
FRAMING RIGHT BUSINESS PROBLEM STATEMENTS

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Abstract

In today's fast moving environment towards globalization and retaining existing customers, most of the organisations are very keen in customer centricity. As in the business scenario customers are having many problems in their business and Organisations are in the process of solving their problems. The first step in the problem solving is to identify and define the problem. Now team members who are rendering services to customers must possess mandate skill such as identifying problems and developing effective problem statements. Really speaking a business problem is regarded as the gap between the actual situation and desired situation. This means that in order to identify a problem, team members must know where it is meant to be and where it currently is and how to reach the desired state by solving the problem or filling the gap. This paper presentation explains the basic methods of framing effective business problem statements.

Key words: Problems, Problem Solving, Business problem statements, Framing Business Statements

Introduction

As business analysis professionals and change agents, one of our most important skills is problem solving. Problems present an opportunity to bring value to our customers and organization. Without the crucial skill of problem solving, we're limited in our contribution to the organization as well as career growth. According to Wikipedia, a problem statement *is a concise description of the issues that need to be addressed by a problem solving team and should be presented to them (or created by them) before they try to solve the problem.* In project management, the problem statement is part of the project charter and defines what the problem is so that the project team and stakeholders can focus their attention on solving the problem. Either a project manager or business analyst may prepare the problem statement. Having a good problem statement is essential for good business analysis. It is important to have a good problem statement before starting eliciting requirements for a solution. In the meantime developing an effective business statement is again a big challenge for anybody who are involved in it. Developing effective problem statements direct the team to find out exact solutions to the business problems. Creating and developing business statements involves the right way of asking questions to team to find out correct solutions to the problems. In this paper presentation we can understand the methods of framing business problem statements.

Review Literature

Aspiration-level theory argues that organizational problems are identified when monitored performances are compared with goals and found to be unacceptable (Kiesler & Sproull, 1982). An influential paper by Pounds (1969) explained problem finding in terms of the models (i.e. performance standards) used by organizations. Pounds demonstrated the importance of historical models (prior year results), planning models (a formal plan or budget), goals set by others (higher level executives) and extra-organizational models (what competitors achieve) in evaluating performances and identifying problems. Another proposal explains PI in terms of signal detection theory: problems are identified when their' symptoms/ signals are more

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noticeable than the surrounding noise (Kiesler&Sproull, 1982). A final theoretical contribution is Cowan's (1986) model of problem recognition. Cowan proposed that problems are identified as a result of scanning activity that details discrepancies between reality and one's goals or expectations. Some perceived discrepancies are directly classified as problems; others are assessed in terms of their meaning, urgency and persistence before being acknowledged as problematic.

Definition of Problem Statement

A problem statement can be defined as a concise description of an issue that needs to be addressed by a problem solving team. Defining the problem clearly upfront can be a real aid to the problem solving analysis. It is used to center and focus the team at the beginning, keep the team on track during the effort, and is used to validate that the effort delivered an outcome that solves the problem statement

Generally Problem Statements should answer the following questions:

- What is occurring?
- Where is the problem?
- When did the problem start?
- Extent (Gap) of the problem opportunity
- Very Patient/Customer focused
- Address business case, when applicable
- Show why Change is needed

Effective Problem Statements

It should be phrased as a question

We should start our Problem statements with “How might we...”, or “What can we do to...” encourage us to think creatively about solution generation. It will help to think in all dimensions.

It should not impose limitations

We should not include any constraints which would hinder a person to think deeply. Probably we can include technical, financial or time constraints. But should not impose any limitation for thinking process.

It should be actionable

The Problem statements must possess active verbs which would emphasize the business statements .for example strong verbs like “How might we *teach*...”, or “How might we *provide*...” Active verbs provide additional information, and better describe intent of problem statements.

It should be specific

In general, highly specific problem statements can generate more solutions. Be specific about the job to do.

Framing Problem Statements

- Problem Statements **always starts with Open Ended Questions:**

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The questions should be such a way that to receive long answers and Provoke thinking of respondents and share their opinions and feelings. The respondents should provide qualitative information rather quantitative. We need to make sure the statistical validity is not the prime objective of problem Statements.

- **Problem Statements always should have single objective.**
When you are making problem statement, it should have single objective which would have single objective and it should address only one problem at a time. Making single objective would make strong focus on the desired solution of the business problem.
- **Problem statements should be lack of evaluation Criteria.**
It should not possess any evaluation criteria and we should ensure adding of any statements that would validate any idea.
- **Problem statements should be lack of solution**
It should not possess any evaluation solution or idea that would be one of the responses from the participants. We should avoid any statements that would validate any idea. We are trying to get answers and so, there should not be ideas / answers as part of the question. If there are answers as part of the question, that will drive the discussion which eventually results in not getting many ideas
- **Problem statements should be in appropriate level of abstraction.**
We should apply abstraction when addressing the problems. Do not get into too much specificity.
- **Problem statements always with appropriate positioning elements.**
Using of correct positioning elements would give maximum number of ideas and we can ensure of getting quantitatively more ideas that would be relevant solution to our problem.
- **Problem statements must be clear and unambiguous.**
In case if the problem statements is missing of information , having conflicting information and has incomplete information then it leads to ambiguity. Ensure the problem statement / question is NOT very long and it is very easy to understand.

Dos and Don't s of framing Problem Statements

Dos

- We usually tend to be more solution – minded rather than problem – minded.
Shift the focus from solution to problem.
- Ask ourselves “Is there a better question that will uncover the appropriate range of extra-ordinary ideas / thoughts?”
- Spend more time on clearly defining an Innovation Challenge or framing right questions
- Write it out on a large sheet of paper and post it on a wall to make it visible to all.

Don'ts

- It should be human-focused, not organization-focused.
- We should not focus on business problem statement and Focus must be on features or functions most valuable to the business strategy and to the customer. Articulate customer-focused problem statements.

FRAMING RIGHT BUSINESS PROBLEM STATEMENTS**Conclusions**

A problem well stated is half solved, Wally Davis statement. And he's right, the better the clarity around what the team is attempting to fix, the more efficient they'll be in solving the problem, the solution will better 'fix' the issues, and the team can get back to executing the business versus fixing it. Most of the corporates are trained and building the capability of associates in framing business statements. The Concise and well balanced business problem statements enable participants to focus on the problem and provide the foundation for the team to begin work on the solution. This would help in large by sustaining existing customers, capturing potential customers and reaping tangible benefits.

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