

**ROLE OF STRATEGIC PLANNING IN TRANSPORTATION
MANAGEMENT TO IMPROVE THE PERFORMANCE OF
TRANSPORTATION COMPANY**

by

Shakib Zohrevandi
Payam Noor University, Iran
E-mail: shakibzohrevandi@gmail.com

and

Hossein Ghazanfari
Payame noor university, Iran
E-mail: hghazanfari.ie@gmail.com

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Abstract

The objective of this paper is to offer a strategic solution to administrative bottlenecks in internal structure of transportation companies. Analysis of data from a transportation Company revealed that strategic planning enhances a transit agency's ability to respond effectively to passengers' requirements and demands of host communities. This is particularly so when it is designed to consolidate the various unit action-plans into a system-wide strategic plan. The environment under which Raja Passenger Trains Company (which is our case study) is operating is dynamic. The over-regulation of Raja Passenger Trains Company should be reduced such that the initiative of the board members can have a place in the day to day running of the corporation. Furthermore, effective strategic planning requires involvement of employees, particularly those who will be responsible for the implementation of the resulting plan, and it must fit the management and decision making styles of the top and unit or division level managers. After the system implementation, a qualitative evaluation was carried out by a document analysis and questionnaire application. These roles are intended to provide guidelines to transportation companies intending to use strategic planning as a tool of effective strategic management. In this study directions for future research will be provided.

Keywords: Strategic Planning, Transportation Management, Transportation Planning

1. Introduction

The performance of any corporation is measured in terms of contribution to standard of living of the people, profit return, cost effectiveness, market penetration and corporate image. The normative view of strategic planning is that organizations that do formal planning have a

higher probability of success than those that do not. If planning is so fundamental to organizational success, this article looks at how strategic management of a public enterprise can ensure its continuity. The paper is also aimed at offering strategic solutions so as to improve the performance of Raja Passenger Trains Company.

The success of strategic planning in some private sector firms as well as interests of governments looking to tie their budgets to performance measures have spurred its use in public sector organizations as a tool of strategic management. The quality of life of any nation is partly determined by the quality and efficiency of that nation's transport system.

A turbulent environment strategic planning is a constraint on the flexibility of an organization to adapt to its rapidly changing and uncertain environment (Mintzberg 1991). An efficient transport system is an axle wheel on which the economic activities of any nation revolve. Transport is needed to provide access to sources of existing and potential raw materials. It facilitates the collection and distribution of agricultural and industrial products and it encourages efficient allocation and utilization of some economic resources. It equally promotes the smooth administration of any country. It can therefore be regarded as the life wire of a nation's economic development. Transportation departments (including public transportation) have experiences with planning, data gathering and analysis, and "using this information to allocate resources and manage programs", thus making them good candidates for strategic planning (Poister T. H.; Van Slyke D. M. 2002).

Attributions to public transport are important; they form the perception of a public transport mode and, thus, the image of different public transport modes. Perception of public transport service quality and attributions of public transport have been prominent issues in transportation research, especially research that targets shifting automobile drivers towards public transport (Scherer M; Megel Dziekan K. 2012). In Iran, road transport dominates other modes of transportation in the movement of passengers and goods. This is because; road transportation has numerous advantages over and above other modes of transport. The Roles of strategic planning in transportation are the organizational environment in which strategic planning is applied (contextual), and how strategic planning is designed and implemented (Ramanujam; et al. 2002). Over the years, 70% Iranian depended on public transport for their mobility; this has led to an acute shortage of public transport. The ever increasing demand for public passenger transport approached a crisis level in 2002 and the government had to intervene in order to reduce this serious mobility problem which is manifested in intra-city movement. The private sector dominated the business of mass transit in the past. Some State governments have attempted the mass transit system before, but they failed because of lack of strategic management.

Top management leadership involvement in and commitment to strategic planning, and the strategic planning process itself to the characteristics of effective strategic planning (Ugboro, I. 1991).

