

SABA MOTOR COMPANY STRATEGY CODIFYING BASED ON QSPM MODEL

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Abstract: Existence of close and hard contest among product and service organizations as well as extension of world business in countries make it undeniable necessary to codify a proper strategy for organizations and industries through which they can react in time facing with external threats and improve internal weaknesses.

Today not only should a manager recognize internal markets, but also he should get ready to work in external markets and against new rivals.

Strategic planning and management makes it possible for organization to act in a creative and innovative manner as well as not to act passively to form its future.

This paper aims at recognizing weakness, strength, opportunity, and threat of Saba Motor Company through a case study on this company. It also analyzes these factors and designs SWOT matrix in order to codify proper strategies for Saba motor company. Finally it prioritizes the strategies through Quantitative Strategic Planning Matrix (QSPM).

Key words: Saba Motor Company, strategic management, SWOT matrix, QSPM matrix.

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1 - Introduction

Strategic Management currently widely in business are used. Strategic management should be as a set of decisions and action by the directors in connection with all levels of the organization applying to be considered. This set of decisions that can lead to long-term activities performed in the organization is. (Houben, 1999 ,125-135)

One type of strategy game that managers with other groups in their organizations or other organizations are doing. The process of how to play the success or failure will determine the organization, because those are moved from the reaction of actors other actors, and this process leads to success and failure of other parties continue. (Stacy, 2002, 3-10)

Today, a manager should not only domestic markets but also must recognize foreign markets and against unfamiliar competitors do well to be prepared. Increasing trend toward globalization of high technology power is rooted, the re-shaping the industry and competitive ways to profoundly affect the data. These two forces of globalization and the challenges of new technology with the customer requires a new leadership, so that managers manage change readiness dynamic and changing environment have the organizations must also change to improve things bring pressure, otherwise their existence and survival of the subject are threatening and destroying. (Hardwick, 1996, 5)

Strategic Management and Planning Organization of the possibility that creative and innovative manner, and act to shape their future not as a passive act. Strategic planning can make organizational initiative and its activities so that manipulation can be done (not only against the actions, react) and controls the future brings. (Arabi, 2010 37)

Considering the cases had been said above and the necessity of strategic planning for organizations, we Drives this article to identify weaknesses, strengths, opportunities and threats Motor Company building Saba to analyze internal and external factors discussed using of the SWAT analysis (SWOT) to determine the current state paid the company, then the solutions offered to achieve our company goals.

2 - Background Research

2-1 - background shape analysis Swat

Matrix techniques or "SWAT (SWOT)" that sometimes "Birch (TOWS)" also called a tool for understanding the threats and opportunities in the external environment recognition system and internal strengths and weaknesses in order to measure the status and development strategy to guide and control system is mentioned. This technique as detailed in a paper format Klasyk in 1982 AD by "Heinz Rich, he" called "SWAT matrix: a tool for assessing the situation" has been introduced. However, the formation history of the paper before the release date is mentioned on numerous individuals and streams in the genesis and evolution are involved. In other words, the formation of SWAT techniques only in interaction with other shaping techniques, strategic planning has to be explained, because before or simultaneously with the formation of these techniques, other tools have been used to develop strategy. For example, the technique can be "Matrix basket trade" ⁶ by the Boston Consulting Group to analyze the relationship between growth rate and the relative position of the company in competition (market share) has been developed and techniques "Business Scene" by ⁷ General Electric Company and the matrix in the form of variable strengths of two companies and the industry is composed of attractions to mention. However, due to both matrix shall not enough attention to the threats and restrictions contained in the external environment have been criticized. (Wehrich ,1982,54-66)

In shaping the course of evolutionary techniques SWAT has reported three stages which include: 1 - developed techniques to measure the strengths and weaknesses within the system have paid, two - develop techniques to analyze the external environment threats and opportunities the system has have 3 - SWAT techniques to develop interaction and synchronization of these two categories internal and external variable deals. Certainly history techniques to examine the strengths and weaknesses internal phenomena have paid to decision making, have very long historical roots. Nonetheless, techniques developed "by the Environmental Assessment Agvylar" ⁸ in 1967 when considering the future situation of uncertainty necessary study organization and external environment to identify "barriers and opportunities" puts the emphasis, can be another step in forming techniques SWAT called. Finally, SWAT techniques of combining techniques to analyze internal and external environment factors are addressed organizations, was formed as was mentioned in the article

"Heinz Vih his" full description of features and capabilities that have been reported. (Prebe ,1988,4-14)

2-2 - Theoretical Framework Plan

In order to achieve a comprehensive and practical model, after study and research in books, articles, research, and the thesis, the ultimate model of strategy "person. R.. David" was chosen for the research topic. Select this model because in addition to comprehensiveness, ease of use and accuracy of the results of the extraction was. In conceptual model of this study, the pattern of strategic management and planning person. R.. David is ⁹.

