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The Effect of Work Engagement and Work Discipline on Employee Performance at PT XYZ, With Work-Life Balance as A Mediating Variable

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Abstract. Employee performance is a critical factor influencing organizational effectiveness, particularly in the construction industry, where project success depends heavily on workforce productivity and commitment. This study aims to examine the effects of work engagement and work discipline on employee performance through work-life balance as a mediating variable at PT XYZ. A quantitative explanatory research design was employed, involving 235 employees selected through a purposive sampling technique. Data were collected using a structured questionnaire and analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 4 software. The findings reveal that work engagement, and work-life balance each have a positive and significant effect on employee performance. Meanwhile, work discipline was found to have no significant effect on employee performance. Furthermore, work engagement and work discipline significantly influence work-life balance. The mediation analysis demonstrates that work-life balance significantly mediates the relationships between work engagement and employee performance as well as between work discipline and employee performance. These findings highlight the importance of fostering employee engagement, strengthening disciplinary practices, and promoting work-life balance to enhance employee performance and organizational effectiveness in the construction sector.

Keywords: Employee Performance; Organizational Effectiveness; Work Discipline; Work Engagement; Work Life Balance.

1. INTRODUCTION

Human resources constitute one of the most valuable organizational assets in achieving sustainable competitive advantage. In the contemporary business environment, organizations increasingly recognize that organizational success is not solely determined by technological advancement or financial resources but also by the quality and performance of their employees. According to Human Capital Theory, employees represent organizational capital capable of generating economic value through knowledge, skills, and productive behavior (Becker, 1993). Consequently, employee performance has become a critical indicator of organizational effectiveness because it reflects the extent to which employees contribute to achieving organizational goals. In labor-intensive sectors such as the construction industry, employee performance plays an even more significant role because project success heavily depends on workforce productivity, efficiency, and commitment.

The construction industry is characterized by dynamic work environments, strict deadlines, high safety risks, and complex project demands. These conditions require employees to consistently maintain optimal performance while adapting to changing workplace situations. Failure to achieve expected performance standards may result in project delays, increased operational costs, reduced service quality, and diminished organizational competitiveness. Therefore, organizations operating within the construction sector must continuously identify

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and manage factors influencing employee performance to ensure operational effectiveness and long-term sustainability (Robbins & Judge, 2022). Employee performance is influenced by numerous organizational and psychological factors. Among the variables frequently discussed in human resource management literature are work engagement and work discipline. Work engagement refers to a positive psychological state characterized by vigor, dedication, and absorption toward work activities (Schaufeli & Bakker, 2020). Employees with high engagement tend to demonstrate greater enthusiasm, commitment, and persistence when performing their duties. Conversely, employees with low engagement often experience reduced motivation, lower productivity, and decreased organizational commitment. Previous studies have consistently reported that work engagement positively contributes to employee performance because engaged employees are more willing to invest their physical, cognitive, and emotional resources in accomplishing organizational objectives (Bakker & Demerouti, 2017).

In addition to work engagement, work discipline is recognized as another crucial determinant of employee performance. Work discipline reflects employees' willingness to comply with organizational regulations, work procedures, attendance requirements, and performance standards. According to Mangkunegara (2020), disciplined employees demonstrate responsibility, punctuality, and commitment to organizational rules, thereby contributing to higher productivity levels. Within the construction industry, disciplinary behavior is particularly important because operational activities require coordination among multiple units and adherence to project schedules. Consequently, disciplinary violations such as absenteeism and lateness may significantly disrupt organizational performance and project implementation.

The importance of work discipline can be observed from employee attendance records at PT XYZ. Internal company data indicate that employee lateness remains relatively high throughout the observation period. Although fluctuations occurred across different months, the overall percentage of late arrivals exceeded twenty percent of the workforce. This condition suggests the existence of disciplinary challenges that may negatively affect productivity, teamwork effectiveness, and project execution. Persistent lateness may also indicate broader organizational issues related to employee commitment and workplace management, thereby warranting further investigation.

Table 1. Employee Lateness Data at PT XYZ.

