The Impact of Talent Management, Knowledge Management, and Career Development on Employee Performance in the Banking Sector of Batam City: The Mediating Role of Motivation

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Abstract:

This study aims to demonstrate the impact of Talent Management, Knowledge Management, and Career Development on Employee Performance in the banking sector of Batam City, with Motivation serving as a mediating variable. The research employs an observational analytical approach, utilizing a saturated sampling technique, which includes the entire population of 312 respondents as the sample. The analysis method used is Structural Equation Modeling (SEM) based on Partial Least Squares (PLS). The findings indicate that Employee Performance significantly influences the banking sector in Batam City. High motivation can enhance organizational commitment, and high scores in personality and motivation can further improve employee performance.

Keywords: *Banking, Talent Management, Knowledge Management, Career Development, Motivation, Employee Performance*

1. Introduction

In global competition, companies strive to continue to develop because they have the opportunity to adapt to the current business environment. Therefore, companies are required to improve their business in order to achieve current company goals. This is expected to enable companies to survive in competing in today's global market. According to (Panjaitan, 2021) Performance results can be measured by the quality and quantity of tasks carried out by employees so that every company needs to pay attention and improve its human resources.

Human resources are resources used to balance other resources to achieve company goals (Karina & Ardana, 2020). Without human resources, it can cause unemployment and lack of work motivation towards other resources in achieving company goals. The importance of employees is very large in achieving company success, so it is necessary to pay more attention to the support provided by employees. The success of a company depends on the services provided by employees.

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Employee performance is the result of work with the quantity and quality that employees have achieved in carrying out their duties. Employee performance is a combination of opportunities and efforts that give value to their work. According to (Saputra et al., 2020), employee performance is the result of employee work based on quantitative and qualitative in a certain period. Performance is evaluated based on what employees do, which means that in their work, a person's performance is the way employees carry out work or tasks and improving employee performance can improve and influence company performance, so that company goals can be met.

Talent management is one of the strategies companies use to develop their employees. According to (Divya Malika & Aminuddin Irfani, 2022) alent management is a combination of several strategies designed and created by companies in an effort to manage and improve the competence and abilities of company employees to improve performance. Companies that have a high awareness of talent management can compete to get talented employees and simplify the recruitment and training process (Ariawan, 2022). alent management will provide benefits to the company by continuing to provide talented employees.

Employees in the company bring wishes, hopes, desires, needs and experiences that are commensurate with the employees' expectations and the reality they receive, thus forming job satisfaction. If employees feel satisfied with the place they work, they will be more motivated and enthusiastic at work and will then be able to improve performance which will have an impact on company goals. Job satisfaction is the emotion of employees who like their work. This is reflected in discipline, morale and achievement (Lubis et al., 2021). Job satisfaction can be influenced both internally, externally, and combined. If the level of employee job satisfaction is low, it can have a negative impact on the company. Low levels of job satisfaction can result in decreased employee performance. There are several things that can influence job satisfaction, namely social, physical, financial and mental health.

Human resources are the most important thing that service providers such as banks must have. They need employees with the skills and work ethic to handle the community well to help provide satisfaction to the community. Banking is one of the economic centers of every country. Banking plays a very important role in Indonesia, as stated in Law no. 10 of 1998, namely that Indonesia has a banking system that provides support in the implementation of national development such as improvement, development, economic equality and national stability.

According to CNBC Indonesia (2022), as of 2021, total BUMN assets have reached 8,978.1 trillion, and among these state-owned banks, BRI contributed 16% or around 1,512 trillion rupiah. Based on the list of Top 1000 World Banks 2022 by Banker, BRI is ranked 104th, different from the previous year, BRI was only ranked 131st in the world. The Banker provides rankings based on financial performance achievements.
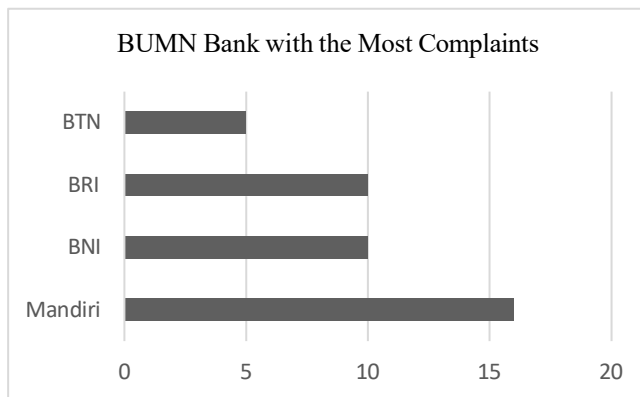
Figure 1. Percentage of complaint reports from state-owned banks in 2021
Source : databoks.katadata.co.id

