THE IMPACT OF FLEXIBLE WORK POLICIES AND WORK-LIFE BALANCE ON EMPLOYEE PERFORMANCE (GRAB DRIVER CBD POLONIA)

Muhammad Zakiul Fuad Batubara[1], Nursakinah Ritonga[2], Lisa Iryani[3], Nursanjaya[4], Sufi[5]
Program Studi Bisnis, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Malikussaleh, Indonesia
Email:[1] muhammad.210260073@mhs.unimal.ac.id [2] nursakinahrtg@unimal.ac.id [3]lisa.iryani@unimal.ac.id [4] nursanjaya@unimal.ac.id [5] sufi@unimal.ac.id

Abstract

The development of the modern workplace demands that companies create adaptive work systems, including through the implementation of flexible work policies and efforts to maintain a balance between work and personal life for employees. This study aims to determine the effect of flexible work policies and work-life balance on employee performance, specifically for Grab drivers in the Polonia CBD area. This study used a quantitative approach with data collection techniques through distributing questionnaires to respondents selected non-probabilistically. The data obtained were analyzed using multiple linear regression methods with the assistance of statistical software. The results showed that flexible work policies did not have a significant impact on individual employee performance. Conversely, work-life balance was proven to have a positive and significant impact on improving employee performance. Meanwhile, together, both variables made a significant contribution to employee performance. From these findings, it can be concluded that efforts to create a balance between work and personal life have a more significant impact on performance than simply providing flexibility in work. Therefore, companies are advised to integrate flexible work policies with employee welfare support programs to create a more productive and sustainable work environment.

Keywords: *Flexible Work Policy, Work-Life Balance, Employee Performance, Grab Drivers.*

Introduction

Competition in the modern workplace pushes companies to continuously innovate to create an adaptive work environment. One form of this innovation is the implementation of flexible work policies and work-life balance. These two strategies are expected to provide employees with the space to work more efficiently and maintain a balance between work and personal life, thereby improving employee performance. According to Wynn & Rao (2020) in Sa'adah & Sopiah (2022), innovative work flexibility programs, such as customizable work schedules and locations, have been proven to reduce workloads and accommodate employees' personal needs, making them widely adopted by companies in modern industries. This flexibility includes self-managed working hours, working from different locations, and the freedom to manage work assignments. This also aligns with the view of Bal & De Lange (2015), who stated that work flexibility provides employees with the opportunity to determine their own time, place, and duration of work. On the other hand, work-life balance is also a crucial aspect influencing employee satisfaction and performance. According to Sowmiya & Aiswarya (2020), this balance is crucial for keeping employees satisfied, healthy, and dedicated to their work. Ko et al. (2021) added that work-life balance significantly contributes to employee innovation and engagement within an organization. In this context, Grab, as an app-based transportation company, offers its driver-partners a flexible work environment. Grab drivers have the freedom to set their own work hours and locations to suit their personal needs. However, various challenges arise, such as pressure to meet daily targets, income uncertainty, and limited time with family, making it difficult to fully achieve a work-life balance. A pre-survey of 15 Grab drivers in the Polonia CBD showed that the majority of respondents felt the flexible work policy made their work easier. However, some of them stated they still struggled to balance their time between work and personal life. Despite this, the flexible work policy was still considered to have a positive impact on performance.

This suggests that flexibility alone...is not enough, and needs to be supported by policies that support life balance so that optimal performance can be achieved. Based on this background, researchers are interested in determining the extent to which flexible work policies and work-life balance impact employee performance, particularly Grab drivers in the Polonia CBD area of Medan City. This research is expected to contribute scientifically to companies developing more effective human resource management strategies and serve as an academic reference for the development of business administration.

