STRATEGY FOR INTEGRATION OF CULTURAL VALUE IN MANAGEMENT OF HUMAN RESOURCES

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Abstract. The strategy of integrating cultural values in managing human resources in the Ministry of Defense plays a crucial role in increasing organizational effectiveness. This study aims to analyze how cultural values can be integrated into the policy of human resources effectively by considering existing challenges. Using the mixed methods approach, NVivo 12 for qualitative and SEM-PLS 4 analysis to test the variable relationship quantitatively. The results of the NVivo 12 analysis show that the main challenges in the integration of cultural values lie in the sustainability of policies, sanctions, and strengthening regulations. Meanwhile, the SEM-PLS 4 results show that the integration of cultural values in managing human resources is negatively related to the effectiveness of employee performance (O = -0.573, T-statistics = 5.073, p = 0.000). This shows that culture-based policies that are not in harmony with regulations can create ambiguity, reduce discipline, and reduce work motivation. By referring to the two-factor Herzberg and Resource-Based View theories, this research emphasizes the importance of a clear regulatory-based approach in integrating organizational culture. This study fills the previous research gap, which is more focused on the influence of organizational culture in general, by providing specific analysis related to the integration of cultural values in managing human resources in the defense sector.

Keywords: Integration of cultural values, employees, mixed methods, performance effectiveness.

I, INTRODUCTION

The integration of cultural values in managing human resources (HR) refers to the process of entering the values, norms, and beliefs adopted by the organization into the practice of human resource management. In the context of the Ministry of Defense, values such as discipline, loyalty, professionalism, and integrity are the main foundation in shaping employee behavior and performance. This integration aims to ensure that all members of the organization behave in accordance with established standards so as to support the achievement of strategic goals of national defense (Guiso et al., 2016). Values such as discipline, loyalty, professionalism, and integrity are the main pillars in building quality human resources within the Ministry of Defense(Sammito et al., 2020). Discipline reflects compliance with the rules, procedures, and work responsibilities, which ensure effectiveness in carrying out tasks. Disciplined employees have a higher level of productivity because they work in a structured manner and in accordance with established standards (Ruslinawati & Prasetya, 2021). Loyalty to the organization reflects the full commitment to the vision and mission of the institution, which, in the context of national defense, is very important to maintain the unity and stability of the organization in dealing with various challenges (Franky

& Budiman, 2021). Employees who have high loyalty will show dedication and loyalty in carrying out their duties, including under pressure and high work demands (Andrew, 2017). Meanwhile, professionalism reflects high competencies and work ethics, where employees act based on specified work, ethics, and work standards. Professionalism in managing human resources in the Ministry of Defense not only includes technical skills but also the ability to work together in the team and carry out tasks with full responsibilities (Desai & Kapadia, 2022). Integrity is a key element in building trust and transparency in the organization. Employees who have high integrity will act honestly and fairly and hold fast to moral principles, which are very important in the defense environment that requires high trust between individuals and institutions (Banin et al., 2020).

By implementing these values consistently, the Ministry of Defense can create human resources that are strong, competent, and oriented to national interests. The urgency of research, in the era of globalization and rapid technological developments, is that the challenges faced by the defense sector are increasingly complex. The readiness of superior human resources and strong character is the key to dealing with these dynamics. This research is important to identify the extent to which cultural values have been integrated in managing human resources in the Ministry of Defense, as well

as how the integration affects organizational performance. This understanding will help in formulating more effective and adaptive human resource development strategies to changes in the strategic environment (Sarjito, 2022). Herzberg's Two-Factor Theory (2015) about work motivation highlights that intrinsic aspects, such as recognition, responsibility, and achievement, are strongly influenced by strong organizational culture. In the relevant study, Rahim (2019) emphasized that career management and good motivation in the human resources of the defense sector are a key factor in achieving effective organizational goals (Jungert et al., 2018). Furthermore, the Resource-Based View Barney's (2016) approach explains that superior human resources can be a competitive advantage, where a conducive organizational culture plays a role in creating an innovative and adaptive workforce of change. Previous research. Rahayu and Subagio (2021) show that "organizational culture, work teams, and competencies have a significant effect on employee performance in the Directorate General of Ditjen Strahan of the Ministry of Defense." However, research that specifically explores the integration of cultural values in managing human resources in the Ministry of Defense is still limited, so further research is needed to fill the gap (Banin et al., 2020).

