



Strategic Foresight

The simplicity on the other side of complexity

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emergent insights

evolving into your future



An Overview

- Introduction
- Reviewing Strategy
- Strategic Thinking
 - Information
 - Analysis
 - Interpretation
 - Prospection
- Renewing Strategy
- Questions...

“My interest is in the future because I am going to spend the rest of my life there.” Charles F. Kettering



Always interpret the advertising...

- Fixed interpretations of past realities, rather than flexible engagement with future potentials
- Refreshing Strategic thinking – intelligence gathering
- Simple models of complexity
- Frameworks for strategic conversation
- Incorporating forward views into quality decision making

“Facilitating people’s relationships and guiding their expectations is a manager’s real job”



Preparation – Everyone Has An Agenda

Other futurists said show managers the:

- Utter complexity of reality!
- The main worldview shifts: Newtonian to quantum, individualist to community... consider the value of the post-oil, post-material, post-consumerist society
- The viable system model of organisations and industries
- The integral theory expanded view of reality
- Tools, tools, tools! (don't make them think!)
- The power of broadband scanning and strategic navigation
- Flashy trends to get their attention! (but that they can get from ad agencies)
- Possible changes to their job security so they think they need a futurist to help them (...and hire you)

***“We don't see things the way they are.
We see things the way we are.” Talmud***



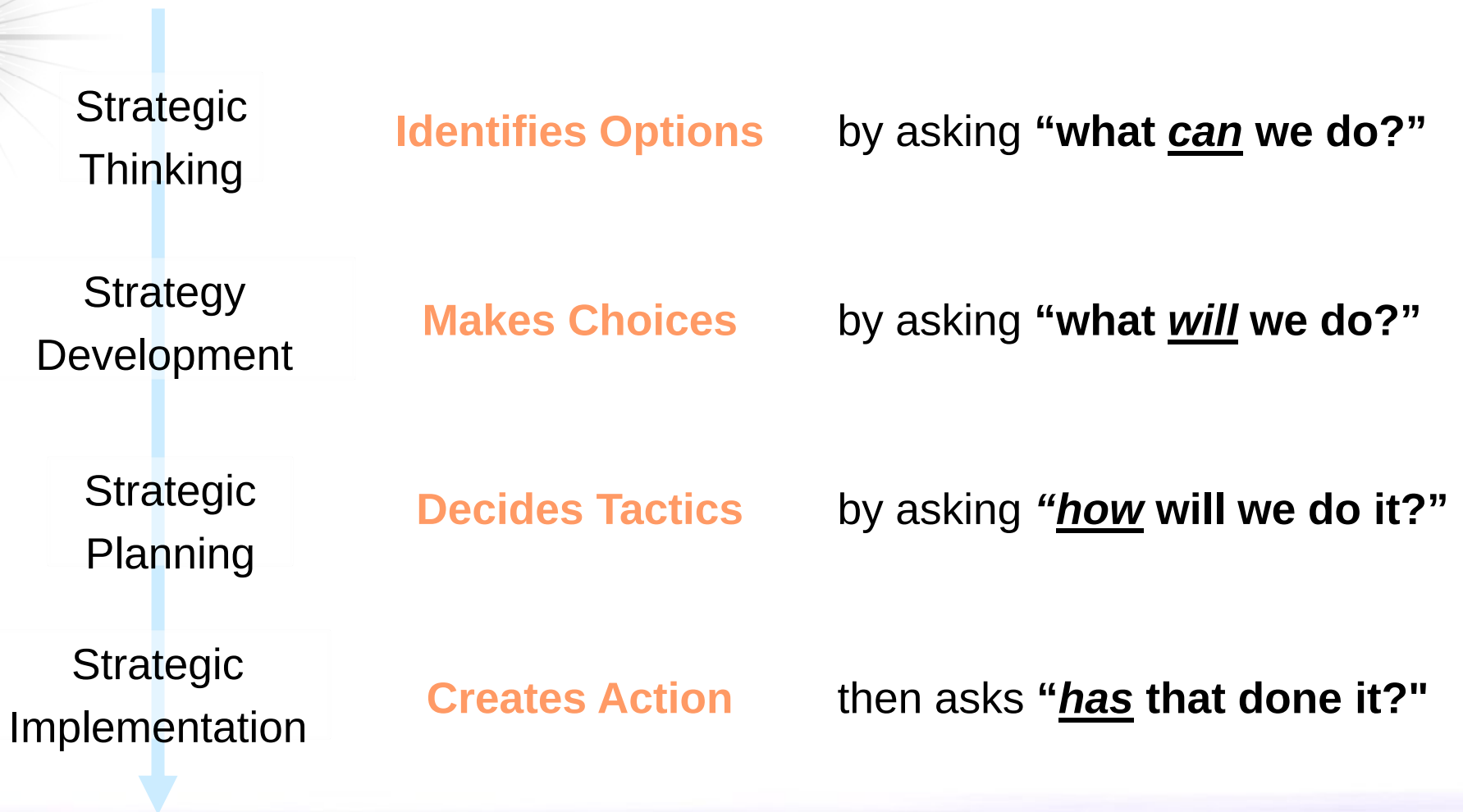
A Focus on Changing Thinking

Thinking: Changing or transforming it, through futures concepts, tools and methods.

- It's a challenge.
- It takes time.
- To be successful, you need to *need* to do it, and give up any fixed idea of how it will work out.

“Nothing is good or bad, but thinking makes it so.”
Shakespeare

A Generic Strategy Process



“All our knowledge is about the past, but all our decisions are about the future.” Ian Wilson



Thinking = Strategic Options

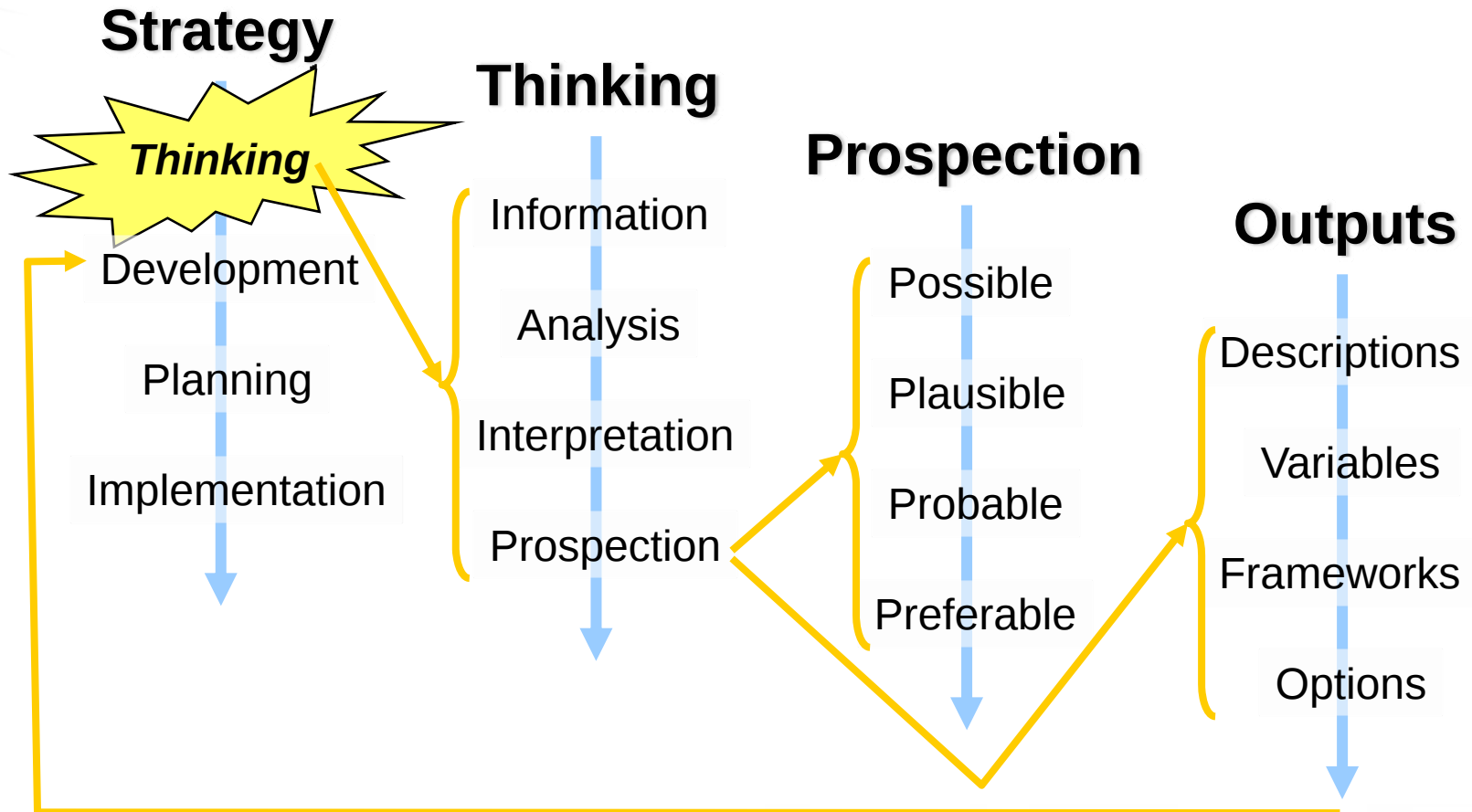
Hamel's "dirty little secret of the strategy business:"

