Effect Of Flexible Working Arrangement, Work-Life Balance, And Job Satisfaction on Employee Performance in Bureau of Organization and Governance

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ABSTRACT: This study aims to determine and analyse the effect of flexible working arrangement, work-life balance, and job satisfaction on the performance of employee of Bureau of Organization and Governance. The population of this study were all employees at the staff level of Bureau of Organization and Governance. The independent variables in this study are Flexible Working Arrangement, Work-life Balance, and Job Satisfaction, while the dependent variable in this study is Employee Performance. The research method used is a quantitative research method with a hypothesis testing approach. The sample method used is a saturated sample with a total of 55 employees. Sources of data obtained from the results of the questionnaire and the analysis technique used is multiple linear regression analysis with the help of SPSS version 26 statistical program. The results of the study indicate that: (i) Flexible Working Arrangement has a positive and significant effect on Employee Performance of Bureau of Organization and Governance; (ii) Work-life Balance has a positive and significant effect on Employee Performance of Bureau of Organization and Governance; (iii) Job Satisfaction has no effect on Employee Performance of Bureau of Organization and Governance; (iii) Job Satisfaction has no effect on Employee Performance of Bureau of Organization and Governance.

Keywords: Flexible Working Arrangement, Work-life Balance, Job Satisfaction, Employee Performance.

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I. INTRODUCTION

The Coronavirus Disease 2019 (COVID-19) pandemic that spread throughout the world starting in 2019 has caused drastic changes to various elements of human life. The restrictions on human mobility implemented by the majority of countries not only have an impact on the economic and health sectors, but also the labor sector. With this restriction policy, companies need to change settings related to work patterns, working time, and company operationalization in order to continue to produce running the wheels of business. These changes certainly have an impact on employee performance due to the process of adapting to the new work system and changes in employee supervision patterns. Bureau of Organization and Governance, an institution in Indonesia, as the object of research is also not spared from the impact of restrictions on human mobility implemented by the government. Bureau of Organization and Governance has implemented a work from home (WFH) and work from office (WFO) policy, with an assignment mechanism of 2 days WFO and 3 days WFH every week. The impact of these policies on changes in work patterns is inevitable and changes in performance can be felt. The Employee Performance Value of Bureau of Organization and Governance from 2019-2021 has fluctuated with a tendency to decrease in 2021.

Fluctuations in performance experienced by Bureau of Organization and Governance can be influenced by several factors. One of the factors that can affect employee performance is the Flexible Working Arrangement (FWA) policy. WFH, which has been frequently echoed, is a small part of the FWA. Bureau of Organization and Governance implemented FWA in response to government policies to reduce worker mobility during the COVID-19 pandemic. The phenomenon that occurs in Bureau of Organization and Governance is the lack of work interaction between employees because not all employees are in the office at the same time. Another phenomenon is the presence of a reduction in productivity due to the implementation of flextime. However, on the other hand, FWA through flexible working space provides space for employees to be able to work in a collaborative environment.

Furthermore, another factor that can affect employee performance is work-life balance. Work-life balance is about creating and maintaining health support and a work environment that allows workers to have a balance between work and personal responsibility, thus impacting the strengthening of worker loyalty and productivity. In Bureau of Organization and Governance, the implementation of FWA policies through WFH can affect the balance between work and personal life obligations. Thus, it can create dilemmas and give rise to opportunities for inefficiency in work because there is no clear boundary between working time and time to take care of household needs. This risk has been tried to be anticipated by Bureau of Organization and Governance by creating employee's daily logbook application.

In addition, there are also other factors, namely job satisfaction that can affect employee performance. Bureau of Organization and Governance, always strives to provide job

satisfaction for its employees. Some things are done through providing challenging targets so that employees feel that they have pride in getting the job done. Employees at Bureau of Organization and Governance are also the best talents so that supporting peer support further adds to employee job satisfaction.

