

An Exploratory Study of Work Life Quality to Enhance Employee Performance at PT Bank Sumut Syariah, Medan



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Abstract

The decline in employee performance at the Medan Syariah Branch and the Medan Ringroad Syariah Branch of PT Bank Sumut Syariah, Medan, has had a serious impact on the organization's target achievement. This condition is suspected to be related to suboptimal Quality of Work Life (QWL), such as an imbalanced workload, limited participation in decision-making, lack of transparency in the reward system, and minimal attention to mental health. In the context of Islamic banking, this issue is also closely tied to the application of Islamic values such as justice ('adl), trustworthiness (amanah), consultation (shura), and excellence (ihsan). This study aims to explore and analyze the influence of QWL on employee performance using a mixed-method sequential exploratory design. The qualitative phase was conducted through in-depth interviews with eight informants, revealing that although restructuring has accelerated digitalization, it has also increased work pressure. Participation is still perceived as symbolic, the reward system is considered unfair, and the work environment lacks attention to psychological aspects. The quantitative results, obtained through questionnaires distributed to 104 respondents, show that the four variables work restructuring, job participation, reward system, and work environment have a positive and significant influence on performance, with an R^2 value of 0.707. The synthesis of both approaches confirms that a high quality of work life, both technically and spiritually, can enhance employee performance. The consistent application of Islamic values in organizational management can strengthen employees' motivation, loyalty, and professionalism. This study recommends comprehensive, fair, and value-based QWL management as a strategic approach to improving performance in Islamic banking.

Keywords: Bank Sumut Syariah, Quality of Work Life, Employee Performance, Islamic Values

INTRODUCTION

Amidst increasingly competitive industrial competition due to globalization and digital transformation, improving the quality of human resources (HR) has become a strategic need for companies, including Islamic banking (Fattah et al., 2022). HR has a central role in determining the success of an organization because it functions as the main manager of all other resources (Purwanto et al., 2023). In this context, achieving optimal employee performance is not only determined by technical skills alone, but also by how organizational management creates a supportive work environment.

One relevant approach to understanding the factors that influence employee performance is through the concept of Quality of Work Life (QWL) or quality of work life (Dongoran & Anggraini, 2022). QWL covers various dimensions, such as work restructuring, employee participation, reward systems, and work environment (Nasution, 2020). A good quality of work life directly contributes to increased employee motivation, productivity, and loyalty, while a low quality can lead to job stress, dissatisfaction, and decreased performance (Ubudiyah et al., 2020).

The phenomenon of declining employee performance at PT Bank Sumut Syariah Kota Medan, particularly at the Medan Syariah Branch and the Medan Ringroad Syariah Branch and its subordinate units, indicates problems in QWL management. Based on initial observations and interviews, several problems were found, such as an imbalance in workload due to restructuring, minimal employee participation in decision-making, a mismatch between the reward system and work contributions, and a work environment that does not fully support collaboration and psychological well-being.

In the context of Islamic banking, it is important to review this issue with an Islamic values approach, such as *ihsan*, *amanah*, *al-'adl*, and *shura*, which, if consistently implemented, can become an ethical and spiritual force in driving superior performance. However, the integration of these values into QWL management systems has not been widely studied empirically. Research gaps are also found in previous studies that examine the relationship between QWL dimensions and employee performance, where the results show inconsistencies. Some studies emphasize the importance of work participation (Abdi et al., 2019), while other studies highlight the reward dimension or work environment as the most dominant factors. This inconsistency highlights the need for further research, particularly in the context of Islamic banking in Indonesia.

A research gap was found in previous studies that discussed the relationship between quality of work life and employee performance. The research conducted by (Abdi et al., 2019) shows that of the four dimensions of QWL, it is the most significant factor in improving employee performance. This is different from the findings (Gunawan & Hidayatullah, 2023), states that partially, work restructuring, work participation, and the work environment have a positive and significant effect on employee performance, while the reward system has no significant effect. However, simultaneously, all four variables have an overall effect on employee performance. Other differences were found in the study. Suci (2022), where this study shows that participation in problem solving and the work environment have a significant influence on employee job satisfaction, both partially and simultaneously.

Thus, this study aims to analyze the influence of quality of work life on employee performance at PT Bank Sumut Syariah, Medan City. This research is expected to provide theoretical contributions to the literature on Islamic value-based HR management as well as practical recommendations for Islamic banking management in improving employee productivity through more humanistic and ethically based QWL management.

