

ANALYSIS OF EMPLOYEE MUTATION AND JOB PROMOTION ON EMPLOYEE PERFORMANCE MEDIATED BY JOB SATISFACTION AT THE REGIONAL REVENUE AGENCY NORTH SUMATRA PROVINCE

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Abstract

This study aims to analyze the effect of employee transfers and job promotions on employee performance, both directly and through job satisfaction as a mediating variable at the Regional Revenue Agency of North Sumatra Province. Transfers and promotions are part of human resource management that are expected to improve employee motivation and performance. This study uses a quantitative approach with a survey method. Data were collected through questionnaires distributed to 90 respondents who were employees at the agency. Data analysis was carried out using the Structural Equation Modeling (SEM) method based on Partial Least Squares (PLS). The results of the study indicate that employee transfers directly have a positive but insignificant effect on employee performance, but their indirect effect through job satisfaction has a positive and significant effect. Employee transfers also have a positive and significant effect on job satisfaction. Job promotions, both directly and through job satisfaction, have a positive and significant effect on employee performance. Job promotions have a positive and significant effect on job satisfaction, as well as job satisfaction on employee performance also has a positive and significant effect.

Keywords: *employee transfer, job promotion, job satisfaction, employee performance*

INTRODUCTION

In an effort to improve the effectiveness and efficiency of public services, the Regional Revenue Agency of North Sumatra Province needs to manage human resources strategically. Two important aspects in personnel management are employee transfers and job promotions, which can affect employee performance both directly and through job satisfaction as a mediating variable. Employee transfer is the process of moving employees from one position to another within an organization. Research by Sagho et al. (2023) shows that job transfers affect employee performance, although the effect is not always partially significant. However, simultaneously with job promotions, transfers can motivate employees to improve their performance. Job promotions are considered as a form of appreciation for employee performance and competence. According to Permana et al. (2024), job promotions significantly affect employee job satisfaction, which in turn has a positive impact on their performance. Fair and transparent promotions can increase employee loyalty and work enthusiasm. Job satisfaction is a psychological factor that reflects employees' feelings about their work. Research by Mufti (2023) found that employee promotions and transfers affect job satisfaction, which in turn affects employee performance. High job satisfaction can increase productivity and the quality of public services. Considering the importance of managing job transfers and promotions in improving employee performance, as well as the mediating role of job satisfaction in the relationship, this study aims to analyze the effect of employee transfers and job promotions on employee performance with job satisfaction as a mediating variable at the Regional Revenue Agency of North Sumatra Province. The results of this study are expected to contribute to the development of more effective and equitable human resource management policies in the public sector.

LITERATURE REVIEW

Theoretical Framework

1. Employee Performance

a) Understanding Employee Performance

Robbins and Coulter (2016) employee performance is the level of achievement of employee work results in an organization that is measured based on predetermined standards or targets. Performance is the result of a particular job function that can be measured based on predetermined standards or targets.

b) Employee Performance Indicators

According to Robbins and Coulter (2016):

1) Quality of Work Results

Measuring how well employees perform their work, including accuracy, neatness, and conformity to established standards.

2) Quantity of Work Results

Describes the volume of work completed within a specified time period.

3) Punctuality

Demonstrates employee ability to complete work according to schedule and deadlines.

4) Effectiveness

Refers to the optimal use of resources in achieving desired work results.

5) Independence in Work

Assess the extent to which employees can complete tasks without having to rely constantly on the help of others.

6) Commitment to Work

Demonstrate loyalty, dedication, and responsibility towards tasks and the organization.

2. Job satisfaction

a) Understanding Job Satisfaction

Greenberg and Baron (2020) "Job satisfaction is the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs." Job satisfaction includes both positive and negative dimensions, depending on how a person perceives their job.

b) Job Satisfaction Indicators

According to Greenberg and Baron (2020), the following are indicators of job satisfaction:

1) The Work Itself

The extent to which the work performed is considered interesting, challenging, and intrinsically satisfying.

2) Salary or reward (Pay)

Perception of fairness and adequacy of salary or financial compensation received.

3) Promotion (Promotion Opportunities)

Possibility of promotion or career development in the future.

4) Supervision

The quality of relationships and support from superiors, including leadership style and openness of communication.

5) Co-workers

Harmonious interpersonal relationships and good cooperation between employees.

6) Working Conditions

The physical and psychological working environment, such as comfort, safety, and available work facilities.

