

Evaluation of factors related to reducing commodity control risk in the customs (Case Study: Shahid Rajae Customs)

Evaluación de factores relacionados con la reducción del riesgo de control de productos en la aduana (Estudio de caso: Aduana Shahid Rajae)

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ABSTRACT

The rapid rise of international trade on the one hand and limited resources of customs offices in risk identification and elimination are considered to be the main limitations of traditional control procedures in customs. So modern control systems in customs should be based on risk selection and management. This study was conducted aimed at evaluating the factors related to reducing commodity control risk in customs (Shahid Rajae Customs) in the form of five hypotheses. For this purpose, five hypotheses regarding the commodity control risk in customs were first presented using the interviews with customs managers and experts. In this study, we intend to conduct a qualitative examination to confirm or reject the hypotheses. This is an applied and descriptive – survey study. To analyze the collected data, descriptive statistics including frequency, percentage of frequency, drawing related tables and graphs, mean, median, mode, standard deviation, variance and inferential statistics including univariate T test and to rank variables, the Friedman test were used. After analyzing the data using SPSS software, all hypotheses were confirmed.

Keywords: customs, risk, technical equipment, staff training.

RESUMEN

El rápido aumento del comercio internacional, por un lado, y los recursos limitados de las oficinas de aduanas para la identificación y eliminación de riesgos se consideran las principales limitaciones de los procedimientos de control tradicionales en aduanas. Por lo tanto, los sistemas modernos de control en aduanas deben basarse en la selección y gestión de riesgos. Este estudio se realizó con el objetivo de evaluar los factores relacionados con la reducción del riesgo de control de productos en las aduanas (Aduanas Shahid Rajae) en forma de cinco hipótesis. Para este propósito, primero se presentaron cinco hipótesis con respecto al riesgo de control de productos en la aduana mediante entrevistas con gerentes y expertos de aduanas. En este estudio, pretendemos realizar un examen cualitativo para confirmar o rechazar las hipótesis. Este es un estudio de encuesta aplicado y descriptivo. Para analizar los datos recopilados, se utilizaron estadísticas descriptivas que incluyen frecuencia, porcentaje de frecuencia, dibujo de tablas y gráficos relacionados, media, mediana, modo, desviación estándar, varianza y estadísticas inferenciales, incluida la prueba T univariada y para clasificar las variables, la prueba de Friedman. Después de analizar los datos utilizando el software SPSS, se confirmaron todas las hipótesis.

Palabras clave: aduanas, riesgo, equipamiento técnico, capacitación del personal.

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Introduction

Customs as a gateway to international trade plays an important role in the national economy and is regarded as an essential entity for the country to provide income, facilitate trade and protect the society. The organization manages the affairs related to the transportation of goods and passengers at the international level. Governments need an efficient and effective customs administration for proper implementation of their financial, economic and social programs and policies (Iran Customs Administration, 2006).

International trade is a prerequisite for economic growth and the welfare of the society. Many economists theoretically argue for close, strong, and positive relationships between international trade and economic growth. Among the main concerns of customs managers, particularly during the past two decades, creating a balance between the need to facilitate trade as a process of simplification, standardization and integration of documents and procedures in the international supply chain, on the one hand, and the amount of controls and interventions on the other hand can be mentioned. In dealing with this issue, the customs have significantly changed its role and position in the international supply chain. Mainly, Customs has replaced its role as a gatekeeper by a complex modern risk management approach. The main characteristic of the customs risk management approach is to determine which persons, goods, and means of transportation should be examined and to what extent the control should be extended. High-risk persons, goods and means of transportation are subject to strict controls and interventions, but low-risk persons benefit from very high trade facilities (Elahi et al., 2007).

Implementing a risk-based approach to compliance management is determined with the realization of a comprehensive list, such as political will, historical records, the appropriate information technology systems, trade facilities, goals, training and awareness. The process of creating a customs risk-management begins with the definition of risk management, acting at the strategic, operational and tactical level. Strategic risk management identifies risk areas, selects more important cases, and intervenes only where it considers judgments, experiences, or practices to be necessary. Operational risk management determines the level of control required to deal effectively with the assessed risk, and tactical risk management is used by the officers at their workplace for dealing with immediate situations to decide which cases need more control. In relation to the costs for the implementation of risk management in customs, two main costs generally can be emphasized. These two costs are related to the suitable level of technical equipment (ITC, computers, appropriate software packages and network connections) and training qualified staff (customs trained officers at different levels of risk management: strategic, operational, and tactical) that can create and develop the risk management process. Today, the world is shifting from an industrial era relying on natural resources to a knowledge, skills, education, research, and development-based era. The advent of new communication technologies has provided the possibility of shaping the global economy, so that one can affect the activities of other places in one place (Franco, 2004).

