

The Influence Of Work Engagement And Work Life Balance On Employee Performance

PT. KB Financia Multi Finance Palopo Branch

Feby Febri Yanti

Universitas Muhammadiyah Palopo, Palopo, Indonesia

Haedar

Universitas Muhammadiyah Palopo, Palopo, Indonesia

I Ketut Patra

Universitas Muhammadiyah Palopo, Palopo, Indonesia

Corresponding Author: ffebryanti33@gmail.com,

E-ISSN

2961-9904

P-ISSN

2985-4873

Volume 03 No 02 2024

Page:

162-171

DOI:

10.61659/reaction.v3i2.189

Received

13 June 2024

Revised

18 August 2024

Accepted

21 September 2024

Abstract

Purpose - This research aims to determine the influence of work involvement and work-life balance on employee performance at PT. KB Financia Multi Finance Palopo Branch. The research method used was multiple linear regression using 58 employees of PT. KB Financia Multi Finance Palopo Branch as a sample.

Design/methodology/approach - This quantitative study uses associativity or relationships between variables. The goal is to find out how three or more variables relate to each other. This research was conducted at PT. KB Financia Multi Finance Palopo Branch, with 58 employees as samples. The sampling method is purposive. The data analysis technique in this research begins by conducting instrument tests, namely validity and reliability tests.

Finding - The results of this research show that the work engagement variable is significant on employee performance. The work-life balance variable is positive and significant on employee performance at PT. KB Financia Multi Finance Palopo Branch. Work engagement and work-life balance simultaneously influence the performance of PT employees. KB Financia Multi Finance Palopo Branch.

Originality - The research results show that employee performance is significantly influenced by work-life balance. Lockwood's work-life balance theory describes work-life balance as when a person can organize and divide his responsibilities between work, family life, and other responsibilities so that there is no conflict between family life and work.

Keyword - **Work Engagement; Work Life Balance; Employee performance**

Paper Type – Research Paper



Review of Accounting and Taxation (REACTION) is licensed under an Attribution-Share Alike 4.0 International (CC BY-SA 4.0)

The introduction

Modern technology cannot replace humans as organizational resources. Human resource development, as in the era of globalization, is the process of improving human quality or ability to achieve national development goals, which includes planning, development and management of human resources, according to Notoadmojo (Vonny, 2016). Improving employee quality means that employees can complete tasks and achieve organizational goals. An organization has goals that require its employees to work hard to achieve them. Human resources who are competent in carrying out their duties are needed to achieve this. According to Hassibuan (Bariqi, 2020), quality human resources are defined as a combination of mental and physical abilities that a person has.

Clark in (Wuarlima et al., 2019), work-life balance is having good content at work and also outside work with minimal conflict. However, if it is connected to the meaning of work-life balance, work-life balance comes from effectiveness (functioning well, productively, successfully) and a positive impact on both work and family roles, employees will have a positive impact on everything that is their work responsibility if the employee are able to manage things inside and outside of work Dizenzo in (Isni et al., 2022). This will show that there is a balance between employee activities at work and personal life, family, friends and when the individual is in society.

Employee involvement is also important for long-term company growth and increasing profits in increasingly challenging industrial competition. Many businesses have had to change their strategies to survive due to increasingly fierce industry competition recently. The valuable assets of a company, its employees, not only contribute to the performance of its functions, but are also an important part of its success. For a company to be successful, employees must be truly engaged with the company and increase their level of engagement at work.

A decline in employee engagement can indicate company failure. This can be demonstrated by behavior such as lazing around, often being late for work, not obeying company rules, and not caring about their work or co-workers. This is in accordance with research (Mahadika & Hadi, 2018) which found that employees who are not involved in their work will develop a less caring attitude towards their work, which means they only carry out work according to orders, do not focus on their work, relax while working, and do not make the best use of their working time to complete their work. As a result, these employees experience a decrease in productivity and company income. Lockwood (Rahmi & Mulyadi, 2018) said that engaged employees will work harder, more loyally, and do more to ensure business success.

