

# Quality of Work Life and Work Stress in Improving the Performance of Generation Z Employees in Solo

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## **Abstract**

*This study examines the relationship between Quality of Work Life (QWL) and employee performance by considering the mediating role of work stress on Generation Z employees in Solo City. A review of the literature reveals that there are differences of opinion regarding the influence of QWL on employee performance and other factors that play a role in increasing or decreasing productivity. This study employs a quantitative approach, utilizing the Structural Equation Modeling-Partial Least Squares (SEM-PLS) method to analyze data from 120 respondents collected through a questionnaire. The findings of the study demonstrate that QWL exerts a substantial influence on employee performance, both directly and indirectly through work stress as a mediating variable. Additionally, it was ascertained that QWL has a considerable effect on work stress, which in turn has a deleterious impact on employee performance. This finding underscores the pivotal role of work stress as a mediating variable in the relationship between QWL and performance. The study's findings highlight the necessity for organizations to enhance the quality of their work environments to mitigate stress levels and optimize the performance of Generation Z employees. The practical implications of this study offer valuable insights for companies seeking to formulate more effective policies that enhance employee well-being and maintain productivity in a constantly evolving work environment.*

**Keywords:** *quality of work life, work stress, performance employee, generation Z.*

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## **A. INTRODUCTION**

In the current era of increasingly tight globalization, businesses must be prepared to compete with high-quality human resources. Quality human resources are a valuable asset for companies in achieving their goals and objectives. To this end, the development of Human Resources (HR) is of great importance ([Hadijah, 2022](#)). Through meticulous human resource planning, enterprises can foster an environment conducive to enhanced workforce productivity and efficiency, thereby leading to an overall enhancement in work performance ([Simbolon et al., 2023](#)). The degree of success a company attains in achieving its objectives is foundational to the performance of its employees ([Al Akbar & Sukarno, 2023](#)). To this end, it is imperative for companies to comprehensively understand the elements of stress management that must be addressed to optimize profits and enhance employee satisfaction ([Pandey, 2020](#)). A substandard quality of work life (QWL) has been shown to exert a detrimental influence on work stress, anxiety, and burnout (exhaustion), consequently leading to diminished job performance ([Sumiati & Ramadani, 2020](#)). The impact of QWL and work stress on employee performance is a multifaceted and significant phenomenon that demands careful consideration by companies ([Sumiati & Ramadani, 2020](#)). Consequently, it is imperative for companies to prioritize the identification and mitigation of these factors, thereby fostering a conducive environment for enhancing employee performance.

One of the most common problems that arise in a company or organization are usually related to individual behavior, performance, and attitudes. These issues are often the result of interactions between individuals and groups, as well as between the organization itself, and are known as organizational behavior. Human Resources (HR) frequently utilizes organizational behavior to address problems in the workplace, including work quality ([Dewi et al., 2022](#)). Quality of Work Life (QWL) is an organizational development technique intended to improve organizational functioning by humanizing the workplace, making it more democratic, and involving employees in decision making ([Dewi et al., 2022](#)). QWL usually strongly supports employee democracy at all levels and encourages their participation in decision making ([Sumiati & Ramadani, 2020](#)). In addition to quality of work life (QWL), work stress is another component that affects employee performance.

In the contemporary context, human resource management faces the challenge of facilitating collaboration among three generations within a single organization, with the objective of achieving a competitive advantage. That is to say, the actions of members of an organization, both groups and individuals, have a direct impact on performance or work ability because their motivation will impact the overall performance of the organization ([Pratama, 2020](#)). The advent of Generation Z coincided with the rapid development of the internet and information technology, which emerged as intriguing technological marvels, superseding the conventional playthings of preceding generations, namely Gen X, Gen Y, and baby boomers. Consequently, Generation Z has been regarded as a generation characterized by its innovative and creative inclinations in the realm of information technology ([Tambuwan & Sahrani, 2023](#)). The prevailing preference among Generation Z members is for employment opportunities that offer flexible systems, enabling them to determine their own time and place of work. Furthermore, they prioritize a work environment that fosters autonomy ([Saraqih et al., 2024](#)). In this regard, a conducive work atmosphere is instrumental in achieving organizational objectives, enhancing job satisfaction, and mitigating factors such as absenteeism and performance ([Suriyana et al., 2020](#)).

