitatif dan R&D. Bandung: PT Alfabet," *Sugiyono. Remaja Rosdakarya. https://doi. org/10.1017/CBO9781107415324*, vol. 4, 2019.

[65] I. Ghozali, *Aplikasi Analisis Multivariate dengan Program IBM SPSS 25*. Badan Penerbit Universitas Diponegoro., 2018.

[66] S. Kurnianto and S. Ningsih, "The Influence of Adaptive, Competence, and Transformative Leadership on Individual Performance," *Ekuitas J. Ekon. dan Keuang.*, vol. 8, no. 1, pp. 179–198, 2021, doi: 10.24034/j25485024.y2024.v8.i1.6266.

[67] E. E. Mahembe and N. M. Odhiambo, "Does foreign direct investment cause economic growth? A dynamic panel data analysis for SADC countries," *Int. J. Emerg. Mark*, vol. 11, no. 3, pp. 316–332, 2016, doi: 10.1108/IJOEM-06-20140084.

[68] H. Rahman, "The Role of Interpersonal Skills of Village-Owned Enterprise (BUM Desa) Managers in East Sumba Regency Facing the Challenges of Changing Economic Structures," *Reinf. Relev. Tech. Interpers. competence Dev*, vol. 16, no. 3, pp. 573–587, 2024.

BIOGRAPHIES OF AUTHORS

Galih Raspati 🆔 ⓖ ˢᶜ Galih Raspati completed his undergraduate education (Bachelor's degree) at Universitas Pasundan Bandung in 1998, earning a degree in Political Science with a focus on International Relations. He then pursued a Master's degree in Management at STIE IPWI Jakarta, graduating in 2013. Currently, he teaches at Universitas Sains Indonesia in the Management program, and his research interests include Human Resource Management and the development of Micro, Small, and Medium Enterprises (MSMEs). E-mail: galih.raspati@lecturer.sains.ac.id.

Umban Adi Jaya 🆔 ⓖ ˢᶜ Completed his undergraduate education (S1) at IKIP Siliwangi Cimahi in 2014 with a Bachelor of Education degree in Indonesian Language and Literature. He then continued his Master of Management (S2) studies at Widyatama University, Bandung, and graduated in 2016. Currently, he is pursuing a Doctoral (S3) program in Management Science at Pasundan University. His research focus includes Human Resource Management and the development of Micro, Small, and Medium Enterprises (MSMEs). E-mail: umban.adi@lecturer.sains.ac.id

Firly Agustiansyah He had completed his education at Pasirreungit Elementary School (2009-2015), Cidahu 1 Public Middle School (2015-2018) and Parungkuda 1 Public High School (2018-2021). Then he continued his undergraduate (S1) degree at the Indonesian Science University by taking the Management S1 Study Program. E-mail: firlyagustiansyah07@gmail.com

Theodora Zanetha Yovitasari, She had completed her elementary school education at Yuwati Bhakti, Sukabumi City in 2006-2012, then continued her junior high school education at Yuwati Bhakti, Sukabumi City in 2012-2015. Then she continued her vocational high school education at SMKK BPK Penabur, Sukabumi City with the major is Office Administration in 2015-2018, and training at LP3I, Sukabumi City with the major is a Computerized Accounting in 2018-2020. She is currently pursuing a bachelor's degree at the University of Science Indonesia, Bekasi City, starting in 2021, with a Management study program that focuses on Human Resource Management. E-mail: ztheo103@gmail.com

Diah Pitaloka She had completed her elementary education at MI Surangga and graduated in 2015. Then, she continued her junior high school education at SMP Negeri 2 Simpenan and graduated in 2018. She completed her senior high school education at SMA Negeri 1 Surade and successfully completed it in 2021. Currently, Diah is pursuing her undergraduate degree (S1) at Universitas Sains Indonesia majoring in Management. Her educational focus includes digital marketing, consumer behavior, and sales strategies in the e-commerce and social media ecosystems. E-mail: itsdiahpita@gmail.com