

Content lists available at [Indonesia Academia Research Society](https://ejournals.indoacademia-society.com/index.php/ijbef)

International Journal of Business, Economics & Financial Studies

Journal homepage: <https://ejournals.indoacademia-society.com/index.php/ijbef>

Original Article



Knowledge Management and Talent Management as Drivers of Employee Performance: The Mediating Role of Job Satisfaction

Dyah Yuni Wulandari ^{a,*}, Joko Suyono ^a and Eman Setiawan ^b^a Master of Management, Faculty of Economics and Business, Universitas Narotama, 60117 Sukolilo, Surabaya, Indonesia; joko.suyono@narotama.ac.id (J.S.)^b Department of Information Systems, Faculty of Computer Science, Universitas Narotama, 60117 Sukolilo, Surabaya, Indonesia; eman.setiawan@narotama.ac.id (E.S.)* Correspondence: dywul79@gmail.com (D.Y.W.)

Article History

Received 6 March 2025
Revised 9 April 2025
Accepted 14 May 2025
Available Online 31 May 2025

Keywords:

Knowledge Management
Talent Management
Job Satisfaction
Employee Performance
Manufacturing Industry

Abstract

Employee performance is a critical factor influencing organizational competitiveness, particularly in manufacturing industries that require efficient knowledge utilization and skilled human resources. However, many organizations still face challenges in effectively managing organizational knowledge and employee talent, which may affect employee satisfaction and performance outcomes. This study aims to examine the influence of knowledge management and talent management on employee performance, with job satisfaction acting as a mediating variable. A quantitative explanatory research design was applied using a cross-sectional approach. The study was conducted in a plastic pallet manufacturing company in Sidoarjo, Indonesia, involving all 36 employees in the production department as respondents through a saturated sampling technique. Data were collected using structured questionnaires measured on a five-point Likert scale and analyzed using Structural Equation Modeling based on Partial Least Squares (SEM-PLS) with SmartPLS 4.0. The results indicate that knowledge management and talent management both have positive and significant effects on employee performance. Additionally, knowledge management and talent management significantly influence job satisfaction, while job satisfaction itself positively affects employee performance. The mediation analysis further reveals that job satisfaction partially mediates the relationship between knowledge management and employee performance as well as between talent management and employee performance. These findings highlight the importance of integrating knowledge management and talent management practices with initiatives that enhance employee satisfaction in order to improve employee performance. The study contributes to the human resource management literature by providing empirical evidence from the manufacturing sector and offers practical implications for organizations seeking to strengthen employee performance through effective knowledge and talent management strategies.

Copyright: © 2025 by the authors. Submitted for possible open-access publication under the terms and conditions of the Creative Commons Attribution (CC BY 4.0) license (<https://creativecommons.org/licenses/by/4.0/>).

1. Introduction

Human resources (HR) is widely recognized as a strategic asset that plays a crucial role in determining organizational success, particularly in an increasingly competitive global environment. Organizations must develop competent, talented, and adaptable employees to maintain sustainable performance and competitiveness (Irfani, 2023). In modern organizations, employee performance is not only influenced by

individual capabilities but also by effective human resource management practices that support employee development and engagement. Among these practices, knowledge management and talent management have received increasing attention as key drivers of organizational performance (Gallardo-Gallardo et al., 2020; Wulandari et al., 2023).

Knowledge management refers to a systematic process of creating, storing, sharing, and applying

knowledge within organizations to enhance decision-making quality and operational effectiveness (Shabeer & Mahmood, 2025). Effective knowledge management practices help organizations prevent knowledge loss, promote learning, and improve employee productivity (Auliana & Achmad, 2023). Previous studies have demonstrated that knowledge management contributes positively to organizational performance by enabling employees to access and utilize organizational knowledge effectively (Anugrah et al., 2025; Onjolo, 2025). In addition, knowledge sharing and knowledge application have been identified as important mechanisms that improve innovation, efficiency, and overall employee performance (Azizurqi et al., 2024; Shabeer & Mahmood, 2025).

Alongside knowledge management, talent management has also become a critical element of strategic human resource management. Talent management involves a systematic process of attracting, developing, and retaining talented employees with high potential and valuable competencies (Gallardo-Gallardo et al., 2020). Effective talent management practices enable organizations to maximize employee potential and align individual capabilities with organizational goals (Haryanti & Junaris, 2022). Empirical studies indicate that well-implemented talent management practices can improve employee satisfaction, engagement, and performance (Subroto et al., 2024; Yusuf et al., 2023). Furthermore, organizations that invest in talent development programs and career opportunities tend to achieve higher levels of employee motivation and productivity (Ramu & Anitha, 2024; Jasmoh et al., 2025).

Another important factor that influences employee performance is job satisfaction. Job satisfaction reflects employees' emotional and psychological responses to their work environment, compensation, leadership, and organizational policies (Zakaria et al., 2024). Numerous studies suggest that satisfied employees are more motivated, committed, and productive, which ultimately leads to improved organizational performance (Herawati & Fauzan, 2024). A meta-analysis by Panda et al. (2024) confirms that job satisfaction has a moderate yet significant positive relationship with employee performance across industries and cultural contexts. Additionally, job satisfaction has been found to mediate the relationship between human resource management practices and employee performance outcomes (Setia et al., 2022; Putra & Cahyani, 2024).

Although many studies have examined the relationships between knowledge management, talent management, job satisfaction, and employee performance, the findings remain inconsistent. Some studies report that knowledge management and talent management have significant positive effects on employee performance (Mantow & Nilasari, 2022; Wulandari et al., 2023), while others show that certain human resource management practices have insignificant or partial effects depending on

organizational context (Pratiwi et al., 2023; Auliana & Achmad, 2023). Moreover, several studies emphasize that the effectiveness of knowledge and talent management practices often depends on mediating psychological factors, such as job satisfaction, employee engagement, and organizational commitment (Hakro et al., 2022; Tahir, 2023). These inconsistencies highlight the need for further investigation into how these variables interact in different organizational contexts, particularly within manufacturing industries.

