

THE INFLUENCE OF WORK-LIFE BALANCE ON EMPLOYEE SATISFACTION AND PERFORMANCE IN BANKS (CASE STUDY OF BSI KCP MEDAN ADAM MALIK)

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Article history: received 13 August 2024; revised 21 August 2024; accepted 21 September 2024

DOI: <https://doi.org/10.33751/jhss.v8i2.10740>

Abstract. Human resources are resources that play an important role in achieving company goals. Good human resource management will have a positive impact on the company concerned. This research was conducted to determine the effect of Work- Life Balance on job satisfaction and employee performance at Bank BSI KCP Medan Adam Malik. This type of research is explanatory research, which focuses on explaining the relationship between variables, namely the independent variable, namely work-life balance (X), the dependent variable, namely job satisfaction (Y1) and employee performance (Y2). The respondents in this research were all 36 employees of Bank BSI KCP Medan Adam Malik. The data collection method was carried out through distributing questionnaires as a primary source and literature study as a secondary source. Based on the research results, it can be concluded that work-life balance has a significant effect on job satisfaction and work-life balance has an effect on the performance of Bank BSI KCP Medan Adam Malik employees. Apart from that, work-life balance influences employee performance through job satisfaction of Bank BSI KCP Medan Adam Malik employees.

Keywords: work-life balance, job satisfaction, employee performance

I. INTRODUCTION

To achieve its objectives, the company therefore needs top-notch human resources. Companies usually assign goals to their employees, with a deadline for completion. According to Sutrisno (2010), employees who lack the necessary skills to deal with the demands of globalization frequently view their positions as a burden. They consider their jobs to be duties and commitments. The final need is that a person's work must not be meaningful to them; employees who view their jobs as a burden are viewed as having a weak work ethic. Human resource management is crucial for businesses to effectively, efficiently, and profitably manage, organize, handle, and employ their human resources in order to achieve their goals. 2010 saw Sagalay and Rivai. According to Wibowo (2016:17), Thus, performance is the outcome of carrying out the tasks assigned to you. It matters not just what gets done but also how a task is carried out to achieve the intended results. Work-life balance benefits businesses by increasing employee innovation and productivity. Work-Life Balance is the level of satisfaction a person has with their two duties in life, according to Hudson (2005:13). Maintaining balance or all aspects of human existence is frequently associated with work-life balance. In conclusion, a condition of equilibrium in which a person meets their duties and responsibilities at work without compromising any aspect of their home life is referred to as work-life

balance. Ultimately, a poor work ethic coupled with a disrespect for labor and human resources will lead to individuals viewing their jobs as a burden. stated Sutrisno (2017). Therefore, an employee's job satisfaction will be influenced by their feelings about their work, and this will ultimately affect the organization's success. According to Luthan (2006), an employee's perception of how well their work meets all professional requirements affects how satisfied they are with their job. Luthan also enumerates the factors that influence job satisfaction, including compensation, room for advancement, managers, and coworkers. Work-life balance is the ability for employees to use flexible working hours to manage their employment and other commitments, such as family, hobbies, academics, and the arts, rather than focusing only on their work. This will create a balance that will increase employees' job satisfaction and contentment. This study aims to investigate the relationship between work-life balance and employees' job happiness and productivity. With this understanding, the significance of these three elements to the enterprise may be recognized and utilized to enhance employee efficiency inside the organization. The summary above emphasizes how important work-life balance is to efficiently and successfully achieving company goals. It says that the following are the reasons why it is difficult to identify the business model of Islamic Commercial Banks: 1) the development of infrastructure, financial concerns, and a lack of focus on the

