

# Unpacking the work-life balance-performance link: Engagement and job satisfaction as mediators

Naila Hidayatul Markha\*, Eko Nur Fuad

Faculty of Economics and Business, Nahdlatul Ulama Islamic University of Jepara, Indonesia

\*) Corresponding Author (e-mail: nailahidayatulmarkha@gmail.com )

## Abstract

This study examines the effect of work-life balance on employee performance, with employee engagement and job satisfaction tested as parallel mediators. Using a quantitative design, we surveyed 115 production employees at a garment manufacturing company in Jepara, Indonesia, selected through purposive sampling. Data were collected using a 5-point Likert-scale questionnaire and analyzed using PLS-SEM. The results show that work-life balance does not have a significant direct effect on employee performance. However, work-life balance has a positive and significant effect on both employee engagement and job satisfaction, and each mediator, in turn, has a positive and significant effect on employee performance. These findings confirm full mediation in a parallel model, with the employee engagement pathway (cognitive motivational) stronger than the job satisfaction pathway. Practically, organizations should prioritize work-life balance policies that foster engagement to improve performance. This study is limited by its cross-sectional design and focus on a single manufacturing industry, which may constrain the generalizability of the results.

Keywords: Work-Life Balance, Employee Performance, Employee Engagement, Job Satisfaction, SEM-PLS.

## Abstrak

Penelitian ini bertujuan menganalisis pengaruh *work-life balance* terhadap *employee performance* dengan *employee engagement* dan *job satisfaction* sebagai mediator paralel. Penelitian menggunakan pendekatan kuantitatif dengan teknik *purposive sampling* terhadap 115 karyawan bagian produksi pada perusahaan garmen di Jepara. Data dikumpulkan melalui kuesioner skala Likert 1–5 dan dianalisis menggunakan PLS-SEM. Hasil menunjukkan bahwa *work-life balance* tidak berpengaruh signifikan secara langsung terhadap *employee performance*. Namun, *work-life balance* berpengaruh positif dan signifikan terhadap *employee engagement* dan *job satisfaction*, dan kedua mediator tersebut berpengaruh positif serta signifikan terhadap *employee performance*. Temuan ini mengonfirmasi terjadinya mediasi penuh dalam model paralel, dengan jalur melalui *employee engagement* (kognitif-motivasi) lebih dominan dibandingkan jalur melalui *job satisfaction*. Secara praktis, perusahaan perlu memprioritaskan kebijakan keseimbangan kerja-kehidupan yang mendorong keterlibatan kerja untuk meningkatkan kinerja. Keterbatasan penelitian terletak pada desain *cross-sectional* dan fokus pada satu industri manufaktur sehingga generalisasi temuan masih terbatas.

Kata kunci: *Work-Life Balance*, *Employee Performance*, *Employee Engagement*, *Job Satisfaction*, *SEM-PLS*.

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## 1. Introduction

Employee performance is a critical variable that directly determines the success and sustainability of an organization (Shofia & Fu'ad, 2025). As a result of the skills and efforts manifested in specific working conditions, performance needs to be evaluated periodically based on established standards. In the Indonesian context, various studies show that there is still much room for improvement in performance. A study in Jember, for example, found that 55.7% of employees performed at a level that was considered good, which implicitly shows that the rest are still below their optimal potential (Nur'Aini, 2019). This performance achievement itself is influenced by a series of complex and multidimensional factors, such as leadership, organizational culture, work environment, motivation, incentive systems, and stress levels (Yolanda et al., 2022). Understanding and managing these determining factors is an essential step for companies to drive productivity and achieve their strategic goals.

Performance issues at PT. X, a garment company in Jepara, illustrate a common paradox in labor-intensive industries: efforts to increase output have resulted in production levels that consistently fall below standards (50-72%). This situation is driven by an extreme overtime culture that exceeds legal limits (Government Regulation No. 35/2021) and has the potential to cause chronic fatigue (Grytnes et al., 2021). The company's repeated inability to meet targets indicates systemic dysfunction, with the root cause likely lying in the declining psychological condition of employees, rather than solely in technical disruptions. Therefore, this study is relevant to examine the role of employee engagement and job satisfaction as mediators. The following is data indicating low employee performance at PT. X from March to May 2025:

