MANAGEMENT PERSPECTIVES

Problem Solving

From the Editor

Apparently Aristotle made this observation: "There was never a genius without a tincture of madness."

What is it about madness that helps genius? For one, the "mad" disconnect themselves from reality and push boundaries that the sane see as sacrosanct. As well, they stand apart from the collected wisdom of the group and provide alternative views of the world whether others are comfortable with them or not. Those two in combination allow innovation to happen, the hallmark of a genius.

When helping teams and organization to innovate, we often invite them to go "mad" and push at boundaries they haven't previously been willing to test and to "step outside" accepted practices.

Marilyn Baetz, editor

About the Author and the Article

There's little doubt that there is much virtue in making simple problems more complex. Neither is there much virtue in making complex problems simple.

In this article Stephen starts with an observation by Mencken and then illustrates how simple, neat solutions can often be wrong. From there, he talks about several reasons why simple solutions are so prevalent within organizations. Finally, he defines how to recognize complex problems when you see one and maps out 8 steps for solving those.

Stephen is a partner in LIVE Consultants Inc., the organization sponsoring this publication.

Stephen Baetz

Simple, Neat, and Wrong

H. L. Mencken who lived for 76 years and then died in 1956 was an American essayist, editor, and satirist. He was, to say the very least about him, a caustic critic of American life and culture, someone whom you could easily love because he got it right or hate because he challenged a view of the world that you cherished. This Sage of Baltimore, as he was known to many, made this observation: For every problem, there is one solution which is simple, neat, and wrong.

I first encountered the quote early in my career and my reaction as I was reading it was, Yes, Yes, and No. Yes for every problem there is one solution, Yes that one solution is likely to simple and neat, and No he's wrong about wrong. I think I had some odd version of "marriages are made in heaven" going on in my head; the task of a good problem solver I believed, was to find the perfect match between problem and solution … and there could be only one perfect match.

Years in this business have given me lots of opportunity to observe a rather diverse group of leaders, managers, teams, and organizations. I have come to the conclusion that simple and neat solutions for complex problems are wrong: wrong because they are counterproductive and, often as not, hurtful to a range of stakeholders.

Here are several examples to illustrate that last assertion.

Example 1

The complex problem is finding the best way to compensate members of the senior leadership team because, after all they are talented and we don't want to lose them. The seemingly simple, neat solution that is used more often than not is a system which comps leaders based on the financial results of the company in the current year. The impact of doing that is short-term, carpe diem thinking and decision making which ignores the sustainability and prosperity of the organization over the longer term.

Example 2

The complex problem is figuring out what a differentiated, sustainable advantage could be when your product or service is considered by the marketplace to be a commodity. The seemingly simple, neat solution is to deploy off-the-shelf technology to supply information that will augment the current offering. Logistics companies do this quite readily: give you on-line access to where your goods are at any given moment. The impacts are you get a short-term lift until competitors replicate, you have customers who are used to the value-add and don't want to pay extra for it, and your costs increase.

Example 3

The complex problem is recruiting and retaining a pool of capable associates. The seemingly simple, neat solution is to pay in the top-decile and provide a benefits package that is second to none. The impact (if nothing else is done) is a group of well-paid but disengaged employees who give little or no discretionary time or effort.

The Drivers of Simple and Neat

What are the common characteristics of simple and neat solutions?

First, many of the simple and neat are focused on the short-term. The underlying thought process seems to be driven by "What will give me quick improvements?" and little regard is given to what the costs will be in the longer term. It appears that a natural instinct for many of us is to grab offers of present-time advantage and ignore the debt or problems that we cause ourselves in the future. It is, I suppose, a classic case of a Faustian dilemma: sell your soul (or something equally valuable) in exchange for something that looks glitzy, attractive, and immediately available.

Second, simple and neat solutions require less: less thinking, less effort, and less resources. And if we feel the pressure of being efficient — get more bang for the buck or do more with less — we can readily choose options which are simple and presumably quick.

Third, simple and neat solutions typically serve the interests of a single stakeholder. They turn a blind eye to what other competing interests may need or want.

So urgency, efficiency, and a desire to serve a single stakeholder are the common characteristics of simple, neat, and wrong solutions. They can come to decision-making tables for a variety of reasons beyond the perceived value of the characteristics. Here are a few of those reasons:

✓ Communication coming from members of the leadership team signals that it is best to focus, to narrow, to concentrate on a few things. Some people then assume that to focus means to make simple.
✓ A belief exists that we never get to a distant future (because the marketplace is changing so quickly) so there is no need to consider the longer term.
✓ Members of the organization have been told to work within the limits of their *silo* (although that word is often studiously avoided) and, as a result, they never get to see how complex some problems really are.
✓ Employees have observed that what gets recognized and valued is simple and neat.
✓ Employees have never learned how to deal with complexity.

Combine the benefits associated with simple and neat with these reasons and you can appreciate why decision makers rarely see more comprehensive solutions coming to the table.

Distinguishing Simple and Complex

Before I go any further, I should be clear about one thing; problems should never be made more complex than they really are. Simple, neat solutions to simple, neat problems sound to me like the right thing to do. When the problems are complex, that's when simple and neat will often end up wrong.

One of the challenges then is to know when you've got a simple problem and when you've got a complex problem. Here is what I think about. Complex problems …
✓ have been around for a long time,
✓ continue to exist even though time has passed and strategy and plans have changed,
✓ have multiple and often competing stakeholders or interest groups,

✓ are supported by beliefs and values that are near and dear to the organization, and
✓ if addressed, would create significant strengths and advantages.

A complex problem has to be recognized as complex by more than one individual or the problem won't get the time and attention it needs.

And Then …

Recognition and agreement are the first steps in addressing complex problems, but where do you go from there? Try these steps:

One. Identify why simple solutions won't work and the potential costs of trying to make them work. This is something that other decision makers will ask, so you might as well have an answer.

Two. Define what success looks like. Complete a sentence like this, "We will know that we have been successful in addressing this problem when …" As well, define some milestones: "We will know we are making progress on this problem when …" When completing each of those sentences, use hard metrics as well as behavioural descriptions.

Three. Determine who the stakeholders are. When doing this, consider those who would like to have input so their interests and perspectives are considered as well as those who will be affected by the problem being addressed.

Four. Define how each stakeholder is impacted by the problem now (this provides you with a definition of how the problem is manifesting itself) and what should be different in the future.

Five. Complete a root cause analysis — generate possible hypotheses about what is causing the problem, select the most likely explanations, gather data, and identify what variables are at play and what affect they are having.

Six. Generate possible solutions and assess the costs and benefits of each.

Seven. Develop a comprehensive plan and determine accountabilities for implementation.

Eight. Execute, monitor, and correct.

If you want to get everybody on the same page …

You First Have to Get Their Elbows on the Tabletop.

You can't do what you don't get.
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Tabletop Dialogues
centre on a large information-rich visual that is placed on a table and explored by a group of 8 people. A facilitator leads the group in a focused dialogue and helps the group draw conclusions about the challenges and opportunities the organization is facing.

Tabletop Dialogues
start with members of senior management determining the key issues facing the organization. Hard data are assembled and transformed into information-rich tables, charts, and graphs that become incorporated into the visual.

Tabletop Dialogues
engage the hearts and minds of every employee in the issues facing the business.

In the end …
Everyone gets it! Then the elbows come off the table and everyone leaves the room ready to work on what is really important to organizational success.

For more information about our services, contact us at 519-664-2213.

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