

V. Problem-Solving Concepts

Test Yourself



How Good Are You at Solving Problems? Have you ever examined your problem-solving ability in detail?

You may have thought that an outgoing personality and the ability to persuade people are the most important skills to have in selling, but the number one skill that will lead to your success is problem-solving. Fortunately, problem-solving can be taught.

Before you learn new problem-solving skills, let's find out what skills you already possess. Look at the test on the next page.

Your Problem-Solving Self-Evaluation

Instructions: For each statement, select the answer that best describes you. Answer honestly, based on where you are now, not where you think you should be. Add up the numbers that represent all of your answers, and see where you fall on the scoring chart.

Statement About Your Problem Solving Skills	Never 1 pts.	Rarely 2 pts.	Sometimes 3 pts.	Frequently 4 pts.	Always 5 pt.
I search for problems to solve.					
I ask many questions about the nature of the problem.					
I define each problem carefully before trying to solve it.					
I strive to look at problems from different perspectives.					
I generate or "brainstorm" many different solutions to problems.					
When evaluating solutions, I think about the consequences of each solution.					
Once I choose a solution, I develop a plan that shows exactly how the solution will provide benefits.					
Helping myself and others make a decision is the purpose of my problem-solving process.					

Score	Interpretation of Score
1-19	You probably see problems as negative experiences, rather than as opportunities. You may also tend to solve problems intuitively. You would benefit from a systematic approach to problem solving.
20-29	Sometimes your solutions work, and sometimes they don't. You understand the importance of a systematic process for solving problems, but you don't always stick to that process. Strive for discipline and consistency.

30-40	You are a good problem solver. You take the time to understand the problem, generate solutions, evaluate those solutions, and present your best ideas. Continue to improve by studying the problem-solving model below and identifying areas you would like to strengthen.
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What Did You Learn?

As an Account Executive, you should always reflect on how you are doing and how you can improve. Think about areas in the test that indicate you need to improve a skill.

Constant improvement is one of the things that makes sales so exciting. Start by reflecting on your problem-solving score.

You can always learn more and earn more.

Identify areas where you want to improve, and start developing problem-solving habits that will make you successful as an Account Executive.

It doesn't matter where you start; it matters where you finish!

The Simplex Problem-Solving Model

This model, created by Min Basadur, can guide you through the selling process by converting it into a problem-solving process. Use this model as a guide and you will find yourself becoming more of a consultant than a salesperson, and your clients will look forward to your phone calls and visits.

The Problem-Solving Cycle

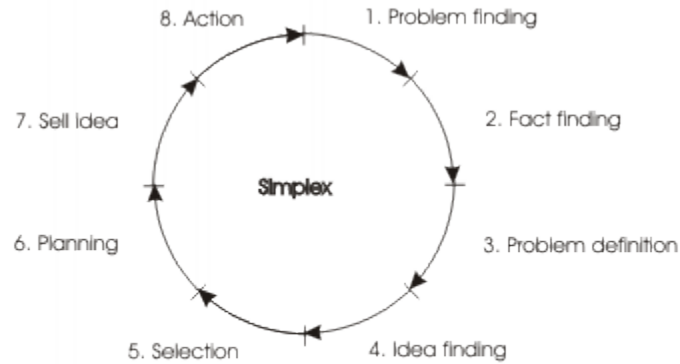


Figure 1: The Simplex Process

Problem-Finding

You may not be accustomed to seeking problems—most people try to avoid them. However, your job as an Account Executive is to find solutions to your prospects' problems. That means when you encounter a problem, you encounter an opportunity.

Get in the habit of listening to your prospects' problems without rushing to offer solutions. If you hurry, you will give the impression that you weren't really listening, and that you are making a pitch you had already planned to make.

Look at this sample dialog to see how an Account Executive might approach the problem-finding stage of the sales process:

Account Executive: *Good morning. I thought I'd check in to see if your staffing needs have changed.*

Shipping Manager: *To tell you the truth, I'm too swamped right now to even think about it. We're way behind on shipping orders. The sales department is mad at me, customers are mad at me, and I'm just too frazzled to think about your services.*

Account Executive: *I understand. It sounds like you're understaffed and it's all falling on your shoulders.*

Shipping Manager: *You've got that right. It seems like I do everything around here. The boss is trying to save money by having me do more of the work, and I get the blame for orders being shipped late.*

Account Executive: *When you're not so busy, I can show you how to save him his money and get your orders out on time.*

Shipping Manager: *That sounds great. Hey, I still get a lunch break on most days. Why don't you drop by tomorrow and let me hear how you can help me?*

In this scenario, the Account Executive hinted at a solution, but spent most of the time acknowledging the problem. The prospect didn't feel pressured, and decided to take action instead of putting the Account Executive off. The Account Executive became an ally instead of an adversary.



