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Integrating Psychosocial and Structural Resources: The Role of Work-Life Balance and Technology Readiness in Employee Engagement

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Abstract

This study aims to analyze the role of work-life balance and technology readiness in improving employee engagement among PNM employees in the Cirebon region. The study employed a quantitative explanatory approach with a survey method involving 100 respondents selected through purposive sampling, specifically employees actively involved in technology-based work. Data were collected using a Likert-scale questionnaire and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM), including evaluation of the measurement model and the structural model. The results showed that work-life balance had a positive and significant effect on employee engagement ($\beta = 0.419$; $p < 0.05$), while technology readiness had a more dominant influence ($\beta = 0.470$; $p < 0.05$). The R^2 value of 0.741 indicates that both variables explain 74.1% of the variation in employee engagement. Effect size (f^2) analysis demonstrated a strong contribution from both variables. The novelty of this research lies in the integration of work-life balance as a psychosocial resource and technology readiness as a structural resource within the Job Demands-Resources (JD-R) framework. Theoretically, this research enriches human resource management studies, while practically it provides implications for microfinance institutions to strengthen work-life balance policies and digital competencies to increase employee engagement.

Keywords

work-life balance; work technology readiness; work engagement; human resource management; digital transformation

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1. INTRODUCTION

Developments in the modern workplace demonstrate that organizational success is no longer solely determined by work systems and procedures, but also by the level of employee work engagement (Hulu et al., 2025). Work engagement reflects a positive psychological state characterized by enthusiasm, dedication, and full involvement in work (Munawar & Suriyanti, 2024). Employees with high levels of engagement tend to have better performance, higher loyalty, and lower levels of burnout (Putry, 2025). In the context of the financial services and microfinance industries, which face

high target pressures and accelerated digital transformation, work engagement is a strategic factor determining organizational sustainability.

In practice, employees at Permodalan Nasional Madani (PNM) in the Cirebon area face complex work demands, including achieving financing targets, customer assistance, administration, and the use of digital systems. These conditions often lead to long working hours, high work pressure, and potential work-life imbalance. On the other hand, digital transformation demands adequate technological readiness, both in terms of systems and employee competency. Technological unpreparedness can become an operational obstacle, resulting in decreased focus and work engagement.

A pre-survey of 30 PNM employees in the Cirebon area revealed that 63% felt overworked and 58% frequently worked overtime more than twice a week. Furthermore, 47% had experienced digital system disruptions, 55% felt bored, and 28% considered changing jobs. The employee turnover rate also averaged 12% per year, higher than the microfinance industry average (8–10%). Theoretically, these findings indicate an imbalance between job demands (workload, pressure, digital demands) and job resources, which could potentially reduce work engagement if not managed properly.

Table 1. of Pre-Survey Results of PNM Employees' Working Conditions in the Cirebon Region (n = 30)

No	Assessment Indicators	Yes (n)	Yes (%)	No (n)	No (%)	Initial Interpretation
1	Feeling high workload	19	63	11	37	The majority of employees feel work pressure
2	Often work overtime more than twice a week	17	58	13	42	Work intensity is relatively high
3	Have you ever experienced a digital system failure?	14	47	16	53	Technological challenges still arise
4	Have you ever felt bored in the last three months?	17	55	13	45	Indications of psychological stress at work
5	Ever considered changing jobs?	8	28	22	72	Some employees have the intention of leaving

Source: Results of the researcher's pre-survey on PNM employees in the Cirebon region, 2026.

From a literature perspective, work-life balance and technology readiness are two important factors influencing work engagement. Research shows that a good work-life balance improves employee well-being and engagement (Lamichhane et al., 2023), while technology readiness supports work effectiveness and adaptation to digital change (Wening & Sujoko, 2025). However, findings

suggest that technological demands (ICT Demands) can disrupt work-life balance and decrease job satisfaction (Aghnia & Meilani, 2025), while technological support (ICT Resources) can strengthen work-life balance. This indicates a dynamic relationship that is not yet fully consistent and requires an integrative approach.

