



MODULE TITLE: PROBLEM SOLVING

Prepared for

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1.0 Introduction

The world as we knew it, has changed to an esoteric one. The people's ability to make sound decisions has continued to decrease and yes, today's times are full of "complexity" noted by Katopes (2011). A string of cognitive operations directed at a particular goal is referred to as problem-solving (Anderson, 1980, p. 257) and for one to be able to think critically, they should be able to analyse and evaluate reasonably and reflectively upon an issue they may be faced with according to Jeevanantham (2005).

2.0 Skills for tackling the problems successfully

2.1 The over costing of bags problem

A problem is any task or a situation in life (current or expected) that requires to be attended to for one to be able to work in a flexible way in the absence of an adequate immediate response within reach to the person or people faced with the situation because of the existence of one or more restrictions (D'Zurilla *et al.* 2004).

Poiss London ltd specialises in the design and sale of ladies and gents bags. Upon reception of the first set of bags from their India based manufacturer, I realised the cost of manufacturing the bags had been exaggerated.

2.3 Solving the over cost problem in stages

It was noted that, problem solving comprises of four major skills or stages which include; (a) defining the problem and its origination, (b) coming up with backup solutions, (c) making the decision and (d) carrying out the decision (D'Zurilla & Goldfried 1971).

The bags are being overpriced for the intended audience, advertising costs increasing to meet sales targets, and staff leaving due to stress from the senior management. The over exaggerated cost of making the bags is causing more problems. I was able to come up with a list of possible solutions such as, changing the quality of material to reduce the cost of production, or invest more in high end advertising to attract the high-end audience to buy the expensive bags or sale the bags at the cost price less tax and order the same quality but from cheaper manufacturer.

The best option is to source for a new manufacture from China through the HKTDC (Hong Kong Trade Development Council). I have had several meetings with the HKTDC director at their offices in marble arch and should soon process the second delivery whose cost will relatively low to enable Poiss London recover the loss incurred in the sale of the first set of bags which are being sold at the cost price less the tax.

2.4 Psychological effect of a problem on human health.

DeLongis *et al.* (1988) suggested that problems such as stress may have a lesser effect on people who have social support since they tend to cop better which reduces negative health or psychological outcomes in their lives. With stress levels among staff escalating, those without social support resort to alcoholism and some have even lost their jobs.

2.5 Simple and complex problems

A simple problem is associated with the certainty of their outcome while a complex problem may have unpredictable results (Anon, 2002). When the cost of manufacturing the Poiss London bags is exaggerated, it creates a wider web of problems such as an increase in the expected tax on the bags. The advertising costs may go up to create more publicity for the now expensively priced bags and vice versa. The final problem may even be a warehouse full of unsold bags over the presupposed estimated period or loss of good workers due to a cut down on the number staff to reduce costs or even shift the business location and many other possibilities. However, when the storage conditions of the bags are poor the most certain outcome is that the bags will be damaged.

2.6 Thinking critically and taking steps to resolve the Poiss London problem.

After analysing the overpriced bags problem, I have discovered that the over costing of the bags during the manufacturing process is the problem. Evidence from competitor research and other manufactures indicate that the manufacturer exaggerated his costing.

A careful assessment of the problem shows that over costing of the bags is leading to an increase in tax on the bags and affecting their pricing. This is stretching the advertising budget to meet the expected sales and hit our profit margins, the employee turnover rates due to pressure from failing to sell the overpriced bags are increasing.

For the bags in our inventory, we should focus on selling them at the cost price and find a new manufacturer whose cost is low but maintain the same quality and price of the bags to be able to recover the losses. For the next lot of bags, we should source for another manufacturer in china to pull down the cost of production. Lai (2011) argues that one requires analysing, making evidence-based assumptions, assessing and problem-solving skills to be considered thinking critically. Whereas critical thinking is defined as the “reflective and reasonable thinking that is focused on deciding what to believe or do” (Ennis, 1985, p. 45).

