

Talent management model: How to boost the central bank's performance in the disruptive era**Imam Hartono^{a*}, Lukman M. Baga^a, Rizal Syarief^a and Anggraini Sukmawati^a**^a*School of Business, IPB University, Bogor, Indonesia***CHRONICLE ABSTRACT***Article history:*

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Organizations are increasingly acknowledging the vital impact of talent management on boosting their performance. Effective talent management within the central bank is crucial, as it plays an indispensable role in maintaining economic stability and advancing the nation's financial well-being. The study aims to examine the role of talent management, transformational leadership, organizational climate, employee engagement, employee performance, and organizational commitment in increasing the central bank's performance. The study uses a quantitative approach by collecting data from 600 sample employees of Bank Indonesia in 30 divisions of departments at the head office, 45 domestic representative offices, and 5 foreign representative offices. The data was analyzed using Structural Equation Modelling-LISREL. The finding shows that transformational leadership has a positive impact on talent management. Talent management has a positive impact on organizational climate, employee engagement, and organizational commitment. Organizational climate has a positive impact on employee engagement. Employee engagement has a positive impact on organizational commitment. Organizational climate, employee engagement, and organizational commitment have a positive impact on employee performance, while talent management does not have a positive impact on employee performance. Employee performance, organizational commitment, and talent management have a positive impact on organizational performance. The study offers valuable insights into talent management practices within central banks. It serves as a guide for central bank management and human capital professionals in formulating policies to enhance performance amidst disruptive times. Additionally, educators can leverage these findings to develop curricula that align more closely with industry demands and produce competent graduates ready to excel on the global stage.

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1. Introduction

Sustainable performance is a condition needed by all organizations, whether they produce goods or services, whether they are private or public organizations. Facing very large challenges and a future that is more unstable, uncertain, complex, and ambiguous, requires the central bank to adapt quickly in order to perform its role well. As a policy maker, the central bank must respond with directed, measurable, and adaptive policies. Technological innovation that has accelerated since the pandemic era and the phenomenon of convergence that can amplify impacts massively have given birth to various risks that need to be watched out for and mitigated thoroughly by various authorities, including the central bank (Bank Indonesia, 2023a). Strategic environmental changes have prompted BI to establish a new vision of becoming a leading digital central bank with strong governance that contributes significantly to the national economy and is the best among emerging market countries for Advanced Indonesia. Currently, BI is undergoing a comprehensive policy and institutional transformation. BI's institutional transformation includes strengthening the organization and work processes, HR and work culture, and digitization (Bank Indonesia 2023b). HR development at BI is one solution to answer these challenges, considering that the most important resource for the central bank is HR (Hickey 2002). BI's talent management becomes a critical factor in preparing the best talents who will become BI leaders in the future.

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In the context of succession planning, the implementation of talent management at BI prioritizes an inclusive approach by preparing internal BI talents as future leadership cadres. The preparation of this leadership cadre begins with recruitment through the officer path and is continued with various development programs. Talent management at BI is done through a talent pool pattern by selecting employees who are included in the potential employee group (KPP) and developed to hold certain positions. The evaluation results of the implementation of talent management at BI show that there is room for improvement in the implementation of talent management. Based on the results of surveys and exit interviews conducted in 2020-2022, there are still complaints from employees related to the long career path at BI, workload, work flexibility, work-life balance, communication, performance management. Talent management is one of the keys to the success of the organization and one of the institutions that need more attention to talent management amid global environmental uncertainty is the central bank, which is the only agency in a country that is responsible for monetary policy that is tasked with maintaining the stability of the value of the currency, and the overall financial system and payment system. The central bank has a unique freedom to plan and manage change better than most other organizations (Menzela, 2006). For this reason, the central bank must be able to ensure that the HR management and development strategy it has can attract, increase capacity, motivate and retain the best talents and so that they can perform high. There are several studies showing the existence of internal organizational factors as other variables that can play a role as intermediaries from human resource management or talent management and organizational performance, including organizational climate (Damoe et al., 2017; Silvestre et al., 2018; Albrecht et al., 2015), organizational culture (Nikpour 2017), innovation (Rasool et al., 2019) and organizational capabilities (Rehman et al., 2019), employee engagement (Ahmed et al., 2018, Albrecht et al., 2015), leadership (Onyango 2015), employee performance (Mojtahedzadeh & Izadi 2013) and organizational commitment (Silvestre et al., 2018; Bakiev, 2013; Camilleri & Van Der Heijden, 2007; Mansour et al., 2013). Therefore, it is important to examine the appropriate talent management strategy by understanding the role of intermediaries that influence to lead to the desired organizational outcomes.

