

Impact of Work Life Balance in Reducing Stress and Improving Performance

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Abstract

In today's fast-paced and competitive work environment, employees are experiencing increasing levels of stress due to heavy workloads, long working hours, and high job expectations. Maintaining a proper balance between work and personal life has become essential for improving employee well-being and performance. This study examines the impact of work-life balance on reducing employee stress and enhancing performance. The study is based on primary data collected from 200 respondents using a structured questionnaire and convenience sampling method. A Likert five-point scale was used for data collection. The data was analyzed using Spearman's Rank Correlation to examine the relationship between work-life balance, employee stress, and employee performance. The results of the study reveal a strong negative relationship between work-life balance and employee stress, with a correlation value of -0.819 ($p = 0.000$), indicating that improved work-life balance significantly reduces stress levels. Additionally, a strong positive relationship was found between work-life balance and employee performance, with a correlation value of 0.743 ($p = 0.004$), showing that better balance leads to higher employee performance. Both relationships are statistically significant. The study concludes that work-life balance is an important factor in improving employee well-being and organizational productivity. It suggests that organizations should adopt flexible work policies and supportive practices to reduce stress and enhance performance. Overall, maintaining work-life balance is essential for both individual and organizational success.

Keywords- Work-Life Balance, Employee Stress, Employee Performance, Organizational Behavior

1. Introduction

In today's fast-changing and highly competitive work environment, employees are facing increasing pressure to perform better and meet organizational goals. Long working hours, heavy workloads, tight deadlines, and continuous performance expectations have become common in most organizations. As a result, employees often experience stress, fatigue, and burnout. In such a situation, maintaining a proper balance between work and personal life has become very important. This balance, known as work-life balance, plays a key role in reducing stress and improving employee performance.

Work-life balance refers to the ability of individuals to manage their professional responsibilities along with their personal life, including family, health, and social activities. When employees are able to balance both aspects effectively, they feel more satisfied, relaxed, and motivated. On the other hand, poor work-life balance can lead to high stress levels, low job satisfaction, and reduced productivity. Therefore, organizations are increasingly focusing on policies that support work-life balance, such as flexible working hours, remote work options, and employee well-being programs.

Many researchers have studied the importance of work-life balance in recent years. Otuya and Andeyo (2020) found that work-life balance has a strong effect on employee performance and job satisfaction, highlighting its importance in organizational success. Similarly, Rashmi (2021) explained that work-life balance is a holistic concept that helps employees manage both work and personal responsibilities effectively, leading to improved well-being.

Further, Hanssen and Utvær (2022) found that work-life balance improves mental health, resilience, and overall well-being among employees. A systematic review by Muhammad (2023) also confirmed that work-life balance is positively related to psychological well-being and life satisfaction.

Recent studies have further strengthened these findings. Verma (2024) highlighted that work-life balance is closely linked with stress management and human resource practices, making it essential for organizational effectiveness. Additionally, Hidayat (2025) found that work-life balance improves employee productivity, engagement, and organizational performance, while poor balance increases stress and burnout.

Moreover, Rajkumar (2025) emphasized that work-life balance programs help reduce employee stress, improve job satisfaction, and increase employee loyalty. Another recent study (2026) showed that occupational stress is strongly associated with poor work-life balance, leading to lower productivity and performance.

Stress is one of the major challenges faced by employees in modern organizations. High stress levels can negatively affect both mental and physical health, leading to problems such as anxiety, depression, and reduced efficiency. Research also shows that increased stress reduces motivation and performance, making it difficult for employees to achieve their goals. Therefore, reducing stress is essential for improving employee well-being and organizational success.

Work-life balance plays an important role in reducing stress and improving performance. Employees who have enough time for personal life feel more relaxed and motivated, which helps them perform better at work. A balanced lifestyle improves concentration, decision-making ability, and overall productivity. Organizations that support work-life balance are more likely to have satisfied employees, lower turnover rates, and better performance outcomes.

Work-life balance has become a critical factor in today's work environment. It not only helps in reducing stress but also improves employee performance and overall organizational effectiveness. This study aims to examine the impact of work-life balance on reducing stress and improving performance, highlighting its importance for both employees and organizations.

