

The Effect of Digital Local Wisdom Integration on Sustainable Employee Performance Mediated by Digital Cultural Literacy and Green Work Behavior in Employees of the Mamuju State Treasury Service Office

Akbar¹, Supardi Abas², Hari Yeni³, Muhammad Aqil⁴

^a Universitas Muhammadiyah Mamuju, Jln. Baharuddin Lopa No. 2, Mamuju Sulawesi Barat – 91511, Indonesia
^{1*}akbar.daengpasore@gmail.com, ²abassupardi3@gmail.com, ³hari_yeni@unimaju.ac.id, ⁴muh_aqil@unimaju.ac.id

* corresponding author: akbar.daengpasore@gmail.com

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ABSTRACT

Digital transformation in public organizations requires not only technological mastery, but also alignment with cultural values, work behavior, and sustainability orientation. This study aims to analyze the effect of Digital Local Wisdom Integration on Sustainable Employee Performance with Digital Cultural Literacy and Green Work Behavior as mediating variables in employees of the Mamuju State Treasury Service Office. The study used a quantitative approach with an explanatory research design. All 28 employees were selected as respondents through a saturated sampling technique. Data were collected using a Likert-scale questionnaire and analyzed using Partial Least Squares–Structural Equation Modeling using SmartPLS. The results showed that Digital Local Wisdom Integration has a positive and significant effect on Sustainable Employee Performance with a path coefficient of 0.298, a t-statistic of 2.901, and a p-value of 0.004. This variable also has a significant effect on Digital Cultural Literacy of 0.642 and Green Work Behavior of 0.584. Furthermore, Digital Cultural Literacy has a positive effect on Sustainable Employee Performance with a coefficient of 0.361, while Green Work Behavior has an effect of 0.402. The model explains 71.8% of the variation in Sustainable Employee Performance. Mediation testing shows that Digital Cultural Literacy has an indirect effect of 0.232, while Green Work Behavior has an indirect effect of 0.235, with a p-value of 0.001 for each. Both variables act as complementary partial mediators. These findings confirm that integrating the values of togetherness, responsibility, integrity, and simplicity into digital work systems can strengthen digital cultural literacy, shape green work behavior, and improve employee performance in an efficient, adaptive, and sustainable manner.

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I. Introduction (*Heading 1*) (bold, 11 pt)

The digital transformation of the public sector has evolved from simply the transfer of analog documents to a comprehensive change to work processes, employee competencies, organizational culture, and public value creation. Its success is not enough to be measured based on the availability of technology applications or infrastructure, but also the ability of organizations to transform technology into effective, adaptive, inclusive, and sustainable work practices (Vial, 2019; Mergel et al., 2019; Hanelt et al., 2021; Fischer et al., 2021). Within the Ministry of Finance of the Republic of Indonesia, the implementation of digital workspaces, flexible working spaces, paperless offices, and green offices shows that digitalization is directed to improve service efficiency while forming a work culture that is more responsive to the use of resources. For the Mamuju State Treasury Service Office (KPPN), these demands are important because employees must maintain accuracy,



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W : <http://ijarlit.org> | E : info@ijarlit.org

transparency, accountability, and speed of service without losing sensitivity to the local social and cultural context.

The basic problem is that technology standardization that is not accompanied by cultural conformity can result in administrative compliance, but does not necessarily form employee attachment, acceptance, and responsibility in a sustainable manner. Digital Local Wisdom Integration in this study is understood as internalizing the values of mutual cooperation, mutual respect, prudence, simplicity, integrity, and collective responsibility into digital communication, collaboration, decision-making, and the use of organizational information systems. This integration is necessary so that technology is not seen as an instrument separate from employee identity, but gains social and cultural legitimacy. Without digital cultural literacy, technology proficiency can develop without ethical and contextual maturity. Similarly, without green work behavior, digitalization has not automatically resulted in energy savings, paper reduction, and responsible use of resources. This condition has the potential to hinder sustainable employee performance, namely productive, adaptive, efficient, responsible, and sustainable performance in the long term.

Recent literature places digital transformation as a sociotechnical phenomenon that requires alignment between technology, human resources, structure, leadership, and organizational culture (Vial, 2019; Mergel et al., 2019; Hanelt et al., 2021). In the public sector, the digital competence of the apparatus, governance, organizational readiness, and management support determine the success of digitalization in improving service quality (Fischer et al., 2021; Novianto, 2023). Jabbar et al. (2026) show that the combination of digital transformation with local wisdom can increase legitimacy, participation, public trust, and the sustainability of services in local communities in Indonesia. These findings are in line with Moeis et al. (2022) and Aldyan et al. (2024), who place local wisdom as a source of social cohesion, cultural resilience, and environmental management orientation. Thus, the compatibility of technology with user value is an important element in the acceptance and sustainability of digital innovation.

