

A Literature Review of The Effect of Work-Life Balance Towards Employee Performance

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Abstract

With Generation Z entering the workforce, they bring a new perspective to their work expectations, prioritizing balance and flexibility in their work. This literature review has the purpose of analyzing any impact from Work-life balance towards performance by employee in companies nowadays. By examining 10 recently empirical studies conducted across various sectors also geographical contexts, this study provides consistent evidence of a true and significantly association between WLB and employee performance. Work-life balance reflects individuals' capacity to manage work-related demands alongside personal responsibilities and is widely recognized as a key factor in fostering a healthy, productive, and sustainable work environment. These findings confirm that organizations that effectively implement WLB policies are able to boost employee well-being and also boost their quality work. Therefore, work-life balance needs to be prioritized as part of human resource management strategies to support improved employee performance and organizational or company sustainability. This review provides a conceptual contribution to companies and researchers in understanding the necessity of Work-life balance become main aspect for improving employee quality of work.

Keywords: Work-life balance, work flexibility, mental well-being, organizational culture, Employee Performance

INTRODUCTION

Gen Z, which is now entering most of the workforce in substantial numbers, has introduced a fundamental shift in career expectations, with Work-life balance (WLB) emerging as a non-negotiable priority. This phenomenon is supported by global findings, such as those reported in Deloitte's 2023 survey towards generation Z and also Millennial people, which gained lot of responses more than twenty two thousand respondents

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across 44 countries. The survey consistently shows that both Gen Z and Millennials place a high priority on hybrid work models, emphasizing the right to choose where they work as a key consideration (Deloitte, 2023). This preference reflects a deeper need for flexibility and greater control over their work schedules, which is regarded as essential for maintaining mental well-being and overall quality of life. Consequently, companies that fail to adjust their work policies to accommodate these preferences for WLB and flexibility risk losing competitive young talent.

In the human resource management processes of companies employing a substantial number of Generation Z workers, various challenges arise, one of which concerns Work-life balance (WLB)—namely, how organizations can ensure equilibrium between employees' personal lives and their professional responsibilities (Mariani et al., 2025). Furthermore, Wibowo and Ahmadi (2023) assert that WLB has become an increasingly prominent and critical issue amid the current shifts in global dynamics, particularly with the massive added cumulative presence of Gen Z in the workforce. Gen Z characterized as a stronger emphasis on maintaining balance in their work compared to previous generations (Sakitri, 2021). In addition, Gen Z is highly adaptable and open to rapid technological and informational developments. However, they also possess elevated expectations regarding their workplace; among these expectations is the desire for a healthy balance in terms of their professional duties and personal lives (Oringo et al., 2020).

Work-life balance (WLB) has been established to be a crucial role that significantly influences employee performance. When employees feel able to effectively manage work-related demands and personal life harmoniously, they tend to experience reduced stress levels and improved mental well-being, which in turn enhances their focus and energy in the workplace (Greenhaus, Allen, & Spector, 2003). Research conducted by Wirtadipura and Sumarjo (2025) reinforces this notion, emphasizing that fostering a strong WLB is not merely intended to increase employee comfort, but serves as an effective strategy for improving employee performance. Conversely, imbalance that leads to burnout and role conflict can diminish productivity, work quality, and organizational commitment (Hambali, 2020). Thus, organizational investment in facilitating WLB should not be viewed solely as an employee benefit policy, but rather as a human resource management strategy that directly affects organizational outcomes and competitiveness.

The imbalance between an employee's Work life and personal life is a factor that contributes to a decline in employee performance because the workers feels like they unable to balance their workload and work stress with their personal needs in coping with work-related level of stress. A study by Khalid et al. (2021) revealed that a lack of balance between work demands and personal life contributes to a higher likelihood of job burnout. Furthermore, the study also states that higher job burnout will cause a decline in the



quality of employee performance. Therefore, employees who have a better balance will have satisfaction in their work and encourage work productivity. This argument is corroborated by empirical evidence from Wibowo and Ahmadi (2023), which stated that if WLB can be applied, it can create optimal mental and physical conditions and motivate them to increase productivity. In addition, a good WLB will create job satisfaction that fosters loyalty and increases employee commitment to work.

