

Employee Performance in the Digital Age: An Analysis of the Influence of Hybrid Working, Digital Competency, Work Engagement, and Work-Life Balance on Private-Sector Employees in Jakarta

Fadhil A Putra

Universitas Binus, Indonesia

Email: Fadhil.putra001@binus.ac.id

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Abstract

This research was motivated by the shift in work patterns toward flexible work arrangements, such as hybrid working, which have been increasingly adopted by companies in metropolitan cities such as Jakarta. Although hybrid working provides greater flexibility, companies continue to face challenges in maintaining consistent employee performance, particularly in work coordination, team communication, and effective performance monitoring. Furthermore, the successful implementation of hybrid working is influenced by factors such as digital competency, work engagement, and work-life balance. Previous studies have reported mixed findings regarding the relationships between these variables and employee performance. This study aimed to analyze the effects of hybrid working, digital competency, work engagement, and work-life balance on employee performance among private-sector employees in Jakarta. The study employed a quantitative approach through a survey of 250 private-sector employees who implemented hybrid working arrangements. Data were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM). The results indicated that: (1) hybrid working had a positive and significant effect on employee performance; (2) digital competency had a positive and significant effect on employee performance; (3) work engagement had a positive and significant effect on employee performance; and (4) work-life balance had a positive and significant effect on employee performance. This research contributes to the development of studies on employee performance within hybrid work environments and provides practical insights for companies in designing work policies that support employee productivity and well-being.

INTRODUCTION

Fundamentally, Human Resources (HR) represent valuable organizational assets that serve as the primary driving force in every organization, including public institutions and private companies. The existence of human resources requires continuous capacity development efforts to optimize their contribution as strategic organizational assets. Broadly, human resources can be categorized into two levels: macro human resources, which refer to the productive-age population within a region, and micro human resources, which specifically refer to individuals who actively contribute to an organization (Brandsen & Honingh, 2016; He et al., 2023; Parker et al., 2019; Ter Wal et al., 2017).

Due to its strategic importance, HR plays a critical role in determining an organization's success in achieving its objectives. This positions HR as an integral element of organizational structure and a key component in performance management systems oriented toward individual and collective outcomes (Albrecht et al., 2015; Collings et al., 2019; Jiang & Liu, 2015; Katou,

2017). Therefore, employee competency and accountability are essential requirements, as superior individual capabilities serve as the foundation for achieving competitive organizational performance (Tanjung & Wahdiniwaty, 2020).

In practice, human resource management faces various changes in work patterns, particularly in urban areas such as Jakarta. The implementation of hybrid work systems has become one of the strategies adopted by organizations to improve flexibility and efficiency. However, this condition requires employees to possess adequate digital competencies. Furthermore, changes in work arrangements also influence employee work engagement and their ability to maintain work-life balance. Limited digital competency, low work engagement, and poor work-life balance may negatively affect concentration, productivity, and work outcomes. This phenomenon indicates that employee performance is not solely determined by the implemented work system but also by employees' competency readiness and psychological conditions in performing their roles.

Employee performance is a crucial factor in determining organizational success, particularly amid changes in work systems during the digital era. In the Indonesian employment context, labor regulations are governed by Law Number 13 of 2003 concerning Manpower, which emphasizes that workforce development aims to empower and optimize labor utilization while improving the welfare of workers and their families. Furthermore, Article 9 highlights that job training is conducted to improve workforce competency and productivity, while Article 86 emphasizes employees' rights to occupational safety and health protection to support optimal productivity. These provisions demonstrate that improving employee performance is an important aspect of workforce development, requiring organizations to establish supportive work environments that enable employees to perform effectively in the digital era.

Employee performance serves as a primary indicator for evaluating work implementation in terms of both quality and quantity. Therefore, organizations need to prioritize continuous performance improvement to achieve sustainable organizational goals (Robbins & Judge, 2017).

The performance conditions of private-sector employees in Jakarta have been influenced by digital technology development and increasingly flexible work arrangements. Companies across various sectors have begun adjusting their work systems by utilizing digital communication and collaboration technologies to support operational activities. These changes have affected not only how employees complete tasks but also how organizations manage coordination, team communication, and performance monitoring. According to Kniffin et al. (2021), digitalization and flexible work arrangements can influence the effectiveness of employee performance management systems. This condition is particularly relevant for private companies in metropolitan areas such as Jakarta, where organizations must maintain productivity despite changing work environments. Additionally, the International Labour Organization (ILO, 2021) reported that shifts toward flexible work arrangements require organizations to adapt performance management systems to remain effective. This indicates that maintaining consistent employee performance remains a significant challenge for private companies in the digital era.

