

Internal Transformation and Civil Servant Performance: Examining the Mediating Role of Job Satisfaction in Indonesia's Ministry of Health

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Abstract: *Background: Public organizations face increasing pressure to enhance organizational performance amid rapid technological change, accountability demands, and evolving citizen expectations. Internal transformation has consequently become a strategic mechanism for improving employee performance. However, limited empirical evidence explains how different dimensions of internal transformation influence civil servant performance and whether job satisfaction serves as an underlying mechanism, particularly in developing-country public sector organizations. Objective: This study examines the effects of Internal Transformation, operationalized through Effective Execution, New Ways of Working, and Service Excellence, on Civil Servant Performance, with Job Satisfaction as a mediating variable at the Secretariat General of the Indonesian Ministry of Health. Methods: A quantitative explanatory approach was employed using Partial Least Squares Structural Equation Modeling (PLS-SEM). Data were collected from civil servants at the Secretariat General of the Ministry of Health. The analysis assessed reliability, convergent and discriminant validity, collinearity, structural relationships, mediation effects, and predictive relevance. Results: Effective Execution significantly enhances Job Satisfaction, while Service Excellence demonstrates the strongest direct effect on Civil Servant Performance. New Ways of Working does not significantly affect performance directly. Furthermore, Job Satisfaction has no significant effect on Civil Servant Performance and does not mediate the relationships between internal transformation dimensions and performance. Conclusion: Internal transformation affects civil servant performance unevenly across dimensions. Service Excellence emerges as the most influential determinant, highlighting the importance of context-specific organizational mechanisms in public sector transformation.*

Keywords: *Internal Transformation; Job Satisfaction; Civil Servant Performance; Organizational Change; PLS-SEM; Ministry of Health; Indonesia*

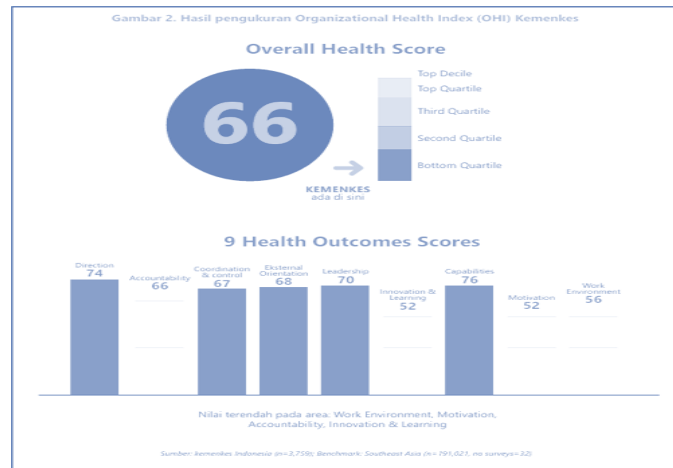
1. Introduction

Organizational transformation has become a critical strategic agenda in public administration as governments face increasing demands for institutional effectiveness, digitalization, transparency, accountability, and citizen-centered services. Rapid technological development, fiscal pressures, changing demographic conditions, and increasingly complex public expectations have encouraged public organizations to move beyond traditional bureaucratic models toward more adaptive, collaborative, agile, and performance-oriented systems. In this context, organizational transformation is no longer limited to structural restructuring or administrative reform but involves broader changes in organizational culture, leadership, employee behavior, work systems, and service orientation. The effectiveness of such transformation ultimately depends on the extent to which employees are able and willing to translate organizational strategies into improved daily practices and performance. The importance of employees in organizational transformation is particularly evident in public sector organizations. Unlike private organizations, public institutions operate within complex institutional environments characterized by regulatory requirements, political accountability, multiple stakeholders, and public scrutiny. These characteristics make organizational transformation more challenging because reform requires simultaneous changes in structures, procedures, organizational culture, leadership practices, and employee behavior. Structural reforms may establish new policies and systems, but their effectiveness depends substantially on employees' capacity to adapt and implement these changes. Organizational Change Theory emphasizes that successful transformation requires not only changes in formal organizational arrangements but also changes in employee attitudes, behaviors, values, and working practices. Employees therefore represent the central actors through which organizational transformation is translated into organizational outcomes.

Employee performance is consequently an important indicator of whether organizational transformation has generated meaningful organizational improvements. High-performing employees contribute to organizational effectiveness through improved productivity, service quality, innovation, responsiveness, and achievement of strategic objectives. Conversely, inadequate employee performance may limit the effectiveness of transformation initiatives regardless of the quality of formal policies and organizational structures. Previous research in organizational behavior and public management has therefore increasingly examined organizational factors that can strengthen employee performance. Nevertheless, the relationship between organizational transformation and employee performance is not necessarily uniform because different transformation initiatives may influence employees through different organizational and psychological mechanisms.

Indonesia provides an important context for examining this relationship because the government has implemented extensive bureaucratic reform aimed at improving governance quality, public accountability, digital transformation, performance-based management, and citizen-oriented public services. These reforms require government institutions to move away from rigid administrative practices and develop organizational systems that are more adaptive and responsive to societal needs. The transformation agenda also requires civil servants to develop new competencies, behaviors, and ways of working. Thus, organizational transformation in Indonesia represents not merely an institutional policy initiative but also a process of changing how public employees perform their responsibilities and deliver services. Within this national reform agenda, the Ministry of Health of the Republic of Indonesia has a particularly strategic position because of its responsibility for supporting the country's health transformation. The Ministry has introduced Internal Transformation as the seventh pillar supporting the six pillars of National Health Transformation. Internal Transformation emphasizes organizational and behavioral changes designed to strengthen institutional capability and improve the performance of civil servants. It is operationalized through three strategic dimensions: Effective Execution, New Ways of Working, and Service Excellence. Effective Execution emphasizes the ability of employees and organizational units to execute strategic programs effectively and achieve targeted outcomes. New Ways of Working emphasizes adaptive, collaborative, innovative, and technology-supported approaches to work. Service Excellence focuses on improving the quality, responsiveness, and orientation of public services. Together, these dimensions represent a multidimensional approach to internal organizational transformation.

Despite these initiatives, transformation within public organizations may encounter organizational and behavioral challenges. Internal assessments and Organizational Health Index (OHI) evaluations documented in the research context indicate that organizational health and employee behavioral dimensions remain areas requiring continuous improvement. Such conditions suggest that formal transformation policies alone may not automatically generate higher employee performance. The implementation of transformation initiatives must also consider employees' perceptions and experiences within the organization. Understanding whether employees perceive organizational transformation positively and whether such perceptions translate into improved performance is therefore important for evaluating the effectiveness of public sector transformation.



One psychological mechanism that may explain the relationship between organizational transformation and employee performance is job satisfaction. Job satisfaction reflects employees' overall evaluation of their work and encompasses perceptions of job characteristics, organizational policies, supervision, interpersonal relationships, rewards, career opportunities, and working conditions. From an organizational behavior perspective, employees who perceive their work environment positively are more likely to develop favorable attitudes toward their organization and demonstrate stronger motivation and engagement. Consequently, job satisfaction has frequently been proposed as an important mechanism through which organizational practices and organizational changes influence employee outcomes. Transformation initiatives that improve work processes, employee autonomy, collaboration, and service orientation may enhance employees' work experiences and subsequently contribute to higher performance.

However, the empirical relationship among organizational transformation, job satisfaction, and employee performance remains inconclusive. Some studies indicate that organizational change and transformation positively affect employee performance, whereas other research suggests that the effect is dependent on intervening factors such as job satisfaction, organizational commitment, employee engagement, or perceived organizational support. In some contexts, transformation initiatives may even generate uncertainty, increased workloads, resistance to change, or adaptation pressures that reduce positive employee outcomes. These differences indicate that organizational transformation does not necessarily produce identical consequences across organizational settings. The relationship may depend on the specific dimensions of transformation being implemented and the institutional context in which transformation occurs.

Furthermore, previous literature has frequently examined organizational change through broad constructs such as transformational leadership, digital transformation, organizational culture, bureaucratic reform, or general organizational change. Although these perspectives provide valuable insights, relatively limited research has conceptualized Internal Transformation as a multidimensional construct incorporating Effective Execution, New Ways of Working, and Service Excellence. This distinction is important because different dimensions of transformation may generate different effects on employee attitudes and performance. An employee may, for example, perceive improvements in service orientation without experiencing corresponding changes in working methods or execution processes. Examining transformation dimensions separately can therefore provide a more precise understanding of which organizational mechanisms are most relevant to employee outcomes.

The existing literature also provides limited evidence regarding the mediating role of job satisfaction in the relationship between specific internal transformation dimensions and civil servant performance. Most studies have been conducted in private-sector organizations or have examined public-sector transformation using broad measures of organizational change. Evidence from central

government institutions in developing countries, particularly Indonesia, remains comparatively limited. This gap is particularly relevant in the Ministry of Health, where internal transformation forms an integral component of a broader national health reform agenda. Therefore, empirical evidence concerning how specific transformation dimensions influence civil servant performance and whether job satisfaction serves as a mediating mechanism is needed. Accordingly, this study addresses three major research gaps. First, previous research has predominantly conceptualized organizational transformation as a broad or single construct, providing limited evidence regarding the distinct effects of Effective Execution, New Ways of Working, and Service Excellence. Second, the mediating role of job satisfaction remains theoretically plausible but empirically inconsistent, particularly within public organizations undergoing bureaucratic and organizational reform. Third, empirical studies examining Internal Transformation within Indonesia's Ministry of Health remain scarce despite the Ministry's strategic role in national health transformation.