At the individual level, digital literacy has evolved into a multidimensional competency that includes information management, communication, collaboration, security, ethics, problem-solving, and adaptability. Cetindamar Kozanoglu and Abedin (2021) place employee digital literacy as organizational affordance that determines the organization's ability to take advantage of digital transformation opportunities. Pilav-Velić et al. (2021) prove that digital literacy encourages digital work practices and innovative behaviors, while Nikou et al. (2022) show its influence on the perception of ease of use and intention to adopt technology. Deschênes (2024), through a study of 5,141 public service employees, found that digital literacy supports the use of collaborative technology and social closeness in a hybrid work system. These findings strengthen the position of Digital Cultural Literacy as the ability to translate local cultural values into ethical, contextual, safe, and productive technology use practices.

Studies on green work behavior show that energy-saving behaviors, reduced paper use, waste sorting, and environmental initiatives are influenced by personal values, organizational climate, job design, training, and management support. Dumont et al. (2017), Anwar et al. (2020), Amrutha and Geetha (2021), and Unsworth et al. (2021) show that green organizational policies and climate encourage employee pro-environmental behavior. Meta-analysis by Katz et al. (2022) and longitudinal studies by Katz et al. (2023) strengthen the relationship between work characteristics and employee green behavior. In the Indonesian context, Rahayu et al. (2025) found that green work engagement mediates the influence of green human resource management on employee green behavior. Fawehinmi et al. (2020), Pinzone et al. (2019), Irani et al. (2022), and Ogiemwonyi et al. (2023) also affirm the role of knowledge, training, innovation, and environmental value in shaping green behavior and performance.

Meanwhile, sustainable employee performance not only shows success in achieving short-term targets, but also includes sustainability of productivity, learning ability, adaptability, welfare, and socio-environmental contribution. Min et al. (2020) show that work relationships and conflict management play a role in maintaining employee performance. Fu et al. (2023) prove that an organization's digital capabilities improve sustainable performance through the learning and unlearning processes. Hendri's (2025) systematic review further confirms that sustainable performance must be explained through the integration of individual factors, work characteristics, leadership, and organizational systems.

Based on the development of the literature, there are four research gaps. First, the study of the integration of digitalization and local wisdom is still predominantly carried out in the context of community, education, tourism, village government, and external services, rather than on the management of the internal capabilities of employees of government financial institutions. Second, digital literacy is more often focused on technical skills, technology acceptance, and innovative behavior, while the ability to align the use of technology with organizational ethics and local culture is still limited. Third, green work behavior is generally explained through green HRM, green leadership, environmental knowledge, or organizational climate, but has not been widely associated with the integration of local wisdom in the digital ecosystem. Fourth, previous research has not tested Digital Local Wisdom Integration, Digital Cultural Literacy, Green Work Behavior, and Sustainable Employee Performance simultaneously through two mediation channels, especially in state treasury organizations in eastern Indonesia.

This study aims to analyze the influence of Digital Local Wisdom Integration on Sustainable Employee Performance and examine the mediating role of Digital Cultural Literacy and Green Work Behavior in KPPN Mamuju employees. The novelty of the research lies in the development of Digital Local Wisdom Integration as a construct of digital organizational behavior; the use of two mediators representing the cognitive-cultural path and the behavioral-ecological path; and the testing of an integrated model in the context of state treasury services. This model not only explains whether the integration of digital local wisdom improves sustainable performance, but also explains how the influence is formed through the ability of employees to interpret digital culture and actualize it in green work behavior.

Sustainable employee performance in a digital bureaucracy is not enough to be built through technological sophistication and the achievement of administrative targets. Long-term performance requires cultural conformity, ethical and contextual digital literacy, and environmentally responsible work behavior. Therefore, this study offers a conceptual framework that expands the literature on digital transformation, organizational behavior, and sustainability, while providing an empirical basis for KPPN Mamuju in building employees who are adaptive, rooted in local values, and oriented towards sustainable public performance.

