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The Effect of Employee Satisfaction and Work-life Balance on Employee Performance at the Pati Regency Transportation Office with Employee Engagement Variables as Mediation Variables

Bagus Eka Riyadi
Universitas Stikubank Semarang, Indonesia
Email: bagusriyadi491@gmail.com

ABSTRACT

Employee performance is vital for organizational success, as it enhances productivity and fosters a positive work environment, whereas poor performance negatively affects productivity, service quality, company reputation, and employee well-being. This study aims to examine the influence of Employee Satisfaction and Work-life Balance on Employee Performance at the Pati Regency Transportation Office, with Employee Engagement as a mediating variable. The method used is quantitative, employing the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. Data were obtained through the distribution of questionnaires to 120 respondents who are State Civil Apparatus (ASN) within the Transportation Office. The results of the study show that Employee Satisfaction and Work-life Balance have a significant positive effect on Employee Performance. However, Employee Satisfaction has no significant effect on Employee Engagement, while Work-life Balance has a significant effect on Employee Engagement. Employee Engagement also does not significantly mediate the effect of Employee Satisfaction on Employee Performance but has a negative mediating effect on the relationship between Work-life Balance and Employee Performance. These findings contribute to the literature on human resource management in the public sector and provide a basis for formulating policies to improve the performance of civil servants through strategies aimed at increasing job satisfaction and work-life balance.

KEYWORDS *Employee Satisfaction, Work-life Balance, Employee Engagement, Employee Performance, ASN*

INTRODUCTION

Employee performance is a crucial element for a company's success because it can increase productivity and create a positive work environment (Putri et al., 2023; Sariadi & Heryanda, 2020). On the other hand, low performance negatively affects productivity, service quality, company reputation, and employee mental health (Putri & Syarif, 2024). In addition, low performance contributes to increased turnover and operational costs (Zakaria & Ali, 2024). Therefore, it is important to identify factors that influence performance, such as job satisfaction and Work-life Balance (Triansyah et al., 2023). Job satisfaction creates positive emotions that encourage engagement and increase productivity (Osimokha et al., 2024; Kosim et al., 2023; Ginting & Siagian, 2021). Satisfied employees tend to have low levels of stress and absenteeism and exhibit stable performance (Rahmadani & Kurniawati, 2022). Meanwhile, Work-life Balance also plays an important role in improving performance because it creates a balance between personal and professional life, reduces stress, and enhances motivation and focus on work (Sustainable et al., 2024).

Based on a review of previous studies, research related to job satisfaction, Work-life Balance, and employee performance still shows inconsistent results. Research by

Nurkumalasari and Mustafa (2024j14), Janah et al. (2023j15), Sitorus et al. (2022j28), and Mas'ud and Adha (2023j29) found that job satisfaction does not significantly impact employee performance. Similarly, studies examining the relationship between Work-life Balance and employee performance, such as those by Erwina et al. (2024j30), Zahroh and Khasanah (2024j31), and Fadila et al. (2024j32), indicate that Work-life Balance does not significantly affect employee performance in various sectors.

Given these differences in prior research findings, this study aims to reanalyze the relationships among these variables. The research gap or novelty of this study lies in the use of a mediation variable—employee engagement—to explain the relationship between employee satisfaction and Work-life Balance on the performance of the State Civil Apparatus (ASN). Employee engagement can be interpreted as an individual's level of involvement, satisfaction, and enthusiasm for their work, reflecting their emotional and psychological connection with the organization (Wijayanto et al., 2022j33).

Employee engagement is capable of mediating the relationship between job satisfaction and Work-life Balance with employee performance. When employees are satisfied with their jobs and maintain a healthy Work-life Balance, they tend to be more emotionally engaged and committed to their work. This engagement subsequently enhances employee performance, demonstrating that employee engagement serves as a mediating factor linking job satisfaction and Work-life Balance to performance.

In this study, the author will conduct research on the performance of ASN at the Pati Regency Transportation Office. Based on preliminary observations, the author found several performance issues among ASN, which remain relatively low. One indicator of this low performance is the poor attendance rate among ASN at the Pati Regency Transportation Office. According to interviews with the head of the agency, many ASN employees are absent or arrive late almost daily, disrupting operational efficiency and public service delivery. Such absenteeism not only burdens other employees, who must take on additional responsibilities, but also delays the completion of urgent work, such as managing traffic or addressing transportation issues.