Month	Number of Late Employees	Percentage
September 2024	125	22.12%
October 2024	118	20.88%
November 2024	112	19.82%
December 2024	140	24.78%
January 2025	135	23.89%
February 2025	120	21.24%
March 2025	110	19.47%
April 2025	130	23.01%
May 2025	115	20.35%
June 2025	140	24.78%
July 2025	128	22.65%
August 2025	119	21.06%
Average	124	22.01%

Source: Internal Data of PT XYZ (2025)

The data presented in Table 1 demonstrate that employee lateness remains a recurring issue within the organization. The average lateness rate of 22.01% indicates that more than one-fifth of employees arrived late during the observed period. Such conditions may adversely influence operational efficiency, employee productivity, and organizational performance. From the perspective of Reinforcement Theory, disciplinary behavior develops through consistent organizational controls, rewards, and sanctions (Luthans, 2018). Therefore, understanding the relationship between work discipline and employee performance becomes increasingly important for organizations seeking to enhance workforce effectiveness.

Beyond work engagement and work discipline, organizations have increasingly emphasized the importance of work-life balance in maintaining employee well-being and performance. Work-life balance refers to an individual's ability to effectively manage professional responsibilities alongside personal and family obligations (Allen et al., 2020). Employees who achieve a satisfactory balance between work and personal life generally experience lower stress levels, greater job satisfaction, and improved psychological well-being. Conversely, an imbalance between work and personal domains may result in work-family conflict, emotional exhaustion, and decreased performance. Given the demanding nature of construction work, maintaining work-life balance has become a significant managerial challenge.

Theoretical perspectives in Organizational Behavior suggest that workplace attitudes and behaviors are strongly influenced by employees' perceptions of organizational support and working conditions (Robbins & Judge, 2022). Employees who experience favorable working conditions are more likely to demonstrate positive attitudes, stronger engagement, and higher levels of discipline. Furthermore, recent studies have suggested that work-life balance may function as an important mediating mechanism through which organizational and individual

factors influence employee performance (Kinman & Jones, 2022). This perspective implies that work engagement and work discipline may indirectly improve employee performance by enhancing employees' ability to achieve balance between professional and personal responsibilities.

Several previous studies have investigated the relationships among work engagement, work discipline, work-life balance, and employee performance. However, empirical findings remain inconclusive. Some studies reported that work engagement significantly improves employee performance through increased motivation and commitment (Naqshbandi et al., 2024; Yao et al., 2022), while others found varying levels of influence across different organizational contexts. Similarly, research examining work discipline and employee performance has produced inconsistent findings regarding the strength and direction of their relationships (Putri et al., 2023; Alawi et al., 2025). Moreover, studies investigating the mediating role of work-life balance remain relatively limited, particularly within the construction industry.

Based on these considerations, this study seeks to examine the influence of work engagement and work discipline on employee performance through work-life balance as a mediating variable at PT XYZ. This research is expected to contribute theoretically by extending the literature on human resource management and organizational behavior, particularly regarding the mediating role of work-life balance. Practically, the findings are expected to provide managerial insights for developing strategies that enhance employee engagement, strengthen disciplinary behavior, improve work-life balance, and ultimately optimize employee performance within the construction industry.

2. LITERATURE REVIEW

Work Engagement

Work engagement is conceptualized as a persistent and fulfilling psychological state characterized by vigor, dedication, and absorption, reflecting employees' cognitive, emotional, and behavioral investment in their work responsibilities. Individuals demonstrating high levels of work engagement consistently exhibit enthusiasm, resilience, and a profound sense of purpose when performing organizational tasks, thereby enhancing their capacity to generate superior work outcomes. According to Faisal (2024), employee engagement constitutes a strategic organizational resource through which work-life balance, organizational culture, career development, and performance management systems collectively contribute to higher employee productivity. Mastra et al. (2026) further contend that initiatives aimed at improving

the quality of work life create an enabling organizational climate that strengthens employee engagement, reinforces organizational commitment, and promotes sustained individual and organizational performance.

Work engagement extends beyond psychological attachment to encompass employees' willingness to exert discretionary effort, proactively address workplace challenges, and contribute to organizational success beyond formal role expectations. Nugraha and Rukhviyanti (2024) argue that work engagement positively influences employee productivity by fostering job satisfaction while simultaneously reinforcing employees' ability to maintain work-life balance. Complementing this perspective, Fitriyanto (2026) emphasizes that employee engagement functions as a critical mediating mechanism linking perceived organizational support to employee performance, suggesting that organizations capable of cultivating meaningful engagement are more likely to achieve sustainable competitive advantage through enhanced workforce effectiveness, organizational commitment, and long-term performance excellence.

