Jurnal REKOMEN (Riset Ekonomi Manajemen), Vol. 7 No. 1, pp. 244 – 259 Copyright © Management Study Program, Faculty of Economics, Tidar University ISSN: 2580-8893 (Print)/ 2614-2953 (Online)



The Effect Of Employee Experience And Engagement On Intention To Leave With Innovative Work Behavior As A Mediating Variable

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Received: November 30, 2023 ; Accepted: March 20, 2024 ; Published: April 1, 2024

**ABSTRACT.** The purpose of this study is to analyze the effect of employee experience and employee engagement on intention to leave through innovative work behavior as a mediating variable using a sample of 168 employees who worked in startup digital companies in Indonesia. Purposive sampling was used to invite respondent participation. Structual Equation Modelling was employed for data analysis. Then the result shows that employee experience and employee engagement had a direct and negative effect on intention to leave, while employee engagement is not proven to have a direct effect on intention to leave. Innovative work behavior also successfully fully mediated the relationship between employee engagement and intention to leave.

Keyword: Employee Experience; Employee Engagement; Innovative Work Behavior, Intention To Leave

JEL Classification: J24, M12

# **INTRODUCTION**

Covid has changed human behavior resulting in increased use of technology for a variety of purposes, including online learning, healthcare, and entertainment. This phenomenon increase the growth of startup digital company, with Indonesia ranked sixth in the world based on data collected from Startup Ranking (2023). Data from the MIKTI (2021) reveals two main issues which is modal and human resource management. These issues affect company's performance. According to research from Alpha JWC Ventures et al. (2023), 91% of workers want to leave their job. Better income and benefits, lack of growth, and cultural variety are some of the factors that contribute to this. In order to persuade workers to stay and lessen their desire to quit, company should address these aspects Lobell (2020).

Innovative work behavior can enhance a worker's interest for staying in a company, as having good skills and experience can prevent a lack of interest in their work (El-Hanafy, 2020). Startup companies are constantly evolving their management processes to maintain efficiency and effectiveness. Innovation is crucial for adapting to changes and maintaining effective management. Innovative work behavior, such as placing employees in roles compatible with their qualifications, can help maintain and maintain management processes (Kaymakcı et al., 2022). Innovation provides competitive advantage and requires a culture or work environment that aligns with innovation principles. Research shows that while culture is intangible, it provides tangible benefits to a company, including increased financial performance, consumer satisfaction, and employee engagement (Alpha JWC Ventures et al., 2023). As employees have a responsibility to their work, they would develop innovative ways to make their work more effective (Pukkeeree et al., 2020). Positive employee experience can foster innovation, while negative experience can hinder it (Dery et al., 2017).

Employee engagement is a crucial factor influencing a worker's performance. Employee engagement can have a negative impact on a worker's motivation to leave the company (Shuck et al., 2014; Srivastava & Bajpai, 2021). Employees who are engaged and close to the company will not leave the company because they can invest their own energy and identity in their work, and are closely tied to the work they perform (Srivastava & Bajpai, 2021). Positive experiences encourage workers to make more investments in their workplace. Employee experience is a novel strategy that raises engagement levels, yet research by Yadav and Vihari (2021), has distinguished between engagement and employee experience.

Mobley et al. (1979) introduced the concept of intention to leave as evidence of the action of interest intention. The intention to leave a job is determined by employees' thoughts and assessments of various job possibilities (Allen et al., 2003). Employee turnover is crucial for a company's operational processes to function normally. Administrative staff face increased workload, while manager turnover weakens organizational control, leading to poor integration, reduced satisfaction, and reduced centralization (Price, 1989). Employee turnover can be beneficial as it introduces fresh ideas, but it can also be costly, time-consuming, and energy-intensive to find replacements (Erwina, 2022). Basak et al. (2013) developed a model to evaluate an employee's desire to leave their company, considering factors such as job opportunities, job dissatisfaction, and workplace injustice.

Innovative work behavior involves implementing new ideas to enhance performance, group, or organization (West, 1989; West & Farr, 1989). This can lead to improved organizational functioning and social-psychological benefits for employees, including increased job satisfaction, improved interpersonal communication, and better resource matching between job demands and resources. Janssen (2000) developed innovative work behavior into three dimensions: idea

generation, promotion, and implementation. Jong and Hartog (2010) study restructured the original three dimensions of innovative work behavior into four dimensions which is idea exploration, idea generation, idea championing, and idea implementation. Idea exploration is the initial step in improving products, services, or processes. Idea generation, where ideas are created to produce new products, services, procedures, or enter new markets. Idea championing is a selection process is needed to choose the most suitable ideas for use in the workplace. Last is idea implementation, where the chosen ideas are tested to determine if they can fill the gap.