Strategic issues in public transport include:

- Vehicle, selection and purchase.
- Type of buses in a fleet.

- Operation of the buses.
- Maintenance and servicing.
- Examination of other issues.

Even when all these factors are taken into consideration for efficient mass transit system, the organizational structure, relationship between supervisory ministry and the government and Transport Corporation could hamper the achievement of the objectives of the corporation.

These Roles are measured by the organizational contextual, design, process, top management leadership involvement and commitment dimensions of strategic planning systems of public transit agencies and are treated as variables. Then, using structural and measurement equations, the paper develops relationships between the measures, strategic planning characteristics, and internal organizational success of strategic planning, federal legislative requirements and community impacts. Those measures with positive coefficients are used as the Roles of effective strategic planning.

Raja Passenger Train company started their activity on Oct. 22, 1996 in the form of an independent governmental company, whose 100% shares belong to the Railway of Iran, aiming at qualitative and quantitative growth in the field of passenger transportation (Raja Co 2012). This article discusses how strategic management could be used to sustain the operation of a public transport corporation. Public transportation companies encounter problems when carrying out their activities which creates difficulties in their work and their results, these problems are in raja passenger trains company too, therefore I use this strategic planning method in the raja passenger trains company that caused enhance productivity and improved of company performance in level of their organizational and their business.

In this study, we found that using strategic planning in transportation to improve the performance of raja passenger trains company need for money and the benefits that accrue from that expenditure compete in theory for resources against all other potential uses. While it is important for organizations to efficiently carry out their missions, they also need to be concerned about effectiveness. An organization is said to be effective if it accomplishes its stated objectives. Ideally, an organization should be both effective and cost efficient. If financial resources are limited to using strategic planning for improve the performance the company, resources should be reallocated. It does good to have improvement in our performance.

Research papers make the transition from the general field or context of the study to the specific experiment by describing the inadequacy in previous research that motivates the present experiment (Hill et al., 1982). Gap identification and formulating a research problem are vital for a research project. This paper directs towards achieving transport system. The gap between actual and desired outcomes presents a challenge and creates the need for action. A key feature of this paper is that it considers the full range of potential solution or options to the challenges at hand. This is a pre-requisite for effective decision making. Identification and analysis of options, or alternative possible solutions to a challenge, is a fundamental aspect of this paper.

As described in the literature review on strategic planning, numerous studies have been conducted so far but so far its impact on transportation planning and practical manner by

someone who has not been investigated. In this study, using of the strategic planning process on transportation companies caused to increase productivity and profitability of the company to double up.

2. Literature Review

The Government Performance requires agencies to prepare three strategic planning documents. The first is a strategic plan covering a period of five years and reviewed every three years. The second document is an annual performance plan for each program activity. The third document is a program performance report that compares the performance indicators established by each agency with its actual performance to assess strategic planning's failures and successes.

Following the Government, many states passed legislations or issued Executive Orders (e.g. Arizona; New Jersey; Texas, Wyoming, Delaware, Hawaii, Florida) to require similar results oriented measures on their agencies (Berry & Wechsler 1995; Broom 1995; Melkers & Wiloughby 1998; Aristigueta 1999). Companies that engage in strategic planning out-perform those that do not use strategic planning, meaning that strategic planning has some dividends (Welch, J.B., 1984). The advantages of strategic planning as follows:

- It improves company's chances of doing the right thing at the right time for the most part because, it has a better understanding of its business and it's environment.
- It has more time and accurate information for forecast.

State agencies to determine the extent of their use of strategic planning, 60 percent of the agencies responding, i.e., 255, used some form of strategic planning and attributed the large percentage of use to possible overrepresentation of adopters of strategic planning in their sample and less experience with strategic planning (Berry F. S. & Wechsler B. 1995). Plan in means an active conscious and rational role played by managers in formulating the organizational strategy (Stoner R.; Freeman. 1989). Strategic management therefore entails planned management activities engaged in, so as to realize pre-determined objectives outlines for a particular organization or business.

