
The Role of Work-Life Balance in Increasing Employee Satisfaction and Loyalty

¹Beny Wahyu Aristanto, ²Agung Ivan Firdaus, ³Desi Alfiani, ⁴Anas Nurraihanul Mufid, ⁵Masikta Husakdhia, ⁶Naurah Syifa, ⁷Rena Afifatus Rachmad, ⁸Ulfatul Widad, ⁹Nunung Tri Wahyuni, ¹⁰Nurul Qomariah, ¹¹Nursaid

^{1,2,3,4,5,6,7,8,9,10,11}Universitas Muhammadiyah Jember

ABSTRACT: This study aims to analyze the role of work-life balance in increasing job satisfaction and employee loyalty through a literature review approach. Data were obtained from scientific articles in accredited national and international journals published between 2020 and 2025 and relevant to the research topic. The analysis was conducted using content analysis and thematic analysis to identify patterns of relationships between work-life balance, job satisfaction, and employee loyalty. The results of the literature review indicate that work-life balance has a positive relationship with job satisfaction, which in turn is related to increased employee loyalty. Previous findings indicate that job satisfaction acts as a conceptual mechanism bridging the relationship between work-life balance and employee loyalty. However, this relationship is contextual and influenced by job characteristics, organizational culture, and generational differences, particularly among millennials and Generation Z.

KEYWORDS: work-life balance, job satisfaction, employee loyalty, human resource management

INTRODUCTION

Amidst the complexity of industrial change, characterized by highly competitive survival and ever-changing market forces, companies face enormous pressure to achieve survival and competitiveness. In this regard, the role played by employee performance is very strategic because it determines effective operations and successful goal achievement (Azhad et al., 2015). Employees who work with productivity, focus, and consistency will seamlessly contribute directly to the stability and growth of the organization (Qomariah, 2020). However, with increasing work demands, tight targets, long working hours, and technological advances that blur the boundaries between work and personal life, work-life balance often becomes unbalanced. This has the potential to lead to burnout, ongoing stress, and decreased employee motivation. As a result, employee performance may suffer significantly, negatively impacting the business in the long run. Therefore, work-life balance is a characteristic that can improve or degrade performance. (Alfarizi & Rozaq, 2022), (Korkmazi & Erdogan, 2014).

For employees, an imbalance between their personal and work lives can have detrimental effects, such as increased stress, burnout, and decreased performance. Repeated overtime often exacerbates this condition, especially during periods like the end of the year, when work pressures increase. Continuous overtime drains employees' physical and mental energy, leading to suboptimal performance and gradually diminishing employee loyalty to the company. Furthermore, employees can become less satisfied with their jobs if they work too much without sufficient recovery time. This is because their personal and professional lives are disrupted, creating an imbalance. Conversely, several studies have shown that maintaining a work-life balance helps employees feel happier. Companies can help employees become happier at work, which in turn increases their retention and loyalty (Isdaryati et al., 2025), (Rondonuwu et al., 2018), (Lumunon et al., 2019), (Endeka et al., 2020).

One term used to describe the concept of work-life balance is an employee's ability to balance the demands of their work and personal life so that both can be lived in balance without compromising one another. Because this balance is important, employees can avoid stress, burnout, and decreased performance caused by excessive work pressure. Furthermore, this balance allows employees to feel fulfilled and comfortable in carrying out both professional and personal roles. In such situations, job satisfaction is a positive emotional state when an employee feels comfortable, appreciated, and not under excessive pressure. Job satisfaction improves attitudes and behaviors in the workplace. Furthermore, the level of employee satisfaction and organizational support for work-life balance significantly influence employee loyalty, which is reflected in the employee's desire to stay and contribute consistently (Alawiyah et al., 2024), (Stefanie et al., 2020), (Damayanti et al., 2020), (Azzahra & Mapuasari, 2020), (Nadeak & Simanjorang, 2021).