Furthermore, the informant stated that some ASN officials at the Pati Regency Transportation Office lack the necessary technical competence to perform their duties according to job requirements. For instance, many employees are not yet proficient in managing modern transportation systems or utilizing information technology. This condition hampers the implementation of programs designed to improve transportation services, as employees are unable to adapt to technological innovations or more efficient work methods.

The suboptimal performance of ASN at the Pati Regency Transportation Office is also evident in employees who fail to fully comply with standard operating procedures (SOPs) when executing their duties. For example, some employees tend to overlook work protocols during traffic inspections or public service tasks.

This research is motivated by inconsistent findings from previous studies concerning the effects of job satisfaction and Work-life Balance on employee performance. Therefore, the author seeks to examine the influence of these variables on the performance of employees at the Pati Regency Transportation Office, with employee engagement as a mediating variable.

The purpose of this study is to examine both the direct and indirect effects of employee satisfaction and Work-life Balance on performance, as well as the role of employee

engagement as an intermediary variable. The expected benefits include theoretical contributions in the form of additional literature and new empirical findings in the public sector, along with practical value for the Transportation Office, ASN, and local government entities in formulating strategies to improve performance through enhanced job satisfaction, life balance, and employee engagement.

METHOD

This study used a quantitative approach that focused on collecting and analyzing numerical data to test the relationships between variables. The method measured the influence of employee satisfaction and work-life balance on employee performance, with employee engagement as a mediating variable. The research population consisted of 107 civil servants at the Pati Regency Transportation Office, all of whom were included as respondents through a total sampling technique. Primary data were collected using a questionnaire with a Likert scale to measure four main variables: employee satisfaction, work-life balance, employee engagement, and employee performance.

Data were processed using the PLS-SEM approach, which was appropriate for complex models with a limited sample size. The measurement model assessed the validity and reliability of the instrument through factor loading, AVE, and composite reliability values. The structural model was analyzed using the determination coefficient (R-square), SRMR value, and Q-square to evaluate model fit and predictive ability. Hypothesis testing was conducted using p-values with a 0.05 significance level as the threshold for acceptance or rejection. This approach provided empirical evidence to evaluate the theoretical model applied in the study.

RESULT AND DISCUSSION

Research Data Analysis

With its high predictive capabilities and methodological flexibility, PLS-SEM is highly recommended for studies that are theoretically new, applicable, or in the early stages of model development. In PLS-SEM, the analysis process begins with compiling a conceptual model that reflects the relationship between constructs and indicators. The following is a structural model drawing that refers to the conceptual framework that has been compiled:

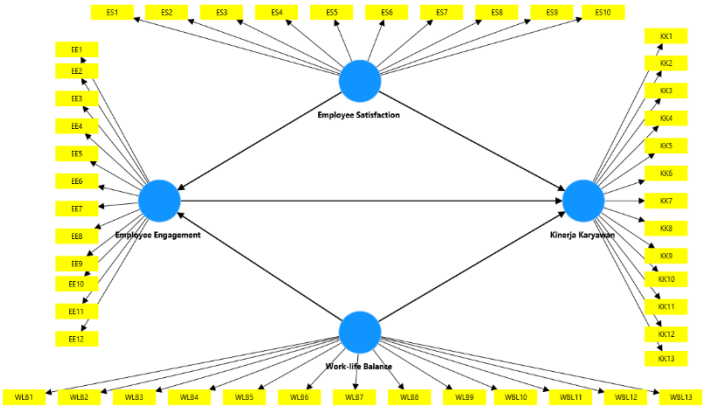

Figure 1. Research Structural Model

Evaluation of Measurement Models (Outer Model)

This evaluation was carried out through two tests, namely validity and reliability tests. The convergent validity test is one of the approaches to assessing the validity of a construct, namely the extent to which a measuring instrument is able to represent the theoretical construct to be studied. Convergent validity focuses on testing the relationship between indicators that should theoretically be interrelated because they are in the same construct dimension. If these items really measure the same construct, then statistically the results will show a high positive correlation between the indicators.

Furthermore, discriminant validity is one of the important types of validity in the evaluation process of research instruments, especially in the context of measurement models that use latent constructs. This concept emphasizes that a construct should be clearly distinguishable from other constructs in a single model. If the indicators of a construct also have a low correlation with different constructs, then it indicates a high discriminant validity. When the validity of the discriminant is met, the data produced will not have a double meaning, so that the interpretation of the research results will be accurate, biased or unbiased.

