

## The Influence of Work-Life Balance, Environment, and Motivation on Performance through Job Satisfaction of Gen Z Employees with Leadership Style as a Moderating Variable

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### ABSTRACT

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Gen Z is more likely to be individualistic at work and prefer to work alone rather than in groups or in positions that need them to communicate with others. The purpose of this research is to test and analyze the significance of the positive impact of work-life balance on the job satisfaction of Gen Z employees. From this result analysis, research on the influence of work-life balance, work environment, and work motivation on performance through job satisfaction of Gen Z employees in Indonesia with leadership style as a moderating variable based on survey results conducted using an online questionnaire with 160 respondents who are Gen Z workforce employees in Indonesia. The conclusion of this research is outlined like work-life balance has a significantly positive impact on job satisfaction. Thus, it can be concluded that work-life balance has a direct impact on job satisfaction.

### KEYWORDS:

Work life-balance, Work Environment, Leadership, Job Satisfaction, Work Motivation

### 1. INTRODUCTION

Research results indicate a high number of employees in Indonesia who have poor work-life balance due to their work patterns. Employees often work for long hours, around 50 hours or more per week. This extended working time has a negative impact on employees' physical and mental health as well as their personal and family lives. In the workplace, a lack of work-life balance can lead to a decline in employee performance. Marhawati (2022) explains that performance is the quality of the results achieved by employees in carrying out and completing their work within a specified timeframe, following a process that aligns with the goals and standards set by the company. Employee performance reflects the performance of the company; the better the performance of the employees, the better the performance of the company. Employee performance plays a crucial role in determining the success of achieving the company's objectives. The quality of employee performance is influenced by many factors. Some factors that can affect employee performance include the work environment, work motivation, and the desire for a

balance between work and personal life, commonly referred to as work-life balance. Currently, the workforce has entered Industry 4.0, which brings significant changes compared to previous years due to rapid technological advancements. Each year, the workforce sees the introduction of new generations.

Employees are categorized into three generations: Generation X, born between 1965 and 1979; Generation Y, born between 1980 and 1996, often referred to as Millennials; and Generation Z, born between 1997 and 2010.

This study uses a moderating variable, namely leadership style. Leadership style can play a significant role in moderating the relationship between job satisfaction and employee performance. The implications of the influence of leadership style in this context are crucial for understanding how these factors are interconnected and how they can be leveraged to improve organizational outcomes. If the leadership style applied aligns with the needs and preferences of employees, the leadership style can strengthen the positive relationship between job satisfaction and performance. Managing work-life balance, work environment, and work motivation with attention to how job satisfaction functions as a mediator can help organizations improve overall employee performance. Based on previous research, job satisfaction plays an important role in linking these factors to performance, but the direct influence of each factor is also very important to consider in performance management

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# Mutiara L.I. et al, The Influence of Work-Life Balance, Environment, and Motivation on Performance through Job Satisfaction of Gen Z Employees with Leadership Style as a Moderating Variable

strategies. However, in reality, job satisfaction does not always mediate the influence of work-life balance, work environment, and work motivation on employee performance because the benchmarks for job satisfaction vary among each employee.

## II. LITERATURE REVIEW

Several studies indicate that a good work-life balance can positively affect employee performance as well as the overall performance of the company. Research by Fransiska and

Maksum (2023), Susanto et al. (2022), Ingsih et al. (2022), and Asari (2022) also suggests that work-life balance has a positive impact on employee performance, especially for Gen Z. However, this contrasts with the study by Saifullah (2020), which concluded that work-life balance does not significantly affect employee performance. In addition to work-life balance, work motivation is also a factor that influences employee performance. According to Citra and Fahmi (2019), work motivation is the driving force that encourages employees to work hard voluntarily, using all their abilities and skills to achieve company goals. Work motivation significantly impacts performance and employee loyalty. Hamali (2018:133) defines motivation as a factor that drives someone to engage in specific activities; hence, motivation is often seen as a driving force behind an individual's behavior. The success of an organization is also influenced by the enthusiasm of its employees, making it crucial for companies to maintain high morale among their staff. High work motivation will enhance employee performance. Research by Azmy et al. (2022), Fatmasari and Badaruddin (2022), and Darmaileny et al. (2022) shows that work motivation positively impacts the performance of Gen Z employees. However, this is contrary to the findings of Hidayat (2021), who concluded that work motivation does not significantly affect employee performance.

