

CHAPTER

V CONCLUSION AND RECOMMENDATION

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Conclusion

This study was conducted using self-reported questionnaires distributed directly to respondents via Google Forms. The participants in this research were employees of the Regional Office XII BKN Pekanbaru, totaling 100 individuals. Out of five hypotheses, one was accepted. The conclusions of this study are as follows:

- 1) PMS effectiveness significantly and positively influences employee performance, with positive relationship direction. The more effective the PMS the employee perceives, the better their performance, particularly in the public sector.
- 2) Work-related technostress has an insignificant negative effect on employee performance. This suggests that minimizing work-related technostress as much as possible is essential for enhancing employee performance. High levels of work-related technostress have been shown to adversely affect employees' performance.
- 3) Digital literacy has a non-significant positive effect on employee performance. However, digital literacy plays an important role in enhancing employee performance. Generally, the higher an employee's level of digital literacy, the better their individual performance is likely to be.
- 4) Digital literacy positively moderates the relationship between PMS effectiveness and employee performance, although this effect is not

statistically significant. It enhances the strength of the relationship, but the moderation effect is insignificant. This suggests that while a higher level of digital literacy may improve the impact of effective PMS on employee performance, it does not contribute strongly enough to be considered a crucial factor in this context.

- 5) Digital literacy negatively moderates the relationship between work-related technostress and employee performance, but this effect is not statistically significant. This suggests that although digital literacy may weaken the relationship, the moderation effect is insignificant. While a higher level of digital literacy could reduce the negative impact of work-related technostress on employee performance, the strength of this moderation is insufficient to draw significant conclusions about its role.

Implication

This study provides significant implications for human resource management, particularly in the public sector, by examining the effects of PMS effectiveness and work-related technostress on employee performance, moderated by digital literacy. In general, several practical implications can be drawn from the research findings, as follows:

- 1) PMS effectiveness significantly affected employee performance. In order to enhance overall employee performance, the effectiveness of PMS is a crucial factor to consider. The more effective the PMS is, the higher the employee performance will be. PMS should be implemented fairly and accurately to

meet the employee expectations so they will perceive that the organization values their contribution in every stage of performance management.

- 2) Generally, employees perceived the PMS as moderately accurate and fair.

Even though the overall mean score results in the perception that the Indonesian public sector PMS is effective, the below mean valued items for PMS effectiveness are “The procedures have been free of bias, during the year, my areas for improvement are clearly pointed out to me, and I get the coaching I need during the year to achieve my goals (and/or improve my behaviors/skills) to achieve planned performance.” Respondents perceive that the PMS procedures are not entirely free of bias, the improvement areas are not pointing out clearly, and the coaching is not sufficient enough to their need. Decision-makers, particularly direct supervisors responsible for implementing these procedures, need to firstly prioritize objectivity in all aspects of PMS. For instance, incorporating peer reviews or 360-degree feedback can provide employees with a more comprehensive perspective, ensuring performance evaluations are more objective and less prone to bias. Second, it is needed to provide a clear improvement planning for employees to maximize their potential. Lastly, the supervisor is required to act as an effective coach for their subordinates to motivate employees.

- 3) Accuracy in the implementation of PMS required more attention due to the moderate level of accuracy given by the respondents. Almost all items in PMS Accuracy were scored below the mean. This implies that even though the PMS was perceived as fair, it didn't meet the employee's expectations of

accuracy. Employees think that the PMS is still subjective and biased and does not link the outcome directly to the performance rating. It is necessary for future improvement to provide a clear rule for implementing this PMS accurately, for example, the regulation in which the performance rating is given and giving the employees the opportunity to rate themselves. This combination might be the new strategy to collaborate on self-assessment and supervisor assessment, hopefully resulting in more accurate PMS implementation and more effective PMS perceived by the employee and, in the end, increased employee performance.

4) The highest-rated item for work-related technostress is, “When I receive notifications of messages, emails, etc., for work, I can't help but read them immediately, even outside of work hours.” This suggests that many employees feel compelled to address work-related notifications immediately, even during non-working hours. This reflects how the use of digital communication channels blurs the boundaries between work and personal life, potentially leading to work-life conflict. To address this issue, it is essential to separate private communication channels from work-related ones to clearly differentiate working and non-working hours. This is especially important in organizations implementing flexible working hours to ensure a healthy work-life balance.

5) Among the employee performance items, the lowest-rated statement is, “I took on challenging work tasks when available.” This indicates that while some employees are willing to take on challenging tasks, others may prefer

to stay within their comfort zones. This situation may be related to compensation policies that do not adequately reflect the nature of the work performed. Employees who take on challenging tasks and those who stick to routine work often receive the same compensation, rewards, or recognition.

The absence of policies that provide greater rewards for employees actively engaging in challenging tasks may lead to low motivation. Decision-makers should consider implementing fair reward systems to recognize employees who contribute to organizational goals through contextual performance, distinguishing them from those who primarily handle routine tasks.

