

Employee Well-Being and Work-Life Balance on Millennials Employee Performance: The Mediating Role of Work Engagement

Jufrizen¹, Annisa Anggreini Lubis¹

Universitas Muhammadiyah Sumatera Utara¹

e-mail: jufrizen@umsu.ac.id

ORCID ID: <https://orcid.org/0000-0002-4837-7451>

ARTICLE INFORMATION

Publication information
Research articles

HOW TO CITE

Jufrizen, J., & Lubis, A. A. (2025.). Employee well-being and work-life balance on millennials employee performance: The mediating role of work engagement. *Current Issues & Research in Social Sciences, Education and Management*, 3(1), 86-102.

Copyright © 2025 owned by Author(s).
Published by CIR-SSEM



This is an open-access article.

License:

Attribution-Noncommercial-Share Alike
(CC BY-NC-SA)

Received: 20 April 2025

Accepted: 25 May 2025

Published: 30 June 2025

ABSTRACT

This study aimed to determine and analyze the effect of employee well-being, work-life balance, and work engagement directly on employee performance. The effect of employee well-being and work-life balance on work engagement, and the effect of employee well-being and work-life balance indirectly on employee performance through work engagement. This study uses associative research with a sample of 76 employees. The data collection technique uses a list of statements such as questionnaires and data analysis techniques using Partial Least Square (SmartPLS). The results showed that there is a positive and significant effect of employee well-being, work-life balance, and work engagement on employee performance, and there is a positive and significant effect of employee well-being and work-life balance on work engagement, and there is a positive and significant effect of employee well being and work-life balance indirectly on employee performance through work engagement.

Keywords: Employee well-being, Work-Life Balance, Work Engagement, Employee Performance.

INTRODUCTION

Organizations steadfastly pursue their articulated vision, mission, and objectives. To achieve these aims, they must proficiently manage various supportive elements, with human capital paramount. Employees serve as this indispensable asset, endowing the organization with the energy, ingenuity, and dedication required for effective operational execution.

The employment landscape is experiencing considerable change, with a significant portion of the workforce consisting of millennials, defined as individuals born between 1981 and 1996. This phenomenon is observable in Medan, where most corporate personnel belong to this generation. Experts describe millennials as those born from the early 1980s to the mid-1990s or early 2000s. As the inaugural generation to encounter digital transformation firsthand, they have adopted technology to a far greater extent than preceding groups, influencing nearly every dimension of professional activity. Data released by BPS reveals that individuals in the millennial bracket, now aged from 28 to 43 and born from 1981 to 1996, constitute 25.04 percent of the population, amounting to 719728 persons, while members of Generation Z, born from 1997 to 2012 and currently aged from 12 to 27, account for 25.79 percent or 741285 persons. This demographic arrangement, predominantly composed of millennials and Generation Z, reflects a dynamic and productive workforce that offers considerable prospects for organizational advancement.

According to a survey conducted by the International Islamic University of Malaysia (IIUM), one significant challenge modern companies face is the dissatisfaction of millennial employees regarding their compensation and working conditions. Employees belonging to this generation seek positions that offer ideal remuneration and career prospects, expect rapid innovation and skill development, and look forward to a fulfilling life beyond the workplace. In light of these conditions, organizations continually enhance their governance, emphasizing human resources management to boost employee performance and align with evolving trends.

Employee performance holds a crucial role in achieving organizational objectives. As a result, companies must constantly focus on and work to improve the effectiveness of their workforce. Performance can be described as the caliber and volume of work an employee generates in fulfilling their assigned duties (Edison et al., 2018). More broadly, it is understood as the degree of success an individual attains in executing their duties (Andayani, 2019); consequently, performance encompasses personal traits and the tangible outcomes of one's work over time.

In the modern professional realm, employee wellness reflects the overall state of an individual's satisfaction and emotional balance at work. An employee is regarded as experiencing wellness when they feel content with their job, regularly experience positive emotions such as joy and happiness, and seldom encounter negative feelings such as disappointment, sadness, or anger (Larwin et al., 2020). This wellness is pivotal in professional life as it is closely linked to favorable outcomes such as heightened employee engagement, voluntary supportive behavior towards the organization, stronger employee commitment, and superior job performance (Tentama & Yuliantin, 2021). Consequently, organizations must place great emphasis on safeguarding the well-being of their workforce.

Employee wellness is a comprehensive notion that embraces physical, mental, and emotional dimensions (Rusdi et al., 2023). Employees who enjoy robust physical and mental health typically become more productive, creative, and successful. This state of wellness also refers to employees' balance between professional responsibilities and personal pursuits. In light of this, millennial employees, in particular, underscore the importance of achieving a harmonious work-life balance. Work-life balance embodies the equilibrium between one's career obligations and personal interests, a condition that can

notably enhance overall work efficiency. Today, the relevance of work-life balance is increasingly acknowledged by organizations (Shakila et al., 2022).

In response, many companies have recognized the benefits of a well-balanced work life and have introduced flexible working hours, maternity leave, annual leave, and care leave to support their employees in managing both professional and personal demands. Employees who successfully maintain this balance experience lower stress levels and improved psychological well-being. This enhanced well-being increases energy and motivation, fostering greater productivity, effectiveness, and overall job satisfaction.

By placing employee welfare and the balance between professional and personal responsibilities at the forefront, companies enhance worker satisfaction and reinforce overall organizational performance by establishing a sound work environment and fostering enduring commitment and engagement. Work engagement represents the degree of involvement, enthusiasm, and dedication employees bring to their roles (Jufrizen, Khair, & Loviky, 2023). When employee welfare is robust, and the equilibrium between work and personal life is maintained, work engagement is likely to increase (et al., 2024). Integrating physical, mental, and emotional health with a balanced distribution of professional and personal time creates a nurturing workplace that promotes high levels of engagement.

