

Work-Life Balance: The Key to Employee Engagement and Employee Performance

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Abstract

In the digital era, where work demands are increasingly dynamic and the boundaries between professional and personal life are becoming blurred, Work-Life Balance (WLB) has emerged as a central issue in human resource management. This study aims to analyze the influence of WLB on employee engagement and employee performance through a systematic literature review using the Job Demands-Resources (JD-R) Theory. Data were collected from 24 Scopus-indexed scientific articles (Q1-Q3) published between 2023 and 2025. The findings indicate that WLB plays a crucial role as a mediator between organizational support and employee engagement, and directly contributes to improving employee performance, as measured by quality, timeliness, and supervisor satisfaction. These results highlight that effective WLB policies not only enhance employee well-being but also support overall organizational productivity and success. The practical implications of this research emphasize the importance of flexible work arrangements, organizational support, and the wise use of technology to create a healthy and sustainable work environment.

Keywords

Employee Engagement, Employee Performance, Job-demands Resources, Work-life Balance

1. Introduction

In the digital era marked by increasingly dynamic work demands and increasingly blurred boundaries between work and private life, the concept of Work-Life Balance (WLB) is increasingly recognized as a vital matter in managing human resources. Systematic research by Thilagavathy and Geetha (2023) revealed that maintaining a work-life balance not only leads to chronic stress but also reduces productivity by up to 40% in the corporate sector. This phenomenon is further complicated by the entry of Generation Z into the world of workgroups that place psychological discomfort and well-being as top priorities.

Work-Life Balance (WLB) has emerged as a cornerstone of modern human resource management, reflecting the evolving demands of a workforce increasingly prioritizing flexibility and well-being (Opatrná & Procházka, 2023). In the post-pandemic era, organizations worldwide have redefined workplace norms, with remote work and hybrid models becoming ubiquitous (Sutanto et al., 2024). While these shifts offer employees greater autonomy, they further dissolve the line separating work life from personal life, intensifying the need for effective WLB strategies (Alfano et al., 2024). The interplay between WLB, employee engagement, and performance has thus gained significant scholarly attention, particularly as organizations seek to align employee well-being with organizational outcomes (Suárez-Amaya et al., 2024).

Employee engagement—a state of physical, cognitive, and emotional investment in work—is critically influenced by WLB. Engaged employees exhibit higher productivity, innovation, and loyalty, directly impacting organizational success (Suárez-Amaya et al., 2024). However, achieving engagement requires mitigating work-family conflicts, which arise when role demands in one domain spill over into the other (Isa & Indrayati, 2023). For instance, remote work, while reducing commute stress, can lead to overwork and difficulty disengaging from job responsibilities, undermining WLB (Alfano et al., 2024; Sutanto et al., 2024). Such conflicts disproportionately affect marginalized groups, including working parents and women, exacerbating turnover risks (Bae & Skaggs, 2017).

The influence of work-life balance policies on organizational effectiveness remains complex. While flexible hours and job sharing consistently correlate with improved performance, outcomes vary across cultural and organizational contexts (Opatrná & Procházka, 2023; Alfano et al., 2024). For example, European nations with pre-existing remote work infrastructure reported higher WLB satisfaction post-pandemic, whereas Asian contexts saw weaker effects, possibly due to differing gender roles and organizational cultures (Alfano et al., 2024; Bae & Skaggs, 2017). Additionally, policies like telework show mixed results, enhancing autonomy for some while creating isolation for others (Berkery et al., 2020; Sutanto et al., 2024). This literature review synthesizes recent findings (2020–2025) to uncover how WLB drives engagement and outcome. This review seeks to; 1. analyze the mechanism of

influence of WLB on employee engagement, 2. analyze the mechanism of influence of WLB on employee performance.

