

# Identification and ranking of effective factors of marketing (controllable) to receive the services from free zone with MADM approach

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## Abstract

This study applies the fuzzy MCDM (multi-criteria decision making) to evaluate the services Performance in free trade zone. Performance evaluation is an important issue for managers, since it can be used as a reference in decision making with regard to performance improvement, specially teaching performance improvement. For this purpose, in this study, we use fuzzy set theory for the measurement of performance and apply AHP in obtaining criteria weight and TOPSIS in ranking. A fuzzy MCDM is an approach for evaluating decision alternatives involving subjective judgments made by a group of decision makers. A pairwise comparison process is used to help individual decision makers make comparative judgments, and a linguistic rating method is used for making absolute judgments.

**Keywords:** Performance evaluation, Fuzzy multi-criteria, decision-making, Fuzzy MCDM, AHP, TOPSIS

## Introduction

Decision making in the public and private sectors often involves the evaluation and ranking of available courses of action or decision alternatives based on multiple criteria. Multi criteria decision making (MCDM) has proven to be an effective methodology for solving a large variety of multi criteria evaluation and ranking problems (Yen & Chang, 2009, p454).

Decision-making problems are the process of finding the best option from all of the feasible alternatives. In almost all such problems the multiplicity of criteria for judging the alternatives is pervasive. That is, for many such problems, the decision maker wants to solve a multiple criteria decision-making (MCDM) problem (Chen, 2000, p.1).

One of the most important functions of management is to evaluate the performance of the organizations' services (Stoner and Freeman, 1992). Stoner and Freeman (1992) further stated that performance appraisals serve four primary purposes. These purposes included: "(1) to let subordinates know formally how their current performance is being rated; (2) to identify subordinates who deserve merit raises; (3) to locate individuals who need additional service; and (4) to identify candidates for promotion".

The modern concept of FTZs first gained momentum over the last few decades. In 1975 there were 25 countries with FTZ in place, whereas that number had increased to 93 by 1997. Similarly, it is estimated that approximately 800,000 people were employed within FTZs in 1975 and approximately 4.5 million in 1997. As at the beginning of 2007, there were an estimated 2,700+ FTZs around the world, providing employment for approximately 63 million people. Increased global trade and rapid developments in infrastructure prompted change and adaptation of the FTZ concept and during the last decades there has been numerous different terms for it. Common terms include Free Trade Zone, Export Processing Zone, Free Export Zone and Special

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Economic Zone. It has been noted that the different terms over time and space often reflect the specific activities carried out within a particular zone. In general, however, normal trade barriers such as tariffs and quotas are eliminated in FTZs and bureaucratic requirements are lowered to attract new business and foreign investments. Corporations operating within a FTZ may also be granted certain host country income tax breaks or holidays as an additional incentive. These zones are often located in an underdeveloped part of the host country, and the zones are expected to promote economic activities and thus reduce poverty and unemployment. FTZs are often located at or near a port of entry to facilitate import and export. Research has established a strong correlation between the presence of FTZs and increasing export trade, and it appears clear that FTZs have become increasingly popular as a policy instrument for the promotion of export oriented FDI.

Thus, performance appraisals or performance evaluation is an important issue for managers, since it can be used as a reference in decision making with regard to performance improvement, specially teaching performance improvement.

Since the judgments are usually vague rather than crisp, a judgment should be expressed by using fuzzy sets which has the capability of representing vague data. Some multi attribute evaluation methods such as AHP, ELECTRE, PROMETHEE, ORESTE, and TOPSIS can handle and solve this problem by integrating fuzzy set theory. Among these methods, AHP uses a hierarchy of attributes and alternatives while the others do not. (Kahraman *et al.*, 2007)

### Identifying Performance Dimensions and Criteria

There are two kinds of FTZ in Iran: trade free zone, economical free zone. In each kind, different questionnaires were used to evaluate the services ' performance. The researchers in the present study combined the different questionnaires directed by expert and from specialist finally they have reached a single comprehensive questionnaire after identifying similarities and the differences. This questionnaire had five dimensions which were as follows: Services price, Channels, Service pro, service promotion and Service selection. Each dimension included a number of criteria resulting in nineteen criteria in all as shown in Table 1.

**Table 1. The evaluation criteria for training performance of services**

Dimensions	Criteria
Services price $D_1$	C1: reduce in cost
	C2: cost control
	C3: cost
	C4: cost policies
	C5: cost plan
Chanel $D_2$	C6: preparation easy channel for customer
	C7: making good station in data banks
	C8: making good infrastructure
	C9: vast service branch
	C10: making service point
	C11: integrating service point
Service pro $D_3$	C12: various service
	C13: presentation of new topics relevant to the field.
service promotion $D_4$	C14: conferences for promote service
	C15: design suitable framework for service
	C16: personnel training
	C17: making coordinating program with other FTZ
Service selection $D_5$	C18: make facilities for customer
	C19: develop service channel

### Analytic Hierarchy Process (AHP)

The analytic hierarchy process (AHP) is a popular technique which is often used to model subjective decision making processes based on multiple attributes. AHP technique is widely used in both individual and group decision making environments (Bolloju, 2001, p499).

