

**ANALYSIS OF THE INFLUENCE OF HUMAN RESOURCES MANAGEMENT  
PRACTICES AND KNOWLEDGE MANAGEMENT ON EMPLOYEE  
PERFORMANCE WITH EMPLOYEE DEVELOPMENT AS A MEDIATING  
VARIABLE AT PT XYZ IN JAKARTA**

**ANALISIS PENGARUH PRAKTIK MANAJEMEN SUMBER DAYA MANUSIA  
DAN MANAJEMEN ILMU PENGETAHUAN TERHADAP KINERJA  
KARYAWAN DENGAN PENGEMBANGAN KARYAWAN SEBAGAI  
VARIABEL PERANTARA DI PT XYZ DI JAKARTA**

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**ABSTRACT**

*This study aims to analyze the effect of Human Resources Management Practices and Knowledge Management on Employee Performance with Employee Development as a mediating variable at PT XYZ in Jakarta. The method used is quantitative research with Partial Least Square - Structural Equation Modeling (PLS-SEM) technique. Data were collected from 50 respondents who are permanent employees of the company. The results of the study indicate that Human Resources Management Practices do not have a significant effect on Employee Development, while Knowledge Management has a positive and significant effect on Employee Development. Furthermore, Human Resources Management Practices and Knowledge Management have a significant effect on Employee Performance, while Employee Development does not have a significant effect on Employee Performance. Mediation analysis shows that Employee Development is not able to be a significant mediating variable in the relationship between Human Resources Management Practices and Knowledge Management on Employee Performance. This finding indicates that human resource management practices and knowledge management have an important role in improving employee performance, but employee development does not always have a direct impact on improving performance. Therefore, companies need to optimize employee development strategies to be more effective in improving individual performance.*

**Keywords:** Human Resources Management Practices, Knowledge Management, Employee Development, Employee Performance.

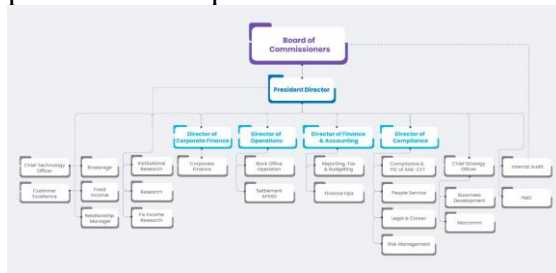
**ABSTRAK**

Penelitian ini bertujuan untuk menganalisis pengaruh Praktik Manajemen Sumber Daya Manusia (MSDM) dan Manajemen Pengetahuan terhadap Kinerja Karyawan dengan Pengembangan Karyawan sebagai variabel mediasi di PT XYZ di Jakarta. Metode yang digunakan adalah penelitian kuantitatif dengan teknik Partial Least Square - Structural Equation Modeling (PLS-SEM). Data dikumpulkan dari 50 responden yang merupakan karyawan tetap perusahaan. Hasil penelitian menunjukkan bahwa Praktik Manajemen Sumber Daya Manusia tidak memiliki pengaruh yang signifikan terhadap Pengembangan Karyawan, sementara Manajemen Pengetahuan memiliki pengaruh positif dan signifikan terhadap Pengembangan Karyawan. Selain itu, Praktik Manajemen Sumber Daya Manusia dan Manajemen Pengetahuan memiliki pengaruh yang signifikan terhadap Kinerja Karyawan, sementara Pengembangan Karyawan tidak memiliki pengaruh yang signifikan terhadap Kinerja Karyawan. Analisis mediasi menunjukkan bahwa Pengembangan Karyawan tidak dapat menjadi variabel mediasi yang signifikan dalam hubungan antara Praktik Manajemen Sumber Daya Manusia dan Manajemen Pengetahuan terhadap Kinerja Karyawan. Temuan ini menunjukkan bahwa praktik manajemen sumber daya manusia dan manajemen pengetahuan memiliki peran penting dalam meningkatkan kinerja karyawan, tetapi pengembangan karyawan tidak selalu memiliki dampak langsung pada peningkatan kinerja. Oleh karena itu, perusahaan perlu mengoptimalkan strategi pengembangan karyawan agar lebih efektif dalam meningkatkan kinerja individu.

