

ABSTRACT

This study aims to explore and understand the meaning of compensation satisfaction among Generation Z employees in companies. Generation Z has unique characteristics in the workplace, including different perspectives on compensation. This research employed a qualitative approach with a phenomenological method to capture participants subjective experiences in depth.

Data were collected through in-depth interviews with nine Generation Z informants, who are alumni of Diponegoro University and are employed in various sectors. The analysis revealed several main themes: financial well-being as the foundation of satisfaction, appreciation and relational support as a sense of being valued, opportunities for development and challenges as a platform for growth, and early career adaptation as the basis for understanding compensation satisfaction, which represent the essence of their experiences.

The findings indicate that compensation satisfaction is influenced not only by salary, but also by alignment with personal and generational needs, career development opportunities, and organizational culture. Generation Z perceives compensation as recognition of effort and as a means to achieve well-being in both personal and professional life. Beyond financial rewards, non-financial factors such as work-life balance, learning opportunities, and appreciation are crucial in shaping satisfaction. These findings emphasize the need for companies to design compensation systems that are fair and effective to the needs of younger generations in order to enhance motivation, engagement, and employee retention.

Keywords: *financial and non-financial compensation, compensation satisfaction, Generation Z.*

