

PROBLEM SOLVING AND DECISION MAKING

Module Title: BMSW4004

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Introduction

Problem solving is a logical process which is used by most organisations in order to identify the probable solutions that are mostly relevant to the defined situation. Thus, making the decisions is therefore considered as the most important part of the problem solving. Problem solving is also used in order to solve the multifaceted processes along with the judgment calls or decisions. On the other hand, decision making is considered as the choice that is made by using an individual judgment (Klein and Crandall, 2018). This is also considered as the art of making more effective decisions which usually includes some of the important skills possessed by successful leaders and managers.

It is also important to make several decisions that are also considered as the part of the problem-solving processes. Thus, the leaders and the managers should focus on improving the decision-making skills which helps in determining the most suitable solution. Hence, problem solving and decision making usually goes together but if one function fails, another function also gets fail (Walton et al., 2020). Thus, the main purpose of this assignment is to identify the problem solving and decision-making ability used by Amazon in order to overcome their delivering problem.

Problems and the Solutions Faced by Amazon after Brexit

Amazon is the UK's third famous and leading marketplace having around £9.5 billion worth of total transactions in 2016 and they have also invested around £6.4 billion since 2010. Amazon have also created a serious competitive edge over the other e-commerce retailing chains present in UK, with key characteristics such as a wide and multicultural product range, record delivery times and affordable prices. But the United Kingdom leaving the European Union will be having a significant impact on Amazon's business operations. There will be a change in the British Tariffs and custom establishment along with the foreign exchange rates and the immigration policy whilst also having an economic outlook whilst focusing on the consumer spending, since these all will be the main changes which will be faced by Amazon soon after the exit of Brexit (Ahmady and Shahbazi, 2020).

Moreover, Amazon is most likely to consider the multifaceted problems along with having the costliest supply chain management, since they also have some of the additional density, due to. In between the hard and the soft exits, there have been number of different trading positions that are present in United Kingdom through deference to the EU and thus, most of the countries in the realm may take on number of diverse trading forms. But still, with all these improbabilities, Amazon should focus on minimizing negative impacts on their supply

chain and hence they should focus on coming up with the reclamation strategies (Yusal et al., 2021).

The sourcing and procurement facilities of Amazon were first impacted, this is shown when soon after United Kingdom leaves the European Union single market, they will be nearsighted by an increase in WTO prices from 2% to 13%, which was also affects imports and exports also as the GBP depreciates, British imports become less competitive in foreign countries. Amazon imports a large amount of their goods sold, thus the changes caused by the Brexit would be having direct impact on the Amazon's COGS and it also enables their ability in order to offer affordable products to the UK customers. Amazon still must undergo a number of steps in order to overcome this sourcing and procurement difficulties. Amazon should first focus on reviewing the influence of the innovative prices and FX activities under the dissimilar situation and the effectiveness (Espeland et al., 2018).

It should also be focused that whilst having some of the major suppliers that usually increases the costs. For some of the specified product categories which includes fresh food for instance, Amazon should focus on developing relationships with substitute local suppliers for their business, since it is also not clear how Brexit will be having an impact on the prices of the domestic production. Since all these factors will be having an adversative impact through the rise in the cost but in the case of the hard exit, Brexit could also be opening different vocation transactions amongst the United Kingdom and many of the non- European Union countries, which will also help Amazon in providing new products and generating other advantageous profitable chances. An alteration in the UK taxes administration can also have an impact on Amazon's distribution network and logistics (Keough, 2019).

With the existing solitary market administration, Amazon can easily move the goods from the UK and the EU and serve UK consumers amongst the European hubs and vice versa. With a possible constraint on freight traffic, Amazon should have to adjust many of their product flows and logistics, because, for instance, the transit of products that are intended from the EU to the UK can lead to the redundant extra costs. Additionally, new rules and regulations could cause interruptions in supply chain times, since most of the ports in UK converted into blockage with some of the new import assertion necessities, restraining Amazon's capability to send goods as quickly and consistently. Moreover, in expectation of the medium-term pressure on logistics, Amazon declared the inaugural of their new supply center in the south of England. Amazon is expected to add streamline in their fulfillment centers in the UK and the EU to guarantee save procedures and continuous delivery in the UK and EU markets, while corresponding the assistances of tariff investments with the prices of maintaining extra inventory and operational storerooms (Eshboeva, 2019).

