# Scenarios, Foresight and Futures Thinking Techniques

During the year we also spent some time reflecting on a range of the future techniques that we utilise in our projects.

## Re-using scenarios in strategy

"*Scenarios are the most powerful vehicles I know for challenging our mental models about the world and lifting he blinkers that limit our creativity and resourcefulness"* Peter Schwartz

The Strategic Foresight method that is most widely taught in Business and Management Schools is scenario planning or scenario thinking. In this module we explore when and how to build and use scenarios as part of a Strategic Foresight toolkit. It is largely self-contained but assumes a knowledge of environmental/horizon scanning. It covers some of the well-known examples of scenario thinking in action as well as many other examples. It is an extensively updated and extended version of a brief that appeared in "Business: the ultimate resource", ISBN 978-1-4081-2811-4.

### What is scenario thinking? Scenarios as models of future worlds

Scenario thinking creates possible future outcomes (scenarios) to improve the quality of decision-making. One of the best definitions of scenarios is by Michael Porter: "*an internally consistent view of what the future might be, not a forecast but one possible future outcome".*
At a time of volatility and change, managers need to be able to step out of their current framework and imagine future worlds – which may arrive sooner than expected.
But some organisations feel that they do not have the capability to develop scenarios, for instance because they are not sure what questions to ask, or because they do not feel confident of their expertise outside their operational domain. In these cases, using existing scenarios is really useful.

### Why use existing scenarios?

Using pre-existing scenarios as a basis for work in an organisation makes a lot of sense under some circumstances. For example

- Where the external environment is a dominant factor, e.g. the economy, then using scenarios based on economic futures to frame a discussion of implications for different parts of the organisation can be helpful
- Where the intention is to introduce scenario thinking to a group of people for the first time, it is often useful to use external "reputable" scenarios to allay suspicion of the provenance
- Where an organisation has developed scenarios already – for instance with an internal task force – and business units or functions need to explore the implications for their functions and roles.

A computer firm used existing scenarios to think about the future skills needs. It was concerned about technical skills, consultancy skills and management skills. In a series of workshops involving both functional specialists and HR staff, a number of core competencies were described. While the competencies were mostly needed in both scenarios, the number and experience levels significantly. Several new competency areas were identified and plans made to fill them.

## Sources of scenarios

There are many well-established global and national organisations that undertake scenario studies on a regular basis, for instance

- Shell – related to energy
- World Economic Forum – global and regional scenarios
- Chatham House
- The scenarios below have been used across industry sectors and geographies:
- UK 2020 scenarios (the framework is useful globally and beyond 2020, though long in the tooth, these have a useful structure and detail)
- In Safe Hands? FS to 2050,

An up-to-date list and links are maintained on the Unlocking Foresight Know How website.

## How to use existing scenarios

Existing scenarios are best explored in workshop mode. They need to be briefed as "fairy stories" which have been useful to other groups in developing their thinking. It is important that these workshops are held off-site to signal "different", and that the participants have the opportunity to think themselves into the scenarios through sharing among the group members. A two-day format is good to allow reflection and absorption time; so residential workshops work better than non-residential.

More can be found in our scenario primer here.

*Written by Gill Ringland, SAMI Fellow and CEO, published March 10 2017*

## Is there evidence that foresight works?

We were asked the other day – what is the evidence that foresight works? Particularly, does scenario planning lead to better outcomes? Why should an organisation engage in this sort of thinking?

The importance of the question – and that it can be answered – is highlighted by the recent McKinsey report on Long Term Thinking . The report has led to the launch of an index of long time horizon companies, as evidenced by their public reports relating to investment, earning growth, margin growth, quarterly management and earning per shares growth. And of course a long tem view needs supporting by a view of what futures might hold. So how do organisations improve their view of futures?

As Business Schools have increased their footprint, many managers have been exposed to scenario planning as a tool for strategic thinking. While there are many variants of scenario thinking and many other tool sets – see for instance Patricia Lustig's "*Strategic Foresight*" – scenario planning has been the most widely used methodology. I first came across scenarios when I was asked to take a strategy role at ICL and found that nobody had a view of where the IT industry was going and wrote up my experience in *"Scenario Planning: Managing for the Future"*.

