

ABSTRACT

Psychological well-being is an important concern in the modern world of work, especially for Generation Z, which is known to have high expectations of work flexibility and organizational support.

This study aims to reveal how the implementation of work flexibility policies and perceptions of organizational support affect the psychological well-being of Generation Z in Indonesia.

This research uses descriptive quantitative research methods. The object of research used is Generation Z employees in Indonesia. The sampling technique used was non-probability sampling with purposive sampling using the Hair formula. The sample obtained was 241 Generation Z employees. The collected data were analysed using Partial Least Squares-Structural Equation Modelling (PLS-SEM).

The results showed that both flexible working arrangements have a significant and positive effect on employee psychological well-being, and perceived organizational support has a significant and positive effect on employee psychological well-being. Flexibility in determining the time and place of work, as well as organizational support through appreciation and attention from superiors, are proven to improve psychological well-being.

Based on the results of the study, a suggestion that can be given to organizations in Indonesia to prevent the decline in the psychological well-being of young employees such as generation Z is to consider the integration of flexible work policies strategically, by adjusting the work system to the preferences of the younger generation who prioritize autonomy and work-life balance. In addition, it is important for organizations to strengthen perceptions of employee support through open communication, fair rewards, and supervisor involvement in assisting employees' professional development. These efforts are expected to improve the psychological well-being, loyalty, and long-term performance of Generation Z employees.

Keywords: *Flexible Working Arrangement, Perceived Organizational Support, Psychological Well-being, Generation Z*