



The Effect of Work Life Balance and Employee Engagement on Employee Performance of PT Duta Jaya Teknik Surabaya

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ABSTRACT

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When PT Duta Jaya Teknik Surabaya is unable to meet performance goals, work-life balance and employee engagement play a part in influencing employee performance and the amount of work completed by employees in carrying out their duties or obligations in accordance with applicable standards for each company. The purpose of this study is to ascertain how employee engagement and work-life balance affect employee performance at PT Duta Jaya Teknik Surabaya. Utilizing a quantitative methodology, this investigation. While the analysis method makes use of PLS (Partial Least Square) software and a structural equation modeling (SEM) approach. The 67 responders to a questionnaire who were all working for PT Duta Jaya Teknik Surabaya provided the information used. The findings of this study show that employee engagement and work-life balance both positively affect employees' performance at PT. Duta Jaya Teknik Surabaya.

KEYWORDS:

Employee
Engagement;
Employee
Performance; Work
Life Balance.

1. INTRODUCTION

Seeing the development of infrastructure run by the government and the private sector, construction companies currently have projects that are run together or alone. Competition and cooperation between construction companies in running large-scale and small-scale development projects is certainly the focus of the company today. One of the factors that support the success of the project of a contractor company is human resources..

The role of human resources is very crucial in determining goals, therefore human resources are referred to as valuable assets owned by the company (Pradnyani & Rahyuda, 2022). Employee performance, according to Syafitri & Iryanti (2022), is the caliber and volume of work completed by employees in carrying out their responsibilities in accordance with the norms that are applicable to each firm. At PT Duta Jaya Teknik Surabaya, an empirical study for this subject was carried out.

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Table 1. Performance Achievement of PT Duta Jaya Teknik Surabaya

Tahun	TW I		TW II		TW III		TW IV	
	TARGET	CAPAIAN	TARGET	CAPAIAN	TARGET	CAPAIAN	TARGET	CAPAIAN
2020	25,65%	20,69%	60,45%	49,99%	79,35%	70,56%	100%	96,08%
2021	25,60%	24,98%	56,49%	52%	79%	70,26%	100%	92,33%
2022	26,58%	20,15%	60,63%	46,32%	85,32	60,35	100%	86%

Source : Data processed from the S curve of PT. Duta Jaya Teknik Surabaya

PT Duta Jaya Teknik Surabaya cannot meet performance targets. Where the S Curve shows that the percentage obtained from the volume of work and the volume of time units that do not reach the target should be. That indicates a delay in project work so that the processing time must be delayed from the agreed time. Based on interviews that the author conducted with the Project Manager of PT Duta Jaya Teknik Surabaya, this happened because PT Duta Jaya Teknik got a new project starting in 2020 which was located in Kediri, Blitar, and Madiun and in 2022 it increased again in the probolinggo and lumajang areas. This makes employees who previously only worked in the Surabaya, Gresik and Sidoarjo areas required to work away from home. The work is getting more and more and makes employees have to work more than the working hours they are supposed to.

Table 2. Number of Customer and Partner Complaints

Years	Triwulan	Number of Customer and Partner Complaints
2021	Januari – March	18
	April – Juni	23
	Juli – September	29
	October – December	34
2022	Januari – March	47
	April – Juni	56
	Juli – September	59
	October – December	68

Source : Data processed from PT Duta Jaya Teknik

The company experienced an increase in the number of complaints received from customers and partners from 2021 to 2022. In 2021, the number of complaints started at 18 in the first quarter and gradually increased to 34 in the fourth quarter. Meanwhile, in 2022, the number of complaints experienced a more significant increase, starting from 47 in the first quarter and increasing to 68 in the fourth quarter. This increasing trend indicates that there are problems or deficiencies in the services provided by the company.

Employee engagement also has an important impact on employee performance. It's critical to comprehend how employee engagement and work-life balance affect performance in an organizational setting like PT Duta Jaya Teknik. The balance between job and personal life is referred to as "work life balance".