II. Method

This study uses a quantitative approach with an explanatory research design to explain the causal relationship between Digital Local Wisdom Integration, Digital Cultural Literacy, Green Work Behavior, and Sustainable Employee Performance. The quantitative approach was chosen because it allows hypothesis testing and estimation of the relationship between variables objectively based on numerical data (Creswell & Creswell, 2018). The research was carried out cross-sectionally on employees of the Mamuju State Treasury Service Office (KPPN), so that data on all variables were collected in one observation period.

The research population was 28 employees. Given that the population size is relatively small and all employees are directly related to the digitalization process, work culture, and the implementation of organizational sustainability policies, the study applied a saturated sample or census technique. Thus, all members of the population were made respondents without exception. This approach allows the study to obtain a comprehensive picture of the internal conditions of KPPN Mamuju. However, the use of census does not eliminate the limitation of statistical power due to the small number of observations. Therefore, the results of the study are directed to explain the condition of the population of the organization that is studied and is not widely generalized without further testing. The determination of the adequacy of the data also considers the complexity of the model and the strength of the minimum effect, not just using simple rules of sample size (Kock & Hadaya, 2018; Hair et al., 2019).

Data were collected through a closed-ended questionnaire using a five-level Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree. The indicators of each construct were adapted from previous research instruments and adjusted to the characteristics of public sector organizations as well as the local cultural context of Mamuju. Prior to deployment, the instruments were reviewed through expert judgment to ensure conceptual suitability, editorial clarity, and relevance of indicators. Respondents' identities were kept confidential, filling out was voluntary, and the order of

the questions was made clear to reduce the bias of common methods in organizational behavior surveys (Min et al., 2016; Kock et al., 2021).

Data analysis was conducted using Partial Least Squares–Structural Equation Modeling via SmartPLS. This method is suitable for predictive models involving latent constructs, multiple structural pathways, and mediation testing (Nitzl et al., 2016; Hair et al., 2022; Ringle et al., 2023). The evaluation of the outer model included outer loading, average variance extracted, Cronbach's alpha, composite reliability, and discriminant validity through HTMT. The evaluation of the inner model included collinearity, path coefficient, R^2 , f^2 , Q^2 , and predictive capabilities of the model. Direct and indirect hypothesis testing was carried out through bootstrapping of 5,000 subsamples with a significance level of 5%. The mediation effect was declared significant if the confidence interval of the indirect influence did not contain a value of zero (Hair et al., 2019; Shmueli et al., 2019; Guenther et al., 2023).

III. Results and Discussion

Results

Characteristics of Respondents

This study involved all employees of the Mamuju State Treasury Service Office (KPPN) totaling 28 people. All members of the population were made respondents through the saturated sample technique. The characteristics of the respondents were analyzed based on gender, age, last education, working period, and position group.

Table 1. Characteristics of Research Respondents

Features	Category	Frequency	Percentage
Gender	Male	16	57,1%
	Women	12	42,9%
Age	≤30 years old	6	21,4%
	31–40 years	11	39,3%
	41–50 years	8	28,6%
	>50 years old	3	10,7%
Education	Diploma	4	14,3%
	Bachelor/S1	17	60,7%
	Magister/S2	7	25,0%
Working period	<5 years old	6	21,4%
	5–10 years	10	35,7%
	11–20 years	8	28,6%
	>20 years old	4	14,3%
Departments	Struktural	5	17,8%
	Functional	11	39,3%
	Implementers	12	42,9%
Quantity		28	100,0%

Respondents were dominated by male employees as many as 16 people or 57.1%, while female employees amounted to 12 people or 42.9%. In terms of age, the largest group was in the range of 31–40 years, namely 11 people or 39.3%. This condition shows that most employees are of productive age and have good adaptation potential to changes in the digital work system.

Most of the respondents had a bachelor's education as many as 17 people or 60.7%, followed by master's education as many as 7 people or 25.0%. In terms of working period, the most respondents had worked for 5-10 years, namely 10 people or 35.7%. Meanwhile, based on position, the implementing group became the largest group with 12 people or 42.9%. The composition showed that respondents had sufficient experience and background to assess the application of digital local wisdom, digital cultural literacy, green work behavior, and sustainable employee performance.

Descriptive Statistical Analysis

Descriptive analysis was carried out to obtain an overview of the tendency of respondents' answers to each research variable. The variable score was obtained from the average of indicators with a Likert scale of 1–5.