Table 1. Production Target Data

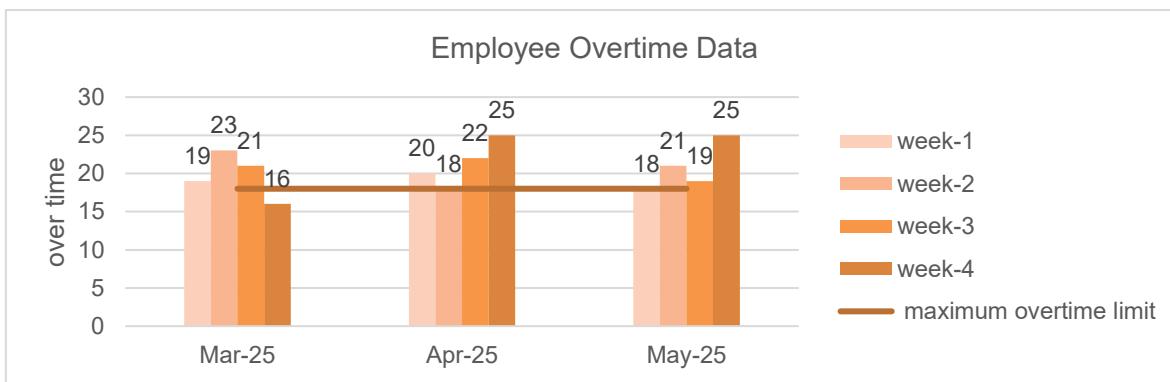
Month	Week	Minimum Target Standard (%)	Actual Achievement (%)
March 2025	Week -1	75%	58%
	Week -2	75%	50%
	Week -3	75%	67%
	Week -4	75%	67%
April 2025	Week -1	75%	61%
	Week -2	75%	67%
	Week -3	75%	70%
	Week -4	75%	70%
May 2025	Week -1	75%	71%
	Week -2	75%	72%
	Week -3	75%	72%
	Week -4	75%	71%

Source: PT. X, 2025

The production target and realization data above show that during the three months (March-May 2025), the realization of the target has not yet reached the company's minimum standard, as the realization percentage ranges from 50% to 72%. In March 2025, production was still low, especially in the first two weeks with very poor realization, which was only 58% and 50%. Entering April 2025, there was progress

with the third and fourth weeks achieving 70%, but there was no consistency because the previous weeks were still at 61% to 67%. The same thing happened in May 2025, where the first to fourth weeks were still at 71% to 72%, with only a slight increase. This is an indicator of challenges such as process inefficiencies, supply delays, production machine damage, and so on.

In an effort to meet production targets that continued to be unmet, PT. X implemented excessive overtime policies that exceeded legal limits, requiring employees to work up to 20 hours of overtime per week or 80 hours per month. This figure exceeds the limit of 18 hours per week set in Government Regulation No. 35 of 2021 Article 28 Paragraph (2). A study in Safety Science Grytnes et al. (2021) proves that long working hours significantly increase the risk of fatigue and injury, which in turn can disrupt the production process and make it difficult to achieve targets. These findings indicate that the overtime policy at PT. X is not a solution but rather part of the inefficiency problem that exacerbates working conditions. The following data shows the weekly overtime hours of PT. X employees:



Source: PT. X , 2025  
Figure 1. Employee Overtime Data

Based on an analysis of Government Regulation No. 35 of 2021 and data on overtime worked by PT. X employees, there appears to be a gap between the legislation and its implementation at PT. X. Government Regulation No. 35/2021 clearly limits overtime to a maximum of 18 hours per week, but the data shows that PT. X regularly exceeds this legal limit, working 20-25 hours per week, for a total of 80 hours per month. This is because employees are unable to complete their work within the stipulated time. In reality, excessive overtime implemented to alleviate the pressure of unmet expectations can cause employees to experience chronic fatigue (Grytnes et al., 2021).

Although there is a relationship between WLB and performance, inconsistent results regarding the direct influence of WLB on performance are often found (Kalliath, 2008). Previous studies have often focused on specific mediators, such as fatigue or organizational commitment (Haar et al., 2014). However, there are still very few parallel mediation models that compare two different psychological pathways cognitive-motivational (EE) and affective-evaluative (JS) in the same setting. By constructing and evaluating an integrated model, this study aims to fill this gap. In the context of

labor-intensive manufacturing sectors in Indonesia, such as PT. X, where excessive output demands often jeopardize workers' work-life balance, this investigation is important. These results can provide more strategic and measurable guidance to management by identifying which pathway is more prevalent. These findings can provide more strategic and measurable guidance to management in designing interventions to improve performance.

