

# Transformational Leadership On Employee Engagement: The Mediation Of Work-Life Balance

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**Abstract:** Employee engagement is an effort to improve the harmonious relationship between the company and its employees. This study aims to examine the role of work-life balance in mediating the effect of transformational leadership on employee engagement. This research was conducted on employees of PT XYZ in indonesia. The results of this study indicate that work-life balance has a mediating role in the positive and significant effect of transformational leadership on employee engagement at PT XYZ Lampung. This means that the better the application of transformational leadership after being mediated by work-life balance, the employee engagement showed will be better.

**Keywords:** Transformational Leadership, Employee Engagement, Work-life Balance

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## Introduction

Employee engagement is currently an important concept for companies to achieve success. Company leaders recognize that a highly engaged workforce can increase innovation, productivity and performance, profits, while reducing costs associated with recruitment and retention in a highly competitive market (Kumar et al., 2014). Employees who have a high level of engagement will have a high emotional attachment to the organization, so that it will have an effect on completing work and tend to have a satisfactory quality of work (Schaufeli & Bakker, 2004). Employee engagement, physically, cognitively, and emotionally connected to job roles. They feel full of energy, are dedicated to achieving their work-related goals, and are often completely immersed in their work(Bakker, 2011)

Employees who have a high level of engagement will have a high emotional attachment to the organization so that it will have an effect on completing work and tend to have satisfactory work quality. A research survey on employee engagement was introduced by Gallup, an international business consulting agency. The survey results show that out of 142 countries, with around 180 million employees surveyed, only 13% of employees in the world are reported to be engaged. A survey conducted in Southeast Asia found that the Philippines is the country with the highest level of employee engagement, which is 29%.

**Table 1. South East Asia Employee Engagement Survey**

Negara	Engaged	Not Engaged	Actively Disengaged
Philippines	29%	63%	8%
Thailand	14%	84%	2%
Malaysia	11%	81%	8%
Singapore	9%	76%	15%
Indonesia	8%	77%	15%

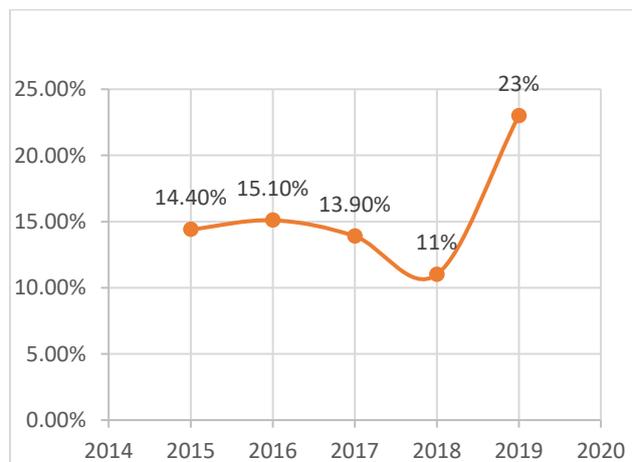
**Source: Gallup (2013)**

A survey shows that only 8% of employees in Indonesia are declared engaged (employees are psychologically committed to their work and are likely to make a positive contribution to their organization). While 77% of employees are not engaged (employees do not have the motivation and tend not to give effort in organizational goals or results). And 15% actively disengaged (employees are unhappy and unproductive at work and tend to spread negativity to coworkers).

PT XYZ is a universal bank that has a more complete business and serves a wider customer segment, from the mass market (retail) segment to the corporate segment. Human Resources is one of the keys to the growth and development of a company, including for PT XYZ. Companies that perform well will grow and develop with a focus on managing Human Resources to ensure the sustainability of the company and create competitive advantages. PT XYZ manages Human Resources with the people process concept, namely providing manpower quickly and precisely according to company needs, building and maintaining a high-performance work culture, managing talent, especially in key positions (Talent Management in Key Leadership), growing and developing engagement.