Suhartini's research (2021) found that work-life balance has an impact on workers' performance. Meanwhile, contrary findings were found in research by Rahmawati et al. (2021), where performance was negatively impacted by work-life balance. To further understand the factors that affect the connection between employee performance and work-life balance, more study must be conducted. because there is a gap between the findings of the aforementioned studies (research gap). 5Employee engagement affects employee performance, according to Paramarta (2020).

However, according to studies by Shindie, et al. (2015), employee engagement has little to no impact on workers' productivity. Employees at PT Duta Jaya Teknik Surabaya claim, based on the results of the business manager's interview, that inadequate employee supervision negatively affects employee engagement. There is a discrepancy between the results of the research stated above (the "research gap"), which necessitates additional research to determine the factors that influence the relationship between employee engagement and performance.

The purpose of this study is to determine how work-life balance and employee engagement impact employee performance in light of the aforementioned circumstances. at PT Duta Jaya Teknik Surabaya.

II. LITERATURE REVIEW

Work Life Balance

Lockwood's definition of work-life balance is found in Wardani & Firmansyah (2021), is a balance between two individual demands when those demands are work and individual personal life in the same context. Work-life balance, as defined by Delecta in Diah & Al Musadiq (2018), is the capacity of a person or individual to carry out activities at work while maintaining a commitment to their family and other commitments outside of work. According to McDonald in Rondonuwu et al. (2018), Time balance, engagement balance, and satisfaction balance are examples of work-life balance indicators.

Employee Engagement

According to Schaufeli et al. in Anaya & Desiana (2023), employee engagement is a contented mental state that is associated with work and is characterized by liveliness, commitment, and absorption.. Employee engagement, according to Macey et al. (in Prihutami et al., 2015: 635), demonstrates how much workers identify with their jobs, are emotionally invested in them, and have the skills and resources necessary to do the work.

According to Schaufeli & Bakker in Pitaloka & Putri (2021) found that the indicators of employee engagement are as follows vigor (enthusiasm), dedication (dedication) and absorption (absorption).

Employee Performance

Performance, according to Mangkunegara (2013), is the result of work completed by an employee in terms of both quantity and quality while performing his duties in compliance with the tasks allocated to him. Performance, both for commercial and nonprofit organizations, is what an organization produces throughout the course of a given period of time, according to Irham Fahmi (2016). Performance, according to Kasmir (2016), is the result of labor and work behavior that was attained in finishing the tasks and duties assigned in a set period of time..

Work quality, work quantity, task execution, and responsibility are the four main indicators of employee performance proposed by Mangkunegara in Anandita et al. (2021). According to Kasmir (2016), The traits that affect employee performance include competence/ability, knowledge, work design, personality, motivation, leadership, and leadership style. They also include organizational culture, job satisfaction, work environment, loyalty, dedication, and work discipline..

Work Life Balance and Employee Performance

In their study, Lukmiati, Samsudin, and Jhoansyah (2020) found that one of the issues that frequently affects human resources is the decline in employee performance, which can be brought on by a variety of factors, both inside and outside the company. Lack of work-life or personal life balance is one of the factors that contributes to lower performance. The

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Work-Life Balance approach is used in efforts to uphold and sustain high employee performance.

The ability of millennial employees to perform their tasks is significantly impacted by work life balance and job satisfaction, according to study from Muliawati & Frianto from 2020, The Role of Work Life Balance and Job satisfaction on Millennial Employee Performance. In order to boost workplace satisfaction and productivity, millennial workers are interested in work-life balance and flexibility.

H1 : At PT Duta Jaya Teknik Surabaya, work-life balance has a beneficial effect on employee performance.

Employee Engagement and Employee Performance

A key element that affects productivity at work and a company's ability to survive is employee engagement (Hary, 2020). Employee involvement is crucial for the company's success in reaching its objectives. For the advantage of the business, motivated personnel will give their best effort. Employee performance is a measure of how well or poorly a firm is doing its operations to meet its objectives. Performance also refers to the quantity and quality of work done by an individual or group of people to accomplish a common objective.

