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RESEARCH PAPER

Employee Development and Organizational Performance: The Role of Strategic Organization Development Interventions

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ABSTRACT

Employee development (ED) and organizational performance (OP) have been significant business challenges. Strategic and long-term employees' development and performance strategies are of interest to corporate leaders. This research study aims to explore and investigate how strategic organisations development (OD) interventions affect and modify the "total system" for strategic benefits, as well as how they contribute to performance improvement. We tested a mediated model using a quantitative research study, and we also looked into how strategic OD interventions (acquisition, merger, partnership, and joint venture (JV) affected OP (financial performance growth) (FP (G)) and ED. The data is gathered using a sample of 800 security and exchange commission of Pakistan (SECP)-registered firms. Results show that merger positively and significantly effects ED and FP (G). ED partially mediates between merger and FP (G). The effect of acquisition on ED and FP (G) is significant and positive. ED fully mediates the effects of acquisition on FP (G). Partnership positively and significantly effects ED and FP (G). Mediation analysis shows that ED fully mediates the effect of partnership on FP (G). The relationship of JV with ED and FP (G) is insignificant. The results also showed that organisations respond to changes in their internal and external environments. The process of corporate transformation is ongoing. The study adds a strong theoretical framework to the body of knowledge on OD interventions and performance in Pakistani business organisations.

KEYWORDS Employee Development, Organization Development, Organizational Change, Organizational Performance, Strategic OD Interventions

Introduction

The two main strategic business issues are OP and ED. To meet future industrial problems, organisations require robust and contemporary industrial infrastructure. For organisations to exist, positive strategic change is essential (Bernuzzi et al., 2023). Organisations must concentrate on strategic OD interventions in order to enhance OP for this reason. In order to accomplish innovation, long-term growth, productive cultures, and new ways of thinking, research studies recommended implementing complete systems and strategic reforms (Canato & Ravasi, 2015). Cartwright and Schoenberg (2006) also emphasized the potential for future strategic OD research. In the context of Pakistan, the field of whole-system change has received little attention.

According to Ekundayo (2014), learning and development is a critical organizational leading strategy and ED is also essential for corporate success because corporate leaders control the change process (Beer et al., 2023). There are not many studies looking at how OD initiatives affect ED in Pakistan. A single aspect of employee growth has been the subject of these few research (Hameed & Waheed, 2011; Rahman &

Shah, 2012; Khattak et al., 2014). The impact of four strategic OD interventions—merger, acquisition, partnership, and JV—on ED (skills, knowledge, and abilities) and OP (FP (G)) has been examined and studied in this research study. OP has several aspects. The FP (G) have chosen as the dependent variable. This research study provided additional guidance for making decisions on long-term strategy initiatives.

Literature Review

With the help of strategic OD interventions, an organisations can adapt to changing circumstances and link its internal operations to those of the broader environment. They align corporate strategy, culture, structure, and the external environment and are executed across the entire organisations. Four categories of OD interventions are distinguished by OD practitioners: 1) structural, 2) technical, 3) Behavioural, and 4) strategic (Cummings & Worley, 2009; Canato & Ravasi, 2015).

Long-term transformation is the result of strategic OD interventions (Wright et al., 2000). Organization theory, open systems theory, cultural anthropology, and strategic management are the fields from which the interventions originate. Change is the only option available to organisations. The finest OD strategies are cultural change and whole system change. The process of transforming an entire system is intricate and multifaceted. Organisations must involve all stakeholders and concentrate on the integrated change as practices and theories are combined into a single approach. Changes in thinking, beliefs, procedures, and working environment are all part of the goal of whole system change (Abbas et al., 2014).

There are many important forces which cause the whole system change. Sullivan et al., (2013) studied whole system transformation and stated that nanotechnology, globalization and healthcare are now the main forces of change and organizations are interested in a speedy change process to make them more proactive and flexible. They further stated that 70% of change processes fail. Canato and Ravasi (2015) also argued that changing organizational cultures is a serious challenge for corporate planners. Strategic changes modify the behavior of employees. New behaviors create new cultures. The main objective of OD strategic interventions is to develop employees and to enhance the performance of employees. Good and conducive organizational cultures improve employees' performance. According to Hassan et al., (2013), employee performance is impacted by culture. They continued on to state that an important factor in organizational excellence is organizational culture. High-performing cultures increase worker productivity.

