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Work-Life Balance, STARA Awareness, and Employee Retention in Micro Coffee Shops

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Abstract

This study investigates the predictors of turnover intention among micro-coffee shop employees during economic turbulence, focusing on the roles of work–life balance and Smart Technology, Artificial Intelligence, Robotics, and Algorithms (STARA) awareness. Utilizing an explanatory quantitative design, data were collected from 399 frontliner coffee shops in Malang, Indonesia, and analyzed via Partial Least Squares-Structural Equation Modeling (PLS-SEM). The results reveal that WLB significantly enhances job satisfaction and mitigates job insecurity. However, WLB has no significant direct effect on turnover intention, its impact is fully mediated by job satisfaction. Additionally, while STARA awareness strongly triggers technology-driven job insecurity, immediate job fears do not significantly affect job satisfaction or turnover intentions due to environmental normalization. Main implications suggest that operators must foster a supportive environment to leverage WLB into actual job satisfaction and invest in frontliner coffee shops upskilling. Research is limited by its cross-sectional data and localized geographic focus.

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Introduction

The hospitality industry, particularly contemporary coffee shops in Indonesia, represents one of the most dynamic yet economically vulnerable sectors (Bashiri et al., 2021). Amid current macroeconomic uncertainties, frontline employees such as baristas face heightened work pressure and threats to job stability (Bansal et al., 2025; Handika & Alwi, 2026; Zidane Muhammad & Paksi, 2025). The phenomenon of job insecurity emerges as a central issue linking macro-environmental shifts to employee withdrawal behaviors. When the financial stability of a business fluctuates, employee perceptions regarding the risk of layoffs or reduced working hours tend to intensify (Jung et al., 2021; Sverke et al., 2002), ultimately triggering a relatively high turnover intention within the industry (Handika & Alwi, 2026).

A more complex scenario occurs in the context of micro-scale coffee shops in Indonesia, where organizational resources are constrained despite high daily operational demands (Bima Bima et al., 2026). Employees in micro-cafés—the majority of whom are young adults and part-time workers—are frequently exposed to challenging job characteristics (Zidane Muhammad & Paksi, 2025). These include extended shift schedules extending into the late night, a lack of schedule control due to limited staffing, and highly fluctuating customer interaction intensity during weekends or peak hours (Handika & Alwi, 2026). These operational challenges significantly disrupt employees' work–life balance (WLB).

In addition to these conventional challenges, the rapid adoption of digital technology and the awareness of STARA have begun to transform the service landscape of Indonesian coffee shops (Brougham & Haar, 2018). Although the integration of technologies such as QR code ordering systems, digital Point of Sales (POS) applications, and machine automation promises efficiency for business owners (Alfaizi et al., 2024; Sung & Jeon, 2020), it concurrently generates novel anxieties among the frontline workforce regarding the risk of human-role displacement by machines (Parvez et al., 2022). During economic turbulence, the interaction between poor work–life balance driven by heavy workloads and high apprehension toward technological disruption creates a dual pressure. This phenomenon urgently warrants further investigation to understand the dynamics of employee retention within the Indonesian micro-coffee shop industry.

The urgency of this research is premised on the fact that turnover intention remains a persistent challenge threatening operational stability within the hospitality industry, particularly within micro-scale business units (Handika & Alwi, 2026; Setyoningrum et al., 2025). The primary rationale for selecting work–life balance (WLB) as a variable is rooted in the inherent characteristics of coffee shop employment (Zidane Muhammad & Paksi, 2025), which frequently involves irregular working hours and low schedule control; a failure to achieve this balance has consistently proven to be a potent determinant of an employee's intention to leave the organization. Beyond these conventional challenges, the emergence of digital technology introduces an additional layer of urgency through the phenomenon of STARA (Smart Technology, Artificial Intelligence, Robotics, and Algorithms) awareness. Within this framework, the perceived risk of human-role displacement by machines creates a novel dimension of job insecurity, which significantly triggers an escalation in turnover intention. Consequently, conducting this research is highly crucial due to a distinct empirical gap; most prior studies have predominantly focused on large-scale hotel or restaurant sectors, leaving direct empirical evidence targeting the specific context of micro-coffee shops highly limited. Given that economic turbulence tends to exacerbate perceived occupational risks and future career uncertainty for employees, this study is expected to bridge the existing literature gap while simultaneously providing strategic insights for micro-coffee shop management to retain their workforce.