The Role of Work-Life Balance in Increasing Employee Satisfaction and Loyalty

Much research has examined the relationship between work-life balance and job satisfaction and employee loyalty. However, studies that comprehensively explain the relationship between these three concepts are still relatively limited. Budiman (2025) emphasizes that work balance and job satisfaction influence productivity, but does not specifically explain how job satisfaction influences employee loyalty. However, a systematic literature study conducted by Thamara & Anshori (2024) found that the effect of work-life balance on employee retention or loyalty was inconsistent and highly dependent on the organizational environment. In contrast, research conducted by Hajjar & Sary (2025) found that there is a significant relationship between work-life balance and the loyalty of Generation Z employees. However, the study has not thoroughly examined how job satisfaction functions as a connecting mechanism. The different results suggest that to gain a deeper understanding of this issue, research that integrates comprehensively is needed.

Using a literature review approach that addresses several research gaps, this article aims to explore the role of work-life balance in enhancing job satisfaction and employee loyalty. The primary focus of this paper is to understand how maintaining a work-life balance can help employees become more loyal to the company. By combining the findings of previous research, this article is expected to provide a conceptual contribution to the development of human resource management research. It is also expected to help organizations create work-life balance policies that enhance employee satisfaction and loyalty.

METHODS

The focus of this research is to gain a better understanding of the role of work-life balance in improving employee satisfaction and job loyalty. The research data comes from scientific articles published in accredited national and international journals relevant to the research topic. These articles were selected based on several criteria, such as the topic's relevance to the variables studied, the publication year range from 2020 to 2025, and the journal's credibility as a scientific source. This method was chosen to ensure that the research is based on the latest research findings and is academically sound.

Documentation method, reviewing and thoroughly studying a number of selected scientific articles used to carry out data collection techniques (Sugiyono, 2016). Next, the data were analyzed using content analysis and thematic analysis of the literature. This was done to identify key patterns and themes, as well as conceptual relationships between work-life balance, job satisfaction, and employee loyalty. The analysis results were then synthesized to gain a structured and in-depth understanding of the interrelationships between variables. This also served as the basis for discussion and drawing conclusions from the study.

To ensure consistency and analytical rigor, each selected article was thoroughly analyzed through a process of grouping, coding, and interpreting key themes related to the research focus. This process enabled the researcher to identify similarities and differences in the research findings and compare them with each other. By using this method, this study not only summarizes previous research findings but also develops a strong conceptual understanding of how work-life balance affects employee satisfaction and loyalty. Therefore, the results of this study have a strong academic foundation and can be used as a reference when developing human resource management research.

RESULTS AND DISCUSSION

The Role of Work-Life Balance on Job Satisfaction

Based on a review of the journals analyzed, the research Thamara & Anshori (2024) is the most relevant reference in the context of synthesizing findings because it uses a Systematic Literature Review approach. Their synthesis results show that work-life balance consistently has a positive relationship with job satisfaction through improving employee psychological well-being, such as reducing stress levels and improving the management of their work and personal lives. However, these findings also confirm that the magnitude of the influence of work-life balance can vary depending on the characteristics of the industry sector, organizational culture, and the type of work performed by employees.

Other empirical journals, such as Budiman (2025), Hajjar & Sary (2025), Isdaryati et al. (2025) supports these findings by demonstrating that work-life balance is important for determining job satisfaction in various contexts, such as startups, the technology sector, and Generation Z in Indonesia. This demonstrates that work-life balance has a positive impact on job satisfaction, which then serves as a mediating variable in increasing employee loyalty and retention. Therefore, it is a crucial strategic element to ensure that organizations operate well and remain stable.

According to Rizulloh et al. (2024) Work-life balance is a multidimensional construct that strategically determines employee job satisfaction and performance quality. The balance of time between work and personal life demands, the level of psychological engagement in professional and non-professional roles, and the level of satisfaction each individual experiences in both domains are key contributing dimensions. Furthermore, adequate company support and flexible working hours reduce stress and role conflict. This improves employee job satisfaction and long-term performance.