This study contributes to the literature in three respects. First, it develops a multidimensional Internal Transformation framework by separately examining Effective Execution, New Ways of Working, and Service Excellence rather than treating organizational transformation as a homogeneous construct. Second, it extends Organizational Change Theory by examining job satisfaction as a potential psychological mechanism linking organizational transformation with civil servant performance. Third, it provides empirical evidence from the Secretariat General of the Ministry of Health of the Republic of Indonesia using Partial Least Squares Structural Equation Modeling (PLS-SEM), thereby contributing evidence from a central public-sector institution in a developing-country context. Practically, the study provides insights for public managers and policymakers regarding which dimensions of internal transformation should receive greater attention to strengthen civil servant performance and support sustainable bureaucratic reform. Based on these considerations, this study aims to examine the effects of Effective Execution, New Ways of Working, and Service Excellence on Job Satisfaction and Civil Servant Performance, as well as the mediating role of Job Satisfaction in the relationship between these Internal Transformation dimensions and Civil Servant Performance at the Secretariat General of the Ministry of Health of the Republic of Indonesia. By examining both direct and indirect relationships, the study seeks to provide a more comprehensive explanation of how internal organizational transformation can contribute to improved employee outcomes in the public sector.

2. Literature Review

2.1 Organizational Change Theory

Organizational Change Theory provides a fundamental framework for explaining how organizations respond to environmental pressures by modifying structures, processes, culture, technologies, and employee behavior. Organizational change is not limited to formal restructuring but involves a continuous process through which organizational members adjust their attitudes and behaviors to achieve new strategic objectives. Classic change perspectives, including Kotter's change model, emphasize that sustainable transformation requires organizational commitment, effective implementation, communication, employee involvement, and reinforcement of new behaviors. From this perspective, organizational transformation can only generate sustainable organizational outcomes when employees successfully internalize and implement the intended changes in their daily activities.

The relevance of Organizational Change Theory is particularly strong in public organizations, where transformation must occur within complex regulatory, institutional, and accountability environments. Public-sector transformation requires employees to simultaneously adapt to technological developments, changing regulations, new performance expectations, and increasing demands for service quality. Consequently, organizational transformation should be understood as a multidimensional process involving both organizational systems and human behavior. The Internal

Transformation framework implemented by the Indonesian Ministry of Health reflects these principles. Internal Transformation emphasizes behavioral and operational changes through Effective Execution, New Ways of Working, and Service Excellence. Effective Execution focuses on translating organizational objectives into disciplined implementation and measurable outcomes. New Ways of Working promotes collaboration, innovation, digital adaptation, and organizational flexibility. Service Excellence emphasizes responsiveness, professionalism, empathy, and citizen-oriented service delivery. These dimensions illustrate the principle that transformation requires changes in how employees execute tasks, collaborate, adapt to new working environments, and deliver public services. Accordingly, Organizational Change Theory provides the principal theoretical foundation for explaining why Internal Transformation may influence both employees' psychological responses and their performance. However, because transformation may affect employee outcomes through multiple mechanisms, complementary theories are required to explain the motivational and relational dimensions of these relationships.

2.2 Job Satisfaction Theory

Job satisfaction refers to employees' overall positive or negative evaluation of their work and work-related experiences. It encompasses employees' perceptions of their tasks, organizational policies, supervision, compensation, interpersonal relationships, recognition, career opportunities, and working conditions. Job satisfaction is important because employees' attitudes toward their work can influence motivation, engagement, commitment, and behavioral outcomes. Herzberg's Two-Factor Theory distinguishes between hygiene factors and motivators. Hygiene factors, including organizational policies, supervision, working conditions, and compensation, primarily prevent dissatisfaction, whereas motivators such as achievement, recognition, responsibility, and opportunities for advancement contribute to positive satisfaction and motivation. Complementing this perspective, the Job Characteristics Model argues that autonomy, skill variety, task significance, task identity, and feedback influence employees' psychological experiences and consequently their job satisfaction. These perspectives are relevant to organizational transformation because changes in work systems, responsibilities, collaboration mechanisms, leadership practices, and service orientation can alter employees' work experiences. When transformation improves clarity, autonomy, support, meaningfulness, and opportunities for development, employees may develop more positive evaluations of their work. Thus, job satisfaction can represent an important psychological outcome of successful organizational transformation and a potential mechanism connecting organizational practices with employee performance.

2.3 Ability–Motivation–Opportunity Theory

The Ability–Motivation–Opportunity (AMO) framework explains employee performance through the interaction of employees' capabilities, motivation, and opportunities to contribute to organizational objectives. Employees are more likely to perform effectively when they possess the necessary abilities, are motivated to apply them, and receive organizational opportunities and resources to perform their roles. The three dimensions of Internal Transformation correspond conceptually with the AMO framework. New Ways of Working can strengthen employees' abilities through learning, digital adaptation, knowledge sharing, and collaboration. Service Excellence may strengthen motivation by increasing the perceived meaningfulness and social value of public service. Effective Execution can provide employees with clearer processes, performance expectations, resources, and opportunities to apply their capabilities. Thus, Internal Transformation may create organizational conditions that enable civil servants to perform more effectively. AMO Theory therefore complements Organizational Change

Theory by explaining the behavioral pathway through which organizational transformation can translate into employee performance.

2.4 Social Exchange Theory

Social Exchange Theory explains organizational behavior through reciprocal relationships between employees and organizations. Employees assess the extent to which organizations provide support, fairness, recognition, resources, and favorable working conditions. When employees perceive positive organizational treatment, they are more likely to reciprocate through favorable attitudes and behaviors, including commitment, engagement, and improved performance. Internal Transformation can represent an organizational investment in employees. Improvements in work systems, collaboration, leadership support, performance management, and service-oriented organizational values may communicate that the organization values employee contributions. Employees who perceive these changes positively may respond with greater job satisfaction and stronger performance. Social Exchange Theory therefore provides a theoretical explanation for the potential indirect relationship between Internal Transformation and Civil Servant Performance through Job Satisfaction. It suggests that employees' psychological responses to organizational practices are important for understanding whether transformation produces favorable behavioral outcomes.

2.5 Public Service Motivation Theory

Public Service Motivation (PSM) Theory explains why individuals working in public institutions may be motivated by values associated with serving society and contributing to public welfare. Public employees are not necessarily motivated exclusively by extrinsic rewards; they may also derive satisfaction from meaningful work, social contribution, compassion, commitment to public interest, and the desire to serve citizens. PSM is particularly relevant to public healthcare organizations because employees' activities are directly connected to citizens' well-being. Service Excellence corresponds closely with the principles of PSM because it emphasizes responsiveness, empathy, professionalism, and citizen-centered service delivery. When civil servants perceive their work as socially meaningful, they may develop stronger intrinsic motivation and positive attitudes toward their responsibilities. Consequently, PSM provides an additional theoretical explanation for why Service Excellence may influence both Job Satisfaction and Civil Servant Performance.

2.6 Internal Transformation

Internal Transformation refers to a strategic process of organizational and behavioral change designed to strengthen institutional capability and improve employee effectiveness. In the context of the Indonesian Ministry of Health, Internal Transformation is operationalized through three dimensions: Effective Execution, New Ways of Working, and Service Excellence. Effective Execution represents the organization's capacity to translate strategic priorities into effective implementation through clear objectives, accountability, performance monitoring, disciplined execution, and continuous improvement. New Ways of Working represents adaptation toward more collaborative, innovative, digitally enabled, flexible, and learning-oriented work systems. Service Excellence represents a commitment to delivering professional, responsive, empathetic, and citizen-centered public services. These dimensions should not be viewed as isolated organizational practices. Rather, they collectively represent a transformation process intended to change how civil servants work, collaborate, execute organizational strategies, and serve citizens. Therefore, examining each dimension separately allows the study to identify whether particular transformation mechanisms have different consequences for employee attitudes and performance.

2.7 Civil Servant Performance

Civil Servant Performance refers to the extent to which government employees effectively accomplish assigned responsibilities and contribute to organizational objectives and public value. In the public sector, performance extends beyond productivity to include service quality, accountability, responsiveness, collaboration, professionalism, and behavioral contributions to organizational effectiveness. Civil servant performance is therefore both an outcome of individual capabilities and a reflection of organizational conditions. Employees may possess adequate competencies but fail to achieve optimal performance when organizational systems are unclear, working methods are ineffective, or opportunities to contribute are constrained. From Organizational Change Theory and AMO Theory perspectives, successful transformation should create organizational conditions that enable employees to perform their responsibilities more effectively. In this study, Civil Servant Performance represents the principal behavioral outcome of Internal Transformation, while Job Satisfaction is examined as a potential psychological mechanism linking transformation practices with performance.

2.8 Hypothesis

2.8.1 Effective Execution and Job Satisfaction

Effective Execution reflects the organization's ability to translate strategic objectives into clear, systematic, and measurable operational activities. It incorporates planning, accountability, performance monitoring, disciplined implementation, and continuous improvement. From the perspective of Organizational Change Theory, clarity regarding organizational priorities and performance expectations can reduce uncertainty and role ambiguity during periods of transformation. Employees who understand what is expected of them and how their work contributes to organizational objectives may experience greater psychological certainty and control. Job Satisfaction Theory further suggests that structured work processes, appropriate supervision, recognition, and transparent performance expectations contribute to positive employee evaluations of their work. Effective execution may therefore improve employees' perceptions of organizational fairness, managerial support, and work meaningfulness. In the context of the Ministry of Health, disciplined execution can provide civil servants with clearer responsibilities and performance expectations, potentially creating a more supportive work environment. Therefore, Effective Execution is expected to positively influence Job Satisfaction.

H1. Effective Execution positively and significantly influences Job Satisfaction.

2.8.2 New Ways of Working and Job Satisfaction

New Ways of Working represents organizational adaptation through collaboration, innovation, digitalization, knowledge sharing, organizational learning, and flexible approaches to work. Organizational Change Theory suggests that adaptive work systems can enhance employees' capacity to respond to environmental uncertainty and changing organizational requirements. The Job Characteristics Model provides further support for this relationship because autonomy, skill utilization, task meaningfulness, and feedback can enhance positive psychological experiences. New Ways of Working may provide employees with greater opportunities to collaborate, acquire new competencies, utilize digital technologies, and participate in problem-solving. Such conditions can make work more stimulating, meaningful, and responsive to employee needs. In a public-sector environment undergoing transformation, adaptive work systems may also strengthen employees' perceptions that their organization is innovative and supportive. These perceptions can contribute to more favorable evaluations of work experiences and higher job satisfaction.

