

---

## **Do Employee Experience Has an Impact to Turnover?** **Achmad Mohyi<sup>1</sup>, Dewi Sukmawati<sup>2</sup>**

<sup>1</sup> Universitas Muhammadiyah Malang, [mohyi@umm.ac.id](mailto:mohyi@umm.ac.id)

<sup>2</sup> Universitas Muhammadiyah Malang, [dewisukma2608@gmail.com](mailto:dewisukma2608@gmail.com)

---

### ARTICLE INFO

#### **Article History:**

*Received 15 April 2023*

*Revised 25 April 2023*

*Accepted 28 2023*

**Keywords:** *employee experience, turnover, work life balance*

### ABSTRACT

The growing development of the F&B industry, especially coffee shop SMEs, is of course proportional to the large number of absorbed Indonesian workers. This is inseparable from the problem of high employee turnover. A high turnover rate in a company is closely related to a bad employee experience. Employee experience is basically an employee's perception of their work experience in a company. This study aims to see how employee experience can affect the turnover rate in a business. This research technique uses a qualitative study with purposive sampling technique. In this research interviews were conducted with employees and ex-employees in 3 different coffee shops. The results of this study indicate that high turnover rates are caused by poor employee experience. Where in this case employees do not have a sense of belonging to the company

---

### Introduction

The pace of development in the food and beverage sector in Indonesia has experienced a rapid increase. Even though it had fallen due to the pandemic, the growth rate of the F&B industry sector has increased rapidly since 2021. The Ministry of Industry revealed that the food & beverage industry is one of the 5 priority industrial sectors towards 4.0. The other four industries are the automotive industry, the chemical industry, the electronics industry and the textile and apparel industry. The F&B business is a business engaged in food and beverage services, which can be in the form of restaurants, cafes, and others. The F&B industry has a huge opportunity to make a profit, this is because food is one of the basic needs that is needed by everyone.

The phenomenon of the F&B industry is increasing from year to year. One of them is the phenomenon of the development of coffee shops or cafes in several cities in Indonesia. Not only in big cities, but in various areas you can easily find cafes or coffee shops. With the increasing trend of coffee shops lately, the competition in this business is very tight. Every coffee shop or café does not only sell food or drinks, but currently the business trend is towards customer satisfaction by providing the best experience to customers. In this case the F&B business requires continuous innovation to be able to compete with competitors. With good innovation and adaptation, its existence will

last and be preferred by customers.

The F&B industry is the largest contributor to GDP each year. The growing F&B industry, especially coffee shop SMEs, is of course proportional to the large number of absorbed Indonesian workers. This is inseparable from the problem of high employee turnover. Turnover is a serious problem in a business. In a business, employees want a company or organization that can make them feel comfortable, satisfied and safe. To reduce the turnover rate, companies can make steps by understanding what employees want (Fernando Hutabarat & Yuniawan, 2022). The impact of high turnover can affect other employees and the company. According to (Mobley et al., 1978) it is stated that the impact of turnover will give a high workload to employees due to the reduced number of employees. The company will incur costs for the employee recruitment process due to employees who resign. There is production lost during the employee turnover period which will affect sales targets. The costs incurred by companies are increasing for the process of training new employees.

A high turnover rate in a company is closely related to a bad employee experience. Employee experience is basically an employee's perception of their work experience in a company. Employee experience begins when the employee carries out the recruitment process, is accepted for work, during the training period, works as an employee until when he resigns from the company. Employee experience can be described as something meaningful and personalised. In research conducted by (Speicher & Francis, 2023) states that 44% of employees resign early because they do not get good employee experience. Meanwhile, only 12% of employees resign due to salary. This means that salary is not a important factor in the high turnover phenomenon. Many employees today prioritize work life balance in terms of finding a job. This is because employees want to get a work environment that can provide the best experience for them.

Based on research results (Speicher & Francis, 2023) it can be a warning to business owners who do not apply good Employee Experience. This is because providing a good employee experience will have an impact on improving a business. In observations made at several coffee shops in Malang City, it can be seen that currently more and more new coffee shops are popping up. This makes the competition in this business even tighter. Thus coffee shop owners must be able to adapt and continue to innovate in following the trends desired by consumers. In addition, the implementation of Employee Experience also needs attention. In the observations made it is known that the employee turnover rate is quite high. Where Coffee Shop owners can lose at least 1 employee in 1 month. This is not a good thing. Where business owners must continue to recruit and also conduct training for new employees so that it will have an impact on the large amount of expenses and the potential for more intense product failure for customers.

