

PROBLEM SOLVING

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Executive summary

The entire study is based on the problem solving and importance of decision making in solving the problem. For this purpose, the study considers Toyota and finds out the problem faced by the company recently. Moreover, the study focuses on critical thinking and the innovation so as to resolve the problem and achieve business growth in terms of productivity. Along with this, the study incorporates importance of information along with the advantages and disadvantages in the context of business growth. Hence, the study focuses on importance of employee behaviour in the workplace and relates this with the employee behaviour of the concerned company.

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Introduction

Problem solving often involves with decision making and decision making is important in case of leadership and management. It is worth saying that; problem cannot be solved without considering effective decisions. In this study, the researcher focuses on the identification of problems that have devastating effects on the business. Hence, the study focuses on the Toyota motor corporation which is a Japanese multinational automobile manufacturer and produces automobiles, commercial vehicles, engines and luxury vehicles included Corolla, Avensis and Auris models. For the concerned company, the study will identify simple and complex problems that influence the company's business growth in the industry of automobile. In the latter part of the study, the researcher focuses on importance of information technology and the employee behaviour on the business growth in the context of chosen organization.

Part 1: Skills for tackling the problems

AC 1.1 - Definition of the problem and the stages of the problem

Problem in the context of business can be defined as the gap between existing state and the desired one. According to the viewpoint of Alfes *et al.* (2013), problem can be perceived as a deviation from the norm, standard and status quo. Whenever, an organization deviates from the desired outcome, it may face some of the problems and hence, effective decision making is required in order to resolve the problem to reach to the organization goal. In case of Toyota, the company is facing biggest problem because of its lack of interest and bad management from the company's side. Because of this, the extent of the production reduces and it results damaged brand image caused by sudden acceleration recalls of the automobiles. Over the recent years, the company has to recall more cars in comparison to other companies. This reflects lack of interest and bad management in the workplace environment of the company. Because of the bad management system, there is employee conflict within the company and therefore, each of the employees has no unity within the workplace. This problem influences the employees of the company psychologically and the employees are losing interest to work in this company. As mentioned by Chen and Zhao (2014), lack of employee empowerment has that potential to reduce the productivity of the company and therefore, the concerned company is facing a tough

competition from its competitors such as Ford, Honda and Volkswagen to persist in the automobile market.

AC 1.2 Concept of critical thinking and analysis of the key steps of the critical thinking

It is the responsibility of the management team of organizations to critically think about the problem after identifying the main issue faced by the company so that, it becomes possible for the company to consider various decision making tools to reduce the impact of the problem on the business growth. According to the viewpoint of Chen and Zhao (2013), critical thinking can be defined as the ability to develop healthy and significant scepticism towards gathered information. Therefore, it is important for the concerned company to focus on the critical thinking so as to analyze the actual problem that has devastating impact on the business growth. As mentioned by Holtshouse (2013), critical thinking is related to some fundamental steps so that, the company becomes able to jump directly to the decision making with the help of these logical steps. Those steps are all about knowledge, comprehension, analysis, application, synthesis and the other one is all about taking action. It is essential for the management team of Toyota to focus more on the leadership so as to reduce the conflicts among the employees with the help of various decision making tools. Further, with the help of higher educational managerial skills, it becomes possible for the company to reduce the impact of the problem and enhance the employee empowerment.

In this context, it can be stated that, innovation is required aside from the critical thinking to reduce the impact of the problem in the growth of business. As mentioned by Leonardi *et al.* (2013), it is not possible for the companies to resolve the impact of the problem with the help of same kind of strategies and therefore, it is important for the organizations to introduce innovation in the business strategy to find way out of the problem. In the Toyota, the company needs to introduce some of the innovations such as introduction of various communication tools in the workplace environment. With the help of this strategy, the managerial department becomes able to communicate more with the employees and therefore, it becomes possible for the company to reduce employee conflicts from the workplace.

Part 2: Understanding of organizational analysis and communication skills

AC 2.1 Identification of the key influencing factors to the company

To understand the recent market condition of Toyota, it is essential to demonstrate SWOT analysis for the concerned company.

Strengths ● Strong focus on R&D strategies ● The company is the most valuable automotive brand in the business economy. ● The biggest advantage of the company is the great quality of the products ● Competence in the hybrid vehicle production in comparison to other companies	Weakness ● The management is bad in this company and the company has lack of competence in case of autonomous vehicle. ● The company faces reduced brand image because of the large vehicle recalls. ● Poor brand portfolio is the another issue faced by the company. ● Hierarchical organizational structure is the another weakness of the company
Threats ● Uncertainty in the global economy is no doubt a big threat to the company ● The company's JIT method is not working well for the weak supply chain management.	Opportunities ● Demand of autonomous vehicles is increasing as people are more likely to use technology in the every sphere of life ● The automobile market is growing in the developing countries

Table 1: SWOT analysis of Toyota

(Source: Li *et al.* 2016)

Along with the critical thinking and innovation, it is important for the researcher to analyze various key influential factors with the help PEST analysis as this tool is quite effective in understanding the present environment of the company to improve the business in the domestic market.

