

Problem Solving and Decision Making

BMSW4004

Assessment

Individual report

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Introduction

Problems exist at every stage of the functions of an organisation. Problems are an inevitable aspect of running a business. Businesses that adapt quickly to new difficulties have a better chance of success. Businesses face a variety of hurdles while trying to solve problems. If corporate organisations are to achieve their goals, they must effectively and efficiently deal with these issues. However, the commercial organisations would face further difficulties if they do not address the issues as soon as feasible. There are several approaches to the issues at hand. In addition, the tactics should be carefully selected before being put into action. The business organisations also should take into account their own capacity to tackle the challenges, as well as the ability of the business enterprises themselves. In this report, a complex problem faced by Hichrom Limited has been analysed. Afterwards, a range of possible solutions is identified and the best alternative is recommended, implemented, and communicated to the stakeholders. Finally, the possible effective monitoring techniques are discussed.

Defining the Problem: High Employee Turnover Rate

Problems are frequently dubbed business difficulties or hurdles to achieving corporate goals. Before generating solutions, the organisations should address their genuine concerns (Wiesenfarth, 2017). Manufacturing managers like Hichrom encounter several issues. Employees are unhappy with Hichrom Limited because they were denied their rights. As a result, the staff turnover rate is significant, which raises recruitment costs (About Hichrom, 2022). This high turnover rate impacts the company adversely. According to a recent poll, the excessive turnover rate has several explanations. This impacts all industries. It is neither solved nor diminished. A high employee turnover rate impacts an organisation's whole operation, from top to bottom management. Employee turnover rate impacts the whole organisation in the following ways:

1. Influences workflow: When employees go, workflows out. Current employees understand the workplace. They know how to use limited resources and time better. When employees depart, the company loses their skills. Hichrom limited industry needs to keep its personnel for a smooth workflow and higher performance.

2. Results in loss of potential human resources: In an industry, specialised workers perform several tasks. For Hichrom's high employee turnover rate, trained human resources are lost each year. Human resources are crucial to an organisation's success (Rumawas, 2021). So the company should satisfy their demands to retain experienced workers. Creating experienced workers in the organisation will take time. The company should value staff retention.

3. Diminishes employee loyalty to the organisation: When a new employee is hired, his or her organisation's commitment will be reduced. He or she will discover better professional opportunities. When they can, they may leave the company. New workers are less committed than older ones.

Analysing the Information on the Defined Problem

The turnover rate in manufacturing is higher than that of other industries. Since the market has a lot of workers, the company has a high turnover rate. Hichrom industries with fewer jobs need more skills, knowledge, and education. The mission of the industrial organisation can't be done with just training and other skills.

The growth of the industry is quick. It's the hardest work. People are attracted to the manufacturing industry because it pays better than other business sectors. So, the industrial sector is getting more involved.

Job markets are getting bigger. Every day, new people get jobs as factory workers. The goal of the investigation was to find out why Hichrom Ltd. had so many staff changes. The staff says that the turnover rate was 31.7% in 2017 (About Hichrom, 2022). The average across the country went up by 14.7% over last year. Creating more jobs is important. More than 33% of respondents in 2017 said that Hichrom limited had a high vacancy rate of 10.5% of workers.

People who work for Hichrom limited may leave because their rights here are not protected. The company does not let employees join a trade union for their own good. Employees who are involved in making decisions may also leave their jobs more often. The staff turnover rate is high because they do not have the right skills. So, employees need the training to keep up with what's going on at work (Armstrong, 2018). The company has to pay for things like good relations with employees, extra perks, and a good salary. Most people who work at Hichrom leave because they are too busy. After a while, they quit because they cannot keep up with the work. For the extra work, employees want to be paid more. The people who work for the company want to hire more people. It makes costs go up. The organisation spends money on things like keeping good relationships with staff, making the workplace better, etc.

To reduce the employee turnover rate, management should think about all of the reasons why people leave. When hiring people, the company should look at what skills they have. Management should hire the right people for the organisation, get the right person to apply for the job, and motivate employees to do a better job, among other things. All of this is possible because of skill management. Employees who do the best job should be rewarded. The management should let employees take part in making decisions.

A Range of the Alternative Solutions

There is a considerable turnover rate of employees in Hichrom limited. To reduce this problem, the company must take different initiatives. There are several ways to overcome this problem. The following are a few possible solutions:

1. Arrangement of training and development programs: To improve staff training and development, Hichrom's management has to pay greater attention. The company's high turnover rate is mostly due to a lack of professional development possibilities for its staff, as previously stated. There are several ways to improve staff retention and decrease the employee turnover rate, such as revising the company's training and development programmes.

2. Arrangement of promotion opportunity: The Hichrom limited company should have a mechanism for promotion based on the performance of personnel in the organisation. Employees will also put in their best efforts in order to advance within the company (Yang, 2012). As a result, Hichrom limited company's employees are more loyal to the company.