Fact Finding

Understanding your prospects' problems requires much more than a general summary. You need to know the details that are particular to each prospect's situation. In most cases, this will involve numbers:

- What is the budget that is currently available for staffing (dollars)?
- How much would the company like to see productivity improve (percentage)?
- How far behind is the company on deadlines (hours/days/weeks)?
- How many tasks are not getting done (number of tasks)?
- How many workers would it take for the company to meet its goals (number of employees)?
- How many special projects are waiting because you don't have enough employees (number of projects)?
- How much money is the company losing because work is not being completed in a timely manner (dollars)?

This list is not exhaustive. Use it as to start thinking about how you can quantify your prospects' problems. If you focus on gathering numbers, you will have facts at your fingertips when it comes time to offer solutions. Don't skimp on the fact-finding. It is essential to making the sale.

Problem Definition

You must define the problem in such a way that it points toward a solution. Though you may have listened closely to the prospect's description of the problem and gathered facts about the problem, you need to boil all the information down to one or two sentences that define the problem in a way that suggests the need for a solution.

One way to do this is to ask, "What is holding you back?" This question can help the prospect focus on the exact difficulty she is facing. This question narrows the focus.

You may also ask a question such as, "Why do you want to increase productivity?" This type of question broadens the focus. Sometimes the prospect may be looking too closely at day-to-day difficulties instead of focusing on the cause of the problem.

Let's continue our sample dialogue too see how these questions can help define the problem:

End of Previous Conversation:

Shipping Manager: *That sounds great. Hey, I still get a lunch break on most days. Why don't you drop by tomorrow and let me hear how you can help me?*

Lunch Meeting

Account Executive: *I'm sure I can help you with your problem, but first let me make sure I understand. You're doing the work of several employees in order to save money, is that right?*

Prospect: *Am I ever! Because I'm on salary, they don't have to pay me overtime, so they just keep giving me other people's work when we lose an employee.*

Account Executive: *So you really need some help.*

Prospect: *Yes, I do, but I can't get any.*

Account Executive: *What is holding you back from getting the help you need?*

Prospect: *I really don't know who to ask for help. The order just comes down that I will be handling this and that, and I do it.*

Account Executive: *I'll get hold of the person in charge of the budget for your department, and see if I can get you some help.*

Prospect: *Sounds good to me. Just don't say that I'm complaining.*

Account Executive: *I won't tell them you can't handle anything, I'll just tell them I think I can save them some money.*

Conversation with Hiring Manager:

Account Executive: *I understand you control the hiring budget.*

Hiring Manager: *I do, and I have really reduced costs.*

Account Executive: *Why do you want to reduce costs?*

Hiring Manager: *(Surprised). Every company wants to reduce costs.*

Account Executive: *I work with many companies that want to increase costs.*

Hiring Manager: *Why would anyone do that?*

Account Executive: *To increase profits.*

Hiring Manager: *(Thinking) Hmm. I've been trying to increase profits by cutting back on expenses.*

Account Executive: *Cutting expenses always reaches a limit. Eventually you find you have cut as much as you can, and the only thing to do is to spend money growing your business. You could experiment with adding personnel to your shipping department to see if the reduction in late shipping reduces the number of cancelled or returned orders and improves your customer satisfaction ratings.*

Hiring Manager: *Yeah, returned orders are killing us. But I'm not ready to increase my payroll for that department when I just got costs under control.*

Account Executive: *You don't have to permanently increase payroll. I could come up with several ideas for you if you like. Ideas don't cost anything.*

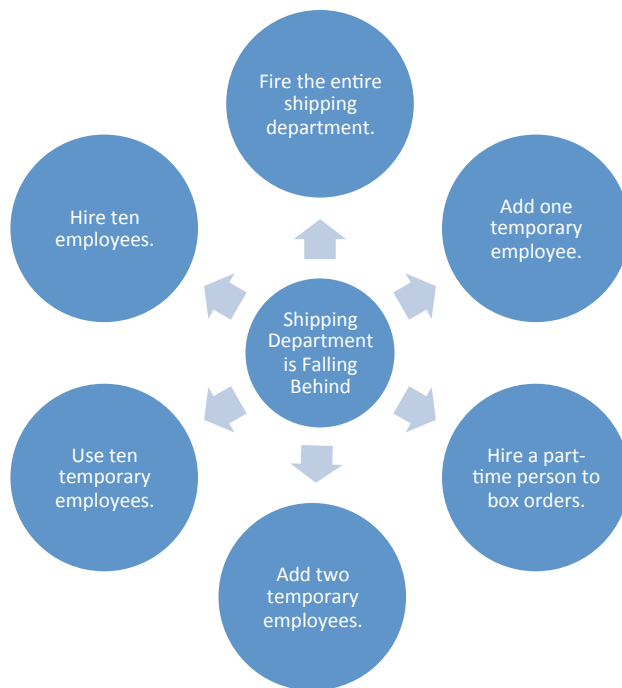
Hiring Manager: *All right, get back to me on this.*

The Account Executive used a narrowing question (What is holding you back from getting the help you need?) and a broadening question (Why do you want to reduce costs?) to define the problem. Notice that the Account Executive did not rush to offer solutions at this stage, focusing instead of gaining a full understanding of the problem.

