

**PROBLEM SOLVING**

**Meaning of problem solving**

- It is the process of analysing a situation to identify strategies that can be used to change the situation. Problem solving requires creative thinking.

**Meaning of decision making**

- Decision making is a choice made by using one's judgement.

**Differences between problem solving and decision making**

DECISION MAKING	PROBLEM SOLVING
-It is often done by one person/a member of senior management who makes it authoritarian.	-Problems can be solved by a group/ team or an individual team member.
-Various alternatives are considered before deciding on the best one.	-Alternative solutions are generated/ identified and critically evaluated.

**Problem solving steps**

- Identify the problem.
- Define the problem.
- Identify possible solutions to the problem.
- Select the most appropriate alternative.
- Develop an action plan.

**Identify the problem**

- Acknowledge that there is a problem

**Define the problem**

- Name the problem by stating exactly what the problem is.

**Identify alternative solutions**

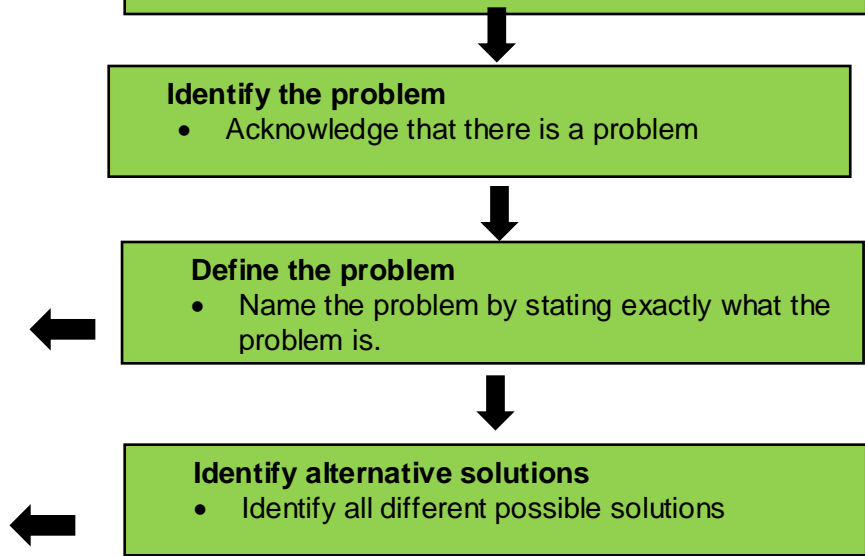
- Identify all different possible solutions

**Evaluate alternative solutions**

Use critical evaluation and analytical skills to evaluate each solution

**Choose the best solution**

- Identify which solution will be used



## Application of the problem-solving techniques

### Application of the Delphi technique

- Businesses must invite a panel of experts to research the complaints from customers.
- Experts do not have to be in one place and will be contacted individually.
- Summarise the responses from the experts in a feedback report.
  - The business should choose the best solution after reaching consensus.

#### Positives/Advantages

- Businesses may use a group of experts without bringing them together.
- Dominating employees may not take over the process as they do not form part of the problem-solving process.

#### Negatives/Disadvantages

- It is an expensive technique to use due to high administrative costs.
- May be time consuming/complicated to analyse data received from experts.

### Application of Force-Field Analysis

- Describe the current situation/problem and the desired situation.
- List all driving/pros and restraining/cons forces that will support and resist change.
- Allocate a score to each force using a numerical scale, where 1 is weak and 5 is strong.
- Choose the force with the highest score as the solution.

#### Positives/Advantages

- Employees feel included and understood.
- Employees develop and grow with the business.

#### Negatives/Disadvantages

- Requires the participation of all business units.
- It is time consuming since the business must stabilise before more changes can be made.

### Application of brainstorming

- Define the business problem clearly, so that all participants understand the problem.
- Members state possible causes of the business problems.
- Set a time limit for each brainstorming session.
- Write ideas down, where all participants can see it.

#### Positives/Advantages

- People get ideas from others and build on them.
- Stimulates creative thinking in the workplace.

#### Negatives/Disadvantages

- Some team members may dominate discussion.
- Discussion may result in conflict due to differences in opinion

### Application of nominal-group technique

- The business must divide the employees into smaller groups.
- Appoint one employee to write the solutions on a large sheet of paper
- The business must eliminate ideas that are duplicated/similar.
- Collect the ratings and calculate total points.

#### Positives/Advantages

- It provides time to think about the question in silence before responding.
- Voting on the ideas is anonymous and may be more reliable/honest.

#### Negatives/Disadvantages

- Small groups limit participation and are pre-selected.
- It is time consuming, as each member must make a presentation

## CREATIVE THINKING

### Meaning of creative thinking

- Creative thinking is the ability to think of original and innovative ideas.

### Ways in which a business can create an environment that stimulates/promote creative thinking

- Encourage alternative ways of working/doing things.
- Respond enthusiastically to all ideas and never let anyone feel less important.
- Place suggestion boxes around the workplace and keep communication channels open for new ideas
- Emphasise the importance of creative thinking to ensure that all staff know that management want to hear their ideas.

### Advantages/Benefits of creative thinking in the workplace

- Better solutions are generated.
- Complex business problems may be solved.
- Improves motivation amongst staff members.
- Management may keep up with fast changing technology.