OP has been a well-known dependent variable. Three categories of performance were identified by Venkatraman and Ramanujam (1986): operational, financial, and organizational effectiveness. Product effectiveness, market share, new product introduction, and product quality are all aspects of operational performance. OP is a journey that takes time. Initially, OP was viewed as a social framework that achieved its goals (Georgopoulos & Tannenbaum, 1957), and work, people, and organizational structure were the main factors evaluated for assessing performance.

OP in the 1960s and 1970s was described as the capacity of an organisations to take advantage of its surroundings in order to get and make use of scarce resources (Yuchtman & Seashore, 1967). The 1980s and 1970s were more significant since that's when it was initially recognized that an organisations is successful if its objectives are met (effectiveness) and it operates with efficiency (Lusthaus & Adrien, 1998). According to corporate strategists, profit serves as a performance measure. According to Lebans and Euske (2006), performance is the accomplishment of aims and objectives. Goals might have both monetary and non-monetary objectives. Performance has different meanings in different organisations. The strategic interventions—merger, acquisition, partnership, and JV—are covered in the subsequent subsections.

Merger

Mergers change organizations and have been a popular form of organizational growth. Mergers enable organizational growth at accelerated rates and they continue to be popular. Companies opt for mergers to diversify their business and to create synergy value. Mergers facilitate access to global markets. Previous research studies have investigated the relationship between merger and performance indifferent contexts (Abdul-Rahman & Ayorinde, 2013; Abbas et al., 2014). The current study has tested a mediated model and the following hypotheses are developed in the light of proposed model and previous research studies:

Hypothesis 01: Merger has a positive effect on ED.

Hypothesis 02: Merger has a positive effect on FP (G).

Hypothesis 03: ED mediates the association between merger and FP (G).

Acquisition

Acquisitions accelerate abilities to implement emerging business strategies. However, poor management of the acquisition process may cause damage. Gunu and Olabisi (2011) conducted a study on effect of M&A on employees in banks in Nigeria and stated that there are many benefits of the consolidation of firms. They further stated that after M&A banks better manage and utilize their employees by promoting market shares, new products, and staff operation and achieve capital reforms. Wright et al. (2000) investigated the impact of M&A on company employment in the United Kingdom and they argued that employment issues occurred during the merging process. Larger reductions in labor have been noticed in the case of small acquirers.

Many researchers have studied the role of M&A in the banking industry of Pakistan. Afza et al., (2012) stated that banks are using acquisitions as a strategic tool for corporate restructuring, and new regulations of financial institutions forced many organizations towards M&A. They further stated that M&A have improved the profit efficiency of banks. Akhtar (2002) explored the efficiency of banks in Pakistan before and after the M&A process. Abbas et al., (2014) discussed the financial performance of banks in Pakistan after M&A. They stated that M&A is a global strategy of restructuring and it has achieved attention in the corporate world. They further stated that profitability and efficiency, leverage, and liquidity ratios were used to measure financial performance and results show no positive improvement in the financial performance. Khan (2009) stated that M&A have improved the efficiency and financial stability of banks in Pakistan.

Cartwright and Schoenberg (2006) highlighted recent and future research possibilities and argued that M&A are a popular form of corporate development and 30,000 acquisitions were exercised up to 2004. They further stated that the topic has attracted the attention of researchers and the research will continue for the next 30 years. They also stated that inappropriate decision making, negotiation and integration process can lead to inferior acquisition results. The current study has tested a mediated model and the following hypotheses are developed in the light of proposed model and previous research studies:

Hypothesis 04:Acquisition has a positive effect on ED.

Hypothesis 05: Acquisition has a positive effect on FP (G).

Hypothesis 06: ED mediates the association between acquisition and FP (G).