Work Discipline

Work discipline refers to employees' consistent adherence to organizational regulations, operational procedures, ethical standards, attendance policies, and performance expectations established by the organization. This construct represents a fundamental behavioral mechanism through which organizations maintain operational consistency, minimize procedural deviations, and ensure that individual actions remain aligned with institutional objectives. Lubis and Romi (2026) demonstrate that work discipline significantly enhances employee performance by encouraging accountability, punctuality, and systematic execution of work responsibilities. Similarly, Widhiantari (2025) identifies work discipline as a substantial determinant of employee performance, particularly when integrated with employees' competencies and their ability to maintain an appropriate balance between occupational and personal responsibilities. Work discipline also reflects employees' internalization of organizational values, enabling them to regulate workplace behavior without excessive managerial supervision. Employees possessing strong disciplinary orientations generally demonstrate superior time management, greater responsibility, and enhanced consistency in accomplishing assigned duties, thereby reducing operational inefficiencies and performance variability. Such behavioral consistency strengthens organizational effectiveness by facilitating seamless coordination among organizational members, improving resource utilization, and establishing a culture of professionalism that supports continuous organizational growth and long-term strategic sustainability.

Work-Life Balance

Work-life balance represents an individual's capability to harmoniously integrate occupational responsibilities with personal, family, and social commitments while minimizing inter-role conflict and preserving overall psychological well-being. This construct has increasingly become a strategic concern in contemporary human resource management because sustainable employee performance depends not only on professional competence but also on employees' capacity to maintain equilibrium across multiple life domains. Nursanti and Julianti (2021) explain that work-life balance contributes significantly to employee performance by alleviating work-related stress, thereby enabling employees to maintain greater emotional stability, occupational satisfaction, and behavioral effectiveness. Consistent with this perspective, Juniarti et al. (2025) demonstrate that work-life balance indirectly enhances employee performance through the mediation of Organizational Citizenship Behavior, indicating that balanced employees are more inclined to exhibit voluntary behaviors that support organizational effectiveness.

Work-life balance further serves as an essential mechanism through which organizational practices generate sustainable improvements in employee well-being and organizational outcomes. Employees who successfully reconcile professional obligations with personal responsibilities typically experience lower levels of burnout, stronger organizational commitment, and greater intrinsic motivation to perform at optimal levels. Such conditions enable organizations to foster healthier workplace environments, improve talent retention, strengthen employee engagement, and ultimately achieve superior organizational performance through a workforce that remains psychologically resilient, professionally committed, and consistently productive over the long term.

Employee Performance

Employee performance refers to the extent to which employees accomplish their assigned duties and responsibilities in accordance with organizational standards and objectives. It reflects not only the achievement of work outcomes but also the work behaviors and personal attributes that support effective job performance (Putra, 2016). Employee performance represents employees' overall contribution to organizational effectiveness through the efficient completion of tasks and the demonstration of appropriate workplace behaviors (Armstrong & Taylor, 2020). Employee performance comprises three main dimensions: work results, work behavior, and personal attributes (Armstrong & Taylor, 2020; Bernardin & Russell, 2013; Mangkunegara, 2020). Work results refer to employees' ability to achieve work targets and maintain the quality of their outputs. Work behavior includes initiative and positive attitudes

demonstrated during task execution, while personal attributes encompass discipline, honesty, and teamwork, which support effective job performance and collaboration within the organization.

3. RESEARCH METHODS

This study employed a quantitative research approach using an explanatory research design. Quantitative research was selected because the study aims to examine the causal relationships among work engagement, work discipline, work-life balance, and employee performance through statistical analysis. The explanatory design enables researchers to test hypotheses and determine the magnitude of direct and indirect effects among variables. This approach is appropriate for identifying empirical evidence regarding the mediating role of work-life balance in the relationship between work engagement, work discipline, and employee performance (Creswell & Creswell, 2023).

This research was conducted at PT XYZ, a company operating in the construction sector. The population consisted of all employees working at PT XYZ during the study period. This study used a purposive sampling technique, where the sample was determined based on specific considerations or criteria established in the study. This technique was chosen to ensure that the sample respondents had characteristics relevant to the variables being studied.

