Problem Solving:
Clearing a Path for Strategy
by Rich Horwath

Abraham Maslow’s comment, “If the only tool you have is a hammer, you tend to see every problem as a nail,” is one of those tried-and-true statements that nearly everyone agrees with but few do anything about. What tools have you added to your strategic thinking tool kit lately? What new frameworks are helping you better understand and grow your business? Let’s examine a few tools that can be used to more effectively and efficiently solve problems and clear a pathway for better strategy.

A problem has been described as the difference between what one has and what one wants. Similarly, strategy has been described as the plan for moving from where one currently is to where one wants to go. In developing strategy, a problem of some sort is inherently present. This problem can manifest itself in a number of different ways, from the challenges presented by competitors to the obstacle of poor customer service. Strategic thinking involves the identification of the problem and the use of various techniques to solve it.

The first step in problem solving is the identification of the problem at hand. Writing the problem down on paper forces you to clearly articulate it. The problem can be written in typical narrative format or it can be drawn graphically. Either way, the process of putting the problem on paper has a way of making it real, and gives your mind a fixed starting point.

Once the problem has been clearly articulated, there are two steps in assessing it. The first is analysis. Analysis involves breaking down the problem from its whole into its parts and then observing those parts individually. The second step is synthesis. Synthesis involves combining the parts into a comprehensive whole, thereby creating relationships or connections between the individual constituents.

Analysis
Analysis can be seen in many arenas, including sports. After a big game, it’s common for fans and the media to analyze why their team won or lost. We hear of coaches “breaking down film” to better understand who and what contributed to the victory or defeat. Analysis is the breaking down of a whole (football game) into its individual parts (quarterback’s play, running game, special teams, etc.) to gain insights.

Additional support for the importance of analysis can be found from French philosopher, scientist and mathematician René Descartes. Described as the initiator of modern philosophy, one of Descartes’ primary tenets was that every problem should be divided into as many parts as possible. After this division of parts, one should then study each part individually and build back to knowledge of the whole.

In the realm of strategic thinking, analysis is an important component of the initial review of all the relevant aspects of a business. When you study market share data, customer surveys, purchasing patterns, competitor actions, etc., you are analyzing or breaking down that information from its whole into bite-size pieces. For instance, looking at all customers as an aggregate and formulating conclusions based on this mass grouping does little to generate insights. However, breaking the overall customer group down into segments, further refining those segments by specific buying patterns and then
calculating the timing of those buying patterns offers useable information in formulating future strategy.

**Synthesis**

Synthesis swings us back from the individual parts to the whole. Synthesis is a natural complement to analysis, as once the parts are studied individually, the insights drawn can be arranged to form a new whole that moves the process forward. Returning to our football example, analysis helps us understand what was effective and what was not effective in our previous game. Synthesis molds the insights we gathered from all of the individual pieces (quarterback, special teams, defense) and helps us create a new game plan using a different combination of our strengths based on the previous analysis.

Synthesis is a key concept in the development of strategy. Strategy development is often described as a wonderful blend of art and science. It is fair to say that analysis relies more heavily on science (number crunching, market research reviews, etc.) while synthesis is generated through moments of artistic inspiration (determining the true value drivers for a new target audience, identifying optimal product positioning through competitive perceptual mapping, etc). Being able to pull disparate insights together from a broad range of analyses in order to create a viable business strategy is a difficult challenge and the mark of an accomplished strategist.

**Working Together**

Let’s use an example to better understand the complementary nature of analysis and synthesis. Originally constructed by military thought leader John Boyd, the following problem serves as an example of how analysis and synthesis can be used together.

**Problem: Find a vehicle to transport people over snow without getting stuck.**

Using analysis, the following elements can be broken down from their wholes to their individual parts:

Then through synthesis we can reconstruct certain parts of these elements to solve the problem of finding a vehicle to traverse snow without getting stuck.

By using analysis to break down your problem into individual parts to be studied and then using synthesis to reconstruct a new whole that solves the problem, you can approach the daily business challenges with a proven method to solve them.

**The Creative Process for Solving Problems**

The creative process can be another valuable tool in your strategic thinking arsenal when faced with solving a problem. Authors Mihaly Csikszentmihalyi and James Young have identified five steps of the creative problem-solving process:
1. **Prepare your mind by gathering information relative to the problem.**

   Record this information in a journal or write the key facts separately on 3” x 5” note cards. Study the information, constantly re-arranging it and looking for new relationships or associations. This first step is the **analysis** portion, where the problem is broken down into its individual parts.

2. **Think about the problem.**

   Consider the new relationships that emerged. Creating a new whole from the individual parts is the **synthesis** portion of the problem-solving process.

3. **Let the problem incubate in your subconscious without actively think about it.**

   Occupy your time with other activities, from a walk by the lake to attending a concert.

4. **The “Eureka!” moment occurs.**

   The answer to the problem will suddenly appear to you. It is common for the Eureka moment to occur when you are engaged in non-work related activities, such as your morning shower or an afternoon run.

5. **Evaluate the solution and apply it to the problem.**

   After the initial excitement of identifying the potential solution, the less exciting aspect of transforming the idea into reality takes place. When Thomas Edison said that creativity consists of 1% inspiration and 99% perspiration, he was acknowledging the challenge of this final step.

**Pattern Recognition**

Another key element in using the problem solving skill of strategic thinking is the ability to identify and evaluate patterns. A pattern is a design with a consistent, characteristic form, style or method. Patterns can be found in all walks of life, from the flight of birds to the canvases of painters. Patterns can also be found in your customer base, competitor behavior, market dynamics and organizational culture. It is the constant search for and awareness of these patterns and the ensuing actions to capitalize on them that is of importance in the business arena.

To most effectively capture a pattern, it must be mapped. Mapping allows you to identify the configuration of relationships and the traits that characterize it. Once the pattern is mapped, the relationships and traits can be studied and monitored to provide an ongoing assessment of their evolution.

For instance, a company may notice that their largest customers are delaying their purchasing until the fourth quarter of the year. This pattern of purchasing is made up of a number of variables and relationships, including account managers, purchasers, competitors, distribution channels, pricing terms, discounts, etc. By mapping the pattern and these relationships, it becomes evident that this pattern is caused by the tiered volume discounts offered by the company to its largest customers at the end of the year. These discounts were instituted to help the company achieve its annual sales forecasts, but the unintended consequence is decreased gross revenue because of the heavy use of the discounts. Being alert to this purchasing pattern, mapping the pattern and then taking the appropriate corrective action is another key to solving problems.

Replacing the proverbial hammer with new strategic thinking tools doesn’t require a trip to Home Depot and will enable you to solve the barrage of problems that impede successful strategy.