Partnership

A partnership is a strategic intervention strategy which provides an opportunity of agreement to do business together for combined goals and objectives. Running a partnership is a difficult job. The philosophy of partnership is the belief that it is a more productive way of doing business than in isolation. Other objectives of partnerships include using organizational resources in an efficient and effective way, promotion of strategic thinking and development of collaboration among partners.

Lin et al., (2008) stated that organizations are turning toward the cooperative model to facilitate stakeholders. Organizations form partnership on a suitable structure and the development process consist of steps like preparation, development of a contract and work program, its implementation and constant evaluation of progress. Webster (1999) stated that alliances among firms enable them to increase profit and gain future business opportunities. Partnership is an important type of business in Pakistan and its registration is not compulsory. However, registration is beneficial due to some litigation and tax-related matters and to avoid problems and conflicts. In partnership, one partner could gain overall power and make decisions without consulting the other members. Partnerships motivate members in different ways; they do not have the training to identify and resolve conflicts. One barrier is a lack of clarity of roles and responsibilities. The following hypotheses are developed in the light of proposed model and previous research studies:

Hypothesis 07: Partnership has a positive effect on ED.

Hypothesis 08: Partnership has a positive effect on FP (G).

Hypothesis 09: ED mediates the association between partnership and FP (G).

JV

According to Beamish and Lupton (2009), the aim of JVs is to access new markets, knowledge, capabilities and other resources. Jung et al., (2008) stated that much of the literature characterizes international JV (IJV) as a comparatively less stable and less successful form of organization as compared to wholly owned subsidiary. Ainuddin et al., (2007) examined the effect of four key resource attributes on performance in the context of IJVs in Malaysia. The four resources are product reputation, technical expertise, local business network and marketing skills. They concluded that each of the four attributes influence IJV performance. Beamish and Iris (2003) stated that IJVs provide opportunities to gain access to existing knowledge and develop new knowledge.

JVs are fruitful for both the companies. Firms achieve many benefits after JV. Wahab et al., (2011) stated that IJVs provide opportunities of transferring capabilities, technologies, learning, productivity and the economic growth of the host country. They studied and compared various forms of strategic alliance like distribution and supply agreements, R&D partnerships or technical and management contract. They argued that IJVs are an efficient and formal mechanism of technology transfer to local organizations. Inkpen (1998) also suggested that IJV is a source of technology and knowledge transfer.

JVs may cause frustration and failure. Many aspects like technology issue, market development, regulation and economic uncertainty affect the JV process. Sometimes different cultures and management styles result in poor performance. Beamish and

Lupton (2009) argued that JV is a challenging process. They further stated that honesty, trust and commitment are good strategies to make the JV process more successful. Wahab et al., (2011) suggested that future studies should explore the area. Researchers should investigate the effect of other aspects like culture, collaborative know-how, prior JV experience and learning capacity during IJV process and performance. Lee (2009) stated that performance is the main objective and suggested that factors like control dynamics during the IJV lifecycle in accordance with the changes in operating environments should be explored. The current study has tested a mediated model and the following hypotheses are developed in the light of proposed model and previous research studies:

Hypothesis 10: JV has a positive effect on ED.

Hypothesis 11: JV has a positive effect on FP (G).

Hypothesis 12: ED mediates the association between JV and FP (G).

Employee Development

ED is a process to enhance knowledge, skills and abilities for purposes of personal growth. Successful ED requires a balance between an individual's career needs and goals and the organization's need to get work done. ED programs make positive contributions to organizational performance. The literature focuses on the use of development systems for ED motivation and commitment because of the link between career management, performance, developmental behavior and participation in development activities. Organizations invest in employees' development to enhance organizational effectiveness. Employees' development means OD (Hameed & Waheed, 2011). Developmental behavior and activities are designed to enhance personal and professional growth (Kaye, 2005). The following hypothesis is developed in the light of proposed model and previous research studies:

Hypothesis 13: ED has a positive effect on FP (G).