PT XYZ has realized the importance of employee engagement, that high-performance achievement will be achieved by a team that has a high work engagement. PT XYZ conducts an employee engagement survey every year, as a means to provide feedback for improving the management of industrial relations with employees. In this case, the Human Capital Unit of PT XYZ is responsible for providing rules, work processes, guidelines, and supporting infrastructure on how to develop engagement in a work team, provide an overview of the conditions of engagement in a work team, increase engagement from one condition to a better condition. The Head of the Work Unit (leader) is responsible for carrying out activities to increase engagement based on the results of the survey.

Employee engagement is an important concept for organizations, because it predicts low productivity, job satisfaction, motivation, commitment, and turnover intention (Bakker et al., 2008). One indication of low employee engagement in the company is the high turnover rate. High turnover causes the company to lose its employees. Companies need time, effort, and high costs to recruit and train new employees. The following is the percentage value (%) of PT XYZ's employee turnover in 2015 - 2019:



**Fig 1. PT XYZ Employee Turnover**

**Source: Annual Report PT XYZ**

PT XYZ employee turnover in 2019 was 23%, an increase from 11% in 2018. Based on sources, total employee turnover in 2019 was 1,795 employees. Some of the reasons for the termination of employees are the retirement of 64 employees, 9 employees died, 60 employees were laid off, and 1662 employees resigned or other causes. Engaged employees not only contribute more but are also more loyal and therefore less likely to voluntarily leave the organization. The data shows that the level of employee engagement at PT XYZ is still low.

One of the factors that can increase engagement is behavior that shows support and motivation. Support and motivation in work can be given by a leader to his subordinates. Employee engagement cannot be separated from how the leadership style is applied by a leader. Several studies have investigated how and why employees are engaged in the workplace and found that leadership style is an underlying factor. Transformational leadership encourages followers to address their own interests, provide feedback, set/high performance standards; helping followers to be more creative and innovative; and paying attention to follower needs (Buil et al., 2019). They also motivate followers to achieve performance beyond expectations by changing followers' attitudes, beliefs, and values (Rafferty & Griffin, 2004). Transformational leadership enables companies to improve their performance in an ever-changing and unpredictable environment. Transformational leadership is one of the more effective leadership styles to encourage positive behavior in the roles and roles of extra employees. Based on the results of previous studies, it significantly shows that transformational leadership is positively related to employee engagement (Monje Amor et al., 2020).

The high demands of bank employees make employees exhausted and spend more than a third of their time working. The increasing number of demands from family and demands from work can trigger the emergence of a conflict, conflict arises when one role requires time and complex behavior and results in the difficulty of fulfilling the needs of other roles (Goñi-Legaz et al., 2010).

Work-life balance is about how employees balance work demands with other demands such as family, hobbies, and community life (Fisher et al., 2009). Employees who can fulfill responsibilities at work, family, and can fulfill responsibilities in other activities in a balanced manner, it is certain that these employees have a good level of work-life balance. Transformational leadership will strengthen the effect of employee work-life balance on employee organizational commitment.

According to previous research, when employees experience work-life balance, it results in a better job and overall satisfaction, higher levels of commitment to the organization, and reduced turnover intentions. When employees can balance their work and personal lives, it can have positive consequences for both the employee and the company. The ability of employees to achieve work-life balance with organizational support leads to higher employee engagement, greater commitment, and better job performance (Jaharuddin & Zainol, 2019).

## **II. LITERATURE REVIEW AND HYPOTHESES**

### **A. Transformational Leadership**

A transformational leader convinces subordinates to strive for a higher level of potential, along with higher moral and ethical standards (Bass et al., 2003). Transformational leaders are measured in terms of their influence on their followers. The followers of transformational leaders feel trust, admiration, loyalty, and respect for the leader because this leader is willing to work harder than originally expected. According to Bass and Avolio (2003), transformational leadership contains four dimensions referred to as "The Four I's", namely Idealized Influence, Inspirational Motivation, Intellectual Stimulation and Individualized Consideration, which are explained as follows:

#### **1. Idealized influence**

Transformational leaders behave as leaders who can be used as role models by their subordinates. These leaders are admired, respected, and trusted by their subordinates. Subordinates want to resemble and identify themselves with their superiors. This dimension is divided into two sub-dimensions consisting of attributes (attributes) and behavior (behavior). The attribute sub-dimension has an understanding of the leader's ability to gain recognition, appreciation, and trust from his subordinates. The behavioral sub-dimension has an understanding of leader behavior that can bring out the identification behavior of subordinates towards their leaders

#### **2. Inspirational Motivation**

Transformational leaders behave as motivators and inspirations in the eyes of subordinates, namely by giving meaning and challenges to the work of their subordinates. Individual and team spirit is raised. Enthusiasm and optimism are also displayed. The leader encourages subordinates to realize the most favorable situation in the future. The leader also clearly conveys the expectations to be achieved so that subordinates are encouraged and committed to making it happen.

#### **3. Intellectual Stimulation**

Transformational leaders stimulate subordinates to be innovative and creative by questioning assumptions, remapping problems, and taking new approaches to old situations. Leaders support the emergence of creativity in subordinates. The mistakes of subordinates are not used as a subject of ridicule and criticism in public. New ideas and creative solutions to solve problems arising from subordinates by involving subordinates in the process of determining and solving problems. This

type of leader encourages subordinates to try new approaches, respecting subordinates' input and ideas, including differences in views and criticism.

#### **4. Individualized Considerations**

Transformational leaders pay special attention to each subordinate's need for achievement and development, by acting as a facilitator or mentor. Subordinates are encouraged to achieve higher potential levels on an ongoing basis. Leaders create new learning opportunities in a supportive climate for subordinates to develop. In addition, this kind of leader recognizes the differences in the individual needs and desires of each subordinate.

#### **B. Work-life Balance**

Hudson (2005) describes work-life balance as the level of satisfaction or suitability between various roles in human life. Individuals can be said to have achieved work-life balance if they can carry out family demands and work demands in equal portions, where individuals have the same time, satisfaction, and involvement regardless of various kinds of work demands and family demands (Greenhaus et al., 2003). This balance as a tendency to be fully involved in every role that exists in an individual's life, and carry out each existing role with full attention (Greenhaus et al., 2003). Work-life balance is defined as an effort made by an individual to balance the two roles that are being carried out (Fisher et al., 2009). According to Fisher, Bulger, and Smith (2009), work-life balance has 4 forming dimensions:

##### **1. Work Interference with Personal Life (WIPL)**

This dimension refers to the extent to which work can interfere with an individual's personal life. For example, work can make it difficult for a person to manage time for his personal life.

##### **2. Personal Life Interference with Work (PLIW)**

This dimension refers to the extent to which an individual's personal life interferes with his work-life. For example, if the individual has problems in his personal life, this can interfere with the individual's performance at work.

##### **3. Personal Life Enhancement of Work (PLEW)**

This dimension refers to the extent to which a person's personal life can improve individual performance in the world of work. For example, if the individual feels happy because his personal life is pleasant, then this can make the individual's mood at work pleasant.

#### **4. Work Enhancement of Personal Life (WEPL)**

This dimension refers to the extent to which work can improve the quality of an individual's personal life. For example, the skills acquired by individuals at work allow individuals to utilize these skills in everyday life.

#### **C. Employee Engagement**

To define engagement, some researchers use different terms, some researchers use the term employee engagement and some use the term work engagement. Employee engagement and work engagement have the same forming aspects and characteristics, namely vigor, dedication, and absorption (Tripathi & Sharma, 2016). The theory used in this study is the theory of employee engagement according to Schaufeli and Bakker (2004) by emphasizing the existence of vigor, dedication, and absorption in understanding engagement. According to Schaufeli & Bakker (2004), there are 3 dimensions in employee engagement:

##### **1. Vigor**

It is an employee's attachment that is shown through his physical and mental strength when doing work. Vigor is characterized by a high level of mental strength and resilience at work, optimal energy, the courage to make every effort, desire, willingness, and willingness to try seriously in work to be able to provide maximum results in any given job, keep persistent, not easy to give up, enthusiastic and continue to persevere in the face of adversity.