Political factors:

The global automotive industry is associated with a number of political factors such as major geopolitical tendencies, influence of home lobbying groups and the political stability and Toyota is not out of this. Toyota Motor Corporation experiences various political factors that provide opportunities along with threats to the company. A stark example regarding the influence of

political factors on Toyota's performance relates to the poor relationship between China and Japan. This situation negatively impacts on the volume of Toyota revenue (Pettigrew, 2014).

Economic factors:

There is an extent of economical factors such as currency exchange rate; inflation rate and the cost of labour that impact on the business growth of a company in the domestic along with target market. Low inflation rate in Japan increases the sales of the company in this particular market. Along with this, the higher GDP rate of Japan enhances the market of the company on this particular business economy.

Socio-cultural factors

Enhancing customer awareness and the concern towards environmental implication are the most important social tendencies introduced by the automobile companies. The concerned company is trying to address this problem by enhancing the focus on the hybrid and electrical cars such as Toyota Prius. Aging population can be considered as the important demographic factor that impacts on the volume of Toyota sales. Further, media perception of brand also impacts on the growth of the company regarding sudden acceleration recalls (Reb *et al.* 2015).

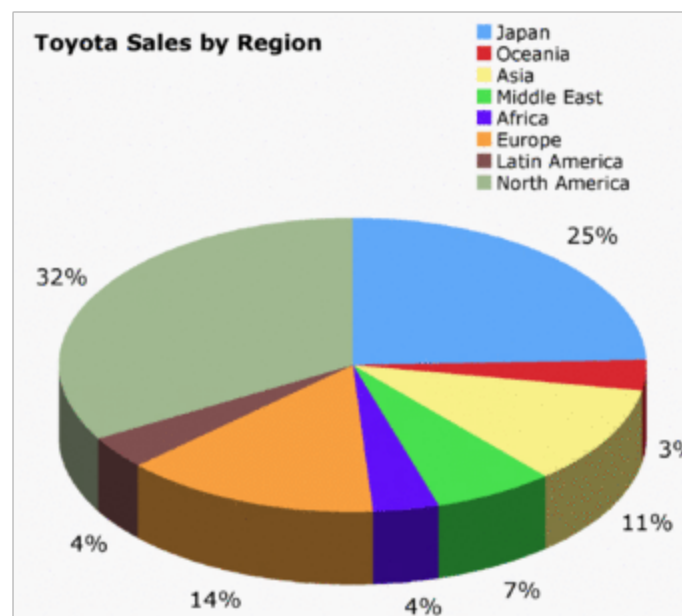


Figure 1: Toyota's performance by region
(Source: Pettigrew, 2014)

Technological factors

People show more interest towards implication of technology on the growth of production and therefore, it becomes essential for the automobile companies to focus on the technological aspects to introduce new products to the customers. For this purpose, the decision of Toyota to introduce autonomous cars and hybrid cars are gaining customer interest in comparison to other companies.

AC 2.2 Letter to the Line manager

To,

The Line manager

Subject: Addressing the impact of PEST on the organization

The influence of various macro environmental factors within the concerned company can be observed in terms of future activities by the employees and by the entire company itself. Hence, the letter is structured to highlight the implications of various political, economical, social and technological factors on the growth of the company. The company is facing a lot of problem because of the disputes in relationship with China. Because of this, the sales have been reduced in this market and it becomes really a threat to the company. Further, the company is losing customer loyalty because of its sudden acceleration recalls and the brand image of the company is also hampered because of this issue. Further, people become more concern about the environment and therefore, it is essential for the company to focus on the sustainability practices in order to achieve customer loyalty in terms productivity.

Part 3: Working with others and understanding the employee behaviour

AC 3.1 The concept of Employee behaviour and the concepts of two main types of employee behaviour

The fundamental term employee behaviour refers to the manner in which employees respond in the workplace. Along with a number of influential factors, the organizational culture impacts on the employee behaviour mostly. It is worth saying that, one of the skills that an employee needs to encompass is the behaviour. As mentioned by Shen and Benson (2016), it is the key duty of an employee to behave sensibly in the workplace so as to avoid conflicts. However, it is the duty of the leaders to maintain the work culture among the employees so that, all the staffs become able to maintain healthy relationship with one another. According to the viewpoint of Young *et al.* (2014), there are mainly two types of employees in the workplace. One group has that ability to

handle any unforeseen circumstance with credibility while there is another group that is unable to confront the stress and creates conflicts in the workplace.

Organizational citizenship:

These kinds of employees are able to handle any kind of stress and therefore, this group has that ability to confront any kind of problem solving situation with the credibility.