Strategic management process as the process can be a particular decision or problem can be imagined. Thus the strategic management of time so that decision-making process, with a general attitude of the planning stages to implementation and evaluation will be formed. Reasonable to begin the process established goals and develop appropriate strategies to form, then run them with their evaluation results of control occurs. In other words, the strategic management process within the conventional pattern and acceptable, provided the following circular:

1. Strategy: In this stage, the mission identified the organization or company, internal and external factors to identify strengths, weaknesses, opportunities and threats based on their review goals and strategies are developed at different levels.
2. Implementation strategies: strategies at this stage formed before their assessment and selection and the best run.
3. Assessment strategy: consists of a series of measures following the implementation of the strategy to the said strategy of reform occurs.

In this article because we intend strategy Motor Co. is building Saba, only the first part of the strategy and adopts the strategy process from the perspective of the individual. R.. David will explain briefly. In this section, strategy process and the seven steps in four stages as follows strategic planning tool is introduced.

Table 1 - Process strategy perspective "R. Fred. David"

Row	Stage	Step
1	Start Stage	Identification missions, features and components
		Identify the goals and characteristics
2	Input	External factors
		Internal factors
3	Comparison	Matrix composed threats, opportunities, strengths and weaknesses (SWOT)
4	Decision making	Prioritized strategies with little strategic planning of the matrix (QSPM)

3 - Research Methodology

The research method used in this study in terms of goals and applied research categories of data collection, research and descriptive categories in the subset theorem Item placed. Accordingly, to collect data from instruments such as interviews with experts, Brainstorming, information gathered from senior executives and documents referring to the strengths and weaknesses and opportunities and threats Motor Company is making use of Saba.

After identification of the external environment opportunities and threats by the survey of managers and experts to each factor a weight factor between zero (unimportant) to a (very important) will be assigned. Then, for each of the factors of opportunity Threats and a score between 1 to 4 depending on the degree of match making engine companies threatening opportunities for Saba. Weighted points in the next stage (degree of importance of each factor multiplied by the result in points) and calculated the overall score can be obtained from the environment through the evaluation matrix (EFE) is calculated. Internal condition assessment matrix calculation method (IFE) is also the same way, so that each of the factors,

the strengths and weaknesses based on the opinions of managers and experts weigh a coefficient between zero (unimportant) to a (very important) will be assigned. Then for each factor score three or four strengths and the weaknesses of one or two points will be in order. Weighted points in the next stage (degree of importance of each factor multiplied by the result in points) and calculated the overall score can be obtained.

Is more internal and external strategic factors in the foundation of the strategy are, Swat matrix matrix extraction and strategic planning based on little (QSPM), determine priorities and appropriate strategies will be presented. Prioritization process in a little strategic planning matrix are:

1. First vertical side tables internal and external factors and their weights in the tables that internal factors evaluation (IFE) and external factors evaluation (EFE) has awarded will enter.
2. More consider strategies that we intend to prioritize them from the matrix table Swat (SWOT) extract, high in the horizontal column is written. Each strategy involves two columns, one related to the attractiveness scores (AS) and the other attractions Strategy (TAS) will show.
3. Experts and officials based on the effect of each factor and the internal and external appeal a score between 1 and 4 are relevant to the strategy that the attractiveness scores (AS) say. Al if the desired effect on development or selection strategy is no score or zero indifference to whether it was awarded.
4. Multiplying the weight of each factor score of attractiveness, charm Strategy (TAS) is calculated.
5. Attractiveness of each strategy column numbers together and we appeal, each strategy is obtained.
6. Strategies based on the total score obtained by each attraction strategy, most to least priority scores are.