##### **2. Dedication**

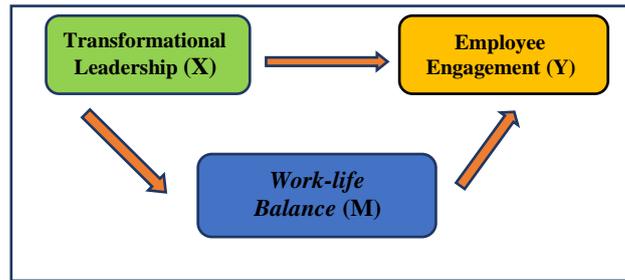
It is an employee's emotional attachment to his job. Dedication describes the enthusiastic feeling of employees at work, being proud of the work they do and the company they work for, staying inspired, and remaining diligent until the end of the company without feeling threatened by the challenges they face. People who score high on dedication strongly identify with their work because it makes it a rewarding, inspiring, and challenging experience. They usually feel enthusiastic and proud of their work and organization. While a low score on dedication means that they do not identify with their work because they do not have a meaningful, inspiring, or challenging experience, moreover they feel unenthusiastic and proud of their work and organization.

##### **3. Absorption**

Employee engagement is described by the behavior of employees who give full attention to their work. Absorption describes the state of employees who feel happy that they are totally immersed,

highly concentrated, and serious in doing their work. While doing their job, they tend to make time pass so quickly that they find it difficult to detach or separate from work.

Based on the theoretical basis and previous research, in this study it is estimated that transformational leadership affects employee engagement and work-life balance as mediating variables with the following framework:



**Fig 2. Research Framework**

Based on the framework, this research has 4 hypotheses that describe the relationship between research variables. The hypothesis is as follows:

**Hypothesis 1:**

H<sub>1</sub> : Transformational leadership has a positive and significant effect on employee engagement.

**Hypothesis 2:**

H<sub>2</sub> : Transformational leadership has a positive and significant effect on work-life balance.

**Hypothesis 3:**

H<sub>3</sub> : Work-life balance has a positive and significant effect on employee engagement.

**Hypothesis 4:**

H<sub>4</sub> : Work-life balance mediates the positive and significant effect of transformational leadership on employee engagement

**III. RESEARCH METHOD**

This research is a causality study that proves a cause-and-effect relationship or a relationship between influencing and being influenced. Causal research is a research design with the main objective of proving a cause-and-effect relationship or a relationship affecting and being influenced by the variables studied.

### **Sample**

The object of this research was the total 107 employees of PT XYZ Bandar Lampung Branch, PT XYZ Pringsewu Branch, and PT XYZ Kotabumi Branch.

### **Research Variable**

#### **Transformational Leadership Measurement**

The measuring tool used to measure the level of transformational leadership in this study is the Multifactor Leadership Questionnaire (MLQ) 5X which consists of 21 items, developed by Bass and Avolio, which is formed from the dimensions of idealized influence (attributed and behavioral), inspirational motivation, intellectual stimulation, individualized consideration (Bass et al., 2003).

#### **Work-life Balance Measurement**

The measuring instrument used to measure the level of work-life balance in this study is the Work-life Balance (WLB) scale developed by Fisher, Bulger & Smith. This scale consists of 17 items formed from the dimensions of Work Interference with Personal Life (WIPL), Personal Life Interference with Work (PLIW), Personal Life Enhancement of Work (PLEW), and Work Enhancement of Personal Life (WEPL)(Fisher et al., 2009).

#### **Employee Engagement Measurement**

The measuring instrument used to measure the level of employee engagement in this study is the Utrecht Work Engagement Scale (UWES) developed by Schaufeli and Bakker. This scale consists of 17 items formed from the dimensions of employee engagement, namely vigor, dedication and absorption (Schaufeli & Bakker (2004)).