Several previous studies have examined the relationship between hybrid work systems and employee performance. Cahyani et al. (2025) found that hybrid work implementation was associated with improved employee performance and job satisfaction. Similarly, Kambara and

Kusuma (2025) reported that hybrid work systems could support improved workplace relationships. However, these studies primarily focused on the relationship between hybrid work systems, job satisfaction, and employee relationships. Therefore, the role of hybrid work systems in maintaining overall employee performance consistency remains insufficiently explored.

Changes toward more flexible work arrangements also create challenges for organizations in managing employee performance effectively. Work systems that allow employees to operate from multiple locations may influence coordination, communication, and performance monitoring effectiveness. Barrero, Bloom, and Davis (2021) stated that implementing remote and hybrid work systems requires organizations to adjust management practices to maintain employee performance. For private companies, this issue is particularly important because employee performance directly affects organizational productivity and competitiveness. Therefore, organizations must develop management systems capable of balancing work flexibility with performance effectiveness. In this context, hybrid working represents an approach that enables companies to adapt to technological developments while maintaining employee performance in modern work environments.

The adoption of hybrid working has become one of the major changes in organizational work systems following the COVID-19 pandemic. The International Labour Organization (ILO, 2021) reported that many companies have adopted combinations of office-based and remote work as an adaptation to evolving work patterns. Barrero, Bloom, and Davis (2021) also found that hybrid work practices have increased significantly across various countries and are expected to remain part of modern organizational systems due to their relationship with work flexibility and performance effectiveness. This development demonstrates that hybrid working has become an important organizational strategy for adapting to technological advancement and employee expectations regarding work flexibility.

Hybrid work refers to a work arrangement that combines office-based and remote work, whereas fully remote work is conducted entirely outside the physical workplace (Setiyono et al., 2023:147). This work model, which was initially implemented as a temporary solution, has developed into a long-term strategy for many organizations, particularly in Jakarta, to maintain operational continuity while increasing flexibility. Hybrid work systems provide several advantages, including time efficiency, reduced operational costs, and increased employee autonomy. However, they also present challenges in human resource management, particularly in maintaining employee motivation, work engagement, and performance effectiveness under conditions where direct face-to-face interaction is reduced (Utami, 2023:8).

The novelty of this research lies in examining the simultaneous influence of Hybrid Working, Digital Competency, Work Engagement, and Work-Life Balance on Employee Performance among private-sector employees in Jakarta. Unlike previous studies that have generally examined these variables separately, this research proposes an integrated model combining technical factors (hybrid working and digital competency) with psychological factors (work engagement and work-life balance) to explain employee performance within hybrid work environments. This integrated perspective provides a more comprehensive understanding of the determinants of employee performance in the digital era.

The development of hybrid work systems in Jakarta requires organizations to manage flexibility while maintaining employee performance. A pre-survey involving 30 private-sector

employees from service, information technology, and business consulting sectors indicated that most respondents benefited from location and time flexibility as well as sufficient technological support. However, performance management effectiveness remained a challenge, as only approximately half of respondents considered performance evaluation systems effective within hybrid work environments. Employees generally demonstrated adequate digital competency, particularly in accessing information, using digital devices, and communicating online, although their ability to utilize advanced digital applications remained limited. These findings suggest that successful hybrid work implementation depends not only on flexibility but also on employees' digital readiness to support effective work completion.

Furthermore, work engagement and work-life balance are important factors influencing employee performance. The pre-survey results showed that most respondents demonstrated high levels of enthusiasm and dedication; however, maintaining sustained focus during work remained challenging. Work-life balance was also not fully optimal, as many employees experienced difficulties in balancing work demands and personal responsibilities, particularly regarding psychological involvement. These findings indicate that although organizations have adopted flexible and digital-based work systems, challenges related to maintaining engagement, concentration, and work-life balance may continue to influence employee productivity and performance.