REVIEW OF LITERATURE

Quality of Work Life (QWL)

According to Irving Bluestone, a figure from General Motors who first introduced this term (Utaminingsih et al., 2024). According to him, the quality of work life refers to how an organization can connect human resource potential with company goals. According to Walton (1937) as quoted in (Hartini, 2021) QWL reflects how effectively an organization responds to its employees' needs, such as a safe and healthy work environment, conflict management, and freedom in carrying out tasks. Cascio (2003) adds that quality of work life is also related to employee perceptions of security, job satisfaction, and opportunities for self-development. This opinion emphasizes that QWL does not only focus on material aspects or compensation, but also on the overall satisfaction felt by employees in the workplace. There are two general views on QWL: first, as a collection of organizational conditions and practices that democratically involve workers in decision-making and ensure safe working conditions; second, as employee perceptions of how satisfied they are with their jobs, including feelings of security and opportunities for career development. Indicators of quality of work life include:

Work Restructuring

Work restructuring is a process of adjustment or change designed to increase efficiency and effectiveness in managing work in an organization. Robbins & Coulter (2016) in (Lindawati & Susila, 2022) Organizational restructuring encompasses three main elements: changes in structure, technology, and people. These elements are designed to create greater flexibility in responding to changes in the external and internal environment, ensuring that jobs and work processes support the achievement of organizational goals.

Work Participation

Workplace participation refers to the active involvement of employees in various aspects of decision-making in the workplace. This concept refers to how employees are given the opportunity to contribute to the process of determining policies, planning, and evaluating organizational performance. According to Noe (2011), (Rahmawati et al., 2022) Work participation is a form of employee active involvement and concern for the work they do. When employees are actively involved in their tasks, this reflects a high sense of responsibility for the results of their work.

Reward System

The reward system is a crucial element in human resource management that is directly related to the recognition given to employees for their contributions to the organization. This reward is divided into two main categories: financial compensation and non-financial compensation. Financial compensation includes salaries, wages, and direct incentives given based on performance, which aims to provide commensurate rewards for the work achieved by employees. This financial compensation is very important for maintaining employee

satisfaction, because employees who feel materially appreciated tend to be more motivated to provide maximum results. As quoted in (Gumsi & Jamilus 2024) theory of Hasibuan (2013) And Nurjaman (2014) underlined that fair and appropriate financial rewards for employee contributions will increase work enthusiasm and reduce employee turnover.

Work environment

The work environment is a crucial element that influences employee comfort, productivity, and well-being. According to Sedarmayanti, (2001) in (Surijadi & Idris, 2020), the work environment encompasses all conditions surrounding the workplace that directly or indirectly affect employees. A supportive work environment creates a conducive atmosphere for employees to perform optimally, increases work time effectiveness, and encourages individual and organizational productivity.

Quality of Work Life in Islamic Perspective

In Islam, the concept related to the quality of work life (QWL) not only regulates the relationship between humans and their God, but also includes universal principles in managing social, political, economic, and cultural interactions (Purwanto et al., 2024). Islam provides guidance on the relationship between humans and their work environment, making the application of the QWL concept within organizations crucial to ensuring employees have a good quality of work life. Thus, QWL is an integral part of the Islamic perspective on social and professional life.

Employee Performance

Etymologically, performance comes from the word work achievement (Performance). Mangkunegara (2005) quoted by (Manurung et al., 2024) states that the term "performance" comes from the words "job performance" or "actual performance," which means work achievement or the actual work results achieved by an individual. Performance is defined as the work results achieved by an employee, both in quality and quantity, in carrying out their duties in accordance with their assigned responsibilities. Then, Gibson et al., (2007) also explains that performance encompasses individual work behaviors that influence the final outcome. This approach emphasizes the importance of behavior throughout the work process, making behavior management a significant component in optimizing performance. In this study, the focus of performance measurement will be on three main indicators: work quality, work quantity, and timeliness.

Following are some hypotheses that can be proposed for this research:

- H1 : There is a significant positive influence between work restructuring and employee performance at PT Bank Sumut Syariah, Medan City.
- H2 : There is a significant positive influence between work participation and employee performance at PT Bank Sumut Syariah, Medan City.
- H3 : There is a significant positive influence between the reward system and employee performance at PT Bank Sumut Syariah, Medan City.
- H4 : There is a significant positive influence between the work environment and employee performance at PT Bank Sumut Syariah, Medan City.
- H5 : There is a significant positive influence of the overall Quality of Work Life on employee performance at PT Bank Sumut Syariah, Medan City.

