



ORIGINAL RESEARCH PAPER

Management

SOFT SKILLS FOR LAUNCHING AND MANAGING YOUR BUSINESS PROBLEM SOLVING: A MATTER OF ATTITUDE & SKILL

KEY WORDS:

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ABSTRACT

All of us experience problems of different nature and magnitude at different times. In our daily life problems come so often that we do not even notice their- occurrence. This is so because our desire to solve these problems and our experience of dealing with them has equipped us with spontaneous reactions, which usually result into solutions. However, sometimes when we face an unusual or a difficult problem we get as stuck our routine reaction fails to produce a solution. In such cases, various approaches and ways have to be tried. An entrepreneur is likely to face a variety of problems in the course of implementation and management of his small-scale enterprise. If an appropriate system, approach and methodology is developed for solving problems, it will help him to manage his affairs smoothly and he would not remain under stress and tension when he encounter's problems.

Introduction

There are various qualitative and quantitative approaches developed in management science which help us in solving problems. The basic objective of this note is to suggest a non-quantitative approach based on common sense and experiences in dealing with small- scale entrepreneurs and their problems.

In fact, the right strategy would be to understand one's own environment, resources, capabilities, limitations, strengths and weakness in order to design an appropriate approach for solving problems. However, the approach suggested here will help you. initially, in working on problems and, at later stage, in formulating your own strategy for solving them. The following steps are suggested for developing problem solving attitude and problem solving mechanism.

Literature Review

Some studies tried to explain entrepreneurship as an important factor in explaining higher levels of economic growth in countries or various districts of a country. Van Stel et al (2004, 2005) applied three explanatory variables of economic growth of a country the rate of entrepreneurship, output per capita and the world competition index. Using data of GEM, they found that entrepreneur activities' rate has a positive effect on economic growth.

Salgado-Banda (2005) proposed a new variable to measure entrepreneurship. The paper studies the impact of self-employment on economic growth. The study considered 22 OECD countries and found that self-employment appears to be negatively correlated with economic growth. The findings were backed by a battery of econometric specifications and techniques,

Audretsch *et al* (2006) speculated production function through a sample in Germany in 1990. They calculated that there is a positive relation between entrepreneurship, capital and local economic growth. Further, klepper *et al* (2007) concluded a positive relation between the rate of self employment and economic growth using data of the World Bank. Theoretically, there is evidence that shows not only entrepreneurship eradicates employment, but also unemployment itself increases the level of unemployment. This hypothesis was tested by Audretsch and Thurink in 2001 using panel data of 23 OECD countries during 1974 - 1998.

1. Build A Problem Solving Attitude:

We all have certain skills, traits and motives. Our psychological makeup tells us what traits and motives we possess. These traits and motives can be identified and developed. Some people do have traits and motives to work with the problems and they always make attempts to solve

them, while some do not have traits and motives to do this and therefore they sometimes unconsciously try to avoid problems. Here is an example.

Mr. Sikand was the owner of a small restaurant. Once he got a notice from the Department of Food and Drugs Administration. In his restaurant necessary provision was not made as per Food and Drugs Act and for which he received a notice. When he received the first notice he read and it filed it without taking any action. After a few days he got another notice. This time unconsciously he decided not open the envelop and did not read the contents of the letter. Subsequently he started receiving notices frequently and kept doing the same thing. After approximately one year a team from the Food and Drugs department came to the restaurant and locked it. The Department suspended the license of the entrepreneur for not responding to the notice and thus failing to take corrective action. Mr.Sikhand's psychological composition directed his actions for problem-avoidance.

You must have experienced die attitude in some of the government departments where people try to avoid taking decisions and solving problems. We would like you to g; back to your past and identify some situation where your behaviour was comparable to what is started above.

If you identify many incidents like this you must take not that you are in the process of developing a personality which prone to avoid problems. But do not get stuck here. There is a way to change your attitude. What you to need to do is to be "aware of this facet' of your personality and make conscious efforts to seek solutions rather than succumb to your tendency to avoid problems.