Previous studies have shown that hybrid working, digital competency, and work engagement generally have positive relationships with employee performance, while the effect of work-life balance remains inconsistent and influenced by contextual factors. Moreover, many previous studies have examined these variables independently, providing limited understanding of their combined influence on employee performance within hybrid work systems. Therefore, this study contributes novelty by simultaneously examining Hybrid Working, Digital Competency, Work Engagement, and Work-Life Balance as predictors of Employee Performance among private-sector employees in Jakarta. The findings are expected to enrich human resource management literature and provide practical insights for organizations in designing hybrid work policies, improving digital competencies, strengthening employee engagement, and establishing work-life balance strategies that support sustainable performance improvement.

METHOD

Research Design

This research employed a quantitative approach based on the positivism paradigm. The quantitative approach was used to examine a specific population or sample and test the formulated hypotheses through statistical data analysis (Sugiyono, 2023). The sampling process did not use random selection but applied a non-probability sampling technique with a purposive sampling method, in which respondents were selected based on predetermined criteria aligned with the research objectives.

The research design applied an associative approach to examine the relationships and effects among variables. This design enabled the researchers to analyze the causal relationships between independent and dependent variables and provide a systematic explanation of the investigated phenomenon (Sugiyono, 2023).

Primary data were collected through a survey method using a questionnaire as the

research instrument. The questionnaire consisted of structured statements that respondents answered based on their experiences and conditions (Sanjaya, 2015). Data collection was conducted digitally through Google Forms to facilitate efficient access to respondents. This study analyzed the effects of Hybrid Working, Digital Competency, Work Engagement, and Work-Life Balance as independent variables on Employee Performance as the dependent variable.

Population and Sample

The population in this study is all employees who live and work in the Jakarta area, with an unknown population (Sugiyono, 2023). Therefore, the study used samples as a representation of the population. The determination of the number of samples refers to the provisions of Hair et al. (2019), which is 5-10 times the number of research indicators. With a total of 50 indicators, the minimum sample number used was 250 respondents ($50 \times 5 = 250$). The sampling technique applied is non-probability sampling with the purposive sampling method (Khotari, 1990), which is the selection of respondents based on certain criteria, including domicile and work in Jakarta, are active employees of companies or agencies that implement a hybrid working system, have worked for at least one year in the organization where they work, are at least 18 years old and have experience working based on digital technology, and willing to be a respondent by filling out the research questionnaire independently.

Data Collection Techniques

The data used in this study consisted of primary data and secondary data. Primary data was obtained directly through the distribution of questionnaires to private employees in Jakarta who work with a hybrid working system and meet the research criteria. The questionnaire was compiled based on the variable indicators of Hybrid Working, Digital Competency, Work Engagement, Work-Life Balance, and Employee Performance, with measurements using a five-point Likert scale to measure the level of respondents' approval of each statement. Data collection was carried out online through Google Form to facilitate the distribution and collection of data from respondents spread across various companies in Jakarta. Furthermore, primary data was used to analyze the influence of the four independent variables on employee performance. Meanwhile, secondary data is obtained from various sources, such as books, scientific journals, research reports, scientific articles, organizational reports, and academic publications relevant to the research topic. Secondary data is used to strengthen the theoretical foundation, identify research gaps, and support the analysis and discussion process so that the research results have a more comprehensive theoretical basis.

Data Analysis

The data analysis stage is carried out as soon as all information from respondents has been collected completely. This process, as explained by Sugiyono (2020), involves a series of systematic activities starting from organizing data according to variable categories and respondent profiles, tabulating, to presenting the data in a structured manner. Furthermore, the researcher conducts statistical calculations to provide answers to the formulation of the problem and tests the hypotheses that have been proposed in the research.

RESULTS AND DISCUSSION

Analisis *Partial Least Square* (SEM-PLS)

The data analysis in this study uses *Structural Equation Modeling* based on Partial Least Square (SEM-PLS) which aims to test the relationship between latent variables and evaluate the research model that has been formulated. Data processing is carried out using SmartPLS software version 3. The SEM-PLS method was chosen because it is able to analyze the structural relationships between latent constructs measured by several indicators simultaneously and does not require the assumption of multivariate normal data distribution. In addition, SEM-PLS is considered suitable for use in research with a relatively limited sample number and oriented towards testing and predictive model development.

According to (Ghozali & Latan 2019), the SEM-PLS analysis is carried out through two main stages, namely *the Outer Model* and *the Inner Model evaluation*. *The Outer Model* is used to assess the validity and reliability of indicators through convergent validity, discriminant, and construct reliability tests, while *the Inner Model* is used to test the relationships between latent variables by looking at the values of R^2 , Q^2 , and significance through bootstrapping. The results of SEM-PLS modeling in this study are presented in the form of a path diagram that illustrates the relationship between latent constructs and their indicators.

