

## SUMMARY

ASRI NUR MUTIARA. Talent Management in Improving Employee Performance PT PLN (Persero) TJBB APP Cawang. Supervised by Aida Vitayala Hubeis dan Anggraini Sukmawati.

Fulfilling the need for electricity for the community is a fundamental requirement for the growth of the country's economy. With the vital needs of this electric power, all supporting infrastructure from human resources, natural resources, and technology will run optimally in its operations. As a State Power Company (PT PLN), a state-owned enterprise (SOE) engaged in the provision of electrical energy in Indonesia. Thus the company's success factors must be improved. One of them is human resources. The role of HR in the organization is very important for the company in advancing the company. Human resources is the key to a company's success in running the business and achieve corporate goals. Human resources is one of the main drivers for the smooth running of an organization's activities.

This research aims to (1) analyze the implementation of talent management, (2) to know the influence of talent management in improving employee performance. and (3) to formulate the implementation of managerial implication for employee development PT PLN (Persero) TJBB APP Cawang. Data in this research is obtained through distributing questionnaires to 68 employees of first line management and middle management level through random sampling method. Data analysis used include descriptive frequency analysis, validity test, reliability, and structural equation modeling (SEM) analysis with partial least squares (PLS) approach. Exogenous variable in this research is talent management. As for the endogenous variable is the employee's performance.

Based on the results of research conducted by talent experts have a direct positive effect significantly on employee performance of 0.382 which shows the direction of management relationship talent with employee performance is positive. Furthermore, based on T-statistic value of 6.054 bigger than T-table 1.96 at 95% confidence interval and at 5% alpha level, and Path Coefficient value equal to 0.618 or 61.8% by other factor influencing employee performance outside model that is management, compensation, communication and organizational climate.

Keywords: BUMN, first line management, middle line management, performance, SEM (*Structural Equation Modeling*), talent management.