Based on the Job Demands-Resources (JD-R) theory, work engagement is influenced by the interaction between job demands and job resources. Job resources, both psychosocial such as work-life balance and structural such as technology readiness, play a role in triggering motivational processes that increase work engagement. However, most previous research has examined these two factors separately. Therefore, there are research gaps in the following areas: (1) the limitations of the JD-R-based integrative model that combines psychological and structural resources, and (2) the limited number of studies in the context of microfinance institutions, which have target-based and digital work characteristics.

Based on this background, this study aims to analyze the role of work-life balance and technology readiness in improving the work engagement of PNM employees in the Cirebon region, both partially and simultaneously. Theoretically, this research contributes to enriching human resource management studies by integrating these two types of work resources within the JD-R framework. Practically, this research is expected to provide implications for organizations in formulating strategies to increase employee engagement through work-life balance policies and strengthening digital competencies.

2. METHODS

This study uses a quantitative approach with a survey method to examine the relationships between research variables in a measurable manner through statistical analysis (Pandiangan & Albina, 2025). The research design is explanatory research, which aims to explain the causal relationships between independent and dependent variables (Sofya, 2024). The study was conducted among employees of Permodalan Nasional Madani (PNM) in the Cirebon region, whose job characteristics involve target-based performance, customer service, and the use of digital systems. The population of this study includes all PNM employees in the Cirebon region. However, the exact number of the population could not be determined due to limited access to internal organizational data. Conceptually, the population consists of operational employees such as account officers, administrative staff, and supervisors involved in microfinance activities. Therefore, the sample size was determined using the Lemeshow formula, which is appropriate when the population size is unknown.

With a 95% confidence level (Z = 1.96), population proportion (p = 0.5), and margin of error (d =

0.1), the minimum required sample size was 96 respondents. A 10% error rate was considered acceptable in social research with exploratory characteristics and limited population access. To improve analytical reliability, this study used 100 respondents. However, the use of non-probability purposive sampling may introduce sampling bias and limit the generalizability of the findings. The sample was selected based on the criteria of active employees involved in technology-based operational work. Data were collected using primary data from questionnaires and secondary data from academic literature. The research instrument was a closed-ended questionnaire using a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). The instrument consisted of 18 items covering three variables: work-life balance, technology readiness, and work engagement, each measured with six indicators.

Table 2. Operational Variable

Variable	Indicators	Items
Work-Life Balance (X1)	Time management, schedule flexibility, supervisor support, workload balance, family-friendly policies, time for family	6
Technology Readiness (X2)	System ease of use, device availability, system stability, digital competence, adaptability, IT support	6
Work Engagement (Y)	Work energy, dedication, enthusiasm, pride, focus, concentration	6

Validity and reliability tests were conducted using the Partial Least Squares (PLS) approach through the measurement model (outer model). Convergent validity was assessed using outer loading (>0.70) and Average Variance Extracted (AVE >0.50) (Prasetiyo, 2025; Hair et al., 2017). Reliability was tested using Composite Reliability and Cronbach's Alpha (>0.70) (Adetya & Yuliana, 2025; Edelsbrunner et al., 2025). Data analysis was performed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software. PLS-SEM was chosen over Covariance-Based SEM (CB-SEM) because it is more flexible for small sample sizes, does not require normal data distribution, and is suitable for predictive and exploratory models in social research (Sofyani, 2025). The analysis stages include: (1) descriptive analysis to describe respondent characteristics and response tendencies (Asyorori & Andani, 2023); (2) evaluation of the measurement model (outer model); (3) evaluation of the structural model (inner model) using R-square, path coefficients, and significance testing (Zazilah et al., 2023); and (4) hypothesis testing using bootstrapping with criteria of t-statistics > 1.96 and p-value < 0.05 (Prasetiyo, 2025). Multicollinearity was tested using the Variance Inflation Factor (VIF < 5) (Yaldi, 2022). This study also follows ethical research principles. All respondents participated voluntarily through informed consent, and their responses were kept confidential and used solely for academic purposes. The hypotheses of this study are: (H1) work-life balance has a positive effect on work engagement; (H2) technology readiness has a positive effect on

work engagement; and (H3) both variables simultaneously have a positive effect on work engagement. The study is grounded in the Job Demands-Resources (JD-R) theory, where work-life balance represents a psychosocial resource and technology readiness represents a structural resource that jointly influence work engagement.

