



## **The Influence of Work Flexibility and Work-Life Balance on Employee Performance**

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### **Abstract**

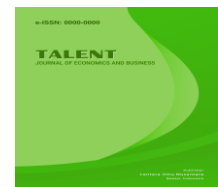
This research aims to find out how much influence work flexibility and work-life balance have on employee performance at PT. Indonesia Epson Industry. The method used is a survey method, namely a quantitative survey research method carried out by distributing questionnaires which include statements regarding the issues of work flexibility, work-life balance and employee performance. This research took samples from PT. Indonesia Epson Industry received 80 respondents. The results of this research found that work flexibility does not have a significant effect on employee performance and work-life balance has a positive influence on employee performance.

**Keywords:** Work Flexibility, Work-Life Balance, Employee Performance

### **Introduction**

Human resources describe the elements connected to personnel within the scope of an organization or company. In terms of influential resources, human resources become a key factor in the sustainability of a company. Therefore, company leaders are also expected to take good care of human resources (Lukmiati, 2020a). There is significant interest in flexible work arrangements within companies. Statistically, the number of people choosing flexible work systems is as much as 83 percent. In 2018, the International Workplace Group (IWG) conducted the Global Workspace Survey, which yielded this finding. The research revealed the importance of flexibility in the workspace or work system. According to Lars Wittig, Vice President of Sales for the International Workplace Group (IWG) in the ASEAN, Taiwan, and South Korea regions, in an interview, he explained that flexibility in work can provide benefits for employers in facing ongoing changes and dealing with an uncertain future (Cahya, 2019).

From the employees' perspective, around one-third of them would say that having flexible work arrangements is crucial for them. This inclination arises due to the increasing interest of employees in achieving a balance between work and personal life, reaching a figure of 78 percent. Flexible work arrangements have dual benefits, enhancing both the quality of employees' lives and optimal business outcomes. Citing data from the National Labor Force Survey (Sakernas) conducted in February 2023 across the entire Republic of Indonesia, the results summarized in Table 1 were obtained from the survey. The Sakernas February 2023 sample target was 75,000 households with a document completion rate of 99.46 percent. According to the classification of working hours for the Indonesian population aged 15 and above from the Central Statistics Agency in 2023, the data shows that the average working hours for Indonesians are 35 to 44 hours per week. This is indicated by the total results obtained, which amount to 211,588,872 inhabitants. It means that the Indonesian population works for



approximately eight hours a day, following the regulations stipulated in Law No. 13 of 2003 concerning manpower. However, there are still 46,469,526 Indonesians who work beyond the specified limits in the Manpower Law, and there are still 9,585,099 Indonesians who are partially unemployed.

The phenomenon occurring at PT. Indonesia Epson Industry, as identified through an initial survey conducted by the researcher with one of the leaders at PT. Indonesia Epson Industry on Monday, October 30, 2023, indicates several factors influencing work flexibility. These factors include market needs, technology, work-life balance, employee engagement, employee needs, and company needs. The leader acknowledged that, following the COVID-19 pandemic, the company should consider the interests of employees beyond their work. A common issue at PT. Indonesia Epson Industry is the difficulty employees face in obtaining leave for personal reasons, causing unrest and confusion among them in managing activities outside of work. Altındağ and Siller (2014) state that flexibility makes employees more productive. Flexibility in work arrangements allows employees to have greater control over their schedules, including choosing the most effective working hours for themselves. Therefore, research on work flexibility is necessary, considering the phenomenon of flexible work arrangements at PT. Indonesia Epson Industry, which is perceived as not well understood and implemented.

Employee work flexibility aims to achieve a better balance between their personal and professional lives. This can enhance employee performance, minimize stress, and reduce levels of fatigue or excessive tiredness. Moreover, with flexibility in work arrangements, companies can also reduce overhead costs and boost productivity. Flexible work arrangements are highly beneficial in meeting employee needs by improving their performance, indicating that work flexibility influences employee performance (Lewis, 2009).

Another factor that can significantly influence employee performance is work-life balance. Westman et al. (2009) define work-life balance as the extent to which individuals feel psychologically satisfied and experience no conflicts between the roles in their work life and personal life, such as with partners, parents, family, friends, and community members. The management of PT. Indonesia Epson Industry states that the company has a rating of 4.5 in terms of Work-Life Balance. On October 1, 2020, PT. Indonesia Epson Industry established a new work environment based on work-life balance.