3. Job Promotion

a) Definition of Job Promotion

Robbins and Judge (2019) "Promotion is the assignment of an employee to a position that is higher in rank and responsibility. This often comes with increased pay, benefits, and other rewards." Job promotion is the assignment of an employee to a higher position, which is usually accompanied by an increase in salary and benefits.

b) Job Promotion Indicators

According to Robbins and Judge (2019), job promotion indicators:

- 1) Individual Performance
Excellent employee performance is a key indicator in job promotion. Employees who demonstrate extraordinary work results and achievements that exceed expectations will be prioritized for promotion.
- 2) Ability and Competence
Another important indicator is the ability and competence of employees in carrying out more complex tasks associated with higher positions. Promotions are often given to employees who have the relevant expertise and knowledge as well as the leadership skills needed in higher positions.
- 3) Readiness for Greater Responsibility
An indicator of job promotion is the employee's readiness to take on greater responsibilities. This includes the ability to lead a team, make strategic decisions, and manage resources effectively.
- 4) Achieving Organizational Goals
Job promotions are often related to the extent to which employees contribute to the achievement of organizational goals. Employees who support and actively contribute to the achievement of the organization's vision and mission have a greater chance of being promoted.
- 5) Performance Evaluation and Assessment
Performance evaluations conducted by superiors and management are the basis for determining job promotions. These assessments include factors such as quality of work, speed of completing tasks, and ability to work in a team.
- 6) Potential for Career Development
Another indicator is the employee's potential for further career development. Organizations tend to select employees who have the ability to grow and develop in the future, and show interest in taking on more senior positions.
- 7) Work Experience and Loyalty
Sufficient work experience and loyalty to the organization are also important indicators. Employees who have worked for a long time in the organization and have shown high dedication are usually considered as ideal candidates for promotion.
- 8) Alignment with Organizational Values
Promotion success often depends on the employee's fit with the organization's values and culture. Employees who hold the organization's core values and behave in accordance with the existing work culture have a greater chance of being promoted.

4. Mutation

a) Understanding Mutations

Siagian (2021) mutation is the transfer of employees from one position to another, from one unit to another, or from one area to another that is still within the same organizational environment. The purpose of mutation can be for refreshment, equalization, or development of individual potential.

b) Mutation Indicator

According to Siagian (2021), employee transfer indicators can be seen from several aspects related to the objectives, processes, and results of the transfer.

- 1) Mutation Purpose
Assess the extent to which mutations are made to meet organizational needs, such as efficiency, human resource development, or workload equalization.
- 2) Types of Mutations
Employee mutations can be done horizontally (movement between positions at the same level) or vertically (movement to a position at a higher or lower level). This indicator measures the type of mutation carried out and its impact on the organization and employees.
- 3) Employee Suitability for New Position
The extent to which transfers ensure that employees are moved to positions that match their skills and abilities to support optimal performance.

- 4) Employee Career Development
Ensure that transfers are not only aimed at rotating tasks, but also provide opportunities for employees to develop their careers and competencies.
- 5) Employee Acceptance of Mutations
Measuring the level of employee acceptance of the transfer, both psychologically and socially. Do employees feel appreciated and motivated by the transfer decision?
- 6) Employee Performance After Mutation
Assess changes in employee performance after a transfer, whether there is an increase or decrease, and its impact on individual and organizational productivity.
- 7) The Effectiveness of Mutation in Improving Organization
Assess the extent to which employee transfers contribute to achieving organizational goals, such as increasing work effectiveness and more optimal human resource management.