3. FINDINGS AND DISCUSSION

Work-life balance (X1) is a condition when an individual is able to balance the demands of work and personal life effectively so that it does not cause role conflict that impacts psychological well-being and performance (Rakhmanto & Rosnani, 2024). Greenhaus, Collins, and Shaw define this concept as an individual's perception of the fit between work and personal roles without prolonged conflict. This concept emphasizes the quality of role integration, not simply the allocation of time (Astuti et al., 2024). Empirical findings from Sirgy and Lee show that work-life balance has a positive effect on well-being and work engagement (Diniawaty & Prahiawan, 2024). Based on the Job Demands-Resources Model perspective, work-life balance functions as a job resource that can reduce stress and increase work motivation (Setiawan, 2026). The indicators of work-life balance in this study are as follows:

No	Indicator
1	Time setting
2	Schedule adjustment
3	Leadership attention
4	Load compliance
5	Employee friendly policies
6	Time for family

These indicators show that the better the balance between work and personal life, the higher the employee's ability to maintain energy, focus, and engagement in work.

Work technology readiness (X2) refers to an individual's attitude and ability to accept and use technology as part of work activities (Amalia, 2024). This concept was developed in Parasuraman's Technology Readiness Index, which emphasizes that technology readiness encompasses psychological aspects such as optimism, innovativeness, discomfort, and distrust of technology. In the modern workplace, technology readiness is a crucial factor because digital systems, software, and online applications are used extensively to complete tasks (Zahra & Adam, 2024). Research by Tarafdar et al. shows that individuals with high technological readiness tend to be more adaptive, confident, and effective at work, thus potentially increasing work engagement (Firdiyansyah & Pratiwi, 2026). Based on the Job Demands-Resources Model perspective, job technology readiness serves as a structural resource that can reduce technical barriers and increase work efficiency. The indicators of job technology readiness in this study are as follows:

No	Indicator
1	System convenience
2	Device availability
3	System smoothness
4	Employee capabilities
5	Adaptability
6	IT Support

These indicators show that the higher the technological readiness of the work, the lower the technical barriers faced by employees, so that they can work more effectively, comfortably, and optimally involved in their work.

Work engagement (Y) is a positive psychological condition characterized by high energy levels, strong dedication, and the individual's full involvement in his or her work (Hanum & Mulyana, 2025). This concept was introduced by Schaufeli and Bakker who defined work engagement as a state opposite to work burnout and is reflected in three main dimensions, namely vigor, dedication, and absorption (Ridho, 2023). Employees with high levels of work engagement tend to demonstrate strong motivation, high organizational commitment, and stable and sustainable performance. Empirical findings from Bakker and Demerouti also indicate that work engagement is positively correlated with work effectiveness, job satisfaction, and employee retention (Panggabean et al., 2023). The indicators of work engagement in this study are as follows:

No	Indicator
1	Work energy
2	Job resilience
3	Enthusiasm
4	Pride
5	Work focus
6	Concentration

Within the Job Demands-Resources Model framework developed by Demerouti and Bakker, work engagement is influenced by the interaction between job demands and job resources. Job resources, both psychosocial such as work-life balance and structural such as work-technology readiness, play a role in triggering motivational processes that enhance work engagement. In this study, all constructs were measured using a reflective approach, where indicators are viewed as manifestations of latent variables, so that changes in the variables will be reflected in changes in their indicators (Irvan & Idulfilastri, 2023).

Permodalan Nasional Madani (PNM) is a state-owned financial institution focused on financing and empowering micro, small, and medium enterprises. Its operational activities involve administration, customer service, and digital-based financing management. PNM employees in the

Cirebon region face demands for precision, target achievement, and intensive use of technology. This makes work-life balance and technological readiness key factors in supporting employee engagement.