This study aims to analyze the effect of Work-Life Balance on Employee Performance (through the parallel mediation mechanism of Employee Engagement and Job Satisfaction (JS). The mediation approach was chosen because of inconsistent findings in the literature regarding the direct relationship between WLB and EP, indicating that its influence is more likely to be transmitted through psychological intermediary processes (Haar et al., 2014). Thus, the mediation hypotheses tested are: (1) The Effect of Work-Life Balance on Employee Performance, (2) The Effect of Work-Life Balance on Job Satisfaction, (3) The Effect of Work-Life Balance on Employee Engagement, (4) The Effect of Employee Engagement on Employee Performance, (5) The Effect of Employee Engagement on Job Satisfaction, (6) The Effect of Work-Life Balance on Employee Performance through Employee Engagement as a Mediating Variable, (7) The Effect of Work-Life Balance on Employee Performance through Job Satisfaction as a Mediating Variable. Literature Review.

## 2. Literature Review

### Employee Performance

Employee Performance is defined as the aggregate value of work behaviors that are under individual control and contribute to organizational goals (Motowidlo & Van Scotter, 1994). Modern performance is multi-faceted, encompassing three key dimensions (Griffin et al., 2007): (1) Task Performance, which is the skill in carrying out core job responsibilities; (2) Contextual Performance, which is discretionary behavior that supports the organizational, social, and psychological environment (e.g., helping coworkers); and (3) Adaptive Performance, which is the ability to adapt to change and handle new work situations.

### Work-Life Balance and Employee Performance

Work-Life Balance is conceptualized as an individual's perceived ability to effectively manage and fulfill the competing demands of work and personal life (Greenhaus et al., 2012). WLB is not merely the absence of conflict, but the achievement of satisfying engagement in both domains. The indicators, adapted from established scales (Greenhaus et al., 2003) include: (1) Time Balance, which is the fair allocation of time for work and non-work activities; (2) Involvement Balance, which is the level of investment and psychological attachment to both roles; and (3) Satisfaction Balance, which is the satisfaction derived from participation in work and personal life. In demanding environments such as garment manufacturing, Time Balance is often the most prominent and threatened dimension.

The direct relationship between WLB and EP is theoretically ambiguous and empirically inconsistent, representing a significant research gap. Recent studies in high-pressure sectors suggest that WLB alone may not translate into performance if job demands are excessive or organizational goals are misaligned. For example, Grytnes et al. (2021) found that in industries with systematic overtime, the benefits of WLB on safety and task focus were neutralized by chronic fatigue. Similarly, research in Indonesian manufacturing by Pradita et al. (2025) showed an insignificant direct path, attributed to the effects of extraordinary production pressure. Furthermore, a study by Wood et al. (2020) concluded that the main influence of WLB is on well-being and engagement, not as a direct driver of performance. Therefore, based on GST, PT. X extreme overtime creates acute goal conflicts between work and personal life.

## H1: Work-Life Balance Affects Job Satisfaction

### **Work-Life Balance and Job Satisfaction**

Job Satisfaction refers to an affective or evaluative response to one's job or work experience (Locke & Latham, 2019). Job Satisfaction encompasses an employee's overall emotional assessment of their work situation. Based on a multidimensional construct (Judge & Bono, 2001), its indicators include satisfaction with: (1) Pay, (2) Promotion Opportunities, (3) Supervision, (4) Coworkers, (5) The Work Itself, (6) Organizational Communication, and (7) Working Conditions. Job Satisfaction represents an affective-evaluative pathway through which workplace conditions influence an individual's willingness to contribute.

WLB is theoretically related to JS through two lenses as a hygiene factor that prevents dissatisfaction (if not fulfilled) and as a motivator that increases satisfaction (if fulfilled). A longitudinal study by (Locke & Latham, 2019) found that WLB is a significant predictor of future job satisfaction. In the local context, research by Arifudin et al. (2024) shows that organizational support for WLB is a major determinant of JS for millennial workers in Indonesia. The research gap to be addressed is how strong the WLB-JS relationship is compared to the WLB-EE relationship, especially in a parallel mediation model for manufacturing products.

## H2: Work-Life Balance Affects Job Satisfaction

### **Work-Life Balance and Employee Engagement**

Defined as a positive and satisfying work-related mental state, characterized by vigor (high energy and mental resilience), dedication (strong engagement and sense of significance), and absorption (full concentration and immersion) (Schaufeli, 2002)EE represents the cognitive-motivational pathway through which psychological resources are invested in work roles. Its main indicators include: (1) Vigor, manifested as high energy and mental resilience at work; (2) Dedication, expressed as a sense of significance, enthusiasm, and challenge; and (3) Absorption, reflected in full concentration and enjoyable immersion in work. Albrecht (2012) GST asserts that goal commitment and focused effort are the foundations of performance. Employee Engagement (EE) is the embodiment of this committed and vigorous effort. We

hypothesize that WLB is a critical antecedent to EE by providing the psychological resources necessary for such commitment.