LITERATURE REVIEW

Work Engagement

Work engagement is very important for employee work effectiveness and is needed to increase company productivity (Jesi & Sentoso, 2023). Employees believe that the job role can meet their needs, such as high salary and career path, which determines the importance of the job role. Because they really care about their work and show a high feeling of solidarity, employees who are highly involved in their work will be happy to complete their work to the maximum and contribute ideas for the betterment of their work. There are three indicators

of work engagement: work being an important part of life, work being self-identity, and work being a relationship between oneself.

Work Engagement Indicators

Work engagement, according to Robbin and Judges in Kembau, Sendow, and Tawas (2018), is defined as the level of psychological support a person provides for their work and the level of performance achieved as a measure of self-esteem. 1. Responding to work, 2. Participating in work, and 3. Taking responsibility for work are four ways to measure work engagement. 4. Feeling of unfinished work and absence.

Work Life Balance

According to Wuarlima et al. (2019), work life balance can be defined as when someone can manage their time well or can balance their work at work, family life, and their personal interests (Basalamah et al., 2023). Based on several definitions of work life balance, work life balance can be defined as a balance between work and personal life.

There are several indicators of work life balance (Pratama et al., 2022). The first is time balance, which refers to the amount of time spent on work and non-work activities. The second is engagement balance, which refers to how a person's psychology contributes to their commitment to their work. The third is satisfaction balance, which refers to the level of satisfaction a person has with their current job, both in terms of work and outside activities.

Work Life Balance Indicators

According to Nadira (2019), work-life balance must consist of three components:

1. Time balance, or time balance, which refers to the amount of time spent at work as well as time spent on roles outside of work. The time needed to complete tasks in the organization and its role in each individual's personal life, such as an employee who works besides work also needs time to have fun, hang out with friends, and have a family, are two examples of things that must be considered.
2. Engagement balance, also called engagement balance, refers to psychological involvement or commitment to work and to things other than work. Balance that involves each person, such as their stress levels and how much they are involved in their personal and work lives.
3. Satisfaction balance, or satisfaction balance, includes the level of satisfaction in and outside of work. If someone is satisfied, they are happier participating in their personal and work lives.

Employee performance

Employee performance is not only information number 17 that companies need to decide on promotions or salary determination; it should be evaluated to give employees the opportunity to look at their career plans by considering their strengths and weaknesses (Bariqi, 2020). However, it can be avoided by motivating employees and making plans to correct performance decline (Rumimpunu et al., 2021). Technical abilities, concepts and interpersonal skills are indicators of employee performance.

Employee Performance Indicators

Five indicators are used to measure an employee's performance, according to Yulianto (2020:9): 1. Quality, which shows the quality of employee work through their perception of quality or perfection which describes their skills and abilities. 2. Quantity, which is the amount produced, expressed in the form of numbers, units, or activity cycles completed. 3. Timeliness, which is the level of accuracy indicated by the amount. Independence is the employee's ability to carry out their own tasks.

Work Engagement on Employee Performance

The company has work engagement, where all employees take part in a participatory process that utilizes all employee abilities and is intended to increase commitment to the company's success. This allows employees to understand their role in the workplace. In situations like this, someone will get involved and express themselves physically and emotionally while carrying out the tasks assigned to them in the company (Mahadika & Hadi, 2018).

H1: It is suspected that there is an influence of work involvement on employee performance.

Work-life balance on employee performance

Basically, work-life balance is a positive relationship between work and other equally important activities in life that include family matters, leisure, personal development, and community development. The goal of work-life balance is to give employees more freedom to balance what they do at their workplace with their responsibilities and interests elsewhere.

H2: It is suspected that there is an influence of Work Life Balance on employee performance.