H2. New Ways of Working positively and significantly influences Job Satisfaction.

2.8.3 Service Excellence and Job Satisfaction

Service Excellence emphasizes empathy, responsiveness, professionalism, accountability, and citizen-centered service. In public organizations, service quality is closely connected with the meaningfulness employees derive from their work because public services directly affect citizens and social welfare. Public Service Motivation Theory suggests that employees who perceive their work as contributing to society are more likely to experience intrinsic motivation and positive psychological outcomes. Service Excellence may strengthen this sense of purpose by emphasizing the social value of employees' responsibilities. When civil servants recognize that their work contributes to better public services and improved health outcomes, they may develop greater satisfaction with their professional roles. Social Exchange Theory also suggests that organizational emphasis on service quality communicates organizational values and expectations to employees. When these values are perceived positively and are consistent with employees' professional identities, employees may respond with more favorable attitudes toward their work. Thus, Service Excellence is expected to enhance Job Satisfaction.

H3. Service Excellence positively and significantly influences Job Satisfaction.

2.8.4 Job Satisfaction and Civil Servant Performance

Job satisfaction represents an important psychological condition that may influence how employees perform their responsibilities. Employees who have positive evaluations of their work may demonstrate stronger motivation, engagement, commitment, and willingness to contribute beyond minimum requirements. From an AMO perspective, job satisfaction can strengthen the motivational component of employee performance. When employees are satisfied with their work environment, responsibilities, and organizational relationships, they may be more willing to utilize their abilities and organizational opportunities effectively. In public organizations, this may be reflected in improved work quality, service orientation, cooperation, responsiveness, and achievement of organizational targets. Therefore, higher levels of Job Satisfaction are expected to contribute to higher Civil Servant Performance.

H4. Job Satisfaction positively and significantly influences Civil Servant Performance.

2.8.5 Effective Execution and Civil Servant Performance

Effective Execution establishes clear objectives, performance expectations, accountability mechanisms, monitoring systems, and implementation procedures. These organizational mechanisms can improve coordination and reduce uncertainty regarding employees' responsibilities. Organizational Change Theory suggests that transformation becomes effective when employees understand how organizational strategies should be translated into operational behavior. Effective execution can provide such clarity by connecting organizational objectives with individual responsibilities. From the AMO perspective, clear processes and adequate organizational opportunities enable employees to apply their capabilities more effectively. Within the Ministry of Health, Effective Execution may consequently improve civil servants' efficiency, accountability, task completion, and work quality. Accordingly, Effective Execution is expected to have a positive direct effect on Civil Servant Performance.

H5. Effective Execution positively and significantly influences Civil Servant Performance.

2.8.6 New Ways of Working and Civil Servant Performance

New Ways of Working promotes collaboration, digital adaptation, innovation, organizational learning, and flexibility. These characteristics can improve the ability of employees to respond to complex tasks and changing organizational demands. AMO Theory suggests that employee performance

improves when organizations develop employees' abilities and provide opportunities to apply those abilities. Digital learning, knowledge sharing, collaboration, and flexible work systems can strengthen employee capabilities while simultaneously improving opportunities for participation and problem-solving. Adaptive work environments may also reduce communication barriers and facilitate faster coordination and decision-making. Consequently, civil servants operating within collaborative and adaptive work systems are expected to demonstrate improved efficiency, innovation, responsiveness, and overall performance.

H6. New Ways of Working positively and significantly influences Civil Servant Performance.

2.8.7 Service Excellence and Civil Servant Performance

Service Excellence emphasizes the delivery of high-quality public services through professionalism, responsiveness, empathy, accountability, and citizen orientation. These behaviors directly correspond to important dimensions of civil servant performance because public-sector performance is not limited to internal productivity but also encompasses the quality and responsiveness of services delivered to citizens. Public Service Motivation Theory suggests that employees who are motivated by public interest and societal contribution are more likely to demonstrate responsible and service-oriented behavior. Service Excellence can reinforce these values by establishing service quality as an important organizational priority. In the Ministry of Health, where public service directly affects citizens' welfare, an organizational emphasis on Service Excellence is expected to encourage civil servants to demonstrate higher professionalism, responsiveness, accountability, and service quality.

H7. Service Excellence positively and significantly influences Civil Servant Performance.

2.8.8 The Mediating Role of Job Satisfaction between Effective Execution and Civil Servant Performance

Organizational transformation may influence employee performance not only through direct organizational mechanisms but also through employees' psychological responses. Effective Execution can create clearer responsibilities, more predictable work processes, stronger accountability, and better performance feedback. These conditions may improve employees' perceptions of their work and consequently increase Job Satisfaction. Social Exchange Theory suggests that when employees perceive organizational practices as supportive and beneficial, they are likely to reciprocate through positive attitudes and behaviors. Satisfied employees may subsequently demonstrate greater motivation, commitment, and willingness to contribute to organizational objectives. Thus, Job Satisfaction may represent a psychological pathway through which Effective Execution contributes to Civil Servant Performance.

H8. Job Satisfaction mediates the relationship between Effective Execution and Civil Servant Performance.

2.8.9 The Mediating Role of Job Satisfaction between New Ways of Working and Civil Servant Performance

New Ways of Working can alter employees' work experiences by increasing collaboration, autonomy, learning opportunities, digital capability, and flexibility. These conditions may enhance Job Satisfaction because employees perceive greater opportunities to develop competencies and perform meaningful tasks. Higher Job Satisfaction can subsequently strengthen employees' motivation and willingness to utilize organizational resources and opportunities. From the AMO perspective, satisfied employees may be more willing to apply their capabilities in adaptive work environments, resulting in better performance. Therefore, the positive effect of New Ways of Working on Civil Servant Performance may partly operate through employees' satisfaction with their work. H9. Job Satisfaction mediates the relationship between New Ways of Working and Civil Servant Performance.

2.8.10 The Mediating Role of Job Satisfaction between Service Excellence and Civil Servant Performance

Service Excellence may influence employee performance by strengthening employees' perception that their work has meaningful social consequences. Public Service Motivation Theory suggests that meaningful opportunities to serve society can generate intrinsic motivation and positive psychological experiences. When employees perceive their service activities as valuable and aligned with public-interest objectives, they may experience greater Job Satisfaction. This positive psychological condition can subsequently encourage stronger commitment, service orientation, and performance. Social Exchange Theory further suggests that employees who identify positively with organizational service values may reciprocate through behaviors that support organizational objectives. Accordingly, Job Satisfaction may function as a mediating mechanism through which Service Excellence contributes to Civil Servant Performance.

H10. Job Satisfaction mediates the relationship between Service Excellence and Civil Servant Performance.

3. Research Methods

3.1 Research Design

This study employed a quantitative explanatory research design to investigate the causal relationships between Internal Transformation, Job Satisfaction, and Civil Servant Performance. The explanatory approach was selected because the study aimed to examine both direct and indirect relationships among latent variables through hypothesis testing. A cross-sectional survey design was adopted, whereby data were collected from respondents at a single point in time using a structured questionnaire. The proposed research model was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) because the method is appropriate for complex predictive models involving multiple latent constructs, mediation effects, and reflective measurement models. PLS-SEM is also robust for behavioral and management research where prediction and theory development are primary objectives.

3.2 Population

The study was conducted at the Secretariat General of the Ministry of Health of the Republic of Indonesia. The target population consisted of 864 Civil Servants (ASN) working across organizational units within the Secretariat General. This population was selected because the Secretariat General has implemented the Ministry's Internal Transformation program, making it an appropriate setting for examining the relationship between organizational transformation, job satisfaction, and employee performance.

3.3 Sample

The sample size was determined using the Slovin formula with a 5% margin of error, resulting in a minimum sample of 274 respondents. Respondents were selected using proportionate stratified random sampling to ensure that each organizational unit within the Secretariat General was represented proportionally according to its population size.

No.	Work Unit	Sample (n)	Population (N)	Sampling Percentage (%)
1	Legal Bureau	20	48	41.7
2	Bureau of Finance and State Property	25	66	37.9
3	Bureau of Public Communication and Information	25	53	47.2
4	Bureau of Organization and Human Resources	25	105	23.8
5	Bureau of Procurement of Goods and Services	26	104	24
6	Bureau of Planning and Budgeting	15	75	20
7	General Affairs Bureau	43	128	33.6
8	Center for Data and Information Technology	25	79	31.6
9	Health Crisis Center	15	50	30
10	Center for Health Financing	15	61	24.6
11	Center for Civil Service Competency Development	15	35	42.9
12	Center for Health Systems and Strategy	25	60	41.7
Total		274	864	31.6

The determination of the sample size of 274 respondents was conducted using the Slovin formula, as follows:

$$n = \frac{N}{1 + Ne^2}$$

Where:

- n = sample size
- N = population size
- e = margin of error (error tolerance)

Given that the population consisted of 864 civil servants (ASN) and the margin of error was set at 5% (e = 0.05), the calculation is as follows:

$$n = \frac{864}{1 + 864(0.05)^2}$$

$$n = \frac{864}{1 + 864(0.0025)}$$

$$n = \frac{864}{1 + 2.16}$$

$$n = \frac{864}{3.16}$$

$$n = 273.42 \approx 274$$

Therefore, the minimum required sample size was 274 respondents, which was considered sufficient to represent the population with a 5% margin of error. This sample size provides an adequate level of statistical precision for the subsequent analysis using Partial Least Squares Structural Equation Modeling (PLS-SEM). This sampling technique reduces sampling bias and improves the representativeness of the collected data across organizational divisions. The final number of valid responses met the minimum sample size requirement for PLS-SEM analysis.