Conceptual Framework

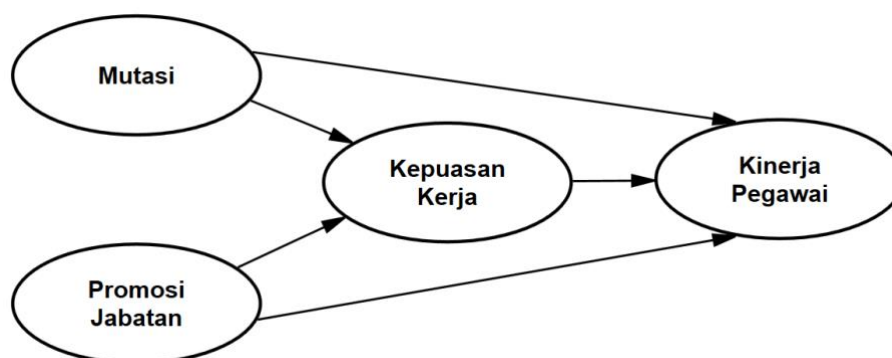


Figure 1. Conceptual Framework

Research Hypothesis

- H1: Mutations have a positive and significant effect on employee performance. Regional Revenue Agency of North Sumatra Province.
- H2: Mutation has a positive and significant effect on job satisfaction. Regional Revenue Agency of North Sumatra Province.
- H3: Job promotions have a positive and significant effect on employee performance. Regional Revenue Agency of North Sumatra Province.
- H4: Job promotion has a positive and significant effect on job satisfaction. Regional Revenue Agency of North Sumatra Province.
- H5: Job satisfaction has a positive and significant effect on employee performance. Regional Revenue Agency of North Sumatra Province.
- H6: Mutation has a positive and significant effect on employee performance through job satisfaction. Regional Revenue Agency of North Sumatra Province.
- H7: Job promotion has a positive and significant effect on employee performance through job satisfaction. Regional Revenue Agency of North Sumatra Province.

RESEARCH METHODS

Types of research

The type of research used by the researcher is quantitative research. This type of quantitative research is conducted to create a study that aims to adjust a study and to analyze the Analysis of Employee Mutations and Job Promotions on Employee Performance Mediated by Job Satisfaction at the Regional Revenue Agency of North Sumatra Province.

Research Location and Research Time

The research location was conducted at the Regional Revenue Agency Office of North Sumatra Province, located at Jl. Sisingamangaraja Km 5.5, Sitirejo II, Medan Amplas District, Medan City, North Sumatra. The research period was carried out for 3 months, starting from April to June 2025.

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Population and Sample

The population in this study was all permanent employees at the Regional Revenue Agency Office of North Sumatra Province totaling 750 people, but in taking samples only 2 units were taken, namely the revenue management unit totaling 60 people and the general section unit totaling 30 people, so that the total sample was 90 people and all of them had ASN status.

Research Data Sources

The data sources used in this study are primary data.

RESULTS AND DISCUSSION

Outer Model Analysis

Outer Model Analysis musePLS Algorithm, produce:

1) Validity Test

Table 1. ValuesOuter Loadings

	Job satisfaction	Employee Performance	Mutation	Job Promotion
X1.1			0.880	
X1.2			0.893	
X1.3			0.922	
X1.4			0.933	
X1.5			0.933	
X1.6			0.916	
X1.7			0.921	
X2.1				0.912
X2.2				0.898
X2.3				0.921
X2.4				0.916
X2.5				0.871
X2.6				0.901
X2.7				0.921
X2.8				0.914
Y.1		0.883		
Y.2		0.932		
Y.3		0.921		
Y.4		0.913		
Y.5		0.858		
Y.6		0.905		
Z.1	0.851			
Z.2	0.804			
Z.3	0.864			
Z.4	0.898			
Z.5	0.897			
Z.6	0.914			

Source: Smart PLS Output, 2025

Based on the values in Table 1 above, it shows the results of testing the outer model through the loading factor value /outer loadings, all indicators in each variable have a loading value ≥ 0.70 . This shows that each indicator is able to represent the construct being measured validly and strongly. Therefore, it can be concluded that all items in the questionnaire have met the convergent validity criteria and can be used in further analysis. For more details, the above values can also be seen in the following figure.