Novelty. This study offers novelty with a focus on the integration of cultural values in managing human resources in the Ministry of Defense, an area that has not been explored in previous studies. Different from previous studies that focus more on the technical aspects of human resource management, this study examines how cultural values such as discipline, loyalty, professionalism, and integrity can be systematically integrated into organizational governance to increase employee work effectiveness. In addition, this study uses a mixed methods approach, which combines quantitative and qualitative methods. By combining these two methods, this research is expected to make a significant contribution to the development of the theory and practice of culture-based human resource management in the defense sector, as well as a basis for strategic policies in managing human resources in the military environment and defense institutions to realize organizations oriented to optimal services (Pancasila et al., 2020). This study aims to formulate the level of integration of cultural values in the practice of managing human resources in the Ministry of Defense, as well as identify the factors that influence the effectiveness of the integration. In addition, this research also seeks to evaluate the impact of the integration of cultural values on the performance of employees and organizations as a whole so as to provide an overview of the extent of values such as discipline, loyalty, professionalism, and integrity applied in the work environment. Based on the findings obtained, this research will compile strategic recommendations to increase the integration of cultural values in managing human resources in the Ministry of Defense to support the effectiveness of organizations and improve the quality of human resources in the defense sector.

II. RESEARCH METHODS

This research uses Mixed Methods Explanatory Sequential Design to find out the main pattern and research theme with the topic "Cultural Value Integration Strategy in Management of Human Resources in the Ministry of Defense (Shiyanbola et al., 2021). Data collection techniques are carried out in advance with the discussion of 35 postgraduate students of the Defense University Doctoral Program. Qualitative Method where data processing techniques using NVivo 12 software start with a query and are visualized using Word Cloud NVivo 12, and the last step is the interpretation of the Word Cloud NVivo 12 (Dhakal, 2022). Quantitative Method: Data collection by distributing questionnaires to 35 postgraduate students of the Doctoral Program of Defense Sciences to see the effect of cultural values integration strategies in managing human resources in the Ministry of Defense, sample techniques using random sampling. Data analysis techniques using partial square square software (SEM PLS-4) (Vukovi´c, 2024). Measurement in the model in PLS consists of a measurement model, also called an external model; structural models, also called internal models; and goodness and suitable models. Evaluation of external models (measurement model). The validity test in PLS analysis uses the size of the loading factor or loading. The outer loading size is the statistical size used to see the level of indicator used to reflect the measurement of variables or valid indicator levels in the measurement variable, which is recommended at 0.70. The reliability test in PLS analysis using the alpha value and composite reliability (CR) Cronbach is 0.70. Convergent validity values are measured using the extracted average variant (AVE); recommended at least 0.50. Discriminant validity is measured by the criteria for Fornell-Larcker. The Fornell-Larcker criterion is if Root Ave > Correlation between variables. HTMT Criteria (Heterotrait Monotrait Ratio), which is a heterotrait ratio (average correlation between different variable measurement items) with monotrait geometric multiplication roots (correlation between items measuring the same variable). The HTMT value received is below 0.90, which shows an evaluation of discriminant validity is accepted. Evaluation of Structural Model (Inner Model). This evaluation is related to hypothesis testing, namely the path coefficient testing/path coefficient and the level of significance, which includes multicollinearity testing with the inner VIF, where the inner VIF(Ghasemy et al., 2020)
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III. RESULT AND DISCUSSION
Qualitative data analysis with NVivo 12