The concept of "experience economy" is the foundation of employee experience, which is then developed into customer experience in the marketing concept. Actively controlling experience can help create value by comprehensively remembering it (Pine & Gilmore, 1998). Recent research on human resources adopts employee experience as a continuation of customer experience, focusing on the strategic relevance of market-oriented organizations (Plaskoff, 2017). Research by Yadav & Vihari (2021), reveals that the employee experience are evolving into six dimensions include cohesiveness, which refers to group attitudes and performance, vigor, which is a positive affective response to work environment interaction, well-being, achievement orientation, which suggests employees engage with competency-specific goals, inclusiveness, which involves business practices that integrate individuals into opportunities and contacts, and the physical work environment, which focuses on aspects like workplace layout, interior design, light, noise, and ambient conditions. Prioritizing employee experience is crucial for startup companies, as it fosters engagement, development, and enhances customer experience (Bibb, 2023). Employee experience, defined as the complexity of the workplace and daily collaboration, can stimulate or inhibit innovation (Dery et al., 2017).

Schaufeli et al. (2002), was the first who introduced work engagement. Work engagement is a positive and satisfying state of mind for employees related to work, characterized by enthusiasm, dedication, and absorption (Schaufeli et al., 2006). Work engagement is the opposite of burnout (Maslach et al., 2001). Saks (2006) analysed employee engagement from the perspective of roles in the organization, focusing on the extent to which an employee is psychologically present with a specific role, he also divided work engagement into work and organizational engagement. Employee engagement is a growing research topic, with Rich et al. (2010) referring it as job engagement, a multidimensional motivation concept that uses an employee's physical, cognitive, and emotional energy for active work performance. Soanne et al. (2012), developed social/intellectual engagement, which refers to the extent to which employees are intellectually involved in their work, have a positive impact, have social relationships, and share principles with coworkers.

Employee engagement which evolved into work, organizational, and social/intellectual engagement, finally defined as employee engagement by Shuck et al. (2014). Shuck et al. (2014) define employee engagement as a positive psychological state related to work, influenced by cognitive, emotional, and behavioral energy. It is not a replacement for existing forms of engagement but a theory of engagement assessed from a different perspective. Shuck et al. (2014) identified three dimensions of employee engagement: cognitive engagement, emotional engagement, and behavioral engagement. Cognitive engagement involves mental energy focused on positive organizational performance, characterized by attention and concentration at work (Rich et al., 2010; Shuck et al., 2014). It involves employees expending intense mental energy on work-related activities, ensuring a balanced approach. Emotional engagement involves employees' intensity and desire to contribute emotionally to the company's success, including their belief in the company's goals and mission, and feelings of personal meaning from their work experiences (Shuck et al., 2014). Behavioral engagement is a psychological state where employees are willing to improve their performance by putting in more effort, working harder, and exceeding expectations

(Rich et al., 2010). They view themselves as willing to give more than expected for their progress (Shuck et al., 2014).

Companies should foster employee engagement by implementing effective policies and programs that encourage participation in innovative work behavior (Ali et al., 2022). Leaders should focus on training, developing, strengthening, and supporting activities that motivate employees to realize potential responsibilities and express innovative work behavior (Pukkeeree et al., 2020). Studies have shown that employee engagement significantly enhances innovative work behavior (Ali et al., 2022; Azevedo et al., 2020; Pukkeeree et al., 2020). Therefore, it is widely accepted that a positive employee engagement is one of the key factors in fostering innovative work behavior. Employee engagement and experience may appear similar, with some studies stated that employee experience is a development or replacement for engagement. However, Yadav & Vihari (2021) argue that engagement places the organization at the centre, while employee experience places employees at the centre. Employees experience positive emotions when participating in innovation development activities, which allows them to contribute beyond their daily responsibilities, leading to rewarding experiences (Azevedo et al., 2020). However, research on the relationship between employee experience and innovative work behavior has not been conducted.

