

Thinking Strategically: Problem Solving & Decision Making



From: Essay on How to Do Strategic Planning

“The next five years promise to be equally complex, fast paced, and challenging. Campus stakeholders throughout the campus, not just the senior level, need to understand the big picture and changing context of higher education on an ongoing basis.”

Patrick Sanaghan and Mary Hinton,
Inside Higher Ed 2013

The Strategic Imperative...

Alice: Which way should I go?

Cat: That depends on where you are going.

Alice: I don't know where I'm going!

Cat: Then it doesn't matter which way you go!

- Lewis Carroll, 1872
Through the Looking-Glass

What IS Strategic Planning?

“The process by which the guiding members of an organization envisions its future and develop the necessary procedures and operations to achieve that future.”

- *Goodstein, Nolan, and Pfeiffer, Applied Strategic Planning*

Types of Planning: Strategic, Tactical, Operational & Contingency Planning

- Strategic - designed with the entire organization in mind and begins with an organization's mission.
- Tactical - short range, emphasizing the current operations of various parts of the organization, and concerned with their responsibility and functionality to fulfill specific parts of the strategic plan.
- Operational - focused on the specific procedures and processes that occur within the organization. Made by frontline, or low-level, managers.
- Contingency - devised for an outcome other than in the usual (expected) plan. It is often used for risk management when an exceptional risk that, though unlikely, would have catastrophic consequences.

Strategic Plan - The “Living Document” Imperative

- A strategic plan is a viable path for achieving your goals – it answers the question “How will we get where we need to go?”
- Your strategy must provide guidance to help people make the right decisions