3. Participation of employees in decision-making: It is important for lower-level employees to be involved in the decision-making process since they are the ones that face real issues of the organisation from the outside world. It is impossible to remedy an external source's problem if they don't have a way of expressing their concerns. As a result, employee input is critical. Therefore, it is essential that the organisation's lower-level employees be encouraged to participate in decision-making (Jones, 2018). This means that Hichrom's genuine problems may be handled fast and simply. And the workers will also be encouraged to stay with the company.

4. Career development opportunity: Organizational career development policies are also valuable to employees since they include all of the specifics of a worker's career path. Additionally, employees will have a better understanding of what it's like to work in a certain field. Additionally, it aids employees in making predictions about the future. Hichrom limited employees are encouraged to stay with the company because of the company's professional development philosophy.

Force Field Analysis to Evaluate the Alternative Solutions

Force field analysis is a key decision-making tool. When implementing change management programmes, an organisation may use force field analysis (Lim, 2016). Force field analysis may be used to choose various solutions to Hichrom's problem. The analysis reveals the factors for and against change that must be addressed to solve the company's challenge. A force field analysis is taken place in the following to choose an alternative solution to the company's challenge.

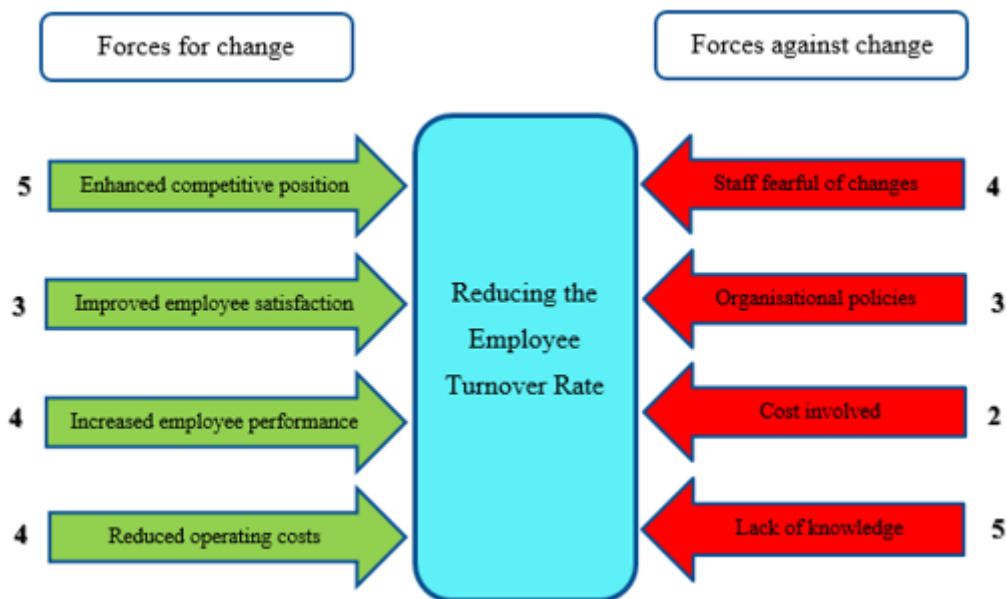


Figure 1: Force field analysis (Self-made)

The graph shows how to solve the company's problem by promoting change and eliminating resistance. If the company can lower its employee turnover rate, it will receive the advantages mentioned on the left part of the figure and must eliminate the impediments listed on the right.

Hichrom Limited can adopt many strategies to prevent staff turnover rate, but training and development programmes will generate the best results. A competitive and well-planned staff training and development programme can minimise the employee turnover rate because it helps the company take advantage of driving factors and eliminate restricting pressures (Lamichhane, 2016). A competitive and well-planned staff training and development programme will assist the company to enhance employee enthusiasm and supporting career advancement from within. This reduces employees' tendency to quit, which increases retention and decreases the employee turnover rate.

Plan for Implementing the Proposed Solution

Plan implementation will improve the organization's performance. Putting things together appears easy, but it is not. To solve the problem adequately and efficiently, several measures

must be followed. Some chores should be done in advance to better utilise the solution. Below are the steps.

1. Early processing: Plans should be developed to better implement the issue solution. If so, the company will benefit. This strategy simplifies everything.

2. Accord and Commitment: Management should offer people an opportunity to make decisions. This will make employees more committed to Hichrom limited (Kocherlakota, 2017).

3. Paying costs: Rewarding ideas so better ones can be found next time if not, the people's proposal will be implemented. Hichrom should pay to implement the solution. Money is needed to implement the solution.

4. Relationship with the outside world: The organisation may need to work with outsiders to solve the problem. Good staff relations make it easier to implement the solution. Help is needed to implement the solution. Outsiders can aid. Good outside contacts aid Hichrom employees.

5. Compare a benchmark to the solution's actual performance: The organisation should create a benchmark before implementing the solution to measure its true performance. If real performance differs from the benchmark, take action. The comparison standard is being set.

