

## ABSTRACT

*PT. Tanjung Sarana Lestari, a subsidiary of PT. Astra Agro Lestari (AAL) Area Celebes I, has been operating since 1989. PT. TSL is a producer of Crude Palm Oil (CPO) derivatives such as RBDPO, Olein, Stearin, and PFAD, which are intended to meet export market demands from China and Philippines. Over the past year, from 2023 to the present, PT. Tanjung Sarana Lestari has experienced a decline in employee performance during both the first and second semesters. Therefore, the company needs to enhance work-life balance and employee engagement as part of efforts to improve employee performance.*

*This study aims to analyze the impact of work-life balance on employee performance with employee engagement as an intervening variable, focusing on millennial employees. The research employs a quantitative method with a sample of 70 respondents. Respondents were randomly selected from various divisions or departments. The data collected through questionnaires were then analyzed using SmartPLS 4.*

*The results of the study indicate that work-life balance and employee engagement positively and significantly influence employee performance. Furthermore, employee engagement is proven to be an effective intervening variable between work-life balance and employee performance. These findings have important implications for PT. Tanjung Sarana Lestari in improving employee performance. It is hoped that these findings will serve as a guide for the company in optimizing its resources and making informed decisions to enhance employee performance, particularly for millennial employees, through the improvement of work-life balance and employee engagement.*

*Keywords: PT. Tanjung Sarana Lestari, Work-life Balance, Employee Performance, Employee Engagement, Millennial Generation.*

**FEB UNDIP**