

Review the Role of the Balanced Scorecard in the Effectiveness of Office in Khorasan Railway

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Abstract

In this study, it considers the role of the balanced scorecard in the effectiveness of the Khorasan railways organization. In the present study, it issues the basic question, whether the implementation of the balanced scorecard in railway organization since 1385 has achieved to the effectiveness level or not? And it offers assumptions based on whether is there a significant relationship between increasing in financial efficiency, customer retention, improve internal processes of organization, organization all earning and organizational effectiveness, or not? It has tried to determine the role of four sides of the Balanced Scorecard in the effectiveness of the organization railway. The study was conducted in two stages of the tool. In the first step by studying the reports, documents obtained from the department of Railways and in the second step by distributing questionnaires among qualified experts and executives through analysis of Student t test and Kay Do analysis course determined the role of four sides in the effectiveness of organization. The main objective of this study is to evaluate the current performance of the railway organization, and create a practical model for improving the effectiveness of the railway organization of Khorasan. The results indicate that, the correlation coefficient rate of performance indicators of this organization from the beginning of the implementation of the system has been from the financial aspects 53% and 76% customer, 78% of internal processes, and learning and growth 59/4%. It is shown that the internal and customer processes have had a considerable growth in the railway of Khorasan and financial, growth and learning processes need to be reviewed and amended.

Keywords: Balanced scorecard, performance evaluation, effectiveness, strategies, railway Khorasan

I. Introduction

Nowadays, turbulent nature of global business has encountered manufacturing and industry sections of the products market with challenges, these challenges require organizations to firm their bases in the unstable environment by using management systems and their implementation in practice and achieved to those with continuous improvement. Succession in this field depends to organization's ability in applying and evaluating the performance and original process.

Achieving to the organizational goals need to strengthen the institutional processes and also, to increase the financial performance and enhance the market share and the satisfaction. It has tried in the study by using of the balanced scorecard BSC as a tool to be applied for the organization's effectiveness in strategic management.

One of the most efficient and appropriate tools in strategy implementation and performance measurement of an organization is using of balanced scorecard. BSC describes the mission of organization in four aspects of customer, financial, internal process and learning and growth (future). And It provides a framework to convert strategic rationale of organization and the organization's vision and mission to measurable measures and control.

Moreover, another consideration problem is that, good favorable performance at the present will not necessarily lead to favorable performance in the future, and if there is lack of attention and investment to performance incentives, there is no guarantee on future performance. BSC model-taking into account aspects of organizational performance will follow two main purposes.

At first, by using of thinking - the purpose and review of the causal relationships convert the organization strategy in to practical actions, secondly, in terms of indices H.(forward-looking) and function (retrospective) investigates the current and future performance of processes together. This problem is necessary so that an article in Fortune magazine in 1999 claimed that in 70% of cases; failure was not due to the weakness of the American managers in strategy formulation, but the lack of agreement on the implementation of their strategy.

The overall goal of this research is to evaluate the current performance and to create a functional model to increase the effectiveness in Khorasan railroad, for those secondary purposes state actions of the management of active human resources in railway organization and explaining of communication rate of each action of the management of active human resources in order to improve.

According to the statistical formula for sample determining among of 250 managers, deputies and staff in the Khorasan railway department, 90 people were identified as the sample size.

In this study, it has been used of a survey method of descriptive and analysis kind. It has used of simple random sampling type to determine the validity of the questionnaire has used of analysis. The most important tools in present study are bill and the questionnaire. In addition to the questionnaire and bill, it has used through interviews with managers and employees, experts and other people who work there, refer to the documentation and study of books, journals and articles related to railway organization.

II. Assumptions

- 1- Is there a significant relationship between financial performance and increasing the effectiveness of the organization?
- 2- Is there any significant relationship between customer retention and effectiveness of the organization?
- 3- Is there a significant relationship between the improvement of internal processes of organization and effectiveness of the organization?
- 4- Is there any significant relationship between organizational learning and effectiveness of the organization?

III. Methods of data analysis

Research hypothesis have tested by t-student and chi-square inferential and path analyzes. To determine the stability of the questioner calculated of Cronbach's alpha coefficient in the level of 101/0 equal 80/0 . Research varieties were determined according to descriptive statistically outcomes. The 2/80% of them are men and 8/18 of them are women. Also 31/4% are between the age group of 27-20 years, 42/8% between the age group of 35-28 years, 11/4% between the age group of 42-36 years, and 5/7% between the age group of 50-43years.