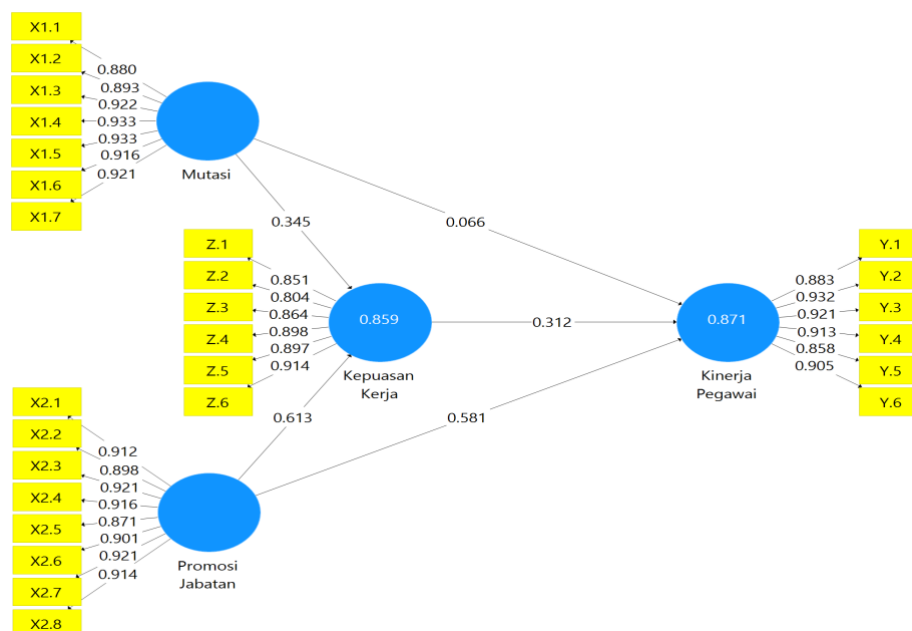


Figure 1. Outer Loudings

In this study there is an equation and the equation consists of two substructures for substructure 1:

$$Z = \beta_1 X_1 + \beta_2 X_2 + e_1$$

$$Z = 0.345 X_1 + 0.613 Z + e_1$$

For substructure 2:

$$Y = \beta_2 X_1 + \beta_3 X_2 + \beta_3 Z + e_2$$

$$Y = 0.066 X_1 + 0.581 X_2 + 0.312 Z + e_2$$

2) Reliability Test

Table 2. Construct Reliability and Validity Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Job satisfaction	0.937	0.940	0.950	0.761
Employee Performance	0.954	0.955	0.963	0.814
Mutation	0.967	0.968	0.973	0.836
Job Promotion	0.969	0.969	0.974	0.823

Source: Smart PLS Output, 2025

From Table 2 above, the results of the reliability test show that the Cronbach's Alpha and Composite Reliability values for all constructs have values above 0.70. This shows that all indicators have high internal consistency and can be relied on to measure their respective constructs. Thus, the research instrument is declared reliable and suitable for use in testing the structural model.

Structural Model Testing (Inner Model)

Inner model or structural model testing is conducted to see the relationship between constructs, significance values and R-square of the research model. The structural model is evaluated using R-square for the dependent construct.

1) Coefficient of Determination (R²)

In assessing the model with PLS, it starts by looking at the R-square for each dependent latent variable. The table below is the result of Rsquare estimation using SmartPLS.

Table 3. R Square Results

	R Square	R Square Adjusted
Job satisfaction	0.859	0.858
Employee Performance	0.871	0.870

Source: Smart PLS, 2025

In table 3 there is an R square value on both dependent variables for the job satisfaction variable there is an R square value of 0.859 meaning that the influence of mutation and job promotion is 0.859 or 85.9% the rest is on other variables outside the model. The R square value of employee performance is 0.871 meaning that the influence of mutation, job promotion and job satisfaction is 0.871 or 87.1% the rest is on other variables outside the model.

2) Hypothesis Testing

a) Direct Influence Between Variables

The direct influence between variables can be seen in the path coefficients value. The results of data processing show the direct influence value can be seen in the following table.

Table 4. Path Coefficients (Direct Effect)

	Original Sample	T Statistics	P Values	Conclusion
Mutation -> Job Satisfaction	0.345	4,991	0,000	Accepted
Mutation -> Employee Performance	0.066	0.935	0.350	Rejected
Job Promotion -> Job Satisfaction	0.613	8,838	0,000	Accepted
Job Promotion -> Employee Performance	0.581	6,967	0,000	Accepted
Job Satisfaction -> Employee Performance	0.312	4,304	0,000	Accepted

Source: Smart PLS Output, 2025

In the results of Table 4, there are direct influence values as follows:

1. Mutation has a positive and significant effect on job satisfaction with a t-statistic value of 4.991 above 1.96 and a significance of 0.000 below 0.05 means that mutation has a positive and significant effect on job satisfaction because the significance value is below 0.05. The results of this study are in accordance with the results of previous studies, namely that mutation has a positive and significant effect on job satisfaction at PT. Cipta Aneka Selera Indonesia (Setioningtyas & Dyatmika, 2020).
2. Mutations have a positive but not significant effect on employee performance with a t-statistic value of 0.935 below 1.96 and a significance of 0.350 above 0.05 means that mutations have a positive but insignificant effect on employee performance because the significance value is above 0.05. This study is in contrast to the study conducted by Dinsar (2021) which stated that mutations have a positive and significant effect on employee performance at the Public Works and Spatial Planning Service.
3. Job promotion has a positive and significant effect on job satisfaction with a t-statistic value of 8.838 above 1.96 and a significance of 0.000 below 0.05 means that job promotion has a positive and significant effect on job satisfaction because the significance value is below 0.05. The results of this study are in accordance

with research conducted by Fadli (2020) which states that job promotion has a positive and significant effect on job satisfaction at PT Modern Plasindo Mutiara.

