

CHAPTER I

INTRODUCTION

A. Research Background

In recent years, the world of work has undergone a very significant change in the trend of how to work now. There has been much discussion about employee expectations of the employer's role in managing the dual demands of work and life. Managers' decisions and organizational culture will have a profound impact on employee well-being, employee engagement and social relationships.¹

Attention is now focused on employee wellbeing and work-life balance. This is not just a trend; it is a deep recognition that the health and happiness of employees is closely linked to the success and vitality of an organization. As progress is made, the traditional boundaries between work and personal life are blurring, giving rise to a new paradigm where employees expect support to achieve balance in their lives.²

Table 1 Global Employee Wellbeing by Mind space 2023

Aspects	% Respondents
Employees who expect supervisor support in maintaining work-life balance	82%
Employees who think flexible working hours have a big impact on their well- being	43%
Employees who want more holidays to improve their well-being	33%
Free nutritious healthy meals	24%
Employees who cite work location flexibility as a key factor	21%
Employees who choose better health insurance and physical facilities such as a workplace gym as a top need	16%

Source: Carrier Management, (accessed 23 January, 2025).

¹ Erin Seaverson, '2024 Employee well-being trends', WebMD HealthServices, 2023 <<https://www.webmdhealthservices.com/blog/2024-well-being-trends/#close>> [accessed 23 January 2025].

² Asha A, 'Top performance management trends that will shape work in 2024.', engage for success, 2024 <<https://engageforsuccess.org/performance-management/top-performance-management-trends-that-will-shape-work-in-2024/>>.

There has been a growing need to strengthen employee well-being, particularly in the area of work–life balance, where employees increasingly expect tangible support from their organizations. Recent insights from a global employee well-being survey conducted by Mindspace underscore this trend, revealing that 82 percent of employees expect their employers to play an active role in helping them maintain a healthy balance between work and personal life. The survey, which gathered responses from 2,000 office workers across several countries in Europe and the Americas, aimed to capture current employee perceptions of workplace well-being initiatives. From these findings, 43 percent of respondents identified flexible working hours as the most impactful factor in supporting employee well-being. In addition, 21 percent emphasized flexibility in work location, 24 percent pointed to free healthy meals, 33 percent highlighted the importance of additional vacation days, 16 percent valued improved health insurance, and others cited physical amenities such as on-site gyms as meaningful forms of support.³

Having a well-being-first employer is an important factor when individuals are choosing a new job or deciding to stay in their current workplace, as well as recognizing the concrete steps employers can take to support employee well-being. This is a clear call for organizations to reflect on their approach to Employee Performance and build a workplace culture that values and nurtures the well-being of their workforce.⁴

Imagine a work environment where employees are not just components in a machine, but vibrant members of a community. In such a place, the atmosphere is filled with a sense of purpose, and the rhythm of productivity is harmonized with moments of rest and refreshment. From flexible working hours to remote working options, organizations are implementing a variety of initiatives to create a culture of balance and satisfaction.⁵

³ Inc Wells Media Group, ‘*Survey finds 82% of employees worldwide expect employers to support work-life balance*’, carrier management, 2023 <<https://www.carriermanagement.com/news/2023/09/18/253316.htm>> [accessed 23 January 2025].

⁴ Wells Media Group. Ibid

⁵ Asha A., loc. Cit. <<https://engageforsuccess.org/performance-management/top>

Many organizations unlock multiple benefits by prioritizing employee well-being and work-life balance. Productivity can increase when individuals feel valued and supported, creativity can flourish, and employee retention becomes a natural consequence of a culture that puts people first, not just profits.⁶

These statistics challenge conventional norms in work culture, where fatigue and stress were previously considered a sign of honors.⁷ This phenomenon has also occurred in the health sector, which has high work pressure, especially during extreme times such as the Ebola, SARS, and COVID-19 crises. These crises force health workers to provide extraordinary dedication.⁸

In many hospitals, there are still many healthcare workers who experience work-life imbalance. Factors such as long working hours, schedule uncertainty, increased workload, and the emotional stress of dealing with constant patients can affect overall employee engagement, ultimately impacting individual and organizational performance.⁹

The impact of this imbalance is even broader, as prolonged stress often reduces employees' emotional and cognitive attachment to their work. This highlights the important intersection between work-life balance and employee engagement, where challenges in maintaining balance begin to manifest as a decline in commitment and motivation in the workplace, which are key factors in organizational performance, particularly in the healthcare sector. Alongside this, an article shows that employee engagement has a direct impact on employee performance in organizations, especially in complex work contexts

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⁶ Asha, loc. Cit. <<https://engageforsuccess.org/performance-management/top-performance-management-trends-that-will-shape-work-in-2024/>>.

