

Cultivating Commitment: How Talent Development Sparks Job Satisfaction, Engagement, and Retention among Jakarta's Gen Z Workforce

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ARTICLE INFO

Keywords: Talent Development, Job Satisfaction, Employee Engagement, Intention to Stay, Gen Z

Received : 17 October 2025

Revised : 20 November 2025

Accepted: 23 December 2025

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ABSTRACT

Generation Z, as the dominant future workforce, has unique characteristics that require an adaptive talent management approach. Their high job mobility calls for strategies beyond competency development, emphasizing job satisfaction and engagement to boost organizational loyalty. This study aims to analyze how Talent Development influences Generation Z employees' Intention to remain in their organization in DKI Jakarta, emphasizing the mediating roles of job satisfaction and employee engagement. This study employed quantitative methods, distributing questionnaires to a sample of 411 Generation Z employees based in DKI Jakarta. The responses were then analyzed with the partial least squares structural equation modeling (PLS-SEM) method, utilizing SmartPLS version 4.0 for statistical analysis. The findings indicate that initiatives aimed at talent development have a strong positive influence on both job satisfaction and employee engagement. Nevertheless, talent development does not directly affect employees' intention to remain with the organization. Instead, job satisfaction and employee engagement play essential mediating roles, connecting talent development programs to employees' retention intentions. The study enriches the discourse on human resource management by presenting empirical insights and actionable recommendations for HR practitioners. It provides a practical framework for organizations to design development-based retention programs tailored to younger workers.

INTRODUCTION

The demographic shift in the global workforce, now increasingly dominated by Generation Z (Gen Z), has introduced new dynamics to human resource management. Gen Z generally defined as individuals who were born from 1997 through 2012 and has emerged as a critical segment of the labor market in Indonesia. According to data from BPS Statistics Indonesia, Gen Z accounts for approximately 28% of Indonesia's total population, with the largest concentration residing in urban areas such as DKI Jakarta (Rainer, 2023). As the national economic center, DKI Jakarta contributes over 11% to Indonesia's Gross Domestic Product (GDP) and serves as the epicenter for major corporate activities, including technology, finance, and communication sectors. This context positions Gen Z in Jakarta as an important representation of contemporary workforce phenomena.

Distinct from previous generations, Gen Z exhibits unique characteristics in their approach to work. They place greater emphasis on meaningfulness and opportunities for growth rather than merely seeking stability or financial rewards. Recognizing this shift, according to Wibowo et al. (2025), fostering a culture that encourages innovative work practices, along with the implementation of transparent and well-structured employee development programs, is essential for organizations seeking to meet the needs and ambitions of Generation Z employees. These initiatives should be carefully aligned with the unique values and professional aspirations characteristic of this demographic, ensuring that Gen Z feels supported and motivated within the workplace. The Deloitte Global Survey (2023) found that 42% of Gen Z respondents in Southeast Asia regard opportunities for learning and self-development as the primary factors in choosing and remaining with an employer. Nevertheless, this group also demonstrates a relatively high turnover intention, over 40% would consider leaving their jobs within the next two years if they do not receive adequate career development opportunities. Such findings indicate that the central challenge for modern organizations is no longer just attracting talented young professionals, but also retaining them to ensure long-term loyalty and sustained contribution to the company.

One strategic approach that has been deemed effective in boosting employee loyalty, especially among Gen Z, is the implementation of talent development programs. This concept encompasses a series of structured processes, including career planning, training, coaching, and the placement of employees based on their competencies (Garavan et al., 2012). Talent development is believed to enhance employee satisfaction and engagement, two psychological factors that empirical research has shown to play crucial roles in shaping employees' intention to stay within an organization (Barkhuizen & Gumede, 2021; Bakker & Albrecht, 2018).

However, despite increasing attention on talent development, there remains a research gap in comprehensively understanding the mechanisms underlying the relationships among these three variables, especially when considering the specific context of Generation Z employees in Indonesia. Most prior research has focused on conventional workforce contexts or older

generations, such as Generation X and Millennials, who display distinct work characteristics. Gen Z, having come of age in a digital era and holding high expectations for flexibility, rapid feedback, and work-life balance, demonstrates different patterns of engagement compared to earlier generations (Deloitte Global, 2023). Therefore, it becomes crucial to investigate how talent development programs influence the retention intentions of this generation. This includes exploring not only the direct effects of such programs, but also the indirect influences that occur through factors like job satisfaction and employee engagement. Understanding these pathways can provide valuable insights into how to effectively retain talent within this generation.

