Effective Performance Climate for State-Owned Enterprises: A Case Study of BEI's Performance Management System

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Abstract. Using BEI's performance management system as a case study, this study investigates the creation of an efficient performance environment within the context of a state-owned enterprise in China. The company utilizes goal orientation and skills, competence, and knowledge orientation as primary components, underlining the importance of tracking and managing the performance process. This optimizes the application of performance outcomes, transforming employees' generalized knowledge, skills, and abilities (KSAs) into specific KSAs. This ensures a consistent performance climate with the strategy and thus improves organizational performance. Additionally, technical term abbreviations are explained upon first use. Focusing on KSAs and creating a performance climate that aligns with the strategy is necessary to improve organizational performance. This study outlines the implementation of a goal-oriented performance appraisal process and a corresponding performance appraisal system based on KSAs. Through a case study of BEI's performance management system, the research demonstrates its beneficial effect on corporate performance and thoroughly investigates its characteristic features, including legitimacy, effectiveness, relevance, fairness, and content environment. The study outlines the practical and enlightening effects of implementing an appropriate performance climate that aligns with Chinese state-owned enterprises' cultural values. It also emphasizes the need for diverse organizations and industries to perform climate models that cater to their unique needs.

Keywords: Performance Climate; State-Owned Enterprises (SOEs); Goal-Oriented Performance Management; KSAs-Oriented Evaluation.

1. Introduction

As the mainstay of China's economic development and social construction, China's state-owned enterprises (SOEs) have many advantages, such as perfect organizational structure, preferential policy support, and hold the lifeblood of the national economy in important industries and key areas such as finance, energy, and infrastructure. Therefore, compared with other forms of enterprises, state-owned enterprises have more competitive advantages [1]. However, with the rapid economic development of the planned economic system to the market economic system transition, market-oriented competition in many non-state-owned forms of enterprise through innovation and efficient work for the community to create higher productivity and greater economic value. State-owned enterprises began to face the pressure of survival and put forward the reform of state-owned enterprises to cope with the complex and changing challenging environment. At the early stage of reform, state-owned enterprises responded to Deng Xiaoping's pragmatic idea of "the cat that catches the mouse is a good cat" and put forward the contracted management responsibility system, which links personal responsibility with personal profit to motivate employees' labor enthusiasm, which coincides with Drucker's core idea of management by objectives and lays a practical foundation for the application of performance management in China. The biggest success of performance management in SOEs is that it breaks the principle of egalitarian distribution in SOEs. SOE managers have started to pay attention to labor efficiency and labor results, and they let employees get fair rewards for their efforts through distribution according to work. However, the performance management of state-owned enterprises is mainly drawn and borrowed from foreign advanced management experiences, such as the key performance indicator method, target management method, balanced scorecard, and the lack of flexible transformation of Chinese characteristics in practice, resulting in performance management in state-owned enterprises to produce the phenomenon of "not suited to the soil and

water" [2]. Although the performance management of state-owned enterprises helps enterprises solve the problem of egalitarianism, there are still drawbacks, such as formalism.

BEI, as an internationalized and market-oriented clean energy investment state-owned enterprise listed on the main board of the Hong Kong Stock Exchange, has a business scope covering solar energy, wind energy, hydro energy, hydrogen energy, energy storage, integrated energy, and other fields. The company's business scope covers solar energy, wind energy, hydro energy, hydrogen energy, energy storage, integrated energy, and other fields. Its business scope covers over 20 provinces, cities, and autonomous regions in China, Australia, Europe, "Belt and Road" countries, and other overseas new energy markets. As of June 30, 2023, the company's total assets exceeded RMB 68 billion, and the total installed capacity under the company's control exceeded 12.9 million kilowatts. According to the company's development strategy, it is expected that by 2025, the company's total installed capacity will exceed 15 million kilowatts, and total assets will exceed 90 billion yuan. Since 2021, the company has grasped the historical opportunity of the great change in the international energy industry, adhered to the strategic positioning of "focusing on the main business, national layout, global development", and accelerated the construction of a green-oriented, multi-energy complementary, intelligent, and synergistic clean energy industry ecosystem with rapid and high-quality development as the core. BEI is committed to becoming a first-class international clean energy ecological investment operator.