Quality of Work Life (QWL) is a concept that has gained significant traction in recent times. It is defined as an organization's endeavor to provide opportunities for employees to influence their work and contribute to the organization's overall performance ([Yusuf et al., 2022](#)). The concept of QWL encompasses the quality of life experienced by workers or employees within their workplace. The concept of quality of work life (QWL) plays a pivotal role in the realm of organizational performance and sustainable business growth ([Ishfaq et al., 2022](#)). The notion of quality of work life underscores the significance of enabling employees to engage proactively in the decision-making process concerning policies that pertain to their work, to cultivate their workplace environment, and to fulfill all the requisite elements necessary to achieve their professional aspirations ([Siregar et al., 2022](#)). Improving quality of work life (QWL) is imperative to boost employee motivation, productivity, and organizational performance, particularly in the context of the digital transition and sustainable growth ([Leitão et al., 2021](#)).

High levels of stress have been shown to have a detrimental effect on employee performance within a company or organization ([Toscano & Zappalà, 2020](#)). Work stress can be defined as an imbalance between the resources a person has to meet job needs and the resources a person has to meet those needs ([Anggraini et al., 2023](#)). When stress levels are minimal, employee performance tends to be stable and effective, whereas in high-stress environments, performance tends to decline, potentially leading to decreased effort and motivation ([Sumiati & Ramadani, 2020](#)). This finding aligns with the conceptualization of work stress proposed by Stanton et al. (2001), who defined it as any aspect of the workplace that is perceived as threatening or demanding, or that engenders feelings of discomfort ([Asya Anaya & Putri Mega Desiana, 2023](#)).

The findings of a study conducted by Hapsari (2024) on employees of Bank BPD Bali, Negara Branch, indicated that the quality of work life did not exert a significant influence on employee performance ([Hapsari et al., 2024](#)). Conversely, the findings of a study conducted by Raudhotunnisa & Husniati (2022) at PT Sankyu Indonesia International Krakatau Steel In Site Cilegon indicated a substantial impact of quality of work life on employee performance ([Raudhotunnisa & Husniati, 2022](#)). This study was developed from the research gap identified by the researcher, which was the absence of research on the factors influencing employee performance. To address this research gap, the researcher examined the relationship between QWL and employee performance in more depth by considering work stress as a mediating variable. Based on existing theories, a positive QWL can reduce work stress, thereby increasing employee performance. Consequently, this study makes a significant contribution to the existing body of knowledge by offering a more comprehensive understanding of the relationship between QWL and employee performance, particularly in the context of work stress as a mediating variable.

## **B. LITERATURE REVIEW**

### **Conservation of Resources (COR) Theory**

According to the principles of Conservation of Resources (COR) Theory, individuals endeavor to procure, preserve, cultivate, and safeguard the resources they deem valuable. The theory posits that stress arises when employee resources (e.g., time, energy, social support, or job security) are jeopardized or when endeavors to acquire these resources prove unsuccessful. According to COR, QWL can be conceptualized as a "caravan of resources," denoting a collection of work environment elements, including flexibility, work-life balance, and rewards, that facilitate the restoration or strengthening of employees' resources. By enhancing QWL, organizations can mitigate the adverse consequences of work stress and foster a supportive work environment. COR theory posits that individuals who effectively maintain or augment their resources are more likely to demonstrate superior performance. In this regard, COR theory offers a robust foundation for comprehending the manner in which QWL influences employee performance through the lens of work stress as a mediating variable. By enhancing QWL, organizations can assist Generation Z employees in Solo City in coping with work stress, sustaining their resources, and attaining enhanced performance ([Hobfoll et al., 2018](#)).

### **Quality Of Work Life (QWL)**

Dessler (2012) posits that "Quality of Work Life" (QWL) refers to the state in which employees are able to meet their significant needs within the company. This concept underscores the notion that QWL fosters an environment conducive to employee engagement in decision-making processes pertaining to policies that impact their work environment, thereby facilitating the development of a workplace that aligns with their needs and objectives. The Quality of Work Life (QWL) management philosophy is a comprehensive approach to overseeing human resources and the organization in its entirety. This philosophy is predicated on the premise that management holds a profound concern for the impact of work on humans, organizational effectiveness, and the pivotal role of employees in addressing organizational challenges. The Quality of Work Life (QWL) paradigm constitutes a systematic concept in organizational life, emphasizing the involvement of workers in determining their work and the contributions they can make to the company to achieve its goals and objectives ([Farmi et al., 2021](#)). It is imperative for both employees and companies to consider Quality of Work Life. Companies can create a conducive Quality of Work Life for employees, thereby enabling them to perform satisfactorily, which in turn can positively impact performance. [Zin \(2004\)](#) posits that the quality of work life (QWL) can be measured by several indicators, including growth and development, participation, an innovative reward system, and the work environment.