Furthermore, challenges in performance are intricately connected to employee welfare, the balance between work and personal life, and work engagement. Some employees exhibit a competitive mindset that undermines a cooperative and supportive atmosphere, negatively impacting overall welfare. In addition, certain individuals feel overwhelmed by work demands during periods typically reserved for personal time. The constant connectivity afforded by mobile devices and email intrudes upon a valuable time with family and friends. The inability to separate professional obligations from personal pursuits leads to elevated stress and diminished motivation. Consequently, employees who cannot secure sufficient quality time for rest and recovery tend to experience burnout, which lowers their engagement level in work.

LITERATURE REVIEWS

Employee Performance

Performance denotes the measurable outcome produced by a process evaluated over a designated period by established criteria or contractual terms. Marwansyah (2016) asserts that employee performance reflects how much an individual completes assigned tasks. In contrast, Lubis et al. (2018) define performance as the cumulative output achieved by organizations operating on a commercial or nonprofit basis during a specific interval. Sutrisno (2016) explains that performance is determined by evaluating the caliber and volume of work, time management, and the level of cooperative effort applied to attain organizational objectives. (Fahmi, 2016) similarly regards performance as the outcome of a process measured within a set timeframe based on predetermined conditions. Additionally, (Mangkunegara, 2019) highlights that employee performance is characterized by the standard and volume of work produced to fulfill assigned responsibilities.

Employee Well-being

Employee well-being refers to benefits besides base wages and salaries, including extra monetary rewards such as bonuses. Ni'mah (2016) explains that these benefits are not determined by performance measures but are awarded based on an individual's role and overall contribution beyond mere salary considerations. Moreover, well-being encompasses the range of emotions an individual experiences, marked by frequent positive feelings, minimal negative moods, and a high level of life satisfaction (Diener et al., 2017). Organizations need to prioritize employee well-being, as the support offered addresses employees' and their families' physical and psychological

needs. In this regard, employee welfare represents supplementary benefits, both tangible and intangible benefits designed fairly and practically to motivate employees to improve their performance while preserving and enhancing their overall health (Subardjono, 2017).

Work-Life Balance

Work-life balance is an individual's capacity to meet professional responsibilities alongside family and other personal obligations successfully. This balance holds significant importance for organizations and their staff since a well-maintained equilibrium fosters enhanced employee performance and encourages valuable contributions. Wardani & Firmansyah (2019) characterize work-life balance as a condition in which an individual can effectively mitigate and manage the tensions between personal and work-related demands. In contrast, Suryanto et al. (2019) define it as fulfilling essential needs across professional, familial, and personal life domains. Furthermore, Akter et al. (2019) describe work-life balance as the alignment between an individual's occupational role and their responsibilities in leisure, family, personal activities, and societal engagements.

It is important to note that achieving a work-life balance does not imply an equal distribution of time between professional and personal activities. Rather, it involves establishing a harmony between work demands and individual needs and desires, as explained by Greenberg & Baron (2014). Ultimately, work-life balance is realized when individuals demonstrate a committed and engaged approach to their career and personal lives, ensuring overall well-being and satisfaction (Ganapathi, 2016).

Work Engagement

Employee work engagement refers to the active involvement of individuals in their professional roles and the full integration of their physical, cognitive, and emotional energies in work activities. Sun & Bunchapattanasakda (2019) explain that this engagement involves a complete state of bodily, mental, and emotional investment in one's work. (Schaufeli, 2012) characterizes work engagement as the experience of strong positive emotions related to work, a steadfast commitment to task completion, and the pleasure derived from work. Saks (2011) further describes work engagement as a condition encompassing mental, emotional, and behavioral components, reflecting the positive work experience marked by enthusiasm and dedication. In addition, (Hughes & Rog, 2008) assert that work engagement is a deep emotional and intellectual bond that employees develop with their work environment, including the organization, leadership, or colleagues, motivating them to contribute extra effort. Work engagement has recently gained prominence in organizational behavior studies because of its significant influence on overall business performance. Risher (2010) observes that a strong emotional connection with the organization inspires employees to invest additional effort beyond their routine responsibilities willingly.

Hypothesis Development

The Effect of Employee Well-being on Employee Performance

Within the professional arena, employee well-being reflects an individual's overall satisfaction and state within the workplace. Employees are deemed to experience well-being when content with their roles. They frequently exhibit positive emotions such as joy and happiness and rarely face negative emotions like disappointment, sorrow, or anger (Larwin et al., 2020). This state is crucial, as it is closely linked with positive outcomes, including increased work engagement, enhanced voluntary supportive behaviors, stronger commitment, and superior job performance (Tentama & Yuliantin, 2021). Consequently, organizations must prioritize nurturing the welfare of their workforce.

Furthermore, empirical studies (Rusdi et al., 2023) highlight that employee well-being is a multifaceted concept encompassing physical, mental, and emotional dimensions. When employees maintain robust physical and mental health, they are more inclined to be productive, innovative, and capable of delivering high performance.

The Effect of Life Balance on Employee Performance

Work-life balance denotes how individuals effectively integrate their professional duties with personal and family commitments. An optimal equilibrium in this area yields various benefits, including improved productivity and well-being. As organizations increasingly acknowledge the significance of this balance (Shakila et al., 2022), many have introduced flexible work schedules and diverse leave policies, including maternity, annual, and care leave, to support their staff in managing work and personal responsibilities.

When achieving this balance, employees typically experience reduced stress and enhanced mental well-being. This positive state gives them greater energy and motivation and translates into superior performance on work-related tasks. Empirical research by Arifin & Muharto, (2022); (Jufrizen et al., 2023) and (Prayogi et al., 2019), confirms that a well-maintained work-life balance has a significant and favorable impact on employee performance.