⁷ Asha A., loc. Cit. <<https://engageforsuccess.org/performance-management/top-performance-management-trends-that-will-shape-work-in-2024/>>.

⁸ Mohammad Eqbal Rizaie and others, 'The Role of Organizational Citizenship Behavior and Patriotism in Sustaining Public Health Employees' Performance', *Frontiers in Psychology*, 13.January (2023), pp. 1–13, doi:10.3389/fpsyg.2022.997643.

⁹ Asha, loc. Cit. <<https://engageforsuccess.org/performance-management/top-performance-management-trends-that-will-shape-work-in-2024/>>.

such as healthcare. Engaged employees show higher levels of commitment to the organization, which in turn increases work efficiency and produces higher quality outputs. A key issue is the link between high stress in the workplace and decreased employee engagement, which leads to decreased organizational performance. In the hospital sector, this is often exacerbated by long working hours and high pressure, which can reduce employee motivation and commitment to their work.¹⁰

Employee engagement is a very important element in improving performance and service quality in hospitals. In the context of healthcare, employee engagement not only impacts patient satisfaction, but also the mental and physical health of medical staff. However, many hospitals face various challenges. These challenges are in creating a work environment that supports this engagement. One of the main problems is the lack of an effective Employee Performance system, which can prevent employees from contributing to their maximum potential.¹¹ A Research suggests that organizational Citizenship Behavior can serve as a mediating variable linking employee engagement with better performance outcomes as well. When employees feel engaged, they tend to exhibit positive Behaviors in supporting colleagues and improving collaboration, which in turn contributes to better Employee Performance in that hospital. Therefore, it is essential for hospital management to develop a number of strategies that promote employee engagement. These strategies include training, recognition of achievements, and transparent communication, in order to create a productive and patient-oriented work culture.¹²

In this regard, Organizational Citizenship Behavior (OCB) serves as an important mediator that strengthens the link between employee engagement and organizational performance, particularly when faced with high work pressure.

¹⁰ Cybage, loc. Cit. '*Optimizing Employee Engagement through Work-Life Balance: An HR's Guide.*', Gratifi, 2024 <<https://www.gratifi.com/blog/optimizing-employee-engagement-through-work-life-balance/>>.

¹¹ Nilotpal M Saharia, 'Employee Engagement in Healthcare: Trends, Challenges, and Strategies for Success', VANTAGECIRCLE, 2025 <<https://www.vantagecircle.com/en/blog/employee-engagement-in-healthcare-industry/>> [accessed 1 April 2025].

¹² Rizaie, loc. Cit.

By highlighting the importance of maintaining work-life balance, especially in a high-stress sector such as hospitals, it is hoped to show how a more holistic approach to employees can build better Organizational Citizenship Behavior and contribute to improved employee performance.¹³

Studies in the healthcare sector reveal that factors such as role clarity, emotional support, and a supportive organizational culture can enhance OCB. This, in turn, contributes to improved operational efficiency as well as improved service quality for patients. For example, research conducted in hospitals in China showed that OCB significantly contributed to improving employee performance in the healthcare sector, especially when facing challenges arising from the public health crisis.¹⁴

Table 2 Study Results in The Chinese Public Health Sector 2022

Aspects	Research Results
Employees who feel engaged at work	74% shows improved performance
OCB contribution to performance	38% of total performance is improved through OCB
The mediating effect of OCB on engagement	Increase engagement up to 26% higher
Respondents in the health sector study	541 public health workers in China

Source: Rizaie, M. E., Horsey, E. M., Ge, Z., & Ahmad, N. (2023).