Following up on previous research by (Speicher & Francis, 2023) which stated that the employee turnover rate was more triggered because there was no good employee experience from the company. As well as from the observations made in several coffee shops in Malang, Indonesia, this article will discuss whether employee experience in a company, especially the F&B business, namely coffee shops, can affect employee turnover rates.

## **Literature Review**

### **Employee Turnover**

Turnover according to (Robbins & Judge, 2019) is an act of resignation from an employee that is carried out either voluntarily or involuntarily. Several types of

turnover include resignation, movement of employees out of the company unit and dismissal. There are three variables that influence the level of turnover intention, namely thought of quitting, intention of searching for another job and plans of having a new job individually, the organization and the environment.

Work life balance affects the employee turnover rate in an organization. Companies that consider work life balance can reduce employee turnover intentions (Oosthuizen et al., 2019). Salary has a negative impact on employee turnover at the start of a career. High salaries can improve the quality of employee work and retain new employees (Cho & Lewis, 2012). Flexible working time and setting work schedules help improve employee experience, the higher employee job satisfaction and can help reduce employee turnover rates (McNall et al., 2009). In addition to job satisfaction, job stress, depersonalization, role conflict and family work conflict also affect the employee turnover rate in an organization (Park & Min, 2020). Employee experience is an important aspect in maintaining employee engagement and commitment to the company. This will ultimately increase job satisfaction so that it will reduce employee turnover rates.

### **Employee Experience**

Employee experience according to Jacob Morgan in (Siboro & Aisyah, 2021) is a combination of three aspects that focus on creating a work environment that can make employees work more productively. These three aspects are aspects of culture, technology and physical space. Combining these three aspects will create a positive work experience, motivate employees and encourage employees to give their best performance. These three aspects need to be implemented in the employee journey so that they can have the maximum impact on employee experience. The employee journey is all activities and touchpoints in a process that employees go through while working, starting from the recruitment process, training or training, developing skills and skills until leaving a company.

In the survey conducted by (Parida, 2020) there are 9 categories with 5 indicators each on employee journey. This is to find out important aspects of the employee's journey starting from when the employee joins the company until the employee leaves the company. The 9 touchpoint categories include candidate experience/talent acquisition, on-boarding, learning and development, leadership, internal mobility and growth, performance management, rewards and benefits, alumni relations and infrastructure. Touchpoints are interactions that employees have with their employers. Employee experience design aims to identify those interactions that matter most to employees and craft these to evoke positive feelings among employees (Tucker, 2020).

Employee experience will directly affect job satisfaction, engagement, employee commitment and will ultimately improve good performance (Plaskoff, 2017). In a study by IBM Smarter Workforce, it was stated that there are 5 dimensions of employee experience, namely belonging, purpose, achievement, happiness and vigor. Belonging is a feeling of being part of the company. Purpose is that the employee understands that his job is meaningful. Achievement is a feeling of pride when

employees successfully complete their work. Happiness is a positive feeling felt by employees while working. Vigor is an energy, enthusiasm and a sense of passion while at work.

### **Relationship Between Employee Experience and Turnover Intention**

Top management has an important role to play in setting up a positive work experience. Management plays a role in building employee trust by providing personal support and commitment. The three criteria that need to be considered by management are the work environment, work and person who will provide a positive employee experience. The integrity of the organization and colleagues will have a positive impact on a better employee experience (Itam & Ghosh, 2020). Employee experience has a correlation with job satisfaction (Kim & Kim, 2019) (Lu et al., 2017), it will create a word of mouth among the work force. By ensuring employee experience, companies can retain talented employees so they don't leave the company. This will also make employees feel satisfied and happy (Soni et al., 2017). Four indicators that will affect employees' work enjoyment are salary, supervision, training, and progress. That is, employees must have at least one of the four variables responsible for their job satisfaction, which can lead to a desire to leave work (Deri et al., 2022).

**H:** Employee Experience has an impact on Turnover

### **Method**

Variable research consists of turnover and employee experience. This research qualitative uses design to collect data through in-depth semi structure interviews. Qualitative research is scientific research, the results obtained from this research are descriptive (Sugiyono, 2018). We interviewed employees working in different coffee shops in Malang, Indonesia. Interviews are conducted to record opinions, feelings and emotions as well as other matters relating to individuals in a company. Interviews were conducted in order to understand the situations and conditions felt by individuals in a company (Fadli, 2021). This study uses primary data that is data obtained directly in the field which is used as the object of research. Primary data in this study were obtained from direct observations and interviews conducted with employees at coffee shops in Malang city.

