

Strategic Planning for Iran Khodro Spare Parts and After Sales Services Company (ISACO)

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ABSTRACT

According to today's complex environment, organizations need to develop a strategy to maintain its position in the competitive market. The absence of such programs can increase unforeseen crisis for the company. The main purpose of this present research is defining strategy in 5 fields human resources, sales and marketing, after-sales service, financial and commercial for Iran Khodro Spare parts & after sales Services Company (ISACO). The method of this study is descriptive - survey and the type of target functional it. The study sample was Iran Khodro Spare parts & after sales Services Company (ISACO) expert. Population size used in this study was equivalent to 100 people. The sampling in this study because of the small sample size was a census. To analyze the data collected from the questionnaires that were used by experts were gathered from Microsoft Excel and for its stability used Cronbach's Alpha. Base on IE, SPACE and also SWOT matrix, the results of this study led to the introduced of appropriate strategies in the areas of finance, human resources, commercial, sales and marketing and after-sales service and has been product service development, market penetration, market development and offers the same variety strategies.

KEY WORDS: Strategic Plan, SWOT, Strategic Position And Action Evaluation (SPACE), Company Operating Area.

INTRODUCTION

Consistent with the word wide, trend of increasing interest in using the tools and techniques of strategic management in our country, including privatization and the readiness to join the World Trade Organization, the need for effective use of such tools is increasing. In today's competitive world, creating and implementing new and innovative strategies for using the opportunities, seems difficult. To be sure, we can say that the strategy is effective for all organizations desirable, is not necessarily useful in other organizations [1,2]. Almost all people use companies and factories produced goods or services. Strategic decisions making affect on employees, customers, competitors, investors and society even business. In today's world, the automotive industry has an important role in countries economy [3,4,6 to 11,13 to 15]. In our country, the automotive industry has an essential role in production and employment in the country.

Due to the continuous presence of Iran Khodro spare parts and after sales services (ISACO) in Iranian National Quality Award (INQA) and the importance of self-assessment and evaluation results in developing large-scale enterprise and its programs and policies, not using a variety of approaches in order to ensure the specified orientation strategies has been identified as one of the areas for improvement in the process of strategic planning. As if Iran Khodro spare parts and after sales services (ISACO) has used the SWOT model to formulate strategies, according to the results of the evaluation of INQA, it was determined that there aren't effective and appropriate strategies in human resources, commercial, sales and marketing, after sales services and financial areas.

Therefore, this study tries to develop a new and effectiveness approach SWOT strategic plan in 5 above areas and right direction strategies for Iran Khodro spare parts and after sales services (ISACO).

Shojaei and et al. (2013), presented a research as strategy planning base on SWOT analysis in Tehran Cement Co. The researchers were acknowledged in their paper that strategic management is one of the most important managers tasks are doing in organizations [12]. Increasing local and international competition, the importance of strategic management is undeniable. The purpose of this research is to develop strategies for a Company experience in the production of cement. To achieve this goal, this study used the SWOT analysis. After completing the checklist to assess the strengths, weaknesses, opportunities and threats were made, Weights and importance of each case defined by the managers and interviewed with them for final results. According to data collected, IFE and EFE matrix were calculated and the results were analyzed on the charts. The company is located in the aggressive strategy. Some similar studies carried out and the results of which are presented in the table below.

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Table 1. Research Examples

Research Title	Research Results	Researchers	Research Year
Strategy Planning base on development technology performance	Set the framework for research and development strategies for managing technology transfer projects in India	Kapra & et al	2014
Strategy Planning and priority in Behnoush Iran Co	Using Fuzzy TOPSIS method for ranking strategies	Mehrmanesh & et al	2012
Evaluation of health care strategies	Selection and assessment strategies using the screening Fuzzy	Sadidi & Fakhrazad	2012
Delphi-SWOT combination method for strategy planning Oil and gas pipelines in the Caspian Sea	Multi-criteria decision-making methods in SWOT strategy cycle	Madjid Tavana & et al	2012
Strategy planning for resource management base on Multi-criteria decision-making methods & SWOT	The best way for strategies planning is using SWOT with AHP	Mika Kajanous & et al	2012
Development and evaluation of organizational strategies using SWOT and network analysis ANP	SO strategy with the highest weight, was run as the most important strategy	Maleki & et al	2010