According to several studies conducted on the impact of work-life balance on employee performance, these two variables are correlated. Flexible work arrangements allow employees to enjoy a balance between work and personal satisfaction in task allocation while working both inside and outside the company. The skills required to achieve effective work-life balance will directly influence their level of engagement in the workplace (Abid & Barech, 2017). Global average data on the job preferences of the Millennial generation shows that the current Millennial workforce has preferences for work-life balance that can be better fulfilled, along with other factors such as the company manager's reputation. Companies are urged to pay more attention to employee work-life balance to retain the best potential talents. Research on work-life balance is deemed necessary, as the current phenomenon indicates the importance of considering employee work-life balance (Niall McCarthy, 2016).

Based on the phenomena and issues at hand, the researcher is intrigued and has a reason to further investigate the impact of work flexibility and work-life balance on employee



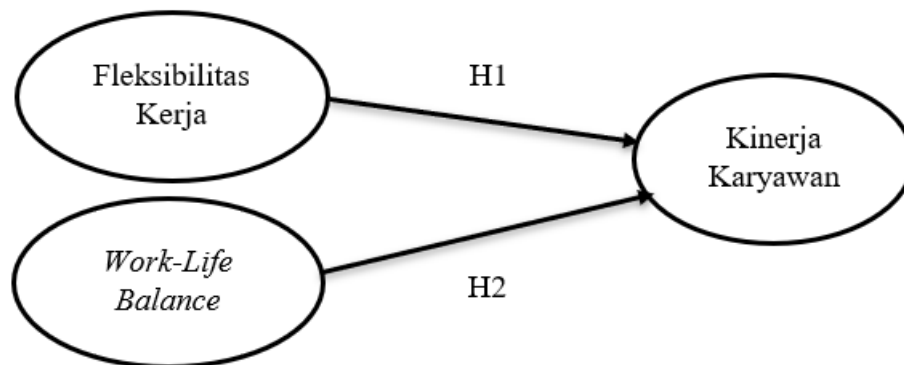
performance at PT. Indonesia Epson Industry with the title "**The Influence of Work Flexibility and Work-Life Balance on Employee Performance at PT. Indonesia Epson Industry**".

### Method

The method employed is a survey method, a quantitative research approach utilized to obtain data concerning beliefs, opinions, characteristics, behavior, variable relationships, and to test hypotheses about sociological and psychological variables from a sample taken from a specific population. Data collection techniques involve non-depth observations (interviews or questionnaires), and research results tend to be generalized (Sugiyono, 2012). The survey is conducted by distributing questionnaires containing statements related to the issues of work flexibility, work-life balance, and employee performance. The research samples are taken from PT. Indonesia Epson Industry, with a total of 80 respondents. Data analysis in this study utilizes smart PLS software, including R-square and Path Coefficients.

### Desain Penelitian

**Figure 1 Research Design**



### Results and Discussion

Data processing conducted through SmartPLS involves the questionnaire results obtained from PT. Indonesia Epson Industry, with a total of 80 respondents in the Scanner Department, comprising 98% production operators and 2% staff.

**Data Table 1 Results of R-Square Test Values After Algorithm Elimination**

	R Square	R Square Adjusted
<b>KK</b>	0,305	0,287

Based on the R-square value, the Employee Performance is 0.305, and the adjusted R-square is 0.287. This indicates that approximately 30.5% of the variation in employee performance can be explained by the variables used in the regression analysis. Meanwhile, the adjusted R-square value indicates that around 28.7% of the variation in employee performance can be explained by the variables used in the regression analysis, considering the number of variables and the sample size used. In this case, the adjusted R-square value is lower than the



R-square value, suggesting that there are other variables not included in the regression analysis that may affect employee performance. Therefore, further research is needed to identify other factors that may influence employee performance.

### Path-Coefficients Test Value

**Data Table 2 Path Coefficients Test Results After Bootstrapping**

	<b>Original Sample (O)</b>	<b>Sample Mean (M)</b>	<b>Standard Deviation (STDEV)</b>	<b>T Statistics (O/STDEV)</b>	<b>P Value s</b>
<b>FK_ -&gt; KK</b>	0,088	0,071	0,216	0,408	<b>0,683</b>
<b>WB -&gt; KK</b>	0,489	0,526	0,222	2,200	<b>0,028</b>

In the context of this research, the variable Work Flexibility has been tested against Employee Performance using T Statistic. The analysis results show that the T Statistic value for this variable is 0.408. This value indicates the standard deviation of the changes in the Employee Performance variable that can be explained by the Work Flexibility variable. Although this value is positive, it appears to be low, suggesting that the influence of Work Flexibility on Employee Performance may not be statistically significant. Furthermore, the P-value associated with the Work Flexibility variable is 0.683. This P-value indicates how significant the variable is to Employee Performance. In this case, the relatively high P-value, above the commonly set significance level (e.g., 0.05), suggests that there is not enough statistical evidence to reject the null hypothesis. The null hypothesis usually states that there is no significant influence of the Work Flexibility variable on Employee Performance. Overall, these results suggest that based on statistical analysis, the Work Flexibility variable may not have a statistically significant impact on Employee Performance in the context of this research.