Several previous studies have demonstrated a positive correlation between job satisfaction and employees' intentions to continue working within their organizations (Thakur & Arora, 2022; Anwar, 2024). Workers who are content with aspects such as their roles, compensation, and workplace environment are generally more loyal to their employers. Additionally, previous research has shown that employee engagement strengthens the link between talent development efforts and employees' intentions to stay. When employees are both emotionally invested and mentally involved in their work, they are more committed to organizational goals and display a greater intent to remain in their roles (Bakker & Albrecht, 2018). However, there is still a scarcity of empirical studies exploring the mediating roles of job satisfaction and employee engagement in the relationship between talent development and retention, particularly among Generation Z employees working in urban settings.

This research aims to fill the existing gap by thoroughly examining how talent development, job satisfaction, employee engagement, and the intention to remain within an organization are interconnected among Generation Z employees in DKI Jakarta. The study intends to offer empirical evidence on the ways in which well-implemented talent development strategies can strengthen employees' intentions to stay, primarily by increasing their satisfaction with their roles and fostering a deeper emotional connection to the organization.

LITERATURE REVIEW

Talent Development

Talent development refers to a deliberate and systematic approach focused on recognizing, cultivating, and retaining high-potential individuals within an organization. This process is designed to support employees' growth and ensure they are able to make meaningful and effective contributions to the organization's overall success (Garavan et al., 2012). This series of systematic activities is intended to provide talented employees with ample opportunities for both professional and personal growth within the workplace. According to Collings et al. (2019), talent development not only focuses on enhancing technical skills but also centers on fostering long-term potential and the readiness of individuals to navigate dynamic work environments through various forms of development, such as training, experiential learning, coaching, and mentoring. This concept comprises activities including career planning, training, performance evaluation, and succession management, all oriented towards employee competence growth. In the context of Generation Z employees, talent

development becomes crucial, as this cohort tends to value learning opportunities, relevant training, and clear career pathways (Deloitte Global, 2023). Five indicators of talent development, as utilized in this study, are adopted from Sule & Wahyuningtyas in Zunaidah & Nabawi (2020).

The aspects of career development and self-achievement inherent in talent development serve as intrinsic motivators that enhance job satisfaction. When employees perceive that the organization is attentive to their growth and advancement, feelings of being valued, recognized, and cared for emerge, ultimately increasing overall job satisfaction. This is supported by Almomani et al. (2021), who also found that well-developed talent management practices significantly enhance employees' satisfaction with their jobs, highlighting the positive effects of thorough talent management on overall job contentment.

The implementation of talent development, encompassing training, coaching, and career planning, reflects an organizational commitment to employee potential. When individuals feel they are given space to grow and receive support in their personal development journey, they are likely to exhibit a higher level of work engagement. Employee engagement is influenced not only by workload or incentives, but also by the belief that the organization facilitates their personal and professional accomplishments. This sense of being valued and invested in ultimately fosters holistic engagement. Previous research by Ramli et al. (2018), involving 230 employees at a state-owned enterprise in Malaysia, showed that talent management practices, including career development, reward systems, and recognition, significantly and positively affect employee engagement. The more effectively talent management practices are put into place, the greater employees' emotional attachment to the organization and their willingness to take initiative in their roles.

Ongoing and well-structured talent development efforts convey to employees that the organization appreciates their efforts and is committed to supporting their long-term growth. Intention to stay, as a manifestation of the desire to remain within the organization, is greatly influenced by the extent to which individuals feel their long-term needs are accommodated. When employees are given opportunities to develop their skills, broaden their knowledge, and map out their career progression, they feel more secure, supported, and see a clear future within the organization. This assertion is reinforced by Narayanan (2017), who found that talent development practices significantly and positively influence employees' decisions to stay with their employer. The higher the level of employee satisfaction with development programs, the stronger their desire to remain.

