

## Public Bank's Strategic Alliance with the Economic Approach in North Provinces of Iran

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### ABSTRACT

According to underdevelopment of north regions of the country and lack of proper facilities to create and efficiency needed and appropriate these areas that leading to not developing economic, cultural, social and welfare can consider issue that to why and how it should be answered by analyzing accurate and reasonable. Why north regions of the country don't have welfare amenities, hospital, rail, power plant and economic and how this impossibility has been caused unemployment, poverty, disease and backwardness of the area. This study have been try to do proposed strategic alliance in north public banks of the country as solution and this alliance can introduce as powerful investor that has the ability to perform the creation of all major projects. In this regard, first with to definition and analysis of the strategic alliance and then was review the economic development and economic growth finally, various forms of cooperation and solidarity in banks was discussed and also was tried to identify an important aspect to create and the success of alliances and examines the impact of any dimension and their priority was offer respectively : 1- Management Alliance 2 - Structural Alliance 3- information Systems Alliance 4 - Investment Alliance .

In process of survey, 38 questions have passed the relevant channels and reached to response appointees that result of collection ended 58 people and result of research in statistical analysis by software SPSS and factor analysis model was introduced in two phases on four dimensions and proposed sub- scale for the four dimensions conducted in the model introduced and the Kolmogorov - Smirnov test for normality distribution of data and analysis of variance ANOVA proved a significant difference for together dimension is used.

**KEYWORDS:** Strategic Alliance, Management Alliance , Structural Alliance , Information Systems Alliance , Investment Alliance .

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### 1. INTRODUCTION

What causes to review in mind idea of a collective work together is reflection of self-inability to do the tasks and in this regard, the first thing that comes to mind is use from individuals and sets that has necessary facilities and minimum complementary and also the motivation and intended and understanding required to perform its task. But another arguably issue is important of desired work that we accomplish, is work so important that that can make easy processes of difficult and increasingly challenging on work together? In research we duty of together in doing work that so the composition of the country north banks know alliance and its importance call it strategic and the intention is to examine why and how it, we analysis its dimensions and interests to create the economic development.

strategic alliances means link to leverage of the capital and the ability shares two or more series to accomplish operational plans and projects that their implementation were not alone responsible for each of them and this can be result significant outcomes such as improved public welfare, improve living conditions, create new businesses, and better expression to the economic development of implemented area. As comes from existential philosophy of banks, facilities pays shall be made on the basis of documents submitted by individuals and organizations that this documentation must show financial need to perform a variety of transactions including construction, working capital, operating, production, and buying for numerous cases and different businesses that can each be connected in some way with a particular form of development. For example, large projects such as steel Khuzestan Steel, Esfahan Steel, north to Tehran Highway, Tehran to Qazvin highway, cement plants throughout the country, various refineries, large dams built or being built, all of them addition use of stock investments bought people are used the massive bank loans that each of them in economic development (creation of new businesses), social (providing health maintenance and benefit) and cultural (promotion of educational level and improve the learning environment) that supplements are linked together in some way, have an impact on

the region and even the whole country and maybe or certainly "do not reached to fruition without the help of banks.

## 2. Theoretical Framework

When in progress and development of region show weak and we suffering from lack of welfare different facilities, social, cultural and economic in the region or when excessive unemployment give bother society or in comparison its region with other parts of developed areas in the developed countries we feel retarded, thus we have problem that need to investigate, study, and determine solution to solve it which can be lack of vary facilities due to lack of investment in infrastructure to improve it facilities. For example can named under creation of railway and metro, creating trading port, airport and flight facilities, dams of irrigating and creating electrification and ..... (Saeedi, 2009).

One of the most famous obligations in bank is facilities pays to a set of individuals, institutions, organizations, projects, cooperatives, public and private projects, and other for construction, equipment, supplies, purchases and even restoration. Making or investment that can be very useful, profitable and necessary or welfare and may be never begins or does not perform and if reasons don't accomplish it is to question, hear in answer, lack of government financial ability, lack of the banks' investment, lack of large private investors, all of mentioned inability is lack of coherent and sufficient investment to start, continue and finish large projects.

"Borges vpana" in research in India examine impact of enhance banking branches in the rural development. their result showed that this braches has helped to change the structure of production and employment, and reduce poverty and inequality (Saeedi, 2009).