MATERIALS AND METHODS

The purpose of this study was to answer this question "What are the appropriate company strategy in various operating field (Human resource, Commercial, Sales & Marketing, after sales services & finance)?" Based on Fred R. David comprehensive model of strategic management, the strategy include: 1- Mission Determine 2- External Factors study 3- Internal Factors study 4- Long-term objectives setting 5- Compilation, assessment and selection strategies [5]. In the beginning, ISACO mission was determined before and affecting internal and external factors was identified and finally appropriate strategies in five areas was developed and recommended. The population of this research include managers, assistants and administrative staff who they are members of the steering committee and whole population of over 100 companies that experts, were used for questions and interviews. In other words, the census is used in this study. In this research, interviews with experts and questionnaires with library research and online resources, for attempting to collect information. In this study, after identifying strengths and weaknesses, threats and opportunities through the interview and selection of the factors that have had the highest frequency, questionnaire was prepared and distributed after determining factor and the score in the questionnaires, requirements matrix extracted and formulate strategies base on SWOT model.

RESULTS

To identify strategic factors in areas, first of all studied the ISACO program documents and other legislation and regulations and by the way, taken examined some conditions and acted by macro- management. Then, to find opportunities and external threats, as well as the strengths and weaknesses of the organization in 5 areas, using the Delphi technique and a questionnaire with open - response questions, was drafted with experts and senior managers. So that was asked them with great care and critical reflection as possible identify of all the opportunities, threats, strengths and weaknesses in the automotive spare parts industry regarding to their scope of responsibility and domain expertise. After that, the content of the questionnaire was analyzed with a comparative approach and with refining, summarize and synthesize results, prepared comprehensive list of strategic factors in each of the five areas. In continuation of this phase of the research for evaluate the strategic factors, was used summary tables of external and internal factors evaluation analysis. That studies have been conducted in the following table.

Table 2. Summary analysis of external and internal factors evaluation matrix in 5 areas

		Financial		Human Resource		Commercial		Sales & Marketing		After Sales services	
		Factors No	Weighted mean	Factors No	Weighted rating	Factors No	Weighted rating	Factors No	Weighted rating	Factors No	Weighted rating
EFE	Opportunities	7	2.962	4	2.993	4	3.671	7	2.802	7	3.077
	Threats	6		1		5		7		6	
IFE	Strengths	9	3.067	6	2.893	13	3.252	12	2.812	11	3.264
	Weaknesses	10		9		7		5		13	

The situation and determining the organization's strategic action analyzing in each of the five areas based on the results of external and internal factors evaluation matrix is presented in the following figures.