As previously explained, the fact that Bank Mandiri received the most customer complaints even though it was ranked the third best bank in Indonesia made researchers interested in exploring this topic. In line with the 2021 incident reported by Tribun Batam from Bank Mandiri, Batam City branch, Nagoya, there was a customer who asked about the cash withdrawal procedure using a check because the signature was forged by a business partner, with a loss of IDR 2.1 billion (Pahlevi, 2022). Signatures of both parties must accompany approval of the check cashing process, and the parties must first verify with the bank that the signatures are authentic. However, Bank Mandiri Nagoya branch does not do this.

This research aims to determine and analyze the influence of talent management, knowledge management, and career development on employee performance, with motivation as a mediating variable, in the context of the banking sector in Batam City. This research focuses on the importance of these variables in improving employee performance, which can ultimately improve overall company performance.

Although much research has been conducted on the influence of talent management, knowledge management, and career development on employee performance, there is still a gap in the literature regarding how these variables interact with each other, especially in the context of the banking sector in Batam City. Additionally, the role of motivation as a mediating variable in this relationship has not been widely explored. Therefore, this study aims to fill this gap by investigating in depth the influence of these variables on employee performance in a specific context.

2. Theoritical Background

Talent Management
Talent management is a dynamic capability that enables companies to identify, capture, and transform their skills, resources, and competencies to maintain a competitive edge. According to (Divya Malika & Aminuddin Irfani, 2022), ynamic capabilities focus on creating a suitable resource base that drives value from its outcomes. While human resource management foundations primarily consist of basic

or routine capabilities applied across the workforce, these foundational capabilities enable the organization to operate daily (Yuwono et al., 2021). Developing dynamic capabilities enhances these ordinary capabilities, establishing a sustainable resource base (Anisah & AS, 2020). Previous research has emphasized the importance of talent management in gaining competitive advantage, yet gaps remain in understanding its specific impacts within different sectors, such as banking in Batam City.

Knowledge Management

Knowledge management involves the processes organizations employ to create, share, codify, disseminate, and institutionalize both tacit and explicit knowledge (Arnada et al., 2021). It transforms intellectual assets and information into value for stakeholders through appropriate strategies and processes (Banuari et al., 2021). Panjaitan (2021) highlights that effective knowledge management involves systematic processes such as acquiring, organizing, maintaining, applying, sharing, and updating knowledge to enhance organizational performance. Effective knowledge management should make organizations more effective, efficient, and innovative compared to their competitors. However, there is a need for further research on the specific effects of knowledge management practices in the banking sector of Batam City, particularly how these practices influence employee performance.

Career Development

Career development refers to the process of expanding an employee's career path through initiatives by the organization (Sai Krishna V, 2022). It includes planning, organizing, and managing employee careers to enhance their potential and competencies through job promotions, training, knowledge acquisition, and experience (Arnada et al., 2021), according to (Azhad & Mahayanti, n.d.), career development enhances an employee's capacity to hold senior roles and achieve long-term professional goals. While much research has focused on career development as a means to improve employee skills and job satisfaction, further investigation is needed to understand its specific impact on employee performance in the context of Batam City's banking industry.

Motivation

Motivation drives individuals to undertake specific tasks, influencing their behavior (Damarasri & Ahman, 2020). (Riyanto et al., 2021) state that motivation arises from external factors and social needs, providing the driving force that stimulates enthusiasm and efficiency at work. Motivation influences behavior towards achieving personal and organizational goals. Despite extensive research on motivation, there is a gap in understanding how motivation mediates the relationship between talent management, knowledge management, career development, and employee performance, particularly in the banking sector of Batam City.

