

# Step-by-Step Guide to *Business Problem Solving*





**Copyright © 2010 Catherine O'Donnell and Associates.**

Career Accelerator is a division of Catherine O'Donnell and Associates located in Vero Beach, Florida and Avalon, New Jersey. All rights reserved including the right to copy this book or portions of it in any form and the right to share it electronically.

A leader's guide, including slide deck with complete script, is available. For the leader's guide and for customized coaching and training on career strategy, communication, and leadership programs, contact [info@catherineodonnellandassociates.com](mailto:info@catherineodonnellandassociates.com)

For information on our full menu of programs and guide books on leadership, communication skills, and career strategy programs, please go to:

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

### **Contributors to this Guide**

This guide was written by Catherine O'Donnell and Natalie Shelpuk. Other contributors include our editing staff members, William DeVinney and Lisa Rindfleisch.

## **BUSINESS PROBLEM SOLVING**

### **TABLE OF CONTENTS**

**Chapter I – Program Overview** – page 4

**Chapter II – Preparing to Solve a Problem** – page 8

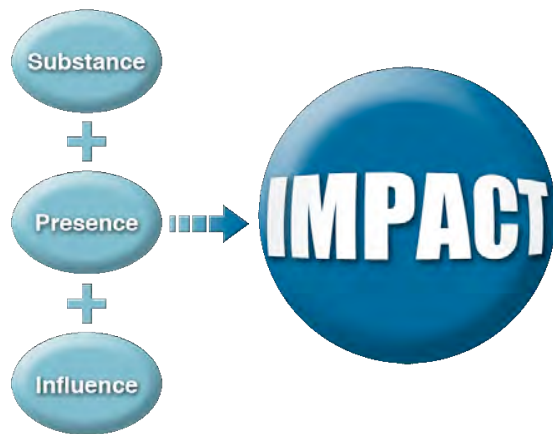
**Chapter III – Solving a Problem** – page 18

**Chapter IV – The STP Tool** – page 24

**Chapter V – Program Summary** – page 27

## Chapter I – Program Overview

Your professional impact depends on a combination of the substance you bring, your personal style, and your ability to influence. Our training and coaching curriculum includes a number of programs loaded with techniques, tools, and exercises that build the interdependent self-management and communication skills that enhance professional impact.



**Substance** is strong self-awareness, excellent habits of self-management, and delivering the right results.

**Presence** is the strong self-image you reflect through your sense of style and how you carry yourself.

**Influence** is your ability to deliver compelling and clear messages that inspire action.

*A life is not important except in the impact it has on other lives.*  
Jackie Robinson

In order to have an impact on others, you need to bring substance, you need to have presence, and you need to be able to influence. The foundation of professional impact is substance. Who you are, how you think, and what you deliver to the organization need to reflect strength, integrity, and responsibility.

Your ability to solve the right problems and solve them well is part of your substance and draws on a combination of attributes, talents and skills including:

- ★ *Business acumen*
- ★ *Analytical skills*
- ★ *Decision making skills*
- ★ *Attention to details*
- ★ *Ability to see the big picture*
- ★ *Comfort with risk taking*
- ★ *Project management skills*
- ★ *Intuition*
- ★ *Flexibility*
- ★ *Leadership*
- ★ *Communication*

Some of the capabilities on the list are intuitive or natural talents and some are skills that need to be learned and practiced. Which ones do you need to strengthen?

In a highly competitive and fast-changing business world, everyone in an organization, not just senior executives, must bring solutions to the table. Our simple process will help you tap into and improve your capabilities to analyze situations and determine the best approach for solving any type of problem. Let's start with a self-assessment:

### How good are you at solving business problems?



1. How do you typically approach problems?
2. How do you prioritize problems?
3. How many of the problems you solve stay solved?
4. What kinds of problems typically tend to show up again, in one form or another?
5. Where do you get bogged down or frustrated with problem solving?
6. What would make you a better problem solver?



## Chapter II – Preparing to Solve a Problem

### What's a Problem?



Really, what is a problem anyway? It's *simply the difference between what we want and what we've got.*

The symptoms of a problem can manifest in many types of pain, such as inefficiency, conflict, financial costs, etc. When the symptoms emerge, you need to understand that you are probably not seeing the source of the pain. You need to diagnose the problem.