However, before the authors conducted further research, there were several research gaps in the effect of FWA, work-life balance, and job satisfaction on employee performance. Farha et al. (2022) in their research found a positive and significant influence between FWA and employee performance. In contrast to the research conducted by Saputro et al. (2021) which found that work flexibility did not have a significant effect on employee performance, where freedom caused a sense of laziness to do work which had an impact on decreasing employee performance. In the research of Badrianto & Ekhsan (2021) it was found that there is a positive and directly proportional relationship between work-life balance and employee performance, which means that the better the implementation of work-life balance, the better employee performance created. A different thing was conveyed by Saifullah (2020), where in his research showed that there was no significant influence between work-life balance and employee performance. Wijaya & Siwalankerto (2018) in their research stated that job satisfaction has a significant influence on employee performance. This is inversely proportional to the results of Supiyanto's research (2015) which states that job satisfaction has an insignificant effect on employee performance, so that changes in job satisfaction do not have an impact on employee performance. Through the existing research gap, further research is carried out on the effect of FWA, work-life balance, and job satisfaction on employee performance at Bureau of Organization and Governance.

II. THEORETICAL FRAMEWORK

Performance is a behavior to achieve results, how well it is done and the reward for the recognition of that behavior (Armstrong & Taylor, 2014). Furthermore, Badrianto & Ekhsan (2021) concluded that performance is the result of quality or quantity that has been achieved by employees in carrying out their duties and responsibilities in accordance with organizational goals through applicable criteria and standards. According to Tsauri (2014) performance is a result of a certain process carried out by the organization against a source used. According to Dessler (2015) performance is work performance, or it can be interpreted as a comparison between work results and established work standards. In other words, performance can be interpreted as a comparison between achievements and targets.

FWA is a policy that allows workers to work from anywhere and anytime differently or differently from traditional working hours (Daniarsyah & Rahayu, 2020). Austin-Egole et al. (2020) mentioned that FWA is an option for workers to do work outside the traditional way, while respecting differences in modalities such as quantity, distribution, time, and place of work. According to Dessler (2020), the flexibility of working is part of the award given by companies to retain employees by providing flexibility in time and space to work. So, it can be said that FWA is a policy implemented by companies to provide flexibility to work for employees as a form of appreciation.

Work-life balance is an individual's perception of work-life balance and life outside of work can be developed based on current priority levels (Austin-Egole et al., 2020). Muthukumar et al. (2014) define work-life balance as the perfect integration of work and life so that the two do not interfere with each other. Dessler (2020) states that work-life balance is an advantage that employees can enjoy to balance work and family responsibilities. In other words, work-life balance can be interpreted as the benefits that a company gives to employees to balance between job responsibilities and non-work responsibilities.

Job satisfaction is a pleasant state and feeling felt by workers in the work environment due to the fulfillment of needs (Nabawi, 2019). Masram & Mu'ah (2017) mentioned that job satisfaction is the emotional attitude shown by workers towards various aspects of work and the results of assessments of working conditions. Tsauri (2014) states that job satisfaction is the emotional state of workers in looking at their work. Based on the expert opinion above, it can be simplified that job satisfaction is the feeling and attitude of employees towards the work environment and social environment.

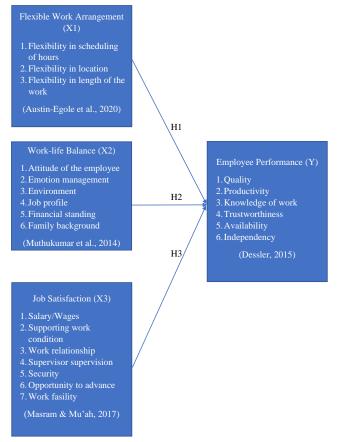
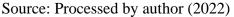


Figure 1 Theoritical Framework



The formulation of the hypothesis in this study is:

- 1. The effect of FWA on employee performance
 - Researchers suspect FWA has an effect on employee performance. According to previous research by Farha et al. (2022) in their research found a positive and significant influence between FWA and employee performance.

H1: It is suspected that FWA has a positive effect on employee performance.

2. The effect of work-life balance on employee performance

Researchers suspect work-life balance affects employee performance. According to previous research by Badrianto & Ekhsan (2021) it was found that there is a positive and directly proportional relationship between work-life balance and employee performance.

H2: It is suspected that work-life balance has a positive effect on employee performance.

3. The effect of job satisfaction on employee performance

Researchers suspect that job satisfaction affects employee performance. According to previous research by Wijaya & Siwalankerto (2018) stated that job satisfaction has a significant influence on employee performance.

H3: It is suspected that job satisfaction has a positive effect on employee performance.