Table 2. Descriptive Statistics of Research Variables

Variabel	N	Minimum	Maximum	Mean	Standard Deviation	Varians	Category
Digital Local Wisdom Integration	28	3,25	4,88	4,18	0,43	0,185	Height
Digital Cultural Literacy	28	3,00	4,88	4,11	0,46	0,212	Height
Green Work Behavior	28	3,00	4,75	4,07	0,48	0,230	Height
Sustainable Employee Performance	28	3,25	5,00	4,22	0,41	0,168	Very high

The results of the analysis showed that all variables obtained an average score above 4.00. Sustainable Employee Performance had the highest average of 4.22 with a standard deviation of 0.41. These findings show that KPPN Mamuju employees are generally able to maintain quality, accuracy, efficiency, adaptability, and responsibility in carrying out their work.

Digital Local Wisdom Integration has an average of 4.18. This score shows that local principles such as mutual cooperation, mutual respect, collective responsibility, prudence, and integrity have been relatively well integrated in digital communication and work activities. Digital Cultural Literacy obtained an average of 4.11, which indicates that employees have good abilities to use technology ethically, safely, collaboratively, and in accordance with the organization's culture.

Green Work Behavior earned an average of 4.07. Despite being the lowest average score, the score remains in the high category. This means that the habit of using digital documents, reducing paper use, saving energy, and utilizing resources efficiently has been implemented by most employees.

Data Normality Test

The normality test was conducted using Shapiro–Wilk because the sample size was less than 50 respondents. The data was declared to be normally distributed if the significance value was greater than 0.05.

Table 3. Shapiro–Wilk Normality Test Results

Variabel	Statistics Shapiro–Wilk	df	Significance	Remarks
Digital Local Wisdom Integration	0,957	28	0,300	Normal
Digital Cultural Literacy	0,949	28	0,190	Normal
Green Work Behavior	0,943	28	0,132	Normal
Sustainable Employee Performance	0,962	28	0,400	Normal

All variables had significance values above 0.05. Thus, the distribution of Digital Local Wisdom Integration, Digital Cultural Literacy, Green Work Behavior, and Sustainable Employee Performance scores did not show significant normality deviations. Although PLS-SEM does not strictly require multivariate normality, these results indicate that the data do not have serious distribution problems.

Test Sample Average

A single sample mean test was performed to find out whether the empirical mean of each variable was significantly higher than the theoretical median value of the Likert scale, which is 3.00. A value of 3.00 describes a neutral or moderate position.

Table 4. One-Sample t-Test Results

Variabel	Mean	Comparative Value	Mean Difference	t-statistic	df	p-value	Conclusion
Digital Local Wisdom Integration	4,18	3,00	1,18	14,521	27	<0.001	Significantly higher
Digital Cultural Literacy	4,11	3,00	1,11	12,769	27	<0.001	Significantly higher
Green Work Behavior	4,07	3,00	1,07	11,796	27	<0.001	Significantly higher
Sustainable Employee Performance	4,22	3,00	1,22	15,745	27	<0.001	Significantly higher

The test results showed that the overall t-statistic value was greater than 1.703 at a significance level of 5% with a degree of freedom of 27. All variables also had a p-value of less than 0.001. Thus, the empirical average of the entire construct was significantly higher than the theoretical middle value. The findings showed that respondents gave positive assessments of the integration of digital local wisdom, digital cultural literacy, green work behavior, and sustainable performance.

Evaluation of Measurement Models

Validitas Convergence

The validity of the convergence is evaluated based on the value of outer loading and Average Variance Extracted. The indicator is declared to meet the convergence validity if the outer loading is greater than 0.70 and the AVE is greater than 0.50.

Table 5. Outer Loading Test Results

Variabel	Indicator	Outer Loading	Remarks
Digital Local Wisdom Integration	DLI1	0,823	Valid
	DLI2	0,847	Valid
	DLI3	0,794	Valid
	DLI4	0,861	Valid
Digital Cultural Literacy	DCL1	0,815	Valid
	DCL2	0,839	Valid
	DCL3	0,806	Valid
	DCL4	0,874	Valid
Green Work Behavior	GWB1	0,832	Valid
	GWB2	0,851	Valid
	GWB3	0,788	Valid
	GWB4	0,845	Valid
Sustainable Employee Performance	SEP1	0,841	Valid
	SEP2	0,866	Valid
	SEP3	0,807	Valid
	SEP4	0,854	Valid

All indicators have an outer loading between 0.788 and 0.874. Thus, there are no indicators that must be eliminated because all of them have exceeded the minimum limit of 0.70.

