Determinants of Job Promotion: The Effect of Job Performance and Seniority

Nadya Aidilla Fitri, Saimara A.M Sebayang, Muhammad Toyib Daulay

Abstract

This study aims to examine the determinants of Job Promotion by analyzing the influence of Job Performance and Seniority among administrative staff at the Faculty of Medicine, Universitas Sumatera Utara (FK USU). The study is motivated by the limited opportunities for job promotion within the faculty and pre-survey findings that revealed staff concerns regarding transparency and fairness in the promotion process. A quantitative causal-associative approach was employed using a census sampling technique involving all administrative staff at FK USU. Primary data were collected through a Likert-scale questionnaire and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS. The findings indicate that Job Performance and Seniority have positive and significant effects on Job Promotion. The research model explains 45.5% of the variance in Job Promotion ($R^2 = 0.455$). These findings provide practical implications for developing a more transparent and fair promotion system within higher-education institutions, emphasizing the importance of job performance and seniority in promotion decisions.

***Keywords**: Job Performance, Seniority, Job Promotion, PLS-SEM*

Nadya Aidilla Fitri
Magister Manajemen, Universitas Pembangunan Panca Budi, Indonesia
e-mail: nadyaunpab@gmail.com

Saimara A.M Sebayang, Muhammad Toyib Daulay
Magister Manajemen, Universitas Pembangunan Panca Budi, Medan, Indonesia
e-mail: saimarasebayang@dosen.pancabudi.ac.id, boboy_daulay@yahoo.com
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Introduction

Human resources are the most valuable asset for any organization, including higher-education institutions that carry out the tridharma mission of teaching, research, and community service [5]. Administrative staff, as one component of higher-education human resources, play a strategic role in supporting the smooth running of academic and administrative processes, so that career management through job-promotion mechanisms deserves serious attention from university management. Job promotion is defined as an employee's movement to a higher position accompanied by increased authority, responsibility, status, and income [20], [6].

Hasibuan [10] identified eight factors that influence promotion decisions, among them job performance and seniority. Job performance has been shown to positively affect job promotion among civil servants in the Medan City Government [21], [1]. Similarly, seniority has been shown to positively affect job promotion at PT Pelabuhan Indonesia Regional I Medan [18] and among administrative staff at Universitas Negeri Medan [14], yet in practice a long tenure does not always guarantee promotion, indicating a relationship that is not entirely linear.

Nevertheless, the evidence on how far job performance and seniority actually determine promotion decisions remains mixed: performance is expected to serve as an objective and measurable basis for promotion [6] [13], whereas seniority provides measurement objectivity but can overlook high-performing younger employees [20]. Studies of job promotion in Indonesia, particularly among higher-education administrative staff, remain limited, leaving a research gap that this study addresses.

This phenomenon is evident in the 2024–2025 staffing data of the Faculty of Medicine, Universitas Sumatera Utara (FK USU): of 144 administrative staff (33 civil servants and 111 non-civil-servant staff), only 8 received a job promotion during 2023–2025, or about 5.6%. A pre-survey of 30 administrative staff conducted in May 2026 reinforces this phenomenon: 67–73% of respondents rated the promotion system as not yet transparent and fair; 60–77% rated job performance as not yet the main basis for promotion; and 63–73% rated seniority as not yet valued proportionally.

Based on this background, the study analyzes the effect of Job Performance (X1) and Seniority (X2) on Job Promotion (Y) among FK USU administrative staff. This study is expected to contribute theoretically to career-management literature grounded in human resource management and practically to FK USU and Universitas Sumatera Utara management and administrative staff in designing a job-promotion system that is more transparent, fair, and based on employees' job performance and seniority.

Literature Review

Job promotion is a movement that expands an employee's authority and responsibility to a higher position, so that obligations, rights, status, and income increase accordingly [10], [16]. Siagian [20], [11] adds that promotion is a form of organizational recognition of an employee's contribution and potential, with indicators covering position advancement, increased responsibility, rights and authority, income, and recognition of ability and potential.