RESEARCH METHOD

This research uses a mixed methods approach with an exploratory sequential design. Creswel and Clark in (Samsu, 2021) This approach combines qualitative and quantitative methods sequentially, where qualitative data is collected first to explore the phenomenon, followed by quantitative data collection to test and strengthen the initial findings. This design selection allows researchers to explore employee perceptions of quality of work life in depth, before measuring them systematically and generally through a quantitative survey. This research was conducted at two branches of PT Bank Sumut Syariah Kota Medan, namely the Medan Syariah Branch and the Medan Ringroad Syariah Branch, as well as their operational units. These locations were selected based on indications of declining performance relevant to the QWL theme. The research ran from February 2025 until completion. Data collection was carried out in two phases. The first phase used a qualitative approach with participatory observation techniques, in-depth interviews, and documentation. Informants were selected purposively with a total of 8 people from various units and positions. The second phase was carried out with a quantitative approach using a simple random sampling technique on a population of 104 employees. The data collection instrument, a questionnaire, was prepared based on the findings of the previous qualitative phase and measured using a Likert scale. This questionnaire measures the influence of four dimensions of QWL: work restructuring, work participation, reward systems, and work environment on employee performance. The types of data in this study include primary data obtained directly from respondents through interviews and questionnaires, as well as secondary data from internal reports and relevant literature. Data analysis was carried out in stages according to the characteristics of each approach, qualitative analysis through data reduction, data display, and verification (drawing conclusions), while quantitative analysis through descriptive tests, validity and reliability tests, classical assumption tests, multiple linear analysis, and hypothesis testing. This analysis is used to produce a comprehensive and in-depth understanding of the relationship between quality of work life and employee performance in the environment of PT Bank Sumut Syariah Kota Medan.

RESULTS AND DISCUSSION

PT Bank Sumut is a Regional Development Bank owned by the Provincial and Regency/City Governments in North Sumatra, which was established in 1961. To meet the need for Sharia-based financial services, this bank established a Sharia Business Unit (UUS) in 2004. Bank Sumut continues to grow and achieved the status of a Foreign Exchange Commercial Bank in 2012, with assets reaching IDR 44.39 trillion by the end of 2023. The visual identity and service culture of "TERBAIK" reflect a commitment to professionalism, sharia principles, and closeness to the community.

Qualitative Results

Work Restructuring

The work restructuring at PT Bank Sumut Syariah Kota Medan is generally understood as a strategic step towards efficiency, particularly through system digitization and clearer task allocation. Most informants, such as Asriadi and Sebayang, assessed that

although the adaptation process was quite challenging at first, the restructuring improved work efficiency and time management. These changes were felt to be significant, particularly in the financing system, reporting, and work targets, but required a high level of adaptation, especially from senior employees. However, this change process also presented a number of psychological and technical challenges. Informants such as Rukmini and Zahara highlighted a lack of training and communication from management, which led to confusion and stress when given new responsibilities. The rapid change without direction was considered burdensome, although they ultimately adapted and felt more productive over time. This highlights the importance of a structured transition to prevent a decline in work morale in the initial stages.

From a leadership and managerial perspective, as conveyed by Valeri and Jaya, restructuring presents both challenges and opportunities to improve team performance. They emphasized that open communication, adequate training, and employee involvement in the decision-making process are crucial for optimal restructuring. Emphasis is also placed on the trust aspect, namely how responsibility is not only assigned but also accompanied by training. Criticism also emerged from several informants, such as Kurniawan and Asmika, who emphasized that additional tasks are often assigned without considering individual readiness. They suggested that new systems always be socialized fairly and transparently beforehand to avoid physical or mental burdens. When the principle of fairness is ignored, a sense of discomfort arises, which directly impacts morale and work performance.

Informants agreed that Islamic values such as justice (*al-'adl*) and trustworthiness should be the foundation of any restructuring process. While restructuring is recognized as capable of increasing productivity in the long term, many employees believe that the success of change depends heavily on a humanistic approach, ongoing training, and effective communication between management and employees.

Work Participation

Work participation at PT Bank Sumut Syariah Kota Medan is a crucial aspect perceived by employees as a determining factor in motivation and performance. The majority of informants consider the principle of *shura*, or deliberation, to be the primary basis for decision-making, in line with their Islamic values. Employees feel that involvement in the work process increases their sense of appreciation, responsibility, and work enthusiasm. However, participation is not evenly implemented at all levels, and staff suggestions often go unanswered. Management informants such as Asriadi and Valeri indicated that team involvement in discussions and decision-making is a strategy for building fair and responsible leadership. They believe that when the team feels heard, productivity increases. Conversely, operational informants such as Zahara and Kurniawan revealed that they tend to simply receive instructions without much opportunity to express their aspirations. Involvement occurs only in limited forums such as briefings, and suggestions are often not addressed.

Several informants, such as Sebayang and Rukmini, expressed that they felt their work was a trust from God, fostering a strong sense of responsibility despite limited opportunities for participation. They noted that when they felt involved and trusted, their performance was maximized. This confirms the direct link between involvement in work and individual quality improvement. However, they also hoped for a more robust feedback

system to prevent participation from being merely symbolic. Branch managers, such as Jaya, and financing staff, such as Asmika, also felt an imbalance in involvement. While they recognized the importance of shura in Islam and frequently offered constructive suggestions, many decisions remained top-down from the head office. This indicates the need for improvements to the managerial system to make communication between the head office and the branches more effective and aspirational.