Some apprehension about the use of strategic planning, these authors conclude that strategic planning has produced "very little disillusionment among those who have used it" (Berry, F. S. & Wechsler, B. 1995). The interest of managers in strategic planning was its apparent prospect that they could now control the destinies of their organization and achieve corporate stability no matter what happen in the external environment (Paul, R.N.; et al. 1978). Strategic planning gives tunneled vision and does not allow management to take note of other possible approaches to problems (Mintzberg H. 1993). Despite these arguments recent increases in the adoption of strategic planning in the public sector at a time when the private sector seems to reduce its use makes its study in public transit agencies ever more important. Performance analysis can help transit agencies to more objectively evaluate the performance of their systems, thus allowing them to better identify and prioritize problem areas for management actions (Gan et al. 2004).

According to previous literatures, Public transportation companies encounter problems when carrying out their activities which creates difficulties in their work and their results, these problems are in raja passenger trains company too, therefore I use this strategic planning method in the raja passenger trains company that caused enhance productivity and improved of company performance in level of their organizational and their business.

2.1 Strategic Planning

A systematic, formally documented process for deciding what is the handful of key decisions that an organization, viewed as a corporate whole must get right in order to thrive over the next few years. The process results in the production of a corporate strategic plan (simply strategic planning 2013).

Many researchers seem to agree that strategic planning is an effective tool of strategic management. Found positive 2 relationships between strategic planning and organizational effectiveness and performance and argued that methodological problems could explain the inconsistencies in past research results (Miller, C. C.; Cardinal, L. B. 1994). Strategic planning is not just planning like long-term financial planning or capital planning, but involves a thorough assessment of the environment and organization to develop broad strategies for resolving important issues facing the government (Rebecca Hendrick 2010).

Pointed to design and process flaws as possible explanations of failure of strategic planning in many cases (Hussey.D.E 1974). He argued that, the fact that an organization practices strategic planning does not mean that it is done well. The question therefore, is what characteristics of strategic planning are related to its effectiveness.

Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy. In order to determine the direction of the organization, it is necessary to understand its current position and the possible avenues through which it can pursue a particular course of action. Generally, strategic planning deals with at least one of three key questions (J. Scott Armstrong 1986):

- "What do we do?"
- "For whom do we do it?"
- "How do we excel?"

In many organizations, this is viewed as a process for determining where an organization is going over the next year or more typically 3 to 5 years (long term), although some extend their vision to 20 years. Strategic planning is the process of envisioning a future and translating this vision into defined goals, objectives, and steps to achieve them (Achieve it 2013).

2.2 Transportation Planning

Transportation planning is a continual process of examining the transportation challenges facing and identifying a plan of action to improve transportation system performance (Atlanta region 2011). Transportation planning is a process that develops information to help make

decisions on the future development and management of transportation systems, especially in urban areas. It involves the determination of the need for new or expanded highways, transit systems, freight facilities, and transportation terminals, their location, their capacity and the management of their demand. Typically transportation planning involves a forecast of travel patterns 15 to 25 years into the future with an aim to develop a future transportation system that will work effectively at that time. Transportation can have significant effects on mobility, economic development, environmental quality, government finance and the quality of life. Wise planning is needed to help create high quality transportation facilities and services at a reasonable cost with minimal environmental impact and to enhance economic activity (Edward A.; Beimborn 2006).

Transport planning is usually focused on specific problems or on broad transport concerns at a local level. It has been traditionally a preoccupation of lower tier governments, such as the state or municipality. Because of this fact, transport planning is most developed in the urban sphere, and it is there where most experience has been gathered. The planning process, however, has a number of similarities with the policy process. Identifying a problem, seeking options and implementing the chosen strategy are essential steps in planning too. Because it tends to deal with localized problems, the solutions adopted in transport planning tend to be much more exact and specific than policy directives (Brian Slack 2013).

The transportation planning process involves an interconnected group of transportation officials and transportation agencies, relying on plans made by the federal government, the state, counties, cities and other transportation partners. It is driven by national, state, district, metropolitan and local plans and priorities (Metropolitan Council 2012).