Yolanda et al. (2022) in Southeast Asia, found that Indonesian employees with better WLB reported significantly higher levels of vigor and dedication. Furthermore, Saks (2019) identified WLB as a significant predictor of engagement, particularly in roles with high emotional demands. Research by Haar et al. (2014) across seven countries established that perceptions of WLB strongly predict work engagement, mediated by reduced work-family conflict. The research gap addressed here is the need to test this established relationship in the specific context of labor-intensive and high-pressure Indonesian manufacturing, where WLB is severely disrupted.

### H3: Work-Life Balance Affects Employee Engagement

#### **Employee Engagement and Employee Performance**

Work engagement with the components of vigor, dedication, and absorption directly represents the core mechanism of the theory in generating performance. Engaged employees direct their energy, perseverance, and cognitive attention optimally toward tasks that support organizational goals. Empirical evidence regarding the strength of the EE-EP relationship is very convincing. A comprehensive meta-analysis by Bakker and Demerouti (2017) places engagement as one of the strongest predictors of individual performance, both task and contextual. Research by Griffin et al. (2007) in a manufacturing setting shows that engagement significantly predicts timeliness, output quality, and prosocial behavior. A recent study in Indonesia by Shofia (2025) also found EE to be a stronger driver of performance than other psychological variables. The gap to be filled is to test the strength of this path relative to the JS-EP path in the same parallel mediation model.

### H4: Employee Engagement Affects Employee Performance

#### **Employee Engagement and Job Satisfaction**

Satisfied employees tend to internalize organizational goals more, exhibit organizational citizenship behavior (part of contextual performance), and have lower turnover intentions. Empirical support for the JS-EP relationship, although the effect size is often more moderate than EE-EP, remains significant. A meta-analysis by Judge and Bono (2001) reported an average correlation of 0.30 between job satisfaction and performance. Recent research by Zhu et al. (2019) shows that this relationship is stronger for contextual and adaptive performance than for routine task performance. The research gap presented is the uncertainty as to whether, in the context of routine and high-pressure work on the production floor, the affective pathway (JS) still has a significant influence on performance after controlling for the motivational pathway (EE).

### H5: Employee Engagement Affects Job Satisfaction

#### **Mediating Variables Linking Work-Life Balance to Employee Performance**

A key research gap addressed by this study is the lack of studies examining and comparing two psychologically distinct parallel mediation pathways (cognitive-

motivational vs. affective-evaluative) in the Work-Life Balance (WLB)-Performance relationship. Previous studies tend to focus on a single mediator or serial mediation models. Parallel models allow for identification of the dominant pathway, providing more targeted strategic implications for management. Hypothesis 6 is supported by the findings of Wood et al. (2020), who demonstrated EE as a strong mediator between family-friendly policies and performance. Hypothesis 7 is supported by the research of Sirgy and Lee (2018), who demonstrated that JS mediates the relationship between work-life balance and work outcomes. This study examines both pathways simultaneously in an extreme work context.

H6: Work-Life Balance Affects Employee Performance through Employee Engagement as a Mediating Variable

H7: Work-Life Balance Affects Employee Performance through Job Satisfaction as a Mediating Variable

### 3. Research Method

This research is quantitative research using primary data. Quantitative research adopts a positivist philosophical stance toward methodology, which asserts that reliable knowledge stems from factual observation and measurement (Mahardini et al., 2024). Quantitative research provides highly efficient tools for educational researchers to achieve results through the use of primary research data samples (Roni et al., 2020).

The location used in this study was PT. X in the garment industry, which consisted of 2025 production employees. The sample size was determined to be 115 respondents, who were selected using purposive sampling with the following criteria: (1) production employees, (2) employees who have worked overtime for 3 hours every day. Data were obtained through a Likert scale questionnaire (1-5) with categories (strongly disagree, disagree, neutral, agree, strongly agree). Data analysis used the Partial Least Squared (PLS) structural equation modeling (SEM) with SmartPLS 4.0.0.9 software. The research model is as follows