The sampling technique in this study is the purposive sampling technique, the sample selection technique with certain considerations and goals (Sugiyono, 2018). The criteria determined for sampling in this study were employees currently working at a coffee shop in Malang and former employees who had worked at a coffee shop in Malang. In this study, interviews were conducted with employees and former employees at 3 coffee shops in the city of Malang

### **Result and Discussion**

Employee experience has a broad meaning, starting from the recruitment process, working until finally the employee resigns or retires. The journey must be maintained by the company so that employees remain happy. Employee experience is an employee's perception of his relationship with the company where he works where

this relationship originates from the touchpoints along the employee's journey. Companies must involve employees in collaborative design so that it will lead to greater engagement, innovation and retention (Plaskoff, 2017).

Interviews were conducted to find out the employee journey at the Malang coffee shop. Basically, every company's employer journey is the same, from a job interview to being accepted for work to resigning. However, the difference is only in the touchpoint between the organization and the individual. As in research (Parida, 2020) which explains 9 touchpoint categories including candidate experience/talent acquisition, on-boarding, learning and development, leadership, internal mobility and growth, performance management, rewards and benefits, alumni relations and infrastructure. In order to be able to design a good employee experience in a company, it is important to recognize the employee journey with each touchpoint which will ultimately have an impact on employee experience.

Candidate experience/talent acquisition; candidate experience during recruitment takes place within the company is important to improve brand awareness (Parida, 2020). In this case it can increase the interaction between recruiters and candidates. It will also make the selection process fair and objective. For candidates who are not selected, it will increase the employer's branding. Good experience will have an impact on the company, where it can create a good image of the company for candidates.

On-boarding, the process of adjusting new employees to everything related to the company. Joining a new company will be an opportunity for individuals to build a new beginning and build a shared identity with work. In this case, companies must encourage and help employees to be more connected with colleagues and more involved in their work (Cable et al., 2013).

Learning and development, in a company learning and development activities become a great potential for obtaining a professional workforce (Sinaga & Riyanto, 2021). The learning and development process must be obtained by employees to develop existing skills.

“The company is a place for employees to develop themselves. Coupled with good technology, employees can develop existing skills. However, in a coffee shop, superiors do not directly provide training and skill development to their employees. Instead, employees must be able to develop skills with their own intentions by utilizing existing technology” (Ex-employee Coffee Shop B)

leadership; Companies must build employee trust through leadership aspects. Leadership style greatly influences employee experience. The indicator in this leadership style is how leaders can build the trust of their employees, how leaders can listen to the opinions of their employees and how leaders can empower their employees (Purbasari & Abadi, 2022).

“Leadership also affects employee performance. Leaders who protect and provide a good place to develop the skills of their employees will tend to make employees feel comfortable at work. Apart from that, it will also create quality employee performance” (Participant, Coffee Shop A)

"The attitude of a leader or leadership greatly influences the turnover rate,

when a leader is able to be fair and provide the rights of employees both materially and non-materially it will directly affect the psychology of employees." (Participant Coffee Shop B)

Rewards and benefits; Appreciation that is aligned, a sense of empathy can help employees to achieve meaningful work. This will encourage better employee talent and can achieve employee happiness which will ultimately be related to good performance results (Panneerselvam & Balaraman, 2022).

"The turnover rate at coffee shops is partly due to the lack of salaries as well as rewards and benefits given to employees. This makes employees feel that their performance is not appreciated without rewards being given. In the end, employees will reduce their performance without appreciation from the leader" (Participant, Coffee Shop A)

"Rewards and benefits are very important in a company. However, at CoffeeShop B, the rewards and benefits are still not optimal in terms of their application. Employees feel less appreciated for the work they have done" (Participant, Coffee Shop B)

Alumni relations, in this aspect the company must take advantage of good relations with ex employees so that one day they can bring these employees back. The ex-employee database is the richest resource an organization can have. It is therefore important to carry on good relations with former employees and conduct exit interviews while they are away so that the company can understand the employee's perspective.

"Building relationships with ex-employees is very important. Because the end of cooperative relations does not mean that social relations also end. But in coffee shop B, the leader does not understand the importance of maintaining good relations with ex-employees" (Participant, Coffee Shop B)

Infrastructure and Technologies; Emerging technologies can create new opportunities for businesses. Digital technology must ensure employees work safely, productively and engaged. Technology can provide opportunities for employee development processes. Technology can provide employee experiences that will affect performance to business benefits (Panneerselvam & Balaraman, 2022).

