

The Influence of Core Values AKHLAK on Job Performance through Work Engagement as an Intervening Variable on Employees Company X in Sidoarjo

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ABSTRACT

This research aims to determine and explain the influence of AKHLAK core values on job performance through work engagement on employees of company X in Sidoarjo. This study is classified as quantitative research with a population of all company X employees in Sidoarjo, and the sampling technique uses accidental sampling with a sample size of 90 employees of company X in the Sidoarjo area. The statistical analysis used in this study is Structural Equation Modeling Smart Partial Least Squares (SEM-PLS). The results of this study indicate that AKHLAK core values have a significant positive effect on work engagement, AKHLAK core values have a significant positive effect on job performance, work engagement does not have a significant effect on job performance, and work engagement cannot mediate the effect of AKHLAK core values on job performance in company X employees. The implications are based on the results applied to companies where superiors can organize AKHLAK-based coaching and mentoring programs as a form of personal approach that allows the internalization of AKHLAK at the individual level and ensures these values live in daily work practices.

INTRODUCTION

The business world is currently in the VUCA era. VUCA is an acronym for Volatility, Uncertainty, Complexity, and Ambiguity. The term VUCA is often found in geopolitical and business contexts, all of which aim to describe an environment full of turbulence (Baran & Woznyj, 2020). In this era, companies are not only required to survive but also to grow and adapt quickly amidst uncertainty. Therefore, this era presents significant challenges for companies in all sectors, one of which is State-Owned Enterprises (SOEs).

State-Owned Enterprises (SOEs) are a crucial element in a country's economic structure, as they play a strategic role in realizing various advancements in the nation's economic development. SOEs are not only financially driven but also have an organizational culture that influences the implementation of their values (Schein, 2010). According to the website jurnalfinansial.com (2024), the Ministry of SOEs hopes that SOEs can grow sustainably through improving the quality of their human resources. To determine the quality of their human resources, companies can review their employees' job performance.

According to Ahmed et al. (2024), job performance refers to the extent to which individuals effectively carry out the tasks and responsibilities associated with their roles within an organization. Several factors can influence job performance, one of which is the core values AKHLAK. According to Putri & Sary (2023), core values are values that reflect the company's nature, role, and function, which serve as the heart of the organization. The core values of BUMN have been outlined in the Regulation of the Minister of BUMN of the Republic of Indonesia SE-7/MBU/07/2020. These core values are known as AKHLAK, an acronym for Amanah (Trusted), Kompeten (Competent), Harmonis (Harmonis), Loyal, Adaptif (Adaptive), and Kolaboratif (Collaborative). The influence of AKHLAK core values on job performance is proven by research conducted by Putri & Sary (2023), Chairul Anam (2021), and Ratnasari et al. (2024), which states that AKHLAK core values have a significant positive effect on job performance. However, this is different from the research conducted by Soi et al. (2023) and Srimulyani et al. (2023) which showed that the core values of AKHLAK did not have a significant effect on job performance.

In addition to influencing job performance, AKHLAK core values are one of the factors that influence work engagement. According to Ahmed et al. (2024), work engagement is employee involvement in the organization by demonstrating high vigor, dedication, and absorption in fulfilling their work-related roles, which ultimately can minimize work errors. The influence of AKHLAK core values on work engagement is proven through research conducted by Marsal (2023), and Pradana & Indiyati (2025) which shows that AKHLAK core values have a significant positive effect on work engagement. However, this is different from research conducted by Yonastrie & Anggraini (2024) which explains that only the indicators of loyalty with vigor, adaptive with vigor, trustworthiness with vigor, and loyalty with dedication have a significant positive effect, while the remaining indicators do not have a significant effect. Research related to the influence of AKHLAK core values on work engagement,

especially in the context of state-owned enterprise organizations in Indonesia, is still limited, so a more in-depth study is needed.

In addition to the AKHLAK core values, another variable that influences job performance is work engagement. The influence of work engagement on job performance is proven by research by Al Badi et al. (2023) and Ahmed et al. (2024), which states that work engagement has a significant positive effect on job performance. However, this differs from research conducted by Kim & Koo (2017), which states that work engagement has no effect on job performance.

In addition to influencing job performance, work engagement can also mediate the influence of AKHLAK core values on job performance. This is supported by research conducted by Hamzah & Sitorus (2021), which explains that work engagement can mediate the influence of AKHLAK core values on job performance. Although work engagement can increase the influence of AKHLAK core values on job performance, empirical research examining this relationship is still limited.