Job performance is the quality and quantity of work achieved by an employee based on skill, experience, and sincerity [16], [10]. Dessler [6] emphasizes that effective performance appraisal must be objective, measurable, and accountable as a basis for promotion decisions, with indicators of work quality, work quantity, reliability, work attitude, and timeliness [16].

Seniority is the length of an employee's tenure recognized by the organization, reflecting loyalty, allegiance, and dedication to the organization [20], [10]. While it provides measurement objectivity, a seniority system can also hinder high-performing younger employees and create a comfort zone for unproductive senior employees [20], [4] with indicators of length of service, work experience, institutional knowledge, and loyalty and dedication [10].

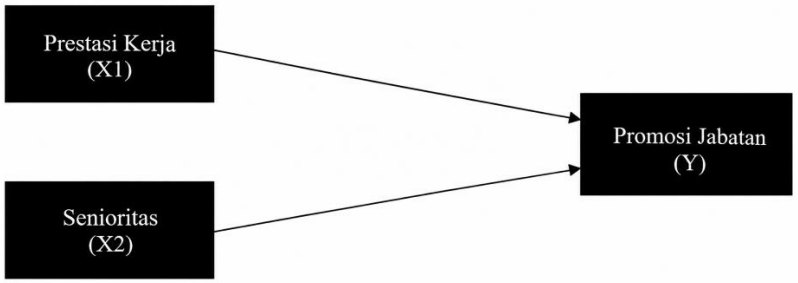


Figure 1. Research Conceptual Framework

Based on the theoretical review and prior research, the conceptual framework of this study connects Job Performance (X1) and Seniority (X2) as exogenous variables and Job Promotion (Y) as the endogenous variable, as illustrated in Figure 1. The research hypotheses are formulated as follows:

H1: Job Performance has a positive and significant effect on Job Promotion among Administrative Staff at the Faculty of Medicine, Universitas Sumatera Utara

H2: Seniority has a positive and significant effect on Job Promotion among Administrative Staff at the Faculty of Medicine, Universitas Sumatera Utara

Research Methodology

This study employs a quantitative approach with a causal-associative research design to test the cause-and-effect relationships among Job Performance (X1), Seniority (X2), and Job Promotion (Y) [22] [15]. The study population comprises all 144 administrative staff at the Faculty of Medicine, Universitas Sumatera Utara. Referring to the guideline of Hair et al. [8] that the minimum sample size is 5–10 times the number of indicators (14 indicators × 10 = 140 respondents), the population of 144 meets this requirement; therefore, this study uses a saturated sampling (census) technique, in which all 144 FK USU administrative staff serve as respondents.

Primary data were collected through a closed questionnaire using a 1–5 Likert scale (1 = strongly disagree to 5 = strongly agree) [7], developed based on the indicators of each variable, and distributed directly (offline) to all respondents. Secondary data in the form of staffing records and the organizational structure of FK USU were collected through documentation, complemented by direct observation of administrative staff's working conditions.

Table 1. Operational Definition of Variables

Variable	Indicators	Scale
Job Performance (X1)	Work Quality; Work Quantity; Reliability; Work Attitude; Timeliness [16]	Likert 1–5
Seniority (X2)	Length of Service; Work Experience; Institutional Knowledge; Loyalty and Dedication [10]	Likert 1–5
Job Promotion (Y)	Position Advancement; Increased Responsibility; Increased Rights and Authority; Increased Income; Recognition of Ability [20]	Likert 1–5

Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the aid of SmartPLS 4.0, chosen for its suitability for predictive models with latent constructs [9]. The reflective measurement model is formulated as $x_i = \lambda_i \xi + \varepsilon_i$, applied to each variable (X1.i, X2.i, Yi). Outer-model evaluation covers convergent validity (loading factor ≥ 0.70; Average Variance Extracted/AVE ≥ 0.50), discriminant validity (Fornell–Larcker criterion), and construct reliability (Composite Reliability ≥ 0.70 and Cronbach's Alpha ≥ 0.70).

Inner-model evaluation covers the coefficient of determination (R^2), the significance of path coefficients through a bootstrapping procedure with 5,000 subsamples (a hypothesis is accepted if t-statistic > 1.96 and p-value < 0.05). The structural equation of this study is: $Y = \beta 1X1 + \beta 2X2 + \varepsilon$.