Study at a beauty clinic by Erwina (2022), found that employee experience negatively impacts their intention to leave. To prevent this, companies should understand the issue, identify solutions, and improve employee experience. Employee engagement is crucial for retaining employees as they put effort into their work and feel connected to the company (Srivastava & Bajpai, 2021). Poor engagement can lead to employees leaving, as they choose not to be involved at any level (Shuck et al., 2014). Research conducted by Erwina (2022) at a beauty clinic found that employee engagement did not affect intention to leave, these findings suggest that further research is needed to determine the true impact of employee engagement on intention to leave. However, innovative work behavior can negatively impact employees' desire to leave their jobs (El-Hanafy, 2020). This study also supported by Kaymakcı et al. (2022) that suggesting to developing innovative work behaviors can help reduce employee turnover.

Positive work experiences can discourage employees from leaving a company, as they can be created through the company's employee development (Dery et al., 2017). Innovation, which can be done through creating new products, services, or procedures, can help create a positive work experience (Jong & Hartog, 2010). In order to prevent employees from leaving, it is essential to develop existing work behavior in a more innovative direction. Employees who feel connected to their company and capable of developing tend to stay and not leave (Shuck et al., 2014; Srivastava & Bajpai, 2021). To keep employees engaged, it is necessary to develop existing work behavior in a more innovative direction (Jong & Hartog, 2010). While previous research has validated that employee experience, employee engagement and innovative work behavior can both have a negative influence on intention to leave, but no research has used innovative work behavior as a mediator between the relationship between employee experience, employee engagement and intention to leave. So, based on the background and literature above, the researcher tries to explore the relationship between employee experience and employee engagement on intention to leave, direct relationship or indirect relationship with innovative work behavior as a mediator. Below is the framework that researcher uses for this study:

Employee
Experience

H6.

H3

Innovative Work
Behavior

H5

Intention to Leave

H4

Employee
Engagement

Figure 1. Research Framework

Source: Author (2023)

- H1: There is a positive association between employee experience and innovative work behavior
- H2: There is a positive association between employee engagement and innovative work behavior
- H3: There is a negative association between employee experience and intention to leave
- H4: There is a negative association between employee engagement and intention to leave
- H5: There is a negative association between innovative work behavior and intention to leave
- H6: Innovative work behavior mediates the effect on employee experience and intention to leave
- H7: Innovative work behavior mediates the effect on employee engagement and intention to leave

#### **METHODS**

This research uses quantitative approach, this survey research utilized purposive sampling to select a sample of Indonesian startup company employees aged 18-35, from generation Y and generation Z. This research collected primary data through digital questionnaires distributed online using Google Forms. The links were sent via email or social media to employees of digital startup companies. Data were collected within September to October 2023, 192 respondents were collected through a questionnaire distribution process. However, only 168 valid data were considered valid, containing extreme data and some respondents who did not meet the researcher's desired criteria. 5 scales from Basak et al. (2013) were used to measure intention to leave, 8 scales form Jong and Hartog (2010) were used to measure innovative work behavior, 12 scales from Yadav and Vihari (2021) were used to measure employee experience, 6 scales from Shuck et al. (2016) were used to measure employee engagement. Data analysis using the SPSS V26 for descriptive analysis, and the SmartPLS V4 for Structural Equation Modeling analysis.

Table 1. Variable Measurement

Variables	Dimension	Indicator	Source
		If I have a good opportunity, I would like to find	
		another job	
Intention Leave		I do not enjoy this job and have been searching for	Basak
		other positions	et al.
		I hope that I can find another job in the same	(2013)
		industry	
		Layoffs are a typical occurrence around here	•

		People often get fired from this organization without good reason			
	Idea	Wonder how things can be improved			
	Exploration	Consider innovative opportunities			
Innovative	Idea Generation	Search out new working methods, techniques or instruments  Find new approaches to executed tasks			
Work Behavior	Idea Championing	Make important organizational members enthusiastic for innovative ideas  Acquire approval for innovative ideas	and Hartog (2010)		
	Idea	Transform innovative ideas into useful applications			
	Implementation	Contribute to the implementation of new ideas			
	Cohesiveness	There is a great deal of trust among members of my work group  The members of my work group stand up for each other			
	Viceous	I feel able to be creative			
	Vigour	I feel energetic			
	Well-being  I have a sense of direction and purpose in life  In general, I feel confidant and positive  myself		Yadav		
Employee	т 1 '	Where I work, I am treated with respect			
Experience	Inclusiveness	My organization is free of intimidation			
	Achievement	It is important for me to do better than other employees			
	Oriented	I want to learn as much as possible from this organization			
	Physical Work Environment	The amount of light in the work environment is adequate  The temperature, velocity, humidity and composition of the air in the work environment are			
		adequate			
	Cognitive	I am really focused on my job when I am working			
	Engagement	When I am at work, I give my job a lot of attention			
Employee	Emotional	I am proud to tell others that I work for my current organization			
Engagement	Engagement	I care about the future of my company	et al. (2016)		
	Behavioral Engagement	I do more than is expected of me I am willing to put in extra effort without being asked			