SAMI has of course many case studies on our website which together build a picture of what works and what does not, as does the literature based on the Shell experience eg

- Wack, Pierre, "Scenarios, uncharted waters ahead", 1985, *Harvard Business Review*,
- Wack, Pierre, "Scenarios, shooting the rapids", 1995**, Harvard Business Reviewh**
- Wilkinson, Angela and Roland Kupers, 2013,"Living in the futures", *Harvard Business Review*
- Schoemaker, Paul, "When and how to use scenario planning", Journal of Forecasting, 1991,

Another perspective can be found in "*Scenario projects in Japanese government: Twenty years of experience, five tales from the front line*" .

Directly tackling the evidence through evaluation in different environments, we know of a classic book on the use of Foresight in Research – which for instance evaluated how to get better results from Delphi following 25 years of experience in Japan – *Research Foresight*, Ben R Martin and John Irvine, Pinter, 1989. A more recent article is Martin, Ben (2010) ***The origins of the concept of `foresight' in science and technology: an insider's perspective.*** Technological Forecasting and Social Change, 77 (9). pp. 1438-47. ISSN 0040-1625

A paper evaluating corporate performance linked with foresight looks at the performance of large European firms.

Professor Gerard Hodgkinson's article on scenario planning discusses the role of scenario thinking in attenuating biases.

And Philip Tetlock's work on Forecasting in Superforecasting, Crown, 2015, develops mental tools for improving the accuracy of forecasts (here mainly over the near term) which coincides with Japanese results above – diversity leads to better results. A link to an HBR article summarising it is here.

To find out more, SAMI is running a number of training courses on aspects of foresight throughout the year – details can be found here .

*Written by Gill Ringland, SAMI Fellow and CEO, published May 24 2017*

## What is Scenario Planning?

Several new clients have asked recently for a quick summary of the whys and wherefores of scenario planning. We have produced a comprehensive round-up of what we see as the key issues and techniques in Scenario Planning – A Primer. But we thought that a quick blog to summarise some key points might be useful for those new to it or those, faced with Brexit issues, who are thinking of returning to it.

Brexit is a wonderful example of the difficult circumstances in which scenario planning can help organisations address the future. There is change ahead, but no one knows what will happen, few know how it might affect them, fewer have plans in hand to prepare themselves for change.

There are plenty of views about what might happen ranging from apocalypse to a nirvana of freedom from the shackles of foreign power. And it is likely that for each individual or organisation the impact will be different, ranging from not a lot to life changing.

The first stage of scenario planning is to identify the kind of possible key changes in the future that are likely to affect the organisation in the future. These of course are a matter of opinion, but in scenario planning the more diverse opinions the better. The process of scenario planning takes all these views, analyses them for probability and impact, groups them as similar or opposite in possible impact, and develops a number of plausible scenarios covering most of the biggest issues. These scenarios are mental models, they are qualitatively different, and they present a range of possible futures. They give a framework and language that permits rational discussion about the different directions in which things may change, and what the organisation should do to prepare for whatever might be thrown at it

No narrow forecasts of what might happen, no arguments about what will happen, just consensus about the need to prepare for the future. As with other business techniques, the process itself and the participation by influential members of the organisation can be as important as the production of a plan, or plans, themselves.

If you feel the need to know more, please help yourself to an in depth read of our Scenario Planning – A Primer. Or you can see chapters of “Scenario Planning – managing for the future”, which is the standard text on MBA courses, on www.unlockingforesight.org.

*Written by Nick Jackson, SAMI Principal, published July 27 2017*

## The evidence that long term thinking gives better results

As practitioners of strategy in the context of the future, we at SAMI have always instinctively believed that this approach is better than strategy with a good view in the rear view mirror. Views of the future allow you to think long term and make informed decisions for the long term.

And there is increasing evidence that long-term thinking pays results. Also this implies exploring how the long term might be different from the here and now. So in this blog we will review the evidence that long-term thinking gives better results in the corporate sector, where visible indices can be derived from publicly available annual reports. In later blogs we will talk about the sources of disruption now, the characteristics of people successful at seeing potential futures, some tools to help this thinking, and some case studies of situations that provoke organisations to focus on acquiring views of possible futures. Further – we would argue that monitoring possible futures should be ongoing in disrupted times such as these – and in *Beyond Crisis* described how this could be achieved.