As a state-owned enterprise (SOE) with more than 20 years of experience in the energy industry, BEI is very much characterized by SOEs regarding performance issues. First, BEI's original performance system only had one performance appraisal per year, so it emphasized performance appraisal and lacked performance management. This led to a lack of detailed appraisal matters, scientific evaluation standards, and scoring basis in performance evaluation. Therefore, the performance appraisal is the evaluation of employees based on the impression and subjective feelings of the program leaders. Such evaluation can easily lack objectivity and fairness due to stereotypes or lack a comprehensive review of the appraisal cycle due to the proximate cause-effect. Secondly, because the performance results are mandatorily applied to the performance bonus, i.e., the performance score/100 is the performance bonus coefficient, the performance appraisal becomes the carrier of the annual favor and courtesy. For example, managers should not offend anyone or avoid employee dissatisfaction, and they should give all employees a rating of 100 points. The above performance system that emphasizes assessment over management and results over process leads to inefficiency, lack of employee motivation, and enthusiasm for work, resulting in the loss of state-owned enterprise advantages and competitiveness in the fierce market competition. Therefore, in 2021, BEI has carried out performance management reform, taking "goal-oriented" and "skill, ability and knowledge-oriented" as the two keys to strengthening the performance process tracking and management, optimizing the application of performance results, and creating a performance atmosphere that matches with the strategy to improve organizational performance to improve the performance of the organization.

2. Literature review

The concept of performance management has been emerging and attracting widespread attention in academia for about 100 years. In its initial stages, scholars in I/O psychology spent a great deal of effort focusing performance appraisal research on eliminating appraisal errors or improving appraisal accuracy. For example, some scholars worked on providing more accurate ratings or eliminating errors by developing training programs [3]. Therefore, performance management is a relatively new concept in academia compared to performance appraisal. It goes beyond performance appraisal and is defined as an ongoing process of identifying, measuring, and developing individual and team performance and aligning performance with the strategic goals of the organization [4]. In other words, performance appraisal is a part of the concept of performance management [5]. Also, it focuses on how to improve efficiency and effectiveness [6], as well as the factors and motivations that may affect

employee performance [7]. It was only in the birth of Strategic Human Resource Management (SHRM) theory in the 19th century that the link between HR practices and organizational performance became stronger. High-performance jobs aim to increase employees' skill level or motivation, and there is a significant relationship between applying a range of HR "best practices" and organizational performance [8]. A large body of research supports the notion of HR practices as 'bundles', 'systems', or 'configurations', and scholars have found that a single HR practice does not influence firm performance [9]. Effective HR practices must include three basic components: competence, motivation, and opportunity [10]. That is, if a strong climate develops within a company, and changes in that climate lead to changes in employee attitudes, behaviors, skills, and competencies, then those changes will affect performance at the organizational level [11]. Therefore, when HR practices are bundled and implemented to create and develop a "performance climate", they can influence and change employee behavior and affect organizational performance in a desirable way [12].

3. Case Description

The main content of BEI performance climate establishment takes "goal-oriented" and "skill, ability, knowledge-oriented" as the two grips, strengthens the performance process tracking and management, optimizes the application of performance results, to convert the employees' general knowledge, skills, and abilities (KSAs) to specific KSAs [13], and creates a performance atmosphere matching the strategy to achieve the purpose of improving the organization's performance.

3.1. Establishment of Objective-oriented Performance Appraisal Process

First of all, to optimize the performance appraisal system of the northern branch, improve the performance appraisal mechanism, and perfect the performance appraisal process, the performance appraisal rules oriented to performance objectives are set. At the beginning of each year, BEI sets business objectives according to the industry development, policy guidelines, and corporate strategy, allocates the business objectives to each department and field station according to their functions and contributions, and signs the target responsibility statement. The Human Resources Department organizes and carries out target dismantling work according to the contents of the annual target responsibility statement signed by each department and field station. According to the responsibilities of each position, the division of labor arrangements, and the different abilities of employees, the annual performance objectives of the departments and stations are disassembled for the individual employees and combined with the daily work of the employees to form the performance objectives of the employees for the whole year and formulate the corresponding work requirements and evaluation standards. Employees and managers need to jointly participate in the process of performance target dismantling and formulation to reach a consensus between the two sides in the process and help employees establish a commitment to the performance target. Secondly, managers track the completion of each employee's performance goals monthly and quarterly, depending on the specific situation, in the form of meetings, reports, etc. The content of the goal tracking includes but is not limited to the following, the current progress of the goal, whether there is a delay in the key delivery time, and feedback and communication on the follow-up arrangements and completion of the work. Managers conduct semi-annual and annual performance appraisals based on the performance goals and evaluation criteria jointly developed with employees to ensure scientific and fair performance appraisal. When the performance objectives are not completed, the managers can based on the evaluation criteria for the corresponding deduction, on the contrary, when the staff completes the performance objectives, it can also be added, but the total deduction value of the evaluation team and the total value of points need to be kept equal to ensure the balance of rewards and penalties to avoid a"humane" and rewarding the situation.