4.4 Data Collection and Measurement

Primary data were collected using a structured self-administered questionnaire distributed to civil servants within the Secretariat General. All questionnaire items were measured using a five-point Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The questionnaire consisted of five latent constructs measured reflectively:

Construct	Code	Number of Indicators
Effective Execution	X1	6
New Ways of Working	X2	6
Service Excellence	X3	6
Job Satisfaction	M	6
Civil Servant Performance	Y	6

The measurement items were developed from relevant organizational behavior literature and adapted to the Internal Transformation framework implemented by the Ministry of Health. Prior to data collection, the questionnaire underwent content validation to ensure clarity, relevance, and consistency with the research objectives.

4.5 Data Analysis Using PLS-SEM

Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). This approach was selected because it is prediction-oriented, suitable for complex structural models, and capable of simultaneously estimating measurement and structural models. The analysis followed the two-stage procedure recommended by Hair et al. (2022):

1. Evaluation of the Measurement Model (Outer Model) to assess the quality of the measurement instruments.
2. Evaluation of the Structural Model (Inner Model) to examine the hypothesized relationships among latent variables.

Bootstrapping with 5,000 resamples was performed to estimate the statistical significance of path coefficients, indirect effects, and mediation relationships.

4.6 Measurement Model Assessment

The measurement model was evaluated through several complementary procedures. Convergent Validity

Convergent validity was assessed using:

- Indicator loading (> 0.70)
- Average Variance Extracted (AVE > 0.50)

Indicators with satisfactory loading values indicate that each item adequately represents its respective latent construct.

Discriminant Validity

Discriminant validity was examined using:

- Fornell–Larcker Criterion
- Heterotrait–Monotrait Ratio (HTMT)

A construct was considered discriminantly valid when the square root of its AVE exceeded the correlations with other constructs and HTMT values remained below the recommended threshold of 0.90.

Collinearity Assessment

To detect potential multicollinearity among predictor constructs, the Variance Inflation Factor (VIF) was evaluated. VIF values below 5.00 indicate that collinearity is not a concern and that the structural estimates are stable.

4.7 Reliability Assessment

Construct reliability was assessed using four complementary indices:

- Cronbach's Alpha
- Composite Reliability (CR)
- ρ_A
- Average Variance Extracted (AVE)

Following Hair et al. (2022), constructs were considered reliable when:

Criterion	Recommended Value
Cronbach's Alpha	≥ 0.70
Composite Reliability	≥ 0.70
ρ_A	≥ 0.70
AVE	≥ 0.50

Meeting these thresholds indicates that the measurement instruments consistently capture the intended latent constructs and possess adequate internal consistency.

4.8 Structural Model Assessment

After establishing the adequacy of the measurement model, the structural model was evaluated through:

- Path coefficients (β)
- Bootstrapped t -statistics
- p -values
- Coefficient of determination (R^2)
- Adjusted R^2
- Effect size (f^2)
- Predictive relevance (Q^2)
- Model fit indices (SRMR, NFI, RMS Theta)

A path coefficient was considered statistically significant when the bootstrapped t -value exceeded 1.96 and the corresponding p -value was less than 0.05.

4.9 Mediation Analysis

The mediating role of Job Satisfaction was examined using the bootstrapping procedure to estimate indirect effects. Three indirect relationships were evaluated:

- Effective Execution $\rightarrow$ Job Satisfaction $\rightarrow$ Civil Servant Performance
- New Ways of Working $\rightarrow$ Job Satisfaction $\rightarrow$ Civil Servant Performance
- Service Excellence $\rightarrow$ Job Satisfaction $\rightarrow$ Civil Servant Performance

The significance of the mediation effects was assessed using the bootstrapped indirect effects procedure. Subsequently, the magnitude of the mediation effect was evaluated using the Variance Accounted For (VAF) index to determine the type of mediation, namely full mediation, partial mediation, or no mediation. The interpretation of VAF values follows the commonly accepted criteria:

- VAF < 20%: No mediation.
- VAF = 20%–80%: Partial mediation.
- VAF > 80%: Full mediation.

This approach enables researchers to determine whether the influence of the independent variables on the dependent variable occurs directly or indirectly through the mediating variable. Consequently, it provides a more comprehensive understanding of the underlying mechanisms governing the relationships among the constructs in the proposed research model.

4. Results and Discussion

This section presents the empirical findings obtained from the Partial Least Squares Structural Equation Modeling (PLS-SEM) analysis. The results are presented sequentially, beginning with the respondent profile and descriptive statistics, followed by assessment of the measurement model and structural model. The measurement model was evaluated in terms of indicator reliability, convergent validity, internal consistency reliability, and discriminant validity. Subsequently, the structural model was assessed using collinearity diagnostics, coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2), and model fit. Finally, bootstrapping with 5,000 resamples was employed to examine the direct, indirect, and total effects and to test the proposed hypotheses.

4.1 Respondent Profile

A total of 274 valid questionnaires were obtained from civil servants working at the Secretariat General of the Ministry of Health of the Republic of Indonesia. The respondents represented different organizational units and demographic characteristics, including gender, age, educational attainment, length of service, and organizational position. The distribution of respondents across these characteristics provides an overview of the composition of the sample and demonstrates that the dataset encompasses civil servants with diverse demographic and professional backgrounds. The respondent characteristics are presented in Table 1.

Table 1. Respondent Characteristics

Gender	Frequency	Percentage (%)
Male	164	59.9
Female	110	40.1
Total	274	100

Educational Level	Frequency	Percentage (%)
Senior High School/Vocational	19	6.9
High School	15	5.5
Diploma	162	59.1
Bachelor's Degree	78	28.5
Master's Degree	2	0.7
Total	274	100

Age	Frequency	Percentage (%)
< 25 years	7	2.6
25–35 years	85	31
36–45 years	134	48.9
46–55 years	46	16.8
> 55 years	2	0.7
Total	274	100

Years of Service	Frequency	Percentage (%)
< 5 years	28	10.2
5–10 years	126	46
11–20 years	103	37.6
> 20 years	17	6.2
Total	274	100

The distribution of respondents provides an adequate empirical basis for examining the proposed relationships among Internal Transformation, Job Satisfaction, and Civil Servant Performance. The diversity of respondents across organizational and demographic characteristics also supports the relevance of the sample to the organizational context under investigation.

4.2 Descriptive Statistics

Descriptive statistics were calculated to examine the central tendency and variability of respondents' perceptions of the five latent constructs: Effective Execution, New Ways of Working, Service Excellence, Job Satisfaction, and Civil Servant Performance. The analysis includes the mean, standard deviation, minimum, and maximum observed values.

Table 2. Descriptive Statistics

Construct	Mean	SD
Effective Execution	4.756	0.513
New Ways of Working	4.764	0.512
Service Excellence	4.818	0.441
Job Satisfaction	4.763	0.505
Civil Servant Performance	4.816	0.425

The descriptive results indicate that all constructs recorded relatively high mean scores on the five-point Likert scale. Service Excellence obtained the highest mean score (($M = 4.818$)), followed closely by Civil Servant Performance (($M = 4.816$)). These findings indicate that respondents generally perceived service orientation and their own performance at a very favorable level. The mean scores for New Ways of Working (($M = 4.764$)), Job Satisfaction (($M = 4.763$)), and Effective Execution (($M = 4.756$)) were also relatively high. This indicates that respondents generally expressed strong agreement with statements reflecting adaptive working practices, satisfaction with their jobs, and effective organizational execution. The standard deviation values ranged from 0.425 to 0.513, indicating relatively limited dispersion in respondents' responses. Civil Servant Performance recorded the lowest standard deviation (($SD = 0.425$)), whereas Effective Execution showed the highest (($SD = 0.513$)). Overall, the relatively low dispersion suggests a considerable degree of consistency in respondents' perceptions of the constructs examined.

4.3 Measurement Model Assessment

The measurement model was evaluated before testing the structural relationships to establish the reliability and validity of the measurement instruments. The assessment included indicator reliability, convergent validity, internal consistency reliability, and discriminant validity. Convergent validity was examined using indicator loadings and Average Variance Extracted (AVE), while internal consistency reliability was assessed using Cronbach's alpha, ρ_A , and Composite Reliability (CR). Discriminant validity was evaluated using the Heterotrait–Monotrait ratio (HTMT) and the Fornell–Larcker criterion. The results demonstrate that the measurement model meets the recommended criteria for reliability and validity, allowing the analysis to proceed to structural model assessment.

4.3.1 Convergent Validity

Convergent validity was assessed using outer indicator loadings and Average Variance Extracted (AVE). Indicator loadings of 0.70 or higher and AVE values above 0.50 were considered evidence of satisfactory convergent validity.

Table 3. Indicator Loadings and Average Variance Extracted (AVE)

Construct	Loading Range	AVE
X1 (Effective Execution)	0.924–0.956	0.888
X2 (New Ways of Working)	0.884–0.932	0.83
X3 (Service Excellence)	0.928–0.968	0.89
M (Job Satisfaction)	0.879–0.969	0.871
Y (Civil Servant Performance)	0.909–0.951	0.874

As shown in Table 3, all indicator loadings ranged from 0.879 to 0.969, exceeding the recommended threshold of 0.70. These results indicate that the indicators have strong associations with their respective latent constructs. The AVE values ranged from 0.830 to 0.890, substantially exceeding the minimum criterion of 0.50. Therefore, each construct explains more than 50% of the variance in its respective indicators, confirming satisfactory convergent validity. Service Excellence (X3) demonstrated the highest AVE ((AVE = 0.890)), with indicator loadings ranging from 0.928 to 0.968. Although New Ways of Working (X2) recorded the lowest AVE ((AVE = 0.830)), the value remains substantially above the recommended threshold. Overall, the results confirm that all measurement indicators demonstrate adequate convergent validity.

