

The Impact Of Organizational Climate On Institutional Performance. A Field Study On The General Electricity Corporation In Yemen

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Abstract: This study investigates the effect of organizational climate on institutional performance within the Public Electricity Corporation of Yemen. Utilizing a quantitative descriptive research design, data were collected via a structured questionnaire. The study population consisted of employees in various managerial and technical roles at the General Electricity Corporation in Yemen (N = 896). A proportionally stratified random sample of 269 participants was selected, and responses were measured using a seven-point Likert scale. Data analysis was conducted using the Statistical Package for the Social Sciences (SPSS v.28). The results indicate a significant and direct influence of organizational climate on institutional performance, with certain dimensions demonstrating a particularly strong effect. Specifically, communication systems and work procedures emerged as pivotal determinants of superior institutional performance. The study recommends prioritizing the enhancement of communication systems, refinement of work procedures, and the development of effective incentive mechanisms to foster improved performance.

Keywords: Organizational Climate, Institutional Performance, Public Electricity Corporation, Yemen.

1. INTRODUCTION:

Institutional performance remains a pressing concern for public sector organizations, especially in environments characterized by ongoing political and economic instability. Amid mounting pressures to improve service delivery and operational efficiency, these institutions are compelled to adopt management practices that not only address current challenges but also ensure long-term sustainability. Both financial and non-financial performance serve as primary indicators of organizational success, reflecting the extent to which institutions achieve their strategic objectives and meet stakeholder expectations.

As a multidimensional construct, institutional performance encompasses several critical aspects, including efficiency, effectiveness, and responsiveness to clients or citizens. It has received considerable attention from both scholars and practitioners, emerging as a central dependent variable in research across public administration, management, and organizational behavior (Aldilami & Al-Murhadi, 2025). Nevertheless, the tools and metrics used for performance assessment vary widely across organizations, reflecting differences in institutional goals, sector-specific characteristics, and contextual factors (Yixin & Adnan, 2025).

One of the pivotal determinants of institutional performance is organizational climate (OC)—a concept rooted in behavioral sciences and organizational theory since the early 1960s. Organizational climate refers to employees' shared perceptions of various elements within their work environment, such as leadership style, communication channels, involvement in decision-making, procedural justice, and reward systems. Collectively, these dimensions influence motivation, morale, and productivity, thereby affecting organizational outcomes in concrete ways (Al-Ma'shar, 2001; Abu Khadija, 2007).

A favorable organizational climate fosters alignment between individual and institutional goals, encourages teamwork, and enhances overall performance. Conversely, a deficient or negative climate often leads to diminished employee engagement, low accountability, and operational inefficiency. Numerous empirical studies underscore the importance of a supportive internal environment in enabling organizations to adapt and perform, particularly under stressful conditions (Alshurideh et al., 2022). However, most of this research has been conducted in developed contexts, while investigations in fragile states and conflict-affected environments remain limited.

In Yemen, public institutions are burdened by protracted instability, resource constraints, and weak administrative capacities. The General Electricity Corporation—a vital service provider—operates under exceedingly challenging circumstances. Preliminary fieldwork, including interviews with senior officials and direct observation, highlights several internal deficiencies: absence of a strategic vision, insufficient investment in human capital, and ineffective control mechanisms. These factors have contributed to a deteriorating organizational climate and declining institutional performance.

Since 2018, the emergence of private electricity providers has further complicated the competitive landscape, intensifying pressures on the Corporation. These developments highlight the urgent need for the Corporation to reassess its internal processes and strengthen its organizational climate to remain relevant and meet public expectations. Available evidence indicates that core dimensions of organizational climate are either inadequately applied or entirely missing within the Corporation's current management practices.