Convergent Validity Test

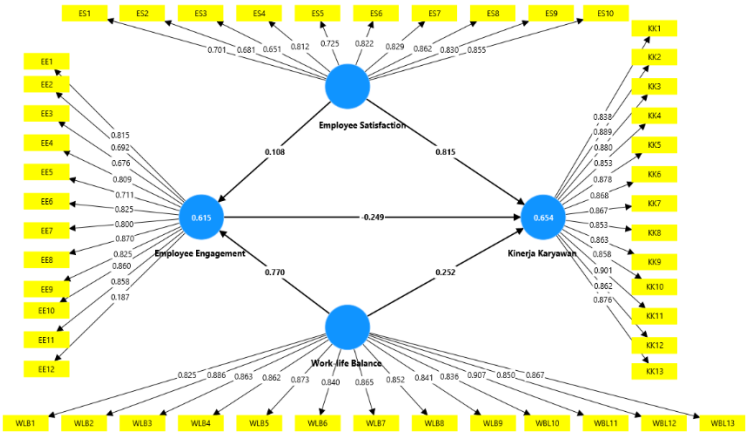

Figure 2. Structural Model with Outer Loading Value

Based on the analysis test above, it can be seen that there are still six indicators with values Outer Loading less than 0,708. This is not in line with the opinion Hair et al. (2019) which states that the indicator is considered valid if it has a value of more than 0,708. Therefore, it is necessary to modify the model by eliminating (removing) the six indicators because they can no longer be used in future tests. After deletion, the author carried out the process of recalculating the value Outer Loading of each indicator with the following results:

Table 1. Loading Factor Value Results

Variable	Indicator Items	Value Outer Loading	Decision
Employee Satisfaction **(X1)**	ES4	0,788	Valid
	SS5	0,759	Valid
	SS6	0,875	Valid
	ES7	0,877	Valid
	SS8	0,895	Valid
	SS9	0,857	Valid
	ES10	0,873	Valid
Work-life Balance **(X2)**	WLB1	0,825	Valid

Variable	Indicator Items	Value Outer Loading	Decision
	WLB2	0,886	Valid
	WLB3	0,863	Valid
	WLB4	0,862	Valid
	WLB5	0,873	Valid
	WLB6	0,840	Valid
	WLB7	0,865	Valid
	WLB8	0,852	Valid
	WLB9	0,841	Valid
	WBL10	0,836	Valid
	WBL11	0,907	Valid
	WBL12	0,850	Valid
	WBL13	0,868	Valid
***Employee Engagement* (W)**	EE1	0,818	Valid
	EE4	0,803	Valid
	EE5	0,723	Valid
	EE6	0,865	Valid
	EE7	0,835	Valid
	EE8	0,882	Valid
	EE9	0,836	Valid
	EE10	0,876	Valid
	EE11	0,835	Valid
Employee Performance (Y)	KK1	0,836	Valid
	KK2	0,888	Valid
	KK3	0,878	Valid
	CD4	0,853	Valid
	KK5	0,879	Valid
	KK6	0,867	Valid
	CD7	0,866	Valid
	KK8	0,853	Valid
	KK9	0,864	Valid
	KK10	0,859	Valid
	KK11	0,902	Valid
	KK12	0,862	Valid
	KK13	0,877	Valid

Source: Primary Data to be processed in 2025

The following is a drawing of the structural model that has been adjusted based on the results of the post-elimination convergent validity test.

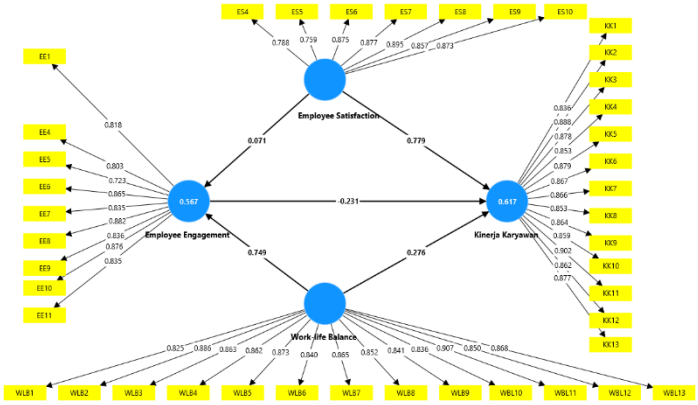

Figure 3. Customized Structural Model

Next Convergent validity can also be assessed through Average Variance Extracted (AVE). AVE describes how large the proportion of variance that a latent construct can explain to the indicators it measures, compared to the variance of error. The AVE value is an important

indicator in assessing the convergent validity of a construct in a theoretical model. Technically, AVE is calculated from the square of the loading factor of each indicator associated with a single construct, then divided by the sum of the total variances, including the error variance. If the AVE value is higher, it means that the construct is able to explain the indicator better. According to Hair et al. (2019) J81, an AVE value greater than 0.5 indicates that the latent construct is able to explain more than 50% of the variance of the indicator, so that convergent validity is achieved.