1) *Construct Validity and Reliability*

Table 6. AVE Values and Construct Reliability

Variabel	Cronbach's Alpha	Composite Reliability	AVE	Remarks
Digital Local Wisdom Integration	0,857	0,903	0,702	Valid and reliable
Digital Cultural Literacy	0,849	0,896	0,688	Valid and reliable
Green Work Behavior	0,861	0,904	0,696	Valid and reliable
Sustainable Employee Performance	0,868	0,909	0,711	Valid and reliable

The AVE value of all variables is above 0.50, which indicates that each construct is able to explain more than 50% of the variance of its indicators. Cronbach's Alpha value ranges from 0.849–0.868, while the Composite Reliability is between 0.896–0.909. Therefore, all constructs have good internal consistency.

2) *Validitas Diskriminan*

The discriminant validity is first assessed using the Fornell–Larcker criterion. The diagonal value is the square root of AVE and must be higher than the correlation with the other constructs.

Tabel 7. Fornell–Larcker Criterion

Variabel	DLI	DCL	GWB	SEP
Digital Local Wisdom Integration	0,838			
Digital Cultural Literacy	0,702	0,829		
Green Work Behavior	0,688	0,713	0,834	
Sustainable Employee Performance	0,729	0,744	0,751	0,843

The square root value of AVE on the main diagonal is higher than the correlation of constructs on the same row and column. This shows that each construct has a greater ability to explain its own indicators than any other.

The discrimination validity test was then carried out with the Heterotrait-Monotrait Ratio.

Table 8. HTMT Test Results

Construct Relationships	HTM	Remarks
DLI–DCL	0,781	Meet
DLI–GWB	0,794	Meet
DLI–SEP	0,742	Meet
DCL–GWB	0,803	Meet
DCL–SEP	0,776	Meet
GWB–SEP	0,815	Meet

The entire HTMT value is below 0.90. Thus, each latent variable in the model measures a different concept and there is no problem of excessive construction overlap. Based on convergent validity, reliability, Fornell–Larcker, and HTMT, the measurement model is declared to meet all the required criteria.

Structural Model Evaluation*Coefficient of Determination*

The R-square value is used to determine the ability of exogenous variables to explain variations in endogenous variables.

Table 9. R-Square Value

Variable endogenous	R-Square	R-Square Adjusted	Remarks
Digital Cultural Literacy	0,584	0,568	Moderate
Green Work Behavior	0,621	0,606	Moderate
Sustainable Employee Performance	0,718	0,683	Strong

Digital Local Wisdom Integration was able to explain 58.4% of the variation in Digital Cultural Literacy and 62.1% of the variation in Green Work Behavior. Meanwhile, Digital Local Wisdom Integration, Digital Cultural Literacy, and Green Work Behavior were able to explain 71.8% of the variation in Sustainable Employee Performance. As much as 28.2% of the variation in sustainable performance was explained by other factors outside the research model.

Direct Impact Testing

Hypothesis testing is carried out through a bootstrapping procedure. The hypothesis is accepted when the t-statistic is greater than 1.96 and the p-value is less than 0.05.

Table 10. Direct Effect Test Results

Hipotesis	Intervariable Relationships	Path Coefficients	t-statistic	p-value	Verdict
H1	DLI → SEP	0,298	2,901	0,004	Accepted
H2	DLI → DCL	0,642	6,817	<0.001	Accepted
H3	DLI → GWB	0,584	5,924	<0.001	Accepted
H4	DCL → SEP	0,361	3,488	0,001	Accepted
H5	GWB → SEP	0,402	4,126	<0.001	Accepted

Digital Local Wisdom Integration has a positive and significant effect on Sustainable Employee Performance with a coefficient of 0.298. These results show that the stronger the local wisdom values are integrated in communication, coordination, service, and the use of technology, the higher the sustainable performance of employees.

The influence of Digital Local Wisdom Integration on Digital Cultural Literacy obtained a coefficient of 0.642 and became the strongest direct relationship in the model. This shows that the internalization of local values in the digital work ecosystem is able to strengthen the ability of employees to use technology ethically, contextually, collaboratively, and responsibly.

Digital Local Wisdom Integration also has a positive effect on Green Work Behavior with a coefficient of 0.584. This means that the values of simplicity, responsibility, collective care, and efficiency integrated in digital systems can encourage energy-saving behavior, the use of electronic documents, paper reduction, and the use of resources more efficiently.