4 - Findings:

4-1 - internal and external factors evaluation matrix (IFE, EFE)

As mentioned in the research method, the evaluation of matrix elements To identify and assess internal strengths and weaknesses and external evaluation matrix to identify and evaluate opportunities and threats are used. How to form these matrices is as follows:

Table 2 - Internal Factors Evaluation Matrix (IFE)

Code	Internal factors affect	Weight	Points	Weighted Score
	Strengths			
S1	Facilities and infrastructure	0.05	3	0.15
S2	Specialized and trained manpower	0.05	3	0.15
S3	Feature a variety of technical services - Engineering	0.06	3	0.18
S4	Ten years of relevant experience in heavy duty diesel industry	0.07	4	0.28
S5	Advanced equipment testing and connective	0.08	3	0.24
S6	Ability to absorb technology	0.05	3	0.15
S7	There are courses to date	0.03	3	0.09
S8	Staff Satisfaction	0.04	4	0.16
S9	High employee motivation	0.05	3	0.15
	Weaknesses			
W1	Not valid on behalf of global manufacturers	0.07	2	0.14
W2	High price of the product	0.06	2	0.12
W3	Financial Problems	0.05	2	0.1
W4	Marketing policies	0.06	1	0.06

W5	Low product diversity and low market share	0.03	1	0.03
W6	Ambiguity in goals	0.04	1	0.04
W7	Not having proper support after sales service	0.03	2	0.06
W8	Inadequate understanding of the industry and domestic and foreign markets	0.04	1	0.04
W9	Weak human resource productivity	0.03	2	0.06
W10	Lack of timely access to technical knowledge of diesel industry	0.06	1	0.06
W11	Factory location far from the target markets of industrial countries	0.05	2	0.1
	Sum	1		2.27

Table 3 - External Factors Evaluation Matrix (EFE)

Code	External factors affect	Weight	Points	Weighted Score
	Opportunities			
O1	Possibility of using alternative fuels	0.07	3	0.21
O2	Market expanding	0.06	4	0.24
O3	Urgency and regional electric energy to produce electricity	0.04	3	0.12
O4	Prices of raw materials and energy	0.08	3	0.24
O5	Industry needs to technical services - Engineering	0.06	3	0.18

	Accessories			
O6	Being specialized in the production of unique	0.06	2	0.12
O7	There are companies outsourcing work to	0.06	2	0.12
O8	Low number of competing domestic	0.06	3	0.18
O9	Population Growth	0.05	4	0.2
	Threats			
T1	Bargaining power of customers	0.05	2	0.1
T2	Competitive bidding of foreign agencies	0.06	1	0.06
T3	Requires advanced technology and high investment	0.06	3	0.18
T4	Oil prices	0.02	3	0.06
T5	Unpredictable fluctuations in inflation rate	0.03	1	0.03
T6	Boycott	0.03	2	0.06
T7	Changes in government regulations, and policies supportive of the industry	0.01	2	0.02
T8	Unpredictable exchange rate fluctuations	0.04	3	0.12
T9	Lack of technical and engineering support from suppliers	0.04	4	0.16
T10	International economic trends	0.06	4	0.24
T11	Cheap second-hand products imported into the country	0.06	2	0.12
	Sum	1		2.67

Number 2.27 obtained from the matrix evaluation of internal factors because less than average value of the 2.5 is, represent overcome weaknesses of strength and number 2.67 obtained from the matrix evaluation of external factors, represents domination opportunities environment on threats Motor Co. is building Saba.

4-2 - Analysis of internal and external matrix

For simultaneous analysis of internal and external factors of internal and external matrix (IE)¹⁰ is used. This matrix to determine the position or industry organizations and is used to form the matrix should be obtained from the assessment scores and internal factors, external factors evaluation matrix, respectively, in vertical and horizontal dimensions made it to the industry or organization in the market place to determine and appropriate strategies can be identified for that. This matrix defines four types of strategies, which is as following chart.

In the matrix also can be seen above, the appropriate strategy for building the engine, Saba is a conservative strategy, which indicate the use of the opportunities facing the company building the engine to overcome the weaknesses of Saba shall participate and to improve There is emphasis.

4-3 - strategy matrix to help SWAT (SWOT)

After identifying the internal factors (strengths and weaknesses) and environmental factors (opportunities and threats) Motor Co., Saba building through internal and external factors evaluation matrix (IFE, EFE), to form a matrix addressed Swat and appropriate strategies for we shall develop.

