



# TALENT MANAGEMENT STRATEGY FOR PERFORMANCE MANAGEMENT PROCESS ABOUT INCREASED PERFORMANCE AND EMPLOYEE RETENTION AT PT KNAUF PLASTERBOARD INDONESIA PLANT CILEGON

Aan Destian<sup>1</sup>, Eva Sofianty<sup>2</sup>, Raditya Wibowo<sup>3</sup> Riski Wulandari<sup>4\*</sup>, Khaeruman<sup>5</sup>  
<sup>1,2,3,4</sup>Master of Management Student, Universitas Bina Bangsa, Indonesia  
<sup>5</sup>Lecturer of Master of Management Student, Universitas Bina Bangsa, Indonesia  
Corresponden email: [wulanriski97@gmail.com](mailto:wulanriski97@gmail.com)<sup>4</sup>

## Abstract

This study aims to analyze and evaluate talent management strategies in the recruitment process and their impact on improving employee performance and retention at PT Knauf Plasterboard Indonesia Plant Cilegon. Companies must implement a cohesive and effective recruitment strategy integrated with thorough talent management practices to address the challenges posed by business competition and the demand for high-quality human resources. This study employs a qualitative research method, utilizing data collection techniques such as in-depth interviews, observations, and document analysis. The study results indicate that implementing talent management strategies that identify competency needs, potential-based selection, and structured career development significantly improve individual and team performance. Furthermore, the strategy positively influences employee retention rates by enhancing engagement and satisfaction through well-defined career progression opportunities. This research recommends that organizations persist in advancing data-driven and technology-oriented methods within their talent management processes to navigate the increasingly intricate dynamics of the labour market effectively.

**Keywords:** Talent management, recruitment, employee performance, retention, HR strategy

---

## INTRODUCTION

Human resource management (HRM) is the primary foundation for the success of modern organizations. In the era of globalization and increasingly tight business competition, companies must have superior business strategies and manage HR effectively and efficiently. HR is not just an asset, but the main driving force of the organization to achieve the company's vision and mission. According to Mathis, Carrel, and Jackson (2001), good HRM management will create a sustainable competitive advantage through proper talent management to achieve organizational goals.

The current phenomenon shows that many companies, including PT Knauf Plasterboard Indonesia, face significant challenges in retaining quality employees and increasing productivity amidst a highly competitive labour market. The high turnover rates among millennials and Gen Z indicate insufficient traditional recruitment methods. PT Knauf, in particular, faces challenges in retaining key talents developed through various training initiatives, highlighting a deficiency in its talent management system. This situation underscores the necessity of enhancing recruitment strategies to prioritize not just the quantity of hires, but also the quality, cultural alignment, and long-term potential of employees to ensure optimal contributions. Consequently, this study is pertinent in exploring how an effective talent management strategy can reinforce the recruitment process and positively influence employee performance and retention.

Problems faced in the recruitment process at PT Knauf Plasterboard Indonesia are related to the mismatch between candidate qualifications and position requirements, low involvement of new

employees, and a less-than-optimal career development system that impacts the fluctuating retention rate. In addition, the lack of comprehensive integration between talent management strategies and the recruitment process has resulted in employee potential not being optimally detected from the start. To clarify this problem, the following is internal company data describing employee recruitment, performance, and retention in the last three years.

Table 1  
Summary of Recruitment, Performance, and Employee Retention Data of PT Knauf Plasterboard  
Indonesia (2021–2023)

<b>Year</b>	<b>Number of New Employees</b>	<b>Turnover Rate (%)</b>	<b>Outstanding Employees (%)</b>	<b>Employees Resigning in the First Year %</b>
2021	85	18	22	40
2022	94	21	24	38
2023	78	19	20	42

Source: Employee Observation, 2024

The data presented in the table reveals that while the number of new hires each year remains relatively stable, the turnover rate exceeds 18% annually. This high turnover suggests that a significant portion of newly recruited employees do not remain with the company for long, with approximately 40% resigning within their first year. Additionally, the proportion of high-performing employees has remained stagnant, showing no notable improvement. This situation points to issues in effectively identifying and placing suitable talent and a deficient talent management strategy for nurturing and developing employee potential from the outset of recruitment. This information highlights the pressing need to reassess the talent management strategy employed in the company's recruitment process.

The following are two further paragraphs of the research background on "Talent Management Strategy for the Recruitment Process about Improving Employee Performance and Retention at PT Knauf Plasterboard Indonesia", complete with the latest quotes (2020–2024) and a research gap table to strengthen the urgency of this research.