Accordingly, this study seeks to examine the relationship between organizational climate and institutional performance within the General Electricity Corporation of Yemen. By focusing on a public institution operating in a fragile, conflict-affected environment, the study addresses a substantial gap in the existing literature. Its findings aim to inform both academic discourse and policymaking in comparable public sector settings. The research is guided by the following questions:

- 1) What is the level of organizational climate practices—across its dimensions (organizational structure, communication systems, participation in decision-making, work procedures, and incentives)—within the Yemeni General Electricity Corporation?
- 2) What is the level of institutional performance—across its dimensions (efficiency, effectiveness, and customer focus)—within the Corporation?
- 3) To what extent does organizational climate influence institutional performance in the Yemeni General Electricity Corporation?

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT:

2.1. Organizational Climate and Institutional Performance:

Organizational climate (OC) is considered a critical determinant of employee attitudes and organizational effectiveness. It encompasses employees' shared perceptions of essential aspects of the work environment, such as leadership styles, communication methods, decision-making mechanisms, and reward systems (Quan et al., 2023). Empirical research consistently underscores the positive correlation between OC and diverse organizational outcomes, including job satisfaction, creativity, organizational commitment, and overall performance (Ramjauny, 2025; Santana et al., 2023).

For instance, Santana et al. (2023) examined higher education institutions and found that a positive organizational climate significantly improved institutional performance, motivating employees toward higher levels of innovation. Similarly, Ramjauny (2025) reported that OC is a robust predictor of job satisfaction across both educational and service organizations, highlighting the generalizability of OC's role in shaping employee well-being and organizational success.

Recent research also emphasizes the importance of leadership support, organizational transparency, and open communication channels in cultivating an environment conducive to innovation and employee engagement (Son & Kim, 2024). Supportive climates strengthen institutional trust and resilience, enabling organizations to adapt during periods of uncertainty and change (Song et al., 2024). Such climates are also associated with greater employee proactivity and a higher likelihood of innovative behaviors.

Numerous studies confirm the positive association between OC and institutional performance in various contexts. For example, Abu Al-Fotouh (2022), analyzing Egyptian public organizations, demonstrated that participative and empowering climates are linked with superior institutional outcomes. Akpom and Igbo (2022) produced similar findings in Nigerian university libraries, showing that leadership style, effective communication, and collaborative team spirit—key OC components—directly enhance job performance and satisfaction.

However, the literature reveals certain limitations. Most research on OC focuses on private or semi-autonomous institutions in relatively stable environments, whereas fewer empirical studies have examined traditional public organizations in fragile or conflict-affected contexts. Furthermore, the predominance of descriptive research and limited cross-context generalizability constrain the external validity of these findings.

Addressing these gaps, the present study investigates the influence of organizational climate dimensions on institutional performance within a major public institution in Yemen. Given the country's ongoing administrative and political instability, such research offers valuable insights into the functioning and improvement of public sector organizations operating under adverse conditions.

2.2. Dimensions of Organizational Climate:

2.2.1 Organizational Structure:

A clear and well-articulated organizational structure delineates roles and responsibilities, enables effective delegation of authority, and optimizes workflow coordination—all of which are critical for operational efficiency and institutional success (Acharya, 2023). Empirical analyses, such as that of Lannes (2021), demonstrate a significant positive relationship between well-defined structures and enhanced organizational effectiveness. However, structural rigidity, which is prevalent in many public sector institutions, often impedes innovation, adaptability, and responsiveness to external changes (Lannes, 2021; Acharya, 2023). Thus, the challenge lies in achieving a balance between structural clarity and sufficient flexibility to support organizational learning and change.

2.2.2 Communication Systems:

Effective communication systems are fundamental to facilitating information exchange, supporting decision-making, and nurturing organizational cohesion. As Hamdi (2009) notes, communication serves not only as an administrative tool but also as a social and psychological process that shapes organizational culture and climate. Akpom and Igbo (2022) provide empirical evidence that open, transparent communication channels are strongly linked to heightened organizational commitment and superior performance. Nevertheless, in many bureaucratic environments, highly formalized communication procedures risk becoming obstacles that restrict information flow, hinder responsiveness, and reduce organizational agility.

