



The Impact of Performance Appraisal System on Organizational Climate (Case Study - Gaza Electricity Distribution Company – 2022)

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ABSTRACT

This article aimed to explore the impact of performance appraisal system on organizational climate in Gaza Electricity Distribution Company. Focusing on the importance of organizational climate, this study tested the performance appraisal system's influence which consists of several constructs including (appraisal process, appraisal method, and appraisal feedback). The survey design employed a probability-stratified random sampling method, and questionnaires were distributed to collect data. In total, 221 individuals from the Gaza Electricity Distribution Company's six branches took part as participants, with a response rate of 82.16%. For the analysis, a quantitative research methodology was employed. In order to analyze the structural equation model and consider the study hypothesis, AMOS software was employed. The study findings showed that the organizational climate is directly, strongly and significantly influenced by the performance appraisal system (74.8%). The results also showed that the two dimensions, appraisal method and appraisal feedback, had the greatest influence on organizational climate, whereas dimension appraisal process had the least.

Keywords: performance appraisal system; organizational climate; GEDCO.



1. Introduction

It is believed that a company's ability to reach its goals depends heavily on the organizational climate. If the workplace climate is conducive, tasks and responsibilities will be performed more quickly (Hafee et al., 2019). Particularly, when the work environment inside the organization can enhance employee motivation, which will speed up task completion which are the employees' responsibilities (Ali & Anwar, 2021). As a result, a positive workplace climate will improve employee performance, resulting in increased productivity. Because high work satisfaction of an organization demonstrates that the climate in which individuals work is in a positive condition, high productivity within an organization proves that the environment in which individuals work is in a contributory state (Manu and Sinosh, 2016). As indicated by (Spekle et al, 2017), the annual performance review process between a manager and an employee, which focuses on personalized objectives for growth and is conducted only once a year, is more widely regarded as inadequate for purpose in a flexible organizational climate, and may even have an adverse and reverse impact on creativity, innovation capacity and intrinsic motivation.

Electricity is one of the most important industries in the Gaza Strip. GEDCO's main goal is to distribute electrical power in all regions under the authority and government of the Palestinian National Authority in Gaza Strip governorates, as well as the collection, technical supervision, repair, maintenance and development projects for medium voltage (22 kilovolts) and low pressure networks (GEDCO, 2020). Gaza Electricity Distribution Company has six primary branches and more than 1200 personnel spread among them. GEDCO is a semi-public organization. It has an extraordinary staff in terms of performing their daily tasks and works in a particular organizational climate due to difficult emergency conditions, and unstable circumstances for a long time due to the challenges of the Israeli siege which has been imposed upon Gaza strip causing a lack of essential requirements for providing optimal services for most customers. No doubt that staffs who work in an emergency business are certainly unlike others who work in stable organizations in terms of applying a fair performance appraisal system.

2. Statement of the Problem

As reported by (Raineri, 2017; Rana, 2015) a supportive workplace and climate can be created by employee's engagement and high performance system leading to committed workforces, and also providing organizations with a competitive advantage. Researcher (e.g., Jeong & Shin, 2019; Caldwell & Floyd, 2014; Chang et al., 2013) have suggested that high performance systems can give enterprises a platform to expand and create different cultures and climates in the workplaces. A study conducted by Hariswaran et al, (2020) revealed that organizational climate can be strongly influenced and predicted by performance appraisal systems. Consequently, GEDCO as a unique company in Gaza strip should have an agile and



fixable organizational climate which enables the staffs to perform their daily tasks professionally in the presence of an equitable and fair performance appraisal system.

3. Research Question

How does performance appraisal system affect the organizational climate in (GEDCO)?

Sub – questions

3.1. How does performance appraisal process affect the organizational climate in (GEDCO)?

3.2. How does performance appraisal method affect the organizational climate in (GEDCO)?

3.3. How does performance appraisal feedback affect the organizational climate in (GEDCO)?

4. Research Objective

To investigate how organizational climate can be influenced by performance appraisal system in (GEDCO).