Recent studies emphasize the importance of talent management strategies in improving employee performance and retention. Febrian et al. (2024) emphasized that integrating talent management with recruitment can significantly increase employee loyalty and productivity. Yosepha and Baroto (2023) revealed that an effective talent management strategy is very influential in retaining millennial employees with high turnover rates. Lintang et al. (2024) found that talent management and organizational commitment significantly affect employee retention in the construction sector. Ramadhani et al. (2023) showed that talent and knowledge management positively impact employee performance, with employee retention as a moderating variable. Prasetyo et al. (2023) highlighted that

career pattern systems and talent management positively affect employee retention through increased employee engagement.

Although many studies have discussed the relationship between talent management, recruitment, performance, and employee retention, a research gap still needs to be identified. Most previous studies have focused on the education, banking, and construction sectors. In contrast, in-depth research in the manufacturing sector, especially in multinational companies such as PT Knauf Plasterboard Indonesia, is still limited. In addition, not many studies comprehensively examine the integration of talent management strategies in the recruitment process and their impact on employee performance and retention in the context of multinational companies in Indonesia. Therefore, this study aims to fill this gap by analyzing talent management strategies in the recruitment process at PT Knauf Plasterboard Indonesia and their implications for improving employee performance and retention.

Table 2. Research Gap of Talent Management Strategy Research in the Recruitment Process

No	Researchers & Years	Research Focus	Limitations of Previous Research	Current Research Needs
1	Febrian et al. (2024)	Talent management strategies for improved employee performance and retention	Not specific to the manufacturing sector and multinational companies	Case study of multinational manufacturing companies in Indonesia
2	Joseph & Baroto (2023)	The role of talent management strategies in increasing millennial employee retention	Focus on millennials without considering the overall organizational context	A comprehensive analysis of all generations of employees in the organization
3	Lintang et al. (2024)	The influence of talent management and organizational commitment on employee retention	Limited to the construction sector and certain areas	Expansion of studies to manufacturing sectors and companies with national coverage
4	Ramadhani et al. (2023)	The influence of talent management and knowledge management on employee performance	Focus on educational institutions with a limited sample size	Research with a larger sample in the manufacturing industry sector
5	Prasetyo et al. (2023)	The influence of career pattern systems and talent management on employee retention	Not specifically examining the integration of talent management strategies into the recruitment process	Analysis of talent management strategy integration in the recruitment process in manufacturing companies

## **LITERATURE REVIEW**

### **Talent Management**

Talent management is a strategic approach to human resource management that includes identifying, developing, and retaining talented individuals to achieve organizational goals. According to Mujibi and Azmy (2024), talent management focuses not only on recruitment and retention but also on developing and utilizing employee potential to achieve the company's strategic goals. An effective talent management strategy can improve the company's performance and competitive advantage.

### **Recruitment Process**

An effective recruitment process is an integral part of talent management. Integrating talent management with recruitment can significantly increase employee loyalty and productivity. Febrian et al. (2024) emphasized that a talent management strategy integrated with the recruitment process can significantly increase employee loyalty and productivity.

### **Employee Performance**

Employee performance is the work results employees achieve in carrying out their duties and responsibilities. Effective talent management can improve employee performance through skill development and proper motivation. Surya et al. (2024) found that talent management positively and significantly influences employee performance.

### **Employee Retention**

Employee retention refers to an organization's ability to retain employees in the long term. Good talent management can improve employee retention by creating a supportive work environment and providing career development opportunities. Lintang et al. (2024) found that talent management and organizational commitment significantly affect employee retention in the construction sector.

### **Talent Management**

Talent management is the planning process of finding, attracting, developing, and retaining talented people with extraordinary abilities to help achieve organizational goals. According to Armstrong (2009), talent management is a systematic way to ensure that organizations have the right people for each position, with the right skills, for both short-term and long-term needs. Good talent management helps companies face competition by creating human-based advantages in the industrial world.

### **Recruitment Strategy in Talent Management**

The recruitment process is a crucial first step in talent management. A good recruitment strategy focuses on meeting workforce needs, organizational culture fit, and prospective employees' long-term potential. According to Dessler (2017), a targeted recruitment strategy can improve the quality of applicants, reduce recruitment time, and reduce employee turnover costs. In practice, technology, corporate image, and competency-based selection are essential parts of a modern recruitment strategy.