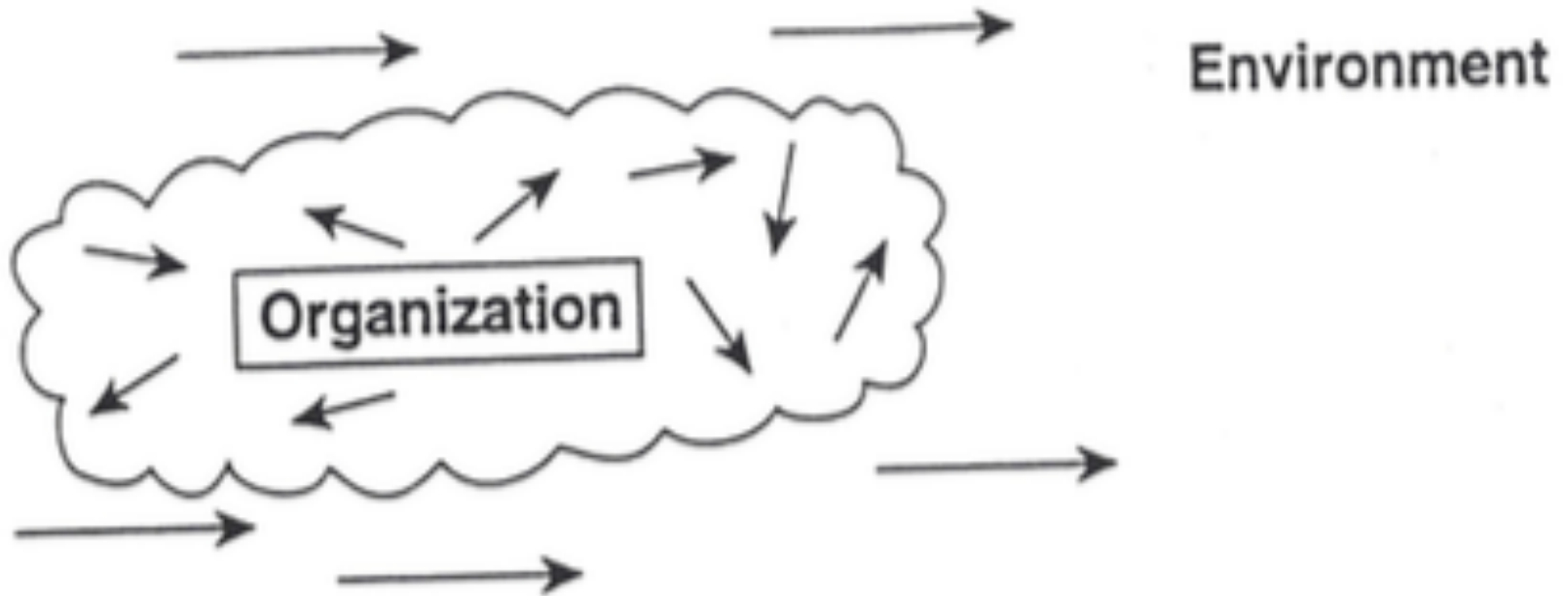


Characteristics of a Good Strategy

- Sharp Edges:
 - Defines what you Will Do, and Won't Do
- Leverages Key Elements of the Organization:
 - Brand
 - Reputation
 - Intellectual property
 - People
 - Technology
 - Innovation