### **Analysis Methods**

The data analysis method used is the Structural Equation Modeling (SEM) method. The software used for structural analysis in this research is AMOS (Analysis of Moment Structure). SEM uses a matrix or presents equations for structural models or is shortened to structural equations (structural equations), and equations for measurement models or shortened to measurement equations.

Structural equations in SEM are formulated to express causality between various constructs. The measurement model specification equation determines which variables measure which constructs, and determines a set of matrices showing the hypothesized correlations between constructs or variables. After obtaining a valid and stabilized measurement model through a number of stages, the next step is to evaluate the structural relationship between one construct and another according to the theoretical model.

- Establish a structural model
- Evaluating the structural model
- Test the structural relation hypothesis

#### **IV. Result**

##### **A. Frequency Distribution of Respondents' Answers**

Research collected data by distributing questionnaires using google Docs to 107 employees of PT XYZ Lampung. Responses were obtained in the questionnaire which was divided into five levels of alternative answers arranged in stages by assigning a weighted value based on the Likert scale.

##### **B. Analysis Prerequisite Test**

The analysis prerequisite test is carried out to test whether the data used is feasible for further analysis, where the analysis prerequisite test consists of a normality test, validity test, and reliability test (Sugiyono, 2018).

###### **1) Normality Test**

The test tool used is the Kolmogorov-Smirnov normality, this aims to reduce the standard error rate and find out whether the data to be used in the regression model is normally distributed or not. Based on the results of the analysis, data from all variables have an AsympSig value of 0.002 where the significance value is below 0.05 which indicates that the data from all variables have a normal distribution.

###### **2) Validity and Reliability Test**

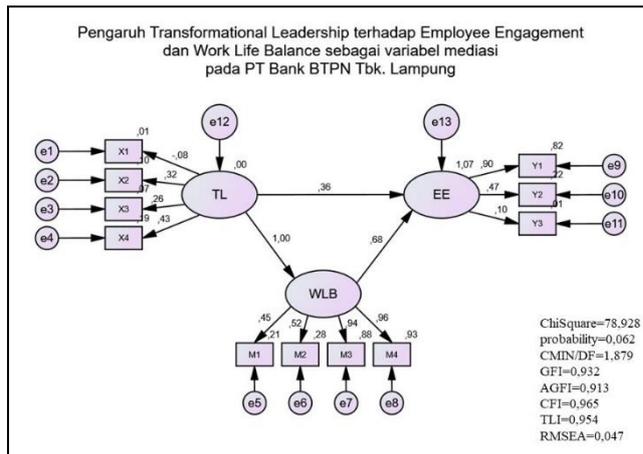
This test is done by asking the questions of the questionnaire given to the respondents. After getting data from respondents then. According to (Ketchen, 2013), factor analysis is carried out in several stages:

- Test the correlation between independent variables using the Bartlett Test of Sphericity or Measure Sampling Adequacy (MSA). The Kaiser-Meyer Olkin Measure of Sampling Adequacy (KMO MSA) value is greater than 0.50 which is 0.703. This indicates that the existing data is feasible for factor analysis, while the results of Bartlett's Test of Sphericity test obtained a significance level of 0.000, which means that there is a correlation between variables (significance < 0.05), thus it can be concluded that all questions in the questionnaire can be declared valid.
- Measuring partial correlation. Based on the results of the MSA, all indicators and samples used are declared valid and allow for further analysis.
- Measuring explanation by factor. The explanation of the variable by factor is how much the factor that will be formed can explain the variable (Ketchen, 2013). Based on the findings, each statement can explain the variables in this study above 0.5 or above 50%. Because the average of each indicator can explain the variables above 50%, all the sample data used can be declared valid and allow for further analysis.