**Kata Kunci:** Praktik Manajemen Sumber Daya Manusia, Manajemen Pengetahuan, Pengembangan Karyawan, Kinerja Karyawan.

## PENDAHULUAN

In today's era of global competition, organizations face increasingly complex challenges in maintaining their competitiveness and performance. Human resources play an important role in achieving competitive advantage through continuous improvement of employee performance. To support this, companies need to implement effective HR management strategies, one of which is through Human Resource Management Practices, Knowledge Management, and Talent Management. The combination of these three elements has been proven to be a factor that influences employee performance improvement.



## Organization Chart PT XYZ

PT XYZ employees are a great asset to the company because they play a key role in ensuring smooth operations and development of the company. Human resources are very important in determining management in an organization, which means that performance that meets expectations will be realized if humans have the strength and ability to meet the demands of needs in carrying out organizational activities (Basri et al., 2023).

Employee performance refers to how well employees carry out their duties and responsibilities in the workplace, which directly affects the success of the organization. This performance is influenced by several factors ranging from Human Resource Management Practices, Knowledge Management, to Talent Management. Research shows that high levels of

employee performance result in increased productivity, better organizational outcomes, and overall business growth.

Based on an exploratory study, the majority of respondents, 47, had made mistakes while working and 30 respondents were reprimanded by their superiors. Then added through the results of interviews conducted with the Human Resource Manager of PT XYZ, it was stated that the average value of the Key Performance Index (KPI) of the company's employees in 2024 decreased, so that the company's KPI could not touch 3%. When viewed from the company's employee turnover itself, it obtained good results of 1.37% compared to the previous year. Employees with high turnover intentions have lower performance. On the other hand, decreasing turnover intentions can improve employee performance (Asmara, 2017).

Every business relies heavily on human resources to run its operations and achieve its goals. Therefore, managers must actively manage and understand employees in the company. Human resource management needs to be carried out efficiently, covering managerial functions such as planning, organizing, implementing, controlling, and evaluating. In addition, management also includes operational functions such as recruitment, selection, job evaluation, training and development, and compensation to employees (Wildan, 2022). However, Human Resources Management Practices alone are often not enough to ensure that employees continue to develop according to dynamic business needs.

In addition, Knowledge Management is becoming increasingly important in managing the knowledge held by the organization. Effective

knowledge management has been described as an essential element for organizations that want to ensure sustainable strategic competitive advantage (Olubunmi, 2015). Through Knowledge Management, companies can collect, store, and share knowledge with all employees so that they can work more efficiently and effectively. This process helps employees broaden their horizons, speed up decision making, and increase their ability to innovate.

Employee Development has become one of the main focuses of modern organizations in improving employee performance and achieving strategic goals. Employee development includes various activities such as training, coaching, mentoring, and career development programs that aim to improve employee skills, competencies, and productivity. According to Garg et al., (2018), effective employee development can increase employee motivation, job satisfaction, and the ability to adapt to changes in the work environment, which ultimately have a positive impact on individual and organizational performance.

However, the impact of Human Resources Management Practices and Knowledge Management on Employee Performance is often indirect. The Employee Development process can be an important mediating variable. Employee Development includes various efforts to improve employee skills, knowledge, and competencies. Effective employee development can strengthen the relationship between human resource management practices, knowledge management, and talent management with more optimal employee performance. Thus, Employee Development acts as a bridge

that strengthens the impact of these three factors on employee performance.

Based on the background that has been presented, the research conducted was given the title: "Analysis of the Influence of Human Resources Management Practices and Knowledge Management on Employee Performance with Employee Development as a mediating variable at PT XYZ in Jakarta".

## RESEARCH METHODS

In this study is a type of quantitative research that uses data collection techniques in a certain period of time. Then the data will be processed, analyzed, and used to answer existing scientific questions. The object of research includes variables that are integrated in a conceptual framework for further analysis.

In this study using two independent variables, namely Human Resources Management Practices and Knowledge Management. Then one dependent variable is Employee Performance and one mediating variable Employee Development. The research subjects used in this study were permanent employees who worked at PT XYZ in Jakarta.

This study uses an interval scale and is measured using indicator measurements of the variables in this study using a Likert scale, with five points describing attitudes with five levels. The levels are in order from number one strongly disagree, disagree, neutral, agree and five strongly agree (Sekaran and Bougie, 2016). The population in this study were permanent employees working at PT XYZ in Jakarta in 2024 and the sample used was 50 people.

