

Essay on problem statement

[Business](#), [Company](#)



\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [Quantitative Problem Statement](#) \n \t
2. [Qualitative Problem Statement](#) \n \t
3. [References](#) \n

\n[/toc]\n \n

Quantitative Problem Statement

Capital value of business is \$120, 000 too low.

The major effect of low capital to an organization is the ability of a competitor to accomplish two acquisitions at once. Fairlie (2008) suggests that the business may face 60% difficulty in increasing the stock of the business \$200, 000. Banjerjee (2005) suggests that the business can offer a \$200, 000 rights issue to the existing shareholders in order to overcome this crisis. Vance (2005) indicates that the business can engage in increasing capital levels by \$150, 000 by disposing redundant assets. According to Vance (2005), the management can engage in increasing capital level by \$50, 000 by looking for a new investor.

Qualitative Problem Statement

Employee motivation is below 70%.

Bruce (2006) indicates that a company affected by low motivation of about 30% may experience failure of exceeding 60% efficiency of labor force. 60% labor efficiency translates into more than 40% drop in production. According

to Albarracín (2005), the company's innovation capacity will reduce to about 83% while improvement activities will reduce by 15%.

Bruce (2006) suggests that the company can offer a 30 minutes break to the morning hour's employees. In addition to the break, Bruce (2006) recommends that the logistics department can offer a 2 day free transport to all employees of the firm. The company management can facilitate the catering department to offer a \$2 tea break incentive at the employee's cafeteria. Bruce (2006) adds that the human resource should increase active shop floor employees by 15 in every production section and 5 in every service section. Also, the human resource may shift 3 human resource managers and 5 supervisors rotationally after 2 weeks.

The tentative estimate cost of this move is \$75, 000. Considering the experts required, the move also needs 3 turn-around strategists and 4 performance analysts to deliver 40% progress in 2 months.

References

Robert W. Fairlie, Alicia M. Robb (2008), Race and Entrepreneurial Success: Black-, Asian-,

and White-Owned Businesses MIT Press.

Bhabatosh Banerjee (2005), Financial Policy And Management Accounting
7Th Ed. PHI

Learning Pvt. Ltd.

David E. Vance (2005), Raising Capital, Springer.

Anne Bruce (2006) How to Motivate Every Employee: 24 Proven Tactics to Spark Productivity,

McGraw-Hill Professional.

Dolores Albarracín, Blair T. Johnson, Mark P. Zanna (2005), The Handbook Of Attitudes,

Routledge.