At present, research related to talent management at the central bank is still limited. Meanwhile, the central bank has a very crucial role in a country's economy, so it needs selected talents who are able and capable. Referring to the challenges faced, it is necessary to conduct research on the application of good talent management to improve the performance of the central bank organization. To analyze the relationship between talent management and the improvement of organizational performance, it is necessary to mediate other phenomena, namely leadership style, improvement of organizational climate, increase in employee engagement, employee performance and increase in organizational commitment. The research can also describe the interaction of the implementation of the talent management system, organizational policies, employees and other factors. With the right talent management, it is expected to attract, retain and improve the performance of the best talents of future BI leaders. The purpose of this study is to analyze the relationship between talent management, transformational leadership, organizational climate, employee engagement, organizational commitment and talent performance towards organizational performance.

2. Literature review

Several theories form the basis of this research, including Knowledge Based View (KBV), Human Capital, Person Organization Fit (PO Fit), and Strategic Talent Management (STM). KBV is a development of the Resource Based View (RBV) concept that focuses on intellectual resource aspects as a strategic basis for the source of an organization's competitive advantage in the long term (Grant, 1996). Knowledge resources are very important to ensure sustainable competitive advantage, because these resources are difficult to imitate and are the basis for ongoing differentiation (Wiklund & Shepherd, 2003). The role of KBV in building human capital engagement allows companies to adapt to various problems more effectively and efficiently (Chen et al., 2010). In facing increasingly tight global business competition, knowledge-based resources (intangible assets) are more determinant than tangible resources in stimulating companies to build and maintain capabilities and competitive advantages (Zhao, 2019). The Human Capital theory according to Becker (1962) is a concept that considers that education, training, experience, and individual skills are a form of human capital that has economic value. Becker suggests that investment in the development and accumulation of human capital will increase individual productivity and the ability to generate higher income. In addition, investment and development of human resources play an important role in recruiting and retaining quality employees, and play a major role in increasing employee satisfaction, organizational culture, and productivity improvement (Aliu & Aigbavboa 2019). The Person-Organization Fit (PO Fit) theory is a concept used to explain the extent to which individuals and organizations match each other in terms of values, needs, and personal characteristics. The suitability of person-job and person-organization has a significant and positive effect on job performance (Yahya et al., 2012). Kontor's (2019) research results reveal that organizational culture has a positive and significant effect on the suitability of people with organizations and employee commitment. In addition, it was identified that organizational culture fully mediates the fit of people in the organization. Strategic talent management is a comprehensive approach to managing talent within an organization with the aim of achieving competitive advantage (Collings & Mellahi 2009). This approach involves identifying, developing, recruiting, maintaining, and utilizing strategic talents to maintain the organization's advantage in the long term. Collings and Mellahi (2009) emphasize the importance of integrating business strategy with talent management strategy. Talent management has been proven to have a positive and significant impact on performance and employee engagement (Khairina et al., 2022). Onyango's (2015) research found a positive and significant

relationship between leadership style and talent management. Talent management and employee engagement facilitate organizational performance, thereby enhancing the dynamic capabilities of the organization as employees can compete in a constantly changing environment (Devim, 2017). The implementation of talent management also has a positive impact on organizational performance and organizational commitment (Almaaitah et al., 2020). Meanwhile, the creative climate mediates the relationship between dimensions of talent management and organizational performance (Ingram, 2016).

