



MANAGEMENT PLAN ON THE STRATEGIC VISION OF A TRANSPORT ECONOMIC ENTITY

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Abstract

Thus, any economic entity specialized on transport field faces difficulties regarding the finance of transport services, their quality, maintenance, modernization of car fleet, adaptation of services to the European strategies of transport, especially the introduction of a mix of conventional and unconventional fuel consumption of bio-fuels in order to reduce costs and to promote environment-friendly modes of transport.

Keywords

Profitability, human resources, sustainable development, costs, dashboard

1. Introduction

The global strategy of an entity in transport field is to strengthen the Romanian market, in the context of some major economic and social changes having an impact on the quality and performance of public services, especially of the economic ones.

2. Strategical view on the managerial act

The strategy of an entity in transport field was designed following an analysis of the external, internal and competitive environment, being structured on three strategical levels: corporate strategy, business strategy and operational strategy.

The strategic objectives of an entity are directed towards:

- excellence;
- diversification;
- profitability;
- partnerships;
- human resources;
- sustainable development - social responsibility.

2.1. Description of strategic objectives in terms of excellence

- Making public transport services compatible with the European ones, competitive with other means of transport in the capital;

- Diversifying the services of public transport by increasing public accessibility and by giving diversity in terms of routes, establishing connections with transport

hubs in the capital and in its surroundings, traffic safety, method of payment, tracking and control of validations.

2.2. Description of strategic objectives in terms of diversification

- Creating a mix of fuel sources and orientation towards renewable sources as a solution for the future and for getting income from other types of activities exploiting the opportunities of the company;

- Orientation towards fusions with producers from non-conventional sources of energy for the purchase of fuel, energy.

2.3. Describing strategic objectives in terms of profitability

- Performance and competitiveness through continuous growth of human potential value, of the assets held, as well as through predictable and profitable business and good risk management;

- Operating with providers and service users, based on the load curve at nominal load guaranteeing high yields and low costs;

- Improving production process by reducing operating costs, by increasing operating income, and by implementing investments with immediate positive effect in the structure of production cost in order to obtain a price for competitive services.

2.4. Describing strategic objectives in terms of partnerships

- Developing partnerships with investors in order to replace existing services with more reliable and higher yielding ones or to implement new ones;

- Long-term partnerships with communities in the area in which the company operates, aiming to support it in solving its social issues;

- Collaborating with universities and research institutions in various fields and geographical areas, central and local government bodies, organizations belonging to the business environment, as well as scientific and professional organizations in order to optimize and streamline public transport services;

- Developing partnerships with local authorities in order to access grants for various environmental objectives.

2.5. Describing strategic objectives in terms of human resources

- Ongoing commitment to professional excellence by providing continuous training of staff and implementing a company-wide performance culture based on discipline, procedures and recognition of individual and team contribution;

- An appealing stable, motivating, safe and healthy work environment;

- Designing a flexible organizing structure, adapting organizing structure to the decrease in number of hierarchical levels;

- Correct sizing of the number of employees according to the real needs of the company and developing social accompaniment programs for surplus staff.

2.6. Describing strategic objectives in terms of sustainable development- social responsibility

- Sustainable development - Guaranteeing clean and efficient transportation services, carried out under sustainable conditions of protection and conservation of the environment;

- Social Responsibility - The manifestation of responsibility on protection of the environment, respectively, involving on the line of social responsibility of the local communities in which it operates.

In order to implement future aspirations of an economic entity, it will be needed to take steps to minimize costs by streamlining specific consumption on level of departments and functional departments and to diversifying funding sources, on the one hand and promoting competitive services, reliable and useful for travelers. It will also be introduced a monitoring system of passenger traffic in order to considerably reduce losses from non-payment or revenue collection from payment of the ticket.

In this regard, we will work towards:

1. Reducing costs;
2. Increasing revenues from collection;
3. Increasing European financing sources in order to modernize public transport services;

4. Attracting unconventional fuel sources to reduce energy consumption from conventional sources and to protect the natural environment.

3. Dashboard - management tool in decision making within an entity

In an entity, although management team members are differentiated by the type of professional training, the management of financial and accounting departments of the economic entity have increasingly less time for solving complex problems arising from the legislative framework, which is in constant change, improvement and balanced development of the entity.

In this context, further research is required to improve and refine accounting and auditing in the transport entity by building a dashboard, which is necessary for making faster managerial decisions based on the following instruments of financial-accounting system: accounting, budget, annual financial statements and internal audit.