This study involved 100 PNM employees in the Cirebon area. Respondents were predominantly female (68%) and male (32%). Based on age, the majority were in the 25–35 years range (52%), followed by 36–45 years (25%), under 25 years (15%), and over 45 years (8%). In terms of education, the majority had a bachelor's degree (55%), followed by high school (20%), D3 (18%), and master's degree (7%). Based on length of service, the majority had 1–3 years of experience (40%), followed by 4–6 years (30%), more than 6 years (18%), and less than 1 year (12%). In terms of position, respondents were predominantly Account Officers (45%), followed by administrative staff (20%), field officers (18%), supervisors (10%), and unit heads (7%). This composition indicates that respondents are of productive age, have adequate education levels, and sufficient work experience, making it relevant in assessing work-life balance, technology readiness, and work engagement.

Table. Respondent Characteristics by Gender

Gender	Amount	Percentage
Man	32	32%
Woman	68	68%
Total	**100**	**100%**

Table. Respondent Characteristics by Age

Age	Amount	Percentage
< 25 years	15	15%
25–35 years	52	52%
36–45 years	25	25%
> 45 years	8	8%
Total	**100**	**100%**

Table. Respondent Characteristics Based on Education

Education	Amount	Percentage
SENIOR HIGH SCHOOL	20	20%
D3	18	18%
S1	55	55%
S2	7	7%
Total	**100**	**100%**

Table. Respondent Characteristics Based on Position

Position	Amount	Percentage
Account Officer	45	45%
Administrative staff	20	20%
Field Officer	18	18%
Supervisor	10	10%
Head of Unit	7	7%
Total	**100**	**100%**

Respondent characteristics indicate a predominance of female workers, productive age, undergraduate education, and intermediate work experience. The majority hold positions as Account Officers, directly involved in work targets and technology utilization. This profile reflects respondents who are active, adaptive, and relevant for analyzing the relationship between work-life balance, technology readiness, and work engagement.

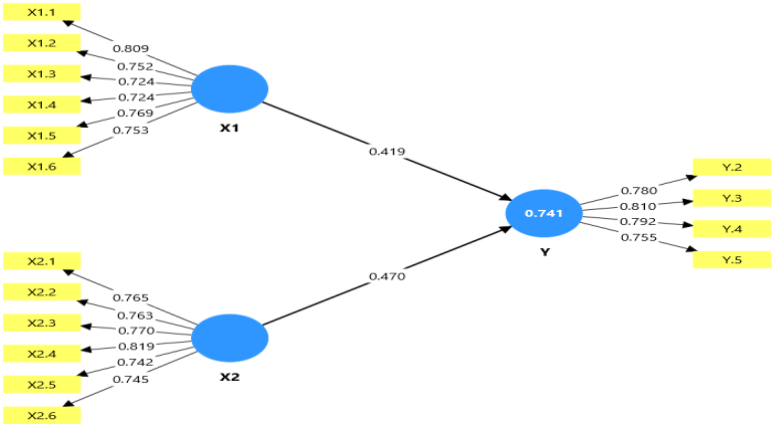
Descriptive Analysis of Variables

Descriptive analysis was conducted to describe respondents' perceptions of the research variables, namely work-life balance, work technology readiness, and work engagement. The results show that work-life balance (X1) has a mean value of 3.89 with a standard deviation of 0.62, indicating that employees generally perceive a good balance between work and personal life. Work technology readiness (X2) has a mean value of 3.94 with a standard deviation of 0.58, reflecting that employees feel capable and supported in using work-related technology. Meanwhile, work engagement (Y) shows the highest mean value of 4.02 with a standard deviation of 0.55, indicating a high level of enthusiasm, dedication, and involvement in work. The relatively low standard deviation across variables indicates that respondents' perceptions are relatively homogeneous.

Measurement Model Analysis (Outer Model)

The measurement model analysis was conducted using SmartPLS to evaluate the validity and reliability of the indicators in measuring each latent construct in the research model. This stage is essential to ensure that all indicators accurately represent the variables of work-life balance, work technology readiness, and work engagement.

Research Model Image with Outer Loading and Path Coefficient Values



The results in Figure 1 show that all indicators have outer loading values above 0.70, indicating strong indicator reliability and adequate convergent validity as recommended by Hair et al. (2017). The most dominant indicators in each construct are X1.1 (0.809) for work-life balance, X2.4 (0.819) for work technology readiness, and Y3 (0.810) for work engagement. These values indicate that work flexibility, digital competence, and dedication are the most representative dimensions of each variable. Furthermore, the structural relationship shows that work technology readiness has a stronger effect on work engagement ($\beta = 0.470$) compared to work-life balance ($\beta = 0.419$). The model also demonstrates strong explanatory power with an R^2 value of 0.741, indicating that 74.1% of the variation in work engagement can be explained by the two independent variables.