Table 2. AVE Values for Convergent Validity Tests

No	Variable	AVE Value	Decision
1.	*Employee Satisfaction* (X1)	0,719	Valid
2.	*Work-life Balance* (X2)	0,738	Valid
3.	*Employee Engagement* (W)	0,692	Valid
4.	Employee Performance (Y)	0,754	Valid

Source : Primary Data to be processed in 2025

The results of the convergent validity test showed that the AVE value for Employee Satisfaction was 0.719, Work-life Balance was 0.738, Employee Engagement was 0.692, and Employee Performance reached 0.754. This means that more than half of the variation in the indicators can be explained by the construct they represent. With these achievements, it can be concluded that the validity of the convergence is strong. This certainly gives more confidence in the data produced and in the conclusions that will later be drawn from the analysis.

This proven convergent validity is an important foundation for the next analysis process. Since the variables in the study have been proven to be valid, the next step, such as testing the relationship between variables or the role of mediation, can be carried out with the belief that the instrument used meets scientific standards. This ensures that the findings obtained later truly reflect the reality being studied.

Table 3. Fornell Larcker Results

	EE	ICE	CD	WLB
EE	0,832			
ICE	0,080	0,848		
CD	0,038	0,764	0,868	
WLB	0,750	0,012	0,112	0,859

Source : Primary Data to be processed in 2025

If you look at the table above, it can be seen that the square root value of AVE for each construct is higher than the correlation value between other constructs. This is a good signal because it shows that each construct in this study has more power in explaining its own indicators, compared to other constructs. These findings also show that the Fornell-Larcker criteria in testing the validity of the discriminator have been met.

Good discriminant validity is essential because it ensures that each construct does indeed measure different concepts and does not overlap with each other. When the square root of AVE is higher than the correlation between constructs, it means that the constructs in this study stand clearly and independently of each other. Thus, we can be more confident that this research instrument measures exactly what is meant. This means that the measuring instruments used in this study have undergone rigorous testing and show good quality, so the findings produced can be trusted as a representation of the reality being studied.

The validity of the discriminator can also be measured through a cross loading analysis test. The cross loading analysis test is one of the important steps in the construct validation process in factor analysis. The main purpose of this test is to ensure that each indicator is better

representative of the construct in question compared to the others. This is necessary so that the accuracy of the model in describing the relationships between latent variables can be accounted for.

If it is found that an indicator has a higher loading value on another construct other than the original construct, then it is an indication of an overlap in meaning or lack of clarity of the indicator in measuring the construct. This situation can undermine the validity of the discriminator and negatively impact the overall quality of the model. Therefore, this kind of indicator is often considered for removal or revision. Next, below are the cross loading values of the test results:

Table 4. Cross loading

Indicator Items	ICE	WLB	EE	CD
ES4	**0,788**	-0,057	-0,019	0,567
SS5	**0,759**	0,069	0,135	0,500
SS6	**0,875**	-0,018	0,059	0,658
ES7	**0,877**	-0,064	0,094	0,652
SS8	**0,895**	0,054	0,094	0,730
SS9	**0,857**	0,000	0,043	0,666
ES10	**0,873**	0,076	0,068	0,718
WLB1	0,115	**0,825**	0,617	0,209
WLB2	0,085	**0,886**	0,677	0,163
WLB3	0,065	**0,863**	0,702	0,127
WLB4	-0,041	**0,862**	0,610	0,054
WLB5	-0,054	**0,873**	0,598	0,053
WLB6	-0,075	**0,840**	0,601	0,023
WLB7	-0,013	**0,865**	0,674	0,043
WLB8	0,024	**0,852**	0,574	0,134
WLB9	-0,059	**0,841**	0,606	0,043
WBL10	0,002	**0,836**	0,690	0,032
WBL11	0,036	**0,907**	0,687	0,123
WBL12	-0,015	**0,850**	0,658	0,097
WBL13	0,033	**0,868**	0,651	0,131
EE1	0,132	0,689	**0,818**	0,115
EE4	0,158	0,505	**0,803**	-0,012
EE5	0,174	0,405	**0,723**	0,003
EE6	0,055	0,519	**0,865**	0,009
EE7	0,038	0,524	**0,835**	0,008
EE8	-0,062	0,698	**0,882**	-0,005
EE9	0,039	0,646	**0,836**	0,039
EE10	-0,016	0,691	**0,876**	-0,064
EE11	0,124	0,772	**0,835**	0,142
KK1	0,631	0,043	0,105	**0,836**
KK2	0,689	0,011	0,014	**0,888**
KK3	0,712	0,036	0,069	**0,878**
CD4	0,649	0,157	0,056	**0,853**
KK5	0,627	0,239	0,133	**0,879**
KK6	0,604	0,131	0,044	**0,867**
CD7	0,673	0,084	-0,018	**0,866**
KK8	0,569	0,153	0,000	**0,853**
KK9	0,659	0,201	0,146	**0,864**
KK10	0,702	0,103	-0,039	**0,859**
KK11	0,691	0,027	-0,064	**0,902**
KK12	0,699	0,066	0,017	**0,862**
KK13	0,691	0,021	-0,013	**0,877**

Source: Primary Data to be processed in 2025

Through the table presented, it can be seen that each indicator item has a higher cross loading value to the construct from which it originates compared to other constructs. This means that each indicator is more closely related to the variable it is supposed to represent, not to the other construct. This is a positive sign in testing the validity of the measuring instrument used. In addition, all cross loading values obtained were above 0.7. This value is considered the minimum limit which indicates that the relationship between the indicator and its construct is quite strong. In other words, each item actually reflects the concept or construct to be measured, and does not "get lost" into another construct. This adds to the belief that the instruments used are able to distinguish one construct from another well, so that the results of the research become more accurate and reliable.

Table 5. Reliability Test Results

Variable	Cronbach's Alpha	Composite Reliability (rho_a)	Decision
ICE	**0,934**	**0,942**	**Reliable**
WLB	**0,970**	**0,971**	**Reliable**
EE	**0,970**	**0,971**	**Reliable**
CD	**0,973**	**0,973**	**Reliable**

Source: Primary Data to be processed in 2025

From the results shown in the table above, it can be seen that the value of Composite Reliability and Cronbach's Alpha is above 0.70. This number is the minimum limit that is generally used to assess whether a construct can be said to be reliable. Thus, it can be said that each construct in this study has a good level of internal consistency and is trustworthy. Furthermore, the findings indicate that the instruments used in this study are powerful enough to measure what should be measured. Not only reliability is met, but validity also shows satisfactory results. Convergent validity, for example, ensures that similar indicators are actually related to each other as they should be.

In addition, the validity of the discrimination has also been achieved, which means that each construct in this study can be clearly distinguished from each other. If combined with a high composite reliability value, then overall, the measuring tools in this study are proven to be feasible and reliable. This shows that the data collection and processing process has been well done, resulting in solid findings for further analysis.

Structural Model Test (Inner Model)

Coefficient Determination Test

Table 6. R-Square Value

Variable	R-square	Criterion
Employee Engagement	0,567	Moderate/ Moderate
Employee Performance	0,617	Moderate/ Moderate

Source: Primary Data to be processed in 2025

Based on the results of the analysis carried out with the help of SmartPLS 4, it was found that the R-Square value for the Employee Engagement variable reached 0.567. This figure means that the 56.7% employee engagement rate can be explained by two main factors, namely Employee Satisfaction and Work-life Balance. This percentage falls into the moderate category, suggesting that both factors are quite influential in shaping employee engagement,

although there are still 43.3% of other influences that come from factors outside the scope of this study.

Meanwhile, for the Employee Performance variable, the R-Square value obtained was 0.617. This shows that the combination of job satisfaction, work-life balance, and employee engagement together is able to explain about 61.7% of the variation in employee performance. As with the previous variable, this value is also in the medium category, which means that this research model is quite capable of explaining most of the factors that affect individual performance in the workplace.

However, there are still about 38.3% of other factors that affect employee performance but are not included in the model studied. This means that while this model provides a fairly clear picture of the relationships between variables, there is still room for further development by exploring additional factors that may play a role in improving overall employee performance.