### **Employee Performance**

Employee performance is the work results individuals achieve by the organization's tasks, responsibilities, and actions. Improving employee performance is greatly influenced by the match between the job and the abilities possessed by the individual. According to Robbins and Judge (2015), individuals who are placed according to their potential and strengths tend to perform better. Therefore, effective talent management, from the recruitment process, will significantly contribute to the quality of employee performance in the company.

### **Employee Retention**

Employee retention refers to an organization's efforts to retain talented employees to stay with the company. Factors such as job satisfaction, opportunities for career growth, and recognition for individual contributions greatly influence retention rates. According to Phillips and Edwards (2009), talent management strategies that include career development and employee participation can increase loyalty and reduce employee turnover. Therefore, strategic talent management not only affects productivity but also the stability of human resources in the long term.

## **METHOD**

### **Research Approach and Design**

This study uses a qualitative approach with a case study design. It aims to understand how talent management strategies are implemented in the PT Knauf Plasterboard Indonesia Plant Cilegon recruitment and their impact on employee performance and retention. This approach allows researchers to explore phenomena in their original context and gain rich insights through direct interaction with participants.

### **Location and Time of Research**

The research will be conducted at PT Knauf Plasterboard Indonesia Plant Cilegon, located in the industrial area of Krakatau Industrial Estate Cilegon (KIEC), Banten. The research implementation time is planned for November 2024.

### **Data Collection Techniques**

Data will be collected through the following methods:

1. In-depth interview: Conducted with HR managers, recruitment supervisors, and employees who have undergone the recruitment and talent development process.
2. Participatory observation: Directly observe the company's recruitment process and employee development programs.
3. Documentation study: Review documents related to talent management policies, recruitment procedures, and employee performance and retention data.

### **Data Analysis Techniques**

The data obtained will be analyzed using thematic analysis techniques, which include:

1. Data reduction: Selecting and simplifying data relevant to the research focus.
2. Data presentation: Arrange data in a narrative or tabular form to facilitate understanding.
3. Concluding: Identify patterns, themes, and relationships between talent management strategies and employee performance and retention.

### **Data Validity Techniques**

To ensure the validity of the data, this study will apply source and method triangulation techniques and conduct member checking with participants to verify the findings.

## **RESEARCH RESULTS AND DISCUSSION**

### **Research Findings**

The research conducted at PT Knauf Plasterboard Indonesia Plant Cilegon reveals that the company has implemented a comprehensive and structured talent management strategy, particularly in the recruitment process. This strategy focuses on identifying, attracting, and selecting individuals who are not only technically competent but also culturally aligned with the organization's values and long-term goals.

#### **1. Talent Management Strategy in the Recruitment Process**

One of the key components of the company's talent management approach is the implementation of competency-based recruitment. This method ensures that each candidate is evaluated based on specific job-related competencies, such as technical skills, behavioral traits, and leadership potential. Through well-defined competency frameworks, the recruitment team is able to align candidate capabilities with the demands of the job roles across departments.

In addition to competency assessment, employer branding plays a critical role in attracting top talent. PT Knauf Plasterboard Indonesia has made considerable efforts in building a strong employer image through digital campaigns, career expos, university partnerships, and an engaging

company website. These efforts have positioned the organization as a desirable workplace that prioritizes employee development, innovation, and career progression.

To enhance the quality of candidate selection, the company also adopts online assessment tools and behavioral interviews. Online assessments are used in the preliminary stages to evaluate cognitive ability, personality fit, and professional aptitude. This digital method streamlines the recruitment process by filtering candidates efficiently and effectively. Behavioral interviews, conducted in later stages, provide deeper insights into a candidate's real-life work experiences, decision-making patterns, and problem-solving capabilities.

Through these integrated recruitment practices, PT Knauf is able to select candidates with the right mix of skills, attitude, and cultural compatibility. The recruitment process is not only rigorous but also transparent and fair, which contributes to a positive candidate experience and enhances the company's reputation as a responsible employer.

## 2. Impact on Employee Performance

The findings demonstrate a significant positive correlation between the applied recruitment strategy and employee performance. Employees who have been selected through this structured and competency-driven recruitment system tend to exhibit higher levels of productivity, faster adaptation during onboarding, and stronger alignment with organizational goals.

Several indicators of improved performance were noted. Firstly, newly hired employees show accelerated integration into their teams, requiring less time for orientation and supervision. Secondly, their performance evaluations within the first six months reflect consistent goal achievement and active participation in team initiatives. Lastly, managers' report that these employees demonstrate high problem-solving skills and a proactive approach to tasks.