Since the development of trade is one of the main factors in the economic growth and development of each country, identifying and analyzing the technical and human factors affecting the advance of the goals of planners, managers and statesmen in order to grow the business can be considered to be very vital. It is hoped that due to the applied results of this research, important steps will be taken to improve the international and domestic trade of the country, taking into account the current competitive situation of the world's major countries, especially the countries of the Persian Gulf, in the field of export and import through such ports. Risk and its related issues in any organization can be considered an opportunity or a threat. In this study, the researcher is seeking to use the risk in Shahid Rajaei Customs as an opportunity to improve the customs operational and administrative processes. This study was conducted aimed at evaluating the factors related to reducing commodity control risk in customs (case study: Shahid Rajaei Customs). After conducting a specialized interview with customs managers and experts and identifying hypotheses related to reducing commodity control risk in customs, the researcher seeks to determine whether there is a relationship between (ITC, computers, appropriate software packages and network connections), training qualified staff (customs trained officers at different levels of risk management: strategic, operational, and tactical), specialization of customs based on the type of goods, improving interactions between administrative agencies and identifying the challenges of changing customs rules and regulations with reducing the commodity control risk in Shahid Rajaei Customs.

2. Theoretical foundations and literature review

2.1 The definition of customs and risk

According to researchers and historians, the term Customs, the equivalent of which is in English is "Customs" and in French "Douana", is derived from the Latin root of "Commeccum", which is "Commerce" in the French and English languages, meaning the commodity commerce, trade and exchange. This term is commonly used in the Greek language as "Cummercx", which refers to the duties from the goods (Gholami, 2002).

Risk means that any activity may be faced with one or more hazards so that the expected result is not achieved. In other words, risk is the uncertainty of the outcome of an incident that may occur. As a result, the risk is a set of activities, plus hazards that can provide the possibility and the background of the incident. The risk categorization is presented below.

Pure Risk: It is a risk, the results of which are in only two forms of damage and no damage. For example, in a building fire, either it is burned and damaged and its owner's condition is worse than the former or the owner's condition does not change due to non-occurrence of fire.

Dynamic risk: In this risk, a person expects a profit from his/her operations, and the state of profit and loss of profit and loss arising from sales operations can be imagined. For example, in commercial affairs in which a person buys a commodity and hopes to sell it with profit.

Particular Risk: It is a risk that affects a person or a small group of people if it occurs.

Fundamental risk: This risk, in the event of occurrence, has an adverse effect on a large group of people, such as the risk of war and earthquakes.

Systematic risk: This kind of risk is related to the entire market and economy, and cannot be diversified, such as economic recession, sanctions, etc.

Unsystematic risk: It relates to a particular asset or specific issues and can be reduced by diversifying, transferring or sharing.

Catastrophic risk: It is a risk that rarely happens, but in case of occurrence, it causes a lot of damage, such as floods and earthquakes.

Chain Risks: These types of risks are caused by the accumulation of small risks, and in the event of an accident for one of the risks, the range of damage is quickly transferred to other risks, such as fire in the market.

Rare risks: They are risks that cannot be evaluated using the law of large numbers (LLN). It is not possible to use this law to take the risks of large industrial units such as automakers and refineries all over the world. In these cases, analytical methods and risk analysis are often used; therefore, because of the lack of information and unknown risk, it may not be properly identified and the insurance company faces a high risk.

Long-term risks: Risk taking potential has a direct relationship with the risk coverage period, so the longer the risk coverage period is, the risk has a higher domain due to unpredictability of effective factors in long-term (Jahankhani and Parsaeian, 1996).