### **Employee Performance**

According to [Ludfi \(2015\)](#), the term "performance" is derived from the words "job performance" and "actual," which denote "work performance" or "achievement." It is posited that work performance is the result of an individual's efforts in a work context. Performance can be executed by individuals or groups within an organization or company, according to their authority and responsibility, with the objective of achieving goals. Employee performance constitutes a pivotal component in the success of a company. According to [Saputra & Rahmat \(2024\)](#), employee performance is a critical component for the success of an organization. Employee performance is defined as the results of work carried out by an individual within a certain period of time according to predetermined standards, regardless of individual abilities, efforts devoted, and organizational support. In their seminal work, [Pitaloka et al. \(2019\)](#) delineated a multifaceted framework for evaluating various facets of performance, including quality, quantity, cooperation, and responsibility.

### **Work Stress**

According to [Navinés et al. \(2021\)](#) Work stress is the presence of work demands that exceed an employee's coping abilities, resulting in pressure that does not align with their knowledge and skills. [Sumiati & Ramadani \(2020\)](#) posit that work stress is a feeling experienced by an employee when dealing with their work, which can lead to emotions such as instability, dissatisfaction, loneliness, and sleep problems. Additionally, employees frequently express concerns regarding the influence of superiors and coworkers on their stress levels. Work stress is a multifaceted phenomenon, necessitating that companies prioritize the mental well-being of their employees and equip them with effective stress management skills to mitigate its adverse effects. According to [Robbins & Judge \(2017\)](#), the assessment of work stress can be informed by several indicators, including role ambiguity, role conflict, excessive roles, and interpersonal demands.

### **Hypothesis Development**

#### **Quality Of Work Life (QWL) On Employee Performance**

According to [Wyatt & Wah \(2001\)](#), the definition of quality of work life (QWL) comprises two general components: the work environment and employee safety and well-being. Companies can enhance employee performance by improving the quality of their employees' work life, which is influenced by various factors. Key elements contributing to a high-quality work life include open communication, fair reward systems, job security, fulfilling careers, supportive supervisors, and involvement in decision-making processes ([Wyatt & Wah, 2001](#)). In addition, [Hermanto et al. \(2024\)](#) emphasize that QWL encompasses employee perceptions of growth and development as individuals, along with their sentiments of security and satisfaction in their work. Research conducted by [Sumiati & Ramadani \(2020\)](#) demonstrates a significant influence of Quality of Work Life (QWL) on employee performance, suggesting that employees with higher QWL tend to exhibit higher levels of performance ([Sumiati & Ramadani, 2020](#)).

H1: Quality of work life exerts a positive and significant effect on employee performance.

#### **Quality of Work Life (QWL) on Work Stress**

The quality of work life (QWL) and work stress are interrelated phenomena. According to [Kandi \(2023\)](#), work stress in each individual can be mitigated by enhancing working conditions in the organizational environment. Consequently, the QWL is imperative for reducing work stress, thereby enhancing employee performance. This underscores the robust relationship between the QWL and work stress. This relationship exhibits a negative direction, signifying that an enhancement in the quality of workers' work life leads to a reduction in their work stress ([Kandi, 2023](#)). Consequently, to prevent employees from becoming exhausted due to work demands, companies must prioritize the enhancement of their work lives by improving the quality of their work life ([Supriadi & Setiadi, 2023](#)).

H2: Work stress exerts a negative and significant impact on quality of work life (QWL).

