Critical Thinking in Action

Student’s Name

University Affiliation

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**Introduction**

Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) are commonly used most frequently in recent years to describe the business environment and the impact on its supply chain performance. Leaders of many companies depend on VUCA to operate and run their business activities more efficiently and effectively (George, 2017). The purpose of this paper is to show how VUCA can be applied to Panera Bread Company to help to solve various issues affecting its operations. Besides, the article will explain how managers and leaders can adopt the right strategies when facing the impacts of VUCA to gain a competitive advantage. Lastly, this paper will demonstrate how critical thinking is essential in any business setting to assist in decision making.

**Overview of the Panera bread situation**

From the financial perspective, volatility refers to the equity, bond, and currency market volatility and the lack of stability and predictability. Uncertainty refers to the potential change in the inflation index calculation and the lack of ability to foresee what significant changes might come (George, 2017).

Today, many organizations face different volatility issues that affect their operation and success. Panera Bread is one of the leading bread manufacturing company. However, it encounters various problems that affect its operations. Some of the issues affecting its operation include poor competitive and poor marketing strategies. Many consumers only have a thirty-minute lunch break, so having to wait some minutes for a simple sandwich is unacceptable. Not to mention finding that your order is wrong or cold when you get it. The Chief Executive Officer of Panera Bread decided to come up with a solution to help not only the consumers but also the business. The answer was online ordering, which is now used by many companies (George, 2017).

Critically thinking was this a good idea that can help the company to handle the various challenges that it is currently facing. Critical thinking can enable the management and leaders of Panera Bread to identify the best marketing strategies that will gain a definite competitive advantage in the market. Over the past eight years, there has been a growth in technology via tablets, smartphones, and other devices that allow restaurants to use the segment for placing orders. Jargon (2017) highlights that online orders make up more than a quarter of sales in many company-owned restaurants. For example, McDonald's, Chick-fil-A, Burger King, and many other businesses, even grocery chains, have all implemented mobile ordering in their business. As such, it is prudent for leaders of Panera Bread Company to encourage the application of critical thinking to assist in solving issues relating to Volatility, Uncertainty, Complexity, and Ambiguity.

The concept of critical thinking is one of the problem-solving strategies that can help leaders and managers to handle various challenges that affect organizational performance. For instance, critical thinking can assist the management of a company to identify the best marketing strategies that can help to gain a definite competitive advantage in the market. According to Kallet, critical thinking plays an essential role in creating clarity and transparency in any organizational setting. Similarly, in the case of Panera Bread Company, critical thinking can assist in enhancing clarity, thus, improving decision-making processes (George, 2017). Therefore, both small and large companies need to encourage critical thinking to enhance the decision-making process. In doing so, leaders and managers of companies will be able to make the right decisions that will assist in achieving organizational goals.

**Recommendation**

Based on various issues affecting both small and big companies across the world, leaders need to promote the application of critical thinking to solve such problems. In doing so, the management of companies should try to keep up with the latest trends affecting business operations to gain a substantial competitive advantage in the markets.

Besides, for companies to gain substantial competitive advantages, leaders should adopt the use of social networking to improve organizational marketing strategies (George, 2017). This can assist in solving marketing issues that affect companies like in the case of Panera Bread Company. Adopting such strategies can help the management of companies to eliminate issues such as Volatility, Uncertainty, Complexity, and Ambiguity, which affects the smooth running of activities in an organization.

**Effects of Volatility, Uncertainty, Complexity, and Ambiguity**

Typically**,** Volatility, Uncertainty, Complexity, and Ambiguity directly affect business activities that assist in achieving organizational objectives (Kallet, 2014). First, lack of stability of currency exchange rates and market trends, many business activities will be affected because leaders will find it challenging decisions that can bring a positive return. It leads to uncertainty, a situation where the leaders of a company fail to predict the future of the company. Volatility, Uncertainty, Complexity, and Ambiguity affect the ability of leaders of a company to employ critical thinking to come up with appropriate decisions.

**Conclusion**

In summary, critical thinking assists in solving various issues that affect organizational performance and the smooth running of activities. Volatility, Uncertainty, Complexity, and Ambiguity jeopardize the ability of leaders of a company to employ critical thinking to come up with appropriate decisions. Therefore, leaders and managers of companies need to adopt proper strategies to provide solutions to issues affecting organizational performance.

References

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