The AHP weighting is determined by the evaluators who conduct pair-wise comparisons, by which the comparative importance of two criteria is shown. Furthermore, the relative importance derived from these pair-wise comparisons allows a certain degree of inconsistency within a domain. Saaty used the principal eigenvector of the pair-wise comparison matrix derived from the scaling ratio to determine the comparative weight among the criteria (Chiu, 2006, p1247).

In AHP, multiple pair wise comparisons are based on a standardized comparison scale of nine levels (Table 2) (Chen *et al.*, 2009b, p.8458; Yen & Chang, 2009, p.465).

**Table 2. Nine-point intensity of importance scale and its description**

Definition	intensity of importance
Equally important	1
Moderately more important	3
Strongly more important	5
Very Strongly more important	7
Extremely more important	9
Intermediate values	2, 4, 6, 8

Let  $C = \{C_j / j = 1, 2, \dots, n\}$  be the set of criteria. The result of the pair wise comparison on  $n$  criteria can be summarized in an  $(n \times n)$  evaluation matrix  $A$  in which every element  $a_{ij}$  ( $i, j = 1, 2, \dots, n$ ) is the quotient of weights of the criteria, as shown:

$$A = \begin{bmatrix} a_{11} & a_{12} & \dots & a_{1n} \\ a_{21} & a_{22} & \dots & a_{2n} \\ \vdots & \vdots & \ddots & \vdots \\ a_{n1} & a_{n2} & \dots & a_{nn} \end{bmatrix}, a_i = 1, a_{ji} = 1/a_{ij}, a_i \neq 0$$

At the last step, the mathematical process commences to normalize and find the relative weights for each matrix. The relative weights are given by the right eigenvector ( $w$ ) corresponding to the largest Eigen value ( $\lambda_{max}$ ), as: (Dagdeviren & et al, 2009, p8143)

$$Aw = \lambda_{max} w$$

If the pair wise comparisons are completely consistent, the matrix  $A$  has rank 1 and  $\lambda_{max} = n$ . In this case, weights can be obtained by normalizing any of the rows or columns of  $A$  (Wang and Yang, 2007)

**Fuzzy Set Theory**

To deal with vagueness of human thought, Zadeh (1965) first introduced the fuzzy set theory, which was oriented to the rationality of uncertainty due to imprecision or vagueness. A major contribution of fuzzy set theory is its capability of representing vague data (Kahraman et al., 2003, p385).

There are two main characteristics of fuzzy systems that give them better performance for specific applications:

1. Fuzzy systems are suitable for uncertain or approximate reasoning, especially for the system with a mathematical model that is difficult to derive; and
2. Fuzzy logic allows decision-making with estimated values under incomplete or uncertain information (Kahraman et al, 2007).

Fuzzy set theory has developed as an alternative to ordinary (crisp) set theory and is used to describe

fuzzy sets. For example, the set of 30-year-old men is a crisp set. The boundaries are definite and a particular person is either in the set or not, is either a 30-year-old man, or is not. In contrast, a fuzzy set does not have clear boundaries. Membership in a fuzzy set is a matter of degree (Friedlob& Schleifer, 1999, p133).

Let  $X$  denotes a universal set. Then a fuzzy subset of  $X$  is defined by its membership function:  $\mu_{\bar{A}} : x \rightarrow [0,1]$  which is assigned to each element  $x \in X$  a real number  $\mu_{\bar{A}}(x)$  in the interval  $[0, 1]$ , where the value, of  $\mu_{\bar{A}}(x)$  at  $x$  represents the grade of membership of  $x$  in  $\bar{A}$ . Thus, the nearer the value of  $\mu_{\bar{A}}(x)$  is unity, the higher the grade of membership of  $x$  in  $\bar{A}$  (Sakawa, 2002, p196).