Idea Finding

Once you have clearly understood the problem, you can start finding solutions. Do not edit your ideas. Instead, come up with as many ideas as you can. Some will be silly: Fire the entire shipping department. Some will sound more reasonable: Hire a part-time person to box orders. Just write them all down without editing yourself.

Here are possible solutions that apply to the scenario:



Notice that we are using a graphic organizer that does not prioritize ideas. Each idea is equal at this stage.

Selection and Evaluation

Once you have a range of ideas, you must narrow your choices. Some will be obviously unworkable. Several others may all be workable, but may not offer strong enough benefits to your prospect.

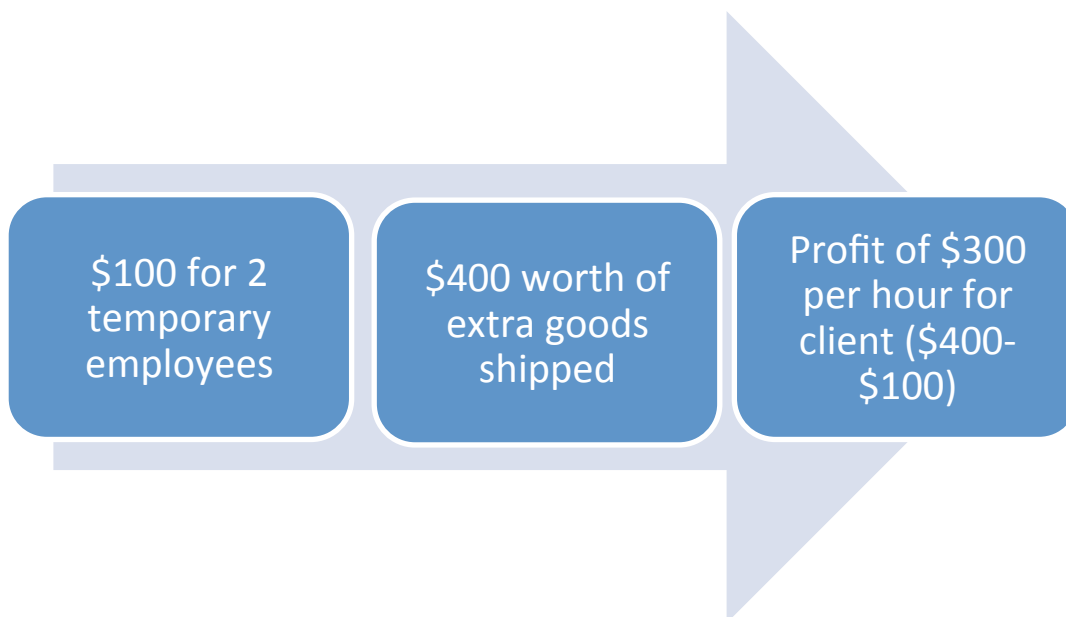
For example, the Account Executive may be attracted to the idea of selling the prospect on adding ten temporary employees, but this is sure to alarm a hiring manager who

prides himself on cutting costs. Adding one temporary employee could work, but a single temporary employee might not make a big enough dent in the workload. The Account Executive in our example decides on presenting the idea of adding two temporary workers, because the cost remains relatively low while expediting orders.

Planning

Before you rush off to present your idea for a solution, do some planning. Determine exactly how much your solution will cost your prospect, and determine exactly what the benefits will be.

In our example, the Account Executive calculates that the two temporary employees will cost the prospect a total of \$100 per hour. However, if these two employees are placed in the crucial roles of warehouse retrieval and packaging, they could double the output of the shipping department. Based on the average cost of the merchandise shipped, the two temporary employees would earn the company \$400 extra dollars per hour.



You should do this kind of detailed planning before returning to your prospect. Doing so will demonstrate diligence, concern for solving the problem, and “real-world” thinking that will directly benefit the prospect.

Sell Your Idea

After you have planned your solution to the prospect's problem, you are ready to sell your idea. Notice that you do all of your brainstorming and planning away from the client, so you can avoid the appearance of improvising or offering a pre-chosen pitch.

Contact your prospect and tell her that you have an idea you would like to present in person, and that you are excited because you know you have a solution to the problem.

Let's follow our Account Executive in our example:

Account Executive: *I have given a lot of thought to your dilemma, and I have a solution that is very workable.*

Hiring Manager: *Just cut to the chase, how much is this going to cost me?*

Account Executive: *How about nothing?*

Hiring Manager: *I know you sell temp services, and I know you don't do this for free.*

Account Executive: *I'm just like you. I try to increase my company's profits by keeping costs down. I have a solution that can do just that for you. You'll make more than it costs you, so it's like it is free.*

Hiring Manager: *This I've got to see.*

Account Executive: *All right. You add two temporary employees, one to retrieve merchandise from the warehouse, and one to package the merchandise.*

Hiring Manager: *And this costs me?*

Account Executive: *One-hundred dollars per hour.*

Hiring Manager: *There go my expenses, through the roof.*

Account Executive. *But you make an extra \$400 per hour from what they ship.*

Hiring Manager: *(Sitting forward) Hmmm. That's \$300 per hour that I get credit for, after I pay for the extra workers.*

Account Executive: *You make money, and you unclog the traffic jam in your shipping department. Your company reputation improves, your customer-service ratings go up, and returns and cancellations go down.*

Hiring Manager: *But what if the figures don't work out like you say?*

Account Executive: *I want you to go over them in detail and see if you agree with me. I also want you to consider trying this arrangement for three months to see if*

the profitability is even better than I've predicted. You won't have a long-term payroll commitment, and you have the potential to turn your shipping department around.