2.2 Customs history in the world and Iran

A) World Customs Organization (WCO)

The work of the World Customs Organization began in 1947 when the Committee on Economic Cooperation agreed to form a study group at the thirteenth meeting of European governments. This group examined the feasibility of the establishment of one or more European Unions based on the principles of the "General Agreement on Tariffs and Trade" (GATT). In 1948, the group formed two committees: the Economic Committee and the Customs Committee.

The Economic Committee turned into the "Organization for Economic Cooperation and Development" (OECD) and the Central Committee into the "Customs Cooperation Council" (CCC). In 1952, the Convention establishing a Customs Cooperation Council formally entered into force. Initially, 17 members of the council chose the name of the "World Customs Organization" as the work organization of the council to show that it really has become an international body. The customs of the 159 countries are now its members, which are operating and are at the stage of economic development. Today, the members of the WCO are responsible for processing more than 95% of international trade (Nouri, 2006).

B) Customs History in Iran

Customs in pre-Islamic Iran

If we want to start the study of customs history in Iran since the Achaemenid era, we do not have enough information, but there was definitely a customs duty, because the Parthian Dynasty had regular offices and customs duties after Achaemenian, the roots of which should be searched beforehand.

Customs in Iran after Islam

After the arrival of Islam, the same Sassanian laws were retained due to the lack of sufficient information on Iran's customs duties, and Iranian people were assigned to the offices of customs administrations. Subsequently, the Umayyad Caliphs found a series of rules related to customs. Then, the customs duties significantly raised during the Abbasid caliphs due to increased trade. During the Qajar period, the most important treaty concluded with one of the neighbors was the Treaty of Gulistan between Iran and Russia that undermined Iran's customs independence and the reason of which was the beginning of the war between Iran and the Soviet Union. Gulistan Peace Treaty was signed in October 1813 (Journal of Past, Present, and Future of Customs, 2005).

Customs in the present



The Islamic Republic of Iran customs logo is a symbol of the term customs and includes the concepts as follows:

In the above logo the concept of customs has been taken into account in the credit of the country's economic gateway.

The green bar means the free import and export of goods.

The red bar means banned and controlled imports and exports of goods.

The green and red bar with the white space between them represents the flag of the Islamic Republic of Iran. The two black bars in the two corners of the logo are the gateway frame and represent the customs control and law enforcement. The lines forming the logo are a symbol of the broken letters of the term customs (the customs site of the Islamic Republic of Iran).

3. Risk management in customs

In recent years, the international trade environment has been changed widely in terms of the volume of goods exchanged by traders, as well as the speed of transactions and commodities traded. This, along with the pressures by other organizations in international trade to minimize government intervention, has led customs officials to increasingly emphasize on facilitating trade. Customs offices have abandoned their ordinary and traditional "gate" controls in order to create a right balance between trade facilitation and legal controls, and currently apply risk management with various degrees of complexity. Organizational risk implies the feasibility of occurring events and activities that may not allow an organization to achieve its goals. Customs officials have been asked to follow two main objectives:

Achieving a good level of affairs facilitation for the business community.

Assuring collaboration to meet legal requirements.

The risks facing by customs are: are the smuggling of goods, the potential capacities for non-cooperation in accordance with customs regulations, such as compliance with requirements to obtain licenses, predictions and provision of assessment and valuation by customs, rules and regulations for the origin of goods, systems and procedures of customs duties, trade restrictions and trade-related regulations, and potential failures to facilitate international trade affairs.

Customs, like any other organization, needs risk management. This requires the systematic use of management instructions. These instructions are designed to reduce the risk and ensure that customs objectives are met as far as possible by implementing these procedures. Instructions include the identification, analysis, and evaluation of how to treat, inspect and review effective risks to achieve these goals. Rational and correct risk management is essential for customs operations. The fact is that all offices use some forms of risk management either formally or informally. The more traditional instructions include physical border controls of goods and people, involving inspection and control of documents and physical inspection aimed at tracing illegal trade. Such controls form a kind of risk management, but the existence of these procedures are not necessarily indicative of an effective or efficient risk management. In recent times, the speed and volume of international trade is becoming constantly complicated due to rapid technological advances, which has affected the fulfillment of duties and responsibilities of customs officials. As a result, customs administrations have adopted a more systematic and structured approach to risk management. This has helped them to increase the efficiency of their operations and implement their processes and instructions in such a way that the trade interference is minimized and the pressure of law in the business sector is reduced (Dulff, Luke, Mclinden, et al.; a group of translators from the Customs Training and Research Center, 2005).