3. Research method

This research was conducted at Bank Indonesia (BI), including the head office and representative offices, with data collection starting from November 2023. The research was conducted on 600 sample employees in 30 work units (departments) at the head office, 45 domestic representative offices, and five foreign representative offices. The research methodology uses a quantitative approach. The data used in this research are primary and secondary data. Primary data were obtained directly from selected respondents through questionnaires, interviews, and FGDs with SEM causality analysis techniques used to analyze the relationship between talent-based HR management, transformational leadership, organizational climate, employee engagement, employee performance, organizational commitment, and organizational performance as well as the factors that influence them. Given that in this research the causal relationship involves more than two latent variables, other latent variables play a role as intermediaries, which can be moderator or mediator variables in the relationship between two other latent variables. The research model used refers to the research model of Albrecht et al. (2015) which is integrated with the analytical model from Silvestre et al. (2018) and by Kopelman et al. (1990), which places the right talent management strategy in influencing organizational climate, employee engagement, employee performance, and organizational commitment which ultimately impacts performance (individual, group, and organization). The structural model used in the research is included in Fig. 1, with the hypothesis shown in Table 1.

Table 1
Research hypotheses

Hypothesis	
H ₁ :	Transformational leadership influences talent management
H ₂ :	Talent management influences organizational climate
H ₃ :	Talent management influences employee engagement
H ₄ :	Talent management influences organizational commitment
H ₅ :	Organizational climate influences employee engagement
H ₆ :	Employee performance influences organizational commitment
H ₇ :	Organizational climate influences employee performance
H ₈ :	Employee performance influences employee performance
H ₉ :	Organizational commitment influences employee performance
H ₁₀ :	Talent management influences employee performance
H ₁₁ :	Employee performance influences organizational performance
H ₁₂ :	Organizational commitment influences organizational performance
H ₁₃ :	Talent management influences organizational performance

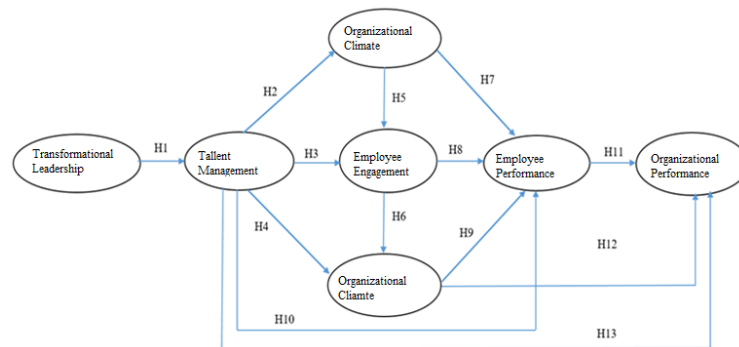


Fig. 1. Operational thinking framework

4. Results and discussion

Construction of the Role of Talent Management, Transformational Leadership, Organizational Climate, Employee Engagement and Organizational Commitment Models on Employee Performance and Organizational Performance. The exogenous variables in this study are Talent Management, Transformational Leadership, Organizational Climate, Employee Engagement, and Organizational Commitment, while the endogenous variables are Employee Performance and Organizational Performance. The analysis in this study uses the Structural Equation Modeling (SEM) method. SEM forms two types of models, namely measurement models and structural models. The measurement model aims to describe how well each indicator can be used as a measurement instrument for latent variables through testing the validity and reliability of indicators and dimensions of research variables. The structural model is a model where the goodness of fit for the inner model can be proven by testing the influence of each exogenous latent variable on the endogenous latent variable. The measurement model performed on exogenous and endogenous variables shows that all variables are valid. After conducting a measurement model analysis, a structural model analysis is then made in accordance with the research. The main model of the

research provides the results of the cross diagram (path diagram) shown with the t-value and standardized solution. The same model is then tested with the statistical fit value of the Goodness of Fit Index (GOF). The structural model is a model where the goodness of fit for the inner model can be proven by testing the influence of each exogenous latent variable on the endogenous latent variable.

Table 2
Analysis of goodness of fit model

GOF	Cut off Value	Value of Research Results	Description
Chi-square (χ^2)	Preferably smaller than Df	978.02	Marginal fit
Df		331	Marginal fit
Chi-square (χ^2)/df	≤ 3.0	2.95	Good fit
Probability (P-value)	≥ 0.05	0.000	Marginal fit
RMR	A good model has a small RMR (Tabachnik and Fidell 2007). ≤ 0.05 or 0.08 (Hair et al., 2007)	0.08	Good fit
RMSEA	≤ 0.08	0.064	Good fit
GFI	≥ 0.90	0.869	Marginal fit
AGFI	≥ 0.90	0.840	Marginal fit
CFI	≥ 0.90	0.990	Good fit
NFI	≥ 0.90	0.986	Good fit
NNFI	≥ 0.90	0.989	Good fit
RFI	≥ 0.90	0.985	Good fit
IFI	≥ 0.90	0.990	Good fit

Out of 13 Goodness of Fit Index (GOFI) model measures, there are 8 results that show good fit, and three results are close to good (marginal fit). According to Hair et al. (2009), the assessment of model fit is based on how many model measures can meet the results according to the cut-off value in the research. The more target values that match with the GOFI measures fulfilled, the better the research results. Based on the data in Table 2, with a much larger number of matches, it can be concluded that the overall model has a good GOFI.