From a practical perspective, the plastic pallet manufacturing company in Sidoarjo, which serves as the context of this study, faces several challenges related to human resource management practices. Although the company possesses advanced production technology and recognized quality certifications, internal evaluations indicate that operational knowledge management systems are not yet fully digitalized and the process of mapping employee talents remains relatively unstructured. These issues may potentially limit employees' ability to utilize knowledge effectively and optimize their performance. In addition, the absence of a structured knowledge-sharing culture and systematic talent development program may affect employee satisfaction and overall productivity.

Based on the theoretical and empirical discussion above, a research gap emerges. First, although many studies have examined knowledge management or talent management individually, relatively few studies have simultaneously analyzed both variables in relation to employee performance within the manufacturing sector. Second, previous research often focuses on direct relationships between these variables, while the mediating role of job satisfaction remains underexplored in certain industrial contexts. Third, most empirical studies have been conducted in service industries or public-sector organizations, with limited attention to manufacturing companies, particularly in Indonesia.

Therefore, this study aims to address these gaps by examining the relationships between knowledge management, talent management, job satisfaction, and employee performance within the manufacturing sector. Specifically, the objective of this study is to analyze the influence of knowledge management and talent management on employee performance, with job satisfaction acting as a mediating variable, in a plastic pallet manufacturing company in Sidoarjo. The findings of this study are expected to contribute to the development of human resource management literature and provide practical insights for organizations seeking to improve employee performance through integrated knowledge and talent management strategies.

2. Literature Review

2.1. Knowledge Management and Employee Performance

Knowledge management (KM) has become an essential strategic resource for organizations operating in knowledge-based economies. KM refers to the systematic process of creating, capturing, sharing, and applying knowledge to enhance organizational effectiveness and competitive advantage. According to Shabeer and Mahmood (2025), knowledge management practices such as knowledge creation, storage, sharing, and application significantly improve employee productivity and innovation within organizations. Similarly, Auliana and Achmad (2023) emphasize that knowledge management enables organizations to effectively document and distribute knowledge, thereby improving employee performance and decision-making processes.

Empirical studies demonstrate that effective knowledge management practices contribute positively to employee performance. Mantow and Nilasari (2022) found that knowledge management significantly influences employee performance by facilitating knowledge sharing and learning among employees. In the context of micro, small, and medium enterprises (MSMEs), Anugrah et al. (2025) found that knowledge generation, sharing, and utilization significantly improve organizational performance, particularly in the digital era. Likewise, Shabeer and Mahmood (2025) reported that knowledge application has the strongest effect on employee performance, highlighting the importance of applying knowledge effectively in organizational operations.

In manufacturing organizations, knowledge management plays a crucial role in fostering innovation and operational efficiency. Azizurqi et al. (2024) found that leadership support and knowledge-sharing mechanisms are key drivers of successful knowledge management implementation in manufacturing enterprises operating in the Industry 4.0 era. These practices enable organizations to maintain knowledge continuity and enhance employee capabilities.

Furthermore, Ramadhani et al. (2020) demonstrated that knowledge management positively influences employee performance and employee retention. Similarly, Wulandari et al. (2023) found that knowledge management significantly improves employee performance in infrastructure companies. These findings suggest that organizations that actively manage organizational knowledge can enhance employee competence, efficiency, and productivity.

2.2. Talent Management and Employee Performance

Talent management (TM) has emerged as a critical component of strategic human resource management aimed at attracting, developing, and retaining highly

capable employees. Gallardo-Gallardo et al. (2020) argue that talent management is increasingly important for organizations seeking to maintain competitiveness in dynamic business environments. Talent management practices typically include recruitment, talent development, performance management, and career planning.

Several empirical studies highlight the positive impact of talent management on employee performance. Haryanti and Junaris (2022) found that talent management significantly improves employee performance by enhancing employees' competencies and organizational commitment. Similarly, Yusuf et al. (2023) reported that talent management significantly influences employee performance and organizational effectiveness.

Subroto et al. (2024) demonstrated that talent management practices positively influence employee satisfaction and performance in manufacturing companies. The study emphasized that effective talent development programs and recognition systems contribute to improved employee motivation and productivity. Likewise, Sumual et al. (2025) found that talent management significantly influences employee performance and happiness, thereby further enhancing organizational productivity.

Other studies also emphasize the role of talent management in improving employee satisfaction and retention. Ramu and Anitha (2024) found that career advancement opportunities and supportive organizational culture are among the most influential talent management practices that increase employee satisfaction. Additionally, Indrati et al. (2025) reported that talent management practices such as recruitment, performance management, and compensation positively influence job satisfaction and employee commitment. These findings indicate that effective talent management systems not only enhance employee performance but also contribute to employee engagement and retention, which are essential for long-term organizational success.

2.3. Job Satisfaction and Employee Performance

Job satisfaction refers to employees' emotional responses and attitudes toward their work, including factors such as compensation, work environment, leadership, and career opportunities. According to Zakaria et al. (2024), job satisfaction is influenced by several workplace factors, including work flexibility, job characteristics, benefits, and relationships with supervisors. A substantial body of research has demonstrated that job satisfaction plays a critical role in improving employee performance. Herawati and Fauzan (2024) found that job satisfaction significantly influences employee performance, particularly when supported by a conducive work environment and appropriate workload management. Similarly, Tarminah and Apriani (2024) reported that supportive leadership, rewards, and a

positive work environment significantly enhance employee performance through improved job satisfaction.

The relationship between job satisfaction and employee performance has also been confirmed through large-scale empirical studies. Panda et al. (2024), through a meta-analysis of 113 studies involving more than 38,000 employees, found a significant positive correlation between job satisfaction and employee performance. The study concluded that job satisfaction is a key predictor of employee productivity across various industries and cultural contexts. Additionally, Barigayomwe and Asiimwe (2024) found that knowledge management practices such as training, communication, and knowledge sharing significantly increase job satisfaction among employees. These findings suggest that job satisfaction plays a vital role in connecting organizational practices with employee performance outcomes.