2. Recognize the Problem and Its Seriousness

It is important not only for entrepreneurs but all of us to recognize a problem when it occurs. If you have a clear understanding of what is a normal situation, you will be able to identify the deviations and therefore, a problem for example, If you know that the standard production level of your unit should be one ton per day and if it 3/4 of a ton, you know that there is a deviation and therefore there must be a problem.

Since some problems will be of qualitative nature it may not be always possible to find out the deviation in terms of number. For example, you may experience that industrial relations in your plant are not harmonious, but you may not be able to quantify' this problem. Therefore, it is very important for an entrepreneur to continuously observe all the situations that the encounter's.

Once you have recognized the problems, your next step is to

examine the seriousness growth, trend and urgency of the problem. The seriousness of the problem will help you to decide whether you need to work on the problem for solution right away or you can wait for sometime. It will also help you to decide about some temporary⁷ solution, till you complete the study of the problem and come out with a course of corrective actions. Let us understand the whole process with the following example.

Zenith Dyes, a small unit manufacturing pigments, after 2 years of its operation, started experiencing approximately 30% rate of absenteeism in its factory.

The owner immediately realized that the problem was serious and needed immediate action. First of all order to meet the customers, demands he made arrangements for additional workers while studied the cause and correction for the problem of absenteeism. His understanding of seriousness of the problems helped him to take interim corrective action, which avoided the occurrence of another problem in sales. If Zenith Dyes had not made arrangements for temporary staff in order to sustain the production level they would have probably faced the problem in marketing. Sales might have dropped and they might have lost a few customers too.

The growth trend of the deviation is also important. If the intensify of the problem is increasing then one will have not only to worry about the interim solution but will have to work for a permanent solution immediately. The same is true in case of urgency of a problem.

3. Specify And Understand a Problem

If one can clearly identify, the deviation or specify a problem, he is well on his way to solving the problem. The important step is how to specify a problem. Many of you must have consulted physicians for a physical problem. I would like you to think about one of your meetings with a physician and the discussion you had with him about your illness.

Mien you go to a physician, he will usually ask you questions about what is happening, where it is happening, when it is happening and the extent of which it is happening. The physician will also ask you what is not happening, where it is not happening. The physician is in fact hying to understand a problem.

The same way an entrepreneur, when faced with a problem must ask questions to himself and others concerned as to what is happenings and what is not happening etc. When Zenith Dyes experienced 30% absenteeism, die entrepreneur called the heads of each department and persons concerned and asked them the above questions. On probing he got a lot of information and he found there was no strike, no agitation or go slow all over the company and the absenteeism had only occurred in die production department, usually on Friday. Thus he found that the rate of absenteeism was more on Friday and was almost normal on odier working days.

3. Formulate Possible Causes

Let us go back to the physician's examination process. The physician gets an idea whether the fever is 'influenza', 'malaria', 'typhoid' or hay fever. Once he identifies the type of fever, he starts working on formulating causes of the fever such as cold, virus, allergy etc. The same way when you are faced with a problem you must try to formulate possible relevant causes. In the case of Zenith Dyes the following probable causes for higher rate of absenteeism were thought of by the owners. -

(a) There were a higher proportion of Muslim workers in the factoiy. Friday is a day of social prayers for the Muslims.

(b) It was the Company's policy to make the payment to workers on Thursday. If the wages are paid on Thursday, it is

likely diat the workers would remain absent on Friday as they are loaded widi money.

(c) There is a change in the films in the movie houses every Friday. If the proportion of young workers is high, it is possible that some of them may like to watch the film in the first show and therefore choose to remain absent.

(d) Perhaps the supervisor in-charge of the shift on Friday was tough and not muck liked by the workers.

(e) There is higher work load in the factory usually on Friday as Saturday being a holiday all shipment for customers must go out on Friday evening.

