

ABSTRACT

The implementation of Flexible Work Arrangement (FWA) has become increasingly common among startup companies as a means of providing employees with greater flexibility in managing their work. However, previous studies have reported inconsistent findings regarding the effect of Flexible Work Arrangement on Employee Performance. At the same time, Generation Z, which is becoming a dominant segment of the workforce, tends to prioritize flexibility, autonomy, and work-life balance. Therefore, this study aims to examine the effect of Flexible Work Arrangement on Employee Performance with Work-Life Balance as a mediating variable among Generation Z employees working in startup companies in Jakarta.

This study employed a quantitative approach using a survey method. Data were collected through questionnaires distributed to 186 Generation Z employees working in startup companies in Jakarta. The respondents were selected using purposive sampling based on criteria relevant to the research objectives. Data analysis was conducted using Structural Equation Modeling (SEM) with the assistance of AMOS software to examine the relationships among the research variables.

The results indicate that Flexible Work Arrangement has a positive and significant effect on both Work-Life Balance and Employee Performance. In addition, Work-Life Balance positively and significantly affects Employee Performance. The findings also demonstrate that Work-Life Balance mediates the relationship between Flexible Work Arrangement and Employee Performance. These results suggest that the implementation of flexible work practices, supported by the creation of a healthy work-life balance, can enhance the performance of Generation Z employees. This study contributes to the development of human resource management literature and provides practical insights for startup companies in designing more effective work policies.

Keywords: *Flexible Work Arrangement, Work-Life Balance, Employee Performance, Generation Z, Startup Company.*