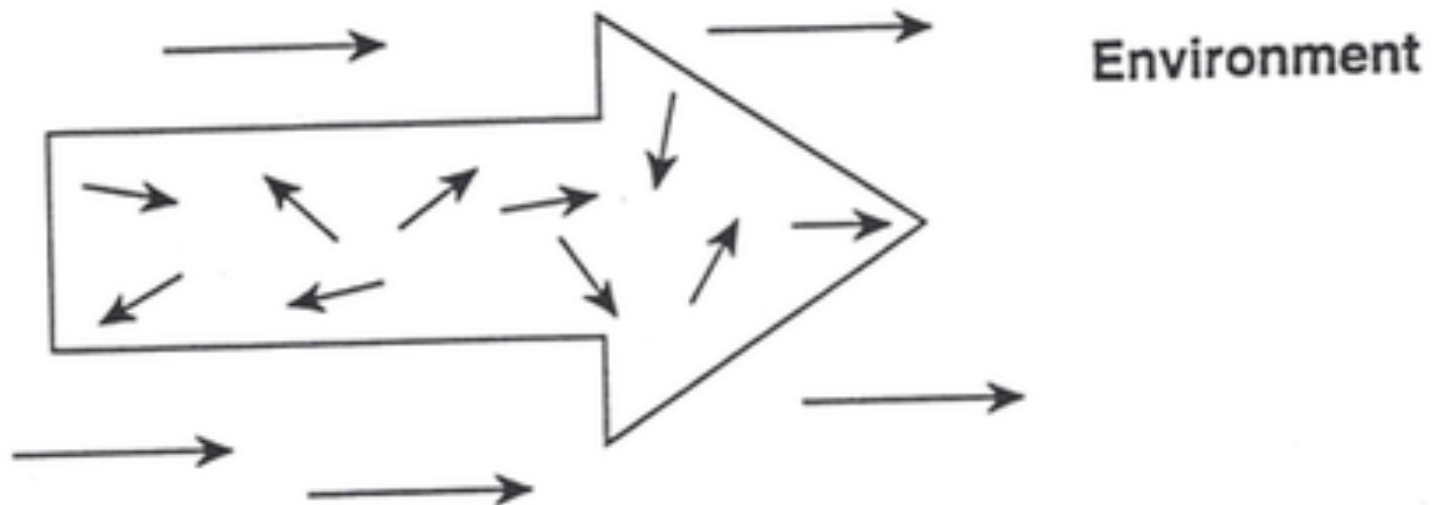
Organizational Alignment

- Misaligned Organization Without a Strategic Plan



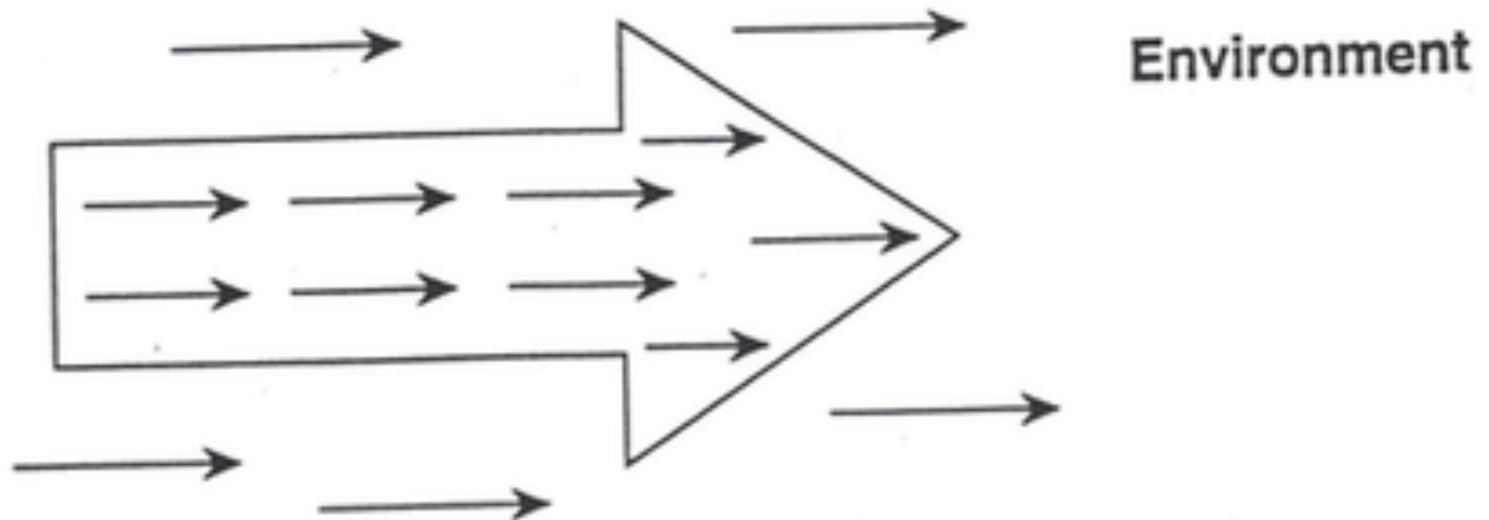
Organizational Alignment

- Organization that has a Strategic Plan but does not have members aligned with the plan