2.4. Mediating Role of Job Satisfaction

In recent years, scholars have increasingly emphasized the mediating role of job satisfaction in linking human resource management practices with employee performance outcomes. Setia et al. (2022) found that job satisfaction mediates the relationship between knowledge management, talent management, and employee performance in logistics service companies. This indicates that effective human resource management practices enhance employee satisfaction, thereby improving employee performance.

Similarly, Putra and Cahyani (2024) demonstrated that job satisfaction mediates the relationship between talent management, knowledge management, work-life balance, and employee performance. The study highlights the importance of integrating human resource management strategies to create a supportive work environment that fosters employee satisfaction and productivity. Pratiwi et al. (2023) also examined the mediating role of job satisfaction and found that job satisfaction mediates the relationship between talent management and employee performance. However, the mediating effect between knowledge management and employee performance was not observed, suggesting that the effectiveness of mediating relationships may vary across organizational contexts.

Other studies have identified additional mediating mechanisms linking talent management and employee performance. Hakro et al. (2022) found that employee engagement mediates the relationship between talent management and job satisfaction, while Tahir (2023) highlighted the importance of employee engagement in improving performance through talent management and training practices. These findings indicate that job satisfaction and other psychological variables play an important role in strengthening the relationship between

human resource management practices and employee performance.

Although previous studies have extensively examined the relationships between knowledge management, talent management, job satisfaction, and employee performance, several research gaps remain. First, many studies focus on either knowledge management or talent management individually, while limited research simultaneously investigates both variables in relation to employee performance. Second, empirical findings regarding the mediating role of job satisfaction remain inconsistent across different organizational contexts. Some studies confirm the mediating effect of job satisfaction (Setia et al., 2022; Putra & Cahyani, 2024), while others report partial or insignificant mediation effects (Pratiwi et al., 2023).

Third, most empirical studies have been conducted in service sectors, public institutions, or small and medium enterprises, with limited attention given to manufacturing industries. Manufacturing organizations often face unique challenges related to operational knowledge management, workforce skills, and technological adaptation (Azizurqi et al., 2024).

Therefore, further research is needed to examine the integrated effects of knowledge management and talent management on employee performance, particularly by considering the mediating role of job satisfaction in manufacturing organizations.

2.5. Hypothesis Development

2.5.1. Knowledge Management and Employee Performance

Knowledge management enables organizations to systematically manage knowledge resources, allowing employees to access and utilize relevant information for decision-making and problem-solving. Effective knowledge sharing and knowledge utilization enhance employees' capabilities, productivity, and innovation. Previous studies have found that knowledge management positively influences employee performance. Mantow and Nilasari (2022) reported that knowledge management significantly improves employee performance through better knowledge sharing practices.

Similarly, Wulandari et al. (2023) found that knowledge management positively affects employee performance in infrastructure organizations. Shabeer and Mahmood (2025) also confirmed that knowledge management practices significantly contribute to employee productivity and innovation. Therefore, the following hypothesis is proposed:

H1: Knowledge management has a positive effect on employee performance.

2.5.2. Talent Management and Employee Performance

Talent management focuses on developing and retaining employees with high potential and competencies. Organizations that implement effective talent management systems are better able to maximize employee capabilities and align employee skills with organizational goals. Empirical evidence suggests that talent management significantly influences employee performance. Haryanti and Junaris (2022) found that effective talent management enhances employee performance by fostering competency development. Similarly, Subroto et al. (2024) reported that talent management positively influences employee performance in manufacturing organizations. Yusuf et al. (2023) also confirmed that talent management significantly improves employee performance. Thus, the following hypothesis is proposed:

H2: Talent management positively affects employee performance.

2.5.3. Knowledge Management and Job Satisfaction

Knowledge management practices contribute not only to employee performance but also to employees' work experience and satisfaction. Employees who can access and share knowledge effectively tend to feel more supported in their work environment.

Barigayomwe and Asimwe (2024) found that knowledge sharing, communication, and training significantly increase employees' job satisfaction. Similarly, Onjolo (2025) reported that knowledge management processes, such as knowledge creation and application, positively influence employee job satisfaction. Pratiwi et al. (2023) also found that knowledge management significantly influences job satisfaction in organizational settings. Therefore, the following hypothesis is proposed:

H3: Knowledge management has a positive effect on job satisfaction.

2.5.4. Talent Management and Job Satisfaction

Talent management practices such as career development opportunities, recognition, and training programs can enhance employee satisfaction. When employees perceive that their talents are valued and developed by the organization, they are more likely to experience higher job satisfaction. Ramu and Anitha (2024) found that talent management practices, such as career advancement opportunities and a supportive organizational culture, significantly improve job satisfaction. Similarly, Jasmoh et al. (2025) reported that effective talent management practices significantly increase employee happiness and job satisfaction. Thus, the following hypothesis is proposed:

H4: Talent management has a positive effect on job satisfaction.

2.5.5. Job Satisfaction and Employee Performance

Job satisfaction plays an important role in shaping employee behavior and performance. Employees who are satisfied with their work tend to demonstrate higher levels of motivation, commitment, and productivity. Herawati and Fauzan (2024) found that job satisfaction significantly improves employee performance. Similarly, Tarminah and Apriani (2024) reported that satisfied employees tend to demonstrate better performance outcomes. A meta-analysis conducted by Panda et al. (2024) further confirmed that job satisfaction has a significant positive relationship with employee performance across multiple industries. Therefore, the following hypothesis is proposed:

H5: Job satisfaction has a positive effect on employee performance.

2.5.6. Job Satisfaction as Mediator

In addition to its direct influence on employee performance, job satisfaction can also function as a mediating variable between human resource management practices and performance outcomes. Setia et al. (2022) found that job satisfaction mediates the relationship between knowledge management, talent management, and employee performance. Similarly, Putra and Cahyani (2024) reported that job satisfaction plays a significant mediating role in linking talent management and knowledge management with employee performance. These findings suggest that effective organizational practices enhance employee satisfaction, thereby improving performance. Therefore, the following hypotheses are proposed:

H6: Job satisfaction mediates the relationship between knowledge management and employee performance.

H7: Job satisfaction mediates the relationship between talent management and employee performance.