The main problem of banks is the lack of financial strength infrastructure that has adequate capital with organizational structure centralize and determination and independent management that receive its powers from few banks and has operating instructions that in here, we remember from this structure contiguous and cohesive as alliance banking. This research project seeks to introduce a banking alliance as an independent structure capable of carrying heavy projects and understanding how the lack of cohesion of the financial capability to support and showing power of this alliance in the empowerment of this kind of investment like Shafarood Dam, Astar - Qazvin railway, Commercial Wharf North, Coast Highway or even projects building a high-speed transport in the region. Thus banking alliance strategy is proposed as a strategy to help investment in the field of implementation major projects of economic development and effective it will be investigated. The basic problem isn't lack of understanding essential needed for development, but what is important, and a major factor in the lack of the necessary is the absence of a strong investor to establish essential and would provide and describes of the fundamental variables to a foundation of organization in the name of the bank that its philosophy is the macro investment to economic development introduce and also get inspired capabilities of this organization from strategic alliance of several banks. Basically, "The main problem of banks in providing financial resource for large projects is the lack of required registered capital and restrictions of this subject is on law of company registration. It is looking that with strategic alliance s and combine of capital structure of several bank, try to resolve the problem of investment as appropriate and this solution introduce to appropriate form. In fact, lack of solve the problem creating an enabling investment, virtually will follow lack of establish major development projects and following educational problems, welfare, cultural, economic and social. It is noteworthy lack of educational opportunities, social and welfare is cased lack of economic and cultural developments and coherence these issues so much that in level of economic development is crucial.

Rozbahani in fundamentals of economic development book referring to the different economic theories of scientists view of this field, stating that economic development is dependent to different factors, such as growth and the creation of technology, grow and producing human resource quality and also the role of institutions in economic growth and development, states that by investing in infrastructure projects and training human resources necessary can take steps for economic development, with this interpretation, the amount of need to invest in third world and developing countries seem to be more important (Rozbahani, 2011).

Albert .o.hirshman is believe that poor countries need to develop a strategy that is driving investment (Nafziger, E. Wayne, 2010, p95).

Thus, it is believed that if we can't have make appropriate and timely investment in key areas, according to feature of the project required don't be able to gain production requirements, necessary training facilities, appropriate treatment and welfare facilities, and a lot of different facilities that is caused growth and development of economic.

in more expression issue, what were caused banks special attention to strategic alliance , great need of society to economic development that is infrastructure and providing other development areas and fundamental problems is the inability in factors of development creation due to financial inability in implementation, and its creation of a factors. Provide solutions to accomplish of a good and sustainable investment climate in strategic alliance that is an important and large source of investment banks have been seen that lack of attention to it can includes lack of economic development.

“the growth and development in every society is depend on physical infrastructure for production and distribution of goods and services between people and businesses, so that power of national economy depends on the ability of existing infrastructure and the quality and efficiency of this infrastructure is effective on continuity of business operations and economic of society and life quality and social health (Hadsen & et al,1983;Akbarian,Ghaedi,2011).

Formation of organization with strategic alliance can analysis from different aspects and in other words, what is an effective in creates a successful strategic alliance can see in the capabilities of organizations at different aspects and also create an independent organization that has structure, management, investment and independent information systems. Of course this structure must have all of effective and strengthen the properties of the primary organization (Mother) and it have necessary ability to achieve determined targets that certainly it is large investments. Conceptual models presented in research is selected because have been main criterion for the formation of organization in many books and articles and in this project to achieve determined targets among dimension of the founding the organization have been selected as effective basic and infrastructure dimension.

Thus questions of research including as follow:

- ❖ What are the most important dimensions of strategic alliances in north provinces banking system of Iran?
- ❖ How is amount of impact of each of these dimensions in strategic alliance north provinces banking system of Iran?
- ❖ What are the mechanisms for the formation of a strategic alliance north provinces banking system of Iran?
- ❖