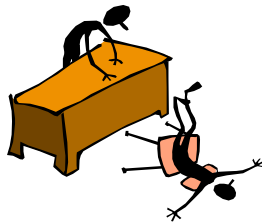
At work and at home, we are always solving problems. At work, we solve problems our bosses, customers, and team members bring us. We actually get pretty good at fixing stuff and moving on to the next problem. Most of us are good problem solvers, maybe not always strategic problem solvers – but we are good at quick fixes.



There are times when a quick fix is the right thing, so we don't want to discount its value as a sound problem-solving technique. In a crisis, a quick decision is not only necessary - it's strategic.

A quick fix also makes sense when an issue is either very small or when it's unique, such as an unusual but simple customer request or a need to secure moderate funds for an initiative.

A huge problem, requiring a strategic solution is usually obvious. It's something that requires research, analysis, and evaluation such as a product recall, a decline in funding (or a big increase in funding), or a health insurer threatening to remove a product from formulary. You can probably think of a lot of big problems. In fact, sometimes a small problem can look like a big problem, especially when there is emotion involved.



Some problems fall into a grey area. It's not obvious whether you have a real problem, or whether your problem requires a quick fix or a more comprehensive approach.



One grey area involves problems that look small that are actually pieces of a bigger problem, or a problem that may be the start of something that will continue. Can you recall facing a problem like that? It might have been a customer complaint that sounded a bit like other recent complaints?

Or maybe it had to do with an employee whose performance on a task fell short of expectations (again).

Another grey area involves problems that may fix themselves if you leave them alone. Similarly, some may be of such a small consequence that you can't afford to spend time on them.

Actually many problems do show up in the grey zone rather than with a sign that says "Hey, I'm an easy fix" or "You better put your thinking cap on to solve me." A strategic approach to problem solving is seeing through the grey zone to decide whether we really have a problem, how big it is, what kind it is, and what should be done about it.

You need a logical approach to solving business problems, and we have a model for you. Our business *problem-solving model* is one that you can easily apply to defining your problem, visualizing the problem solved, deciding whether or not it's worth solving, choosing an approach, developing a plan, and executing the plan so that the problem stays solved.

*We can't solve problems by using the same kind of thinking we used when we created them.* Albert Einstein

### Business Problem-Solving Model



You may already be familiar with the S-T-P Tool for problem solving. The simple three-step technique is applied by:

- ★ First fully analyzing the **situation**. A problem that's well diagnosed is said to be 85% solved, so it's recommended that you spend whatever time you need to understand both the symptoms and, more importantly, the source of the problem.
- ★ Then define the **target** by describing what your situation looks like without the problem. It's the end result – *the what and not the how*.
- ★ Finally, develop and manage a sequential **plan** of action for solving the problem.

This effective model gets better with two additional steps:

- ★ A conscious evaluation of a whether or not the problem is worth fixing; and
- ★ Choosing either a simple quick fix or a more detailed, strategic approach.

### Expanded STP – Business Problem Solving Model



### Let's add our two steps and jump into Step 1 – Analyzing the Situation



*A problem correctly defined and diagnosed is almost solved. Begin by clarifying and discovering "what it is."*

- ★ What do we know for sure?
- ★ What is going on right now?
- ★ What's the history that led to this situation?

Then define and understand *the stakeholders*.

- ★ Who owns it?
- ★ Who is affected by it?
- ★ Who is involved in trying to fix it?
- ★ What does each of the stakeholders think about the problem?
- ★ How do they feel about it?
- ★ What do they want?

As you collect information and points of view, try to stay objective and look at the problem from different perspectives. And, don't discount feelings. When there is a big problem, something is at stake for each person or team involved. Understand the emotions and what people think they need.

Include in your description of the situation: "what don't we know about it?" Then seek out additional facts, data, and opinions and form some assumptions before moving forward.

Do your **research**.



Study on your own, but also gather input from others to uncover the history, the facts and data, predictions, suggestions, and what's at stake with the various stakeholders.



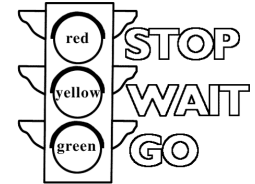
Then, **think** about what you've learned. Label points of data to clarify which are facts, which are opinions, and which are feelings.