Table 4 - Matrix Motor Company building Swat Saba

Strengths (S):	Weaknesses (W):	Internal factors (IFE))
<p>1 - facilities and infrastructure</p> <p>2 - trained and skilled manpower</p> <p>3 - feature a variety of technical services - Engineering</p> <p>4 - ten years relevant experience in heavy industrial diesel</p> <p>5 - advanced equipment testing and connective</p> <p>6 - ability to absorb technology</p> <p>7 - There are courses to date</p> <p>8 - Staff satisfaction</p> <p>9 - high employee motivation</p>	<p>1 - not valid on behalf of producers</p> <p>2 - high price of the product</p> <p>3 - financial problems</p> <p>4 - marketing policy</p> <p>5 - less product variety and low market share</p> <p>6 - ambiguity in goals</p> <p>7 - Lack of proper support after sales service</p> <p>8 - Insufficient understanding of industry and domestic and foreign markets</p> <p>9 - weak productivity of human resources</p> <p>10 - lack of timely access to technical knowledge day by day</p> <p>11 - Factory location far from the target market country</p>	<p>External factors (EFE)</p>
Strategy SO:	Strategies WO:	Opportunities (O):

<ol style="list-style-type: none"> 1. Increased production 2. Focus Marketing 3. Increasing diversity of products 	<ol style="list-style-type: none"> 1. Collaboration with suppliers 2. Make representation 3. Focus on cost 	<ol style="list-style-type: none"> 1 - the possibility of using alternative fuels 2 - Market Expanding 3 - and regional electric energy need to produce electricity 4 - Prices of raw materials and energy 5 - needs technical service industries - engineering side 6 - specialized in the production of unique 7 - There are companies outsourcing work 8 - Number of Low domestic rivals 9 - Population Growth
<p>Strategies ST:</p>	<p>Strategies WT:</p>	<p>Threats (T):</p>
<ol style="list-style-type: none"> 1. Variety of products and services 2. Export of products and services in the region 	<ol style="list-style-type: none"> 1. Reload Structure 2. Energy adjustment 	<ol style="list-style-type: none"> 1 - bargaining power of customers 2 - international competition in the bidding agents 3 - require advanced

3. Reengineering Production		<p>technology and high investment</p> <p>4 - oil prices</p> <p>5 - unpredictable fluctuations in inflation rate</p> <p>6 - Sanctions</p> <p>7 - not having proper support after sales service</p> <p>8 - unpredictable exchange rate fluctuations</p> <p>9 - Lack of necessary support from suppliers</p> <p>10 - International economic trends</p> <p>11 - cheap imports of second hand products into the country</p>
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Based on scores obtained from the matrix prepared to assess internal and external factors, strategies Motor Co., the cell-building strategies Saba weaknesses - Opportunities (WO) placed. The aim of these strategies weaknesses - Opportunities (WO) or industry organizations exploit opportunities in the environment to be able to improve internal weaknesses. Accordingly, the strategies for building engines Saba recommended include:

1. Collaboration with suppliers (WO-1)
2. Make representation (WO-2)

3. Focus on costs (WO-3)

4-4 - a little strategic planning matrix (QSPM)

According to the matrix Swat Moore strategies that should be considered, strategies weaknesses - Opportunities (WO), the use of the opportunities for reducing internal weaknesses, is. We form a matrix with little strategic planning, poor strategy in the cells - Opportunities (WO), we prioritize.

Table 5 - Strategic Planning Matrix bit

Strategic factors	Weight	WO-1		WO-2		WO-3	
		AS	TAS	AS	TAS	AS	TAS
Strengths							
Facilities and infrastructure	0.05	1	0.05	3	0.18	3	0.15
Specialized and trained manpower	0.05	2	0.1	1	0.05	2	0.1
Feature a variety of technical services - Engineering	0.06	3	0.18	1	0.06	1	0.06
Ten years of relevant experience in heavy duty diesel industry	0.07	2	0.14	1	0.07	2	0.14
Advanced equipment testing and connective	0.08	1	0.08	-	-	3	0.24
Ability to absorb technology	0.05	2	0.1	3	0.15	4	0.2
There are courses to date	0.03	3	0.09	2	0.06	3	0.09
Staff Satisfaction	0.04	2	0.08	1	0.04	2	0.08
High employee motivation	0.05	2	0.1	1	0.05	3	0.15
Weaknesses							
Not valid on behalf of global manufacturers	0.07	4	0.28	4	0.28	2	0.14