2.2.3 Participation in Decision-Making:

Employee participation in decision-making processes has a well-documented positive impact on creativity, innovation, and job engagement. Braim (2022) reports that participatory decision-making not only stimulates creative solutions across organizations, including those in higher education, but also fosters a deep sense of ownership among staff. This form of involvement is associated with increased job satisfaction and productivity. Conversely, in hierarchical or traditionally managed organizations, participation is often either merely symbolic or significantly restricted, undermining its potential benefits (Braim, 2022).

2.2.4 Work Procedures:

Work procedures shape the degree of standardization and flexibility within organizations. Abbas (2021) highlights that rigid, routine procedures—while reducing variability and increasing predictability—often induce monotony and stifle creativity. In contrast, flexible procedures can enhance employee motivation and foster innovative problem-solving, provided that core organizational standards are maintained. Striking an effective balance between procedural standardization and adaptability is therefore crucial for public organizations to achieve optimal levels of efficiency and innovation.

2.2.5 Incentives

Incentive systems, whether material (financial) or moral (non-financial recognitions), are fundamental motivators that drive employee performance and organizational loyalty (Abbas, 2021). Empirical studies confirm that fair, transparent, and performance-based reward systems are linked to increased motivation and reduced turnover. However, many public organizations still rely on rigid, tenure-based incentive structures that do not always align with actual contributions or performance outcomes, which may lead to lower levels of employee engagement and demotivation.

2.3. Institutional Performance:

Institutional performance refers to an organization's capacity to optimally leverage resources, achieve its objectives, and satisfy stakeholder expectations. This multifaceted concept is shaped by several internal and external factors, including leadership, organizational culture, and robust internal evaluation and control mechanisms (Yang, 2025). In both the scholarly and practitioner literature, institutional performance is commonly assessed through the following dimensions:

1) Efficiency: The organization's ability to minimize input usage while maximizing output, thereby generating optimal value from available resources (Al-Banna, 2008).

2) Effectiveness: The degree to which the organization achieves its strategic objectives and adapts to external changes or opportunities (Johnson et al., 2002).

3) Customer Focus: The emphasis placed on service quality, responsiveness, and customer (or citizen) satisfaction, particularly within the context of public service delivery (Kesri, 2012).

Although these performance dimensions have been widely examined across various sectors, there remains a notable gap in understanding how organizational climate—especially in the public sector within developing or unstable contexts—directly impacts these aspects of institutional performance (Yang, 2025; Al-Banna, 2008).

2.4. Research Gaps and Justification:

The extant literature highlights the significant role of organizational climate in enhancing institutional performance. However, several important gaps persist:

Geographic and Contextual Gap: The majority of studies are concentrated in stable, developed environments, and focus on private or quasi-public sectors. There is a dearth of empirical research investigating this nexus within traditional public institutions operating in fragile or conflict-affected states such as Yemen (Santana et al., 2023; Quan et al., 2023).

Dimensional Interaction Gap: Most prior research treats organizational climate as a broad construct and often overlooks the nuanced ways in which specific climate dimensions (e.g., participation in decision-making, communication systems) interact with particular performance indicators (such as efficiency or customer focus).

Sectoral Specificity: Few studies have empirically explored these relationships within the unique sociopolitical and administrative context of Yemen's public sector.

Therefore, this study seeks to fill these research gaps by systematically analyzing the impact of five key organizational climate dimensions on institutional performance in the General Electricity Corporation, a pivotal public entity in Yemen.

2.5. Hypotheses Development:

Guided by the foregoing theoretical foundations and empirical insights, the following hypotheses are proposed to examine the relationship between organizational climate and institutional performance:

H1: Organizational climate has a statistically significant positive effect on institutional performance in the General Electricity Corporation.

H1.1: Organizational structure has a statistically significant impact on institutional performance.

H1.2: Communication systems have a statistically significant impact on institutional performance.

H1.3: Participation in decision-making has a statistically significant impact on institutional performance.

H1.4: Work procedures have a statistically significant impact on institutional performance.

H1.5: Incentives have a statistically significant impact on institutional performance.

3. Research Methodology, Methods, and Materials:

3.1. Research Period

The study was conducted over a five-month period, from January to May 2025. During this time, the research team finalized the study design, administered data collection instruments, and conducted preliminary data analysis.