target customer segment; 2) the establishment of managerial infrastructure; a financial block in the form of sustainable income levels, followed by customer and offering blocks; and 3) the strategy for identifying the business model prioritizes strategic partners, strict financing monitoring, having unique value in creating business, and the appropriate and directed management of human resources (HR) as a resource management factor. Finance is the field of endeavors that attempts to do all of the above in order to promote economic growth through income distribution, the removal of barriers to the use of financial services, and financial system stabilization (Yanti, 2019). Finance is a crucial subject since not every member of society has access to financial resources. (2018) Muzdalifa along with others. But everyone in the community needs to be able to support themselves. Economic disparities among members of society could perhaps originate from the community's inability to make advantage of the financial systems that are available to them (Solikatur et al., 2014). Additionally, a study by M. Ikhsan Harahap (2022) found that an employee's high level of work motivation is a reliable predictor of their success. They might complete duties by the deadline, if their managers so specify. They are able to contribute and show attitudes that align with the requirements of the firm about work attitudes. Work-life balance has been found to have a positive and significant impact on employee performance; work stress has not been found to have a significant impact on employee performance; Islamic work ethics have been found to have a positive and significant impact on employee performance; job satisfaction has been found to have a positive and significant impact on employee performance; work stress has been found to have a positive and significant impact on employee job satisfaction; job satisfaction cannot be the only factor contributing to the positive and significant effects of work-life balance on employee performance; as well as the only reason for these effects. Additionally, Tuti Anggraini's research from 2023 showed that product socialization, customer literacy, and service quality all have a significant impact on Bank BSI Tapanuli Tengah's existence. As a result, the study's title is Research on the Impact of Work-Life Balance on Employee Satisfaction and Performance at the Bank (Case Study of Bank BSI KCP Medan Adam Malik). Based on the aforementioned description, the problem formulation in this study can be identified as follows: Does job satisfaction among bank employees (Case Study of Bank BSI KCP Medan Adam Malik) depend on work-life balance? Does workers' performance at the bank (Bank BSI KCP Medan Adam Malik Case Study) get affected by work-life balance? Does employee performance at the bank (Bank BSI KCP Medan Adam Malik Case Study) depend on work satisfaction? Does work-life balance impact the bank workers' job satisfaction, which is a measure of performance? (Bank BSI KCP Medan Adam Malik Case Study)

Work-life balance, according to Schermerhorn and Ramadhani (2013), is the ability of an individual to successfully manage the demands of both their professional and personal lives. In response to Ramadhani's (2013) findings, more components can be implemented through incentives such as bonuses or prizes, health and fitness facilities, childcare and

elder parent care assistance, and sick leave regulations. Giving employees the ability to balance the demands of their careers with their household responsibilities is the goal. Measuring work-life balance, according to McDonald and Bradley in Ramadhani (2018), is: 1. Keeping a balance in terms of time between job and non-work activities. 2. Engagement balance, or the level of commitment and mental involvement both within and outside of the workplace. 3. The equilibrium of contentment, established by an individual's level of happiness with both their professional and leisure-related pursuits. Satisfaction with One's Work Job satisfaction is described by Hasibuan (2020) as a favorable emotional state involving a liking of one's work. A person with high job satisfaction will, on the other hand, feel favorably about their employment, whilst a person with poor job satisfaction will feel badly about their job. According to Sutrisno (2017), the following elements have an impact on job satisfaction: 1. Psychological variables include things like hobbies, job satisfaction, work attitudes, abilities, and skills that are related to an employee's mental health. 2. Social variables pertain to the manner in which employees engage with their supervisors and with each other. 3. Physical components are concerned with the working environment of employees; these include the type of work, schedule and breaks, equipment utilized, temperature, lighting, ventilation, age, and health of employees, among other factors. 4. Financial factors include aspects that are related to the safety and well-being of employees, such as wage structures and levels, social security, various sorts of allowances, facilities provided, promotions, and more.

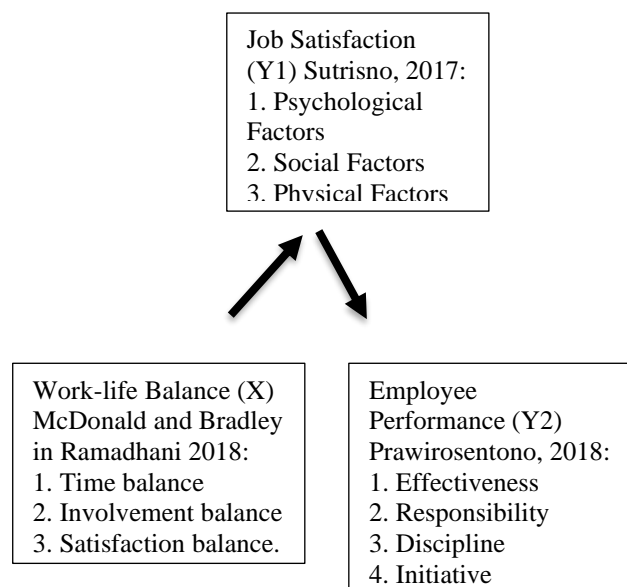


Figure 1. Framework of Thought

II. RESEARCH METHODS

The author uses a qualitative method of literature study research. This research utilizes secondary data sources obtained from credible and relevant literature, including 19