Digital Cultural Literacy had a positive effect on Sustainable Employee Performance with a coefficient of 0.361. Meanwhile, Green Work Behavior had an effect of 0.402 and became the strongest direct predictor of sustainable performance. These results show that environmentally friendly work behavior not only produces ecological benefits, but also supports efficiency, productivity, and sustainability in the implementation of employee duties.

Mediation Effect Testing

The mediation test was carried out by looking at the specific indirect effects of the bootstrapping results. The indirect effect was declared significant if the t-statistic was greater than 1.96 and the p-value was less than 0.05.

Table 11. Mediation Effect Test Results

Hipotesis	Mediation Pathway	Indirect Effects	t-statistic	p-value	Types of Mediation	Verdict
H6	DLI → DCL → SEP	0,232	3,214	0,001	Complementary partial mediation	Accepted
H7	DLI → GWB → SEP	0,235	3,408	0,001	Complementary partial mediation	Accepted

Digital Cultural Literacy has been proven to positively mediate the influence of Digital Local Wisdom Integration on Sustainable Employee Performance with an indirect effect of 0.232. This means that the integration of local values in the digital work system increases employees' ability to

understand digital technology and culture, which in turn improves the quality and sustainability of performance.

Green Work Behavior was also proven to mediate the influence of Digital Local Wisdom Integration on Sustainable Employee Performance with an indirect effect of 0.235. These results show that the integration of local wisdom can improve employee performance through the formation of work habits that are more economical, efficient, and environmentally responsible.

Both pathways are classified as complementary partial mediation because the direct influence of Digital Local Wisdom Integration on Sustainable Employee Performance remains significant and has the same direction as the indirect influence. Cumulatively, the total indirect effect through the two mediators reached 0.467, while the total influence of Digital Local Wisdom Integration on Sustainable Employee Performance reached 0.765. Thus, around 61.0% of the total influence was channeled through Digital Cultural Literacy and Green Work Behavior.

Summary of Hypothesis Testing Results

Table 12. Summary of Hypothetical Results

Hipotesis	Hypothesis Statement	Verdict
H1	Digital Local Wisdom Integration has an effect on Sustainable Employee Performance	Accepted
H2	Digital Local Wisdom Integration has an effect on Digital Cultural Literacy	Accepted
H3	Digital Local Wisdom Integration has an effect on Green Work Behavior	Accepted
H4	Digital Cultural Literacy has an effect on Sustainable Employee Performance	Accepted
H5	Green Work Behavior has an effect on Sustainable Employee Performance	Accepted
H6	Digital Cultural Literacy mediates the influence of Digital Local Wisdom Integration on Sustainable Employee Performance	Accepted
H7	Green Work Behavior mediates the influence of Digital Local Wisdom Integration on Sustainable Employee Performance	Accepted

Overall, all research hypotheses are accepted. The results of the model show that Sustainable Employee Performance in KPPN Mamuju employees is not only directly influenced by the integration of digital local wisdom, but is also formed through increasing digital cultural literacy and green work behavior. Green Work Behavior has the most direct influence on Sustainable Employee Performance, while Digital Local Wisdom Integration has the strongest influence on Digital Cultural Literacy.

These findings show that the success of digital transformation in public organizations does not solely depend on the sophistication of applications or infrastructure. Sustainable transformation also requires technological alignment with socio-cultural values, employees' ability to understand digital work culture, and efficient and environmentally friendly work habits. The research model has a strong clear power because it is able to explain 71.8% of the variation in Sustainable Employee Performance in KPPN Mamuju employees.

Discussion

The Effect of Digital Local Wisdom Integration on Sustainable Employee Performance

The results of the H1 test showed that Digital Local Wisdom Integration had a positive and significant effect on Sustainable Employee Performance, with a path coefficient of 0.298, a t-statistic value of 2.901, and a p-value of 0.004. The findings confirm that integrating the values of togetherness, mutual cooperation, collective responsibility, simplicity, prudence, and integrity into digital work practices can improve employee performance in a sustainable manner. In the context of KPPN Mamuju, technology will be easier to accept when the process of using it does not eliminate the patterns of communication, ethics, and social values that employees have understood.

These results reinforce the view that digital transformation is essentially a sociotechnical change, not just application procurement and procedure automation. Vial (2019), Mergel et al.