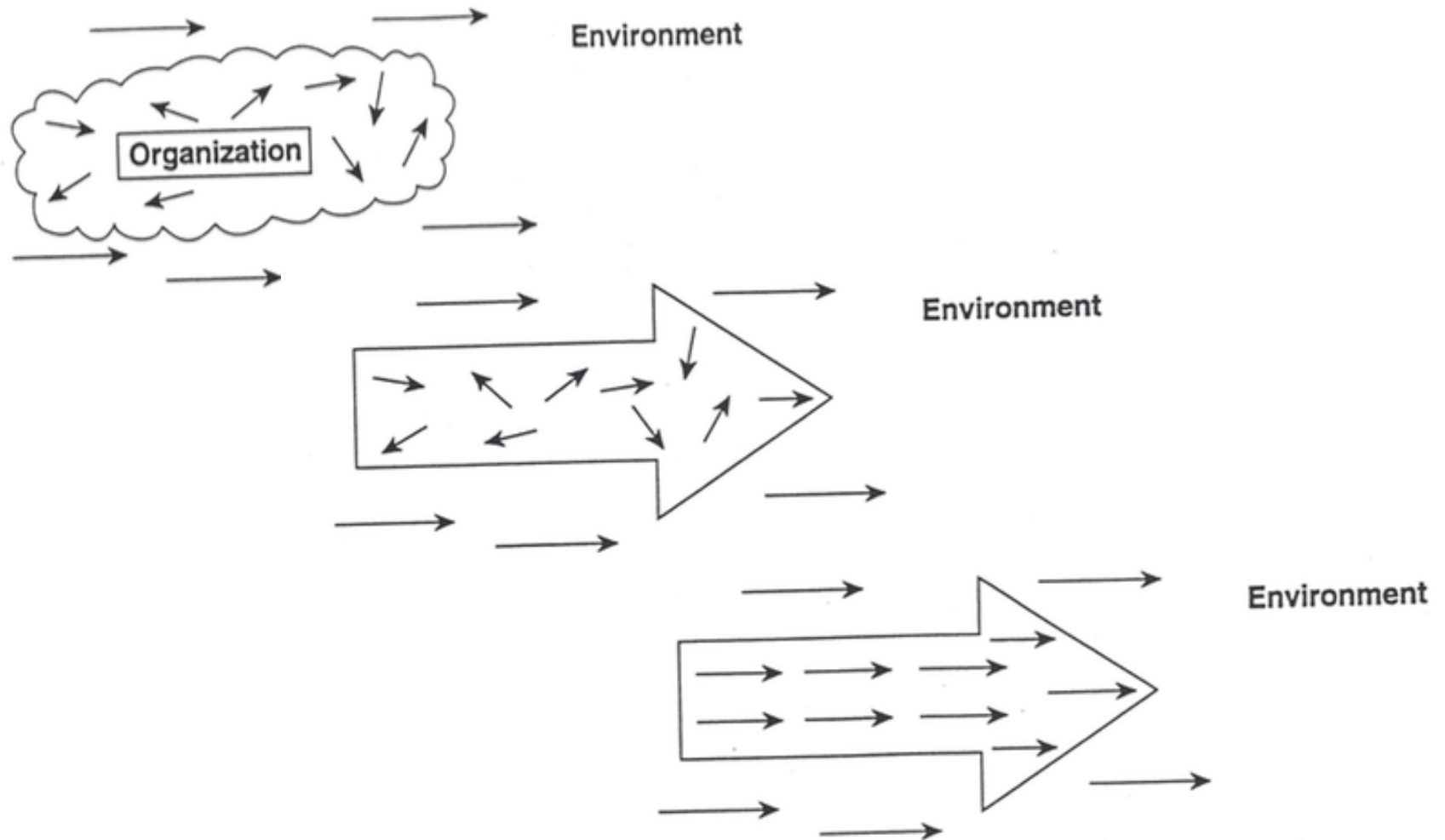


Organizational Alignment

- Organization that has both Strategic Plan and its members aligned with the plan



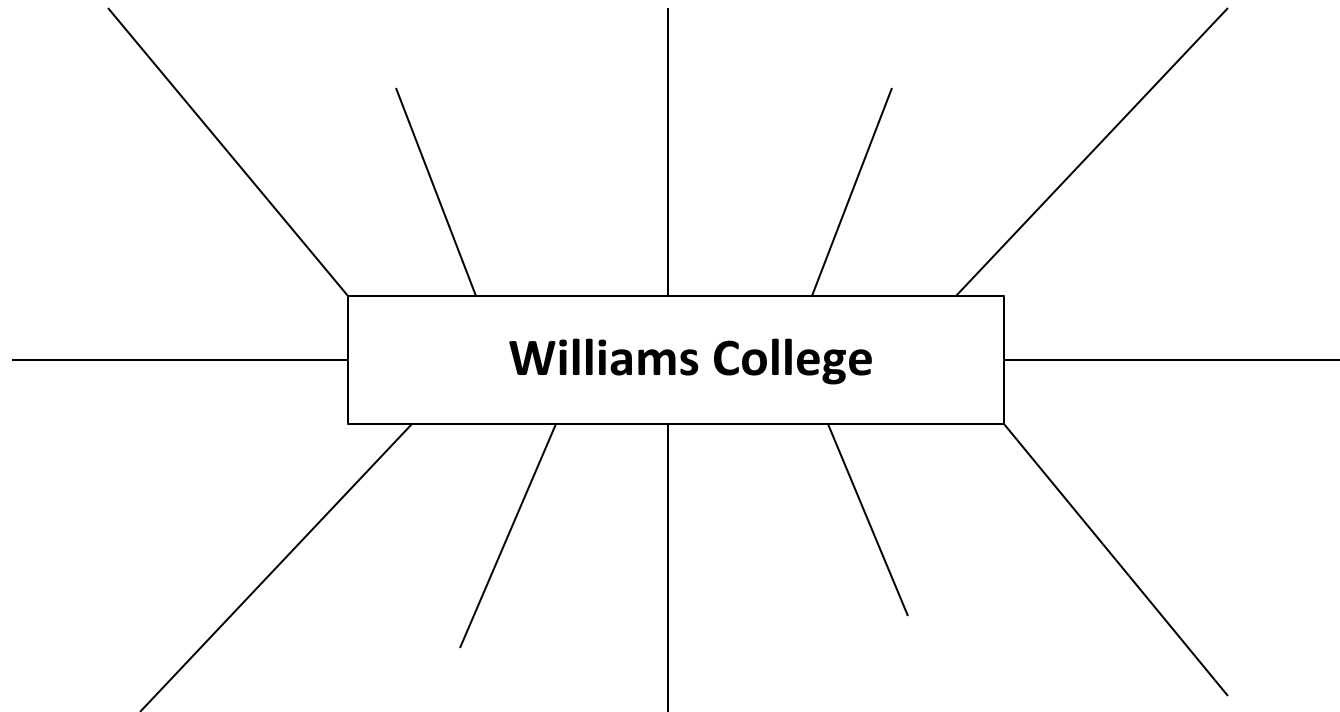
Where are you?



