

ABSTRACT

This study aims to determine the influence of compensation and job stress on the turnover intention of generation Z in the Bandung Raya area. Gen Z in Indonesia has begun to enter the workforce, they have different characteristics and expertise from previous generations. However, the phenomenon of compensation problems, job stress, and high turnover makes it difficult for generation Z to be retained in the world of work. This is in line with a survey from Michael Page where 35% of companies have difficulty retaining employees. Employee dissatisfaction with the compensation received is not in accordance with the workload given and high work stress increases their intention to leave the company, especially among Generation Z. This increase in turnover intention reflects the crucial role of compensation in the workplace. This increase in turnover intention reflects the crucial role of Generation Z in today's work environment, which is one of the largest workforce in Indonesia.

This study aims to determine whether there is an influence between compensation and work stress on turnover intention both partially and to determine the level of compensation and work stress conditions of Gen Z employees in the Bandung Raya area.

In this study, quantitative methods and path analysis were used as data analysis techniques. Data collection for this study was carried out by distributing online questionnaires to 240 Gen Z employees in the Bandung Raya area as a research sample, the results of which were then processed using SmartPLS software version 4.0.9.9. This study uses purposive sampling technique with SEM-PLS for data processing techniques. The sample criteria are 18-28 years old who have worked for at least 6 months and live in the Bandung Raya area.

Based on testing and data analysis, it shows that compensation, work stress, and turnover intention are in the “Good Enough” category. There is a partially significant positive effect on compensation and work stress on turnover intention. The model in this study is able to predict the effect of compensation and work stress on turnover intention by 97%.

It is hoped that this research can help companies to improve the needs of Gen Z in the world of work, especially increasing compensation and creating healthy work stress so that Gen Z employees are able to make a good contribution and reduce the turnover rate in the company. For future research, it is recommended to consider adding other factors or changing methods to increase the diversity of literature on the effect of compensation and job stress on turnover intention.

Keywords: Generation Z, SEM-PLS, Compensation, Work Stress, Turnover Intention.