2.8 The effect of critical thinking and innovation in problem solving:

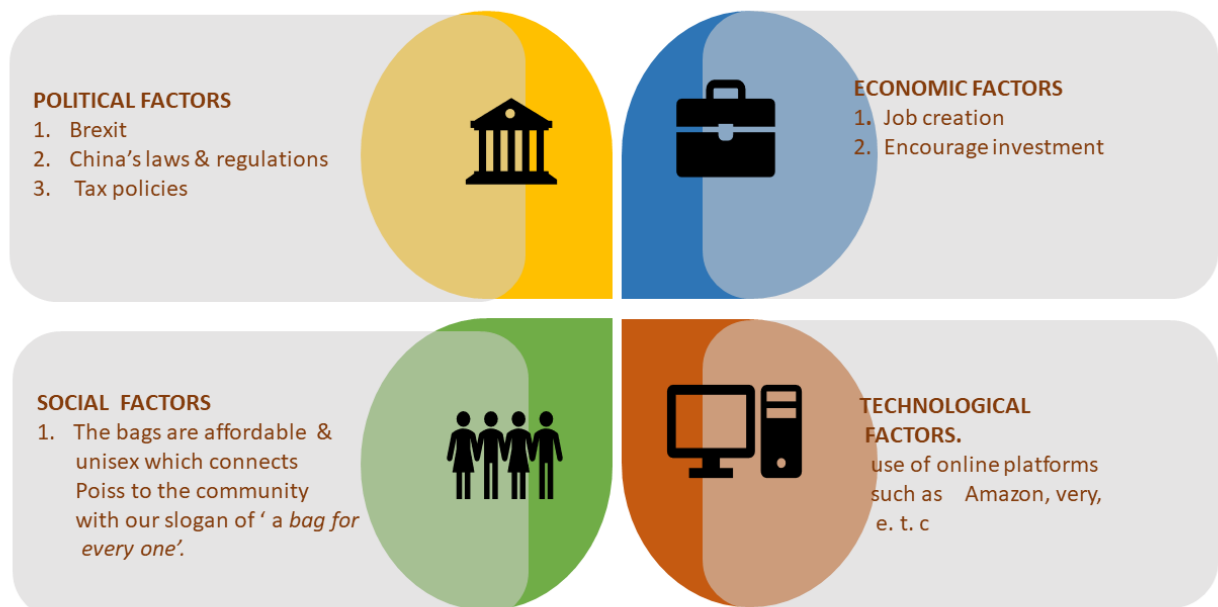
The team at Poiss London uses analyses the effect of over costing the bags and the possible outcome, evaluates the causes and effects and then comes up with the idea of reducing the cost and keeping other costs to a bare minimum. Which makes it affordable for Poiss to sale the bags at a reasonable price while making high profits. According to Jeevanantham (2005), critical thinking requires high-level thinking; involves the process of analysis, evaluation, reasonableness and reflection. The various departments within Poiss do their best to make sure the cost and pricing problems are firstly minimised and then mitigated. As asserted by Stonehouse *et al.* (2004), while solving problems, it is important for the people working together to have a common understanding of the discussed issues.

3.0 Understanding Organisational analysis & communication skills.

3.1 Key factors influencing Poiss London Ltd

With most businesses within the UK shaken up by the uncertainty of the Brexit. The UK is looking to China for stronger trade ties and so is Poiss London. We are shifting the manufacture of our low cost environmental friendly bags to mainland China and intend to adhere to the china's laws and regulations surrounding the sourcing of raw materials to be used, the manufacturing process of the bags and the required tax policies. Poiss London is working on the setup of an online presence to not only market the bags but also create more jobs. A dealership plan to be put in place with a favourable commission structure to encourage low investments plans for small-time investors to create more jobs and improve people's standards of living. The design of our unisex bags suits all categories of people ranging from sportsmen and women, corporates and students and plus its low price is intended to make it affordable for everyone in the community regardless of status. So, the bag is a bag for anybody and everyone. Our online strategy is maximizing the booming online sales platforms. Our presence of most of the major online platforms such as Shopify, Amazon, shpok, very e. t. c is the right direction for Poiss business strategy.