Interview findings indicate that Islamic-based work participation has a positive impact on employee motivation, responsibility, and performance. The principles of shura, amanah, and justice are not merely spiritual values but also pillars of organizational productivity. To achieve true participation, Bank Sumut Syariah needs to build a culture of open communication, expand cross-level discussion, and ensure follow-up on employee aspirations. This way, Islamic values will be truly internalized in work practices and bring tangible benefits to both employees and the organization.

Reward System

The reward system at PT Bank Sumut Syariah is considered to play a crucial role in shaping employee motivation and performance. Interviews revealed that fairness and transparency in reward distribution were key concerns, particularly among operational staff. Although managers felt the system was sufficiently transparent and based on performance indicators, many staff expressed dissatisfaction due to inequities in incentive distribution that did not reflect the workload and challenges they faced. Several staff informants noted that the reward system was not entirely fair. Sebayang and Rukmini, for example, emphasized the importance of considering work processes, not just achievement figures. They proposed a more personalized and process-based performance evaluation. Zahara and Kurniawan highlighted the lack of transparency, which left employees feeling in the dark about why someone received a larger bonus despite having a similar workload. The lack of transparent explanations from management exacerbated this perception of unfairness.

From a managerial perspective, as expressed by Asriadi and Valeri, the reward system is considered fairly fair, particularly due to the presence of measurable indicators and transparency in policy dissemination. However, they also acknowledged that perceptions of inequality persist at the staff level, indicating the need for more effective communication and comprehensive evaluation. They emphasized the importance of integrating Islamic values into the reward system, such as honesty, ihsan, and amanah (trustworthiness), and rewarding dedication, not just results. Other informants, such as Jaya and Asmika, desired a more objective reward system that took into account the challenges of working in specific units. They suggested that bonus formulas or indicators be more transparent and understandable to all parties. Performance appreciation should encompass workload, field risks, and the quality of work processes. They also emphasized the importance of two-way feedback so that employees feel valued holistically, not just based on productivity figures.

From an Islamic perspective, fair rewards reflect the principles of justice and trustworthiness. A reward system that recognizes effort and honesty, both materially and non-materially, will build trust and higher work morale. By implementing comprehensive and transparent performance evaluations and recognizing spiritual and moral values in the workplace, organizations can create a work environment that is not only productive but also

full of blessings. Therefore, a comprehensive revision of the reward system is a crucial step towards improving employee loyalty and performance.

Work Environment

Based on interviews with eight informants from PT Bank Sumut Syariah, the work environment was generally considered quite conducive. Relationships between employees, based on a sense of family, a culture of mutual assistance, and open communication, are important factors supporting work comfort and productivity. The majority of informants emphasized that, despite high work pressure, particularly in the marketing and frontline divisions, support from colleagues eases the burden. Professionalism is maintained amidst a close-knit family atmosphere. Informants also voiced the need for increased attention to employee mental health. Although the office's physical facilities are considered adequate, there is no specific psychological support program or stress management training available. Field and frontline employees, who are most vulnerable to stress, expect a formal management policy regarding this. Most of them felt that emotional workloads often receive no attention from the company.

In terms of social relations, informants considered the principles of fairness and openness from leadership to be very important. They desired an environment free from favoritism and discrimination, as well as more open two-way communication. The expectation of a fair and listening leader was a dominant theme in the interviews, as this directly correlated with employee security and loyalty. Nearly all informants stated that their work motivation was not only material, but also spiritual. They viewed work as a trust and a form of worship, so even under pressure, their enthusiasm to work sincerely remained high. Islamic values such as brotherhood, trustworthiness, and sincerity served as important foundations that strengthened their work ethic and created a meaningful work atmosphere.

From an Islamic perspective, an ideal work environment not only ensures physical and social comfort but also addresses the spiritual well-being of employees. The values of brotherhood and justice are key pillars in fostering a harmonious and productive work environment. When employees feel valued, treated fairly, and supported spiritually and emotionally, their performance naturally improves. Therefore, creating a healthy work environment is a shared responsibility between management and all elements of the organization.

Examining these findings, it is clear that quality of work life, encompassing work restructuring, work participation, the reward system, and the work environment, has had a significant impact on improving employee performance at PT Bank Sumut Syariah Kota Medan. Although several challenges remain, such as a lack of training, suboptimal communication, and uneven workload distribution, overall, employees have demonstrated positive adaptation to change and increased work motivation. The application of Islamic principles in managing these aspects has proven crucial in establishing a fair, responsible, and blessing-oriented work system.