5.3.2 Internal Consistency Reliability

Internal consistency reliability was evaluated using Cronbach's alpha, rho_A, and Composite Reliability (CR). Values above 0.70 were considered evidence of satisfactory reliability.

Table 4. Internal Consistency Reliability

Construct	Cronbach's Alpha	rho_A	CR (Composite Reliability)
X1 (Effective Execution)	0.974	0.975	0.979
X2 (New Ways of Working)	0.957	0.96	0.967
X3 (Service Excellence)	0.974	0.975	0.98
M (Job Satisfaction)	0.969	0.97	0.976
Y (Civil Servant Performance)	0.97	0.972	0.977

The results show that Cronbach's alpha values ranged from 0.957 to 0.974, rho_A values ranged from 0.960 to 0.975, and Composite Reliability values ranged from 0.967 to 0.980. All coefficients substantially exceed the recommended threshold of 0.70, demonstrating strong internal consistency across the constructs. Service Excellence (X3) recorded the highest Composite Reliability ((CR = 0.980)), indicating particularly strong internal consistency. Effective Execution (X1) also demonstrated excellent reliability, with Cronbach's alpha of 0.974, rho_A of 0.975, and CR of 0.979. New Ways of Working (X2) exhibited the lowest reliability coefficients, although its Cronbach's alpha ((0.957)), rho_A ((0.960)), and CR ((0.967)) remain substantially above the recommended threshold. Overall, the measurement items consistently represent their respective constructs, confirming that the reliability requirements of the measurement model have been satisfied.

4.3.3 Discriminant Validity

Discriminant validity was assessed to determine whether the constructs represent empirically distinct concepts. The analysis primarily employed the Heterotrait–Monotrait ratio (HTMT), complemented by the Fornell–Larcker criterion.

Heterotrait–Monotrait Ratio

The HTMT criterion was used as the primary assessment of discriminant validity because it is considered more sensitive than traditional correlation-based approaches in detecting potential discriminant validity problems.

Table 5. Heterotrait–Monotrait Ratio (HTMT) Matrix

Construct	X1	X2	X3	M	Y
X1	–	0.884	0.867	0.876	0.861
X2	0.884	–	0.823	0.898	0.894
X3	0.867	0.823	–	0.88	0.839
M	0.876	0.898	0.88	–	0.877
Y	0.861	0.894	0.839	0.877	–

The HTMT values ranged from 0.823 to 0.898, with all values remaining below the threshold of 0.90. Therefore, the results indicate satisfactory discriminant validity among the constructs. The highest HTMT value was observed between New Ways of Working (X2) and Job Satisfaction (M) ((HTMT = 0.898)), followed by the relationship between New Ways of Working (X2) and Civil Servant Performance (Y) ((HTMT = 0.894)). Although these values approach the 0.90 threshold, they remain below the recommended criterion. The lowest HTMT value was observed between New Ways of Working (X2) and Service Excellence (X3) ((HTMT = 0.823)), indicating comparatively greater empirical distinction between these constructs.

Fornell–Larcker Criterion

The Fornell–Larcker criterion was additionally examined to provide complementary evidence of discriminant validity.

Table 6. Fornell–Larcker Criterion

Endogenous Construct	R ²	Interpretation
Job Satisfaction (M)	0.945	Substantial
Civil Servant Performance (Y)	0.844	Substantial

The results indicate that the square root of the AVE for each construct exceeds its correlations with the other constructs. This provides additional evidence that each latent construct captures a concept that is empirically distinguishable from the other constructs in the model. Taken together, the HTMT and Fornell–Larcker results confirm that the measurement model demonstrates adequate discriminant validity.

4.4 Structural Model Assessment

After confirming the reliability and validity of the measurement model, the structural model was assessed to evaluate the explanatory and predictive capabilities of the proposed model. The assessment included the coefficient of determination ((R²)), effect size ((f²)), predictive relevance ((Q²)), and

model fit. Before interpreting the structural relationships, collinearity among the predictor constructs was also examined using the Variance Inflation Factor (VIF).

4.4.1 Collinearity Assessment

Collinearity diagnostics were performed using the Variance Inflation Factor (VIF). VIF values below 5.00 indicate that critical multicollinearity is unlikely to affect the structural estimates. The VIF results indicate that the predictor constructs do not exhibit problematic levels of collinearity. Therefore, the structural path estimates can be interpreted without substantial concern regarding multicollinearity.

4.4.2 Coefficient of Determination (R^2)

The coefficient of determination (R^2) was used to assess the proportion of variance in each endogenous construct explained by its predictors. Higher (R^2) values indicate greater explanatory power of the structural model.

Table 8. Coefficient of Determination (R^2)

Endogenous Construct	R^2	Interpretation
Job Satisfaction (M)	0.945	Substantial
Civil Servant Performance (Y)	0.844	Substantial

The results demonstrate substantial explanatory power for both endogenous constructs. Job Satisfaction produced an (R^2) value of 0.945, indicating that Effective Execution, New Ways of Working, and Service Excellence jointly explain 94.5% of the variance in Job Satisfaction. The remaining 5.5% is attributable to factors outside the proposed model. Similarly, Civil Servant Performance recorded an (R^2) value of 0.844, indicating that Effective Execution, New Ways of Working, Service Excellence, and Job Satisfaction collectively explain 84.4% of its variance. The remaining 15.6% is attributable to factors not included in the model. Overall, the results indicate that the proposed model has substantial explanatory power for both endogenous constructs.

5.4.3 Effect Size (f^2)

Effect size (f^2) was assessed to determine the substantive contribution of each predictor to the (R^2) value of the endogenous constructs. Values of approximately 0.02, 0.15, and 0.35 indicate small, medium, and large effects, respectively.

Table 9. Effect Size (f^2)

Relationship	f^2	Effect Size
Effective Execution (X1) → Job Satisfaction (M)	0.18	Medium
New Ways of Working (X2) → Job Satisfaction (M)	0.63	Large
Service Excellence (X3) → Job Satisfaction (M)	0	Negligible
Effective Execution (X1) → Civil Servant Performance (Y)	0.01	Negligible
New Ways of Working (X2) → Civil Servant Performance (Y)	0	Negligible
Service Excellence (X3) → Civil Servant Performance (Y)	0.61	Large
Job Satisfaction (M) → Civil Servant Performance (Y)	0.05	Small

The results demonstrate substantial differences in the relative contribution of the predictors across the endogenous constructs. For Job Satisfaction, New Ways of Working (X2) exhibits the largest effect ($f^2 = 0.63$), representing a large effect. Effective Execution (X1) demonstrates a medium effect ($f^2 = 0.18$), whereas Service Excellence (X3) has a negligible effect ($f^2 = 0.00$). For Civil Servant Performance, Service Excellence (X3) demonstrates a large effect ($f^2 = 0.61$), making it the most

substantively influential predictor of performance. Effective Execution (X1) and New Ways of Working (X2) show negligible effects ($f^2 = 0.01$ and $f^2 = 0.00$), respectively). Job Satisfaction (M) demonstrates a small effect ($f^2 = 0.05$). These findings suggest that the substantive importance of each transformation dimension differs according to the endogenous outcome. New Ways of Working is particularly important for explaining Job Satisfaction, whereas Service Excellence is substantially more important for explaining Civil Servant Performance.

4.4.4 Predictive Relevance (Q^2)

Predictive relevance (Q^2) was assessed to evaluate the model's predictive relevance for the endogenous constructs.

Table 10. Predictive Relevance (Q^2)

Endogenous Construct	Q^2	Interpretation
Job Satisfaction (M)	0.869	Large Predictive Relevance
Civil Servant Performance (Y)	0.822	Large Predictive Relevance

The results indicate that both endogenous constructs demonstrate strong predictive relevance. Job Satisfaction recorded a (Q^2) value of 0.869, while Civil Servant Performance recorded a (Q^2) value of 0.822. Both values are substantially greater than zero, indicating that the structural model possesses predictive relevance for the endogenous constructs. The high (Q^2) values complement the substantial (R^2) values and indicate that the model demonstrates strong explanatory and predictive performance within the analyzed sample.

4.4.5 Model Fit

The overall model fit was assessed using the Standardized Root Mean Square Residual (SRMR).

Table 11. Model Fit

Index	Value	Recommended	Interpretation
SRMR	0.067	≤ 0.08	Good Fit

The model produced an SRMR value of 0.067, which is below the commonly applied threshold of 0.08. This indicates a relatively small discrepancy between the observed and model-implied correlation matrices. The SRMR result provides supplementary evidence that the proposed model demonstrates an acceptable level of overall fit. Nevertheless, because PLS-SEM is primarily prediction-oriented, the model fit statistic is interpreted alongside the measurement and structural model results rather than as the sole criterion for model adequacy.

4.5 Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping procedure with 5,000 resamples. The significance of the structural relationships was assessed using standardized path coefficients (β), t -statistics, and p -values. A hypothesis was considered supported when the estimated relationship was consistent with the hypothesized direction and the p -value was below 0.05.