According to studies by Bella & Widjaja (2018) and Noviardy & Aliya (2020), employee engagement improves worker performance. The research by Tri Ramadhalena, Asmanita (2020) on "the effect of employee engagement, job characteristics on employee performance of PT Bukit Asam, TBK Kertapati Dock Unit Palembang" revealed that employee engagement had a sizable impact on performance. H2 : At PT Duta Jaya Teknik Surabaya, employee engagement has a favorable impact on employee performance.

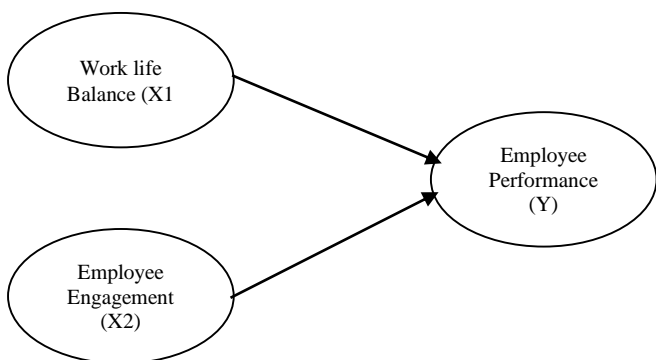


Fig 1. Conceptual Framework

III. RESEARCH METHODS

This study employs a quantitative methodology. PT Duta Jaya Teknik Surabaya personnel were given questionnaires to complete in order to collect the ordinal data that was utilised. Additionally, secondary data gathered from literature studies and literature studies that will be carried out by researchers are also included. A Likert scale is used in research. All employees, or 67 individuals, served as the study's sample.

Software called PLS (Partial Least Square) was used to analyze this study.

IV. RESULTS AND DISCUSSION

Of the 67 respondents who have filled out the questionnaire, it can be seen that the most dominant gender is male, totaling 66 people or 98.6%. And the most age is 31-35 years old, totaling 26 people or 38.8%.

Validity and Reliability Test

The Avarage variation Extracted (AVE) value, which represents the amount of indicator variation that the latent variable contains, is the following measurement model. Good validity Convergent AVE values greater than 0.5 demonstrate sufficient for latent variables. For each construct (variable) in reflective indicator variables, the average variance extracted (AVE) value reflects this. Any construct with an AVE greater than 0.5 requires a decent model.

Construct reliability is measured using the composite reliability value. If the composite reliability value of an indicator is more than 0.70, the indicator is said to be reliable and consistent in measuring the hidden variable.

Table 3. Average Extracted (AVE) and Composite Reliability

	AVE	Composite Reliability
Work Life Balance (X1)	0,816135	0,963799
Employee Performance (Y)	0,801526	0,969967
Employee Engagement (X2)	0,832184	0,967474

Source : Data Processed 2023

Employee Performance (Y), Work Life Balance (X1), and Employee Engagement (X2) all scored 0.816135, 0.801526, and 0.832184 on the AVE test, respectively. It can be argued that the variables in this study typically had strong validity because all three of them had values better than 0.5. Employee Performance (Y) is 0.969967, Employee Engagement (X2) is 0.963799, and Work Life Balance (X1) has a Composite Reliability score of 0.967474. The reliability of all the variables in this study is indicated by the Composite Reliability values of these three variables, which are all over 0.70.

Inner Model (Structural Model Testing)

The size of the R-Square value is taken into account by the inner model test. The R-Square value can be used to determine how well the independent variables in this study explain the dependent variable.

Table 4. R-Square

	R-Square
Work Life Balance (X1)	
Employee Engagement (X2)	
Employee Performance (Y)	0,942734

Source : Data Processed 2023

The value of R² is 0.942734. With a variance of 94.27%, the model can be used to explain the phenomenon of employee performance, which is influenced by independent variables like work-life balance and employee engagement. The remaining 5.73% of the variance is explained by factors outside of this study (other than work-life balance and employee engagement).