2.6. Conceptual Framework

Employee performance is an important indicator of organizational effectiveness and competitiveness. In the context of strategic human resource management, employee performance is often influenced by organizational practices such as knowledge management and talent management. These practices support employees in developing competencies, sharing knowledge, and maximizing their potential within the organization. However, the effectiveness of these practices often depends on employees' psychological conditions, particularly job satisfaction.

Knowledge management enables organizations to capture, share, and apply knowledge to improve operational efficiency and decision-making processes. Effective knowledge management systems facilitate learning, innovation, and collaboration among employees, which ultimately improves individual and

organizational performance (Shabeer & Mahmood, 2025; Anugrah et al., 2025). Similarly, talent management focuses on identifying, developing, and retaining talented employees to ensure that organizations maintain a skilled and motivated workforce (Gallardo-Gallardo et al., 2020; Subroto et al., 2024).

In addition to these organizational practices, job satisfaction plays an important psychological role in influencing employee behavior and performance. Employees who experience higher job satisfaction are more likely to demonstrate stronger motivation, commitment, and productivity (Panda et al., 2024; Herawati & Fauzan, 2024). Several studies also suggest that job satisfaction can mediate the relationship between human resource management practices and employee performance outcomes (Setia et al., 2022; Putra & Cahyani, 2024).

Based on theoretical and empirical literature, this study proposes a conceptual framework in which knowledge management and talent management influence employee performance both directly and indirectly through job satisfaction. The conceptual model of this research is illustrated as follows:

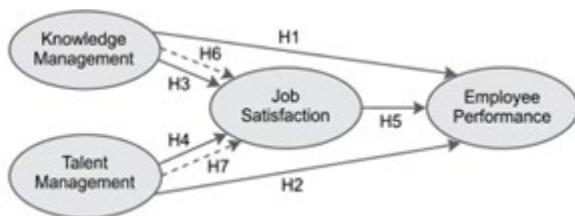


Figure 1. Research Framework

3. Materials and Methods

This study employed a quantitative, explanatory research design to examine the causal relationships among knowledge management, talent management, job satisfaction, and employee performance. A cross-sectional design was used, where data were collected at a single point in time. The research was conducted at a plastic pallet manufacturing company located in Sidoarjo, Indonesia, with the unit of analysis being individual employees in the production department.

The study population consisted of 36 production employees, and, due to the relatively small sample size, the researcher used a saturated sampling technique, including all members of the population as respondents. Data were collected using both primary and secondary sources. Primary data were obtained through structured questionnaires distributed to respondents, while secondary data were collected from company documents and relevant academic literature.

The study involved four main variables, including two independent variables, knowledge management (X1) and talent management (X2), one dependent variable, employee performance (Y), and one intervening variable, job satisfaction (Z). Knowledge management was

measured through indicators related to knowledge creation, storage, sharing, and utilization within the organization. Talent management was measured using indicators such as talent planning, competency development, reward systems, and employee performance evaluation. Job satisfaction was assessed through indicators including satisfaction with the job itself, salary, supervision, and relationships with coworkers. Meanwhile, employee performance was measured using indicators of work quality, work quantity, cooperation, responsibility, and timeliness in completing tasks.

Data were collected using a structured questionnaire consisting of five sections. The first section captured respondents' demographic information, including gender, age, education level, department, and length of service. The second section measured knowledge management using four statements adapted from Anugrah et al. (2025) and Lewaherilla (2021). The third section measured talent management through four statements based on indicators from Gallardo-Gallardo et al. (2020) and Tarminah and Apriani (2024). The fourth section measured job satisfaction using four items adapted from Nyabvudzi and Chinyamurindi (2025) and Zakaria et al. (2024). The final section measured employee performance using five statements derived from Herawati and Fauzan (2024). All items were evaluated using a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

Data analysis was conducted using Structural Equation Modeling based on Partial Least Squares (SEM-PLS) with SmartPLS 4.0. The analysis involved evaluating both the measurement model (outer model) and the structural model (inner model). The measurement model assessment included validity and reliability tests. Convergent validity was assessed using the Average Variance Extracted (AVE) with a minimum threshold of 0.50. Reliability was evaluated using Cronbach's Alpha and Composite Reliability, with acceptable values exceeding 0.70, indicating good internal consistency. After confirming the validity and reliability of the constructs, the model fit and predictive capability were evaluated. Model fit was assessed using the Standardized Root Mean Square Residual (SRMR) and Normed Fit Index (NFI). Additionally, predictive relevance was evaluated using the Q^2 statistic, where values above zero indicate adequate predictive capability.

The structural model evaluation examined the strength and significance of relationships among variables. This evaluation included assessing the coefficient of determination (R^2) to measure the model's explanatory power, the effect size (f^2) to determine the magnitude of variable influence, and bootstrapping procedures to test hypothesis significance. Hypotheses were considered supported when the t-statistic exceeded 1.96, and the p-value was below 0.05. Finally, a mediation analysis was performed to examine the role of job satisfaction as an intervening variable in the

relationships among knowledge management, talent management, and employee performance.

4. Results and Discussions

4.1. Demographic Profile of Respondents

This study involved 36 employees from the production department of a plastic pallet manufacturing company in Sidoarjo. The demographic characteristics of the respondents were analyzed to provide an overview of the sample composition by gender, age, educational background, and work experience.

Table 1. Result of the Demographic Profile of Respondents

Demographic Variable	Category	Frequency	Percentage
Gender	Male	33	91.67
	Female	3	8.33
Age	18–25 years	16	44.44
	26–35 years	13	36.11
	36–45 years	4	11.11
	>45 years	3	8.33
Education Level	Junior High School	2	5.56
	Senior High School	27	75
	Diploma	2	5.56
	Bachelor's Degree	4	11.11
	Others	1	2.78
Work Experience	< 1 year	15	41.67
	1–3 years	18	50
	> 3 years	3	8.33

Table 1 shows the gender distribution: most respondents were male employees (91.67%, 33 respondents), while female employees accounted for only 8.33% (3 respondents). This distribution reflects the typical workforce composition in the manufacturing sector, where production-related positions are predominantly occupied by male workers. In terms of age, the largest proportion of respondents was in the 18–25 age group, accounting for 44.44% (16 respondents) of the sample. This was followed by employees aged 26–35 years, comprising 36.11% (13 respondents). Meanwhile, respondents aged 36–45 years accounted for 11.11% (4 respondents), indicating that the workforce is largely dominated by young employees.