2.3 Transportation Management

A Transportation Management is a system designed to manage transportation operations. In more recent times, we have seen that the Transport Management is being offered in many different types of licensing arrangements. These different arrangements have given shippers who otherwise would not be able to afford sophisticated software the opportunity to utilize Transportation Management to better manage this vital function. Transportation Management is really meant to increase efficiency of your logistics company and has become a mandatory element for an effective logistics management. The transportation management helps you make your logistics management more organized and accurate (Jithin Dev 2010).

The goal of a Transportation Management Program (TMP) is to reduce trips and/or parking impacts of a development project through the implementation of physical improvements and operational measures (Diane M. Sugimura 2013). The management of transportation operations of all types, including tracking and managing every aspect of vehicle maintenance, fuel costing, routing and mapping, warehousing, communications, EDI implementations, traveler and cargo handling, carrier selection and management, accounting (Bitpipe 2012).

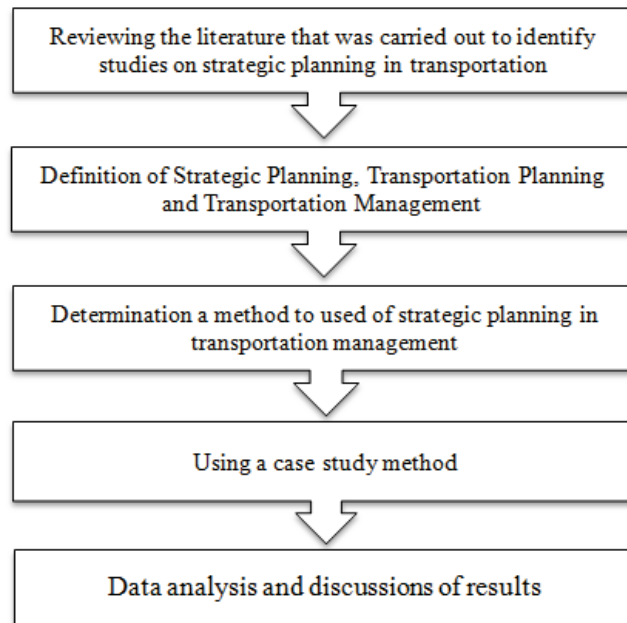
Transportation Management means the integrated process of satisfying transportation requirements using the Defense Transportation System to meet national security objectives. The process begins with planning, programming, and budgeting for transportation assets, services,

and associated systems and continues through delivery of the users (global transportation management 2013).

3. Research Method

Qualitative approach was chosen for the given research project, as it allows collecting more wide and rich data, and ensures more flexibility rather than quantitative approach. The case study has been conducted in an transportation Company. According to Fig. 1, I began this paper first reviews the literature that was carried out to identify studies on strategic planning in transportation, then I began to define Strategic Planning, Transportation Planning and Transportation Management, next I determined a method to used of strategic planning in transportation management, and finally using a case study method.

Figure 1 Diagram of research method



3.1 Measurement

In developing scales for internal organizational success and dimensions of strategic planning, we used item statements from Steiner (1979), Wood and Laforge (1981), Ugboro (1991) and Ramanujam, Venkatraman and Camillus (1986). Strategic planning effectiveness is measured by some characteristics; these characteristics are principles of effective strategic planning and are considered important in establishing strategic planning in public transit agencies. These principles are discussed below:

- **Understanding established procedures for strategic planning:** From our results, a characteristic of effective strategic planning systems in public transit agencies is that employees must understand and know the established procedures in place for strategic planning.
- **Strategic planning must fit management style:** Yet, another characteristic of effective Strategic planning found in this study is that it must fit the management style of the top executive team and the reality of a transit agency's decision-making process.
- **Consolidate unit action plans into a system-wide plan:** Another characteristic of an effective strategic planning we identified in transit agencies is that each unit within an agency must develop its own action plan.
- **Top management constraints on unit managers:** Quite surprisingly, we found that a characteristic of effective strategic planning in transit agencies is that top management imposes some constraints on unit managers.
- **Responsive to customer demands:** Another characteristic of effective strategic planning systems in transit agencies that we found is that they use their abilities to meet customer demand as an internal measure of strategic planning success.
- **Ability to foresee areas of major future transportation opportunities:** The final characteristic of effective strategic planning in transit agencies is its ability to foresee opportunities for future growth.

