

Assignment 1

Problem Solving
EMPL4008

Teacher – Roger Maidment

1605376

Syed Azizur Rahman

Contents

Part 1	3
What's a problem, how do we define it and how to we solve it?	3
What is critical thinking and how can it be used in the workplace?	5
Part 2	5
PEST analysis in business.....	5
Sample letter about the benefits of a PEST analysis.....	6
Part 3	7
Employee Behaviour.....	7
Part 4	8
Using IT in retail	8

Part 1

What's a problem, how do we define it and how to we solve it?

According to (Cottrell, 2003) a problem is a situation that is undesirable of will have undesirable effects on the objectives at work. There can many types of problems, technical, interpersonal and solutions to these can be complex or simple. In this report we will look at how problems arise, how they are identified, and how they are dealt with. For the purpose of this report we will consider problems that a retailer such as Primark might encounter in everyday working situations.

To solve problems in a retail environment we follow a few standard steps that can used to solve problems in any other industry out outside of work. To begin the problem solving cycle we must as the five W's questions. (Cottrell, 2003)

These are:

- who is encountering the problem, what impact will that problem have on the company and if the symptoms of the problem can be felt by others and if so what extent and how much inconvenience/issues is it causing,
- what time did the problem appear or has it been a consistent issues throughout and only recently became visible,
- equally important where does the problem occur, within the scope of Primark, does a problem occur in the shopfloor or in the managers office,
- and most importantly, why does the problem happen, this last step must be figured out if a team wishes to solve a problem in any situation

Deriving from the five W's the resulting problem can have a very simple solution, such as replacing bad equipment that causes delays at the till, or a complex solution that involves changing companies policies and implanting and training the staff in the new policies.

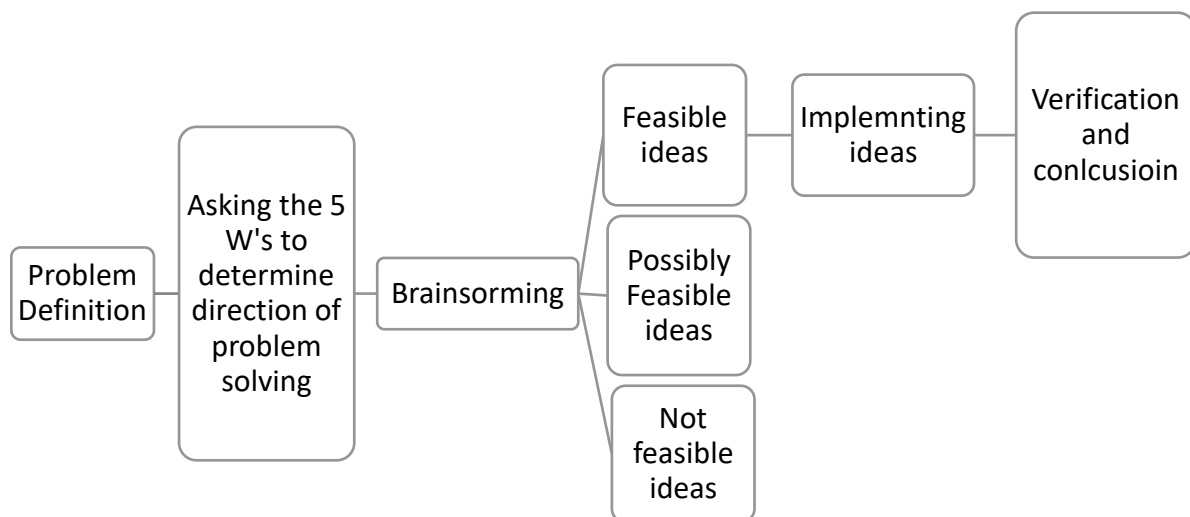
Once the five W's have been identified the team will brainstorm ideas to identify possible solutions. The important part in this stage of problem solving is creativity, a team brainstorming ideas should allow themselves the freedom to suggest even the most silly solutions. What seems silly at first might have some useful aspects or could lead others to think of other more useful version of the silly idea. At the end of the brainstorming session, the team should make a list of the ideas they came up with. The list should categorise their ideas as feasible, non-feasible, and possibly feasible. The most feasible and practical ideas are then carried forward. (Cottrell, 2003)

After the list of feasible ideas has been organised, the team will put the proposed solutions into action. For example, in the case of the simple problem mentioned previously, this stage could be to order and install new till equipment.