Recent research within the hospitality industry consistently demonstrates that work–life balance (WLB) is a crucial factor determining employees' intentions to remain with or leave an organization (Putridena & Prastika, 2023; Zidane Muhammad & Paksi, 2025). Work–life imbalance, frequently triggered by irregular working hours, low schedule control, and high workloads, significantly exacerbates turnover intention through the mediating mechanisms of

diminished job satisfaction and heightened job stress (Handika & Alwi, 2026; Zidane Muhammad & Paksi, 2025). Although the negative relationship between WLB and turnover intention is well-documented within the large-scale hotel and restaurant sectors, a distinct literature gap persists regarding the context of micro-coffee shops, where work dynamics are often more intense, yet organizational support remains far more limited compared to large corporations.

In tandem with the acceleration of digital transformation, management literature has begun to highlight the impact of STARA on the psychological state of the frontline workforce. STARA awareness has been identified as a primary driver of job insecurity (Brougham & Haar, 2018; Lingmont & Alexiou, 2020), wherein employees perceive a risk of their roles being displaced by automation or smart technologies (Babashahi et al., 2024; Soulami et al., 2024). Empirical evidence indicates that job insecurity stemming from these technological threats not only undermines organizational commitment but also acts as a potent mediator that accelerates employees' intentions to leave their jobs (Üngüren et al., 2024). However, most STARA-related studies remain heavily focused on large-scale service industries; consequently, how employees in micro-business units respond to technological penetration amidst volatile economic conditions remains poorly understood.

Furthermore, in the context of the hospitality sector, workplace stressors do not operate in isolation, they directly jeopardize employees' psychological attachment to their roles. Job satisfaction emerges as a critical psychological state that dictates frontline employees' resilience during economic turbulence (Ghani et al., 2022). When baristas experience a severe imbalance between their personal lives and work demands, coupled with the threat of technological displacement, their overall evaluation of their job inherently deteriorates. According to the Job Demands-Resources (JD-R) model, prolonged job insecurity acts as a severe job demand that depletes psychological energy, thereby eroding job satisfaction (Bakker & Demerouti, 2017).

Consequently, a drop in job satisfaction serves as the primary psychological catalyst that translates daily workplace anxieties into a definitive decision to quit. While previous studies often view the path from stressors to turnover intention as direct, the volatile nature of micro-coffee shops suggests that employee withdrawal behaviors are heavily mediated by how these pressures reshape their day-to-day job satisfaction. Therefore, understanding the mechanism through which work-life balance and STARA awareness influence job satisfaction—and how it subsequently suppresses or accelerates turnover intention—is paramount to mitigating frontline turnover during macroeconomic instability.

Although research on employee retention in the hospitality industry has expanded rapidly, several significant research gaps underscore the urgency of this study. First, there is a distinct lack of direct empirical evidence specifically targeting coffee shop employees, particularly within micro-scale operations (Salim et al., 2024; Zidane Muhammad & Paksi, 2025), the current literature remains heavily dominated by studies in the hotel or large restaurant sectors (Bansal et al., 2025; Jung et al., 2021; Parvez et al., 2022), meaning that existing generalizations rely merely on extrapolations from disparate sub-sectors. Second, while the influence of STARA awareness has begun to garner attention, investigations integrating Work–Life Balance (WLB) and STARA Awareness as parallel predictors of turnover intention within a single, unified model remain highly limited—especially regarding micro-business units that lack the resource capacity to execute strategic digital transformations. Lastly, there is a scarcity of studies exploring how the dynamics of these variables manifest during periods of economic turbulence within the specific context of micro-coffee shops, where financial volatility tends to exacerbate perceived employment risks and disrupt employees' work-life equilibrium. Consequently, this study aims to bridge these gaps by providing more precise empirical evidence to support workforce retention strategies in this burgeoning sector.

Based on the background and the identified research gaps, this study generally aims to investigate the predictive factors of turnover intention among micro-coffee shop employees amidst conditions of economic turbulence. More specifically, this research is designed to examine the negative impact

of work–life balance (WLB) on both job insecurity and turnover intention, given that a healthy equilibrium has been proven to reduce occupational stressors within the MSME sector. Additionally, this study aims to analyze how awareness of STARA (amplifies perceptions of job insecurity among frontline workers. Furthermore, this study seeks to demonstrate the mediating role of job insecurity in bridging the pressure of digital transformation with employees' escalating intentions to leave the organization. By testing this comprehensive model, this study is expected to provide a profound understanding of employee retention mechanisms within micro-business units that are highly vulnerable to economic shocks and technological disruption.

Research Methods

This study employs a quantitative approach with an explanatory research design, aiming to test and explain the causal relationships and effects among variables through hypothesis testing. Based on the proposed structural model, five variables are investigated in this study. These variables consist of two independent variables, namely STARA Awareness and Work-Life Balance; two mediating variables, namely Job Insecurity and Job Satisfaction; and one dependent variable, namely Turnover Intention. The interrelationships among these variables will subsequently be empirically tested using structural equation modeling.