IV. Suggestions

1 - In order to increase the effectiveness of the financial section

- 1- To encourage domestic and foreign companies to invest in rail Khorasan projects according to established policies and follow-up in order to receive funding from the state treasury.
- 2- Increase the speed and efficiency of wagon transactions with Turkey and Turkmenistan in order to avoid stopping the foreign wagons in Iran in order to prevent the outflow of exchange.
- 3- To work making a basic program and determined in the whole of organization and coordination of staff centers in financial section.
- 4- Monitoring compliance with all rules and regulations, financial, accounting, auditing and handling on financial performance.

- 5- Monitor and control overall expenditures have done by departments within the area to follow all finance and accounting rules and regulations.
- 6- Financial section should oblige all units to deposit the incomes to funds focus account and in addition, start to strengthen the financial systems and determine the completed price.
- 7- Raising tariffs of freights carrying and stopping of wagons exponentially.
- 8- Return rates of operating staff salaries, is only on the basis of the T/Km, Since this region in the course km is lower than of other parts, but the maneuver volume is several times, Therefore, in dividing the rate of return on staff salaries requires top managers attention to make decisions based on maneuver size and configuration of the train.
- 9- Increasing the organization's assets cause to enhance the current ratio and quick ratio.
- 10- Encourage companies to increase rail freight through the rail system, which is a source of revenue for the Railways.
- 11- Appropriate implementation of income collection system and security and detailed audit in the income recording, planning, follow up and monitor the timely collection of receivables.
- 12- Preparation of financial statistics, reports and data equal to communicated programs and present comprehensive and analysis reporting of all activities on the basis of criteria defined by law and statute and funding regulation of organization.
- 13- Maintenance of common accounts between railway and transport companies.
- 14- Supervision of assets account (shares) in other satellite companies.
- 15- Attract cooperation and investment of external financing sources in order to advance the organization's goals and also, cooperation with other relevant departments to prepare and set annual financial statements and funding of organization.
- 16- Implementation of organization's current financial issues.
- 17- To make flexible the system of tariff determination.

In this section, if just one of the ratios is considered, there will not be benefits. Also, ratios aren't the solution of the problems, and by using of these ratios cannot realize main reason of the organization difficulties.

However, for each of these ratios, have not been able to find almost acceptable standard in every industry and organization ,which can place it the basis of the ratio or a set of ratios , so we cannot judge solely on the basis of ratios that in terms are called(organization or industry ratios).

proposals to increase the effectiveness in the client section:

- 1- Identification and assessment of requirements beds in freight and passenger sections.
- 2- To encourage transport companies to increase the power in loading and unloading and prevent of wagons undue stopping.
- 3 - Due to the importance of rail transport, this is one of the safest transportation. Encourage passengers and companies to carry freight and passenger by train
- 4- In an effort to increase passengers and transport companies' satisfaction, and to address their problems.
- 5- Responding clients on holidays in order to expedite the clients' work.
- 6- Circuit customer and identifying and appropriate understanding of stakeholder needs.
- 7- To provide more welfare facilities for passengers and companies in regional centers and stations along the line.
- 8- Responding to customers as soon as possible and investigate and required follow-up in the shortest time.
- 9- Evaluate the wagon for cargo loading in the stations that have loading and unloading conditions and facilities.
- 10- Increase passenger trains due to the economic conditions of customers and financial power for all social classes.
- 11- Appropriate and useful advertising to attract customers because of a very strong competitor, namely road transport.

Recommendations for increasing the effectiveness in internal processes section

- 1- Increase safety coefficient of transportation in the freight and passenger section by codifying the plans by safety conservation group.
- 2- Complete reconstruction of the old lines and arcs picking and also, acceleration the symptoms of stations to increase the speed and safety coefficient and axial freight .
- 3- Following the development of institutional stations lines like Sorakhs and Mottahary and Mashhad station to increase the transit and also, power of loading and unloading wagons and prevent of stopping the cis wagons in the country.
- 4- To apply the transport regulations of smgs 2 international in carrying dangerous goods in order to prevent of undue stopping of cargoes over the rail network.
- 5- Applying a coordinated program in the central control part and coordination by control of areas.
- 6- Decision making of excellent managers as a team and group with speed and accuracy, and reliability.
- 7- Increase of lines in the crowded routes or doubling lines in the crowded routes (the sweep).

