

ABSTRACT

Generation Z currently dominates the workforce and brings unique characteristics that affect employee loyalty. This includes their tendency to change jobs more frequently than previous generations. To maintain employee loyalty in this generation, a supportive work environment and proper management of work stress are important factors that affect employee loyalty.

This study aims to determine the condition of the non-physical work environment, the level of work stress experienced by Generation Z in Bandung City and analyze the effect of the non-physical work environment and work stress on employee loyalty in generation Z in Bandung City.

This research uses a quantitative approach with a sample of 240 respondents through probability sampling techniques and data collection is done through a questionnaire survey. The data analysis technique was carried out using SEM-PLS 4.

The results of this study indicate a positive and significant influence between the non-physical work environment on employee loyalty, and a negative and significant influence between work stress on employee loyalty, especially in Generation Z in Bandung City.

From the results of this study, it is recommended that companies can ensure the condition of the non-physical work environment and work stress of each employee by creating a positive, supportive and open work atmosphere. In addition, companies also need to provide psychological support and stress management so that employees are able to maintain their loyalty.

Keywords: *Non-physical work environment, work stress, employee loyalty, Generation Z, Bandung City*