Sub – Objectives

4.1. To examine how organizational climate can be influenced by performance appraisal process in (GEDCO)

4.2. To explore how organizational climate can be influenced by performance appraisal methods in (GEDCO)

4.3. To find out how organizational climate can be influenced by performance appraisal feedback in (GEDCO).

5. Literature Review

As stated by (Robbins & Judge, 2013; Poghossyan et al, 2012) organizational climate could be indicated as a work condition can be quantified, measured, and improved. They also revealed that organizational climate is the common sense for individuals who are committed to the rules, practices, events, and processes they practice and the behaviors they perceive being satisfactory, reinforced, and estimated (Ehrhart et al, 2013). According to Punia et al., (2014), each organization has its own climate, which is mostly reflective of the institutional leader's personality. A set of attitudes and expectations among individuals within the firm may help to shape the company's climate.

5.1 Dimensions of Organizational Climate

Based on Steer's (1977) hypothetical model, the current study's selection of the organizational climate dimensions, whereby (Structure; Technology; and decision-making as one of the managerial practices; and external environment). This paper concentrated on just three of these dimensions to be investigated as dependent variable and how these could be influenced by performance appraisal dimensions as (independent variable). These dimensions are (decision making DM, available technology AT and organizational structure OS).



5.1.1 Decision Making

As indicated by (Irawanto, 2015; Zubair, et al., 2015); employees' participation in decision making is an interesting strategy that allows them to engage in discussing and making different decisions that impact them. Bhuiyan, (2010) showed that participatory techniques provide the opportunity for enhanced job engagement, which meets the greater willingness among individuals to participate in decisions that influence their work and to be effective participants to the organization rather than just staff members.

Amin et al., (2012) revealed that excessive levels of activity satisfaction are linked to managers' usage of a participation approach and the knowledge of strategy planning methods that involve employee participation. As also reported in Elele and Fields, (2010) employees typically have a better understanding of their task than their superiors or bosses. In addition, more information will be used to make decisions in discussions with staff. On the other hand, individuals who participate in decision-making are better prepared to put their decisions into action afterwards, they may also believe that their managers value their contributions or recognize their intelligence. As a result, high satisfaction and higher productivity could be achieved (Elele and Fields (2010).

5.1.2 Available Technology

According to Jake (2011), the use of technology has an impact on an organization's work structure. Jones (2010) claims that technology-assisted skills, systems, and processes effectively address environmental concerns at the input stage. At every level of the process, from input to conversion to output, technology boosts overall efficiency, lowers costs, and improves quality and service. Atiyeh et al., (2014) indicated that employee commitment can be supported by technology. It lays the groundwork for making maximum use of data, skills and thoughts of employees. By establishing new service processes and utilizing open Web-based technologies that can be readily connected among applications, devices, and data storage, organizations may empower and boost employee commitment (Jena, 2015).

5.1.3 Organizational Structure

According to (Kovacs, 2017, Shpak, et al., 2017), the change of business strategy in organizations needs to make amendment with organizational structure and other emergency variables that influence business performance achievement. In order to accomplish organizational goals, Jones (2013) defines organizational structure as a official system of authority roles and duties that coordinates and supervises employee activities and behavior. On the other hand, Liao et al., (2011) indicated that organizational structure represents a helpful tool that guides employees' behaviors through norms, goals, and shared values in the company. However, organizational structure has been defined as an approach to integrating and differentiating organizations through the assignment of work tasks and events (Tran & Tian (2013). According to Kavele (2012), because the organization's strategy is the means by which the goal will be attained and requires the support of the structure, they should work together.