III. RESEARCH METHODS

The design of this study uses quantitative methods with hypothesis testing. Quantitative research methods are research methods that adhere to the principle of positivism by examining certain populations or samples using research instruments aimed at testing predetermined hypotheses. This study wants to examine the effect of FWA, work-life balance, and job satisfaction on employee performance Bureau of Organization and Governance. The data collection technique uses a survey method using a questionnaire that will be distributed to the research sample. The results of the data collection will be processed using the SPSS application to produce statistical data processing. The population in this study was 55 staff-level employees at Bureau of Organization and Governance. The saturated sample technique was chosen for use in this study because the population was limited to only 55 respondents.

IV. RESULTS AND DISCUSSION

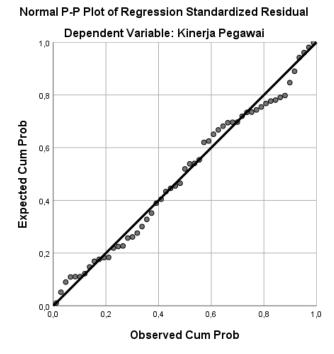


Figure 2 Data Normality Test Results

Source: Data processed by SPSS (2022)

Based on Figure 2, it can be seen that there is a spread of data/points around the diagonal axis of the graph. Therefore, it can be said that the data is normally distributed and feasible to use in research.

Coefficients ^a								
		Unstandardized		Standardized			Collinea	rity
		Coefficients		Coefficients			Statistics	
Туре		В	Std. Error	Beta	t	Sig.	Tolerance	VIFs
1	(Constant)	18,633	6,881		2,708	,009		
	Flexible Working	,619	,247	,275	2,507	,015	,848	1,179
	Arrangement							
	Work-life Balance	,492	,196	,394	2,507	,015	,414	2,416
	Job Satisfaction	,165	,147	,174	1,122	,267	,425	2,355
a. Dependent Variable: Employee Performance								

Source: Data processed by SPSS (2022)

Based on Table 1, it can be seen that the variables FWA (X1), Work-life Balance (X2), and Job Satisfaction (X3) have a Variance Inflation Factor (VIF) value of < 10 and a

Tolerance value of > 0.10, so it can be said that there is no proven multicollinearity between free variables (independent) and data worth using in research.

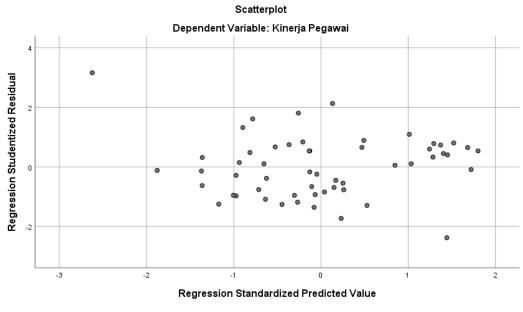


Figure 3 Heteroskedasticity Test Results

Based on Figure 3, it can be seen that there is no pattern in the distribution of dots or the distribution is random, so it can be said that in the data there is no heteroskedasticity and is suitable for use in research.

Model ^{Summary b}							
Adjusted R Std. Error of Durbi				Durbin-			
Type R R Square		Square	the Estimate	Watson			
1	1 ,692 ^a ,479 ,449 4,43497 1,				1,964		
a. Predictors: (Constant), Job Satisfaction, Flexible Working Arrangement,							
Work-life Balance							
b. Dependent Variable: Employee Performance							
Source: Data processed by SPSS (2022)							

Table2 Autocorrelation Test Results

Based on Table 2, it can be seen that the Durbin-Watson (d) value is 1.964, of which the value is between the dU value (n = 55, k = 3) of 1.6815 and 4 – dU of 2.3185 (4 – 1.6815), or 1.6185 < 1.964 < 2.3185. So, it can be said that there is no autocorrelation in the data and it is feasible to use it in research.

Source: Data processed by SPSS (2022)

Coefficient								
		Unstandardized		Standardized				
		Coefficients		Coefficients				
Туре		В	Std. Error	Beta	t	Sig.		
1	(Constant)	18,633	6,881		2,708	,009		
	Flexible Working	,619	,247	,275	2,507	,015		
	Arrangement							
	Work-life Balance	,492	,196	,394	2,507	,015		
	Job Satisfaction	,165	,147	,174	1,122	,267		
Dependent Variable: Employee Performance								

Table3 Results of Multiple Linear Regression Analysis

Source: Data processed by SPSS (2022)

Based on Table 3, it can be said that the equation of multiple linear regression is as follows:

Y = 0.275 X1 + 0.394 X2 + 0.174 X3 + e

The results of processing multiple linear regression data above are:

- 1. The value of the regression coefficient of the FWA variable (X1) is 0.275 where the significant level is 0.015 < 0.05 so it can be said that the FWA variable has a significant effect on employee performance. A positive value of the FWA variable regression coefficient (X1) indicates that the effect of FWA on Employee Performance is unidirectional, that is, if the FWA variable is better, it will further improve Employee Performance.
- 2. The value of the regression coefficient of the work-life balance variable (X2) is 0.394 where the significant level is 0.015 < 0.05 so it can be said that the work-life balance variable has a significant effect on employee performance. The value of the regression coefficient of the positive work-life balance variable (X2) shows that the effect of Work-life Balance on Employee Performance is unidirectional, that is, if the Work-life Balance variable is better, it will further improve Employee Performance.
- 3. The value of the regression coefficient of the job satisfaction variable (X3) is 0.174 where the significant level is 0.267 > 0.05 so it can be said that the job satisfaction variable has no effect on employee performance.

Of the three independent variables above, the one with the most or dominant influence is the Work-life Balance variable with a beta value of 0.394.

ANOVAª							
	Sum of		Mean				
	Squares	Df	Square	F	Sig.		
Regression	923,792	3	307,931	15,656	,000 ^b		
Residual	1003,118	51	19,669				
Total	1926,909	54					
a. Dependent Variable: Employee Performance							
b. Predictors: (Constant), Job Satisfaction, Flexible Working Arrangement, Work-							
life Balance							
	Residual Total pendent Variab	SquaresRegression923,792Residual1003,118Total1926,909Dendent Variable: Employee Pedictors: (Constant), Job Satisfa	Sum of SquaresDfRegression923,7923Residual1003,11851Total1926,90954Dendent Variable: Employee PerformanceEmployee Performanceedictors: (Constant), Job Satisfaction, Flex	Sum of SquaresMean SquareRegression923,7923307,931Residual1003,1185119,669Total1926,9095454Dendent Variable:Employee Performanceedictors:(Constant), Job Satisfaction, Flexible Working A	Sum of SquaresMean SquareRegression923,7923307,93115,656Residual1003,1185119,669Total1926,90954Dendent Variable:Employee Performanceedictors:(Constant), Job Satisfaction, Flexible Working Arrangement		

Table4 Model Feasibility Test Results (F-Test)

Source: Data processed by SPSS (2022)

Based on Table 4, it can be seen that the calculated F value is 15.656 > the F of the table is 2.790, with a significant rate of 0.000 < alpha 0.05. Thus, it can be said that the variables FWA (X1), work-life balance (X2), and Job Satisfaction (X3) match (fit) with the regression equation.

Table5 Coefficient of Determination Test Results (R2)

Model ^{Summary b}							
		Adjusted R	Std. Error of	Durbin-			
Туре	R	R Square	Square	the Estimate	Watson		
1,692 ^a ,479		,449	4,43497	1,964			
a. Predictors: (Constant), Job Satisfaction, Flexible Working Arrangement,							
Work-life Balance							
b. Dependent Variable: Employee Performance							
Sources Data are acceded by SDSS (2022)							

Source: Data processed by SPSS (2022)

Based on Table 5, it can be seen that the Adjusted R Square (R2) value is 0.449 or 44.9%. This means that approximately 44.9% of variations in employee performance levels can be explained by the variables of FWA, work-life balance, and job satisfaction. The remaining 55.1% is explained by other variables outside this study.

V. CONCLUSION

The conclusions in the study "Effect of Flexible Working Arrangement, Work-life Balance, and Job Satisfaction on Employee Performance in Bureau of Organization and Governance" are as follows:

- 1. FWA at Bureau of Organization and Governance is Very Good.
- 2. Work-life Balance at Bureau of Organization and Governance is Very Good.
- 3. Job satisfaction at Bureau of Organization and Governance is Good.
- 4. Employee Performance at Bureau of Organization and Governance is Good.

- 5. FWA has a positive and significant effect on Employee Performance of Bureau of Organization and Governance.
- 6. Work-life Balance has a positive and significant effect on Employee Performance of Bureau of Organization and Governance.
- 7. Job Satisfaction does not affect Employee Performance of Bureau of Organization and Governance

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