PROMOTE EMPLOYEE EXPERIENCE FOR HIGHER EMPLOYEE PERFORMANCE

Jefta Harlianto[A], Rudi[B]

ARTICLE INFO	ABSTRACT
	Purpose: This research aims to study the impact of three drivers of employee experience (cultural environment, technological environment, and physical environment) toward employee performance. **Theoretical framework:** This study will focus on association between various drivers of the employee experience which support in enhancing employee performance at the workplace. This study integrates ACE technology, COOL physical spaces, and CELEBRATED culture as the three categories of employee experience that was constructed by Morgan (2017), while the three aspects of employee performance (task, adaptive, and contextual performance) are based on Pradhan & Jena (2017). **Design/methodology/approach:** This study was designed by using quantitative approach. The study sample size is 201. The sampling method is using simple random sampling. The collected data was used to examine the model by using the Structural Equation Modeling-Partial Least Squares (SEM-PLS). **Findings:** The empirical findings have demonstrated that the proposed research framework shows that there is positive significant effect of cultural environment on employee performance. The finding also shows that there is no effect of physical environment and technological environment on employee performance. **Research, Practical & Social implications:** This study is beneficial for the leaders to focus on the important drivers of employee experience that impact on employee performance. In short term, this organization needs to focus on cultural environment instead of physical environment and technological environment in order to increase the employee experience. In long term, this organization need to analyze whether employee expectation about physical and technological environment already meet their expectation. **Originality/value:** It is not all employee experience drivers (cultural environment, technological environment, and physical environment) has impact toward employee performance.

PROMOVER A EXPERIÊNCIA DOS FUNCIONÁRIOS PARA UM MELHOR DESEMPENHO DOS FUNCIONÁRIOS

RESUMO
Objetivo: Esta pesquisa tem como objetivo estudar o impacto de três fatores que impulsionam a experiência dos funcionários (ambiente cultural, ambiente tecnológico e ambiente físico) em relação ao desempenho dos funcionários.
Estrutura teórica: Este estudo se concentrará na associação entre vários motivadores da experiência do empregado que ajudam a melhorar o desempenho do empregado no local de trabalho. Este estudo integra

[A] *Master degree. Management Department, BINUS Business School Undergraduate Program, BINUS University, Indonesia. E-mail: jefta@binus.edu Orcid: https://orcid.org/0000-0002-4918-9209*
[B] *Master degree. Management Department, BINUS Business School Undergraduate Program, BINUS University, Indonesia. E-mail: rudi@binus.edu*

Intern. Journal of Profess. Bus. Review. |Miami, v. 8 | n. 3| p. 01-16 | e0827 | 2023.

1

tecnologia ACE, espaços físicos COOL e cultura CELEBRATED como as três categorias de experiência do funcionário que foram construídas pela Morgan (2017), enquanto os três aspectos do desempenho do funcionário (tarefa, adaptativo e desempenho contextual) são baseados na Pradhan & Jena (2017).

Design/metodologia/abordagem: Este estudo foi projetado utilizando uma abordagem quantitativa. O tamanho da amostra do estudo é 201. O método de amostragem está usando amostragem aleatória simples. Os dados coletados foram usados para examinar o modelo utilizando a Modelagem da Equação Estrutural-Parcial de Menos Quadrados (SEM-PLS).

Descobertas: As descobertas empíricas demonstraram que a estrutura de pesquisa proposta mostra que existe um efeito positivo significativo do ambiente cultural no desempenho dos funcionários. A descoberta também mostra que não há efeito do ambiente físico e do ambiente tecnológico no desempenho dos funcionários.

Pesquisa, implicações práticas e sociais: Este estudo é benéfico para os líderes concentrarem-se nos importantes motores da experiência dos funcionários que têm impacto no desempenho dos funcionários. A curto prazo, esta organização precisa se concentrar no ambiente cultural ao invés do ambiente físico e tecnológico, a fim de aumentar a experiência do funcionário. A longo prazo, esta organização precisa analisar se as expectativas dos funcionários em relação ao ambiente físico e tecnológico já atendem às suas expectativas.

Originalidade/valor: Nem todos os fatores de experiência dos funcionários (ambiente cultural, ambiente tecnológico e ambiente físico) têm impacto no desempenho dos funcionários.

Palavras-chave: Experiência do Funcionário, Desempenho do Funcionário, Ambiente Cultural, Ambiente Tecnológico, Ambiente Físico.