6. Concepts of Performance Appraisal System

Performance appraisal systems, as defined by Van Dijk and Schodl (2015), are the methods and processes used by organizations to measure and evaluate the level of performance of their employees as well as to give them feedback. Both administrative and developmental objectives might be served by this procedure. Even though performance appraisal is a crucial and important method for handling labors, it is rarely well-received by managers and employees. Consequently, clearly stating the purpose of the performance appraisal and responding to the employees' reactions are critical to the performance appraisal's success (Van Dijk & Schodl, (2015). On the other hand, In Zafrullah & Irfanulla, (2017) performance appraisal was regarded as an instrument to determine and communicate to an individual performance on a given work during a period of time, and basically creating an improvement plan. Kromrei, (2015) defines performance appraisal as an important tool for evaluating an individual's performance, improvement, expansion of their competencies, developing their performance, and rewards distribution. In addition, performance appraisal system aims to assist supervisors and managers to make wise decisions concerning incomes, wages and rewards systems, training, and promotions, and to encourage individuals by providing constructive and useful feedback (Baharom & Ameen, 2019). Iqbal et al (2014) indicated that performance appraisal is a regular and systematic process to assess employees' performance.

6.1 Dimensions of Performance Appraisal System

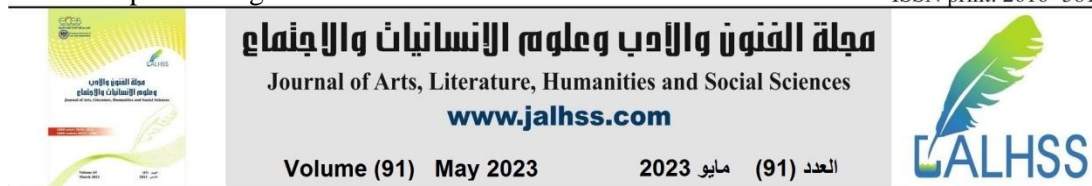
6.1.1 Performance Appraisal Process

As reported by Dijk and Schodl (2015), the performance appraisal process would permit staffs to contribute and share their opinions in order to generate favorable employee reactions. Additionally, the performance assessment process involves evaluating individuals' performance and giving them feedback on the kind and level of their performance. This process facilitates the employee and organization toward developmental and administrative purposes.

Furthermore, Van Dijk and Schodl (2015) indicated that appraisers' decision biases and lack of ratings precision threaten the performance appraisal validity. In addition, According to Desller, (2015), performance appraisal process has five main steps. The first one involves job defining, which is concerned with analyzing the job based on exact tasks that need to be fulfilled and the required qualifications and skills according to the performance standard goals. As presented by some examiners (e.g., Kromrei, 2015; Joseph, 2014; Iqbal et al., 2015), performance appraisal engenders several benefits for both an employee and the institution, but closed to criticisms and challenges; these advantages for instance include performance appreciation, career improvement and development, reward and incentives, and feedback.

6.1.2 Methods of Performance Appraisal

In the literature, various methods have emerged and developed for creating an efficient and effective appraisal system in organizations. Urbancova et al., (2017) categorized these methods into two types: past methods and future ones. Past methods are concerned with the performance evaluation process after passing the time. They are beneficial in defining accomplished everyday duties and tasks which might



possibly be measured but not changed. On the other hand future methods are concerned with appraising predicted performances; they focus on the assessment of future performance. Others (e.g. Turgut and Mert, 2014), classified appraising methods as entire, comparative, behavioral, relative, and outcomes-based subject to steps and procedures used in the assessment process. This classification demonstrates that any situation cannot be defined by using method but based on significance over the features of the appraisal methods.

6.1.3 Performance Appraisal Feedback

According to Dijk and Schodl (2015), feedback is knowledge or information given to individuals to help them understand the quality of their work outcomes. Additionally, employees want performance appraisals to recognize how near they are to completing duties. The process of giving & receiving feedback, however, seems challenging. Real feedback would help the employee focus on the level of job performance, particularly the exact techniques to increase that performance (Dijk & Schodl, 2015).

Consequently, feedback often moves the receiver's attention from the higher level of the self to a lower level (e.g., how I come across in this feedback), or the task details at a lower level (e.g., how I hold my hands when I'm instructing). On the other hand, given the obstacles and challenges of the feedback process, it is evident that providing feedback necessitates a high level of competence and understanding. Developing interpersonal or communicative skills, on the other hand, is merely one component of a successful evaluation system (Van Dijk & Schodl, 2015).