Diagrammatic representation of the PEST analysis done on POISS London Ltd



3.2 The manager business Development

Daniel Katakaya
Team leaders outbound sales
16/12/2017

The manager Business development.
3 princess parade, Dagenham
RM9 4RP

Hi Proscovia,

Re: Poiss London business development

Poiss London has over the past years competed favourably in the design and sale of unisex bags. As a result, we have been able to see a considerable progress in the development of the business. I understand that the Poiss London Bags are facing a challenge in the market due to various reasons, one of which is overpricing of the bags. This was caused by the hiked cost of manufacturing the bags by the manufacturer.

During the conference, it was brought to my attention that China and the UK government are working on a project called Belt and road. The idea is to link China to the UK via rail. This presents opportunities such as easy access for Poiss London to source for manufactures within mainland China. Adhering to the mainland laws and regulations, we should be able to get a cheaper manufacture of the same quality of bags considering the low labour costs within the region.

The absence of many low investment plans within the city creates a vacuum in the employment sector. This is an opportunity for Poiss to use the establishment of our online presence to create jobs by encouraging pay per click agents to set up online advertising platforms where they get paid for every Poiss London advert viewed by their subscribers and at the same time encourage dealers to subscribe and trade in our bags. This could be achieved with the provision of a favourable commission structure.

A bag for everyone is a good slogan to use draw everyone's attention to the fact that whether you are a sports person, a student or a corporate working in the city, this is a bag for you. It will bring the community to a common understanding of our environmental friendly bags.

Advancement in technology such as the booming online industry has created a place for Poiss London to make a strong statement in the industry. If we maximise our presence of all the major platforms we shall be able to increase our sales by a considerable percentage and the same will go to the exposure of our brand.

Yours sincerely
Daniel

4.0 Working with others and understanding employees' behaviour

4.1 Types of employee behaviour

The ways in which employees react to situations in a workplace has been defined as the employee behaviour (McKinney, 2017). According to the Managementstudyguide.com (2017), there are two types of employee behaviours; The Task Performers who are well conversant with what their responsibilities are, set goals to be achieved over a certain period and work hard to meet them. They also work in teams, without losing focus to meet deadlines. And the Counterproductive employee behaviour which causes workers to get involved in unproductive practices spoiling the work culture. Individuals with this type of behaviour tend to bully and slander other employees and organization and in the end cause problems to the entire organization.

4.2 Key influencing techniques for managing the behaviour of employees.

When it comes to employee behaviour management, there are strategies that may be used as described below;

1. **Positive reinforcement:** Here an employee practising the organization's expected behaviour is rewarded with an intent to motivate them to continue the same practice. With the main goal of maintaining the positive employee behaviour in mind, employee rewards vary from recognition and praise to bonuses.
2. **Discipline:** With the necessary skills to determine when to apply this technique (Take disciplinary action), the technique itself is used to discourage any unwelcome behaviours among employees.
3. **Extinction:** Here all policies and procedures that discourage effective performance and communication at work are eliminated. The idea is to disrupt the employee habits and behaviours to guarantee the forward movement of the organisation. This may be most applicable in situations where organizational change is taking place (www.notredameonline.com, 2017).

5.0 Data analysis skills and information communication technology.

5.1 Technology in the Poiss London' business operations; its advantages and disadvantages.

Poiss London adapted the use of an ERP or information management system to manage its operations, such as inventory control, HR management, supply chain, customer services and general accounting. When it comes to business planning, technology take a centre stage role where by it enables one to streamline business processes, enforce the successful continuous delivery of planning advise and increase efficiency (Winterberg, 2015).

As stated by Aferdita Berisha-Shaqir (2015), technology tools such as information systems enables one business to have competitive advantages over another. These technology(information) systems are used to facilitate effective and efficient operations of a business. The quick generation of information enables managers in making rational business decisions and position the business well internally and externally in terms of operations. Technology encourages businesses to trade irrespective of proximity. However, according to Sinhmar (2014) Technology has also led to un employment of people in business, created more job insecurity, created a dominant culture, invasion of one's privacy and severe health problems such as tension, posture and breathing problems.

Conclusion

The identification of simple and complex problems in work places positions task-based employees to be able to solve most of the problems. By analysing and evaluating the available evidence, one is able to tactfully navigate the available stages in solving the problems. Individuals who are able to carry out a PEST analysis on their employer organizations tend to steer the company into the right directions. Problem solving has therefore become an essential part every one's day today work.

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