We all know what a strategy is once we see one.

What we do not know, however, is how strategy gets created in the first place. *We do not have a theory of strategy creation.*

"Theory is extremely useful, because your theory determines what you can see." Albert Einstein

A Generic Foresight Strategy Process



“As for the future, your task is not to foresee but to enable it.” Max Jakobson



Types of Futures Thinking

- In-activist – “don’t change a thing!”
- Re-activist – “wind back the clock – now!”
- Pre-activist – “predict, prepare, pounce!”
- Inter-activist – “explore to prevent, recreate, and invent inspiring futures – today!”

You need each of these approaches to the future...in different situations.

“The best way to predict the future is to invent it.” Alan Kay

Unconscious Futurists

(or why organisational views of the future are often misleading)

- Short-term-ism – The tyranny of now ignores 2nd+ order consequences
- Inward looking – Rationality is bound to internal power issues, rather than seeing environmental factors
- Unexamined presuppositions – Shaky beginnings lead to shaky ends
- Naïve realism – Hiding social power in language, culture, and traditions
- Overlooking paradigms – The “fog” of conventional thinking obscures real forces of change
- Economic fundamentalism – With a hammer everything looks like a nail
- No foresight literacy – Scorning the myths demonstrates ignorance

“There is no reason for any individual to have a computer in his home.” President, Digital Electronic Corporation, 1977.



Conscious Futurists

(or the assumptions required to look forward meaningfully)

- Time exists, is linear, and new things keep happening – so look out
- The future doesn't actually exist – it is an orientation in time
- Every conscious act is based on an expectation of future consequences
- These expectations are our “knowledge of the future”
- Futures knowledge contains no facts because the future is not totally predetermined
- This means we can significantly influence future outcomes
- But, we need to consider our interdependence and take a holistic approach in order to see how our efforts fit within everyone and everything else's influences
- Some futures are better than others
- We can improve our choices because we can develop our futures knowledge

“A company's use of foresight concepts build primarily on the proclivity of one manager...” Edward Major



Defining Strategic Foresight

“Foresight is a human attribute that allows us to weigh up pros and cons, to evaluate different courses of action, and to invest possible futures with enough reality and meaning to use them as decision making aids today...”

“The simplest possible definition of foresight is: developing high quality views of future options, and then choosing between them.”

Richard Slaughter – Founder, Australian Foresight Institute

See: www.foresightinternational.com.au

Information – What do we know?

Strategy

Thinking

Prospection

Outputs



Analysis

Interpretation

Prospection



“There are two kinds of forecasters: those who don't know, and those who don't know they don't know.” J K Galbraith



Information Tools

- Environmental scanning
- Delphi studies
- Brainstorming workshops
- Competitor intelligence
- Business intelligence
- Market/industry intelligence
- Near-future context questions
- Etc...

- The dangers of unexamined information:
 - Biases
 - Omissions
 - Apparent irrelevance

“The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function.”