journals, 1 book, and 3 websites. (Liputan6, Finadium, dan GICTrade). Researchers are exploring data related to the use of Blockchain technology in Islamic Banking, both in Indonesia and in other countries. The process of exploring secondary data is carried out through the internet to search for data sources more effectively and efficiently. (Jane & Watson, 2002).

III. RESULT AND DISCUSSION

Research shows that the application of smart contract technology and blockchain in financial transactions at Islamic banks has a significant impact on enhancing security. This technology uses strong cryptographic algorithms and decentralized consensus mechanisms to ensure the integrity and authenticity of data. In the context of Islamic banking, this technology minimizes the risk of fraud and cyber attacks that could be harmful to customer funds. The use of blockchain technology also has a positive impact on the transparency of financial transactions in Islamic banks. Blockchain enables transaction verification that can be accessed by all stakeholders, which strengthens customer trust and the authority of Sharia in the integrity of Islamic banking operations. In addition, the transparency provided by blockchain facilitates audits and external reporting in accordance with Sharia principles. Smart contracts and blockchain technology have great potential to address challenges related to transparency and efficiency in Islamic financial systems. Blockchain properties such as data immutability, decentralization, and transparency make transactions safer and more efficient. Case studies show that smart contracts and blockchain technology in the Islamic finance industry reduce administrative costs and simplify transactions. In 2018, Al Hilal Bank, a leading Islamic financial institution in Abu Dhabi, partnered with blockchain technology company SettleMint to revolutionize the way they handle sukuk transactions. (obligasi syariah). This partnership is one of the world's first implementations of blockchain technology in the issuance and trading of sukuk, demonstrating the great potential of this technology to enhance efficiency, transparency, and security in Islamic finance. The collaboration between Al Hilal Bank and SettleMint in the application of blockchain technology aims to improve the transparency of sukuk issuance and transactions. Blockchain provides a clear and immutable ledger, ensuring that all parties can monitor and verify transactions. This is crucial in sukuk transactions, which prioritize trust and adherence to Sharia principles. Blockchain provides the possibility for all transactions to be recorded clearly and immutably, ensuring that all parties have access to the exact same information. This reduces the risk of fraud and enhances investor confidence in the issuance and trading process of sukuk. Requirements for a Smart Contract that can be implemented in programming code for the issuance and sale of sukuk.

1. Contract Variables:

- a) issuer: Address of the sukuk issuer.
- b) uploadfolder: Submission of documents to the blockchain.
- c) checkfolder: Verification that the submitted documents meet the requirements.
- d) totalsupply: Total number of sukuk to be issued.

- e) Price: The price of each sukuk unit.
- f) maturityDate: The maturity date of the sukuk.
- g) totalprofitdistributed: The total profit that has been distributed.
- h) balances: Stores the sukuk balance for each address.
- i) profitshares: Stores the amount of profit received by each address.
- j) holders: Stores the list of sukuk holders' addresses.
- k) ismatured: Stores the status of whether the sukuk has matured or not.

2. Modifier:

- a) onlyissuer: Only allows the issuer to call certain functions.
- b) onlybeforematurity: Allows the function to be called only before the maturity date.
- c) onlyaftermaturity: Allows the function to be called only after the maturity date.

3. Functions of Contracts:

- a) constructor: Initializes the contract with the number of sukuk, the price of the sukuk, and the maturity date.
- b) purchasesukuk: A function to buy sukuk before maturity. This function checks the number of sukuk to be purchased, the price sent, and updates the balance of the sukuk holder.
- c) distributeprofit: Distributes profits to sukuk holders before maturity. This is a function that calculates and distributes profits based on the number of sukuk owned.
- d) returnprincipal: Returns the principal to sukuk holders after maturity. This function returns the principal amount to each sukuk holder based on the number of sukuk owned.
- e) gettotalbalance: Calculates the total number of sukuk owned by all sukuk holders.
- f) checkshariacompliance: To check compliance with Sharia principles. (All requirements can be implemented in programming code, without the need for intermediaries, ensuring that everyone involved adheres to the established rules.) For example, in the issuance of sukuk, a smart contract ensures automatic dividend payments to sukuk holders according to a specified schedule and verifies asset ownership transparently and securely.