The data collection method used is primary data from Google Form and secondary data obtained from other

sources, namely books, literature, previous research results, and other written documents.

This study uses a data analysis technique with a multivariate analysis approach which is then analyzed using the partial least square-structural equation modeling (PLS-SEM) analysis method based on variance. The model analysis in this study uses the second order PLS-SEM analysis method with SmartPLS software version 4.1.0.8.

## RESULTS AND DISCUSSION

### A. Respondent Profile

In this study, 50 respondents were used for the actual test conducted by the researcher. The data in this study were obtained from an online questionnaire. The respondents in this study were permanent employees at PT XYZ Employees in Jakarta engaged in Financial Services.

### B. Outer Model

The measurement model performs an outer model test to ensure that the model is reliable and trustworthy. In the outer model test there are two, namely the validity and reliability tests. Validity and reliability tests are used to evaluate and test whether the indicators are valid and can be used to measure latent variables properly.

In the validity test, we will see the outer loading and average variance extracted (AVE) values. The outer loading value must be  $>0.7$ , while the AVE value must be  $>0.5$  to be considered eligible. The following are the results of measuring the actual model using first order and second order.

#### Convergent Validity First Order

Variable	Indikator	Loading Factor ( $>0.7$ )	Average Variance Extracted (AVE) ( $>0.5$ )
Employee Development	ED3	0.822	0.638
	ED4	0.801	
	ED5	0.778	
	ED8	0.765	
	ED9	0.825	
Employee Performance	EP1	0.862	0.727
	EP2	0.870	
	EP3	0.813	
	EP4	0.864	
Human Resources Management Practices	HRMP3	1.000	0.601
Knowledge Management	KM1	0.842	0.689
	KM2	0.883	
	KM4	0.786	
	KM5	0.866	
	KM6	0.767	

#### Convergent Validity Second Order

Variable	Dimensi	Loading Factor ( $>0.7$ )	Average Variance Extracted (AVE) ( $>0.5$ )
Employee Development	Career Development	0.841	0.633
	Leadership Development	0.835	
	Self Development	0.753	
	Training and Skill Development	0.746	
Employee Performance	Adaptive Performance	0.929	0.867
	Task Performance	0.933	
Human Resources Management Practices	Career Planning	0.728	0.640
	Self-Managed Team	0.865	
Knowledge Management	Knowledge Generation	0.881	0.690
	Knowledge Sharing	0.876	
	Knowledge Storage	0.761	
	Knowledge Application	0.798	

The table above shows the results of convergent validity loading factor through first order and second order on all outer loading of  $>0.7$  and AVE value on variables  $>0.5$ . So it can be concluded that all variables in this study are valid.

#### Discriminant Validity

	Employee Development	Employee Performance	Human Resources Management Practices	Knowledge Management
<b>First Order</b>				
Employee Development	0.798			
Employee Performance	0.439	0.852		
Human Resources Management Practices	0.460	0.515	1.000	
Knowledge Management	0.498	0.661	0.596	0.830
<b>Second Order</b>				
Employee Development	0.795			
Employee Performance	0.493	0.931		
Human Resources Management Practices	0.599	0.549	0.800	
Knowledge Management	0.662	0.676	0.646	0.830

Based on the table above, it can be seen that the Fornell-Lacker Criterion or the  $\sqrt{AVE}$  value in the first order is 0.804

for the Employee Development variable, while for the Employee Performance variable,  $\sqrt{AVE}$  is 0.851, for the Human Resources Management Practices variable,  $\sqrt{AVE}$  is 0.815, then for the Knowledge Management variable,  $\sqrt{AVE}$  is 0.859.

Furthermore, in the second order, the value of  $\sqrt{AVE}$  is 0.893 for the Employee Development variable, while for the Employee Performance variable,  $\sqrt{AVE}$  is 0.953, for the Human Resources Management Practices variable,  $\sqrt{AVE}$  is 0.892, then for the Knowledge Management variable,  $\sqrt{AVE}$  is 0.865. These results state that the value of  $\sqrt{AVE}$  for each construct is greater than the correlation between the construct and other constructs in the model. So these results can be concluded that the latent variables in the estimated model meet the discriminant validity criteria.