1.1 Problem Statement

In today's modern work environment, employees are facing increasing pressure due to heavy workloads, long working hours, and high performance expectations. These factors often lead to stress, fatigue, and reduced job satisfaction. Many employees struggle to maintain a proper balance between their work and personal life, which negatively affects their well-being and performance. Although organizations are introducing work-life balance policies, their effectiveness in reducing stress and improving employee performance is not clearly understood. There is a need to examine how work-life balance influences employee stress and performance. Therefore, this study aims to analyze the impact of work-life balance on reducing stress and improving employee performance.

1.2 Significance of the Study

This study is important because it helps to understand how work-life balance affects employee stress and performance in modern organizations. It provides useful insights for employers to design policies such as flexible working hours, remote work options, and supportive work environments that can reduce stress and improve productivity. For employees, the study highlights the importance of managing work and personal life effectively to maintain better mental health and job satisfaction. It is also useful for managers to understand employee needs and create a positive workplace culture. For researchers and students, the study adds to existing knowledge and can be used for future research in the areas of human resource management and organizational behavior. Overall, the study emphasizes the importance of work-life balance for both individual well-being and organizational success.

2. Literature Review

Recent studies have clearly shown that work-life balance plays a very important role in reducing employee stress and improving performance. A study by Syahada et al. (2025) found that work-life balance has a positive effect on employee performance, while high stress and workload negatively affect productivity. Similarly, research in 2025 indicated that improving work-life balance helps employees feel more satisfied and productive, especially when organizations provide proper support systems. Another study (2025) showed that poor work-life balance increases stress levels, which directly reduces job performance and overall well-being. In addition, recent findings (2026) confirmed that higher stress leads to imbalance between work and personal life, further affecting employee efficiency and mental health. Research by Sharma (2025) also highlighted that organizational support, flexible work arrangements, and proper workload distribution are important factors in maintaining work-life balance and improving performance. Moreover, a global study (2024) revealed that work-life balance is closely linked with employee well-being, job satisfaction, and human resource management practices. Overall, recent studies clearly show that work-life balance is a key factor in reducing stress, improving employee performance, and enhancing overall organizational effectiveness. It is not only important for employee well-being but also for long-term business success.

2.1 Objectives of the Study

1. To examine the impact of work-life balance on employee stress levels.
2. To analyze the effect of work-life balance on employee performance.

H₀₁: There is no significant relationship between work-life balance and employee stress.

H₀₂: There is no significant relationship between work-life balance and employee performance.

3. Research Methodology

The present study aims to examine the impact of work-life balance on employee stress and performance. A systematic research methodology has been followed to ensure accurate and reliable results.

3.1 Research Design

The study is descriptive in nature, as it focuses on analyzing the relationship between work-life balance, employee stress, and employee performance.

3.2 Area of the Study

The study is conducted in Ayodhya. The area has been selected to understand the work-life balance and its effects on employees in a developing city.

3.3 Nature of Data

The study is based on primary data, collected directly from respondents.

3.4 Data Collection Method

Data has been collected using a structured questionnaire based on a Likert five-point scale, where responses range from strongly agree to strongly disagree.

3.5 Sampling Technique

The study uses convenience sampling, where respondents are selected based on their availability and willingness to participate.

3.6 Sample Size

A total of **200 respondents** have been included in the study.

3.7 Variables of the Study

- **Independent Variable:** Work-Life Balance
- **Dependent Variables:** Employee Stress and Employee Performance

3.8 Tools and Techniques Used

Spearman's Rank Correlation has been used to measure the relationship between the variables.

3.9 Data Analysis Tool

The collected data has been analyzed using SPSS, which ensures accurate and meaningful interpretation of results.

4. Data Analysis

H₀₁: There is no significant relationship between work-life balance and employee stress.

Table-1 Correlations				
			Work-life Balance	Employee Stress.
Spearman's rho	Work-life Balance	Correlation Coefficient	1.000	-.819**
		Sig. (2-tailed)	.	.002
		N	200	200
	Employee Stress.	Correlation Coefficient	-.819**	1.000
		Sig. (2-tailed)	.002	.
		N	200	200
**. Correlation is significant at the 0.05 level (2-tailed).				