According to William and Ekawati (2022), it is crucial for companies to pay attention to a good work environment and create working conditions that motivate employees to perform well, thereby positively impacting employee performance. Yantika et al. (2018) state that the work environment significantly affects employee performance. A work environment is considered good and adequate if employees contribute significantly, directly or indirectly, to the company's success. A positive work environment benefits employees by providing job satisfaction and benefits the company by achieving its goals according to set targets. Conversely, a poor and inadequate work environment can negatively impact the company, leading to a significant decline in employee performance over time and a mismatch between employee output and the company's targets, due to a lack of motivation and enthusiasm. This aligns with the research findings of Fatmasari and Badaruddin (2022) and Idris et al. (2020), which show that the work environment

positively affects the performance of Gen Z employees. However, this contrasts with the studies by Mawardah and Prawitowati (2023) and Alqorrib et al. (2023), which concluded that the work environment does not significantly affect employee performance.

## III. METHOD

This research is a type of quantitative research to examine the effects of work-life balance, work environment, and work motivation independent variables on employee performance as the dependent variable, with job satisfaction as a mediating variable. The data used in this study are primary data, collected using a questionnaire administered through Google Forms. This data will be analyzed using Warp-PLS software. Additionally, this study employs a causal research design, which is used to investigate potential cause-and-effect relationships between variables, allowing the researcher to classify the variables accordingly. The data analysis techniques used in this research are descriptive statistical analysis and Structural Equation Modeling (SEM) based on Partial Least Squares (PLS), utilizing WarpPLS software.

### Integrated Reporting

Nisa et al. (2021) state that SEM (Structural Equation Modeling) is a data analysis technique aimed at simultaneously testing relationships formed from one or more independent variables. PLS (Partial Least Squares) is used to test simultaneous relationships between the causality of latent variables and their respective indicators. In PLS-SEM, there are two stages of model measurement: the inner model and the outer model. This study examines the effects of work-life balance, work environment, and work motivation through job satisfaction as a mediating variable on employee performance among Gen Z workers, with leadership style as a moderating variable.

## IV. RESULTS

The results of this study are influenced by respondents responses regarding diverse work motivations, not solely for the purpose of achieving job satisfaction, but also for other reasons that motivate them to work. It can be concluded from Table 1 that the values have met the criteria of  $AVE > 0.5$ , thus the data is declared valid and it can be concluded that each statement item from each indicator used in this study is able to measure and explain the intended variable very well without being influenced by other irrelevant factors. Therefore, although a democratic leadership style is considered good and can create a work environment that supports employee performance improvement, there are still other factors that play a more significant role in moderating the relationship between job satisfaction and employee performance.

A variable can be considered reliable and dependable if the composite reliability value is  $>0.7$  and the Cronbach alpha is

**Mutiara L.I. et al, The Influence of Work-Life Balance, Environment, and Motivation on Performance through Job Satisfaction of Gen Z Employees with Leadership Style as a Moderating Variable**

>0.6 for confirmatory assessments. However, for exploratory assessments, composite reliability and Cronbach's alpha values between 0.6 – 0.7 are still acceptable. Based on table 2, it can be concluded from the measurement results that the overall research instruments used in this study are capable of measuring the variables consistently and accurately, and the measurement results are not influenced by irrelevant external factors. Many Gen Z individuals are currently part of the sandwich generation, so their primary priority is their family's needs rather than personal satisfaction. This result is in line with the research conducted by Saifullah (2020) that work motivation does not play an important role in determining the level of job satisfaction of each employee.