The Role of Work-Life Balance in Increasing Employee Satisfaction and Loyalty

Based on research Febrianti & Handayani (2022) It was found that intrinsic motivation plays an important role as a mediating variable in the relationship between work-life balance and job satisfaction. The results of the study indicate that work-life balance not only directly influences one's job satisfaction but also significantly increases employees' intrinsic motivation. If employees can balance their personal and work lives, they are better able to view work as a necessity, not an obligation. This increase in intrinsic motivation leads to more consistent and deeper job satisfaction. Therefore, intrinsic motivation helps achieve an ideal work-life balance, especially when employees feel psychologically and personally valued by the company.

When we talk about employee job satisfaction, an important aspect to consider is the relationship between work-life balance and job stress and fatigue. According to research, Wulantika & Atipah (2024), An imbalance between work and personal life demands leads to higher levels of work stress, emotional exhaustion, and psychological burnout among employees. In such situations, work-life balance offers employees a buffer against workplace pressures, reduces role conflict, and maintains stable mental health. Therefore, work-life balance is not only about managing work hours, but also about how companies care for their employees' mental health, which ultimately impacts job satisfaction levels.

Discussions about burnout support the idea that work-life balance has long-term effects on mental health. When work demands are not balanced with adequate recovery time, burnout often occurs, characterized by emotional exhaustion, depersonalization, and decreased personal accomplishment. Therefore, maintaining a good work-life balance can help reduce the risk of burnout and contribute to more meaningful and sustainable work. From this perspective, work-life balance is a strategic component of HR management that focuses on long-term employee job satisfaction rather than simply administrative policy.

Based on the various studies discussed, it can be concluded that work-life balance plays a strategic role in determining employee satisfaction, both directly and indirectly through mechanisms such as organizational support and intrinsic motivation. It has been proven that balancing personal life and work demands can improve mental health, reduce role conflict, and increase feelings of well-being and meaning in work. Therefore, work-life balance should be seen as an essential part of human resource management aimed at increasing long-term job satisfaction, not just a policy.

The results suggest that companies should regularly implement work-life balance policies into their management plans. This is particularly true by providing flexibility in work, managing workloads appropriately, and providing a supportive work environment. These methods can increase job satisfaction and employee loyalty in the long term. Therefore, improving work-life balance is both a preventative and strategic measure to address the increasingly competitive and demanding dynamics of the contemporary workplace.

The Role of Work-Life Balance on Employee Loyalty

According to research Andriannoor & Setiyono (2025) In empirical studies on work-life balance, employee loyalty is directly influenced by the balance of time and engagement between work and personal life. Satisfaction arises when individuals perceive that their work and personal time are fairly divided, and that their psychological involvement in their work does not compromise their outside life. Employee satisfaction fosters a stronger emotional bond between the organization and employees. As a result, employees are more likely to demonstrate long-term commitment, a desire to stay, and a desire to contribute to their full potential. Therefore, having a positive understanding of work-life balance increases employee loyalty to the company.

Based on the journals analyzed, it can be concluded that job satisfaction is the main factor that supports and helps maintain employee loyalty. A study conducted by Isdaryati et al. (2025) and Alawiyah et al. (2024) Research shows that job satisfaction is a key prerequisite for work-life balance to increase loyalty. In this case, job satisfaction serves as a means of translating work-life balance into employee commitment and desire to remain with the organization. This occurs in both the engineering industry and MSMEs.

Research conducted by Febrianti & Handayani (2022) strengthens the findings by stating that job satisfaction is shaped by the interaction between work-life balance and intrinsic motivation, which is the psychological basis for employee loyalty. In addition, according to a literature review conducted by Thamara & Anshori (2024), Job satisfaction is the internal organizational factor that most determines employee retention. Meanwhile, Budiman (2025) found that job satisfaction was more effective than work-life balance in encouraging positive behavior and long-term employee commitment. Therefore, these findings suggest that the path of job satisfaction determines employee loyalty, which is influenced by the level of work-life balance.

