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## The Effect of Salary, Workload, and Work Environment to Job Satisfaction with Work-Life Balance as A Mediation

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### Abstract

*The research article aims to investigate the relationship between salary, workload, and work environment on job satisfaction in Indonesia, with work-life balance as a mediating variable. The study collected data from 126 companies from various industries in Indonesia, obtained from the job search site, Jobstreet.com. The study used a path analysis method with a descriptive and verification approach and a quantitative analysis using SPSS 25. The study found that work-life balance has a significant mediating effect on salary and workload to employee satisfaction, but is not significant in a job environment. The study contributes to the literature on job satisfaction and provides insights into the importance of work-life balance in enhancing employee satisfaction.*

**Keywords:** Jobs Satisfaction, Salary, Workload, Work-life Balance, Jobstreet

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### INTRODUCTION

Job satisfaction measures the degree to which individuals are satisfied with their jobs. Job satisfaction is not only determined by satisfaction in all independent aspects. Just one independent aspect can lead to satisfaction in other aspects. Experts have conducted many studies to determine job satisfaction. Warr, P. (1990) investigates the variables that affect job satisfaction in various industrial sectors. This study describes how salary, working conditions, job security, and social interaction in the work environment can affect job satisfaction.

This paper explains the relationship between salary, workload, and work environment on job satisfaction with work-life balance as a moderating variable. The sample consists of 126 companies from several industries in Indonesia, which were obtained from the job search site, Jobstreet.com. The contents of job reviews by employees who have been satisfied with one of the intended job seeker industries are very helpful for other job seekers so that it will be easier to decide to choose the right industry.

The purpose of this study complements several previous studies regarding the relationship between job satisfaction and external factors received or

experienced by employees. Based on the problems and explanation above, we can formulate the research question in this research as follows: (1) how do salaries, work environment, and workload affect job satisfaction in Indonesia? Moreover, (2) how does the work-life balance variable influence as a mediating variable on salary, work environment, and workload on job satisfaction in Indonesia?

### **Literature Review**

As proposed by Blau (1964), social exchange theory or Social Exchange Theory deals with consensual and beneficial exchanges that occur voluntarily between two parties, often involving employees and employers. The theory explains the nature of reciprocity and the importance of building trust, which can be enforced through the principle of social exchange.

George C. Homans: Homans (1958) was one of the early founders of the Social Exchange Theory. He emphasizes the importance of the principle of disequilibrium and cost (rewards and costs) in explaining social behavior. According to him, individuals tend to maximize the imbalances they receive and minimize the costs they are responsible for in social relations.

Job satisfaction refers to employees' views and sentiments towards the company or organization, their specific job roles, their co-workers, and various factors related to the psychological atmosphere of the work environment (Elsahoryi, 2022). Job satisfaction also reflects the level of satisfaction and individual satisfaction with their work tasks. This term involves positive perceptions or subjective evaluations of various aspects of work, including work environment, salary, development opportunities, recognition, responsibility, and relationships with colleagues (Jorge, 2016).

Preferences and perceptions about job satisfaction can vary between individuals. Everyone has different needs and values in the context of their work (Karim & Ahmad, 2019). It is very important to realize that the factors that influence the level of job satisfaction can vary from one individual to another.

One strategy to increase employees' performance, motivation, and job satisfaction in a company is through the use of compensation. This compensation can be in the form of income in the form of money or goods, either directly or indirectly, which is given to employees as a reward for their contribution to the company (Handoko, 2001). This term was also confirmed by Hasibuan (2006) that compensation is a reward given to employees in recognition of the services they provide to the company. Furthermore, (Mangkunegara, 2005) states that compensation refers to the payment of wages given in return for services provided by employees.