Table 3
SLF value and t-value model

Indicator	Item	SLF (λ)	T-value (≥ 1.64)	Error Var	λ^2	Reliability	
						CR ≥ 0.7	VE ≥ 0.5
Talent Management						0.965	0.872
	X11	0.97		0.06	0.94		
	X12	0.97	161.31	0.06	0.94		
	X13	0.95	50.09	0.10	0.90		
	X14	0.84	34.91	0.29	0.71		
Transformational Leadership						0.967	0.880
	X21	0.97	32.46	0.06	0.94		
	X22	1.00	34.58	0.00	1.00		
	X23	1.00	34.58	0.00	1.00		
	X24	0.76	22.18	0.42	0.58		
Organization Climate						0.92	0.82
	X31	0.83		0.31	0.69		
	X32	0.86	26.68	0.26	0.74		
	X33	0.91	29.60	0.17	0.83		
	X34	-0.93	-30.72	0.14	0.86		
	X35	0.95	32.36	0.10	0.90		
	X36	0.95	31.95	0.10	0.90		
Employee Engagement						0.928	0.867
	X41	0.89		0.21	0.79		
	X42	0.97	38.66	0.06	0.94		
Organization Commitment						0.928	0.867
	X51	0.99		0.02	0.98		
	X52	0.99	36.08	0.02	0.98		
	X53	0.97	35.80	0.06	0.94		
Employee Performance						0.989	0.967
	Y11	0.96		0.08	0.92		
	Y12	0.99	79.43	0.02	0.98		
	Y13	0.97	63.30	0.06	0.94		
	Y14	0.92	47.63	0.15	0.85		
	Y15	0.89	41.77	0.21	0.79		
Organization Performance						0.977	0.896
	Y21	0.93		0.14	0.86		
	Y22	0.99	57.10	0.02	0.98		
	Y23	0.95	47.18	0.10	0.90		
	Y24	0.9	39.62	0.19	0.81		
Overall 99.4% VE Overall 87.8%							

In Table 3, it is known that each SLF has met the requirements of the goodness of fit model, so it can be said that the variables Talent Management (TM), Transformational Leadership (TL), Organizational Climate (OCL), Employee Engagement (EE), Organizational Commitment (OCO), Employee Performance (EP), and Organizational Performance (OP) have been validated. This is supported by a t-value ≥ 1.64 (significant level 10%), which means that these variables are significant.