Table 7. SRMR Test Results

	Saturated model	Estimated type	Description
SRMR	0.079	0.079	Fit/fit model

Source: Primary Data to be processed in 2025

The SRMR (Standardized Root Mean Square Residue) value obtained in this study was 0.079. This figure is an important indicator in assessing how well the model used is in accordance with the analyzed data. SRMR itself is a measure used to evaluate how much of a difference there is between the observed data and the data predicted by the model. According to guidelines provided by Hair and his colleagues in 2021, a model is considered "fit" if its SRMR value is below the threshold of 0.08.

Furthermore, the value obtained shows that the difference between the estimated data and the actual data is not too large, so the model is considered quite representative of real conditions. Thus, the SRMR value of 0.079 indicates that the model in this study is within the recommended limits. This means that this model meets the feasibility criteria and is reliable in explaining the relationship between the variables being studied. This is a strong basis for continuing the interpretation and drawing conclusions from the results of the model analysis.

Furthermore, the goodness test can also be reviewed through the Q-square value. In its implementation, Q-Square is calculated using the blindfolding technique, which is a method that systematically removes some data, then predicts the lost value using a model. The Q^2 value obtained is usually interpreted in general, with the guidance that a value above 0 indicates predictive relevance, a value of around 0.02 is weak, around 0.15 is moderate, and above 0.35 is strong. This assessment is especially important when the model is used to predict future behavior or trends, as it can provide confidence that the results displayed do not only apply to the sample data used. The overall Q-Square analysis helped the researcher to understand how well the PLS-SEM model predicted the actual outcome. The results of the Q-Square test can be seen in the following table:

Table 8. Q-Square Value

Variable	*Q-Square*
***Employee Engagement* (W)**	0,336
Employee Performance (Y)	0,482

Source : Primary Data to be processed in 2025

From the data displayed in the table, the value of Q-Square to Employee Engagement is 0.336, while for Employee Performance it is 0.482. Both of these numbers are greater than zero, which means that both variables are quite important and can be used to help predict outcomes in the research model that is created. According to Hair et al. (2019) Q-value Square It is used to see how well a model can predict. The greater the value (as long as it is positive), the better the model's ability to explain the relationship between the variables being studied. So, because of its positive value, it can be said that this model is quite powerful and relevant in describing the relationship between employee engagement and their performance.

Hypothesis Test

Table 9. Hypothesis Testing

Hypothesis		Original Sample (O)	T Statistics	P Values	Decision
H1	*Employee Satisfaction* - > Employee Performance	0,779	14,810	0,000	Positive & Significant
H2	*Work-life Balance* -> Employee Performance	0,276	2,444	0,015	Positive & Significant
H3	*Employee Satisfaction -> Employee Engagement*	0,071	1,119	0,263	Not Influential
H4	*Work-life Balance -> Employee Engagement*	0,749	13,752	0,000	Positive & Significant
H5	*Employee Engagement* - > Employee Performance	-0,231	2,057	0,040	Negative & Significant
H6	*Employee Satisfaction -> Employee Engagement* -> Employee Performance	-0,016	0,887	0,375	Not Influential
H7	*Employee Satisfaction -> Employee Engagement* -> Employee Performance	-0,173	1,998	0,046	Negative & Significant

Source : Primary Data to be processed in 2025

In his theory, Jacob Cohen (1988) argues that the influence of one variable on other variables can be grouped into 3 categories. The 'big influence' category if the f-Square value is greater than 0.35; the 'medium influence' category has a range of f-Square values of 0.15 to 0.35; while the 'small influence' category if the f-Square value is below 0.15.

Table 10. F-square test

Variable	***Employee Satisfaction***	***Work-life Balance***	***Employee Engagement***	**Employee Performance**
Employee Satisfaction			0,012	1,565
Work-life Balance			1,297	0,086
Employee Engagement				0,060
Employee Performance				

Source : Primary Data to be processed in 2025

Based on the results of the hypothesis test and the f-square value, it can be concluded that Employee Satisfaction and Work-life Balance have a significant positive effect on Employee Performance, with a great influence based on the f-square value. Work-life balance has also been shown to have a significant positive effect on Employee Engagement, while Employee Satisfaction has no significant effect on Employee Engagement. Employee Engagement has a significant but negative influence on Employee Performance. In addition, the indirect effect of

Employee Satisfaction on Performance through Employee Engagement is not significant, while the indirect effect of Work-life Balance on Performance is significant but negative. This means that not all of the mediating relationships tested in this study support the hypothesis proposed.

