
The Effect Of Worklife Balance, Organizational Climate And Compensation On Motivation And Its Impact On Employee Performance

Muhamad Anang Munawir

Universitas Al-Ghifari

Email: muhamadanangmunawir@gmail.com

Abstract

This study aims to determine and analyze the effect of work-life balance, organizational climate and compensation on motivation and its impact on employee performance. The results of this writing are expected to provide additional information or input for Alghifari University in addressing labor issues and being able to manage and improve human resources in order to achieve maximum performance. The research method used is descriptive analysis and verification. The data collection used was interviews and questionnaires accompanied by observation and literature techniques, the sampling technique used simple random sampling. Field data collection will be carried out in 2023. The data analysis technique uses Path Analysis. The results of the study show that in general, work-life balance, organizational climate, compensation, motivation and employee performance fall into a fairly good category. Worklife balance, organizational climate and compensation have an effect on motivation both partially and simultaneously and motivation has an effect on employee performance partially. Worklife balance has more dominant influence on motivation.

Keywords: *Organizational Climate, Employee Performance, Compensation, Motivation, Worklife Balance.*

INTRODUCTION

In particular, work-life balance is defined as the equitable distribution of time and psychological energy between work and non-work life, as well as the attainment of a high level of satisfaction from both (Greenhaus et al. 2003 in Sirgy & Lee, 2018). Employees who are free from tension, complaints, and a variety of psychological symptoms are indicative of the attainment of work-life balance. Several studies, including Ummah's (2018), have demonstrated that work-life balance will reduce conflict and ultimately affect performance by balancing work and life.

When employees are capable of directly aligning their time and involvement between work and personal life (including family, interests, and culture), they will be more enthusiastic and focused on their work. This will enhance the grade of their work and increase their effectiveness. In contrast, employees who experience difficulty in maintaining a balance between their professional and personal lives may experience fatigue, which can subsequently contribute to a negative work environment. Consequently, this can be detrimental to both the individual and the organization that requires their energy, effort, and potential.

Consequently, it is critical for an organization, including Alghifari University, to have a good work-life balance, pay employees a fair wage, and foster a happy work environment. In the end, these things can affect how well the business does and how hard its people work. Company performance may be hindered if these three variables are ignored.

Quantity of work, the amount of work done by employees is not good because there are still many employees who are absent because the work that must be done feels heavy and risky, so employees quickly get tired and lose enthusiasm for their work (Dehotman, 2023a). *Quality of work*, namely the quality of work produced by employees, experiences problems because employees have to divide their roles between work and life, which makes it difficult for employees to work as well as possible (Ansari et al., 2015). *The job knowledge* possessed by employees is considered less than good enough to complete their work according to the company's targets because employees prioritize themselves, which results in suboptimal work results (Bafaneli & Setibi, 2015). *Creativeness*, or generating ideas and actions to anticipate problems that occur in the company, is not resolved because the motivation of the employees themselves is still lacking (Ali Taha et al., 2016). *Cooperation*, i.e., the desire to work with others, is still lacking because the relationship between fellow employees appears disharmonious, especially when dealing with superiors or leaders. Then *dependability*, employee awareness to complete their work, which is often a problem because of the heavy work in the company, so that they often ignore their presence (Dehotman, 2023b). Initiative in working rarely appears because they feel burdened with work problems and family problems, so their enthusiasm for working is lacking. This leads to a decline in each employee's *personal qualities*, including their personality within the company, their work attitude, and their integrity. Numerous issues arise within the company, impacting the employees' ability to perform effectively and achieve the company's objectives.

This is the root cause of the decrease of each employee's personal attributes, including their honesty, attitude, and personality within the firm. In the end, this causes a lot of issues for the business and hinders the employees' ability to accomplish their own goals.