Research methods

This study uses a quantitative approach with a descriptive research type, which aims to determine the influence of two independent variables, namely Flexible Work Policy (X1) and Work-Life Balance (X2) on the dependent variable, namely Employee Performance (Y). The location of the study was carried out on Grab drivers in the Polonia CBD area, Medan City. The population in this study were all Grab drivers operating in the Polonia CBD area. The number of samples used was 100 respondents selected using the Non-Probality Sampling technique with the Incidental Sampling Technique. Incidental Sampling is a sampling technique based on chance, namely Grab Drivers in Polonia CBD who happen to meet so that they can be used as samples, if it is considered that the person who happened to be met is suitable as a data source. The criteria in this study are: 1. Grab Drivers in Polonia CBD 2. Productive age 19-60 years. Data were collected through distributing questionnaires using a Likert scale.

Research Results and Discussion
Data Instrument Test
a. Validity Test

Validity test is used to measure the validity or test whether the questionnaire used is suitable as a research instrument or not. To determine the validity of each item in the research instrument, it can be seen from the comparison of the calculated R value and the R table. If the calculated R value > R table, then the statement item is declared valid. In this study, the number of respondents was 100 people, so the degree of freedom (df) = n - 2 = 100 - 2 = 98. Based on the r table at a significance level of 5%, the R table value is 0.197. Therefore, each item is declared valid if the calculated R > 0.197. The following are the results of the validity test on the variables Flexible Work Policy (X1), Work-Life Balance (X2), and Employee Performance (Y):

Table 1 Validity Test Results

Item Number	R Table	R count	Information
X1.1	0.197	0.488	Valid
X1.2	0.197	0.463	Valid
X1.3	0.197	0.263	Valid
X1.4	0.197	0.354	Valid
X1.5	0.197	0.524	Valid
X1.6	0.197	0.507	Valid
X1.7	0.197	0.493	Valid
X2.1	0.197	0.395	Valid
X2.2	0.197	0.559	Valid
X2.3	0.197	0.486	Valid
X2.4	0.197	0.419	Valid
X2.5	0.197	0.433	Valid
X2.6	0.197	0.410	Valid
Y.1	0.197	0.442	Valid
Y.2	0.197	0.459	Valid
Y.3	0.197	0.323	Valid
Y.4	0.197	0.453	Valid
Y.5	0.197	0.530	Valid
Y.6	0.197	0.374	Valid

Source: Processed by SPSS 30 (2025)

Based on the table above, it can be concluded that all items in the Flexible Work Policy (X1), Work-Life Balance (X2), and Employee Performance (Y) variables have a calculated R value greater than R table and a significance value <0.05. Thus, all items in this questionnaire are declared valid and suitable for use as instruments in this study.

b. Reliability Test

Reliability testing aims to determine whether a research instrument is trustworthy and reliable using a statistical test, namely Cronbach's Alpha. A variable is considered reliable if the Cronbach's Alpha value is > 0.6. The following are the results of the reliability test in the Indomie product research:

Table 2 Reliability Test Results

Variables	Cronbach Alpha	Limitation	Information
Flexible Work Policy (X1)	0.821	0.60	Reliable
Work Life Balance (X2)	0.846	0.60	Reliable
Employee Performance (Y)	0.736	0.60	Reliable

Source: Research results, data processed in SPSS version 30 application

Based on the reliability test results in the table above, it can be seen that all variables used in this study, including Flexible Work Policy, Work-Life Balance, and Employee Performance, have Cronbach's Alpha values greater than 0.6. Therefore, it can be concluded that the data in this study is reliable.

Classical Assumption Test
a. Normality Test

The normality test aims to test the independent and dependent variables, namely Flexible Work Policy (X1), Work-Life Balance (X2), and Employee Performance (Y). The data test is normally distributed if the resulting asymp sig value is greater than the significance value used, which is 0.05. The results of the data normality test using one sample Kolmogorov Smirnov on Indomie products can be seen in the following table:

Table 3 Normality Test Results

One-Sample Kolmogorov-Smirnov Test			Unstandardized Residual
N			100
Normal Parametersa,b	Mean		.0000000
	Standard Deviation		1.76552503
Most Extreme Differences	Absolute		.074
	Positive		.074
	Negative		-.058
Test Statistics			.074
Asymp. Sig. (2-tailed)c			.198
Monte Carlo Sig. (2-tailed)d	Sig.		.193
	99% Confidence Interval	Lower Bound	.183
		Upper Bound	.203