Source: By Author

### **RESULT AND DISCUSSION**

## Demographic Data

Table 2. Respondents Characteristics

Characteristics	Category	N	Percentage (%)
	Male	84	50.0
Gender	Female	84	50.0
		168	100
	18 - <23 years old	39	23.2
	23 - <28 years old	100	59.5
Age	28 - <33 years old	22	13.1
	≥33 years old	7	4.2
		84 84 168 39 100 222 7 168 6 10 144 8 168 4 94 31 21 5 1 12 168 120 29 7 10 2 168 44 99 17	100
	Highschool	6	3.6
	Diploma	10	6.0
Educational Level	Bachelor	144	85.7
	Master	8	4.8
		168	100
	Health-tech	4	2.4
	Edu-tech	94	56.0
	Fin-tech	31	18.5
C	E-commerce	21	12.5
Company Sector	Logistic	5	3.0
	Agri-tech	1	0.6
	Others	12	7.1
		168	100
	Staff	120	71.4
	Team leader	29	17.3
T 1 T 1	Supervisor	7	4.2
Job Level	Manager	10	6.0
	Others	2	1.2
		168	100
	<1 year	44	26.2
	1 - <3 years	99	58.3
Work Experience	3 - <5 years	17	10.1
1	>5 years	9	5.4
	•	168	100

Source: Data Processed (2023)

Based on data from 168 respondents, the results of the analysis of the demographic characteristics of the respondents have been successfully collected. Regarding of the gender, 84 (50%) were females, and 84 (50%) were males. Regarding of the age, 39 (23.2%) were aged between 18 and under 23, 100 (59.5%) were aged between 23 and under 28, 22 (13.1%) were aged between 28 and under 33, and 7 (4.2) were aged 33 or older. Regarding of educational level, 6 (3.6%) from high school background, 10 (6.0%) had diplomas, 144 (85.7%) had bachelor's degree, and 8 (4.8%) had master's degree. Regarding of company sector they worked for, 4 (2.4%) from health-tech, 94 (56%) from edu-tech, 31 (18.5%) from fin-tech, 21 (12.5%) from e-commerce, 21 (12.5%) e-commerce, 5 (3%) from logistic, 1 (0.6) agri-tech, and 12 (7.1%) from others company sector. Regarding of their job level, 120 (71.4%) are staff, 29 (17.3%) are team leader, 7 (4.2%) are

supervisor, 10 (4,2) are manager, and 2 (1.2%) come from other's levelling. Based on their time of work in their company, 44 (26.2%) had worked below a year, 99 (58.3%) had worked between 1 and under 3 years, 17 (10.1%) had worked between 3 and under 5 years, 9 (5.4%) had worked for 5 years or more.

### **Descriptive Analysis**

Table 3. Descriptive Statistics

Variable	N	Min	Max	Mean	Standard Deviation
Employee Experience	168	20	60	48.92	7.75
Employee Engagement	168	10	30	24.23	4.11
Innovative Work Behavior	168	14	40	31.55	5.23
Intention to Leave	168	5	22	10.86	4.63

Source: Data Processed (2023)

The table above presents the minimum and maximum scores, as well as the mean and standard deviation of the variables. The findings indicate that the minimum and maximum scores for employee engagement were 10 and 30, respectively, with the mean of 24.23 and the standard deviation of 4.11. Similarly, employee experience exhibited the minimum score of 20 and maximum score of 60, with the mean of 48.92 and standar deviation of 7.75. Futhermore, the result also showed that the minimum and maximum scores for innovative work behavior were 14 and 40, along with the mean of 31.55 and the standard deviation of 5.23. The data also disclosed that the intention to leave ranged from 5 to 22 in terms of minumum and maximum scores, with the mean of 10.86, and standard deviation 4.63.

## Validity and Reliability

The research conduct convergent validity testing by examining outer loading and AVE values. Hamid and Anwar (2019) stated that a value of  $\geq$ 0.60 is considered valid, and all indicators used in the study have achieved this. The AVE value for each variable is also  $\geq$ 0.5, indicating their validity.

