

The Effect of Core Values Internalization on Employee Performance Through Work Culture at a Mining Contracting Company

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Abstract

Employee performance is a crucial factor in achieving organizational goals, particularly in mining service contractor companies that operate under high demands for productivity, safety, and operational efficiency. The internalization of organizational core values is considered an important approach to fostering a positive work culture that supports employee performance improvement. However, empirical studies examining this relationship within the mining contractor industry remain limited. This study aims to analyze the effect of core value internalization on employee performance and to examine the mediating role of work culture in this relationship. A quantitative research approach was employed using a survey method. Data were collected through structured questionnaires distributed to 100 employees of a mining service contractor company selected through purposive sampling. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results indicate that the internalization of core values has a positive and significant effect on both work culture and employee performance. Furthermore, work culture has a positive and significant effect on employee performance and serves as a mediator in the relationship between core value internalization and employee performance. These findings suggest that strengthening the internalization of organizational core values contributes to the development of a positive work culture, which in turn enhances employee performance. This study provides empirical evidence regarding the importance of implementing organizational values to improve employee performance in mining contractor companies.

INTRODUCTION

Employee performance is an important factor in an organization's success in achieving its business goals (Akerele, 2023). In mining service contractor companies, employee performance is not only related to achieving production targets but also to work safety, operational quality, and business sustainability. The high complexity of work, the use of technology and heavy equipment, and high operational risks require companies to have competent human resources that are able to work in accordance with organizational standards and values. The mining industry is a sector that has the characteristics of high-risk jobs, large physical workloads, and strict occupational productivity and safety demands. This condition makes work behavior and the implementation of organizational values an important factor in maintaining the company's operational effectiveness (Wardhana & Tejamaya, 2024). In the industrial sector, mining contractors in Indonesia manage thousands of workers, thousands of units of heavy equipment, and various mining projects spread across various operational areas with high production targets. This condition shows that the company's success depends heavily on the quality of employee performance in carrying out their duties effectively, productively,

and safely. On the other hand, mining activities also face various operational risks such as work fatigue, heavy equipment accidents, exposure to hazardous materials, explosion risks, and other potential work accidents that can affect work productivity and safety.

In mining service contractor companies that are the object of research, the culture of occupational safety (safety culture) is an integral part of the organization's work culture. Before the work begins, every worker is required to identify hazards, understand potential risks, and ensure that all activities are carried out in accordance with applicable work procedures. If a job does not have a standard work procedure, workers are required to prepare a job safety analysis (JSA) as the basis for risk control. In addition, the company implements competency requirements through the ownership of a Company Driver's License Card (KIMPER) for workers who operate operational tools or vehicles. The company also implements the Golden Rules as a safety code of conduct that emphasizes that compliance with the K3 rules does not only depend on company policies, but also on the awareness and commitment of each worker in implementing a workplace safety culture. The implementation of this safety culture is expected to be able to create a safe, healthy, and productive work environment while reducing the risk of work accidents and increasing operational efficiency. This condition shows that the operational success of a company is not only determined by the technical competence of employees, but also by the success of internalizing organizational values manifested through compliance with consistent work procedures, discipline, responsibilities, and work culture. Therefore, it is important to examine how the internalization core values contribute to the formation of a work culture that is ultimately able to improve employee performance.

Therefore, companies need to ensure that every employee not only has adequate competencies, but also understands and implements the company's core values in daily work behavior. Internalizing core values is one of the strategies that can be used to form work behavior that is in line with organizational goals, strengthen work culture, and encourage continuous improvement of employee performance.

Various previous studies have shown that the internalization of organizational values has an important role in improving employee performance. (Azzahra et al., 2024) Found that the implementation of AKHLAK Core Values has a positive and significant effect on employee performance. The results of the study are in line with (Kalinggar et al., 2026), which states that the implementation of core values is able to improve employee performance through the formation of work behaviors that are in line with organizational goals. (Dewi Kusuma Tatiana et al., 2021) Also explains that core values It serves as a guideline of behavior that can increase work effectiveness and promote optimal performance achievement. These findings show that the internalization of organizational values is an important factor in shaping work behaviors that support the achievement of company goals.

