

## STRATEGIC PLANNING OF TOURISM DEVELOPMENT DURING THE SANCTIONS WITH BALANCED SCORE CARD (BSC) APPROACH, CASE STUDY: SHIRAZ CITY

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**Abstract.** Today, tourism is one of the most dynamic economic activities today and plays an important role in local permanent development. The goal of the present research is identifying the capacities and editing the proper strategies for organizing the tourism during the sanctions. We tried to identify the components affect the tourism, its problems and the blockages in its development over the sanction by providing proper management strategies to improve the tourism capacities. The experimental test of the model conducted by using the interviews, the sample size of the expert population and all people who are active in tourism industry of Shiraz. The findings of the research indicate that the current research is effective regardless of its tough implementation and it's more efficient than the simple models in tourism industry during the sanctions.

**Keywords:** strategic planning, sanctions, Balanced score card, them analysis.

### 1 Introduction

Tourism turned to be the biggest industry in the service unit and it's considered the first industry around the world in terms of importance. It's also one of the most dynamic economic activities today and plays an important role in local permanent development. Tourism is considered as an important developmental tool for national economy. The importance of tourism highly depends on economic cycle which has a high capability in national and international economy dynamic in a way that the tourism consumptions, government and private investment and also export in this realm in 2004 had growth equal to 9.5 % and round 5.5 trillion dollars (Lee, 2008).

Therefore, the government policies in the recent decades have been focused on tourism development as a way of battling unemployment and creating income. The importance of tourism industry and its role in social, cultural and economic development led many local, regional and national managers and planners to plan for its development (Batler, 2002).

Currently, there are various implemental and theoretical experiences around the world for studying, analyzing, planning and managing the tourist regions which have an ascending flow synchronous with technology developments (Tesay et al., 2010). This flow and also the global issue of tourism complexities caused that the comprehensive, techniques and mixed models be taken into consideration (Jerry Ho et al., 2011).

Planning as a scientific tool helps the tourism workers to specify the best way of development in a region in a scientific and consistent process and to place it in path of developing other economic sections (Long, 1990). After the Second World War, the lack of confidence, consistency and evolving environment showed up more than before and the strategic planning was introduced as a solution.

The strategic planning is a framework for applying strategic thinking and leading operations in order to reach to certain goals and results. In other words, it's an organized effort for fundamental decisions which orients the organization's activities in a legal framework. The organizations can provide strategies which are proper with power points and they can remove the weak points and use the opportunities for facing with threats (Brison, 1993).

Now, due to the fact that Iran is considered as the most wonderful country in the work in case of different cultural attractions, arts, environment, having various attractive cities and because it's among the tenth countries of the world in terms of

the tourist attraction, developing tourism as a new strategy can play an important role in making the economy variable and it can provide new opportunities for Iran.

Tourism as an efficient economic factor has been taken into the consideration during the recent year and provided economic development in some countries and regions. Creating different jobs and its variety is in a way that both skillful and simple workers can find jobs. Many countries consider the tourism industry as the main source of income, growth of private section and develop of infrastructures. Today, this industry is very important in economic and social development of the countries in a way that economists called it "invisible export" (Batler, 2002).

Shiraz is one of the most important tourism center in Iran and it has varied potentials in this realm. It's considered as one of the most attractive cities in terms of tourism among Iranian people and all over the world. This city is very important for foreign tourists and they normally considers it as a tourist destination when they visit Iran. Due to the importance of foreign tourism industry in Shiraz and Iran, it should be stated that there's a high distance between the status quo and the proper situation in case of attracting foreign tourist in Shiraz city. This shows the importance of a comprehensive planning. The studies show that due to the fact that the potentials of tourism industry are present in Iran and specially in Shiraz, attracting foreign tourists should be tenfold and even centesimal.

The tourism industry faces the political and security problems including the sanctions on one hand and the politician's deficiencies on the other hand led this stable economic source be weak and unknown. Therefore, a question arises is that what are the weak and power points of the tourism industry and what threats and opportunities does it face. Then, based on the weak and power points, threats and opportunities, the strategic planning should be conducted for developing tourism which help overcoming such limitations.