Notice that the Account Executive was prepared to focus on all the benefits the prospect would receive.

Action

The time for action arrives after the pitch. The action is not yours to take; it's up to the prospect. You can nudge things along, but don't take over the decision-making process. Show respect to your prospect by allowing him to take the action.

You can expedite the paperwork and answer questions about The Execu|Search Group process, all in the spirit of helping your prospect implement his decision.

More Problem-Solving Concepts

You should constantly strive to master the Simplex Problem-Solving Cycle, but you will encounter additional opportunities to solve problems in your business day. Develop a repertoire of tools you can use to solve problems, and you will find yourself leading the way in resolving your prospects' and clients' issues.

Mind Mapping—Graphic Organizers

Learn to think on paper. Map out your thoughts using graphic organizers. These charts can help you organize your ideas and discover new ways to see problems, find

solutions and take action. For example, you may want to put steps to a goal in sequence, or you may want to find bigger ideas than the ones you are working with. Whatever your task, you can find or create a graphic organizer that can help you visualize the process.

You've already seen these graphic organizers in this section of your handout manual:

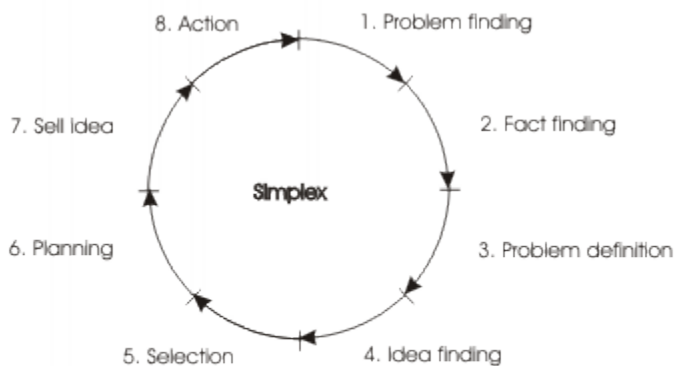
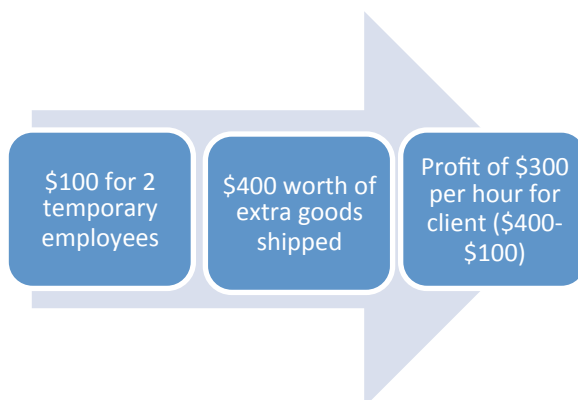
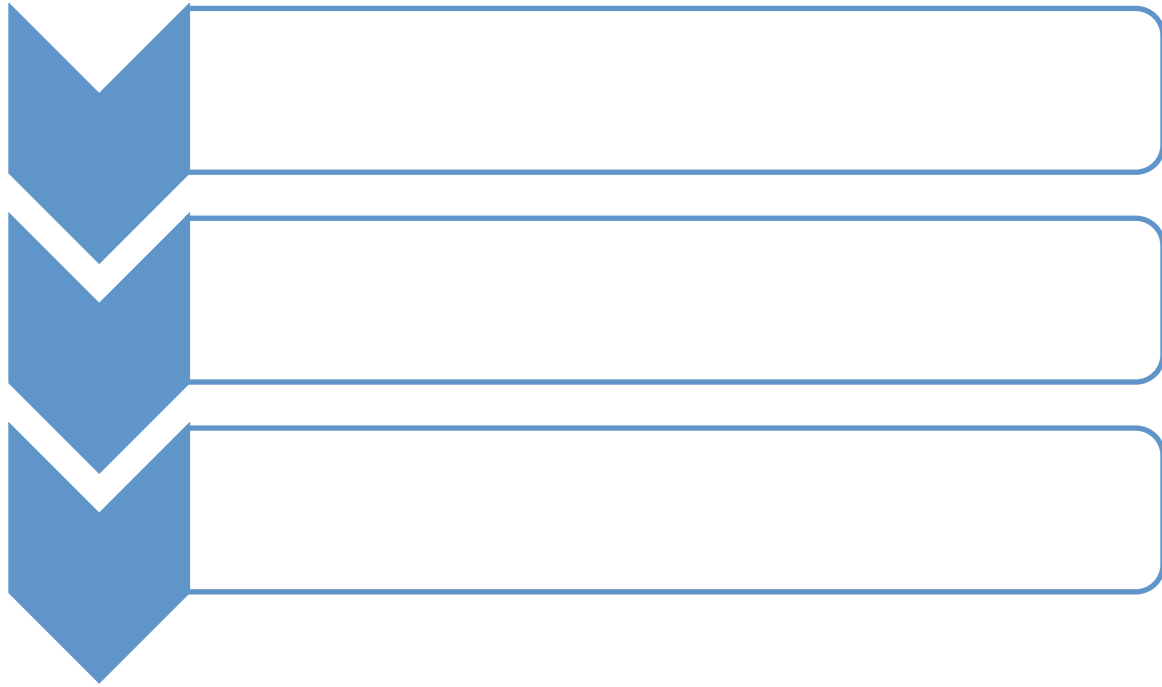