PROMOVER LA EXPERIENCIA DE LOS EMPLEADOS PARA AUMENTAR SU RENDIMIENTO

RESUMEN
Propósito: Esta investigación pretende estudiar el impacto de tres impulsores de la experiencia de los empleados (entorno cultural, entorno tecnológico y entorno físico) en el rendimiento de los empleados.

Marco teórico: Este estudio se centrará en la asociación entre varios impulsores de la experiencia del empleado que contribuyen a mejorar el rendimiento de los empleados en el lugar de trabajo. Este estudio integra la tecnología ACE, los espacios físicos COOL y la cultura CELEBRATED como las tres categorías de la experiencia del empleado que fue construida por Morgan (2017), mientras que los tres aspectos del rendimiento de los empleados (rendimiento de la tarea, adaptativo y contextual) se basan en Pradhan & Jena (2017).

Diseño/metodología/enfoque: Este estudio se diseñó utilizando un enfoque cuantitativo. El tamaño de la muestra del estudio es de 201 personas. El método de muestreo es aleatorio simple. Los datos recogidos se utilizaron para examinar el modelo mediante el Modelado de Ecuaciones Estructurales-Mínimos Cuadrados Parciales (SEM-PLS).

Resultados: Los resultados empíricos demuestran que el marco de investigación propuesto tiene un efecto positivo y significativo en el rendimiento de los empleados. Los resultados también muestran que el entorno físico y el entorno tecnológico no influyen en el rendimiento de los empleados.

Implicaciones sociales, prácticas y de investigación: Este estudio es beneficioso para que los directivos se centren en los factores importantes de la experiencia de los empleados que influyen en su rendimiento. A corto plazo, esta organización debe centrarse en el entorno cultural en lugar del entorno físico y el entorno tecnológico para aumentar la experiencia de los empleados. A largo plazo, esta organización debe analizar si las expectativas de los empleados sobre el entorno físico y tecnológico ya satisfacen sus expectativas.

Originalidad/valor: No todos los impulsores de la experiencia de los empleados (entorno cultural, entorno tecnológico y entorno físico) influyen en el rendimiento de los empleados.

Palabras clave: Experiencia de los Empleados, Rendimiento de los Empleados, Entorno Cultural, Entorno Tecnológico, Entorno Físico.

INTRODUCTION

The corporate world is facing an extraordinary situation that organizations must deal if they want to survive in the fierce competition. As critical as it is to a company ability to handle distraction, change and business uncertainty. Rather than focus narrowly on employee

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

2

engagement, organizations should develop a combined focus on the entire employee journey, bringing together in all the workplace, HR, and management practices that impact employee in organization. Through employee experience, Human Resources Divisions are now focusing to recognize and improve this complete journey experience to have greater Employee Performance.

This shift is come to be so common that we are even seeing the emergence of entire roles dedicated to employee experience in organizations. We believe the employee experience, and its relationship with employee engagement and performance is critical to know and prioritize. If organizations can offer the right employee experience, they can achieve twice the customer satisfaction and innovation, and generate 25% higher profits than those that don't.

WorkTrendsTM 2016 Global for the IBM/Globoforce Employee Experience Index research shows positive employee experience can help retain talent and improve performance. Workers in the top 25% of Employee experience Index scores reports 52 % less likely to leave, 73% more likely to go above and beyond, and 32 % more likely to achieve higher performance. It also reports that employee experience varies by country and Indonesia rank 5 compared to other countries in Asia Pacific.

XYZ University as one of the leading higher education institutions in Indonesia has also facing fluctuated employee performance each year. Currently there is no formal survey related to employee experience while there are many programs that have implemented to support high employee experience in this University. Therefore, this research focuses on the impact of three environments of employee experience toward employee performance.

This research aims to study on the impact of employee experience toward employee performance. The factors that used in this study are based on existing literature constructed by Morgan (2018), and Pradhan & Jena (2017). The unit of analysis are employees in XYZ University. This study is also intended to provide the practical advantageous for the company leaders who should focus on the important drivers of employee experience that impact on employee performance. This study results should provide the impact of three environments of employee experience toward employee performance.

LITERATURE REVIEW

Employee Experience

The world is shifting, many organizations are now prioritizing more on their employees and focusing on the journey to have excellent experience in their organizations. Many HR professionals have designed employee experience in the organization similar with

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

3

how they create customer experience within their organization. It is accordance with Haris (2007) inform that theory of employee experience is based on customer experience management. Although there is lack of study around employee experience topic, we want to highlight several studies that provide basic foundation in this research.