F. Scott Fitzgerald

Example: Environmental Scanning

Social		Political		Environmental		Economic		Technical		steEp Dimension
Acceptability		Compatibility		Sustainability		Feasibility		Viability		Capability
Will the market accept it?		Does it fit existing policy?		Does it reduce net emissions?		Do benefits outweigh costs?		Is production scale possible?		Criteria Question
Function	Demand	Initiatives	Security	Resource Consumption	Air Pollution	Scale	Operation	Maintenance	Viability	Key Variables
	Image		Regulations		GHG Emissions		Infrastructure		Safety	
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Useful concept: Eyes open – Connect the consequences in strategic conversation

“Creativity is a type of learning process where the teacher and pupil are located in the same individual.” Arthur Koestler

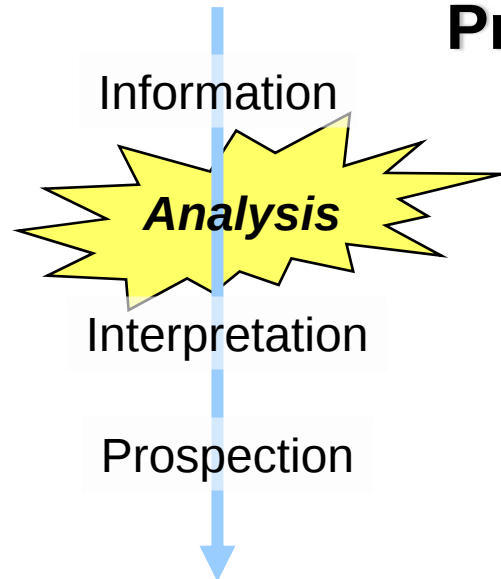
Analysis – What seems to be happening?

Strategy

Thinking

Prospection

Outputs



“We may become the makers of our fate when we have ceased to pose as its prophets.” Karl Popper



Analysis Tools

- Integral theory – fundamental perspectives and developmental lines
- Emerging issues, drivers, and trends
- Cross-impact matrices
- Relevance trees
- SWOT Analysis
- S-curve and many standard strategic analysis tools
- And so many more...

“People can only become aware of the reality of the plan by interacting with it, by creating different possibilities through their personal process of observation.” Margaret Wheatley

Example: Integral Perspectives

Individual

Psychological perspective:
The inner world of individual identity, purpose, feeling, and understanding

Behavioural perspective:
Outer world of individual capability, behaviour, practices and skills

I IT

WE ITS

Social

Cultural perspective:
The cultural world of shared values, meanings, customs, stories and norms

Systems perspective:
The 'external' world of structures, processes, technology and the natural environment

Inside
Subjective

Outside
Objective

Useful concept: Different perspectives on situations

“There is no scientific proof that scientific proof alone is real.” Ken Wilber

Interpretation – What is really happening?

Strategy

Thinking

Prospection

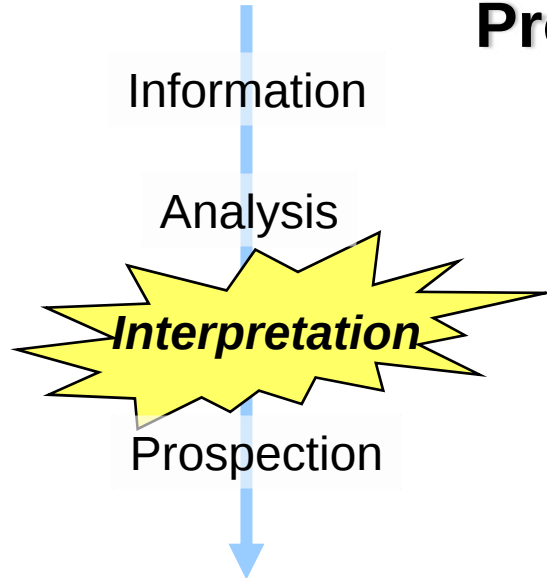
Outputs

Information

Analysis

Interpretation

Prospection



“A new idea is first condemned as ridiculous and then dismissed as trivial, until finally, it becomes what everybody knows.” William James