Data were collected using a structured questionnaire distributed directly to respondents. The questionnaire consisted of statements designed to measure the dimensions of employee engagement, work discipline, work-life balance, and employee performance. Responses were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Primary data were obtained directly from employee responses, while secondary data were collected from company records, organizational documents, and relevant scientific literature supporting the theoretical framework of the study.

Work engagement was measured based on the dimensions proposed by Schaufeli and Bakker (2020), namely vigor, dedication, and absorption. Work discipline was measured using indicators adapted from Hasibuan (2019) and Mangkunegara (2020), including compliance with organizational rules, effective use of working time, responsibility for tasks, and attendance. Work-life balance was measured through indicators related to balance between work and personal life, involvement balance, and satisfaction balance (Allen et al., 2020). Employee performance was measured using indicators reflecting work quality, work quantity, timeliness, effectiveness, and responsibility (Robbins & Judge, 2022). Prior to hypothesis testing, the research instrument was subjected to validity and reliability testing. Validity was

assessed using the outer loading and Average Variance Extracted (AVE) criteria, where values greater than 0.50 indicated adequate convergent validity. Reliability was evaluated using Cronbach's Alpha and Composite Reliability (CR), with values exceeding 0.70 indicating satisfactory reliability (Hair et al., 2022). These procedures ensured that all measurement items accurately represented their respective constructs and consistently measured the intended variables.

Data analysis was conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS) through SmartPLS software version 4. SEM-PLS was selected because it is suitable for testing complex structural relationships involving mediation effects and does not require strict assumptions regarding data normality. The analysis consisted of two stages: evaluation of the measurement model (outer model) and evaluation of the structural model (inner model). The outer model assessment included convergent validity, discriminant validity, and reliability testing, whereas the inner model assessment included coefficient of determination (R^2), predictive relevance (Q^2), effect size (f^2), path coefficients, and hypothesis testing (Hair et al., 2022).

Hypothesis testing was performed using the bootstrapping procedure with a significance level of 5 percent. A hypothesis was accepted when the t-statistic exceeded 1.96 and the p-value was less than 0.05. The mediation effect of work-life balance was examined through indirect effect analysis. If the indirect effect was statistically significant, work-life balance was considered to mediate the relationship between work engagement and employee performance as well as between work discipline and employee performance. Through these analytical procedures, the study aimed to provide comprehensive empirical evidence regarding the structural relationships among the investigated variables.

4. RESULTS AND DISCUSSION

Respondent Characteristics

This study involved 235 employees of PT XYZ who participated as respondents. The respondents were selected using a purposive sampling technique, where the sample was determined based on specific considerations or criteria established in the study to ensure that the sample respondents had characteristics relevant to the variables being studied. The espondents were analyzed to provide an overview of the sample characteristics and to support the interpretation of the research findings.

Table 2. Respondent Characteristics.

Characteristics	Category
Gender	Male and Female
Age	Various productive age groups
Education Level	High School, Diploma, Bachelor's, and Master's Degree
Length of Service	1 – 3 Years, 4 - 6 Years, 7 – 10 Years, > 10 Years

The respondent profile indicates that the sample represented employees with diverse demographic backgrounds. Such diversity strengthens the representativeness of the sample and provides a comprehensive picture of employee perceptions regarding work engagement, work discipline, work-life balance, and employee performance within PT XYZ.

Descriptive Statistics of Research Variables

Descriptive statistical analysis was conducted to determine respondents' perceptions regarding the variables investigated in this study. The analysis provides an overview of the average responses and the distribution of responses for each construct, namely work engagement, work discipline, work-life balance, and employee performance.

Table 3. Descriptive Statistics of Research Variables.

Variable	Mean	Category
Work Engagement	High	Positive
Work Discipline	High	Positive
Work-Life Balance	High	Positive
Employee Performance	High	Positive

The descriptive analysis shows that respondents generally provided positive evaluations for all research variables. The findings indicate that employees perceive themselves as having high levels of engagement, discipline, work-life balance, and performance. These results suggest favorable organizational conditions that support employee productivity and effectiveness.

Measurement Model Assessment (Outer Model)

The measurement model assessment was performed to evaluate the validity and reliability of the constructs used in this study. The assessment included convergent validity, discriminant validity, Average Variance Extracted (AVE), Composite Reliability, and Cronbach’s Alpha. These procedures ensure that the measurement indicators accurately represent the latent variables.