It can be concluded that the higher a employee's motivation to work, it will not affect their job satisfaction because the aspects that influence job satisfaction are very diverse and each individual has different standards of satisfaction. Additionally, the work motivation of each individual does not always aim to achieve job satisfaction; there are individuals who continue to perform their jobs even if they do not feel satisfied, due to situational factors.

**Table 1. Output Convergent Validity Test**

Variable	AVE	Critical point	Result
Work Life Balance (X1)	0,705	0,5	Valid
Work Environment (X2)	0,749	0,5	Valid
Work Motivation (X3)	0,822	0,5	Valid
Job Satisfaction (Z)	0,664	0,5	Valid
Leadership Styles (M)	0,756	0,5	Valid
Employee Performance (Y)	0,578	0,5	Valid

**Table 2. Output Reability Test**

Indicator	Cronbach's Alpha	Syarat	CR	Syarat
Work Life Balance (X1)	0,858	> 0,6	0,905	> 0,7
Work Environment (X2)	0,957	> 0,6	0,965	> 0,7
Work Motivation (X3)	0,945	> 0,6	0,958	> 0,7
Job Satisfaction (Z)	0,899	> 0,6	0,930	> 0,7
Leadership Styles (M)	0,934	> 0,6	0,949	> 0,7
Employee Performance (Y)	0,940	> 0,6	0,952	> 0,7

**Table 3. Summary of Direct Influence Hypothesis Testing**

H	Direct Influence		P-Value	Result
H1	Work Life Balance	Employee Performance	<.01	Acc Ho
H2	Work Environment	Employee Performance	<.01	Acc Ho
H3	Work Motivation	Employee Performance	0,31	Acc Ho
H4	Job Satisfaction	Employee Performance	0,28	Reject Ho
H5	Work Life Balance	Job Satisfaction	0,15	Reject Ho
H6	Work Environment	Job Satisfaction	<.01	Reject Ho
H7	Work Motivation	Job Satisfaction	0,19	Reject Ho

**Mutiara L.I. et al, The Influence of Work-Life Balance, Environment, and Motivation on Performance through Job Satisfaction of Gen Z Employees with Leadership Style as a Moderating Variable**

**Table 4. Summary of Indirect Influence Hypothesis Testing**

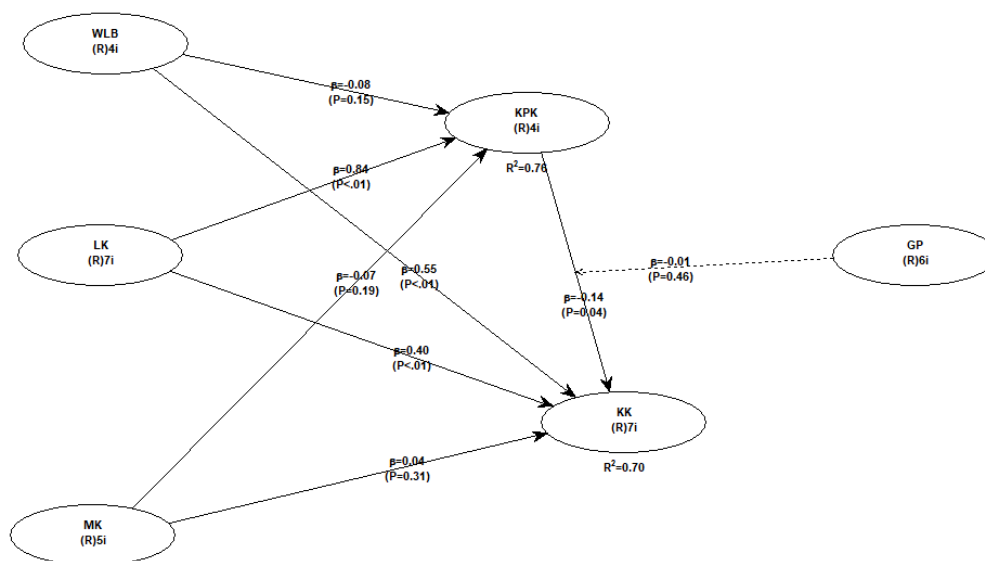
H	Indirect Influence		P-Value	Result
H8	Work Life Balance	Employee Performance	0,421	Reject Ho
H9	Work Environment	Employee Performance	0,017	Acc Ho
H10	Work Motivation	Employee Performance	0,431	Reject Ho
H11	Job Satisfaction	Employee Performance	0,46	Reject Ho