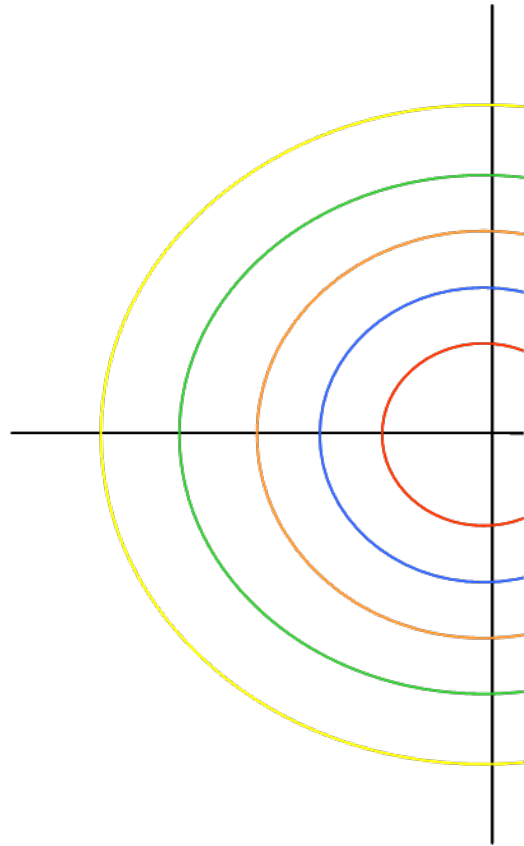


Interpretation Tools

- Values systems and worldviews
- Viable systems modelling
- Systems theory (causal loops and affinity diagrams etc)
- Causal layered analysis
- *Change Brain* strategic learning spiral
- Change theories and macro-history
- And so many more...

“Confidence, like art, never comes from having all the answers; it comes from being open to all the questions.” Earl Gray Stevens

Example: Value Systems & Worldviews



Vanity Pays – The American trend of offering tailored loans for cosmetic surgery, and other expensive health related services, at the point of ‘sale’ raises may **Green** and **Blue** ethical questions as **Orange** Boomers demand from financial services what may be a valuable income stream. **Opportunity** or **PR** headache?

*(using Spiral Dynamics:
www.spiraldynamics.org)*

Useful concept: Wearing different worldviews ...

“If you're certain you're right ...you shouldn't be afraid to include opposite voices at your table.” Paul O'Neill

Prospection – What could happen?

Strategy

Thinking

Prospection

Outputs

Information

Analysis

Interpretation

Prospection

“Looking at the future disturbs the present.” Gaston Berger



Prospection Tools

- Visioning
- Trend extrapolation
- Developmental road-mapping
- Decision corridors
- Back-casting
- Wild cards
- Systemic consequence modelling
- Scenarios
- And so many more...

“Any useful statement about the future should at first seem ridiculous.” Jim Dator



Example: Visioning

- Academic Consulting Center
- Visioning day before strategy session
- Focus on possibilities...with clients, partners and employees involved
- Whole new structure and employee profile identified that would enable new relationship with institution and clients
- Completely different strategy than previous five years

Useful concept: making structured space for aspiration exploration can lead to key insights into current problems and solutions for major renewal and short-term strategy

“These days people seek knowledge, not wisdom. Knowledge is of the past, wisdom is of the future.” Vernon Cooper