Regarding educational background, most respondents had completed senior high school education, representing 75% (27 respondents) of the sample. Respondents with a bachelor's degree accounted for 11.11% (4 respondents), while those with a diploma, junior high school, or other educational backgrounds each represented less than 6% of the respondents. This profile indicates that the production workforce primarily consists of employees with secondary education qualifications.

Based on work experience, most respondents had 1–3 years, accounting for 50% (18 respondents) of the sample. Employees with less than 1 year of work experience accounted for 41.67% (15 respondents), while the remaining respondents had more than 3 years of work experience. This distribution suggests that the workforce is relatively new, with many employees having limited tenure within the organization.

4.2. Hypothesis Testing

Table 2. Result of Hypothesis Testing for Direct Effect

Path Analysis	Original Sample (O)	Sample Mean (M)	Std. Deviation (STDEV)	T-Statistics	P-Values	Decision
Knowledge Management → Employee Performance	0.371	0.375	0.078	4.787	0.000	Accepted
Talent Management → Employee Performance	0.434	0.432	0.071	6.105	0.000	Accepted
Knowledge Management → Job Satisfaction	0.428	0.425	0.081	5.263	0.000	Accepted
Talent Management → Job Satisfaction	0.460	0.458	0.082	5.622	0.000	Accepted
Job Satisfaction → Employee Performance	0.228	0.223	0.095	2.400	0.016	Accepted

Table 2 presents the results of hypothesis testing for the direct relationships between knowledge management, talent management, job satisfaction, and employee performance using the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. The significance of the relationships was evaluated using the t-statistic and p-value criteria: a hypothesis is considered significant if the t-statistic is greater than 1.96 and the p-value is less than 0.05.

The first hypothesis examines the influence of knowledge management on employee performance. The results indicate that knowledge management has a positive path coefficient of 0.371, with a t-statistic value of 4.787 and a p-value of 0.000. Since the t-statistics exceed the 1.96 threshold and the p-value is below 0.05, the relationship is statistically significant. Therefore, the hypothesis stating that knowledge management positively influences employee performance is accepted. This finding suggests that effective knowledge management practices, such as knowledge creation, storage, sharing, and utilization, can improve employees' ability to perform their tasks more efficiently and productively.

The second hypothesis tests the effect of talent management on employee performance. The analysis shows that talent management has a positive path coefficient of 0.434, with a t-statistic of 6.105 and a p-value of 0.000. These results indicate a strong and statistically significant relationship between talent management and employee performance. Consequently, the hypothesis is accepted. This finding implies that organizations that effectively manage employee talent through structured development programs, performance evaluations, and reward systems are more likely to enhance employee performance.

The third hypothesis investigates the relationship between knowledge management and job satisfaction. The results show a positive path coefficient of 0.428,

accompanied by a t-statistic of 5.263 and a p-value of 0.000. Since the statistical criteria are satisfied, the hypothesis is accepted, indicating that knowledge management significantly influences job satisfaction. This result suggests that when organizations provide opportunities for knowledge sharing, learning, and access to organizational information, employees tend to experience higher levels of work satisfaction.

The fourth hypothesis examines the influence of talent management on job satisfaction. The findings reveal a path coefficient of 0.460, the strongest among the direct effects tested in this study. The t-statistic value of 5.622 and p-value of 0.000 indicate a statistically significant relationship. Therefore, the hypothesis is accepted, confirming that talent management has a positive and significant effect on job satisfaction. This result highlights that employees are more satisfied when organizations provide opportunities for career development, recognition, and fair reward systems.

Finally, the fifth hypothesis analyzes the effect of job satisfaction on employee performance. The results show a positive path coefficient of 0.228, with a t-statistic of 2.400 and a p-value of 0.016. Since these values meet the significance criteria, the hypothesis is accepted. This finding indicates that employees who experience higher levels of job satisfaction tend to demonstrate better performance in terms of work quality, productivity, and responsibility.

The results demonstrate that knowledge management and talent management significantly influence both job satisfaction and employee performance, while job satisfaction also significantly contributes to improving employee performance. Among the tested variables, talent management shows the strongest direct effect, highlighting its critical role in enhancing both employee satisfaction and performance within the organization.

Table 2. Result of Hypothesis Testing for Mediating Effect of Job Satisfaction

Path Relationship	Original Sample (O)	Sample Mean (M)	Std. Deviation (STDEV)	T-Statistics	P-Values	Decision
Knowledge Management → Job Satisfaction → Employee Performance	0.097	0.096	0.047	2.062	0.039	Accepted
Talent Management → Job Satisfaction → Employee Performance	0.105	0.104	0.051	2.065	0.039	Accepted

Table 2 presents the results of the hypothesis testing for the mediating effect of job satisfaction in the relationship between knowledge management, talent management, and employee performance. The mediation analysis was conducted using the bootstrapping procedure in the SEM-PLS method. A mediating effect is considered significant when the t-statistic value exceeds 1.96, and the p-value is less than 0.05.

The first mediation hypothesis examines whether job satisfaction mediates the relationship between knowledge management and employee performance. The results indicate that the indirect effect has a path coefficient of 0.097, with a t-statistic value of 2.062 and a p-value of 0.039. Since the t-statistic exceeds the 1.96 threshold and the p-value is below 0.05, the mediation effect is statistically significant. Therefore, the hypothesis is accepted, indicating that job satisfaction partially mediates the relationship between knowledge

management and employee performance. This finding suggests that effective knowledge management practices can enhance employees' satisfaction with their work, thereby contributing to improved employee performance.