The Effect of Employee Well-being on Work Engagement

Employees who experience positive emotions regarding their work are inclined to contribute beyond the basic requirements of their roles. This behavior serves as a clear indication of their deep engagement with their professional duties. Such highly engaged individuals commit themselves wholeheartedly to achieving goals, employ thoughtful strategies to determine the most effective ways to complete tasks, and continuously assess their progress. (Kimberly & Utoyo, 2013) identify employee well-being as a crucial element that influences work engagement. In essence, as an individual's well-being improves, so does their level of engagement with their work. When work engagement is lacking, employees are less likely to develop a strong sense of belonging or to actively participate in the advancement of the organization by fully utilizing their capabilities. This observation is consistent with the findings of (Sitorus & Primanita, 2024) and (Gomez & Chavez, 2023), who concluded that employee well-being positively impacts work engagement.

The Effect of Work-Life Balance on Work Engagement

Within organizations, employees are expected to develop a strong bond with their company, which is reflected in their engagement level. Numerous studies have examined how work-life balance influences this attachment. (Meier et al., 2010), It has been observed that Generation Y employees tend to prioritize work-life balance more than their Generation X counterparts. Work-life balance refers to the extent to which an individual feels satisfied while fulfilling professional duties and family responsibilities. This balance is critical for achieving psychological and emotional stability and can enhance employee engagement.

Colakoglu et al. (2010) indicate that when employees derive satisfaction from managing work and family roles, their contributions and sense of loyalty to the organization increase. Employees who successfully harmonize these roles with the support of their organization tend to exhibit higher commitment and attachment.

The Effect of Work Engagement on Employee Performance

Organizations benefit greatly from having a workforce that is energetic, dedicated, and deeply focused on their responsibilities. Bakker & Leiter (2010) stress that employees with a strong connection to their company are indispensable. As a result, companies must pay attention to the conditions experienced by their staff to foster engagement. Macey & Schneider (2015) describe engagement as a state marked by commitment, a willingness to contribute, a sense of belonging, loyalty, and pride in one's work and the organization. Employees typically exhibit increased diligence when they experience a strong psychological bond with their organization. In fact, (Ramadhan &

Sembiring, 2014) found that high work engagement significantly improves work quality. Consistent with these findings, research by (Jufrizen & Erika, 2021) (Tanwar, 2017), (Dajani, 2015), (Pillay, 2018), (Ramadhan & Sembiring, 2014) (Handoyo & Setiawan, 2017), (Anitha, 2014) dan (Saxena & Srivastava, 2015) as shown that a strong attachment to the job plays a pivotal role in enhancing employee performance.

The Effect of Employee Well-being on Employee Performance Through Work Engagement

Focusing on the overall well-being of employees allows organizations to establish a supportive and vibrant work environment that nurtures enduring commitment and active participation. When physical, mental, and emotional health is given priority, work engagement rises noticeably as employees exhibit greater enthusiasm and dedication toward their responsibilities (Jufrizen et al., 2023). Research by (Kahpi et al., 2024) suggests that robust well-being directly contributes to enhanced work engagement.

The Effect of Work-Life Balance on Employee Performance Through Work Engagement

Likewise, maintaining a harmonious balance between professional and personal life improves employee satisfaction and, consequently, superior organizational performance. Employees who achieve a favorable equilibrium between work and life responsibilities tend to demonstrate heightened levels of engagement in their tasks (Jufrizen et al., 2023), a trend supported by the findings of (Kahpi et al., 2024). These insights reveal a clear linkage whereby employee well-being and work-life balance influence overall performance through elevated work engagement. This interconnection is depicted in the conceptual framework presented in Figure 1 below:

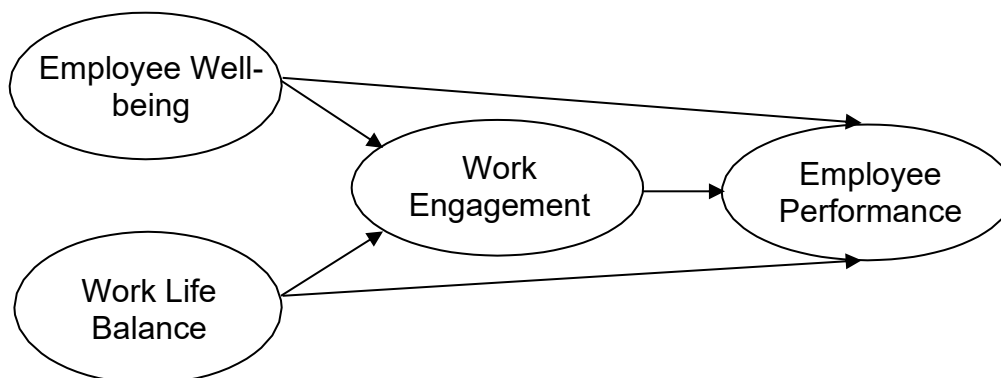


Figure 1. Conceptual Framework

RESEARCH METHOD

This investigation adopted both associative and quantitative research strategies. The associative approach explores the interrelationships among variables and determines how one may influence another. This method was selected because it facilitates data analysis involving multiple interacting variables (Irfan et al., 2024). In contrast, the quantitative approach is rooted in positivist philosophy and focuses on examining specific populations or samples through random sampling procedures. It is termed quantitative because it relies on numerical data and statistical techniques for analysis (Sugiyono, 2018).

As Juliandi et al. (2015) defined, a population comprises all objects or subjects with certain predefined attributes, which are studied to draw generalized conclusions. In the context of this study, the population consisted of 77 millennial employees from PT Pelabuhan Indonesia (Persero) Regional 1 Belawan Branch.

Furthermore, Sugiyono (2018). describes a sample as a portion of the population. Given that the total number of subjects was below 100, the study utilized the entire population as the sample, resulting in a saturated sample of 77 individuals. Before data collection, the researcher needed to decide on the appropriate methods for gathering

data. To ensure validity and reliability, data were collected using interviews and questionnaires, as recommended by (Irfan et al., 2024).