Foresight Knowledge

Strategy

Thinking

Prospection

Outputs

Possible

Plausible

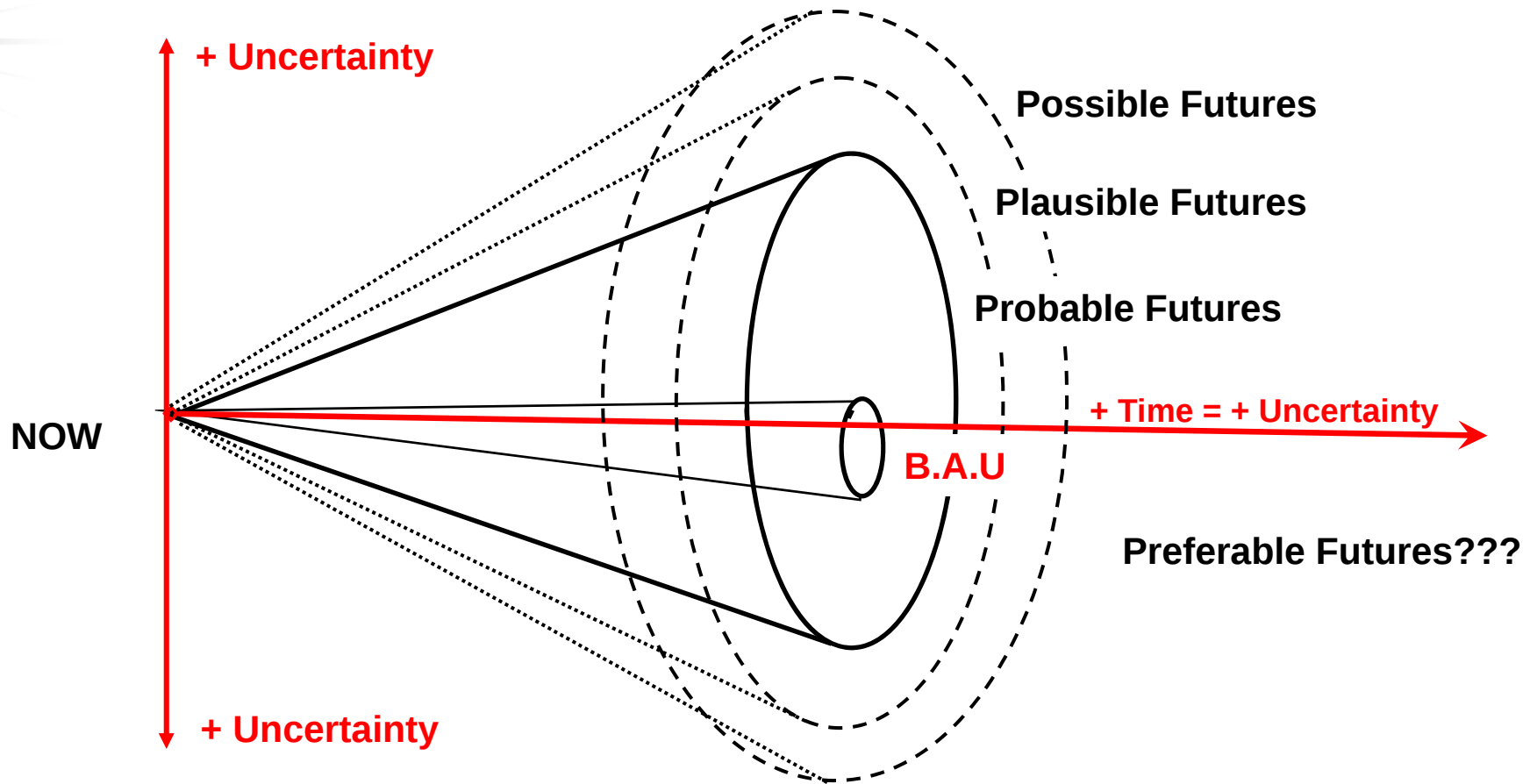
Probable

Preferable



“Neither a wise man nor a brave man lies down on the tracks of history to wait for the train of the future to run over him.” Dwight David Eisenhower