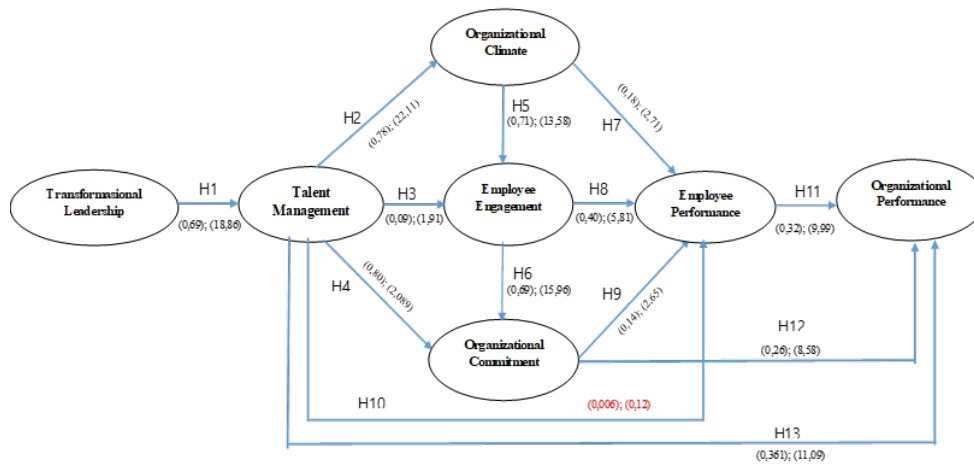


Fig. 2. Output standardized solution and t-value model

The overall model has good construct reliability with each CR and VE at 99.4% and 87.8%, respectively. These CR and VE values have met the standard provisions or have been declared valid, the CR value is declared valid if the value is $>70\%$ and VE is declared valid if the value is $>50\%$. Based on Fig. 2, the magnitude of the influence between variables and the level of significance can be seen. The results of the direct relationship between research variables show that there are 13 direct relationships with 12 significant positive relationships and 1 insignificant relationship as seen in Table 4.

Table 4 Hypothesis testing results

Hypothesis	Path (Relationship)	Calculated t value (≥ 1.64)	Direct Influence	Hypothetical Conclusion
H1	TL→TM	18.86	0.69	Accepted
H2	TM→OCL	22.11	0.78	Accepted
H3	TM→EE	1.91	0.09	Accepted
H4	TM→OCO	2.089	0.80	Accepted
H5	OCL→EE	13.58	0.71	Accepted
H6	EE→OCO	15.96	0.69	Accepted
H7	OCL→EP	2.71	0.18	Accepted
H8	EE→EP	5.81	0.40	Accepted
H9	OCO→EP	2.65	0.14	Accepted
H10	TM→EP	0.12	0.006	Rejected
H11	EP→OP	9.99	0.32	Accepted
H12	OCO→OP	8.58	0.26	Accepted
H13	TM→OP	11.09	0.361	Accepted

The significance of indirect influences that shape employee performance and organizational performance

Based on the hypotheses, the indirect influence relationships between the variables that form employee performance and organizational performance are summarized. The indirect influence in this study will be useful for determining the talent management development strategy in improving organizational performance. Direct influence shows the influence of one exogenous variable on the endogenous variable without being mediated by another variable, while indirect influence occurs when the observed exogenous variable occurs through another endogenous variable (Kusnendi 2008). Table 4 shows that transformational leadership directly influences employee performance through talent management, organizational climate, employee engagement, and organizational commitment by 0.038. The transformational leadership variable directly influences organizational performance through talent management, organizational climate, employee engagement, and organizational commitment and employee performance by 0.012. Talent management directly influences organizational performance through organizational commitment by 0.023. Talent management directly influences employee performance through employee engagement by 0.036 and talent management directly influences employee engagement through organizational climate by 0.140. Based on Table 4, the research hypothesis is explained in the following discussion. The discussion of the results of testing and research findings is explained based on the results of descriptive and verificative analysis which is then compared with the theory of previous research results.

4.1 *The first hypothesis: The Effect of Transformational Leadership on Talent Management*

Based on the analysis, it is known that the Transformational Leadership variable influences talent management with a t-value of 18.86, which means $t\text{-value} > 1.64$ (significant level 10%), thus Hypothesis 1 is proven. This means that every one unit increase in transformational leadership will increase talent management by 0.69 units. Transformational leadership is a leadership style where a leader transforms their subordinates. This transformation effect can be felt by subordinates and motivates them to excel, including developing themselves, promoting, and developing organizations and groups (Awang et al., 2020). This research result is in line with the research conducted by Leng (2018) who found that leadership is very important for the effectiveness of talent management (recruitment, retention, development, reward practices). In his research, it is mentioned that three dimensions of leadership competence (leading organization, leading others, and leading oneself) are very important and effectively correlate with talent management. According to Ahmad et al. (2017), one dimension of transformational, namely individualized influence, is significantly related to the succession planning program, which is one of the activities in talent management.

4.2 *The second hypothesis: The Effect of Talent Management on Organizational Climate*

The analysis results show that the talent management variable affects the organizational climate with a t-value of 22.11 > 1.64 (significant level 10%), thus Hypothesis 2 is proven. This means that every one unit increase in talent management will increase the organizational climate by 0.78 units. Good and optimal talent management in developing employee talents can create a conducive work climate, thus creating optimal employee and organizational performance. The results of Ingram's (2016) research show that the organizational climate, namely creativity, mediates the relationship between the dimensions of talent management and organizational performance. The research findings show that to enable organizations to achieve high performance through talent management, organizations must focus on creating a suitable climate to support the creativity of their individual employees.

