

# Management during low sales volume

[Business](#), [Management](#)



## The Organization and the HR Department

What should be done in light of low sales numbers?

PAC Resources is a small manufacturing organization which is facing low sales volume during the recent years. Management of this organization is going to take certain initiatives for increasing the amount of sales revenue. The company is reducing some cost factors for increasing operating profit in business. Again management has decided to reduce labor cost within the organization for the cost saving purpose. Reducing labor expenses can save many employees' job and organization can keep knowledge and talents of long time employees for the purpose of growth in future. It is possible for reducing compensation and benefit provided from the end of organization. So in such case a restructure on salary, benefits and compensation are required. Employees should do the multi tasking activities. If some of the employees are inefficient in this field then management will take immediate action against them. Again expansion of new business strategy can improve the present scenario of sales.

What should be done, if anything, about the fraudulent sales data?

Periodic review of financial statements should be done in more stringent way for reducing the chances of fraudulent sales data. No unconfirmed sales data should be recorded in organizational accounting system. Anticipatory sales data should also not to be included in the financial statements of this organization. Sales procedures should not be conducted without any signed purchase order from the respective end. Again conform contact details are required for completing a sales activity. If any bonus was paid on the basis of fictitious order then that amount of bonus should be taken off by the end of

the management. Staffing cost is based on the sales number. So in this case the amount of bonus will increase the amount of total cost of this organization.

What can be done to improve employee communication methods?

For improving employee communication method, human resource managers should take proper initiatives. They should listen the problems of employees and respond according to the situation. Communication gap needs to be minimized between lower level staffs and upper level managers. Otherwise managers would not be able to know about the operational problems.

Effective communication many times solves so many operational difficulties within organization. In effective communication process individuals can share their ideas and views with others and thus the organization can operate its business activities in more innovative way. For building effective communication procedure, face to face conversation is necessary. Again managers should keep the track records of employees' activities. On the other hand employees should get the information about any taken decision from the end of management. If employees do not know about the managerial decision then they won't be able to implement the taken strategies by the managers. Regular communication, inform about the strategies and decision of the organization make the employees feel important within the organization. In the above mentioned organization, management can use the suggestion box strategy where employees can provide their valuable suggestions for the improvement of organizational procedure. Regular staff meeting, open door policy with the team members are also some another ways for improving communication system (Miller,

2011).

#### Reference

Miller, K. (2011). *Organizational Communication: Approaches and Processes*.

Boston: Cengage Learning.