Conceptual Framework

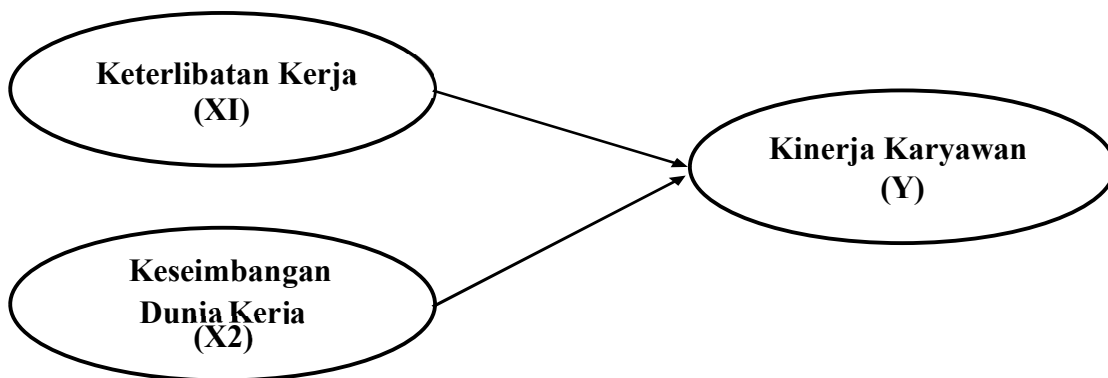


Figure 1
Conceptual Framework

Previous Research

Aldiansyah and Tristiana Rijanti (2021) who conducted research at the Semarang City Regional Revenue Agency found that work involvement had a significant influence on employee performance and Alfian (2018) who conducted research at the Aceh

Education Service found that work involvement had a significant effect on employee performance.

Respati and Muhammad Ihwanuddin (2023) who conducted research on BUMN employees in Gresik, East Java found that work-life balance had a significant effect on improving employee performance and Lingga (2020) who conducted research at PT. Neuronworks Indonesia found that work-life balance has a significant effect on employee performance.

RESEARCH METHODOLOGY

This quantitative study uses associativity or relationships between variables. The goal is to find out how three or more variables relate to each other. This research was conducted at PT. KB Financia Multi Finance Palopo Branch, with 58 employees as samples. The sampling method is purposive. The data analysis technique in this research begins by conducting instrument tests, namely validity and reliability tests, then multiple linear regression analysis is carried out to measure the influence of work engagement and work-life balance variables on the performance of PT employees. KB Financia Multi Finance Palopo Branch.

RESULTS AND DISCUSSION

1. Validity Test Results

Data instruments are declared of high quality and can be accounted for after their validity and reliability have been proven. The method for evaluating the validity of a question is to compare four r -calculations with an r -table. If the r -table is greater than the r -count, then the question is valid, or each question item has a positive and significant correlation coefficient with the total score ($\text{Sig.} < 0.05$). To calculate the validity of the test, 58 participants distributed questionnaires. To test validity, the calculated r and r table are compared with $(df) = n - 2$, so $58 - 2 = 56$. The table has an r value of 0.2586. The results of calculating the correlation coefficient for each subject show that the significance of the Pearson r -calculated correlation is greater than the r -table. Therefore, all question items X_1 , X_2 , and Y are stated and can be used as measuring tools.

2. Reliability Test Results

Reliability testing is used in this research to determine the credibility of questionnaire questions, so that the questionnaire can be used again and again. A measuring instrument is considered reliable if it is used twice to measure the same symptom and the results are relatively consistent. Sekaran (1992) states that statement items in a survey are reliable if the Cronbach's alpha value is more than 0.60. If the alpha value is less than 0.60, then the item is unreliable. The results of the reliability test show that the work engagement variable has a Cronbach's Alpha value of 0.768, the work-life balance variable 0.757, and the Y variable 0.770. Each question is considered reliable because all variables have values above 0.60.

3. Multiple Regression Analysis

Multiple analysis is used to determine or predict the magnitude of the influence of knowing the Influence of Work Engagement and Work Life Balance at PT. KB Financia Multi Finance Palopo Branch. The data was processed with SPSS version 25.0 to obtain the regression equation:

$$Y = 7,149 + 0.607X_1 + 0.237X_2$$

In this equation, the constant value of 7.149 indicates that employee performance is 7.149 if there are no work engagement and work-life balance variables or equal to zero. The b1 coefficient is 0.607, indicating that if there is an addition of one work involvement variable, employee performance will increase by 0.607 assuming the work involvement variable remains constant. The b2 coefficient of 0.237 shows that if there is the addition of one work involvement variable.

4. Hypothesis test

There are two tests, the t-test and the F-test, which are used to measure the level of relationship between the independent variables (work involvement and work balance) with the employee's dependent performance variable. The t-test measures the regression coefficients individually, while the F-test measures the regression coefficients simultaneously.