4.3 *The third hypothesis: The Effect of Talent Management on Employee Engagement*

The analysis results for this hypothesis show that the Talent Management variable influences Employee Engagement because the t-value is $1.91 > 1.64$ (significant level 10%), thus Hypothesis 3 is proven. This means that every one unit increase in talent management will increase employee engagement by 0.09 units. Kadiri and Jimoh (2017) in their research revealed that there is a positive and significant relationship between career management and employee engagement, as well as employee engagement and employee turnover.

4.4 *The fourth hypothesis: The Effect of Talent Management on Organizational Commitment*

The analysis results for this hypothesis show that the Talent Management variable influences Organizational Commitment because the t-value is $2.089 > 1.64$ (significant level 10%), thus Hypothesis 4 is proven. This means that every one unit increase in talent management will increase organizational commitment by 0.80 units. Companies in the development stage need employees with high employee engagement characteristics, as well as strong organizational commitment to continue to adapt to changes and new innovations in implementing company strategies (Zulkarnain & Hadiyani, 2014). This research result is in line with the research conducted by Ekhsan et al. (2020) which states that talent management has a positive and significant effect on the organizational commitment variable. This means that the higher the talent management variable, the higher the organization's commitment. The mission and responsibility of the organization is to make policy strategies to develop the vision. Meanwhile, talent management not only aims to maximize organizational performance, but talent management also has a positive effect on organizational commitment. Meanwhile, Almaaitah et al. (2020) mentioned that there is a positive impact of talent management on organizational performance, effectiveness commitment, and normative commitment. In addition, it is also known that the role of organizational commitment plays a very important role in achieving the performance objectives of human resources.

4.5 *The fifth hypothesis 5: The Effect of Organizational Climate on Employee Engagement*

The analysis results for this hypothesis show that the Organizational Climate variable influences Employee Engagement because the t-value is $13.58 > 1.64$ (significant level 10%), thus Hypothesis 5 is proven. This means that every one unit increase in organizational climate will increase employee engagement by 0.71 units. Organizational climate is the work atmosphere that can be felt in someone's workplace. This atmosphere can influence employee behavior when they perform their tasks and ultimately affect the success of the company. According to Udayana and Suwandana (2017), every company has its own organizational climate, referred to as company characteristics. Employees will feel satisfied at work when they feel comfortable and balanced with the work environment, which in turn will improve employee performance. The organizational climate of a company increases the desire of employees to stay in the company (intention to stay). This research result is also in line with the research conducted by Dwiputri et al. (2022) with the research result that organizational climate has a positive and significant effect on employee engagement. The better the organizational

climate, the higher the employee engagement (Atmaja & Mulyani 2020; Olivia & Prihatsanti 2017; Higgs 2011; Rahmatan et al., 2018). Lubis et al. (2023) also showed the same research result, namely the organizational climate has a positive and significant effect on employee engagement.

4.6 The sixth hypothesis: The Effect of Employee Engagement on Organizational Commitment

The analysis results for this hypothesis show that the Employee Engagement variable influences Organizational Commitment because the t-value is $15.96 > 1.64$ (significant level 10%), thus Hypothesis 6 is proven. This means that every one unit increase in employee engagement will increase organizational commitment by 0.69 units. Employee involvement plays an important role in the journey of an organization, the higher the involvement of employees, the greater the organizational commitment. This is in line with the research conducted by Albdour and Altarawneh (2014) whose research results show that employees who have high work involvement and their involvement in the organization will have a high level of affective and normative commitment. In addition, with the high involvement of employees, it will affect the ongoing commitment of employees. Anindita and Seda (2018) also conducted research with results showing that employee engagement has a positive and real effect on organizational commitment, that is, employees with high employee engagement tend to have high organizational commitment as well. Meanwhile, Khalid and Khalid (2015) mentioned that organizational commitment is closely related to employee involvement, employees are more involved and satisfied with their careers when provided opportunities to learn so that they can increase commitment to the organization.