Respondents were to show their agreements and disagreements to the item statements in all the scales using the five scales: 1- indifferent, 2- totally Disagree, 3- Disagree, 4- Agree and 5- totally Agree.

3.2 Data

As an advantage of case study method, dealing with contemporary events allows the scholar to use full variety of evidence: documents, archival records, observations, interviews with the people involved, and artifacts. Using of multiple data sources mitigates the potential problem of construct validity (Yin, R. K. 2009). Thus, 3 types of data sources were used in the research project:

1. Documentation. Relevant document sources such as organizational charts, organizational culture survey results.
2. Direct observation. Internal news published in the intranet and press-releases were reviewed in order to overview strategic goals, organizational changes and new directives.
3. Interviews and Survey.

Data collection started with identifying Transportation Company involved in strategic planning to participate in the study. Data were collected from both primary and secondary sources. The primary data were those collected from the raja passenger trains company through personal interviews while the secondary data were obtained from published materials that proved to be relevant among which are the company journals, Magazines, Newspapers different seminars on Urban passengers Transportation in Iran. Observations were made at the corporation premises and at some of the loading points. The method of analysis is both descriptive and

quantitative. The scope of the study is the performance of the corporation from 2002-2012. Data collection was carried out through interviews and document analysis. In questionnaires were used a research question: Did the system improve the performance of the transportation company strategic planning in transportation management?

4. Strategic planning in Raja Passenger Trains Company

The principal sub-activities of strategic formulation as a logical activity includes identifying opportunities and threats in the company's environment and attaching some estimate or risk to discernible alternatives. Before a choice is made, strategic planning will ensure that the company's strength and weaknesses are appraised with the resources available. The strategic alternative, which results from matching opportunity and capability at an acceptable level of risk, is what is regarded as economic strategy.

In raja passenger trains company, Strategic Planning covers route planning, pricing, subsidy, maintenance, training and purchasing and supply of spare parts and petroleum products. Each level Manager directly connected with any of the strategies above is usually an input into the strategic planning process. But the adoption of such strategic Planning depends to a large extent on the approval of the Supervising Ministry as well as the State Government.

5. Research procedure

There are two main scientific perspectives for conducting a scientific research, the positivistic perspective and the hermeneutic perspective (Patel & Davidson. 2003). There are mainly two procedures for conducting research, the qualitative- which has a strong connections to the hermeneutic perspective and the quantitative procedure - with a strong connections to the Positivistic perspective (Oates. 2006). The research strategy chosen for this research is the case study. As the inductive approach for research is used to form a theory based on collected information - the same will be done in this research.

When choosing what criteria to be used it is important to match this to the research (Yin , R. K. 2008)? The reason for choosing these strategies is as a result of the overall research perspective of the Research, the hermeneutic perspective. The individual steps of the procedure are as follows:

- The first stage of the procedure is to initialize the Check by checking the copied interviews.
- The second stage of the procedure is to present the material and have it structure in such a way so that it is simple to understand and simple to interpreted by the reader.
- The third stage is identifying from the different data sources and cross references them among each other.
- The fourth and final stage of the procedure is to analyze these discovered patterns and themes in conjunction with existing theories with the purpose of answering the main question with the purpose of presenting instructions on.