4. Job promotion has a positive and significant effect on employee performance with a t-statistic value of 6.967 above 1.96 and a significance of 0.000 below 0.05 means that job promotion has a positive and significant effect on employee performance because the significance value is below 0.05. The results of this study are also in accordance with research conducted by Kurniawan & Fitriyani (2021) which states that job promotion has a positive and significant effect on employee performance.
5. Job satisfaction has a positive and significant effect on employee performance with a t-statistic value of 4.304 above 1.96 and a significance of 0.000 below 0.05 means that job satisfaction has a positive and significant effect on employee performance because the significance value is below 0.05. Basri & Rauf's (2021) research also states that job satisfaction has a positive and significant effect on employee performance.

b) Indirect Influence Between Variables

The indirect influence between variables can be seen in the specific indirect effects values, which can be seen in Table 5 below.

Table 5. Specific Indirect Effects (Indirect Effects)

	Original Sample	T Statistics	P Values	Conclusion
Mutation -> Job Satisfaction -> Employee Performance	0.108	3,284	0.001	Accepted
Position Promotion -> Job Satisfaction -> Employee Performance	0.191	3,764	0,000	Accepted

Source: Smart PLS, 2025

In table 5 there is an indirect influence between variables which will be explained as follows:

1. Mutation has a positive and significant effect on employee performance through job satisfaction with a t-statistic value of 3.284 and a significance value of 0.001, meaning that job satisfaction acts as an intervening variable between mutation and employee performance. Melowdies & FoEh (2024) also stated in their research that mutation has a positive and significant effect on employee performance through job satisfaction.
2. Job promotion has a positive and significant effect on employee performance through job satisfaction with a t-statistic value of 3.764 and a significance value of 0.000 means that job satisfaction acts as an intervening variable between job promotion and employee performance. Ulfiza & Bahri (2022) also stated in their research that job promotion has a positive and significant effect on employee performance through job satisfaction at PT Asuransi Bangun Askrida, Medan Branch.

CONCLUSION

1. Mutations have a positive but insignificant effect on employee performance at the Regional Revenue Agency of North Sumatra Province.
2. Mutation has a positive and significant effect on job satisfaction at the Regional Revenue Agency of North Sumatra Province.
3. Job promotion has a positive and significant effect on employee performance at the Regional Revenue Agency of North Sumatra Province.
4. Job promotion has a positive and significant effect on job satisfaction at the Regional Revenue Agency of North Sumatra Province.
5. Job satisfaction has a positive and significant effect on employee performance at the Regional Revenue Agency of North Sumatra Province.
6. Mutation has a positive and significant effect on employee performance through job satisfaction at the Regional Revenue Agency of North Sumatra Province.
7. Job promotion has a positive and significant effect on employee performance through job satisfaction at the Regional Revenue Agency of North Sumatra Province.

SUGGESTION

1. In the mutation variable, it turns out that the indicator with the lowest value is the statement "Mutation is carried out to achieve better organizational goals". Agencies should implement mutation policies based on objective evaluation of employee performance and competence, so that mutations truly support the achievement of organizational goals and increase work effectiveness and professionalism.
2. Promotion of position with the statement "My performance appraisal was conducted objectively and fairly.". Agencies should maintain and continuously improve an objective and fair performance appraisal system, by referring to measurable indicators and involving evaluations from direct superiors and feedback from co-workers, in order to create a transparent work climate and encourage improved employee performance.
3. For job satisfaction with the statement "I feel that the compensation or salary I receive is appropriate". Agencies should maintain compensation policies that are in accordance with the workload and responsibilities of employees, and periodically conduct evaluations and adjustments to remain competitive and be able to increase employee motivation and loyalty.
4. employee performance with the statement "I am able to work independently without direct supervision". Agencies should give greater trust to employees who demonstrate the ability to work independently, while still providing a clear performance monitoring system to encourage productivity and work accountability.

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