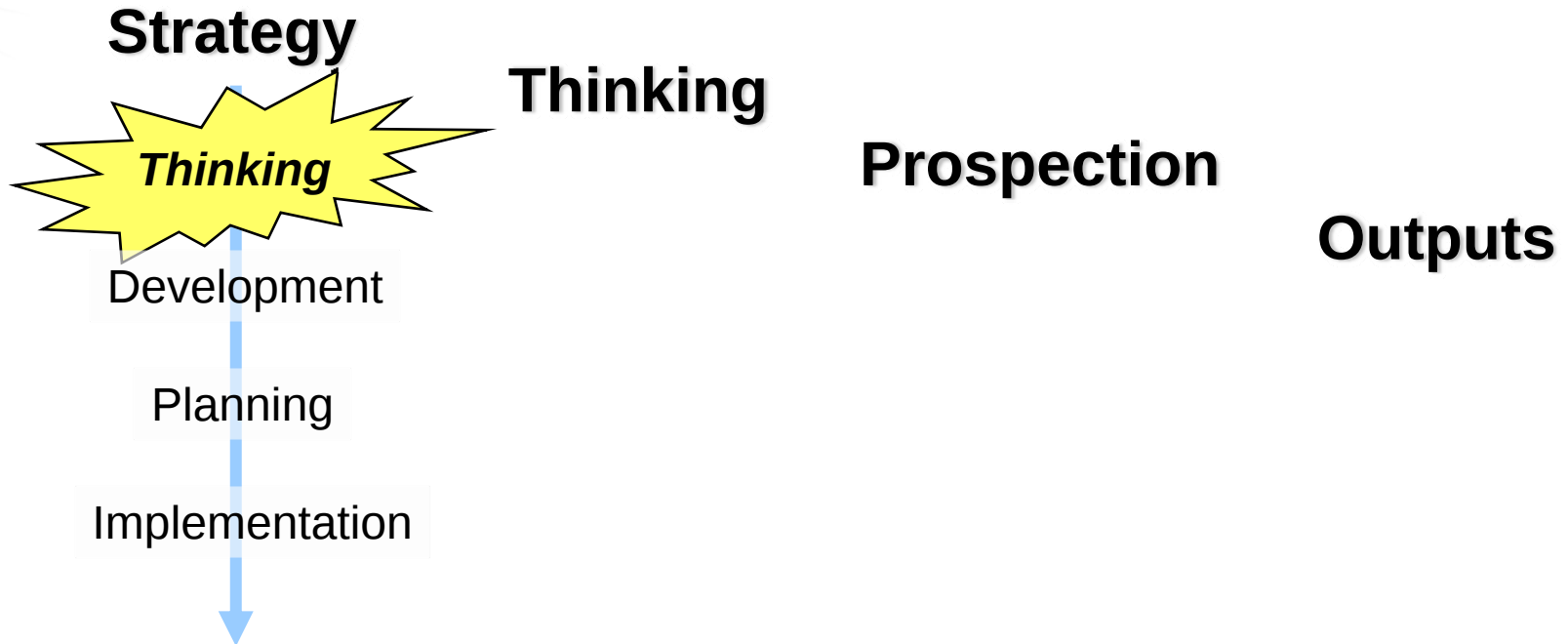
Types of Futures Knowledge



Useful concept: think in different degrees of certainty

“What is often popularly, even professionally, considered “the most likely future” is, in all probability, one of the least likely futures.” Jim Dator

Foresight Renews Strategy



“The strategic thinker remains ever open to emerging opportunities, both in service to the defined intent and also in question as to the continuing appropriateness of that intent.” Jeanne M. Leidtka



Re-Thinking Strategy

“The sheer speed of change in today’s business environment presents the most crucial problem for designing and actioning coherent organisational strategy.

In order to be able to respond instantly (and intelligently) to changing conditions, we need to conceive of strategy not as some static, arcane, secret and unyielding plan, but as a pliable, collaborative, learning process impelling the business from its present state into mutually preferable futures.

In effect, strategy has become process.”



Thinking Practical Strategic Foresight

- **Use strategic navigation: practicing strategic thinking through strategic conversation**
 - Don't do things twice if you don't have to: ie don't plan in detail what won't happen. Develop strategies for different probabilities, know your preferences and core choices, and do the detail when you have to, with the up-to-date information, when you action it.
- **Do develop strategic options: it is capability development**
 - It also often creatively generates innovations in products, solutions to old problems, and preparedness to act with clarity in complex situations

“The thing to remember is that the future comes one day at a time.” Dean Acheson



A Review

- ***Strategic Foresight = strategic thinking BEFORE strategic planning and action***
- ***Strategic Thinking has four aspects: information, analysis, interpretation, and prospection***
- ***Useful concepts:***
 1. ***Eyes open, connect the consequences***
 2. ***Consider different perspectives/dimensions***
 3. ***Wear different worldviews***
 4. ***Make space for aspirational thinking***

Doing these things gradually changes your thinking and asking the questions these practices bring up can change the thinking of others too...

“The only certain thing about the future is that it will surprise even those who have seen the furthest into it.” E J Hobsbaum



Questions...?

***“Over the long term,
the wisdom gained from foresight
costs less
than the wisdom gained by hindsight.”***

Anon



Some Resources

Reading for Inspiration and Education

For short writings by Richard D. Hames to kick start your business futures thinking –

<http://www.hamesgroup.com/index.php/user/content/view/full/204/>

Extensive UK Business Futures knowledge resource site –

<http://www.shapingtomorrow.com/>

Condensed links to futures resources –

<http://www.emergence.net.au/resources/links.html>

60 Key Works – A Beginner's Guide To The Futures Literature – one paragraph

introduction to each work – <http://ide.idebanken.no/English/Framtidsbilder.html>

Some Examples of Futures Work

Australian Business Foundation – Four alternative futures for Australian businesses –

<http://www.abfoundation.com.au/ext/Frame.nsf/pages/Research>

The Business Council of Australia – 'Australian' Scenario Project –

<http://www.bca.com.au/content.asp?newsid=91262>

The United Nations Futures Research 'Millennium Project' with tools, research, links and

more – <http://www.acunu.org/>

“You can analyse the past, but you need to design the future...That is the difference between suffering the future and enjoying it.” Edward de Bono