Figure 1. Word Cloud from NVivo 12

Figure 1 above is the result of a word cloud using NVivo 12, which displays the main keywords that often appear in research on cultural values integration strategies in managing human resources in the Ministry of Defense. These words reflect important aspects of the study of the integration of cultural values in managing human resources in the defense environment. Word Cloud shows the frequency and relevance of the terms that often appear in research. Words such as defense, ministry, integration, strategy, culture, values, and management show that this study focuses on efforts to connect organizational cultural values with human resource management strategies in the Ministry of Defense. The terms integration, strategy, and values lead to the concept that cultural integration in human resources requires a systematic strategy. In the Ministry of Defense, this strategy includes the formation of policies, training systems, and leadership that are role models. This is in line with strategic human resource management theory, where organizational cultural values must be internalized in HR policies and practices to improve employee performance. Words such as professionalism, integrity, loyalty, compliance, and discipline show that cultural values in the Ministry of Defense do not only become guidelines for work ethics but also function as instruments in building organizational awareness and work effectiveness. This is continuous with the research of Hofstede (2015), which emphasizes that organizational culture affects the effectiveness of employee leadership and compliance with regulations. Analysis shows that training, leadership, monitoring, education, and evaluation are the main elements in managing culture-based human resources. Training and The Path Coefficient SEM-PLS 4 model shows the relationship between the strategy of integration of cultural values in managing human resources (HR) in the Ministry of Defense and the performance of employees and organizations. The path coefficient value shows the level of influence of each independent variable on the dependent variable. The four independent variables measured are culture-based recruitment and selection policies (X1 = 0.861), culture value-based training and development (X2 = 0.911), performance evaluation systems that measure cultural aspects (X3 = 0.879), as well as sanctions and culture value-based appreciation (X4 = 0.859). Meanwhile, the dependent variable measured is employee productivity and organizational commitment (Y1 = 0.950), as well as service quality, decision-making, and organizational response to strategic challenges (Y2 = 0.917).

education are very important to shape employee character, while monitoring and evaluation are needed to ensure that these values remain implemented in the work environment (Aronsson et al., 2017).

According to Robbins & Judge (2017), organizations that have a culture-based training system are better able to maintain employee effectiveness and adaptation to organizational challenges. Words such as policies, sanctions, regulations, systems, and strengthening show that the main challenges in the integration of cultural values lie in policy sustainability, sanctions for violators, and strengthening regulations that support human resource management. In line with the theory of public administration by Denhardt & Denhardt (2019), government organizations need a flexible policy system but remain firm in maintaining organizational values so as not to be eroded by environmental changes. Word Cloud from NVivo 12 helps identify the focus of research and provides insight into how the strategy of integration of cultural values in human resources can be done at the Ministry of Defense (Palvalin, 2017).

The use of NVivo allows in-depth analysis of qualitative data, providing a sharper understanding of the factors that influence the effectiveness of culturally based human resource management. With the right strategy, the integration of cultural values in managing human resources can increase professionalism, loyalty, and effectiveness of employees in carrying out their duties for the benefit of national defense (Sarjito, 2024).

Quantitative data analysis with SEM PLS-4

Figure 2. Outer Loading SEM PLS-4

The results of the analysis show that training and development based on cultural values (X2) has the greatest influence (0.911) on employee and organizational performance (Almatrooshi et al., 2016).

This indicates that investment in training that instills organizational cultural values can improve employee competence, strengthen harmony with the vision of the institution, and increase work productivity and commitment. In addition, the performance evaluation system that measures cultural aspects (X3 = 0.879) also plays a significant role in ensuring that employees are not only assessed based on work output but also on the application of cultural values in daily activities. Culture-based recruitment and selection policies (X1 = 0.861) and culture-based sanctions and appreciation systems (X4 = 0.859) also have a high enough contribution to

the integration of cultural values in the organization. Cultural-based recruitment ensures that individuals who join the organization have a compatibility with the values adopted, so it is easier to adapt to the work environment. Meanwhile, the application of a culture-based award system and sanctions strengthens the compliance and motivation of employees to maintain the standard of behavior that is in harmony with organizational culture. The impact of this strategy is clearly seen on the Y1 (0.950) and Y2 variables (0.917). Employee productivity and organizational commitment (Y1) are the variables most influenced by the integration of cultural values,

emphasizing that this strategy not only increases individual effectiveness but also creates a more solid work culture. In addition, the influence of service quality, decision-making, and organizational response to strategic challenges (Y2 = 0.917) shows that organizations that have a strong work culture tend to be more adaptive and responsive in facing external challenges. Thus, the integration of cultural values in human resource management in the Ministry of Defense plays an important role in creating a professional, tough, and ready-to-face strategic dynamics in the future (Hanaysha, 2016).