6. Data analysis and discussions of results

There is no standardized procedure to analyze qualitative data due to their diverse nature (Saunders, M., Lewis, P., and Thornhill, A. 2009). But, usually 3 processes are applied: summarizing, categorization, and structuring of meanings. For the survey data analysis, quantitative methods were applied depending on the type of variables. Mostly the quantitative data served for producing descriptive statistics. Only few statistical dependencies were found. For identification areas for improvement in project management (based on the survey data), Importance Performance Analysis was applied. The combined data from the company documentation, interview transcripts and descriptive survey data were summarized, partly coded and divided into categories following the conceptual framework of the research.

The raja passenger trains company recorded a 53% increase in fleet size in 2003 which resulted in about 43% increment in revenue generated in 2002. This period coincided with the introduction of Federal Urban Mass Transit plan of the Federal Government. By 2005 the number of vehicles in the fleet, reduced from 82 to 50. Despite this reduction by 26% in the fleet the revenue generated in 2005 increase by 14%. Between 2008 and 2010, there was no reduction in the fleet size but revenue generated was in the decline. The researchers found that there were other extraneous factors responsible for the decline in the revenue generated over the years for which the vehicles in the fleet were constant. With a fleet size of 33 in 2012, N32.7m was generated as opposed to N20m generated when the number of vehicle in the fleet was 100.

Table 1 Fleet size and revenue generated (2002-2012)

Year	Revenue Generated(ME)	fleet size
2002	865	60
2003	1245	92
2004	1367	32
2005	1564	50
2006	1470	72
2007	1626	100
2008	1668	93
2009	1885	93
2010	1910	93
2011	1989	70
2012	2080	33

Source: Corporations audited accounts (2002-2012)

Correlation analysis between revenue generated and fleet size of raja passenger trains company between 2002 and 2012 Correlation is the measurement of the degree to which changes in one intervallic-scaled variable (Revenue generation) are associated with changes in another intervallic-scaled variable.

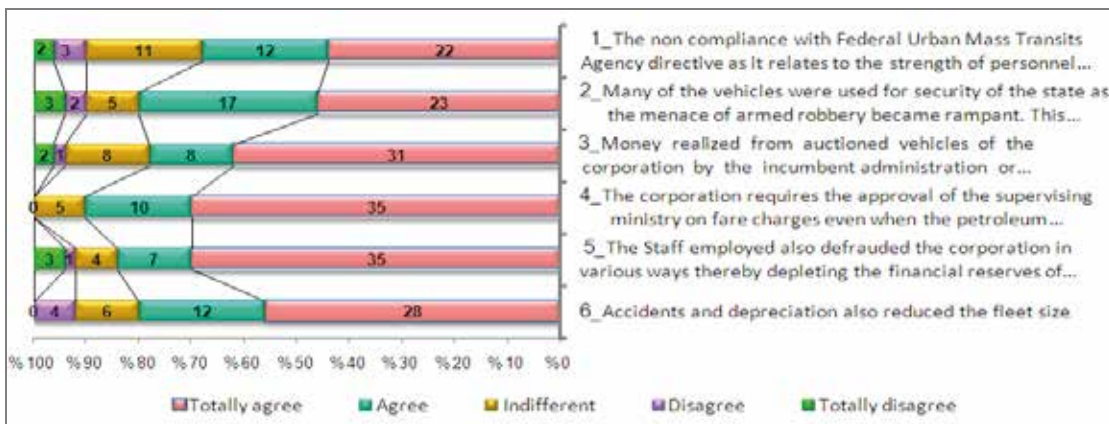
The correlation coefficient is a measure of linear relationship between the two interval variables. Hence, given the figure on Table 1, we can compute the correlation coefficient of the data as shown below with the aid of the Eq. (1).

$$(r = n \sum xy - \sum x \sum y) / (\sqrt{n \sum x^2 (\sum x)^2} * \sqrt{n \sum y^2 - (\sum y)^2}) \quad (1)$$

This gave a negative correlation of -0.0335 between fleet size and Revenue generated. This is because many of the vehicles were used by the state government at will. In some other instance, fiat government orders were issued by the state government to the corporation on route scheduling to fulfill political pledges which are usually contrary to revenue generation drive. From the statistical evidence above there is a low negative correlation between fleet size and revenue generation. The following are the findings from the corporation’s survey research.