One study identified the evolution of employee experience; it starts with the phase of utility (what do employees need to work), productivity (what do employee need to work better and faster), engagement (how can we make employee happy so they perform better) and experience (how can we create a company where people want vs. need to show up). Many companies currently utilize employee engagement and employee experience interchangeably without any distinct difference, which is incorrect. Employee engagement is the short-term change, then employee experience is the long-term redesign of the company. The study also defines employee experience as "the intersection of employee expectations, needs, and wants and the organizational design of those expectations, needs, and wants". We can conclude the employee experience is beyond than employee engagement (Morgan, 2017).

Other definition of employee experience is stated as employee journey that has many milestones and connections, and the value of employee experiences has a direct influence on employee engagement, satisfaction, commitment and, in the result, performance (Plaskoff, 2017). Empirical study also has been conducted in examining employee experience in specific human resources process. One of the studies in employee evaluation identified that there is the important of influence of field manager actions for employee-level outcomes but is also constrained by the organizational environment (Farndale & Kelliher, 2013).

HR in many organizations begins to implement memorable journey for their employees, starting from recruitment process, onboarding, performance management, training development, career & succession management, compensation, benefits, safety, working environment and off boarding process. HR believe it will have result in building emotional and stronger employee bonding with organization.

Key Drivers of Employee Experience

The framework of employee experience provides a complete approach that can assist many organizations to build the best workplace practices. Many scholars have provided a study to identify the key drivers of employee experience. One study identified employee experience model that consist of physical environment, cultural environment, and technological environment (Morgan, 2017).

While IBM and Globoforce (IBM & Globoforce, 2017) created the Employee

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

4

Experience Index (EXI) that determines employees' personal experiences at work in terms of purpose, belonging, happiness, achievement, and vigor.

Deloitte's Employee Experience Framework discovers the aspects that provide to a positive employee experience which are meaningful work, positive environment, supportive management, growth opportunity, collaboration, trust in leadership, and connection (Abbatiello et al., 2017).

One study compiled the driver of employee experience that are employee's experimental needs & desires, embrace holistic thinking, radical participation, radical holistic thinking, trust and appreciate the process, experiment & iterate, make intangible experiences visible tangibly, better workplace practices, and leadership & management practices (Itam & Ghosh, 2020). Other also contributed to identify the components of employee experience that are career, personal, business strategy, technology, cultural, physical environment, brand, and leadership component (Gheidar & Zanjani, 2021).

Employee performance

The employee performance has been studied by many researchers from various viewpoints. One study aim in exploring the concept of employee performance, they find that Organization Citizenship Behavior (OCB), LMX, individual learning, team learning and innovative behavior as factors that effecting performance (Atatsi et al., 2019).

Other empirical study indicate that job situation and management support have the greatest impacts (direct and indirect) on job performance, although adaptability and intrinsic enthusiasm directly affect job performance (Diamantidis & Chatzoglou, 2019).

While many studies are focusing on the factors affecting employee performance, others are emphasis on the dimensions of employee performance. One study also reveals that employee performance has three dimensions which are task, adaptive, and contextual performance. Performance in the structure of task performance comprises of job specific behaviors which includes basic job responsibilities given as a part of employee job description. An adaptive performance requires employees' ability to effectively deal with unstable working situations. Along with the task and adaptability, employee also should kind of prosocial actions demonstrated by employees in a job set-up which is called as contextual performance (Pradhan & Jena, 2017).

Employee Experience and Employee Performance

One study show that employee experience is the ultimate level of fulfilment that an

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

5

employee can feel and derive from their interactions with work and work environment in the organization. It would always lead to the highest level of engagement, empowerment, and commitment that an organization can ever think about leading to employee delight and customer delight. Their study also provides employee experience framework; it describes that top management action and workplace practices will support employee experience in the organization. The employee experience will derive the employee engagement and performance in organization (Itam & Ghosh, 2020).

This study will focus on association between various drivers of the employee experience which support in enhancing employee performance at the workplace. This study integrates ACE technology, COOL physical spaces, and CELEBRATED culture as the three categories of employee experience that was constructed by Morgan (2017), while the three aspects of employee performance (task, adaptive, and contextual performance) are based on Pradhan & Jena (2017).