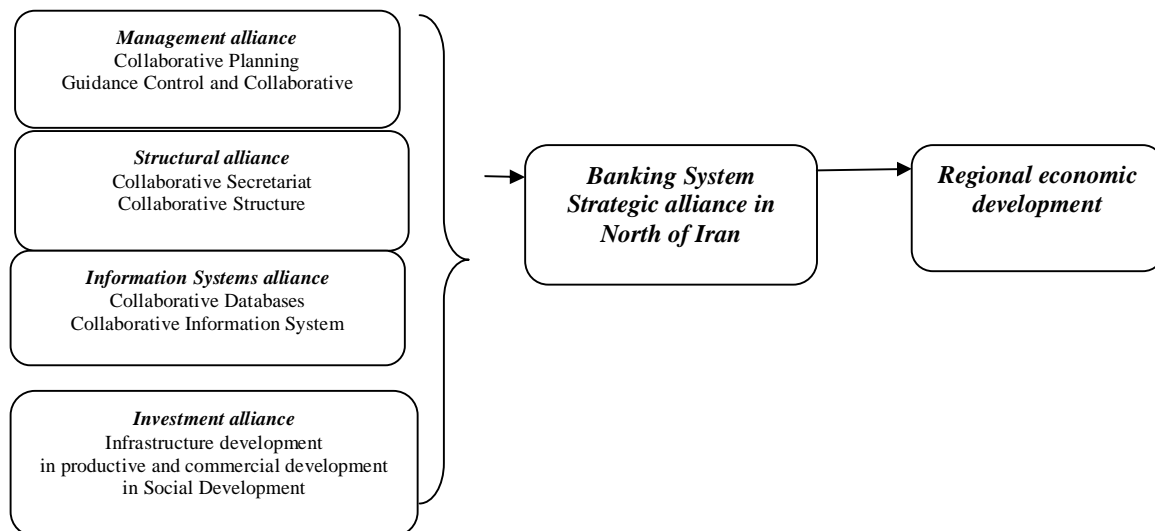


Figure 1) Conceptual model of research

**Strategic Alliance:** “ hit”, Strategic alliances seen as cooperative arrangements between two or more companies to improve their competitive position, which is achieved by sharing resources. In fact the strategic alliance is an agreement between two or more companies that become unified for the following set of approved goals, but yet remain independent (Johansson, 2008). Strategic alliance is relationship between several organizations that are forming the an agreement interaction between two or more independent companies (Kale, 2009)

**Investment:** "Investment is a process in which capital goods used to produce other goods and services" (Tafazoli, 1994). Implementation a common connected capabilities and powers that is causes to one or more power source, factors of produce or other goods.

**Economic Development:** Development is meaning out of "wrapper" to expand and improve. In the Gunnar Myrdal idea (Gunnar Myrdal: 1898-1987), Development is to improve Alliance and social system towards a better life, or a more humane (Naraghi, 1991).

**Structures with the ability of defined and recorded:** The organizational structure that investment amount, efficiency type and ability and it tasks is determined and recorded (Faulkner, 1995).

### 3. RESEARCH METHOD

The present study In terms of aim is applied research and in terms of the nature and method is the combination of a library and field. Statistical population this study is in the field 1 - Management of country public bank branches in three northern provinces (Golestan, Mazandaran, Guilan) Minimum of four banks in each province 2- Managers and senior experts of deputy government in three northern provinces and also 3- Experts civil projects development in planning organizations in the three northern provinces of Iran. Considering that statistical population of professionals named organizations, thus this study are selected sample of statistical population instead of statistical population, that the number of appointees initially were determined 75 people. Due to the limitations and existing problems including distances and restrictions of organizations in adoption of questionnaires, only 58 questionnaires were completed and collected. questionnaire after designed to determine the degree of accuracy and so reliability and validity with the guidance professor , were distributed to 12 experts that including 6 professors and 6 experienced managers and experts. Among questions, 38 questions were selected and were distributed as unnamed to specialist appointees. 38 questions pass from validity step and approved in final stage was delivered to the selected respondents to statement and its reliability in a pilot study on 15 people and was conducted by using Cronbach's alpha coefficient and it is obtained  $\alpha=0/864$ . After examining the distribution of data by using the Kolmogorov - Smirnov test, analysis of variance (ANOVA) and repeated measurements to test hypotheses and path analysis method were used for modeling strategic alliance

#### 4. Data Analysis

##### 4.1. Confirmatory factor analysis results:

With an general survey of all subscales (9 subscales), the general model of strategic alliance based on 9 subscales of strategic alliance dimensions was confirmed ( $\chi^2 / df = 1.53$ , RMSEA = .09, CFI = .91, IFI = .91, GFI = .86).result of this model show that collaborative planning (subscale of Management alliance) with Load factor 0/76, collaborative structure (subscale of structural alliance) with load factor 0/75, infrastructure development (subscale of investment alliance) with load factor 0/75 had most impact on strategic alliance.

##### 4.2. Kolmogorov-Smirnov test

Table 1-result of Kolmogorov-Smirnov test

Variables	z	sig
Management Alliance	1/156	0/138
information Systems Alliance	1/280	0/075
Structural Alliance	1/152	0/141
Investment Alliance	1/155	0/139

\*All variables in level  $p>0/05$  have normal distribution.

According to the results of the Kolmogorov - Smirnov and normal distribution of variables, therefore parametric statistical methods is used to test the hypotheses.

##### 4.3. Testing Research Hypotheses

**First hypothesis:** there is significant difference between Priorities dimensions of strategic alliance in banking system of Iran North.

Table 2: Test results of repeated measurements of the dimension of the strategic alliance

Mauchly test			the dimension of the strategic alliance	Mean ± standard deviation	F	df	sig
(w)	df	sig					
0/883	5	0/225	Management Alliance	4/11±0/47	6/48	3	0/001
			information Systems Alliance	4/26±0/55			
			Structural Alliance	4/03±0/58			
			Investment Alliance	4/29±0/45			

Result of repeated measurements show that there is significant difference between priorities dimensions of strategic alliance in banking system of Iran North, thus this hypothesis is confirmed.