Counterproductive work behaviour:

Employees with this behaviour have the tendency to harm the company. Because of this, the company needs to face high employee turnover and negative traits significantly.

From this perspective, it can be stated that, the company is facing problem because of this employee behaviour as there is conflict among the employees because of bad management practice in the company. For this reason, it is important for Toyota to focus on the employee behaviour so as to improve the employee empowerment in terms of productivity.

Part 4: Data analysis skills and information communication technology

AC 4.1 How technology has supported business and the advantages and disadvantages of using information technology

Information technology has supported the company in a number of ways and with the help of this; it becomes possible for the company to reduce the recent problem faced by the managerial department. In this context, the advantages and disadvantages of the information technology are described.

Advantages:

- Information technology supports decision making in resolving all the issues that are reducing the market share of the company
- Further, with the help of technology, the company can improve the level of communication among the employees so that, the company becomes able to reduce the impact of the problem.
- Further, the company becomes able to communicate with the stakeholders effectively with the help of this tool so as to improve the quality of production significantly (Zsambok, 2014).

Disadvantages

Besides the advantages, information technology has some disadvantages in the context of business growth. One of the main issues related to implication of information technology is the security breaches. Competitors and rivals of Toyota can assess the confidential data of the company and because of this; the company may reduce its brand image and customer loyalty in the domestic market.

Conclusion

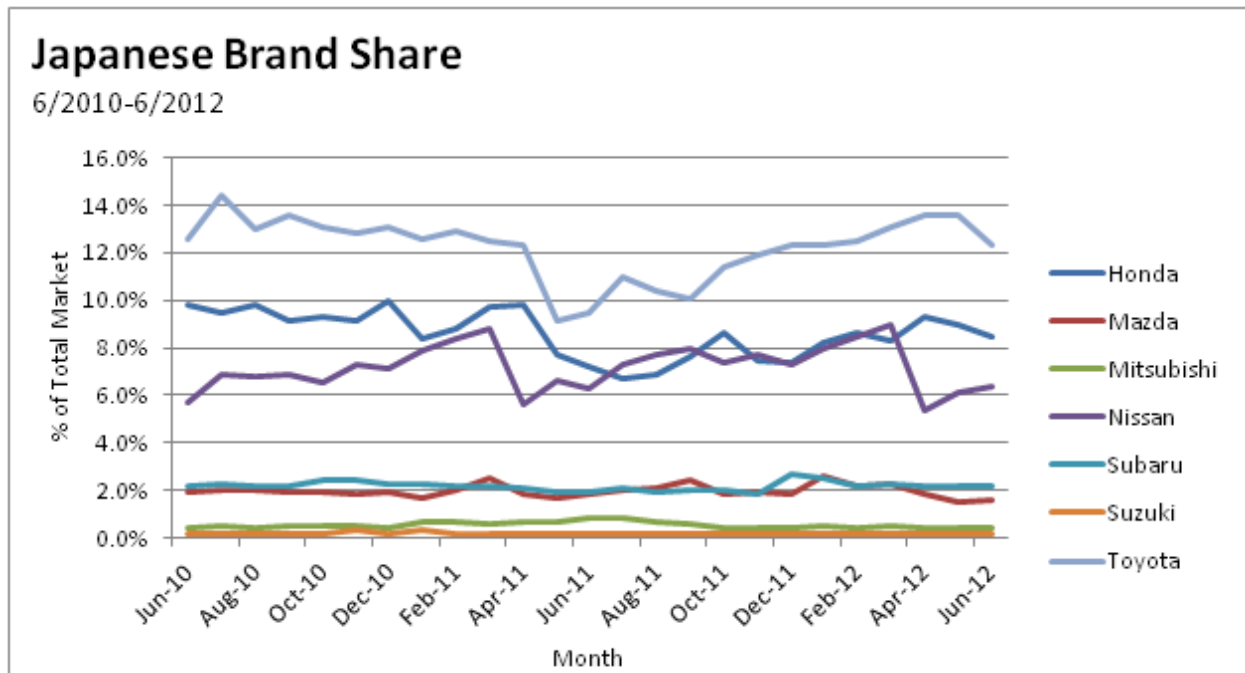
From the above study, it can be stated that, the company is facing problem because of its bad management and lack of interests towards employee performance. Due to this problem, the quality of production is reducing and therefore, the company is also reducing its market share. Therefore, this problem has the devastating impact on the growth of the business in the global market. Thus, it is important for the company to focus on the critical thinking and the innovation in order to reduce the influence of the issue. Further, the study has described employee behaviour and for the concerned company, the employee behaviour needs to improve to achieve organizational goal.

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Appendices

Appendix I



(Source: <http://www.nada.com/b2b/Portals/0/assets/web-images/Japanese%20Brand%20Share%20Where%20Are%20We%20Now%20Blog.png>)