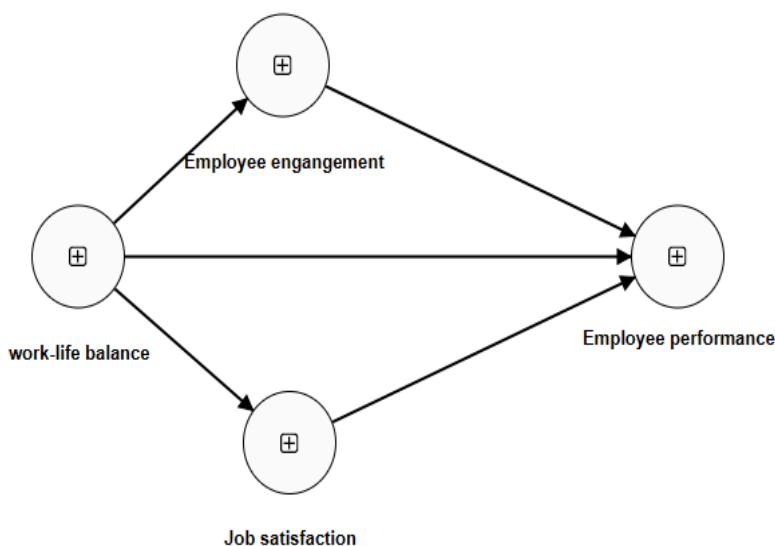


Figure 2. Research Model

Table 2. Definition and Indicators of Variables

Variabel	Definition	Indicators
Employee performance (Y)	Employee performance as a measure of employee behavior that supports the achievement of organizational goals (Motowidlo & Van Scotter, 1994).	1. Task performance 2. Contextual performance 3. Adaptive performance (Griffin et al., 2007; Motowidlo & Van Scotter, 1994)
Employee Engagement (Me 1)	A positive and satisfying mental state related to work, demonstrating energy, commitment, and deep focus (Schaufeli, W. B, 2002).	1. <i>Vigor</i> 2. <i>Absorpsi</i> 3. <i>Dedication</i> (Albrecht, 2012; Mani, 2011; Saks, 2019; Schaufeli, W. B, 2002)
Job Satisfaction (Me 2)	According to (Locke & Latham, 2019) job satisfaction is an affective assessment of a person's attitude toward their job or work experience.	1. <i>Pay</i> (Salary) 2. <i>Promotion</i> 3. <i>Supervision</i> 4. <i>Coworkers</i> 5. <i>Nature Of Work</i> 6. <i>Communication</i> 7. <i>Work Conditions</i> (Judge & Bono, 2001)
Work-life balance (X)	A person's ability to manage the demands of work and roles outside of work is known as work-life balance (Greenhaus et al., 2012).	1. Time-balance 2. Involvement-balance 3. Satisfaction-balance (Greenhaus et al., 2003; Haar et al., 2014; Kalliath & Brough, 2008; Sirgy & Lee, 2018)

Source: Processed Primary Data (2025)

## 4. Results and Discussion

### 4.1. Results

#### Respondent Characteristics

The researcher estimated that the sample would be fulfilled within a period of 1 month. However, during the period when the questionnaire was open and distributed, 115 responses were obtained from respondents within a period of 21 days, requiring the questionnaire to be closed because the minimum sample size had been met. The following are the results of the respondent.

Based on gender characteristics, there were more male respondents than female respondents, namely 69 people, or 60.0% of the total 115 respondents, while 46 people, or 40.0%, were female. Based on age, 78.3% of respondents were in the young and productive age group (20–30 years), followed by those aged 30–40 years (12.2%) and those under 20 years (9.6%). Based on work experience characteristics, 85.2% of respondents had been working for more than one year, indicating that they had successfully passed the adaptation period and had a deep understanding of workplace

dynamics. The inclusion criteria for this study were operator level, in line with the fact that all respondents (100%) held operator positions.

Table 3. Respondent Characteristic

Characteristics	Description	Frequency	Percentage %
Gender	Male	69	60,0%
	Female	46	40,0%
Age	18 - 20 Years	11	9,6%
	21 - 30 Years	90	78,3%
	31 - 40 Years	14	12,2%
Tenure	<1 Years	17	14,8%
	>1 Years	98	85,2%
Position	Operator	115	100,0%

Source: Research Questionnaire Data, 2025

### Evaluation of the Measurement Model (Outer Model)

#### Convergent Validity

The process of testing the validity and reliability of research tools using various statistical methods. To assess validity, factor loading analysis and Average Variance Extracted (AVE) are usually performed, where the accepted values are more than 0.7 and more than 0.5, (Firman et al., 2021). Respectively (Sarstedt et al., 2019) It is also explained by (Sarstedt et al., 2019) that factor loadings above 0.6 are considered acceptable.