3.2. Research Design

This research adopted a quantitative, descriptive-analytical survey design. This choice is justified by the study's objective of identifying and analyzing statistically measurable relationships between the dimensions of organizational climate and institutional performance within a defined organizational context. This approach is particularly suited for studies aiming to test hypotheses, assess correlation patterns, and generalize findings to larger populations (Creswell, 2018; Bryman, 2016).

3.3. Data Sources and Sampling Strategy

Primary data for this study were collected using a structured, self-administered questionnaire designed based on validated instruments from prior literature. The questionnaire comprised closed-ended items measured using a seven-point Likert scale, reflecting the intensity of respondent agreement across key statements related to organizational climate and institutional performance.

The target population included all permanent employees ($N = 896$) working at the General Electricity Corporation. To ensure representativeness and minimize sampling bias, a proportional stratified random sampling technique was employed. Employees were stratified by job levels (senior, middle, and operational) and functional departments to reflect the organizational structure.

A total of 269 completed questionnaires were returned and deemed valid for analysis, yielding a response rate of approximately nearly 100%, which is considered adequate for survey-based studies in organizational research (Saunders et al., 2019).

Table 1 presents the distribution of employees in the general electricity organization by job title.

Table 1 distribution of employees in the general electricity organization by job title.

Job Title	Number of employees	Category ratio	Sample size
General Manager / Deputy	26	2.90%	8
Managing director / deputy	56	6.25%	17
Head of Department	158	17.64%	47
Supervisor/ Observer	286	31.92%	86
Specialist / technician	370	41.29%	111
Total	896	100.00%	269

Stratification was based on job position categories—such as general managers, department heads, supervisors, and technicians—to ensure internal representativeness. The inclusion criteria required participants to be permanent employees with at least one year of continuous service. No exclusion criteria were applied beyond the boundaries set by the stratification framework.

3.4. Instrumentation and Operationalization of Variables

The questionnaire consisted of three main sections:

- **Section 1:** Demographic Information- This section captured basic respondent details, including gender, age, educational level, and job position.
- **Section 2:** Organizational Climate (OC)- This section was adapted from previously validated instruments used in prior research (Gholam, 2022; Abu-Ahmed, 2021; Al-Andanusi, 2019). It included items representing five key dimensions: organizational structure, communication systems, participation in decision-making, work procedures, and incentive mechanisms.
- **Section 3:** Institutional Performance- Measurement items in this section were drawn from established studies (Al-Ayoubi & Al-Buji, 2020; Al-Jabouri & Al-Hakim, 2019; Eid, 2019) and covered three principal dimensions: efficiency, effectiveness, and customer focus.

All items were rated using a 7-point Likert scale, ranging from 1 (Strongly Disagree) to 7 (Strongly Agree).

4. RESULT

Before proceeding with data analysis, it is essential to assess the validity and reliability of the research instruments. Validity testing ensures the accuracy of the instrument in measuring the intended variables, while reliability assessment determines the instrument's stability and consistency when administered repeatedly under the same conditions and with the same respondents.

The reliability test was conducted using a sample of 269 responses. The results of this test are presented in Table 2.

Table 2 Reliability of the scale

Dimension	Alpha Cronbach
Organizational Chart	0.874
Communication systems	0.918
Participation in decision making	0.847
Working procedures	0.886
Incentives	0.855
Efficiency	0.917
Effectiveness	0.915
Focus on the internal customer	0.888
Focus on the external customer	0.910

Reliability and Internal Consistency Assessment

The Cronbach's alpha values for all assessed dimensions surpassed the widely accepted threshold of 0.70. This outcome provides robust evidence of high internal consistency and reliability for the employed measurement scale.

Key Points:

- 1) Cronbach's alpha > 0.70: According to established methodological literature, values above 0.70 are considered acceptable and reflect that the instrument's items reliably measure the intended constructs.

2) Scale Applicability: These results indicate that each dimension—whether pertaining to Organizational Climate or Institutional Performance—is measured by a set of items that function cohesively, providing consistent responses across the sample.