The research tries to answer the following questions:

What are the challenges of tourism industry during the sanctions?

What are the components affect the tourism industry development?

What are the most important weak and power points, opportunities and threats?

Then, we provide strategies for developing tourism in Iran even during the sanction.

### 2 The importance of the research and the motivation

Today, creating tourism in cities, exploring rural attractions, recreating historical places and monuments, focusing on natural resources and etc. led many countries to a huge wealth and they are considered a consistent economic source for them. Today, many countries can improve their situation by this way and they can decrease unemployment, decreasing the capitation and foreign exchange income. Establishing and building hotels, restaurants and all recreation and sport centers increases income and decreases unemployment and poverty (Kandeloyi, 2011).

Since the strategic planning is adherent to values, ideologies, policies and strategies of the society (which most policy makers decide for it) tries to solve the main problems of the society and its growth, it's based on prediction and forward-looking and it had a developed and oriented perspective.

Therefore, the present research tried to analyze the strategic planning during the sanctions by using BSC approach in Shiraz so that we can identify the weak and power points, opportunity and threats during the sanctions and providing strategic guidelines for developing Iran.

The main goals of the research are as follows:

1. Identifying the capacities and editing the proper strategies in order to organize tourism during the sanctions
2. Identifying and analyzing the weak and power points, opportunity and threats of tourism during the sanctions.
3. Providing proper management strategies in order to improve tourism capacities during the sanctions.
4. Identifying the components affect the tourism development
5. Identifying the problems in realm of tourism industry
6. Identifying obstacles in tourism development during the sanctions
7. Identifying ways for developing tourism during the sanctions

### 3 Method

The research method composed of rules, tools and valuable ways for analyzing the realities, exploring the unknown and achieving the problem solving. Using the scientific method is the only way for achieving the scientific results (Khaki, 2005).

The qualitative method is used by sing thematic analysis and interviewing the experts. The thematic analysis is a method for determining, analyzing and stating the patterns (thematics) of data. This method at least organizes data and describes them in details. However, it can go beyond and explain various aspects of the subject.

The qualitative methods are very complex and the thematic analysis should be considered as a fundamental way for qualitative analysis. The thematic analysis the first qualitative method that the researchers must learn because it provides main skills which are necessary for implementing many other qualitative methods (Braun & Clarke, 2006).

The data analysis process by using thematic analysis:

The process of thematic analysis starts when the analyst considers conceptual patterns and subjects which are potentially attractive. This process includes a continual sweep among data sets, coded sums and data analyses which occur. Recording the analysis starts in the beginning and totally, there's not unique way for starting thematic analysis study.

The six procedures of thematic analysis are explained in the following section. The thematic analysis is a recursive process in which there are moves forward and backward. Moreover, it's a process which is done during the time.

Stage 1: becoming familiar with data: the researcher needs to overwhelm himself into the data in order to become familiar with the depth of data content. Overwhelming into data usually include "repeated reading of the data" and the reading of data is in an active form (i.e. searching for concepts and patterns).

Stage 2: creating the initial codes: the second stage starts when the researcher reads the data and becomes familiar with them. It includes creating initial codes of data. The codes introduce a feature of data which is interesting for the analysts. The coded data are different from the thematic analysis units. Coding can be done manually or through software. If it's done manually, the data can be done by writing on a text which is going to be

analyzed or by using color pencils. The codes can be specified and they can be matched with the data extracts which show the codes. The important point in this process is that all data extracts are coded and ordered in forms of each code.

Stage 3: searching themes: this process includes categorizing different codes in potential thematic forms and ordering all coded data in forms of specific themes. In fact, the researcher starts his codes and considers how the different codes can be mixed in order to create a whole theme.

Stage 4: reviewing themes of stage 4 starts when the researcher created sets of themes and analyze them. This process includes two stages of reviewing and arranging themes. The first stage includes reviewing in coded sums level. In the second stage, the themes validity is considered in relation to data sets. If the theme's plan works well, then we can go to the next stage but if the plan does not correspond the data sets, the researcher should return and continue its coding till a satisfying theme plan is created. At the end of this stage, the researcher should be notified about the different themes, the way they are proper together and all the story that tells about the data.