Typical Organization's Stakeholder Relationships



Our Institution's Stakeholder Relationships



Tools for Strategy Development:

- P_E_S_T Analysis
- T_O_W_S Analysis

Tools for Strategy Development: P_E_S_T Analysis

Political

Socio-Cultural

Economic

Technological

Tools for Strategy Development: T_O_W_S Analysis



“The” Problem Solving and Decision Making Model



What's missing?
Problem Formulation

PROBLEM SOLVING

Addressing Threats and Weaknesses

What is a PROBLEM??

- A disturbance or unsettled matter that demands a solution. This is:
- something that has already occurred or is occurring now
- something that is not happening yet, but has been identified
- something that needs to be detected or prevented

What is the “Right” Problem?

- Points towards solutions that remove the perception of a disturbance
- Leads to solutions that have a neutral or positive effect
- Compatible with the norms of the organization
- Acceptable as a problem to the stakeholders in the situation

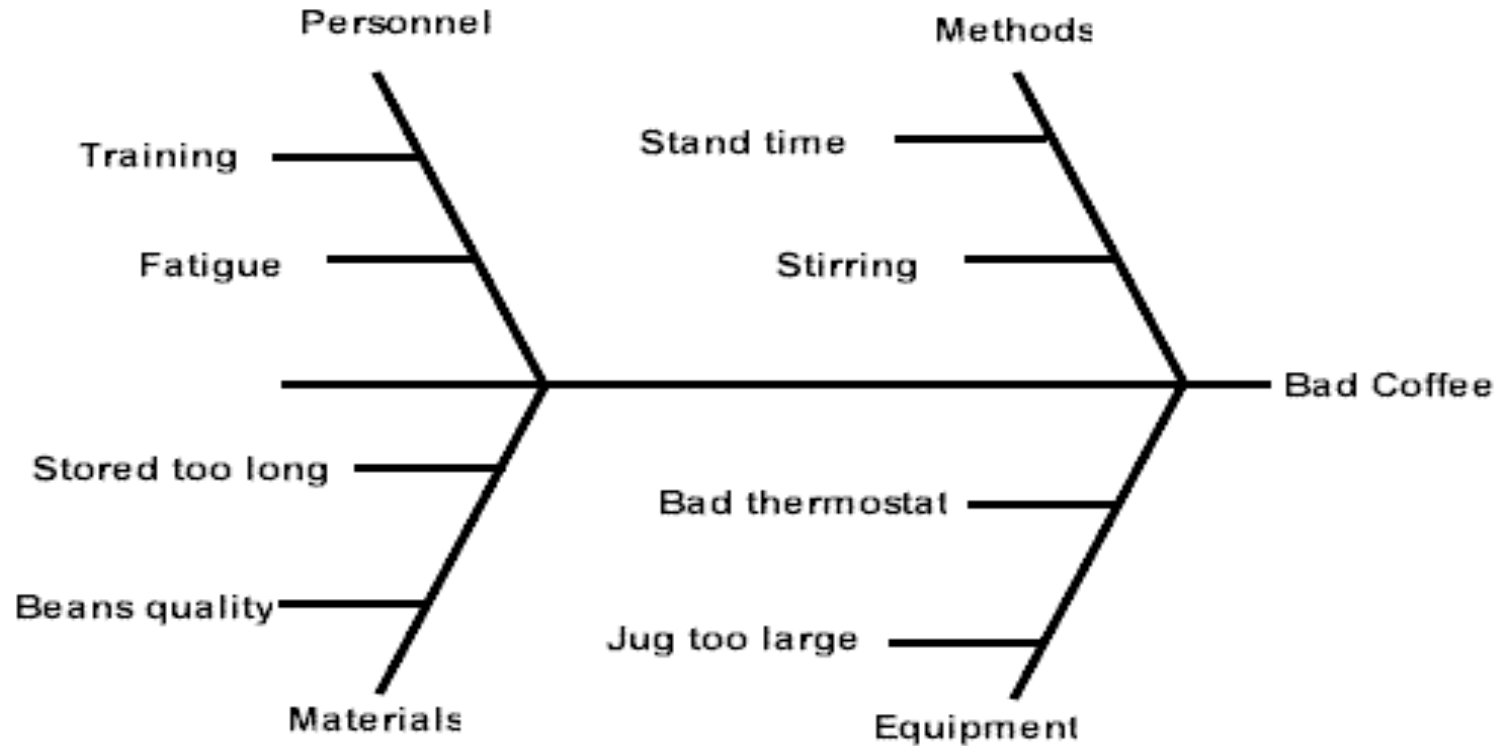
What are Barriers to Effective Problem-Solving?