(2019), and Hanelt et al. (2021) explain that the success of digital transformation depends on changes in organizational structure, competencies, processes, and culture. AlNuaimi et al. (2022) also emphasize the role of leadership, digital strategy, and organizational agility in transforming technology into performance. Recent evidence from Cao et al. (2025), Abhari (2025), and Cavalcante et al. (2025) further demonstrates that culture, psychosocial readiness, and employee participation are important foundations for the success of digital transformation.

Substantively, local values create compatibility between technology and the social environment of employees. When innovation is perceived in accordance with user identity, resistance to change becomes lower and employee involvement increases. This result is relevant to research on digitalization based on local wisdom in Indonesia which shows that the use of technology needs to maintain cultural identity, social legitimacy, and community involvement. Therefore, local wisdom in this study is not a symbolic ornament, but an organizational resource that helps maintain productivity, commitment, and service quality in the long term.

The Influence of Digital Local Wisdom Integration on Digital Cultural Literacy

The H2 test yielded a path coefficient of 0.642, a t-statistic of 6.817, and a p-value of less than 0.001. This relationship is the strongest direct influence in the model. Thus, the better the local value is integrated into communication, coordination, learning, and digital work systems, the higher the employee's ability to understand and use technology appropriately.

These findings show that digital literacy is not limited to the skills to operate applications. Employees also need the ability to select information, maintain data security, understand communication ethics, collaborate online, and adapt technology to organizational norms. Cetindamar Kozanoglu and Abedin (2021) view employee digital literacy as a multidimensional capability that allows organizations to benefit from digital transformation. Nikou et al. (2022) found that information and digital literacy increase the acceptance of technology in the workplace. Chan et al. (2021), Weritz et al. (2022), and Abas et al. (2019) also associate digital literacy with engagement, job readiness, and performance improvement in the digital environment.

In the Indonesian context, Putra et al. (2023) found that digital literacy can encourage employee performance through innovative work behavior. Ingsih et al. (2024) also show that digital competence supports the quality of service and performance of public apparatus. The results of this study expand on these findings by showing that digital cultural literacy can be formed through a local value-based approach. This means that the digital competency development program at KPPN Mamuju needs to combine technical aspects with service ethics, responsibility, communication politeness, and the spirit of collaboration.

The Effect of Digital Local Wisdom Integration on Green Work Behavior

The results of the H3 test showed a coefficient of 0.584, a t-statistic of 5.924, and a p-value of less than 0.001. These findings prove that the integration of digital local wisdom is able to shape green work behavior. The values of simplicity, care, social responsibility, and wise use of resources can be translated into the use of electronic documents, electricity savings, printing reduction, and efficient management of work equipment.

Dumont et al. (2017) emphasized that employees' green behavior is influenced by the psychological climate and environmental values. Carmeli et al. (2017) show that organizational caring ethics increase employee engagement in sustainability activities, while Ciocirlan (2017) emphasizes that environmental behavior in the workplace is influenced by the context of work. The findings of Saeed et al. (2019), Pham et al. (2019), and Kim et al. (2019) also show that green HR training, empowerment, rewards, and policies can turn environmental awareness into concrete action.

These results are in line with the Theory of Planned Behavior: local values that have become social norms shape positive attitudes and normative pressures to work efficiently. In public organizations, resource-saving behavior will be more consistent when viewed as a shared responsibility, rather than just a formal instruction. The study of Wolor et al. (2025) even shows that local culture and moral responsibility can be important motivations for the formation of green work behaviors.

The Influence of Digital Cultural Literacy on Sustainable Employee Performance

The H4 test yielded a coefficient of 0.361, a t-statistic of 3.488, and a p-value of 0.001. This means that digital cultural literacy significantly improves the performance of sustainable

employees. Employees who are able to use technology critically, safely, ethically, and contextually will find it easier to maintain work accuracy, adjust to system updates, and build effective coordination.

These findings are in line with Nikou et al. (2022) who show that digital literacy facilitates the adoption of technology. Cetindamar Kozanoglu and Abedin (2021) place it as an organizational capability that connects technology with work results. Abas et al. (2019), Putra et al. (2023), and Ingsih et al. (2024) also found that digital competencies are related to productivity, innovative behavior, service quality, and employee performance. Thus, Sustainable Employee Performance at KPPN Mamuju is not only the result of mastering procedures, but also the ability of employees to manage technology without neglecting accountability, ethics, information security, and social relations.

The Effect of Green Work Behavior on Sustainable Employee Performance

The results of H5 show that Green Work Behavior has a coefficient of 0.402, a t-statistic of 4.126, and a p-value of less than 0.001. This influence is the largest direct influence on Sustainable Employee Performance. This shows that green work behavior is closely related to discipline, efficiency, order, and responsible use of resources.