Draw your conclusions and describe your assessment of the current situation. Include the symptoms but try to pinpoint the root cause(s) (most of what shows up at first will be symptoms)

*It's not that I'm smart; it's just that I stay with problems longer.* Albert Einstein

## Step 2 – Choose Go or No Go

This little step can save you a lot of time.



People often jump in to solve problems that don't really need fixing. Not every problem needs to be solved right now (or ever).

A reactive style to problem solving can cause us to solve the wrong problem, fix something that isn't broken, solve a problem that would have solved itself, make a problem worse, or create a new problem. *Make sure investing your time is going to be worth it in light of your other priorities.*

To determine if you have a fire that needs to be put out, ask:

- ★ How serious is the problem?
- ★ Who is affected by it?
- ★ How does it rank with other priorities?
- ★ What will happen if you fix it?
- ★ What will happen if you wait?
- ★ What will happen if you don't ever fix it?



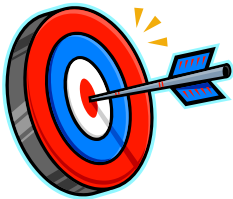
This go/no go step doesn't need to take a lot of time. Depending on the complexity of the situation, it might only take minutes. Do you have a few minutes to save potentially many hours?

Once you've decided whether or not you will pursue a solution, *inform all stakeholders of your go or no go decision.*

*Then move on to step three, describing what the situation will look like without the problem.*

### Step 3 – Target

Investing enough time analyzing the situation makes it very **easy** to identify your target.



It's a description of what the situation will look like without the problem.

Try to define a **SMART** (*specific, measurable, achievable, realistic, and time bound*) goal in no more than one or two sentences.

In the next chapter we'll continue explaining the model.

## Summary

Let's recap steps 1, 2, and 3.



**Step 1:** Define the problem or **Situation** (the difference between what you have and what you want) by sorting out the symptoms from the sources with input from all your stakeholders, and by forming your own opinion about what's happening.

**At Step 2:** Decide whether it's a problem worth fixing - **Go/No Go?** Is the goal or solution worth the effort in light of other priorities?

**Step 3:** Clarify your objective or **Target**, crystallizing the vision of what the situation would look like without the problem.

*The next chapter pulls it all together with steps 4 and 5; choosing between a quick fix and a strategic approach and then moving forward with a plan of action.*



## Chapter III – Solving A Problem



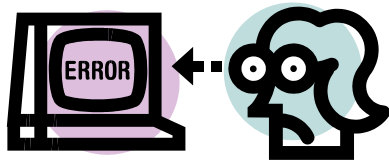
Steps 1, 2, and 3 prepare you to solve the problem; steps 4 and 5 are about the solving. **Step 4 – Is This a Quick Fix or Not?**

If you've decided that you have a problem worth fixing and you know what an ideal outcome looks like, you now need to figure out if a quick fix will do or if you need a bigger, more strategic solution. This table provides some guidance:

Quick Fix	Strategic Solution
<ul style="list-style-type: none"> <li>★ Not a pattern or sign of a trend</li> <li>★ Easy to understand</li> <li>★ Easy to solve</li> <li>★ Non-controversial solution</li> <li>★ Obvious solution or simple choice</li> <li>★ Easy to implement</li> <li>★ Easy to evaluate success</li> </ul>	<ul style="list-style-type: none"> <li>★ Part of a pattern or trend or in some way connected to other problems</li> <li>★ Multiple symptoms; source not always clear</li> <li>★ Solution not immediately obvious, complex or one of several</li> <li>★ Opinions vary</li> <li>★ Multi-stepped implementation</li> <li>★ Several success factors to evaluate</li> </ul>

Notice that we don't include degree of pain as a determinant of how to solve the problem. Both small and big problems can be equally painful.

The important thing to understand here is that, on the surface, many problems look like they can be solved with a quick solution, but what looks like a “no-brainer” may actually just be a symptom of a bigger problem.



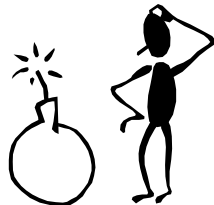
Step away for a few minutes to ask yourself *“Is this all there is to it?”* and *“Is this the real problem?”*

If it's not clear, it's probably not something that will respond to a quick fix. You don't really want this coming back to you, do you?