Figure 1: The Simplex Process



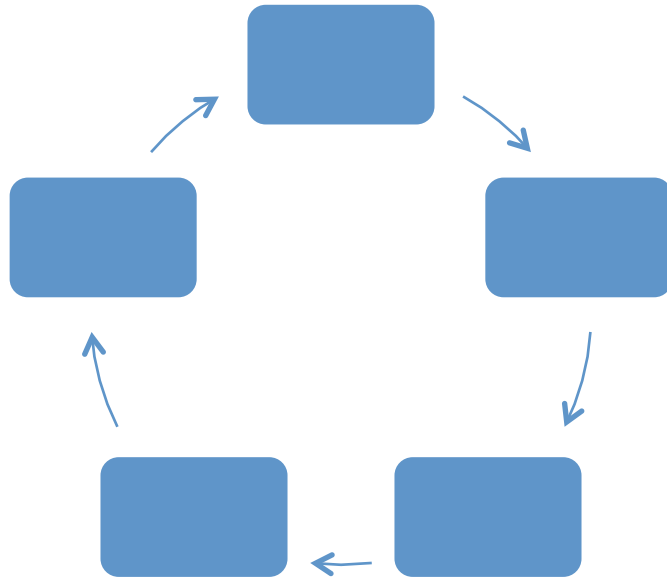
Here are some useful organizers for various tasks:

Putting Steps in Sequence

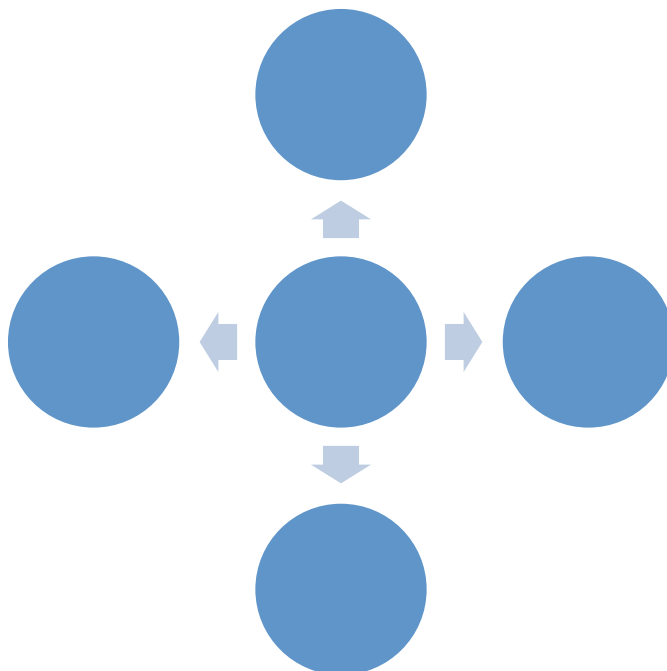


A vertical sequence of three blue downward-pointing chevrons on the left, each connected to a horizontal rectangular box with rounded ends, forming a step-by-step sequence organizer.