But returning to the immediate question – what is the evidence that long term thinking leads to better results – a recent McKinsey report on Long Term Thinking looked at evidence over 10 years – see https://bymckinsey.com/global-themes/long-term-capitalism/where-companies-with-a-long-term-view-outperform-their-peers. The report has led to the launch of an index of long time horizon companies, as evidenced by their public reports relating to investment, earning growth, margin growth, quarterly management and earning per shares growth. “Finally, Evidence That Managing for the Long Term Pays Off” can be found at https://hbr.org/2017/02/finally-proof-that-managing-for-the-long-term-pays-off The implications for Finance Directors are drawn out in an article in the Harvard Business Review, https://hbr.org/2016/03/how-cfos-can-take-the-long-term-view-in-a-short-term-economy, and in May 2017 they published a series of articles under the Managing for the Long Term umbrella, with the overall theme: “In this package we examine how a focus on maximizing shareholder value can threaten companies’ health and financial performance”: https://hbr.org/2017/05/managing-for-the-long-term .

The topics covered are:

- The Error at the Heart of Corporate Leadership
- The CEO View: Defending a Good Company from Bad Investors
- The Board View: Directors Must Balance All Interests
- The Data: Where Long-Termism Pays Off

A paper evaluating corporate performance linked with foresight by Professor Renee Rohrbeck is:
https://www.researchgate.net/publication/236897761_The_Value_Contribution_of_Strategic_Foresight_Insights_From_an_Empirical_Study_of_Large_European_Companies.

Directly tackling the evidence through evaluation in different environments, we know of a classic book on the use of Foresight in Research – which for instance evaluated how to get better results from Delphi following 25 years of experience in Japan – *Research Foresight*, Ben R Martin and John Irvine, Pinter, 1989. A more recent article is Martin, Ben (2010) ***The origins of the concept of `foresight’ in science and technology:***

***an insider's perspective.*** Technological Forecasting and Social Change, 77 (9). pp. 1438-47. ISSN 0040-1625

So why do organisations make decisions for the short term, based on current and past conditions, despite the evidence that long term thinking gives better results?

The focus of much of the discussion on this is on whether metrics such as shareholder value, or regulatory environments, drive short termism. This debate is important, and it is also important to think about the other factors that underpin a shot term approach that disregards the fact that the world is changing.

We understand the reasons why many organisations find a strategy based on views of the future to be uncomfortable: the future may be different from the past. And experience – the rear view mirror – to be comfortable. After all, the senior people in the company have good experience of the business environment which has pertained as they made their way in the organisation or industry. So many organisations see no need for views of the future, until too late.

Our focus is on strategy in the context of the future, so we explore possible futures – one of which may be Business As Usual – before developing strategic options. Options which are good under all futures are called "robust" – other options may deliver only under some possible futures – and then a management view needs to be taken on the next steps, eg more investigation, research with customers and suppliers? Or set up early indicators, events that would happen under if a particular scenario was unfolding? One classic example of an early indicator is from Peter Schwartz's ***"Art of the Long View"***:

"In 1983, we presented the Royal Dutch/Shell managing directors with two scenarios; one called Incrementalism, and the other called the Greening of Russia. By that time, we knew enough about the Soviet Government to say that if a virtually unknown man named Gorbachev came to power, you'd see massive economic and political restructuring; an opening to the West; arms control; declining tensions in the West; and major shifts in international relationships. It was not that Gorbachev, as an individual, would cause the changes. Rather, his arrival in power would be a symptom of the same underlying causes."

Organisations need signposts like these in our disrupted times in order to take a long-term view.

*Written by Gill Ringland, SAMI Fellow and CEO, August 23, 2017*

## Thinking about the future.

As practitioners of strategy in the context of the future, we at SAMI have always instinctively believed that this approach is better than strategy with a good view in the rear view mirror. Views of the future allow you to think long term and make informed decisions for the long term.

### How to improve thinking about the future?

One way of approaching this question uses Hedgehogs and Foxes to describe styles of thinking. Originally from Greek mythology, Isaiah Berlin introduced the analogy for discussing management styles in 1953:

"The Fox knows many things but the Hedgehog knows one big thing"

As Berlin uses it, Hedgehogs relate everything to single concrete narrative, through which everything in life is reduced to a single set of certainties. Foxes, on the other hand, distrust grand designs and absolute truths, and instead pursue many ends, often unrelated and even contradictory. They use a flexible array of insights that guide them as they experiment, play with ideas and experience, explore and, on occasion, pounce.

