

Challenges faced by modern managers of organisations and their solutions

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| Lack of capital Lack of capital is often the most critical challenge that a successful manager or leader faces as its very success creates this and it quickly becomes a vicious circle. Without very diligent cash flow management and/or raising of more capital, including debt, the business often is constrained by capital as it grows.

Often the profit in one operating cycle is insufficient to fund the extra working capital required for the next operating cycle. Many capable managers cannot overcome the obstacles in their businesses cash flow cycle and cannot understand why bankers and other lenders often cannot provide the financing as the manager often does not have the security to support the debt. The solution is often easier than most entrepreneurs realize. It often starts with a plan to see what your cash needs are and when your cash needs arise.

Then one is in a position to manage it and focus on the cash management techniques most likely to be successful in his/her business. Lack of management skills Lack of management skills is a problem that is very difficult to deal with in most small and medium enterprises as the size of the senior management team is necessarily limited. These areas of weakness could be in finance, human resources, marketing or any area where the current management does not have the expertise, or the time to deal with the issues.

It can be solved by determining the weak areas and then developing a plan for dealing with those challenges. Solutions can be as simple as assigning

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theresponsibilityto an existing manager with a requirement to watch for the obvious pitfalls, to hiring a person part-time or a consultant. • Lack of focus • Ignoring risks in their assessment of alternatives and opportunities • Lack of a plan • Failureto plan for issues absorbing the majority of your time Scope changes - Insufficient team skills - To quote a colleague, " Availability is not a skill. " • Vision andgoalsare not well-defined Ineffectivecommunication1. Regular promotion - Regular promotion in a fixed interval keeping in view consumer taste and preference is a biggest problem. It not only needs an innovative mind and lot ofadvertisementmoneybut has become a difficult task to cater the needs of so many different type of consumers like some arehealthconscious and needs low fat diet or low sodium diet while other prefers combo offers .

Most of them also want that half plate and even quarter plate must be introduce in the menu . So when these promotional offer are launched only the expectations of few consumers are met. 2. Availability of substitute at cheaper price- Another problem is the availability of substitutefast foodat cheaper price for instance A fastfoodshop in a Food court has to compete its competitor who may perhaps has a different food menu to offer but his rates are cheep and people my often switch to buy that cheaper product.

For instance a steemed sweet corn corner outlet selles a cup of sweet corn say Rs 20 and it is near by a soup corner outlet and the cost of a soup is less than a cup of sweet corn sy Rs 10. There are chances that most of the people who may have come to have a sweet corn may change their food coice and have a soup in double quantity.