3.2. KSAs-Oriented Performance Evaluation System

BEI is a new energy operation and investment enterprise, so in addition to the functional departments, the organization mainly consists of wind power stations or photovoltaic power stations, operating a total of more than 160 stations, with an average of 5-10 employees per station. The photovoltaic and wind power stations are mainly constructed in mountainous areas and around towns, and their locations are independent and scattered. As for the headquarters of the company, the overall management range and distance are large, and there needs to be more understanding of the specific working status and performance of the employees at the power stations, which makes the management decision lack a scientific basis. In addition, BEI employees mainly possess professional skills in production, operation and maintenance, maintenance, trading, etc., and they need to continuously improve the level of relevant professional skills and abilities to cope with the complex and changeable situation in the station field. Therefore, BEI's performance management system needs a component to help employees improve their professional level and solve cross-regional management problems.

According to the job requirements of power station positions and the skills and abilities needed, power station employees can be divided into two levels: grassroots and management. The job requirements of grass-roots employees are mainly "mastering the operation of inverters, transmission and distribution modes of photovoltaic power plants and the operation of power plant equipment, filling out and reviewing operation tickets, correctly and quickly handling reverse gate operation, and timely and accurately eliminating equipment defects on site" and other related practical operational aspects. The job requirements of management staff are mainly "responsible for carrying out safety management and safety inspection, assisting in organizing and carrying out safety training, inspecting the safety situation of the production site, and supervising the staff to implement the rules and regulations of safety work and the site operating procedures" and other management duties. In addition, grass-roots employees are mainly in the learning and training of practical skills in their work, and they are at the beginning of their career, so they need more help and guidance from their mentors and leaders, while the management staff focuses more on organizing and carrying out the work and managing the staff, and they are more skilled in their work and are at the stage of career maturity. Therefore, the design of "general ability", "professional skills", "communication ability", "work challenge" and "development of work challenge" for the basic level staff is very important. Therefore, five evaluation dimensions, namely "general ability", "professional skills", "communication skills", "work challenge" and "development potential", are designed for basic-level employees. In addition to evaluating their abilities and skills, employees are also evaluated comprehensively based on their current work's difficulty and potential for future development. While management employees have solid professional skills and basic competencies, their managerial competencies still need to be evaluated and continuously improved. Therefore, the management staff is evaluated in the areas of "safety management", "economic operation management", "personnel training management", "daily operation and maintenance management" and "communication management". Five assessment dimensions are designed for management staff: "safety production management", "economic operation management", "personnel training management", "daily operation and maintenance management", and "communication management". At the same time, with a full score of 100 points, five scoring intervals are set up: the entry level (0-20 points), the learning level (20-40 points), the independent level (40-60 points), the senior independent level (60-80 points), and the senior level (80-100 points), and different scoring standards are set up according to the requirements of different intervals, to indicate the current level of each indicator of the staff by scoring them at different scoring intervals.

The current level of each index is the degree of the current level. Definition of the entry level for new employees in the learning and understanding stage; The learning level can be carried out and complete the work with the help or counseling of others; the independent level can independently complete the work of the post (usually defined in the pass); senior independent level is fully independent and high quality to complete the work of the post, and has the potential to progress to higher positions (usually defined in the good); senior level has most of the competencies required for

the next level of positions (usually defined in the good). The senior level is defined as having most of the competencies required for the next level of position (normally defined as excellent). Each quarter, the station manager acts as a rater to rate the employee's performance in the five dimensions from 0-100. At the same time, the station manager is required to keep detailed records of specific instances of the employee's performance or related work performance as "evidence" to support the score in the corresponding dimension. The Human Resources Department collects and summarizes each employee's scores and event records to form each employee's knowledge, skills, and abilities ("KSAs file" for short) and analyzes and visualizes them with the help of the electronic system's data analysis and charting functions. Since each employee's KSAs file is analyzed every quarter, continuous observation of the employee's competency level can be formed. According to the analysis of the KSAs file and the situation reflected in the staff, it can be targeted training or inventory of various talent echelons to achieve performance management and training, talent management of the interlocking.

