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978-0-521-86976-8 - Problem-Solving in Organizations: A Methodological Handbook for Business Students

Joan Ernst van Aken, Hans Berends and Hans van der Bij

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Problem-solving in Organizations

This concise introduction to the methodology of business problem-solving (BPS) is an indispensable guide to the design and execution of practical projects in real organizational settings. The methodology is both result-oriented and theory-based, encouraging students to use the knowledge gained on their disciplinary courses, and showing them how to do so in a fuzzy, ambiguous and politically charged, real-life business context. The book provides an in-depth discussion of the various steps in the process of business problem-solving. Rather than presenting the methodology as a recipe to be followed, the authors demonstrate how to adapt the approach to specific situations and to be flexible in scheduling the work at various steps in the process. It will be indispensable to MBA students who are undertaking their own fieldwork.

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Preface

This handbook gives the methodology for problem-solving in organizations or, in other words, for business problem-solving. Its target audience consists of graduate business students aiming to develop their competences in business problem-solving, not just on the basis of written cases but in a real-life context. Junior management consultants or researchers involved in problem-solving within the framework of Action Research may also find the methodology of this handbook useful.

The theory in this handbook can best be mastered through an extensive classroom course, although it may be possible to study the material in a more accelerated version for those able to back it up with self-study and fieldwork. As well as addressing the theories, training should be provided on issues such as problem definition, developing a project proposal, problem analysis, and solution design. Ideally, training in the classroom should be followed by further development of competences by actual problem-solving in the field.

Since its scientification, the field of business and management has developed into a respectable social science. This has led to the idea that the core competence of the business graduate is undertaking good research and that fieldwork for a business student should reflect this. However, we feel that the core competence of the business graduate is business problem-solving. Business problem-solving is very different from business research. There are many books on business research methodology, which is quite similar to more general social science research methodology. They give the methodology for analysing, describing and explaining *that what is*, focusing on the development of (usually general) knowledge. In business problem-solving, on the other hand, the focus is on designing *that what can be*, or *that what should be* in order to improve the performance of a specific business system on one or more criteria. In order to be able to design a business system, or to redesign an existing one, one must analyze the present one and the possible causes of its

less than satisfactory performance. For that, many classic (and non-classic for that matter) methods of social science research can help. But problem analysis is only the first part of business problem-solving, and analysis should be in the service of the design of solutions (and the necessary change plans). Therefore the methodology given here is *design-focused*: problem-solving projects aim at the design of a sound solution and at the realization of performance improvement through planned change, and not merely at sophisticated analyses or smart reports.

The methodology of this handbook is also *theory-based*. In practice, problem-solving in organizations is often undertaken in a craftsman-like fashion, based on business experience and informed common sense. The methodology presented in this book is theory-based: based on state-of-the-art literature, on the type of business systems and type of problems in question, and on the methods to be used in solving business problems (without, of course, discounting off common sense and experience).

Our approach builds on the traditions of rational problem-solving. The type of problems best suited to this approach should have a significant technical-economic content. At the same time we recognize that organizations are social systems, that the realization of improvements in business system performance entails organizational change, and that effective organizational change does not only need technical-economic interventions (like the presentation of a promising solution for a problem), but political and cultural ones as well. Therefore our focus is not only on technical solution design, but also on the design of the change process needed to realize the performance improvement, and on the development of organizational support for a solution and change plan.

The prime objective of problem-solving projects for students is to develop their core competence, that is their competence in business problem-solving. These projects should, of course, also serve the interests of client organizations by supporting their problem-solving. For university or college supervisors, student problem-solving projects can also provide valuable input to their research. The problem in question will normally be within the scope of their sub-discipline in business, and they can use their business contacts to find organizations with problems within their specific research area. Student problem-solving projects can then provide supervisors with useful additional insight into current business issues and often also some empirical data.

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Field problem-solving can be a very important element in a business course programme as it aims to develop the core competence of the student. But it is done in a terrain with more pitfalls and booby traps than a university library. We hope that the methodology given in this handbook will help the student to navigate this difficult but important and interesting terrain.

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