5.5.1 Direct Effects

Table 12. Direct Effects and Hypothesis Testing

Hypothesis	Structural Relationship	Path Coefficient (β)	t-value	p-value	Result
H1	Effective Execution (X1) $\rightarrow$ Job Satisfaction (M)	0.346	2.705	0.002	Supported
H2	Effective Execution (X1) $\rightarrow$ Civil Servant Performance (Y)	0.1	0.558	0.582	Not Supported
H3	New Ways of Working (X2) $\rightarrow$ Job Satisfaction (M)	0.644	4.182	0	Supported
H4	New Ways of Working (X2) $\rightarrow$ Civil Servant Performance (Y)	-0.107	0.41	0.758	Not Supported
H5	Service Excellence (X3) $\rightarrow$ Job Satisfaction (M)	-0.011	0.126	0.858	Not Supported
H6	Service Excellence (X3) $\rightarrow$ Civil Servant Performance (Y)	0.711	5.489	0	Supported
H7	Job Satisfaction (M) $\rightarrow$ Civil Servant Performance (Y)	0.252	1.276	0.162	Not Supported

The results indicate that three of the seven direct-effect hypotheses are supported, whereas four hypotheses are not supported. Effective Execution (X1) has a positive and statistically significant effect on Job Satisfaction (M) ($\beta = 0.346$, $t = 2.705$, $p = 0.002$). This result supports H1 and indicates that more effective organizational execution is associated with higher levels of employee job satisfaction. New Ways of Working (X2) also has a positive and statistically significant effect on Job Satisfaction ($\beta = 0.644$, $t = 4.182$, $p < 0.001$). Therefore, H2 is supported. Among the predictors of Job Satisfaction, New Ways of Working demonstrates the strongest path coefficient, indicating its comparatively important role in explaining employees' satisfaction. In contrast, Service Excellence (X3) does not significantly influence Job Satisfaction ($\beta = -0.011$, $t = 0.126$, $p = 0.858$). Thus, H3 is not supported. For Civil Servant Performance (Y), Service Excellence demonstrates a positive and statistically significant effect ($\beta = 0.711$, $t = 5.489$, $p < 0.001$). Therefore, H7 is supported. This represents the strongest direct relationship identified in the structural model.

However, Effective Execution does not significantly influence Civil Servant Performance ($\beta = 0.100$, $p = 0.582$), and New Ways of Working also has no significant direct effect ($\beta = -0.107$, $p = 0.758$). Accordingly, H5 and H6 are not supported. Job Satisfaction also does not have a statistically significant direct effect on Civil Servant Performance ($\beta = 0.252$, $p = 0.162$); therefore, H4 is not supported. Overall, the direct-effect results indicate that the transformation dimensions do not exert uniform effects across the endogenous constructs. Effective Execution and New Ways of Working significantly improve Job Satisfaction, whereas Service Excellence is the only transformation dimension that demonstrates a significant direct effect on Civil Servant Performance.

4.5.2 Indirect Effects and Mediation

The mediating role of Job Satisfaction was assessed using the bootstrapped indirect effects. Three indirect relationships were examined: Effective Execution $\rightarrow$ Job Satisfaction $\rightarrow$ Civil Servant Performance, New Ways of Working $\rightarrow$ Job Satisfaction $\rightarrow$ Civil Servant Performance, and Service Excellence $\rightarrow$ Job Satisfaction $\rightarrow$ Civil Servant Performance.

Table 13. Indirect Effects

Relationship	β	t-value	p-value	Result
Effective Execution (X1) $\rightarrow$ Job Satisfaction (M) $\rightarrow$ Civil Servant Performance (Y)	0.087	1.074	0.283	Not Supported
New Ways of Working (X2) $\rightarrow$ Job Satisfaction (M) $\rightarrow$ Civil Servant Performance (Y)	0.162	1.14	0.254	Not Supported
Service Excellence (X3) $\rightarrow$ Job Satisfaction (M) $\rightarrow$ Civil Servant Performance (Y)	-0.003	0.112	0.911	Not Supported

The results demonstrate that none of the three indirect effects is statistically significant. The indirect effect of Effective Execution on Civil Servant Performance through Job Satisfaction is positive but statistically insignificant ($\beta = 0.087$, $t = 1.074$, $p = 0.283$). Therefore, H8 is not supported. Similarly, the indirect effect of New Ways of Working on Civil Servant Performance through Job Satisfaction is positive but statistically insignificant ($\beta = 0.162$, $t = 1.140$, $p = 0.254$). Thus, H9 is not supported. Service Excellence produces a negligible and statistically insignificant indirect effect through Job Satisfaction ($\beta = -0.003$, $t = 0.112$, $p = 0.911$). Therefore, H10 is not supported. Taken together, the mediation analysis indicates that Job Satisfaction does not function as a statistically significant mediating mechanism between any of the three Internal Transformation dimensions and Civil Servant Performance. The findings suggest that the effects of Internal Transformation on performance cannot be adequately explained through changes in Job Satisfaction within the present empirical model.

4.5.3 Total Effects

Total effects were examined to determine the overall influence of the exogenous constructs on Civil Servant Performance by combining their direct and indirect effects.

Table 14. Total Effects

Relationship	Total Effect (β)	Result
Effective Execution (X1) $\rightarrow$ Civil Servant Performance (Y)	0.188	Not Significant
New Ways of Working (X2) $\rightarrow$ Civil Servant Performance (Y)	0.056	Not Significant
Service Excellence (X3) $\rightarrow$ Civil Servant Performance (Y)	0.708	Significant

Service Excellence (X3) demonstrates the strongest total effect on Civil Servant Performance ($\beta = 0.708$). This result is consistent with its strong direct effect and its negligible indirect effect through Job Satisfaction. Consequently, the overall effect of Service Excellence on performance is predominantly attributable to its direct relationship with Civil Servant Performance. Effective Execution (X1) demonstrates a total effect of ($\beta = 0.188$). Although Effective Execution significantly influences Job Satisfaction, the indirect pathway does not reach statistical significance. Thus, its overall contribution to Civil Servant Performance remains limited. New Ways of Working (X2) records the smallest total effect ($\beta = 0.056$). Despite being the strongest predictor of Job Satisfaction, its indirect effect on Civil Servant Performance is not statistically significant. This finding indicates that improvements in employees' working methods and job satisfaction do not necessarily translate into higher performance within the observed organizational context. Overall, the total-effect analysis reinforces the finding that Service Excellence is the dominant determinant of Civil Servant Performance in the proposed model.

4.5.4 Variance Accounted For (VAF)

Variance Accounted For (VAF) was examined as a supplementary indicator of the relative magnitude of indirect effects. VAF is calculated as the proportion of the total effect that is attributable to the indirect effect through the mediator.

Table 15. Variance Accounted For (VAF)

Relationship	Indirect Effect	Total Effect	VAF (%)	Mediation Type
Effective Execution (X1) → Job Satisfaction (M) → Civil Servant	0.087	0.188	46.3	No Mediation (Indirect Effect Not Significant)
New Ways of Working (X2) → Job Satisfaction (M) → Civil Servant Performance (Y)	0.162	0.056	289.3	No Mediation (Competitive Mediation; Indirect Effect Not Significant)
Service Excellence (X3) → Job Satisfaction (M) → Civil Servant	-0.003	0.708	-0.4	No Mediation

Although the VAF for the relationship between Effective Execution and Civil Servant Performance through Job Satisfaction is approximately 46.3%, the corresponding indirect effect is statistically insignificant. Therefore, this VAF value should not be interpreted as evidence of partial mediation. Similarly, the relationship between New Ways of Working and Civil Servant Performance produces a VAF value that is difficult to interpret because the direct and indirect effects have different signs. More importantly, the indirect effect is statistically insignificant. Consequently, there is insufficient statistical evidence to conclude that Job Satisfaction mediates this relationship. For Service Excellence, the indirect effect is also statistically insignificant, resulting in a negative and substantively uninformative VAF value. This finding further confirms the absence of a meaningful mediation mechanism. Overall, the VAF results should be interpreted in conjunction with the bootstrapped indirect effects rather than independently. Since none of the indirect effects is statistically significant, Job Satisfaction cannot be established as a mediator in any of the three hypothesized relationships.

4.6 Discussion

The findings provide important insights into how different dimensions of Internal Transformation influence Job Satisfaction and Civil Servant Performance within the Secretariat General of the Ministry of Health of the Republic of Indonesia. The results demonstrate that Internal Transformation is not a homogeneous organizational intervention; rather, its individual dimensions generate different outcomes depending on the nature of the organizational mechanism involved. In particular, Effective Execution and New Ways of Working significantly enhance Job Satisfaction, whereas Service Excellence has the strongest direct effect on Civil Servant Performance. At the same time, Job Satisfaction does not significantly affect Civil Servant Performance and does not mediate the relationships between the Internal Transformation dimensions and employee performance. Before interpreting the substantive findings, the measurement model demonstrates adequate psychometric quality. All indicator loadings exceed the recommended threshold, while the AVE values confirm convergent validity. The reliability results further indicate strong internal consistency, and the HTMT assessment provides evidence of discriminant validity among the constructs. These findings establish an adequate empirical foundation for interpreting the structural relationships.

The structural model also demonstrates substantial explanatory power, with (R^2) values of 0.945 for Job Satisfaction and 0.844 for Civil Servant Performance. The corresponding (Q^2) values indicate strong predictive relevance, while the SRMR value of 0.067 provides supplementary evidence of acceptable model fit. These results suggest that the proposed framework captures substantial variation in the endogenous constructs within the study context. Nevertheless, the interpretation of

these values should remain contextual because PLS-SEM emphasizes prediction and variance explanation rather than absolute model fit alone.

4.5.1 Effective Execution and Job Satisfaction

The findings support H1, demonstrating that Effective Execution has a positive and significant effect on Job Satisfaction ($\beta = 0.346$), ($t = 2.705$), ($p = 0.002$). This result indicates that civil servants tend to report higher levels of job satisfaction when organizational objectives are translated into clear plans, responsibilities, performance expectations, monitoring mechanisms, and accountable implementation processes. From the perspective of Organizational Change Theory, effective execution reduces uncertainty during organizational transformation. Employees are more likely to respond positively to organizational change when they understand what is expected of them, how their performance is evaluated, and how organizational objectives relate to their daily responsibilities. In this context, Effective Execution may create a sense of structure and predictability that facilitates employees' adaptation to organizational transformation. The finding is also consistent with Job Satisfaction Theory. Employees' perceptions of clarity, fairness, organizational support, and achievement are important components of their evaluation of the workplace. Effective execution mechanisms may increase employees' perceptions that organizational processes are systematic and that their contributions are recognized within the broader organizational objectives.