7. Relationship between the Performance Appraisal System and Organizational Climate

As reported by (Raineri, 2017; Rana, (2015) a constructive organizational climate can be created by employee's engagement and great performance system leading to committed employees, and also providing organizations with a competitive advantage. On the other hand, high performance work system can enhance employee performance using motivational models in understanding how HR practices work together to develop employees in different organizational climate. Researchers (e.g., Caldwell & Floyd, 2014; Jeong & Shin, 2019) showed that positive performance system also provides strength for companies to improve individual and organizational knowledge, provide opportunities to solve problems collectively, and drive innovation. Accordingly, all these factors may certainly enhance and improve employees' organizational climate. Organizations' performance managing method requires providing a work climate that enables individual to put their best effort forth at work. The method that an employer uses to do this varies greatly from one firm to the next. Notwithstanding, the performance management process usually entails some sort of goal-setting, performance evaluation, and compensation (Madison, 2016).

According to Dechev (2010), individuals must meet part of their requirements through job activities that provide them with a helpful and supportive organizational climate and work environment; employees must also perform meaningful jobs, participate in goal-setting, and share the benefits of their hard works and personal development. In a study conducted in coal mining sector in India, Agrawal and Prasad (2019) found that

t organizational climate and performance evaluation system are positively correlated. As showed by authors (Caldwell & Floyd, 2014; Jeong & Shin, 2019) High performance systems can give businesses a base from which to grow and create a variety of work settings and climates. According to Goksoy and Alayoglu (2013), employees' perceptions of fairness in performance appraisals affect how they make decisions. Zhang and Bartol, (2010) reported that performance appraisal offers a truthful and dependable base for creating critical decisions with regard to employee development. A significant link between organizational structure and performance reviews was also created by Muriuki et al., (2021).

By merging individual, group, and mutual values, the performance appraisal system contributes to organizational culture and climate (Paauwe & Boselie, 2005).

Companies can establish a healthy work climate, contribute to growth and development, and support problem solutions by aligning performance appraisal with the company's culture.

Based on the previous findings, this article will examine and test the following hypothesis:

Hypothesis: *Performance appraisal system significantly impacts organizational climate in GEDCO.*

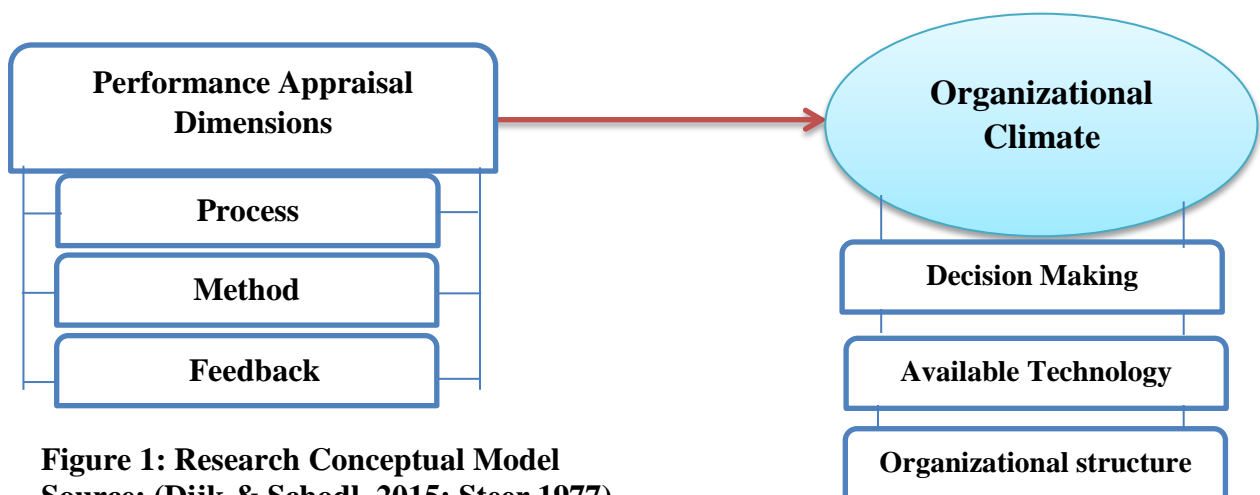


Figure 1: Research Conceptual Model
Source: (Dijk & Schodl, 2015; Steer 1977).