4. Case Analysis

4.1. Impact Effect

Since the performance management change in 2021, BEI has realized development and breakthroughs in all aspects. In the past three years, the overseas operating installed capacity has exceeded 600MW, the construction capacity has exceeded 300MW, and the tracking and reserve project capacity has reached 7GW, which involves upstream and downstream industries such as wind power, photovoltaic, energy storage, and power retailing, etc. It has gradually made its brand reputation in the international market. At the same time, the company's development pattern has been reconstructed, and the business involved in the field, from pure photovoltaic power generation to energy storage, digital computing power, hydrogen, and ammonia, is accelerating the cultivation and development of strategic emerging industries. 2023 BEI successfully issued the first domestic PV public REITS and was listed on the SSE. As of June 2023, the same-caliber O&M cost of inventory projects was reduced by 2.03% year-on-year, and the cumulative amount of high-interest inventory financing optimization was completed at more than RMB 10 billion. Under the continued role of the performance concept, BEI's development has realized a rapid transformation from small to large and from weak to strong. Grid-connected installed capacity will increase from 2GW in 2020 to 10GW in 2023; total assets will grow from 26 billion yuan in 2020 to 80 billion yuan in 2023; total accumulated profit will be 2.4 billion yuan, with an average annual contribution of 600 million yuan. The performance indicators from 2020 to 2022 are shown in Table 1.

Table 1. The performance indicators from 2020 to 2022.

Time	Operating Revenue	Operating Revenue Year-on-year Growth	Total Profit	Total Profit Year-on-year Growth	Total Installed Capacity	Total Installed Capacity Year-on-year Growth	Total Assets	Total Assets Year-on-Year Growth
2022	41.15 billion yuan	45.7%	6.16 billion yuan	26.2%	5827.24MW	39%	603.28 billion yuan	30.7%
2021	28.25 billion yuan	31.5%	7.51 billion yuan	118.3%	4168.02MW	101.3%	461.59 billion yuan	76.94%
2020	21.49 billion yuan		3.44 billion yuan		2070.55MW		260.88 billion yuan	

4.2. Influence Mechanisms

4.2.1. Legality

BEI's performance management regulations fully comply with relevant laws and regulations requirements to protect workers' and employees' legitimate rights and interests. It strictly abides by the red line of the law in performance work practice, ensures the openness and transparency of performance programs, standards, procedures, and processes, and provides timely feedback to employees on performance results. At the same time, we pay attention to the rights and interests of employees, avoid causing unreasonable harm to employees, utilize the results of performance appraisal reasonably and legally, and resolutely eliminate the behavior of playing the legal ball to protect all employee's legitimate rights and interests. BEI also pays attention to the protection of the legitimate rights and interests of low-performance employees and doesn't use performance as an interface and means to withhold the wages or bonuses of the low-performance employees or use the excuse of the low level of performance to dismiss or eliminate the employees. On the contrary, BEI is good at protecting low-performing employees' legitimate rights and interests. On the contrary, BEI is good at paying attention to low-performance employees, analyzing the reasons for their low performance, and making performance improvement plans for low-performance employees. Based on full communication with employees, setting clear work objectives and improvement measures to help them gradually improve their performance level is considered to protect the legitimate rights and interests of employees.