Differences in context and moderating factors are important components in explaining the various effects of work-life balance on employee loyalty. In reality, many factors influence the success of work-life balance; policies are not the only factor, but also factors related to the work environment and management systems used there. If not accompanied by job satisfaction, adequate motivation, and adequate career development opportunities, work-life balance in companies with high workloads and strong operational pressures tends to be unable to foster optimal loyalty. These factors function as moderating variables that

The Role of Work-Life Balance in Increasing Employee Satisfaction and Loyalty

strengthen or weaken the relationship between work-life balance and loyalty. This explains why, in some situations, work-life balance has a positive but insignificant effect (Azzahra & Mapuasari, 2020).

Understanding the varying effects of work-life balance on employee loyalty is crucial, especially considering the role of demographic factors. Compared with previous generations, millennials and Generation Z tend to have a stronger value orientation toward work-life balance, according to several empirical studies. For these groups, work-life balance is a crucial need that influences happiness, emotional attachment, and the decision to stay with a company. In other words, this means that analysis must consider differences in generational characteristics and industry sectors, as the effectiveness of work-life balance in fostering employee loyalty depends heavily on the value preferences, job expectations, and dynamic job demands faced by each workforce segment (Marsela & Sari, 2024).

Discussions on the role of work-life balance on employee loyalty indicate that the relationship between these variables is dynamic and influenced by different work contexts and the presence of moderating factors. Employees' psychological and structural conditions contribute to work-life balance, not in a linear fashion. Understanding these various contexts is crucial so that the analysis of the relationship between work-life balance and loyalty can be applied to different types of organizations.

Therefore, studies on work-life balance and employee loyalty should be placed within a framework that considers job characteristics, management systems, and employees' subjective experiences. This method allows for a more in-depth discussion of how employees perceive and respond to work-life balance in various work situations, without ignoring the complex relationships between the variables involved.

Implications of Work-Life Balance in Human Resource Management

From a human resource management perspective, work-life balance has a significant conceptual influence on the development of human resource management theory, particularly in understanding employee work attitudes and behaviors. Research shows that work-life balance is a crucial component of an individual's well-being. It is also a tool that can be used to develop strategies related to psychological factors such as job satisfaction, intrinsic motivation, and employee loyalty. Thus, the theoretical framework of human resources (HRM) is enriched by emphasizing that employee management must consider personal roles and needs in a balanced manner, rather than focusing solely on structural and economic aspects. This will be a crucial factor in shaping commitment and the sustainability of employment relationships.

In reality, due to the impact of work-life balance, managers and companies must create HR policies and practices that better align with the dynamics of employee life. To increase employee satisfaction and loyalty, strategic steps include providing work flexibility, managing workload proportionately, and creating a supportive work environment. Managers must act as a bridge between the company's performance needs and employees' balance needs.

With the increasing complexity of the workplace, high-performance demands, and changing employee values and expectations, work-life balance policies are becoming increasingly important for modern organizations. They are now seen as a crucial part of an organization's strategy to retain talent, increase competitiveness, and build an image that prioritizes employee well-being.

Furthermore, the impact of work-life balance in HR demonstrates that the employee management paradigm has shifted from a traditional approach to a more sustainable and humanistic one. Employees are no longer viewed solely as production components; they are now considered individuals with various social roles and psychological needs outside of their work. In this context, work-life balance serves as a strategic tool for maintaining a balance between meeting individual needs and achieving organizational goals. This allows for more consistent, flexible, and long-lasting working relationships.

Furthermore, implementing work-life balance in HR practices improves organizational governance and managers' decision-making abilities. A healthier work climate, lower levels of work-life conflict, and more harmonious industrial relations are all outcomes of companies that consistently implement work-life balance policies. These conditions enable management to build employee trust. Ultimately, this fosters a work culture focused on good results and shared well-being.

CONCLUSION

Based on the findings and discussions above, it can be concluded that work-life balance plays a strategic role in determining employee satisfaction and loyalty to their jobs. Studies consistently show that maintaining a balance between personal life and work demands improves employees' mental health, reduces stress, and allows for better management of role conflict. Job satisfaction has been shown to be an important mechanism for addressing the impact of work-life balance on loyalty, increasing self-motivation, and making people feel valued by the company. Therefore, work-life balance cannot be considered a single, stand-alone factor. Rather, it is the result of an interaction of contextual, structural, and psychological factors occurring in the workplace.