The population of this study comprises all employees actively working at coffee shops in the Lowokwaru District, Malang City, which possesses a Business Identification Number (Nomor Induk Berusaha or NIB). Based on these legality data, there are 297 registered coffee shops operating in the Lowokwaru District, with a total employee population of 1,265 individuals. Given the large population size, the sample size for this study is determined using the Slovin formula calculation with a 5% margin of error ($e = 0.05$). Based on this formula, a representative minimum sample size of 304 respondents was obtained. To anticipate potential data errors, incomplete responses, or outlier issues during the fieldwork, the questionnaires were distributed to more than the required minimum threshold. Consequently, a total of 399 complete and valid responses were successfully gathered and retained for final statistical analysis.

A purposive sampling technique is applied for sample selection, which entails determining the sample based on specific judgments or criteria tailored to the research objectives. The inclusion criteria required respondents to be active frontline employees with at least 6 months of work experience at their current coffee shop, ensuring they had sufficient exposure to the daily operational environment and STARA technology implementation. This tenure limitation aims to ensure that the respondents possess a sufficiently deep experience and understanding regarding their work environment, job security conditions, levels of satisfaction, and awareness of technology adoption in their workplace.

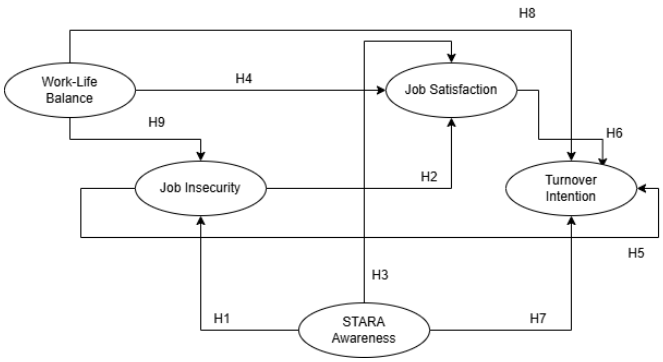

Figure 1 Conceptual Framework

Source: Author's Work, 2026.

Data analysis and hypothesis testing in this study are conducted using the Partial Least Squares - Structural Equation Modeling (PLS-SEM) method via SmartPLS software. The selection of PLS-

SEM is based on its capability to handle complex research models involving multiple mediators simultaneously. The data analysis process in PLS-SEM is performed through two primary evaluation stages: the evaluation of the measurement model (outer model) and the evaluation of the structural model (inner model).

This study involves five variables, with all measurement instruments adopted from validated theoretical scales in prior research. STARA Awareness is defined as the level of employees' awareness, proficiency, and understanding regarding the potential disruption and integration of smart technologies and automation into their task execution. The measurement of this variable is adopted from Yudiatmaja et al. (2021), which encompasses four primary dimensions: smart technologies, artificial intelligence, robotics, and algorithm. Each dimension evaluates the aspects of comprehension, practical application, technical troubleshooting capabilities, and the efficiency of employee work speed facilitated by the respective technologies.

Work-Life Balance refers to the coffee shop employees' perception and ability to harmoniously divide time and energy between work demands and non-work activities, such as personal, family, and social life. The measurement instrument for this variable utilizes a uni-dimensional approach adopted from Brough et al. (2014) consisting of four items. These items focus on the suitability of time allocation for work and non-work activities, the level of difficulty in balancing roles, the appropriate fulfillment of demands in both domains of life, and an overall assessment of the employees' life balance.

Job Insecurity, which is interpreted as the form of uncertainty, worry, or subjective threat perceived by employees regarding the future continuity of their employment within the current organization. The measurement of this job insecurity level adopts a multidimensional instrument from O'Neill & Sevastos (2013), which comprises four key dimensions. The first dimension is job loss insecurity, which measures anxiety over potential employment termination. The second dimension is organizational survival insecurity, focusing on management commitment and the clarity of the firm's future strategies. The third dimension is job changes insecurity, highlighting expectations of reduced rewards or work facilities. The fourth dimension is marginalization insecurity, which operationalizes the feelings of being ignored or excluded from organizational discussions by management.

Job Satisfaction reflects a positive emotional state, pleasure, and the subjective appraisal of employees regarding the comfort and enthusiasm derived from their daily work environment. The measurement scale for job satisfaction is adopted from Vedadi et al. (2024), employing a uni-dimensional framework with six items. This instrument evaluates the general satisfaction level of employees, job enjoyment, boredom, daily enthusiasm, and whether there is a tendency for employees to consider alternative types of employment outside their current position.