- The non compliance with Federal Urban Mass Transits Agency directive as it relates to the strength of personnel required increased the number of personnel and consequently the wage bill.
- Many of the vehicles were used for security of the state as the menace of armed robbery became rampant. This reduces the number of vehicles for commercial purposes and hence led to the reduction in revenue generated.
- Money realized from auctioned vehicles of the corporation by the incumbent administration or government were not ploughed back in to the coffers of the corporation, hence the inability to meet its request. There was a time in 1992 when the corporation requested for twenty J-5 buses (22 seaters), the response from the State Government was the supply of (seven seaters) Peugeot 504 station wagons.
- The corporation requires the approval of the supervising ministry on fare charges even when the petroleum products were scarce in the era of the military.
- The Staff employed also defrauded the corporation in various ways thereby depleting the financial reserves of the corporation.
- Accidents and depreciation also reduced the fleet size.

Figure 2 Results of the answers from the data interview reports



We used 50 people that had applied the method for presenting a questionnaire. Fig. 2 shows the percentile frequency of the answers regarding to the criteria. Has the system number 1? 34 people of the respondents agreed that “the non compliance with Federal Urban Mass Transits Agency directive as it relates to the strength of personnel required increased the number of personnel and consequently the wage bill” there is in the system. But 16 people were indifferent or disagreed. 40 people agreed that the system has number 2, and 39 people agreed with number 3 that “Money realized from auctioned vehicles of the corporation by the incumbent administration or government were not ploughed back in to the coffer of the corporation, hence the inability to meet its request”.

Number 4 (The Corporation requires the approval of the supervising ministry on fare charges even when the petroleum products were scarce in the era of the military), the graph shows that 45 people of the respondents agreed with that. Number 5 (The Staff employed also defrauded the corporation in various ways thereby depleting the financial reserves of the corporation) 42 people agreed that there is in the system and 40 people agreed with number 6 that is “Accidents and depreciation also reduced the fleet size”.

7. Research Implication

Based on this analysis integrating of research, the answer to the hypothesis on the relationship between strategic planning and corporate performance is affirmative. The results of this analysis show that there is a positive relationship; therefore, strategic planning does improve corporate performance. In that sense, this analysis supports the findings of other analyses (e.g., Boyd 1991; Miller & Cardinal 1994).

It is more difficult to specify what the implications of these results are for managers, since the academic community is apparently still having trouble pinpointing the precise value of strategic planning. For the majority of performance measures, strategic planning does not have a negative influence on corporate performance. The perception that a strategic plan is followed so uncritically as to endanger the survival of a company appears to be greatly exaggerated.

Furthermore, as regards future research, managers should be careful in the selection of which performance measure they intend to use when they seek to measure the effects of strategic planning. The purpose of the strategic planning process should be reflected in the choice of performance measure. Future researchers should be more specific regarding the precise content of the concept of strategic planning they are using, what dimensions they want to emphasize, and so on. This would make it easier for future researchers to evaluate and compare studies.

8. Conclusion and Recommendations

Studying strategic planning in public transportation companies and identifies its characteristics that make the companies that use it effective in responding to some legislative requirements is very important, and have positive community impacts. We conclude that strategic planning is an important strategic management tool that allows public transportation

companies to meet people demands primarily in terms of mobility and accessibility, and legislative requirements.

Some characteristics of effective strategic planning in public transportation companies are:

- Strategic planning must be more than a lip service.
- Employees must understand established procedures for strategic planning.
- Strategic planning must fit the management style of top management.
- Top management must be involved and committed to strategic planning.

The environment under which the raja passenger Trains Company operates could hardly be said to be stable as it is constantly being affected by the development in the immediate and remote environment. Such a dynamic situation requires a more adequate and responsive management of the corporation for values to be effectively appreciated. However because of the nature of organization and ownership, the management approach is reactive rather than proactive. Even where the board has come out with a good strategy the supervising ministry the Ministry of Works may make the strategy little or no effect.