This study employed a quantitative descriptive framework to analyze data, emphasizing numerical evaluation throughout every stage—from initial data collection to interpretation and final presentation. The analysis is anchored in established theoretical models, and observational evidence is used to verify these theories before concluding. The results are then outlined descriptively to summarize the data and address the research questions. The study utilized SEM-PLS to perform path analysis involving latent variables for the statistical analysis. Ghozali (2014) notes that this approach represents a more advanced generation of multivariate analysis capable of simultaneously testing both the measurement and structural components.

RESULTS

The study was conducted at PT Pelabuhan Indonesia (Persero) Regional 1 Belawan Branch. A survey instrument was developed that included eight items measuring employee performance (Y), nine items assessing employee well-being (X1), nine items evaluating work-life balance (X2), and nine items gauging work engagement (Z). The questionnaire was distributed to all employees at the branch, resulting in a total sample of 77 respondents.

1. Measurement Model Analysis (Outer Model)

In evaluating the measurement model, we examine four key criteria: convergent validity, discriminant validity, composite reliability, and Cronbach's alpha.

a. Convergent Validity

Convergent validity checks that items designed to measure the same construct are highly correlated, ideally showing a correlation above 0.70. However, early-stage research on developing a new measurement scale (Ghozali & Latan, 2015) indicates that loadings between 0.50 and 0.60 can be acceptable.

Table 1. Outer Loading

	Employee Performance	Employee Well Being	Work Engagement	Work-Life Balance
EP1	0,769			
EP2	0,723			
EP3	0,789			
EP4	0,736			
EP5	0,735			
EP6	0,708			
EP7	0,725			
EP8	0,777			
EWB1		0,700		
EWB2		0,746		
EWB3		0,754		
EWB4		0,821		
EWB5		0,709		
EWB6		0,718		
EWB7		0,879		
EWB8		0,700		
EWB9		0,715		
WE1			0,758	
WE2			0,720	
WE3			0,705	
WE4			0,791	
WE5			0,785	
WE6			0,764	

WE7			0,781	
WE8			0,781	
WE9			0,757	
WLB1				0,792
WLB2				0,777
WLB3				0,750
WLB4				0,705
WLB5				0,730
WLB6				0,794
WLB7				0,762
WLB8				0,752
WLB9				0,721

The convergent validity assessment reveals that all factor loadings exceed the 0.5 threshold, which confirms that each loading is satisfactory.

b. Discriminant Validity

This measurement model employs reflexive indicators evaluated through cross-loadings with their corresponding constructs (Ghozali & Latan, 2015). This approach provides a more conservative estimate of the latent variable's reliability compared to composite reliability, and it is recommended that the Average Variance Extracted (AVE) should be above 0.50.

Table 2. Average Variance Extracted (AVE)

	AVE
Employee Performance	0,561
Employee Well Being	0,519
Work Engagement	0,547
Work-Life Balance	0,585

The table demonstrates that every construct has an AVE value greater than 0.50, indicating that the model does not encounter any issues related to discriminant validity.

c. Cronbach Alpha

For confirmatory research, Cronbach's alpha should surpass 0.70, while a value greater than 0.50 is acceptable for exploratory studies (Hair et al., 2021).

Table 3. Cronbach Alpha

	Cronbach's Alpha
Employee Performance	0,784
Employee Well Being	0,782
Work Engagement	0,771
Work-Life Balance	0,767

Examining Cronbach's alpha values for the indicator sets confirms that all constructs meet the minimum reliability requirements.

d. Composite Reliability

For confirmatory research, composite reliability should exceed 0.70, although values ranging from 0.53 to 0.70 may be acceptable in exploratory studies (Hair et al., 2021).

Table 4. Composite Reliability

	Composite Reliability
Employee Performance	0,763
Employee Well Being	0,771
Work Engagement	0,707
Work-Life Balance	0,765

In this analysis, the composite reliability for all constructs is above the 0.70 threshold, indicating that each construct is reliably measured.

2. Structural Model Analysis (Inner Model)

The structural model is evaluated using three key tests: R-Square, F-Square, and the Hypothesis Test. The results from these tests provide insights into how well the model fits the data and the significance of the relationships among variables.

a. R-Square

According to Juliandi (2018), an adjusted R-squared value of 0.75 or higher indicates a strong model, 0.50 suggests a moderate model, and 0.25 implies a weak model. This criterion helps interpret the model's explanatory power.

Table 5. R-Square

	R Square	R Square Adjusted
Employee Performance	0,540	0,521
Work Engagement	0,815	0,810

From Table 5, the adjusted R-Square for path model I is 0.521, meaning that employee well-being and work-life balance explain 52.1% of the variance in employee performance, classifying this model as moderate. In contrast, path model II has an adjusted R-Square of 0.810, indicating that these variables account for 81% of the variance in work engagement, which is considered a strong model.

b. F-Square

The F-Square statistic, or effect size, measures the relative impact of an independent (exogenous) variable on a dependent (endogenous) variable. By examining the change in the model's value when certain exogenous variables are removed, the effect size of those variables on the endogenous construct can be assessed (Juliandi, 2018).

Juliandi (2018) further explains that an F-Square value of 0.02 indicates a small effect, a value of 0.15 reflects a moderate effect, and a value of 0.35 signifies a large effect of exogenous variables on the endogenous variable.

Table 6. F-Square

	Employee Performance	Work Engagement
Employee Well Being	0,053	1,043
Work Engagement	0,080	
Work-Life Balance	0,368	1,298

The F-Square analysis indicates that employee well-being has a small impact on employee performance (0.053), while work-life balance exerts a large effect on (0.368). In terms of work engagement, both employee well-being (1.043) and work-life balance (1.298) demonstrate large effects, highlighting their critical roles as predictors of engagement. Conversely, work engagement shows a small effect on employee performance (0.080), suggesting that although it mediates the relationship between the exogenous variables and performance, its direct influence remains limited.

c. Hypothesis Testing

This test evaluates the path coefficients in the structural model to determine the strength and significance of the hypothesized relationships among variables. It assesses whether the observed effects are statistically meaningful, where a P-value below 0.05

indicates a significant relationship and a P-value above 0.05 suggests that the relationship is not statistically significant (Juliandi, 2018).