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**Triangular fuzzy numbers and Linguistic variables**

TFN is a special type of fuzzy number with three parameters, each representing the linguistic variable associated with a degree of membership of 0 or 1. Since it is shown to be very convenient and easily implemented in arithmetic operations, the TFN is also commonly used in practice (Liou & Chen, 2006, p931)

A triangular fuzzy number  $\tilde{m}$  is defined by a triplet  $(a, b, c)$ . The membership function  $\mu_{\tilde{m}}$  of  $\tilde{m}$  is given by (Chamodrakas & et al, 2009, p7410):

$$\mu_{\tilde{m}} = \begin{cases} \frac{x-a}{b-a} & (a \leq x \leq b) \\ \frac{c-x}{c-b} & (b \leq x \leq c) \end{cases}$$

The algebraic operation for the triangular fuzzy number can be displayed as follows: (Chiu, 2006, p1248; Abdolvand et al., 2008, p374)

- Addition of a fuzzy number  $\oplus$

$$(L_1, M_1, U_1) \oplus (L_2, M_2, U_2) = (L_1 + L_2, M_1 + M_2, U_1 + U_2) \tag{1}$$

- Multiplication of a fuzzy number:  $\otimes$

$$(L_1, M_1, U_1) \otimes (L_2, M_2, U_2) = (L_1 L_2, M_1 M_2, U_1 U_2) \tag{2}$$

- Any real number  $k$ :

$$K(L, M, U) = (KL, KM, KU) \tag{3}$$

- Subtraction of a fuzzy number  $\ominus$

$$(L_1, M_1, U_1) \ominus (L_2, M_2, U_2) = (L_1 - L_2, M_1 - M_2, U_1 - U_2) \quad (4)$$

- Division of a fuzzy number

$$(L_1, M_1, U_1) / (L_2, M_2, U_2) = (L_1 / L_2, M_1 / M_2, U_1 / U_2) \quad (5)$$

- Average of fuzzy number :

$$A_{ave} = (A_1 + A_2 + \dots + A_n) / n$$

$$A_{ave} = [(L_1 + \dots + L_n) + (M_1 + \dots + M_n) + (U_1 + \dots + U_n)] / n \quad (6)$$

The concept of a fuzzy number plays a fundamental role in formulating quantitative fuzzy variables. These are variables whose states are fuzzy numbers. When, in addition, the fuzzy numbers represent linguistic concepts, such as very small, small, medium, and so on, as interpreted in a particular context, the resulting constructs are usually called linguistic variables (Klir & Yuan, 1995, p.102).

Fuzzy sets have vague boundaries and are therefore well suited for discussing such concepts as linguistic terms (such as “very” or “somewhat”) or natural phenomena (temperatures) (Friedlob & Schleifer, 1999, p.133).

Variables, whose values are given in linguistic terms, i.e. words, sentences, etc, are called linguistic variables (Chen, 2001; Lin & Chang, 2008).

Each linguistic variable the states of which are expressed by linguistic terms interpreted as specific fuzzy numbers is defined in terms of a base variable, the values of which are real numbers within a specific range. A base variable is a variable in the classical sense, exemplified by any physical variable (e.g., temperature, pressure, speed, voltage, humidity, etc.) as well as any other numerical variable, (e.g., age, interest rate, performance, salary, probability, reliability, etc.). In a linguistic variable, linguistic terms representing approximate values of a base variable, germane to a particular application, are captured by appropriate fuzzy numbers (Klir & Yuan, 1995, p102)

### Defuzzification

The result of fuzzy synthetic decision of each alternative is a fuzzy number. Therefore, it is necessary that the non-fuzzy ranking method for fuzzy numbers be employed during service quality comparison for each alternative. In other words, Defuzzification

is a technique to convert the fuzzy number into crisp real numbers; the procedure of defuzzification is to locate the Best Nonfuzzy Performance (BNP) value (Tsuar *et al.*, 2002, p110). There are several available methods to serve this purpose. Mean-of-Maximum, Center-of-Area, and a-cut Method are the most common approaches. This study utilizes the Center-of-Area method due to its simplicity and does not require analyst’s personal judgment (Abdolvand *et al.*, 2008, p375).

The defuzzified value of fuzzy number can be obtained from Equation (7).

$$TFN = (L, M, U)$$

$$BNF = [(U - L) + (M - L)] / 3 + L \quad (7)$$

### Topsis

The TOPSIS (technique for order performance by similarity to idea solution) was first developed by Hwang & Yoon (1981). According to this technique, the best alternative would be the one that is nearest to the positive-ideal solution and farthest from the negative ideal solution (Ertugrul & Karakasoglu, 2007). The positive-ideal solution is a solution that maximizes the benefit criteria and minimizes the cost criteria, whereas the negative ideal solution maximizes the cost criteria and minimizes the benefit criteria (Wang & Elhag, 2006). In short, the positive-ideal solution is composed of all best values attainable from the criteria, whereas the negative ideal solution consists of all worst values attainable from the criteria (Wang, 2007). There have been lots of studies in the literature using TOPSIS for the solution of MCDM problems. (Chen, 2000; Chu & Lin, 2002; Wang *et al.*, 2009; Boran *et al.*, 2009).