Table 4. Results of Reliability and Validity Testing.

Variable	Cronbach's Alpha	Composite Reliability	AVE
Work Engagement	0.940	0.950	0.673
Work Discipline	0.908	0.920	0.606
Work-Life Balance	0.936	0.938	0.691
Employee Performance	0.943	0.945	0.779

The results indicate that all variables achieved Cronbach's Alpha and Composite Reliability values above the recommended threshold of 0.70. Furthermore, all AVE values exceeded 0.50, confirming adequate convergent validity. Therefore, the measurement model satisfies the requirements for validity and reliability and can be used for further structural analysis.

Structural Model Assessment (Inner Model)

After confirming the adequacy of the measurement model, the structural model was evaluated to examine the explanatory power of the proposed research framework. The assessment focused on the coefficient of determination (R^2), which measures the proportion of variance explained by the predictor variables.

Table 5. Coefficient of Determination (R^2).

Endogenous Variable	R^2	Adjusted R^2
Employee Performance	0.771	0.768
Work-Life Balance	0.590	0.587

The R^2 value of 0.771 for employee performance indicates that 77.1% of the variance in employee performance can be explained by work engagement, work discipline, and work-life balance. Meanwhile, the R^2 value of 0.590 for work-life balance indicates that 59.0% of the variance in work-life balance is explained by work engagement and work discipline. These values demonstrate substantial explanatory power of the research model.

Effect Size Analysis (f^2)

The effect size analysis was conducted to evaluate the contribution of each exogenous variable to the endogenous variables in the model. The results provide insights into the relative strength of each relationship.

Table 6. Effect Size (f^2) Results.

Relationship	f^2	Effect Size
Work Engagement → Employee Performance	0,105	Moderate
Work Engagement → Work-Life Balance	0,201	Moderate
Work Discipline → Employee Performance	0,021	Small
Work Discipline → Work-Life Balance	0,084	Small
Work-Life Balance → Employee Performance	0,967	Large

The largest effect size was observed in the relationship between work-life balance and employee performance ($f^2 = 0.967$), indicating a substantial influence. Other relationships demonstrated small to moderate effect sizes, suggesting varying levels of contribution among the constructs included in the model.

Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping procedure in SmartPLS. The significance of each relationship was evaluated based on the path coefficient, t-statistic, and p-value. A hypothesis was accepted when the t-statistic exceeded 1.96 and the p-value was below 0.05.

Table 7. Direct Effect Testing.

Hypothesis	Relationship	Path Coefficient	T-Statistic	P-Value	Decision
H1	Work Engagement → Employee Performance	0.290	3.833	0.000	Accepted
H2	Work Discipline → Employee Performance	-0.123	1.817	0.070	Rejected
H3	Work-Life Balance → Employee Performance	0.735	11.826	0.000	Accepted
H4	Work Engagement → Work-Life Balance	0.490	8.167	0.000	Accepted
H5	Work Discipline → Work-Life Balance	0.316	4.465	0.000	Accepted

The results of the study indicate that work engagement and work-life balance variables have a significant influence on employee performance with a t-statistic value greater than 1.96 and a p-value below 0.05. Meanwhile, work discipline has no influence on employee performance with a t-statistic result below 1.96 and a p-value above 0.05. The results also indicate that work engagement and work discipline variables have a significant influence on work-life balance with a t-statistic value greater than 1.96 and a p-value below 0.05

Mediation Effect Testing

The mediation analysis was performed to determine whether work-life balance mediates the relationship between work engagement and employee performance as well as the relationship between work discipline and employee performance. The indirect effects were assessed through the bootstrapping procedure.

Table 8. Indirect Effect Testing.

Hypothesis	Indirect Relationship	Result
H6	Work Engagement → Work-Life Balance → Employee Performance	Significant
H7	Work Discipline → Work-Life Balance → Employee Performance	Significant

The Effect of Work Engagement on Employee Performance

The results of hypothesis testing indicate that work engagement has a positive and significant effect on employee performance. This finding demonstrates that employees who exhibit higher levels of vigor, dedication, and absorption tend to achieve better performance outcomes. Employees who are psychologically attached to their work are more likely to invest additional effort in completing tasks, maintaining productivity, and contributing to organizational objectives. Therefore, increasing employee engagement can become an effective strategy for improving overall organizational performance.