On the other hand, Gratifi's article Optimizing Employee Engagement through Work-Life Balance: An HR's Guide also shows that companies that implement policies to support employee well-being and work-life balance tend to see an increase in employee engagement, which in turn can improve overall employee performance.¹⁵

Yasyfin Darussalam Gontor Hospital is a health facility owned by Islamic Boarding School Darussalam Gontor (PMDG) and began operating in early 2022, as for the purpose of building this hospital to provide health services

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¹³ Md Aftab Uddin, Monowar Mahmood, and Luo Fan, 'Why individual employee engagement matters for team performance?: mediating effects of employee commitment and organizational citizenship behaviour', *team employee performance*, 25.1–2 (2019), pp. 47–68, doi:10.1108/TPM-12-2017-0078.

¹⁴ Rizaie, loc. Cit.

¹⁵ Cybage. <<https://www.gratifi.com/blog/optimizing-employee-engagement-through-work-life-balance/>>

for students, teachers, the general public around PMDG.¹⁶ The history of Yasyfin Hospital began with the Santri and Community Health Centre or *Balai Kesehatan Santri dan Masyarakat* (BKSM) and the mother and Child Health Centre or *Balai Kesehatan Ibu dan Anak* (BKIA) which then improved into a type D Hospital as an effort to facilitate teachers, students and the community around PMDG to get health services.¹⁷

Yasyfin Gontor Hospital as a new Islamic hospital certainly has its own challenges to develop its organization, especially to develop a strong and positive organizational culture that is based on Islamic teachings. A healthy work culture consists of many vital components that forge together to produce a proficient workforce. Management is then required to balance both work and personal lives of the employees to meet urgent needs of care as well as Islamic teachings which preach moderation (*wasathiyah*) and well-being (*'afiyah*). Additionally, when discussing the quality-of-service provision (delivery of service), being the face of the customer, employee administration becomes critical and should be systematically articulated to address, measure and improve the quality of services of health delivered to professional and ethical Islamic standard.

This situation offers a great opportunity to investigate the contribution of work-life balance, and employee engagement to employee performance at Yasyfin Gontor Hospital, where OCB served as a mediating variable. As a Muslim institution, Yasyfin Gontor Hospital stresses that work should be pursued not only to achieve professional excellence, but also must carry a blessing (*barakah*) and *amanah*, entrusted by Allah SWT. Consequently, embedding Islamic values within employee management practices is expected to enhance employee performance, foster greater loyalty, and encourage proactive contributions beyond formal job responsibilities, in accordance with

¹⁶ Humas, '*RS Yasyfin Darussalam segera beroperasi*', Pondok Modern Darussalam Gontor, 2021 <<https://gontor.ac.id/rs-yasyfin-segera-mulai-beroperasi/>> [accessed 23 January 2025].

¹⁷ 'RS Yasyfin Darussalam Gontor', *RS. Yasyfin* <<https://rsyasyfin.com/>> [accessed 23 January 2025].

the principle of *ihsan* (striving for excellence).

B. Research Questions

Based on the research background that has been determined, several problems can be formulated as follows:

1. Do work-life balance and employee engagement have a significant influence on employee performance and organizational citizenship behavior at Yasyfin Gontor hospital?
2. Does organizational citizenship behavior as a significant mediating variable influence work-life balance on employee performance at Yasyfin Gontor hospital?
3. Does organizational citizenship behavior as a significant mediating variable influence employee engagement on employee performance at Yasyfin Gontor hospital?

C. Research Objectives

Based on the research questions that have been proposed, the objectives of this research are:

1. To analyze the influence of work-life balance and employee engagement on employee performance and organizational citizenship behavior at Yasyfin Gontor Hospital.
2. To examine the influence of organizational citizenship behavior in mediating the work-life balance and employee performance at Yasyfin Gontor Hospital.
3. To examine the influence of organizational citizenship behavior mediating the employee engagement and employee performance at Yasyfin Gontor Hospital.

D. Research Benefit

This research is expected to provide many benefits for various parties, including:

1. Provide new insights and scientific literature that can be used as additional

references for subsequent researchers in the same or related fields.

2. Provide input and consideration for related hospital agencies in formulating directions or policies related to work-life balance, employee engagement and organizational citizenship Behavior so that it can be used to create a supportive work environment so that increased Employee Performance and quality of health services.
3. Provide awareness for employees about the importance of maintaining a balance between work and their personal lives in order to build a healthy and productive work culture.