The Effect of Employee Satisfaction on Employee Performance

Based on the results of the analysis carried out, it was found that there is a significant relationship between Employee Satisfaction and Employee Performance. These findings are in line with the results of research from Osimokha et al. (2024) which states that job satisfaction makes an important contribution to improving employee performance by creating a conducive work environment. The same thing is also explained in the research of Arisandi and Heryjanto (2024)J22 who stated that satisfaction with work, such as a supportive work environment, good relationships with superiors, and appreciation for their contributions, creates positive energy that encourages productivity. Satisfied employees are also more eager to take initiative, work harder, and come up with innovative ideas that support the company's progress.

Cavalera (2024)J21 research also shows similar results where job satisfaction makes an important contribution to improving employee performance by creating a conducive work environment. When individuals feel satisfied with their work, they tend to be more enthusiastic, motivated, and focused on completing tasks, which ultimately boosts productivity and company profits. Conversely, job dissatisfaction can lead to decreased motivation and productivity (Rahmadani & Kurniawati, 2022)J19.

Yunita & Yansyah (2024)J56 also explained that dissatisfied employees tend to experience stress and feel less involved in their work, which can result in high attendance and high employee turnover rates. In the long run, this is detrimental to the organization because it hinders the achievement of goals and increases the cost of recruitment and training. Therefore, it is important for companies to focus on improving employee job satisfaction. However, not all studies found similar results. A study conducted by Nurkumalasari and Mustafa (2024) concluded that job satisfaction does not always have a positive impact on performance. In some cases, employees who are too comfortable with their work situation actually lose motivation to innovate or increase productivity, because they feel that there is no challenge or encouragement to develop further.

The Effect of Work-Life Balance on Employee Performance

Based on the results of data analysis, it was found that there was a statistically significant relationship between Work-life Balance and employee performance. These findings support the results of the study Aisha et al. (2023)J53 which states Work-life Balance is a crucial factor in building optimal and sustainable employee performance. Study Sustainable et al. (2024) J11 explains that the imbalance between work and personal life can have a significant negative impact on employees' mental and physical health. Excessive work pressure, accumulated workload, and lack of rest and recreation time can lead to chronic stress and emotional exhaustion. This condition will certainly have a direct impact on decreased productivity, decreased work quality, and increased risk of work errors. If left unchecked in the long term, this imbalance can trigger serious health problems, such as sleep disorders and depression.

However, not all findings support a positive relationship between Work-life Balance and performance. Erwina et al. (2024) and Zahroh & Khasanah (2024) found that work-life balance

does not always correlate with employee performance. This can be caused by the dominance of other factors such as internal motivation, support from management, a conducive work environment, and the compensation system received. Even though employees feel they have a good life balance, without a strong work ethic and commitment, optimal performance is still difficult to achieve (Fadila et al., 2024).

The Effect of Employee Satisfaction on Employee Engagement

The test results showed that Employee Satisfaction did not have a significant effect on employee engagement. This finding is in line with research conducted by Diniyah (2021), who stated that there was no significant relationship between the two variables. Sypniewska et al. study (2023) also supports these results by explaining that even if an employee feels satisfied with aspects of the job such as salary, work environment, or social relationships in the workplace, it does not necessarily make them emotionally or psychologically attached to their work.

Meanwhile, according to Sinha (2021), engagement requires deeper involvement, such as a sense of belonging to the organization, dedication to the company's vision and mission, and motivation to contribute more than just obligations. On the other satisfaction tends to be passive and focuses more on acceptance of existing working conditions. Thus, even if employees feel satisfied, this does not necessarily encourage them to be actively involved in their work.

The Effect of Work-life Balance on Employee Engagement

Based on the results of the analysis, Work-life Balance (WLB) has been proven to have a positive and significant influence on Employee Engagement. Study Syelvy & Siddiq (2024) Employees who feel they have enough time for family, hobbies, and personal activities tend to be more focused and productive at work. Employee engagement itself encompasses the extent to which an individual is emotionally and cognitively connected to his or her work. This is reflected in enthusiasm for work, a sense of belonging to the organization, and a desire to contribute more to the company. If Work-life Balance Employees can experience stress, fatigue, and even burnout. This will directly reduce their involvement, as the energy and attention that should be used for work is depleted by pressure and fatigue (Nwibere, 2023).