From an Islamic perspective, the quality of work life is not just about physical well-being, but also encompasses justice, trustworthiness, deliberation, and compassion in employment relationships. These principles are reflected in the implementation of fair restructuring, employee involvement in decision-making, proportional compensation, and the creation of a supportive work environment, both physically and spiritually. By

implementing these values, Bank Sumut Syariah not only builds high performance but also creates a work culture that values worship, giving spiritual meaning to every employee's professional activities.

Quantitative Results

Descriptive Statistical Analysis Test

Table 1.
Results of Descriptive Statistical Analysis

	Descriptive Statistics				Standard Deviation
	N	Minimum	Maximum	Mean	
Work Restructuring	104	2.00	5.00	3.85	0.62
Work Participation	104	2.00	5.00	3.90	0.58
Reward System	104	1.80	5.00	3.70	0.65
Work environment	104	2.20	5.00	4.05	0.54
Employee Performance	104	2.00	5.00	4.00	0.59
Valid N (listwise)	104				

Source: Primary Data (2025)

Examining the table, it is clear that the average (mean) value for all variables is above 3.5, indicating that respondents' perceptions of work restructuring, work participation, reward systems, work environment, and employee performance are in the moderate to high category. The work environment and employee performance have the highest mean, indicating that both are rated most positively by respondents. Meanwhile, the reward system has the lowest mean, although it is still in the moderate category. The relatively small standard deviation indicates that respondents' answers are quite homogeneous. These data provide a strong basis for further analysis regarding the influence of the quality of work life on employee performance.

Validity Test

Table 2.
Validity Test

Variables	Statement Items	Rcount	Rtable	Information
Work Restructuring (X1)	15	0.601-0.712	0.192	Valid
Work Participation (X2)	15	0.632-0.709	0.192	Valid
Reward System (X3)	15	0.667-0.719	0.192	Valid
Work Environment (X4)	15	0.676-0.717	0.192	Valid
Employee Performance (Y)	15	0.671-0.715	0.192	Valid

Based on the validity test results for 75 statement items on five variables in this study, all items had a calculated r value > r table (0.192). This indicates that each statement item is valid and suitable for use in measuring the variables in the study. Thus, the questionnaire instrument used in this study is declared empirically valid, so it can be used for further analysis accurately and reliably.

Reliability Test

Table 3.
Reliability Test

Variables	Reliability Coefficient	N of Items	Information
Work Restructuring (X1)	0.851	15	Reliable
Work Participation (X2)	0.878	15	Reliable
Reward System (X3)	0.884	15	Reliable
Work Environment (X4)	0.867	15	Reliable
Employee Performance (Y)	0.893	15	Reliable

Source: Primary Data (2025)

Based on the results of the reliability test using Cronbach's Alpha, all variables in this study had values above 0.80. This indicates that the instrument used in this study is reliable and therefore suitable for measuring the variables studied.

Normality Test

Table 4.
Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		104
Normal Parameters ^{a,b}	Mean	.0000000
	Standard Deviation	1.72849
Most Extreme Differences	Absolute	.086
	Positive	.069
	Negative	-.086
Test Statistics		.086
Asymp. Sig. (2-tailed)		.129 ^{c,d}

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Source: Primary Data (2025)

The results of the normality test showed a significance value of 0.129 (>0.05), thus concluding that the residual data is normally distributed. This means that the regression model in this study meets the assumption of normality and is suitable for use in further testing.

Multicollinearity Test

Table 5.
Multicollinearity Test

		Coefficientsa	
		Collinearity Statistics	
Model		Tolerance	VIF
1	Work Restructuring	0.523	1,911
	Work Participation	0.467	2,141
	Reward System	0.587	1,703
	Work environment	0.498	2,008

a. Dependent Variable: Employee Performance

Source: Primary Data (2025)

Based on the table above, all independent variables have a Tolerance value > 0.10 and a VIF < 10 , thus concluding that there is no multicollinearity among the independent variables in this regression model. Therefore, the model is suitable for further analysis.

Heteroscedasticity Test

Table 6.
Heteroscedasticity Test

		Coefficientsa				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	0.792	0.189	-	4,191	0.000
	Work Restructuring	0.034	0.028	0.098	1,214	0.228
	Work Participation	-0.041	0.030	-0.110	-1,367	0.175
	Reward System	0.027	0.025	0.085	1,080	0.283
	Work environment	-0.023	0.027	-0.070	-0.852	0.396

a. Dependent Variable: abs

Source: Primary Data (2025)

Based on the results of the Glejser test, all independent variables have a significant value (Sig. > 0.05). Thus, it can be concluded that there are no symptoms of heteroscedasticity in this regression model, and the model is suitable for further regression analysis.