Table 1. Outer Loadings

Indicator	Emplyee	Integration of Cultural
X1: Cultural -based recruitment and selection policies	0.861	
X2: Cultural Value -Based Training and Development	0.911	
X3: Performance evaluation system that measures cultural aspects		0.879
X4: Sanctions and cultural value -based appreciation		0.859
Y1: Employee productivity and Organizational commitment		0.950
Y2: Service quality and decision making, and Organizational responsiveness to strategic challenges		0.917

The results of the Outer Loadings analysis in the SEM-PLS 4 model indicate that all indicators have a value above 0.85, which indicates that each variable has a strong contribution in measuring the construct they represent. The four main variables associated with the integration of cultural values in HR management show high correlation, with cultural value-based training and development (X2) having the highest loading value (0.911). This shows that training and development of cultural values is the most influential factor in internalizing organizational culture and increasing the effectiveness of human resources in the Ministry of Defense. In addition, the value of the outer loading for the Employee Productivity and Organizational Commitment (Y1 = 0.950) shows that the success of the integration of cultural values greatly contributes to increasing productivity and employee commitment (Aziz et al., 2021).

With the culture-based recruitment system (X1 = 0.861), performance evaluation that considers cultural aspects (X3 = 0.879), as well as culture-based appreciation and sanctions (X4 = 0.859), employees are more motivated to

carry out their duties in accordance with organizational cultural standards. The impact is also seen in improving service quality, decision-making, and organizational response to strategic challenges (Y2 = 0.917), which indicates that strong organizational culture does not only have an impact on individual performance but also on the effectiveness of the organization as a whole. With a high outer loading value, this model shows that the integration of cultural values in managing human resources has a strong relationship with improving employee and organizational performance. Cultural value-based policy implementation enables the Ministry of Defense to build a more effective, professional, and adaptive HR system of strategic challenges. Thus, the strategy of the integration of cultural values in human resource management is not only a managerial approach but also becomes a key element in creating a strong and competitive organization in the defense sector (Qureshi et al., 2019).

Table 2. Contruct Reability and Validity

Construct (latent variable)	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Emplyee	0.729	0.751	0.880	0.785
Integration of Cultural	0.925	0.960	0.946	0.813

The results of the analysis of construct reliability and validity show that all latent variables in the model have high levels of reliability and validity. Cronbach's Alpha values for employee (0.729) and integration of culture (0.925) show that both constructs have good internal consistency. The Cronbach's Alpha value above 0.7 indicates that the indicators used in this model can consistently measure the construct they represent. Meanwhile, the integration of

culture has a stronger reliability, which shows that the aspect of cultural integration has a more cohesive structure in the HR management model in the Ministry of Defense. The composite reliability (RHO_C) value for both latent variables is also very high, with employee (0.880) and integration of culture (0.946). The value above 0.8 shows that the construct has a very good reliability in measuring the concepts carried (Ocen et al., 2017). In fact, the integration of culture has an

RHO_A of 0.960, which further confirms that this variable has a very strong and reliable measuring power to explain the influence of culture in managing human resources. In addition, the Average Variance Extracted (AVE) value is quite high, which is 0.785 for employee and 0.813 for integration of culture, showing that more than 78% of variance indicators can be explained by each construct, so this model has excellent convergent validity. Based on these results, it can be concluded that the model of integration of cultural values in the management of human resources in the Ministry of Defense has high reliability and validity. This shows that cultural value-based policies, such as training, evaluation, and recruitment, as well as cultural-based appreciation and sanction systems, can be implemented well because they have a strong relationship with the effectiveness of employees and organizations. With high reliability, this model can be used as a reference in policymaking to improve employee performance and commitment in the defense sector (Oktarina et al., 2020).