Many such possible causes were developed by the owner. It is not important how many causes you are able to develop but how relevant are they. The objective here is to get more insight into the possible reasons for the occurrences of a problem. Once you have developed examined the possible causes, you have completed the analysis of the problem. .After developing the causes, you would like to test these causes-not as we test substance in the laboratory-but through analysis, reasoning, data and intuition.

4. Test Possible Causes

The process of testing the formulated causes calls for intuition, creativity, analytical skill, reasoning,. An individual with these qualities will be able to test the cause without using a laboratory type approach.

The causes of absenteeism as indicated earlier in the case of Zenith Dyes can be tested in the following manner:

(a) The cause 'higher proportion of Muslim employees' could be tested by going through die list of die employees.

After verifying the profile of the employees working in the production department the owner found that there were Muslims in this department but they were not remaining absent on Friday.

Therefore, there was no reason for him to worry about this or to take a collective action affecting this segment of workforce.

(b) Regarding the wages, he found that the factory had fortnight wage payment system and therefore tills could not be possible cause of the problem.

(c) Although new movies were coming in town every Friday, it was found by personal inquiry that the work force was not movie- oriented.

(d) The profile of superior was studied in detail and the owner learnt that the supervisor was very competent but tough hi handling people. He was particularly tougher on Friday as he had the responsibility of loading goods on Friday to die customers. Friday being the last working day of the week. After getting detailed information on this supervisor's way of handling people, the owner determined the occurrence of the problem of absenteeism.

6. Develop Alternate Solutions

Once a cause is determined, the next step is to look for a solution. Since every one possesses different levels of information, knowledge, skills, traits and motives, it is likely diat eveiyone would come up widi different solutions for a problem. Therefore there is no right or wrong solution to any problem. The solution which fits into your objectives, your resources, your strengths limitations, constraints etc. is the best solution in the circumstances. Therefore, I suggest that once you determine die cause or causes for a problem that you face, it will be worthwhile to develop various solutions and relate them with your objectives.

7. Establish Objectives

Once various alternate solutions are developed, it will be necessary to establish your objectives. Clarity regarding objectives will help you to classify them in relation to the problem into two categories listed below:

(1) Results to be produced

(2) Resources to be used.

In case of Zenith Dyes the entrepreneur clearly indicated the following objectives.

Results to be produced

- (a) The rate of absenteeism must be brought down to 8%, which is normal in chemical industry.
- (b) The workload cannot be reduced as we must cater to the needs of our customers and must ship the goods on Friday.
- (c) We cannot remove the supervisor because he is our best employee.

Resources to be used:

- (a) Cannot spend more than Rs. 100/- per week to solve this problem
- (b) Cannot put more than four extra persons to complete the task
- (c) Cannot use incentive payment system
- (d) Cannot provide over-time to the workers.

After establishing objectives be classified them into three different categories such as 'MUST, DESIRABLE AND IGNOREABLE'.

Such a classification of objectives about the result to be produced and resources to be used helped in selecting an appropriate solution from the cluster of solutions that were thought of.

8. Compare Solutions

When there is more than one solution, it may become a problem to select the best solution and therefore we get caught into another problem. In such a situation, the right way will be to compare various solutions in terms of results produced and resources used etc. That does not mean that one will have to experiment with each solution and decide. The best course of action would be to use your reasoning judgment, intuition, to decide the advantages and adverse consequences of each solution.

The analysis of effect of each possible solution should be quantitative wherever it is possible. Certain non-quantitative effects such as the impact on worker's moral, human relation etc. should also be thought of. Once all the solutions have been compared one will be able to choose the best solution to the problem.

But remember, you may not be able to solve the problem completely. You can quite often only reduce the magnitude of the problem and perhaps create another problem but of a smaller magnitude. In the case of Zenith Dyes, the entrepreneur implemented the solution of employing 3 to 4 more workers on Friday, but he created another problem of generating resources for paying extra wage to this additional man-power.