In addition to the internalization of core values, work culture is also a factor that is widely studied in human resource management research. (Surya, 2022) Proving that organizational culture has a positive and significant effect on employee performance. The findings are reinforced by (Simbolon & Si, 2023), which shows that organizational culture is able to improve performance through increased loyalty and positive work behavior. (Ariyanti et al., 2024) It was also found that organizational culture has a positive effect on employee performance through the creation of a work environment that supports productivity. Meanwhile, (Ratnasari et al., 2024) Explains that a strong organizational culture is able to

improve job satisfaction and employee performance at the same time. The results of these studies show that work culture has a strategic role in creating a conducive work environment and supporting the achievement of optimal performance.

International research shows that organizational core values have an important role in shaping work behavior and improving employee performance. (Putri & Sary, 2023) Finding that core values have a positive effect on employee performance in state-owned companies. The findings are in line with (Aturu-Aghedo et al., 2024), which states that organizational values are able to increase employee productivity and work effectiveness. Meanwhile, (Dorothea, 2023) found that organizational culture has a positive relationship with employee performance and job satisfaction. (Prasetyo et al., 2023) Explain that organizational culture is a strategic factor that contributes to increasing organizational effectiveness through the formation of values, norms, and work behaviors that support the achievement of organizational goals. In addition, (Khairunnisa et al., 2023) Finding that organizational culture makes a positive contribution to improving employee performance. In addition, (Hasan, 2023) It was also found that organizational culture has a positive effect on employee performance and can play a role as a factor that bridges various human resource management practices with better performance outcomes.

Based on the results of the previous research, it can be seen that most of the research focuses on the direct influences core values on employee performance or the influence of organizational culture on employee performance. Several studies have also tested organizational culture with various mediating variables. However, there are still limitations in research that integrates internalization core values, work culture, and employee performance in one comprehensive research model. In addition, research that specifically examines work culture as a mediating variable in the relationship between internalization core values and employee performance in mining service contracting companies is still very limited. In fact, the characteristics of the mining contractor industry, which have a high level of risk, strict occupational safety standards, and complex cross-functional coordination needs, allow work culture to have an important role in bridging the implementation of organizational core values to improve employee performance.

The state-of-the-art of this research lies in the development of a model of the relationship between internalization of core values, work culture, and employee performance based on previous empirical findings on the influence of organizational values and organizational culture on performance. Novelty This study is a test of work culture as a mediating variable in the relationship between internalization core values and employee performance in mining services contractor companies. This study seeks to explain the mechanism of how to internalize core values organizations can form a positive work culture and ultimately improve employee performance. Thus, this research is expected to enrich the literature on human resource management, especially related to the implementation of organizational values in the mining contractor industry.

Therefore, the purpose of this study is to analyze the influence of internalization core values on work culture, analyzing the influence of internalization core values on employee performance, analyze the influence of work culture on employee performance, and examine the role of work culture as a mediating variable in the relationship between internalization core values and employee performance in mining services contractor companies.

METHOD

Research Design

This study used a quantitative approach with an explanatory research design to test the relationship between research variables (Sekaran & Bougie, 2020)(Sugiyono, 2022). A quantitative approach is also used to analyze the influence of internalization of *core values* on employee performance through work culture as a mediating variable. The research was conducted on employees of mining service contracting companies that have implemented core values *organizations* as a guideline for work behavior.

Population and Sample

The population in this study is all employees of mining service contractor companies that are the object of the research. The sampling technique used is *purposive sampling*, namely a sample determination technique based on certain criteria that is tailored to the purpose of the research.

The criteria for respondents in this study are employees who have worked for at least six months. The criteria are determined by considering that the employee has passed the work adaptation period, obtained socialization about core values company, as well as having sufficient experience to assess work culture and performance in the organizational environment. The number of samples used in this study was 100 respondents who met the assessment criteria.

Data Collection Techniques

The data used in this study is primary data obtained through the distribution of questionnaires to respondents. The questionnaire was structured and given directly or through online media according to the respondents' conditions. All statements in the questionnaire were measured using a Likert point scale, namely 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

Variable Operations

This research consists of three variables, namely internalization *core values* as independent variables, work culture as a mediating variable, and employee performance as dependent variables.

Internalization variables *core values* measured using six indicators that reflect the level of implementation of the core values organization in work behavior, namely the ability to apply core values in daily work, behaving according to core values when working, using the core value as a work guideline, running the core values without supervision, becoming an example for colleagues in the application of core values, as well as making the core values as a work habit.

Work culture variables were measured using six indicators that reflected work behavior in the organization, namely work time discipline, compliance with company regulations, cooperation with colleagues, communication at work, work morale, and support for the work environment for work implementation.