Table 3. Discriminant Validity- Heterotrait Monotrait Ratio (HTMT)

Construct (latent variable)	Emplyee	Integration of Cultural
Emplyee		
Integration of Cultural	0.660	

The results of the analysis of discriminant validity using the heterotrait-monotrait ratio (HTMT) show that the HTMT value between the employee variable and the integration of culture is 0.660. This value is below the threshold of 0.85, which means that the two constructs have a clear difference and do not experience discrimination problems. In other words, although the integration of culture contributes to increasing employee effectiveness, both are still different concepts and can be measured separately in the model. This good discriminant validity shows that the policy of integration of cultural values in managing human resources in the Ministry of Defense has a significant impact on employee effectiveness without overlapping in measuring variables. This is important because it ensures that the concept of the integration of culture really represents a culture-based strategy in managing human resources, while employees describe its impact on productivity, commitment, and organizational performance. If the HTMT value is too high (for example, above 0.85), the measurement bias can occur, where two variables are considered too similar or even cannot be distinguished. With HTMT, which is in a safe range, it can be concluded that this model has a good clarity of concepts and can be used as a basis for making culturally based policy in the Ministry of Defense. Policies that include culturally based recruitment, training of cultural values, culturally based evaluation, and appreciation and sanctions that emphasize cultural aspects can be applied effectively without losing the identity or effectiveness of individual employees. With good discriminant validity, this model can be a reference in developing human resource policies oriented to improving overall organizational performance (Price et al., 2014).

Table 4. Fornell - Larcker Criterion

	Emplyee	Integration of Cultural
Emplyee	0.886	
Integration of Cultural	-0.573	0.902

The results of the analysis using the Fornell-Larcker Criterion show that the square value of the Average Variance Extracted (AVE) for the employee variable is 0.886, while for the integration of the cultural variable it is 0.902. Both of these values are higher than the cross-correlation between these variables (-0.573). This indicates that each construct has a good discriminant validity, where variables are more correlated with their own indicators than other variables. In other words, employee and integration of culture have different concepts and can be measured separately without significant bias. Negative correlation value (-0.573) between employee and integration of culture provides an interesting indication that there is an inverse or opposite relationship between the integration of cultural values and employee effectiveness. This can happen if the implementation of culture-based strategies in human resource management is not done properly or too tightly so that it reduces the flexibility of employees at work. For example, if a culture-based policy is too suppressing of employee individuality, it can reduce productivity or innovation in the work environment. However, strong discriminant validity still shows that these two variables are measured accurately without the overlap that interferes with data interpretation. That is, although there is a negative correlation, the integration of cultural values in HR policy still has a different role from employee effectiveness. Therefore, the implementation strategy needs to be carried out in a balanced way so that organizational cultural policies do not hamper performance but instead become a factor in driving employee productivity and loyalty. Overall, the results of the Fornell-Larcker Criterion in this study provide a strong foundation that the model used is valid and can be applied in HR management policies at the Ministry of Defense. To optimize its impact, a culture-based approach must still pay attention to the needs of employees so that there is no resistance or decrease in organizational effectiveness. With the right strategy, the integration of cultural values in HR policy can be a catalyst for improving the quality of

employee work and the overall competitiveness of the organization (Kalandarovna & Qizi, 2023).