Stage 5: defining the themes: the fifth process starts when we have a desirable plan of themes. The researcher defined themes for analysis and reviewed them again. Then, he/she analyzed the data. What nature the theme explains about is determined and it becomes clear that what aspect of data the theme has by defining and reviewing.

Stage 6: providing report: the sixth stage starts when the researcher does not have the tempered themes. This process includes final analysis and writing reports. The current research is applied in terms of goal and it's descriptive and it's a survey and descriptive type in terms of method.

#### 3.1 Statistical population

The statistical population includes sets of people, objects and etc. which are at least common in an attribution (Kiakajoori, 2010\_).

The statistical population of the research: expert's population (those work in tourism realm in Shiraz) is used and they are selected through snow ball sampling method.

#### 3.2 Sample

The sample is sets of signs which are selected from a bigger part, a group or a population in a way that it introduces the properties of that bigger part, group or population (the same source).

The sampling method the snowball sampling to the point of information saturation

#### 3.3 The instruments used for data collection

Questionnaire is the most prevalent method used for data collection in survey typed research.

A questionnaire created by SWOT method is used in the present research.

1. Studying the resources and interviewing the experts are used for data collection (if necessary).

2. The interview is used by considering the following properties:

a. The university experts in the field of tourism or other fields who published a paper related to tourism.

b. The M.A graduators in tourism organization with at least 5 years experiences in this work

c. PhD students of Tourism

### 3.4 Validity and reliability

Validity means that a measurement tool can assess the considerable feature. In other words, the concept of validity answer to this question: to what extent the measurement tool can assess the considered feature (Sarmad et al., 2006).

In the present research, in order to increase the validity of the questionnaire, the questionnaire was distributed among 30 experts and based on expert and instructor's suggestions about the questionnaire, the content validity of the questionnaire was confirmed.

### 3.5 The data analysis method and information

In order to analyze the data and to test the hypotheses, the qualitative thematic analysis method was used.

## 4 Defining the variables and keywords

### 4.1 Strategic planning

The strategic planning is an organized effort for using fundamental policies and works which shapes the activity's orientation of a system in an organized frame. The process of systematic planning is more ordered and cooperative way than other processes (Brison, 2002).

### 4.2 Sanction

Sanction can be defined as a punishment done by a country against another country in order to compensate prior unaccepted behavior.

Henry Benin and Robert Gilpin describe sanction as a manipulation of economic communications in order to achieve political goals that occurs to force the society to change the policy or its government by economic punishment.

The sanction is a collective and criminal action which requires diplomatic, economic or martial activities against a country that is conducted against the United Nations (Vesali, 2010).

### 4.3 Balanced score card (BSC)

In 1990, the BSC was initially introduced as a new method of analyzing performance and then as a tool for realizing strategy by Robert Kaplan, the professor of Harvard University and David Norton, the prominent consultant in USA. It's considered as a tool for achieving the organization's strategic goals.

### 4.4 Thematic analysis

The thematic analysis is a technique for analyzing and reporting the patterns in data. This technique describes the set of data in details and a simple way. However, it almost goes beyond and describes different aspects of the research. The qualitative approaches are very complex and the thematic analysis should be regarded as a fundamental technique for the qualitative analysis.

In the present research the data are collected by using questionnaire and interviewing with experts.

The interview method is done by considering following qualities:

- a. University instructors in tourism or other fields who have a scientific paper related to tourism.
- b. The M.A graduators in tourism organization with at least 5 years experiences in this work
- c. PhD students of Tourism

Although tourism cannot merely lead to the development of the country but the need of change and creating facilities for inhabitancy, relocating, other activities and development will gradually occur by entering the tourism in a country and in a long run, it will increase the facilities and installations. The tourism experts emphasized that there's a relationship between tourism, consistency and security. They believe that there's enough security in Iran for tourism but the main problem in attracting tourists is the lack of advertisement in Iran and the ill advertisement of other countries against Iran. The development of industry in each country shows its consistency of national security. The role and impact of tourism industry in the national security is in a way that the most developed countries prefer to focus on tourism industry despite having macro-economic resources; because, the presence of visitors and tourists in a country introduces that country as a secure center of tourism to the world other than economic development and cultural exchange. Today, the tourist activities are taken into consideration in less developed regions in Iran. The investors are persuaded to provide bank facilities and tax exemption in a way that up to 50% of the tax exemption is predicted for tourist activities in the fourth planning of social-economic development.