Source: Research Results, Data processed using SPSS version 30

Based on the Kolmogorov-Smirnov test results in the table above, it can be seen that the probability value is significant at 0.198 and is greater than 0.05. Therefore, it can be concluded that the research data is normally distributed.

b. Multicollinearity Test

The multicollinearity test aims to determine whether a correlation exists between independent variables within a regression model. Multicollinearity can be tested by examining the variance inflation factor (VIF) value. If the VIF is <10, the data can be concluded to be free of multicollinearity. A tolerance value greater than 0.10 indicates no multicollinearity. The results of the multicollinearity test are shown in the following table:

Table 4 Multicollinearity Test Results

| VARIABLES	TOLERANCE	VIF	INFORMATION
Flexible Work Policy (X1)	0.974	1,027	No Symptoms Occur
Work Life Balance (X2)	0.974	1,027	No Symptoms Occur

Source: Research Results, Data processed using SPSS version 30

It can be concluded that the data in the research on Indomie and Mie Gaga products did not experience multicollinearity.

c. Heteroscedasticity Test

The heteroscedasticity test is used to determine whether or not there is a deviation from the classical assumption of heteroscedasticity, namely the existence of inequality between variables and residuals for all observations in the regression model. To determine whether or not there is a deviation from the classical assumption of heteroscedasticity, namely the existence of inequality between variables and residuals for all observations in the regression model.Heteroscedasticity in a multiple linear regression model can be seen from the scatterplot graph or from the predicted value of the dependent variable, namely SRESID, with the residual error, namely ZPRED. If there is no specific pattern and it does not spread above or below zero on the Y-axis, then it is concluded that there is no heteroscedasticity. The scatterplot results of the heteroscedasticity test in the Indomie product research are as follows:

Figure 1 Heteroscedasticity Test Results
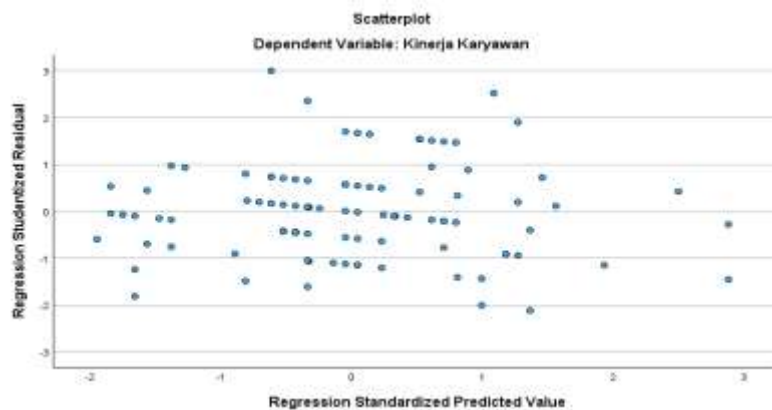
Source: Research Results, Data processed using SPSS version 30

Based on the image above, the scatterplot graph can be seen that the existing points are spread randomly, do not form a clear pattern and are spread both above and below zero on the Y axis. It can be concluded that each variable does not contain heteroscedasticity or the occurrence of differences between variables and residuals in the regression model in both studies.

Multiple Linear Regression Analysis

Multiple linear regression analysis was used in this study to determine whether the independent variables Flexible Work Policy (X1) and Work-Life Balance (X2) had an influence on the dependent variable Employee Performance (Y). The following are the results of the multiple linear regression analysis in this study:

Table 5 Multiple Linear Regression Results

Coefficientsa				
	Unstandardized Coefficients		Standardized Coefficients	
Model	B	Std. Error	Beta	
1 (constant)	18,315	3,622		
X1	-.047	.098	-.047	
X2	.287	.102	.279	
a. Dependent Variable: Employee Performance				