Outer Model Evaluation

Table 5. R-square

Construct (latent variable)	R-square	R-square adjusted
Emplyee	0.328	0.320

The results of the R-Square analysis show that the employee latent variable has an R-Square value of 0.328 and an R-Square Adjusted of 0.320. This means that 32.8% variability in employee performance (employee) can be explained by the integration of cultural variables, while the remaining 67.2% is influenced by other factors that are not included in the model. The R-squared adjusted value (0.320), which is slightly lower than R-squared (0.328), indicates that if more predictors are added to the model, then not all will contribute significantly to increasing the predictions of the employee variable. Although the R-Square value is 0.328, including moderate to low categories, this still shows the influence of the integration of cultural values on employee effectiveness. However, because there is still 67.2% variability that has not been explained, it is possible that other factors, such as leadership, work environment, award system, or broader organizational policies, have a greater influence in improving employee performance. Therefore, in the implementation of culture-based policies in the Ministry of Defense, a holistic approach is needed that considers other external and internal factors. Strategy: This result shows that despite the integration of important cultural values in managing human resources, this factor is not the only main determinant in improving employee performance. Thus, culture-based policies should be combined with other factors, such as the development of competencies, motivation, and employee welfare, so that the impact is more optimal. To increase the value of R-Square, further research can consider the addition of other variables that are more specific in the analysis model, such as job satisfaction, employee involvement, or leadership style in the organization (Basit et al., 2017).

Table 6. Direct Effect

Construct (latent variable)	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Integration of Cultural -> Emplyee	-0.573	-0.607	0.113	5.073	0.000

The results of the direct effect analysis show that the relationship between the integration of culture and employees has an original sample coefficient (O) of -0.573, with a sample mean (m) of -0.607. This negative value shows that the higher the integration of cultural values in managing human resources, the greater the tendency to decrease the effectiveness of employee performance. In the context of this research, the cultural value referred to refers to policies that are not in accordance with applicable rules or regulations so as to weaken the human resource management system in the Ministry of Defense. This discrepancy has the potential to create obscurity in work procedures, reduce employee discipline, and inhibit the effectiveness of the implementation of tasks. Therefore, the integration of cultural values in managing human resources must remain in a clear corridor of policies and regulations in order to improve employee professionalism and performance, not vice versa. Nevertheless, the T-Statistics value of 5.073 greater than 1.96 and P-value of 0.000 show that this relationship is statistically significant. That is, although the relationship found is negative, the effect is quite strong and does not occur by chance. The factors that might explain this negative relationship are the discrepancy between culture-based policies that are applied and formal regulations that apply, thus creating ambiguity in managing human resources. In addition, employee resistance to policies that do not have a clear basis of rules can cause a decrease in motivation and effectiveness of work. Lack of flexibility in the application of cultural values that are not in accordance with regulations can also limit innovation and inhibit individual performance in carrying out their duties. In its practical implications, these results highlighted the importance of in-depth evaluation of the application of culturally based policies in managing human resources in the Ministry of Defense. Integration of cultural values must remain in a clear regulatory corridor in order to strengthen organizational identity and increase employee professionalism. Therefore, a more systematic and rule-based approach is needed that enables flexibility in the implementation of culturally based policies. Thus, cultural integration can have a positive impact on human resource management, not precisely an inhibiting factor in increasing employee effectiveness and performance (Neher & Maley, 2020).

Table 8. f-square

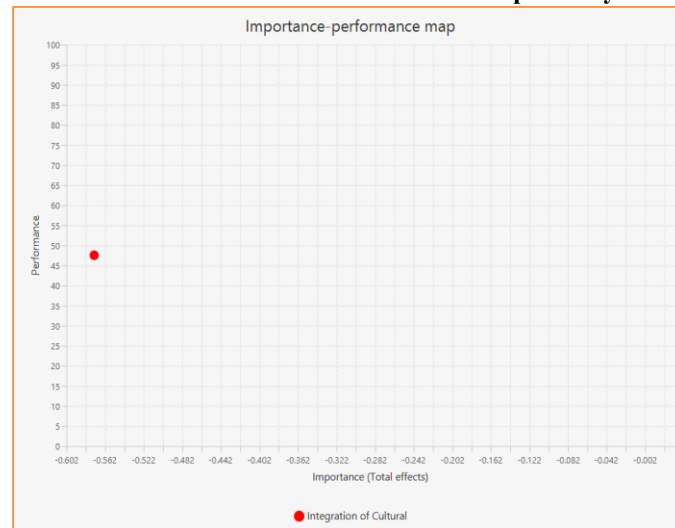| Construct (latent variable)	Emplyee	Integration of Cultural
Emplyee	0.489	
Integration of Cultural		