METHODS

Research Design

This study uses a quantitative method. There are two types of research approaches used here, namely: (1) descriptive research, describing the characteristics of the respondents and its rating scale from the survey result; and (2) The type of research used is associative (describing causal relationships). This research focuses on the effect of employee experience (cultural environments, physical environments, and technological environments and) toward employee performance.

Research Model

Referring to the problem statement and literature review, the research framework is illustrated in the following figure:

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

6

Figure 1. Research Model

Employee Experience Drivers :

Cultural Environment (X_1) — H1 →
Physical Environment (X_2) — H2 →
Technological Environment (X_3) — H3 →
Employee Performance (Y)
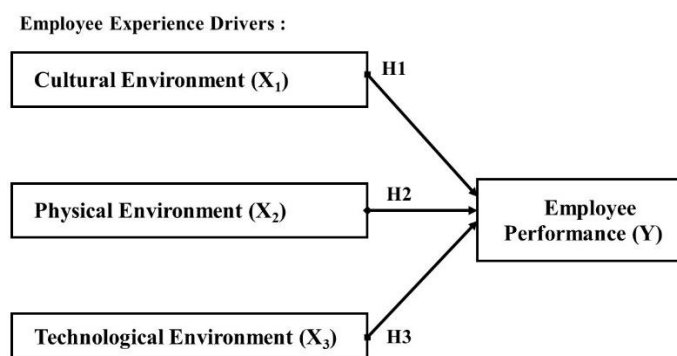
Research Hypotheses

The research hypotheses are as follows:

H1: Cultural Environment has significant effect on Employee Performance.

H2: Physical Environment has significant effect on Employee Performance.

H3: Technological Environment has significant effect on Employee Performance.

Research Methodology

This study was designed by using quantitative approach. The examination of causal relationship across variables was done with Structural Equation Modeling-Partial Least Squares (SEM-PLS). Two types of variables were involved, latent (construct) variable also known as unobserved variable, and indicator variable also known as observed variable of each latent variable. Latent variable is divided into exogenous latent variable and endogenous latent variable. In this study, the exogenous latent variable refers to cultural experience, physical environment, and technological environment while the endogenous latent variable is represented by employee performance. The model of hypotheses is shown in Figure 1.

This study is conducted in several steps, namely: (1) designing questionnaire instrument based on the research framework, (2) deciding the respondent sample, (3) conducting online survey, (4) processing data using SMART-PLS software, and (5) interpreting and analyzing the data.

Data Collection

Data collection was done with survey method that using questionnaire with Likert Scale (1-5), where the questions designed based on the research framework and literature review mentioned before. The targeted respondents are employee at XYZ University. Based on information from Human Capital Division on XYZ University, the employee population is 500 employees. Sample respondent was done using non-probability sampling method calculated

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

7

using Slovin equation, so the targeted respondents are n = 500 / (1 + (500 x 0,05²)) = 222 respondents.

RESULTS AND DISCUSSION

This part describes the analysis result and interpretation of the data processing. The Structural Equation Modeling-Partial Least Squares (SEM-PLS) is used to examine the causal relationship of cultural experience, physical environment, and technological environment toward employee performance.

Respondents' Profile

The online survey results show that there are 201 respondent employees at XYZ University. The following table shows the respondent's profile based on several characteristics:

Table 1. Respondents Profile

Demographic	Categories	N	%
Gender	Male	101	50.25%
	Female	100	49.75%
Age	≤ 20 years	5	2.49%
	21 - 37 years	122	60.70%
	38 - 55 years	72	35.82%
	≥ 56 years	2	1.00%
Education	High School Equivalent	21	10.45%
	Diplomas	7	3.48%
	Undergraduate	124	61.69%
	Master	44	21.89%
	Doctoral	5	2.49%
Tenure	< 1 year	24	11.94%
	> 10 years	63	31.34%
	1 - 3 years	37	18.41%
	4 - 6 years	42	20.90%
	7 - 10 years	35	17.41%
Job Function	Finance	4	1.99%
	Information Technology	19	9.45%
	Academic	22	10.95%
	Human Resources	36	17.91%
	Marketing	41	20.40%
	Operations and Support	79	39.30%
Total		**201**	**100.00%**

Evaluation of Measurement Model (Outer Model)

This part describes about assessment of measurement model. For the assessment of measurement model, there was conducted convergent Validity, discriminant validity, and composite reliability.