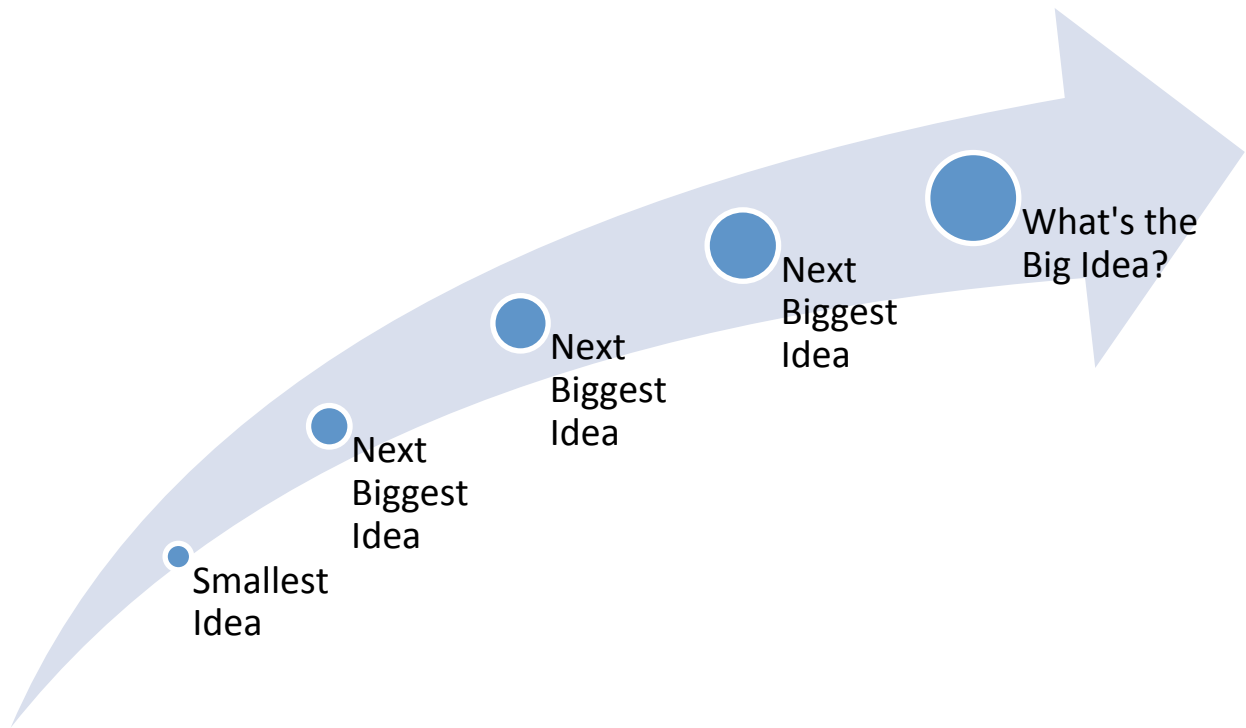
Mapping Out a Process



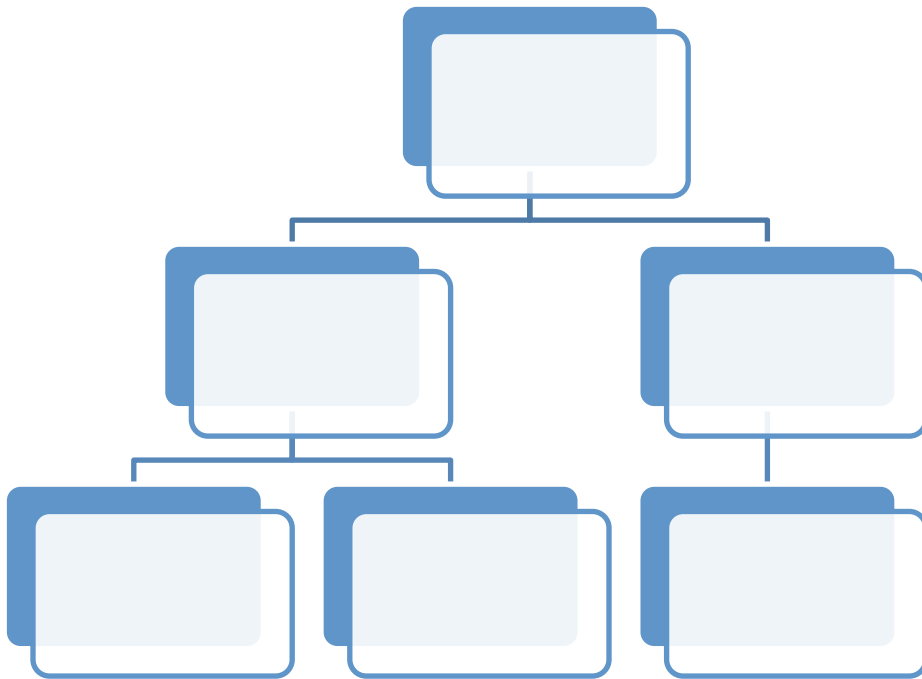
Finding Ideas Related to a Central Idea



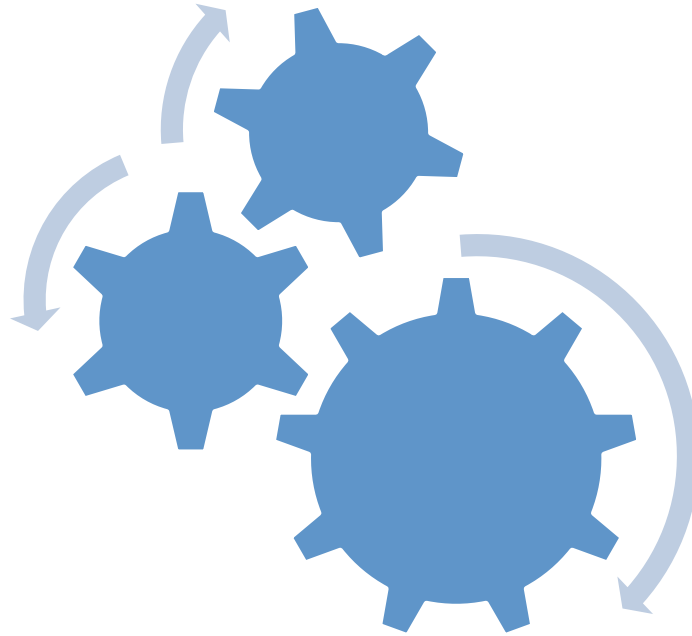
Finding Increasingly Larger Ideas



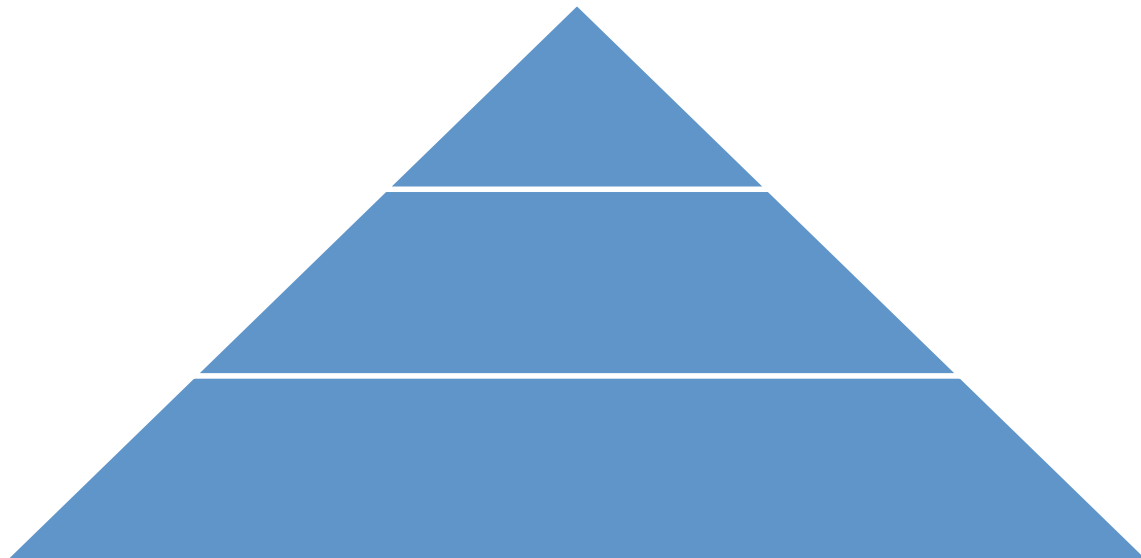
Understanding or Creating a Hierarchy



Understanding Interlocking Ideas



Visualizing Ascending Order



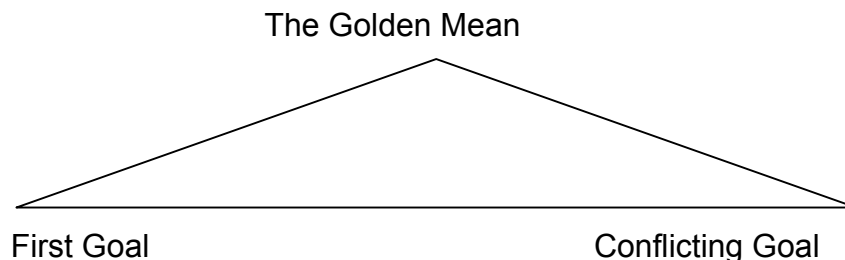
These are some of the graphic organizers you may find useful as you approach problems. Take them seriously. They are not mere doodling templates. They are ways to organize your thinking. You may devise your own if none of these serve your purposes.

The point is that you should schedule time in your day to solve problems rather than just waiting for an idea to come “out of the blue.” Problem-solving takes hard work.

The Golden Mean

One of the greatest problem-solving challenges is resolving conflicting needs. Sometimes you will encounter prospects who want to do two things at once, such as cutting production staff and increasing productivity, or improving the quality of health services while decreasing the amount of time spent with each patient, or improving financial risk management while investing in speculative ventures.

What do you do when a client has seemingly conflicting goals? Use the Golden Mean.



“Genius is one percent inspiration and ninety-nine percent perspiration”

– Thomas Edison

Here's how the Golden Mean can work for you. If a prospect has a first goal of reducing personnel in the customer service department, and a second goal of increasing that department's customer service ratings, start examining the prospect's values.

You could ask, "Why do you want to cut back on personnel?"

Probable answer: "To save money."

Now ask, "Why do you want to improve your customer service ratings?"

Probable Answer: "To add value to our brand."

Then search for a higher value that has something in common with both goals. You might ask, "I hear you saying that you want to save money on payroll and make a better impression on customers. In other words, your primary value is you want the company to improve its reputation in a cost-effective way."

Probable answer: "Yes."