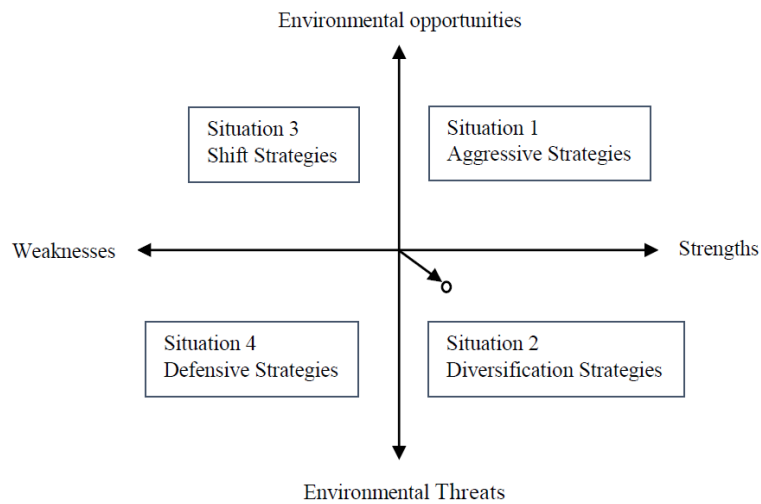


Fig 1. Positioning and strategy in financial area, based on SWOT matrix

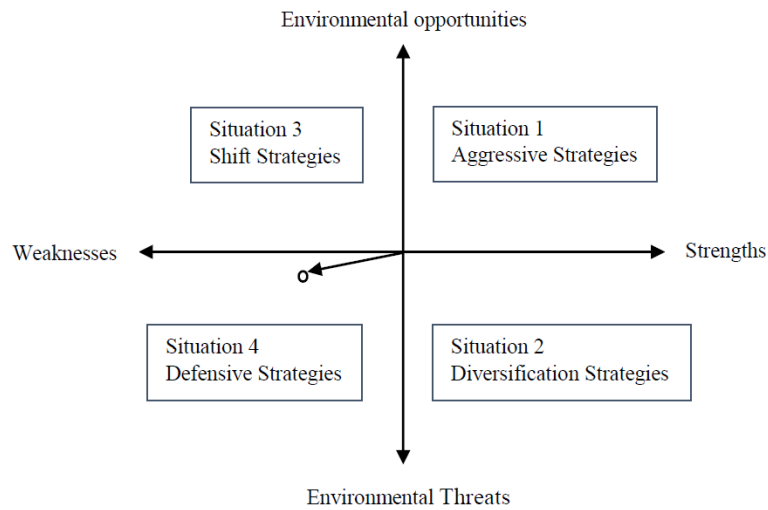


Fig 2. Positioning and strategy in Human Resource area, based on SWOT matrix

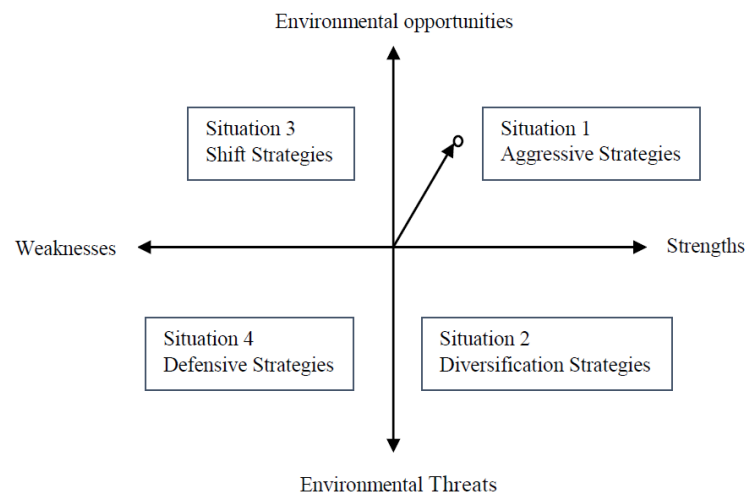


Fig 3. Positioning and strategy in Commercial area, based on SWOT matrix

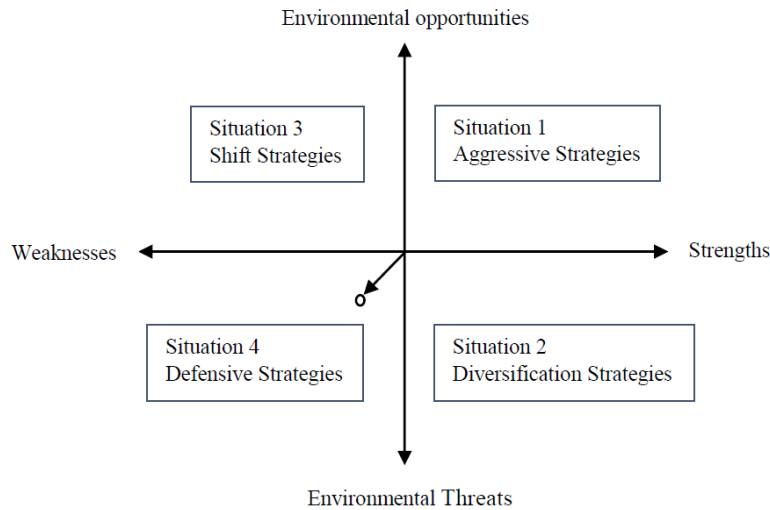


Fig. 4: Positioning and strategy in Sales & Marketing area, based on SWOT matrix

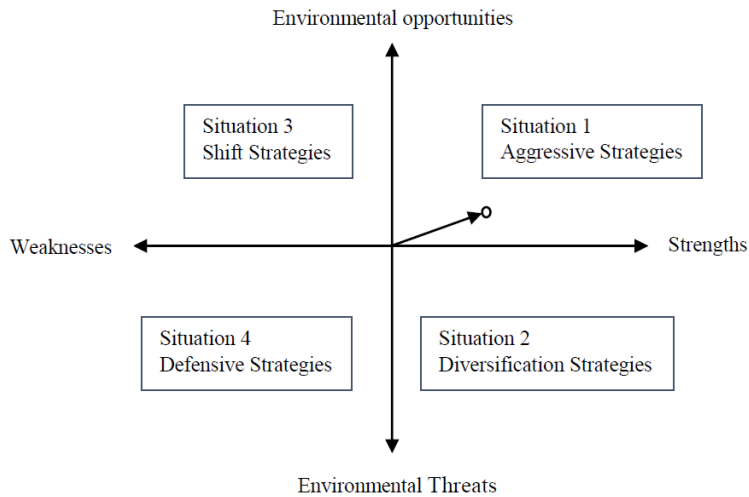


Fig. 5: Positioning and strategy in After Sales Services area, based on SWOT matrix

Also, internal and external matrix (IE Matrix) each of the five areas based on calculations, is in following table.

Table 3. Summary results of the internal and external matrix (IE) and the recommended strategies SWOT model

Field of study	Strategic position in the IE matrix	The Recommended strategy in IE matrix	Recommended strategy in SWOT matrix
Financial	5 (V)	Maintenance	(ST) Strategies
Human Resource	5 (V)	Maintenance	(WT) Strategies
Commercial	2 (II)	Development and construction	(SO) Strategies
Sales & Marketing	5 (V)	Maintenance	(WT) Strategies
After Services	Sales 5 (V)	Maintenance	(SO) Strategies

CONCLUSION

Considering that the aim of this research is strategy planning therefore, the strategy formulation process has been studied and noted that the strategy formulation process that includes: the steps of determining a firm's mission, determine strengths and weaknesses as well as the opportunities and constraints of external, internal and external analysis of key factors and company's objectives and strategies. Strategies should be more attention to the internal strengths, along with the weaknesses, taking advantage of key external opportunities and to be determined avoid external restrictions. In addition, it should be noted that during the implementation of the strategy may obstruct the implementation of the

programs. To adjust the strategy, three major activities take place: research, analysis and decision making. According to the data analysis and results, appropriate strategies in each area was determined as follows:

A: Financial area

- 1- Joint venture with domestic auto makers in financial institutions
- 2- The integration of financial systems and exchange mechanism to deal with foreign threats