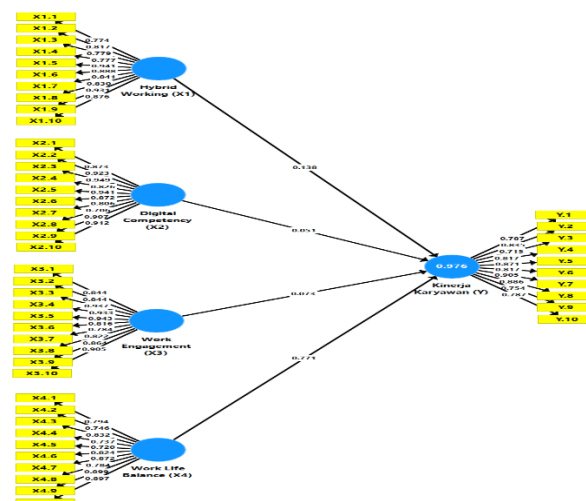


Figure 1. Path Diagram

Based on Figure 1 of the path chart, it shows that the research model consists of four independent variables, namely *Hybrid Working* (X1), *Digital Competency* (X2), *Work Engagement* (X3) and *Work Life Balance* (X4), each of which is measured by a number of indicators, as well as one dependent variable, namely *Employee Performance* (Y). Each indicator in each latent variable has an *outer loading value* that describes the contribution of the indicators in forming latent constructs, so that these indicators are considered to be able to adequately represent the variables being studied.

Hypothesis Testing

The hypothesis test in this study was carried out to determine the influence of *Hybrid Working* (X1), *Digital Competency* (X2), *Work Engagement* (X3) and *Work Life Balance* (X4) on *Employee Performance* (Y). The test was carried out using path analysis in the framework of *Partial Least Squares–Structural Equation Modeling* (PLS-SEM) through a bootstrapping

procedure in the SmartPLS application version 3.0 with a significance level of 5%. The decision-making criteria in hypothesis testing refer to Ghozali and Latan (2019), namely the hypothesis is declared acceptable if the t-statistic value is greater than 1.96 and the p-value is less than 0.05, while the hypothesis is rejected if the t-statistic value is less than or equal to 1.96 and the p-value is greater than or equal to 0.05.

Table 1. Hypothesis Testing Results

	<i>Path Coefficient</i>	<i>T Statistics</i>	<i>P Values</i>
<i>Hybrid Working (X1) -> Employee Performance (Y)</i>	0,138	4,053	0,000
<i>Digital Competency (X2) -> Employee Performance (Y)</i>	0,051	3,001	0,003
<i>Work Engagement (X3) -> Employee Performance (Y)</i>	0,073	4,698	0,000
<i>Work Life Balance (X4) -> Employee Performance (Y)</i>	0,771	16,374	0,000

Source: Processed research results, 2026

Based on Table 1 of the hypothesis test results, it can be seen that all influence paths between the variables Hybrid Working (X1), Digital Competency (X2), Work Engagement (X3), and Work Life Balance (X4) on Employee Performance (Y) have a t-statistic value above 1.96 and a p-value below 0.05. Thus, all hypotheses proposed in this study are declared accepted. This shows that these four variables significantly affect Employee Performance.