#### **Work Stress on Employee Performance**

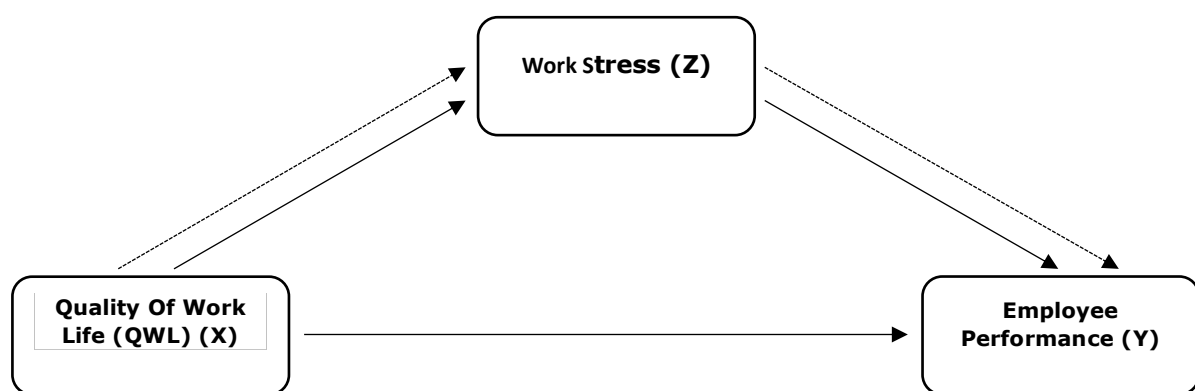
According to [Chen \(2019\)](#) When an employee faces job demands, they can experience feelings of pressure known as stress. A person's ability to cope with problems at work can be damaged by excessive stress. This statement is in line with the statement of [Toscano & Zappalà \(2020\)](#) which states that work stress can be defined as an imbalance between a person's ability to meet the demands of their job and the amount of resources they have to meet those demands. According to [Navinés et al \(2021\)](#)

work stress is when there are job demands and pressures that do not match the employee's knowledge and skills and exceed their ability to cope. Therefore, it is very important to know how stress in the workplace affects employee performance. This is also the basis for developing effective stress management methods and creating a friendly work environment (Anggraini et al., 2023). Research conducted by Iskamto (2021) shows that work stress has a significant effect on employee performance. The study shows that work stress conditions have a relatively large influence on employee performance. H3: Work stress has a negative and significant effect on employee performance.

#### **The Role of Work Stress as a Mediating Variable**

According to Gunawan & Amalia (2015), the concept of employee performance is influenced by a multitude of factors, including internal and external factors. Internal factors, which act independently, encompass elements such as competence, skills, knowledge, motivation, attitude, and experience. In contrast, external factors, or those that act from outside, include individuals who occupy positions within the organizational environment, such as supervisors, communication partners, training providers, and performance evaluators (Gunawan & Amalia, 2015). In the context of employee performance, the absence of a satisfactory quality of work life (QWL) has been demonstrated to engender work stress, anxiety, and burnout (Leitão et al., 2021).

H4: The role of work stress has an effect on mediating quality of work life (QWL) on employee performance.



**Figure 1.** Research model

### **C. RESEARCH METHODS**

This study utilizes a quantitative research method to assess the impact of the quality of work life (X) variable on employee performance (Y) with work stress (Z) as a mediating variable on generation Z employees in Solo City. The population can be defined as all research components that include objects and subjects that possess specific characteristics and attributes (Amin et al., 2023). The sample population was selected based on specific criteria, including Generation Z employees (born between 1997 and 2012), who have worked in Solo for a minimum of three months, irrespective of gender. This sample constitutes a component of the population under study and serves as the primary source of data (Amin et al., 2023). The sampling technique employed was non-probability sampling, utilizing purposive sampling method. This approach was adopted to ensure the consideration of specific characteristics and to address the lack of equal opportunities for all members of the population. The Hair formula (2013: 20) was employed to calculate the required sample size, with the calculation of  $10 \times 12 = 120$  respondents. This study will utilize a Likert scale, a tool designed to assess perceptions, opinions, and behaviors concerning a social phenomenon.

The variables to be measured are delineated into variable indicators with a Likert scale. These indicators subsequently serve as a foundation for the development of instrument items, which can manifest in the form of statements (Sugiyono, 2019). The Likert scale employed in this study

encompasses a range of 1 to 5, employing multiple choice options, namely: 1) Strongly Disagree (STS), 2) Disagree (TS), 3) Neutral (N), 4) Agree (S), and 5) Strongly Agree (SS). The present study utilizes both primary and secondary data. Primary data were collected through the administration of questionnaires to employees in Solo Raya, while secondary data were employed to support theoretical studies. The collected data were then subjected to a thorough analysis, employing multiple linear regression analysis to assess the research hypothesis. This analysis utilized the Partial Least Squares Structural Equation Modeling (PLS-SEM) method.