2. Literature Review

This research employs the Job Demands-Resources (JD-R) Theory as its central theoretical foundation because of its robust ability to interpret worker wellness and effectiveness across different occupational conditions. Originally introduced by Demerouti et al. (2001), the framework has undergone refinement and further development in subsequent years (Demerouti, 2025). The JD-R model classifies job-related divides elements into two primary groups: work requirements and available support. Work requirements include aspects of the job that require continuous physical or psychological effort, often resulting in psychological or physiological strain such as exhaustion and stress (Mahmud et al., 2023; Zhao et al., 2024). Conversely, job resources refer to aspects of the work that facilitate the attainment of objectives, ease the strain caused by job demands, and promote both personal growth and career advancement (Latifah, 2024; Demerouti, 2025).

The JD-R theory outlines two primary mechanisms: the strain-related pathway, in which overwhelming work pressures may lead to exhaustion and mental depletion, and the drive-enhancing pathway, whereby supportive job elements boost internal drive and encourage active involvement in work (Demerouti, 2025). In addition, the theory recognizes the importance of personal resources psychological traits like self-efficacy and optimism that can improve individuals' perception of their work environment and mitigate the negative effects of work pressures (Sitompul, 2024; Lyddy et al., 2025). For example, mindfulness is considered a valuable personal resource, as it shapes how employees perceive their job conditions and influences both burnout and engagement levels (Ribeiro & Ramos, 2024; Porkodi & Tabash, 2024).

A notable advantage of the JD-R framework lies in its flexibility and applicability across a variety of roles and organizational structures, as it avoids prescribing a universal set of demands or resources (Le et al., 2024; Demerouti, 2025). This adaptability makes it particularly useful for analyzing today's evolving work settings, including research on integration of career and personal responsibilities, employee participation, and task productivity. Ultimately, the JD-R theory significantly contributes to the understanding of workplace well-being by accounting for the complex interaction between job demands, resources, and individual characteristics (Pandey et al., 2024; Lyddy et al., 2025).

Work-Life Balance (WLB) is understood as the state of maintaining harmony between professional responsibilities and personal life. According to (Forsyth & Debruyne 2007; Mincarone et al., 2025), WLB describes a person's capability to distribute their time and energy evenly across work and personal domains, so that one does not overpower or negatively affect the other. This balance has become increasingly important in modern work environments that are often high-pressure

and demanding. Research indicates that maintaining a healthy work-life balance is associated with reduced stress, increased job satisfaction, and enhanced overall well-being. On the other hand, when there is a lack of balance between workplace roles and personal affairs, it can result in burnout, a decline in mental health, and increased turnover rates (Manoj et al., 202; Majumder & Biswas, 2023; Margaretha et al., 2024).

A variety of aspects influence the successful implementation of Work-Life Balance (WLB). Flexible working hours allow employees to adjust their schedules to accommodate personal and family needs, providing greater autonomy in managing both work and personal responsibilities (Isa & Indrayanti, 2024; Kerksieck et al., 2023; Hasan et al., 2022). Organizational support also plays a crucial role, as employee wellness programs such as paid leave, remote work options, and mental health benefits help employees achieve a better balance between their careers and personal lives. Technology and digitalization present both opportunities and challenges; while technology facilitates flexible work arrangements, the pressure to remain constantly connected can blur the boundaries between professional and personal spheres. Research by Kim et al. (2023) reveals that maintaining harmony between work and home life is associated with increased employee motivation, loyalty, and productivity. Furthermore, companies that implement effective WLB policies often experience higher employee retention rates, as they are perceived to support the overall well-being of their workforce.

The concept of employee engagement encompasses the active bodily, cognitive, and emotional participation of individuals in their workplace responsibilities toward their jobs, which is demonstrated through energy, dedication, and deep focus (Schaufeli et al., 2002, as cited in Andrić et al., 2025). A key factor influencing employee engagement is work-life balance (WLB). Empirical evidence from Ahmed et al. (2024) shows that WLB has a meaningful and positive effect on employee engagement among private bank workers in Bangladesh. Their results suggest that workers who recognize an even allocation of time and energy between work responsibilities and personal matters are more likely to exhibit higher levels of involvement (Giauque et al., 2022; Eng et al., 2024; Chuang et al., 2025).