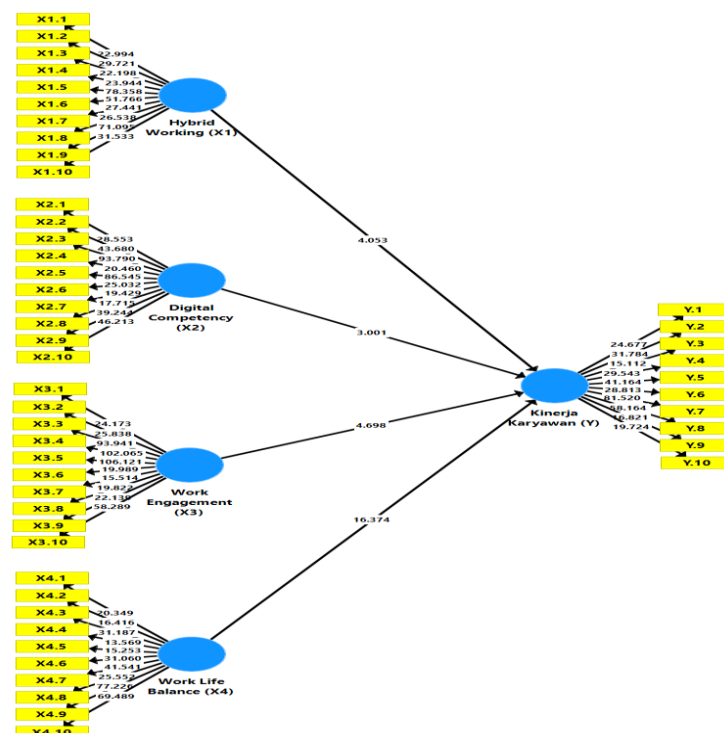


Figure 2. Structural Model of SmartPLS Bootstrapping Results

Based on the summary table of hypothesis test results above, the results can be explained as follows:

The Effect of Hybrid Working on Employee Performance

The effect of Hybrid Working on Employee Performance resulted in a path coefficient of 0.138 with a t-statistical value $> t\text{-table}$ and significant < 0.05 , namely $4.053 > 1.96$ and

$0.000 < 0.05$, then H_0 was rejected and H_a was accepted. This means that there is a positive and significant influence of Hybrid Working on Employee Performance.

The results of statistical data processing using SEM show that there is a positive and significant influence between Hybrid Working on Employee Performance. This shows that the better the implementation of the hybrid work system provided by the company, such as hard work at work, adequate technology support, ease of communication, and effective work time management between Work From Office (WFO) and Work From Home (WFH), the higher the level of Employee Performance. A flexible work system provides an opportunity for employees to set work patterns that are more in line with their work needs and individual conditions so that work can be completed more effectively.

Flexibility in a hybrid work system allows employees to adjust work time and location more optimally. This condition can increase efficiency, focus, and comfort at work because employees have the flexibility to manage their work rhythm and personal life. When employees feel more comfortable doing their jobs, productivity and quality of work tend to increase.

Gartner (2021) explained that the implementation of a Hybrid Working system supported by technology and an adaptive work system is able to increase employee productivity and job satisfaction so that performance can be achieved more optimally. In addition, research by Barrero, Bloom, and Davis (2021) shows that Hybrid Working practices in different countries are related to increasing organizational efficiency and productivity. Research by Choudhury, Foroughi, and Larson (2021) also explains that the work system from various locations can improve performance if the company is able to create effective work coordination.

In the Indonesian context, research by Kambara and Kusuma (2025) shows that the implementation of Hybrid Working is related to improving performance through employee job satisfaction. This shows that a good hybrid work management system can help companies increase work effectiveness while providing benefits to employees. Thus, the implementation of Hybrid Working is one of the factors that contribute to improving Employee Performance.

The Influence of Digital Competency on Employee Performance

The Influence of Digital Competency on Employee Performance resulted in a path coefficient of 0.051 with a t-statistical value $> t$ -table and significant < 0.05 , namely $3.001 > 1.96$ and $0.003 < 0.05$, then H_0 was rejected and H_a was accepted. This means that there is a positive and significant influence of Digital Competency on Employee Performance.

The results of statistical data processing using SEM show that there is a positive and significant influence between Digital Competence on Employee Performance. This shows that the higher the digital capabilities that employees have, such as the ability to use technology, operate digital systems, adapt to technological developments, and communicate virtually, the higher the level of Employee Performance.

Digital capabilities have an important role in supporting work completion in a work environment that increasingly utilizes technology. The effective use of technology allows work to be done faster, more precisely, and more efficiently. In addition, the ability to understand technology can also help employees reduce work mistakes and increase productivity in completing assigned tasks.

Muizu and Budiarti (2017) explained that digital competence can affect an individual's ability to carry out their work so that employees who have good digital skills tend to show a higher level of performance. Van Laar et al. (2020) also explained that digital competence

includes technical, communication, collaboration, and problem-solving skills needed in a technology-based work environment.

Research by Soto-Acosta, Popa, and Palacios-Marqués (2020) shows that digital capabilities have a relationship with improving work efficiency and the quality of organizational work results. Research by Emilia and Soemaryani (2025) also shows that competencies are digitally related to improving the quality of performance in the implementation of technology-based work. Thus, digital capabilities are one of the factors that support the improvement of Employee Performance.