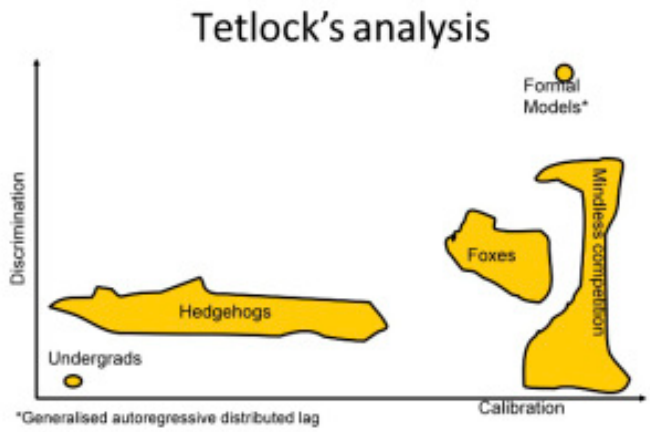
Recent psychological testing has shown that this is a valid and powerful way of classifying people. As psychologists have defined the type, Hedgehogs are people who are happiest operating within a closed problem domain, in which standard tools and focused effort allow them to compete with their peers. They are happy with the existing system or implementing a formula to change it.

Foxes are at their best exploring new terrain and re-thinking certainties. Their goals are largely self-actualisation and they are seldom concerned to rank themselves against their peers. Foxes are suspicious of commitment to any one way of seeing an issue; they prefer a loose insight that is calibrated from many perspectives. They are tolerant of dissonance within a model – for example, accepting that an enemy regime might have redeeming qualities – and are relatively ready to recalibrate their view when unexpected events cast doubt on what they had previously believed to be true.

Then a Professor at the University of California at Berkeley, Phillip Tetlock started to explore how to get better at predicting the future in 1987. It was then that he started to collect forecasts from about 300 experts – initially about preventing a nuclear war but then extending to encompass about 27,500 much wider political and geo-political events. The results were published in his book "Expert Political Judgement" in 2005.

Tetlock first discusses arguments about whether the world is too complex for people to find the tools to understand political phenomena, let alone predict the future. He evaluates predictions from experts in different fields, comparing them to predictions by well-informed laity or those based on simple extrapolation from current trends. He goes on to analyze which styles of thinking are more successful in forecasting. Classifying thinking styles using Isaiah Berlin's prototypes of the fox and the hedgehog, Tetlock contends that the fox–the thinker who knows many little things, draws from an eclectic array of traditions, and is better able to improvise in response to changing events–is more successful in predicting the future than the hedgehog, who knows one big thing,

toils devotedly within one tradition, and imposes formulaic solutions on ill-defined problems. A famous diagram from this is on the lines below:




Here, calibration is the number of right predictions, and discrimination is the range of the predictions. So it is possible to have stellar discrimination and terrible calibration scores if you make bold and wrong predictions. As well as the lack of success of all forecasters compared with models, he also noted a perversely inverse relationship between the best scientific indicators of good judgement and the qualities that the media most prizes in pundits–the single-minded determination required to prevail in ideological combat.

Rather than decide that forecasting was too difficult for mere mortals, Tetlock started the Good Judgement Project in 2011. He has 20,000 volunteers who participate in an annual tournament, giving judgement on geopolitical issues and updating as and when appropriate. The early years of the tournament are already yielding exciting results.

For instance, – even brief training works – a 20 minute course on how to put a probability on a forecast, correcting for well-known biases, provides lasting improvements to performance.

A second insight is that teamwork helps – teams of forecasters who discussed and argued – produced better predictions.

He has produced advice for forecasters summarised as CHAMP:

- Comparisons are important
- Historical trends can help
- Average opinions over diverse groups
- Mathematical models should be taken into account
- Predictable biases exist and should be allowed for.

We are fans because this is the only systematic approach we have found to getting better at forecasting.
An HBR article summarising it is https://hbr.org/2015/02/what-research-tells-us-about-making-accurate-predictions .

To find out more, SAMI is running a number of training courses on aspects of foresight throughout the year – details can be found on www.samiconsulting.co.uk/training