The literature also shows that early research studies focused on individual and group development. The development of the whole organization and culture change (strategic intervention strategies) was ignored. Few studies are available which have used a mixed methods approach to examine the impact of OD and OP. Figure 01 shows the conceptual framework. There are four independent variables (merger, acquisition, partnership, and JV), one dependent variable (FP (G)) and one is the mediator (employee development). The dimensions of FP (G) are growth in market share, growth in assets, growth in net revenue and growth in net profit.

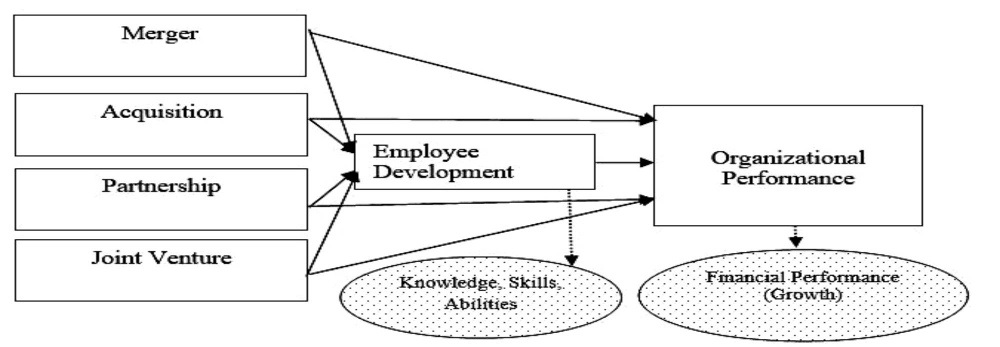

Figure 01: Conceptual Framework

Material and Methods

The quantitative research design is used to investigate the research problem. Firms registered with SECP is the complete population and a random sample of 800 firms is drawn. A closed-ended questionnaire is used to collect the quantitative industrial data and responses of the participants are obtained on five-point Likert-type scale (1=strongly disagree to 5=strongly agree

The current study has used the four-item scale from Attablayo (2012) to analyze the impact of mergers on ED and OP. Acquisition was assessed through a six-item scale adapted from Andersson and Rosa (2006). JV is assessed through a five-item scale adapted from the study of Jormanainen (2010). The current study has assessed partnership through a six-item scale adapted from Abood (2013). ED was assessed through an eight-item scale adapted and modified from the study of Tsuma (2013). FP (G) is assessed through a four-item scale, adapted from Santos and Brito (2012). The strength of hypothesized causal relationships is estimated by regression coefficients β (beta). Check the association between variables for significance and to make sure that the conditions of mediation analysis are satisfied as stated by Baron and Kenny (1986).

We employed SPSS Version 20 to perform regression analysis. Regression coefficient β values, t- and p-values, adjusted R^2, and F-statistic values were computed. Best for explaining relationships and making predictions about the future is regression analysis. Regression analysis is used, according to Pedhazur (1997), to determine the causal influence. The metrics of model fit are conveniently and effectively established in the case of multiple regression analysis. Using the four-step method proposed by Baron and Kenny (1986), we conducted a mediation study to examine the function of the mediating variable. Goodman and Sobel Preacher and Leonardelli (2001) used a web-based technique to conduct tests to confirm the mediations among variables.

Results and Discussion

We distributed 800 questionnaires to Heads of HR of 800 industrial units. We received 762 filled questionnaires back. The response rate was 95.25%. We present the demographics of the respondents in Table 01.

Table 1
Demographic Profile of Respondents

Respondents Demographics	Frequency	Percentage %
Gender (N=762)		
Male	564	74
Female	198	26
Age (N=762)		
Below 25	18	2.4
26–35	163	21.4
36–45	232	30.4
46–55	195	25.6
56–65	133	17.5
Above 65	21	2.8
Qualification (N=762)		
MBA	578	75.9
MS/M. Phil	124	16.3
PhD	10	1.3
Others	50	6.6
Total Experience in the Profession (N=762)		