Table 4. Convergent Validity

Variable	Indicator	Outer Loading	AVE	Description
	EX1	0.717		Valid
	EX2	0.785		Valid
	EX3	0.687		Valid
	EX4	0.788		Valid
	EX5	0.743		Valid
Employee Evansiones	EX6	0.760	0.575	Valid
Employee Experience	EX7	0.788		Valid
	EX8	0.773		Valid
	EX9	0.811		Valid
	EX10	0.774		Valid
	EX11	0.751		Valid
	EX12	0.711		Valid
	EE1	0.812		Valid
Employee Engagement	EE2	0.822	0.607	Valid
Employee Engagement	EE3	0.820	0.687	Valid
	EE4	0.837		Valid

	EE5	0.856		Valid
	EE6	0.826		Valid
	IWB1	0.777		Valid
	IWB2	0.802		Valid
	IWB3	0.792	0.659	Valid
Innovative Work Behavior	IWB4	0.798		Valid
illiovative work behavior	IWB5	0.808		Valid
	IWB6	0.823		Valid
	IWB7	0.851		Valid
	IWB8	0.838		Valid
	ITL1	0.728		Valid
	ITL2	0.823		Valid
Intention to Leave	ITL3	0.806	0.634	Valid
	ITL4	0.811		Valid
	ITL5	0.811		Valid

Source: Data Processed (2023)

The reliability test is a crucial tool in research to ensure the accuracy and consistency of the instrument used to measure a research construct. It involves assessing cronbach's alpha and composite reliability values, with a minimum of ≥0.70 for both (Hamid and Anwar, 2019). The results indicate that all latent constructs, including all those with cronbach's alpha and composite reliability values, meet the minimum requirements for reliability, indicating that the entire latent construct is reliable.

Table 5. Reliability

Variable	Cronbach's Alpha	Composite Reliability	Description
Employee Experience	0.932	0.942	Reliable
Employee Engagement	0.909	0.930	Reliable
Innovative Work Behavior	0.926	0.939	Reliable
Intention to Leave	0.857	0.896	Reliable

Source: Data Processed (2023)

The discriminant validity test evaluates a construct's representation of its latent variable and its differentiation from other constructs. It requires a cross loading value of  $\geq$ 0.60 and a higher comparison value for the construct compared to other constructs (Hamid and Anwar, 2019). The test results show that the construct's cross loading value on itself is at the minimum expected limit of  $\geq$ 0.60, and it is also higher than other constructs, indicating the validity of the determinant test. Therefore, the results of the discriminant validity test are considered valid.

Table 6. Discriminant Validity

Indicator	EX	EE	IWB	ITL	Description
EX1	0.717	0.627	0.664	-0.438	Valid
EX2	0.785	0.696	0.684	-0.478	Valid
EX3	0.687	0.603	0.493	-0.418	Valid
EX4	0.788	0.669	0.606	-0.449	Valid
EX5	0.743	0.652	0.600	-0.495	Valid