Enhancing employees WLB has become a strategic priority for company, as it plays a crucial role in reducing the risk of burnout and lowering employee turnover associated with job-related stress. Efforts to strengthen work–life balance reflect organizational strategies aimed at sustaining employee well-being and retention. Accordingly, this review synthesizes existing literature to critically identify the major or minor influence of work–life balance implementation, particularly in a context of increasingly modern organizations that employ Generation Z workers, who place a strong emphasis on accomplish balancing employee professional and personal life.

THEORETICAL BASIS

According to Ricardianto (2018, as cited in Tsaniya & Bachruddin, 2023), Work–life balance (WLB) relates to a harmonious condition in which demanded professional responsibilities and personal life (including family obligations) are effectively managed. From a relational standpoint, WLB constitutes a dynamic interplay between workplace conditions and the personal environment. The concept seeks to evaluate the degree to which this alignment influences work-related outcomes or the performance of individuals within an organizational context.

Furthermore, Paryanti (2019) explains work–life balance as an individual's capability to balance time commitments across professional and personal domains. This view is consistent with the explanation provided by Rondonuwu et al. (2018), who assert that individuals who successfully balance the demands of their work while also fulfilling their personal obligations exemplify the state of Work–life balance.

Based on the expert perspectives on work–life balance presented above, the researcher concludes that WLB wasn't static condition, but rather a continuous management mechanism. WLB is defined as a dynamic and harmonious process that emphasizes the effective allocation of time while ensuring a balanced quality between work and personal domain of an employee's life. Therefore, companies must give careful consideration towards work–life balance aspect with the aim of maximizing employee performance, particularly for those who regard work–life balance as priority in their workplace expectations.

Employee performance is the manifestation of the efforts or contributions provided by employees within an organization, reflected through the effectiveness, efficiency, and



quality of the work they produce (Firdaus, 2025). According to Jufrizen and Hadi (2021), within a company, employee performance constitutes a vital resource, as it serves as the primary determinant of organizational success. Therefore, organizations must optimize employee potential and support the various aspects necessary to enhance performance, one of which is the balance between work and personal life. In addition, books named Human Resource Management Practice by Armstrong (2020) states that employee performance referring to the outcomes of an employee's work efforts that align with organizational goals or targets, and these outcomes are effected by a variety of factors, including work-life balance.

Based on the expert perspectives regarding employee performance, the author concludes that employee performance represents the realization of employees' vital contributions to an organization, measured through the quality, effectiveness, and efficiency of their work efforts. Since performance serves as a central determinant of organizational success, management is obliged to support all factors that influence it. Beyond the workplace environment, the effective integration of work and personal life plays a substantial role in forming employee productivity and performance. Therefore, organizations must optimize employee potential and ensure their optimal contribution by actively managing WLB, as it constitutes a fundamental condition that sustains employees' physical and mental well-being.

RESEARCH METHOD

The research methodology was developed through a comprehensive literature review. This method serves to explore and organize the theoretical framework, empirical findings, and other relevant literature that constitute the essential foundation for scientific inquiry. The author assumes the role of a critical evaluator, meticulously analyzing and synthesizing previous scholarly works. The ultimate aim of this rigorous curatorial process is not merely to compile existing studies, but to formulate a clear conceptual compass that ensures the research problem is grounded in a robust and up-to-date body of knowledge. In essence, the study seeks to distill the core insights of each scholarly contribution, assess the quality and novelty of its findings, and thereby construct a strong and forward-looking basis for the present research.