- 8- Encourage the companies to increase freight exports, from Sorakhs border through the rail system.
- 9- Planning the supply traction (locomotives) in the rail network in order to expedite the transportation of passengers and freight.
- 10- Raising the signaling system technology as truck classification plaque that can deploy 3 or 4 trains in each plaque.
- 11- Equip the communication system to new technologies including the trunk network.
- 12- Replacement of old rail lines and replace the rail lines with more strength and flexibility that can provide rapid progression of trains and safety and increase axial load.
- 13- Today,using new technologies such as signaling and Intelligent Systems(ITS) can increase rail transit capacity without having to invest heavily to build new lines or doubling the available lines.
- 14- To accelerate the development of rail lines in potential areas that has both freight and passenger.
- 15- Spread the container compound transportation and multifaceted and connection of rail network of the country to the adjacent countries along the adopted international crossings (Corridors) North-South and East-West.
- 16- Removal the basic obstacles along the implementation of privatization policies.
- 17- Increase the bogie-exchange capacity of cis wagons in the Sorakhs railway station
- 18- Increasing the rate of optimal in using of locomotives and attaining to the specified index and even higher than the index by decreasing the undue stopping of locomotives and optimal use.
- 19- Necessary following up by the relevant authorities and managers to solve the problems of evaluating and quarantine of goods .

Proposals to increase the effectiveness in the learning and development sections

- 1- Applying educated and highly skilled people in top management positions.
- 2- Increase the welfare facilities in organization to increase the efficiency and staffs satisfaction.
- 3- Continuous training staff in the technical and in preparing the behavior to increase the satisfaction of organization.
- 4- Planning and monitoring on acquiring skills and employment training- implement the periodic maneuvers and pilot to get experience and preparation for the crisis.
- 5- Creating a safe environment and job security for employees to increase productivity.
- 6- Planning in connection with participation of all authorities and employees in the all social and cultural communities.
- 7- Holding educational sessions (regulations training) for the staff of the department.

- 8- Improve the health and safety and services of employees and customers codified by the welfare department.
- 9- To provide educational facilities for staff on campus.
- 10- To provide more facilities and benefits for personnel of operation section that are related directly.
- 11- Prevention of discrimination in the work forces with a job row, but with different rights and benefits.
- 12- Compilation and completion of rows and occupational classes in the part of jobs through the establishment's office and methods.
- 13- Providing new facilities and technologies, in the IT section in the organization and training of employees in order to keep growing in the organization for better performance.
- 14- To activate monitoring factor that has a very prominent role in the productivity measurement rate.
- 15- Delegation of authority to qualified persons under the approved legislation is another factor that cause better services and increase displacement process of freight and passenger in the spheres of railway transport industry.
- 16- Use of update knowledge and technology to increase productivity, efficiency and effectiveness of the pattern taking and in the rail transport section of developed countries.
- 17- Trying to increase employee satisfaction by solving their problems.
- 18- Hold meetings for responsible authorities of department with staff directly.
- 20- Optimal use of existing facilities in dependent departments.
- 21- use of up-date knowledge and technology to increase productivity in the relevant committees.
- 21- Increase employee satisfaction of the organization to raise the value added in the organization.

Recommendations for future research

- 1- Since our country is connection bridge from Asia to Europe and the open sea of Persian Gulf, still comprehensive research hasn't been done to develop rail navy and.... 2- Identification and assessment of the requirements beds of organization either in the freight section or in the passenger section and in the form of a research project can be beneficial.
- 3- until now BSC research has focused more on strategic areas and other areas such as organizational behavior has been neglected.
- 4- Extracting appropriate patterns and appropriate for implementing and confirmation a system to evaluate balanced performance can support the additional researches.
- 5 - Every organization, in the development requires that managers research about the dominant thinking on organization and as well as to

investigate the faced problems by the organization as a team and take appropriate action to resolve them.

- 6 - In the evolution of each organization, the leaders have more basic role than the managers, the Balanced Scorecard requires a massive change, or in other words cause transformation of the organization. But, still in balanced scorecard hasn't done a comprehensive research related to a leading role in this transformation.

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