After a consideration of strategic planning activity in raja passenger trains company, the following problems were identified:

- Limited financial resources, as a problem should be tackled through expansion of financial base. The genesis of any success in strategy planning would begin with determining the strengths and weaknesses vis a vis the environment and competition.
- An appropriate and clear mission is necessary in order to provide unity of efforts towards a common goal in the organization. Mission statement should be reviewed periodically between ten or twenty years and the objectives must be finite, feasible, suitable, acceptable and achievable.

The function of management is to plan, organize, staff, lead, and control. Every one of these functions is influenced to a great degree by how much money there is. Managers and program staff simply cannot carry out their assigned responsibilities effectively without understanding their financial constraints. Resources to be committed to any activity are always finite. Using strategic planning in transportation to improve the performance of raja passenger trains company need for money and the benefits that accrue from that expenditure compete in theory for resources against all other potential uses. While it is important for organizations to efficiently carry out their missions, they also need to be concerned about effectiveness. An organization is said to be effective if it accomplishes its stated objectives. Ideally, an organization should be both effective and cost efficient. If financial resources are limited to using strategic planning for improve the performance the company, resources should be reallocated. It does good to have improvement in our performance.

For operation efficiency, a definite stand should be taken on the maker of buses to be purchased for operation. The practice whereby transport corporations have a mixture of various types of buses in their fleet is for all intent and purpose counterproductive. It also poses an additional burden in the corporation in terms of spare parts.

Based on this analysis integrating of research, the answer to the hypothesis on the relationship between strategic planning and corporate performance is affirmative. The issue of federal character or quota system in the appointment of level managers should be avoided. This is because a level manager appointed by politics is not likely to fall in line strategically in thoughts with those who were employed on merits. Essential and genuine spare parts and components should be stocked so that the rate at which the buses are grounded will be reduced. The life span of any bus depends on the handling of the bus by drivers. Hence, sound training should be given to them. Reckless and unmarried person rarely makes good driver.

It is more difficult to specify what the implications of these results are for managers, since the academic community is apparently still having trouble pinpointing the precise value of strategic planning. For the majority of performance measures, strategic planning does not have a negative influence on corporate performance. The conductors and conductresses serve as public relation officers. Therefore, periodic refresher courses should be organized for them to boost their efficiency in attending to passengers. The success of the private sector group in transport industry can be attributed to the measure of powers and authority given to the General Manager and Chief executive. This freedom does not exist in government run transport agencies like raja passenger trains company. This is why government interference in State transport companies should be reduced to barest minimum to enable the company operating in the same footing with their private sector counter parts. I use this strategic planning method in the raja passenger trains company, we could specified above results and if we can follow all them in the company, caused enhance productivity and improved of company performance in level of their organizational and their business.

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About the Author



Shakib Zohrevandi (shakibzohrevandi@gmail.com) is an industrial engineer in TSTI company in Tehran, Iran. He is received his M.S. in industrial Engineering from the Payame Noor University of Tehran, Iran, and his B.S. degree in industrial Engineering from the Azad University of Qazvin, Iran.

He's Proficiency is planning & project control and He has been working in that field from 2003 up to now and He did a lot of projects such as oil & gas, petrochemical, building, way and railway in charge of planning manager. He has written and published some papers in fields of planning, project management, strategic planning, quality management, transportation and economic.



Hosein Ghazanfari (hghazanfari.dr@yahoo.com) is a professor in industrial engineering in Azad University south Tehran branch, Iran. He is received his PHD degree in industrial Engineering from the science and research branch Azad University, Tehran, Iran, and his M.S. degrees in industrial Engineering from the Azad University south Tehran Branch, Iran and his B.S. degree in industrial Engineering from Iran University of Science & Technology.

He's Proficiency is transportation planning and He has been teaching in Azad University south Tehran branch, Iran and payame noor university of Tehran, Iran.