3) Implication: High internal consistency ensures that the scale yields stable and repeatable results, enhancing the credibility of subsequent statistical analyses and overall research findings.

4.1. Descriptive Statistics:

4.1.1. Characteristics of Respondents:

The characteristics of the 269 respondents—whose data were obtained through the completed questionnaires—are presented in Table 3. This table provides a general overview of the sample's demographic and professional profiles, thereby offering essential context for understanding and interpreting the subsequent analytical results.

Table 3 Sample characteristics

Characteristics		N	%
Gender	Male	206	86.9%
	Female	31	13.1%
Age	Less Than 30 Years Old	5	2.1%
	From 30 To Less Than 40 Years Old	89	37.6%
	From 40 To Less Than 50 Years Old	92	38.8%
	From 50 Years and Over	51	21.5%
Education	High School or Less	57	24.1%
	Diploma	19	8.0%
	Bachelor's	151	63.7%
	Master's	10	4.2%
Position	Specialist-Technician	96	40.5%
	Supervisor-Monitor	70	29.5%
	Head Of the Department	46	19.4%
	Administration Manager-Deputy	17	7.2%
	General Manager-Deputy	8	3.4%

Characteristics of Respondents:

The demographic characteristics of the respondents are summarized across four categories: gender, age, education level, and job position.

1) Gender: The majority of respondents were male, accounting for 86.9% of the sample, while female respondents constituted 13.1%.

2) Age Distribution: The largest age groups were those aged 30 to less than 40 years (37.6%) and 40 to less than 50 years (38.8%). Respondents aged 50 years and above made up 21.5%, whereas those under 30 years represented only 2.1% of the total.

3) Educational Qualifications: A clear majority of respondents held a bachelor's degree (63.7%), followed by individuals with high school education or less (24.1%). Respondents with a diploma comprised 8.0%, and those with a master's degree accounted for 4.2%.

This demographic profile indicates a workforce that is predominantly male and relatively mature in age, with most employees falling within the 30 to 49-year range. This suggests the presence of a mid-career workforce likely to possess accumulated professional experience and institutional knowledge. The high proportion of bachelor's degree holders reflects a moderately educated labor force, although the relatively low representation of postgraduate qualifications may highlight a potential need for further professional development and continuing education.

Such characteristics could have implications for organizational dynamics, particularly in terms of communication patterns, receptiveness to institutional change, and attitudes toward administrative or structural reforms. Understanding these attributes is crucial for designing effective management interventions and policy recommendations.

4.1.2. Descriptive Analysis of organizational climate:

This section provides a descriptive analysis of respondents' perceptions based on their responses to the organizational climate items included in the questionnaire. The analysis focuses on mean scores and distribution patterns across each statement to assess the general trends and attitudes toward the five core dimensions of organizational climate.

Table 4 Descriptive Analysis of Organizational Climate

Variable/Dimension	Mean	SD
Organizational Climate	4.033	1.179
Communication Systems	4.498	1.522
Organizational Structure	4.452	1.425
Work procedures	4.424	1.377
Participation in decision-making	3.861	1.455
Incentives	2.930	1.318

Table 4 indicates that the overall perception of organizational climate among respondents is at a moderate level ($M = 4.033$). Among the five measured dimensions, communication systems, organizational structure, and work procedures recorded relatively higher mean scores. These results suggest that the organization maintains an acceptable level of clarity in its structure and effective channels for internal communication.

In contrast, the dimensions related to participation in decision-making and, most notably, incentives, received mean scores below the neutral midpoint. The incentives dimension, in particular, scored the lowest ($M = 2.930$), highlighting a significant deficiency in the organization's motivation and reward mechanisms.

This pronounced gap in the incentives system may have adverse effects on employee satisfaction, engagement, and their willingness to contribute proactively toward the organization's strategic objectives. Addressing these weaknesses could be critical to improving overall organizational performance and fostering a more supportive work environment.