The reliability test on 11 indicators of the 3 tested variables can be seen from the output of Reliability Statistics, the value of Cronbach's alpha for all variables has a value between 0.7 - 0.9. According to Sugiyono (2018), if the reliability value is less than 0.6, it is declared unfavorable, while 0.7 is acceptable and 0.8 is declared good. From the results of the study, it was found that all the Cronbach alpha values on the variables were greater than 0.8, thus all the instruments used to describe all the sub-variables could be declared reliable or reliable.

### **C. The Analysis Of Structural Equation Modeling (SEM)**

Employee engagement of PT XYZ Lampung employees based on an individual approach to employees of PT XYZ Lampung describes the level of involvement of PT XYZ Lampung employees in working with the application of transformational leadership variables and mediated by work-life balance variables. To analyze the level of employee involvement in PT XYZ Lampung, it is done by testing the transformational leadership variable mediated by the work-life balance variable. The results of Structural Equation Modeling (SEM) are presented in Figure 4.1. Based on Figure 4.1, it can be seen that the coefficient values of the estimating variables are thought to affect the level of employee engagement of PT XYZ Lampung employees.



**Fig 3. Structural Equation Modelling (SEM)**

The size of the suitability of the entire model of the variables of this study can be described in the structural model. This model is used to prove that the indices involved in this calculation are appropriate to describe the effect of employee attitudes of PT XYZ Lampung on employee engagement of PT XYZ Lampung employees by applying transformational leadership and mediated by work-life balance. To test the suitability of the model can be seen in Table 2 below.

**Table 2. Goodness of Fit Test**

No	Pengukuran	Nilai	Indikator	Kecocokan Model
1	Chi Square	78,928	$\leq 80.0968$ (Chi square for df = 105 with $\alpha = 0,05$ )	Model Fit
2	Probability	0,062	Probability > 0,05	Model Fit
3	RMSEA (Root Mean Square Error of Approximation)	0,047	RMSEA $\leq 0,05$ close fit	Close Fit
			$0,05 \leq \text{RMSEA} \leq 0,08$ marginal fit	
			$0,1 \leq \text{RMSEA}$ poor fit	
4	ECVI (Expected Cross – Validation Index)	12,003	Best fit if the ECVI value is closer to the ECVI value for the saturated model	Best Fit
		Saturated = 11,178		
		Independence = 39,167		
5	AIC (Akaike Information Criterion)	521,743	Best fit if the AIC value is closer to the AIC value for the saturated model	Best Fit
		Saturated = 143,597		

		Independence = 1241,820		
6	NFI (Norm Fix Index)	0,953	$0,9 \leq \text{NFI}$ good fit	Good Fit
			$0,8 \leq \text{NFI} \leq 0,9$ marginal fit	
7	CFI (Critical of Fit Index)	0,965	$\text{CFI} > 0,9$	Model Fit
8	GFI (Goodness of Fit Index)	0,932	$\text{GFI} > 0,9$	Model Fit
9	AGFI (Adjusted GFI)	0,913	$\text{AGFI} > 0,9$	Model Fit

Based on table 2, it can be concluded that the Structural Equation Modeling (SEM) model can be used as an alleged employee engagement model for PT XYZ Lampung employees. This is because the overall indicators of the Goodness of Fit measurement show that this model is good and can be used to test the proposed hypothesis.

#### D. Hypoteses Test

The four hypotheses will be tested based on the T-Value value and the coefficient value of each variable. Discussion of the results of this study can be seen in the following explanation.