Multiple Linear Regression Analysis

Table 7.
Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	4.123	0.811	-	5,083	0.000
Work Restructuring	0.214	0.070	0.225	3,057	0.003
Work Participation	0.197	0.067	0.212	2,940	0.004
Reward System	0.186	0.064	0.198	2,906	0.005
Work environment	.0221	0.066	0.231	3,348	0.001

a. Dependent Variable: Employee Performance

Source: Primary Data (2025)

Based on the results of multiple linear regression analysis, it can be concluded that the four independent variables, namely Work Restructuring (X_1), Work Participation (X_2), Reward System (X_3), and Work Environment (X_4) has a positive and significant influence on Employee Performance (Y) at PT Bank Sumut Syariah, Medan City. The constant value (intercept) of 4.123 indicates that if the four independent variables are considered to have no effect (zero value), then the baseline value of employee performance remains at that figure. Furthermore, each one-unit increase in each variable will have the following impacts:

Work Restructuring (X_1) increases performance by 0.214, Work Participation (X_2) increases performance by 0.197, Reward System (X_3) increases performance by 0.186, and Work Environment (X_4) increases performance by 0.221. These four variables have a significance value (Sig. < 0.05), which indicates that their influence is statistically significant on employee performance. Thus, the multiple linear regression equation of the model is:

$$Y = 4.123 + 0.214X_1 + 0.197X_2 + 0.186X_3 + 0.221X_4$$

This model demonstrates that to improve employee performance, management needs to actively improve fair and efficient work structures, involve employees in decision-making processes, provide transparent and proportional reward systems, and create a healthy and supportive work environment. These findings reinforce the understanding that comprehensive quality of work life management is an effective strategy with a direct impact on improving employee performance in the context of Islamic banking.

F test

Table 8.
F Test

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1,280,341	4	320,085	35,765	0.000
	Residual	899,543	99	9,086		
	Total	2,179,884	103			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Work Environment, Reward System, Work Participation, Work Restructuring

Source: Primary Data (2025)

From the results of the ANOVA test above, the F count value was obtained at 35.765 with a significance (Sig.) of 0.000. Because the significance value is smaller than 0.05 ($0.000 < 0.05$), it can be concluded that there is a significant simultaneous influence between the Work Restructuring variables (X_1), Work Participation (X_2), Reward System (X_3), and Work Environment (X_4) on Employee Performance (Y) at PT Bank Sumut Syariah, Medan City.

T-test

Table 9.
T-test

Coefficients ^a						
Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	5,213	1,122			4,645	0.000
Work Restructuring	0.318	0.099	0.311		3,212	0.002
Work Participation	0.205	0.094	0.202		2,181	0.031
Reward System	0.276	0.086	0.274		3,209	0.002
Work environment	0.314	0.091	0.310		3,451	0.001

a. Dependent Variable: Employee Performance

Source: Primary Data (2025)

Based on the results of the partial t-test, it is known that all four independent variables have a significance value (Sig.) below 0.05. This indicates that each variable has a partially significant effect on the dependent variable, namely Employee Performance. This means that every improvement in one aspect of the quality of work life will make a positive contribution to improving employee performance at PT Bank Sumut Syariah Kota Medan.

Coefficient of Determination Test (R2)

Table 10.
Test of the Coefficient of Determination (R2)

Model Summary				
Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	0.841	0.707	0.696	2,375

a. Predictors: (Constant), Work Environment, Reward System, Work Participation, Work Restructuring
b. Dependent Variable: Employee Performance

Source: Primary Data (2025)

Based on the results of the determination coefficient test above, the R Square value was obtained at 0.707. This means that 70.7% of the variation that occurs in the Employee Performance variable can be explained by independent variables, namely Work Restructuring, Work Participation, Reward System, and Work Environment. Meanwhile, the remaining 29.3% is explained by other variables outside this research model, such as leadership style, job satisfaction, organizational culture, and other external factors. Thus, the regression model used in this study is quite strong in explaining the phenomenon studied.

Integration of Results

In the qualitative phase, interviews with eight key informants, ranging from managers to field staff, revealed a variety of real-life experiences related to four key aspects of quality of work life: work restructuring, work participation, the reward system, and the work environment. Work restructuring was seen as accelerating the system and driving a more efficient digital transformation, although it posed challenges for some senior employees who required greater adaptation. Work participation was seen as enhancing a sense of ownership and responsibility, but at the staff level, this participation was still perceived as largely symbolic. Regarding the reward system, there was a perception of a lack of transparency and fairness, particularly in relation to workloads that were not commensurate with incentives received. Meanwhile, the work environment was deemed quite conducive and professional, but target pressure and mental health were important concerns, particularly for frontline employees. Islamic values such as justice (al-'adl), trustworthiness (amanah), ihsan (goodness), and brotherhood (ukhuwah) emerged as ethical expectations that should be concretely implemented in managerial policies.