The object of this research is company X in Sidoarjo. Company X is a company resulting from a merger of three companies. In the merger process, company X faced a big challenge, namely uniting three companies that have different cultures, but company X benefited because at that time the Ministry of State-Owned Enterprises had introduced the AKHLAK core values, where these values were adopted into the culture of company X. Thus, all employees of company X can internalize the AKHLAK values, so that the merger process of company X can run smoothly even though each legacy brings different work cultures. Furthermore, the Director of Risk Management of company X explained that the AKHLAK core values are not only a safety fence but also a foundation for the integrity and sustainability of company X. He believes that synergizing diversity into a solid unit through the absorption of AKHLAK core values is a strategic step to ensure that the three companies are involved in achieving the same vision.

With the implementation of sound AKHLAK core values, Company X was able to realize its corporate vision in terms of market capitalization in 2024. This achievement was faster than Company X's target. This reflects that the organization's performance after the merger is better than before. Company X's current performance is certainly inseparable from the role and quality of its human capital as a driver of organizational activities.

Based on the results of an interview with one of the branch managers of company X, it was explained that employee performance is evaluated once a year, where each division has different performance indicators and targets, but there is one performance assessment indicator that is the same across all divisions, namely the implementation of the AKHLAK core values. Furthermore, the branch manager also explained that company X has a Pocket Book of Behavioral Guidelines for Company X Employees. The book is a behavioral guideline that must be implemented by company X employees in carrying out their daily duties. The book is compiled based on the values contained in the AKHLAK BUMN core values.

In addition to the core values of AKHLAK, work engagement is also a supporting factor in achieving employee performance predicates. Employees of company X have high engagement towards their work and the company where they work, because current employees of company X are old employees who previously worked at three previous companies, so they are more emotionally involved in the pioneering stage of merging company X. According to Triono & Aditya (2024) employees who are emotionally involved tend to be more motivated, productive, and make a big contribution to the company.

Based on the differences in research results (research gap) and the phenomena that have been explained in the previous section, the researcher is interested in conducting research on "The Influence of Core Values AKHLAK on Job Performance through Work Engagement as an Intervening Variable on Employees of Company X in Sidoarjo". It is hoped that this research can contribute to improving the performance of employees of company X.

Practically, the urgency of this research is further strengthened by a unique phenomenon at Company X in Sidoarjo. As a merged entity of three companies, Company X faces a major challenge in unifying diverse work cultural backgrounds. Although the company benefits from the standardization of AKHLAK values that smooth the transition process, there is an anomaly in the level of employee engagement. Company X employees have a high emotional attachment due to historical factors as a pioneer of the merger, but on the other hand, performance evaluations show that AKHLAK core values are a mandatory indicator that stands alone across all divisions. Thus, this study aims to fill this gap by examining "*The influence of core values AKHLAK on job performance through work engagement as an intervening variable on employees company X in Sidoarjo*". It is hoped that this research can contribute to improving the performance of Company X employees.

THEORETICAL REVIEW

Core Values AKHLAK

According to Soni et al. (2022), organizational culture is a collection of core values that have been formed and emerged organically from the way the organization operates and conducts business and the interactions of its members. According to Riemenschneider et al. (2023), organizational values are the hopes, beliefs, and practices that an organization wants to project in its daily activities. Every organization certainly has different values. For example, based on regulation SE-7/MBU/07/2020, BUMN has organizational values commonly referred to as AKHLAK core values. The Ministry of BUMN instructs all BUMN companies to integrate AKHLAK core values into the company management system and as a guideline for employee behavior. According to Srimulyani et al. (2023), based on regulation SE-7/MBU/07/2020, there are 6 indicators to measure AKHLAK core values: Trustworthy, Competent, Harmonious, Loyal, Adaptive, and Collaborative.

Work Engagement

According to Bakker & Leiter (2010), work engagement is a positive and satisfying state of affective-motivational work-related well-being that can be seen

as the opposite of job burnout. Furthermore, Ahmed et al. (2024) also explain that work engagement plays a crucial role in improving employee performance, as engaged employees are more likely to experience and express positive emotions, fostering a greater sense of absorption and attention in their work. There are three indicators to measure work engagement: vigor, dedication, and absorption (Schaufeli & Bakker, 2003).