High-quality literature is characterized by its examination of concepts whose contributions have been critically assessed in terms of relevance and methodological rigor. Such a structured evaluation enables researchers to identify patterns in findings, discrepancies across results, and existing gaps that remain open for further investigation. Moreover, the synthesis process within a literature review provides researchers with the opportunity to establish logical relationships among concepts and to strengthen theoretical arguments through the integration of diverse research findings. In this



literature review, the researcher analyzes several scholarly sources and subsequently synthesizes the insights obtained. This analysis encompasses several key components: the author(s), research title, year of publication, research location, research objectives, research methodology, and finally, the research findings.

After conducting an in-depth analysis, the researcher will derive conclusions or summaries from the reviewed studies to be incorporated into the subsequent chapter. The researcher employed ten recent scholarly journals published within the last five years. The analysis centered on Work–Life Balance is associated with Employee Performance, with employee productivity and performance categorized according to the specifics presented in each journal. As this study adopts a literature review methodology, no samples or populations are involved. In lieu of sample and population data, the analysis of the selected journals is conducted using the seven previously mentioned components.

DISCUSSION

This research is a literature review aimed at determining whether work–life balance affect employee performance. The outcome of this literature review will be presented in the form of the table below.

Research writer; Research title; Research year	Research place	Research objectives	Research methods	Research result
Yuan Badrianto & Muhamad Ekhsan; The Influence of Work–Life Balance on Employee Performance Mediated by Organizational Commitment; 2021	Bekasi, Indonesia	To assess the extent to which organizational loyalty that mediating the effect among WLB and employee work-related performance at PT YAUP Cikarang.	Quantitative research using the SmartPLS Method.	Result stated that WLB positively affect employee productivity and performance.
Irene Isabella Perangin Angin & Eva Hotnaidah Saragih; The Influence of Work–Life Balance on the Performance of Generation X and Y	Jakarta, Indonesia	To examine the influence of work–life balance on employee performance in Jakarta.	Quantitative research utilizing a multiple linear regression analysis method.	Overall, this research provides evidence that positive and significant influences exist



Research writer; Research title; Research year	Research place	Research objectives	Research methods	Research result
Employees in Jakarta; 2021.				on employee performance.
Muhamad Arifin & Agus Muharto; The Influence of Work– Life Balance on Employee Performance (A Study at PT Livia Mandiri Sejati Pasuruan); 2022.	Surabaya Indonesia	To identify how WLB can affecting employee performance.	Quantitative using analysis regression method.	The results Is WLB Proven significantly affect Employee Performance.
Davin Eldon, J. L. Eko Nugroho & M. E. Lanny Kusuma Widjaja; The Influence of Work– Life Balance on Employee Performance at PT Asuransi Jiwa Manulife Indonesia in Surabaya; 2024.	Surabaya, Indonesia	Main focus of this research is assess whether WLB influences employee performance.	Quantitative research employing the SEM-PLS method using SMARTPLS3.	Overall, these factors are positively and significantly associated with employee performance.
Syifa Nurmala & Faif Yusuf; The Influence of Work– Life Balance and Work Environment on Employee Performance at PT Oceanica Megah Utama; 2025.	Jakarta, Indonesia	To establish how work–life balance relates to the employee performances at PT Oceanica Megah Utama.	Quantitative research using the SPSS 25 method.	The research outcomes demonstrate that WLB as well as the company environment exert a major positive factors towards employee performance and productivity, both partially and simultaneously.
Dewi Melinia.K & Qi Mangku Bahjahtullah; The Influence of Work– Life Balance, Work	Solo, Indonesia	This empirical study aims and inquire the degree to which WLB, and job ethics	Quantitative research employing the path analysis method.	Overall, empirical evidence indicates work– life balance

