THE DONALD COOPER CORPORATION

Speaking and coaching internationally on management, marketing and profitability



Management tool #A-20:®

How to fix the <u>real</u> problems in your business:

In every business there are:

- a) surface problems which are actually just symptoms of much deeper problems,
- **b) underlying problems**...and finally,
- c) the real or **basic problems** that are the root cause of what's going wrong.

There's a tendency for all of us as business owners, leaders and managers to focus on the surface problems and not on the underlying and real basic problems because the surface problems are more obvious, easier to address and much less threatening. Dealing with surface problems allows us to point a finger at someone else, rather than ourselves. But we'll never solve anything without digging deeper, no matter how uncomfortable it gets.

Let's use a medical example of symptoms, underlying and basic problems. 'High blood pressure' is really just a **symptom** of a number of **underlying** issues like consuming too much salt and too many calories, not drinking enough water, physical and emotional stress, or not exercising enough. But the **real basic problem** could be lack of information or motivation, toxic lifestyle or career choices, unhappiness, lack of self-discipline or self-esteem. If we don't address these real basic problems, the underlying problems will continue and the symptom (high blood pressure) will persist.

So, let's say that your business has an unhealthy bottom line. That could be a symptom of a number of underlying problems like not having a clear and compelling value proposition, ineffective sales and marketing, excessive discounting, not understanding the math of profitability, poor expense control, antiquated information systems, low staff morale, failure to deal with non-performance, failure to make key decisions, etc. Those are all underlying problems. The basic problem is ineffective management and leadership.

Or, let's say that some aspects of your customer service or customer experience aren't what they need to be. Those are not problems...they're symptoms of underlying problems such as lack of clear expectations or high standards, hiring the wrong people, lack of proper training, ineffective communication, lack of empowerment, dysfunctional systems and processes, a negative business culture, no performance measurement, a lack of passion for and love of customers, or failure to listen to customers and front-line staff...all of which are the result of the basic problem of ineffective management and leadership. You don't 'fix' bad customer service. You 'fix' the underlying and basic problems that are causing it.

Bonus: For a look at what might be causing 'service problems' in your business, use our Biz Tool #A-2, the 1-page **'Service Challenge Audit Sheet'.** This will help you determine the underlying causes. Then, you'll still have to dig deeper to identify the basic problems.

The basic problems, the ones we're reluctant to identify and deal with, could be managers at various levels (including ourselves) who are not aware, not focused on the right things, not properly trained, don't have time, haven't made the transition from 'player' to 'coach', are not empowered, not interested or simply not capable.

The importance of fixing the <u>real problems</u> in your business......page 2 of 2:

As painful as it may be, we must deal with the real challenges and not just the surface and underlying problems. That requires insight and courage and may require an outside perspective and help in some form.

How do you get to these real basic problems? It's easy...uncomfortable...but easy. Involve the best minds and most courageous truth-sayers in your business. Start by stating what appears to be a problem or shortfall in the business and then say, "Which is caused by_______." and list all the underlying causes of that problem or shortfall, as best you understand them.

Then, for each of those underlying problems or shortfalls, ask again, "Which is caused by ______." Keep asking and answering that question honestly and courageously, each time digging a little deeper until you get to the real basic cause. That's the thing or person that needs to be improved, coached, refocused, fixed or dealt with in some other way. Sorry, but that's reality and 'the beginning of wisdom is the recognition of reality.'

Finally, determine what action you commit to take to fix the basic problem...and by when. Most businesses are reluctant to embrace this process because the deeper you go, the closer to the top of the organization you get.

This exercise takes both insight and courage, but it's the only way to get to the real issues that are holding back the business and hurting the bottom line. The alternative is to carry on in blissful denial until it's too late. If you'd like help with this important process, you can contact me using the information below.

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