The second mediation hypothesis tests whether job satisfaction mediates the relationship between talent management and employee performance. The analysis shows a path coefficient of 0.105, with a t-statistic value of 2.065 and a p-value of 0.039. These results confirm that the mediation effect is statistically significant. Thus, the hypothesis is accepted, indicating that job satisfaction mediates the relationship between talent management and employee performance. This result implies that talent management practices, such as employee development programs, recognition systems, and career opportunities, can increase employees' job satisfaction, thereby enhancing their performance.

Thus, the results demonstrate that job satisfaction functions as a significant mediating variable in the relationships between knowledge management, talent management, and employee performance. Although the indirect effects are smaller than the direct effects, the findings indicate that job satisfaction helps explain how knowledge management and talent management practices contribute to improved employee performance within the organization.

5. Discussion

This study aims to examine the influence of knowledge management and talent management on employee performance, with job satisfaction acting as a mediating variable. The findings provide empirical evidence that both knowledge management and talent management significantly influence employee performance, either directly or indirectly through job satisfaction. The results also demonstrate that job satisfaction plays an important role in strengthening the relationship between organizational management practices and employee performance.

The first finding of this study shows that knowledge management has a positive and significant effect on employee performance. This result indicates that effective knowledge management practices enable employees to access relevant information, share experiences, and apply organizational knowledge to improve their work outcomes. When employees can effectively create, store, and share knowledge, they become better able to solve problems and make better decisions in their daily tasks. This finding is consistent with previous studies that highlight the strategic role of knowledge management in improving employee performance.

For instance, Mantow and Nilasari (2022) found that knowledge management significantly enhances employee performance by facilitating knowledge sharing. Similarly, Shabeer and Mahmood (2025) reported that

knowledge management practices such as knowledge creation, sharing, and application significantly contribute to improving employee productivity and innovation. In addition, Wulandari et al. (2023) also demonstrated that effective knowledge management practices positively influence employee performance in organizational settings. Therefore, this study's findings confirm that knowledge management is an essential organizational capability that supports employee productivity and performance improvement.

The second finding indicates that talent management has a positive, significant influence on employee performance. This result suggests that organizations that effectively identify, develop, and retain talented employees are more likely to achieve higher levels of employee productivity. Talent management practices such as talent development, competency training, performance evaluation, and reward systems enable employees to maximize their potential and contribute more effectively to organizational goals. These findings support previous research emphasizing the importance of talent management in human resource management strategies.

Gallardo-Gallardo et al. (2020) highlighted that talent management is a critical organizational practice that helps companies attract and retain skilled employees in competitive environments. Likewise, Haryanti and Junaris (2022) found that talent management significantly improves employee performance by strengthening employee competencies and organizational commitment. Similar results were also reported by Subroto et al. (2024) and Yusuf et al. (2023), who demonstrated that talent management positively affects employee performance in various organizational contexts. Therefore, the results of this study reinforce the argument that effective talent management practices play a vital role in enhancing employee productivity and organizational performance.

The results also indicate that knowledge management has a positive and significant effect on job satisfaction. This finding suggests that employees tend to feel more satisfied when organizations provide opportunities for knowledge sharing, learning, and professional development. A supportive knowledge-sharing environment enables employees to improve their skills and perform their tasks more efficiently, ultimately increasing their satisfaction at work. This result aligns with previous studies that emphasize the relationship between knowledge management and job satisfaction.

Barigayomwe and Asiimwe (2024) found that knowledge management practices such as knowledge sharing, communication, and training significantly improve job satisfaction among employees. Similarly, Onjolo (2025) reported that knowledge management processes positively influence employee job satisfaction by improving employees' ability to perform their work effectively. Pratiwi et al. (2023) also demonstrated that knowledge management has a significant effect on

employee job satisfaction. These findings suggest that organizations that promote knowledge-sharing cultures and continuous learning environments are more likely to enhance employee satisfaction and organizational performance.

Furthermore, the findings show that talent management has a positive and significant effect on job satisfaction. This indicates that employees who perceive fair talent management practices—such as career development opportunities, performance recognition, and equitable reward systems—tend to experience higher levels of job satisfaction. Employees feel more valued and motivated when organizations actively support their professional growth and career progression. These findings are consistent with previous studies that highlight the role of talent management in improving employee satisfaction.

Ramu and Anitha (2024) found that talent management practices, such as career advancement opportunities and a supportive organizational culture, significantly increase job satisfaction. Similarly, Jasmoh et al. (2025) reported that talent management positively influences employee happiness and job satisfaction. These findings suggest that talent management not only enhances employee performance but also contributes to creating a positive work environment that promotes employee satisfaction and engagement.

The study also confirms that job satisfaction significantly influences employee performance. This finding indicates that employees with higher job satisfaction tend to demonstrate greater motivation, commitment, and productivity at work. Satisfied employees are more likely to take responsibility for their tasks, cooperate effectively with colleagues, and achieve performance targets. This result is consistent with previous empirical findings. Herawati and Fauzan (2024) reported that job satisfaction significantly improves employee performance by increasing employee motivation and engagement.

Similarly, Tarminah and Apriani (2024) found that job satisfaction contributes positively to employee performance, particularly when supported by effective leadership and a supportive work environment. Furthermore, a meta-analysis conducted by Panda et al. (2024) confirmed that job satisfaction has a significant positive relationship with employee performance across different industries and cultural contexts. Therefore, this study supports the argument that job satisfaction is an important psychological factor that enhances employee productivity.

In addition to the direct effects, this study also demonstrates that job satisfaction mediates the relationship between knowledge management and employee performance. This finding indicates that knowledge management practices not only directly improve employee performance but also indirectly enhance performance by increasing job satisfaction. Employees who benefit from effective knowledge

management systems tend to feel more supported in their work environment, which increases their job satisfaction and ultimately improves their performance. This result supports previous studies that highlight the mediating role of job satisfaction. Setia et al. (2022) found that job satisfaction mediates the relationship between knowledge management and employee performance in service organizations. Similarly, Putra and Cahyani (2024) reported that job satisfaction acts as a mediator linking knowledge management practices with employee performance outcomes.