The structural equation of path analysis according to [Ghozali & Latan \(2015\)](#) and then developed as follows:

$$M = \beta_1 X_1 + \epsilon_1 \quad (1)$$

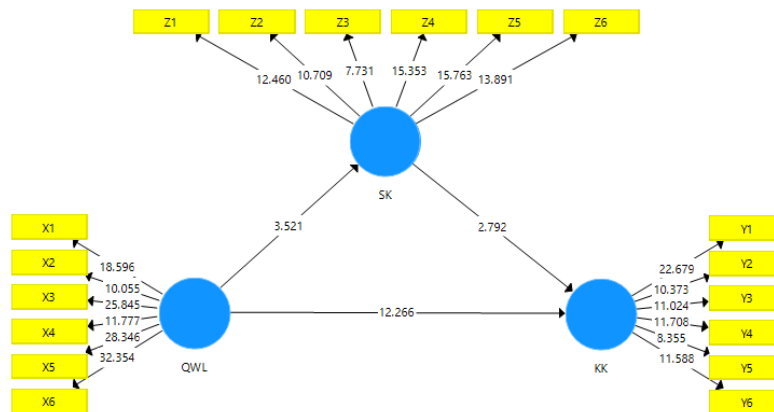
$$Y = \beta_2 M + \beta_3 X_1 + \epsilon_2 \quad (2)$$

- M = Work Stress (*mediating variable*).
- X<sub>1</sub> = Quality of Work Life (independent variable).
- β<sub>1</sub> = Path coefficient indicating the effect of QWL on work stress.
- ε<sub>1</sub> = Error, which is another factor not explained in the model that may affect work stress.
- Y = Employee Performance (dependent variable).
- β<sub>2</sub> = Path coefficient for the effect of work stress on employee performance.
- β<sub>3</sub> = Path coefficient for the direct effect of QWL on employee performance in a model with mediation.
- ε<sub>2</sub> = Error, which is another factor not explained by the model that affects employee performance.

The objective of this model is to ascertain the manner in which occupational QWL may exert a direct or indirect influence on employee performance, with work stress serving as a mediating variable. The present study will employ the Structural Equation Modeling-Partial Least Squares (SEM-PLS) method to test the hypothesized causal relationship between the variables under investigation.

**D. RESULT AND DISCUSSION**  
**RESULT**

**Figure 2. Structural model**



**Table 1. Cross Loading (Validity Test)**

Kinerja Karyawan (Y)	Quality Of Work Life (Z)	Stres Kerja (X)
X1	0,756	
X2	0,718	
X3	0,821	
X4	0,723	
X5	0,800	
X6	0,825	

Y1	0,811
Y2	0,745
Y3	0,713
Y4	0,725
Y5	0,684
Y6	0,760
Z1	0,766
Z2	0,688
Z3	0,703
Z4	0,808
Z5	0,788
Z6	0,757

*Source: SmartPLS3 output processed in 2025*

**Table 2.** Discriminant Validity Results

	<b>KK</b>	<b>QWL</b>	<b>SK</b>
KK	0.741		
QWL	0.682	0.775	
SK	0.393	0.325	0.753

*Source: SmartPLS3 output processed in 2025*

The findings of the outer loading analysis in this study suggest that all indicators possess values greater than 0.6, thereby indicating that each indicator utilized in this study exhibits a relatively robust correlation with the latent variables it measures, thus validating its use. High outer loading signifies that each indicator is adept at representing the measured construct and contributes meaningfully to the development of the measurement model. Furthermore, discriminant validity is assessed through the cross loading approach in the reflective model. Discriminant validity is a crucial indicator in Structural Equation Modeling (SEM) to ensure that each construct in the model has clear differences from each other and there is no multicollinearity problem between different constructs. The cross loading evaluation demonstrates that each indicator has a higher correlation with the latent variables it measures compared to other latent variables, indicating that discriminant validity is met.

Construct reliability is also analyzed through the Cronbach's Alpha value as a measure of the internal consistency of a construct. In this study, the Cronbach's Alpha value for each construct showed results above 0.70, indicating that the construct reliability is in the good and sufficient category. High reliability ensures that each item that forms the latent variable has a high level of suitability and stability, so that it can be used consistently in measuring the same concept in various conditions.