Managing the compensation system in an organization needs to be done well, as stated by Simamora (2006). Companies hope that by providing compensation, they can get a positive response from employees in the form of good performance. Hasibuan (2006) states that appropriate compensation can motivate employees to work. The compensation provided must be fair, appropriate, acceptable, and satisfying, encourage work motivation, be appreciative, and be by employees' needs, as Lewa and Subowo (2005) stated. This compensation will benefit both the company and its employees.

Workload involves several tasks with the required complexity, intensity, and time and involves cognitive, physical, and emotional demands that must be met when completing work tasks (Hancock & Szalma, 2008). The workload can also be understood as a whole as demands and responsibilities that must be carried out by individuals or teams within the scope of their work (Kompier et al., 2012).

Previous studies indicated a negative correlation between job satisfaction and workload levels. Tentama's opinion (2019) is that the higher the workload employees feel, the lower their level of job satisfaction. This theorem is because the stress level experienced by employees is also increasing. Based on Salsabila et al. (2022), it was found that a high workload offset by low work stress can increase motivation and job satisfaction. Subsequent research (Kompier et al., 2012) required data collection over a longer period, and this study revealed a negative relationship between workload and job satisfaction. The research also found that the impact of workload on job satisfaction can be changed by factors such as social support and organizational justice. Hidayati et al. (2023) found that job stress significantly affects job satisfaction.

The environment can include the physical conditions of residence or workplace, social interaction, cultural factors, and institutional factors that play a role in influencing individual behavior, well-being, and development (WHO, 2018). According to Hersusdadikawati (2005), the work environment includes physical and non-physical factors within an organization that interacts directly with workers. Both are facilities and infrastructure, room conditions, relations with colleagues, et cetera. Meanwhile, Schneider et al. (2017) define the work environment including the physical, social, and cultural environment that influences daily work experience, interaction, and employee job satisfaction.

Based on previous research by Raziq and Maulabakshsh (2015) shows that providing a good work environment, including a comfortable physical environment, can increase employee motivation to achieve organizational goals and develop themselves personally. Bushiri (2014) states that organizations must take serious steps to improve working conditions that support and enable all efforts. This condition includes establishing good communication between employees and management, providing adequate facilities, providing self-development opportunities, and implementing a transparent and fair reward system (Hafeez et al., 2019).

The research of Ayub et al. (2020), Raziq and Maulabakshsh (2015), and Hafeez et al. (2019), shows that a conducive work environment can increase employee job satisfaction. Agbozo (2017) found that a comfortable physical environment, a supportive social climate, and fair and caring leadership can increase employee efficiency, effectiveness, productivity, and commitment.

Work-life balance is a harmonious integration between work duties and aspects of personal life, in which individuals can fulfill their work obligations while maintaining a sense of well-being and satisfaction in their personal lives (Shockley et al., 2017). According to Grzywacz & Carlson (2007), work-life balance includes allocating time, energy, and attention between work and other life domains, including family, recreation, personal development, and health.

A survey conducted by FlexJobs found that 63% of respondents would choose a better work-life balance over a better salary, while only 31% would choose a better salary than a work-life balance (Howington, 2022). The survey also found that 87% of respondents stated that remote or hybrid work would or had improved their work-life balance.

In a previous study, Attar et al. (2021) examined work-life balance and job satisfaction in MSMEs in Konya, Turkey. In this study, it was found that work-life balance has a significant moderating effect on the level of job satisfaction. However, a survey conducted by Aviva found that more workers are interested in their current role for work-life balance than salary, indicating that work-life balance may be an important factor in job satisfaction (Wedgwood, 2022).

Based on the explanation above, we can formulate several hypotheses:

- H1: Work-Life Balance mediates the influence of salary on job satisfaction
- H2: Work-Life Balance mediates the effect of workload on job satisfaction
- H3: Work-Life Balance mediates the influence of the work environment on job satisfaction

## METHOD OF RESEARCH

The data is sourced from a page on the Jobstreet.com job search site. In addition to providing various information about currently open vacancies, Jobstreet, a platform featuring more than 1,000 organizations, contains a wealth of information with more than 8 million evaluations, ratings, CEO recommendations, and compensation data from around the world. Reviewers on Jobstreet represent a wide range of professional backgrounds, including individuals from sectors such as technology and finance. Three of eight ordinal measures were used to measure employee satisfaction, and free-form comments were also analyzed. Every review on Jobstreet.com offers various indicators of employee satisfaction for comprehensive insight.