A lot of studies on the topic of work-life balance have been popping up recently. (Haar et al., 2014) found that work-life balance impacts workers' health and happiness in general, in addition to their performance on the job. The significance of organizational assistance in attaining a healthy work-life balance is highlighted by this study. Furthermore, (Zheng et al., 2016) discovered that employees' dedication and performance are enhanced when the organization offers policies that encourage work-life balance, such as work flexibility. Although many firms have implemented policies to promote work-life balance, research conducted by Zheng et al. (2016) indicates that their effectiveness is often lacking. The policy's efficacy is heavily dependent on organizational culture elements and employees' views of the assistance offered.

Despite the abundance of research on the topic, there are still many unanswered questions regarding the merits of work-life balance. While there has been a lot of research on employee performance and happiness, less is known about how work-life balance affects employees' ability to think creatively and innovate. There are studies that look at how work-life balance affects performance, but there aren't many that examine how factors like organizational climate and compensation affect motivation and how it affects performance.

FRAMEWORK OF THOUGHT & HYPOTHESIS

Framework of Thought

Every company or organization strives to fulfill its vision and mission. In order to achieve this vision and mission, the company or organization must maximize all the resources it has. Human resources are the driving force of the company, which means that if these human resources are not maintained properly, then other resources owned by the

company cannot be maximized. Because employee performance can influence a company's performance, optimal employee performance is an indicator of good human resources.

Employee performance will increase if employees feel satisfied with their work. To foster employee job satisfaction, the company must be able to respond to employee needs, including psychological needs, namely work-life balance.

The balance between life and work is an important factor that needs to be considered by the company in making a policy so that employee performance is maintained. The company must also take into account the organizational climate when creating a conducive work environment that fosters good cooperative relationships among employees, thereby ensuring high employee performance. Employees also consider compensation, as the primary motivation for working is to earn money to meet their basic needs. The existence of needs that must be met by employees refers to the growth of work motivation. The higher the needs felt by employees, the more their performance will increase to get greater compensation, accompanied by a balance between life and work and a positive organizational climate.

Performance is a form of realization of the achievement of the company's vision and mission, and it can be a measuring tool for each individual, group, or work unit to achieve or even exceed previously set production targets. Measuring employee performance can be done by knowing employee productivity in terms of quantity to make their work in the company faster and with quality that meets company standards (Nurdin, 2021).

Optimal organizational performance indicates excellent employee performance. Every employee has the right to receive appreciation and fair treatment from the leadership or company in return for the services provided. To motivate employees to work and encourage employee enthusiasm, a good and mutually beneficial working relationship is needed between the company and employees.

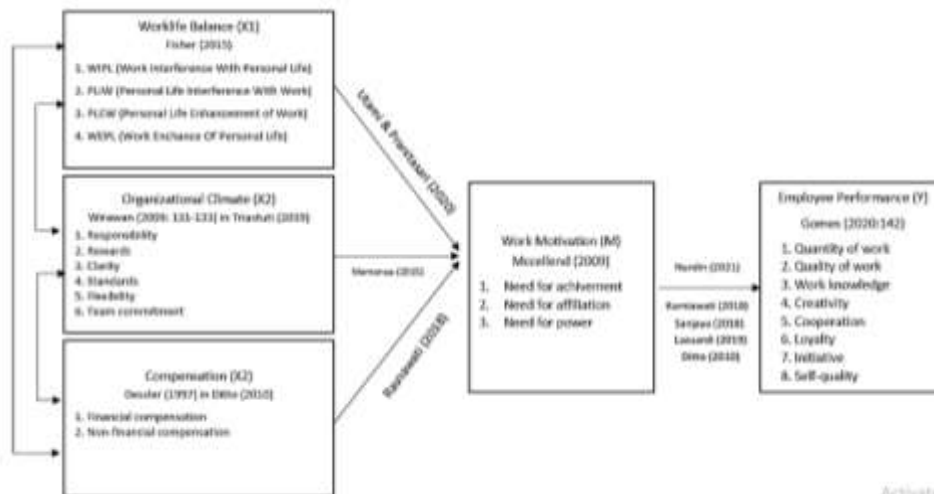


Figure 1. Framework

Hypothesis

According to (Sugiyono, 2016), "A hypothesis is a temporary answer to the formulation of a research problem, where the formulation of the research problem answered in this case is the formulation of the verification problem that has been stated in the form

of a question sentence." Based on the description of the framework of thought above, the hypotheses in this study are as follows:

1. Worklife Balance affects work motivation.
2. Organizational climate affects work motivation.
3. Compensation affects work motivation.
4. Worklife Balance, organizational climate and compensation affect work motivation.
5. Work motivation is thought to affect employee performance.