Next is the reliability test. In this analysis, the results of the reliability test are seen from the cronbach's alpha and composite reliability values. The results of the reliability test are said to be reliable if the value is  $> 0.7$ . The following is a table of the results of the first order and second order reliability tests.

Construct Realibility

	Cronbach's alpha	Composite reliability (rho_a)
<i>First Order</i>		
<i>Employee Development</i>	0.858	0.858
<i>Employee Performance</i>	0.874	0.876
<i>Human Resources Management Practices</i>	0.751	0.743
<i>Knowledge Management</i>	0.886	0.888
<i>Second Order</i>		
<i>Employee Development</i>	0.808	0.818
<i>Employee Performance</i>	0.847	0.847
<i>Human Resources Management Practices</i>	0.746	0.773
<i>Knowledge Management</i>	0.850	0.860

In the table above, it can be seen that the composite reliability value is greater than the Cronbach's alpha value, which is in accordance with the results

of the study by Ghazali & Latan (2015). The table also presents the results of Cronbach's alpha and composite reliability which have values above 0.7 both in the first order and second order. Thus, all variables in this study are reliable. Thus, it can be concluded that all variables in this study pass the reliability test.

### C. Inner Model

#### Collinearity

Multicollinearity test is seen from the variance inflation factor (VIF) value. The ideal VIF value is less than 3, values between 3-5 are classified as possible or acceptable collinearity, while if the VIF value is more than 5, it can be interpreted that there is a serious multicollinearity issue in the research model that will affect the path coefficient value (Hair et al., 2021).

#### Uji Multikolinearitas

<u>Dependen</u>	<i>Employee Development</i>	<i>Employee Performance</i>
<u>Independen</u>	VIF	VIF
<i>First Order</i>		
<i>Employee Development</i>		1.432
<i>Human Resources Management Practices</i>	1.551	1.643
<i>Knowledge Management</i>	3.178	3.255
<i>Second Order</i>		
<i>Employee Development</i>		1.975
<i>Human Resources Management Practices</i>	1.811	1.958
<i>Knowledge Management</i>	2.938	3.250

From the table above, it can be seen that the VIF value for all variables through the first order and second order is found to be less than five. This indicates that the quality of this research model is acceptable and does not have multicollinearity issues.

#### Coefficient of determination (*R-Square*)

The R-square ( $R^2$ ) value or coefficient of determination is used to explain how much the independent variable can influence the dependent variable. The R-square value ranges from 0 to 1, the higher the R-square value, the greater the influence of the independent variable on the dependent

variable. As a rule of thumb, the R<sup>2</sup> value is >0.75 (strong), R<sup>2</sup> >0.50 (moderate), and R<sup>2</sup> >0.25 (weak), but if the R-square value is found above 0.9, the research model is said to be overfit (Hair et al., 2021).

#### Uji Coefficient Determination

Variabel Dependen	R <sup>2</sup>	Interpretasi
<b>First Order</b>		
Employee Development	0.251	Weak explanatory power
Employee Performance	0.432	Weak explanatory power
<b>Second Order</b>		
Employee Development	0.461	Weak explanatory power
Employee Performance	0.441	Weak explanatory power

Based on the results in the table above, it is known that the R<sup>2</sup> value for the first order Employee Development variable is 0.251, the acquisition of this value means that a large percentage of Employee Development can be explained by Human Resources Management Practices, Knowledge Management, and Talent Management, which is 25.1% (weak explanatory power) and for 74.9% the difference can be explained by other variables that are not in the study. The R<sup>2</sup> value for the Employee Performance variable is 0.432, the acquisition of this value means that a large percentage of Employee Performance can be explained by Human Resources Management Practices, Knowledge Management, and Talent Management, which is 43.2% (weak explanatory power) and for 56.8% the difference can be explained by other variables that are not in the study.

Based on the results in the table above, it is known that the R<sup>2</sup> value for the second order variable Employee Development is 0.461, the acquisition of this value means that a large percentage of Employee Development can be explained by Human Resources Management Practices and Knowledge Management which is 46.1% (weak explanatory power) and for 53.9% the difference can be explained by other variables that are not in the study. The

R<sup>2</sup> value for the Employee Performance variable is 0.441, the acquisition of this value means that a large percentage of Employee Performance can be explained by Human Resources Management Practices and Knowledge Management which is 44.1% (weak explanatory power) and for 55.9% the difference can be explained by other variables that are not in the study.