The researcher came the conclusion that at least 5 of the hypotheses related to reducing commodity control risk in the customs can be investigated, by conducting special interviews with top managers and experts in the customs as well as reputable representatives owning commercial goods, using the grounded theory and analyzing these interviews. In the following, while expressing these five hypotheses, they are analyzed quantitatively.

3.1 Related technical equipment and requirements for customs risks

As the electronic customs and its adoption actually require the adoption of new technology to reengineer all customs procedures, the technical requirements, which are considered as essential factors in the use of technology, are used as a technology representative. Indicators of the technical requirements for electronic customs can be categorized as Table 1:

Table 1. Indicators of technical requirements

Row	Indicator
1	Enabling the organization's IT section
2	The use of wireless communication in the organization

3	The high speed of information systems of the organization
4	Existence of organization's information standards and documentation
5	Existence of system analyst in the organization
6	Existence of URL (website)
7	The possibility of service provision through the website
8	Having access to e-mail in the organization
9	Internet connections
10	Enabled computer network
11	Uninterruptible power systems for the network
12	The possibility of exchanging audio and video data via network
13	Integration of various organizational units through the network
14	Technical factors related to network security
15	Ease of integrating current computer systems
16	The high level of network security
17	A sufficient number of computers
18	Appropriate network speed and Internet bandwidth
19	Technical infrastructure connections to other systems
20	The feasibility of pilot implementation of e-commerce in the organization
21	Improving the quality of ISPs services
22	Existence of knowledge management system

Source: (Rashidi, 2006)

3.2 Customs staff training

Training and improvement are among essential and continuous activities for adapting human resources to changing organizational and environmental conditions. Education is a tool that, through various techniques and methods, helps managers manage the organizations. In particular, in the use of electronic customs, the customs organization should necessarily train its staff regularly and continuously for better efficiency and the optimal use of the integrated comprehensive customs system (ICCS) and the new angles of this dynamic system. Creating a favorable and appropriate administrative system is, to a large extent, possible through the training and improving the capabilities of human resources. Human's increasing dominance of nature, knowledge of unknowns and research to find new techniques and tools to solve community problems, especially in developing countries, have made the human resource training important and effective more and more. Given that Iran has been working to achieve optimal growth and development for many years, one of the long-term strategic goals of its top managers is to release the country's economy from oil revenues and rely on non-oil revenues as the most important source of income and the most effective development tool. In this regard, manpower training and assessment of its effects on increasing their performance, is of a great importance. Proper human resources training provides the ground for more appropriate treatment of employees with clients, while promoting the performance of employees and organizations at the level of government agencies (Abili, 2005).

3.3 Specialization of customs by the type of goods and reducing the control risk

Regardless of the status and rank of each country, the simplification of trade procedures always creates undeniable benefits to achieve further advances. Trade facilitation is a continuous process in accordance with new technologies, the environment and the needs of the business community and governments. Trade facilitation is complicated and, as a result, it has many more complicated variables. In order to facilitate trade, Iran's customs should also classify customs according to the type of goods, the volume of activity and the amount of equipment available, so that virtual declarations of a particular class will be distributed only in the same section, and on the other hand the customs should be specialized on specific commodities. Customs specialization depends on the following factors:

- 1) Transparency and predictability
- 2) Time
- 3) Commercial opportunity
- 4) Customer value
- 5) Security
- 6) Income (Pour Faraj Mamaghani, 2001).

3.4 Interaction between administrative units and reducing commodity control risk in the customs

Essentially, in issues related to customs, a lot of components and structures are involved that lead to complexity and interaction of components with each other and, in many cases, involve the whole trade system of the country. So, in the design of the electronic system, these components should be simultaneously seen and placed in a proper structure.