- 6) Regarding digital literacy, digital skills received the lowest score of 3.63, categorized as moderate proficiency. This suggests that employees may face challenges in effectively utilizing digital tools and technologies in their work.

Decision-makers should prioritize providing targeted training programs to enhance employees' digital skills, focusing on areas such as software proficiency, data management, and the use of collaborative tools. Investing in digital skill development can improve operational efficiency, boost employee confidence in handling digital tasks, and ensure the workforce is well-prepared to adapt to evolving technological demands. Furthermore, fostering a culture of continuous learning will help employees stay updated with new digital innovations, ultimately contributing to organizational success.

- 7) In its moderating role, enhancing employees' digital literacy can amplify the positive effects of an effective PMS on performance outcomes. Organizations can invest in targeted digital literacy training programs to ensure that

employees are equipped to maximize the benefits of PMS implementation. Improved digital literacy allow employees to interact efficiently with digital tools and platforms used in PMS processes, such as performance-tracking systems, feedback mechanisms, and goal-setting applications. Providing ongoing digital training is crucial to fostering a culture of adaptability and competence, which strengthens employees' ability to manage technological changes and reduces barriers like work-related technostress. Organizations can optimize PMS outcomes by ensuring employees are confident in their digital capabilities, driving greater employee productivity, job satisfaction, and overall performance.

- 8) In the context of digital literacy's role in work-related technostress's effect on employee performance, companies should focus on providing user-friendly technologies and clear guidance to minimize the complexity of digital tools, which can exacerbate technostress. Simplified systems and continuous training can empower employees to feel more confident and capable when interacting with technology. Organizations should treat digital literacy as an enabler for employee performance, especially in mitigating the negative effects of work-related technostress. Through ongoing digital training and stress management initiatives, companies can help employees perform optimally in technology-driven environments, even if the effect is not strongly evident in all cases.

Limitation

This study provides valuable insights into the effect of PMS effectiveness and work-related technostress on employee performance in the public sector, moderated by digital literacy. However, several limitations must be acknowledged as follows:

- 1) The research relies heavily on self-reported data, which is susceptible to biases such as inaccurate self-assessment. Participants may have overestimated or underestimated their experiences with PMS, performance levels, and work-related stress, potentially leading to data inaccuracies. These limitations highlight the need for complementary data collection methods, such as supervisor evaluations, peer reviews, or objective performance metrics, to validate self-reported responses.
- 2) The sample in this study is limited to a regional office, although it is considered representative of central-level institutions. Similar studies with a broader sample, such as involving offices from various regions or other organizational levels, might yield different results. Therefore, future research with a more diverse population is needed to gain a more comprehensive understanding and ensure better generalizability of the findings.
- 3) Research using a quantitative approach typically results in general and non-specific conclusions. Studies employing other methods, such as qualitative or mixed methods, may provide deeper insights and a different perspective. Additionally, future studies should consider using longitudinal designs or triangulating data sources to provide a more

comprehensive and reliable understanding of the relationships being examined. Incorporating such approaches can help mitigate bias and improve the validity of the findings. These alternative approaches can capture richer details and allow for a more nuanced understanding of the phenomena being studied.

- 4) The adaptation of questionnaires into the Indonesian language may result in unclear definitions and perspectives that deviate from the original intent of the developer. It is essential to validate the instrument with a larger sample size to ensure its reliability and usability for national implementation in Indonesia.

Recommendation

To enhance the reliability and generalizability of future research, it is recommended that studies:

1. Expand the sample size and diversity. Including offices from various regions and different organizational levels can help determine whether the findings hold true across a wider range of contexts, leading to more comprehensive and applicable results.
2. Adopting mixed-methods approaches can provide a richer, more nuanced understanding. While quantitative methods are effective for identifying broad trends, qualitative or mixed approaches can capture deeper insights and offer varied perspectives that quantitative data alone may not fully reveal. This combination can help address complex issues and contribute to a more detailed analysis.

3. Implementing longitudinal research designs is another valuable recommendation. Such designs can shed light on how relationships between variables change over time and provide a clearer view of causality and long-term impacts. This approach adds depth to the understanding of the evolving nature of the phenomena being studied.

4. It is crucial to triangulate data sources. By combining self-reported data with objective measures, peer assessments, or supervisory evaluations, researchers can mitigate biases and strengthen the reliability of their conclusions. This comprehensive approach ensures that the data reflects a well-rounded perspective.

5. Employing advanced data analysis techniques that account for potential biases can add credibility to the findings. This type of thorough analysis helps create more robust and trustworthy results. By following these recommendations, future studies can provide a more comprehensive, reliable, and generalizable understanding of the studied phenomena, ultimately supporting better evidence-based decision-making.