The calculation processes of the method are as following: (Tsuar *et al.*, 2002, p111)

- **Step 1:** Establish the normalized performance matrix:

The purpose of normalizing the performance matrix is to unify the unit of matrix entries. Assume the original performance matrix is

$$x = (x_{ij}) \quad \forall_{i,j} \quad (8)$$

where  $x_{ij}$  is the performance of alternative  $i$  to criterion  $j$ .

- **Step 2:** Create the weighted normalized performance matrix

TOPSIS defines the weighted normalized performance matrix as:

$$V = (V_{ij}) \quad \forall_{i,j} \quad (9)$$

$$V_{ij} = w_{ij} \times r_{ij} \quad \forall_{i,j}$$

where  $w_j$  is the weight of criterion  $j$ .

- **Step 3:** Determine the ideal solution and negative ideal solution

The ideal solution is computed based on the following equations:

$$A^+ = \{(\max V_{ij} / j \in J), (\min V_{ij} / j \in J'), i=1,2,\dots,m\} \quad (10a)$$

$$A^- = \{(\min V_{ij} / j), (\max V_{ij} / j \in J'), i=1,2,\dots,m\} \quad (10b)$$

Where

$j = \{j = 1, 2, \dots, n / j \text{ belongs to benefit criteria}\};$

$j = \{j = 1, 2, \dots, n / j \text{ belongs to cost criteria}\};$

- **Step 4:** Calculate the distance between idea solution and negative ideal solution for each alternative:

$$S_i^+ = \sqrt{\sum_{j=1}^n (V_{ij} - V_j^+)^2} \quad i = 1,2,\dots,m \quad (11)$$

$$S_i^- = \sqrt{\sum_{j=1}^n (V_{ij} - V_j^-)^2} \quad i = 1,2,\dots,m \quad (12)$$

- **Step 5:** Calculate the relative closeness to the ideal solution of each alternative

$$C_i^+ = \frac{S_i^-}{S_i^+ + S_i^-} \quad i = 1,2,\dots,m \quad (13)$$

where  $0 \leq c_i^+ \leq 1$  that is, an alternative  $i$  is closer to  $A_i^+$  as  $C_i^+$  approaches to 1.

- **Step 6:** Rank the preference order

A set of alternatives can be preference ranked according to the descending order of  $C_i^+$ .

## Empirical Study of Services Performance

### Survey & Measurement Instrument

In an effort of conducting the survey, 170 questionnaires were distributed to customer in Qeshm FTZ. Out of the 170 surveys, all of them had been returned, 17 of them (10%) weren't completed and 153 of them were completed that

were ready for analyzing a rate equal with 90% which is a very good rate. The other demographic statistics were: all of them were at their age of less than 60 and consisted of 45.22 % men and 54.75 % women.

The questionnaire of services ' performance evaluation was composed based on four parts: first section was related to properties of population, second section was about questions for evaluating the relative importance of criteria and FTZ's performance corresponding to each criterion. AHP method was used in obtaining the relative weight of criteria. In order to establish the membership function (third section) associated with each linguistic expression term, we asked respondents to specify the range from 1 to 100 corresponding to linguistic term 'Strongly Disagree (SD)', 'Disagree', 'Middle (M)', 'Agree' and 'Strongly Agree' and in the fourth section there were 19 questions about 5 dimensions of services ' performance.

For determining the reliability of this questionnaire from in this research Cronbach's Alpha has been used. Values of final for each of the 5 dimensions of services ' performance with similar questions were in Table 3. According to Saharan's opinion, Cronbach's coefficient less than 0.6 is weak, 0.7 is acceptable and more than 0.8 is very good (Abdolvand *et al.*, 2008, p 376). Therefore the result of this research for four dimensions are acceptable and for one dimension are good and whole questionnaire from have acceptable reliability.

**Table 3. Services ' performance evaluation scores based on Cronbach's alpha**

	S <sub>1</sub>	S <sub>2</sub>	S <sub>3</sub>	S <sub>4</sub>	S <sub>5</sub>	Total
Items	5	6	2	4	2	19
Questions	1 – 5	6 - 11	12 – 13	14 – 17	18 - 19	1 – 19
Cronbach's Alpha	.701	.723	.763	.80	.735	.712

### Determine Fuzzy Number

In this study, five spectrums are used that have been said already: Strongly Disagree (SD), Disagree (D), Middle (M), Agree (A), and Strongly Agree (SA).

For gaining each of the linguistic variables' fuzzy numbers, responders' opinions were used, so each responder were asked to determine linguistic variables' spectrum from 0 to 100 (Abdolvand *et al.*, 2008, p372).

The sample of these opinions is shown in Table 4.