Table 7. Direct Effect

	Original Sample (O)	Sample Mean (M)	T Statistics (O/STDEV I)	P Values
Employee Well-Being -> Employee Performance	0,552	0,554	4,542	0,000
Employee Well-Being -> Work Engagement	0,498	0,507	4,278	0,000
Work Engagement -> Employee Performance	0,447	0,451	2,280	0,023
Work-Life Balance -> Employee Performance	0,502	0,518	4,664	0,000
Work-Life Balance -> Work Engagement	0,555	0,538	4,633	0,000

The analysis of the path coefficients reveals a series of robust and statistically significant relationships among the studied constructs. Employee well-being exerts a notable positive influence on employee performance, as demonstrated by a T-statistic of 4.542 and a P-value of 0.000, indicating that enhanced well-being is directly associated with improved performance. Similarly, work-life balance significantly affects performance, with a T-statistic of 4.664 and a P-value of 0.000, suggesting that employees who successfully balance their professional and personal commitments tend to perform better. Moreover, employee well-being and work-life balance significantly contribute to increased work engagement, as reflected by T-statistics of 4.278 and 4.633, respectively, each with a P-value of 0.000. This indicates that a supportive work environment and a well-managed personal life foster a higher level of engagement among employees. Finally, work engagement plays a crucial role in enhancing overall performance, with its effect confirmed by a T-statistic of 2.280 and a P-value of 0.023, thereby underscoring its importance as a mediator between the other variables and employee performance.

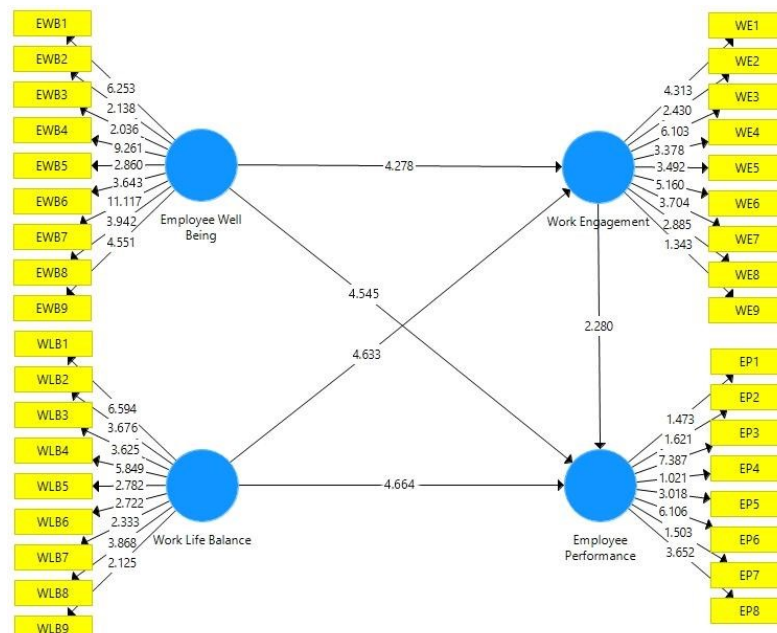


Figure 2. Bootstrapping Test Results (Direct Effect)

Indirect effect analysis is conducted to evaluate whether the influence of an independent variable on a dependent variable is transmitted through an intermediary known as a mediator. This method isolates the indirect pathway, thereby uncovering the underlying mechanism through which the exogenous variable exerts its effect on the endogenous variable. According to Juliandi (2018), this analysis is essential for testing hypotheses about how and to what extent intervening variables contribute to the observed relationships in a model.

Table 8. Indirect Effect

	Original Sample (O)	Sample Mean (M)	T Statistics (O/STDEV)	P Values
Employee Well-Being -> Work Engagement -> Employee Performance	0,522	0,527	4,905	0,000
Work-Life Balance -> Work Engagement -> Employee Performance	0,248	0,245	2,040	0,042

The indirect effect analysis confirms that work engagement plays a significant mediating role. As detailed in Table 8, the indirect effect of employee well-being on employee performance via work engagement ($X1 \rightarrow Z \rightarrow Y$) is marked by a T-statistic of 4.905 and a P-value of 0.000, indicating a statistically significant mediation effect. Similarly, the indirect effect of work-life balance on employee performance through work engagement ($X2 \rightarrow Z \rightarrow Y$) is supported by a T-statistic of 2.040 and a P-value of 0.042. These results underscore that work engagement is a critical intermediary that significantly channels the impact of both employee well-being and work-life balance on overall employee performance.

Discussion

The Effect of Employee Well-Being on Employee Performance

Based on the partial testing results, which yielded a T-statistic of 4.542 and a P-value of 0.000, well below the 0.05 threshold, it is evident that employee well-being significantly influences employee performance. In the professional realm, employee well-being represents overall satisfaction with work life, characterized by frequent positive emotions and minimal negative experiences (Larwin et al., 2020). This state of well-being is critical because it is strongly associated with beneficial outcomes such as heightened employee engagement, improved organizational citizenship behavior, greater commitment, and, ultimately, superior performance (Tentama & Yuliantin, 2021). Moreover, research by (Rusdi et al., 2023) confirms that employee well-being encompasses physical, mental, and emotional dimensions; when employees maintain robust health in these areas, they are more productive, creative, and capable of achieving higher performance.

The Effect of Work-Life Balance on Employee Performance

Based on the partial testing results, the influence of work-life balance on employee performance is statistically significant, as indicated by a T-statistic of 4.664 and a P-value of 0.000, below the 0.05 threshold. Work-life balance involves maintaining an equilibrium between work commitments and personal life responsibilities. This balance helps to reduce stress, boost psychological well-being, and enhance performance by providing employees with more energy and motivation. Many modern companies have acknowledged its importance and have introduced flexible working hours and various leave programs to support their workforce. Studies conducted by (Arifin & Muharto, 2022); (Jufrizen et al., 2023) and (Prayogi et al., 2019), further substantiate that work-life balance has a positive and significant impact on employee

performance.