To collect feedback data from Jobstreet.com, we use a data scraper that collects reviews from 126 businesses in Indonesia. In total, we evaluated 42,838 reviews. Our comprehensive data set covers nine different types of businesses based on the IDX.

The dependent variable used in this study is job satisfaction, where job satisfaction refers to the views and sentiments of employees towards the company or organization, their specific job roles, their co-workers, and various factors related to the psychological atmosphere of the work environment (Elsahoryi, 2022). In this study, job satisfaction is calculated by the average assessment of employee job satisfaction with the company.

In this study, the independent variables used are:

Salaries and benefits, according to Hasibuan (2006), refer to all forms of income received by employees, both in cash and in kind, which are rewards for the services they provide to the company. This study calculates salaries and benefits by evaluating the average salary and benefits employees receive.

Workload/stress level refers to the number of tasks that employees must carry out, the level of difficulty of work, or the level of stress felt in carrying out

work. In this study, workload/stress level was calculated by the average assessment of workload and stress levels felt by employees.

The work environment is defined as the physical, social, and cultural environment that influences employees' daily work experience, interaction, and job satisfaction by Schneider et al. (2017). In this study, the work environment is measured by the average assessment of the workplace environment felt by employees.

The mediating variable used in this study is the work-life balance which refers to the harmonious integration between work and personal life, where individuals can fulfill their work obligations while maintaining a sense of well-being and satisfaction in their personal lives (Shockley et al., 2017). In this study, the work-life balance variable was measured by assessing employees' average perceived work-life balance.

Path analysis, used in this research, is a statistical method to test and describe cause-and-effect relationships between variables in a model. This method allows us to identify the direct and indirect effects of the independent variables on the dependent variable through paths involving one or more intervening variables. This classic assumption test is the first step that needs to be done before continuing to analyze the data that has been collected. Data tested using SPSS 20

## RESULTS AND DISCUSSION

Table 1. Description Analysis

Variables	Mean	Std Dev
Job satisfaction	0.9113	0.0658
Salary	0.6776	0.1752
<i>Work life balance</i>	0.3907	0.2853
Workload/Stress level	0.1965	0.1215
Job Environment	0.7675	0.1326

Data Source: Secondary data processed by the author

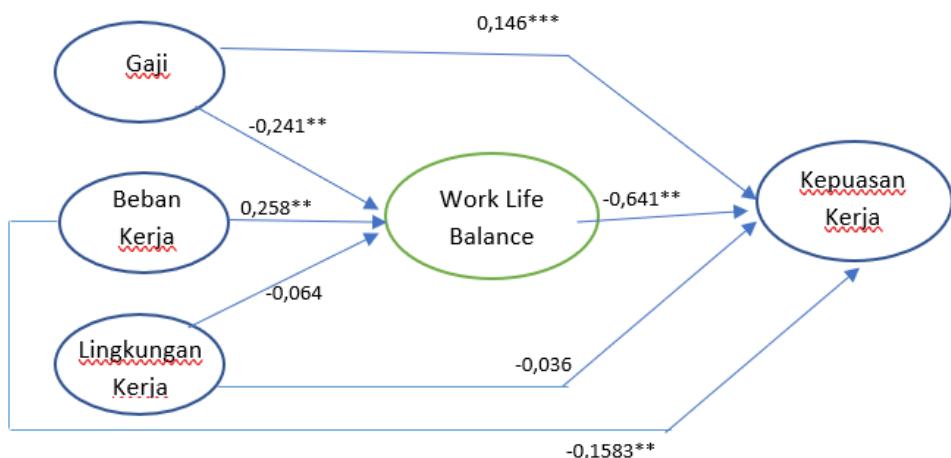
Based on Table 1, the variable of job satisfaction has the highest average of 0.9113, indicating that most of the sample companies have employees with high job satisfaction. Followed by work environment variables and salary and benefits, namely 0.767 and 0.677 points.