4.1.3. Descriptive Analysis of Institutional Performance:

Table 5 Descriptive Analysis of Institutional Performance

Variable/Dimension	Mean	SD
Institutional Performance	4.161	1.521
Efficiency	4.253	1.558
Effectiveness	4.228	1.504
Customer Orientation	4.002	1.500

The results in Table 5 indicate that institutional performance is perceived at a moderate level ($M = 4.161$). Among the three dimensions, efficiency recorded the highest mean score ($M = 4.253$), followed closely by effectiveness ($M = 4.228$). These figures suggest that resource utilization and goal achievement are generally being fulfilled at an acceptable level.

However, customer orientation—with a mean score of 4.002—was rated the lowest among the dimensions. This reflects a relative weakness in customer-focused service delivery and indicates potential shortcomings in how the institution addresses citizen needs and expectations.

These findings suggest that while the organization's overall performance is moderately aligned with its intended objectives, greater emphasis is needed on enhancing customer-centric strategies to realize more holistic and impactful institutional outcomes.

Furthermore, it can be inferred that the leadership of the Public Electricity Corporation demonstrates only a moderate level of engagement with institutional performance dimensions. This level of interest, although present, appears to fall below the optimum standard required to achieve excellence in service delivery and stakeholder satisfaction.

In particular, the relatively weak performance in customer orientation necessitates focused and strategic attention from senior leadership, given its central role in influencing institutional effectiveness, public perception, and long-term organizational credibility.

4.2. Testing Hypotheses:

Main Hypothesis (H1): Organizational climate has a statistically significant positive effect on institutional performance in the General Electricity Corporation – Capital Secretariat.

To validate this hypothesis, the researchers employed simple linear regression analysis, assessing the extent to which organizational climate predicts institutional performance. Table 6 presents the results of the regression model, including the model summary, ANOVA, and coefficient indicators.

Table 6 SIMPLE linear regression analysis of the main hypothesis

Model Summary		ANOVA			Coefficients				
R	R ²	F	DF	Sig F*	Variable	B	SE	T	Sig. t*
0.870	0.756	729.725	1	0.000*	Organizational climate	0.870	0.038	27.013	0.000*

* Significant at $\alpha \leq 0.05$

A simple linear regression was conducted to examine the effect of organizational climate on institutional performance. The findings reveal that the model is statistically significant ($F = 729.725$; $\text{Sig. F} = 0.000 < 0.05$), indicating that organizational climate is a significant predictor of institutional performance.

The R^2 value of 0.756 suggests that approximately 75.6% of the variance in institutional performance is explained by the organizational climate. The correlation coefficient ($R = 0.870$) also demonstrates a strong positive relationship between the two variables.

Furthermore, the regression coefficient was significant ($B = 0.870$, $t = 27.013$, $p < 0.05$), confirming that organizational climate exerts a substantial and positive effect on institutional performance. These findings support the main hypothesis and reinforce the theoretical assertion that a positive organizational climate is essential for institutional effectiveness and improved performance outcomes.

Sub-Hypotheses (H1.1-H1.5):

To test the sub-hypotheses, a multiple linear regression analysis was conducted to evaluate the individual effects of the five organizational climate dimensions on institutional performance.

Table 7 Multiple linear regression of subhypotheses H1.1, H1.2, H1.3, H1.4, H1.5

Model Summary		ANOVA			Coefficients				
R	R ²	F	DF	Sig F*	Variables	B	SE	T	Sig. t*
0.889	0.791	174.977	5	0.000*	Organizational Chart	0.025	0.047	0.527	0.598
					Communication systems	0.294	0.044	6.157	0.000*
					Participation in decision making	0.054	0.047	1.110	0.268
					Working procedures	0.459	0.055	8.484	0.000*
					Incentives	0.193	0.042	4.848	0.000*

* Statistically significant at $\alpha \leq 0.05$

The regression model was statistically significant overall ($F = 174.977$, $p < 0.05$), confirming that the combined dimensions of organizational climate reliably predict institutional performance. The R^2 value of 0.791 indicates that the model explains 79.1% of the variance in institutional performance, and the high correlation coefficient ($R = 0.889$) suggests a strong positive association between the predictor variables and the dependent variable.