Furthermore, the recruitment strategy facilitates better workforce planning, as the organization is able to forecast talent needs and build talent pipelines based on future business requirements. This enables managers to deploy the right people in the right roles, which leads to more efficient operations and better service delivery.

## 3. Impact on Employee Retention

The recruitment strategy also significantly affects employee retention. One of the most effective elements is the focus on cultural fit—ensuring that new hires share similar values, beliefs, and work ethics as those promoted within the company. Employees who feel aligned with the company culture are more likely to stay, contribute positively, and develop loyalty toward the organization.

Additionally, employees report higher levels of engagement due to the fairness and transparency of the recruitment process. When employees perceive that they were selected based on merit and potential rather than bias or favoritism, they are more likely to value their roles and show commitment to the company.

The availability of clear career paths from the initial stages of employment also contributes to higher job satisfaction. New employees are introduced to the company's career development framework during onboarding, which outlines possible career trajectories, training programs, and advancement opportunities. This sense of direction and possibility fosters long-term motivation and reduces turnover intention.

Based on the company's HR data and exit interviews, the turnover rate has decreased significantly since the implementation of this strategy, particularly among junior and mid-level staff. Employees are also more likely to recommend the company as a place to work, indicating a strong employer-employee relationship built on trust and shared values.

## **Discussion**

The findings above indicate that talent management strategies, especially those embedded within the recruitment process, are instrumental in shaping both individual and organizational outcomes. At PT Knauf Plasterboard Indonesia Plant Cilegon, the combination of competency-based recruitment, strong employer branding, and innovative selection methods has yielded significant benefits for both performance and retention.

### **1. Strategic Recruitment as a Foundation for Organizational Excellence**

Strategic recruitment serves as the foundation for long-term organizational excellence. By emphasizing competency and cultural fit during the hiring process, PT Knauf is able to align workforce capabilities with the company's strategic objectives. This is consistent with previous research that highlights the importance of strategic alignment between human resources and business strategy in achieving sustainable growth (Ulrich & Dulebohn, 2015).

Moreover, the integration of technology through online assessments allows the company to improve objectivity and consistency in candidate evaluation. This modern approach not only reduces human error but also accelerates the recruitment cycle, allowing for faster filling of critical positions without compromising quality.

### **2. The Link Between Recruitment Strategy and Performance**

The direct link between a well-structured recruitment process and employee performance is a reflection of the organization's ability to assess potential accurately. According to the Resource-Based View (Barney, 1991), human capital is a source of competitive advantage. The findings from PT Knauf reinforce this notion by showing that employees recruited through structured talent management strategies contribute more effectively to organizational goals.

Behavioral interviews, for example, help in identifying past behaviors that predict future job performance. When this method is combined with competency mapping and digital screening tools, the organization is better equipped to select high performers who can thrive in their roles.

Consequently, this leads to greater efficiency, innovation, and collaborative performance across departments.

### 3. Recruitment and Employee Retention: Creating a Sense of Belonging

Another major implication from the findings is the relationship between recruitment strategy and employee retention. Recruiting based on cultural fit helps create a sense of belonging and social cohesion within teams. As stated by Kristof-Brown et al. (2005), person-organization fit plays a crucial role in employee satisfaction, engagement, and long-term retention.

Furthermore, the company's focus on clear career development pathways reflects an understanding of intrinsic motivation factors. When employees can see how their roles evolve over time and how their efforts are rewarded, they become more invested in their career within the organization. This aligns with Herzberg's Motivation-Hygiene Theory, where growth and advancement are considered strong motivators for employee satisfaction.

### 4. Building an Engaged and Loyal Workforce

The fairness and transparency of the recruitment process also contribute significantly to building an engaged workforce. Psychological contract theory suggests that employees develop expectations about fairness and mutual respect from their first interaction with the organization. By providing a structured and fair recruitment process, PT Knauf lays a strong foundation for a positive psychological contract with its employees.

An engaged workforce, in turn, is less likely to leave the organization and more likely to go above and beyond in their roles. High engagement levels are associated with increased innovation, better customer service, and stronger organizational resilience all of which are essential for competitiveness in today's dynamic business environment.

## CONCLUSION

The implementation of a well-structured talent management strategy in the recruitment process at PT Knauf Plasterboard Indonesia Plant Cilegon has proven to significantly enhance both employee performance and retention. By adopting a systematic approach grounded in company values and long-term objectives, the organization is able to attract candidates who are not only technically qualified but also culturally aligned. This alignment fosters a strong sense of belonging and readiness to contribute, which positively influences individual and team productivity.