The Effect of Work Engagement on Employee Performance

The effect of Work Engagement on Employee Performance resulted in a path coefficient of 0.073 with a t-statistical value $> t\text{-table}$ and significant < 0.05 , namely $4.698 > 1.96$ and $0.000 < 0.05$, then H_0 was rejected and H_a was accepted. This means that there is a positive and significant influence of Work Engagement on Employee Performance.

The results of the study show that there is a positive and significant influence between Work Engagement on Employee Performance. This shows that the higher the level of employee work involvement, such as work morale, dedication, and focus on carrying out tasks, the higher the Employee Performance.

High work engagement encourages employees to give greater attention, energy, and effort to the work they do. Employees who have a high level of engagement tend to be more enthusiastic in carrying out their responsibilities and have a strong commitment to their work.

Bakker and Leiter (2010) explained that employees who have high engagement tend to have high work energy and a strong commitment to work so that they are able to improve performance. Research by Christian, Garza, and Slaughter (2011) also shows that Work Engagement is related to increasing work focus, employee effort, and individual contributions to the achievement of organizational goals.

Saks (2006) explains that work engagement is related to job responsibilities and better job quality. In addition, research by Ningsih, Sapta, and Novarini (2025) shows that Work Engagement is related to improving performance through organizational commitment. Thus, Work Engagement is one of the factors that plays a role in improving Employee Performance.

The Effect of Work Life Balance on Employee Performance

The effect of Work Life Balance on Employee Performance resulted in a path coefficient of 0.771 with a t-statistical value $> t\text{-table}$ and significant < 0.05 , namely $16.374 > 1.96$ and $0.000 < 0.05$, then H_0 was rejected and H_a was accepted. This means that there is a positive and significant influence of Work Life Balance on Employee Performance.

The results of the study show that there is a positive and significant influence between Work Life Balance on Employee Performance. This shows that the better the work-life balance that employees have, the higher the level of employee performance.

The ability to balance the demands of work and personal life can help employees reduce work pressure, maintain physical and psychological health, and improve their comfort at work. This condition makes employees more focused on completing work and can carry out their responsibilities more optimally.

Ganapathi (2016) explained that work-life balance can increase focus, engagement, and work motivation so that it has an impact on improving employee performance. Greenhaus, Collins, and Shaw (2020) also explain that the balance of work and personal life roles is related

to the well-being and work effectiveness of individuals.

Research by Haar et al. (2014) shows that Work Life Balance has a relationship with job satisfaction and the quality of individual performance. In addition, research by Wahyudin, Fitriati, Darmawan, and Rachmawati (2021) shows that Work Life Balance can improve performance through job satisfaction.

In this study, Work Life Balance had the highest coefficient value compared to other variables, which was 0.771. These findings show that work-life balance is the most dominant factor in influencing Employee Performance. This condition can occur because most respondents are used to working with the support of digital technology and hybrid working systems, so that the ability to use technology and work flexibility is no longer the main factor that differentiates the level of performance between employees. On the other hand, the ability to maintain a balance between work demands and personal life is a more decisive aspect because it is directly related to psychological conditions, stress levels, work focus, and the sustainability of employee productivity. In the context of hybrid working, the boundaries between work and personal life tend to be more flexible so that employees who are able to maintain this balance will find it easier to maintain concentration, motivation, and work performance. These findings show that psychological factors have a more dominant role than technical factors in explaining employee performance in a work environment that implements a hybrid working system.

The Effect of Hybrid Working on Employee Performance

From the results of statistical calculations, the Hybrid Working variable has a positive and significant influence on Employee Performance with a path coefficient of 0.138 and a p-value of 0.000. The results of the test showed that the path coefficient was positive and the p-value value < level of significance (alpha = 5%). Thus, it can be concluded that Hybrid Working (X1) has a positive and significant effect on Employee Performance (Y) in private employees in Jakarta.

In line with research conducted by Kambara & Kusuma (2025) which shows that hybrid working is able to improve employee performance through job satisfaction as a mediating variable.

It is in line with the theory expressed by Allen (2020) that hybrid working is a form of flexible working arrangement that provides flexibility to employees in determining work locations, both from the office and from home, so that it can improve the balance between work and personal life. This flexibility allows employees to tailor working conditions to individual needs, reduce stress levels, and increase comfort and satisfaction at work. In addition, the support of digital technology in the hybrid working system also facilitates effective communication and work coordination even though it is done remotely. Thus, the implementation of good hybrid working not only increases work efficiency and effectiveness, but is also able to increase employee motivation, productivity, and optimal performance.