Research writer; Research title; Research year	Research place	Research objectives	Research methods	Research result
Stress, and Islamic Work Ethics on Millennial Employee Performance During the COVID-19 Pandemic with Job Satisfaction as an Intervening Variable (Case Study at Bank BTN Syariah KC Solo); 2022.		affect employee performance during pandemic at BTN Bank located in Solo.		proven positively affects employee performance.
Suhartini; The Influence of Work–Life Balance and Non-Physical Work Environment on Employee Performance at PT Polychem Indonesia Tbk. (Machinery Division); 2021.	Serang, Indonesia	This empirical research goal is to define what is key factors that truly affecting employee performance whether work-life balance and non-physical factors in the workplace.	Quantitative research utilizing a multiple linear regression analysis method.	Based on result, it shown that WLB demonstrated positive also significant towards work performance.
Andi Irfan, Risnawati, Andi Syahrul & Jumaidah; The Influence of Work–Life Balance and Employee Engagement on Employee Performance at PT Japfa Comfeed Tbk., Makassar Unit; 2024.	Makassar, Indonesia	Main objective of this reseacrh is to identify and analyzing whether Work–Life balance and employee involvement can influence employee performance.	Statistical research utilizing multivariate linear regression techniques accompanied by inferential hypothesis testing.	In general, this anaysis stated that Work–Life balance significant and positively influencing their employee job performance.
Mardiana, H. Siwarto & Fitri Kumalasari; The Influence of Work–Life Balance and Work Environment on Employee Performance; 2023.	Kolaka, Indonesia	The objective of this empirical research is to investigate the role of Work-life balance in shaping employee	Quantitative research utilizing SPSS 25 and SmartPLS.	Outcomes of this study demonstrate that WLB has a positive and significant impact on Job Performance.

Research writer; Research title; Research year	Research place	Research objectives	Research methods	Research result
		productivity and performance.		
Iqlima Nurul Fitrah & Wisnu Budi Prasetyo; The Influence of Work–Life Balance, Work Motivation, and Work Environment on Employee Performance Moderated by Compensation at PT XYZ Konstruksi; 2024.	Bekasi, Indonesia	To analyze and understand how Work–Life balance and the work environment influence employee performance, with compensation serving to be moderating factor that strengthens these effects.	Quantitative research employing SmartPLS 3.2.9 and SEM.	Overall, Work–life balance and the workplace environment are positively affecting employee performance.

The outcome of this literature review indicate that WLB is the key factors that proven influencing employees performance. As a construct that reflects an employee's ability to harmonize professional demands with personal responsibilities, Work–life balance has proved to play a critical role in enhancing overall performance outcomes. When employees are able to maintain this equilibrium, their levels of motivation, focus, and job satisfaction tend to increase, thereby contributing positively to their performance.

To substantiate this analysis, the researcher examined ten supporting journal articles. Each of these studies was reviewed and analyzed based on its specific characteristics and methodological components. Despite variations in the research methods employed across the studies, a consistent pattern emerged: all ten journal articles demonstrated a positive, significant, and direct impact of WLB on employee productivity and performance. This collective evidence-based research underscores the importance of organizational efforts to promote and maintain WLB as a key-considered approach to enhancing workforce productivity and effectiveness.

CONCLUSION

The literature review in this research systematically confirms that Work–life balance is a strategic factor that plays a critical role in increasing employee productivity. A synthesis of ten previous empirical studies conducted in various industrial sectors and regional contexts consistently shows a positive, significant, and direct relationship existing WLB, employee productivity and performance. The implementation of WLB policies and practices enables organizations to build a more dynamic way of work that is



oriented towards the psychological well-being of employees, which has been identified as an important determinant in promoting optimal work performance. The various methodological approaches applied in these studies, such as quantitative methods, linear regression analysis, and path analysis, consistently prove that the design of effective WLB strategies can build a conducive and adaptive workplace environment, especially for Generation Z employees. These findings indicate that organizations need to prioritize the development of rules and working environment that support work-life balance, work flexibility, mental well-being, also strengthening of a positive organizational culture, in order to increase awareness of employee needs and encourage continuous performance improvement.

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