This finding is consistent with the theoretical perspective of the Job Demands-Resources (JD-R) Theory proposed by Bakker and Demerouti (2017), which explains that engaged employees possess higher levels of energy and motivation that enable them to perform effectively even under demanding work conditions. Employees who experience strong engagement are more likely to demonstrate persistence, enthusiasm, and proactive behavior in accomplishing their responsibilities. Within the construction industry, where employees frequently encounter project deadlines and operational pressures, work engagement becomes an essential psychological resource for maintaining performance.

The results of this study are also in line with previous empirical studies conducted by Schaufeli and Bakker (2020), Yao et al. (2022), and Naqshbandi et al. (2024), which reported that work engagement significantly enhances employee performance. These studies emphasize that engaged employees tend to exhibit stronger organizational commitment and higher levels of productivity. Thus, the findings of the present study strengthen the argument that work engagement serves as an important predictor of employee performance across different organizational settings.

The Effect of Work Discipline on Employee Performance

The findings indicate that work discipline has no effect on employee performance. This analysis is consistent with research by Sutaguna et al. (2023), which states that work discipline has no effect on employee performance. This condition occurs because the characteristics of the work process at PT XYZ require most work to go through a series of approval stages, starting from the direct supervisor to the board of directors, before the work can be processed further. This causes work completion not only to depend on the level of individual discipline but also on the approval process that must be completed. In this condition, employees with a high level of discipline may not necessarily be able to complete their work faster if they are still waiting for the approval process from the authorities. Conversely, even if the work has been completed well by the employee, the final result still depends on the length of the approval

process within the organization. Therefore, work discipline has not been a factor that directly determines employee performance at PT XYZ, so its influence on performance has not been proven significant.

The Effect of Work-Life Balance on Employee Performance

The statistical analysis indicates that work-life balance has a positive and significant influence on employee performance. This finding implies that employees who successfully balance professional responsibilities with personal and family commitments are more likely to achieve higher levels of performance. A balanced lifestyle enables employees to maintain psychological well-being, emotional stability, and work motivation, all of which contribute positively to job performance.

This finding aligns with Organizational Behavior Theory, which suggests that employee attitudes and behaviors are strongly influenced by workplace experiences and personal well-being (Robbins & Judge, 2022). Employees who perceive that they can effectively manage both work and personal demands tend to experience lower stress levels and greater job satisfaction. Consequently, they can allocate more cognitive and emotional resources to work-related activities, resulting in improved performance outcomes.

The present finding supports prior research conducted by Allen et al. (2020), Kinman and Jones (2022), and Haar et al. (2021), which concluded that work-life balance significantly contributes to employee effectiveness and productivity. These studies highlight that employees who enjoy a healthy balance between work and personal life demonstrate stronger organizational commitment and reduced burnout. Therefore, promoting work-life balance can be viewed as a strategic human resource management practice.

The Effect of Work Engagement on Work-Life Balance

The results demonstrate that work engagement significantly influences work-life balance. Employees with higher engagement levels tend to experience better balance between their professional and personal lives. Although highly engaged employees invest substantial effort in their jobs, they are also more likely to experience positive emotions and greater satisfaction, which facilitate effective management of multiple life roles.

According to the JD-R Theory, engaged employees possess psychological resources that enable them to cope effectively with workplace demands while maintaining well-being (Bakker & Demerouti, 2017). Rather than perceiving work demands as burdensome, engaged employees often view them as meaningful challenges. This positive psychological state reduces the likelihood of work-related stress spilling over into personal life, thereby supporting the achievement of work-life balance.

This finding is consistent with studies conducted by Schaufeli and Bakker (2020), Karatepe (2021), and Naqshbandi et al. (2024), which reported that work engagement positively contributes to work-life balance. Employees who enjoy their work and feel emotionally connected to their organizations tend to experience fewer work-family conflicts and greater overall life satisfaction. Thus, work engagement not only benefits organizational outcomes but also enhances employee well-being.

The Effect of Work Discipline on Work-Life Balance

The findings indicate that work discipline positively affects work-life balance. Employees who consistently manage their work responsibilities in a disciplined manner are more capable of organizing their time effectively, completing tasks efficiently, and avoiding unnecessary work-related pressures. Such conditions enable employees to allocate adequate time and energy to personal and family activities.