Employee performance variables are measured by six indicators which include the quality of work results, achievement of work targets, timeliness of work completion, responsibility for work, work effectiveness and efficiency, and conformity of work results with the standards set by the company.

Validity and Reliability Tests

Validity and reliability testing is carried out to ensure that the research instrument is able to measure the studied construct precisely and consistently. The convergent validity test is performed by looking at the *outer loading* and *Average Variance Extracted* (AVE). The indicator is declared valid if the *outer loading* is more than 0.70 and AVE value more than 0.50.

The reliability test was carried out using the *Cronbach's Alpha* and *Composite Reliability* (CR). A construct is declared reliable if it has a value *Cronbach's Alpha* and *Composite Reliability* greater than 0.70. This test aims to ensure that all indicators are able to measure research variables consistently.

Data Analysis Techniques

Data analysis was carried out using the *Partial Least Squares Structural Equation Modeling* (PLS-SEM) with the help of SmartPLS 4.0 software (Ghozali, 2021)(Hair et al., 2022). This method was chosen because it was able to analyze the relationship between variables simultaneously and test the influence of mediation in the research model.

The stages of analysis include the evaluation of the measurement model (*outer model*) and evaluation of the structural models (*inner model*). Evaluation of the *outer model* is carried out to test the validity and reliability of the construct through the value of the *outer loading*, AVE, *Cronbach's Alpha*, *Composite Reliability*. Next, evaluate *inner model* to assess the strength of the relationship between variables through the value of the determination coefficient (R^2) and path coefficients (*path coefficient*).

Hypothesis testing is carried out using a procedure *bootstrapping*. The hypothesis is stated to be accepted when the value *T-Statistics* greater than 1.96 and the value *p-value* less than 0.05 at a significance level of 5%.

Research Ethics

This research was carried out by paying attention to the ethical principles of research. Before filling out the questionnaire, respondents were given an explanation of the research objectives, the benefits of the research, and the guarantee of data confidentiality. The respondent's participation is voluntary and the respondent's identity is kept confidential. All data obtained is only used for academic purposes and is analyzed in aggregate without revealing the identity of individuals or companies. Thus, this research has fulfilled the aspects of research ethics, validity, and reliability to ensure the credibility of the research results.

RESULTS AND DISCUSSION

In this section, the results of data analysis using the Partial Least Squares Structural Equation Modeling (PLS SEM) method with the help of SmartPLS 4 software are presented. The analysis is carried out through two main stages, namely the evaluation of the measurement model (*outer model*) and the evaluation of the structural model (*inner model*), then continued with the discussion of research results based on theory and previous research.

Evaluation of Measurement Models (Outer Model)

The evaluation of the measurement model is carried out to ensure that the research instrument meets the requirements of validity and reliability so that it is suitable for use in the testing of structural models. The tests include convergent validity, construct reliability, and discriminant validity.

Table 1. Outer Loadings Test Results

Indicator	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X1 ← Internalizes Value I...	0.876	0.878	0.031	28.037	0.000
X2 ← Internalizes Value I...	0.788	0.786	0.060	13.180	0.000
X4 ← Internalizes Value I...	0.798	0.798	0.050	16.097	0.000
X5 ← Internalizes Value I...	0.769	0.766	0.066	11.674	0.000
X6 ← Internalizes Value I...	0.730	0.724	0.073	10.024	0.000
Y1 ← Employee Performance	0.775	0.773	0.066	11.729	0.000
Y3 ← Employee Performance	0.743	0.740	0.071	10.428	0.000
Y5 ← Employee Performance	0.873	0.873	0.032	27.230	0.000
Y6 ← Employee Performance	0.853	0.857	0.036	23.596	0.000
Z2 ← Work Culture	0.794	0.791	0.051	15.597	0.000
Z3 ← Work Culture	0.741	0.737	0.075	9.882	0.000
Z5 ← Work Culture	0.732	0.734	0.065	11.200	0.000
Z6 ← Work Culture	0.714	0.709	0.082	8.716	0.000

Source: Data processed SmartPLS 4, 2026

Table 2. AVE Test Results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Culture	0.556	0.557	0.052	10.644	0.000
Internalizes Value Inti	0.630	0.631	0.052	12.085	0.000
Employee Performance	0.660	0.663	0.056	11.893	0.000

Source: Data processed SmartPLS 4, 2026

Table 3. Composite Reliability (rho_c) Test Results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Culture	0.834	0.831	0.031	27.281	0.000
Internalizes Value Inti	0.894	0.893	0.022	40.565	0.000
Employee Performance	0.886	0.885	0.026	34.038	0.000