Results

A total of 144 questionnaires were distributed to all FK USU administrative staff, and all were returned, giving a 100% response rate, consistent with the saturated sampling technique used. The collected data were then processed using PLS-SEM through two stages of evaluation: the measurement model (outer model) and the structural model (inner model).

4.1 Measurement Model (Outer Model) Evaluation

Convergent validity testing shows that all 14 indicators have outer loadings above 0.70 (range 0.715–0.851), with the highest value on indicator X1.1 at 0.851. The Average Variance Extracted (AVE) of all constructs is also above 0.50 (range 0.580–0.661), so convergent validity is met. Reliability testing through Composite Reliability (CR) and Cronbach's Alpha also shows values above 0.70 for all constructs, as summarized in Table 2.

Table 2. Reliability and Convergent Validity

Construct	Loading Range	CR	Cronbach's Alpha	AVE
Job Performance (X1)	0.771–0.851	0.907	0.873	0.661
Seniority (X2)	0.767–0.797	0.867	0.797	0.619
Job Promotion (Y)	0.715–0.807	0.874	0.819	0.580

Table 3. Discriminant Validity (Fornell–Larcker / HTMT)

	Job Performance (X1)	Job Promotion (Y)	Seniority (X2)
Job Performance (X1)	0.813	0.638	0.227
Job Promotion (Y)	0.552	0.762	0.584
Seniority (X2)	0.186	0.483	0.787

Note: Bold diagonal values = square root of AVE. Values below the diagonal = inter-construct correlations (Fornell–Larcker). Italic values above the diagonal = HTMT values.

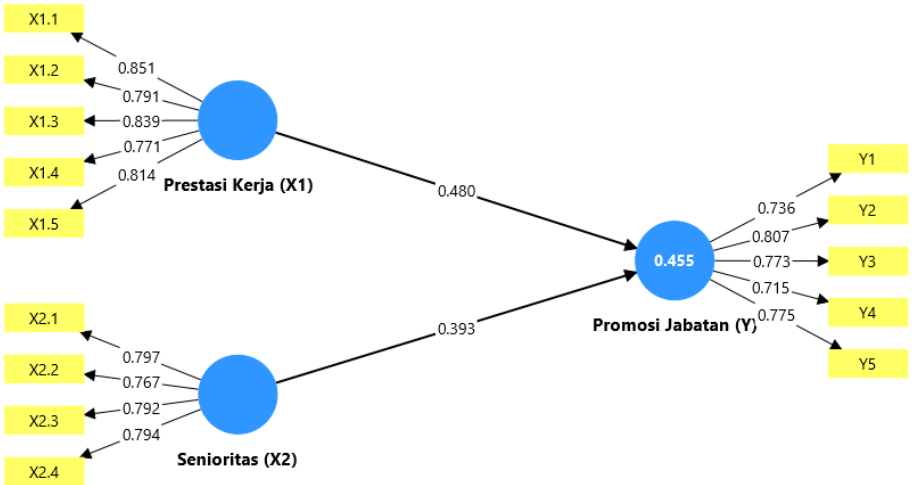


Figure 2. Outer Model of the Study

4.2 Structural Model Evaluation and Hypothesis Testing (Inner Model)

The coefficient of determination (R^2) indicates that Job Promotion (Y) is explained by Job Performance (X1) and Seniority (X2), with an R^2 of 0.455 (45.5%). The results of direct-effect hypothesis testing through bootstrapping with 5,000 subsamples are presented in Table 4.