H1: Talent Development influences Job Satisfaction among Gen Z employees in DKI Jakarta.

H2: Talent Development influences Employee Engagement among Gen Z employees in DKI Jakarta.

H3: Talent Development influences Intention to Stay among Gen Z employees in DKI Jakarta.

Job Satisfaction

Job satisfaction describes the positive sentiment or sense of fulfillment a person experiences in relation to their job, which arises from evaluations of work experiences and outcomes (Locke, 1976). Satisfaction emerges when employees' needs and expectations regarding their work are met. Satisfied employees tend to express greater enthusiasm for work, loyalty to the organization, and a propensity to stay longer. Mangkunegara (2017) suggests that job satisfaction arises from both intrinsic elements, like a sense of accomplishment, acknowledgement, and taking on responsibility, and extrinsic elements, including compensation and the quality of the work setting. Among Gen Z employees, factors such as flexible work environments, maintaining work-life balance, and access to personal development opportunities play a significant role in shaping their job satisfaction (Liu et al., 2016). This study adopts four dimensions of job satisfaction, consisting of benefits and salary, coworker support, managerial support, and career development (Munir & Rahman, 2016).

When individuals perceive that their jobs fulfill their emotional, psychological, and professional needs, a sense of comfort and a desire to remain within the organization ensue. Satisfied employees have a positive view of the organization, feel valued, and are more motivated to retain their positions. Thus, job satisfaction is a critical factor that enhances loyalty and reduces turnover intention. Research by Yani & Saputra (2023) on Generation Z and Y employees in Denpasar revealed that job satisfaction exerts a positive and significant effect on employee retention. Achmad et al. (2023) examined the mediating role of job satisfaction between talent development and intention to stay, finding that talent development positively and significantly influenced intention to stay among Gen Z employees in Bekasi, both directly and indirectly through job satisfaction as a mediator. The mediating role of job satisfaction thus amplifies the impact of talent development on retention intention.

H4: Job Satisfaction influences Intention to Stay among Gen Z employees in DKI Jakarta.

H5: Job Satisfaction mediates the effect of Talent Development on Intention to Stay among Gen Z employees in DKI Jakarta.

Employee Engagement

Employee engagement refers to a psychological state in which employees are fully involved cognitively, emotionally, and behaviorally in their work activities, demonstrating high initiative and dedication towards organizational goals. Highly engaged employees tend to exhibit elevated energy, emotional involvement, and strong concentration in completing their tasks (Saks, 2022). Moreover, engaged employees possess a deep awareness of the significance of their work, characterized by enthusiasm, mental resilience, dedication, passion, focus, and complete absorption in their tasks (Winarno & Hermana, 2019). Engagement manifests as reciprocal relationships between employees and the organization, encompassing not only physical participation at work but also emotional and affective involvement, both of which are key drivers of productivity and employee retention. For Generation Z, employee engagement serves as a vital indicator, as this generation seeks meaningful work,

opportunities for self-expression, and collaborative workplace relationships. According to Schaufeli et al. (2002), there are three dimensions of employee engagement: vigor, dedication, and absorption.

Employee engagement is a key factor shaping intention to stay, as actively engaged employees generally demonstrate higher loyalty, comfort with organizational culture, and a decreased inclination to seek employment elsewhere. Consistent with this perspective, Rezwan & Takahashi (2022) argue that employee engagement has a positive and significant effect on employees' retention intentions. Similarly, Winarno et al. (2022) emphasized that employee engagement negatively affects turnover intention. Engagement also acts as a crucial link between organizational development programs and employees' decisions to remain. Engagement functions as an active response by employees to the positive experiences gained during personal development processes. This, in turn, generates commitment, energy, and a motivation to continue contributing to organizations perceived as supporting their growth. Research by Heriyanti & Esthi (2021) corroborates this, revealing that talent development significantly enhances employee engagement and directly affects turnover intention among Millennial and Gen Z employees in Bekasi's industrial area.

H6: Employee Engagement influences Intention to Stay among Gen Z employees in DKI Jakarta.

H7: Employee Engagement mediates the effect of Talent Development on Intention to Stay among Gen Z employees in DKI Jakarta.