Based on further research findings on Table. 4, leadership style as a moderating variable cannot moderate the influence of job satisfaction on employee performance. Each leader has a different leadership style, such as authoritarian, transactional, and transformational leadership. These differences certainly have varying effects on each employee. However, the effect of leadership style is not strong enough to moderate the influence of job satisfaction on employee performance. The level of job satisfaction does not have a direct impact and does not guarantee an improvement in employee performance because employees who are satisfied with their current job may not necessarily be motivated to enhance their performance, and the presentation and factors that can influence job satisfaction vary for each individual. Therefore, a leader's leadership style cannot be considered a factor that can strengthen or weaken the influence of job satisfaction on performance.

this generation has expectations and preferences that are quite different from previous generations in the workplace. They value autonomy, self-development, open communication, technological advancement, and work that has more meaning aligned with their personal values much more.

**V. CONCLUSION AND RECOMMENDATIONS**

From this result analysis, research on the influence of work-life balance, work environment, and work motivation on performance through job satisfaction of Generation Z employees in Indonesia with leadership style as a moderating variable based on survey results conducted using an online questionnaire with 160 respondents who are Generation Z workforce employees in Indonesia. The conclusion of this research is outlined like work-life balance has a significantly positive impact on job satisfaction. Thus, it can be concluded that work-life balance has a direct impact on job satisfaction.



**Fig 1. Hypothesis Testing and Direct Influence**

A good leadership style that meets employee expectations may not significantly impact employee job satisfaction because there are other more dominant factors. There is a possibility that a leadership style that does not meet employee expectations and authoritarian leadership will not affect employee performance because the percentage of job satisfaction among those employees is already very high due to the fulfillment of other factors. Additionally, leadership style does not always moderate the indirect influence of job satisfaction on the performance of Gen Z employees because

The work environment has a significant positive influence on job satisfaction. Therefore, it can be concluded that the work environment has a direct influence on job satisfaction. Work motivation does not have a significant effect on job satisfaction. Therefore, it can be concluded that work motivation does not have a direct influence on job satisfaction. Work-life balance does not have a significant positive impact on job satisfaction.

## Mutiara L.I. et al, The Influence of Work-Life Balance, Environment, and Motivation on Performance through Job Satisfaction of Gen Z Employees with Leadership Style as a Moderating Variable

Therefore, it can be concluded that work-life balance does not have a direct impact on job satisfaction. The work environment has a significant positive influence on job satisfaction. Thus, it can be concluded that the work environment has a direct influence on job satisfaction. Meanwhile, work motivation does not have a significant positive effect on job satisfaction. Therefore, it can be concluded that work motivation does not have a direct influence on job satisfaction. Job satisfaction is able to mediate the influence of work-life balance. The leadership style has proven unable to moderate the influence of job satisfaction on job satisfaction. Efforts that can be made include conducting job satisfaction surveys using detailed questionnaires or anonymous surveys, individual interviews, feedback and employee performance evaluations, observations, and data analysis, among others. With the right approach, companies can better understand the needs and expectations of their employees, and implement measures to improve job satisfaction and, ultimately, employee performance.

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### VII. DISCLOSURE

The author reports no conflicts of interest in this work.

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