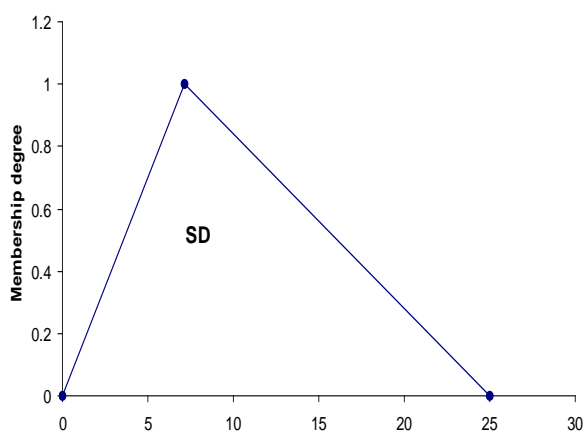
**Table 4. Scale of linguistic variables by responders**

Responder	Scale of linguistic variables(0-100)				
	SD	D	M	A	SA
1	0- 5	5 - 20	20- 40	40- 65	65 - 100
2	0-10	10-25	25-50	50-80	80-100
3	0 - 15	15 - 30	30 - 60	60 - 80	80- 100
4	0 - 10	10 - 25	25 - 40	40 - 70	70 - 100
5	0 - 10	10 - 30	30 - 50	50 - 70	70 - 100
6	0 - 15	15- 30	30-60	60-85	85-100
.....	.....	.....	.....	.....	.....
153	0 - 20	20 - 30	30 - 40	40 - 60	60 - 100

After achieving responders' opinion by evaluation of these 30 experts in linguistic variables scale, we determine triangular fuzzy numbers (TFN) of each linguistic variable.

According to the above mentioned, now TFN of each linguistic variables were consist of:

- "Strongly Disagree" linguistic variable (SD):

**Figure 1. Triangular membership function of fuzzy number for "Strongly Disagree"****Table 5. TFN for SD linguistic variable**

	L	M=(L+U)/2	U
1	0	2.5	5
2	0	5	10
3	0	7.5	15
4	0	5	10
5	0	5	10
6	0	7.5	15
.....	.....	.....	.....
153	0	10	20
TFN(SD)	0	7.15	25
	min	average	max

**Table 6. Linguistic variables and Triangular fuzzy number (TFN)**

linguistic variables	TFN
Strongly Disagree (SD)	(0 ,7.15 ,25)
Disagree (D)	(5 ,22.15 ,40)
Middle (M)	(15 ,41.36 ,60)
Agree (A)	(45 ,65.56 ,85)
Strongly Agree (SA)	(70 ,89.2 ,100)

As it was mentioned, we could obtain TFN for SD linguistic variables by responders' opinion, and other linguistic variables' fuzzy

numbers are obtained in this way. These numbers with their membership function are as follows:

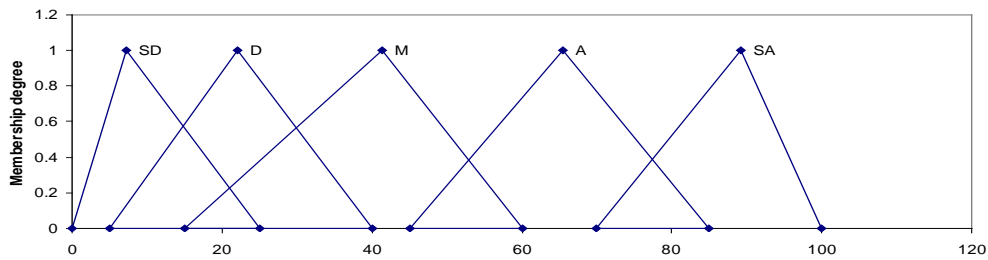


Figure 2. Membership functions of linguistic variables

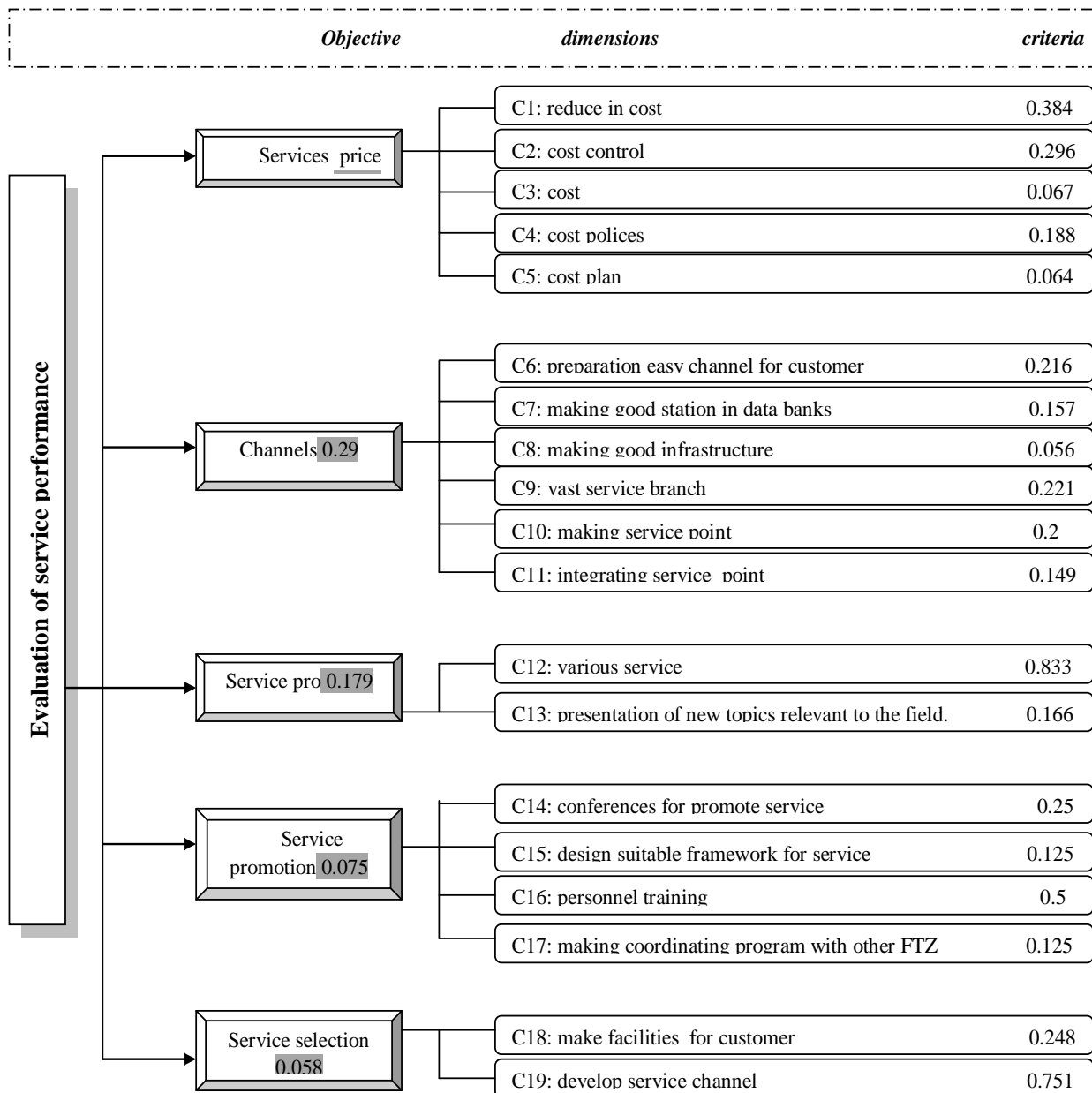


Figure 3. The relative weights of the five dimensions of instructor's performance

### The Weights of Evaluation Dimensions and Criteria

Figure 3 shows the relative weights of the five dimensions of instructor's performance, which were obtained by applying AHP. The weights for each of the aspect were: Services price (0.398), Channels (0.29), Service pro (0.179), Service promotion (0.075) and Service selection (0.058). The weights were described generally was that customers were more concerned on the services feature rather than the regulations or tools aspects.

### Performance Measure of Services

After obtaining the criteria weights from AHP (Fig. 3), by using fuzzy number and fuzzy average is measured performance of four services. Table 2 lists the fuzzy performance measure for the four services. After obtaining the perfor-

mance measure in terms of fuzzy number, we defuzzify the fuzzy numbers into crisp numbers so as to conduct TOPSIS ranking procedure. We used Center-of-Area method (as Eq. (7)) to defuzzify the fuzzy numbers, which are as shown in Table 3. In general overview, instructor B performs better in all of aspects except Channels that instructor A has better.

### Final Ranking

In this paper, we use AHP method in obtaining criteria weight, and apply TFN to assess the linguistic ratings given by the evaluators. By using TOPSIS, we aggregate the weight of evaluate criteria and the matrix of performance to evaluate the four FTZ services ' performance, the results of evaluation can be seen in table 8.