##### 1) The Effect of Transformational Leadership on Employee Engagement

Coefficient and T-Value values state the relationship between transformational leadership and employee engagement. The transformational leadership variable can positively affect employee engagement by 0.356. T-Value value of  $4.317 > 1.96$  (T-Value value for SEM model significance = 0.05), with a significance value of 0.000 or more than 99.9%, it can be stated that hypothesis I is supported, namely transformational leadership has a positive influence and significant to employee engagement. The higher the application of transformational leadership, the higher the employee engagement shown by PT XYZ Lampung's employees

##### 2) The Effect of Transformational Leadership on Work-life Balance

Coefficient and T-Value values state the relationship between transformational leadership and work-life balance. The transformational leadership variable can positively affect work-life balance by 0.998. The T-Value value is  $5.986 > 1.96$  (the T-Value value for the significance of the SEM model = 0.05), with a significance value of 0.000 or more than 99.9%, it can be stated that hypothesis II is supported, namely transformational leadership has a positive influence and significant to work-life

balance. The higher the application of transformational leadership, the work-life balance of PT XYZ Lampung's employees will be higher.

### **3) The Effect of Work-life Balance on Employee Engagement**

Coefficient value and T-Value states the relationship between work-life balance and employee engagement. The work-life balance variable can positively affect employee engagement by 0.679. T-Value value 2,317 > 1.96 (T-Value value for SEM model significance = 0.05), with a significance value of 0.024 or 97.6%, it can be stated that hypothesis III is supported, namely work-life balance has a positive and significant effect on employee engagement. The higher the work-life balance of the employees of PT XYZ Lampung, the higher the employee engagement shown by the employees of PT XYZ Lampung.

### **4) The Effect of Work-life Balance Mediation Role on Transformational Leadership and Employee Engagement**

Coefficient and T-Value value state the relationship between transformational leadership and employee engagement mediated by work-life balance. The transformational leadership variable can positively affect employee engagement by 0.356.

## **V. Discussion**

### **A. The Effect of Transformational Leadership on Employee Engagement**

The results of hypothesis testing I show that transformational leadership has a positive and significant impact on employee engagement at PT XYZ Lampung. The findings in this study are supported by previous research conducted by Gameda and Lee (2020)(Gameda & Lee, 2020), Li et al (2020)(Li et al., 2021), Amor et al (2020)(Monje Amor et al., 2020), Panigrahy (2018)(Jena et al., 2018) and Besieux et al (2018)(Besieux et al., 2018) where the research also shows transformational leadership has a positive and significant influence on employee engagement. The results of the qualitative research show that the average transformational leadership score is 3.9223. The results of this qualitative study indicate that transformational leadership is seen as the type of leadership that is appropriate to be applied at PT XYZ Lampung. The leaders of PT XYZ Lampung mostly apply idealized influence behavior where the leader behaves as a leader who can be used as a role model by his subordinates, the leader is admired, respected and trusted by his subordinates. Leaders also mostly apply inspirational motivation where the leader behaves as a motivator and inspiration in the eyes of subordinates. The leaders of PT XYZ Lampung also mostly apply intellectual stimulation

behavior where the leader stimulates the performance of subordinates to be innovative and creative.

The results of the qualitative research also show that most of the leaders of PT XYZ Lampung apply individual consideration behavior where the leader pays special attention to the needs of their subordinates to excel and develop by acting as a facilitator or mentor, but individualized consideration is the indicator with the lowest score in the transformational leadership variable, where there are employees who feel that the leadership of PT XYZ Lampung does not appreciate the contributions made by employees. The implication of this research is that transformational leadership is one of the factors that influence employee engagement. The better the application of transformational leadership, the higher the employee engagement shown by PT XYZ Lampung employees.

#### **B. The Effect of Transformational Leadership on Work-life Balance**

The results of hypothesis testing II show that transformational leadership has a positive and significant influence on the work-life balance of PT XYZ Lampung employees. The findings in this study are supported by previous research conducted by Oladele et al (2016)(Oladele et al., 2016) where the study also showed transformational leadership had a positive and significant influence on work-life balance. The results of the qualitative research show that the average work-life balance score is 3.81. The results of this qualitative study indicate that although work-life balance is the variable with the lowest average score in this study, this indicates that work-life balance is applied quite well at PT XYZ Lampung. PT XYZ employees are able to balance work interference with personal life (WIPL) and personal life interference with work (PLIW) where work and personal life are applied in a balanced manner.