- 3- To reduce the risk of currency fluctuations and inflation investment company's liquidity
- 4- The direct and indirect investment in other sections of the industry to increase dividends and deal with the threats of foreign funds and an increase in production costs

B: Human Resource area

- 1- The classification of members of the organization and management focus on maintenance and release programs
- 2- Increase the sense of participation in a joint club
- 3- Ways of getting human power to find a good job rotation in working to assess the performance of tasks
- 4- Use of the suggestions to improve the participation and sense of belonging to the organization
- 5- Increased sense of reverence, joy and happiness in the workplace and relationships with intimacy in the relationship between the leader - follower to improve organizational belonging and loyalty ISACO personnel's.

C: Commercial area

- 1- Integration with contractors and suppliers with the aim of increasing productivity to outshine competitors
- 2- Commitment to provide long-term contracts with negotiated prices
- 3- Obligation to quality guarantee by domestic suppliers to ensure ISACO strength and competitive advantage
- 4- Definition and standardization of components tolerance with favorable conditions organization.
- 5- Increasing monitoring mechanisms on components manufacturing companies in the event of non -compliance with quality requirements , quickly followed ISACO alternative

D: Sales & Marketing area

- 1- The use of propaganda mechanisms and facilities to small retailers and agents to increase market share
- 2- Great emphasis on improving the quality of parts
- 3- Improve the customer relationship management (CRM) systems to cover the customers' needs
- 4- Create a plan for the lost sales future identification systems
- 5- The provision of effective and appropriate advertising base on company technical capabilities

E: After Sales Services area

- 1- Sync control for maintaining the quality of after-sales service network
- 2- Increase the suppliers in order to reduce the risk of substitution
- 3- Monitor the repair shops warehouses to maintain the quality of after-sales services
- 4- Segment superior service quality and warranty repair

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