

# Analysis Of Factors Affecting Employee Performance

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**ABSTRACT.** This study analyzes the effect of Work Life Balance (WLB), Employee Retention, Employee Engagement, and Flexible Working Arrangements (FWA) on Employee Performance at CV. Abong IPA. In the era of globalization, employee performance is an important factor for organizational success. The study used a quantitative approach with data collection through questionnaires distributed to 35 employees. The results show that WLB, Employee Retention, and Employee Engagement have a significant influence on Employee Performance, while FWA does not. Simultaneously, the four variables have a strong influence, with a coefficient of determination ( $R^2$ ) of 81.6%. This study recommends companies to pay attention to work-life balance, retention, and employee engagement. Policies that support WLB and efforts to improve engagement and retention can improve employee performance. Although FWA is not significant, this aspect still needs to be considered to improve employee well-being.

**Keywords:** *Work Life Balance, Employee Retention, Employee Engagement, Flexible Working Arrangements, Employee Performance.*

## 1 Introduction

In the era of globalization and digitalization that is increasingly rapid, employee performance is the main factor that determines the success of an organization. Employee performance is measured based on the quality of work achieved in a period, which is important in supporting the achievement of company goals [1]. One of the companies that faces challenges related to employee performance is CV Ipa Abong, where various factors such as Work Life Balance (WLB), Employee Retention, Employee Engagement, and Flexible Working Arrangements affect the work environment.

Work-Life Balance is a major concern because many employees have difficulty balancing the demands of work with personal life, especially in rural areas that are still thick with customs. This imbalance can have a negative impact on employee performance, such as stress and decreased productivity [20]. According to several studies, Work-Life Balance has a positive and significant influence on employee performance [3,5].

In addition to Work Life Balance, Employee Retention also plays an important role. Lack of career development opportunities in CV. Ipa Abong causes some employees to feel dissatisfied and potentially look for opportunities elsewhere. Employee retention, which refers to an organization's efforts to retain talented employees, has a significant influence on employee performance [8,12].

Employee Engagement is the third factor that affects performance. The low involvement of employees in this company, especially in decision-making, has an impact on the low sense of ownership of the company. High levels of engagement are known to improve employee performance [3,7].

Finally, Flexible Working Arrangements (FWA) which involve flexibility in time and workplace are also considered to have an effect on employee performance. Despite facing obstacles related to raw materials, the implementation of FWA in CV. Abong's science remains important to increase work flexibility and productivity [2].

This study aims to analyze the influence of these four factors on employee performance at CV Ipa Abong. With a better understanding of the interaction between these variables, companies are expected to be able to design effective strategies to improve employee performance and achieve organizational goals optimally.

## 2 Literature Review

Work-Life Balance (WLB) is an important concept that relates the balance between the demands of work and personal life. [9] stated that WLB can improve employee performance by reducing stress and increasing job satisfaction. [10] emphasized that individuals who are able to meet the demands of work and personal life tend to be happier and more productive. In a study by [5], it was found that WLB has a significant positive influence on employee performance, demonstrating the importance of this balance in an organizational context.

Employee retention is an organization's effort to retain talented employees over the long term. [8] explain that a good work environment and career opportunities can increase retention. Research by [12] and [11] shows that there is a positive influence between employee retention and performance. This shows that employees who feel valued and have career development opportunities will be more committed to the company, which has a positive impact on their performance.

Employee Engagement refers to the level of commitment and enthusiasm employees have for their work. [7] stated that employee engagement can improve performance and reduce the desire to leave the company. Research by [3] underlines the importance of involvement in creating a positive and productive work environment. Employees who feel engaged tend to be more productive and contribute more to organizational goals [4].

Flexible Working Arrangements (FWAs) are practices that allow employees to have flexibility in their work times and locations. According to [5], FWA makes a positive contribution to employee performance by increasing job satisfaction and reducing stress. [2] noted that the implementation of FWA can create a better work environment, which in turn increases employee productivity.

Employee performance is measured based on the work results achieved in a certain period. [6] defines performance as the output produced by employees in accordance with their responsibilities. Factors that affect performance include ability, motivation, and work environment. This study shows that improvements in WLB, retention, engagement, and flexible work arrangements can significantly affect employee performance.

## 3 Research Methods

This study uses a quantitative approach. The main objective is to analyze the influence of Work Life Balance (WLB), Employee Retention, Employee Engagement, and Flexible Working Arrangements (FWA) on Employee Performance in CV. Ipa Abong is located in Wonosobo, Central Java. This study uses a sampling method, namely *Simple Random Sampling*. After performing calculations using the slovin formula, the researcher obtained results with a total of 35 employees and the researcher distributed the questionnaire randomly without paying attention to a certain proportion of each division.

The data used in this study consisted of primary data and secondary data. It was obtained through the distribution of questionnaires designed to measure the research variables, namely Work Life Balance (WLB), Employee Retention, Employee Engagement, Flexible Working Arrangements (FWA), and Employee Performance. And obtained from the company's internal documentation and relevant literature related to the research topic.