The Effect of Employee Well-Being on Work Engagement

Based on the partial testing results, the impact of employee well-being on work engagement is statistically significant, as evidenced by a T-Statistic of 4.278 and a P-value of 0.000, below the 0.05 threshold. Employees who experience positive emotions in their work environment tend to exceed basic job requirements, reflecting a higher level of engagement. Highly engaged employees demonstrate a strong commitment to their goals, apply thoughtful decision-making to complete tasks effectively, and consistently monitor their progress. According to (Kimberly & Utoyo, 2013), improved employee well-being enhances work engagement. As individual well-being increases, employees are more likely to invest additional effort beyond what is required, fostering a deeper sense of belonging and active participation in driving the organization forward. This observation is consistent with the findings of (Sitorus & Primanita, 2024) and (Gomez & Chavez, 2023), which confirm that employee well-being plays a crucial role in enhancing work engagement.

The Effect of Work-Life Balance on Work Engagement

The partial testing results reveal a significant impact of work-life balance on work engagement, as indicated by a T-statistic of 4.633 and a P-value of 0.000, below the 0.05 significance threshold. This finding underscores that employees are more likely to strongly engage with their work when they maintain a harmonious balance between their professional and personal lives. Research suggests that employees, particularly those from Generation Y, value work-life balance highly and are more attuned to integrating work and family responsibilities (Meier et al., 2010). Achieving this balance is essential for fostering psychological and emotional stability and enhancing employee engagement. Furthermore, studies have shown that employees who are satisfied with their ability to manage dual roles contribute more effectively and develop a greater sense of loyalty and commitment to their organization (Colakoglu et al., 2010).

The Effect of Work Engagement on Employee Performance

Based on the partial testing results, the effect of work engagement on employee performance is statistically significant, as evidenced by a T-statistic of 2.280 and a P-value of 0.023, below the 0.05 threshold. This indicates that higher work engagement is associated with improved employee performance. Organizations benefit when employees are energetic, dedicated, and strongly attached to their company (Bakker & Leiter, 2010). Work engagement is characterized by commitment, loyalty, and pride in one's work, and these factors encourage employees to exceed basic job expectations (Macey & Schneider, 2015). Moreover, when employees feel a strong psychological connection with their organization, they tend to work more diligently, resulting in enhanced quality of work (Ramadhan & Sembiring, 2014). These findings are supported by additional research demonstrating that a high level of job attachment contributes significantly to better performance (Tanwar, 2017), (Dajani, 2015), (Pillay, 2018), (Ramadhan & Sembiring, 2014) (Handoyo & Setiawan, 2017), (Anitha, 2014) and (Saxena & Srivastava, 2015).

The Effect of Employee Well-Being on Employee Performance Through Work Engagement

Based on the partial testing results, with a T-statistic of 4.905 and a P-value of 0.000, it is evident that employee well-being significantly influences employee performance through the mediating role of work engagement. This finding indicates that work engagement acts as the intermediary channel through which the benefits of employee well-being are translated into improved performance. When organizations prioritize employee well-being, they foster a supportive work environment that enhances physical, mental, and emotional health, boosting work engagement. As employees experience higher levels of engagement, characterized by increased enthusiasm, commitment, and dedication, their overall performance improves (Jufrizen et al., 2023). Furthermore, research by (Kahpi et al., 2024) reinforces that elevated employee well-

being leads to higher work engagement, substantiating the positive relationship between well-being and performance.

The Effect of Work-Life Balance on Employee Performance Through Work Engagement

Based on the testing results, work-life balance statistically affects employee performance through work engagement, as indicated by a T-Statistic of 2.040 and a P-Value of 0.042, below the 0.05 significance threshold. This finding suggests that work engagement is a mediating factor in the relationship between work-life balance and employee performance. When organizations emphasize work-life balance, they enhance employee well-being and foster an environment that promotes sustained commitment and engagement. As a result, employees demonstrate higher enthusiasm and dedication to their work, contributing to improved performance (Jufrizen et al., 2023). Moreover, research indicates that a strong work-life balance is instrumental in increasing work engagement levels, reinforcing its positive impact on organizational performance (Kahpi et al., 2024).

CONCLUSION

Based on data analysis from 77 respondents, the study concludes that employee well-being significantly influences employee performance, and work-life balance similarly impacts performance. Furthermore, employee well-being and work-life balance are shown to significantly enhance work engagement, which contributes to improved employee performance. In other words, work engagement is a mediating factor between employee well-being, work-life balance, and overall performance.

In light of these findings, several recommendations are proposed. Organizations should offer training programs focusing on improving communication skills among employees and management, ensuring that everyone clearly understands their roles and responsibilities. Regular feedback sessions should be implemented to address any issues or uncertainties regarding job duties. Additionally, companies are encouraged to develop comprehensive wellness programs that include counseling, mental health support, and stress management training to help employees better cope with work pressures. It is also advisable to periodically assess employee workloads to prevent overburdening, with adjustments made as necessary. A clear policy on working hours and breaks should be established to prevent employees from feeling obligated to work outside of designated times, and time management training should be provided to help employees complete tasks within regular work hours. Ensuring that employees receive sufficient quality time off and promoting the importance of maintaining work-life balance are also critical. Finally, creating recognition and reward programs for highly engaged employees can boost motivation and reduce the risk of burnout.

Based on the researchers' direct experience during this study, several limitations have been identified that could inform future research improvements. One limitation is that the study focuses solely on employee well-being, work-life balance, and work engagement as factors affecting employee performance, with work engagement serving as the only mediating variable, even though numerous other factors may also influence performance. Additionally, the use of questionnaires for data collection relies on respondents' subjective perceptions, which can be affected by their emotional states and personal experiences, potentially introducing bias into the findings. Furthermore, the data were gathered at a specific time, which may not fully capture dynamic future conditions, as evolving external factors could impact the results.