Job Performance

According to Colquitt et al., (2017), job performance is formally defined as the value of a series of employee behaviors that contribute, either positively or negatively, to the achievement of organizational goals. Job performance includes the quality and quantity of work produced, the ability to meet goals and objectives, the level of competence in performing work-related tasks, and the overall contribution to the success and productivity of the organization (Robbins et al., 2018). According to Srimulyani et al. (2023), job performance can be measured using four indicators: discipline (work performance), creativity (creativity), competence (competency), and responsibility (responsibility).

Influence between Variables

The influence of AKHLAK core values on work engagement is proven by research conducted by Marsal (2023) who explains that individuals who apply AKHLAK core values well will have an impact on increasing productivity as evidenced by achieving targets set by the company. High productivity is one of the characteristics of employees who have high work engagement. The results of this study are also supported by research conducted by Pradana & Indiyati (2025) which states that AKHLAK core values have a significant positive effect on work engagement, employees who uphold AKHLAK values are marked by increased flexibility and the creation of a positive work environment, then the employees are more comfortable and have enthusiasm and feel connected to their work.

H1: Core values of morality has a significant positive effect on work engagement.

The influence of AKHLAK core values on job performance is evidenced by research conducted by Putri & Sary (2023), who explained that AKHLAK core values implemented in the workplace encourage employee behavior to work professionally, responsibly, and focus on results. The results of this study are also supported by Chairul Anam (2021), who stated that strong organizational values can increase motivation and a sense of belonging among employees, which in turn directly contributes to improved employee performance. Furthermore, organizations that promote a culture oriented towards organizational values encourage employees to behave in accordance with organizational expectations, thereby increasing productivity and work effectiveness (Lee et al., 2019).

H2: Core values of morality has a significant positive effect on job performance.

The influence of work engagement on job performance is proven by research conducted by Ahmed et al. (2024), which explains that increased employee performance can be caused by increased employee work engagement.

The results of this study are also supported by Al Badi et al. (2023), who stated that work engagement has a significant positive effect on employee performance. If employees have high enthusiasm and passion when working, they can complete their work well and optimally. This means that employees who have high engagement in their work are more focused on improving their performance results.

H3: Work engagement has a significant positive effect on job performance.

The influence of AKHLAK core values on job performance, mediated by work engagement, is evidenced by research conducted by Hamzah & Sitorus (2021), which explains that work engagement can increase the influence of AKHLAK core values on job performance. When employees perceive alignment between organizational values and their personal values, they tend to experience increased emotional and psychological attachment to their work. This attachment, in turn, motivates employees to deliver their best performance.

H4: Core values of morality influences job performance mediated by work engagement.

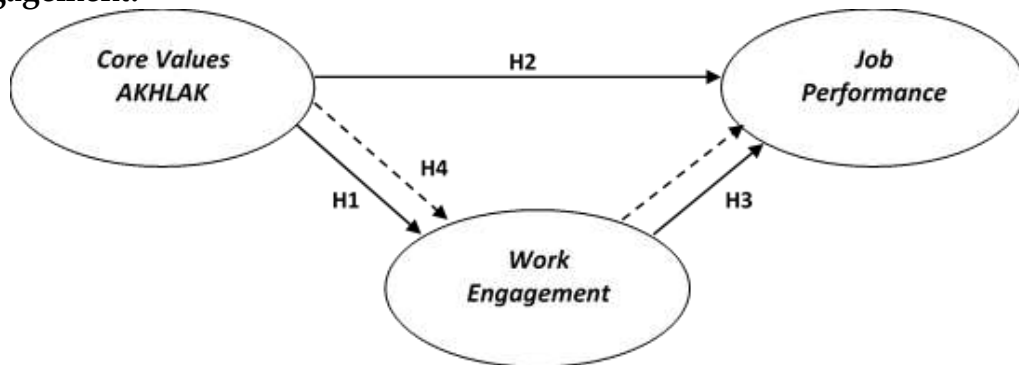
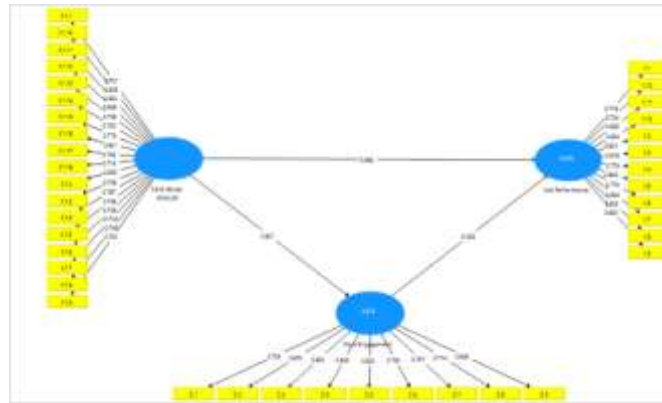