The results of the qualitative research also show that PT XYZ employees are able to balance personal life enhancement of work (PLEW) and work enhancement of personal life (WEPL) where personal life and work can enhance each other's performance, however WEPL is the indicator with the lowest score in the work-life variable. balance, where there are employees who feel that they are in a bad mood at work because work does not support their personal life activities. The implication of this research is that transformational leadership is one of the factors that affect work-life balance. The better the application of transformational leadership, the work-life balance shown by PT XYZ Lampung employees will be higher.

### **C. The Effect of Work-life Balance on Employee Engagement**

The results of hypothesis testing III show that work-life balance has a positive and significant effect on employee engagement at PT XYZ Lampung. The findings in this study are supported by previous research conducted by Haar et al (2017)(Haar et al., 2017), Luan Nguyen Dinh (2020)(Dinh, 2020) and Brauner et al (2019) (Brauner et al., 2019) where the research also shows that work-life balance has a positive and significant effect on employee engagement. . The results of the qualitative research show an average employee engagement score of 3.8767. The results of this qualitative study indicate that employee engagement is implemented quite well at PT XYZ Lampung. PT XYZ Lampung employees mostly apply vigor behavior, where employees have an attachment to the company which is shown through their physical and mental strength when doing work, but vigor is the indicator with the lowest score where there are employees who feel that they do not feel strong and energetic doing their work.

The results of the qualitative research also show that most of the employees of PT XYZ Lampung also have dedication, it can be seen that most of the employees of PT XYZ Lampung have feelings of enthusiasm and pride in their work and organization. And most of the employees of PT XYZ Lampung also have an absorption nature, namely employees will be serious in doing their work and give full attention to their work. The implication of this research is that work-life balance is one of the factors that affect employee engagement. The higher the work-life balance of the employees of PT XYZ Lampung, the higher the employee engagement shown by the employees of PT XYZ Lampung will be.

### **D. The Effect of Work-life Balance Mediation Role on Transformational Leadership and Employee Engagement**

The results of the hypothesis test IV indicate that work-life balance has a mediating role in the positive and significant effect of transformational leadership on employee engagement of PT XYZ Lampung employees. The findings in this study are supported by previous research conducted by Buil et al (2019)(Buil et al., 2019) and Haar et al (2017) (Haar et al., 2017) where the research also shows that work-life balance has a mediating role in the positive and significant influence of leadership on employee engagement at PT XYZ Lampung. The higher the application of transformational leadership after being mediated by work-life balance, the higher the employee engagement shown by PT XYZ Lampung employees will be.

## **VI. CONCLUSION**

Based on the results, it can be concluded that work-life balance has a mediating role in the positive and significant influence of transformational leadership on employee engagement of PT XYZ Lampung employees. This means that the better application of transformational leadership after being mediated by work-life balance, the employee engagement showed by PT XYZ Lampung employees will be better.

Some suggestions based on the results of respondents' statements regarding the assessment of the lowest indicator in the transformational leadership variable, it is expected that the leaders of PT XYZ Lampung can appreciate every contribution made by employees and give a positive attitude towards employee achievements. Giving rewards for maximum achievements, while achievements that have not been maximized can be used as opportunities to learn and develop, Referring to the results of respondents' statements regarding the assessment of the lowest indicator in the work life balance variable, it is expected that the leaders of PT XYZ Lampung will formulate various policies that help employees realize work life balance. The company aligns the obligations of employees as workers with the lives of employees as individuals, such as employees having good working time management, providing employee facilities for exercising, holding activities related to employee hobbies, with the aim that employees can display the best performance and potential in employees. Based on the results of respondents' statements regarding the assessment of the lowest indicator in the employee engagement variable, it is expected that PT XYZ Lampung can further instill the concept that employees are part of the company, where ideas and work results of employees are important for the progress of the company. When employees are engaged, employees will understand well their duties and roles in the company, physical and mental strength will appear, and positive employee contributions will have an impact on achieving high performance at PT XYZ Lampung.

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