8. Methodology and Measurement

The current study selected 221 employees in GEDCO after dividing the population to six groups based on the stratified random sampling method, where each branch was considered as a stratum. The study population involves individuals who will provide the required data. Data analysis depends on using statistical techniques. Hence, the study population included those employees "individuals" in Gaza Electricity Distribution Corporation (GEDCO). In order to assess all the study's characteristics, a five-point Likert scale was used. Steer's (1977) organizational climate questionnaire



was also used. In the meantime, Van Dijk & Schodl's (2015) performance appraisal system questionnaire was employed to measure the aspects of performance appraisal.

9. Results & Data Analysis

9.1 Rate of Response

Respondents were given of 269 surveys, and all of them were returned, while 34 weren't filled out and 14 were outliers. Only 221 of the surveys could be used, which represents an 82.16% response rate including 173 (78.3%) men and 48 (21.7%) women completed the surveys. Descriptive statistics and (AMOS) were employed in this study to evaluate the measurement model and hypothesis and to produce scores for the relations between all variables. SPSS was also used for the primary analysis.

Table 1: Dimensional Study Variable Correlation Matrix

	AP	AM	AF	DM	AT	OS
(AP)	1					
(AM)	.748**	1				
(AF)	.746**	.775**	1			
(DM)	.524**	.488**	.455**	1		
(AT)	.194**	.296**	.200**	.294**	1	
(OS)	.507**	.470**	.454**	.498**	.394**	1

According to the above table, there is a strong link between the factors.

9.2 Analysis of Reliability and Validity

Hair et al. (2020) suggest that the range of the construct scores' composite reliability should be between 0.7 and 0.95. The factorial structure of the model was stable, as shown in the table below, where each dimension's composite reliability coefficient (CR) value was higher than 0.70 and varied between (0.833-0.967). The fact that the constructivist model's factors had convergent validity was confirmed through comparisons based on Table 2's results, as the extracted average variance (AVE) was greater than 0.50 for each dimension and ranged between (0.774 and 0.870), which is lesser than the composite reliability, is an indication of the model's factorial structure's high reliability (CR).

It can be seen from these results that each component's diagonal values are higher than the correlation coefficient values that are related to that factor, demonstrating that each variable is different from the other variables. Table (2)'s diagonal numbers represent the average variance's square root (AVE). This indicates that the validity of its discriminant has been confirmed.

**Table 2: Performance Appraisal System and its Dimensions Reliability**

Dimension	Cronbach's Alpha	Corrected Item-Total Correlation
Performance Appraisal Process	0.869	From 0.606 to 0.759
Performance Appraisal Method	0.818	From 0.401 to 0.696
Performance Appraisal Feedback	0.866	From 0.631 to 0.756
Performance Appraisal System	0.936	From 0.390 to 0.797

As indicated in table (2), performance appraisal system and its dimensions have high stability, as it ranged between (0.818 - 0.936). The discriminatory ability of the variable's items and its dimensions ranged between (0.390-0.797), and was explained by the values of corrected item-Total Correlation. All the values of the corrected item total correlation were above (0.2). This indicates good relationship of items with the construct.

Table 3: Organizational Climate and its Dimensions Reliability

Dimension	Cronbach's Alpha	Corrected Item-Total Correlation
Decision Making	0.845	From 0.554 to 0.743
Available Technology	0.868	From 0.614 to 0.746
Organizational Structure	0.734	From 0.047 to 0.606
Organizational Climate	0.863	From 0.097 to 0.629

Table (3) indicates that the organizational climate and its dimensions have high stability, as it ranged between (0.734 - 0.868). The discriminatory ability of the statements of the variable and its dimensions ranged between (0.097-0.746), and was explained by the values of corrected item- Total Correlation. The corrected item total correlation's values were all above average (0.2) except for statement (4) in organizational structure (OS), where the value corrected Item-Total Correlation was less than (0.2), which means that the statement has a low discriminatory ability. After carefully examining the statement, the researcher discovered that it differs from the other claims in nature. Even when this statement was left out of the analysis, the findings showed that the other claims still had high reliability scores.



