Approaching Problems as a Group

by Sophia

In this lesson, you will learn about the initial steps involved in group problem-solving. Specifically, this lesson will cover:

1. Define the Problem

No matter who you are or where you live, problems are an inevitable part of life. This is true for groups as well as for individuals. Some groups - especially work teams - are formed specifically to solve problems, but they still may encounter problems of their own.

Regardless of the problem, having the resources of a group can be an advantage, as different people can contribute different ideas for how to reach a satisfactory solution.

> ▶ ☑ **Productivity: Why Employers Care**

Employers seek productive individuals for their teams. They want to know that as issues arise, solutions will be found in a timely manner. To ensure this happens, it is critical that teams have a plan.

But if you don't know what the problem is, how do you know you can solve it? Defining the problem allows the group to set boundaries of what the problem is and what it is not and to begin to formalize a description or definition of the scope, size, or extent of the challenge the group will address.

A problem that is too broadly defined can overwhelm the group. If the problem is too narrowly defined, important information will be missed or ignored.

In the following example, which we will use throughout the this and the following lesson, there is a web-based company called Favorites that needs to increase its customer base and ultimately sales. A problem-solving group has been formed, and they start by formulating a working definition of the problem.

> **Too broad:** *Sales are off, our numbers are down, and we need more customers.*
>
> **More precise:** *Sales have been slipping incrementally for six of the past nine months and are*

significantly lower than a seasonally adjusted comparison to last year. Overall, this loss represents a 4.5 percent reduction in sales from the same time last year. However, when we break it down by product category, sales of our non-edible products have seen a modest but steady increase, while sales of edible products account for the drop off. We need to halt that decline.

2. Analyze the Problem

Now the group analyzes the problem, trying to gather information and learn more. The problem is complex and requires more than one area of expertise.

Why do non-edible products continue selling well? What is it about the edible products that is turning customers off? Let's meet our problem solvers at Favorites.

Kevin

Kevin is responsible for customer resource management. He is involved with the customer from the point of initial contact through purchase and delivery. Most of the interface is automated in the form of an online "basket model," where photographs and product descriptions are accompanied by "buy it" buttons. He is available during normal working business hours for live chat and voice chat if needed, and customers are invited to request additional information. Most Favorites customers do not access this service, but Kevin is kept quite busy, as he also handles returns and complaints.

Because Kevin believes that superior service retains customers while attracting new ones, he is always interested in better ways to serve the customer. Looking at edibles and non-edibles, he will study the cycle of customer service and see if there are any common points - from the main webpage, through the catalog, to the purchase process, and to returns - at which customers abandon the sale. He has existing customer feedback loops with end-of-sale surveys, but most customers decline to take the survey and there is currently no incentive to participate.

Mariah

Mariah is responsible for products and purchasing. She wants to offer the best products at the lowest price, and to offer new products that are unusual, rare, or exotic. She regularly adds new products to the Favorites catalog and culls under-performers. Right now she has the data on every product and its sales history, but it is a challenge to represent it. She will analyze current sales data and produce a report that specifically identifies how each product - edible and non-edible - is performing. She wants to highlight "winners" and "losers," but also recognizes that today's "losers" may be the hit of tomorrow. It is hard to predict constantly changing tastes and preferences, but that is part of her job. It's not all science, and it's not all art. She has to have an eye for what will catch on tomorrow while continuing to provide what is hot today.

Suri

Suri is responsible for data management at Favorites. She gathers, analyzes, and presents information gathered from the supply chain, sales, and marketing. She works with vendors to make

sure products are available when needed, makes sales predictions based on past sales history, and assesses the effectiveness of marketing campaigns.

The problem-solving group members already have certain information on hand. They know that customer retention is one contributing factor. Attracting new customers is a constant goal, but they are aware of the well-known principle that it takes more effort to attract new customers than to keep existing ones.

Thus, it is important to insure a quality customer service experience for existing customers and encourage them to refer friends. The group needs to determine how to promote this favorable customer behavior.

Another contributing factor seems to be that customers often abandon the shopping cart before completing a purchase, especially when purchasing edible products. The group members need to learn more about why this is happening.

3. Establish Criteria

Establishing the criteria for a solution is the next step. At this point, information is coming in from diverse perspectives, and each group member has contributed information from their perspective, even though there may be several points of overlap.

Kevin

Customers who complete the post-sale survey indicate that they want to know (1) what is the estimated time of delivery, (2) why a specific item was not in stock and when it will be available, and (3) why their order sometimes arrives less than complete, with some items back-ordered, without prior notification.

A very small percentage of customers complete the post-sale survey, and the results are far from scientific. Also, it appears the interface is not capable of cross-checking inventory to provide immediate information concerning back orders, so that the customer "buys it" only to learn several days later that it was not in stock. This seems to be especially problematic for edible products, because people may tend to order them for special occasions like birthdays and anniversaries. But we don't really know this for sure because of the low participation in the post-sale survey.

Mariah

There are four edible products that frequently sell out. So far, we haven't been able to boost the appeal of other edibles so that people would order them as a second choice when these sales leaders aren't available. We also have several rare, exotic products that are slow movers. They have potential, but currently are under-performers.

Suri

We know from a zip code analysis that most of our customers are from a few specific geographic areas associated with above-average incomes. We have very few credit cards declined, and the average sale is over $100. Shipping costs represent on average eight percent of the total sales cost.

We do not have sufficient information to produce a customer profile. There is no specific point in the purchase process where basket abandonment tends to happen; it happens fairly uniformly at all steps.

In the following lesson, we will explore some potential solutions to the team's problem as we progress through the remaining stages of group problem-solving.

☑ SUMMARY

In this lesson, you learned about the first three steps of group problem-solving. **Defining the problem** in a way that is sufficiently narrow will start the group on the path to success and support the next two steps: **analyzing the problem** and **establishing criteria**.

Best of luck in your learning!

Source: This tutorial has been adapted from "Business Communication for Success" Version 1.0 by Scott McLean. Copyright 2010. ISBN 978-1-4533-2742-5 (Licensee Product: Workplace Communication), reprinted with permission from FlatWorld.