The Role of Work-Life Balance in Increasing Employee Satisfaction and Loyalty

Furthermore, numerous moderating factors, such as job characteristics, organizational culture, management systems, and demographic differences, particularly generational differences, influence the relationship between work-life balance and employee loyalty. The results indicate that millennials and Generation Z are more sensitive to work-life balance issues. Consequently, the success of creating work-life balance depends heavily on company policies that align with the principles and expectations of the workforce. Therefore, this study confirms the importance of a contextual, adaptive, and sustainable human resource approach to employment relationships. This study also places work-life balance as an important component in human resource management in modern companies.

REFERENCES

- 1) Alawiyah, K. I., Sutrisno, & Dharmaputra, M. F. (2024). Peran Lingkungan Kerja dan Work Life Balance terhadap Loyalitas Karyawan dengan Kepuasan Kerja sebagai Variabel Mediasi. *INNOVATIVE: Journal Of Social Science Research Volume*, 4(4), 16508–16520.
- 2) Alfari, S. M., & Rozaq, K. (2022). Loyalitas karyawan sebagai mediator antara work-life balance dan kinerja karyawan di industri manufaktur PT XXX. *Jurnal Ilmu Manajemen*, 13(4), 868–880.
- 3) Andriannoor, R., & Setiyono, W. P. (2025). *The Influence of Work-Life Balance on Employee Loyalty in the Company (Pengaruh Work Life Balance terhadap Loyalitas Karyawan di Perusahaan)*. 1–13.
- 4) Azhad, M. N., Anwar, & Qomariah, N. (2015). *Manajemen Sumber Daya Manusia*. Cahaya Ilmu.
- 5) Azzahra, N., & Mapuasari, S. A. (2020). Entrepreneurship Bisnis Manajemen Akuntansi Pengaruh work-Life balance dan pengembangan karir terhadap loyalitas karyawan dengan kepuasan kerja sebagai variabel moderasi. *Entrepreneurship Bisnis Manajemen Akuntansi (E-BISMA)*, 6(2), 275–287. <https://doi.org/10.37631/ebisma.v6i2.2095>
- 6) Budiman. (2025). The Influence of Work-Life Balance and Job Satisfaction on the Productivity of Generation Z Employees in Startup Companies. *Jurnal Multidisiplin Sahombu*, 5(5), 1677–1689. <https://doi.org/10.58471/jms.v5i05>
- 7) Damayanti, N. K. D., Puspitawati, N. M. D., & Parwita, G. B. S. (2020). PENGARUH WORK-LIFE BALANCE, PENGEMBANGAN KARIR DAN KOMPENSASI TERHADAP LOYALITAS KARYAWAN DI BUMDesa KERTA SARI UTAMA, DENPASAR, BALI. *Jurnal Emas*, 5(2), 1–13.
- 8) Endeka, R. F., Rumawas, W., & Tumbel, T. (2020). Worklife Balance dan Kompensasi terhadap Kepuasan Kerja Karyawan PT Hasjrat Abadi Cabang Kotamobagu. *Productivity*, 1(5), 436–440. <https://ejournal.unsrat.ac.id/v3/index.php/productivity/article/view/30806/29586>
- 9) Febrianti, N., & Handayani, R. (2022). Work Life Balance dan Kepuasan Kerja: Mediasi Motivasi Intrinsik. *Jurnal Manajemen Dan Bisnis Terapan*, 4(1), 60–67.
- 10) Hajjar, R., & Sary, F. P. (2025). The Influence of Work-Life Balance and Work Environment on Gen Z Employee Loyalty in Indonesia. *Journal of Islamic Economic and Business*, 337–350.
- 11) Isdaryati, M. N., Andriana, R., & Sukatmadiredja, N. R. (2025). Pengaruh Work-Life Balance terhadap Kinerja dan Loyalitas Pegawai dengan Kepuasan Kerja sebagai Variabel Intervening di CV Griya Persada Engineering. *Journal of Artificial Intelligence and Digital Business (RIGGS)*, 4(4), 852–857.
- 12) Korkmazi, O., & Erdogan, E. (2014). The Effect of Work- Life Balance on Employee Satisfaction and Organizational Commitment. *EGE ACADEMIC REVIEW*, 14(4), 541–558. <chrome-extension://efaidnbmninnbpcajpcglclefindmkaj/https://dergipark.org.tr/en/download/article-file/560289>
- 13) Lumunon, R. R., Sendow, G. M., & Uhing, Y. (2019). THE INFLUENCE OF WORK LIFE BALANCE, OCCUPATIONAL HEALTH AND WORKLOAD ON EMPLOYEE JOB SATISFACTION PT. TIRTA INVESTAMA (DANONE) AQUA AIRMADIDI. *Jurnal EMBA*, 7(4), 4671–4680. <https://doi.org/10.35797/jab.v7.i2.30-39>
- 14) Marsela, G., & Sari, P. A. (2024). Pengaruh Work Life Balance Terhadap Loyalitas Karyawan Pada Generasi Z Di Kota Bandung. *Journal of Innovation Research and Knowledge*, 4(4), 2249–2262.
- 15) Nadeak, F., & Simanjorang, E. F. . (2021). ANALISIS KEPUASAN KERJA, LINGKUNGAN KERJA, WORK-LIFE BALANCE DAN BUDAYA KERJA TERHADAP LOYALITAS PEGAWAI PADA BADAN PENANGGULANGAN BENCANA DAERAH (BPBD)KABUPATEN LABUHANBATU. *Jurnal Manajemen Akuntansi (Jumsi)*, 01(01), 227–238. <https://jurnal.ulb.ac.id/index.php/JUMSI/article/view/2151/1926>
- 16) Qomariah, N. (2020). *Manajemen Sumber Daya Manusia: Teori, Aplikasi dan Studi Empiris* (1st ed.). Pustaka Abadi. https://www.researchgate.net/publication/356291163_MANAJEMEN_SUMBER_DAYA_MANUSIA_Teori_Aplikasi_dan_Studi_Empiris
- 17) Rizqulloh, A. D. B., Kuncoro, W. A., Hidayati, R., & Lataruva, E. (2024). Improving Employee Performance Quality Through