1–5	82	10.8
6–10	136	17.8
11–15	188	24.7
16–20	147	19.3
21–25	117	15.4
26–30	66	8.7
31–35	16	2.1
36–40	10	1.3
Experience in this Organization (N=762)		
1–5	264	34.6
6–10	225	29.5
11–15	116	15.2
16–20	70	9.2
21–25	61	8
26–30	19	2.5
31–35	4	0.5
36–40	3	0.4
Type of Industry (N=762)		
Textile	131	17.2
Sugar	64	8.4
Cement	31	4.1
Education	54	7.1
Chemicals	69	9.1
Construction	15	2
Information Technology	30	3.9
Beverages	8	1
Pharmaceutical	110	14.4
Engineering Services	10	2.9
Aviation	11	0.9
Tobacco	12	1.6
Home Appliances	13	2.8
Banking	44	5.8
Insurance	24	3.1
Food	30	3.9
Super Store	8	1
Auto	8	1
Agriculture Products	6	0.8
Leather	3	0.4
Paint	6	0.8
Health Services	4	0.5
Hotel	28	3.7
Media	10	1.3
Telecommunication	14	1.8
Furniture	3	0.4

Reliability of measurement

Table 02 presents the estimated values of Cronbach's alpha to examine the reliability and internal consistency of the measures. Values of Cronbach's alpha vary from 0.771 to 0.989. The values of Cronbach's alpha show that each multi-item construct has a high degree of reliability. Merger (alpha=0.909), acquisition (alpha=0.917), JV (alpha=0.778), partnership (alpha=0.899), ED (alpha=0.771), FP (G).

Table 2
Reliability of Measurement

Constructs	Valid N	Number of Items	Cronbach's Alpha
Merger	762	04	.909
Acquisition	762	06	.917
JV	762	05	.778
Partnership	762	06	.899
ED	762	08	.771
FP (G)	762	04	.865

Correlation

A correlation analysis is conducted to check the mutual association among the items of each construct. The value of the correlation coefficient shows the strength of the correlation among variables. The values of correlation coefficient for the items of Merger vary from .624 to .869, .762 to .780 for acquisition, .555 to .785 for JV, .668 to .704 for partnership, .217 to .733 for employee development, and .613 to .653 for FP (G).

Regression Analysis

Table 03 demonstrates the results of regression analysis where dependent variables (merger, acquisition, partnership and JV) have been regressed on each independent variable. Simple regression analysis is a set of techniques used to predict an outcome variable. It takes the ability of correlation to investigate the strength and direction of a relationship between variables. Table 04 shows the effects of mediating variable on dependent variable.

Table 3
Regression Analysis: Effects of Individual Interventions on Mediating Variable and Dependent Variables

I.V	E.D	F.P (G)
Merger	0.536* (17.517)	0.590* (20.144)
R^2	0.288	0.348
F-statistic	306.837*	405.780*
Acquisition	0.249* (7.075)	0.176* (4.939)
R^2	0.062	0.031
F-statistic	50.054*	24.391*
Partnership	0.405* (12.227)	0.188* (5.2267)
R^2	0.164	0.035
F-statistic	149.509*	27.738*
JV	0.061 (1.684)	−0.04 (−0.661)
R^2	0.004	0.001
F-statistic	2.835	0.436

Table 4
Simple Regression Analysis

M.V	F.P.(G)
ED	0.660*

	(24.218)
R²	0.436
F-statistic	585.496*

Legend: * Represents significance at less than 0.01 and value in parentheses represents t-ratios, E.D. =Employee Development, F. P. (G) =FP (G)

Table 5
Mediation Analysis

Variables	**F.P (G)**		
	1	**2**	**3**
Merger	0.331* (11.04)		
Acquisition		0.013 (0.45)	
Partnership			-0.96 (-3.22)
ED	0.482* (16.08)	0.657* (23.33)	0.699* (23.58)
Adjusted R²	0.512	0.434	0.442
F-Statistics	401.0*	0.65*	302.0*

Legend: I.V=Independent Variable, F.P (G) =FP (G), β* represent significance at less than 0.01

Table 6
Collinearity Diagnostics

Dimension	**Eigen value**	**Condition Index**
1	1.405	1.000
2	1.000	1.186
3	0.595	1.537