Based on Table 2, the correlation test results between variables are displayed using the Pearson Correlation method, which measures the closeness of a linear relationship between two variables. Based on the table, it can be concluded that no variables have a multicollinearity problem; that is, nothing is correlated with each other.

Table 2. Correlation Analysis

	Kepuasan Kerja	Gaji & Tunjangan	Work Life Balance	Beban Kerja / Tingkat Stress	Lingkungan Kerja
Kepuasan Kerja	1.000	0.677	-0.614	-0.511	0.070
Gaji Dan Tunjangan	0.677	1.000	-0.358	-0.401	0.216
Work Life Balance	-0.614	-0.358	1.000	0.359	-0.130
Beban Kerja / Tingkat Stress	-0.511	-0.401	0.359	1.000	-0.057
Lingkungan Kerja	0.070	0.216	-0.130	-0.057	1.000

Data Source: Secondary data processed by the author



**Figure 1. Path Analysis Result**

Based on Figure 1, salary and benefits have a direct positive and significant impact on job satisfaction. This shows that the greater the salary and benefits received, the higher the level of satisfaction (Chamorro-Premuzic, 2013). Furthermore, when looking at the effect of salary on job satisfaction through work-life balance, it can be concluded that there is an indirect effect between salary, work-life balance, and job satisfaction. So, hypothesis 1 is fulfilled.

Workload related to stress levels has a negative and significant relationship to job satisfaction, where with higher workloads in line with employee stress levels, levels of job satisfaction will also decrease (Kompier et al., 2012). In the work-life balance mediation relationship, there appears to be a significant indirect

relationship between workload, work-life balance, and job satisfaction. Thus, hypothesis 2 is also fulfilled.

The work environment that assesses the relationship between the comfort level of working conditions, both physical and non-physical, has a negative and insignificant relationship. This shows that the better the facilities obtained by employees and the quality of communication between employees and management is also smooth and transparent, does not affect job satisfaction (Hafeez et al., 2019). In the indirect effect, it can be seen that work-life balance can mediate the relationship between the work environment and job satisfaction, but it is insignificant. So, hypothesis 3 is not fulfilled.

## CONCLUSION

Our research found evidence to support that job satisfaction, as measured by a survey of employers like Jobstreet, adds an intangible added value to a company's performance on the same platform. As explained by Edmans (2011), the human resource management theory states that job satisfaction contributes to improving company performance. This research contributes to the literature which focuses on employee review analysis which evaluates the impact of ratings based on employee feedback.

This study aims to explain the relationship between salary, workload, and work environment on job satisfaction with work-life balance as a moderating variable. We recommend collecting data from employer brand platforms such as Jobstreet.com to gain deeper insights into employee job satisfaction levels.

Our research has three main contributions: (1) We use unique data from the social media Jobstreet.com to collect anonymous employee feedback for text analysis, which is much more advanced than standard surveys. With that data, we can perform in-depth category analysis and cross-industry comparisons. (2) We show that data mining strategies allow various analyses. After identifying the main categories of data, we ran a regression analysis to uncover hidden patterns and relationships. (3) We look at the factors that contribute to employee satisfaction. Our findings show that salary and workload have a significant indirect relationship between work-life balance to job satisfaction. Meanwhile, the work environment has an indirect relationship that is not significant. This finding is consistent with previous research that has been done.

Several potential areas could be further explored in the future. Researchers can use more detailed regression analysis to consider different types of industries separately. Using a complete perspective analysis method in text mining can provide greater benefits if researchers want to get more precise answers.

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