The Role of Work-Life Balance in Increasing Employee Satisfaction and Loyalty

Training and Work Life Balance: Literature Review. *Research Horizon*, 4(6), 317–326.

- 18) Rondonuwu, F. A., Rumawas, W., & Asaloei, S. (2018). Pengaruh Work-life Balance Terhadap Kepuasan Kerja Karyawan Pada Hotel Sintesa Peninsula Manado. *Jurnal Administrasi Bisnis*, 7(2), 30–38. <https://doi.org/10.35797/jab.v7.i2.30-39>
- 19) Stefanie, K., Suryani, E., & Maharani, A. (2020). FLEXIBLEWORKARRANGEMENT, WORKLIFE BALANCE, KEPUASAN KERJA, DAN LOYALITAS KARYAWAN PADA SITUASI COVID-19. *JIMEA | Jurnal Ilmiah MEA (Manajemen, Ekonomi, Dan Akuntansi)*, 4(3), 1725–1750. <https://journal.stiemb.ac.id/index.php/mea/article/view/666/318>
- 20) Sugiyono. (2016). Metode Penelitian Kualitatif, Kuantitatif dan R& D. *Alfabetha Bandung*.
- 21) Thamara, S. D., & Anshori, M. I. (2024). Implementation of Work Life Balance and its Impact on Employee Retention in Systematic Literature Review. *Formosa Journal of Applied Sciences*, 3(12), 4889–4898.
- 22) Wulantika, L., & Atipah, R. N. N. (2024). Effects of Work-Life Balance and Job Burnout Towards Job Satisfaction. *Klabat Journal of Management*, 5(2), 129–141.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (<https://creativecommons.org/licenses/by-nc/4.0/>), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.