Intention to Stay

Intention to stay refers to employees' desire to remain with an organization, grounded in rational and affective considerations that reflect their subjective evaluation of various aspects of the work environment (Tett & Meyer, 1993). Hom et al. (2017) assert that intention to stay is not solely a matter of desiring to remain, but is rooted in the individual's perceptions of job satisfaction, emotional attachment, and future career development opportunities. They point out that employees who see a match between their personal values and those of the organization are more inclined to want to stay with the organization. This intent reflects employees' commitment and readiness to continue their employment with the organization, alongside a reluctance to seek alternative job opportunities. According to Putra (2012), intention to stay can be measured with two indicators: "thinking to stay" and "thinking this job".

Based on the theoretical review, the connection between talent development, job satisfaction, employee engagement, and intention to stay reveal a complex psychological mechanism. Previous studies have predominantly focused on the direct relationships between these variables, but have not comprehensively addressed how the two psychological factors, job satisfaction and employee engagement functioning as mediating mechanisms, especially among Generation Z workers who possess dynamic career expectations. As a result, this study adds value by developing a comprehensive model in which job satisfaction and employee engagement serve as key mediators linking talent development to employees' intention to remain in their organization. To provide

a clearer understanding of the relationships among the variables examined in this study, a research framework is developed. This framework visually illustrates the hypothesized connections and serves as a guide for the analysis conducted in subsequent sections.

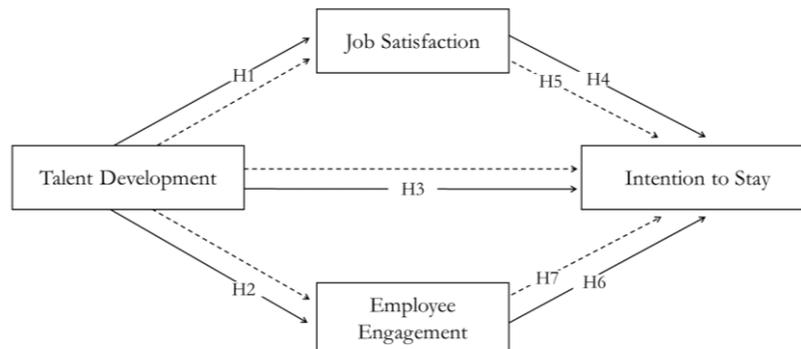


Figure 1. Conceptual Framework

METHODOLOGY

This research adopts a quantitative methodology, using questionnaires to examine how talent development influences intention to stay, with job satisfaction and employee engagement acting as mediating factors. The quantitative method was chosen as it enables the researchers to objectively measure the relationships among variables using numerical data and hypothesis testing. The research was conducted among Generation Z employees working in the DKI Jakarta area, with a total of 411 respondents selected through purposive sampling. The respondent criteria included individuals aged 22–28 years, employed at their current company for at least one year at the time of the study, and residing in DKI Jakarta.

Primary data were obtained through both online and offline questionnaire distribution, utilizing a five-point Likert scale to gauge respondents' perceptions of each variable. The research instruments comprise four main variables: Talent Development (Sule & Wahyuningtyas in Zunaidah & Nabawi, 2020), Job Satisfaction (Munir & Rahman, 2016), Employee Engagement (Schaufeli et al., 2002), and Intention to Stay (Putra, 2012). Questionnaires were developed based on theoretical indicators from these sources, and subsequently tested for validity and reliability through outer loading, composite reliability, and Cronbach's alpha to ensure the suitability of the measurement tools.

The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the help of SmartPLS version 4.0 software. The analysis included assessments of construct validity and reliability (outer model), evaluation of the structural model (inner model), and hypothesis testing to examine both direct and indirect relationships among the variables. Path coefficients, t-statistics, and p-values were computed to determine the significance of inter-variable relationships, while the f-square test was employed to measure the strength of these effects. The results of these analyses were then used to address the research questions and to test the conceptual model proposed in this study.