Employee Performance

Employee performance is defined as the genuine behavior demonstrated by workers as job performance generated by employees in accordance with their function within

the firm (Lubis et al., 2021). It includes reciprocal changes in terms of inputs and outcomes between employees and the organization (Fidianingrum & Sukarno, 2021). Performance is evaluated based on the quality and amount of work employees produce while performing their duties (Eka Ramadhani, 2016). (Panjaitan, 2021) asserts that employee performance encompasses the whole value expected by the organization from individual behaviors. Despite substantial research on employee performance, further studies are necessary to explore how specific practices in talent management, knowledge management, and career development impact employee performance in Batam City's banking sector.

Justification for the Current Research, this study aims to fill the gaps identified in previous research by providing a comprehensive analysis of how talent management, knowledge management, and career development affect employee performance, with motivation as a mediating variable, in the banking sector of Batam City. By addressing these gaps, this research will offer a theoretical foundation and practical insights into improving employee performance through targeted management practices in a specific sector and location. This study will also contribute to the literature by providing empirical evidence on the effectiveness of these practices in enhancing organizational performance, thus ensuring the relevance and novelty of the research.

3. Methodology

Research Design
This research uses an analytical observational design to analyze the contribution of talent management, knowledge management, career development and work motivation variables to the performance of Bank Mandiri employees. An analytical observational design was chosen because it allows researchers to observe and analyze relationships between variables without manipulating experimental conditions. This approach is suitable for exploring complex phenomena in real-world contexts, such as employee performance in the banking sector.

Sampling Technique
The sampling technique used in this research is a saturated sample, where the entire population is used as respondents. In this study, the population consisted of 312 Bank Mandiri employees. The use of a saturated sample ensures that the entire population is represented, so that research results can be generalized to the entire population. The respondent selection process was carried out by ensuring that all employees who met the inclusion criteria were involved in this research.

Data Collection Process
Data was collected using a questionnaire that had been tested for validity and reliability. This questionnaire was structured using a 5-point Likert scale, where 1 represents "strongly disagree", 2 "disagree", 3 "agree slightly", 4 "agree", and 5 "strongly agree". The use of a Likert Scale makes it easier for respondents to express their level of agreement with various statements related to talent management,

knowledge management, career development, work motivation and employee performance.

Data Analysis

Data were analyzed using SmartPLS software version 4.1.0.0 with the Partial Least Squares (PLS) method from Structural Equation Modeling (SEM). The PLS method was chosen because of its ability to handle complex structural models and produce robust estimates even though the sample size is not large. PLS is suitable for this research because it can determine the relationship between latent (predictive) variables well (Pratiwi & Muzakki, 2021).

Evaluation Model Measurement (Outer Model)

Evaluation model measurement is carried out through validity testing. Convergent validity is measured using factor loadings and average variance extract (AVE), while discriminant validity is measured using cross loadings, square root of AVE, and correlation between latent variables. Construct reliability was measured using Cronbach's Alpha and Composite Reliability.

Structural Model Evaluation (Inner Model)

The structural model is evaluated by looking at the R-Square value for the endogenous latent construct, which shows the percentage of variance explained by the model. R-Square values of 0.75, 0.50, and 0.25 indicate a strong, medium, and weak model respectively (Ghozali, 2014). Changes in the R-Square value explain the influence of external latent variables on significant endogenous latent variables.

Potential Bias and Limitations

This study acknowledges the potential for bias in the methodology, such as respondent bias that may influence the results of the questionnaire. In addition, limitations in generalizing the results are also acknowledged, because this research was only conducted on Bank Mandiri employees. Efforts were made to minimize bias by ensuring the anonymity and confidentiality of respondents and using instruments that have been validated and tested for reliability.

With this detailed and thorough methodological approach, the research is expected to provide comprehensive insight into the influence of talent management, knowledge management, career development and work motivation on employee performance in the banking sector, especially at Bank Mandirid.