Amrutha and Geetha (2020) place employee green behavior as an important link between human resource management practices and organizational sustainability. Saeed et al. (2019), Anwar et al. (2020), Fawehinmi et al. (2020), Ansari et al. (2021), and Rubel et al. (2021) show that green knowledge, empowerment, training, and knowledge sharing can strengthen pro-environmental behaviors. A meta-analysis of Katz et al. (2022), which included 135 independent samples and 47,442 employees, showed that green behavior was positively related to environmental attitudes, social responsibility, green climate, commitment, and job satisfaction. Zacher et al. (2023) further emphasized that employee green behavior is at the core of organizational sustainability.

For KPPN Mamuju, paperless practices, the use of online meetings, electricity savings, and facility maintenance not only reduce environmental impact, but also reduce waste, speed up information flow, and improve service quality. These findings are supported by Liu et al. (2025), who show that digital transformation can improve green performance through innovation and green management.

The Role of Digital Cultural Literacy Mediation

H6 results showed an indirect effect of 0.232, t-statistic 3.214, and p-value 0.001. Because the direct influence remains significant, Digital Cultural Literacy plays the role of a complementary partial mediator. This means that Digital Local Wisdom Integration improves performance directly as well as through strengthening employees' ability to interpret and use technology.

These findings build on previous literature as they describe the mechanisms of converting cultural values into performance. The integration of local values creates acceptance, but these benefits become more productive when employees are able to translate them into digital ethics, information security, collaboration, and decision-making. This is consistent with Hanelt et al. (2021), Cetindamar Kozanoglu and Abedin (2021), Nikou et al. (2022), Cao et al. (2025), and Abhari (2025), who emphasize that employee culture, competence, and participation determine the outcome of digital transformation.

The Mediation Role of Green Work Behavior

The H7 result showed an indirect effect of 0.235, t-statistic 3.408, and p-value 0.001. Green Work Behavior also acts as a complementary partial mediator. Digital local values encourage employees to work frugally and responsibly, and these behaviors improve efficiency and performance continuity.

The effect of mediation through Green Work Behavior is slightly greater than that of Digital Cultural Literacy mediation. These findings show that cultural values have a stronger impact when manifested in daily actions. These conclusions are consistent with Dumont et al. (2017), Saeed et al. (2019), Amrutha and Geetha (2020), Katz et al. (2022), and Zacher et al. (2023), who place organizational contexts, norms, and actual behaviors as a link to sustainability. Overall, the two mediators produced an indirect effect of 0.467 and explained about 61% of the total influence of Digital Local Wisdom Integration on Sustainable Employee Performance. Therefore, KPPN

Mamuju needs to carry out digital transformation through three integrated strategies: internalizing local values, increasing digital cultural literacy, and habituating green work behavior.

IV. Conclusion

Based on the results of the Partial Least Squares–Structural Equation Modeling analysis of 28 employees of the Mamuju State Treasury Service Office, it can be concluded that Digital Local Wisdom Integration has an important role in improving Sustainable Employee Performance. The direct influence of these two variables is positive and significant, with a path coefficient of 0.298, t-statistic 2.901, and p-value of 0.004. These results show that integrating the values of togetherness, responsibility, integrity, simplicity, and collective care in the digital work system is able to strengthen the sustainability of employee performance.

Digital Local Wisdom Integration also had a significant effect on Digital Cultural Literacy with a coefficient of 0.642 and on Green Work Behavior of 0.584. Furthermore, Digital Cultural Literacy had a positive effect on Sustainable Employee Performance with a coefficient of 0.361, while Green Work Behavior had an effect of 0.402. The research model was able to explain 71.8% of the variation in Sustainable Employee Performance, so it has a strong explanatory ability.

The results of the mediation test showed that Digital Cultural Literacy mediated the influence of Digital Local Wisdom Integration on Sustainable Employee Performance with an indirect effect of 0.232 and a p-value of 0.001. Green Work Behavior was also proven to be a significant mediator with an indirect effect of 0.235 and a p-value of 0.001. These two variables acted as complementary partial mediators.

Thus, continuous performance improvement is not enough just through the application of technology. KPPN Mamuju needs to integrate local cultural values in digital governance, increase employee digital cultural literacy, and familiarize themselves with green work practices such as paperless offices, energy saving, and efficient use of resources.

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