**Table 7. Fuzzy performance measures of services**

Performance evaluation criteria	FTZ A	FTZ B	FTZ C	FTZ D
C 1	(57.50, 77.40, 92.50)	(52.01, 71.89, 88.98)	(35.00, 54.70, 73.75)	(31.25, 53.46, 73.75)
C 2	(63.75, 83.30, 96.25)	(63.75, 83.29, 96.25)	(40.00, 60.47, 75.00)	(32.45, 55.27, 72.57)
C3	(51.25, 71.50, 88.75)	(57.23, 77.14, 91.24)	(20.00, 42.60, 61.25)	(21.45, 43.01, 61.25)
C4	(50.00, 71.30, 86.25)	(57.50, 77.38, 92.50)	(17.50, 37.81, 56.25)	(32.45, 53.78, 72.75)
C 2	(55.50, 74.20, 89.78)	(58.21, 78.65, 92.58)	(27.50, 48.65, 67.50)	(27.41, 48.39, 67.50)
<b>C1 - C5</b>	<b>(55.60, 75.50, 90.71)</b>	<b>(57.74, 77.67, 92.31)</b>	<b>(28.00, 48.85, 66.75)</b>	<b>(29.00, 50.78, 65.56)</b>
C 6	(49.24, 69.50, 84.23)	(58.67, 78.59, 93.02)	(33.75, 54.56, 71.25)	(34.98, 54.95, 71.02)
C 7	(50.02, 72.00, 86.25)	(50.01, 70.89, 87.95)	(21.02, 43.25, 62.39)	(27.98, 48.66, 67.94)
C 8	(36.25, 59.40, 76.25)	(33.75, 54.59, 75.00)	(17.01, 36.56, 55.78)	(28.27, 49.24, 68.31)
C 9	(63.50, 84.20, 96.25)	(62.98, 82.59, 96.20)	(32.78, 53.69, 70.58)	(28.75, 53.32, 70.00)
C 10	(63.04, 83.80, 96.01)	(58.21, 77.95, 92.50)	(25.00, 43.86, 62.50)	(43.75, 65.42, 82.50)
C 11	(50.85, 71.50, 87.54)	(28.75, 53.23, 70.00)	(16.75, 36.25, 56.86)	(17.54, 37.64, 55.89)
<b>C 6 - C 11</b>	<b>(52.15, 73.40, 87.76)</b>	<b>(48.73, 69.64, 85.78)</b>	<b>(24.39, 44.70, 63.23)</b>	<b>(30.21, 51.54, 69.27)</b>
C 12	(56.20, 76.20, 90.12)	(64.35, 85.27, 96.07)	(27.46, 48.02, 66.27)	(34.56, 52.19, 71.25)
C 13	(35.49, 58.90, 75.46)	(43.75, 63.42, 82.50)	(19.64, 40.25, 60.35)	(26.25, 45.27, 64.57)
<b>C 12 - C 13</b>	<b>(45.85, 67.60, 82.79)</b>	<b>(54.05, 74.35, 89.29)</b>	<b>(23.55, 44.14, 63.31)</b>	<b>(30.41, 48.73, 67.91)</b>
C 14	(42.50, 65.30, 80.00)	(50.89, 70.95, 88.26)	(42.58, 65.27, 81.98)	(43.89, 66.84, 83.75)
C 15	(40.00, 60.50, 75.00)	(58.63, 78.32, 92.47)	(58.25, 76.45, 91.68)	(56.19, 68.34, 89.79)
C 16	(37.10, 59.40, 76.08)	(56.25, 77.24, 90.00)	(40.25, 60.48, 74.65)	(31.25, 49.77, 66.25)
C 17	(58.01, 78.30, 93.12)	(62.45, 83.21, 96.43)	(76.25, 77.85, 91.28)	(56.38, 75.28, 88.61)
<b>C 14 - C 17</b>	<b>(44.40, 65.80, 81.05)</b>	<b>(57.06, 77.43, 91.79)</b>	<b>(54.33, 70.01, 84.90)</b>	<b>(46.93, 65.06, 82.10)</b>
C 18	(52.36, 72.20, 89.05)	(58.12, 76.89, 91.84)	(33.97, 53.89, 72.07)	(38.59, 60.25, 79.85)
C 19	(49.87, 70.30, 86.16)	(50.00, 71.33, 86.25)	(22.13, 39.57, 55.39)	(28.52, 51.02, 67.34)
<b>C 18 - C 19</b>	<b>(51.12, 71.20, 87.61)</b>	<b>(54.06, 74.11, 89.05)</b>	<b>(28.05, 46.73, 63.73)</b>	<b>(33.56, 55.64, 73.59)</b>