Finally, the fifth variable is Turnover Intention, defined as the degree of tendency, desire, or conscious intent of employees to leave the organization and seek alternative employment opportunities outside their current coffee shop. The measurement of this leaving intention adopts an instrument from Na-Nan et al. (2021), developed through three operational dimensions. The first dimension is turnover thinking, which measures job boredom, unhappiness, and the emotional desire to switch jobs. The second dimension is opportunities for new job, which observes tangible actions such as submitting applications, undergoing interviews, and developing capacities aligned with market demands. The third dimension is intention to quit, which assesses the certainty of resignation plans and the tendency to utilize all eligible days off before officially ceasing employment.

Result

The respondent profile based on age indicates that most of the sample falls within the youth age group. Respondents aged 18–22 years dominate this study, accounting for 298 individuals (74.68%). Furthermore, the 23–26 age group comprises 94 individuals (18.84%), while the remaining small fraction consists of the 27–30 age group, with 7 individuals (1.40%). Meanwhile,

there are no respondents over the age of 31 (0%). This indicates that all workforce members sampled in this study are categorized as young workers or are in the early stages of their careers.

In line with the predominance of younger age groups, the tenure of respondents in this study is heavily dominated by employees with relatively short periods of service. A total of 303 respondents (89.78%) has a tenure of 0–1 year. The group of respondents with 2–3 years of service accounts for 94 individuals (9.82%), while only 2 respondents (0.40%) possess a tenure of 4–5 years. No respondents were found to have a tenure exceeding 6 years. This profile indicates that labor turnover or employment dynamics within the research object are highly fluid, characterized by a substantial proportion of newly hired workers.

In terms of educational background, most respondents in this study hold upper secondary education qualifications. A total of 339 respondents (87.98%) are graduates of Senior High School (SMA) or its equivalent. Meanwhile, the group of respondents with a higher education background (Diploma/bachelor's degree) comprises 60 individuals (12.02%). There are no respondents with either a primary education background (SD/SMP) or postgraduate degrees. This composition indicates that the job positions within the research object are generally occupied by workforce personnel with high school-equivalent qualifications.

The characteristics of respondents based on employment status show variations in contractual arrangements, among which part-time employment constitutes the largest group, totaling 248 individuals (69.74%). The group of respondents with contract employee status accounts for 134 individuals (26.85%), while the remaining 17 individuals (3.41%) are permanent employees. This predominance of part-time status is aligned with the age profile of the respondents, most of whom fall within the age range of university students or young professionals.

Based on gender composition, the sample in this study is heavily dominated by male workers. The number of male respondents is recorded at 323 individuals, equivalent to 84.77% of the total sample. Meanwhile, female respondents comprise 76 individuals, or 15.23%. This data reflects the demographic characteristics of employment in the industry under study, which tends to absorb a larger male workforce.

The final characteristics are assessed based on the marital status of the respondents. The data demonstrates absolute homogeneity, in which all respondents involved in this study—namely 399 individuals (100%)—are unmarried. This singular profile confirms that the research sample consists of domestically independent individuals, which aligns with previous demographic findings where most respondents are within the young age bracket, at the early stages of their tenure, and predominantly hold part-time employment status.

The measurement model evaluation was conducted prior to further analysis to ensure that the research constructs possess adequate validity and reliability. Based on the PLS Algorithm estimation results, the outer loadings for all indicators utilized in the final model met the required threshold of 0.70, as stipulated by Hair et al. (2021). Specifically, the highest outer loading was observed in indicator JIS-3 (0.960) for the Job Insecurity construct, followed by indicator TIN-1 (0.952) for the Turnover Intention construct, and indicator STA-3 (0.953) for the STARA Awareness construct. Meanwhile, the Job Satisfaction construct exhibited loading values ranging from 0.780 to 0.832 (with JST-2 at 0.832 and JST-4 at 0.780), whereas the Work-Life Balance construct ranged between 0.745 and 0.857. Since all final indicators exceeded the 0.70 threshold, the measurement model is proven to be valid and was retained to optimize the Average Variance Extracted (AVE) values and construct reliability.

The evaluation of the measurement model (outer model) was also performed by assessing the reliability and convergent validity of each latent construct. The reliability test aims to examine the internal consistency of the measurement instrument, which is measured using Cronbach's Alpha and Composite Reliability (ρ_A and ρ_C). Based on the criteria required by Hair et al. (2022), a construct is declared to have adequate reliability if the Cronbach's Alpha and Composite Reliability values are greater than 0.70. Furthermore, the convergent validity test was assessed based on the

Average Variance Extracted (AVE), with a minimum threshold of 0.50, which signifies that the construct can explain at least 50% of the variance of its indicators.