4.2.2. Effectiveness

BEI's performance management system and its formation of the performance atmosphere are effective in helping guide employees to succeed and then help the enterprise's performance improvement. Performance management methods and approaches for the enterprise and employee performance issues like medicine for illness, when the patient has a fever with antipyretic medicine is effective. If the enterprise's disease is fever, but the performance management system uses antidiarrheal drugs, then it will be meaningless for the enterprise. In 2020, BEI has just gone through a corporate reorganization and is facing the problems of uncertain future development, heavy assets and liabilities, different levels of employee competence, insufficient professionalism, etc. BEI's performance management system relies on "goal management" and "KSAs enhancement" to achieve the growth and development of employees and improve their performance. BEI's performance management system relies on "goal management" and "KSAs enhancement" to achieve win-win results regarding employee growth and organizational success. The company ensures that important tasks related to achieving corporate strategy are carried out according to the plan by breaking down the corporate strategy to employees and evaluating their KSAs. As the achievement of corporate strategy is macroscopic and requires the cooperation of different departments, in the process of tracking and controlling the strategic objectives, it is necessary to decompose the tasks according to the attribution of different departments and responsibilities and carry out microscopic control and follow-up to have a more detailed understanding of the strategic situation and coping strategies. In addition, BEI's performance management system not only focuses on the success of the enterprise but also focuses on the growth of the employees through the assessment, analysis, and targeted training of the employees' knowledge, skills, abilities, etc., and devotes itself to the improvement of the KSAs of the employees to help the employees reap the personal progress and success.

4.2.3. Relevance

The goal-oriented performance management system allows employees to see how they can achieve their goals and establish a link between themselves and the organization's strategy. BEI's performance system helps companies sort out the strategic vein, so that the goals are broken down to the employees, and the employees' work objectives are refined and generated. The goal management method is to guide the direction of the work of employees, standardize their work methods and processes, and in the work process be an important node supervisor and tracker in the work of

orientation. At the same time, because the goal is based on the decomposition of the organizational strategy, each employee's completion of the work task is the completion of personal goals, and the completion of each goal collection is the completion of the organizational strategy. This kind of performance management can fully mobilize the collective strength of employees to help the organization achieve strategic goals. In the process of performance decomposition, employees and managers are fully involved, and employees can clearly understand their own work goals in realizing what role organizational strategy plays. At the same time, the setting of goals must be achieved through the efforts of both employees and managers on the premise of not affecting the realization of the organizational strategy can be coordinated on the difficulty of the goal level of communication so that both sides of the mutually agreed performance goals can give full play to the role of incentives.

4.2.4. Fairness

BEI's performance management system achieves fairness in three aspects: fairness in degree, fairness in result, and fairness in the process. First, as mentioned above, when setting employee performance goals, employees and managers work together to confirm the degree of fulfillment of the performance goals, and the employees confirm the evaluation criteria in advance. Secondly, performance evaluation needs to be carried out in strict accordance with the criteria without any supervisor's room for evaluation, and the criteria are completely open and recognized by employees. Avoid the direct correlation between performance results and bonuses, and flexibly utilize the performance results to combine with talent development. Secondly, mutual checks and balances are set up in the evaluation process of BEI to avoid the situation of "one voice". For example, when evaluating the achievement of goals, multiple evaluation subjects will be set up, and multiple scores will be weighted for calculation: for example, direct leaders and leaders at different levels will rate the employees, and the final scores will be weighted according to the weight settings. When evaluating KSAs, scores need to be given according to the scoring criteria at the appropriate level of the interval. At the same time, examples of relevant competencies need to be cited to prove that the scores match the strengths. Therefore, the following unfair phenomena do not exist in BEI: (1) the assessment index is too high, even if you try hard, you may not be able to complete the task; (2) the lack of influence of the assessment environment; (3) the assessment results depend on their relationship with superiors and colleagues rather than their performance; (4) people with poorer performance than their results get better assessment results than their own. (5) The distribution of performance rewards is unfair. Improving the fairness of performance management can make employees consciously adopt behaviors that benefit the organization, including helping people, organizational loyalty, organizational compliance, and many other aspects. In BEI enterprises, the shaping of a good sense of performance fairness brings employees a great sense of security and trust, an important component in the shaping of the performance climate.

4.2.5. Content Environment

The content environment means that the content of the performance management system in BEI companies is to guide employees to do the right things, to do the things that are expected by the organization's performance, and to make sure that employees have the ability, motivation, and opportunity to do those things that are needed for the organization's success. First, guiding employees to do the right thing is realized through corporate culture and corporate strategy decomposition (in which strategic goal decomposition has been analyzed and will not be repeated here.) As a new energy operation and investment state-owned enterprise, BEI shoulders the important responsibility of delivering light and warmth to people's livelihoods and always firmly establishes and consciously practices the awareness of state-owned enterprises and adheres to the core values of people-oriented and the pursuit of excellence. The company always believes that employees are the core competitiveness of organizational development and are not a labor force. Therefore, BEI's strategic goal decomposition is not only for the company to accomplish its goals effectively but also to help employees realize the acquisition of personal value in job content through goal management. BEI guides employees to achieve the organization's strategic goals regarding culture and goal