METHOD

This study uses a quantitative approach with descriptive and verification statistical analysis techniques. Descriptive analysis techniques are statistics used to analyze data by describing or depicting data that has been collected as it is without intending to make conclusions that apply to the public or generalization (Sugiyono, 2016). The research method according to Malhorta (2007) is that descriptive research can be conducted to describe the characteristics of groups relevant to the study, estimate the presentation of specified units in the population, show a certain behavior, determine perceptions of the characteristics of a product, determine the level of variable interrelationships, and make a specific prediction.

RESULT AND DISCUSSION

The Effect of Worklife Balance, Organizational Climate and Compensation on Motivation and Its Implications on Employee Performance

Based on the calculation of path analysis, the overall results of the analysis can be described as follows:

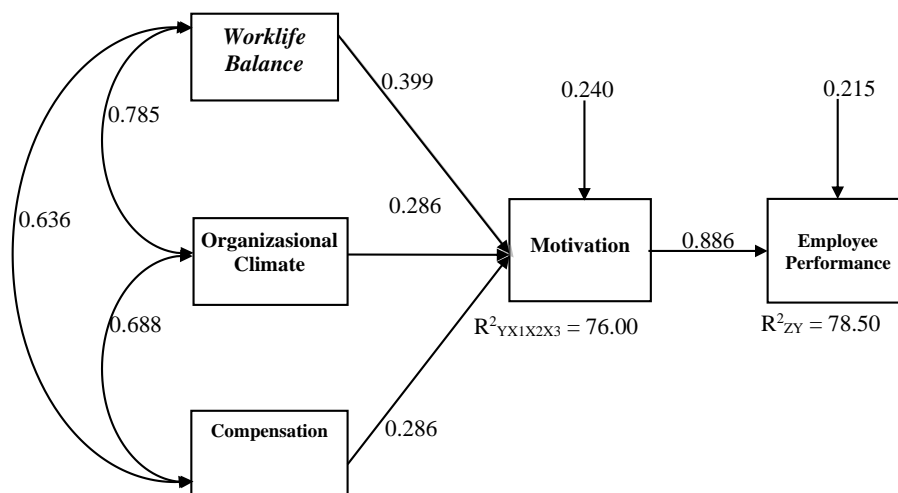


Figure 2. The overall path analysis model

Based on Figure 2 above, it can be said that each variable, namely work-life balance, organizational climate, and compensation, influences motivation both partially and simultaneously, and motivation influences employee performance.

The influence of work-life balance, organizational climate, and compensation on employee work motivation at Alghifari University is 76%, while the remaining 24% is

influenced by other factors not studied by the author, such as leadership style. Meanwhile, partially, it can be seen that the work-life balance variable, with a value of 32.14%, has more influence on work motivation, followed by organizational climate (22.77%), compensation (21.06%), and the influence of work motivation on employee performance at Alghifari University (78.50%).

The results of this study are in line with the results of research conducted by (Timpe, 2018), who stated that a person's performance can be influenced by internal and external factors, namely: 1). Internal factors are factors that come from within or from the employee himself, such as the attitudes, behaviors, and abilities of functional social workers, which can affect daily work. 2). External factors are factors that come from the employee's environment. These factors can affect the motivation of functional social workers. (Gibson et al., 2016), in their conclusion, stated that motivation is closely related to behavior and work performance. In addition, it is stated that motivation is carried out to achieve a certain goal. Motivation is given to employees so that they mobilize all their abilities, energy, and time to carry out activities and fulfill obligations in order to achieve organizational goals and objectives, as stated by Lathan and Yukl in (Robbins & Judge, 2012). In order to obtain good performance, the motivation needed is strong motivation, namely that which has intensity, purpose, and perseverance, as stated by Robbins and Judge (2018:208).