Moreover, Andrić et al. (2025) discovered that work-life balance operates as a full mediator in the relationship between organizational backing and employee engagement, meaning that organizational support improves engagement only when employees maintain adequate WLB. Their research also highlights that WLB positively impacts all three components of engagement vigor, dedication, and absorption underlining its crucial role in influencing employees' emotional and motivational conditions.

Another study emphasized that in the period succeeding the pandemic, as the lines between professional and personal life become more indistinct, the capability to effectively manage work-life balance is critical in mitigating role conflict, which often diminishes engagement. Flexible work arrangements and organizational efforts

to support WLB are noted as central practices that foster engagement in such dynamic environments. Moreover, (Alfano et al., 2024; Ahmed et al., 2024; Alnagbi et al., 2025) showed through PLS-SEM analysis that WLB not only directly enhances engagement but also facilitates the connection among employee training, development, and work-related results via increased employee engagement. This evidences that WLB is a pivotal variable in the pathway linking organizational interventions to improved employee behavior and performance outcomes through engagement.

Employee Performance (EP) is one of the fundamental elements in achieving organizational success. In a study conducted by Madzik et al. (2025), employee performance is defined as the outcome of an individual's work, measured based on the effectiveness and efficiency in completing tasks, as well as their contribution to the overall performance of the organization. Individual performance is not only seen as a personal achievement but also has a causal relationship with organizational performance improvements in EP directly contribute to advancements at the organizational level (Al Riyami et al., 2023; Alasiry et al., 2025). In the study, individual performance is measured through three main indicators: outstanding work results, supervisor satisfaction with the employee's performance, and timely and high-quality task completion. These indicators reflect that employee performance involves the quality of output, time efficiency, and managerial approval of the employee's work.

3. Methods

To thoroughly grasp work-life balance: the key to worker involvement and effectiveness, a Systematic Literature Review (SLR) is an important and applicable method for this research. Performing a systematic scientific literature review in a defined area offers a methodical approach for distinctly identifying the primary research inquiries and creating a strong basis for forthcoming investigations. The SLR technique is beneficial as it allows scholars to systematically gather, assess, and interpret results from previous research connected to the subject, presenting both a comprehensive and detailed overview of the discipline. By means of a structured literature review, researchers can investigate opportunities and hurdles encountered by employees, analyze essential skills needed for sustainability, and examine the crucial roles of employee engagement and performance. Data for this investigation was gathered using the Watase Uake platform, which retrieves articles from Scopus.

