

Problems facing the company report

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



The problems facing our company are widely ranged and can be grouped as socio-cultural factors, the economic factors, and the environmental factors.

The social class is directly dictated by the economic power and this highly affects the company. Our company is in a region where the surrounding social class does not favor its growth. In this region, there is a preformed mentality that our products do not meet the demands of the surrounding class. This has made it very difficult for us to attract potential customers within the region even though we try as much to retain our existing ones. However, we have tried to stock wide variety of products that favor all the social and economic classes in order. We always try to get stock from reputable companies like LeSports, Trade Sunglasses, Nevada Wholesale, CMS Tackle Wholesale, Fusion Sport, among others.

This company is very new in the area of its operation. This has made it face very stiff competition from the old veterans like Shoes International, Sweatshop, Sports Shoes, and Walktall among others. All these competitors have enjoyed the benefits of maturity and have a well established customer base. Our company lacks this strong customer base. Even though our company is located in an area where sports and sports product are highly valued, we lack the maximum exploitation of this advantage as we are only located in one area. We lack the control over the markets.

Even though our company has strong capital base, the rate at which it grows demands for more cash and resources. Currently, the company is nearly outgrowing its available cash sources. At the same time, the management of this cash sometimes becomes a problem. Other management problems include lack of clear plan which has worsened the cash problem. The team of

management needs to put extra efforts so as to achieve the company's objectives. Another problem in this category is lack of enough qualified staff. The company also lacks very effective sales and marketing strategies. This has made it compete in conflicting areas. In several occasions, the company has lowered its prices and at the same time offer highest quality services. The direct result of this is inability to maximize the profit. Lack of execution is another problem that faces us. Even though the company has introduced online business, it is not fully developed and this has given our competitors an advantage over us.

The force field diagram

This analysis helps us weigh the pros and cons of our company. It helps us strengthen the forces that support our decisions and at the same time reduce the effects of the opposing factors.

Our main objective is to expand our customer base by expanding the area of our operation. The force field analysis diagram is given below.

POINTS FOR POINTS AGAINST

For the company to realize this extensive expansion plan we need to employ very qualified personnel and at the same time, the company's management team needs to work extra hard and ensure proper use of cash. The company needs a clear and feasible expansion plan. The adequate use of technology, and appropriate sales and marketing schemes must also be employed.

A detailed analysis of the main issues that underlie the conflict between sales and operations within the company, and possible solutions

In every company, there are backlogs and lead times. Such lags, if not

carefully handled, are very dangerous on team work and morale during sales spikes. It is a very common strategy for every sale's person to promise more than can be achieved so as to impress and attract the new customers and at the same time maximize on the commission. This results in great conflict between the sales and operations. Our company also experiences the same phenomenon. It is therefore a mandatory requirement that all our sales' persons must know the maximum and minimum physical limits of the operations department.

In trying to curb this, our operations team always push back the required lead times. However, a great conflict underlies herein. When a customer is not able to wait, the commission for the sales person or agent is lost.

However, not even one sales person can allow this. The result is the conflict.

The main problem is not the promises of the sales team.

The main strategy we want to take as a company is to ensure that our sales team properly understands the main and minor changes in the lead times.

This will greatly help us to avoid the conflicts as the sales team shall be up to date on lead times. When salespeople are up to date on lead times, many conflicts can be avoided.

Various strategies have been put in place to lower or completely eliminate these conflicts. These strategies include staffing, training, incentives to the sales and operations teams, prioritization of the new orders, improvement of sales forecasting models, stress test, and adequate plan for special cases.

For proper provision of the services, staffing is always the core factor. An understaffed company must experience such conflicts. The professionalism of the staff is also very crucial as it dictates the quality of the output. Every

company must therefore decide appropriately when to add new staff or to continue building the inventories as they anticipate longer rally. Hiring is also important during temporary sales spikes. Training of the staff is equally important as it enables the employees to have adequate and up to date information which is very important in sales-operations conflict resolution. Use of incentives is also very important. Joint incentives to both the sales and operations teams highly improve the nature and quality of work and at the same time motivates the work force.

Prioritization of new orders must be appropriately done. We must always realize that customers are not equal and we cannot ignore the long term clients during times of brief sales surge. The long-term big clients must be given the first priority. If a longer than normal time is quoted to the lower priority customers, identifying these orders may be a big problem after some times in future. A split of orders always saves when the customer does not need the whole order at once.

Improvement of the sales forecasting methods is very important. Statistical models should always be used. A stress test should be taken and at the same time, the company must plan for very special cases.

Reference

How to Handle a Spike in Sales

[http://www. inc. com/guides/2010/07/how-to-handle-a-spike-in-sales_pagen_2. html](http://www.inc.com/guides/2010/07/how-to-handle-a-spike-in-sales_pagen_2.html)

Martin Harshberger, Bottom Line

[http://www. bottomlinecoach. com](http://www.bottomlinecoach.com)

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The benefits of sales coaching

[http://www. inc. com/sales/2009/06/the_benefits_of_sales_coaching. html](http://www.inc.com/sales/2009/06/the_benefits_of_sales_coaching.html)

All other reference materials in the remaining sections.