The F-Square results in this study show that the F² value for employees is 0.489, which indicates the moderate effect of variables on the model. The F-Square (F²) value is used to measure the effect of the independent variable on the dependent variable in the PLS-SEM structural model. With a value of 0.489, this means that the employee variable has a significant contribution in explaining the overall variability of the model. Meanwhile, the integration of cultural variables does not have an F² value listed in the table, which shows that the effect on the model may be less significant or need to be explored further. In this context, although the integration of culture has a direct impact on the employee, the amount of influence on the overall variability of the model is not large enough to be recorded as a significant effect in the size of F². This can be caused by other factors that are more dominant in determining the effectiveness of employee performance besides the integration of cultural values. Theoretically, this result shows that the management of human resources in the Ministry of Defense does not only depend on the application of cultural values but also on other factors such as organizational policies, incentive systems, and individual readiness in dealing with change. If cultural values are not integrated with proper management strategies, the impact on employee effectiveness can be less than optimal. Therefore, it is important for policymakers not only to focus on cultural aspects but also to consider other factors that are more flexible and oriented towards employee needs. In practical implications, this finding emphasizes that the application of cultural integration needs to be adjusted to the condition of the organization and employee characteristics. The Ministry of Defense can develop more holistic strategies, such as competency-based approaches, more adaptive training programs, and performance evaluation systems that consider cultural aspects as well as work productivity. Thus, the integration of cultural values in human resource management can be more effective in increasing organizational commitment and service quality without sacrificing the flexibility and efficiency of employee work (Mackay et al., 2017).

Evaluation of the kindness of the model compatibility

Figure 3. IPMA

The evaluation of the outer model aims to measure how well the indicators in the study can represent the measured latent construct. One way to assess the goodness-of-fit of the outer model is through validity and reliability analysis, including outer loadings, reliability constructs (Cronbach's Alpha, Composite Reliability), and Discriminant Validity. Based on the results that have been presented previously, the outer loadings value ranging from 0.859 to 0.950 shows that all indicators have a strong relationship with their respective constructs. In addition, the Ave value above 0.5 shows that the construct is able to explain enough variance of its indicators. However, if you look at the Importance-Performance MAP, it appears that the integration of culture has a negative importance value (-0.573) but a fairly high performance. This can indicate that although the integration of cultural factors has a low contribution to the employee variable, its performance is still quite good in the context of the organization. This shows that although the aspect of cultural integration plays a role in the model, there may be other factors that are more influential on the effectiveness of employee performance. (Kareem & Hussein, 2019).

Table 9. PLSpredict/CVPAT

Indicator (manifest variables)	Q²predict	PLS-SEM_RMSE	PLS-SEM_MAE	LM_RMSE	LM_MAE
X3	0.155	0.273	0.144	0.240	0.116
X4	0.258	0.256	0.132	0.272	0.125

The analysis of PLS Predict/CVPAT aims to measure the predictive ability of the model in projecting the results of the manifest variable on the latent construct.

Q²predict values of 0.155 for X3 and 0.258 for X4 indicate that the model has positive prediction capabilities, although not too high. In general, if Q²predict is greater than zero, the

model is considered to have predictive relevance; conversely, if it is negative, the model does not have good predictions. In this context, although the Q²predict value is not large, it still shows that the model has a moderate prediction power of related variables. Furthermore, the ratio between PLS-SEM RMSE (Root Mean Square Error) and LM RMSE (Linear Model) provides further insight about the effectiveness of the model. For X3, RMSE in PLS-SEM is 0.273, higher than LM RMSE 0.240, which indicates that the PLS-SEM-based model may have a slightly greater level of error than the traditional linear regression approach. However, in the X4 variable, RMSE in PLS-SEM is lower (0.256) than LM RMSE (0.272),

showing that PLS-SEM is more effective in predicting X4 variables compared to linear regression models. This difference shows that the effectiveness of the prediction model depends on the specific variables analyzed. The PLS-SEM-based model is superior in predicting the X4 variable, but it is less accurate than LM in predicting X3. Therefore, the model improvement can be done by increasing indicators associated with X3 so that the accuracy of predictions is more optimal. In addition, the selection of estimation methods also needs to be considered so that it can be adjusted to the characteristics of data and research needs (Vukoviʹc, 2024).