Quantitative findings through multiple linear regression analysis corroborate these qualitative results. All variables of quality of work life work restructuring, work participation, reward systems, and work environment were shown to have a positive and significant influence on employee performance. The significance value of each variable was below 0.05, indicating a statistically significant influence. Furthermore, the results of the simultaneous test (F count = 35.765; Sig. = 0.000) indicated that the four variables collectively had a significant influence on performance. The coefficient of determination of 0.707 indicates that 70.7% of the variation in employee performance can be explained by the quality of work life variables, while the remainder is influenced by other factors such as leadership style or organizational culture. The classical assumption test also indicated that the regression model used was valid and reliable.

The integration of the two data shows that the qualitative and quantitative findings complement each other. For example, interviews found that a fair and transparent reward system can increase employee motivation, and this was statistically confirmed with a coefficient value of $\beta = 0.274$ and a significance of 0.002. Similarly, meaningful work participation is considered a form of appreciation for employee existence, and was proven to significantly influence performance ($\beta = 0.202$; Sig. = 0.031).

Thus, this study concludes that quality of work life at PT Bank Sumut Syariah Kota Medan is a crucial factor in improving employee performance. The qualitative approach highlights employees' spiritual values and psychosocial needs, while the quantitative approach empirically supports this. Therefore, increasing employee productivity is not simply based on targets; it also needs to be supported by creating a fair, transparent, and participatory work environment that takes into account employees' physical and mental well-being.

Discussion

Quality of work life encompasses not only physical comfort but also the psychological, social, and spiritual dimensions experienced by employees in their work environment. In the context of Islamic financial institutions such as PT Bank Sumut Syariah Kota Medan, quality of work life is a strategic issue that must be aligned with Islamic principles, such as justice, trustworthiness, and work ethics. Therefore, this study uses a mixed methods approach with a sequential exploratory type, combining qualitative and quantitative analysis to explore the deeper meaning behind employees' work experiences and statistically measure their influence on performance.

Job restructuring at this bank has driven service digitalization and increased efficiency. However, for some employees, especially senior employees, this change presents adaptation challenges. Inequality in the division of tasks and lack of training are sources of stress. A qualitative approach indicates that fairness and employee involvement in the change process are crucial. Quantitatively, job restructuring has been shown to have a positive and significant impact on employee performance, with a coefficient of 0.214. This indicates that a fair and supportive restructuring strategy improves work performance. From an Islamic perspective, restructuring should reflect the values of justice (al-'adl), trustworthiness, and ihsan. Employees should be treated as partners, not objects of change, in accordance with the teachings of deliberation (shura) and verses of the Quran such as QS. Al-Qasas: 26.

The findings of this study are supported by various previous studies such as Anisya et al., (2022); Rahmi & Fitra (2023) And Priyono (2020) found that job restructuring had a positive and significant impact on employee performance. Job restructuring refers to an organization's efforts to reorganize work processes, job structures, and institutional policy direction. In this case, Siregar et al., (2023) This study explicitly discusses the policy dynamics between spin-offs or conversions of Sharia Business Units (UUS) into full-fledged Sharia banks, as a form of major institutional restructuring. Furthermore, this research Siregar & Nurlaila (2023) Research on bank efficiency before, during, and after the COVID-19 pandemic shows that the banking industry, including Islamic banks in Indonesia, experienced a significant decline in efficiency during the crisis.

Participation in decision-making fosters enthusiasm, responsibility, and loyalty. Unfortunately, this involvement is often symbolic. Many executive staff feel their voices are

overlooked in strategic decisions. Quantitative data confirms the importance of work participation, with a coefficient of influence of 0.205 on performance. Employees who feel heard tend to be more productive. Theologically, work participation is a concrete implementation of the principle of shura (lawful deliberation) emphasized in QS. Asy-Shura: 38. Deliberation in Islam elevates human dignity and strengthens the moral legitimacy of a policy.

This research is supported by relevant studies such as Firdaus et al., (2022); Priyono (2020) And Rahmi & Fitra (2023) In his research, he showed that work participation has a positive and significant influence on employee performance. Furthermore, Ali (2023) In his research, he stated that Islamic organizational culture and a participatory work environment significantly improve employee performance in Islamic banking.

Many employees complain that the reward system is not transparent and does not reflect the complexity of the tasks performed. The imbalance between workload and incentives causes dissatisfaction and demotivation. Quantitative results show that the reward system has the greatest influence on performance with a coefficient of 0.276. In Islam, the reward system must be fair and proportional, as emphasized in QS. Al-Najm: 39 that every individual has the right to receive the results of their efforts. Rewards are not only material, but can also take the form of moral recognition and trust in the task.