Shiraz is located in sou'wester of Iran with 40 kl length and a different width between 15 to 30 kl and 1267kl space. It's surrounded with high mountains as a firm wall which are strategically important in maintaining the city. Shiraz is the center of Fars which is geographically located in the center of province. The geographical features of Shiraz include: 33 degree and minute of eastern length, 36 degree and 29 minutes of northern length and height from sea is more than 1500 meter. Shiraz is the third city in Iran (after Tabriz (1908) and Tehran (1910)) in which municipal was established in 1917. Shiraz is the bright diamond of Iran and it's one of the most beautiful and famous cities of Iran. Shiraz composed of sets of civil history in the world and the heritor of Persian civilization and a sign of historical identity and the worthy share of Iran.

### 5 Data analysis using interviews

In the present research, the data were collected through interviewing with 10 experts who are familiar with strategic planning and 7 experts who are active in the realm of tourism in Shiraz. Conducting interviews started in 2014 and it was finished in June- July 2014. The questions were designed in two sections of analyzing the status quo and analyzing the differentiation Strategy.

The status quo questions analyzes the most important needs of foreign and native tourists, their qualities, the tourist management style and internal processes of the related organizations, the cooperation and familiarity of the role and effect of educational facilities inside the organizations, the budget required for them and finally the income resource of tourism.

The questions related to the differentiation strategy analyze the capacity of internal processes, learning plans, customer's needs and financial resources needed for realizing the differentiation strategy goals.

The time of interview lasts around 30 to 150 minutes and they were all noted, recorded and the key points were extracted for analysis. All of them were written and the thematic analysis was used to analyze the data.

In order to analyze easily based on coding rules, the codes received from each interviews were placed in table. In this table, the key points of data were extracted as a proposition and a distinctive code was specified for each. After comparing the codes, the items which point to a shared aspect of the phenomenon receive a concept and also some concepts are introduced in form of the main themes.

In this process, the key points of the interviews were offered in form of preposition. Each code is specialized for a preposition. For example, code (5.2) points to preposition 2 of the fifth interview and code (12.3) points to the preposition 3 of the 12<sup>th</sup> interview. It should be noted that the strategists were interviewed first and then the tourist experts were interviewed.

The second coding of concepts and themes

In this process, the initial codes are changed to secondary codes due to the frequency. It means, the initial codes with the same

concepts of remove or merge are categorized in a group. The concepts which were categorized in a domain form the final themes. In this section, the themes are divided into 17 sections based on the concept's frequency:

- a. Developing the micro and macro infrastructure of tourism industry
  - Theme of the information received from the current research for question 1

Table 1. The theme of information received from the current research for question 1

Row	What are the most important power points of tourism development in Shiraz?
1	The existence of attraction and potentials of national and international tourism
2	The group cooperation of employees in activities related to tourism
3	Believing in more entrepreneurship through developing tourism
4	The fame of historical and cultural tourism attraction of Shiraz
5	The environmental variety, environment attraction and the four seasons
6	Protecting historical, cultural and natural attractions after the years
7	Locating in important communicational ways
8	The cultural, social and ethnical variety and traditions

The theme of information received from the current research for question 2

Table 2. The theme of information received from the current research for question 2

Row	What are the most important weak points of tourism developments in Shiraz?
1	the low quality and quantity of service and lack of proper infrastructure
2	Lack of proper advertisement, awareness raising regarding the attractions
3	Lack of public transportation service in tourist areas
4	Lack of investment and cooperation in non-public section of tourism
5	The social insecurity for tourists
6	The season nature of tourism
7	The pollution and destruction of tourist centers