management. It also helps employees cultivate and improve their abilities and provides a stage and opportunity to display their styles. BEI firmly believes in putting people at the center of the company's business. In the future competitive strategy, talent is always the key to winning, especially for employees with cultural identities and values that match the companies. Therefore, in realizing the organization's strategy, creating a team of talents with international vision, good operation, strong management, and excellent skills is one of the important development goals. Therefore, the required skills, abilities, knowledge, and other dimensions are evaluated and analyzed using performance management. In the process of evaluation and analysis is the inventory of the existing talent level of the enterprise, macroscopic formation of echelon talent and talent development and reserves, microscopic formation of the corresponding KSAs file for each employee, analysis of their strengths and weaknesses and shortcomings and shortcomings of the targeted training and makeup. Meanwhile, to maximize the incentive effect of performance management and avoid the distortion of performance bonuses, BEI does not apply the results of performance evaluation directly to the issuance of salaries or bonuses but applies them to the cultivation and development of talents and conducts an inventory of the talents in terms of workability, professional skills, communication skills and other dimensions using the results of performance evaluation, and then divides the various types of talent groups through the inventory, and then provides training and competitions for the various talents. Through training and competitions, the company strengthens various abilities, knowledge, and skills and incentivizes them using competition bonuses and job promotions. In this way, performance, training, and talent management form a closed-loop management, and simultaneously through the indirect way to the performance of the results of the application, but in a direct way to motivate the staff to form the maximization of the incentive effect. Comprehensive all performance management content, not only to guide employees to do what is needed for organizational performance but to help the organization to achieve strategic goals while also focusing on and helping employees to improve their personal capabilities, skills, training, and talent management combined with incentives for employees to provide employees with ample opportunities to show their talents.

5. Conclusion

In summary, the performance climate influences organizational performance in the Chinese SOE environment. The inclusiveness of Chinese society and culture advocates the coexistence of pluralism, complementarity, and common development and does not encourage sharp conflicts and exclusion of differentiated things. The performance appraisal implemented by most enterprises is copied from the Western performance management model, which imitates each performance link in a monolithic way, distinguishes different levels of employees such as excellent, good, and poor, with the appraisal results and rewards excellent employees and eliminates backward employees. Therefore, performance appraisal in the environment of state-owned enterprises is "not suited to the soil". Under the influence of Chinese culture, managers are sympathetic to the fact that employees have put in a year's effort regardless of the results of their work and are reluctant to differentiate between employees using appraisal, especially when the results of the appraisal will have a direct impact on the year-end rewards of the employees. Therefore, performance management in state-owned enterprises generally appears "formalism", "bureaucratic style" and other issues. To solve the performance management problem, we need to start from the performance environment. The process, orientation, and implementation measures of performance management in Chinese state-owned enterprises must be rooted in traditional Chinese culture and integrated with traditional Chinese cultural ideas. According to the above case study, a performance climate in line with Chinese culture and suitable for Chinese state-owned enterprises to implement is people-oriented to help employees reap the benefits of growth through several performance management as the ultimate performance objectives, rather than stand on the opposite side of the employee to examine whether the employee is a contributor to the organization's excellent performance or a drag on the performance of the organization. In the case of this paper, BEI enterprise takes "goal-oriented" and "skill, ability,

knowledge-oriented" as the two performance management grips to help employees complete the target work to effectively improve work efficiency on the one hand, and help employees effectively improve their capabilities on the other hand. On the other hand, it helps employees improve their abilities effectively. In addition, the process and procedure of performance management protects employees' interests legally and maintains fairness in many aspects. Most importantly, the performance climate established by BEI enterprises is related to not only performance practices but also training, compensation and incentives, and talent development, all of which are connected to performance management, making the content environment of the performance climate have an impact on all aspects of human resource management.

The case of this paper has practical and inspirational significance for the performance management of Chinese state-owned enterprises (SOEs). It introduces to SOEs a performance climate that is in line with Chinese cultural heritage and adapted to the strategic development of SOEs, its establishment and implementation process, and its impact on the mechanism. However, the performance climate in this case is not the only effective performance management climate for SOEs. Performance climates or other effective performance climate models for different organizations in different industries need to be explored.

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