Table 3 : result of Bonferroni test for The comparison of the strategic alliance dimensions

The comparison of the strategic alliance dimensions			The mean difference	Sig
Management dimension	Information Systems dimension		- 0/149	0/321
		Structural dimension	0/087	1/000
	Investment dimension	* - 0/180	0/019	
Information Systems dimension	Structural dimension	* 0/236	0/017	
	Investment dimension	- /031	1/000	
Structural dimension	Investment dimension	* - 0/267	0/003	

\*Difference in P<0/05 is significant.

Result of Bonferroni test show that there is significant difference between mean of Management dimension with investment dimension, information systems dimension with structural dimension and structural dimension with investment dimension.

**Second Hypothesis:** there is significant difference between management dimension point of the strategic alliance in three province.

Table 4 : analysis of management dimension of the strategic alliance in three province

homogeneity of variances			(ANOVA)					
Variable	Levene's static	sig	Change resource	Sum of square	Mean square	(df)	F	sig
management alliance	2/391	0/101	Between group	0/165	0/083	2	0/364	0/697
			Within groups	12/493	0/227	55		

Result of ANOVA test show that there isn't significant difference between management dimension point of the strategic alliance in three province. Thus research hypothesis rejected.

**Third hypothesis:** there is significant difference between information systems dimension point of the strategic alliance in three province.

Table 5 : analysis of information systems dimension of the strategic alliance in three province

homogeneity of variances			(ANOVA)					
Variable	Levene's static	sig	Change resource	Sum of square	Mean square	(df)	F	sig
information Systems Alliance	0/388	0/680	Between group	0/734	0/367	2	1/205	0/308
			Within groups	16/749	0/305	55		

Result of ANOVA test show that there isn't significant difference between information systems dimension point of the strategic alliance in three provinces. Thus research hypothesis rejected.

**Fourth hypothesis:** there is significant difference between structural dimension point of the strategic alliance in three province.

Table 6 : analysis of Structural dimension of the strategic alliance in three province

homogeneity of variances			(ANOVA)					
Variable	Levene's static	sig	alliance resource	Sum of square	Mean square	(df)	F	sig
Structural alliance	3/540	0/036	Between group	0/385	0/193	2	0/554	0/578
			Within groups	19/119	0/348	55		

Result of ANOVA test show that there isn't significant difference between structural dimension point of the strategic alliance in three province. Thus research hypothesis rejected.

**Fifth hypothesis:** there is significant difference between Investment dimension points of the strategic alliance in three province.

Table 7: analysis of investment dimension of the strategic alliance in three provinces

homogeneity of variances			(ANOVA)					
Variable	Levene's static	sig	change resource	Sum of square	Mean square	(df)	F	sig
Investment alliance	3/770	0/029	Between group	0/072	0/036	2	0/169	0/845
			Within groups	11/792	0/214	55		

Result of ANOVA test show that there isn't significant difference between investment dimension points of the strategic alliance in three provinces. Thus research hypothesis rejected.

## Conclusions and Recommendations

Dimensions of strategic alliance introduced in research model as effective dimensions and determine in build desired alliance s confirmed and most important sub-scales of each dimension were identified. Also according to the responses received, while banks effective factors in economic development, and it is recognized that their investment power can be strengthen by alliance together, this alliance was introduced as a powerful investor research recommendations were stated as follows:

- ❖ forming an expert team to review desired organizations and candidates for strategic alliance . "Due to the co-structuring subscales»
- ❖ set and establish a legal association formed for the build integration and coordination fit in the new structure. "Due to the sub scale, joint planning, guidance and control,"
- ❖ selection of qualified personnel and able to work and formed a strong working team in different parts of the organization " completion of expert human resources in organization »
- ❖ Create strong and effective management information systems derived from common databases in alliance organizations. «according to alliance of information systems and subscales subscription databases "

Creating an appropriate structure derived from the principles and features described in items 1, 2, 3, 4 and determining the best geographical location to speed efficiency between three provinces.

- ❖ Selection scientific and experts director and the board of directors and aware to level of the culture and organizational structure, alliance organizations. «according to dimensions of managerial alliance in research subject»
- ❖ Combination of investment in alliance banks and its registration in law enforcement to obtain permissions necessary to company in creating the development and infrastructure projects "concentration of capital, and formed a powerful investment of alliance banks.
- ❖ Support and contribute to the realization of infrastructure plans and projects with investment expertise that actually economic development, social welfare, reduce unemployment and be a

supportive of massive projects of manufacturing and infrastructure "action to infrastructure investment and economic development".

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