#### Effect size atau F<sup>2</sup>

Effect size or F<sup>2</sup> is used to determine how much the independent variable can support the dependent variable. The F<sup>2</sup> value is classified into 3, namely, if the F<sup>2</sup> value > 0.02 then it has a small effect, F<sup>2</sup> > 0.15 has a moderate effect, and F<sup>2</sup> > 0.35 has a large effect. If the F<sup>2</sup> value < 0.02, it can be concluded that the independent variable in the study does not affect the dependent variable (Hair et al., 2021). The following are the values of the effect size in this study:

#### Uji Effect Size

Path	F <sup>2</sup>
<b>First Order</b>	
Employee Development → Employee Performance	0.021
Human Resources Management Practices → Employee Performance	0.028
Knowledge Management → Employee Performance	0.236
Human Resources Management Practices → Employee Development	0.059
Knowledge Management → Employee Development	0.024
<b>Second Order</b>	
Employee Development → Employee Performance	0.001
Human Resources Management Practices → Employee Performance	0.044
Knowledge Management → Employee Performance	0.241
Human Resources Management Practices → Employee Development	0.081
Knowledge Management → Employee Development	0.106

The results of the first order and second order above can be seen that the Employee Development and Human Resources Management Practices variables have an F<sup>2</sup> value > 0.02 so that

they have a small influence on Employee Performance. Knowledge Management has an  $F^2$  value  $> 0.15$  so that it has a moderate influence on Employee Performance. Then the Human Resources Management Practices and Knowledge Management variables have an  $F^2$  value  $> 0.02$  so that they have a small influence on Employee Development.

#### D. Hypothesis Testing

The next step after conducting the outer model and inner model is to see the influence between one variable and another variable significantly. The significance test is carried out using the bootstrapping method using re-sampling and then processed with SmartPLS (Memon et al., 2021). The direction of the hypothesis influence has been stated in positive or negative form, so the appropriate statistical test is one-tailed. The hypothesis results are accepted or significant if the T-statistic value  $> T$ -table. The level of significance in this research model is 5%, so the T-table used is 1.645. If the T-statistic result  $< T$ -table, then the result is that the hypothesis is rejected or not significant. The following are the results of the path coefficient.

#### Uji Path Coefficient

	Path Coefficient	T statistics	P values	Hasil
Human Resources Management Practices $\rightarrow$ Employee Development	0.204	1.436	0.075	<i>ditolak</i>
Knowledge Management $\rightarrow$ Employee Development	0.448	2.274	0.012	<i>diterima</i>
Human Resources Management Practices $\rightarrow$ Employee Performance	0.347	1.991	0.023	<i>diterima</i>
Knowledge Management $\rightarrow$ Employee Performance	0.503	1.770	0.038	<i>diterima</i>
Employee Development $\rightarrow$ Employee Performance	0.083	0.364	0.358	<i>ditolak</i>

In the table above, it can be seen that the first hypothesis on the Human Resources Management Practices variable has a t-statistic value of 1.436  $< 1.645$  and a p value of 0.07  $> 0.05$  and has a positive path coefficient value. So it can be concluded that the Human

Resources Management Practices variable has a positive and insignificant effect on Employee Development.

Furthermore, the second hypothesis can be seen that the Knowledge Management variable has a t-statistic value of 2.274  $> 1.645$  and a P value of 0.01  $< 0.05$  and has a positive path coefficient value. So it can be concluded that the Knowledge Management variable has a positive and significant effect on Employee Development.

Then the third hypothesis can be seen that the Human Resources Management Practices variable has a t-statistic value of 1.770  $> 1.645$  and a P value of 0.02  $< 0.05$  and has a positive path coefficient value. So it can be concluded that the Human Resources Management Practices variable has a positive and significant effect on Employee Performance.

Furthermore, the fourth hypothesis produces the Knowledge Management variable has a t-statistic value of 2.274  $> 1.645$  and a P value of 0.03  $< 0.05$  and has a positive path coefficient value. So it can be concluded that the Knowledge Management variable has a positive and significant effect on Employee Performance.