Source: Research Results, Data processed using SPSS version 30

$$Y = 18.315 + -0.047 X1 + 0.287 X2 + e$$

1. The constant value (a) of the regression is 18.315, which means that if the values of X1 and X2 are equal to 0, then the average value of Employee Performance is 18.315. This shows that without the influence of the independent variable, there are other factors that still contribute to employee performance.
2. The linear regression coefficient value for X1 is -0.047, indicating that variable X1 has a negative relationship with employee performance. This means that every 1 unit increase in X1 will decrease employee performance by 0.047 units, but this result is not significant with a p-value of 0.634 (> 0.05). In other words, X1 does not have a significant influence on employee performance in this model.
3. The linear regression coefficient value for X2 is 0.287, indicating that variable X2 has a positive influence on Employee Performance. This means that every 1 unit increase in X2 will increase Employee Performance by 0.287 units. In addition, the significance value of p = 0.006 (<0.05) indicates that the influence of X2 is significant, so this variable can be a factor that needs to be considered in improving employee performance.

Hypothesis Testing
a. Partial Hypothesis Test (t-Test)
The t-test is used to examine the extent to which the independent variables, namely Flexible Work Policy (X1) and Work-Life Balance (X2), partially and significantly influence the dependent variable, Employee Performance (Y). Data testing uses the following model:
1. If thitung > ttabel or sig value < 0.05 then the independent variable has a significant effect on the dependent variable.
2. If tcount < ttable or sig value > 0.05, then the independent variable does not have a significant effect on the dependent variable. The following are the partial test results of the research on Indomie products:
3.

Table 6 Partial Test Results (t-Test)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			Beta		
	B	Std. Error			
1 (constant)	18,315	3,622		5,057	<.001
X1	-.047	.098	-.047	-.477	.634
X2	.287	.102	.297	2,824	.006
a. Dependent Variable: Employee Performance					

Source: Research Results, Data processed using SPSS version 30

Based on the hypothesis testing that has been carried out previously, the influence of variables X1 and X2 on Employee Performance is formulated as follows:
H1: X1 does not have a significant effect on Employee Performance, it can be seen that the t-count value of variable X1 is (- 0.477) with a significance value of 0.634. Meanwhile, the t-table value at α = 0.05 is 1.984. Because t-count (-0.4771) < t-table (1.984) and the significance value (0.634) > 0.05, then H1 is rejected, which means X1 does not have a significant effect on Employee Performance. So it can be concluded that X1 is not a factor that significantly influences employee performance.
H2: X2 has a positive effect on Employee Performance, it can be seen that the t-count value of the X2 variable is (2.824) with a significance value of 0.006. Meanwhile, the t-table value at α = 0.05 is 1.984. Because the t-count (2.824) > t-table (1.984) and the significance value (0.006) < 0.05, then H2 is accepted, which means X2 has a positive and significant effect of 55 on Employee Performance. So it can be concluded that X2 is a 55 factor that contributes to improving employee performance.From the results of the partial hypothesis test, it can be concluded that X1 does not have a significant influence on Employee Performance, while X2 has a significant and positive influence on Employee Performance. Therefore, X2 is a more dominant factor in determining Employee Performance than X1.

b. Simultaneous Test (f Test)

The simultaneous test (f-test) is used to determine whether the independent variables, namely Flexible Work Policy and Work-Life Balance, jointly influence the dependent variable, namely Employee Performance. The data testing is characterized using the following model:

1. If the significant value of f count < f table or the significance value < 0.05 then the independent variable has a significant effect on the dependent variable.
2. If the significance value of f count > f table or the significance value > 0.05 then the independent variable does not have a significant effect on the dependent variable.