Convergent validity is determined based on the principle that the metrics of a construct

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

8

should be highly correlated. It should be done based on value of loading factor and AVE. Outer loading Factor > 0.7 (Hair, hult, Ringle & Sarstedt, 2017: 102), and Average Variance Extracted (AVE) > 0.705 (Hair, hult, Ringle & Sarstedt, 2017: 115). As shown in table 2, it indicates the values of convergent validity.

Discriminant validity intends to define whether a reflective indicator is really a good measure of its construct based on the assumption that each indicator must be highly correlated with its construct only. Measures of different constructs should not be highly correlated (Ghozali and Latan, 2015). In the SmartPLS application, the discriminant validity test uses cross loadings values and the Fornell-Larcker Criterion, (Henseler et al., 2015).

If the square root value of the AVE for each construct is greater than the correlation value between constructs and other constructs in the model, then the model is said to have a good discriminant validity value (Fornell and Larker, 1981 in Wong, 2013). Cross Loading is based on the factor loading of all indicators in one latent variable must be greater than those in other latent variable. As shown in table 3 and 4, it indicates Fornel Lacker and cross loading value.

Composite Reliability measured the reliability of the reflective constructs. Composite Reliability must be > 0.6 and Cronbach's Alpha > 0.7 (Ghozali and Latan, 2015). As shown in table 2, it indicates the Cronbach's Alpha and Composite Reliability value.

Table 2. Outer Loading Factors, AVE, Cronbach's Alpha and Composite Reliability

Latent Variable	Indicators	Outer Loading Factors	Average Variance Extracted (AVE)	Cronbach's Alpha	Composite Reliability
CE (Cultural Environment)	CE2	0.814	0.648	0.922	0.936
	CE3	0.847			
	CE5	0.808			
	CE6	0.828			
	CE7	0.83			
	CE8	0.789			
	CE9	0.793			
	CE10	0.723			
PE (Physical Environment)	PE1	0.826	0.747	0.888	0.922
	PE2	0.902			
	PE3	0.86			
	PE4	0.869			
TE (Technological Environment)	TE1	0.85	0.751	0.834	0.9
	TE2	0.889			
	TE3	0.86			
EP (Employee Performance)	EP1 (AP)	0.909	0.802	0.876	0.924
	EP2 (CP)	0.912			
	EP3 (TP)	0.865			

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

9

Table 3. Fornel Lacker

Latent Variable	CE (Cultural Environment)	PE (Physical Environment)	TE (Technological Environment)	EP (Employee Performance)
CE (Cultural Environment)	0.805			
PE (Physical Environment)	0.645	0.865		
TE (Technological Environment)	0.596	0.474	0.867	
EP (Employee Performance)	0.662	0.427	0.439	0.895

Table 4. Cross Loading

Latent Variable	CE (Cultural Environment)	PE (Physical Environment)	TE (Technological Environment)	EP (Employee Performance)
CE2	0.814	0.557	0.555	0.535
CE3	0.847	0.579	0.497	0.502
CE5	0.808	0.499	0.479	0.575
CE6	0.828	0.528	0.529	0.563
CE7	0.83	0.511	0.424	0.515
CE8	0.789	0.517	0.476	0.582
CE9	0.793	0.541	0.464	0.484
CE10	0.723	0.42	0.398	0.483
PE1	0.553	0.826	0.423	0.328
PE2	0.581	0.902	0.422	0.398
PE3	0.514	0.86	0.405	0.324
PE4	0.578	0.869	0.395	0.412
TE1	0.547	0.415	0.85	0.402
TE2	0.528	0.386	0.889	0.385
TE3	0.468	0.434	0.86	0.351
EP1 (AP)	0.596	0.404	0.413	0.909
EP2 (CP)	0.614	0.401	0.399	0.912
EP3 (TP)	0.566	0.339	0.367	0.865

Evaluation of Structural Model (Inner Model)

Evaluation of structural model is used to predict the causal relationship between latent variables based on the hypothesis (Ghozali & Latan, 2014). In the evaluation of the structural model, an evaluation is carried out by testing the value of R-square (R2), Q-square (Q2) test, and NFI.

The following is a description of each stage carried out in the evaluation of the structural model and the criteria for the evaluation.

R-Square

The R-square (R2) test is intended to measure the proportion of changes in exogenous variables to endogenous variables.

The condition is that if the R-square (R2) value of 0.67 means that the model is good, 0.33 means the moderate model, and 0.19 means the weak model (Chin, 1998 in Ghazali & Latan, 2014).