4. Empirical Findings/Result

Data for this research was collected during the period from March 3 2023 to May 16 2024. The respondents who were research subjects were those who worked in the state-owned banking sector in Batam City. The total number of respondents who filled out the Google form was 312 people.

Collinearity Statistic / VIF
Checking the Common Method Bias using the VIF test can be seen in the "Collinearity Statistics / VIF" menu. The following is the VIF output:

Table 1. Collinearity Statistic / VIF

	VIF
CD1	2.063
CD2	2.335
CD3	2.454
CD4	2.277
CD5	2.174
CD6	1.899
EP1	2.053
EP2	2.260
EP3	1.772
EP4	1.926
EP5	1.373
KM1	1.783
KM2	1.770
KM3	2.042
KM4	2.188
MOT1	1.334
MOT2	2.117
MOT3	1.960
MOT4	1.938
MOT5	1.644
TM1	2.198
TM2	1.771
TM3	2.081
TM4	1.788

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

 According to (Hair et al., 2020), ata is free from CMV if the VIF value is less than 5.00. Based on the output, it can be seen that all VIF values are less than 5, so that in the analysis carried out it can be concluded that the data used is free from Common Method Variance/Common Method Bias. Data freedom from CMV has important practical implications, because the analysis results obtained can be considered more reliable and valid because they are not affected by common method bias. Recommendations and decisions taken from the results of this analysis can be further trusted in the context of managerial decision making. Apart from that, these findings also provide an indication that the CMV control measures that have been implemented in the data collection and data analysis processes have been successful.

Measurement Evaluation (Outer Model)
A. Convergent Validity
1. Outer Loadings
A common guideline for evaluating convergent validity is that the outer loading value should be above 0.6 for exploratory research. However, for early-stage research and the development of measurement scales, outer loading values between 0.5 and 0.6 are still deemed acceptable (Chin & Marcoulides, 1998). The following presents the Outer Loadings output based on the processed data:

Table 2. Outer Loadings

	Career Development	Employee Performance	Knowledge Management	Motivation	Talent Management
CD1	0.808				
CD2	0.799				
CD3	0.817				
CD4	0.812				
CD5	0.803				
CD6	0.798				
EP1		0.806			
EP2		0.835			
EP3		0.790			
EP4		0.813			
EP5		0.680			
KM1			0.769		
KM2			0.777		
KM3			0.770		
KM4			0.822		
MOT1				0.659	
MOT2				0.836	
MOT3				0.818	
MOT4				0.797	
MOT5				0.758	
TM1					0.863
TM2					0.802
TM3					0.850
TM4					0.809

Source : Processing Output With SmartPLS 4.1.0.0 (2024)
Based on the table above, it can be seen that all the outer loading values of the variables in the model meet the criteria set by (Chin & Marcoulides, 1998) for early stage research and measurement scale development. These findings indicate that the constructs measured by the variables in the model have good convergent validity. This

indicates that the instrument used in this research is able to measure the desired construct well.

In addition, these findings also underscore the importance of evaluating convergent validity in the development of measurement instruments to ensure their validity and reliability. Thus, the evaluation of convergent validity in this study shows that the measurement instruments used have adequate validity, even at the initial stage of measurement scale development.

2. Convergent Validity (AVE)

According to Ghozali (Ghozali, 2014), the criteria for evaluating constructive validity using Average Variance Extracted (AVE) is an AVE value greater than 0.5. This value indicates that each construct meets the required validity standards.

Table 3. Convergent Validity (AVE)

	Average Variance Extracted (AVE)	Information
Career Development	0.650	Valid
Employee Performance	0.619	Valid
Knowladge Management	0.616	Valid
Motivation	0.603	Valid
Talent Management	0.691	Valid

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

Based on the table above, we can see that all AVE values for each construct in our model exceed the value of 0.5 which is considered the required validity standard according to Ghozali (2014). Therefore, it can be concluded that each construct meets the necessary constructive validity criteria.

These findings indicate that each construct measured in the model has adequate validity, which provides additional confidence in the analysis results obtained. The results of the analysis can be used to make more informed decisions and strengthen the basis of the research conducted. Possible reasons behind these findings include the use of valid and reliable measurement instruments to measure each desired construct as well as the use of valid and reliable measurement instruments to measure each desired construct. thus, evaluation of constructive validity using the AVE value in this study shows that each construct has adequate validity, which supports the reliability of the analysis results obtained.