The information theme received from current study for question 3

Table 3. The information theme received from current study for question 3

Row	What are the most important weak points of tourism development?
1	Improving the facilities near the tourism attraction
2	The necessity of government in using unknown tourism capacities in Shiraz
3	Creating facilities in terms of visas for foreign tourists
4	Using the variable eco-tourist and historical attraction
5	Trying to maintain historical monuments as national identities
6	The government attraction toward investing on private section
7	The culture mutual interactions
8	Creating opportunity for private section investment
9	Proper opportunity for expert's suggestions
10	The high risk coefficient of earthquake in Shiraz

The information theme received from current study for question 4

Table 4. The information theme received from current study for question 4

Row	What are the most important weak points of tourism development?
1	The existence of bureaucracy, lack of presenting government's justification for tourism
2	The development of tourism and the growth of population and crime in the region
3	The unidimensional perspective toward tourism.
4	Inability and inefficacy of tourism organizations
5	The statistic increase of accidents in pathways of cities
6	Advertising against Iran and destructing minds in other countries
7	The lack of political consistency among neighbor countries
8	The development of tourism in foreign countries
9	The lack of clear logic regarding Iran's policies in international communications
10	The high risk coefficient of earthquake in Shiraz

The information theme received from the current research for the question 5

“Are the strategic planning of BSC proper for tourism during the sanction?”

In the current environment, the tourism industry should compete based on the information and its capacity for asset's exploitation is increasingly more important than organization's capacity for physical asset's exploitation. More evaluative systems of organization's performance are formed from financial goals which do not analyze strategic goals in a long run. Therefore, there's a gap between the strategy and its implementation. Creating an evaluative card which assesses the financial-

traditional criteria from customer's perspective, business internal processes, learning and growth is necessary. Moreover, 4 new processes related to long run strategic goals with the short run ones (performance criteria): changing or translating perspectives, impartation, business planning, feedback and training.

Figure 1 shows the relationship between the four BSCs approaches. Each approach is defined in forms of a key term.

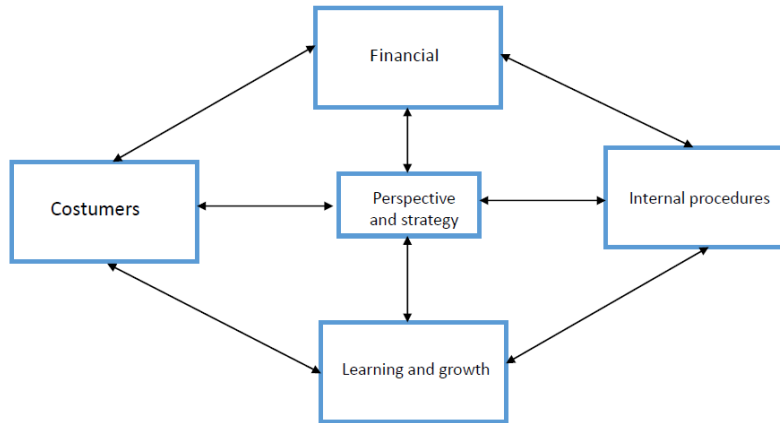


Figure 1: the relationship between the four approaches of BSCs

The criterion based on this perspective should relate the quality of the relationship between the high policymakers, the associate managers of cultural heritage organizations and tourism units. The senior managers should consider 4 procedures in designing BSC:

Business planning: integrating the business and financial planning of the industry.

Feedback and learning: analyzing the industry strategies in terms of current performances.

**6 Conclusion**

Figure 2 shows the interaction between this process and BSC.

Communication and impartation: letting the beneficiaries to impart their strategies to higher and lower levels of industry and their communications for personal goals.

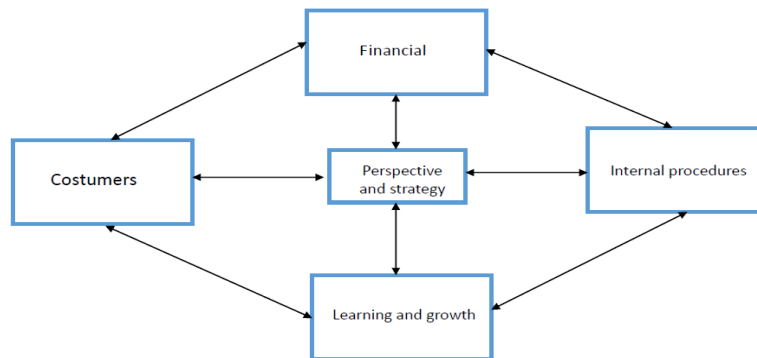


Figure 2: the management strategy: four processes

- Theme of the information received from the current research for question 6

“What points are emphasized in the comprehensive strategic planning of tourism based on BSC?”