Convergent Validity Test

Criteria: Outer Loading > 0.70

Outer Loading Value Table

Variables	Indicator	Loading
X1	X1.1	0.809
X1	X1.2	0.752
X1	X1.3	0.724
X1	X1.4	0.724
X1	X1.5	0.769
X1	X1.6	0.753
X2	X2.1	0.765
X2	X2.2	0.763
X2	X2.3	0.770
X2	X2.4	0.819
X2	X2.5	0.742
X2	X2.6	0.745
Y	Y1.1	0.677
Y	Y1.2	0.780
Y	Y1.3	0.810
Y	Y1.4	0.792
Y	Y1.5	0.755
Y	Y1.6	0.698

Convergent validity is confirmed as all AVE values exceed 0.50, namely work-life balance (0.571), work technology readiness (0.589), and work engagement (0.615), while two indicators of work engagement (Y1 = 0.677; Y6 = 0.698) are still retained based on Hair et al. (2017) because values between 0.60–0.70 are acceptable in exploratory research and their removal does not significantly improve model quality. Discriminant validity is established through HTMT values below 0.90, indicating that each construct is distinct, and reliability testing confirms strong internal consistency with Composite Reliability above 0.86 and Cronbach's Alpha above 0.79. Furthermore, the structural model analysis shows an R^2 value of 0.741, categorized as substantial according to Hair et al. (2017), while effect size analysis indicates large contributions from both work-life balance ($f^2 = 0.42$) and work technology readiness ($f^2 = 0.51$). The predictive relevance test also shows a Q^2 value of 0.52, confirming strong predictive accuracy of the model. Overall, hypothesis testing based on bootstrapping results confirms that both work-life balance ($\beta = 0.419$, $p < 0.001$) and work technology readiness ($\beta = 0.470$, $p < 0.001$) have a positive and significant effect on work engagement, with technology readiness emerging as the more dominant predictor.

Discriminant Validity and Reliability Test

The values on the diagonal of the table indicate the square root of the AVE of each construct.

Discriminant Validity Table

	X1	**X2**	**Y**
X1	0.756		
X2	0.876	0.768	
Y	0.831	0.837	0.784

Heterotrait-Monotrait Ratio (HTMT) Test

The HTMT value between variables X1 and X2 is 0.876, between X1 and Y is 0.831, and between X2 and Y is 0.837. All HTMT values are below the 0.90 limit, so it can be concluded that discriminant validity is met and there is no problem of construct overlap. Although the correlation value between constructs is relatively high, the HTMT value remains below the 0.90 limit so that methodologically there is no significant discriminant problem.