Finally, the results show that job satisfaction also mediates the relationship between talent management and employee performance. This finding suggests that talent management practices contribute to improved employee performance not only directly but also indirectly by increasing job satisfaction. When employees perceive that the organization values their talents and provides opportunities for career development, they tend to feel more satisfied and motivated to perform their work effectively. This finding aligns with previous research demonstrating the mediating role of job satisfaction in human resource management practices. Subroto et al. (2024) found that employee satisfaction mediates the relationship between talent management and employee performance in manufacturing organizations. Similarly, Indrati et al. (2025) reported that talent management practices increase employee satisfaction and commitment, thereby improving employee performance outcomes.

The findings of this study highlight the importance of integrating knowledge management, talent management, and job satisfaction into a comprehensive human resource management strategy. Organizations that effectively manage knowledge resources and employee talent while simultaneously fostering employee satisfaction are more likely to achieve higher levels of employee performance and organizational effectiveness. These results contribute to the existing literature by providing empirical evidence on the interrelationships between knowledge management, talent management, job satisfaction, and employee performance within the manufacturing sector.

6. Conclusions

This study examined the influence of knowledge management and talent management on employee performance, with job satisfaction acting as a mediating variable in a plastic pallet manufacturing company in Sidoarjo. Based on the results of the structural equation modeling (SEM-PLS) analysis, several important conclusions can be drawn. First, knowledge management has a positive and significant effect on employee performance. This finding indicates that effective knowledge management practices—such as knowledge creation, sharing, and utilization—enable employees to perform their tasks more efficiently and

improve overall productivity. Organizations that promote knowledge-sharing cultures and provide access to relevant information can enhance employees' capabilities and work performance.

Second, talent management also has a positive and significant effect on employee performance and is one of the strongest predictors in this study. This suggests that organizations that actively identify, develop, and retain talented employees through structured training, career development programs, and fair performance evaluations are more likely to improve employee productivity and organizational performance.

Third, the findings demonstrate that knowledge management and talent management both significantly influence job satisfaction. Employees tend to feel more satisfied when they have opportunities to develop their skills, share knowledge, and receive recognition for their contributions. These practices help create a supportive work environment that enhances employee motivation and engagement. Fourth, job satisfaction has a positive and significant effect on employee performance. Employees who experience higher job satisfaction are more motivated to perform their tasks effectively and demonstrate greater responsibility, cooperation, and productivity.

Finally, the results confirm that job satisfaction mediates the relationship between knowledge management, talent management, and employee performance. This indicates that organizational practices related to knowledge management and talent management not only directly improve employee performance but also indirectly enhance performance by increasing employees' satisfaction with their work. The findings highlight the importance of integrating knowledge management and talent management strategies with initiatives that promote employee satisfaction. Organizations that effectively manage knowledge resources and employee talents while fostering a positive work environment are more likely to achieve higher levels of employee performance and organizational competitiveness.

6.1. Research Limitations

Despite providing valuable insights, this study has several limitations. First, the research was conducted in a single manufacturing company, which may limit the generalizability of the findings to other industries or organizational contexts. Second, the sample size was relatively small, consisting of only 36 respondents, as the study focused solely on employees in the production department. Third, the study employed a cross-sectional research design, which captures relationships among variables at a single point in time and does not allow for the examination of long-term causal relationships.

6.2. Future Research

Future research is recommended to expand the scope of the study by involving larger samples and multiple organizations across different industries to improve the generalizability of the findings. Researchers may also consider applying longitudinal research designs to better understand how knowledge management, talent management, and job satisfaction influence employee performance over time. In addition, future studies could explore additional mediating or moderating variables, such as organizational culture, employee engagement, leadership style, or digital transformation, to deepen understanding of the mechanisms by which human resource management practices influence employee performance.

Author Contributions: Conceptualization, D.Y.W. and J.S.; methodology, D.Y.W.; software, D.Y.W.; validation, J.S. and E.S.; formal analysis, D.Y.W.; investigation, D.Y.W.; resources, D.Y.W.; data curation, J.S. and E.S.; writing—original draft preparation, D.Y.W. and J.S.; writing—review and editing, D.Y.W., J.S. and E.S.; visualization, D.Y.W.; supervision, J.S. and E.S.; project administration, D.Y.W.; funding acquisition, D.Y.W. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

Institutional Review Board Statement: Not applicable.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: The data that support the findings of this study are available from the corresponding author upon reasonable request.

Acknowledgments: The authors would like to thank Universitas Narotama, Indonesia, for supporting this research publication. We also thank the reviewers for their constructive comments.

Conflicts of Interest: The authors declare no conflict of interest.

References

- Anugrah, F., Efrianto, E., Hamdani, D., & Sari, A. (2025). The role of knowledge management dimension to improve the performance of MSMEs in the digital era. *Journal of Business and Economics Research (JBE)*, 6(2), 391–401. <https://doi.org/10.47065/jbe.v6i2.6907>
- Auliana, I., & Achmad, N. (2023). Pengaruh knowledge management, lingkungan kerja, dan beban kerja terhadap kinerja karyawan dengan kepuasan kerja sebagai variabel intervening pada PT. Gendhis Multi Manis. *Jurnal Bisnis dan Manajemen*, 3(4), 654–667.
- Azizurqi, A., Suroso, A. I., & Taryana, A. (2024). Formulation of knowledge management strategy for manufacturing enterprise in the Industry 4.0 era. *International Journal of Research and Review*, 11(9), 169–179. <https://doi.org/10.52403/ijrr.20240919>
- Barigayomwe, R., & Asimwe, D. (2024). Knowledge management practices and job satisfaction at DFCU Bank in Uganda. *International Journal of Advanced Research*, 7(1), 12–22. <https://doi.org/10.37284/ijar.7.1.1677>