Is it simple, a one-off type of problem, something you can fix quickly in a way that will ensure that it won't be back again even in some other form? If yes, then a quick fix will work.

If there is a simple solution or a choice between two simple solutions, or if everyone agrees that this is the problem and you are sure you can take care of it permanently — go ahead and fix it.

*And, if it's a crisis, it needs a quick fix as well as a bigger, longer-term solution.*



If it's obviously a large and complicated situation, it's going to take teamwork – and a quick fix won't work.



You may get pressure to solve a problem faster than you can or should. Buy time with your stakeholders by letting them know that the situation is complex and important and you want to give it the attention it needs. Give them an idea of your timetable and let them know you will keep them informed and involved.

### Step 5 – Develop and Execute Your Plan of Action

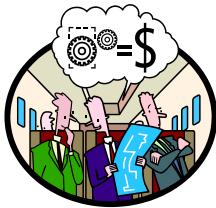
Remember, the devil is always in the details, so break each of your strategies and tactics into the smallest actions possible. The steps in your plan should be sequential and each task needs to be very specific. For each task, decide how success will be measured, assign a point person, and assign a date for completion. And, be sure to get buy in from stakeholders.



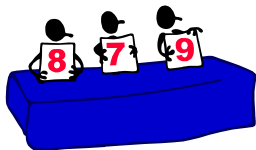
*It takes as much energy to wish as it does to plan.* Eleanor Roosevelt

**Execution** is doing the right things the right way. It requires clear *direction, teamwork, accountability, and communication* all guided by a strong project leader.

So many great ideas and plans fall apart during execution. *Do you have the leadership skills and the staying power to successfully manage the implementation of your solution?*



It requires *daily attention to the details*, holding yourself and others accountable. It requires focus to stay above the distractions and discipline to enforce boundaries around your project. Committing to regular team meetings and weekly updates to your boss and key stakeholders are two ways to help you stay on track. And, updating your written plan at least weekly and having it in clear view daily will also support you.



Keep score. Acknowledge milestones met and celebrate when you reach the target. And, once you've hit the target, it's not quite over. Pull together the team and seek input from all stakeholders about what worked well and what could have been better. Address both the process and the final product.

*Capture the learning* in the form of new procedures, templates, and best practices to share with others in the organization.

## Summary

We've completed our description of the model:

- ★ Step 1 – Fully describe all you know about the **situation**.
- ★ Step 2 - Define your **target** or ideal outcome.
- ★ Step 3 - Decide if it's worth solving – **go or no go**.

Let's quickly recap steps 4 and 5.

- ★ At step 4, you determine if the problem will respond to a **quick fix** or if it needs a **strategic approach**. If it's small, simple, discrete, and unambiguous you are safe to assume that you can go ahead with your solution. If it's a big or complex issue, part of a pattern or trend, or if there are conflicting views about the cause or the correction needed, then you need more time, teamwork and a well planned out approach.
- ★ Step 5 is creating a sequential **plan** of action that includes stakeholder input and buy-in, clear accountability, and measures of success. Step 5 also includes flawless execution with strong leadership, follow through, communication, and capturing lessons learned so they can be applied to future problem solving.

*In the next chapter, we'll talk about how you can use the process as a tool for communication and project management.*



## Chapter IV – The STP Tool



*The five-step problem solving process easily converts to the three-step STP (Situation, Target, Plan) that you can use for two important activities: communicating about the problem within your organization; and managing your action plan through completion.*

Once you've applied the five-step model for problem solving – **prepare a written summary** in a three-column format, highlighting in bulleted phrases the key points that describe the problem, the target, and the plan.

This concise STP summary will make it easy for you, your team and all your stakeholders to stay on the same page. Type it and keep it to a one-page, easy-to-read, well-written format.

An example with guidelines is provided on the next page and a blank template form is available from [info@catherineodonnellandassociates.com](mailto:info@catherineodonnellandassociates.com) - type "requesting STP form" in your Email subject line.