3. Discriminant Validity

Another method to assess discriminant validity is to compare the square root of the AVE for each construct with the correlation coefficients between the model's constructs. Good discriminant validity is indicated when the square root of the AVE for each construct is greater than the correlations between the constructs in the model (Fornell & Larcker, 1981).

Table 4. Discriminant Validity Test Result (Fornell-Larcker Criterion)

	Career Development	Employee Performance	Knowladge Management	Motivation	Talent Management
Career Development	**0.806**				
Employee Performance	0.672	**0.787**			
Knowladge Management	0.792	0.690	**0.785**		
Motivation	0.653	0.781	0.717	**0.776**	
Talent Management	0.694	0.688	0.744	0.668	**0.831**

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

Based on the table above, we can see that each square root of the AVE for each construct meets the correlation coefficient between the constructs in the model. This indicates that each construct has strong discriminant validity, in accordance with the criteria established by the (Fornell & Larcker, 1981) method. These findings provide additional confidence that the constructs in our model can be clearly differentiated from each other, so that the analysis results obtained can be relied on in making appropriate decisions. The importance of ensuring discriminant validity in SEM model development is to avoid bias and confusion in the interpretation of results.

Apart from that, these findings also show that the measurement instruments used in this research are able to measure constructs well and reliably. Possible reasons behind this finding include Use of appropriate analytical methods, such as SEM, which can identify discriminant validity between constructs.

Thus, evaluation of discriminant validity using the Fornell & Larcker method in this research shows that each construct has strong discriminant validity, which strengthens the reliability of the analysis results obtained.

4. Composite Reability

Model measures are used in addition to validity testing to assess a construct's reliability. Tests for reliability are conducted to demonstrate the instrument's accuracy and consistency in measuring the construct. Two methods are used for reliability testing in PLS-SEM: Composite Reliability (Dillon - Goldstein's) and Cronbach's Alpha (Cronbach & Meehl, 1955). According to (Chin & Marcoulides, 1998), composite dependability is a more accurate metric than Cronbach's Alpha.

Table 5. Composite Reability

Variable	Composite Reliability	Criteria
Career Development	0.918	0.7
Employee Performance	0.890	0.7
Knowledge Management	0.865	0.7
Motivation	0.883	0.7
Talent Management	0.899	0.7

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

From the table above, it can be seen that all Cronbach's Alpha and Composite Reliability values for each construct exceed the value of 0.7, which is a standard commonly used to assess reliability. This confirms that all constructs in our model have good reliability.

The results of this reliability evaluation provide additional confidence that the measurement instruments used in the research have good accuracy and consistency in measuring each construct. The analysis results obtained can be relied on in making decisions and provide more accurate insights.

The reasons behind this finding may include selecting a more appropriate reliability evaluation method, such as Composite Reliability, to provide more accurate information about construct reliability. Thus, evaluating construct reliability using the Composite Reliability and Cronbach's Alpha methods in this research shows that all constructs have good reliability, although Composite Reliability tends to provide more accurate information. This strengthens confidence in the analysis results obtained.