3.5 Challenges for the multiplicity and change of customs rules, regulations, circulars and tariffs

One of the main problems of customs is the existence of numerous and sometimes controversial rules that in some cases, impedes transparency in the enforcement of customs rules, while raising the commodity control risk in the custom. Additionally, challenges faced by customs in dealing with policies and rules are divided into two categories of intra organizational and extra-organizational challenges:

A) Intra organizational challenges

- Goals and strategy
- Relevant structure, rules and regulations
- Human resources
- Existing processes to comply with some international standards and treaties
- Customs technology
- ICT challenges
- Fighting administrative corruption
- Financing the implementation of programs and projects
- Capacities contradiction
- Interacting with international organizations
- Interacting with internal organizations
- Overcoming some deficiencies in the monitoring system
- Multiplicity of policy-making centers and authorities interacting in commercial affairs
- Non-effective presence of customs in policy-making for commercial sectors
- Failure in cooperation between the private sector, the transportation sector and the chamber of commerce
- Economic impacts on domestic production and employment
- High and sometimes contradictory volume of circulars and instructions issued for customs
- The need to strengthen the favorable monitoring system in relation to the economic development plan and the establishment of a new customs system.

B) Extra organizational challenges

- Environmental protection
- Adoption and observance of trade customs conventions
- The requirements of compliance with facilitating standards against security standards
- Increased trade of counterfeit goods
- Increased trade organized crime
- Globalization of trade

In order to overcome the challenges, the Iranian Customs defined several projects. After discussing in the Working Group on Economic Transformation of the Government, 10 projects were defined as Development projects in the customs system and placed in the Customs agenda (Gorzin, 2005).

4. Research hypotheses

- 1) There is a relationship between technical equipment (ITC, computers, appropriate software packages and network connections) and reducing commodity control risk in Shahid Rajaei Customs.
- 2) There is a relationship between training qualified staff (customs trained officers at different levels of risk management: strategic, operational, and tactical) and reducing commodity control risk in Shahid Rajaei Customs.
- 3) There is a relationship between specialization of customs according to the type of goods and volume of customs activities, and reducing commodity control risk in Shahid Rajaei Customs.
- 4) There is a relationship between improved interactions between administrative units and reducing commodity control risk in Shahid Rajaei Customs.
- 5) There is a relationship between the identification of the challenges of changing customs rules, regulations, circulars and tariffs and reducing commodity control risk in Shahid Rajaei Customs.

5. Methodology

5.1 research method

This was a qualitative-quantitative study. In the first stage, the researcher, using interviews with customs managers and experts, extracted five hypotheses related to reduction of commodity control risk in the customs. In this applied descriptive-survey study, these hypotheses were quantitatively examined. The statistical population included all technical, administrative, educational and operational managers, supervisors and, and experts of Shahid Rajae and Shahid Bahonar Customs, managers of contracting companies active in Shahid Rajae Port, and a number of banking experts in total of 145 people. Because of the limited population size, the statistical population was selected as a statistical sample and the census method was used ($n = 145$).

5.2 Data collection tool

In general, data collection was done using two methods: library method (exploitation of internal and external articles related to subject and authoritative scientific sites) and field method using a researcher-made questionnaire. Validity (content validity) and reliability of the questionnaire (using Cronbach's alpha and equivalent to 0.75) were confirmed.

5.3 Data analysis

5.3.1 Descriptive findings

Based on the results of descriptive analysis, 89.9% of the subjects were male and 10.3% were female. 13.8% of subjects aged 20-30 years old, 41.4% 31-40 years old, 31% 41-50 years old, and 13.13%, were above 50 years old. Also, 24.1% of the subjects had an associate degree, 51.7% had a bachelor's degree, and 24.1% had a master's degree. Finally, 9.6% of the subjects had a work experience of under 5 years, 48.3% between 6 and 10 years, 34.5% between 11 and 15 years, and 10.10% between 16 and 20 years.

5.3.2 Inferential findings

In inferential analysis, univariate T test was used to investigate the factors affecting commodity control risk reduction, and the Friedman test to rank variables. Meanwhile, the results of variables normality using the Kolmogorov-Smirnov (K-S) test are presented in the table below.

A) K-S test

Table 2. Test results of variables normality

Variable	Sig (significance level)	(Error value)	Test result
Technical equipment	0.316	0.05	Normal
Staff training	0.016	0.05	Non-normal
Specialized customs	0.00	0.05	Non-normal
Improved interaction	0.11	0.05	Non-normal
Challenges of rules and...	0.002	0.05	Non-normal

As can be seen, all variables except for the first variables are non-normally distributed.