Table 4. Convergent Validity Test

Variable	Indicator	Outer Loading	P Values	Description
Employee Performance (Y)	EP-01	0.707	0.000	Valid
	EP-02	0.690	0.000	Valid
	EP-03	0.857	0.000	Valid
Employee Engagement (Me 1)	EE-01	0.861	0.000	Valid
	EE-02	0.773	0.000	Valid
	EE-03	0.816	0.000	Valid
Job Satisfaction (Me 2)	JS-02	0.753	0.000	Valid
	JS-03	0.748	0.000	Valid
	JS-04	0.741	0.000	Valid
	JS-05	0.711	0.000	Valid
Work-Life Balance (X)	WLB-01	0.879	0.000	Valid
	WLB-02	0.856	0.000	Valid
	WLB-03	0.773	0.000	Valid

Source: Data processed by Smart PLS 4.0.9.9, 2025

The data in the table shows that all indicators meet the convergent validity criteria, with external loadings exceeding 0.70 at a significance level of  $p < 0.00$ . With factor loadings of 0.879 (WLB-01), 0.856 (WLB-02), and 0.773 (WLB-03), respectively, the Work-Life Balance construct shows the highest internal consistency, indicating that time balance is the most crucial dimension in the context of PT. X. With factor loadings ranging from 0.861 to 0.816, the Employee Engagement construct also showed significant internal consistency. These results are consistent with the findings of

(Schaufeli, 2002), which highlight vitality as a fundamental component of engagement in demanding work environments.

### **Reliability and Internal Consistency**

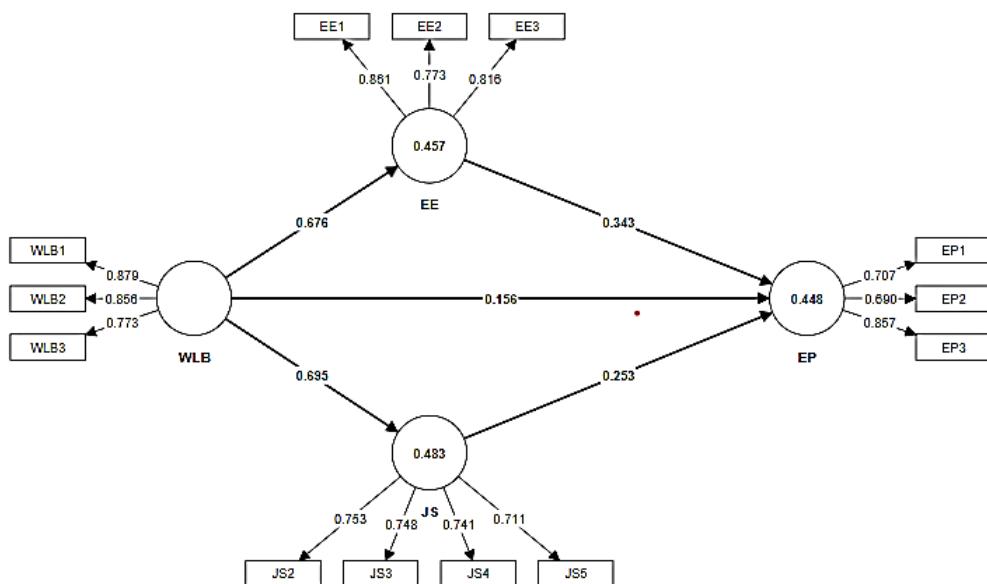
Table 5. Value of Composite Reliability and Cronbach's Alpha

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted(AVE)
Employee performance	0.624	0.654	0.798	0.570
Employee Engagement	0.753	0.775	0.857	0.668
Job satisfaction	0.723	0.726	0.827	0.545
Work-life balance	0.787	0.804	0.875	0.701

Source: Data processed by Smart PLS 4.0.9.9, 2025

With a composite reliability value above 0,70 and AVE exceeding 0,50, the reliability test results show that each variable meets the reliability norm of (Sarstedt et al., 2019). With a composite reliability of 0,875 and Cronbach's Alpha of 0,787, Work-Life Balance shows the highest reliability, followed by Employee Engagement with 0,857 and 0,753. The ability of the indicators to explain the variance of the construct is confirmed by the AVE value of Work-Life Balance of 0,701, which is higher than the criterion of 0,50 (Sarstedt et al., 2019). Although Cronbach's Alpha for Employee Performance (0,624) is below 0,70, the internal consistency of the construct is still considered adequate based on the composite reliability of 0,798.

Reliability in research refers to the consistency and stability of measurement results across various conditions (Babu, 2023).