Significant Predictors:

The following three organizational climate dimensions showed statistically significant positive effects on institutional performance:

Communication Systems: $\beta = 0.294$, $t = 6.157$, $p < 0.05$

Work Procedures: $\beta = 0.459$, $t = 8.484$, $p < 0.05$

Incentives: $\beta = 0.193$, $t = 4.848$, $p < 0.05$

These results reflect that efficient communication, streamlined and clear procedures, and appropriate incentive structures significantly contribute to performance enhancement within the organization.

Non-significant Predictors:

Organizational Structure: $\beta = 0.025$, $t = 0.527$, $p = 0.598$

Participation in Decision-Making: $\beta = 0.054$, $t = 1.110$, $p = 0.268$

These findings suggest that organizational structure clarity and employee participation in decision-making did not have a statistically significant effect on institutional performance in this specific context. This could be attributed to contextual factors such as centralized authority, rigid bureaucratic processes, or limited decision-making autonomy, which may neutralize the impact of these dimensions.

5. DISCUSSION:

This study provides robust empirical evidence of the significant role that organizational climate (OC) plays in shaping institutional performance (IP) within a public-sector setting. The findings reinforce the central hypothesis (H1), confirming that OC has a statistically significant and positive impact on IP in the General Electricity Corporation of Yemen. These results align with established organizational theories, which posit that a supportive internal environment—characterized by clarity, trust, and consistency—is conducive to enhanced performance (Schneider et al., 2013; Patterson et al., 2004).

Regression analysis revealed that among the five dimensions of OC, communication systems and work procedures exerted the most substantial effects on institutional performance. This finding is consistent with studies by Tsai (2011) and Neal et al. (2000), who emphasized that effective internal communication not only facilitates the flow of information but also promotes organizational cohesion, efficient decision-making, and accountability. Likewise, standardized and transparent work procedures reduce ambiguity, enhance operational efficiency, and support more consistent service delivery, all of which are vital for institutional effectiveness, particularly in resource-limited environments.

A third key finding concerns the role of incentives. This dimension also demonstrated a positive and statistically significant relationship with institutional performance. The result supports prior research by Eisenberger et al. (1997), who noted that incentive systems—both material and non-material—are essential for fostering employee motivation, engagement, and ultimately, improved organizational outcomes. In fragile and low-resource public sector contexts such as Yemen, the importance of fair, transparent, and performance-based incentives cannot be overstated.

Conversely, organizational structure and participation in decision-making did not exhibit statistically significant effects on performance in this study. This outcome diverges from several previous findings (e.g., Denison, 1990; Ostroff, 1993), which identified these dimensions as critical for employee empowerment and institutional adaptability. One possible explanation is the influence of context-specific constraints. In public institutions characterized by centralized authority, bureaucratic rigidity, or symbolic participation, decision-making processes may lack real influence, limiting their performance-enhancing potential. Similarly, even when formal structures are clear, their impact may remain minimal unless accompanied by managerial autonomy, adaptive leadership, and organizational culture change.

These contextual insights highlight the importance of aligning organizational reforms not only with structural changes but also with deep-rooted cultural and behavioral shifts that empower employees, decentralize authority, and prioritize responsiveness.

6. CONCLUSION, CONTRIBUTION AND FUTURE RESEARCH

6.1. Summary of Main Findings:

This study examined the relationship between organizational climate and institutional performance within the General Electricity Corporation of Yemen. The findings empirically confirmed the main hypothesis, demonstrating that organizational climate has a statistically significant and positive effect on institutional performance.

The simple linear regression model revealed that organizational climate alone accounted for 75.6% of the variance in institutional performance ($R^2 = 0.756$), indicating a strong predictive capacity.