The following are the results of the f test in this study:

Table 10 Simultaneous Test Results (f Test)

Model		Sum of Squares	df	Mean Square	F	Sig
ANOVA						
1	Regression	138,939	2	69,469	28,820	.000b
	Residual	233,811	97	2,410		
	Total	372,750	99			
a. Dependent Variable: Y						
b. Predictors: (Constant), X2, X1						

Source: Research Results, Data processed using SPSS version 30

Based on the above, it is known that the calculated F value = 28.820 is greater than the F table = 3.09, and the significance value is 0.000 < 0.05. Therefore, it can be concluded that the flexible work policy (X1) and work-life balance (X2) variables together have a significant effect on the employee performance variable (Y) in the study of Grab drivers in the Polonia CBD area.

c. Coefficient of Determination Test (R2)

The coefficient of determination test is used to determine the extent of influence of the independent variables (Flexible Work Policy and Work-Life Balance) on the dependent variable (Employee Performance). The higher the r value, the greater the dependent variable that can be explained by the independent variable, and vice versa. The calculation of the coefficient of determination obtained in the Indomie product research is as follows:

Table 13 Results of the Determination Coefficient Test

Model Summary

Model R		R Square	Adjusted R Square	Standard Error of the Estimate
1	. 611a	. 373	.360	1.55255

a. Predictors: (Constant), X2, X1

Source: Research Results, Data processed using SPSS version 30

Based on these data, it can be concluded that the Adjusted R Square of 0.360 indicates that 36% of the variation in the Employee Performance variable can be explained by the Flexible Work Policy (X1) and Work-Life Balance (X2) variables, while the remaining 64% is explained by other factors outside this research model.

Discussion

This research discusses the answers to the previously formulated questions. Next, we discuss whether to accept or reject the initial tentative assumptions, along with explanations.

4.1 The Impact of Flexible Work Policies on the Performance of Grab Driver Employees in CBD Polonia

Based on the results of data processing, it is known that the first hypothesis (H1) is rejected, which means that the flexible work policy does not have a significant effect on employee performance, especially for Grab drivers in the Polonia CBD area. The t-test results show a calculated t value of -0.477 < ttable 1.984, with a significance of 0.634 > 0.05, and a negative regression coefficient of -0.047. This indicates that the freedom to choose the time, place, and duration of work has not been able to significantly improve driver performance. In fact, descriptively, respondents' perceptions of flexible work policies are very high (mean total = 4.39). The statement with the highest mean (4.63) is found in the indicator *Time Flexibility*, namely "I can choose working hours that suit my needs."

However, the Place Flexibility indicator has the lowest mean (4.04), which indicates that although they have freedom of work location in theory, the Grab application system still limits them based on demand zones. This finding contradicts Bal & De Lange's (2015) opinion, which states that flexible work policies allow employees to decide where, when, and how long they work, which should support improved performance. In practice, this flexibility has not been utilized optimally to boost productivity.

4.2 The Influence of Work-Life Balance on the Performance of Grab CBD Polonia Driver Employees

The test results show that the second hypothesis (H2) is accepted, namely that work-life balance has a positive and significant effect on employee performance. Based on the t-test results, the calculated t value is 2.824 > ttable 1.984, a significance value of 0.006 < 0.05, and a positive regression coefficient of 0.287. Therefore, it can be concluded that the balance between work and personal life encourages increased performance of Grab drivers. Descriptively, this variable has a total mean value of 4.15, with the Time Balance indicator as the highest (mean = 4.48) and the Satisfaction Balance as the lowest (mean = 3.88). The statement with the highest score indicates that respondents feel able to divide their time fairly between work and personal life, although not all of them are satisfied with this time distribution. This finding aligns with Frame and Hartog's (2003) opinion that work-life balance allows employees to use flexible working hours to balance their role as workers with other commitments such as family, study, or hobbies. When this balance is achieved, stress decreases and performance tends to increase.

4.3 The Influence of Flexible Work Policies and Work-Life Balance on the Performance of Grab CBD Polonia Driver Employees

The results of the simultaneous test indicate that the third hypothesis (H3) is accepted, meaning that flexible work policies and work-life balance together have a significant effect on the performance of Grab CBD Polonia driver employees. The F test produces an F-count value of 28.820 > F-table 3.09 and a significance level of 0.000 < 0.05. Based on the model summary, the R Square value is 0.373, which means that 37.3% of the variation in employee performance can be explained by these two variables, while 62.7% is influenced by other factors outside the model, such as incentives, workload, environmental conditions, and individual motivation. These results support Mangkunegara's (2018) concept that performance is the quality and volume of work results achieved by an individual in carrying out their responsibilities. Although flexible work policies do not have a significant impact on their performance, when integrated with work-life balance, they can result in more productive and results-oriented working conditions.