To achieve this goal, each authorizing officer must know the development direction of the entity, assess the implications of decisions and to permanently "visualize" "general coordinates of investment 'core funding, the collection of subscriptions, revenue, profit and available money.

The dashboard is a tool meant to synthesize the information needed by the administration. By using this tool it is achieved a permanent and intensive information of decision makers on how phenomena specific for carried activities evolve. Dashboard is a system of indicators, in absolute and relative sizes used for assessing, monitoring and operationally adjusting activity of the transport entity. It selects, organizes and gives a synoptic expression of the main informational elements that a leader needs in order to operationally ensure movement of the led object in accordance with the trajectory drawn through the work program.

Through dashboard, there are being established immediate objectives, there are being followed and validated achievements through forecast. There are also being presented in a precise and fast way, the incidents that can threaten the achievement of settled objectives.

Therefore we want to apply the use of a dashboard, it must contain summary understandable and relevant information for quick and accurate decision making. The Dashboard is prepared by the Heads of Service of the following departments: Accounting and Auditing.

This dashboard was based on the following principles:

- Intangibility-According to this principle, the opening balance for each financial exercise must

correspond to the closing balance of the previous exercise;

- **Relevance**-According to this principle, information is relevant if it conveys the necessary knowledge for users to make economic decisions, namely it helps them to assess past, present or future events, approving or correcting their previous assessments
- **Credibility** - According to this principle, accounting information presented in financial situations must be credible, respect economic reality of events or transactions, not only their legal form;

- **Comparability**-According to this principle, presented elements must give the possibility of timely compare information.

The dashboard will annually be designed because it can't take long-term decisions into consideration, but only short-term ones, being quarterly updated and for exception, when rectifications on indicators included in dashboard are appearing.

Also, used indicators will be true and objective, changing depending on the phenomenon subject to the decision, and can quickly be made, with identical meanings in time and space. In this example, we have chosen the following categories of indicators that can be calculated in a transport entity, namely:

- Liquidity indicators;
- Indebtedness indicators;
- Financial advantageousness indicators;
- Result indicators;
- Efficiency indicators.

After applying this dashboard on the transport entity there can be identified the following advantages and limitations:

a) advantages:

- amplification of the degree of substantiation of decisions taken by providing decision maker some operational and relevant information on main aspects of schools;

- rationalization of working time of financial-accounting, by targeting activities to key issues faced by transportation entity, problems operationally observed by dashboard through the statements;

- ensuring efficiency and high quality of reporting to the various organizations, while facilitating extension of the use of electronic equipment for processing information, focusing on tele-transmission and tele-control;

- addressing information on economic and financial activities in a systemic vision and creating favorable conditions for high functionality of the assembly in transport entity;

- increasing the responsibility of heads of departments for their work, dashboard offering them, in

summary form, the issues and critical areas towards which to direct their efforts;

- using appropriate benchmarks for assessing the contribution of each group of employees in obtaining economic and financial results of the transport entity, using information provided by the dashboard.

b) limitations:

- Repeated registration of information, in situations requested by the dashboard and in current reports of the transport entity towards various organizations of public system;

- amount - sometimes high - of work required by completion of statements denounced by the dashboard, especially if the collection, recording, transmission and processing of information is manually done;

- relatively high cost of the dashboard where completing it is a singular action and the assembly of collecting, recording, transmitting and processing information operations are done using electronic means, via tele-control and tele-transmission.

4. Conclusions

In this context, applying a dashboard, as a management tool in decision making in a transport entity, it is required in order to:

- amplify the degree of substantiation of decisions made by providing decision maker operational and relevant information on the main aspects of the transport entity;

- rationalize of working time of financial-accounting, by targeting activities to key issues faced by transportation entity, problems operationally observed by dashboard through the statements;

- ensure efficiency and high quality of reporting to the various organizations, while facilitating extension of the use of electronic equipment for processing information, focusing on tele-transmission and tele-control;

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- increase the responsibility of heads of departments for their work, dashboard offering them, in summary form, the issues and critical areas towards which to direct their efforts;

The dashboard is a tool meant to synthesize the information needed by the administration. By using this tool it is achieved a permanent and intensive information of decision makers on how phenomena specific for carried activities evolve. Dashboard is a system of indicators, in absolute and relative sizes used for assessing, monitoring and operationally adjusting activity of the transport entity. It selects, organizes and gives a synoptic expression of the main informational

elements that a leader needs in order to operationally ensure movement of the led object in accordance with the trajectory drawn through the work program.

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