Structural Model Equation (Inner Model)
The estimation meets the Outer Model standards. The next step is to test the inner model, or structural model. According to (Ghozali, 2014), the purpose of assessing the structural model, often called the inner model, is to predict the relationships between latent variables. The output results of the loading factor, which build the structural model and were analyzed using Smart PLS 4.1.0.0 software, are shown in the following figure:
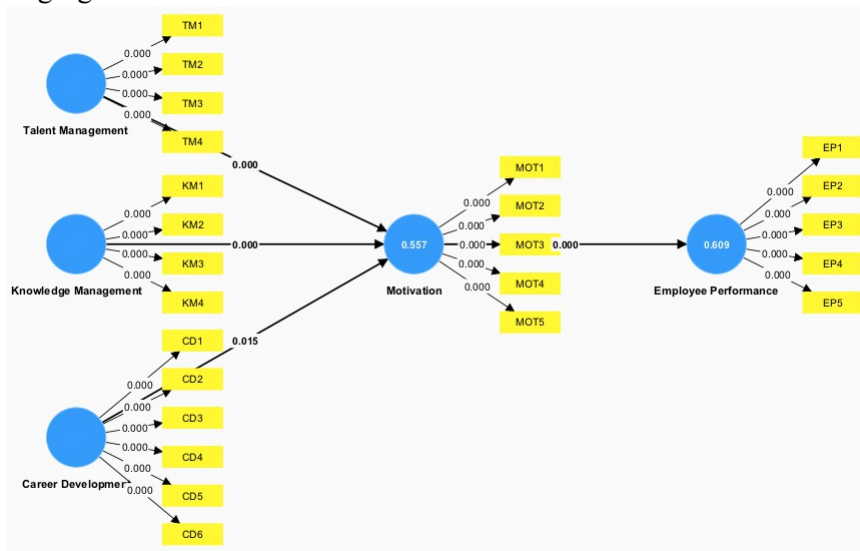

Figure 1. Path Analysis Using The PLS Method
Source : Processing Output With SmartPLS 4.1.0.0 (2024)

R-Square is a value that shows how much the endogenous latent variable (the variable that is explained) can be explained by the exogenous variable (the variable that explains). The R-Square coefficient ranges from 0 to 1, where a higher value indicates that the endogenous variable is explained more by the exogenous variable.

5. Path Coefficients

Path coefficient is the output used to see the direct influence between latent variables in the SEM model. These path coefficient values show how much direct influence one latent variable has on another. The following are the results of the output path coefficients based on the processed data:

Table 6. Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/ST$_{DEV}$|)	P Values
Career Development -> Motivation	0.176	0.173	0.072	2.434	0.015
Knowladge Management -> Motivation	0.388	0.389	0.083	4.661	0.000
Motivation -> Employee Performance	0.781	0.778	0.044	17.625	0.000
Talent Management -> Motivation	0.245	0.243	0.070	3.513	0.000

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

From the table above we can see that all direct relationships between latent variables show a significant influence. This is indicated by T-Statistic values > 1.96 and P-Values < 0.05, which are standards commonly used to assess statistical significance.

These findings indicate that in the model, all direct relationships between latent variables have a statistically significant influence. This information can be used to understand the dynamics of the relationships between the variables in our model and identify factors that have a strong direct influence. Thus, the evaluation of path coefficients in this study shows that all direct relationships between latent variables in our model have a statistically significant influence, which can improve understanding of the dynamics of the model used.

The following are the conclusions of the results of the direct influence hypothesis test:

Hypothesis	Information
H1 : Career Development directly has a positive and significant effect on Motivation	**Significant**
H2 : Knowledge Management directly has a positive and significant effect on Motivation	**Significant**
H3 : Motivation directly has a positive and significant effect on Employee Performance	**Significant**
H4 : Talent Management directly has a positive and significant effect on Motivation	**Significant**

6. Specific Indirect Effects

Indirect effect shows the role of mediating variables in the research model. The indirect influence between variables can be seen in the Specific Indirect Effects table in table 7 below:

Table 7. Specific Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Talent Management -> Motivation -> Employee Performance	0.191	0.189	0.057	3.368	0.001
Career Development -> Motivation -> Employee Performance	0.138	0.134	0.057	2.400	0.017
Knowledge Management -> Motivation -> Employee Performance	0.303	0.304	0.071	4.277	0.000

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

From the table above, we can see that all indirect effects between variables show a significant influence. This is indicated by the T-Statistic value > 1.96 and P-Values < 0.05, which indicates statistical significance.

These findings indicate that in the model, all indirect effects between variables show statistically significant influence. This information can be used to understand the role of mediators in explaining the relationships between other variables in the model. Thus, the evaluation of indirect effects in this study shows that all indirect effects between variables in our model have a statistically significant influence, which can improve understanding of the role of mediators in the relationships between variables in our model.