Furthermore, multiple regression analysis identified three dimensions of organizational climate as significant predictors: (Communication Systems, Working Procedures, Incentives). These dimensions were found to exert a meaningful influence on performance outcomes. In contrast, Organizational Structure and Participation in Decision-Making did not demonstrate statistically significant effects, suggesting that their impact may be constrained by contextual or structural factors within the organization. These results highlight the importance of internal communication, streamlined work processes, and effective incentive systems in enhancing institutional effectiveness, particularly in public sector organizations operating under challenging conditions.

6.2. Contextualization within Existing Research:

The findings of this study align with a substantial body of literature highlighting the pivotal role of internal organizational factors—such as communication, procedures, and incentives—in driving institutional performance (e.g., Schneider et al., 2013; Tsai, 2011). These results reinforce the theoretical assertion that a supportive organizational climate fosters greater employee engagement, operational efficiency, and achievement of institutional goals.

However, the non-significance of structural configuration and participative decision-making as predictors suggests that the impact of some organizational climate dimensions may be contingent upon specific institutional and cultural contexts. In bureaucratic or fragile public sector environments—such as that of Yemen—formal participation mechanisms may be largely symbolic, and rigid hierarchies may limit the effective influence of structural clarity on performance outcomes.

6.3. Theoretical and Practical Implications:

Theoretically, this study reinforces the validity of multidimensional models of organizational climate by empirically confirming their relevance and applicability within the public sector of a developing, fragile-state context. It underscores the predictive strength of key internal variables—specifically, communication systems, procedural clarity, and incentive structures—in shaping institutional performance. These findings contribute to organizational theory by demonstrating that even in environments characterized by bureaucratic complexity or political instability, specific climate dimensions retain their explanatory power and strategic importance.

Practically, the results offer actionable insights for policymakers, administrators, and public sector reformers. The evidence suggests that efforts to enhance institutional performance should strategically focus on:

Improving internal communication flows, to foster transparency, trust, and collaborative decision-making;

Standardizing and streamlining operational procedures, to reduce ambiguity, inefficiency, and procedural delays;

Designing effective incentive systems—both financial and non-financial—to boost employee motivation, engagement, and performance.

6.4. Scientific Novelty:

This research offers a significant scientific contribution by applying and empirically validating established organizational climate frameworks within a uniquely challenging context—namely, public institutions operating in a fragile and conflict-affected state. Unlike the majority of prior studies, which have focused on stable or private-sector environments, this study examines how different dimensions of organizational climate retain or lose their influence under conditions of structural rigidity, limited resources, and political volatility.

The novelty of this study lies in its ability to identify which specific elements of internal organizational climate—such as communication systems, work procedures, and incentives—remain impactful despite deep-rooted institutional instability. By doing so, it advances the theoretical understanding of how organizational behavior adapts (or fails to adapt) within settings affected by conflict and governance challenges.

Moreover, the study contributes practically by offering evidence-based insights for policymakers and institutional leaders seeking to reform public sector organizations in similarly fragile contexts. It bridges a critical gap in the literature by contextualizing organizational climate theory within low-governance, high-risk environments, thereby broadening its empirical relevance and cross-context validity.

6.5. Study Limitations:

While this study provides valuable insights, several limitations should be acknowledged.

First, the analysis is confined to a single public institution, which limits the generalizability of the findings to the broader public sector or to other organizational and national contexts.

Second, the research design relies on self-reported data gathered through questionnaires, which may be subject to response biases such as social desirability or subjective misinterpretation of items.

Third, the cross-sectional nature of the study precludes assessment of causal relationships. While the statistical associations identified are robust, they do not confirm temporal or causal direction.

Given these constraints, the results should be interpreted with appropriate caution and a strong awareness of the specific institutional and contextual factors in which the research was conducted. Future research

should consider longitudinal approaches, inclusion of multiple institutional settings, and the use of triangulated data sources to enhance the validity and applicability of the findings.

6.6. Recommendations for Future Research:

Future research should adopt a comparative approach involving multiple institutions across regions to test the consistency of these findings. Longitudinal studies could also capture temporal changes in organizational climate and performance. Moreover, integrating qualitative methods—such as interviews or focus groups—may provide deeper insights into the cultural and managerial dynamics influencing the observed relationships.

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