Research conducted by (Silalahi et al., 2014) stated that employee motivation has a significant effect on performance. The high and low levels of employee work motivation, according to (Uno, 2011), can be seen from responsibility in working, achievements achieved, self-development, and employee independence in acting. According to (Rahman et al., 2014), their research found that motivation is an intervening variable that directly affects performance and is influenced by competence and leadership. (Rivai, 2016) contend that motivation incentivizes employees to exert significant effort towards their goals, thereby enhancing their performance, which in turn contributes to the attainment of company objectives. This means that every increase in employee motivation will result in an increase in employee performance.

Motivation is a driving factor for someone to do something. If there is a stimulus that can drive motivation, then the person will act on it. If an employee in a company receives stimuli that can ignite their motivation to work, they will become enthusiastic about their work, leading to optimal performance. Motivation also refers to the employee's drive and determination to pursue their desired goals. This can certainly be beneficial and symbiotic for the company. Employees who pursue their goals will be satisfied. The company undoubtedly benefits from the outcomes, as they enhance employee performance.

The balance between life and work is an important factor that needs to be considered by the company in making a policy so that employee performance is maintained. Work-life balance is a method that can be used to help employees reduce conflicts resulting from unbalanced dual roles. Thus, the company's goals can be achieved, and the company can measure the extent to which their performance has improved.

Achieving work-life balance can be seen in employees avoiding stress, complaints, and various other psychological symptoms. If employees are able to align their time and involvement between work and personal life (family, hobbies, and culture), they will be enthusiastic, focused, more effective, and improve the quality of their work. Conversely, if employees are unable to balance work and personal life, they will feel tired and create a bad work environment, which can harm both themselves and the company or organization that needs their energy, effort, and potential.

This is in line with research conducted by Badrianto & Ekhsan (2021), which states that there is a positive relationship between work-life balance and employee performance. Processes that involve employees in decision-making will make employees feel valued and learn to develop their abilities in solving problems within their organization, so employees will be encouraged to improve their performance within the organization.

CONCLUSION

Based on the research on "The Effect of Worklife Balance, Organizational Climate, and Compensation on Motivation and Its Impact on Employee Performance (Case Study on Al-Ghifari University Employees)," it is concluded that the conditions of worklife balance, organizational climate, and compensation at Alghifari University are quite good, although there are several aspects that need to be improved, such as improving personal life through work, clarity of work standards, and a fairer incentive and salary system. The work motivation of employees is also highly motivating, but there are several aspects that require attention, such as encouraging them to improve their skills and receive awards. Employee performance is generally good, but there is room for improvement in punctuality and workload completion. Worklife balance, organizational climate, and compensation all have a significant impact on employee work motivation, with 32.14%, 22.77%, and 21.06%, respectively. Simultaneously, these three factors affect work motivation by 76%, while work motivation has a positive effect on employee performance by 78.50%, indicating that good work motivation improves employee performance.

Based on the research results at Alghifari University, the author makes several recommendations for future human resource development. First, universities must frequently hold work-life balance programs, such as "family gatherings," to increase productivity, reduce employee stress, and implement a fair job promotion system. Second, to optimize the organizational climate, management needs to give more responsibility to competent employees, provide awards based on achievement, and clarify the rules of employee roles and functions. Third, there needs to be further communication between universities and employees to align perceptions and re-compromise on aspects of psychological contracts such as career development and bonuses. Fourth, increase employee work motivation by involving them in activities that advance the organization. Fifth, improve the incentive distribution system and incentive calculation evaluation. Sixth, provide employees with leadership training so that they can make the right decisions. Seventh, provide a forum for employees to express their complaints and hold gatherings and outbound meetings to strengthen cooperation. We advise future researchers to investigate other factors that impact work motivation and performance, including workload and leadership style.