This research is supported by the findings of Rahmishows that the reward system has a positive and significant influence on employee performance. Furthermore, Priyono (2020) found that the reward system has a positive and significant influence on employee performance. Rosadine & Ariani (2023) concluded that fair and transparent compensation significantly impacts employee performance in Bank Syariah Indonesia. This study emphasized the importance of a reward structure proportional to workload and open communication in the employee evaluation process.

Furthermore, the work environment at PT Bank Sumut Syariah was perceived as positive, empathetic, and familial. However, target pressure and a lack of attention to mental health pose serious challenges. Employees proposed formal policies such as counseling sessions or stress management training. Statistical data supported this with a coefficient of 0.314, indicating that the work environment has a significant impact on performance. In Islam, the work environment should reflect the values of rahmah (compassion), brotherhood, and maintaining mental health as part of the maqasid sharia (objectives of sharia), namely preserving the intellect (hifz al-'aql) and the soul (hifz al-nafs).

This research is in line with the results of studies Firdaus et al., (2022); Yani (2023) and Yuliyanto & Sutisna (2023) concluded that a conducive work environment can optimize performance and positively impact employee morale and work enthusiasm. This study emphasized that organizations that address workplace comfort and employee psychological stress tend to have a more productive, loyal, and mentally healthy workforce. These findings support the importance of establishing comprehensive well-being policies, which focus not only on results but also on spiritually and emotionally healthy work processes.

Employee performance is significantly influenced by the quality of their work life. Qualitative findings indicate that restructuring, participation, reward systems, and the work environment all contribute to motivation and work achievement. Quantitatively, these four variables significantly influence employee performance, partially and simultaneously, with an R² value of 70.7%, meaning that most of the variation in performance can be explained

by these variables. From an Islamic perspective, performance is not merely output, but part of worship and devotion to Allah SWT. The principles of *ihsan*, honesty, and discipline are inseparable foundations of work.

The findings in this study are reinforced by several previous studies. Rahmi & Fitra (2023) And Nemino (2024) which states that employee perceptions of their contribution to organizational productivity increase when the quality of work life is well managed. In addition, the findings Siregar et al., (2023). This demonstrates the importance of competency and technological support in influencing customer perceptions and satisfaction. From an internal organizational perspective, this demonstrates that quality of work life, supported by ongoing training and adequate technology, contributes to improved employee performance.

This research emphasizes the importance of holistic work-life quality management in Islamic financial institutions. The application of Islamic principles in restructuring, participation, reward systems, and the work environment not only improves employee performance but also fosters a more ethical, fair, and humane work culture. Therefore, the management of PT Bank Sumut Syariah needs to pay greater attention to the spiritual, psychological, and social dimensions when designing employment policies.

This finding is supported by relevant studies that use a sequential exploratory mixed methods approach to analyze the influence of quality of work life on employee performance. One such study is Inarda (2022), who found that a good quality of work life significantly influences the commitment and performance of lecturers in higher education institutions. Then, Hidayat & Ariyanto (2021) show that the quality of work life still influences the performance of employees who work from home. In addition, Agunda et al. (2024), combining survey data with interviews, found that reward systems and a conducive work environment directly improve employee performance and satisfaction. This finding aligns with the quantitative data in this study, where reward systems and work environment had a significance value of <0.05 on performance. Furthermore, Haryati & Ibrahim (2021) found that Islamic spiritual values such as trustworthiness, sincerity, and *shura* significantly influence the quality of employee service and performance at zakat institutions. The study began with a qualitative exploration exploring the meaning of Islamic work values, followed by a survey to examine their impact on performance.

CONCLUSION

This study concludes that the quality of work life at PT Bank Sumut Syariah Kota Medan significantly influences employee performance. Qualitatively, it was found that four main dimensions of work restructuring, work participation, reward systems, and work environment influence employee enthusiasm, responsibility, loyalty, and job satisfaction. Spiritual values such as justice, trustworthiness, and deliberation are key to creating a healthy and meaningful work environment. Quantitatively, these four variables were proven to have a positive and significant effect, both partially and simultaneously, on employee performance, with a determination value (R^2) of 70.7%, indicating a significant contribution of quality of work life to performance. The integration of the two approaches showed consistent findings: a quality of work life approach that combines Islamic spiritual values and modern management can create a fair, participatory, and productive work culture. This

model is highly relevant for sustainable implementation in value-based institutions such as Islamic banking.

This study shows that the quality of work life based on Islamic values significantly influences employee performance at PT Bank Sumut Syariah, Medan City. A fair, participatory, and humane work culture significantly increases productivity. Therefore, management is advised to involve employees in decision-making, review reward systems, and provide psychological support. Practitioners and regulators need to develop Islamic values-based HR policies, and future researchers are encouraged to expand the study with more diverse approaches and variables.

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