Table 1. Questionnaire items

Variable	Indicators	Items	Source
Talent Development (TD)	Performance Appraisal	TD1: The company fairly evaluates my work results	Sule & Wahyuningtyas dalam Zunaidah & Nabawi, (2022)
	Talent Mapping	TD2: The company is able to place employees according to their competencies	
	Development and Training Needs Analysis	TD3: The company can determine employees' current and future development and learning needs	
	Development and Training Implementation	TD4: The company provides training to enhance my skills	
	Talent Review	TD5: The company monitors and evaluates learning programs that have been implemented	
Job Satisfaction (JS)	Salary	JS1: The remuneration I receive is commensurate with my contribution	Munir & Rahman (2016)
	Benefits	JS2: I am satisfied with the benefits provided by the company	
		JS3: I feel valued through the non-financial benefits provided by the company	
	Harmonious Work Relations	JS4: Colleagues are supportive of each other	
		JS5: I rarely experience personal conflict with my colleagues	
	Team Collaboration & Communication	JS6: I am comfortable discussing with my co-workers	
		JS7: My colleagues are open in communication and teamwork	
	Supervisor Support	JS8: My supervisor provides clear guidance at work	
		JS9: My supervisor supports me when I face difficulties at work	
	Organizational Support	JS10: The company cares about the welfare of its employees	
		JS11: I feel secure working at this company because its policies favor employees.	
	Opportunity to Grow	JS12: I have opportunities to improve my skills at work	
		JS13: The company provides training or development for my career	
	Clear Career Path	JS14: The company is open to promoting high-performing employees	
		JS15: I see a clear career advancement opportunity in this company	
Employee Engagement (EE)	Enthusiasm at Work	EE1: I feel enthusiastic throughout my workday	Schaufeli et al. (2002)
		EE2: I do my best to complete my work	
	Resilience under Workload	EE3: I do not give up easily under work pressure	

Variable	Indicators	Items	Source
	Pride in Role	EE4: I am proud to be part of this job	
		EE5: I consider my work to be meaningful	
	Role Enthusiasm	EE6: I am excited every time I start working	
		EE7: I am positively challenged by my work	
	Focus at Work	EE8: I am fully concentrated when working	
Absorbed in Work Activities	EE9: I get so absorbed in my work that it is hard to stop		
Intention to Stay (ITS)	Thinking to Stay	ITS1: I intend to stay working for this company in the long term	Putra (2012)
		ITS2: I do not plan to look for a job in another company	
	Thinking This Job	ITS3: I feel that this job is exactly what I am looking for	
		ITS4: I consider this job as part of my long-term career plan	

RESEARCH RESULT

Respondent Characteristics

In this study, respondents consisted of Generation Z individuals aged 22–28 who are currently employed and working in the DKI Jakarta area. Data collection was conducted online via social media and offline by distributing posters containing the questionnaire link at train stations and bus stops in Jakarta. As a result of these efforts, a total of 411 responses were collected.

Table 2. Respondent characteristics

Criteria		Frequency	Percentage
Gender	Female	246	59,9%
	Male	165	40,1%
Last Education	Associate Degree	47	11,4%
	Bachelor's Degree	352	85,6%
	Master's degree	12	2,9%
Work Location	Central Jakarta	115	28%
	North Jakarta	48	12%
	West Jakarta	77	18%
	South Jakarta	119	29%
	East Jakarta	49	12%
	Thousand Islands	3	1%
Work Experience	1-2 years	191	46,5%
	2-3 years	104	25,3%
	3-4 years	66	16,1%
	4-5 years	26	6,3%
	5-6 years	21	5,1%
	>6 years	3	0,7%

Measurement Model

For analysis using SEM-PLS, two steps were carried out: first, measurement model analysis to assess validity and reliability; and second, structural model analysis to assess path coefficients, R², Q² values, and hypothesis tests. The goal of the measurement model assessment is to ensure that the instruments measuring latent variables show satisfactory validity and reliability. Thus, the research model can be relied upon to represent the studied constructs.