REFERENCES

- Ali Taha, V., Sirkova, M., & Ferencova, M. (2016). The Impact Of Organizational Culture On Creativity And Innovation. *Polish Journal of Management Studies*, 14(1), 7–17. <https://doi.org/10.17512/pjms.2016.14.1.01>
- Ansari, S., Chimani, K., Baloch, R. A., & Bukhari, H. F. S. (2015). Impact of work life balance on employee productivity: An empirical investigation from the banking sector of Pakistan. *Information and Knowledge Management*, 5(10), 52–60.

- Badrianto, Y., & Ekhsan, M. (2021). Pengaruh Work-life Balance terhadap Kinerja Karyawan yang di Mediasi Komitmen Organisasi. *Jesya (Jurnal Ekonomi Dan Ekonomi Syariah)*, 4(2), 951–962.
- Bafaneli, S., & Setibi, G. (2015). The Impact of on-the-Job Training on Employee Performance: The Case of Riley's Hotel. *Journal of Business Theory and Practice*, 3(2), 239. <https://doi.org/10.22158/jbtp.v3n2p239>
- Dehotman, K. (2023a). Relation of Working Discipline and Employee Performance. *International Journal of Applied Management and Business*, 1(2), 60–66. <https://doi.org/10.54099/ijamb.v1i2.689>
- Dehotman, K. (2023b). Relation of Working Discipline and Employee Performance. *International Journal of Applied Management and Business*, 1(2), 60–66. <https://doi.org/10.54099/ijamb.v1i2.689>
- Gibson, Ivancevich, & Donnelly. (2016). *Organisasi dan Manajemen, Perilaku, Struktur, Proses Terj.* (D. Wahid, Ed.). PT. Gramedia Asri.
- Haar, J. M., Russo, M., Suñe, A., & Ollier-Malaterre, A. (2014). Outcomes of work–life balance on job satisfaction, life satisfaction and mental health: A study across seven cultures. *Journal of Vocational Behavior*, 85(3), 361–373. <https://doi.org/10.1016/j.jvb.2014.08.010>
- Nurdin. (2021). *The Effect Of Work-Life Balance On Employee Performance Through Organizational Commitment And Work Motivation*. Universitas Hasanuddin.
- Rahman, D., Wahyu Lely, S., & Soleh, C. (2014). *Pengaruh Kompetensi dan Kepemimpinan Terhadap Kinerja Karyawan Dengan Motivasi Sebagai Variabel Intervening (Studi Kasus Pada Karyawan Bagian Pabrik PT. Jember Indonesia)*. UNEJ.
- Rivai, V. (2016). *Manajemen sumber daya manusia untuk perusahaan*. Rajawali Pers.
- Robbins, S. P., & Judge, T. A. (2012). *Organizational behavior 15th edition*. Prentice Hall.
- Silalahi, B. P., Bonar, K. A., & Lutfi, M. (2014). Pengaruh Motivasi, Pengawasan dan Disiplin Kerja terhadap Prestasi Kerja Pegawai Dinas Pendapatan, Pengelola Keuangan dan Kekayaan Daerah Kabupaten Tapanuli Tengah. *Jurnal SDM*, 1(1).
- Sirgy, M. J., & Lee, D.-J. (2018). Work-Life Balance: An Integrative Review. *Applied Research in Quality of Life*, 13(1), 229–254. <https://doi.org/10.1007/s11482-017-9509-8>
- Sugiyono, P. (2016). *Metode penelitian kuantitatif kualitatif dan R&D*. PT. Alfabeta.
- Timpe, A. D. (2018). *Seri manajemen Sumber Daya Manusia Kinerja (Performance)*. Elek media Komputindo.

Ummah, W. (2018). *Work Life Balance ditinjau dari modal psikologis pekerja di Perusahaan Garmen Yogyakarta*. Universitas Islam Indonesia.

Uno. (2011). *Motivasi dan Pengukurannya*. Bumi Aksara.

Zheng, C., Kashi, K., Fan, D., Molineux, J., & Ee, M. S. (2016). Impact of individual coping strategies and organisational work–life balance programmes on Australian employee well-being. *The International Journal of Human Resource Management*, 27(5), 501–526. <https://doi.org/10.1080/09585192.2015.1020447>



This work is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-sa/4.0/)