Data collection was carried out by distributing questionnaires to respondents directly. The questionnaire consisted of closed-ended questions that used the Likert scale to measure respondents' perception of each variable. As well as conducting interviews with several employees and managers to get additional information related to the implementation of Work Life Balance, Employee Retention, Employee Engagement, and Flexible Working Arrangements in the company. In addition, this research has several limitations, including that this research is only conducted in CV companies. Among Science, so the results may not be generalized to other industries or organizations. And the data obtained depends on the honesty and objectivity of the respondents in filling out the questionnaire.

## **4 Result and Discussion**

### **4.1 Descriptive Statistics and Characteristics of Respondents**

The research was conducted on 35 CV employees. Among IPA, with a questionnaire return rate of 100%. The majority of respondents were men (74.3%), and most worked in the production department (57.1%). The average score of the main variables shows the following results:

1. Work Life Balance (WLB): An average score of 23.66 indicates a good level of work-life balance.
2. Employee Retention: An average score of 50.51 indicates a fairly high level of employee engagement.
3. Employee Engagement: An average score of 55.63 indicates a significant level of employee engagement.
4. Flexible Working Arrangements (FWA): An average score of 14.06 reflects work flexibility at an intermediate level.
5. Employee Performance: An average score of 32.20 indicates good and consistent employee performance.

**4.2 Data Quality Test**

1. Data Validity Test

**Table 1**  
**Validity Test Results**

Variable	Correlation Range	Significance	Information
<i>Work Life Balance</i>	0,458** - 0,747**	0,00	Valid
<i>Employee Retention</i>	0,485** - 0,966**	0,00	Valid
Employee Engagement	0,412** - 0,918**	0,00	Valid
Flexible Working Arrangements	0,439** - 0,947**		
Employee Performance	0,523** - 0,896**	0,00	Valid

All research variables were valid (significant correlation at  $p < 0.05$ ).

2. Reliability Test

**c. Table 2**  
**d. Reliability Test Results**

Variable	Cronbach Alpha Based on standardized item	Sign	$\alpha$ limits	Information
<i>Work Life Balance</i>	0,588	>	0,5	Reliable
<i>Employee Retention</i>	0,896	>	0,5	Reliable
Employee Engagement	0,904	>	0,5	Reliable
Flexible Working Arrangements	0,701		0,5	
Employee Performance	0,805	>	0,5	Reliable

Reliability was also met with a Cronbach Alpha value of  $> 0.5$  for all variables.

3. Multiple Linear Regression Analysis

1. The regression model yields the equation:

**e. Table 3**  
**f. Multiple Linear Regression Analysis Test**

Coefficientsa

Type	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
(Constant)	64,398	6,842		9,412	,000		
WorkLifeBalance	-,073	,170	-,060	-,428	,672	,313	3,199
Employee Retention	-,334	,073	-,704	-,456	,000	,257	3,887
EmployeeEngagement	-,210	,051	-,484	-,409	,000	,438	2,283
FlexibleWorkingArrangements	-,138	,155	-,138	-,890	,381	,257	3,896

a. Dependent Variable: Employee Performance

$$Y = 64.39 - 0.073X1 - 0.334X2 - 0.210X3 - 0.138X4$$

1. Employee Retention (X2) and Employee Engagement (X3) had a significant influence on Employee Performance (Y) with t-calculated values of -4,560 and -4,093 (p < 0.05, respectively).
2. Work Life Balance (X1) and Flexible Working Arrangements (X4) did not show a significant effect on performance (p > 0.05).
4. **Coefficient of Determination (R<sup>2</sup>)**

**Table 4**  
**Determination Coefficient Test (R<sup>2</sup>)**

Model Summaryb				
Type	R	R Square	Adjusted R Square	Std. Error of the Estimate

1	,903a	,816	,792	1,493
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- a. Predictors: (Constant), FlexibleWorkingArrangements, WorkLifeBalance, EmployeeEngagement, Employee Retention  
 b. Dependent Variable: Employee Performance

- a. The Adjusted R<sup>2</sup> value of 81.6% shows that the variability of employee performance is well explained by the independent variables used in the model.

## 5 Conclusion and Implication

The conclusions obtained from the results of the study were analyzed on the Influence of Work Life Balance, Employee Retention, Employee Engagement, and Flexible Working Arrangements on Employee Performance on CVs. IPA ABONG, is:

1. Work Life Balance, although not statistically significant, is important for increasing employee productivity. Work-life balance programs can help prevent burnout.
2. Employee Retention, retention has a significant influence, demonstrating the importance of career development, rewards, and job security in maintaining optimal performance.
3. Employee Engagement, results show employee engagement plays an important role in improving work outcomes. Employees who feel engaged are more committed and productive.
4. Flexible Working Arrangement, however, is not significant in this model, but work flexibility remains relevant in reducing stress and increasing job satisfaction if implemented more effectively.
5. Together, these four factors (Work Life Balance, Employee Retention, Employee Engagement, and Flexible Working Arrangements) have a significant influence on employee performance on CVs. ABONG IPA. This shows that the combination of these factors is very important in creating an optimal work environment to improve employee performance.

This research provides recommendations that companies need to pay attention to and implement strategies that support work-life balance, employee retention, employee engagement, and work flexibility to achieve optimal performance.

### Implication

This study recommends companies to pay attention to work-life balance, retention, and employee engagement. Policies that support WLB and efforts to increase engagement and retention can improve employee performance. Although the Flexible Working Arrangement is not significant, this aspect still needs to be considered to improve employee welfare.

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