However, the significant relationship between Effective Execution and Job Satisfaction does not extend to Civil Servant Performance. Effective Execution has no significant direct effect on Civil Servant Performance ($\beta = 0.100$), ($p = 0.582$). This distinction is theoretically important. It suggests that having effective internal execution mechanisms may improve employees' perceptions of their working environment without necessarily producing immediate changes in measurable performance outcomes. One possible explanation is that civil servant performance is influenced by institutional mechanisms that extend beyond employees' perceptions of organizational effectiveness. Formal performance targets, regulatory requirements, professional standards, and accountability mechanisms may determine performance more directly than employees' subjective evaluations of execution processes. Thus, Effective Execution may constitute an important organizational foundation, but it may not independently generate higher performance unless it is translated into behaviors that directly affect service delivery.

4.5.2 New Ways of Working and Job Satisfaction

H2 is supported, as New Ways of Working has a positive and significant effect on Job Satisfaction ($\beta = 0.644$), ($t = 4.182$), ($p < 0.001$). The relatively large path coefficient indicates that adaptive working practices represent an important determinant of employees' satisfaction within the Ministry of Health. New Ways of Working incorporates collaboration, digital adaptation, organizational learning, flexibility, knowledge sharing, and innovative working practices. These characteristics can improve employees' work experiences by reducing unnecessary procedural barriers and facilitating communication across organizational units. In a public organization undergoing transformation, opportunities to work collaboratively and adapt to new technologies may also strengthen employees' perceptions of organizational support. The finding is consistent with the Job Characteristics Model, particularly the importance of autonomy, task significance, skill utilization, and feedback in generating positive psychological states. New Ways of Working can provide employees with opportunities to develop new competencies, participate in collaborative activities, and employ technology to accomplish tasks more efficiently. Such conditions can strengthen the perceived meaningfulness and attractiveness of work.

The finding also supports the AMO perspective because adaptive working systems can simultaneously increase employees' capabilities and opportunities to perform. However, the results reveal an important distinction between satisfaction and performance. New Ways of Working does not significantly influence Civil Servant Performance ($\beta = -0.107$), ($p = 0.758$). This finding suggests that organizational flexibility and modernization alone do not automatically translate into improved performance. Digital tools, collaboration mechanisms, and new working arrangements may improve employees' experiences without necessarily changing performance outcomes. In a highly regulated public institution, employees may continue to be evaluated according to formal performance indicators and institutional responsibilities regardless of how modern their working arrangements become. Thus, the contribution of New Ways of Working may be primarily psychological and organizational rather than directly performance-oriented within the observed context.

4.5.3 Service Excellence and Job Satisfaction

Contrary to H3, Service Excellence does not significantly influence Job Satisfaction ($\beta = -0.011$), ($t = 0.126$), ($p = 0.858$). This result indicates that employees' perceptions of service-oriented organizational practices are not necessarily associated with their satisfaction with their jobs. This finding is noteworthy because Service Excellence is conceptually related to empathy, responsiveness, professionalism, accountability, and citizen-centered service. From the perspective of Public Service Motivation Theory, these characteristics could reasonably be expected to generate positive psychological experiences because public employees may derive satisfaction from contributing to societal welfare. However, the empirical evidence does not support this expectation in the present organizational context. One possible explanation is that Service Excellence primarily represents an external service-performance orientation, whereas Job Satisfaction reflects employees' internal evaluation of their employment experience. Employees may recognize the importance of providing excellent public services without perceiving these practices as improving their own job satisfaction.

The distinction is particularly relevant in the Ministry of Health, where service quality is closely associated with institutional responsibilities and public accountability. Employees may regard service excellence as an organizational obligation rather than as a personal source of satisfaction. Consequently, the implementation of service-oriented practices can directly influence performance without necessarily changing employees' affective evaluations of their jobs. This finding challenges the assumption that all organizational transformation initiatives produce similar psychological effects. It demonstrates that transformation dimensions should be examined according to their functional orientation rather than being treated as interchangeable organizational change mechanisms.

4.5.4 Job Satisfaction and Civil Servant Performance

H4 is not supported because Job Satisfaction does not have a statistically significant effect on Civil Servant Performance ($\beta = 0.252$), ($p = 0.162$). Although the direction of the relationship is positive, the evidence is insufficient to conclude that higher job satisfaction leads to higher civil servant performance within the study context. This finding provides an important theoretical contribution because the relationship between job satisfaction and employee performance has traditionally been assumed to be positive. However, the present evidence suggests that satisfaction alone may not be sufficient to generate higher performance among civil servants. Several contextual mechanisms may explain this result. Civil servants operate within formal institutional systems characterized by standardized responsibilities, regulations, performance targets, hierarchical accountability, and public service obligations. Consequently, employees may maintain expected performance levels even when their subjective satisfaction varies. Performance may therefore be driven more strongly by professional responsibility, institutional accountability, formal performance evaluation, and public service norms

than by affective job attitudes. From the AMO perspective, motivation is only one component of performance. Even when employees experience positive attitudes toward their jobs, performance still depends on their ability and opportunity to perform effectively. Similarly, Social Exchange Theory suggests that positive organizational experiences may encourage reciprocity, but such reciprocity is not necessarily expressed through measurable performance outcomes in every institutional context. The result therefore suggests that the relationship between job satisfaction and performance may be contingent upon organizational context. In highly institutionalized public organizations, formal accountability mechanisms may weaken the direct behavioral consequences of employees' subjective satisfaction.

4.5.5 Effective Execution and Civil Servant Performance

The results do not support H5. Effective Execution has no statistically significant direct effect on Civil Servant Performance ($\beta = 0.100$, $p = 0.582$). This result indicates that improvements in planning, monitoring, accountability, and execution discipline do not necessarily produce immediate improvements in employee performance. One interpretation is that effective execution represents an enabling organizational condition rather than a direct behavioral determinant. Employees may benefit from clearer organizational processes and performance expectations, but the actual realization of these benefits depends on other factors, including technical competence, leadership, resources, service orientation, and the degree to which organizational procedures are translated into frontline or operational behavior. The finding also demonstrates the importance of distinguishing between organizational capability and employee performance outcomes. An organization may have effective internal processes without necessarily achieving equivalent improvements in individual employee performance. Therefore, organizational transformation should not be evaluated solely according to the quality of internal processes but also according to whether those processes generate observable changes in employee behavior and service outcomes.

4.5.6 New Ways of Working and Civil Servant Performance

H6 is not supported because New Ways of Working does not significantly affect Civil Servant Performance ($\beta = -0.107$, $p = 0.758$). Interestingly, the direction of the estimated coefficient is negative, although the relationship is statistically insignificant. This finding suggests that the adoption of collaborative, flexible, and technology-enabled working practices does not automatically improve civil servant performance. Organizational modernization can create new opportunities for collaboration and learning, but its effectiveness depends on employees' ability to translate these opportunities into productive behavior. In public sector settings, technological transformation may also coexist with established bureaucratic procedures. Employees may adopt new technologies or collaborative practices while continuing to operate within conventional administrative structures. Therefore, technological and procedural innovation may improve work experience without necessarily producing measurable changes in performance. The result emphasizes that modernization should not be equated automatically with performance improvement. New Ways of Working becomes performance-enhancing only when supported by appropriate competencies, leadership, accountability, and performance-oriented organizational systems.

4.5.7 Service Excellence and Civil Servant Performance

H7 is strongly supported. Service Excellence has a positive and statistically significant effect on Civil Servant Performance ($\beta = 0.711$, $t = 5.489$, $p < 0.001$). Moreover, Service Excellence demonstrates the largest direct path coefficient and the largest effect size among the predictors of Civil Servant Performance ($f^2 = 0.61$). This finding indicates that service-oriented organizational behavior

represents the most influential transformation dimension for explaining employee performance in the Ministry of Health. The result is theoretically consistent with Public Service Motivation Theory, which emphasizes the importance of serving societal interests as a source of motivation and behavioral commitment among public employees. Service Excellence translates organizational transformation into observable employee behavior. Responsiveness, professionalism, empathy, accountability, and citizen orientation are not merely organizational values; they are behaviors that can be directly manifested in the execution of public service responsibilities. Consequently, Service Excellence may have a more immediate relationship with employee performance than internal administrative improvements. The finding also reinforces the logic of public value creation. Unlike private-sector organizations, public institutions are ultimately evaluated not only by internal efficiency but also by their capacity to generate value for citizens. Therefore, organizational transformation becomes more meaningful when internal changes are translated into better service behavior and outcomes. The result is particularly important for the Ministry of Health because the effectiveness of health administration ultimately depends on the quality, responsiveness, and professionalism of public services. Thus, strengthening Service Excellence can represent a direct pathway through which internal transformation contributes to organizational performance.

4.5.8 The Mediating Role of Job Satisfaction

The mediation results provide a particularly important contribution to the study. None of the three hypothesized indirect effects is statistically significant. Job Satisfaction therefore does not mediate the relationships between Effective Execution, New Ways of Working, or Service Excellence and Civil Servant Performance. Although Effective Execution and New Ways of Working significantly improve Job Satisfaction, these effects do not translate into significant indirect effects on performance. This finding demonstrates that a significant relationship between an independent variable and a mediator does not automatically imply a significant mediation mechanism. The absence of mediation can be interpreted through the institutional characteristics of civil service organizations. Employees may experience greater satisfaction because organizational processes become clearer or working methods become more adaptive, but their performance may remain primarily governed by formal responsibilities, performance indicators, professional standards, and accountability mechanisms. The finding also challenges a simplified application of Social Exchange Theory. Organizational support may generate positive employee attitudes, but positive attitudes do not necessarily produce measurable performance improvements when institutional mechanisms exert stronger behavioral control.