Source: Data processed SmartPLS 4, 2026

Table 4. Composite reliability (rho_a) test results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Culture	0.739	0.744	0.056	13.132	0.000
Internalizes Value Inti	0.863	0.865	0.030	29.203	0.000
Employee Performance	0.837	0.841	0.040	20.893	0.000

Source: Data processed SmartPLS 4, 2026

Table 5. Cronbach's alpha test results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Culture	0.735	0.729	0.058	12.675	0.000
Internalizes Value Inti	0.852	0.849	0.035	24.481	0.000
Employee Performance	0.827	0.825	0.045	18.367	0.000

Source: Data processed SmartPLS 4, 2026

Based on tables 1, 2, 3, 4, and 5, all research indicators have a value of **outer loading** ranges from **0,714 – 0,876**, thus meeting the criteria for convergent validity because all values are above the minimum limit of 0.70 (Hair et al., 2022). The results show that all indicators are able to present well-measured constructs.

Furthermore, the **Average Variance Extracted (AVE)** value of each construct is Internalization of *core values* of **0.630**, Work Culture of **0.556**, and Employee Performance of **0.660**. All AVE values exceed the minimum limit of 0.50 so that each construct is able to explain more than 50% of the variance of its constituent indicators.

In terms of reliability, **Cronbach's Alpha** value ranges from **0.735-0.852**, while **Composite Reliability** is in the range of **0.834-0.894**. This value shows that all constructs have a good level of internal consistency so that the research instrument is declared reliable.

Table 6. HTMT Test Results

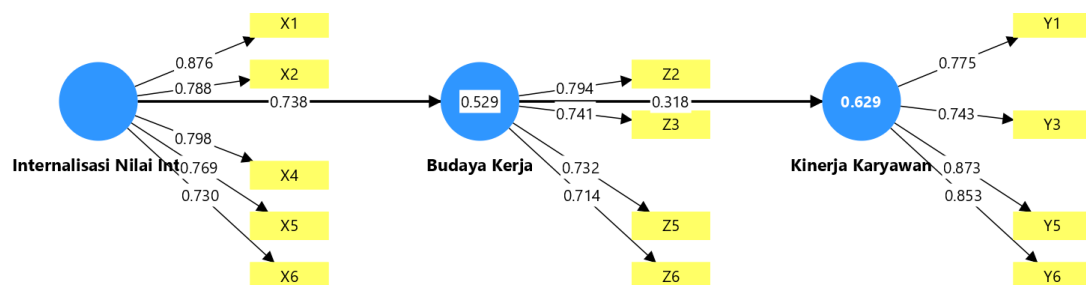
Variable Relationships	Original Sample (O)	Sample Mean (M)	2.5%	97.5%
Internalizes Value Inti ↔ Work Culture	0.920	0.925	0.739	1.098
Employee Performance ↔ Work Culture	0.899	0.905	0.733	1.068
Employee Performance ↔ Internalizes Nilai Inti	0.896	0.899	0.755	1.018

Source: Data processed SmartPLS 4, 2026

Discriminant validity is tested using the **Heterotrait-Monotrait Ratio (HTMT)**. Based on Table 4.6, all HTMT values are below the threshold value **1,00**, with the highest value of **0,920**. These results show that each construct is empirically distinguishable from the other constructs so that the research model meets the requirements of discriminant validity (Henseler et al., 2015).

Evaluation of Structural Models (Inner Model)

After the measurement model is declared valid and reliable, the next stage is the evaluation of the structural model to determine the model's ability to explain the relationship between the research variables. Evaluation was carried out through structural model analysis, determination coefficient (R^2), hypothesis testing, and mediation effect testing.

**Figure 1.** Path Diagram of PLS Algorithm Results

Source: Data processed SmartPLS 4, 2026

Figure 1 shows the structural model of the results of the PLS-SEM analysis which illustrates the relationship between Internalization of *Core Values*, Work Culture, and Employee Performance. All path coefficients indicate a positive relationship direction, indicating that an increase in the implementation of the organization's core values tends to be followed by an improvement in work culture and employee performance.

Table 7. R-Square Test Results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Culture	0.545	0.560	0.102	5.368	0.000
Employee Performance	0.629	0.649	0.085	7.386	0.000

Source: Data processed SmartPLS 4, 2026

Based on Table 7, the **R² Work Culture of 0.545**, which indicates that Internalization *core values* able to explain **54,5%** Variations in Work Culture. Meanwhile, the value of **R² Employee Performance of 0.629**, which means that the Internalization of Core Values and Work Culture together is able to explain **62,9%** Employee Performance variation. According to (Hair et al., 2022), both values belong to the category **moderate**, so that the model has good explanatory ability.