The analysis results indicate that the Work-Life Balance variable has a significant influence on Employee Performance. This is evident from the T Statistic value of 2.200. T Statistic reflects the difference between the average of observation results and the average of predicted results, measured in standard deviation units. With a positive value of 2.200, it can be interpreted that the Work-Life Balance variable has a significant impact on Employee Performance in the context of this research. Furthermore, the P-value of 0.028 indicates that there is enough statistical evidence to reject the null hypothesis. The null hypothesis usually states that there is no significant influence of the Work-Life Balance variable on Employee Performance. With a P-value less than the commonly set significance level (e.g., 0.05), these results provide high confidence that the relationship between Work-Life Balance and Employee Performance is statistically significant.

Based on this research, the results are not significant because 98% of the respondents are production operators, skilled workers responsible for maintaining the smooth production process by checking product quality through monitoring machines. Production operators must ensure that the produced products meet the established quality standards and ensure the smooth production process by operating production machines correctly and repairing machines if

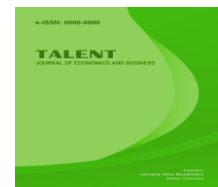


problems occur. Therefore, the presence of work flexibility does not affect employee performance. The findings of this research are consistent with a previous study conducted by Nonik Maifanda and Muhammad Ramadhan Slamet (2019), which showed negative results. Flexible working hours have a significantly negative impact on employee performance. This means that the implementation of flexible working hours provided by the company to employees does not provide significant benefits to the company (Fanda & Slamet, 2019). Previous research, such as the study conducted by Sabiha Abid (2017), indicated that work flexibility has a positive and significant impact on employee performance. The results of this study show that flexible working hours have a high impact on productivity, employee performance, and also improve work-life balance. These findings also suggest that there may be less awareness at the middle and lower levels of flexibility compared to executives who are highly aware of flexible work arrangements. In a study conducted by Eleftherios Giovanis (2018), it was found that work flexibility has a positive and significant impact on employee performance. The research results show a significant and positive relationship between flexible work arrangements and workplace performance.

There are differing opinions regarding the impact of work flexibility on employee performance. Some studies indicate that work flexibility has a positive and significant influence on employee performance, while other research suggests that work flexibility does not affect employee performance. Therefore, there is no conclusive conclusion about the impact of work flexibility on employee performance.

The results of the data processing from the questionnaire indicate a positive influence of work-life balance on employee performance. Work-life balance has a significant impact on employee performance, as several factors such as mental well-being, motivation, and work uncertainty can enhance employee productivity and efficiency. Therefore, it can be concluded that the implementation of work-life balance programs not only improves productivity but also enhances overall performance and job satisfaction (Minarika et al., 2020). The findings of this study align with previous research conducted by Ranti Lukmiati (2020b), who concluded that work-life balance has a positive impact on employee performance. A good work-life balance can increase employee productivity as they become more focused and engaged in their work, effectively addressing potential work-related health issues. Additionally, earlier research by Irene Isabella Perangin Angin (2021) found that work-life balance, measured through dimensions like WIPL, PLIW, WEPL, and PLEW, significantly influences the performance of both Generation X and Y employees. Specifically, while the WIPL dimension does not affect the performance of Generation X and Y employees, PLIW has a negative and significant impact, WEPL has a positive and significant influence, and PLEW has a positive and significant effect on employee performance. The results of Rochim Sidik's (2019) study, testing the simultaneous significance or the F-test between the variables of ability, work-life balance, and job satisfaction on performance, indicate that ability, work-life balance, and job satisfaction collectively have a positive and significant impact on employee performance at BMT Permata Jatim.

Overall, work-life balance has a significant impact on employee performance, influenced by factors such as mental well-being, motivation, and work uncertainty, all of which can enhance employee productivity and efficiency. Therefore, companies should acknowledge the importance of work-life balance and explore ways to ensure a healthy work-life balance for their employees.

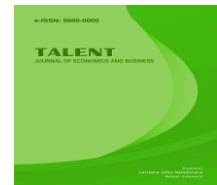


## Conclusion

The results of the data analysis suggest that, based on statistical analysis, the variable Flexibility at Work may not have a statistically significant impact on Employee Performance in the context of this study. However, it is important to note that this interpretation should be adjusted for the specific characteristics of the data and the broader research context. Overall, it can be concluded that, within the framework of this study, Work-Life Balance has a positive and significant impact on Employee Performance. Therefore, organizations may consider efforts to enhance the balance between employees' work and personal lives as a strategy to improve their performance. Nevertheless, it is crucial to remember that this interpretation should be tailored to the context and specific characteristics of the data used in the study.

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