The Use of Smart Contracts in Sukuk

Sukuk issued through blockchain can be traded using a smart contract system to enable automation as follows.

1. Deployment:

- a) Deploy the contract by specifying totalSupply, sukukPrice, and maturityDate.
- b) The issuer must use the constructor function to initialize the contract.

2. Purchase of Sukuk:

- a) Potential investors can perform the purchaseSukuk function by sending the appropriate amount of Ether corresponding to the number of sukuk they wish to buy.

3. Distribution of Profits:

- a) The publisher can use the distributeProfit function to distribute profits to all sukuk holders based on the number of sukuk they own.

4. Principal Return:

- a) After the maturity date, the issuer can use the returnPrincipal function to return the principal to all sukuk holders.

5. Sharia Compliance:

a) The check Sharia Compliance function can be used to verify transactions conducted in accordance with Sharia principles. A more detailed implementation of the logic of Sharia compliance can be added to this function. According to Alex Coelho, CEO of Al Hilal Bank, the use of smart contracts on the blockchain can automate processes that previously required a lot of manual intervention, making it more convenient compared to previous methods. Blockchain can reduce administrative costs and speed up transaction completion by automating smart contracts. This is beneficial for sukuk issuers and investors. Processes that usually require submissions and approvals from many parties can be simplified to run automatically based on agreed-upon terms. This operational efficiency not only reduces long-term operational costs but also accelerates real-time document validation, allowing transactions to be completed more quickly and at a lower cost. (Finadium, 2018). This collaboration brings many benefits and positive impacts for all parties involved. By leveraging blockchain technology, Bank Al Hilal will be able to reduce the time and costs involved in the issuance and trading of sukuk. Previously, this process required submissions to various parties, but blockchain accelerates the process and reduces long-term operational costs. Investors can also benefit from the transparency brought by blockchain. They can verify transactions in real time and are confident that the recorded data is secure and cannot be altered. In addition, the ability to publicly view the entire transaction history and ownership ensures that all parties operate with the same information, thereby reducing information asymmetry and the potential for fraud. This transparency provides peace of mind for investors as they can directly monitor the use of their funds and the sukuk issuer fulfills all obligations according to the contract on time. Smart Contracts can monitor Sharia compliance by automating and enforcing rules that adhere to Sharia principles in all transactions. In Smart Contracts, all necessary provisions to comply with Sharia law, such as the prohibition of *riba* (interest), are integrated into the code. If these conditions are met, the transaction will be executed automatically. This ensures that all transactions are conducted in accordance with Sharia law without the need for manual intervention, thereby increasing efficiency and transparency. This automation allows issuers and investors to be confident that all transactions conducted are in accordance with Islamic law principles, which is very important from the perspective of Islamic finance. Although this collaboration brings various benefits, there are still several challenges that must be faced. The application of blockchain technology in Islamic finance must comply with the applicable regulations. Therefore, cooperation with regulators is very important to ensure compliance with all regulations and the acceptance of this technology. Blockchain has many benefits, but its implementation requires adjustments to infrastructure and organizational culture. Education and training for staff and other stakeholders are key factors for successful implementation.

IV. CONCLUSION

Through the processes and activities of this research, it is concluded that blockchain technology and smart contracts have the potential as new technologies in the analysis of the banking industry, as they not only facilitate stakeholders in the transaction process but also reduce transaction costs. Transparency that not only does not involve third parties directly but is also accessible to both parties or external parties enhances customer trust in the bank. However, aside from the numerous benefits, for the smooth implementation of this technology in the banking industry, particularly in Islamic banking, there are still many challenges that need to be addressed and facilitated, such as regulations, compliance with Sharia law, and the limited literature and technical knowledge. challenge. There are several tasks that need to be done.

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