0.760	0.562	0.582	-0.465	Valid
0.788	0.656	0.620	-0.416	Valid
0.773	0.604	0.616	-0.439	Valid
0.811	0.667	0.641	-0.494	Valid
0.774	0.710	0.663	-0.486	Valid
0.751	0.696	0.682	-0.495	Valid
0.711	0.666	0.580	-0.465	Valid
0.718	0.812	0.700	-0.440	Valid
0.729	0.822	0.690	-0.437	Valid
0.725	0.820	0.696	-0.446	Valid
0.706	0.837	0.690	-0.564	Valid
0.724	0.856	0.722	-0.495	Valid
0.681	0.826	0.693	-0.515	Valid
0.670	0.716	0.777	-0.449	Valid
0.664	0.714	0.802	-0.494	Valid
0.625	0.655	0.792	-0.468	Valid
0.609	0.662	0.798	-0.438	Valid
0.631	0.630	0.808	-0.472	Valid
0.688	0.673	0.823	-0.489	Valid
0.693	0.702	0.851	-0.525	Valid
0.736	0.712	0.838	-0.526	Valid
-0.363	-0.284	-0.336	0.728	Valid
-0.539	-0.488	-0.476	0.823	Valid
-0.501	-0.469	-0.500	0.806	Valid
-0.431	-0.478	-0.462	0.811	Valid
-0.554	-0.552	-0.555	0.811	Valid
	0.788 0.773 0.811 0.774 0.751 0.711 0.718 0.729 0.725 0.706 0.724 0.681 0.670 0.664 0.625 0.609 0.631 0.688 0.693 0.736 -0.363 -0.539 -0.501 -0.431	0.788         0.656           0.773         0.604           0.811         0.667           0.774         0.710           0.751         0.696           0.711         0.666           0.718         0.812           0.729         0.822           0.706         0.837           0.724         0.856           0.681         0.826           0.670         0.716           0.664         0.714           0.625         0.655           0.609         0.662           0.631         0.630           0.688         0.673           0.693         0.702           0.736         0.712           -0.363         -0.284           -0.539         -0.488           -0.501         -0.469           -0.431         -0.478	0.788         0.656         0.620           0.773         0.604         0.616           0.811         0.667         0.641           0.774         0.710         0.663           0.751         0.696         0.682           0.711         0.666         0.580           0.718         0.812         0.700           0.729         0.822         0.690           0.706         0.837         0.696           0.706         0.837         0.690           0.724         0.856         0.722           0.681         0.826         0.693           0.670         0.716         0.777           0.664         0.714         0.802           0.625         0.655         0.792           0.609         0.662         0.798           0.631         0.630         0.808           0.688         0.673         0.823           0.693         0.702         0.851           0.736         0.712         0.838           -0.363         -0.284         -0.336           -0.539         -0.488         -0.476           -0.501         -0.469         -0.500	0.788         0.656         0.620         -0.416           0.773         0.604         0.616         -0.439           0.811         0.667         0.641         -0.494           0.774         0.710         0.663         -0.486           0.751         0.696         0.682         -0.495           0.711         0.666         0.580         -0.465           0.718         0.812         0.700         -0.440           0.729         0.822         0.690         -0.437           0.725         0.820         0.696         -0.446           0.706         0.837         0.690         -0.564           0.724         0.856         0.722         -0.495           0.681         0.826         0.693         -0.515           0.670         0.716         0.777         -0.449           0.625         0.655         0.792         -0.468           0.609         0.662         0.798         -0.438           0.631         0.630         0.808         -0.472           0.688         0.673         0.823         -0.489           0.693         0.702         0.851         -0.525           0.736 </td

Source: Data Processed (2023)

### **Hypothesis Testing**

This research examines the impact of innovative work behavior and intention to leave. The study finds that 74.5% of employee experience and employee engagement influence innovative work behavior, while 25.5% is influenced by other variables. The intention to leave variable, on the other hand, is influenced by 40.2% of employee experience, engagement, and innovative work behavior. The remaining 59.8% is influenced by other variables. The research's R-Square values indicate that the innovative work behavior model is in the moderate category, while the intention to leave model is in the weak category.

Table 7. R-Square and R-Square Adjusted

Variable	R-Square	R-Square Adjusted	Description
Innovative Work Behavior	0.745	0.742	Moderate
Intention to Leave	0.402	0.391	Weak

Source: Data Processed (2023)

After looking at the R-Square, now we can look at the hypothesis testing for direct only relationship. The result of the analysis of path coefficient values, t-statistics, and p-values will be the basis for hypothetical decision making.

Table 8. Hypothesis Result

Construct	Path Coefficient	Т-	P-	Description
		<b>Statistics</b>	Values	
EX > IWB	0.379	4.404	0.000	Significant
EE > IWB	0.514	6.221	0.000	Significant
EX > ITL	-0.315	2.359	0.018	Significant
EE > ITL	-0.097	0.747	0.455	Not Significant
IWB > ITL	-0.258	2.145	0.032	Significant
EX > IWB > ITL	-0.093	1.680	0.093	Not Significant
EE > IWB > ITL	-0.133	2.125	0.034	Significant

Source: Data Processed (2023)

Based on the results of the analysis of path coefficient values, t-statistics, and p-values contained in the table above, the results of the evaluation of the direct relationship hypothesis test in this study can be obtained. Hypothesis 1 (H1) states that employee experience has a direct positive effect on innovative work behavior. The table above shows the value of the path coefficient of 0.379. This value shows that there is a positive influence between employee experience and innovative work behavior variables. Further analysis shows a t-statistic value of 4.404 ( $\geq$ 1.96) and a p-value of 0.000 ( $\leq$ 0.05), these two values prove that H1 successfully meets the hypothesis testing criteria whose effect is significant at  $\alpha = 5\%$ . So, it can be said that the hypothesis is **accepted** and the conclusion is that employee experience has a direct positive and significant influence on innovative work behavior.