Table 8. Overall performance measures of services

Performance evaluation criteria	FTZ A	FTZ B	FTZ C	FTZ D
C 1	75.79*	70.96	54.48	52.82
C 2	81.10*	81.10*	58.49	53.43
C3	70.49	75.20*	41.28	41.90
C4	69.19	75.79*	37.19	52.99
C 2	73.16	76.48*	47.88	47.77
<b>C1 - C5</b>	<b>73.95</b>	<b>75.91*</b>	<b>47.87</b>	<b>49.78</b>
C 6	67.66	76.76*	53.19	53.65
C 7	69.43	69.62*	42.22	48.19
C 8	57.29*	54.45	36.45	48.61
C 9	81.32*	80.59	52.35	50.69
C 10	80.94*	76.22	43.76	63.89
C 11	69.95*	50.66	36.62	37.02
<b>C 6 - C 11</b>	<b>71.10*</b>	<b>68.05</b>	<b>44.10</b>	<b>50.34</b>
C 12	74.18	81.90*	47.25	52.67
C 13	56.61	63.22*	40.08	45.36
<b>C 12 - C 13</b>	<b>65.40</b>	<b>72.56*</b>	<b>43.67</b>	<b>49.02</b>
C 14	62.59	70.03*	63.28	64.83
C 15	58.49	76.47*	75.46	71.44
C 16	57.52	74.50*	58.46	49.09
C 17	76.46	80.70	81.79*	73.42
<b>C 14 - C 17</b>	<b>63.77</b>	<b>75.43*</b>	<b>69.75</b>	<b>64.70</b>
C 18	71.19	75.62*	53.31	59.56
C 19	68.76	69.19*	39.03	48.96
<b>C 18 - C 19</b>	<b>69.97</b>	<b>72.41*</b>	<b>46.17</b>	<b>54.26</b>

• *Step 1:*

Table 9. Normalized performance matrix

	1	2	3	4	5
A	73.95	71.10	65.40	63.77	69.97
B	75.91	68.08	72.56	75.43	72.41
C	47.87	44.10	43.67	69.75	46.17
D	49.78	50.34	49.02	64.70	54.29
w	0.40	0.29	0.18	0.08	0.06

→

	1	2	3	4	5
A	0.584	0.597	0.555	0.462	0.567
B	0.600	0.571	0.616	0.547	0.586
C	0.378	0.370	0.371	0.505	0.374
D	0.393	0.422	0.416	0.429	0.440

• *Step 2:*

$$\begin{cases} A_i^+ = \{0.238, 0.173, 0.11, 0.041, 0.033\} \\ A_i^- = \{0.15, 0.107, 0.066, 0.034, 0.021\} \end{cases}$$

Table 10. Weighted normalized performance matrix

	1	2	3	4	5
A	0.232	0.173	0.099	0.034	0.032
B	0.238	0.166	0.110	0.041	0.033
C	0.150	0.107	0.066	0.037	0.021
D	0.156	0.122	0.074	0.035	0.025

• *Step4:*

Table 11. Distance between idea solution and negative ideal solution

	A	B	C	D
S <sup>+</sup>	0.023	0.007	0.118	0.102
S <sup>-</sup>	0.111	0.114	0.003	0.228

• *Step 3:* Determine the ideal solution and negative ideal solution

- Step5-6:

**Table 12. Final ranking of services**

FTZ	Rank	Similarity to ideal solution(C <sup>+</sup> )
B	1	0.942
A	2	0.828
D	3	0.690
C	4	0.024

## Conclusions and Implications

In this study, we have aggregated and identified five FTZ service's performance dimensions and 19 indicators of that performance. The five performance dimensions were: Services price, channels, service pro, service promotion, service selection. For determining reliability of this questionnaire from Cronbach's Alpha has been used that Values of final were the table (3) and had acceptable reliability.

For evaluating the FTZ services ' performance, we applied the fuzzy MCDM. So, we calculated the criteria weights by AHP and then for measuring FTZ services ' performance, we used fuzzy set theory and TFN to assess the linguistic ratings given by the evaluators. Finally, we conducted Technique for TOPSIS to achieve the final ranking results.

In an effort of conducting the survey, 170 questionnaires were distributed to customers in FTZ Qeshm branch that all of them were at their age of less than 60 years old and 45.22 percent was men and 54.75 percent women

Weights results show that customers are more concern about the services feature than the regulations or tools because of weights for each of the dimensions were: [Services price (0.398), Channels (0.29), Service pro (0.179), Service promotion (0.075) and Service selection (0.058)]. For measuring four services ' performance, TFN's performance showed in Table 2 and BNF shown table 3 which in general overview, instructor B performed better in all of aspects except Channels that instructor A performed better. Then final ranking, after applying six steps from Topsis, instructor a higher rank than another instructor.

In general, pperformance evaluation is an important issue for managers, since it can be used as a reference in decision making with regard to performance improvement, specially Services performance improvement so, in this study we applied the fuzzy MCDM to evaluate the services Performance in FTZ because we believe that judgments are usually vague rather than crisp, a judgment should be

expressed by using fuzzy sets which have the capability of representing in vague data.

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