The fifth hypothesis produces the Employee Development variable has a t-statistic value of 0.364  $< 1.645$  and a p value of 0.358  $> 0.05$  and has a positive path coefficient value. So it can be concluded that the Employee Development variable has a positive effect and does not have a significant effect on Employee Performance.

#### E. Mediation Analysis

In this study, an indirect effect assessment is needed because there is a mediating variable (Hair et al., 2021). Similar to the previous point, this

analysis uses the bootstrapping method using SmartPLS and then continues by looking at the value of the specific indirect effect. The values seen are t-statistics and p-values. If the p-value  $<0.05$  and t-statistic  $> 1.645$ , the mediating variable is considered significant based on statistics. Below are the results of the specific indirect effect of the Employee Development mediating variable.

#### *Indirect Effect*

	<i>Path Coefficient</i>	<i>T statistics</i>	<i>P values</i>	<i>Hasil</i>
<i>Human Resources Management Practices → Employee Development → Employee Performance</i>	0.017	0.288	0.387	<u>Ditolak</u>
<i>Knowledge Management → Employee Development → Employee Performance</i>	0.037	0.314	0.377	<u>Ditolak</u>

From the table above, the sixth hypothesis of the influence between the Human Resources Management Practices variable and Employee Performance mediated by Employee Development has a positive path coefficient value, t-statistic 0.288  $<1.645$  and p value 0.38  $> 0.05$ . So it can be concluded that the Human Resources Management Practices variable has a positive effect and does not have a significant effect on Employee Performance with the Employee Development variable as a mediating variable.

Furthermore, the seventh hypothesis, the influence between the Knowledge variable and Employee Performance mediated by Employee Development has a positive path coefficient value, t-statistic 0.314  $<1.645$  and p value 0.37  $> 0.05$ . So it can be concluded that the Knowledge Management variable has a positive effect and does not have a significant effect on Employee Performance with the Employee Development variable as a mediating variable.

## **F. Discussion**

### **The influence of the Human Resources Management Practices variable on Employee Development**

Based on the results of the analysis of the first hypothesis, it can be concluded that the Human Resources Management Practices variable has a positive effect and does not have a significant effect on Employee Development, in other words, the hypothesis is rejected. From these results, it means that the implementation of Human Resources Management Practices that have been implemented does not guarantee its impact on Employee Development.

So it is still necessary to improve the effectiveness of the implementation of policies carried out by Human Resources Management Practices by ensuring training programs that are in accordance with employee needs. This can be ensured by measuring effectiveness through feedback carried out by employees periodically. In Miharti (2022), it is stated that Human Resources Management Practices will be more complete when used freely. So, when a company invests in training, the training must be consistent with other resource practices.

### **The influence of Knowledge Management variables on Employee Development**

Based on the results of the analysis of the second hypothesis, it can be concluded that the Knowledge Management variable has a positive and significant effect on Employee Development, in other words, the hypothesis is accepted. From these results, it means that the better the practice of knowledge management in an organization, the more employees develop in terms of their skills, competencies, and work capabilities.

Where Knowledge Management is a strategy used by companies to manage, distribute, and utilize knowledge effectively. According to Darmawati (2021), employee performance will achieve maximum results if supported by the knowledge they have. With a good Knowledge Management system, employees will find it easy to obtain important information, in addition, employees can share their experiences and insights with colleagues through this Knowledge Management practice.

#### **The influence of Human Resources Management Practices variables on Employee Performance**

Based on the results of the analysis of the third hypothesis, it can be concluded that the Human Resources Management Practices variable has a positive and significant effect on Employee Performance, in other words, the hypothesis is accepted. These results indicate that the better the human resource management practices implemented, the better the employee performance. Human Resources Management Practices play an important role in improving employee skills, motivation, and welfare which ultimately have a positive impact on their performance. Starting from the recruitment process, evaluation process, employee training and development, compensation and rewards,

Human Resources Management Practices are very much needed to continue investing and adapting to the strategies that will be implemented as a way to maintain and improve employee performance. Based on research by Charoenboon et al., (2020), Human Resources Management Practices are effective in modifying the behavior, competence, and attitudes of employees

to meet organizational goals more effectively and efficiently.