Hypothesis 2 (H2) states that employee engagement has a direct positive effect on innovative work behavior. The table above shows the value of the path coefficient of 0.514. This value shows that there is a positive influence between employee engagement and innovative work behavior variables. Further analysis shows a t-statistic value of 6.221 ( $\geq$ 1.96) and a p-value of 0.000 ( $\leq$ 0.05), these two values prove that H2 successfully meets the hypothesis testing criteria whose effect is significant at  $\alpha = 5\%$ . So, it can be said that the hypothesis is **accepted** and the conclusion is that employee engagement has a positive and significant direct influence on innovative work behavior

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Hypothesis 3 (H3) states that employee experience has a direct, negative effect on intention to leave. The table above shows the value of the path coefficient of -0.315. This value shows the negative influence of employee experience variables and intention to leave. Further analysis shows a t-statistic value of 2.359 ( $\geq$ 1.96) and a p-value of 0.018 ( $\leq$ 0.05), these two values prove that H3 successfully meets the hypothesis testing criteria whose effect is significant at  $\alpha = 5\%$ . So, it can be said that the hypothesis is **accepted** and the conclusion is that employee experience has a negative and significant direct influence on intention to leave.

Hypothesis 4 (H4) states that employee engagement has a direct, negative effect on intention to leave. The table above shows the value of the path coefficient of -0.097. This value shows the negative influence of employee engagement and intention to leave variables. Further analysis shows a t-statistic value of 0.747 (<1.96) and a p-value of 0.455 (>0.05), these two values prove that H4 does not succeed in meeting the hypothesis testing criteria whose effect is not significant at  $\alpha = 5\%$ . So, hypothesis is **rejected.** 

Hypothesis 5 (H5) states that innovative work behavior has a direct negative effect on intention to leave. The table above shows the value of the path coefficient of -0.258. This value

shows the negative influence of the variables innovative work behavior and intention to leave. Further analysis shows a t-statistic value of 2.145 ( $\geq$ 1.96) and a p-value of 0.032 ( $\leq$ 0.05), these two values prove that H5 successfully meets the hypothesis testing criteria whose effect is significant at  $\alpha = 5\%$ . So, it can be said that the hypothesis is **accepted** and the conclusion is that innovative work behavior has a negative and significant direct influence on intention to leave.

In analyzing the mediation model created based on the mediation model of Zhao et al. (2010), it is necessary to look at the analysis of the influence between paths. The first path analysis (a) confirms the significant influence of employee experience on innovative work behavior, the second path (b) confirms the significant influence of innovative work behavior on intention to leave, the third path (c) confirms the significant influence between employee experience on intention to leave. However, it was found that the relationship in a x b x c was not significant and based on the mediation model from Zhao et al. (2010) that means innovative work behavior cannot mediate the relationship between employee experience and intention to leave. So it was decided that the hypothesis 6 (H6) was **rejected** 

The first path analysis (a) confirms that there is a significant influence of employee engagement on innovative work behavior, the second path (b) confirms that there is a significant influence of innovative work behavior on intention to leave, the third path (c) confirms that there is no significant influence between employee engagement on intention to leave. Based on that, it is found that the relationship a x b x c is significant, so based on the mediation model from Zhao et al. (2010) there is a significant relationship in a x b x c relationship, but there is no significant influence on the third path (c). It can be concluded that innovative work behavior has a full mediation effect because there is only an indirect influence. Based on this, it was decided that the hypothesis 7 (H7) was **accepted**.

### Discussion

The study confirms the positive influence of employee experience on innovative work behavior, a new finding in the field. Previous research has suggested that positive employee experiences stimulate innovation and encourage employees to contribute beyond their daily responsibilities (Azevedo et al., 2020; Dery et al., 2017). Employee experience is a key aspect of developing creative, innovative, and sustainable human resources (Panneerselvam & Balaraman, 2022). Startup companies face risks and need to find creative solutions while adapting to resources. Employee experience encourages innovative work behavior, so companies should provide a good work experience (Tucker, 2020). Appreciation for employees who exceed their colleagues can create a positive experience. In Indonesia, the independent campus learning curriculum at universities allows startups to obtain ideas from interns, but it is also become a new challenge for them because they need to considering all permanent, contract, and intern employee's work experience.

The study confirms the positive influence of employee engagement on innovative work behavior, as per previous research (Ali et al., 2022; Pukkeeree et al., 2020). Employees who feel connected to their work show enthusiasm, dedication, and passion, leading to a desire for guidance and creative solutions (Pukkeeree et al., 2020). Companies should promote employee engagement through policies and programs focusing on innovative work behavior, initiated by leaders who understand their role and encourage employee involvement (Panneerselvam & Balaraman, 2022). Startup companies, which need innovation, require employees' involvement in creating these innovations. Therefore, developing employee engagement is crucial for fostering a sense of connection and innovation (Ali et al., 2022).