Table 7. R Square

	R Square	R Square Adjusted
Employee Performance	0.441	0.432

The R Square value of the joint effect of cultural experience, physical environment, and technological environment toward employee performance is 0.441 with an adjusted r square value of 0.432 (Table 7), it can be explained that all independent variables (cultural experience, physical environment, and technological environment) simultaneously effect employee performance by 0.441 or 44.1%. Because Adjusted R Square 43.2% <50%, the effect of all independent variables cultural experience, physical environment, and technological environment on employee performance is moderate.

T-Statistic (Bootstrapping)

The results of the PLS SEM direct effects bootstrapping analysis are as follows (Table 8):

<u>Direct Effects Cultural Environment on Employee Performance</u>

Based on calculations using bootstrap, where the test results of the estimated coefficient of cultural Environment against Employee Performance bootstrap results are 0.627 with T Statistics value of 7.827and standard deviation of 0.08. The p value is 0.00 < 0.05 so accept H1, it means that direct effect of culture environment on employee performance is significant. This is in line with previous study stating that organizational culture has a positive and significant impact on employee performance (Pawirosumarto et al., 2017). Other study also found that positive relationship between organizational culture and job performance (Saad & Abbas, 2018). While other research also states that culture of organizations has a significant positive impact on employees' job performance (Shahzad, 2014), work environment has a significant and positive effect on performance (Susanto et al., 2022), and culture was one of the important factors to improve employee performance (Ariani, 2023).

Direct Effects Physical Environment on Employee Performance

Based on calculations using bootstrap, where the test results of the estimated coefficient of physical environment against employee performance bootstrap results are -0.008 with T Statistics value of 0.133 and standard deviation of 0.084. The p value is $0.894 > 0.05$ so reject H2, it means that direct effect of physical environment on employee performance is not significant. There is no previous research which shows that there is no effect of physical environment on employee performance and contradicted with previous study that shows the relationship between employee performance and a comfortable workplace environment (Ali et al., 2015) (Ali et al., 2019) (Chua et al., 2016).

Direct Effects Technological Environment on Employee Performance

Based on calculations using bootstrap, where the test results of the estimated coefficient of Technological Environment against Employee Performance bootstrap results are 0.074 with T Statistics value of 1.033 and standard deviation of 0.069. The p value is $0.302 > 0.05$ so reject H3, it means that direct effect of technological environment on employee performance is not significant. There is no previous research which shows that there is no effect of technological environment on employee performance and contradicted with previous study that technology provide motivation and have a significant positive effect on employee performance (Indiyaningsih et al., 2020).

Table 8. T-Statistic

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
CE (Cultural Environment) → Employee Performance	0.626	0.627	0.08	7.827	0
PE (Physical Environment) → Employee Performance	-0.011	-0.008	0.084	0.133	0.894
TE (Technological Environment) → Employee Performance	0.071	0.074	0.069	1.033	0.302

Predictive Relevance

Q-Square (Q2) testing to measure how well are the observed values generated by the estimated model and parameter. The requirement is that if the Q-square value is more than 0 (zero) it means that the model has a good predictive relevance value, whereas if the Q-square value is less than 0 (zero) it means that the model lacks good predictive relevance. Based on calculations using Q-Square (Q2), the value is 0.345. It is more than 0 (zero) it means that the model has a good predictive relevance value.

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

12

Table 9. predictive relevance

|	SSO	SSE	Q² (=1-SSE/SSO)
CE (Cultural Environment)	1608	1608	
Employee Performance	603	394.942	0.345
PE (Physical Environment)	804	804	
TE (Technological Environment)	603	603	

Model Fit

NFI value to measure how good is the research model. The requirement is that if NFI value produces a value from 0 to 1, a good NFI value is a value close to value 1. Based on calculations using NFI, the value is 0.855 (value close to value 1). It means is a good research model to estimate the effect of cultural experience, physical environment, and technological environment toward employee performance.

Table 10. Model fit

	Saturated Model	Estimated Model
SRMR	0.052	0.052
d_ULS	0.458	0.458
d_G	0.322	0.322
Chi-Square	365.573	365.573
NFI	0.855	0.855

Based on this result, the author considers research model as fit and perceives that it can be used for hypothesis testing (Figure 2).