Table 3. Measurement model results

Variable	Item	Loading	CR	Cronbach's Alpha	Rho A
Talent Development	TD1	0,752	0,852	0,782	0,785
	TD2	0,747			
	TD3	0,723			
	TD4	0,671			
	TD5	0,759			
Job Satisfaction	JS01	0,714	0,925	0,914	0,917
	JS02	0,691			
	JS03	0,686			
	JS04	0,623			
	JS05	0,591			
	JS06	0,593			
	JS07	0,577			
	JS08	0,719			
	JS09	0,71			
	JS10	0,745			
	JS11	0,695			
	JS12	0,628			
	JS13	0,664			
	JS14	0,702			
	JS15	0,741			
Employee Engagement	EE1	0,774	0,891	0,862	0,869
	EE2	0,646			
	EE3	0,625			
	EE4	0,741			
	EE5	0,733			
	EE6	0,724			
	EE7	0,699			
	EE8	0,654			
	EE9	0,601			
Intention to Stay	ITS1	0,871	0,903	0,857	0,858
	ITS2	0,823			
	ITS3	0,822			
	ITS4	0,828			

Indicators are considered valid if the factor loading is greater than 0,5 (Haryono, 2016). Based on the data analysis results, it is known that all indicators have values above 0,5, so they can be declared valid. In the reliability test, the aim is to assess the extent to which the indicators in a construct are able to provide consistent results when repeated measurements are carried out. An indicator is considered reliable if its value is greater than 0,6 (Sekaran & Bougie,

2016). Based on the data analysis results, all constructs in this study have composite reliability and Cronbach's alpha values above 0,6. This indicates that the research instrument has good internal consistency and can therefore be considered reliable.

Structural Model and Hypothesis Testing

The hypothesis testing process in this study aims to determine both the direction and strength of relationships among the variables, whether positive or negative. The analysis was carried out using Partial Least Square-Structural Equation Modeling (PLS-SEM) because this method allows for examination of complex relationships among latent variables, including mediation effects. Several statistical measures were used in this analysis, including path coefficients, t-statistics, p-values, f-square, r-square, and epsilon (v) in order to assess the model's predictive capability and explanatory power (Hair et al., 2019).

The R-square (R^2) value is utilized to measure the model's capacity to explain the variance in the dependent variables. The results show that the R^2 value for job satisfaction is 0,723, indicating that 72,3% of the variance in job satisfaction can be explained by talent development, while the remaining 27,7% is accounted for by other factors outside the model. Similarly, for employee engagement, the R^2 value is 0,639, suggesting that 63,9% of its variance is explained by talent development. The R^2 value for intention to stay is 0,587, which demonstrates that 58,7% of the variance in intention to stay is explained collectively by talent development, job satisfaction, and employee engagement. These findings indicate that the structural model developed in this study possesses considerable explanatory strength and is appropriate for illustrating the factors influencing the intention to stay among Gen Z workers in DKI Jakarta.

The f-square (f^2) value is used to evaluate the effect size of each predictor variable on the endogenous variables. The analysis reveals that the effect of talent development on job satisfaction has an f^2 value of 2,6, which is considered a large effect, while the effect of talent development on employee engagement has an f^2 value of 1,764, also categorized as a large effect. Conversely, the direct effect of talent development on intention to stay is very small, with an f^2 value of 0,002, classifying it as a weak effect. This indicates that talent development does not directly influence intention to stay without the presence of mediating variables.

Furthermore, the predictive relevance test (Q^2) indicates that all endogenous variables have Q^2 values above 0,35, signifying that the model has strong predictive power (Hair et al., 2019). Therefore, this research model is not only able to explain the relationships among variables but also demonstrates strong predictive ability for the intention to stay among Gen Z employees.

Based on the analysis using PLS-SEM, this study finds that talent development has a positive and significant effect on job satisfaction ($\beta = 0,850$, $t = 31,492$, $p = 0,000$) as well as on employee engagement ($\beta = 0,799$, $t = 24,847$, $p = 0,000$). However, the direct effect of talent development on intention to stay is not significant ($\beta = 0,062$, $t = 0,822$, $p = 0,206$), indicating that talent development does not directly enhance employees' intention to remain with the organization. In contrast, job satisfaction is shown to have a positive and significant impact on

intention to stay ($\beta = 0,399$, $t = 3,654$, $p = 0,000$), as does employee engagement ($\beta = 0,301$, $t = 3,012$, $p = 0,001$). These results emphasize that psychological factors such as satisfaction and work engagement are key drivers in fostering the intention to stay among Gen Z employees in DKI Jakarta.