Similarly, the results provide a boundary condition for theories that position Job Satisfaction as an important mechanism linking organizational practices to performance. In the present context, satisfaction appears to be an outcome of selected internal transformation practices rather than a mechanism through which transformation ultimately improves performance. Consequently, the study suggests that researchers should avoid assuming that employee satisfaction automatically represents the central psychological pathway between organizational transformation and performance, particularly in highly regulated public institutions.

4.5.9 Integrated Interpretation of the Findings

Taken together, the findings reveal a differentiated transformation mechanism. Effective Execution and New Ways of Working primarily influence the internal employee experience, whereas Service Excellence directly influences performance outcomes. This distinction provides a more nuanced understanding of Internal Transformation within public organizations. The results indicate that transformation initiatives can be divided conceptually into two broad functions. The first is internal capability transformation, represented by Effective Execution and New Ways of Working. These

dimensions improve organizational structure, working processes, adaptability, and employees' perceptions of their work environment. The second is service-oriented transformation, represented by Service Excellence, which directly shapes behaviors associated with public service delivery. This distinction explains why the strongest predictor of Job Satisfaction is New Ways of Working, whereas the strongest predictor of Civil Servant Performance is Service Excellence. The results therefore suggest that the effectiveness of organizational transformation should not be evaluated solely through internal employee attitudes. Transformation should ultimately be connected to the organization's core public value objectives. For the Ministry of Health, this means that improvements in internal processes and working systems remain necessary but should function as enabling mechanisms for stronger service-oriented performance. Internal Transformation is most likely to generate organizational value when administrative modernization is translated into observable improvements in public service behavior.

5. Conclusion

5.1 Conclusion

This study examined the influence of Internal Transformation, represented by Effective Execution, New Ways of Working, and Service Excellence, on Job Satisfaction and Civil Servant Performance, with Job Satisfaction examined as a mediating variable. Using data from 274 civil servants at the Secretariat General of the Ministry of Health of the Republic of Indonesia and analyzing the proposed model through PLS-SEM, the study provides evidence that the effects of organizational transformation are multidimensional and context-dependent. The findings demonstrate that Effective Execution and New Ways of Working significantly improve Job Satisfaction, indicating that clearer organizational execution, adaptive working practices, collaboration, digitalization, and organizational learning contribute positively to employees' perceptions of their work environment. However, neither Effective Execution nor New Ways of Working has a significant direct effect on Civil Servant Performance. In contrast, Service Excellence emerges as the most influential determinant of Civil Servant Performance. Its strong positive effect demonstrates that responsiveness, professionalism, accountability, empathy, and citizen-oriented behavior constitute important mechanisms through which organizational transformation is translated into observable employee performance. However, Service Excellence does not significantly influence Job Satisfaction.

The study also finds that Job Satisfaction does not significantly influence Civil Servant Performance and does not mediate the relationships between any of the three Internal Transformation dimensions and Civil Servant Performance. These findings indicate that improvements in employee satisfaction alone are insufficient to generate higher performance in the examined public-sector context. Instead, performance appears to be more closely associated with service-oriented behaviors and institutional performance mechanisms. Overall, the study concludes that Internal Transformation should not be regarded as a homogeneous organizational intervention. Different transformation dimensions generate different outcomes, with internal organizational improvements primarily influencing employees' work experiences and Service Excellence exerting the strongest direct influence on performance.

5.2 Theoretical Contribution

This study contributes to the literature on organizational change, public administration, and organizational behavior by demonstrating that the relationship between organizational transformation and employee performance is more complex than a simple linear process. First, the findings extend Organizational Change Theory by demonstrating that different dimensions of organizational transformation may produce distinct employee outcomes. Effective Execution and New Ways of Working primarily influence the psychological experience of employees, whereas Service Excellence

directly influences performance. This suggests that organizational transformation should be conceptualized as a multidimensional process rather than as a single organizational change construct. Second, the findings provide an important contextual qualification to Job Satisfaction Theory. Although Effective Execution and New Ways of Working significantly enhance Job Satisfaction, Job Satisfaction does not significantly predict Civil Servant Performance. Therefore, the assumption that satisfaction necessarily translates into improved performance may not hold in highly regulated public organizations. Third, the findings contribute to the AMO perspective by indicating that improvements in organizational opportunities and working conditions alone may not be sufficient to generate higher performance. Performance may require the simultaneous activation of employee competencies, motivation, accountability, and opportunities to translate organizational resources into measurable outcomes.

Fourth, the results strengthen the relevance of Public Service Motivation Theory by demonstrating that Service Excellence has the strongest direct relationship with Civil Servant Performance. This suggests that organizational mechanisms connecting employees' daily activities with public value creation may be particularly important in explaining performance among civil servants. Finally, the study introduces a useful conceptual distinction between internal organizational capability and service-oriented capability. Effective Execution and New Ways of Working can be interpreted as internal capability mechanisms, while Service Excellence represents a service-oriented capability. This distinction provides a potentially useful foundation for future theoretical models of public-sector transformation.

5.3 Managerial and Policy Implications

The findings provide several implications for managers and policymakers responsible for implementing organizational transformation within public institutions. First, the Ministry of Health should strengthen Service Excellence as a central component of Internal Transformation. Because Service Excellence demonstrates the strongest direct effect on Civil Servant Performance, organizational leaders should prioritize service-oriented competencies, including responsiveness, professionalism, accountability, empathy, integrity, and citizen orientation. Second, Effective Execution should remain an important organizational priority even though its direct effect on performance is not statistically significant. Its significant relationship with Job Satisfaction indicates that clear organizational objectives, systematic implementation, performance monitoring, and accountability mechanisms contribute to a more supportive employee work environment. Third, the Ministry should continue developing New Ways of Working through digitalization, collaboration, organizational learning, knowledge sharing, and adaptive work arrangements. However, these initiatives should be accompanied by explicit performance indicators to ensure that modernization of work practices translates into measurable organizational outcomes.

Fourth, the findings indicate that Job Satisfaction should not be used as the sole indicator of organizational transformation success. Employee well-being remains important, but it should be integrated with objective performance indicators, service quality measures, competency development, and accountability mechanisms. Finally, Internal Transformation should be integrated with Indonesia's broader bureaucratic reform and national health transformation agenda. Service Excellence should be incorporated into leadership development, competency management, performance evaluation, organizational policies, and continuous improvement systems. This approach can help ensure that organizational transformation generates not only improved internal working conditions but also tangible improvements in public service quality.

5.4 Limitations

Several limitations should be considered when interpreting the findings. First, the study employed a cross-sectional research design, meaning that the data were collected at a single point in time. Consequently, the findings demonstrate statistical associations among the variables but do not establish definitive temporal or causal relationships. Longitudinal research would be useful for examining whether changes in Internal Transformation produce sustained changes in Job Satisfaction and Civil Servant Performance over time. Second, the study focused exclusively on civil servants working at the Secretariat General of the Ministry of Health. Although this context provides an important empirical setting for examining Internal Transformation, the findings may not be directly generalizable to other ministries, local governments, state-owned institutions, or public organizations with different organizational structures and institutional characteristics. Third, the study relied on self-reported questionnaire data. Although the measurement model demonstrated satisfactory reliability and validity, self-reported responses may still be affected by common method bias, social desirability, or respondents' subjective perceptions. This consideration is particularly relevant when measuring organizational transformation, job satisfaction, and employee performance simultaneously through the same instrument.

Fourth, the proposed model focuses on three dimensions of Internal Transformation and Job Satisfaction as the principal mediator. Other potentially important explanatory variables, such as transformational leadership, organizational commitment, employee engagement, psychological empowerment, organizational culture, perceived organizational support, public service motivation, and digital competency, were not incorporated into the model. Finally, the relatively high explanatory power of the model should be interpreted cautiously. The high (R^2) and (Q^2) values indicate substantial explanatory and predictive capability within the sample, but they may also reflect conceptual similarities among some constructs or the characteristics of the research setting. Future research should therefore conduct additional robustness assessments using alternative samples, measurement approaches, and model specifications.

5.5 Future Research

Future research should extend the present study in several directions. First, longitudinal studies are recommended to examine the dynamic effects of Internal Transformation. Such research could investigate whether improvements in Effective Execution, New Ways of Working, and Service Excellence produce sustained changes in employee attitudes and performance over different stages of organizational transformation. Second, comparative studies involving different ministries, government agencies, and levels of government would provide greater insight into the contextual boundary conditions of the proposed relationships. Comparative research between central and local government institutions may be particularly valuable because organizational structures, leadership systems, and service environments may differ substantially. Third, future studies should consider incorporating additional mediating and moderating variables. Potential mediators include employee engagement, organizational commitment, psychological empowerment, and organizational identification. Potential moderators include transformational leadership, perceived organizational support, public service motivation, organizational culture, digital competence, and organizational tenure.

Fourth, future research should consider combining self-reported performance measures with objective indicators, supervisor assessments, or service-quality indicators. A multi-source research design could reduce the potential influence of common method bias and provide a more comprehensive assessment of civil servant performance. Fifth, future studies should further examine the distinction between internal organizational capabilities and service-oriented capabilities. The present findings suggest that these dimensions may operate through different mechanisms. Testing this distinction

across different public-sector contexts could contribute to the development of a more comprehensive theory of public-sector organizational transformation. Finally, future research could employ more advanced analytical approaches, including multi-group analysis, latent variable interaction models, longitudinal SEM, or complementary machine-learning approaches, to identify whether the effects of Internal Transformation vary according to demographic characteristics, organizational units, leadership conditions, or stages of transformation.

In conclusion, this study demonstrates that successful public-sector transformation cannot be evaluated solely by the extent to which organizations modernize their internal processes or improve employee satisfaction. The ultimate effectiveness of transformation depends on whether organizational changes are translated into behaviors and outcomes that create public value. In the context of the Indonesian Ministry of Health, Service Excellence represents the most prominent pathway linking Internal Transformation with Civil Servant Performance. Future transformation strategies should therefore integrate internal organizational capability, employee development, and service-oriented performance into a coherent transformation framework.

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