Internal process: development of micro and macro infrastructure of tourism industry, editing and implementing comprehensive strategic plan of tourism industry, the effective interaction between different units of tourism industry, empowering human resource structure and developing meritocracy in tourism industry, establishing and editing the comprehensive rule of tourism, the accurate supervision toward the private section's violations, stabilizing the situation and improving the work condition of tourism industry.

As we can see in figure 3, financial aspect: taking tourism industry into consideration, the special support of the government, the private section's comprehensive support of tourism industry, internal, purposeful and efficient marketing.

Growth and learning: developing the professional perspective toward tourism industry, empowering and updating the educational system of tourism in Iran and updating the tourism industry with technology and new standards of the world,

Customer's perspective: developing tourist's host culture in national level, ease of stuffs such as visas and foreign tourist's inhabitancy, proper cost policies

empowering the international intimate relationship and presenting a good image of Iran.

They are taken into the consideration based on the extracted 17 themes.

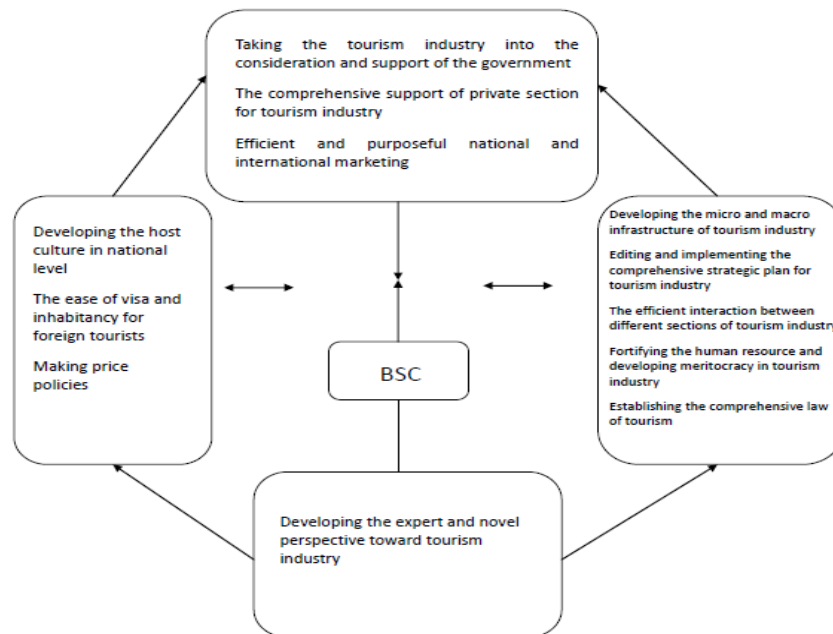


Figure 3: themes of comprehensive strategic planning of tourism attraction based on BSC

## 7 Suggestions

### Suggestions to tourism industry managers

- The complex models must be used in complex and competition environment of tourism industry. It means, the greater the complexity is (regarding the environment and system under the management), the greater the control complexity will be and based on the complexity in implementing the suggested model, this model is effective.
- Based on the results of the research, the present model is efficient regardless of difficulty in implementation and it's better than the simple models which are prevalent in tourism industry during the sanctions.
- The themes of the current interviews must be considered.
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### Suggestions for further research

- The present research was conducted in Shiraz. In order to increase the result's generalization, similar researches must be conducted in other cities and countries which have tourism attraction.
- Developing the model through grounded method.
- Based on the possibility of strategy planning (based on BSC in tourism industry), the feasibility of the research model is suggested to other researchers regarding the key industries during the sanctions.
- It's suggested that the key role of the government in the industry be studied specially in resolving the sanctions and presenting a good international image.

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