

# How to handle hurdles?

The ability of a leader is gauged by his problem solving techniques or the statistical methods employed to resolve hurdles or problems. A good leader knows how to solve problems. One can imbibe this trait or quality especially by reading the life sketch of Sam Walton the man who started Wal-Mart...

## Sanjeev Baitmangalkar

Today Sam Walton is a known name in the retail industry as the founder of Wal-Mart and the man who changed the model of the retail industry business. Dredging the miles along his historic journey to success, Sam Walton has been called by many different names, such as - the enemy of small town America, the destroyer of main street merchants, and so on... He himself once admitted that quite a few small stores had gone out of business during the growth of Wal-Mart. During that time some people tried to convert it into a big controversy, perhaps even discussed in the government. Actually Sam Walton was a small town main street merchant who was criticised for displacing other small merchants. The difference was that he did not crib about the competition in his business, because he was an excellent leader

and solved the problems that dogged his path.

Born in Kingfish, Oklahoma, he grew up in Columbia, Missouri. As a student, this boy was an ardent sportsman. His leadership was on display when he was elected as the student body president. As the captain of his football team, he led them through an undefeated season playing as the quarter back. He also captained their basketball team, and led it through an undefeated season in the championship league.

Walton worked a few years after graduation, and joined

the army during the Second World War and served it, working his assignment in the US. Once relieved from army duties, he went to work in the retail business because that's what he liked to do. He chose to settle down in Bentonville in Arkansas with his wife, where he opened his Five and Dime variety store. He was the first to introduce the concept of self-service in a department store, and his store did well. Working hard he carried on expanding his stores. His numbers grew to fifteen stores by the year 1960. Walton's growing business was challenged by Herb Gibson's business model of a discount store in Arkansas, which competed, directly with Walton's model of variety stores. Walton was good at problem solving. He quickly studied the new concept, and worked on an all-new strategy to open his first Wal-Mart store in 1962 in Rogers, Arkansas. He did not stop. Using debt and profits to finance his expansion, he opened more stores. Though then, he was smaller as compared to some others like Kmart, Target and Woolco.

Walton's business was going strong. Growth brings new problems that need to be solved. His next problem was the need to improve his planning and distribution system in the store. Sam created central distribution centres after few brainstorming sessions with his people. Computerisation helped him keep a track of the needs of all the stores and provide their needs from these central distribution centres. He would order items in bulk and keep them in these centers and move them for consumption to the stores when needed. His rapid business expansion meant huge money. Walton raised the money by going public in the year 1970.

*"The most serious mistakes are not being made as a result of wrong answers. The truly dangerous thing is asking the wrong questions."*

*- Peter Drucker*



In the year 1992 when he died, Wal-Mart had 1,700 stores. Sam Walton had become America's number one retailer from a small town main street merchant. Wal-Mart set by Walton continues to solve problems as they keep it moving ahead in business. "Problems are only opportunities in work clothes." —Henri Kaiser. Similar to Toyota in manufacturing, Sam Walton did not invent retailing; he simply changed the business model and way of doing business to make it a much more profitable venture. One could say that; in those days, with those prevailing conditions, in some ways he applied some lean thinking to add value to his customers.

Effective leaders rise to a challenge. It is one of the things that separate the winners from the whiners. Walton rose above the competition by solving the problems with tenacity and creativity. It doesn't matter, which field you are in, you will have to face problems for these three reasons; one, we live in a world of growing complexity and diversity. Second, we interact with people regularly. And third, we cannot control all the situations we face. Leaders with good problem solving capability demonstrate qualities such as:

**Anticipation:** Leaders anticipate problems, as problems are inevitable. Don't expect an easy road ahead, as it will make you discover trouble. Keep your attitude positive and plan for the worst, and you will find yourself in a good position to solve problems when they come.

**The truth:** Always accept the truth. There are three different ways people respond to problems-

- They refuse to accept them
- They accept them and put up with them
- They accept them and try to make things better.

Which type are you? Leaders belong to the last category.

**Big picture:** Leaders continually see the big picture, without being overwhelmed by emotion. Leaders do not get bogged down with the trivial details that they lose sight of the big picture. As author Montapert wrote, "The majority see the obstacles; few see the objectives; history records the successes of the later, while oblivion is the

reward of the former."

**One thing at a time:** Richard S Sloma is an attorney, an internationally acclaimed lecturer and an author of many books. He writes, "Never try to solve all the problems at once

– make them line up for you one-by-one." Don't get overwhelmed by the size of the problem or the volume of troubles for you will then dabble at problem solving and get into troubles. When faced with numerous problems, prioritise them and deal with them one by one. Speed can be your friend here, so also you can use the art of delegation as the need may be.

**The goal:** Leaders don't give up a major goal when they are down. They apply the peak-to-peak principle to make major decisions when they are experiencing a high in their leadership or a positive swing but not during the weak or dark times. Never give up when you are in the valley.

Here are a few suggestions to improve one's problem solving ability:

**Open eyes:** Go out looking for problems, do not avoid them. Dealing with them enriches your experience and you perform better. Find problems that need to be fixed, come up with possible solutions, take them to a leader who is good at solving problems. Learn from his decisions.

**Method:** Find a process, develop a method. Try the TEACH process of Maxwell: **Time** – spend time to discover the real issue; **exposure** – find out what others have done; **assistance** – have your team study all angles; **creativity** – brainstorm multiple solutions; **hit it** – implement the best solution.

**Around you:** Surround yourself with people who can solve problems. If solving problems is your weakness, bring on new people to your team who are good at it. Do not hesitate to complement your weakness, as it is also an opportunity to learn from. **MMT**



Sanjeev Baitmangalkar is the CEO of Stratmann Consulting. He has an expertise in lean manufacturing, BPR & turnarounds, supply chain management, industrial marketing, machine tools and product development. He imparts training in areas of finance and leadership, is working with overseas and Indian clients. He can be contacted at [stratmannconsulting@gmail.com](mailto:stratmannconsulting@gmail.com)