Figure 2. Hypothesis Model Result
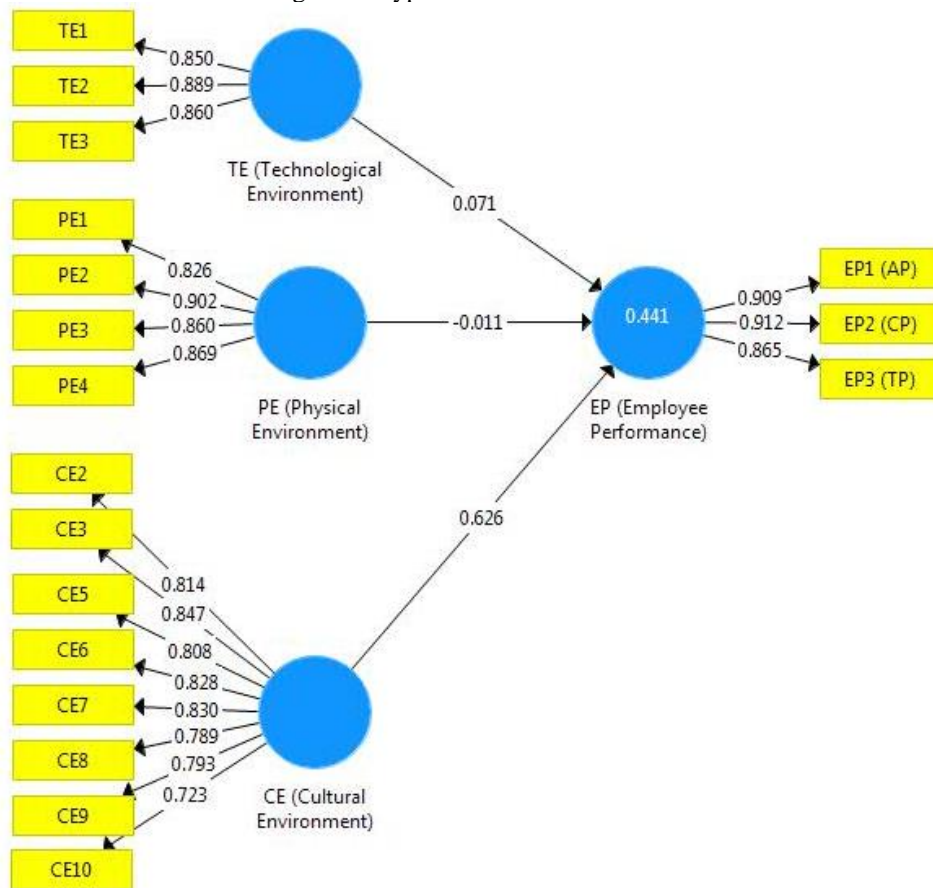
CONCLUSIONS AND FUTURE RESEARCH

This research aims to study on the impact of employee experience toward employee performance. Although many literatures state the positive impact of employee experience, but not many focus on the impact toward employee performance. After we detailed the key drivers of employee experience and examine the impact of each driver on employee performance, it was concluded that there was a positive significance effect of cultural environment on employee performance. The finding also shows that there is no effect of physical environment and technological environment on employee performance.

Based on previous study, the physical environment and technological environment should have effect on employee performance, therefore this finding needs to have further research whether it has no effect, or the respondents have not experienced the expected level of physical and technological environment within the organization.

This study is beneficial for the leaders to focus on the important drivers of employee experience that impact on employee performance. In short term, this organization needs to focus on cultural environment instead of physical environment and technological environment in order to increase the employee experience. In long term, this organization need to analyze

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

14

whether employee expectation about physical and technological environment already meet their expectation.

The study still has limitations. For further study, we suggest using the research instruments in other industry. Other organizational outcomes should be included. Finally, more variables should be included in the research instruments to examine impact of employee experience in other context while adding study related to the comparation of each employee generations which will also be highly significant.

ACKNOWLEDGEMENT

REFERENCES

Abbatiello, A., Knight, M., Philpot, S., & Roy, I. (2017). Leadership disrupted: Pushing the boundaries. Deloitte Global Human Capital Trends, 77–85. https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/central-europe/ce-global-human-capital-trends.pdf

Ali, A. S., Chua, S. J. L., & Lim, M. E. L. (2015). The effect of physical environment comfort on employees' performance in office buildings: A case study of three public universities in Malaysia. Structural Survey, 33(4–5), 294–308. https://doi.org/10.1108/SS-02-2015-0012

Ali, A. S., Chua, S. J. L., & Lim, M. E. L. (2019). Physical environment comfort towards Malaysian universities office employers' performance and productivity. Facilities, 37(11–12), 686–703. https://doi.org/10.1108/F-06-2016-0060

Ariani, D. W. (2023). *Exploring Relationship of Job satisfaction, Organizatonal culture, and Employee performance in Small Medium Enterprise*. 1–18.