After the implementation stage the team would monitor the results over a period of time and make a conclusion on whether the solution implemented was the correct one. If no, the team would return to the list of solutions obtained during the brainstorming phase and go through the other options.

When solving largescale complex problems multiple teams might be involved and they might work on multiple solutions simultaneously.

The problem solving process can be summarised in the following flow chart.



To exemplify a few problems that a company such as Primark might encounter. A simple problem would be a delay in new stock arrival. A solution to this problem could be to simply phone the headquarters and request an urgent delivery.

An example of a complex problem could be the uncertainty in future revenue caused by events such as Brexit. In this case a prolonged and very detailed study of many factors would need to be carried out and require multiple teams working simultaneously on the problem.

What is critical thinking and how can it be used in the workplace?

To think critically is to consider all possible reasons why something might be happening and leave aside biased judgements. The definition of critical thinking given by (Beyer, 1995) is that it is a way of making clear and reasoned judgements about problems surrounding us.

In common vocabulary the word critical is assumed to be negative. However, it should be made clear that in this context critical means to consider all sides of an argument. The sides that agree with our ideas and the ones that counter it. An example of this would be if someone suggests a solution that is counter to your proposal, instead of outright rejecting it you consider it for benefits and disadvantages compared to your original solution and make a reasoned judgement about it.

A good critical thinker will question the arguments presented to him. Such a thinker will ask for evidence before making decisions. Not only ask for evidence but also ask for verified sources whenever possible. This allows a good critical thinker to make the best decisions possible with the most accurate and unbiased information available.

There are six primary stages of critical thinking. These are: knowledge, comprehension, application, analysis, synthesis and evaluation.

At the first stage we acquire knowledge about the problem that we are facing. In the comprehension stage we go through the knowledge gathered and deduce further knowledge from it. In the application stage links between the main problem, knowledge and resources available are found. In the analysis stage you break down the information gathered and judge it on its merits and select the best segments. In the synthesis stage we gather all the information selected previously and combine it to make something original that relates to our problem. At the last stage we go through all the filtered information that remains past the previous stages and based on it we propose a new argument and any accompanying actions.

Part 2

PEST analysis in business

PEST is an acronym for Political, Economic, Social and Technological. These are some of the major external factors that can affect a business's performance. Many businesses carry out PEST analysis before making major decisions or changes in policy. The objective of such an analysis is to determine how the business will react to changing factors or how it has been relatively performing. (BD, 2017)

Political factors considered in a PEST include government decisions that affect businesses, such as signing of new trade treaties, political stability which can lead to increases or decreases in the economy, trade restrictions and tariffs. Any of these factors if not considered carefully can have detrimental effects in the cost of business or the legal ability to carry out business in certain countries.

Economic factors considered in a PEST analysis will cover factors such as interest rates, exchange rates, the rate of growth of the economy. International finance trends such as recessions or crisis in the housing market or otherwise is also important when carrying out a PEST analysis, as these will affect the customers that business is targeting.

Social factors considered in a pest analysis can be demographic changes to the market that company is trying to reach. In many parts of the world cultural norms are also an important part doing business. It also worth considering any social unrest that could take part. For demographic changes a company would research on what its target age group want and focus on it. In terms of cultural norms, this would involve clothing styles and level of modesty that the target audience practices. Referencing to social unrest we can refer back to events such as the London riots, this sort of unrest can cause significant loss of revenue to a company. (BD, 2017)

Technological factors to consider in a PEST analysis would include predominantly how new technologies will change the industry and if the changes would be positive or negative for the company. This can include the rise of competition from online retailers or if new technology could make, in this example, Primark's business easier and more efficient. Somewhat related to politics, it is also worth considering any future government investment in technology such as better connectivity.

In a real world situation it does not take a large leap to see that many of these factors are not exclusive to one. A political factor such as Brexit will easily have many economic and subsequent social changes associated with it. When performing a PEST analysis the factors need to be compartmentalised such that they do not overlap excessively.

Sample letter about the benefits of a PEST analysis

Dear Manager,

I am writing this letter to inform you of the benefits of PEST analysis. From what I seen in the company, a full PEST analysis would indeed help the company to plan its long term strategy for the new year and also prepare for the eventual implementation of Brexit.