The study confirms that employee experience negatively impacts intention to leave, as per previous research (Erwina, 2022). This suggests that companies should understand employee problems and identify factors to improve employee experience. A positive work environment provides comfort and a sense of belonging, reducing employee intention to leave. Four strategies to improve employee experience include providing the right technology, providing transparency about company targets, offering recognition and support for employees, and periodically analyzing employee workload. In digital startup companies, the first method, focusing on technology and employee productivity, is crucial for improving employee experience (Erwina, 2022). This approach will lead to increased productivity and a positive work experience.

This study is align with study that has been conducted by Erwina (2022). But the result also contradicts other previous research, possibly due to cultural differences (Shuck et al., 2014; Srivastava & Bajpai, 2021). Employees who feel connected to their work are less likely to leave, while those who choose not to remain involved may leave due to poor engagement (Shuck et al., 2014; Srivastava & Bajpai, 2021). Based on data from MIKTI (2021) digital startup companies are dominated by young employees from Generation Y and Generation Z, who are highly exploratory and may leave if opportunities arise. Startup companies struggle to compete with corporate companies with stable finances and attractive compensation. Compensation is a significant factor for employees in Southeast Asia, a developing country with money-oriented people (Alpha JWC Ventures et al., 2023). Startup companies need to find innovative ways to engage employees and humanize people with limited resources to decrease intention to leave.

The study confirms that innovative work behavior negatively impacts employee intention to leave (El-Hanafy, 2020; Kaymakcı et al., 2022), as it leads to absenteeism, low productivity, and high intentions to leave. Low levels of innovative work behavior can result in absenteeism, low productivity, and high intentions to leave (El-Hanafy, 2020). In order to reduce employee turnover, leaders and human resources should place employees according to their knowledge, skills, and experience, fostering satisfaction and encouraging innovation (Kaymakcı et al., 2022). Digital startup companies requiring innovation require innovative work behavior to continue and develop.

The study confirms that innovative work behavior mediates the relationship between employee experience and intention to leave. The competitive mediation model, proposed by Zhao et al. (2010), was used to examine this relationship. The study found that high employee experience impacts innovative work behavior and low intention to leave. However, positive experiences in digital startup companies can lead to a decrease in intention to leave. Consequently, the intention to leave is not only directly influenced by work experience but also indirectly by innovative work behavior experienced by employees. This new research highlights the importance of considering innovative work behavior as a mediating variable in employee experience.

The study also confirms that innovative work behavior mediates the relationship between employee engagement and intention to leave. The research suggests that employee engagement can negatively impact intention to leave through innovative work behavior. To build good employee engagement, companies should encourage employees to develop and innovate, leading to increased innovative work behavior. This can reduce employees' intentions to leave the company, which can negatively impact performance and company image. In startup companies, this suggests that companies should focus on building positive employee engagement and encouraging innovative work behavior.

#### **CONCLUSION**

The results of the research can be an additional theory because it succeeded in strengthening previously existing theories with the success in confirming both direct positive influences from employee experience and employee engagement on innovative work behavior, also direct negative influences from employee experience and innovative work behavior on intention to leave. This research also provide new knowledge regarding the direct influence of employee experience on innovative work behavior, and also the mediating role of innovative work behavior on the relationship between employee engagement, and intention to leave.

This research reveals that high employee experience and engagement increase innovative work behavior in digital startup companies. Employees who feel connected to their work and have positive experiences foster innovative work behaviors, which can help companies become better and competitive. Skilled employees can provide a competitive advantage for companies. Employee experience and innovative work behavior have a negative effect on intention to leave, which can be used to develop innovative work programs or procedures. However, employee engagement does not directly influence intention to leave, as employees may see job opportunities, development opportunities, or better compensation in other workplaces. Innovative work behavior mediates the relationship between employee engagement and intention to leave. Startup companies need to develop employee engagement through innovative work behavior to overcome high turnover. Leaders in startups should understand the importance of employee experience, engagement, and innovative work behavior and create schemes that suit their company to prevent or reduce employee intention to leave.

Since this study only focuses on employee's intention to leave future study might focus on employee's intentions to continue working at the company or with another variable and dimensions. The study used an online digital questionnaire, which may have biased responses. To improve the study, it is suggested to distribute questionnaires in a combined online and offline scheme. Additionally, the study did not use a back translator, which could lead to differences in results due to respondents' interpretations of the indicators. The small sample size and focus on digital startup companies also need improvement.

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