Table 1 Reliability and Construct Validity

Latent Construct	Cronbach's Alpha	rho_a	rho_c	Average Variance Extracted (AVE)	Conclusion
Job Insecurity	0.935	0.936	0.954	0.838	Reliable & Valid
Job Satisfaction	0.819	0.820	0.881	0.650	Reliable & Valid
STARA Awareness	0.929	0.930	0.950	0.826	Reliable & Valid
Turnover Intention	0.94	0.944	0.957	0.848	Reliable & Valid
Work-Life Balance	0.848	0.854	0.898	0.688	Reliable & Valid

Source: Author's Work, 2026.

Job Insecurity exhibits a Cronbach's Alpha of 0.935, a ρ_A of 0.936, and a ρ_C (Composite Reliability) of 0.954. Since all these values are well above 0.70, this construct is proven to possess high internal consistency (reliable). The obtained AVE value is 0.838 (> 0.50), indicating that this construct successfully explains 83.8% of the variance of its indicators, thereby fulfilling the requirement for convergent validity. Job Satisfaction, following the elimination of invalid indicators during the initial testing phase (outer loadings), yields optimal consistency with a Cronbach's Alpha of 0.819, a ρ_A of 0.820, and a ρ_C of 0.881 (> 0.70). Convergent validity is also satisfied with an AVE value of 0.650 (> 0.50), meaning that 65% of the variance in job satisfaction indicators can be explained by its latent construct.

STARA Awareness demonstrates excellent reliability with a Cronbach's Alpha of 0.929, a ρ_A of 0.930, and a ρ_C of 0.950. An AVE value of 0.826 (> 0.50) confirms that this construct possesses strong convergent validity. Turnover Intention exhibits the highest level of reliability in this model, with a Cronbach's Alpha of 0.940, a ρ_A of 0.944, and a ρ_C of 0.957. The convergent validity of this construct is also robust, with an AVE value reaching 0.848 (> 0.50), indicating that the indicators accurately represent the construct. Work-Life Balance confirms strong reliability values with a Cronbach's Alpha of 0.848, a ρ_A of 0.854, and a ρ_C of 0.898. The AVE value of 0.688 also exceeds the minimum threshold of 0.50, ensuring that convergent validity for this construct has been established. In conclusion, all constructs in this research model have met the criteria for convergent validity and construct reliability, allowing the evaluation to proceed to the next stage, namely discriminant validity testing.

The discriminant validity test aims to ensure that a latent construct is empirically unique and distinct from other constructs within the research model (Hair et al., 2022). In other words, the indicators of a construct must not overlap with other latent constructs. In this PLS-SEM analysis, discriminant validity was evaluated using two primary criteria: the Fornell-Larcker Criterion and the Heterotrait-Monotrait (HTMT) ratio values. Based on the Fornell-Larcker (1981) criterion, discriminant validity is established if the square root of the Average Variance Extracted $\sqrt{\text{AVE}}$ for each construct (represented as the diagonal values in the table) is greater than the correlation values between that specific construct and any other constructs (the off-diagonal values).

Since the square root of the AVE for each latent construct is greater than all other inter-construct correlations, the Fornell-Larcker criterion is successfully met. Given the limitations of the Fornell-Larcker criterion in detecting discriminant validity issues under certain circumstances, Henseler et al. (2015) recommend the use of the Heterotrait-Monotrait Ratio of Correlations (HTMT) as a more sensitive and rigorous criterion. Discriminant validity is considered well-established if the inter-construct HTMT values fall below the threshold of 0.90 (for conceptually similar constructs) or below 0.85 (for conceptually distinct constructs) (Hair et al., 2022).

Table 2 Discriminant Validity - Fornell-Larcker

Latent Construct	Job Insecurity	Job Satisfaction	STARA Awareness	Turnover Intention	Work-Life Balance
Job Insecurity	0.915				
Job Satisfaction	0.412	0.806			
STARA Awareness	0.235	-0.195	0.909		
Turnover Intention	0.518	-0.485	0.312	0.921	
Work-Life Balance	-0.342	0.551	-0.15	-0.398	0.83

Source: Author's Work, 2026.

Table 3 Discriminant Validity – HTMT Ratio

Latent Construct	Job Insecurity	Job Satisfaction	STARA Awareness	Turnover Intention	Work-Life Balance
Job Insecurity					
Job Satisfaction	0.468				
STARA Awareness	0.252	0.221			
Turnover Intention	0.552	0.549	0.334		
Work-Life Balance	0.383	0.662	0.169	0.445	

Source: Author's Work, 2026.