4.7 The seventh hypothesis: The Effect of Organizational Climate on Employee Performance

The analysis results for this hypothesis show that the Organizational Climate variable influences Employee Performance because the t-value is $2.71 > 1.64$ (significant level 10%), thus Hypothesis 7 is proven. This means that every one unit increase in organizational climate will increase employee performance by 0.18 units. Every employee working in an organization expects involvement in all organizational activities. Employee involvement will increase commitment and responsibility in responding to their work. A conducive organizational climate will improve employee performance and vice versa (Pradoto et al., 2022). This research result shows that a good and comfortable organizational climate will improve employee performance. This is in line with the research conducted by Lubis et al. (2023) which states that the organizational climate has a positive and significant effect on employee engagement and employee performance. Raja et al. (2019) researched the effect of the overall organizational climate on employee performance.

4.8 The eighth hypothesis: The Effect of Employee Engagement on Employee Performance

The analysis results for this hypothesis show that the Employee Engagement variable influences Employee Performance because the t-value is $5.81 > 1.64$ (significant level 10%), thus Hypothesis 8 is proven. This means that every one unit increase in employee engagement will increase employee performance by 0.40 units. Employees who are engaged with the organization will show high performance, this is a manifestation of loyalty, a sense of belonging, and the responsibility of an employee which ultimately can improve employee and organizational performance. The research results of Noviardy and Aliya (2020) show that there is a positive and significant relationship between employee engagement and employee performance. Meanwhile, the research results of Pitaloka and Putri (2021) show that employee engagement and organizational commitment simultaneously have a significant effect on employee performance. Partially, employee engagement has a significant effect on employee performance during the Work from Home policy in this Covid-19 pandemic era, because the higher the employee engagement that employees have towards their work, the better their performance in working.

4.9 The ninth hypothesis: The Effect of Organizational Commitment on Employee Performance

The analysis results for this hypothesis show that the Organizational Commitment variable influences Employee Performance because the t-value is $2.65 > 1.64$ (significant level 10%), thus Hypothesis 9 is proven. This means that every one unit increase in organizational commitment will increase employee performance by 0.14 units. Organizational commitment has a positive and significant effect on employee performance, meaning the higher the employee's commitment to the organization, the higher their performance. This is in line with the research conducted by Noviardy and Aliya (2020) which states that there is a positive and significant relationship between organizational commitment and employee performance. However, this result is contrary to the research conducted by Pitaloka and Putri (2021) which states that organizational commitment does not significantly affect employee performance due to the Covid-19 pandemic which reduces the opportunity for employees to move or work in other companies. Loan (2020) research results show that organizational commitment has a positive and significant effect on employee performance. Commitment can increase or inhibit an employee's desire to do work, which affects their productivity and work quality. Vipraprastha et al. (2018) also state the same thing, namely organizational commitment has a positive and significant effect on employee performance.

4.10 *The tenth hypothesis: The Effect of Talent Management on Employee Performance*

The analysis results for this hypothesis show that the Talent Management variable does not affect Employee Performance because the t-value is $0.12 < 1.64$ (significant level 10%), thus Hypothesis 10 is not proven. Talent management does not affect employee performance at Bank Indonesia, so it can be said that talent management has not yet supported BI employee performance. This result contradicts the research results of Ekhsan et al. (2023) which show that the good implementation of talent management can improve employee performance through increased employee engagement. Employee engagement also mediates the relationship between talent management and employee performance. Meanwhile, Bibi (2019) revealed that there is a positive effect of talent management indicators, namely recruitment and selection to attract talent, training and mentoring for learning and talent development, and compensation for talent retention on employee performance.

4.11 *The eleventh hypothesis: The Effect of Employee Performance on Organizational Performance*

The analysis results for this hypothesis show that the Employee Engagement variable influences Organizational Performance because the t-value is $9.99 > 1.64$ (significant level 10%), thus Hypothesis 11 is proven. This means that every one unit increase in employee engagement will increase organizational performance by 0.32 units. Tarmidi and Arsiah (2019) in their research on employee performance and organizational performance revealed that performance plays a very important role in organizational performance, the great motivation possessed by employees has a very large impact on company development. According to Vosloban (2012), a good company will invest in human resources, in this case, employees. Employees who have high performance become the target of the company to stay in the company as long as possible because employees with high performance can increase company growth.

