

PROBLEM SOLVING AND DECISION MAKING



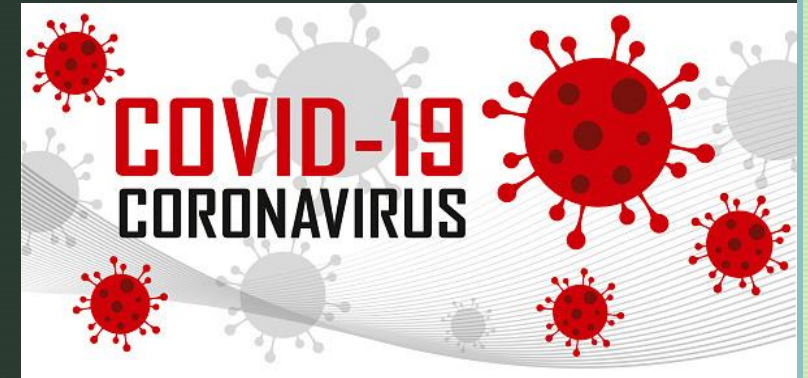
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Module Code and Title: BMSW4004
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Assignment Title: Problem Solving and
Decision Making

NATURE AND IMPACT OF THE COMPLEX ISSUES ON EMPLOYEES AND THEIR ORGANISATION

- *Current trade struggles have already strapped organisation to reconsider their commitment to seaward supply chains*
- *After the exposure to the COVID-19 pandemic, it has also been confirmed that low-cost supply chains are at risk and a step in regards to reshoring to effectively manage risks may cause pressure limitations*
- *In the meantime, the labour market also causes upward pressures on costs for a number of organisation*
- *After the COVID-19 pandemic, it will be difficult for organisations to find the right talent as well as skills for the correct job designation (Howe et al., 2021)*

NATURE AND IMPACT OF THE COMPLEX ISSUES ON EMPLOYEES AND THEIR ORGANISATION

- *TM Lewin was after entering the liquidation procedure named Torque Brands*
- *The company is highly influenced by the COVID-19 pandemic*
- *As the demand for men's and other formal apparel has been reduced*
- *This result is declining organisational profitability*
- *To help the firm, overcome this issue a PESTLE analysis of the organisation will be carried out*
- *A fishbone diagram will also be used to assess cause and effect, ultimately most suitable solutions to solve this issue will also be offered.*



SCOPE OF THE PROBLEM

- *Declining profitability influences the employee's pay or salary levels influences the organisational performance*
- *Profitability impacts the company's strengths to attract investors, as well as capacity and volume of producing goods, will also be decreased.*
- *Therefore, the worst outcome of this issue is the complete closing down of the organisation (The Guardian,2021)*

PESTLE ANALYSIS OF THE MACRO-ENVIRONMENTAL FACTORS ADDING TO THE COMPLEX ISSUES

- *To get the major cause of an issue an effective analysis is needed so that effective reason may be determined related to the problem.*
- *As an outcome of COVID-19, the company has faced huge failure in regard to revenues and profitability.*
- *PESTLE is the acronym for **Political, Economic, Social, Technological, Legal and Environmental factors**(Perera,2017)*



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- **Political Factor**

- *The profitability and revenue of any fashion retail organisation are impacted by governmental policies.*
- *Such regulations influence the economy, and customer habits of purchasing, as well as an international law of trade (McMaster et al., 2020)*
- *The organisation is bound to follow all the rules.*

- **Economic Factors**

- *A powerful economy enables customers to purchase products they need*
- *It also suggests that more investors are becoming attentive to the profitability provided by fashion retail firms.*
- *If the economy is on the decline the habits of consumers are also changed (Kawohl & Nordt, 2020)*

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- **Social Factors**

- *Costumer choices are the major social factor influencing the fashion retail sector (McMaster et al., 2020)*
- *For example, individuals enjoy purchasing products in bulk quantities*
- *Shift in product management allows companies to elevate the levels of business revenues*

- **Technological Factors**

- *Fashion retail stores utilise a number of technologies currently such as a point of sales system*
- *Cash registers arrange cash after a sale as it is used as the standard procedure for any store*
- *This factor has highly benefited the retail sector*

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- **Legal Factors**

- *Fashion retail is also required to follow the same legal regulations and rules as any other sector*
- *To remain legal, the company must follow export restrictions, tax limitations, and other inflation costs (Pimenta et al., 2022)*

- **Environmental Factors**

- *The condition of the environment impacts the quality of the products as well as it also imposes additional responsibilities and taxes on the firms*
- *For instance, clothes are made from cotton which utilises chemicals that may be hazardous to the environment (Hasan et al., 2022)*

CAUSE AND EFFECT ANALYSIS (FISHBONE DIAGRAM)

- **Level 1 : Identification of the Problem**
- *The retail sector is suffering from a number of challenges and the COVID-19 pandemic has added to these challenges*
- *Issues of supply chain and lockdown restrictions have disrupted the normal functioning of the organisation (The Guardian,2021)*
- *TM Lewin which is now owned by Torque Brands has about 50 employees and is facing the problem of declining profits due to a drop in formal shirt sales as consumers are no longer working from the office and does not require to attend an office or big events (The Guardian,2021)*
- *On contrary,before the pandemic,the organisation has an outbound function in more than 150 shops all across the world. During the pandemic,the store has been severely influenced in its formal shirt sales and thus resulting in reduced company profits.*

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- **Level 2 : Main Causes**
 - *The major causes of the issue are the stress of supply chain problems caused because of COVID-19, as well as the rate of inflation and the recent cost of living squeeze influencing spending of the consumers (TM Lewin).*
- **Level 3 : Cause investigation**
 - *The major cause of the problem is COVID-19 restrictions*

ALTERNATIVE SOLUTIONS TO THE PROBLEMS

- Operative Organisational Strategy
- Increasing Sustainability and Citizenship
- Rediscovering Organisation Building
- Silver Lining
- Best of all the suggested solutions is rediscovering organisation building as after COVID-19 a major change in society has occurred.

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Thank
You!