Table 4 Path Coefficients

Path Relationship	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values	Hypothesis
STARA Awareness → Job Insecurity	0.235	0.243	0.05	4.688	0.000	H1 Supported
Job Insecurity → Job Satisfaction	-0.067	-0.06	0.128	0.52	0.603	H2 Rejected
STARA Awareness → Job Satisfaction	-0.081	-0.078	0.111	0.731	0.465	H3 Rejected
Work-Life Balance → Job Satisfaction	0.519	0.514	0.098	5.283	0.000	H4 Supported
Job Insecurity → Turnover Intention	0.164	0.173	0.105	1.566	0.117	H5 Rejected
Job Satisfaction → Turnover Intention	-0.307	-0.314	0.118	2.593	0.010	H6 Supported
STARA Awareness → Turnover Intention	0.131	0.130	0.094	1.402	0.161	H7 Rejected
Work-Life Balance → Turnover Intention	-0.166	-0.158	0.112	1.476	0.140	H8 Rejected
Work-Life Balance → Job Insecurity	-0.307	-0.310	0.052	5.880	0.000	H9 Supported

Source: Author's Work, 2026.

Based on Table 3, all estimated inter-construct HTMT ratio values range between 0.169 and 0.662. The highest value is observed in the relationship between the Work-Life Balance and Job Satisfaction constructs, which stand at 0.662. Since all HTMT ratio values are well below the strict required threshold of 0.85, it can be concluded that there are no issues regarding multicollinearity or overlapping indicators among the variables. Based on the series of evaluations conducted—ranging from the evaluation of outer loadings, internal consistency reliability (Cronbach's Alpha and Composite Reliability), convergent validity (AVE), to discriminant validity (Fornell-Larcker Criterion and HTMT)—all measurement instruments are proven to be valid and reliable.

Consequently, the measurement model (outer model) is declared to meet the statistical adequacy criteria, allowing the analysis to proceed to the evaluation of the structural model (inner model) to test the research hypotheses. The significance testing of direct effects was assessed based on the T-statistics and p-values obtained through the bootstrapping method with 500 sub-samples. The relationship between variables is declared to have a significant effect at the 5% significance level (two-tailed) if the T-statistic value is greater than 1.96 ($T > 1.96$) and the p-value is less than 0.05 ($p < 0.05$). The parameter estimation results of the structural model are presented in detail in Table 4.

Regarding the effect of STARA Awareness on Job Insecurity, the analysis reveals a positive path coefficient of 0.235, with a T-statistic value of 4.688($T > 1.96$) and a p-value of 0.000 ($p < 0.05$). This result provides empirical evidence that STARA Awareness has a positive and significant effect on Job Insecurity. Furthermore, concerning the effect of Work-Life Balance on Job Satisfaction, the obtained path coefficient is 0.519, with a T-statistic value of 5.283 ($T > 1.96$) and a p-value of 0.000 ($p < 0.05$). This confirms that Work-Life Balance exerts a highly significant positive effect on Job Satisfaction. Subsequently, regarding the effect of Job Satisfaction on Turnover Intention, this structural relationship yields a negative path coefficient of -0.307, with a T-statistic value of 2.593 ($T > 1.96$) and a p-value of 0.010 ($p < 0.05$). This finding demonstrates that an increase in Job Satisfaction significantly reduces employees' Turnover Intention.

However, several non-significant pathways were identified within this structural model. Specifically, the effects of Job Insecurity on Job Satisfaction, STARA Awareness on Job Satisfaction, Job Insecurity on Turnover Intention, STARA Awareness on Turnover Intention, as well as Work-Life Balance on Turnover Intention, all exhibit p-values greater than 0.05 ($p < 0.05$). Consequently, these specific structural pathways are declared to have no significant effect. The coefficient of determination (R^2) was employed to evaluate the predictive power of the structural model by measuring the percentage of variance in the endogenous (dependent) variables that can be explained by the exogenous (independent) variables. The estimated (R^2) values are presented in detail in Table 5.

Table 5 R-Square (R^2)

Endogen	R-Square (R^2)	R-Square Adjusted	Conclusion
Job Insecurity	0.055	0.053	Mild
Job Satisfaction	0.317	0.312	Moderate
Turnover Intention	0.344	0.337	Moderate

Source: Author's Work, 2026.

The structural model reveals an R^2 of 0.055 for Job Insecurity, suggesting that both STARA Awareness and Work–Life Balance account for 5.5% of its total variance. Although this explanatory power is relatively low, the path coefficients confirm that both predictors hold statistically significant direct relationships with Job Insecurity in the micro-coffee shop context. Furthermore, the Job Satisfaction variable shows an R^2 value of 0.317. This indicates that 31.7% of the variation in job satisfaction levels can be simultaneously explained by its explanatory variables in the model, categorizing this predictive model at a moderate level. Subsequently, the Turnover Intention variable yields an R^2 value of 0.344. This implies that 34.4% of the variation in employees' turnover intention can be explained by its predictor constructs within the model, whereas the remaining 65.6% is influenced by other unexamined variables. This range of values indicates that the predictive power of the model falls into the moderate category.