REFERENCES

- Akter, A., Hossen, M. A., & Islam, M. N. (2019). Impact of Work-Life Balance on Organizational Commitment of University Teachers: Evidence from Jashore University of Science and Technology. *International Journal of Scientific Research and Management (IJSRM)*, 7(4), 1073–1079.
- Andayani, I., & Tirtayasa, S. (2019). Pengaruh Kepemimpinan, Budaya Organisasi, Dan Motivasi Terhadap Kinerja Pegawai. *Maneggio: Jurnal Ilmiah Magister Manajemen*, 2(1), 45–54. <https://doi.org/10.30596/maneggio.v2i1.3367>
- Anitha, J. (2014). Determinants of employee engagement and their impact on employee performance. *International Journal of Productivity and Performance Management*, 63(3), 308–323. <https://doi.org/10.1108/IJPPM-01-2013-0008>
- Arifin, M., & Muharto, A. (2022). Pengaruh Worklife Balance Terhadap Kinerja Karyawan (Studi Pada PT. Livia Mandiri Sejati Pasuruan). *Jurnal Riset Ekonomi Dan Bisnis*, 15(1), 37. <https://doi.org/10.26623/jreb.v15i1.3507>
- Bakker, A. B., & Leiter, M. P. (2010). *Work Engagement: A Handbook of Essential Theory and Research*. Psychology Press.
- Colakoglu, U., Çulha, O., & Atay, H. (2010). The Effects of Perceived Organisational Support on Employees' Affective Outcomes: Evidence from the Hotel Industry. *Tourism and Hospitality Management*, 16(2), 125–150.
- Dajani, M. A. Z. (2015). The Impact of Employee Engagement on Job Performance and Organisational Commitment in the Egyptian Banking Sector. *Journal Of Business And Management Science*, 3(5), 138–147.
- Diener, E., Pressman, S. D., Hunter, J., & Delgadillo-Chase, D. (2017). If, Why, and When Subjective Well-Being Influences Health, and Future Needed Research. *APPLIED PSYCHOLOGY: HEALTH AND WELL-BEING*, 9(2), 133–167.
- Edison, E., Anwar, Y., & Komariyah, I. (2018). *Manajemen Sumber Daya Manusia*. Alfabeta.
- Fahmi, I. (2016). *Pengantar Manajemen Sumber Daya Manusia Konsep & Kinerja*. Mitra Wacana Media.
- Ganapathi, I. M. D. (2016). Pengaruh Work-Life Balance Terhadap Kepuasan Kerja Karyawan (Studi Pada Pt. Bio Farma Persero). *Ecodemica*, 4(1), 125–135.
- Ghozali, I. (2014). *Structural Equation Modeling, Metode Alternatif dengan Partial Least Square (PLS)* (4th ed.). Badan Penerbit Universitas Diponegoro.
- Ghozali, I., & Latan, H. (2015). *Konsep, Teknik dan Aplikasi Menggunakan Program Smart PLS 3.0*. BP Undip.
- Gomez, M. D. C., & Chavez, C. C. (2023). Thriving in the New Normal: Exploring the Link Between Employees' Well-Being and Work Engagement. *British Journal of Multidisciplinary and Advanced Studies*, 4(4), 44–51. <https://doi.org/10.37745/bjmas.2022.0262>
- Greenberg, J., & Baron, R. A. (2014). *Behavior in Organization*. Prentice Hall.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Partial Least (PLS-SEM) Using R Equation Modeling Squares Structural: A Workbook*. Springer. <https://doi.org/10.1007/978-3-030-80519-7>
- Handoyo, A. W., & Setiawan, R. (2017). Pengaruh Employee Engagement Terhadap Kinerja Karyawan Pada PT. Tirta Rejeki Dewata. *Jurnal Agora*, 5(1), 1–8.
- Hughes, J. C., & Rog, E. (2008). Talent Management, A Strategy for Improving Employee Recruitment, Retention, and Engegement within Hospitality Organization. In *International Journal of Contemporary Hospitality Management* (Vol. 20, Issue 7).
- Irfan, I., Manurung, S., & Hani, S. (2024). *Metode Penelitian Bisnis: Konsep & Aplikasi* (E. Sinambela (ed.); Edisi Revi). UMSU Press.
- Jufrizen, J., & Erika, V. (2021). The Influence of Work Ethics, Work Engagement and Personality on Employee Performance. *International Journal of Economic, Business, Accounting, Agriculture Management and Sharia Administration (IJEBAS)*, 1(1), 71–78.

