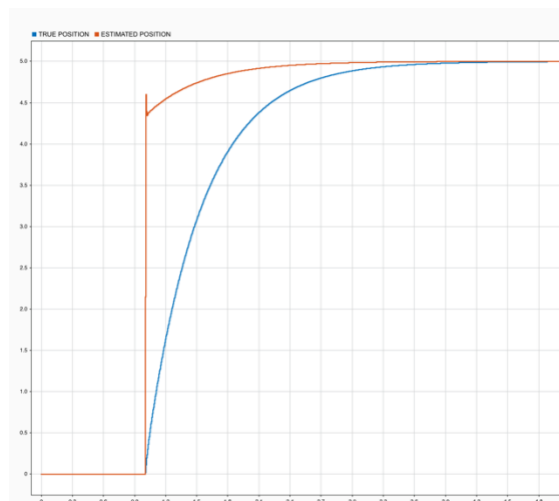When discretization time step for state-space used in Kalman filter is too fast, the system's response will overshoot the setpoint.

When discretization time step for state-space used in Kalman filter is too slow, the system's response will be significantly slower.