Figure 1. Conceptual Framework

METHODOLOGY

This research is a quantitative study using an online questionnaire via Google Forms as a data collection method. This research was conducted at Company X in Sidoarjo. The sampling technique in this study was accidental sampling, totaling 90 respondents and using a Likert scale of 1-5. According to Sugiyono (2013) accidental sampling is a technique of taking respondents as samples based on chance, that is, anyone who happens to meet the researcher can be used as a sample if the person who happened to be met is suitable as a source of information. In this study, the collected data was processed using Structural Equation Modeling (SEM) using the Smartpls 3.2.9 application. The data analysis stage begins with determining the outer model which includes convergent validity, discriminant validity, composite reliability, Cronbach alpha, and rho_A. The next stage is to determine the inner model which includes R-Square analysis, Q-Square, and direct effect and indirect effect causality tests.

RESULTS



Source: Smartpls 3.2.9 output, processed data (2025)

Figure 2. Path Coefficient

Figure 2 shows the path coefficient results of the research model analyzed using Smart Partial Least Squares (SmartPLS) software. Before producing the final structural model, the questionnaire data in this study was tested through three stages: outer model testing, inner model testing, and causality testing. This model examines the influence of AKHLAK Core Values on Job Performance through work engagement as a mediating variable.

Respondent Characteristics

The subjects in this study amounted to 90 respondents, consisting of 41 male employees (45.6%) and 49 female employees (54.4%). 35.6% or 32 employees were single, then 51.1% or 46 employees were married, and 13.3% or 12 employees had been married. 25 employees (27.8%) were aged 20-30 years, 62 employees (68.9%) were aged 31-40 years, 2 employees (2.2%) were aged 41-50 years, and 1 employee (1.1%) were aged > 50 years. Then, 13 employees (14.4%) had a high school/vocational high school education, 21 employees (23.3%) had a D3 education, 52 employees (57.8%) had a S1 education, and 4 employees (4.4%) had a S2 education. Then, employees working in the work period range of 1-5 years as many as 17 employees (18.9%), work period range of 6-10 years as many as 46 employees (51.1%), work period range of 11-15 years as many as 26 employees (28.9%), and work period range of 16-20 years as many as 1 employee (1.1%). Then, employees with staff positions as many as 71 employees (78.9%), manager positions as many as 16 employees (17.8%), other positions as many as 3 employees (3.3%).

Outer Model Results

Table 1. Outer Model Results

Latent Variable	Convergent Validity		Discriminant Validity		Internal Consistency Reliability		
	Outer Loading	AVE	HTML		Composite Reliability	Cronbach's Alpha	rho_A
	≥0.50	≥0.50	Correlation value of variables <0.90		≥0.70	≥0.70	≥0.70
CVA (X1)	≥0.50	0.510	CVA - JP	0.858	0.949	0.943	0.944

			CVA - WE	0.875			
WE (Z)	≥0.50	0.587	WE - JP	0.688	0.940	0.927	0.934
			WE - CVA	0.875			
JP (Y)	≥0.50	0.635	JP - WE	0.688	0.944	0.935	0.941
			JP - CVA	0.858			

Source: Smartpls 3.2.9 output, processed data (2025)

Convergent validity measured based on the magnitude of the indicators in the outer loading and the Average Variance Extracted (AVE) value. According to Ghozali (2021:28) explains that the magnitude of the indicators in the outer loading can be said to be valid if the result is ≥ 0.50 . Then according to Ghozali (2021:31) explains that AVE can be said to be valid if the value is ≥ 0.50 . In table 1, it can be seen that all indicators in the core values of AKHLAK (X1), work engagement (Z), and job performance (Y) have outer loading values ≥ 0.50 , so it can be said that all indicators in the latent variable are valid. Furthermore, table 1 explains that the core values of AKHLAK (X1) has an AVE value of $0.510 > 0.50$, work engagement (Z) has an AVE value of $0.587 > 0.50$, and job performance (Y) has an AVE value of $0.635 > 0.50$, so it can be said that all latent variables in this study are valid.