Discussion

This study aims to examine the role of Work-Life Balance and STARA-Related Job Insecurity on the Turnover Intention of micro coffee shop employees amidst economic turbulence. Utilizing a PLS-SEM approach, the empirical results reveal that WLB plays a vital role and exerts a significant,

positive direct effect on employees' Job Satisfaction (β = 0.519, p = 0.000), thereby supporting H4. However, contrary to conventional assumptions, the empirical findings indicate that WLB does not exhibit a significant direct effect on Turnover Intention (β= -0.166, p = 0.140), leading to the rejection of H8. This implies that having a balanced personal and professional life does not automatically guarantee a lower or higher intention to quit among micro coffee shop employees.

In this specific sector, turnover decisions might be highly transactional or dependent on alternative career advancements, rendering the psychological comfort of WLB insufficient on its own to directly change their retention behaviors. Nonetheless, the model confirms that WLB significantly mitigates Job Insecurity (β = -0.307, p = 0.000, supporting H9), indicating that a balanced lifestyle shields employees from psychological strain. Regarding technological factors, STARA Awareness proved to be a primary predictor that significantly triggers job insecurity (β = 0.235, p = 0.000), supporting H1. Yet, the direct paths from STARA Awareness to both Job Satisfaction (p = 0.465) and Turnover Intention (p = 0.161) were statistically non-significant, rejecting H3 and H7. This finding demonstrates that while baristas are acutely aware that automated espresso machines or digital ordering applications could transform the industry, this awareness has no statistical bearing on their immediate daily job satisfaction or their immediate plans to leave.

In micro-scale operations, automation may be perceived as a distant macroeconomic trend rather than an imminent catalyst for career adjustments. Meanwhile, the mediation analysis demonstrates that the impact of WLB on Turnover Intention is fully mediated by Job Satisfaction. This implies that job satisfaction acts as a necessary psychological bridge; work-life balance can only reduce turnover intentions if it successfully translates into tangible emotional satisfaction in the workplace. In contrast, Job Insecurity was found to have no significant direct or indirect role in driving satisfaction (p = 0.603) or turnover intention (p = 0.117), rejecting H2 and H5. This indicates that during widespread economic turbulence, a certain baseline of job insecurity is widely accepted by frontline workers as an unavoidable environmental reality, rather than a personalized driver for leaving their current jobs. Collectively, these findings underscore that employee retention in micro coffee shops is heavily steered by concrete daily experiences—namely, how well they can achieve life balance and psychological fulfillment—rather than immediate anxieties regarding technological substitution.

The empirical results from this study within the micro-coffee shop industry contribute significantly to enriching the human resource management literature in the hospitality sector, particularly during periods of crisis or economic uncertainty. First, the finding that Work-Life Balance exerts a significant positive effect on job satisfaction reinforces the arguments established by Bashiri et al. (2021). The coffee shop industry is inherently characterized by high operational pressures and demanding working hours for front-line baristas. This phenomenon can be robustly explained through the Job Demands-Resources (JD-R) Model formulated by Demerouti et al. (2001). According to this framework, high occupational strains necessitate adequate organizational support mechanisms to prevent mental exhaustion and burnout.

In this study, WLB management functions as a vital job resource that buffers the heavy operational demands of the micro-coffee shop environment. By successfully leveraging this resource, employees' psychological well-being is preserved, which subsequently triggers an emotional fulfillment process that directly elevates their job satisfaction (supporting H4). However, contrary to traditional assumptions, this study reveals that WLB does not exhibit a significant direct effect on Turnover Intention, thereby rejecting H8 (p = 0.140). This lack of significance implies that simply providing work flexibility or personal life balance does not automatically translate into a direct decision to stay or leave the firm.

Within micro-scale businesses that operate on tight profit margins, turnover decisions among transactional frontline workers—such as temporary or part-time baristas—are often driven more heavily by direct financial inducements or immediate outside career opportunities rather than the psychological comfort of WLB alone. Nevertheless, WLB remains crucial because it significantly

reduces Job Insecurity (β = -0.307, p = 0.000, supporting H9), indicating that a balanced lifestyle acts as a psychological shield against workplace anxiety.

Secondly, this study contributes to the hospitality literature by redefining the role of job insecurity during economic turbulence. While conventional organizational behavior theories argue that job insecurity universally escalates turnover intentions, our findings contextualize this relationship within micro-coffee shops. For the predominantly part-time and student workforce in this sector, technology-driven job insecurity is tolerated as an inescapable environmental reality rather than a critical push factor. This stands in stark contrast to formal and capital-intensive sectors, such as large-scale hotels or manufacturing plants, where job instability rapidly drives employee withdrawal. Therefore, this research fills a critical gap by showing that the boundary conditions of job insecurity are heavily bounded by the demographic characteristics and employment nature of the workforce.