- Gallardo-Gallardo, E., Thunnissen, M., & Scullion, H. (2020). Talent management: Context matters. *The International Journal of Human Resource Management*, 31(4), 457–473. <https://doi.org/10.1080/09585192.2019.1642645>
- Hakro, T. H., Siddiqui, M. B., & Banbhan, A. A. (2022). Investigating the relationship of talent management on employee performance, employee engagement and job satisfaction. *Research Journal of Social Sciences and Economics Review*, 3(3), 10–20. [https://doi.org/10.36902/rjsser-vol3-iss3-2022\(10-20\)](https://doi.org/10.36902/rjsser-vol3-iss3-2022(10-20))
- Haryanti, N., & Junaris, I. (2022). Understanding the impact of talent and competence management on employee performance through organizational commitment. *Manageria: Jurnal Manajemen Pendidikan Islam*, 7(2), 201–216.
- Herawati, F., & Fauzan, H. (2024). Pengaruh beban kerja, lingkungan kerja dan kepuasan kerja terhadap kinerja karyawan di BPR Perumda Majalengka. *JEBI: Jurnal Ekonomi Bisnis Indonesia*, 19(2), 15–29.
- Indrati, I., Ardi, A., & Berlianto, M. P. (2025). Impact of talent management, job satisfaction, and commitment on employee retention. *Jurnal Akuntansi, Keuangan, dan Manajemen*, 6(3), 827–846.
- Irfani, S. M. (2023). Pengaruh manajemen talenta terhadap kinerja karyawan melalui keterikatan karyawan sebagai variabel intervening pada PT. Perkebunan Nusantara V Pekanbaru. *Jurnal Administrasi Bisnis*, 13(2), 75–83.
- Jasmoh, A. S. R. S., Wahab, N. N. A., & Adnan, A. A. Z. (2025). The influence of talent management on employee happiness and job satisfaction in Emirates Airlines. *Uniglobal Journal of Social Sciences and Humanities*, 4(1), 279–292.
- Mantow, H. A. D., & Nilasari, B. M. (2022). The effect of knowledge management and talent management on employee performance. *Jurnal Manajemen*, 26(1), 51–66. <https://doi.org/10.24912/jm.v26i1.834>
- Nyabvudzi, T., & Chinyamurindi, W. (2025). The impact of technology factors on work engagement, decent work and job satisfaction in the South African public service: A path analysis approach. *Employee Relations: The International Journal*, 47(9), 82–98. <https://doi.org/10.1108/ER-02-2024-0120>
- Onjolo, S. (2025). Knowledge management processes influence on employee job satisfaction in food manufacturing firms in Kenya. *Journal of Human Resource & Leadership*, 9, 15–34. <https://doi.org/10.53819/81018102t4312>
- Panda, M. R. K., Raghav, A. S., Rukadikar, C., Tathagat, T., Rukadikar, A. R., & Kalita, J. P. (2024). Exploring the relationship between job satisfaction and employee performance: A meta-analysis. *Journal of Information Systems Engineering and Management*, 10(3), 1439–1451.
- Pratiwi, H., Afuan, M., Sari, D. P., Karlinda, A. E., & Nengsih, N. S. W. (2023). Model kinerja karyawan dengan kepuasan kerja sebagai intervening: Manajemen talenta dan pengetahuan. *Jurnal Ekobistek*, 12(2), 573–579. <https://doi.org/10.35134/ekobistek.v12i2.582>
- Putra, A. W. G., & Cahyani, R. P. (2024). Linking talent management, knowledge management and work-life balance to employee performance: The role of job satisfaction. *Jurnal Manajemen dan Pemasaran Jasa*, 17(2), 323–340.
- Ramadhani, F. E., Harsono, H., & Sunardi, S. (2020). Talent management dan knowledge management terhadap kinerja karyawan dengan employee retention sebagai variabel moderator. *Jurnal Bisnis dan Manajemen*, 7(2), 126–132.
- Ramu, M., & Anitha, N. (2024). Job satisfaction with talent management variables. *International Journal of Research in Human Resource Management*, 6(2), 404–408. <https://doi.org/10.33545/26633213.2024.v6.i2e.242>
- Setia, B. I., Yuniarsih, T., Gaffar, M. F., Suryadi, E., Affandi, A., & Rohmawati, T. (2022). Job satisfaction as a mediator in improving employee performance through talent and knowledge management. *Journal of Eastern European and Central Asian Research*, 9(5), 749–762.
- Shabeer, R. M., & Mahmood, H. (2025). The impact of knowledge management on employee performance in Pakistan's service industry. *Review of Applied Management and Social Sciences*, 8(1), 561–575. <https://doi.org/10.47067/ramss.v8i1.506>
- Subroto, S., Sudarmanto, E., & Sono, M. G. (2024). The effect of talent management on employee satisfaction and performance in manufacturing companies in Indonesia. *West Science Business and Management*, 2(3), 946–954.
- Sumual, I. V., Nelwan, O. S., & Mac Donald, B. W. (2025). Pengaruh manajemen talenta dan fleksibilitas kerja terhadap kinerja karyawan dengan kebahagiaan sebagai variabel intervening di PT. PLN (Persero) Cabang Manado Selatan. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 13(1), 260–273.
- Tahir, A. M. S. (2023). The influence of talent management practice, training, and job satisfaction on employee performance: The mediating role of employee engagement. *Formosa Journal of Science and Technology*, 2(2), 633–644. <https://doi.org/10.55927/fjst.v2i2.2950>
- Tarminah, S., & Apriani, A. (2024). Model kinerja karyawan: Analisa kepemimpinan, lingkungan kerja dan reward. *Jurnal Perspektif Manajerial dan Kewirausahaan (JPMK)*, 4(2), 166–185.
- Wulandari, E. R., Sumartik, S., & Firdaus, V. (2023). The influence of talent management, knowledge management, and job satisfaction on employee performance at PT Jasamarga Pandaan Tol. *Daengku: Journal of Humanities and Social Sciences Innovation*, 3(4), 629–639.
- Yusuf, A., Indriasari, I., & Violinda, Q. (2023). Pengaruh manajemen talenta dan workforce agility terhadap kinerja karyawan PT. Hutan Makmur Indonesia. *MANABIS: Jurnal Manajemen dan Bisnis*, 2(1), 64–72.
- Zakaria, Z., Noordin, N., Othman, A., Hilmie, Z., & Sawal, M. (2024). How satisfied are employees in the manufacturing sector in Malaysia? *International Journal of Research and Innovation in Social Science*, 8(9), 1026–1037 <https://dx.doi.org/10.47772/IJRISS.2024.809088>