High price of the product	0.06	2	0.12	2	0.12	3	0.18
Financial Problems	0.05	2	0.1	4	0.2	3	0.15
Marketing policies	0.06	3	0.18	3	0.18	1	0.06
Low product diversity and low market share	0.03	1	0.03	3	0.09	2	0.06
Ambiguity in goals	0.04	2	0.08	2	0.08	3	0.12
Lack of proper support after sales service	0.03	3	0.09	4	0.12	2	0.06
Inadequate understanding of the industry and domestic and foreign markets	0.04	4	0.16	3	0.12	3	0.12
Weak human resource productivity	0.03	2	0.06	1	0.03	3	0.09
Lack of timely access to technical knowledge of diesel industry	0.06	3	0.18	2	0.12	2	0.12
Factory location far from the target markets of industrial countries	0.05	1	0.05	1	0.05	3	0.15
Total weight of the factors of strengths and weaknesses	1						
Opportunities							
Possibility of using alternative fuels	0.07	2	0.14	1	0.07	3	0.21
Market expanding	0.06	3	0.18	4	0.24	1	0.06
Urgency and regional electric energy to produce electricity	0.04	2	0.08	1	0.04	2	0.08
Prices of raw materials and energy	0.08	2	0.16	2	0.16	3	0.24
Industry needs to technical services - Engineering Accessories	0.06	3	0.18	4	0.24	1	0.06
Being specialized in the production of unique	0.06	1	0.06	2	0.12	2	0.12
There are companies outsourcing work to	0.06	4	0.24	2	0.12	4	0.24

Low number of competing domestic	0.06	3	0.18	3	0.18	1	0.06
Population Growth	0.05	1	0.05	3	0.15	1	0.05
Threats							
Bargaining power of customers	0.05	2	0.1	1	0.05	4	0.2
Competitive bidding of foreign agencies	0.06	3	0.18	1	0.06	4	0.24
Requires advanced technology and high investment	0.06	1	0.06	3	0.18	3	0.18
Oil prices	0.02	1	0.02	1	0.02	2	0.04
Unpredictable fluctuations in inflation rate	0.03	2	0.06	1	0.03	3	0.09
Boycott	0.03	4	0.12	1	0.03	3	0.09
Changes in government regulations, and policies supportive of the industry	0.01	3	0.03	4	0.04	2	0.02
Unpredictable exchange rate fluctuations	0.04	4	0.16	2	0.08	2	0.08
Lack of technical and engineering support from suppliers	0.04	4	0.16	4	0.16	3	0.12
International economic trends	0.06	3	0.18	3	0.18	4	0.24
Cheap second-hand products imported into the country	0.06	-	-	-	-	3	0.18
Total weight of opportunity and threat agents	1						
Total score attraction strategy			4.6		4.17		5.06

Based on the total attractiveness scores Strategic Planning Matrix Strategy little above three strategies matrix located in Swat, respectively, are the following priorities:

1. Focus on costs (WO-3)
2. Collaboration with suppliers (WO-1)
3. Make representation (WO-2)

5 - Conclusion

Based on the results of the assessment matrix internal and external factors (IFE, EFE) was obtained the following results:

- Score 2.27 obtained from internal factors evaluation matrix, witnesses claim that the weaknesses Motor Co. building on the strengths overcome Saba should have strategies to improve weaknesses, to be designed.
- Score 2.67 obtained from external factors evaluation matrix, this indicates that the engine-building company environmental opportunities than threats Saba mentioned companies, enjoyed a better position and should be an environment of opportunity before making Saba Motor Co. weaknesses to improve the company used.

Using the results of internal and external matrix (IE), was the fact that strategies for building engines Saba conservative strategies in cell and placed according to the evaluation matrix shall participate Swat and expert opinions, three strategy was designed for the strategies, collaboration with suppliers, and focus on creating agency costs are.

Finally, using the total scores of attractions a little strategic planning strategy matrix (QSPM), priorities were identified three strategies that focus on cost, respectively, collaboration with suppliers, creating a representation are.

6 - Resources

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