T-test (Partial Hypothesis Test)

The research hypothesis was tested through a partial test. The level of significance, also known as pvalue, is assessed to test a hypothesis. If the significance level of the calculation results is less than 0.05, the hypothesis is considered valid. Conversely, if the significance level is greater than 0.05, the hypothesis is considered invalid.

Table 4. 1
Partial t Test Results

Independent Variable	t count	Sig. t
Work Engagement (X_1)	5,989	0,000
Work-life balance (X_2)	2,094	0.041

Test Hypothesis 1 (H1)

Hypothesis formulation:

Ho: $\beta_i = 0$ there is no positive influence between work involvement and employee performance.

Ha: $\beta_i > 0$, there is a positive influence between engagement and employee performance.

From table 4.1, it can be seen that the results of testing the involvement hypothesis show a t-value of 5,989 with a significance level of 0.000. The significance level is smaller with an alpha of 0.05, which means that the hypothesis in this study accepts Ha and

rejects H0. Thus it can be concluded that hypothesis H1 "involvement has a positive and significant influence on employee performance" accepted.

Test Hypothesis 2 (H2)

Hypothesis formulation:

Ho: $\beta_i = 0$ there is no positive influence between work-life balance and employee performance.

Ha: $\beta_i > 0$, there is a positive influence between work-life balance and employee performance.

From table 4.1, it can be seen that the results of testing the work-life balance hypothesis show a t-value of 2.0947 with a significance level of 0.041. The significance level of 0.041 is smaller than the alpha of 0.05, which means that the hypothesis in this study accepts Ha and rejects H0. This means that the hypothesis H2 "work-life balance has a positive and significant effect on employee work performance" is accepted.

F test (simultaneous hypothesis testing)

The F test is used to evaluate the influence of each independent variable. The results of simultaneous multiple linear regression calculations are as follows:

Table 4.2
Results of Multiple Regression Analysis

ANOVA ^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	733,286	2	366,643	31,308	,000 ^b
	Residual	644,093	55	11,711		
	Total	1377,379	57			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Work-life Balance, Work Engagement

Table 4.2 shows the results of statistical calculations, which show the calculated F value = 31.308 and a significance of 0.000b. This significance value is smaller than 0.05 because the significance limit of 0.05 is used. This shows that the hypothesis states that employee performance is significantly influenced by work-life balance and work engagement simultaneously.

Coefficient of Determination (R^2)

The coefficient of determination is a quantity that shows how much the dependent variable can be explained by the independent variable. In other words, the coefficient of determination is used to measure how much the independent variable explains the dependent variable. The coefficient of determination value, which is calculated with the following values, is presented in Table 4.3 below:

Table 4.3
Determination Coefficient Summ Model
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,730 ^a	,532	,515	3.42210

a. Predictors: (Constant), Work-life Balance, Work Engagement

Table 4.3 shows the results of multiple linear regression calculations, which show a strong relationship between the work involvement variable and work-life balance, with $R = 0.730$. This shows that the relationship between the work involvement variable and work-life balance 1 is strong and positive.

Adjusted R Square of 0.532 means that 53.2% of the variation in performance variables can be explained by work engagement and work-life balance variables, while the remaining 46.8% is explained by other variables not proposed in this research.

Discussion

All independent variables have a positive and significant impact on the dependent variable partially or individually, as shown by the statistical test results. These two independent variables have a positive impact, because employee performance increases along with increased work engagement and work-life balance. These results are in line with the hypothesis. The following is an explanation of the influence of each variable:

The Effect of Work Engagement on Employee Performance

The research results show that the work engagement variable has a significant effect on employee performance. This finding is in line with Maslow's theory of motivation, which states that people will try to satisfy their self-esteem needs by being involved in their work. In this case, this theoretical concept assumes that the involvement in question is employee involvement with their work tasks, as well as employee involvement.

Previous studies, such as those conducted by Aldiansyah and Tristiana Rijanti (2021) at the Semarang City Regional Revenue Agency, found that employee performance was significantly influenced by their involvement in the workplace. In addition, Alfian (2018) conducted research at the Aceh Education Service, finding that employee performance was significantly influenced by their involvement in the workplace.

The Effect of Work-Life Balance on Employee Performance

The research results show that employee performance is significantly influenced by work-life balance. Lockwood's work-life balance theory describes work-life balance as when a person can organize and divide his responsibilities between work, family life, and other responsibilities so that there is no conflict between family life and work.