The Influence of Digital Competency on Employee Performance

From the results of statistical calculations, the Digital Competency variable has a positive and significant influence on Employee Performance with a path coefficient of 0.051 and a p-value of 0.003. The results of the test showed that the path coefficient was positive and the p-value value < level of significance (alpha = 5%). Thus, it can be concluded that Digital Competency (X2) has a positive and significant effect on Employee Performance (Y).

In line with research conducted by Emilia & Soemaryani (2025) which shows that digital competence has a strong positive relationship with improving organizational performance.

It is in line with the theory expressed by Sedarmayanti (2023) that digital competency is related to the skills and abilities of individuals in utilizing technology effectively to increase work productivity in the organizational environment. This ability includes the use of various digital devices, work applications, and information systems that support the execution of tasks more efficiently and accurately. In addition, digital competencies also allow employees to adapt quickly to changes in technology and work methods, as well as improve the quality of communication and collaboration within teams. Thus, the higher the level of digital competency that employees have, the higher the ability to complete work effectively, which will ultimately have an impact on improving overall employee performance.

The Effect of Work Engagement on Employee Performance

From the results of statistical calculations, the Work Engagement variable has a positive and significant influence on Employee Performance with a path coefficient of 0.073 and a p-value of 0.000. The results of the test showed that the path coefficient was positive and the p-value value < level of significance ($\alpha = 5\%$). Thus, it can be concluded that Work Engagement (X3) has a positive and significant effect on Employee Performance (Y).

In line with research conducted by Ningsih et al. (2025) which shows that work engagement contributes to improving employee performance.

It is in line with the theory expressed by Bakker and Demerouti (2008) that work engagement is a positive psychological condition characterized by high motivation, dedication, and employee involvement in their work, so as to be able to encourage optimal performance improvement. Employees who have a high level of work engagement tend to show high work morale, commitment to the organization, and seriousness in completing the tasks given. In addition, work involvement also encourages employees to give greater effort, increase work focus, and contribute optimally to achieving organizational goals. Thus, the higher the level of work engagement that employees have, the higher the performance produced.

The Effect of Work Life Balance on Employee Performance

From the results of statistical calculations, the Work Life Balance variable has a positive and significant influence on Employee Performance with a path coefficient of 0.771 and a p-value of 0.000. The results of the test showed that the path coefficient was positive and the p-value value < level of significance ($\alpha = 5\%$). Thus, it can be concluded that Work Life Balance (X4) has a positive and significant effect on Employee Performance (Y).

In line with research conducted by Firdaus (2025) which shows that work-life balance has a positive effect on employee performance.

It is in line with the theory expressed by Greenhaus, Collins, and Shaw (2020) that work-life balance is a balance between individual involvement and satisfaction in work roles and personal life that is closely related to well-being and work effectiveness. Employees who are able to maintain a work-life balance tend to have lower levels of stress, a more stable psychological state, and a better ability to focus at work. In addition, this balance can also increase job satisfaction and motivation, thus encouraging employees to work more productively and optimally. Thus, the better the work-life balance that employees have, the higher the performance produced in the organization.

CONCLUSION

This study showed that Hybrid Working, Digital Competency, Work Engagement, and Work-Life Balance had positive and significant effects on Employee Performance among private-sector employees in Jakarta, with Work-Life Balance identified as the most dominant variable. These findings indicate that companies need to implement structured hybrid work policies, enhance digital competency through continuous training programs, strengthen employee engagement through effective communication, feedback mechanisms, and recognition systems, and promote work-life balance through workload management, flexible working arrangements, and policies such as no-meeting days. These efforts are expected to improve productivity and maintain optimal employee performance in the digital era.

However, this study had several limitations. It was conducted only among private-sector employees in Jakarta who implemented hybrid working arrangements and did not consider differences in employment status, industry sectors, or generational groups. In addition, the study examined only four independent variables. Therefore, future research is recommended to expand the research scope, incorporate additional variables such as job demands, job satisfaction, leadership style, organizational culture, and work stress, and examine mediation or moderation effects to provide a more comprehensive understanding of the factors influencing employee performance across various organizational contexts.

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