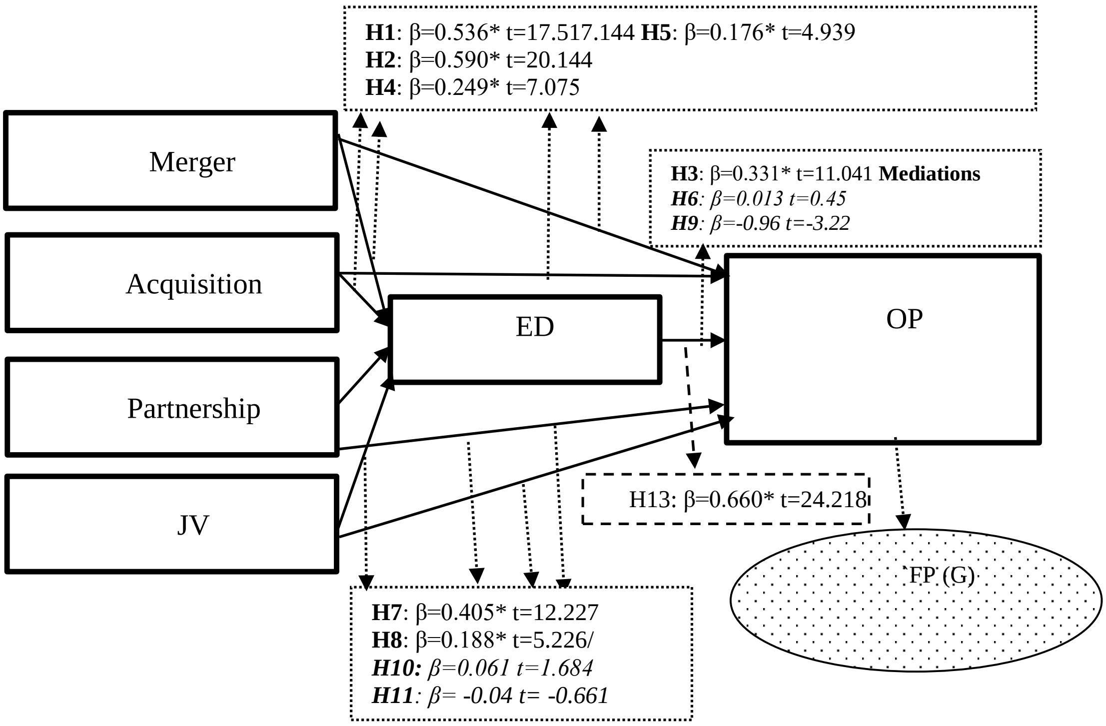

Figure 02: Results of regression analysis and mediation analysis
Legend: β* Represents significance at less than 0.01 and values of t statistic

Sobel and Goodman Tests

Sobel and Goodman tests are conducted to confirm the above mediations among variables. Both tests assume the null hypothesis of no mediation of mediating variable between independent variable and dependent variable. Research work of Sobel (1992) and MacKinnon (1994) has given testing techniques of mediation. Preacher and Leonardelli (2001) provided a web-based method for computing the Sobel test and Goodman test. Table 07 shows the results of Sobel and Goodman Tests.

Table 7
Sobel and Goodman Tests

I.V	M.V	D.V	Sobel Test Statistic	Std. error	p-value	Goodman Test Statistic	Std. error	p-value
Merger	E.D	F.P (G)	12.608	0.022	0.000	12.618	0.022	0.000
Acquisition	E.D	F.P (G)	4.786	0.024	0.000	4.790	0.024	0.000
Partnership	E.D	F.P (G)	5.095	0.025	0.000	5.100	0.025	0.000

Legend: I.V=Independent Variable, D.V=Dependent Variable, M.V=Mediating Variable, *Financial Performance (G) =FP (G), E.D =Employee Development*

Direct effects of each of the OD interventions on dependent variable have been found in order to make sure that the conditions of mediation analysis as stated by Baron and Kenny (1986) are satisfied. Table 06 shows that results of mediation analysis.