4. Results

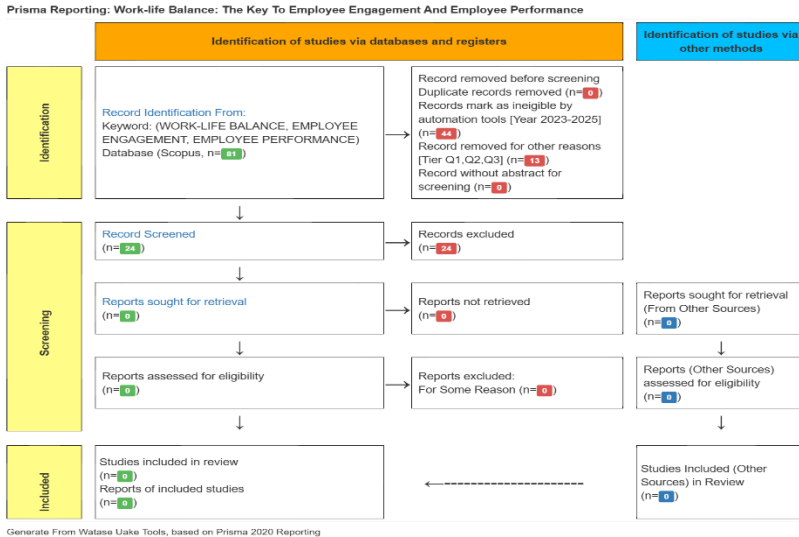


Figure 1: PRISMA diagram

Figure 1 illustrates the systematic review process used in this study, which aimed to examine the relationship between work-life balance, employee engagement, and employee performance. The review was conducted using the Watase Uake tool to identify relevant literature from the Scopus database. The search employed the keywords "Work-Life Balance," "Employee Engagement," and "Employee Performance," with inclusion criteria focusing on articles published between 2023 and 2025 and indexed in Scopus journals ranked Q1 to Q3. Articles without abstracts or outside the selected time frame were excluded. From the initial 81 records identified, 44 were removed due to publication year, and 13 were excluded for not meeting the journal ranking criteria, leaving 24 articles for title and abstract screening. Ultimately, the selection of 24 core articles provides a solid foundation for the findings and discussion of this study, enabling a comprehensive exploration of the research questions.

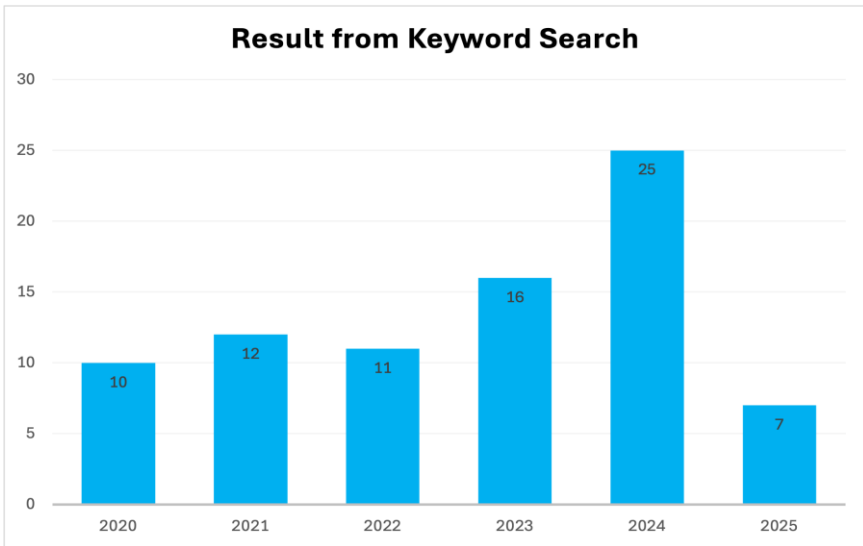


Figure 2: Keyword Search Graph

Based Figure 2, showing the distribution of relevant articles by year of publication. From 2020 to 2023, the number of publications remained relatively consistent, with only 10 to 16 articles published each year. In 2020, there were 10 articles. This increased to 12 in 2021, followed by a slight decrease to 11 in 2022. In 2023, the number rose again to 16 articles. However, a significant spike occurred in 2024, with a total of 25 articles published, the highest number in the dataset. In 2025, the number of articles dropped to 7, which is relatively lower compared to most previous years. This trend indicates a growing academic interest in the topic, particularly over the past three years, highlighting its increasing relevance and importance in current research.

The scientific publications analysed in this study are distributed across a variety of reputable journals with varying ranks, H-Index scores, and publishers. Several papers were published in Q1-ranked journals such as *World Development* (Elsevier B.V., H-Index 219), *Energy for Sustainable Development* (Elsevier B.V., H-Index 83), *International Journal of Ethics and Systems* (Emerald Group Publishing Ltd., H-Index 31), *Journal of Management History* (H-Index 27), *Higher Education* (Springer Netherlands, H-Index 127), *Research in Science Education* (H-Index 67), *International Journal of Information Management* (Elsevier, H-Index 136), and *Frontiers in Psychology* (Frontiers Media, H-Index 191). Additionally, several studies appeared in Q2-ranked journals including *Sustainability* (MDPI, H-Index 169), *Economies* (H-Index 34), *International Journal of Financial Studies* (H-Index 30), *Cogent Business & Management* (Cogent OA, H-Index 44), and *Australasian Accounting, Business and Finance Journal* (University of Wollongong, H-Index 21).