B) Testing the hypotheses using the univariate t-test

Table 3. One sample t-test to evaluate the mean values

Variable	Frequency	Mean	Standard deviation	t	df	Sig.
145	3.63	0.736	10.363	144	0.00	
145	3.58	0.700	9.994	144	0.00	
145	3.71	0.474	18.021	144	00	
145	3.61	0.584	12.624	144	0.00	
145	3.62	0.456	16.492	144	0.00	

The results of one sample t-test for all variables indicated that the t-value was higher than the standard value of 1.96, and the significant level was lower than 0.05. So the null hypothesis is rejected for all variables and the alternative hypothesis is confirmed.

C) Friedman test results for ranking variables

Table 4. Variables ranking based on Friedman test

Variable	Mean ratings
Specialized customs	3.40
Technical equipment	3.03
Challenges of rules and...	2.96
Staff training	2.88
Improved interaction	2.73

The results of Friedman test for ranking variables indicated that the highest mean rating was belonged to specialized customs with the value of 3.40 and the lowest mean rating belonged to the improved interaction with a value of 2.73. Friedman test statistics indicated that Chi-square with a value of 15.274 and a degree of freedom of 4 was significant at the level of 0.004.

6. Conclusion

The results of the hypotheses test are presented in Table 5.

Table 5. The results of the hypotheses test

Hypothesis	Confirmation or rejection
There is a relationship between technical equipment (ITC, computers, appropriate software packages and network connections) and reducing commodity control risk in Shahid Rajae Customs.	Confirmed
There is a relationship between training qualified staff (customs trained officers at different levels of risk management: strategic, operational, and tactical) and reducing commodity control risk in Shahid Rajae Customs.	Confirmed
There is a relationship between specialization of customs according to the type of goods and volume of customs activities, and reducing commodity control risk in Shahid Rajae Customs.	Confirmed
There is a relationship between improved interactions between administrative units and reducing commodity control risk in Shahid Rajae Customs.	Confirmed
There is a relationship between the identification of the challenges of changing customs rules, regulations, circulars and tariffs and reducing commodity control risk in Shahid Rajae Customs.	Confirmed

7. Recommendations based on research findings

7.1 The first hypothesis

Considering the confirmation of the first hypothesis and the second rank of the technical equipment regarding the reduction of risk in the customs according to the Friedman ranking test, in order to continue and strengthen this variable to reduce the risk, the customs managers are recommended to pay attention to the following:

- Speeding up the organization's information systems related to technical factors at the customs level
- Constant updates of the IT department
- Use of wireless communication in the organization, teaching its application and its adoption in the organization process to reduce the time of service delivery
- Providing the context to deploy a sufficient number of tablets and webcams to load the commodity information and images
- Providing the possibility of the communication of other trade-related agencies with the electronic customs system
- Modifying electronic customs infrastructure and trying to resolve the system shutdown.
- Paying attention to increased network security
- The possibility of taking notes by employees involved in customs controls for drawing attention to important issues, and availability of these notes
- Enhancing equipment for fast scan of goods to perform customs formalities and commodity controls faster.

7.2 The second hypothesis

Considering the confirmation of the second hypothesis and the fourth rank of the relevant variable regarding

the reduction of risk in the customs, in order to develop and advance educational goals at the customs level in a specialized way, the customs managers are recommended to pay attention to the following:

- At the beginning of the recruitment of customs officers, people with the ability to use the electronic customs system should be recruited.
- Learners in customs training courses should be homogeneous and at the same level
- Younger employees with fewer work experience should be given more chance to attend customs training courses.
- The goals of topics of the course should be notified by providing educational publications and bulletins, so that employees attend customs training courses fully informed.
- Customs training courses should be organized in such a way as to establish a relationship between the promotion of staff and managers with training, and staff to be able to enjoy the minimum training hours per year based on the relevant regulations.
- In order to reduce educational costs and improve the quality of training courses, and in accordance with the standards, customs training custodians can, in the form of training programs approved for the implementation of their training courses, use the experienced educational experts and academic specialists from other organizations, universities and higher education institutions in order to promote the educational issues.