Source: Data processed by Smart PLS 4.0.9.9, 2025

Figure 3. Graphical Output

## Structural Model Evaluation (Inner Model)

### Determination Coefficient R-squared

An R-squared value of 0.67 is categorized as strong, while a value of 0.33 is categorized as moderate, and 0.19 is categorized as weak. The R-squared test is used to measure how much the dependent variable is influenced by other variables (Patianum et al., 2022).

Table 6. R-Square

Variable	R-Square	R-Square Adjusted	Category
Employee Engagement	0.457	0.452	Moderate
Employee performance	0.448	0.433	Moderate
Job satisfaction	0.483	0.478	Moderate

Source: Data processed by Smart PLS 4.0.9.9, 2025

Based on the coefficient of determination ( $R^2$ ) value for employee performance, which reached 0.448. Additionally, the  $R^2$  values for Job Satisfaction (0.483) and Employee Engagement (0.457) indicate adequate explanatory power, supporting the role of Work-Life Balance as a key driver in the model.

### Hypothesis Test

The criteria for accepting or rejecting a hypothesis are determined by a significance value of  $T\text{-value} > 1.96$  and  $P\text{-value} < 0.05$  at a significance level of 5% ( $\alpha = 5\%$ ). Therefore,  $H_a$  will be accepted and  $H_0$  rejected, and vice versa (Patianum et al., 2022).

Table 7. Hypothesis Test

Variable	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values
WLB -> EP	0.156	0.153	0.119	1.316	0.188
WLB -> JS	0.695	0.701	0.048	14.577	0.000
WLB -> EE	0.676	0.680	0.055	12.258	0.000
EE -> EP	0.343	0.345	0.097	3.550	0.000
JS -> EP	0.253	0.260	0.119	2.131	0.033
Mediation Variable					
WLB -> EE -> EP	0.232	0.234	0.069	3.366	0.001
WLB -> JS -> EP	0.176	0.182	0.085	2.064	0.039

Source: Data processed by Smart PLS 4.0.9.9, 2025

Six of the seven research hypotheses were approved based on the information listed in the table. Work-Life Balance (WLB) supports hypotheses H2 and H3 by having a significant impact on Job Satisfaction (JS) and Employee Engagement (EE) with a  $p\text{-value} < 0.000$ . The Job Demands-Resources (JD-R) theory, which describes WLB as a personal resource, is consistent with this conclusion (Bakker & Demerouti, 2017). However, hypothesis H1 was rejected because there was no significant direct effect of WLB on Employee Performance (EP) ( $p = 0.188$ ), indicating full mediation.

Additionally, it was found that JS ( $p = 0.033$ ) and EE ( $p < 0.000$ ) significantly influenced EP, thus confirming hypotheses H4 and H5. Both factors act as partial mediators, according to mediation analysis, with EE ( $p = 0.001$ ) having a greater

mediating effect than JS ( $p = 0.039$ ), thus confirming hypotheses H6 and H7. Regarding the parallel mechanisms mentioned, our results close the research gap.

#### 4.2. Discussion

##### The effect of WLB on employee performance

The results of the study show that H2 and H3 are significantly positive. However, there are differences in the original Sample O ( $H2 = 0.695$  and  $H3 = 0.676$ ). The values in the Original Sample O, indicate that WLB has a stronger influence in shaping JS than in shaping EE among employees of PT. X. These results are consistent with the Job Demands-Resources (JD-R) Theory (Bakker & Demerouti, 2017), which views WLB as an essential personal resource. Based on the analysis of the WLB-01 indicator (0.879), it indicates that the ability to manage a balanced time between personal life and work is the most important aspect. This accurately describes the actual conditions of the respondents, as the majority (85.2%) have worked for more than a year and are consistently expected to work overtime. For them, the most important aspect of WLB is having time to go home, rest, and carry out responsibilities outside of work. The mental energy (vigor) needed to be fully committed and focused on work, which is the basis of EE, will decrease if company policies drain this time resource. These results align with the research (Schaufeli et al., 2002) which shows that engagement requires recovery from fatigue.

Conversely, H1 tests the direct effect of WLB on EP, showing an original sample value of O (0.156), with a P value (0.188) with a significance of 5%, indicating that there is no direct effect between WLB and EP and is not significant. A number of aspects of job satisfaction, including job satisfaction and working conditions, will be affected by the fulfillment of personal time needs (Fu'ad, 2015). Employees who feel satisfied, committed, and adaptable tend to be more willing to work to meet organizational goals, which ultimately improves their performance (Fu'ad, 2015). H4 (The effect of EE on EP) and H5 (The effect of JS on EP) were also accepted. EE has a stronger positive and significant effect ( $\beta = 0.343$ ,  $p = 0.000$ ) than JS ( $\beta = 0.253$ ,  $p = 0.033$ ). This indicates that in a demanding work environment such as PT. X, the cognitive-motivational pathway (EE) is more dominant in driving performance than the affective-evaluative pathway (JS).