The study's findings support the notion that the instrument employed has met the requisite measurement standards, as evidenced by the fulfillment of convergent validity (outer loading > 0.6), discriminant validity (evaluation of cross loading that meets the criteria), and reliability (Cronbach's Alpha > 0.70). This conclusion underscores the instrument's reliability and accuracy, thereby reinforcing the outcomes of the SEM-PLS analysis in examining the relationship between variables within the research model.

**Table 3.** Path Coefficients Test Results

	<b>Original Samples (O)</b>	<b>T-Statistics (O/STDEV)</b>	<b>P-Values</b>
QWL (X) -> KK (Y)	0.620	12.266	0.000
QWL (X) -> SK (Z)	0.325	3.521	0.000
SK (Z) -> KK (Y)	0.191	2.792	0.005

*Source: SmartPLS3 output processed in 2025*

**Table 6.** Mediation work stress

	<b>Original Samples (O)</b>	<b>T-Statistics (O/STDEV)</b>	<b>P-Values</b>
QWL (X) -> SK (Z) -> KK (Y)	0.062	1.980	0.048

*Source: SmartPLS3 output processed in 2025*

In this study, hypothesis testing was conducted using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method. The objective of this method is to evaluate the causal relationship between independent variables (exogenous) and dependent variables (endogenous). Prior to conducting hypothesis testing, the measurement model (also known as the measurement model or outer model) is evaluated to ensure its validity and reliability. Following the validation of the measurement model, the structural model (inner model) is subjected to testing to assess the strength of the relationship between variables using the bootstrapping approach. The significance of the relationship is evaluated based on the T-Statistic and P-Value values, where a relationship is considered significant if the T-Statistic > 1.96 and P-Value < 0.05.

The findings of the analysis demonstrate that Quality of Work Life (QWL) exerts a positive and significant influence on employee performance, as evidenced by a T-Statistic value of 12.266 (>1.96) and a P-Value of 0.000 (<0.05). Furthermore, QWL exerts a substantial influence on work stress, as evidenced by the T-Statistic value of 3.521 and P-Value of 0.000. This suggests that, while an improved work environment can enhance employee well-being, high expectations and work demands have the capacity to elevate work stress levels. Conversely, work stress exerts a substantial influence on employee performance, as evidenced by the T-Statistic = 2.792 and P-Value = 0.005 result. This implies that as employee stress levels rise, there is a concomitant increase in the probability of decline in employee performance.

In addition to the direct relationship between variables, this study examined the mediating effect of work stress in the association between QWL and employee performance. The findings of the analysis demonstrated that work stress mediated the relationship, with a T-statistic of 1.980 and a P-value of 0.048, which was within the significance limit. However, the mediation effect found was relatively weak, meaning that although work stress plays a role in the relationship between QWL and employee performance, its influence is not too large. In other words, increasing QWL still contributes to employee performance, but the impact can be reduced if work stress increases. The results of this study provide important insights for organizational management to improve employee performance through optimizing QWL and managing work stress. The findings of this study imply that organizations must prioritize the creation of a conducive work environment, the provision of a healthy work-life balance, and the implementation of employee welfare programs to mitigate the adverse effects of work stress. Furthermore, the study's conclusions underscore the necessity for companies to strike a balance between enhancing the quality of work life and effective stress management to ensure that employee performance remains at optimal levels. These findings contribute significantly to the extant academic literature in the field of human resource management and serve as a valuable foundation for further research in this area.

## **DISCUSSION**

### **Quality of Work Life on Employee Performance**

The findings of the study demonstrate that Quality of Work Life (QWL) exerts a positive and significant influence on employee performance, as evidenced by a T-Statistic value of 12.266 (>1.96) and a P-Value of 0.000 (<0.05). This substantiates the hypothesis that an enhancement in the QWL experienced by employees corresponds to an increase in their performance. This finding aligns with the research conducted by Sumiati & Ramadani (2020), which indicates that a high QWL can significantly enhance employee performance. The concept of QWL encompasses various dimensions, including work-life balance, adequate facilities, career development programs, appropriate incentives, and a positive work culture. Consequently, it is imperative for companies in Solo City to prioritize the enhancement of QWL, thereby fostering a more conducive, supportive, and productive work environment. This will enable employees to make optimal contributions to the organization.