Conclusion

BeBased on the results of research conducted on the impact of flexible work policies and work-life balance on employee performance (a study on Grab drivers in CBD Polonia), the conclusions of this study are as follows: 1) Flexible work policies do not have a significant effect on the performance of Grab drivers in CBD Polonia. This indicates that flexibility in determining the time and place of work has not been able to provide a significant direct impact on improving driver performance statistically, although in practice this flexibility is still felt by the majority of respondents. 2) Work-life balance has a positive and significant effect on the performance of Grab drivers in CBD Polonia. This indicates that when Grab drivers are able to balance work and personal life, their performance in carrying out their duties will increase. 3) Flexible work policies and work-life balance simultaneously have a positive and significant effect on the performance of Grab drivers in CBD Polonia. This indicates that the combination of work flexibility and personal life balance can jointly encourage increased driver performance in carrying out their work. 4) The most dominant variable influencing employee performance is work-life balance. This indicates that in the context of Grab driver work, the ability to manage personal time and work in a balanced manner is a major factor in determining the quality of performance.

Suggestion

Based on the results of the research that has been conducted, the author provides the following suggestions:
1. Grab, particularly in the Polonia CBD area, is expected to enhance and improve its flexible work policy to be more targeted and tailored to the needs of its drivers. Although research indicates that flexible work policies do not significantly impact employee performance, they can still be a contributing factor in creating a comfortable workplace if implemented effectively and consistently.
2. Grab management is advised to pay more attention to the work-life balance of its driver partners. Research shows that work-life balance significantly impacts employee performance. Therefore, the company is

expected to create systems that support drivers to remain productive without neglecting their personal lives, such as flexible working hours, healthy work rewards, and support for drivers' physical and mental health.

3. Grab driver partners are expected to manage their work time wisely to maintain a balance between work and personal life. Drivers are encouraged to take advantage of work flexibility while still considering health and family responsibilities, thereby maximizing work productivity.

REFERENCES

Bal, P. M., & De Lange, A. H. (2015). *From flexibility human resource management to employee engagement and perceived job performance across the lifespan: A multisample study.* Journal of Occupational and Organizational Psychology, 88(1), 126–154. https://doi.org/10.1111/joop.12082

Frame, P., & Hartog, M. (2003). *From rhetoric to reality: into the swamp of ethical practice.* Journal of Business Ethics, 45(4), 359–372.

Ibrahim, A., Junaidi, & Musdalifah, M. (2021). *Pengaruh Motivasi dan Disiplin Kerja terhadap Kinerja Karyawan pada PT. Indofood CBP Sukses Makmur.* Jurnal Manajemen dan Bisnis Indonesia, 7(2), 211–220.

Mangkunegara, A. P. (2018). *Manajemen Sumber Daya Manusia Perusahaan*. Bandung: Remaja Rosdakarya.

McDonald, P., Brown, K., & Bradley, L. (2005). *Explanations for the provision–utilisation gap in work–life policy*. Women in Management Review, 20(1), 37–55. https://doi.org/10.1108/09649420510579568

Rondonuwu, M. M., Karamoy, H., & Warongan, J. D. (2018). *Pengaruh Work Life Balance terhadap Kinerja Pegawai.* Jurnal EMBA, 6(4), 2430–2439.

Sa'adah, S., & Sopiah, S. (2022). *Fleksibilitas Kerja dan Work-life Balance terhadap Kinerja Karyawan.* Jurnal Riset Manajemen, 9(1), 101–108.

Sowmiya, K., & Aiswarya, R. (2020). *A study on work-life balance and job satisfaction of employees in IT sector.* Journal of Critical Reviews, 7(12), 2395–2400.

Wynn, M., & Rao, L. (2020). *The impact of remote and flexible work arrangements on productivity and employee well-being.* International Journal of Management and Applied Research, 7(2), 1–15.