Analysis for Merger and Performance

Results show that merger positively and significantly effects ED (β=0.536, sig. <0.01). The value of R^2 (0.288) exhibits that 28.8% variation in ED is explained by the independent variable. The F-statistic (306.837) is significant at less than 1% which postulates that the effect of independent variable is significant. Merger also positively and significantly affects organization FP (G) (β=0.590, sig. <0.01). R^2 (0.348) exhibits that 34.8% variation of organization FP (G) is explained by the independent variable. The F-statistic (405.780) is significant at less than 1% which postulates that the effect of independent variable in FP (G) is significant. Results show that ED partially mediates between merger and FP (G) (see Table 05 and figure 02). Results of regression analysis, Table 03 and 04, mediation analysis, Table 05, confirmed the mediations and the null hypotheses are rejected and alternate hypotheses H1, H2 and H3 are accepted in all cases (see figure 02).

Analysis for Acquisition and Performance

Results of regression analysis in Table 4 show that the effect of acquisition on ED (β=0.249, sig. <0.01) and FP (G) (β=0.176, sig. <0.01) is significant and positive. The results of mediation analysis in Table 05 and figure 02 show the insignificant indirect effects of acquisition on FP (G) (β=0.013, sig<.001). Hence, ED fully mediates the effects of acquisition on FP (G). Results of regression analysis, Table 2 and 3, confirm the relationship of acquisition with ED and FP (G). The null hypotheses of no relationship are rejected and the alternate hypotheses H4 and H5 are accepted. The mediation analysis, Table 05 and figure 02, confirm no full mediation and the null hypothesis are accepted and H3 of alternate hypothesis is rejected.

Analysis for Partnership and Performance

Partnership also positively and significantly effects ED (β=0.405, sig. <0.01) and FP (G) (β=0.188, sig. <0.01). Mediation analysis shows that ED fully mediates the effect of partnership (β=- 0.960, sig<0.01) on FP (G) but the sign of the coefficient of independent variable is negative which is the problem of sign flipping. Sign flipping may be the result of high multicollinearity among independent variables. A Collinearity diagnostics test was applied to check the nature of sign flipping and the results are shown in Table 7. The values of condition index vary from 1.000 to 1.537 which shows that the problem of multicollinearity is not a serious issue.

Results of regression analysis, Table 03, confirm the relationship of partnership with ED and FP (G). The null hypotheses of no relationship are rejected and the alternate hypotheses H7 and H8 are accepted. The mediation analysis, Table 05 and figure 02, confirm no mediation and the null hypothesis are accepted and H9 of alternate hypothesis is rejected.

Analysis for JV and Performance

The relationship of JV with ED and FP (G) is insignificant and further mediation analysis is not conducted. Null hypotheses are accepted and alternate hypotheses H10, H11 and H12 are rejected all cases (see Table 03 and figure 02).

Analysis for ED and Performance

Table 04 demonstrates the results of regression analysis of mediating variable (ED) and dependent variable (FP (G) growth). ED positively and significantly effects FP (G) (β=0.660, sig. <0.01). The value of R^2 measures the percentage variation in the values of FP (G) that can be explained by the variation in employee development. The value of R^2 (0.436) exhibits that 43.6% variation in financial performance (growth) is explained by employee development. The F-statistic (585.496) is significant at less than 1% which postulates that the effect of independent variable is significant. The null hypothesis of no relationship is rejected and the following alternate hypothesis H13 is accepted.

Discussion

Strategic OD interventions are designed and implemented organization-wide to change the entire organization to keep pace with changing business conditions and emerging global business needs. A whole system change is a complex and multistep process. Merger is an important strategic intervention that leads to the formation of a single company and it enables organizational growth. Results of the current research study show a positive association of merger with ED and FP (G).