Discriminant validity measured using the Heterotrait-Monotrait (HTMT) Ratio (Ghozali, 2021:45). Furthermore, Ghozali (2021:45) explains that the model can be said to have good discriminant validity if the value is < 0.90 . Table 1 shows that the HTMT value of job performance with AKHLAK core values (0.858) and job performance with work engagement (0.688) is smaller than the HTMT criterion value of 0.90, so it can be concluded that the discriminant validity of the job performance variable is met. Then the HTMT value of work engagement with job performance (0.688) and work engagement with AKHLAK core values (0.875) is smaller than the HTMT criterion value of 0.90, so it can be said that the discriminant validity of the work engagement variable is met. Furthermore, the HTMT value of AKHLAK core values with job performance (0.858) and AKHLAK core values with work engagement (0.875) is smaller than the HTMT criteria value, namely 0.90, so it can be concluded that the discriminant validity of the AKHLAK core values variable is fulfilled.

Internal consistency reliability measured based on the composite reliability, Cronbach's alpha, and rho_A values. According to Ghozali (2021:45), the composite reliability, Cronbach's alpha, and rho_A values must be greater than 0.70. Table 1 shows that the composite reliability, Cronbach's alpha, and rho_A values for the core values variables AKHLAK, work engagement, and job performance are greater than 0.70. These results indicate that all variables have good reliability.

Inner Model Results

Table 2. Results Inner Model

Variables	R-Square Adjusted	SSO	SSE	Q2 = (1-SSE/SSO)
Job Performance(Y)	0.662	1080,000	673,723	0.376

<i>Work Engagement(Z)</i>	0.670	810,000	473,020	0.416
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Source: Smartpls 3.2.9 output, processed data (2025)

The adjusted R-square has assessment criteria if the results are 0.67, 0.33, 0.19, then the structural model can be said to be good, moderate, and weak. Table 2 shows that the job performance variable has an adjusted R-square value of 0.662. These results indicate that all exogenous constructs (X1 and Z) simultaneously influence Y by 66.2% and the remaining 33.8% is influenced by other factors not included in this study. Therefore, the Adjusted R-Square value is below 67% or 0.67 and above 33% or 0.33, the influence of all exogenous constructs X1 and Z on Y is moderate.

Furthermore, the work engagement variable has an adjusted R-square value of 0.670. These results indicate that the exogenous construct (X1) simultaneously influences Z by 67.0%, and the remaining 33.0% is influenced by other factors not included in this study. Because the Adjusted R-Square value is equal to 67% or 0.67, the influence of all exogenous constructs X1 on Z is moderate.

The Q-Square (Q2) test procedure in this study uses blindfolding with a cross-validated redundancy approach. If the Q2 result is > 0 , it can be said that the model has a predictive relevance value. If the Q2 result is < 0 , it can be concluded that the model has less predictive relevance (Ghozali, 2021:30). Table 2 explains that the Q2 value for the job performance variable is $0.376 > 0$, it can be said that the core values AKHLAK (X1) and work engagement (Z) variables have predictive relevance. Furthermore, the Q2 value for the job performance variable is $0.376 \geq 0.35$, it can be said that the predictive relevance is large or strong.

Referring to Table 2, it can be seen that the Q2 value of the work engagement variable is $0.416 > 0$, so it can be said that the core values AKHLAK variable (X1) has predictive relevance. Furthermore, the Q2 value of the work engagement variable is $0.405 \geq 0.35$, so it can be said that its predictive relevance is classified as large or strong.

Causality Test Results

The first hypothesis test of the influence of AKHLAK core values on work engagement has a t-statistic value of $235.098 > 1.96$ and an original sample value of 0.821 (positive). These results indicate that the AKHLAK core values variable has a significant positive effect on work engagement. Therefore, in this study, H1 is accepted. The second hypothesis test of the influence of AKHLAK core values on job performance has a t-statistic value of $10.205 > 1.96$ and an original sample value of 0.862 (positive). These results indicate that the AKHLAK core values variable has a significant positive effect on job performance. Therefore, in this study, H2 is accepted. The third hypothesis test of the influence of work engagement on job performance has a t-statistic value of $0.552 < 1.96$ and an original sample value of -0.053 (negative). These results indicate that the work engagement variable has no effect on job performance. Therefore, in this study, H3 is rejected. The fourth hypothesis test, the influence of AKHLAK core values

on job performance mediated by work engagement, has a t-statistic value of 0.543 < 1.96 and an original sample value of -0.044 (negative). These results indicate that the work engagement variable cannot mediate the influence of AKHLAK core values on job performance. Therefore, in this study, H4 is rejected.