Previous research that has been conducted includes Respati and Muhammad Ihwanuddin (2023) who conducted research on BUMN employees in Gresik, East Java, finding that work-life balance had a significant effect on improving employee

performance and Lingga (2020) who conducted research at PT. Neuronworks Indonesia found that work-life balance has a significant effect on employee performance.

Conclusion

From the discussion above, it can be concluded that: 1. Work involvement has a positive and significant impact on the performance of PT employees. KB Financia Multi Finance Branch

Palopo; 2. Work-life balance has a positive and significant impact on the performance of PT employees. KB Financia Multi Finance Palopo Branch; and 3. Work engagement and work-life balance simultaneously have a significant effect on the performance of PT employees. KB Financia Multi Finance Palopo Branch.

Suggestion

1. In this study, only two independent variables were used: work engagement and work-life balance. For future research, researchers can use other variables that influence employee performance, such as intellectual intelligence, gender, salary, work motivation, incentives, etc.
2. The respondents used in this research were only employees at PT. KB Financia Multi Finance Palopo Branch only, so that further research can expand the reach of respondents such as using respondents from two or three larger agencies, further research can also be carried out in the government sector.

REFERENCES

- Bariqi, M.D. (2020). Human Resources Training and Development. *Journal of Management and Business Studies* , 5 (2). <https://doi.org/10.21107/jsmb.v5i2.6654>
- Basalamah, MSA, Sinaga, SR, & Mursalim. (2023). Factors of Job Stress and Work Life Balance on Turnover Intention in Claro Hotel Makassar Employees. *Journal on Education* , 05 (03).
- Isni, SNF, Amalia, L., & Anindita, R. (2022). The Effect of Division of Working Time on Work Life Balance, Job Satisfaction and Employee Retention. *Journal of Management Science* , 19 (2). <https://doi.org/10.21831/jim.v19i2.52563>
- Jesi, T., & Sentoso, A. (2023). Analysis of Organizational Support and Quality of Work Life
- On Employee Performance with Employee Involvement as Mediation
Batam City Freight Forwarder Company . *Jesya* , 6 (1). <https://doi.org/10.36778/jesya.v6i1.899>
- Mahadika, C., & Hadi, MA (2018). The Influence of Employee Involvement, Work Environment and Company Culture on Employee Performance at PT. Jolin Permata Buana Batam City. *Journal of Equilibria* , 5 (1).
- Muhlis, M., . S., & . R. (2018). Training and Motivation for Career Development Employee. *Manager: Journal of Management Science* , 1 (1). <https://doi.org/10.32832/manager.v1i1.1437>

- Munparidi, & Sayuti, AJ (2020). The Effect of Employee Engagement on Employee Performance Through Job Satisfaction as a Mediating Variable. *Journal of Management and Business Applications* , 1 (1).
- Pratama, SH, Sari, EYD, & Widiana, HS (2022). Work-Life Balance and Happiness at Work, How It Impacts Organizational Citizenship Behavior (OCB)? *Psycho Idea* , 20 (1). <https://doi.org/10.30595/psychoidea.v20i1.12089>
- Rahmi, A., & Mulyadi. (2018). The Influence of Employee Involvement, Organizational Culture and Transformational Leadership on Employee Organizational Commitment at PT. PLN Banda Aceh Amelia. *Ilman Journal* , 6 (1).
- Rumimpunu, A.K., Tewal, B., Taroreh, R.N., & Taroreh, R.N. (2021). The Influence of Locus of Control and Job Satisfaction on Employee Work Performance at the Sintesa Peninsula Hotel Manado. *EMBA Journal* , 9 (1).
- Sedarmayanti. (2014). *Human Resources and Work Productivity* .
- Vonny, RPE (2016). The Influence of Training, Work Facilities and Compensation on Employee Job Satisfaction at PT United Tractors Manado Branch. *Efficiency Scientific Periodical Journal* , 16 (3).
- Wuarlima, F., Kojo, C., & Greis M, S. (2019). The Influence of Work Life Balance, Work Engagement and Career Development on Employee Job Satisfaction at Gran Puri Hotel Manado. *EMBA Journal* , 7 (4).