Tabel 8. Path Coefficients

Variable Relationships	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Culture → Employee Performance	0.318	0.318	0.114	2.790	0.005
Internalizes Nilai Inti → Work Culture	0.738	0.745	0.069	10.659	0.000
Internalizes Nilai Inti → Employee Performance	0.529	0.536	0.107	4.962	0.000

Source: Data processed SmartPLS 4, 2026

Hypothesis testing was carried out using a bootstrapping procedure with a significance level of 5%. Based on Table 4.8, all relationships between variables have a value **t-statistic > 1,96** and **p-value < 0,05**, so that all direct hypotheses (H1, H2, and H3) are declared supported. These findings show that the Internalization of Core Values has a positive effect on Work Culture and Employee Performance, and Work Culture has a positive effect on Employee Performance.

Table 9. Specific Indirect Effects

Variable Relationships	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Internalizes Nilai Inti → Employee Performance	0.235	0.235	0.086	2.747	0.006

Source: Data processed SmartPLS 4, 2026

Based on Table 9, the indirect influence of Internalization of Core Values on Employee Performance through Work Culture has a coefficient value of **0,235**, with **t-statistic 2,747** and **p-value 0,006**. These results suggest that work culture significantly mediates the relationship between the internalization of core values and employee performance. Because the direct influence of Core Value Internalization on Employee Performance is also significant, the type of mediation that occurs is **partial mediation (partial mediation)**.

The Influence of Core Value Internalization on Work Culture

The results of the study show that the Internalization of *Core Values* has a positive and significant effect on Work Culture. The path coefficient value of **0.738** with a **t-statistic of 10.659** and a **p-value of 0.000** shows that the higher the level of internalization of the organization's core values, the better the work culture formed in the company. Thus, the first hypothesis (H1) is accepted.

These findings show that the core values An organization that is understood, believed, and consistently implemented by employees is able to shape work behaviors that align with organizational goals. The internalization of core values is not only a guideline in carrying out work, but also forms norms, habits, and patterns of interaction between employees that ultimately develop into an organizational work culture. This is in line with the theory of organizational culture put forward by (Schein, 2004), which states that the values of the organization that are internalized in a sustainable manner will develop into the common basic assumptions that shape the culture of the organization.

The results of this study are also in line with the research (Chatman , J. A., & O'Reilly, 2016) Which explains that the correspondence between individual values and organizational values (*person-organization fit*) contribute to the formation of a strong organizational culture. Research (Hartnell et al., 2011) It also shows that organizations with strong cultures tend to have higher organizational effectiveness because organizational values are consistently applied in daily work behaviors.

In the context of mining service contractor companies, the results of this study show that the internalization of *core values* is an important foundation in building a work culture that supports operational discipline, compliance with safety standards (*safety first*), cross-functional cooperation, and responsibility for work completion. The mining work environment has a high level of risk, so the successful implementation of *core values* is not enough only through socialization, but also needs to be strengthened through leadership examples, continuous training, work behavior evaluation, and integration of *core values* into the performance management system. Thus, the internalization of *core values* not only forms a positive organizational culture, but also strengthens the consistency of work behavior in supporting company safety and productivity.

The Influence of Work Culture on Employee Performance

The results of the study show that Work Culture has a positive and significant effect on Employee Performance with a path coefficient value of **0,318**, **t-statistic 2,790**, and **p-value 0,005**, so that the second hypothesis (H2) is accepted. These results show that the better the work culture that is implemented in the organization, the higher the level of employee performance.

A positive work culture creates a work environment that supports effective communication, teamwork, discipline, and adherence to work procedures. This condition encourages employees

to work more purposefully so that the quality and quantity of work results can increase. (Luthans, 2021) & (Robbins, S. P., & Judge, 2022) Explaining that a strong organizational culture is able to increase organizational commitment, work coordination, and the effectiveness of task implementation so that it has a positive impact on individual and organizational performance.

The findings of this study are also in line with the research (Hartnell et al., 2011) Which found that organizational culture has a positive relationship with organizational effectiveness and employee performance. Similarly, research (Faturrahman & Yuniawan, 2023) It shows that a strong organizational culture is able to improve employee performance through the creation of a conducive work environment, increased work motivation, and job satisfaction so as to support the achievement of organizational goals.