Additionally, the analysis of indirect effects demonstrates that talent development, through job satisfaction, exerts a significant mediating effect with moderate strength ($\beta = 0,339$, $t = 3,657$, $p = 0,000$, $\text{upsilon } v = 0,115$), while the mediation through employee engagement is also significant, though weaker ($\beta = 0,240$, $t = 2,980$, $p = 0,001$, $\text{upsilon } v = 0,057$). These findings indicate that job satisfaction serves as a stronger mediator compared to employee engagement in bridging the relationship between talent development and intention to stay. In other words, effective talent development programs are more likely to first enhance job satisfaction before deepening emotional ties to the organization.

Overall, the findings of this study indicate that talent development plays a vital role in increasing job satisfaction and employee engagement, although its direct effect on intention to stay is not significant. This suggests that talent development does not automatically lead to employee retention but operates indirectly, mediated by employees' sense of satisfaction and engagement with their work. This analysis is consistent with research by Bakker & Leiter (2010) and Achmad et al. (2023), both of which highlight that effective employee development strategies can improve skills, feelings of appreciation, and psychological well-being, thereby strengthening employees' commitment to remain in the organization. Thus, the results of this study contribute empirical evidence to the literature on talent management and employee retention, particularly in the context of Gen Z workers in Indonesia, by underscoring the importance of an integrated approach that combines career development, job satisfaction, and emotional engagement as strategies for retaining high-potential young talent.

Table 4. Path coefficient

Hypothesis	Relationship	Path Coefficient	T Statistics	P Values	F square/ Upsilon v
H1	Talent Development → Job Satisfaction	0,85	31,492	0	2,6
H2	Talent Development → Employee Engagement	0,799	24,847	0	1,764
H3	Talent Development → Intention to Stay	0,062	0,822	0,206	0,002
H4	Job Satisfaction → Intention to Stay	0,399	3,654	0	0,064
H5	Talent Development → Job Satisfaction → Intention to Stay	0,301	3,012	0,001	0,047
H6	Employee Engagement → Intention to Stay	0,339	3,657	0	0,115

H7	Talent Development → Employee Engagement → Intention to Stay	0,24	2,98	0,001	0,057
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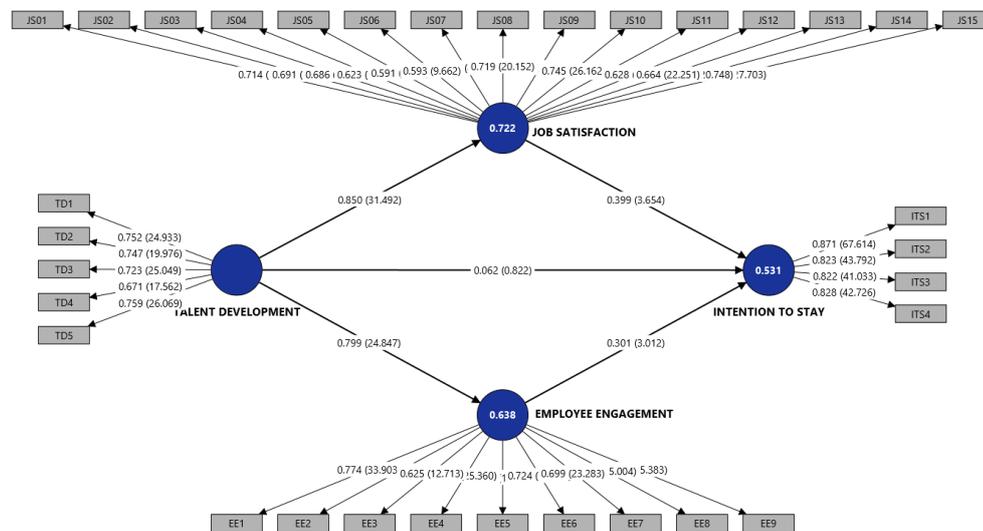


Figure 1. Path analysis result

DISCUSSION

This study highlights the relationship between talent development, job satisfaction, employee engagement, and intention to stay among Generation Z employees in the DKI Jakarta area. This generation is widely recognized for its orientation toward learning and self-development, making talent management strategies a crucial factor in retaining them within organizations. In this context, the study seeks to understand how talent development practices can influence employees' intention to stay, both directly and through the mediating roles of psychological variables such as job satisfaction and employee engagement.