Hypothesis Testing

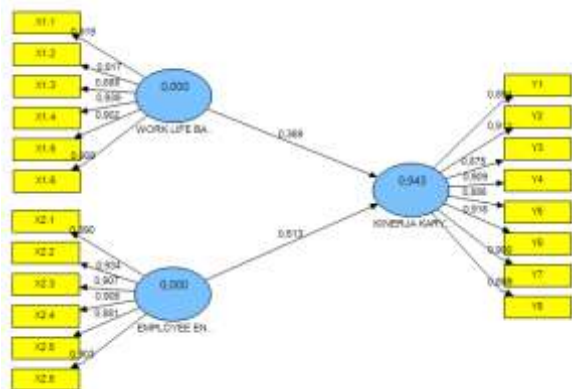


Fig 2. T-Statistic Bootstrapping
Source : Dara Processed 2023

In the PLS output image above, you can see the size of the factor loading values for each indicator that are located above the arrow between the variable and the indicator as well as the size of the path coefficients that are located above the arrow line connecting the exogenous variables and the endogenous variables. You can also see how much R-Square is located just inside the circle representing the employee performance variable.

Table 5. Path Coefficients (Mean, STDEV, T-Values, P-Values)

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)	P Values
WORK LIFE BALANCE (X1) -> EMPLOYEE PERFORMANCE (Y)	0,368940	0,370102	0,079184	4,659270	0,000
EMPLOYEE ENGAGEMENT (X2) -> EMPLOYEE PERFORMANCE (Y)	0,612985	0,612643	0,077096	7,950927	0,000

Source : Data Processed 2023

IV. DISCUSSION

The Effect of Work Life Balance (X1) on Employee Performance (Y) at PT. Duta Jaya Teknik Surabaya

Work-life balance at PT Duta Jaya Teknik Surabaya is positively and significantly correlated with employee

performance as determined by the analysis of the data used in the study. The findings of this investigation can be explained by path coefficients, as indicated by the positive T-statistic value and the significant P-value.

The balance of involvement is the indicator with the highest percentage, according to the analysis's findings based on factor loading on the work-life balance variable. The performance of employees at PT Duta Jaya Teknik Surabaya will increase if they have a feeling of duty and devotion to the company and their family.

The findings of this study are consistent with Muliawati & Frianto's research from 2020, The Role of Work Life Balance and Job Satisfaction on Millennial Employee Performance: A Literature Study, which found that employee performance is significantly (positively) impacted by work life balance.

It is clear from the description above that work-life balance can have an impact on employees' effectiveness at work. Because the employee's performance at work will rise the more successfully they can strike a balance between work and personal obligations.

Effect of Employee Engagement (X2) on Employee Performance (Y) PT. Duta Jaya Teknik Surabaya

Employee engagement at PT. Duta Jaya Teknik has a favorable and significant impact on employee performance, according to the results of data processing from research that has been done. The findings of this study can be understood in terms of path coefficients, positive T-statistic values, and significant P-values. Therefore, in PT Duta Jaya Teknik Surabaya, the employee engagement variable has a considerable impact on staff performance.

The analysis based on factor loading on the work-life balance variable's results reveals that vigor (enthusiasm) is the indicator with the highest percentage. Therefore, if the employee completes his work in accordance with his area of expertise, he will do so with great enthusiasm. So that it affects the company's goal of improving employee performance.

The results of this study are in line with those of Wayan Arya Paramarta's (2020) study, "Employee Engagement and Job Stress on Job Satisfaction and Turnover Intention at Aman Villa Nusa Dua, Bali," which discovered that employee involvement significantly (positively) influences job satisfaction.

It is clear from the description above that employee involvement can have an impact on workers' productivity at work. Because if employees work inside their areas of competence, they will be more motivated to complete tasks accurately and completely, which will improve employee performance within the organization.

V. CONCLUSION

The following findings can be obtained from test results using PLS analysis to investigate the impact of work-life

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balance and employee engagement on employee performance at PT Duta Jaya Teknik Surabaya:

1. Work life balance has a contribution to employee performance at PT Duta Jaya Teknik Surabaya. This shows that if employees can find out the balance of involvement between family and work, these employees can distinguish personal interests and common interests, so that employee performance will increase if it is felt that the employee gets a balance between these two things.
2. Employee engagement has a contribution to employee performance at PT Duta Jaya Teknik. This shows that employees who have expertise in a field of work can work with enthusiasm and can complete the work properly and correctly.

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