10. Measurement Model Analysis

10.1 Performance Appraisal System Confirmatory Factor Analysis

After the unsuitable elements (AP1), (AP3), (AM1), (AM5), (AF4), and (AF5). The standards of NFI = 0.942, IFI = 0.967, CFI = 0.967, TLI = 0.950, and GFI = 0.950, which are higher than (0.90). RMSEA = 0.076 is fewer than (0.08) and 2/df ratio = 2.257 is less than (5). The outcomes show that the data fit the model well. The results display that the remaining items' regression weights on their components are significant at the level of (0.05) for the remaining items of the performance appraisal system dimensions, as shown in table (4).

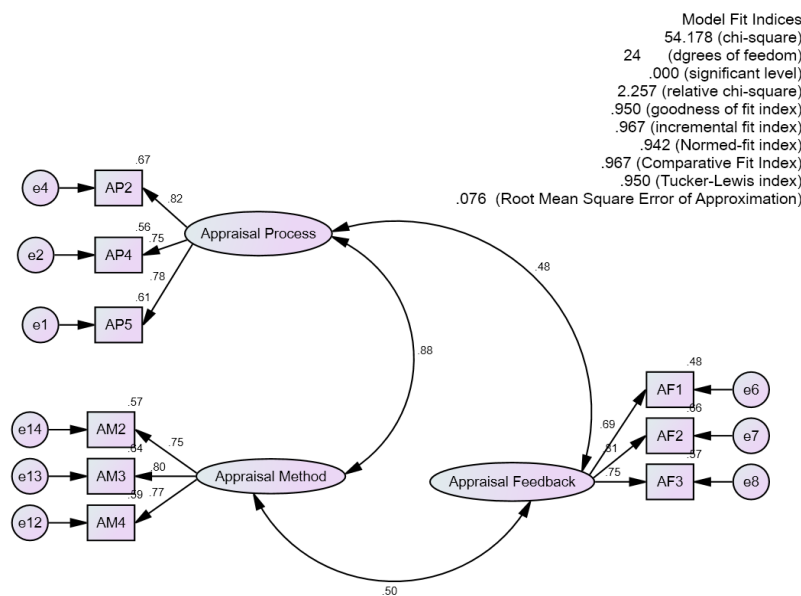


Figure 2: The measurement model for Performance Appraisal System

Table 4: Performance Appraisal System Model "Fit Measurement Criteria"

Measure	Name	Level of Acceptance	Value
χ^2	Chi- square	p-value>0.05	Chi-square = 54.178 p-value=0.000<0.05
CMINDF	relative chi-square	CMINDF < 5	2.257
RMSEA	Root mean square error	RMSEA < 0.08	0.076
GFI	Goodness of fit	GFI \geq 0.90	0.950
NFI	Normed-fit index	NFI \geq 0.90	0.942
CFI	Comparative fit index	CFI \geq 90	0.967
IFI	Incremental fit indices	IFI \geq 90	0.967
TLI	Tucker Lewis index	TLI \geq 0.90	0.950



10.2 Organizational Climate Confirmatory Factor Analysis

After removing the unsuitable items (DM3, DM5, AT3, OS4, and DM5), the constructivist model was obtained for all of the indicators of good fit, according to the results in figure 3 and table 5. (OS5). The values of NFI = 0.925, IFI = 0.955, CFI = 0.954, TLI = 0.936, and GFI = 0.935, which are higher than (0.90). RMSEA = 0.08 is equivalent to (0.08) and 2/df ratio = 2.401 is smaller than (5). The outcomes show that the data fit the model well. The findings for the remaining organizational climate dimensions items demonstrate that the remaining statements' regression weights on their components are statistically significant at the level of (0.05), as indicated in table (5).