4.12 *The twelfth hypothesis: The Effect of Organizational Commitment on Organizational Performance*

The analysis results for this hypothesis show that the Organizational Commitment variable influences Organizational Performance because the t-value is $8.58 > 1.64$ (significant level 10%), thus Hypothesis 12 is proven. This means that every one unit increase in organizational commitment will increase organizational performance by 0.26 units. Organizational commitment affects organizational performance, this shows that employees accept the values set by the organization, have a strong commitment and belief in the organization, and continue to work with high commitment. Đorđević et al. (2020) in their research revealed that overall organizational commitment, as well as some of its indicators, has a positive impact on organizational productivity, with the impact of normative commitment on performance being greater than other types of commitment.

At the same time, the contribution of continuous commitment to organizational performance is not significant (statistically insignificant). In addition, Andrew (2017) and Timoti (2020) also explained that organizational commitment (affective, normative, and continuous) affects organizational performance, and suggested that companies need to strengthen employee commitment to the organization to improve organizational performance, while Mathotaarachchi et al. (2018) emphasized that it is important for organizations to have full employee commitment to have outstanding performance in the long term.

4.13 *the thirteenth hypothesis: The Effect of Talent Management on Organizational Performance*

The analysis results for this hypothesis show that the Talent Management variable influences Organizational Performance because the t-value is $11.09 > 1.64$ (significant level 10%), thus Hypothesis 13 is proven. This means that every one unit increase in talent management will increase organizational performance by 0.36 units. Talent management has a positive and significant effect on organizational performance, this shows that talent management is an important part in the sustainability of an organization. Talent management, in its implementation, is a program aimed at producing employees who have optimum talent so that they can improve organizational performance. Meanwhile, Najm and Manasrah (2017) identified that there are four dimensions of talent management, namely adjusting talent management with strategy, retaining talent, developing talent, and updating talent. It is mentioned that the effective use of these four dimensions is the essence of talent management to create a proportion of value and achieve competitive advantage in modern organizations. The same thing was also conveyed by Hongal and Kinange (2020) who mentioned that talent management is identified as one of the most important human resource challenges to meet business demands, this is because talent management can maintain the sustainability and sustainable development of every business organization. The challenge faced by organizations today is to attract, assess, train, and retain talented employees. Meanwhile, Ain and Balu (2019) stated that to get, develop, and retain the best talented employees, then organizations must start to be aware to plan strategies and run the right talent management system.

5. Conclusion and Recommendations

The structural model of talent management is a model that integrates transformational leadership, employee engagement, organizational climate, organizational commitment, and talent performance towards the performance of the Central Bank. Factors that directly influence employee performance are organizational climate, employee engagement, and organizational commitment. Meanwhile, factors that directly influence organizational performance are employee performance, organizational commitment, and talent management. The variable of transformational leadership directly influences employee performance through talent management, organizational climate, employee engagement, and organizational commitment. The variable of transformational leadership directly influences organizational performance through talent management, organizational climate, employee engagement, organizational commitment, and employee performance. Talent management directly influences organizational performance through organizational commitment. Talent management directly influences employee performance through employee engagement and talent management directly influences employee engagement through organizational climate.

Based on the research results, there are several managerial implications, namely:

1. The Central Bank needs a deep understanding of the talent profile to prepare future outstanding leaders.
2. The development of talent management strategies at the Central Bank to improve performance can be done by integrating a holistic talent management model.
3. The development of talent management at the Central Bank should focus on a comfortable organizational climate, high involvement, and commitment of talents to the organization.
4. There needs to be development of transformative leadership at the Central Bank, as it has been proven to have a positive effect on employee performance through talent management, employee engagement, and organizational commitment.

Practical suggestions for each stakeholder involved in the development of talent management are:

1. Given the research results of the significant relationship between factors such as transformational leadership, employee engagement, organizational climate, organizational commitment, talent performance, and organizational performance, other researchers can further explore each of these variables separately, for example, focused on in-depth analysis of how transformational leadership specifically affects employee performance.
2. Other researchers can consider involving additional variables that may have a significant impact on employee performance and organizational performance. For example, factors such as job satisfaction, managerial support, or organizational policies can be researched to see how these factors interact with the identified variables.
3. Other researchers can conduct comparative studies between the Central Bank and other financial institutions, such as commercial banks or other financial institutions, in order to understand the differences and similarities in the factors that influence employee performance and organizational performance.

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