Table 3. Causality Test direct Effects and Indirect Effects

Hypothesis	Relationship between Variables	Original Sample	T-Statistics	T-Table	Conclusion
H1	Core Values of Morality → Work Engagement	0.821	25,098	≥ 1.96 (Significant Positive)	Hypothesis Accepted
H2	Core Values of Morality → Job Performance	0.862	10,205	≥ 1.96 (Significant Positive)	Hypothesis Accepted
H3	Work Engagement → Job Performance	-0.053	0.552	< 1.96 (Not Significant)	Hypothesis Rejected
H4	Core Values of Morality → Work Engagement → Job Performance	-0.044	0.543	< 1.96 (Not Significant)	Hypothesis Rejected

Source: Smartpls 3.2.9 output, processed data (2025)

DISCUSSION

The Influence of Core Values AKHLAK on Work Engagement

Based on the results of the causality test, it can be seen that the AKHLAK core values have a significant positive effect on work engagement. These results indicate that the better the implementation of AKHLAK core values by employees of company X, the higher the employee's work engagement. The results of this study strengthen previous research conducted by Marsal (2023) and Pradana & Indiyati (2025) which stated that AKHLAK core values have a significant positive effect on work engagement.

These results are supported, because the majority of respondents are in the productive age range (31-40 years) and have a fairly mature work period (6-10 years). At this stage, employees tend to have understood and adapted to the company's culture and values, including AKHLAK, so that they are able to internalize them to drive enthusiasm and dedication in work. Furthermore, based on the results of descriptive statistical analysis, it shows that the 'Harmonious' and 'Collaborative' indicators have high mean scores which reflect that respondents agree with the statements in these indicators. High mean scores on the 'Harmonious' and 'Collaborative' indicators can reflect a positive work environment, which further triggers employee 'vigor' and 'dedication'.

Company X is a company born from the merger of three companies, intensively socializing and internalizing the core values of AKHLAK as the main work culture through the formulation of 18 key behaviors and 101 specific behaviors that refer to the core values of AKHLAK and routine internalization programs. The routine internalization program includes weekly taujih and other cultural internalization programs carried out in each work unit. These things can touch employees to implement the core values of AKHLAK in their work activities. Based on the results of an interview with one of the employees of

company X, the existence of AKHLAK core values internalization programs held by company X makes them feel that working is not only for material, but also the value of worship, which makes them more enthusiastic in working.

The Influence of Core Values AKHLAK on Job Performance

Based on the results of the causality test, it can be seen that the AKHLAK core values have a significant positive effect on job performance. These results indicate that the better the implementation of AKHLAK core values by employees of Company X, the higher their performance will be. These results confirm previous research conducted by Putri & Sary (2023), Chairul Anam (2021), and Ratnasari et al. (2024), which stated that AKHLAK core values have a significant positive effect on job performance.

These results are supported by the fact that the majority of respondents had a higher educational background (D3-S2). Employees with higher education have higher levels of productivity and performance (Febianti et al., 2023). Furthermore, the majority of respondents in this study were in the productive age range, namely 31-40 years. According to Febianti et al. (2023), workers in their productive age tend to be physically stronger than workers of non-productive age. This is because employees at the productive age level have high creativity towards their work because they are supported by better knowledge and insight and have high responsibility for the tasks assigned (Febianti et al., 2023). Furthermore, based on descriptive statistical analysis, it shows that the 'Adaptive and Collaborative' indicator in the AKHLAK core values variable and the 'Creativity' indicator in the job performance variable have high mean scores, indicating that the average respondent agrees with the statements in these indicators. This shows that employees who have good adaptability and collaboration skills can encourage creativity in solving problems and achieving better work results.