<https://doi.org/10.54443/ijebas.v1i1.25>

- Jufrizen, J., Khair, H., & Loviky, F. B. (2023). Work Engagement and Emotional Intelligence on Personnel Performance : The Mediating Role of Job Satisfaction. *International Journal of Business Economics (IJBE)*, 5(1), 77–91. <https://doi.org/10.30596/ijbe.v5i1.16499>
- Jufrizen, J., Kurniawan, D., & Febrianti, L. E. (2023). Work-Life Balance , Work Engagement , And In-Role Performance : Moderating Roles Of Self-Efficacy. *IJRS: Internasional Journal Reglement Society*, 4(3), 157–174. <https://doi.org/10.55357/ijrs.v3i3.346>
- Juliandi, A. (2018). *Struktural Equation Model Partial Least Square (SEM-PLS) Menggunakan SmartPLS*. Universitas Batam. <https://doi.org/10.5281/zenodo.1243777>
- Juliandi, A., Irfan, I., & Manurung, S. (2015). *Metodologi Penelitian Bisnis Konsep Dan Aplikasi*. UMSU Press.
- Kahpi, H. S., Wandu, D., Kusuma, H. W., & Dadi Priadi, M. (2024). Determinants of Work life Balance on Lecturer Performance mediated by Work Engagement. *International Journal of Current Science Research and Review*, 07(02), 921–929. <https://doi.org/10.47191/ijcsrr/v7-i2-06>
- Kahpi, H. S., Wandu, D., Kusuma, H. W., & Priadi, M. D. (2024). Determinants of Work life Balance on Lecturer Performance mediated by Work Engagement. *International Journal of Current Science Research and Review*, 7(2), 10–21.
- Kimberly, K., & Utoyo, S. D. B. (2013). Hubungan Psychological Well-being dengan Work Engagement pada Karyawan yang Bekerja di Lokasi Tambang. *Jurnal Psikologi*, 1(1), 1–18.
- Larwin, K., Harvey, M. E., & Constantinou, S. (2020). An Expanded Life Satisfaction Model: A Component of Subjective Well-Being. *Journal of Methods and Measurement in the Social Sciences*, 11(1), 25–44. <https://doi.org/10.2458/v11i1.23915>
- Lubis, Y., Hermanto, B., & Edison, E. (2018). *Manajemen Sumber Daya Manusia*. Alfabeta.
- Macey, W. H., & Schneider, B. (2015). The Meaning of Employee Engagement. *Industrial and Organizational Psychology*, 1(1), 3–30.
- Mangkunegara, A. P. (2019). *Manajemen Sumber Daya Manusia Perusahaan*. PT. Remaja Rosdakarya.
- Marwansyah. (2016). *Manajemen Sumber Daya Manusia* (Edisi Kedu). CV Alfabeta.
- Meier, J., Austin, S. F., & Crocker, M. (2010). Generation Y in the Workforce: Managerial Challenges. *The Journal of Human Resource and Adult Learning*, 6(91), 68–79.
- Ni'mah, I. (2016). Analisis Kesejahteraan Karyawan Outsourcing dalam Perspektif Karyawan PT Spirit Krida Indonesia. *Jurnal Ekonomi Syariah*, 4(2), 300–317.
- Pillay, E. (2018). The Impact of employee engagement on organisational performance – a case of an Insurance Brokerage company in Gauteng. *Journal of Business and Management*, 20(6), 66–76.
- Prayogi, M. A., Koto, M., & Arif, M. (2019). Kepuasan Kerja sebagai Variabel Intervening Pada Pengaruh Work-Life Balance dan Stres Kerja Terhadap Turnover Intention. *Jurnal Ilmiah Manajemen Dan Bisnis*, 20(1), 39–51.
- Ramadhan, N., & Sembiring, J. (2014). Pengaruh Employee Engagement Terhadap Kinerja Karyawan di Human Capital Center PT. Telekomunikasi Indonesia, Tbk. *Jurnal Manajemen Indonesia*, 14(1), 47–58.
- Risher, H. (2010). Don't Overlook Frontline Supervisors. *Public Manager*, 39(3), 74–76.
- Rusdi, M., Purwaningrum, E. K., & Ramadhan, Y. A. (2023). The effect of grit on the work engagement of the millennial generation. *Jurnal Ilmiah Psikologi Terapan*, 11(1), 1–6.
- Saks, A. M. (2011). *Work engagement: A handbook of essential theory and research*. Psychology Press.
- Saxena, V., & Srivastava, R. K. (2015). IMPACT OF EMPLOYEE ENGAGEMENT ON EMPLOYEE PERFORMANCE–CASE OF MANUFACTURING SECTORS. *International Journal Of Management Research and Business Strategy*, 4(2), 139–174.
- Schaufeli, W. B. (2012). Work Engagement. What Do We Know and Where Do We Go? Work Engagement in Everyday Life, Business, and Academia. *Romanian Journal of Applied*

Psychology, 14(1), 3–10.

- Shakila, M., Mega, S. W., & Munawaroh, N. A. (2022). Pengaruh Work-Life Balance, Stres Kerja, dan Kompensasi Terhadap Kinerja Karyawan (Studi Kasus Pada Auto 2000 Kediri Hasanudin). *Cemerlang: Jurnal Manajemen Dan Ekonomi Bisnis*, 2(3), 308–320.
- Sitorus, H., & Primanita, R. Y. (2024). Hubungan Antara Employee Well-Being dengan Work Engagement Pada Pegawai Pemerintahan. *INNOVATIVE: Journal Of Social Science Research*, 4(1), 9214–9224.
- Subardjono, S. (2017). Pengaruh Kepemimpinan terhadap Produktivitas Kerja Pegawai pada Dinas Pendidikan Nasional (Disdiknas) dan Kebudayaan Kabupaten Oku Timur. *Jurnal AKTUAL*, 15(1), 1–11.
- Sugiyono, S. (2018). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Alfabeta.
- Sun, L., & Bunchapattanasakda, C. (2019). Employee Engagement: A Literature Review. *International Journal of Human Resource Studies*, 9(1), 63. <https://doi.org/10.5296/ijhrs.v9i1.14167>
- Suryanto, E., Syah, T. Y. R., Negoro, D. A., & Pusaka, S. (2019). Transformational Leadership Style and Work Life Balance: the Effect on Employee Satisfaction Through Employee Engagement. *Russian Journal of Agricultural and Socio-Economic Sciences*, 91(7), 310–318.
- Sutrisno, E. (2016). *Manajemen Sumber Daya Manusia*. Kencana.
- Tanwar, A. (2017). Impact Of Employee Engagement on Performnce. *Journal Of Advanced Engineering*, 3(5), 510–515.
- Tentama, F., & Yuliantin, C. (2021). Peran Subjective Well-Being dan Trust in The Employer terhadap Organizational Citizenship Behavior (OCB) Karyawan. *Journal An-Nafs: Kajian Penelitian Psikologi*, 6(2), 152–164. <https://doi.org/10.33367/psi.v6i2.1402>
- Wardani, L. M. I., & Firmansyah, R. (2019). The Work-Life Balance of Blue- Collar Workers: the Role of Employee Engagement and Burnout. *Jurnal Psikologi Ulayat*, 6(2), 227–241.