The following are the conclusions of the results of the indirect influence hypothesis test:

Hypothesis	Information
H5 : Motivation as a mediating variable has a significant effect on the relationship between Talent Management and Employee Performance	**Significant**
H6: Motivation as a mediating variable has a significant effect on the relationship between Career Development and Employee Performance	**Significant**
H7: Motivation as a mediating variable has a significant effect on the relationship between Knowledge Management and Employee Performance	**Significant**

7. R -Square (R^2) Test

In assessing the structural model with PLS, we need to look at the R-Squares value for each endogenous latent variable as the predictive power of the structural model.

Table 8. R Square

	Original Sample (O)	Sample Mean (M)	Standard Devi ation (STDEV)	T Statistic s (|O/STDEV|)	P Values
Employee Performance	0.609	**0.607**	0.068	8.998	0.000
Motivation	0.557	**0.557**	0.081	6.884	0.000

Source : Processing Output With SmartPLS 4.1.0.0 (2024)

The R-squared value of 0.607 for the Employee Performance variable indicates that SMM and SE can account for 60.7% of the variability in Employee Performance,

leaving 39.3% explained by unmodeled factors. Following (Hair et al., 2020) criteria, an R-squared value greater than 0.50 falls into the "Strong" prediction category. The R-squared value of 0.557 for the Endogenous Motivation Variable indicates that SMM, SE, and PV can collectively explain 55.7% of the variance in Motivation, leaving 44.3% of the variance explained by unaccounted-for variables. Following the criteria set by (Hair et al., 2020), an R-squared value exceeding 0.50 suggests that the prediction falls within the "Strong" category.

The results of this R-Square evaluation provide additional confidence that our structural model has good abilities in predicting endogenous variables in the model. This information can be used to understand how well the model can explain variations in Employee Performance and Motivation.

5. Discussion

Career Development (CD) directly has a positive and significant effect on Motivation (MOT)

Partial Least Square (PLS) analysis shows that there is a direct influence of Career Development (CD) on Motivation (MOT), which is indicated by a T-statistic value of 2.434 and a P-Value of 0.015. These findings have important implications in the context of the banking sector in Batam City. With increasingly fierce competition and rapid market dynamics, banking companies need to prioritize investment in the career development of their employees. This will not only increase employee motivation and engagement, but can also result in improved overall performance. However, it is important to remember that there are limitations to this study. For example, this research may not include all variables that may influence the relationship between career development and employee motivation. Therefore, a suggestion for future research is to expand the variable framework and take these limitations into consideration in interpreting research results. Thus, career development can be seen as an important strategy in talent management and effective employee management in the Batam City banking sector, with a significant impact on employee motivation, engagement and performance.

Knowledge Management (KM) directly has a positive and significant effect on Motivation (MOT)

The results of the Partial Least Square (PLS) analysis show that there is a direct influence of Knowledge Management (KM) on Motivation (MOT), which is indicated by a T-statistic value of 4,661 and a P-Value of 0.000. These findings make a significant contribution to the current understanding of Talent Management, Knowledge Management, Career Development, and Employee Performance. In the literature, there are studies that highlight the importance of knowledge management in creating an innovative, knowledge-based and motivating work environment. The implications of these findings for the banking sector in Batam City are very important. By understanding and utilizing knowledge management effectively, banking companies in Batam can increase the motivation of their employees. Companies can develop knowledge management systems and practices that enable employees to

access, share, and use knowledge efficiently, which in turn will increase their engagement, productivity, and performance.

Motivation (MOT) directly has a positive and significant effect on Employee Performance (EP)

Partial Least Square (PLS) analysis shows that Motivation (MOT) has a direct, positive and significant influence on Employee Performance (EP), which is indicated by a T-statistic value of 17,625 and a P-Values of 0.000. These findings provide an important contribution to the current understanding of the relationship between employee motivation and performance. Previous research has highlighted how important motivation is in influencing various aspects of employee behavior and productivity (Wickramaaratchi & Perera, 2020). The implications of these findings for the banking sector in Batam City are very significant. By understanding the relationship between employee motivation and performance, banking companies can develop more effective strategies in increasing the motivation of their employees. Increased motivation can have a positive impact on various aspects of employee performance, such as greater effort, increased productivity, job happiness, work quality, engagement, retention, and organizational culture (Damarasri & Eeng, 2020). In conclusion, the positive relationship between employee motivation and performance has significant implications in human resource management practices in the Batam City banking sector. By understanding and utilizing this relationship effectively, companies can create a motivating, productive and innovative work environment, which in turn will make a positive contribution to achieving the company's strategic goals.