##### Full Mediation Mechanism

The insignificant findings on the direct influence of WLB on performance (H1 rejected) are in line with JD-R Theory, which states that personal resources such as WLB do not necessarily result in good performance, but must first go through a motivational process (Bakker & Demerouti, 2017). In the context of PT. X, having time for personal life (WLB) is only a capacity that is then converted into actual performance if it is followed by employee work motivation and psychological energy to drive efforts into job demands. Therefore, if an employee at PT. X has strong work-life balance (WLB), such as time management skills, this does not always translate into better task performance if they tend to lack motivation to focus on effort and perseverance in achieving clear and challenging production targets.

This is confirmed by mediation analysis ( $WLB \rightarrow EE \rightarrow EP$ ) ( $p = 0.001$ , and original sample = 0.232). There is a significant positive indirect effect with a fairly strong influence. This mediation has a higher mediation coefficient compared to ( $WLB \rightarrow JS \rightarrow EP$ ) ( $p = 0.039$ , and original sample = 0.176). This indicates that in a demanding work environment such as PT. X,  $WLB$ 's ability to restore mental energy (vigor) contributes more directly to increased effort and perseverance at work (EE), which ultimately drives performance. Meanwhile, job satisfaction (JS) is more evaluative in nature and has less of a direct impact on work effort. The questionnaire data shows that the majority of respondents feel that adequate rest time ( $WLB$ ) has a greater influence on work enthusiasm (EE) than simply feeling satisfied (JS).

### **Theoretical Implications and Evidence from Respondent Responses**

The analysis of the research results shows that H1 is rejected ( $\beta = 0.156$ ,  $p = 0.188$ ). This finding is consistent with and reinforces the explanation of Goal Setting Theory (GST). GST argues that high performance is achieved when individuals have clear work goals and can focus their efforts and perseverance to achieve them. In the context of PT. X, unbalanced work policies and excessive overtime create acute goal conflict between work goals (meeting production targets) and personal life goals (rest, family). This conflict drains employees' attention and cognitive resources. Meanwhile, the Job Demands-Resources (JD-R) Model explains that excessive job demands such as extreme overtime can neutralize the potential benefits of personal resources such as  $WLB$ , and even trigger chronic fatigue (burnout).

As a result, even though an employee may have good personal  $WLB$  capacity, the lack of goal alignment at the organizational policy level hinders the core GST mechanism from functioning optimally, making the direct relationship between  $WLB$  and  $EP$  insignificant. This finding also suggests an alternative hypothesis that the influence of  $WLB$  on  $EP$  may not be direct, but fully mediated by variables such as work engagement or burnout, or moderated by organizational support. Furthermore, it can be hypothesized that in environments with excessive demands,  $WLB$  plays more of a hygiene factor role in preventing drastic declines in performance, rather than a motivator that improves performance. In other words,  $WLB$  alone is not sufficient to overcome systemic disruptions to focus and effort caused by work environments that conflict with GST principles and related theories of stress management and work motivation.

According to respondents, a significant background is caused by the characteristics of the majority of employees, who are young (between 20 and 30 years old) and have more than one year of work experience. This age group usually reaches a point where work and family obligations begin to increase sharply. Their level of participation and satisfaction declined rapidly due to the organization's indifference to their personal time, which was reflected in exploitative overtime policies. The vitality (EE-01) and time balance ( $WLB$ -01) indicators showed the greatest burden factors, which was clearly evident from the quantitative data. Employees subtly reveal that the lack of recovery time (time balance) causes them to lose energy (vitality). Thus, the statistical findings

in this study not only reflect abstract relationships between variables but also represent the real psychological conditions experienced by employees.

## 5. Conclusion

Based on the analysis results, it can be concluded that Work-Life Balance (WLB) does not directly affect Employee Performance (EP) at PT. X. The effect of WLB on EP is fully mediated in parallel by Employee Engagement (EE) and Job Satisfaction (JS), with the cognitive-motivational pathway proving to be more dominant than the affective-evaluative pathway. These findings confirm that in a demanding work environment with extreme overtime policies, improving WLB will only enhance performance if it can restore employees' psychological energy and work engagement (EE), while also increasing their satisfaction (JS). The practical implication is that PT. X needs to revise its overtime policy and implement a structured WLB program to boost engagement and satisfaction, which will ultimately improve performance.

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