In addition to work output, company X has a performance appraisal system that also considers the implementation aspect of "Company X Human Behavior" which is recorded in the Core Values Pocket Book of Company X AKHLAK. This encourages employees to not only achieve targets but also do so in a manner with integrity. Based on the results of an interview with one of the managers of company X, it was explained that employees who uphold the AKHLAK values tend to be more reliable, proactive, and show better work quality. Furthermore, based on the results of an interview with one of the employees of company X, it was explained that the value of 'Competent' encourages them to continue learning and improving skills, so that their work output is better and the value of 'Loyal' makes them total in working for company X. Employee loyalty is shown by their readiness and willingness to participate in openable activities held outside of working days, namely holidays.

The Influence of Work Engagement on Job Performance

Based on the results of the causality test, it was found that work engagement did not significantly influence job performance. These results indicate that the level of work engagement experienced by employees at Company X did not affect their performance. These findings support previous research conducted

by Kim & Koo (2017), which stated that work engagement did not influence job performance.

These results are supported by the fact that the absorption indicator has the lowest mean score compared to other indicators, indicating that the average employee agrees with the absorption indicator. This indicates that employees do not yet have a high level of focus on their work. Descriptive statistical analysis shows that the majority of Company X employees are married or have families. According to Octorini et al. (2021), married employees have families whose needs must be met, so their concentration is divided between work and family. Despite low employee absorption, Company X's employee performance remains high. This is supported by the statement of Company X's manager, who stated that the average employee has a satisfactory Key Performance Indicator score.

Based on the results of interviews with employees of company X, it explains that there are other factors that are more dominant in influencing their performance, namely the work environment. One of the employees of company X explained that they feel on the same frequency with their coworkers and feel that their communication is connected and they never feel like they are working alone, meaning that employees of company X are willing to work together to complete the tasks given by their leaders.

The Influence of Core Values AKHLAK on Job Performance Mediated by Work Engagement

Based on the results of the causality test, it can be seen that work engagement is not able to mediate the influence of AKHLAK core values on job performance. Based on the descriptive analysis, the mean score of the AKHLAK core values variable is greater than the mean value of the work engagement variable, meaning that the AKHLAK core values variable has a greater influence on the performance of employees of company X than the work engagement variable. When associated with research conducted at company X, this fourth hypothesis is rejected because work engagement is not the only factor that can influence AKHLAK core values on employee performance, meaning that employees of company X can improve their performance without any encouragement of work engagement.

Furthermore, the direct path coefficient value of AKHLAK core values on job performance is very high and significant. This indicates that AKHLAK core values have a very strong and direct impact on how employees should carry out and complete their work. Thus, those who can internalize and implement AKHLAK core values tend to behave productively, regardless of whether their level of "passion, dedication, and absorption" increases first before finally impacting performance. Thus, employees can utilize the AKHLAK core values integration program to increase the internalization of AKHLAK values in carrying out work activities through routine programs such as weekly taujih and other cultural internalization programs carried out in each work unit. The increase in internalization of AKHLAK values by employees of company X, can boost the performance of these employees as well.

CONCLUSIONS AND RECOMMENDATIONS

The conclusion of this study is that AKHLAK core values have a significant positive effect on work engagement, AKHLAK core values have a significant positive effect on job performance, work engagement does not have a significant effect on job performance, and work engagement cannot mediate the effect of AKHLAK core values on job performance in employees of company X.

In addition, in this study, the author proposes several suggestions for company X. First, develop a coaching and mentoring program involving direct superiors or senior managers as coaches/mentors. The focus of coaching is not only on work targets, but also on how AKHLAK core values can be applied to solve work problems, improve collaboration, and encourage initiatives. Second, company X needs to increase transparency regarding how the implementation of AKHLAK core values by employees contributes to the overall success of the organization. This can be done through town hall forums, internal reports, or other company communication media. In addition, constructive feedback from superiors regarding how employees have implemented AKHLAK in their work is also very important. Thus, employees will better understand "why" they need to internalize AKHLAK and see its concrete impact, which can increase internal motivation and indirectly encourage more productive work engagement leading to better performance.

FURTHER STUDY

The limited sample size in this study can be used as an evaluation for future research, which should utilize a larger sample size. Because this study only involved 90 respondents, the results may not be fully generalizable to all employees of Company X in other areas or regions, which may have different characteristics and organizational dynamics. Future research is expected to include other variables that also contribute to job performance in Company X employees, such as work environment variables.

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