The findings indicate that talent development exerts a positive and significant influence on both job satisfaction and employee engagement. However, it does not have a significant direct effect on intention to stay. This result suggests that talent development programs do not automatically increase employees' willingness to remain with the organization; rather, they exert their influence by enhancing employees' feelings of satisfaction and their sense of engagement with their work. This is consistent with the findings of Ali et al. (2024), who reported that training and development do not directly improve retention, but instead contribute through the cultivation of positive work attitudes such as job satisfaction and engagement. Thus, talent development should be understood as a long-term investment, the benefits of which are reflected in increased job satisfaction and employee loyalty.

Furthermore, job satisfaction is shown to have a positive and significant direct effect on intention to stay, and it also serves as a mediator that strengthens the relationship between talent development and intention to stay. This finding implies that Gen Z employees tend to remain in organizations when they perceive their jobs as providing satisfaction and opportunities for growth. These

results are consistent with the study by Asria et al. (2025), which emphasizes that job satisfaction is a key factor linking career development with employee loyalty and retention. Therefore, effective talent development not only enhances technical competence but also creates a meaningful and fulfilling work experience, ultimately fostering employees' intention to stay.

Meanwhile, employee engagement plays two important roles within the research model. First, it has a positive and significant direct effect on intention to stay, meaning that employees' emotional and cognitive involvement in their work is a major determinant of their loyalty. Second, employee engagement is also shown to be a significant mediator in the relationship between talent development and intention to stay, although the magnitude of this indirect effect is relatively low. These findings confirm that, while employee engagement can bridge the effect of talent development on retention intention, its direct effect remains stronger than its mediating effect. This result aligns with the study by Niranjana & Thomas (2018), which found that employee engagement is closely related to employee loyalty, as well as Achmad et al. (2023), who reported that work engagement serves as a critical bridge between career development and young employees' retention intentions.

Overall, the findings of this study underscore that the most influential direct factors affecting intention to stay are job satisfaction and employee engagement. Both variables also play important roles in mediating the indirect relationship between talent development and employees' intention to stay. In other words, a positive work experience, feelings of satisfaction, and emotional engagement are key for Generation Z employees to remain in the workplace. These findings reinforce the perspective of Achmad et al. (2023) that job satisfaction and employee engagement are essential determinants in building loyalty among young employees. These findings emphasize the need for organizations to align their talent development strategies with meaningful work experiences, ensuring that job satisfaction and employee engagement become central to retaining Generation Z employees.

CONCLUSIONS AND RECOMMENDATIONS

This study affirms that talent development has a positive and significant influence on job satisfaction as well as employee engagement, although it does not have a direct effect on intention to stay. Both psychological variables are proven to be significant mediators, with job satisfaction exerting a stronger mediating effect than employee engagement in bridging the relationship between talent development and intention to stay. Thus, it can be concluded that, for Generation Z employees in DKI Jakarta, a satisfying work experience and high emotional engagement are key outcomes of effective talent development programs, and serve as crucial factors in fostering loyalty and the intention to remain within the organization.

ADVANCED RESEARCH

Theoretically, these findings reinforce the model linking talent development, job satisfaction, employee engagement, and retention, particularly within the context of younger generations in modern workplaces. This research opens avenues for developing retention models based on a generational perspective, considering differences in motivation and values among diverse age cohorts in the workplace. Practically, these results emphasize that organizations should view talent development not merely as a training activity, but as an integral component of long-term retention strategies. Companies are encouraged to design personalized development programs, leverage digital technology for adaptive learning, and establish transparent feedback systems in order to meet Gen Z's expectations for growth and recognition. This study underscores the necessity for organizations to not only provide training programs but also to ensure meaningful work experiences that support employees' psychological well-being.

The primary limitation of this research lies in its geographic scope, which is restricted to the DKI Jakarta region, and the use of a cross-sectional approach, limiting the generalizability of the findings. Future research is recommended to expand the contextual coverage, employ longitudinal methods, and consider additional contextual variables such as organizational culture or leadership style in order to strengthen understanding of the dynamics influencing Gen Z employee retention.

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