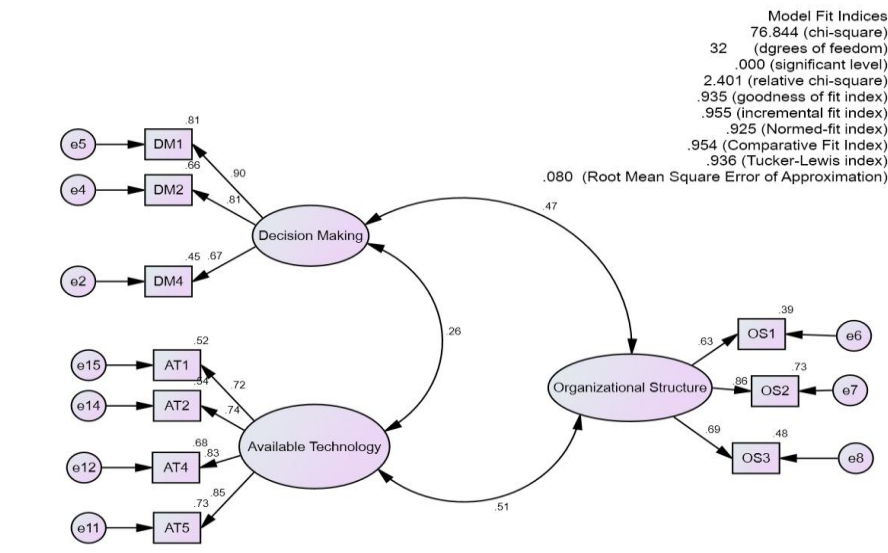


Figure 3: The Organizational Climate Measurement Model

Table 5: Organizational Climate Measurement Model "Fit Measurement Criteria"

Measure	Name	Level of Acceptance	Value
χ^2	Chi- square	p-value>0.05	Chi-square = 76.844 p-value=0.000<0.05
CMINDF	relative chi-square	CMINDF < 5	2.401
RMSEA	Root mean square error of	RMSEA < 0.08	0.080
GFI	Goodness of fit	GFI \geq 0.90	0.935
NFI	Normed-fit index	NFI \geq 0.90	0.925
CFI	Comparative fit index	CFI \geq 90	0.954
IFI	Incremental fit indices	IFI \geq 90	0.955
TLI	Tucker Lewis index	TLI \geq 0.90	0.936



11. Discussion

The results show that the performance appraisal system has a direct, strong, positive, significant impact on the organizational climate. The standard regression coefficient is 0.748; the standard error is 0.072; the critical ratio is 7.929; and the P value is 0.000. Table (6) shows the values of the standard and non-standard regression coefficients and the critical values with the p- value of the tests (statistical significance). The regression coefficients were statistically significant indicating an existence of a direct, strong, positive, significant influence for the PAS on OC, in which the standard regression coefficient value equals (0.748). The value of the squared multiple correlations indicates that (55.9%) of the variance in the organizational climate is explained by (performance appraisal system), and the rest of the variance is explained by other variables. According to table 6's findings, "Appraisal method (AM)" and "Appraisal Feedback (AF)" have the greatest influence on organizational climate. The highest and equal (0.877) and (0.870) values of the standard regression weight were recorded. The factor that had the least impact on organizational climate was the appraisal process (AM). The standard regression weight had the following value: (0.870).

Table (6): Values of Regression Coefficients for Causal paths

Causal Path			Regression Weights	Standardized Regression Weights	S.E.	C.R.	P	Squared Multiple Correlations
Organizational Climate	<---	Performance Appraisal System	0.571	0.748	0.072	7.929	0.000**	0.559
Appraisal Method (AM)	<---	Performance Appraisal System	0.895	0.870	.055	16.252	0.000**	0.758
Appraisal Feedback (AF)	<---	Performance Appraisal System	0.960	0.877	.059	16.291	0.000**	0.769
Appraisal Process (AP)	<---	Performance Appraisal System	1.000	0.863				0.769

The correlation coefficients in following table reveal that there is a positive, moderately significant association between the organizational structure (OS) and decision-making (DM) and performance appraisal system. The association between the performance evaluation system and the available technology is likewise marginally positive and statistically significant (AT). This result goes agree with previous studies which indicated a connection between PAS and OS (e.g Nasrollahi & varaki 2013; Muriuki et al., 2021; Ghutke, 2016; Thompson, 2017; Alayoglu, 2013; Ahmad & Bujang, 2013). On the other hand, many past works also affirmed the correlation between PAS and DM (Phin, 2015; Clarke et al., 2013; Mhlolo, 2014; Shrivastava & Purang, 2011; Wise, 2005).