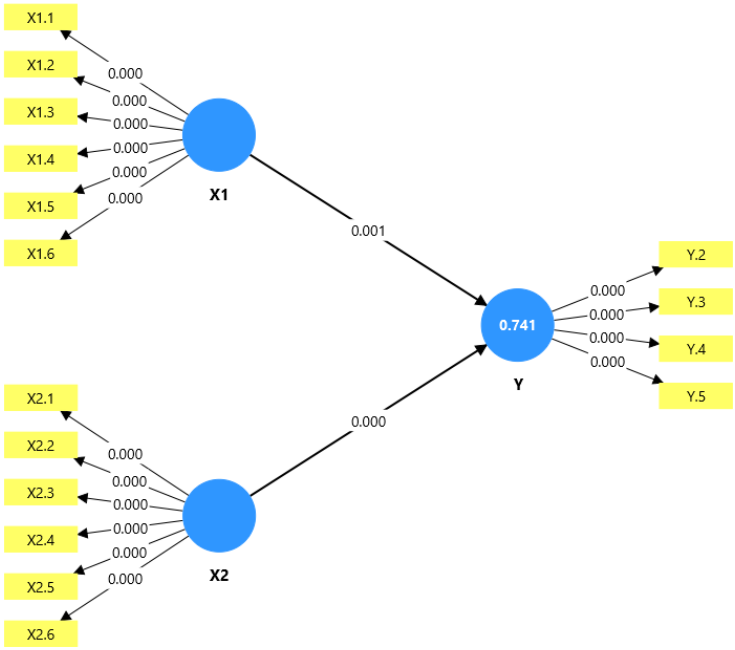
AVE and Reliability Value Table

Variables	**AVE**	**Composite Reliability**	**Cronbach Alpha**
X1	0.571	0.889	0.850
X2	0.589	0.896	0.861
Y	0.615	0.865	0.791

The AVE value of all variables is greater than 0.50, which means that each construct is able to explain more than 50% of the indicator variance. The Composite Reliability and Cronbach Alpha values of all variables are above 0.70, so the construct is declared reliable and consistent in measuring the research variables. Thus, the measurement model has met the validity and reliability criteria so that it can be continued to the structural model analysis.

Structural Model Analysis (Inner Model)

Image of Bootstrapping Results of Research Model



Based on the bootstrapping results in the image above, the bootstrapping results show that the influence path between variables has a significance value below 0.05. The influence path between work-life balance (X1) and work engagement (Y) has a significance value of 0.001 (<0.05). This shows that the influence is statistically significant. Meanwhile, the influence of work technology readiness (X2) on work engagement (Y) has a significance value of 0.000 (<0.05), which means that the influence is very significant. Thus, both independent variables are proven to have a significant influence on work engagement.

R-Square Value

R-Square Value Table

Dependent Variable	R-Square
Work Engagement	0.741

The value of 0.741 means that 74.1% of work engagement is explained by work-life balance and work technology readiness. The remaining 25.9% is explained by other variables not examined in this study. According to Hair (2017): 0.75 = strong, 0.50 = moderate, 0.25 = weak. The value of 0.741 is close to the strong category. The model has strong explanatory power. Based on the R-Square value of 0.741, it can be concluded that work-life balance and work technology readiness together are able to explain 74.1% of the variation in work engagement. Thus, the third hypothesis is accepted.

Effect Size Test (F-Square)

The effect size (F^2) value was obtained through calculations in SmartPLS by observing the change in the R-Square value when each independent variable was removed from the model. Based on the data processing results, the work-life balance and work technology readiness variables showed an F^2 value above 0.35, thus being included in the large effect category according to Hair et al. (2017). This indicates that both variables have a substantive contribution to work engagement.

Predictive Relevance Test (Q-Square)

The Q-Square value was obtained through the blindfolding procedure in SmartPLS. The results show a Q^2 value > 0, which means the model has good predictive relevance. Based on Hair et al.'s (2017) criteria, a Q^2 value above 0 indicates the presence of predictive ability in the research model. This value indicates that the variables of work-life balance and work technology readiness have strong predictive relevance in explaining variations in employee work engagement.

Path Coefficient and Significance Test

Hypothesis Test Results Table

Connection	Coefficient	P-Value	Decision
X1 → Y	0.419	0.001	H1 accepted
X2 → Y	0.470	0,000	H2 accepted

The Effect of Work-Life Balance on Work Engagement. The coefficient value of 0.419 indicates a positive relationship. This means that the better the employee's work-life balance, the higher their work engagement. A p-value of 0.001 (<0.05) indicates that the effect is statistically significant.

Discussion

The results of this study confirm that work-life balance and work technology readiness function as important job resources in increasing employee work engagement, as explained in the Job Demands-Resources (JD-R) theory (Bakker & Demerouti, 2007). However, beyond simply demonstrating statistical significance, these findings provide a deeper understanding of why and how these two variables influence work engagement, particularly in the context of a microfinance institution like PNM.

First, work-life balance acts as an emotional and psychosocial resource that helps employees manage stress and maintain psychological energy. When employees are able to balance work demands with their personal lives, they tend to experience less role conflict and emotional exhaustion,

thereby increasing intrinsic motivation and work engagement. This explains why PNM employees who perceive organizational support such as flexible hours and a manageable workload show higher levels of enthusiasm and dedication. These findings align with research by Pramana & Putra (2022) and Hastuti (2018), which confirm that work-life balance has a positive effect on work engagement. However, several other studies have shown that work-life balance alone is not always sufficient in highly digital work environments, as technological demands can diminish its positive impact. This indicates that emotional resources need to be complemented by structural resources to maintain optimal work engagement.