From a behavioral perspective, discipline promotes structured work habits that reduce the likelihood of procrastination, work overload, and deadline-related stress. Employees who adhere to schedules and organizational procedures tend to experience better control over their daily activities. Consequently, they can maintain healthier boundaries between work and non-work domains, thereby achieving a more balanced lifestyle.

This result is supported by previous studies conducted by Putri et al. (2023), Alawi et al. (2025), and Kitta et al. (2023), which found that disciplined employees generally report higher levels of work-life balance. These studies suggest that effective time management and compliance with work standards contribute positively to personal well-being. Therefore, fostering disciplinary behavior may simultaneously improve organizational performance and employee quality of life.

The Mediating Role of Work-Life Balance in the Relationship Between Work Engagement and Employee Performance

The mediation analysis reveals that work-life balance significantly mediates the relationship between work engagement and employee performance. This finding suggests that work engagement not only affects performance directly but also influences performance indirectly through improvements in work-life balance. Employees who are highly engaged tend to experience better balance between work and personal life, which subsequently enhances their performance. Theoretically, this result supports the proposition that psychological resources generated by work engagement can improve employee well-being and life satisfaction, thereby creating favorable conditions for higher performance. Employees who maintain healthy work-life balance are less likely to experience stress and emotional

exhaustion, allowing them to sustain productive work behaviors over time. Consequently, work-life balance functions as an important mechanism through which engagement contributes to organizational outcomes.

The finding is consistent with research conducted by Allen et al. (2020), Kinman and Jones (2022), and Haar et al. (2021), which emphasized the mediating role of work-life balance in various organizational relationships. These studies demonstrate that employee well-being serves as a critical pathway linking positive workplace attitudes to performance outcomes. Therefore, organizations seeking to improve employee performance should not only focus on increasing engagement but also ensure that employees can maintain a healthy balance between work and personal life.

The Mediating Role of Work-Life Balance in the Relationship Between Work Discipline and Employee Performance

The results further indicate that work-life balance significantly mediates the relationship between work discipline and employee performance. This finding suggests that disciplined employees tend to achieve better work-life balance, which subsequently contributes to improved performance. Thus, the influence of work discipline on employee performance occurs through both direct and indirect pathways.

Employees who demonstrate strong disciplinary behavior are generally more effective in managing their time and fulfilling work responsibilities. Such behaviors reduce work-related disruptions and allow employees to maintain adequate time for personal and family activities. As a result, they experience lower levels of stress and greater overall well-being, which positively affect their performance. This finding highlights the importance of considering employee well-being when examining the effects of workplace discipline.

The result supports previous studies conducted by Alawi et al. (2025), Putri et al. (2023), and Kinman and Jones (2022), which reported that work-life balance acts as an important intermediary variable connecting workplace factors to employee performance. The findings suggest that organizations can maximize the benefits of work discipline by simultaneously implementing policies that support employees' work-life balance. Such an integrated approach may contribute to sustainable performance improvement and long-term organizational success.

5. CONCLUSIONS AND SUGGESTIONS

The results of this study demonstrate that work engagement and work-life balance significantly influence employee performance at PT XYZ. Employees who exhibit higher levels of engagement tend to achieve better performance outcomes due to their stronger commitment, responsibility, and involvement in organizational activities. Meanwhile, work discipline has no effect on employee performance. This condition occurs because the characteristics of the work process at PT XYZ require most work to go through a series of approval stage. Furthermore, work engagement and work discipline were found to have significant positive effects on work-life balance, indicating that employees who are motivated and disciplined are more capable of managing professional and personal responsibilities effectively. These findings confirm the importance of psychological and behavioral factors in improving employee performance within the construction industry.

Furthermore, the study reveals that work-life balance plays a significant mediating role in the relationships between work engagement and employee performance as well as between work discipline and employee performance. This indicates that employee performance can be enhanced not only through direct improvements in engagement and discipline but also through organizational efforts to support employees' well-being and balance between work and personal life. Therefore, organizations should implement integrated human resource management strategies that encourage employee engagement, strengthen work discipline, and promote work-life balance to achieve sustainable performance improvement and long-term organizational success.

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