Table 4. Direct Effect Test Results (Path Coefficients)

Hypothesis	Path	β	t-statistic	p-value	Result
H1	Job Performance → Job Promotion	0.480	4.600	0.000	Accepted

H2	Seniority → Job Promotion	0.393	4.915	0.000	Accepted

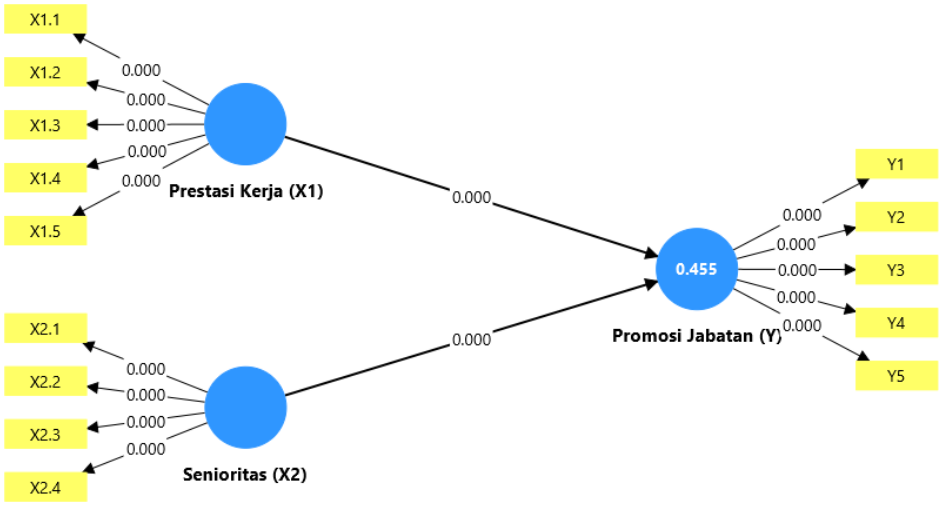


Figure 3. Inner Model of the Study

Testing of H1 shows that Job Performance has a positive and significant effect on Job Promotion (β=0.480; t=4.600; p=0.000), consistent with Siregar and Harahap [21] and Ramadhan and Fauzi [18]. Employees with consistent and measurable performance tend to gain formal recognition in the form of promotion because they have proven their capacity to carry greater responsibility [10].

Testing of H2 shows that Seniority has a positive and significant effect on Job Promotion (β=0.393; t=4.915; p=0.000), consistent with Lubis and Nasution [14] among university administrative staff and Brüggemann [3], who showed that tenure increases the likelihood of internal promotion. Experience and institutional knowledge accumulated over years of service provide a capital of trust that widens promotion opportunities, although a seniority system alone still risks overlooking high-performing younger employees [20].

Discussion

Overall, the results of this study show that job-promotion decisions at FK USU are shaped by both job performance and seniority. Job Performance has a larger effect (β=0.480) than Seniority (β=0.393), indicating that measurable work results carry somewhat more weight than length of service, although both remain positive and significant. Together they explain 45.5% of the variance in Job Promotion ($R^2 = 0.455$), so the remaining 54.5% is determined by factors outside the model, which is consistent with the concerns about transparency and fairness raised in the pre-survey. Theoretically, this study adds empirical evidence to career-management literature in Indonesian higher-education institutions, particularly among administrative staff in a faculty of medicine with high administrative complexity. Practically, it is important for FK USU management to design a transparent job-promotion system, communicate criteria clearly, and base promotion decisions on objective performance appraisal [6] while recognizing seniority proportionally. For administrative staff, this finding underscores the importance of improving job performance alongside length of service.

Conclusion

The PLS-SEM analysis of 144 FK USU administrative staff yields two conclusions: (1) Job Performance has a positive and significant effect on Job Promotion (β = 0.480; p = 0.000); and (2) Seniority has a positive and significant effect on Job Promotion (β = 0.393; p = 0.000). The research model explains 45.5% of the variance in Job Promotion ($R^2 = 0.455$).

For FK USU and Universitas Sumatera Utara, it is recommended to design a transparent and comprehensive job-promotion policy, communicate the promotion criteria clearly, and

ensure that promotion decisions are based on job performance and seniority. For future researchers, it is recommended to examine other variables that may influence Job Promotion, such as organizational support, leadership, or organizational climate, and to replicate this model in other higher-education institutions to test the generalizability of the findings. For the development of the field, future studies may extend the research to other higher-education institutions, incorporate additional variables such as Good Corporate Governance or competence, and consider a longitudinal design to examine changes in the factors influencing Job Promotion over time.

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