Second, job technology readiness emerged as a more dominant predictor because it functions as a structural and instrumental resource that directly influences how work is performed. Within the JD-R framework, structural resources play a crucial role in reducing work demands and increasing efficiency. In the context of PNM, where operational activities rely heavily on digital systems, employees with high technology readiness are able to complete work more quickly, accurately, and with minimal disruption. This condition not only improves performance but also reduces technostress, the pressure that arises from the inability to adapt to technology. When technostress is low, employees can focus more on meaningful aspects of their work, thereby increasing work engagement. This explains why technology readiness has a stronger effect ($\beta = 0.470$) than work-life balance. This finding aligns with research by Khoza et al. (2024) which shows that technology readiness increases motivation and work engagement, and Abdul Hamid (2022) which confirms that technology readiness improves adaptive performance. However, several studies also show that excessive digitalization without adequate support can actually increase work pressure and decrease engagement, so it is important to maintain a balance between technology adoption and employee readiness.

Third, the simultaneous influence of work-life balance and technological readiness indicates that work engagement is the result of a multidimensional interaction between psychological and technological factors. The R^2 value of 0.741 indicates that the integration of emotional resources (work-life balance) and structural resources (technological readiness) produces a synergistic effect in enhancing work engagement. This finding is supported by research by Qadaar et al. (2025) and Nursesa & Achmad (2026), which showed that digital readiness and work-life integration jointly improve employee well-being and performance. Furthermore, Rinawati et al. (2024) and Salim et al. (2025) also confirmed that organizational support, work-life balance, and employee development simultaneously have a significant influence on work engagement.

From a contextual perspective, this finding is highly relevant to the microfinance sector, which is characterized by high work intensity, target pressure, and accelerated digital transformation.

Employees are not only required to achieve financing targets but also must be able to adapt to continuously evolving digital systems. In this environment, work-life balance plays a role in maintaining emotional stability, while technological readiness ensures smooth operations. Without both, employees are likely to experience burnout or work barriers that can lead to decreased engagement.

Practically, this research implies that organizations like PNM need to implement an integrated HR management strategy. First, organizations need to design adaptive work-life balance policies, such as work flexibility, workload management, and psychological support programs. Second, companies need to invest in ongoing digital training, provide technical support, and develop user-friendly technology systems. Third, organizations need to proactively manage technostress by ensuring that digital transformation is accompanied by adequate training, clear communication, and realistic performance expectations. Through this approach, organizations can create a sustainable work environment that not only improves performance but also employee well-being.

Overall, this research contributes to the development of JD-R theory by demonstrating that the integration of emotional and structural resources provides a more comprehensive explanation of work engagement, particularly in the context of digitally intensive and highly demanding sectors such as microfinance institutions.

4. CONCLUSION

Based on the results of a study of 100 PNM employees in the Cirebon region using the PLS-SEM approach, it can be concluded that work-life balance and work technology readiness are the main determinants in increasing work engagement, with technology readiness being the more dominant factor. Conceptually, this study provides a theoretical contribution by strengthening and expanding the application of the Job Demands-Resources (JD-R) theory through the integration of emotional resources (work-life balance) and structural resources (technology readiness) in a single contextual model in the microfinance sector. Practically, these findings emphasize the importance of integrated organizational policies, such as strengthening work-life balance programs, managing workloads, and investing in digital training, developing user-friendly systems, and ongoing technical support as strategies to increase employee work engagement. However, this study has limitations such as a relatively small sample size, the use of a cross-sectional design that is not able to capture the dynamics of behavioral changes longitudinally, and the potential bias of self-reported data. Therefore, further research is recommended to use a longitudinal approach, develop mediation or moderation models, and add other variables such as leadership and organizational culture to gain a more comprehensive understanding. Overall, this study provides policy implications that increasing work engagement in

the digital era depends not only on work-life balance, but also on technological readiness that is strategically managed by the organization.

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