## STP Tool

Situation	Target	Plan
<p>The problem.</p> <p>History, facts, opinions, suggestions, emotions, etc.</p> <p>Separate symptoms from sources.</p> <p>Identify patterns and trends.</p> <p>Name what you don't know.</p>	<p>The ideal outcome.</p> <p>What the situation will look like without the problem.</p>	<p>Best approach.</p> <p>Alternatives considered.</p> <p>The sequential steps toward the target. Who will do what? When?</p> <p>Who needs to be involved?</p> <p>What resources are needed?</p>

**Keep your STP current** to provide regular updates.

Not only does the STP make it easy to keep everyone on the same page, it can also be used as a project plan to keep you on track during execution. Take advantage of it as a working document that you keep current to provide accountability and track your progress.

1. Number each step in the plan;
2. Assign a target date to each action;
3. Indicate the point person; and
4. Where possible, identify the measure of success.

## Summary

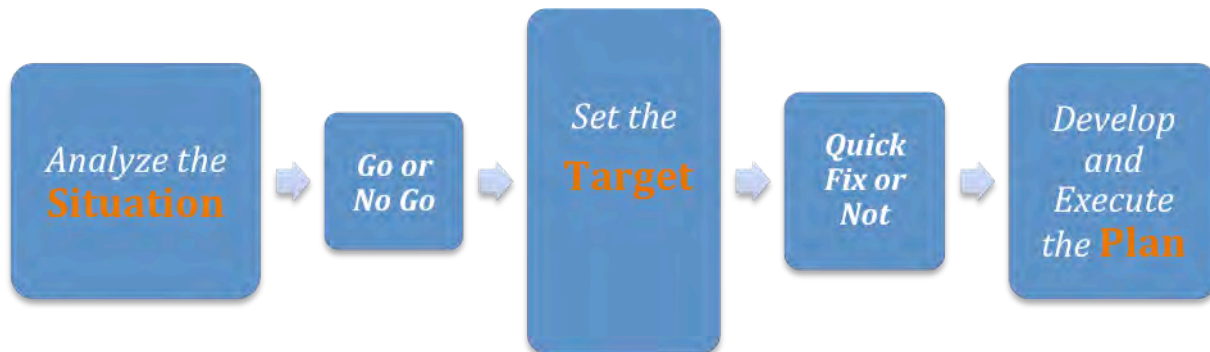
With practice, you will quickly become an expert at the STP short-cut and save many hours keeping others informed and managing your implementation plan.

The added benefits of this one page document are that it serves as both a communication tool and a project management tool. It helps you think, plan and get things done in ways that will increase your efficiency, impact your results, and accelerate your career.

## Notes

Describe your commitment to using the STP tool.


## CHAPTER V – Program Summary



Problem solving is strategic thinking. Your ability to solve problems well, both big problems and little ones before they become big, is an important responsibility you have as a leader. A strategic approach to problem solving will pay dividends in efficiency, productivity, and profit.

The five step model for solving business problems makes it easy to approach any size problem to define it completely, choose whether to solve it or not, and apply the right approach to get it completely solved.

Your skill in applying the model will come with practice. Please review the goals you set for yourself on page 5 and complete the [Developmental Action Plan](#) on the next page. Then please go to the last page and take just a few minutes to provide us with [feedback](#). Thank you very much for your participation in the program and/or your use of the step-by-step guide.



For similar guides on other business and skills building topics: Contact [information@catherineodonnellandassociates.com](mailto:information@catherineodonnellandassociates.com) or visit our website <http://www.catherineodonnellandassociates.com>

**Development Action Plan**

AREAS OF FOCUS	STRATEGIES/TIMETABLE	RESOURCES NEEDED

## Participant's Feedback - Strategic Problem-Solving Program

Check your response to the items below and please be candid. We want to do what it takes to improve this program to exceed expectations of clients like you. Rate content and facilitation of the program on a 1 to 5 scale:

- 1 = Didn't meet any of my expectations and was a waste of my time
- 2 = Below my expectations, but I got value
- 3 = Good and met some of my needs and expectations
- 4 = Very good and met my needs and expectations
- 5 = Exceeded my needs and expectations

	1	2	3	4	5
<b>CONTENT (Self-Study and Workshop)</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comments:					
	1	2	3	4	5
<b>FACILITATION (Workshop Participants Only)</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comments:					

**What was most valuable?**

**What was least valuable?**

**What improvements should we make?**

**Participant Name** (optional): \_\_\_\_\_