7.3 The third hypothesis

Establishing specialized customs to provide fast and high-quality service to service recipients and increase exports in executive customs is one of the new and most important plans for customs planners and managers. Given the confirmation of the third hypothesis, the first rank of customs specialization and its relationship with the reduction of commodity control risk in customs and the development of organizational goals and strategies in the customs, the following recommendation are provided:

- In order to optimize the operation of customs and reduce costs, the Central Customs Administration of Iran is recommended to study the potential capacities of each customs of the country (feasibility studies) by employing skilled and qualified experts and specialists with regard to the geographical location, existing capacities with an attitude to its strategic position, talent of operational, administrative and technical personnel, specialists, technicians and managers, volume of trade, facilities and facilities available, etc., and prioritize the capabilities of each customs in accordance with these talents to specialize in customs, during a massive and detailed field study.
- During the holding of sessions, meetings, congresses and conferences on customs to examine the feasibility of specialization of customs, it is recommended that representatives from each of the customs areas of the country as an expert (with a high and useful work experience in the customs and a full turnover navigator in all customs administration) and familiar with the strengths and weaknesses of the desired unit should be invited, and their solutions, while presenting the positive and negative points of the customs, should be used. These representatives and obtaining information about each unit can be the basis for decision makers at the customs level to provide the ground for customs specialization.
- It is recommended that the customs should be classified and the customs with the same volume of activities, facilities and equipment be assigned to the same category so that, when distributing virtual declarations, the same customs declarations are just assigned to their class, and for example, large virtual customs declarations with large volume of activity, in virtual distribution, are not assigned to small customs offices.

7.4 The fourth hypothesis

Due to the confirmation of the fourth hypothesis and the last rank of the corresponding variable, in the current world of globalization, the following recommendations are made:

- In order to reduce the commodity control risk, by defining the supply chain for the Integrated Comprehensive Customs System (ICCC), a measure should be taken so that the product information from the manufacturer until delivery to the final consumer be contained in ICCC as information available
- Due to the fact that there is no consistent and uniform management in trade organizations, the solution to this problem needs to be considered.
- Improving customs operational and administrative processes by strengthening its public relations
- Developing a road map for the customs by the central organization in order to achieve the desired situation to improve the interactions between the administrative units and communicating to the administrative and personnel assistants
- Pathology and identification of vulnerable points and bottlenecks of administrative corruption, and providing solutions to secure and remove them, and lawful improving the administrative interactions.
- Follow up of customs managers in order to enjoy employees from the maximum capacity of the Civil Services Management Law (in accordance with Article 160 of the Customs Law, the use of 2% of the entry salary will be possible for equipping customs, training, employee benefit from rewards and loans,

and health care) in order to motivate and prevent administrative violations and risks

7.5 The fifth hypothesis

Given the confirmation of the fifth hypothesis, the challenges of the rules and regulations rank third among the risk reduction-related factors. So, in order to overcome the challenges of customs rules and regulations along with risk reduction, recommendations are presented as follows:

- Implementing international standards, harmonizing them with customs rules and creating flexibility in complex areas.
- Encouraging and appreciating customs that can put the partnership development approaches as their agenda in the framework of internal rules and regulations.
- The modeling of developed technologies, management practices, and human resource management systems as tools for modernizing customs rules and regulations, should be considered in the context of customs rules and regulations.
- The most important tool for modernizing customs is the developed management practices along with the rules and regulations. The statement of customs vision and duty in the instructions is the most important developed management practice. In addition, annual reports can be used to achieve this goal.
- In another step to reach a regulated and structured customs, the modernized organizational structure and change management skills should be used to make the path to modernize customs rules smoother. Along with developed management practices, developed human resources management systems are also important tools for the modernization of customs rules and regulations. More effective employment processes, an effective training program, a satisfactory salary and benefit system, and performance management are factors that provide a developed human resources management to improve customs rules and regulations enforcement and prevent its fluctuations and challenges.

8. Comparison of the results with the results of other studies

The results of the first hypothesis of this study are consistent with the studies conducted by Najafi (2004), Beheshtian (2009) and Elahi and Hasanzadeh (2007). The results of the study of Karbasian (2004) are consistent with the results of both the fourth and the fifth hypotheses. In the following, the results of the studies by Quick and Rob van (1998), Johnson & Polanski (2002), the EU Commission (2003) and Kidon & Rachman (2003) are consistent with the results of the fourth hypothesis of this study. The results of the study by Anmigen (2003) are also in line with the results of the fifth hypothesis of this study.

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