#### **The influence of Knowledge Management variables on Employee Performance**

Based on the results of the analysis of the fourth hypothesis, it can be concluded that the Knowledge Management variable has a positive and significant effect on Employee Performance, in other words, the hypothesis is accepted. These results indicate that high employee performance illustrates how knowledge management is running well.

Knowledge Management can be implemented through discussions between coworkers that result in collaboration to support work activities. In addition, there are group discussions or training that allow employees to carry out according to their fields so that work activities run effectively and efficiently.

As explained in the research by Mantow & Nilasari, (2022), Knowledge Management is also an important tool that prepares companies to successfully enter the current era. The process and approach to knowledge management affect job satisfaction and will improve Employee Performance.

#### **The influence of Employee Development variables on Employee Performance**

Based on the results of the analysis of the fifth hypothesis, it can be concluded that the Employee Development variable has a positive effect and does not have a significant effect on Employee Performance, in other words, the hypothesis is rejected. Employee Development variable also illustrates that the Employee Development program implemented does not have a strong enough effect on

Employee Performance. Because the development program held is not directly applied in everyday life, especially if the program is carried out online, employees will tend to be less enthusiastic in following it or even doing it at the same time as doing other work.

In achieving optimal employee performance and in accordance with organizational goals, human resource development is needed (Simamora, 2016). Therefore, the company must create a work environment that supports new skills and motivates employees to learn or can also provide incentives for employees who take part in the training program. Then later the company can evaluate the progress of the training program.

#### **The influence of Human Resources Management Practices variables on Employee Performance mediated by Employee Development**

Based on the results of the analysis of the sixth hypothesis, it can be concluded that the Human Resources Management Practices variable has a positive effect and does not have a significant effect on Employee Performance with the Employee Development variable as a mediating variable, in other words, the hypothesis is rejected. If Human Resources Management Practices implements a training program that is not relevant to the daily work needs of employees, then performance improvement will not occur significantly, that's why in some cases.

Gibran & Ramadani (2021) explain that employee training and career development are considered an important part of every organization because they can provide motivation, goals, and encouragement for employees to improve their abilities

which will have an impact on the performance of both employees and the organization (Gibran & Ramadani, 2021). So companies need to focus on employee development programs that are in line with employee needs so that they have a direct impact on employee performance.

#### **The influence of Knowledge Management variables on Employee Performance mediated by Employee Development**

Based on the results of the analysis of the seventh hypothesis, it can be concluded that the Knowledge Management variable has a positive effect and does not have a significant effect on Employee Performance with the Employee Development variable as a mediating variable, in other words the hypothesis is rejected. Knowledge Management includes activities such as collecting, disseminating and applying knowledge in the organization.

However, not all employees directly benefit and apply knowledge in their work. So employees need employee development strategies that are more applied in their work. Employee Performance without going through the Employee Development process which will later create quality and competitive employees (Mantow & Nilasari, 2022).

#### **CONCLUSION AND SUGGESTION CONCLUSION**

Human Resources Management Practices has a positive but insignificant effect on Employee Development, indicating that the implementation of current human resource policies is still ineffective in supporting employee development. Furthermore, Knowledge Management has a positive and significant effect on Employee Development, indicating that the better

the knowledge management practices, the higher the level of employee development.

Human Resources Management Practices and Knowledge Management have a positive and significant effect on Employee Performance, indicating that human resource and knowledge management strategies contribute to improving employee performance. Employee Development does not have a significant effect on Employee Performance, indicating that existing employee development programs have not directly improved employee performance.

Employee Development does not act as a mediating variable in the relationship between Human Resources Management Practices and Knowledge Management on Employee Performance, so the role of Employee Development in this model still needs to be strengthened through more effective strategies.

## SUGGESTION

Based on the research that has been conducted, it is expected that there will be optimization of the Employee Development program by paying attention to employee development programs to be more relevant to job needs.

In addition, strengthening the implementation of Knowledge Management must be more structured through digital-based learning, mentorship, and collaborative discussions so that employees can be more effective in applying knowledge in the workplace. Do not forget also to improve the Human Resources Management Practices policy where the strategies implemented truly support employee development and performance.

For further researchers, it is recommended to conduct further research with a larger number of samples and different industries and add other factors that can moderate the relationship between HRMP, KM, ED, and EP, such as organizational culture or leadership factors.

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