

ABSTRACT

Generation Z in Indonesia has started entering the workforce, with 88% of them joining the labour market. The diverse characteristics and potential of Generation Z can serve as valuable assets for companies as a source of human capital. Therefore, companies often implement retention strategies to retain these employees. However, a survey by Michael Page found that 35% of companies struggle with employee retention. As a result, it is important to understand the conditions and strategies that influence the retention of Generation Z employees.

This study aims to examine the impact of several variables on the retention of Generation Z employees in West Java. There are five independent variables, including work environment, Servant Leadership, career development, employee well-being, and work procedures.

This research used a quantitative method. Data collection is conducted through a questionnaire distributed via Google Forms to 425 Generation Z employees in West Java. Data analysis will be performed using the CB-SEM method and LISREL as the software to calculate data.

It can be seen that the variables of work environment, servant leadership, and career development have a positive and significant influence on employee retention. Meanwhile, the variables of employee wellbeing and work procedures do not have a significant influence on employee retention.

Companies are advised to maintain and continue building a positive work environment and to provide career development programs that align with the goals and interests of Generation Z employees in West Java. In addition, leaders can apply servant leadership to foster closer relationships and better understanding of these employees. Future researchers are also encouraged to examine the indirect effects of each variable on employee retention.

Keywords: *Generation Z, Retention, Work Environment, Servant Leadership, Career Development, Employee Well-being, and Work Procedures.*