- Mistaking symptoms for problems
- Accepting problem statements uncritically
- Posing questions that presuppose the problem
- Confusing a solution with the problem (“We need...”)
- Leaping too quickly into solution mode (habits)
- Information entrapment

Defining Problem “Factors” using the “Fishbone” Cause and Effect Diagram

- A graphical tool for identifying the relationship between a problem and its potential causes
 - The Fishbone diagram is drawn to resemble the skeleton of a fish, with the issue as the “head”
 - The major cause categories are written in the boxes above and below the “backbone”
1. First, define the problem or opportunity in a brief statement that all can agree upon
 2. Second, summarize the major causes under the categories. These categories are usually Methods, Measurements, Machines, Materials, and People
 3. Third, under each category, identify potential causes for the problem relating to the category

Practice: Fishbone "Bad Coffee"



“Fishbone This”

Williams recently purchased new student quality relationship management (SQRM) software. The SQRM software is not being used to optimal effect. The front-line staff are complaining that the new SQRM software doesn't work properly and isn't any good. Your president is wondering why so much was invested in this software.

What if you Learn That...

- The software works perfectly fine
- The front line staff who use it were not consulted before implementing the SQRM software
- The front line staff were not provided with enough support and training to use it
- Two departments, IT and OAS, think that the responsibility for running this software should be within their jurisdictions

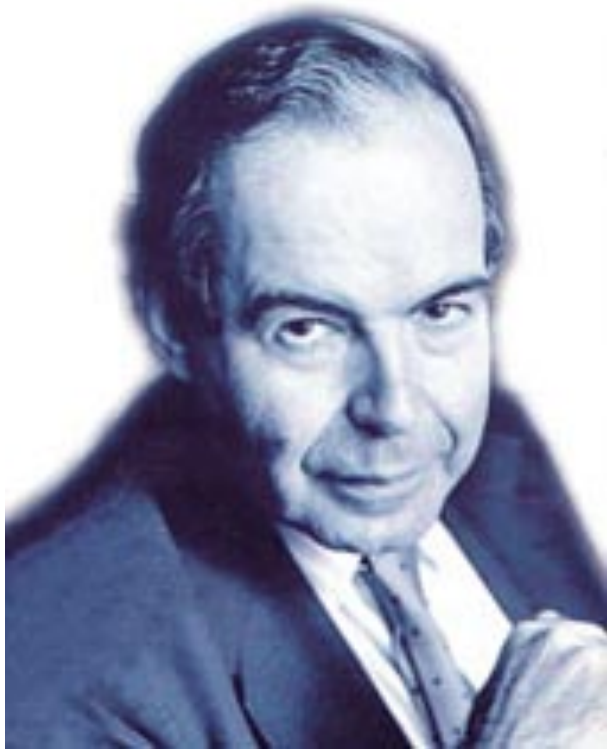
Guide for Seeking Help in Problem Solving

- Whose problem is it?
- Who has the expertise?
- Who has the technical know-how?
- Can others add anything?
- Will you accept suggestions?
- Is there a benefit to involving others?
- Do you need to coordinate efforts?
- What is the learning value?