Furthermore, the finding that STARA Awareness stands as the most potent predictor of STARA-Related Job Insecurity (β = 0.235, p = 0.000) aligns closely with the global digitalization trends observed in the service sector (Bansal et al., 2025). The explicit realization that artificial intelligence, automated espresso machinery, and digital ordering applications could eventually subsume human roles creates a profound psychological strain for frontline workers, supporting H1.

Interestingly, the direct paths from STARA Awareness to both Job Satisfaction (p = 0.465) and Turnover Intention (p = 0.161) were found to be statistically non-significant, rejecting H3 and H7. This indicates that while baristas are acutely aware of automation threats, this macro-level technological wave does not immediately diminish their day-to-day job satisfaction or directly force an immediate exit strategy. In micro-coffee shops, automation is likely viewed as an inevitable industry-wide evolution rather than a personalized, immediate threat that alters daily work attitudes.Finally, the non-significant direct effect of Job Insecurity on both job satisfaction (p = 0.603) and turnover intention (p = 0.117) provides an intriguing contrast to mainstream job stress management theories, rejecting H2 and H5. Under stable macroeconomic conditions, job insecurity typically acts as a primary catalyst for declining satisfaction and rising exit intentions.

However, in the current context of global economic turbulence, this finding resonates with contemporary views suggesting that a certain baseline of job insecurity has shifted into a "new normal" accepted by frontline workers in low-entry industries. Consequently, employee responses are no longer defensively reactive to immediate fears of displacement; instead, their career decisions are guided by logical evaluations of concrete daily well-being—specifically mediated through Job Satisfaction—and the future viability of the industry.

Theoretically, this study extends the application of the Job Demands-Resources (JD-R) Model to the MSME ecosystem during economic crises by highlighting the critical role of Job Satisfaction as a full mediator. While structural workplace benefits like WLB do not directly reduce turnover intentions, they are vital because they build daily job satisfaction, which then serves as the ultimate psychological bridge to retain employees.

Practically and managerially, the empirical outcomes provide strategic guidelines for micro-coffee shop owners. First, given that job satisfaction serves as a robust mediator, operators should cultivate a supportive and appreciative work environment to ensure that the daily satisfaction gained from work-life balance successfully fosters organizational loyalty. Second, since STARA Awareness heavily drives job insecurity, business owners are advised to implement upskilling strategies. This approach aims to transition the role of baristas from repetitive physical tasks toward high-value, hospitality-oriented service, ensuring that technology is perceived as a collaborative asset rather than an existential threat.

Conclusion

This study concludes that employee retention in micro coffee shops is shaped by the interaction between work-life balance, job satisfaction, job insecurity, and awareness of digital automation. Work-life balance serves as an important organizational resource because it strengthens employees' daily job satisfaction and helps reduce psychological strain. However, work-life balance does not automatically lower employees' intention to leave unless it is translated into meaningful job satisfaction. In this regard, job satisfaction becomes the key psychological bridge that connects positive work experiences with stronger retention.

The findings also indicate that awareness of STARA can heighten employees' sense of job insecurity, although such insecurity does not necessarily lead directly to lower satisfaction or stronger turnover intention. In the context of economic turbulence, frontline baristas appear to normalize employment uncertainty as part of the broader work environment. Therefore, retention strategies should focus not only on reducing insecurity, but also on improving daily welfare, creating supportive workplace relations, and preparing employees to adapt to digital transformation through upskilling and role development.

Despite these vital insights, several research limitations must be acknowledged to guide future scholarly improvements and policy alterations. First, this research primarily captures data from a localized micro-scale coffee industry during a specific period of economic turbulence, which may limit the generalizability of the findings to larger hospitality chains or more stable macroeconomic environments. Second, the reliance on self-reported cross-sectional survey data limits the ability to establish definitive long-term causal trajectories among the variables. To improve future investigations, scholars are encouraged to adopt longitudinal research designs and integrate qualitative methods, such as in-depth interviews, to unpack the deeper emotional nuances behind the observed WLB and STARA paradoxes. From a policy and managerial recommendation standpoint, micro-business owners and industry policymakers should shift away from loosely structured flexibility toward transparent, legally binding employment models that assure career longevity alongside flexible scheduling. Furthermore, instead of treating automation as a tool for workforce reduction, policy frameworks should incentivize cooperative digital transformation models that focus on upskilling and reskilling baristas. By transitioning frontline employees from repetitive physical tasks to high-value human hospitality experiences, businesses can turn digital threats into structural opportunities, thereby effectively curbing turnover intention and fostering sustainable organizational loyalty.

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