**Table (7): Coefficients of Correlation between Study Variable**

	Organizational Structure	Available Technology	Decision Making
Performance Appraisal	0.556**	0.332**	0.521**

The study hypothesis, estimates a significant impact of performance appraisal dimensions on organizational climate in GEDCO.

The outcomes show a direct, strong, positive, relationship between the performance appraisal dimensions and organizational climate (at the level of significance $P = 0.05$), with the standard regression coefficient equal to 0.748, the standard error equal to 0.072, the critical ratio equal to 7.929, and the P value equal to 0.000, which is less than the value of 0.05. consequently, the hypothesis is accepted and confirming a significant connection between PA and OC. To achieve this objective, the research hypothesis was developed precisely to forecast the important effect of performance appraisal dimensions on organizational climate. The postulated hypothesis regarding the influence of PAS on OC is supported by the analysis of the obtained data with strong indications. P value of the analysis is 0.000 and this value is below 0.05. This means if the performance appraisal increases by one unit, the organizational climate will increase by (0.748) unit. Hence, the higher level of the performance appraisal, the higher level of organizational climate in the company. The findings also indicated that the most significant influences on organizational climate are the aspects of the appraisal process and the appraisal feedback (AF). The factor (appraisal process (AP)) had the least impact on the culture of the organization. This might be because the appraisal method (AM) and appraisal feedback (AF) do a better job than the appraisal process at fostering a positive organizational atmosphere at work (AP). The findings also revealed a positive, medium significant connotation between organizational structure (OS) and decision-making (DM) and performance appraisal system. The association between the performance evaluation system and the available technology (AT) component, on the other hand, is weak, positive, and statistically significant. The value of the squared multiple correlations indicates that (55.9%) of the variance in the organizational climate is explained by (performance appraisal system). In general, the results proved that the hypothesis was accepted. The effect of PA on OS was indicated and affirmed in past studies (e.g Nasrollahi & varaki 2013), they revealed that building a performance evaluation system and organizational structure are significantly related. Muriuki et al., (2021) also revealed that there is a significant links between performance appraisals and organizational structure. In past works (e.g Ghutke, 2016; Thompson, 2017; Alayoglu, 2013), performance appraisal system PAS was found to affect the process of decision making (DM) in the organizations. The influence of performance appraisal on decision making was



indicated previously by Wise, (2005) who stated that performance appraisal system can assist employees for making decisions about their future careers.

12. Conclusion

This research paper mainly investigated how organizational climate can be influenced by performance appraisal system. 221 individuals were selected as participants among six branches of (GEDCO) in Palestine. The findings showed that there is direct, strong, significant influence for the performance appraisal system on the organizational climate. The results also demonstrated that the most significant influence on organizational climate is exerted by the appraisal process and appraisal feedback.

13. Theoretical Implications

The current study focuses on the scientific contribution to the development of the theoretical and empirical perspective on the factors affecting the model of the study. The study also keeps pace with organizational development, and is a scientific addition to the Arab library in the field of organizational development, as the Arab library and Palestinian studies still suffer from a shortage the sources dealing with the importance of organizational commitment in (GEDCO). This constitutes a qualitative addition to the current study in the context of addressing the problem of study, and an important tributary for researchers and specialists in this field.

14. Practical Implications

The study's practical value stems from the problem it attempts to solve. The study aids in determining the means by which the performance evaluation system attempts to impact the organizational climate in (GEDCO). Many practical implications were presented in this study. To begin with, the variable of performance appraisal system represented by appraisal feedback, appraisal process, and appraisal method can be effective factors that increase organizational climate in the company.

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