Instead, Abdullah et al. (2024) Companies that provide policies to support work-life balance such as time flexibility, adequate leave, and mental health support, tend to have more loyal and engaged employees. Employees who feel their needs are taken care of tend to build more positive relationships with their workplace. They not only carry out their duties formally, but also show a higher sense of initiative and responsibility. Work-life Balance or work-life balance has become an important topic in the modern world of work. Changing lifestyles, technological developments, and increasingly dynamic work demands that employees be able to effectively manage their time between their professional responsibilities and their personal lives. This balance not only impacts individual well-being, but also has a strong correlation with the level of employee engagement in work (Akhirudin et al., 2024).

The Effect of Employee Engagement on Employee Performance

Based on the results of the analysis, it was found that the indirect influence of Employee Satisfaction on Employee Performance through Employee Engagement had an original sample value of -0.016, with a T-statistic of 0.887 and a P-value of 0.375. Since the P-value is greater than 0.05, it can be concluded that the effect is not statistically significant. In addition, a negative and very small coefficient indicates that job satisfaction is not able to optimally improve performance through employee involvement in the context of this study.

Therefore, it can be concluded that Employee Engagement does not function as a mediator in the relationship between job satisfaction and employee performance. This means that even if employees feel satisfied in their work, this does not necessarily make them more actively involved in carrying out their duties (Diniyah, 2021). This low level of engagement has the potential to lower work performance, as employees become less emotionally attached and responsible to the organization they work for (Putri et al., 2024).

The Role of Employee Engagement in Mediating the Influence of Employee Satisfaction on Employee Performance

The results of the analysis showed that the indirect influence of Employee Satisfaction on Employee Performance through Employee Engagement had an original sample value of -0.016, with a T-statistical value of 0.887 and a P-value of 0.375. A P-value greater than 0.05 indicates that the effect is not statistically significant. In addition, the negative and very small coefficient values suggest that employee satisfaction does not effectively improve employee performance through employee involvement in the study.

Thus, it can be concluded that Employee Engagement does not act as a mediating variable in the relationship between Employee Satisfaction and Employee Performance. This means that even if employees feel satisfied with their work, it does not automatically increase employee engagement with their work (Diniyah, 2021). With low employee engagement, this will have a direct impact on employee performance. Employees with low levels of engagement tend to be less enthusiastic about creating an emotional bond with their company, which has an impact on their low performance (Daughter et al., 2024). Different results found in the study Rizky et al. (2023) which states employee satisfaction significantly affects employee engagement, which in turn affects overall employee performance. Research Squirting (2023) It shows that higher employee satisfaction leads to increased engagement rates, which encourages more engaged employees.

The Role of Employee Engagement in Mediating the Influence of Work-Life Balance on Employee Performance

From the results of the analysis of specific indirect effects, it was found that Work-life Balance (WLB) has a significant negative influence on Employee Performance through the mediation role of Employee Engagement. The original sample value obtained was -0.173, with a P-value of 0.046 which was below the significance threshold of 0.05. These findings show that the higher the level of Work-life Balance felt by employees, the lower their level of involvement in work tends to decrease, which has an impact on decreased work performance.

Aggarwal (2024) posits that when the balance between personal and work life is too skewed towards personal life, employees tend to feel too comfortable, thus reducing emotional

engagement and loyalty to work. A greater focus on life outside of work makes them less responsive to the dynamics and demands of work that often demands high flexibility and dedication. As a result, Employee Engagement decreases, and the achievement of performance targets becomes less than optimal (Adamu et al., 2025).

Different results were found in the study of Wijayanto et al. (2022) which states that the positive relationship between Work-Life Balance and employee engagement has a major impact on their performance. Employees who feel holistically supported by the organization will be more productive, make fewer mistakes, and have a passion to contribute optimally.

CONCLUSION

The study found that job satisfaction and work-life balance positively influenced employee performance, with only work-life balance significantly increasing employee engagement. However, excessive engagement could reduce productivity due to fatigue, and employee engagement did not mediate the relationship between job satisfaction and performance, nor did it mediate negatively between work-life balance and performance. The findings imply that HR management should adopt a holistic approach, while agencies should focus on enhancing job satisfaction and implementing policies that support work-life balance. Given the study's limitations in institutional scope, potential questionnaire bias, and short time frame, future research should broaden the study population, introduce additional variables, and apply a longitudinal design to provide more comprehensive insights.

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