A PEST analysis would have four components. These would involve political, economic, social and technological factors that would impact our business within the foreseeable future.

For Primark the political changes resulting from Brexit will have hard impact. A PEST analysis could help us research what these will be and adjust our future sales models accordingly.

The political changes mentioned above will undoubtedly have an impact on the economic capacity of our clients in the UK. It is yet unsure if the effects will be positive or not, if our customers will have more or less disposable income as result. A PEST analysis is highly recommended to carry out a detailed analysis into predicted economic growth for the UK.

Socially, we have been witnessing a continual shift in demographics. A new younger generation of customers is becoming our primary revenue source. A PEST analysis could research into what the generation wants when it comes fashion and we could adjust our stock accordingly.

At last Primark could use a PEST analysis to ascertain if any technology updates are required. The updates can be in-store infrastructure upgrade, software changes to make administration more efficient and research on ways to gain an edge on our online competitors. I believe a detailed analysis could shed light on these issues.

It would be advisable to carry out a detailed PEST analysis early as the problems involved will be complex and take time for the analysis to be completed.

Part 3

Employee Behaviour

Behaviour in the workplace is different from what we would normally do outside. A joke that might be considered fine among peers can be considered offensive, racist or discriminatory in a work setting and can lead to someone being disciplined because of it.

The general behaviour of employees can be broken into two groups: positive behaviour that contributes to the company's growth and negative behaviour that do not align with the goals of the company. (Notredame, 2017)

Some of the positive behaviour that employers desire are a “can-do” attitude along with a willingness to take work and follow through to the end. Employers also consider a polite and friendly behaviour towards team members a positive behaviour. Both of these behaviours allow more work to be done and do so in a smooth way without any internal conflicts. These behaviours help a company grow.

Examples of negative behaviour would be an employee who only does the minimum work required to satisfy his job requirements. The lack of drive might be caused by other external factors, however this attitude will become a bottleneck in the company and slow down the productivity.

Managers often try to change employee behaviour. Three of the most common strategies used to achieve this are positive reinforcement, discipline and extinction.

Using a positive reinforcement strategy a manager will praise and reward an employee who demonstrated the good behaviours that the company wants. This could be an oral praise or a raise or promotion.

Discipline is the opposite of positive reinforcement, where a manager will reprimand an employee who has shown behaviour that is prejudicial to the company's goals.

Lastly, extinction, is a practice where the management will make it increasingly difficult for employees to have behaviours that are negative. For example if employees spend a lot of time browsing the web while they should be working, management might install software to limit access to the web.

Extinction is the most resource consuming method of behaviour change, but this doesn't risk causing direct conflict between employee and manager as a disciplinary reprimand could do.

A good management will achieve the correct balance between all three behaviour change strategies.

Part 4

Using IT in retail

Technology has brought many advances in retail in the past decades. However, some companies that have failed to adapt to the emerging trends such as social media marketing or online retail store have fallen by the way side. (Forbes, 2017)

For Primark implantation of new software solutions has allowed to reduce the people needed to carry out remedial tasks such as basic bookkeeping and administrator document management. Technology has also allowed managers and higher ups to be touch with the store while away on meetings.

However, Primark's slow adaptation to online retail has left it behind competitors such as amazon who sell a lot of clothes online. And the ever increased complexity of the IT systems requires employees to be constantly trained and this aside from costs causes frustration among employees. The business critical systems being so inter-connected also increase the risk of cyber attack from criminals.

Bibliography

Beyer, B. K., 1995. *Critical Thinking*. s.l.:s.n.

Cottrell, S., 2003. *The Study Skills Handbook*. s.l.:s.n.

Forbes, 2017. *forbes*. [Online]

Available at: <https://www.forbes.com/sites/danielnewman/2016/07/26/the-changing-role-of-it-in-the-future-of-business/>

Notredame, 2017. *notredameonline*. [Online]

Available at: https://www.notredameonline.com/resources/leadership-and-management/strategies-for-managing-employee-behavior/#.WlNrf6hl_-h

www.businessnewsdaily.com, 2017. *businessnewsdaily*. [Online]

Available at: <https://www.businessnewsdaily.com/5512-pest-analysis-definition-examples-templates.html>

[Accessed 2017].