The current findings are supported by previous research studies that reported a positive impact of merger on employee capabilities, and financial and production performance. Abdul-Rahman and Ayorinde (2013) reported that aspects of mergers are important to performance, such as asset profile, capital structure, operating efficiency, liquidity risk and credit risk. Merger is an important strategic tool used to enhance the capabilities of an organization (Ensign et al., 2014). Khan (2009) stated that mergers have improved the efficiency and financial stability of banks in Pakistan. According to Abbas et al., (2014), M&A is a global strategy of corporate restructuring. Profitability and efficiency, leverage and liquidity ratios were used to measure the financial performance of banks in Pakistan after M&A and results showed no positive improvement in their financial performance.

Organizations in Pakistan opt for acquisition strategies due to local regulatory changes and global competition. Cross-border acquisitions have changed cost efficiency. Acquisitions of banks in Pakistan have increased their profitability, long-term benefits and financial market structures. Results of the current study show a positive and significant impact of acquisition on ED and FP (G).

Previous research studies have recommended acquisitions to increase capital base (Andrade & Stafford, 2004). M&A enable access to intangible assets, namely, human capital, structural capital and customer capital and to achieve synergies, adjustment to changes, undervalued assets, mismanagement problems and tax savings. From the seller's point of view, the motives include turning equity into cash, growth maximization and peak in valuation, owner's retirement and lack of access to capital (Duksaite & Tamosiuniene, 2009). Operating income and asset productivity change before and after the acquisition (Turang, 2010). According to Singh and Mogla (2010), the basic desire is to maximize profit and growth. Turang (2010) said that operating profit changes after M&A.

The association of partnership with ED and FP (G) is positive and significant. Partnerships are good for efficient production processes. Partnership is a popular mode of business in Pakistan. According to the findings, there are huge disadvantages of partnership business in Pakistani culture. The major disadvantages are instability and trust of partners. Unlimited liability is also an issue. Partnerships face many hurdles. Partnerships need a high level of cooperation and flexibility among partners.

The unexpected results show insignificant association of JV intervention with ED and FP (G). Organizations in Pakistan are exploring strategic growth interventions. Successful JV requires leadership and commitment of executives. The success of JV depends upon the partners' involved (Perkins et al., 2008). JV is cooperation (Nooteboom, 1999). The principles and ethics involved in an integration process are not matured and poorly implemented. Corporate managers do not follow consolidation and cooperation principles. JV fails to deliver the desired outcomes.

The failure rate of IJVs is higher than domestic JVs due to complex challenges like inadequate business plan development, lack of commitment of top management, inadequate development of strategies for international market, inadequate recognition of demands in a multicultural environment and global business procedures (Ozorhon et al., 2007). However, many research studies have recommended JV as a business expansion strategy to achieve technological advancement, learning, productivity and growth (Wahab et al., 2011; Beamish & Iris, 2003; Beamish & Lupton, 2009).

Conclusion

The impact of M&A on ED and FP (G) is positive. M&A enhance the capabilities of employees. M&A are strategic interventions that are highly recommended for the improvement of financial and operational efficiency of banks. M&A have a positive effect on the liquidity, leverage and profitability of the acquirer firms. M&A can lead to poor results if the integration process is not effectively managed.

The negative impact of acquisition on performance is due to poor selection of targets, lack of actual synergies, inadequate integration of the acquired firm and excessive debt resulting from the acquisition effort. Partnership is not a successful business strategy. Partnerships involve many uncertain complexities. Poor business management and trust among partners cause a loss of efficiency and integrity. Low efficiency leads to disintegration of partnership. Partnership requires maximum transparency and cooperation among partners. JV is a less stable and less successful business integration intervention in Pakistan. Results of the current study show that JV is not a reliable corporate business integration intervention in Pakistani culture.

Recommendations

We have looked at how four strategic OD interventions—merger, acquisition, partnership, and JV—affect the growth of financial performance. Future research will make use of other financial and organizational performance factors. Other research designs may be employed in subsequent studies to examine and study the various factors that lead to organizational change. Furthermore, we suggest that attaining sustainability, internal consistency, and business process competency necessitates corporate improvements. A corporation's or organization's capacity to carry out the intended tasks and produce the intended results is known as business process capability. It is suggested that business process competence be employed as a mediator in subsequent research projects.

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