Brexit may also influence the human resource procedures along with Amazon's supply chain. Fluctuations in settlement and labor commandments might raise labor costs and lead

to labor shortages for both low-skilled (currently mainly immigrants) and highly expert (if the UK struggles to attract brilliant distant employees). This may have an impact on Amazon's capability to apprentice for their storerooms and dissemination network, as well as for its own location. In February, Amazon released a statement stating they will hire 5,000 extra employees. This specifies that Amazon considers in the growth of UK's potential, but it is also a self-justifying move by the business to protect personnel from possible fluctuations in migration policies. Amazon can accept these extra possessions today, since Amazon is planning to operate in the UK and, most significantly, aim to intensify employee retention onward from their concluding consequences in March 2019 (Soergel, 2018).

Another impact of Brexit on Amazon shows that sellers now require a separate Value Added Tax (VAT) archive in the UK and requires a European VAT in order to retail in extra EU countries. Thus, in order to change the possessions amongst the UK and EU and focus on storing them locally, Amazon sellers will require a VAT quantity for the nation wherever they will be storing their products. Moreover, they are also required to attain distinct EORI (Economic Operators Registration and ID) UK and EU statistics in order to transfer the unpackaged portfolio in the UK and EU (Ashman and Cruthers, 2021).

Therefore, Amazon will inevitably be collecting VAT on any type of sales of possessions from different Amazon storefronts that are transported from catalogue stored:

- That are present out of the UK whilst having a consignment worth of up to £135.
- In UK, regardless of worth, since the retailing companion, are not recognised in the UK.

The value-added tax (VAT) that is inevitably designed and composed at counter which is dispatched unswervingly to the UK duty establishments. As a result, vendors are now obligated to concern these transactions takings to the tax establishments and no longer accept the value-added tax (VAT) amount in their payouts. Buyers purchasing items worth over £135 (excluding alcohol, tobacco and perfumes which are not included in the £135 surcharge) may be subject to customs duty of up to 25 percent if all or most of the product is produced outside the EU, according to BBC News. The new UK VAT laws no longer exempt sellers from paying VAT on sales of goods under £15. As a result, any possessions that are sent to and from the UK should have VAT included in the list prices on Amazon (Odacı et al., 2022).

Registering brands helps protect intellectual property. The tool may be helpful in boosting sales. There are many features that make a brand's online presence strong, such as high-quality content, a storefront, Amazon posts, and social media interaction. Combined, these features help spread the brand's name and increase sales. Brexit furthers the difficulty of registering trademarks. It is important to index the trademarks unconnectedly in the United

Kingdom and European Union. Brands that have only an EU symbol are endangered in the UK Product Registry (Keough, 2019).

However, EU varieties cannot noise possible contraventions in the Amazon UK store. Brexit shows that UK is a distinct nation from the EU countries, so all ingresses and disseminates are subject to import clearance and customs approval necessities. They can even finish these declarations or have them completed by a customs officer. Additionally, as part of Brexit, inventory cannot be sent from UK self-actualisation midpoints to the EU for storage. Also, the FBA center in the UK cannot ship orders to Europe. Inventory from Amazon EU warehouses can be redelivered to other EU warehouses but cannot be returned to the UK. Third-party merchandises are no longer qualified for two-day key shipping and are no longer visible to EU customers (Klein and Crandall, 2018).

Solutions

Amazon also has to come to terms with Brexit adjustments. Since the company are very well positioned to fulfill instructions having the territory precise hubs. After the Brexit deal, for example, Amazon is said to be rapidly opening its chief packaging and circulation storeroom in UK easing the ability to handle new Brexit trade deals. It was also reports that the selling massives wants to use a 650,000 square foot unit in a business park in Baldonnell, west of Dublin (Eshboeva, 2019).

A substantial number of small industries are believed to have inhibited their straight transactions to and from the EU, send off the Amazon-listed items for distribution to markets. Amazon has announced that Amazon's FBA operations in the UK will be separated from the EU due to Brexit. This means that sellers will no longer be able to fulfill all their orders in the European market from a warehouse in the UK. This means that UK sellers hoping to reach all 27 European countries and the EU's 7 million customers will no longer be able to use Amazon's logistics network to do so (Klein and Crandall, 2018). Instead, UK sellers will be instructed to "split inventory" and use Amazon's fulfillment centers in the EU to sell their products overseas. Alternatively consider moving their facility to another EU country like Ireland to keep it running smoothly.

Conclusion

It can be concluded that decision making and problem solving are considered as the vital components of the managerial functions. They are also considered as the intuitive decision making, which acts as a bridge between the unconscious and conscious decision making along with the help in order to see the possible changes along with identifying the current and future problems and managing the information in a proper manner and thus dealing with the situations where conflict may arise. It is also considered as necessary in order

to learned about the trust intuition. In terms of the good decision making and problem-solving skills, it is important for the organisations to find appropriate strategies for the business environment.

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