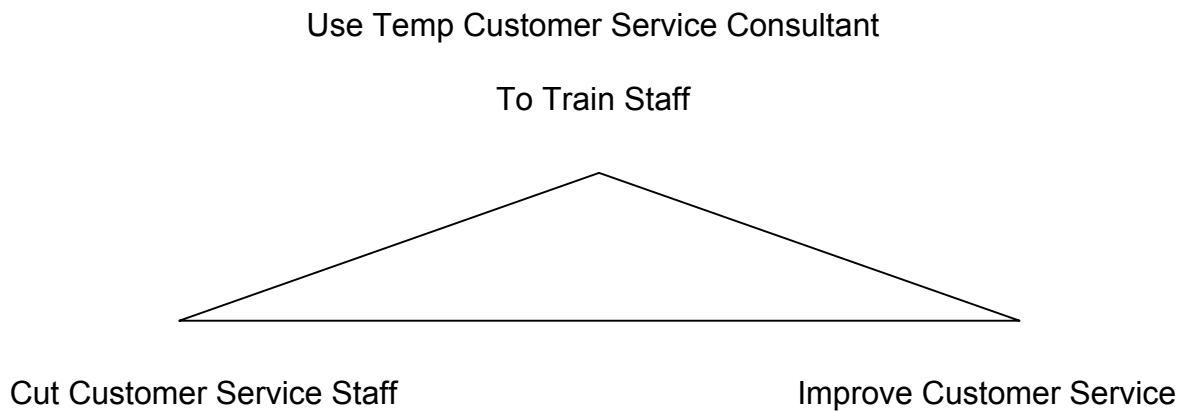
Notice that you have found a value above the two goals and between them—the Golden Mean. As you move up a prospect's value scale, you will find a place where both goals meet. In our example, the real goal, or the Golden Mean goal, is cost-efficient customer service.

Now you can start to work on helping your prospect meet the goal. You know the prospect does not want to add employees, yet that need to improve customer service

remains. So the existing customer service staff is going to have to do a better job.

Hmmm. What if your prospect brought in a customer service specialist as a consultant on a short-term basis? This person could train existing staff in better customer service practices, and your prospect would not have to commit to a long-term payroll increase.

Your Golden Mean chart would look like this:



Learn to put quotation marks around “seemingly” when a prospect presents “seemingly” incompatible goals. If you move upward your prospect’s value system, you will find a place where the two goals meet.

Walk a Mile in Your Prospect's Shoes



You can become so determined to make a sale that you ignore your prospect's feelings. Take a few moments to imagine how it would feel to be your prospect. What pressures would you notice? What desires would you have? What fears would you have?

Know the difference between sympathy and empathy. Sympathy can help you understand how someone is feeling; empathy can help you actually feel their feelings. Whenever you encounter a prospect who is fearful or stubborn, for example, imagine yourself in her place.

You will quickly see that pressuring such a person will only make the feelings worse.

Try instead to alleviate the feelings. You can even ask direct questions such as, "What

could I offer that would calm your fears?” You could also ask, “What is the one thing that would make you change your mind?”

Your prospect’s answers may give you the key to a sale.

Resolving Problems with Existing Clients

One of your responsibilities as an Account Executive is to manage your existing relationships with clients. Often, this will take the form of resolving problems that arise after temporary employees begin work for the client.

Some of the common problems clients have are:

1. A temporary employee does not show up.
2. A temporary employee is not a good fit.
3. An invoice is not correct.

Respond to these situations using the ASAP method:

Apologize. Even though you may not have made a mistake, make it clear that you are sorry the client has to go through this.

Show Empathy. Let the client know you understand why he is upset. Spend a moment or two expressing your understanding of how this problem is affecting her.

Accept Responsibility. You don't have to take responsibility for the problem, but you should take responsibility for the solution.

Plan of Action. Create a plan of action that addresses the problem, and implement that plan quickly.

Remember that an existing client can become a future client if you demonstrate your willingness and ability to solve problems that arise.

Summary

All solutions should offer concrete benefits. Once you identify and define the problem, you can show how your solution will solve the problem in very real ways, and this will be appealing to the person who has the dilemma.

Take the time not only to understand your prospect's needs, but to plan a solution that really works. This approach makes you more of a consultant than a salesperson, and when future needs arise for your client, you will be the first person he thinks of to help him solve his problems.

In addition, you should experiment with tools such as graphic organizers and the Golden Mean to advance your problem-solving skills to the point where no challenge intimidates you.

Learn to think like your prospect. Just a few minutes of imagining what it would feel like to be in your prospect's position can help you understand the emotional barriers to solving the problem.

Finally, learn the ASAP method for resolving problems that existing clients have. Maintaining a client is much easier than finding a new one.

Problem-solving skills take time to learn and practice, so don't worry about where you are now. Just focus on the direction you want to move in. Remember, the direction is your choice.



Do the Things Successful People Do

Questions:

1. Describe a time in your life when a problem you encountered turned out to be an opportunity.

2. If a prospect told you that his company was cutting back on the number of employees it has on payroll, how could you turn this problem into an opportunity?

3. In the Simplex Problem-Solving Model, what are the steps you should take before trying to sell your idea for a solution to a prospect?

4. If a prospect asked you to come up with several different approaches to a problem, what kind of graphic organizer would you use? Sketch it in the space below.

5. Using the idea of The Golden Mean, resolve these “seemingly” incompatible goals for a prospect. The prospect wants to put a freeze on hiring while at the same time increasing production to meet the needs of a special project.

6. Describe the four steps in the ASAP process for solving problems.