In mining services contracting companies, work culture has a very strategic role because operational activities are carried out in a complex and high-risk environment. A work culture that emphasizes adherence to safety procedures, operational discipline, effective communication, and interventional cooperation can reduce the potential for misconduct while increasing productivity. Therefore, companies need to maintain the consistency of work culture through strengthening leadership, employee coaching, and regular work behavior evaluations so that organizational culture remains aligned with the company's goals.

The Effect of Core Value Internalization on Employee Performance

The results of the study show that the Internalization of Core Values has a positive and significant effect on Employee Performance with a path coefficient value of **0,529**, **t-statistic 4,962**, and **p-value 0,000**, so that the third hypothesis (H3) is accepted. These results show that the higher the level of internalization of the organization's core values, the higher the level of employee performance.

The organization's core values provide direction for employees in making decisions, completing work, and interacting with colleagues. When organizational values have become part of daily work behavior, employees will have a higher level of responsibility, commitment, motivation, and integrity that has an impact on improving the quality of performance. This is in line with the theory of organizational behavior put forward by (Luthans, 2021), which explains that the organizational values that employees live will form positive work behaviors that contribute to improved performance.

The results of this study also support the research (Azzahra et al., 2024) & who find that the implementation *core values* have a positive effect on improving employee performance because they are able to form work behavior that is more disciplined, responsible, and oriented towards achieving organizational goals.

In the context of mining services contractor companies, the results of this study show that the internalization of core values plays an important role in ensuring that every employee works according to operational standards, maintains the quality of work, and complies with occupational safety aspects. Implementation *core values* carried out consistently will help the company build human resources who are not only technically competent, but also have work behaviors that support long-term operational success.

The Role of Work Culture Mediation in the Relationship of Internalization of Core Values to Employee Performance

The results of the mediation test showed that the Work Culture was able to significantly mediate the influence of Internalization *Core Values* to Employee Performance with an indirect coefficient value of **0,235**, **t-statistic 2,747**, and **p-value 0,006**. Due to the direct influence of Internalization *Core Values* to Employee Performance remains significant, then based on (Zhao et al., 2010), Work Culture plays a role as **mediator partial (complementary partial mediation)**.

These findings suggest that the internalization of core values not only improves performance directly, but also through the formation of a positive work culture. Organizational values that are applied consistently will shape work habits, communication patterns, and cooperation between employees that support increasing the effectiveness of work implementation. In other words, work culture becomes an important mechanism that strengthens the influence of internalization of core values on employee performance achievement.

The results of this study are in line with (Nitzl et al., 2016), which explains that the mediation variable functions to explain the mechanism of how an independent variable affects the dependent variable. In addition, these results reinforce the view (Schein, 2004) that organizational values that are successfully internalized will develop into the organizational culture, which ultimately influences the behavior and performance of the organization's members.

In the context of mining services contractor companies, these findings imply that improving employee performance is not enough only through socialization *core values* Companies also need to ensure that these values are truly embodied in their daily work culture through exemplary leadership, a reward system that aligns with organizational values, ongoing training, and work behavior evaluation. Thus, work culture becomes a bridge that connects the internalization of core values with performance improvement, while strengthening the effectiveness of the implementation of organizational values in supporting the company's productivity and operational safety.

CONCLUSION

This study concludes that the internalization of core values has a positive and significant effect on work culture and employee performance in mining service contractor companies. In addition, work culture has also been proven to have a positive and significant effect on employee performance and acts as a complementary partial mediator in the relationship between internalization of core values and employee performance. The findings show that employee performance improvement is not only determined by the company's success in instilling the organization's core values, but also by the success of internalizing these values into the work culture that is manifested through daily work behavior. Thus, this study expands the study of human resource management by providing empirical evidence on the mechanism of how internalization of core values improves performance through the formation of work culture, especially in the context of mining service contractor companies that have high-risk operational characteristics and demand compliance with safety and work productivity standards. Practically, the results of this study indicate that companies need to strengthen core values internalization programs through leadership examples, continuous training, integration

of values into the performance management system, and work behavior evaluation so that a positive work culture can be formed consistently. Further research is suggested to expand the scope of the sample in various companies and industry sectors, use longitudinal designs to observe behavior changes in the long term, and develop a research model by including other variables such as leadership, employee engagement, organizational commitment, or job satisfaction so that the mechanism of improving employee performance can be explained more comprehensively.

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