Further advanced publications were found in journals such as *Development Studies Research* (Taylor and Francis Ltd., Q2, H-Index 18), *International Journal of Rural Management* (Sage Publications India Pvt. Ltd, Q2, H-Index 15), *Journal of Industrial and Business Economics* (Springer Nature, Q2, H-Index 38), *Employee Relations* (Emerald Publishing, Q2, H-Index 96), *Healthcare* (MDPI) (Q2, H-Index 54), *ACS Chemical Health & Safety* (American Chemical Society, Q2, H-Index 19), and *Administrative Sciences* (MDPI) (Q2, H-Index 23). Several publications also appeared in Q3-ranked journals, including *SA Journal of Human Resource Management* (AOSIS, H-Index 29), *Heritage and Sustainable Development* (ARDA Publishing, H-Index 7), *Journal of Sustainability Science and Management* (UMT Press, H-Index 19), and *International Journal of Mental Health Promotion* (Tech Science Press, H-Index 21). This wide distribution of sources demonstrates the diversity and breadth of the literature consulted in this research.

The analyzed data includes 24 academic journals with various key characteristics that reflect their academic quality and impact. Each journal is categorized by a ranking tier that indicates its position within the global academic publishing landscape, ranging from Q1 (the highest rank) to Q3. The distribution of journal rankings in the dataset demonstrates a diversity in publication quality, with 8 journals ranked Q1, 11 journals ranked Q2, and 4 journals ranked Q3. This disparity suggests that the sample of journals generally reflects a medium to high quality in the context of international academic publications. Many of the listed journals feature a single article each, apart from the *International Journal of Rural Management*, which includes two articles.

Multiple studies highlight that WLB serves as a foundational factor associating both engagement and performance. For instance, Ahmed et al. (2024) and Andrić et al. (2025) found that WLB significantly enhances employee engagement, characterized by energy, passion, and concentration, and mediates how organizational support influences engagement. This means that organizational initiatives alone are insufficient unless they translate into improved WLB. In turn, this engagement positively affects employee performance, as supported by Ahmed et al. (2024), who demonstrated that WLB acts to facilitate the connection between training and development and employees' job performance. Madzik et al. (2025) further emphasize that high employee performance measured through task quality, timeliness, and supervisor satisfaction directly contributes to organizational success. Therefore, WLB emerges as a pivotal variable, not only directly impacting engagement and performance but also acting as a mediating force that strengthens the effect of organizational support and development initiatives on employee outcomes.

5. Conclusion

This comprehensive review of the literature has revealed the crucial role of Work-Life Balance (WLB) serving as a key element connecting staff involvement to company outcomes in the modern work landscape. Based on a comprehensive analysis of 24 high-quality scientific articles published between 2020 and 2025, it was found that WLB serves as an important mediator influencing not only employee well-being but also overall business outcomes. This study has several limitations that need to be acknowledged. First, many of the reviewed studies employed a cross-sectional design, which limits the ability to draw causal inferences about the long-term impact of work-life balance (WLB) policies on employee engagement and performance. Second, there is a geographical and cultural bias, as most of the articles focus on Western contexts.

As a result, the findings may be less applicable to countries in Asia or Africa, which have different social and cultural dynamics. Furthermore, almost all of the data used were based on self-reports, which may introduce perception bias and common method variance, especially when measuring subjective variables such as engagement and work-life conflict. For future research, it is recommended to conduct longitudinal studies to observe the long-term effects of WLB and to employ multilevel approaches to understand the variation in experiences across different job levels. Cross-cultural and cross-sectoral comparative studies are also crucial to identify the effectiveness of WLB policies in broader contexts, particularly in countries with high collectivist values. Moreover, integrating objective data—such as actual performance indicators or biometric data can complement survey data and help reduce potential biases. Future studies should also explore the role of technology, including how the use of AI in work scheduling affects perceptions of WLB, and consider intersectionality factors such as gender, family status, and income level when evaluating the success of work-life balance policies.

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