

## **CHAPTER V**

### **CONCLUSION AND RECOMMENDATION**

#### **5.1 Conclusion**

One of the key contributions of this study lies in demonstrating that psychological drivers of job performance differ across sectors. Unlike healthcare contexts, life satisfaction emerged as a stronger predictor of performance in the Indonesian fashion retail industry, highlighting the importance of work–life balance and emotional stability in commercially driven environments.

This study aimed to examine the influence of burnout, professional self-efficacy, and life satisfaction on job performance, with work engagement serving as a mediating variable among back-office employees in Indonesia’s fashion retail industry. Based on the analysis conducted using SmartPLS 4, several key conclusions were obtained.

First, the results indicate that Life Satisfaction and Professional Self-Efficacy both have a positive and significant effect on Work Engagement. This finding suggests that employees who are satisfied with their lives and confident in their professional abilities tend to exhibit higher levels of energy, dedication, and engagement in their work. These personal psychological resources play a crucial role in shaping how employees respond to job demands.

Second, the study found that Burnout does not have a significant effect on Work Engagement. Although burnout is commonly associated with reduced involvement at work, the respondents in this study exhibited levels of burnout that were not strong enough to diminish their engagement significantly. This may suggest that employees in back-office retail roles possess sufficient coping mechanisms or organizational support to buffer the impact of burnout.

Third, the results confirm that Work Engagement has a positive and significant effect on Job Performance. More engaged employees tend to work more efficiently, demonstrate proactive behaviors, and produce higher-quality

outcomes. This reinforces the importance of engagement as a key psychological state that drives performance.

Finally, the mediation analysis shows that life satisfaction has a significant effect on job performance through Work Engagement. In contrast, the indirect impact of Professional Self-Efficacy on Job Performance was not statistically significant. This indicates that life satisfaction plays a particularly influential role in shaping work engagement, which in turn, enhances employee performance.

Overall, the findings underscore the significance of psychological well-being, particularly life satisfaction and engagement, as key drivers of performance in the fast-paced fashion retail environment. Organizations seeking to enhance performance should therefore invest in initiatives that support both employee well-being and intrinsic motivation.

## **5.2 Recommendation**

The findings of this study underscore the need for organizations to adopt evidence-driven and operationally grounded interventions, rather than relying on broad normative strategies that often fail to influence actual employee behavior. Given that life satisfaction demonstrates a substantive effect on work engagement, organizations must shift their attention from symbolic well-being initiatives toward structural adjustments that directly modify employees' everyday work conditions. Implementing flexible scheduling policies, instituting systematic monthly check-ins, and establishing consistent team-level alignment routines are practical mechanisms that target the sources of strain and disengagement embedded in the workflow rather than treating well-being as an isolated, HR-owned program. These interventions not only enhance personal–professional balance but also create predictable support structures that translate into sustained engagement and, eventually, improved performance.

Similarly, although the indirect influence of professional self-efficacy was not significant, its direct effect on engagement highlights the importance of

development practices that emphasize competency-building through experiential learning rather than formal, one-time training. Organizations should therefore integrate short-cycle development strategies such as microlearning modules, project-based skill ownership, and structured shadowing opportunities, which are more adaptable to resource constraints and generate quicker improvements in perceived capability. This approach is more aligned with contemporary organizational environments where agility and rapid skill acquisition are essential. Meanwhile, the non-significant effect of burnout should not be interpreted as evidence of its irrelevance; instead, it reflects the limitations of cross-sectional data in capturing the cumulative effects of strain. Organizations should therefore adopt early detection mechanisms such as workload analytics, brief recurring pulse surveys, and enforced low-interruption work periods. These measures function as preventive rather than reactive tools, addressing the risk of latent burnout that may not yet be reflected in performance metrics.

This study relied on self-reported data collected through an online questionnaire, which may reflect respondents' subjective perceptions at a single point in time. Future research is encouraged to incorporate mixed-method approaches, such as interviews or longitudinal designs, to capture deeper insights into how psychological factors and work engagement evolve over time and influence job performance more dynamically.

As this research focused exclusively on back-office employees in the fashion retail industry, future studies may expand the scope by including front-line or customer-facing employees. Comparing different job roles may provide a more comprehensive understanding of how psychological factors and work engagement influence job performance across various functional contexts within the industry.

The respondents in this study were limited to employees with a minimum tenure of one year, which may not fully represent the experiences of newly hired employees. Future research could examine employees at different stages of tenure

to explore whether the relationship among burnout, self-efficacy, life satisfaction, work engagement, and job performance vary across career stages.

By addressing these limitations, future research may strengthen the generalizability of the findings and further enrich the understanding of psychological factors influencing job performance in dynamic organizational settings.

For future research, it is critical to address the contextual boundaries of the present findings. Expanding the sample across diverse job functions, hierarchical levels, or sectors would allow researchers to test whether the observed relationships remain stable or are contingent upon specific organizational environments. Furthermore, the exclusive focus on psychological constructs, while valuable, risks oversimplifying the drivers of engagement. Incorporating structural and operational variables such as job autonomy, process clarity, and recognition frequency would yield a more holistic explanatory model that accounts for both individual and systemic influences. Methodologically, adopting multi-wave data collection is essential for capturing temporal fluctuations in psychological states and for strengthening claims related to directionality or causality. Finally, comparative studies across diverse industries could shed light on whether work engagement is more influenced by intrinsic psychological factors or by the institutional and cultural conditions that characterize different organizational ecosystems. Such comparative insights would significantly enhance the theoretical generalizability and practical relevance of future research.