"Technology and infrastructure are one of the considerations for employees to stay or leave the company. This refers to improving individual skills and self-quality" (Participant, Coffee Shop A)

"Technology greatly influences the employee turnover rate. In a coffee shop, employees will often develop their skills by choosing a coffee shop that has the best coffee machine. If the coffee shop does not have better technology innovation, it will make employees stop and look for a better workplace to develop their skills" (Participant, Coffee Shop B)

The employee turnover rate in the coffee shop business is arguably still high. This can be known through observations and interviews conducted with employees.

"One of the biggest factors causing high turnover rates is salary. Moreover, this is how leaders can make employees feel comfortable and encourage their employees to work better. In one month there can be an employee leaving, this will have an impact

on the company's losses, especially if the employee leaves at the same time."

"The turnover rate in coffee shops is very high. There are two underlying factors, namely salary and employee comfort. From several coffee shops that I know within one month all employees can leave and the company has to hire new employees. This is very detrimental to the company because the company needs to find employees who are as competent as the previous employees or more and have to start all over again to teach new employees."

### **Conclusion**

From the survey conducted, it can be seen that employees still do not get good employee experience so that it has an impact on company turnover. This is indicated by a very high turnover rate in the company. According to the employee at coffee shop A explained that in 1 month there is 1 employee who resigns. This requires companies to hire new employees and conduct training for new employees. The employee at coffee shop B even explained that from several coffee shops he knew that every month the turnover rate was very high. Even within 1 month there can be a simultaneous discharge of employees. This is of course very detrimental to the company because it has to recruit new employees and conduct training. For the coffee shop business, employee turnover during the training period will be prone to product failure, so this can have an impact on the customer experience.

The employee journey is a series of employee activities while working starting from the process of recruitment, selection, starting work, training and development to leaving the organization which will ultimately shape the experience of employees while working. Some of the factors contributing to high turnover at the coffee shop include employees feeling less appreciated and valued by their superiors. Employees feel that they are not being given consistent rewards and benefits, so employees will tend to look for other places to work that can provide them with appropriate rewards and benefits. In addition, the lack of comfort felt by employees, both in terms of their relationship with other employees and with superiors. Leaders who are unfair and don't protect their employees can be one of the reasons employees leave the company. Companies can create an employee journey framework to be able to see in more detail the needs desired by their employees. Thus it can be an evaluation for companies to create a good employee journey so as to create a good employee experience. Companies must be able to listen to the opinions of their employees, so that employees will feel involved with the company. This will create a sense of belonging to the company

### **Limitations and future research potential**

This research was conducted by focusing on employee journey touchpoints to find out the journey of employees while working so that employee experience can be seen in a company. There are many turnover problems in business, especially the SME coffee shop, so the problem of employee experience is not the only factor that causes high turnover rates. However, employee experience is an important aspect to improve employee performance. With a good employee experience, employees will feel happy with their work so that employees can work optimally. This will have an impact on a

positive customer experience. Employee experience is not only a strategy regarding employees but with positive employee experience will make business performance superior compared to competitors. Future research might be able to examine how the comparison is between businesses that excel in employee experience and businesses that have poor employee experience. So that we can see how employee experience can improve business performance and be superior to its competitors

## **Bibliography**

- Cable, D. M., Gino, F., & Staats, B. R. (2013). Reinventing employee onboarding. *MIT Sloan Management Review*, 54(3), 23–28.
- Cho, Y. J., & Lewis, G. B. (2012). Turnover Intention and Turnover Behavior: Implications for Retaining Federal Employees. *Review of Public Personnel Administration*, 32(1), 4–23. <https://doi.org/10.1177/0734371X11408701>
- Deri, M. N., Ragavan, N. A., Chireh, T. D., Zaaie, P., & Niber, A. (2022). Relationship between job satisfaction and turnover intention of hotel employees. *Research Journal in Advanced Social Sciences*, 3(2), 32–49. <https://doi.org/10.58256/rjass.v3i2.810>
- Fadli, M. R. (2021). Memahami desain metode penelitian kualitatif. *Humanika*, 21(1), 33–54. <https://doi.org/10.21831/hum.v21i1.38075>
- Fernando Hutabarat, N., & Yuniawan, A. (2022). PENGARUH EFIKASI DIRI, KETIDAKAMANAN KERJA TERHADAP TURNOVER INTENTION MELALUI KOMITMEN ORGANISASIONAL SEBAGAI VARIABEL INTERVENING (Studi Pada Tavern Group). *Diponegoro Journal of Management*, 11(1), 1–12. <http://ejournal-s1.undip.ac.id/index.php/dbr>
- Itam, U., & Ghosh, N. (2020). Employee experience management: A new paradigm shift in HR thinking. *International Journal of Human Capital and Information Technology Professionals*, 11(2), 39–49. <https://doi.org/10.4018/IJHCITP.2020040103>
- Kim, K., & Kim, K. (2019). Relationship between Job Satisfaction, and Turnover Intention and Quality of Life in Small and Medium Hospital's Nurses. *Journal of Korea Academia-Industrial Cooperation Society*, 20(12), 678–688.
- Lu, Y., Hu, X. M., Huang, X. L., Zhuang, X. D., Guo, P., Feng, L. F., Hu, W., Chen, L., Zou, H., & Hao, Y. T. (2017). The relationship between job satisfaction, work stress, work-family conflict, and turnover intention among physicians in Guangdong, China: A cross-sectional study. *BMJ Open*, 7(5), 1–12.