9. Summing Up: 3

The above approach can be summarized as follows:

- 1) Create a desire to solve problems
- 2) Recognize the problem
- 3) Formulate the possible causes
- 4) Specify the problem
- 5) Test each cause
- 6) Explain each cause with minimum of assumptions
- 7) Verify your explanation
- 8) Determine the cause
- 9) Establish objective about the resources to be produced and

resources used

- 10) Classify objectives into 'MUST, DESIRABLE' and 'CAN BE IGNORED' Categories
- 11) General alternative solutions
- 12) Choose one solution
- 13) Compare each solution in terms of positive and adverse consequences
- 14) Make a decision to implement
- 15) Be ready for a problem of less magnitude
- 16) Internalize the process
- 17) Be creative

BE A GOOD PROBLEM SOLVER INTER - PERSONAL SKILLS:

Working with, for, and through people is the way in which an entrepreneur accomplishes his goal. Maintaining good human relations is a major factor in achieving smooth operation of the enterprise and its continued success. Managing manpower, guiding it in the direction of getting things done and achieving the desired objectives with maximum efficiency are the primary responsibilities of a successful entrepreneur.

In order to supervise effectively, sound knowledge of human behaviour is essential. The entrepreneur should adopt a human relation approach, which will help build morale, get co-operation and finally achieve the performance. An entrepreneur interested in improving his ability to understand others and deepening his understanding of himself needs to make special efforts for improving interpersonal relationship. The following three suggestions will help the entrepreneur to improve his relationship in a positive way.

1. Understand Individual Differences.

Now two people are exactly alike. They differ in many ways. If there are 20 people working for you, you will have to deal with 20 different personalities. Each one will have a different attitude. So do not treat them all in the same manner. Each person requires a different approach. People are basically and irrevocably individualists at heart.

Recognizing that individuals are not all alike, knowing their limitations and weakness is the first step in understanding people.

Each person has his own set of values which is a result of his socialization, training and associations that have been shaped over a lifetime by his parents, teachers, peer groups and some unique experiences. A good entrepreneur is the one who is able to match employees' abilities and interest to the requirements of the job. The better he does this, more productive he will be. Failure to know the man under you as an individual will deteriorate your relationship with that particular employee in the long run. But treat all your employees in the same way. There should not be any favoritism or bias.

2. Supervision with empathy

In working with people, the ability to empathize is an important attribute of an effective entrepreneur. Empathy enables the entrepreneur to consider feelings and viewpoints other than his own. This ability can be very helpful to the supervisor in area of discipline, labour relations and grievance handling. The challenge facing most entrepreneurs is to understand the reasons that prompt employees to behave in certain manner and not to label their actions as unreasonable. Empathy equips the entrepreneur with the ability to understand why people feel and act the way they do. Empathy can make the entrepreneur's richer.

3. Know All About Your Employees.

The better an entrepreneur knows his employees the better are the results that he can produce through them. Apart from

the personality component of each worker the entrepreneur should know something about his family. Is he married? Where does he stay? How many children does he have? What is his education level? Is he doing any part time or correspondence course? In guiding and counseling employees on their careers with the company, it is necessary to know his educational background. The entrepreneur should also collect such information as his employee's previous work experience, pattern of his previous employment and his performance in the past is a way to know his outside interest. Knowing an employee's interests may help the entrepreneur to establish a communication bridge with him. The entrepreneur should know what his employees want out of their lives. Do they want to progress in their career? Do they want to rise to supervisor or management positions? These aspects reveal his employees goal and aspirations. A successful entrepreneur tries to understand his workers' ambitions and gives them stimulation and encouragement which produce wonderful results in the enterprise.

4. How to Keep Relationship with Employees:

The following passage (in juxtaposition) focuses on the logic behind the employees' behaviour and suggests an effective approach to the entrepreneur to rectify his expectations.

5. Conclusion

A successful entrepreneur today must be a practical industrial psychologist, well versed in guiding, developing and controlling the actions of his men to the expected directions. To be successful in an entrepreneurial role, he should adopt such principles towards his employees, which would help him in achieving the desired goals at the right time. These principles will not only help within the organization but also outside the organization i.e. with customers, suppliers and government officials.

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