Interpretation- The correlation analysis was conducted to examine the relationship between work-life balance and employee stress. The results show a correlation coefficient value of -0.819, which indicates a strong negative relationship between the two variables. This means that as work-life balance improves, employee stress significantly decreases. In simple terms, employees who are able to maintain a better balance between their work and personal life experience lower levels of stress. The significance value (p-value) is 0.002, which is less than the standard level of 0.05. This indicates that the relationship between work-life balance and employee stress is statistically significant and not due to chance. Therefore, the findings are reliable and meaningful for the study. Based on these results, the null hypothesis stating that there is no significant relationship between work-life balance and employee stress is rejected, and the alternative hypothesis is accepted. Overall, the analysis clearly shows that maintaining a good work-life balance plays an important role in reducing employee stress and improving their well-being.

H₀₂: There is no significant relationship between work-life balance and employee performance.

Table-2 Correlations				
			Work-life Balance	Employee Performance
Spearman's rho	Work-life Balance	Correlation Coefficient	1.000	.743**
		Sig. (2-tailed)	.	.004
		N	200	200
	Employee Performance	Correlation Coefficient	.743**	1.000
		Sig. (2-tailed)	.004	.
		N	200	200

** . Correlation is significant at the 0.05 level (2-tailed).

Interpretation-The correlation analysis was conducted to examine the relationship between work-life balance and employee performance. The results show a correlation coefficient value of 0.743, which indicates a strong positive relationship between the two variables. This means that as work-life balance improves, employee performance also increases. In simple terms, employees who are able to maintain a proper balance between their work and personal life tend to perform better in their jobs. The significance value (p-value) is 0.004, which is less than the standard level of 0.05. This indicates that the relationship between work-life balance and employee performance is statistically significant and not due to chance. Therefore, the results are reliable and meaningful for the study. Based on these findings, the null hypothesis stating that there is no significant relationship between work-life balance and employee performance is rejected, and the alternative hypothesis is accepted. Overall, the analysis clearly shows that maintaining a good work-life balance plays an important role in improving employee performance and productivity.

5. Discussion

The findings of the present study show that work-life balance has a strong and significant relationship with both employee stress and performance. The negative relationship between work-life balance and stress indicates that better balance helps in reducing stress levels among employees. At the same time, the positive relationship with employee performance shows that employees perform better when they are able to manage their work and personal life effectively. These results are supported by previous studies in this area. Greenhaus and Allen (2011) stated that a proper balance between work and personal life reduces stress and improves employee well-being. Similarly, Haar et al. (2014) found that work-life balance is positively related to job satisfaction and performance while reducing burnout and stress. In addition, Allen et al. (2013) emphasized that organizations that support work-life balance experience higher employee productivity and lower stress levels. Overall, the findings of the present study are consistent with earlier research and confirm that work-life balance is an important factor in improving employee performance and reducing stress, leading to better organizational outcomes.

6. Conclusion

In conclusion, the present study highlights the important role of work-life balance in reducing employee stress and improving performance. In today's fast-paced and demanding work environment, employees often face high levels of stress due to workload, long working hours, and lack of personal time. Maintaining a proper balance between work and personal life has become essential for both employees and organizations. The findings of the study clearly show that work-life balance has a strong negative relationship with employee stress, which means that better balance leads to lower stress levels. At the same time, there is a strong positive relationship between work-life balance and employee performance, indicating that employees perform better when they are able to manage their work and personal responsibilities effectively. A good work-life balance

helps employees feel more relaxed, motivated, and satisfied with their jobs. This not only improves their mental and physical well-being but also increases their productivity and efficiency at work. Organizations that support work-life balance practices, such as flexible working hours and leave policies, are more likely to have satisfied and high-performing employees. Overall, work-life balance is not just beneficial for employees but also for organizations. It helps in creating a positive work environment, reducing stress, and improving performance. Therefore, both employees and employers should focus on maintaining a healthy work-life balance to achieve long-term success and well-being.

7. Implications of the Study

The findings of this study have important implications for organizations, employees, and researchers. For organizations, the results suggest that promoting work-life balance can help reduce employee stress and improve performance. Companies should introduce policies such as flexible working hours, remote work options, and supportive work environments to enhance employee well-being. For employees, the study highlights the importance of managing work and personal life effectively to reduce stress and increase productivity. Maintaining a proper balance can lead to better mental health and job satisfaction. For managers, it emphasizes the need to understand employee needs and provide support to improve overall performance. For researchers, this study provides a base for further research in the area of work-life balance, stress, and performance. Overall, the study shows that work-life balance is essential for both individual and organizational success.

8. References

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