- <https://doi.org/10.1136/bmjopen-2016-014894>
- McNall, L. A., Masuda, A. D., & Nicklin, J. M. (2009). Flexible work arrangements, job satisfaction, and turnover intentions: The mediating role of work-to-family enrichment. *Journal of Psychology: Interdisciplinary and Applied*, 144(1), 61–81. <https://doi.org/10.1080/00223980903356073>
- Mobley, W. H., Horner, S. O., & Hollingsworth, A. T. (1978). An evaluation of precursors of hospital employee turnover. *Journal of Applied Psychology*, 63(4), 408–414. <https://doi.org/10.1037/0021-9010.63.4.408>
- Oosthuizen, R. M., Coetzee, M., & Munro, Z. (2019). Work-life balance, job satisfaction and turnover intention amongst information technology employees. *Southern African Business Review*, 20, 446–467. <https://doi.org/10.25159/1998-8125/6059>
- Panneerselvam, S., & Balaraman, K. (2022). Employee experience: the new employee value proposition. *Strategic HR Review*, 21(6), 201–207. <https://doi.org/10.1108/shr-08-2022-0047>
- Parida, A. (2020). Employee Experience Framework and its impact on Employee Journey Mapping. *Psychology and Education*, 57(9), 4769–4781. [www.psychologyandeducation.net](http://www.psychologyandeducation.net)
- Park, J., & Min, H. (Kelly). (2020). Turnover intention in the hospitality industry: A meta-analysis. *International Journal of Hospitality Management*, 90(June), 102599. <https://doi.org/10.1016/j.ijhm.2020.102599>
- Plaskoff, J. (2017). Employee experience: the new human resource management approach. *Strategic HR Review*, 16(3), 136–141. <https://doi.org/10.1108/shr-12-2016-0108>
- Purbasari, T., & Abadi, F. (2022). The Influence Of Organizational Culture, Leadership Style On Employee Experience Has An Impact On Retention. *Jurnal Ilmiah Akuntansi Dan Keuangan*, 4(3), 1254–1266.
- Robbins, S. P., & Judge, T. A. (2019). *Organizational Behaviour* (N. Pfaff (ed.); 13 edition). Pearson Education South Africa.
- Siboro, C., & Aisyah, M. (2021). *Employee\_Experience.pdf*. Netika Indonesia HCK & Analytics Based Consulting.
- Sinaga, M., & Riyanto, S. (2021). TRAINING AND DEVELOPMENT TO IMPROVE EMPLOYEE PERFORMANCE 1 1 Marida Sinaga, 2 Setyo Riyanto. *Jurnal Ekonomi, Bisnis Dan Manajemen*, 8, 66–71.

- Soni, K., Chawla, R., & Sengar, R. (2017). Relationship between Job Satisfaction and Employee Experience JOURNAL OF GENERAL MANAGEMENT RESEARCH. *Journal of General Management Research*, 4(2), 41–48.
- Speicher, L. L., & Francis, D. (2023). Improving Employee Experience: Reducing Burnout, Decreasing Turnover and Building Well-being. *Clinical Gastroenterology and Hepatology*, 21(1), 11–14.  
<https://doi.org/10.1016/j.cgh.2022.09.020>
- Sugiyono. (2018). Metode Penelitian Kuantitatif, Kualitatif dan R&D. In *Ke-26*.
- Tucker, E. (2020). Driving engagement with the employee experience. *Strategic HR Review*, 19(4), 183–187. <https://doi.org/10.1108/shr-03-2020-0023>