A key factor in this success is the precise placement of employees from the outset. Clear identification of workforce needs, the use of competency-based selection methods, and the integration of digital tools streamline recruitment and ensure high-quality hires. As a result, new employees adapt quickly, show greater motivation, and demonstrate collaborative behavior that drives organizational performance. Beyond recruitment, PT Knauf's ongoing talent management efforts such as training programs, career development opportunities, and fair reward systems further strengthen employee

engagement and commitment. These practices not only improve job satisfaction but also contribute to reducing turnover rates and maintaining workforce stability. The research findings emphasize that effective talent management extends beyond hiring. It plays a vital role in fostering long-term employee loyalty, aligning individual aspirations with organizational goals, and building a high-performing and resilient workforce. Therefore, talent management is not merely an HR function, but a strategic imperative for sustaining competitive advantage and organizational success at PT Knauf Plasterboard Indonesia.

## ACKNOWLEDGMENTS

We want to extend our heartfelt gratitude to everyone who contributed to creating the journal "Talent Management Strategy for the Recruitment Process about Improving Employee Performance and Retention at PT Knauf Plasterboard Indonesia Plant Cilegon." This journal offers valuable insights into the significance of talent management strategies in facilitating an effective recruitment process and their effects on employee performance and retention. We hope this study's findings will be a beneficial reference for HR practitioners, academics, and organizations in formulating more strategic and sustainable HR management policies.

## REFERENCES

- Armstrong, M. (2009). *Armstrong's handbook of human resource management practice* (11th ed.). Kogan Page.
- Dessler, G. (2017). *Human resource management* (15th ed.). Pearson Education Limited.
- Febrian, W. D., Ansori, K., Roza, N., Syafri, M., Susanto, S., & Lubis, F. M. (2024). Strategi manajemen talent untuk peningkatan kinerja dan retensi karyawan. *Jurnal Review Pendidikan dan Pengajaran*, 7(2), 4069–4077. <https://doi.org/10.31004/jrpp.v7i2.26930>
- Lintang, M. I. G., Lengkong, V. P. K., & Walangitan, M. D. B. (2024). Pengaruh talent management dan organizational commitment terhadap retensi karyawan pada PT. Bumi Karsa Wilayah Tondano. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 12(1), 123–134. <https://doi.org/10.35794/emba.v12i01.53474>
- Mujibi, A., & Azmy, A. (2024). Talent management sebagai penunjang kinerja perusahaan. *Jurnal Perspektif Manajerial dan Kewirausahaan (JPMK)*, 4(2), 117–127. <https://doi.org/10.59832/jpmk.v4i2.267>
- Phillips, J. J., & Edwards, L. (2009). *Managing talent retention: An ROI approach*. Pfeiffer.
- Ramadhani, F. E., Harsono, H., & Sunardi, S. (2023). Talent management dan knowledge management terhadap kinerja karyawan dengan employee retention sebagai variabel moderator. *Jurnal Bisnis dan Manajemen*, 7(2). <https://jurnal.unmer.ac.id/index.php/jbm/article/view/4648>
- Robbins, S. P., & Judge, T. A. (2015). *Organizational behaviour* (16th ed.). Pearson Education.
- Surya, P. A., Sriati, S., & Nadjib, A. (2024). Pengaruh manajemen talenta terhadap kinerja pegawai dengan retensi sebagai variabel intervening di Direktorat Jenderal Perbendaharaan. *Jurnal Manajemen Perbendaharaan*, 5(1), 78–100. <https://doi.org/10.33105/jmp.v5i1.485>
- Widiyanto, E., & Zurnali, C. (2023). Pengaruh manajemen talenta, kompensasi, dan gaya kepemimpinan terhadap kinerja karyawan. *Journal of Economics and Business UBS*, 12(6), 78–89. <https://doi.org/10.52644/joeb.v12i6.1379>
- Yosepha, S. Y., & Baroto, F. W. (2023). Peran strategi manajemen talenta dalam meningkatkan retensi karyawan milenial: Kajian literatur kualitatif. *HUMANIS (Humanities, Management and*

- Science Proceedings*, 3(1), 45–52.  
<https://openjournal.unpam.ac.id/index.php/SNH/article/view/43891>
- Zaky, M. (2023). Strategi pengelolaan talenta untuk meningkatkan daya saing organisasi di era industri 4.0. *Komitmen: Jurnal Ilmiah Manajemen*, 1(1), 15–25.  
<https://doi.org/10.15575/jim.v1i1.25247>