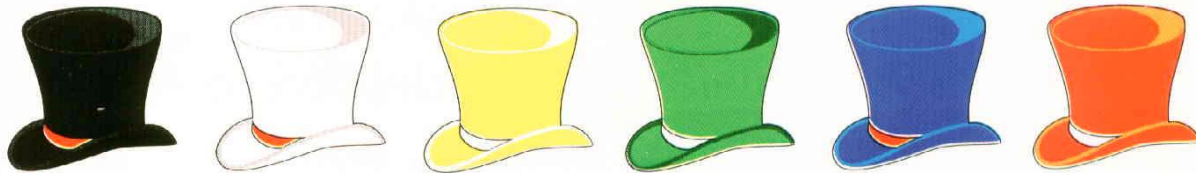
Group Problem-Solving Techniques

- Brainstorming: A method of encouraging a team to generate creative ideas. All ideas are written down, and no idea, however apparently silly, is criticized.
- Brainwriting: is particularly useful with a group of people who are somewhat reticent.
- Affinity Method: brainstormed ideas are written on 'sticky notes'. These are stuck to a wall and progressively organized into logical groupings by the participants.
- DeBono's Thinking Hats...

Thinking in Hats (Edward de Bono)



- To aid creative thinking Edward de Bono came up with six notional hats that can be put on and taken off easily
- Each 'hat' represents a perspective or way of thinking



Six Thinking Hats

- White hat—pure facts, figures and objective information.
- Red hat—emotions and feelings; hunches and intuition.
- Black hat—devil's advocate; logical negative judgment; why it won't work.



- Yellow hat—sunshine, brightness and optimism; positive constructive thought.
- Green hat—fertile, creative, new ideas, movement, provocation.
- Blue hat—cool and controlled; rule over other hats.

Using the Hats

- Use each hat as often as needed
- Not necessary to use every hat
- Time under each hat: generally, short
- Sequence can be preset or evolving
- Requires discipline from each person
 - While using it, stay in the idiom
- Can be used by individuals and groups

Techniques for “Narrowing” the Solution Choices

- **Cost/Benefit Analysis:** a systematic approach to estimating the strengths and weaknesses of alternatives that satisfy transactions, activities or functional requirements for a business.
- **Force Field Analysis:** A team based method of brainstorming the 'drivers' and 'restraints' that affect progress to a desired goal.
- **Multi-voting:** Narrows a large list of possibilities to a smaller list of the top priorities. Each participant may vote for as many ideas as they wish.
- **Borda Count Method:** Allows an item that is favored by all, but not the top choice of any, to rise to the top. Each participant prioritizes the choices, and the ranking are totaled.

Exercise

- Your kindly boss wants to increase your teams total compensation. He offers your team these choices: (1) take an increase in hourly pay, (2) work fewer hours per week so that your per-hour pay rate will increase, (3) take a long paid vacation each year and continue to work at the same hourly pay.

Decision Making

- Decision making is the selection process where one of two or more possible solutions is chosen to reach the desired goal
- Decision making is the process of sufficiently reducing uncertainty and doubt about alternatives to allow a reasonable choice to be made from among them

Criteria for Effective Decision Making

- A clearly defined problem or issue.
- Agreement on who has responsibility for making a decision about the problem or issue.
- Agreement on procedures and methods to be used before discussion begins.
- Clarity about the level of authority you have to either recommend or decide.
- Effective communication that generates ideas.
- Data and other information to develop objective conclusions.
- Honest commitment from the organization to carry out the decision.

Decision Making Styles

- Autocracy
- Autocracy with polling
(Consultative)
- Majority rule
- Minority rule
- Consensus
- Unanimity
- Decision by non-decision

Decision Making Styles

From The “Vroom” Perspective

- A1
- A2
- C1
- C2
- G1
- G2
- D1

Making the Best Decision

- Are there any subject matter experts available?
- Who are the people close to the problem?
- Have I consulted with all of these people?
- Am I trying to make the decision too quickly? If so, why?
- Have I examined the long- and short-term cost-benefits?

Criteria for Determining the “Best” Decision Making Style

- If a decision were accepted, would it make a difference which course of action were adopted?
- Do I have sufficient info to make a high quality decision?
- Do subordinates have sufficient additional info to result in a high quality decision?
- Do I know exactly what info is needed, who possesses it, and how to collect it? **
- Is acceptance of decision by subordinates critical to effective implementation?
- Can subordinates be trusted to base solutions on organizational considerations?
- Is conflict among subordinates likely in preferred solution(s)?

Decision Making and Leadership

- Each type of decision making has its pros and cons
- Each type is appropriate to certain situations
- No type is appropriate to all situations