### **Quality of Work Life on Work Stress**

The findings of the statistical analysis demonstrate that Quality of Work Life (QWL) exerts a positive and significant influence on work stress, as evidenced by a T-Statistic value of 3.521 ( $>1.96$ ) and a P-Value of 0.000 ( $<0.05$ ). This outcome is inconsistent with the conclusions of several preceding studies, which asserted that enhancing QWL typically leads to a reduction in work stress levels. This finding suggests that while enhancing QWL can offer benefits to employee well-being, it can also introduce new challenges with the potential to elevate work stress. When employees feel appreciated and have opportunities for professional growth, they may develop higher expectations for their work achievements. If these expectations are not effectively managed, they can lead to stress. Consequently, it is imperative for organizations to prioritize not only the enhancement of QWL through facilities and physical well-being, but also the integration of psychological components such as emotional support, flexible work policies, and effective stress management strategies.

### **Work Stress on Employee Performance**

The findings of this study suggest that work stress exerts a positive and significant effect on employee performance, as evidenced by a T-Statistic value of 2.792 ( $>1.96$ ) and a P-Value of 0.005 ( $<0.05$ ). This observation contradicts the prevailing assumption that work stress invariably has a detrimental effect, as it demonstrates that, under specific circumstances, stress can function as a catalyst for enhanced performance. Generation Z employees in Solo City appear to possess effective stress management strategies, enabling them to effectively manage work pressure without experiencing diminished productivity. This finding aligns with the research by Mahaputra & Ardana (2020), which posits that work stress is not inherently detrimental; rather, it can serve as a catalyst for enhancing employee focus and performance.

However, the impact of work stress on performance is contingent on its intensity. When stress is moderate, employees have the capacity to respond by increasing effort and concentration, thereby enhancing productivity. Conversely, when stress reaches excessive levels, it can have detrimental effects on employees' mental and physical well-being, which, in turn, can lead to a decline in performance. Therefore, it is imperative for companies to ensure that work stress remains at an optimal level by providing psychological support, work flexibility, and wellness programs that can assist employees in more effectively managing stress. Employing an effective stress management strategy is instrumental in ensuring that work stress does not become a hindrance to performance, but rather, remains a catalyst for enhanced productivity and well-being.

### **The Role of Work Stress as a Mediating Variable**

The present study found that work stress functions as a mediating variable in the relationship between Quality of Work Life (QWL) and employee performance, with a T-Statistic value of 1.980 ( $>1.96$ ) and a P-Value of 0.048 ( $<0.05$ ). However, this mediation effect is relatively weak compared to the direct effect of QWL on employee performance. This finding indicates that while enhancing QWL can lead to increased work stress, effective stress management can ultimately enhance performance, particularly when coupled with factors such as work flexibility, adequate incentives, and a positive work environment. Research by Anggraini et al. (2023) lends further support to this finding, emphasizing that work stress is a significant factor in employee life, but that effective management can mitigate its impact on performance. Consequently, companies must ensure that strategies to enhance QWL are complemented by effective stress management approaches to ensure the optimal positive impact on employee performance.

### **E. CONCLUSION**

The findings of this study demonstrate that Quality of Work Life (QWL) exerts a positive and significant influence on the performance of Generation Z employees in Solo City, both directly and through the mediation role of work stress. The correlation between improved QWL perceptions and enhanced performance among employees underscores the imperative for companies to foster a conducive work environment. Such an environment should encompass policies that support work-life balance, adequate facilities, career development programs, and appropriate incentives. However, the present study also demonstrates that enhancing QWL can exert an influence on the escalation of work stress, a phenomenon attributable to mounting expectations and responsibilities borne by employees, which in turn can engender an augmentation of work pressure.

Consequently, it is incumbent upon companies to direct their attention to this aspect by implementing efficacious management strategies to mitigate work stress, thereby ensuring that it remains within limits that can enhance productivity without compromising employee well-being. Moreover, the study revealed that work stress does not invariably exert a deleterious influence on employee performance. In certain circumstances, stress can act as a catalyst, prompting employees to enhance their performance and focus, thereby boosting their productivity. However, when stress levels exceed the tolerable threshold, the repercussions can curtail employee performance and well-being. Consequently, effective stress management emerges as a pivotal element in enhancing the performance of Generation Z employees in Solo City. To this end, companies must implement suitable strategies, including work flexibility, psychological support, and employee welfare programs, to ensure that work stress remains at a manageable level. This study provides a more in-depth examination of how QWL affects employee performance through work stress, as well as how organizations can manage these factors to create a more productive and prosperous workforce.

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