Table 10. CVPAT- PLS-SEM vs. Indicator average

Construct (latent variable)	PLS loss	IA loss	Average loss difference	t value	p value
Emplyee	0.070	0.088	-0.018	1.465	0.147
Overall	0.070	0.088	-0.018	1.465	0.147

The results of the Cross-Validation Predictive Ability Test (CVPAT) in Table 10 show a comparison between the PLS-SEM (Partial Least Squares-Contractural Equation Modeling) and indicator Average (IA) approach in terms of loss of information (LOSS). In the Employee construct, the PLS loss value is 0.070 smaller than the IA loss of 0.088, which shows that the PLS-SEM model is more efficient in capturing the relationship between variables compared to the average indicator approach. The same applies to overall results (overall), with an average difference in loss of information of -0.018, which indicates that the PLS-SEM-based approach is superior to the average indicator method. Although there are differences between these two approaches, statistical test results show that the T-value of 1.465 and P-value of 0.147 are not significant at the 95% confidence level (p < 0.05). This means that although PLS-SEM shows a little advantage in minimizing information loss compared to the average indicator approach, the difference is not strong enough to be considered statistically significant. In other words, although there are indications that PLS-SEM gives better predictive results, the difference is not large enough to make strong conclusions about its superiority. The implication of this result is that PLS-SEM remains a better method for capturing the relationship between latent variables compared to simple approaches such as the average indicator, but these differences may not always be significant in all cases. Therefore, in further research, it is important to consider other factors such as sample size, model complexity, and data characteristics before deciding which method is most suitable. In addition, the optimization of the model by increasing more representative indicators of constructs can help increase the accuracy and predictive relevance of the PLS-SEM model (Legate et al., 2023).

IV. CONCLUSIONS

Conclusion This study confirms that the strategy of integrating cultural values in managing human resources in the Ministry of Defense has its own challenges, especially in terms of policy sustainability, sanctions for violators, and strengthening regulations. The results of the NVivo 12 analysis show that words such as policies, sanctions, regulations, systems, and strengthening highlight the importance of flexible policy systems but remain firm in maintaining organizational values. In line with the theory of public administration by Denhardt & Denhardt, government organizations require a mechanism for managing human resources that is not only based on culture but also in accordance with applicable rules so as not to cause ambiguity in its implementation. SEM-PLS 4 analysis reveals that the integration of cultural values in managing human resources has a negative influence on the effectiveness of employee performance, with the original sample coefficient (O) of -0.573 and P-value of 0.000, which shows statistical significance. The discrepancy between culture-based policies and formal regulations can cause obscurity in work procedures and reduce employee discipline. This shows that culture-based policies that are not in harmony with the rules can actually hamper the effectiveness of human resources in supporting the operations of the Ministry of Defense.

This study fills the gap in previous studies, as stated by Rahayu and Subagio, which highlighted the influence of organizational culture, work teams, and competencies on employee performance in the Directorate General of Strahan of the Ministry of Defense. However, previous research has not specifically discussed how the integration of cultural values in managing human resources within the Ministry of Defense can have a variety of impacts, both positive and negative. Therefore, this research provides a new perspective on the importance of balancing culture-based policies with existing regulations. In a theoretical context, the findings of this research are also related to Herzberg's two-factor theory,

which emphasizes that intrinsic aspects such as recognition, responsibility, and achievement are greatly influenced by strong organizational culture. The resource-based view approach further explains that superior human resources can be a competitive advantage if supported by a conducive organizational environment. Therefore, the strategy of integration of cultural values in managing human resources must consider policy flexibility, compliance with regulations, and strengthening work motivation systems in order to increase employee effectiveness and professionalism in the Ministry of Defense.

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