Talent Management (TM) directly has a positive and significant effect on Motivation (MOT)

Partial Least Squares (PLS) analysis shows that Talent Management (TM) has a direct, positive, and significant influence on Motivation (MOT), as indicated by a T- statistic value of 3.513 and a P-value of 0.000. These findings significantly contribute to the current understanding of the role of talent management in enhancing employee motivation. Previous research has also emphasized the importance of talent management in fostering a motivating and productive work environment (Danu Erliawan, 2022). In conclusion, talent management plays a crucial role in influencing employee motivation within the banking sector of Batam City. By leveraging these insights and developing targeted strategies, organizations can improve employee motivation, engagement, and performance, which will ultimately contribute to the achievement of business goals and the growth of the company.

Motivation (MOT) as a mediating variable has a significant effect on the relationship between Career Development (CD) and Employee Performance (EP)

Partial Least Square (PLS) analysis shows that Motivation (MOT) as a mediating variable has a significant influence on the relationship between Career Development (CD) and Employee Performance (EP), which is indicated by a T-statistic value of 3.368 and P -Value is 0.001. These findings provide an important contribution to the understanding of the role of motivation as a mediating variable between career

development and employee performance, motivation significantly mediates the relationship between talent management and employee performance. Effective talent management practices increase employee motivation, which in turn results in improved performance. By understanding and exploiting these mediating effects, organizations can design more effective talent management strategies that not only attract and develop talent but also encourage higher levels of employee performance. In conclusion, the role of motivation as a mediating variable in the relationship between career development and employee performance shows the importance of understanding the underlying mechanisms.

Motivation (MOT) as a mediating variable has a significant effect on the relationship between Career Development (CD) and Employee Performance (EP)

Partial Least Square (PLS) analysis shows that Motivation (MOT) as a mediating variable has a significant influence on the relationship between Career Development (CD) and Employee Performance (EP), which is indicated by a T-statistic value of 2.400 and P-Value is 0.017. Motivation acts as a mediator between career development and employee performance, exploring the interaction and reciprocal effects between the two. The role of motivation as a mediator between career development and employee performance is very important. The implications of these findings for the banking sector in Batam City are very significant. By prioritizing investment in career development, organizations can increase employee motivation and ultimately improve performance. Understanding and leveraging these connections can help organizations design more effective development initiatives and develop a productive workforce.

Motivation (MOT) as a mediating variable has a significant effect on the relationship between Knowledge Management (KM) and Employee Performance (EP)

Partial Least Square (PLS) analysis shows that the role of motivation (MOT) as a mediating variable has a significant influence on the relationship between Knowledge Management (KM) and Employee Performance (EP), which is indicated by a T-statistic value of 4,277 and P-Values of 0.000. The role of motivation as a mediating variable between knowledge management and employee performance involves analyzing the interactions and influences between these elements. Motivation plays an important mediating role in the relationship between knowledge management and employee performance. Effective KM practices can significantly increase employee motivation, which in turn improves performance. By understanding and exploiting these mediating effects, organizations can design more effective KM strategies that not only improve knowledge utilization but also improve overall employee performance.

6. Conclusions

Based on the analysis carried out by researchers and data processed using SmartPLS 4.1.0.0, it can be concluded that increasing motivation among Bank Mandiri

employees in Batam City can improve their performance, with a higher score reducing better performance. This research has important implications for the banking sector in Batam City. Investments in career development, knowledge management, and talent management are critical to increasing employee motivation and performance. Banking in Batam must consider career development strategies, knowledge management and talent management.

The limitation of this research is that it only focuses on independent banks in Batam City. So there are limits for researchers to expand their findings. In addition, it is recommended for future research to expand the variable framework and examine how these findings apply in the context of other sectors or in different situations to increase the generalizability of the research results.

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