6. Review update: This ensures the plan is followed. It shows the solution's status and if the plan is being followed. And the situation is periodically reviewed.

Communicate the Plan to the Stakeholder

The plan's stakeholders are those who might be affected by its execution. Hichrom's management, employees, as well as other staff members are its most important stakeholders. The goal of the company's management is to improve staff retention by lowering turnover rates. After setting the strategy, stakeholders should get updates. So, management handles the following tasks.

- 1. Preparation:** The managers should be ready to offer the plan. Different parties have different questions. The managers should be well-prepared to address the inquiry.
- 2. Presentation:** The manager should detail the idea in a presentation. The presentation will outline the plan's steps.
- 3. Concise:** The plan's presentation should be succinct. For better understanding, the plan should be presented concisely.
- 4. Appealing expectation:** The presentation should show how the stakeholders would benefit from the plan's adoption.
- 5. Specific data examples:** Data examples will increase plan approval. This will also boost Hichrom's plan's legitimacy. This will improve the display as well.

Appropriate Monitoring and Review Techniques

Management at The Hichrom can use a variety of methods to keep tabs on and revise the progress of the company's new staff retention strategy in light of employee turnover. The following are some effective methods:

A monitoring schedule: Hichrom should arrange a time to measure or compare the specific task's performance and then stick to that time slot. In addition, the comparisons must be completed in a timely manner. The plan's incredulity will also rise as a result of this.

Introducing monitoring system: The development of a monitoring system may be accomplished in a variety of ways. In addition, the organisation must choose among the finest. And the organisation's performance will improve as a result (Gelbwachs, 2015).

Coordinating the activities and implementation plan: The operations of the company are broken down into a number of sub-components, each of which is overseen by a coordinator. As a result, a coordinated effort is required. As a result, the organization's efficiency improves.

Make the changes: After the plan is implemented and evaluated or compared, the organisation may take certain measures to resolve the issues with the plan. Furthermore, it's entirely up to you. When there has been a variance, it is also relevant.

Appendices

SWOT Analysis

Strengths	Weaknesses
1. Strong brand image 2. Strong free cash flow 3. Skilled employees and management	1. High employee turnover rate 2. Low-profit margin
Opportunities	Threats
1. To expand into new markets 2. To implement new technology and reduce the cost structure	1. Strong market competition 2. Increasing market participants

Fishbone Analysis

A fishbone diagram has been applied below to find out the root cause of the high employee turnover rate at Hichrom:

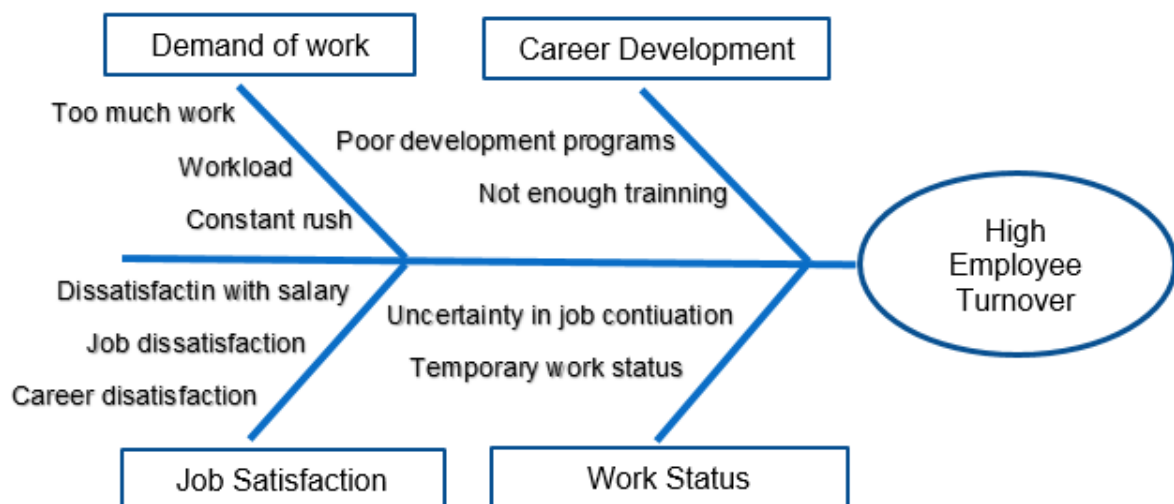


Figure 2: Fishbone diagram (Self-made)

Conclusion

There are a variety of issues that can arise in a company, and they are not all the same. Therefore, the approach to finding a solution is different. Therefore, in order to effectively develop solutions, the organisation must have a solid understanding of the issues at hand and adhere to the methodology outlined in its whole. Hichrom Ltd is facing a high turnover rate that

is hindering its organisational performance. To resolve this problem, there are many alternatives shown in this report such as the arrangement of training and development programs, promotion opportunities, participation of employees in decision making, career development opportunities etc. The Hichrom should specifically arrange training and development programs to overcome the high turnover problem.

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