Atatsi, E. A., Stoffers, J., & Kil, A. (2019). Factors affecting employee performance: a systematic literature review. In Journal of Advances in Management Research (Vol. 16, Issue 3). https://doi.org/10.1108/JAMR-06-2018-0052

Chua, S. J. L., Ali, A. S., & Lim, M. E. L. (2016). Physical Environment Comfort Impacts on Office Employee's Performance. MATEC Web of Conferences, 66, 4–7. https://doi.org/10.1051/matecconf/20166600124

Diamantidis, A. D., & Chatzoglou, P. (2019). Factors affecting employee performance: an empirical approach. International Journal of Productivity and Performance Management, 68(1). https://doi.org/10.1108/IJPPM-01-2018-0012

Farndale, E., & Kelliher, C. (2013). Implementing performance appraisal: Exploring the employee

Intern. Journal of Profess. Bus. Review. | Miami, v. 8 | n. 3 | p. 01-16 | e0827 | 2023.

15

experience. Human Resource Management, 52(6). https://doi.org/10.1002/hrm.21575

Gheidar, Y., & Zanjani, M. S. (2021). Designing a Conceptual Framework for Digital Employee Experience. Iranian Journal of Management Studies, 14(4). https://doi.org/10.22059/IJMS.2020.305871.674131

Ghozali, I. & Latan, H. (2015). Partial Least Squares: Konsep, Teknik dan Aplikasi Menggunakan Program SmartPLS 3.0. Semarang: Badan Penerbit Universitas Diponegoro.

Hair, J.F., Hult, G.T.M., Ringle, C.M. and Sarstedt, M. (2017) A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM). 2nd Edition, Sage Publications Inc., Thousand Oaks, CA.

Indiyaningsih, K. M. H., Murdyastuti, A., & Puspitaningtyas, Z. (2020). Efeect of human resource competency, work culture and utilization of information technology to performance of employees. International Journal of Scientific and Technology Research, 9(4), 3636–3641. https://doi.org/10.19184/issrd.v2i1.17468

IBM, & Globoforce. (2017). The Employee Experience Index around the globe: How countries measure up and create human workplaces Introduction. 15.

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). https://doi.org/10.4018/IJHCITP.2020040103

Morgan, J. (2017). The Employee Experience Advantage How to Win the War for Talent by Giving Employees the Workspaces They Want, the Tools They Need, and a Culture They Can Celebrate. In Wiley.

Pawirosumarto, S., Sarjana, P. K., & Gunawan, R. (2017). The effect of work environment, leadership style, and organizational culture towards job satisfaction and its implication towards employee performance in Parador hotels and resorts, Indonesia. International Journal of Law and Management, 59(6), 1337–1358. https://doi.org/10.1108/IJLMA-10-2016-0085

Plaskoff, J. (2017). Employee experience: the new human resource management approach. Strategic HR Review, 16(3). https://doi.org/10.1108/shr-12-2016-0108

Pradhan, R. K., & Jena, L. K. (2017). Employee Performance at Workplace: Conceptual Model and Empirical Validation. Business Perspectives and Research, 5(1). https://doi.org/10.1177/2278533716671630

Saad, G. Ben, & Abbas, M. (2018). The impact of organizational culture on job performance: A study of Saudi Arabian public sector work culture. Problems and Perspectives in Management, 16(3), 207–218. https://doi.org/10.21511/ppm.16(3).2018.17

Shahzad, F. (2014). Impact of organizational culture on employees' job performance: An empirical study of software houses in Pakistan. International Journal of Commerce and Management, 24(3), 219–227. https://doi.org/10.1108/IJCoMA-07-2012-0046

Susanto, Y., Gunadi, G., Wicaksono, A., Murliasari, R., & Sampe, F. (2022). *COVID-19 PANDEMIC Article history: Received 04 October 2022 Keywords: Workload; Work environment; Work motivation; Employee Performance Analysis Along Work from Home During the Covid-19 Pandemic*. 1–24.