*Written by Gill Ringland, SAMI Fellow and CEO, August 31, 2017.*

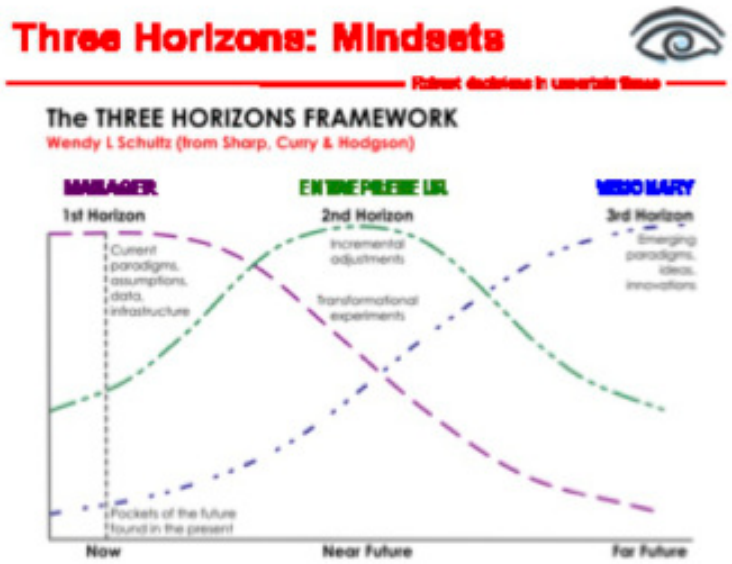
## Tools for long term thinking

As practitioners of strategy in the context of the future, we at SAMI have always instinctively believed that this approach is better than strategy with a good view in the rear view mirror. Views of the future allow you to think long term and make informed decisions for the long term.

### What tools are there to improve thinking about the future?

A tool that is useful for thinking about factors that could cause the organisation's assumptions to change (drivers of change) is Three Horizons. It is quickly adopted by groups of people and is often combined with a "looking back" exercise in which the group relates to their organisation, industry or country twice as many years in the past as the group is going to think forward – ethnographers suggest that change in the future will be twice as fast as in the past. Three Horizons is the subject of a book by Bill Sharpe.

**Horizon 1** takes into account the ***current working assumptions*** and systems that we take for granted when we make decisions.




Example – the ongoing trend for decreasing family size, for migration, and for people to live longer, causes us to re-examine our assumptions on demographics.

**Horizon 3** is about changes emerging that are ***completely new paradigms*** and ways of understanding and undertaking various human activities. What are **visionary leaders** saying?

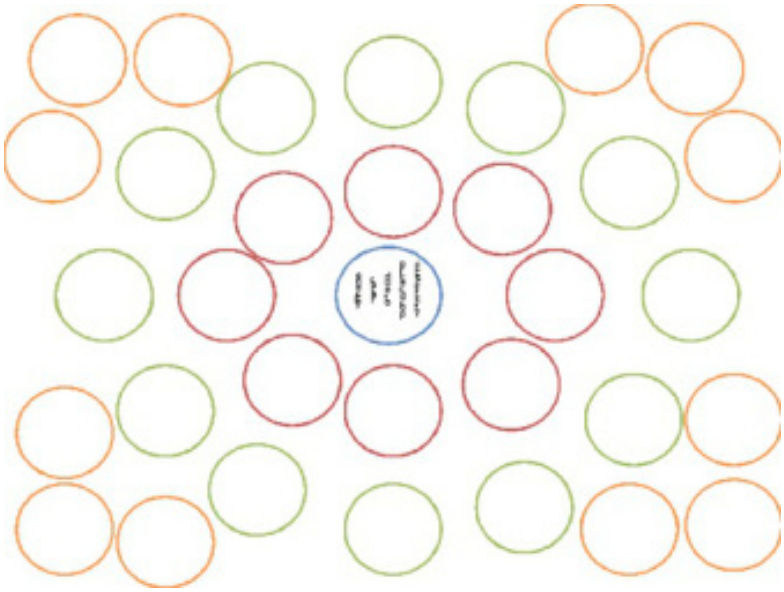
Example – The World Business Council for Sustainable Development believes that nine billion people can live well on the planet.

**Horizon 2** is about drivers which represent ***a transition or accommodation for evolving tensions*** as current assumptions and work patterns obsolesce, and transformative changes affect industries and markets.

Example – the CEO of GM, Mary Barra "I believe we will see more change in our industry in the next five to ten years than we have in the last 50. We are at the start of a technological revolution that is going to change the way we drive and interact with our cars, trucks, and crossovers"

Once you have used Three Horizons to identify drivers of change to build into strategy now (Horizon One), a tool for thinking about the effect this could have on your organisation, through customers, stakeholders, regulation, etc, is an Impact (aka Futures) Wheel. Starting from the driver at the centre, effects are mapped outwards. This is a structured brainstorming method used to organise thinking about potential impacts.

Futures Wheels are described in "Strategic Foresight" by Patricia Lustig .



A tool that is explicitly designed to explore a range of possible futures is scenario planning. The strength of this is to create mental models and a shared language for potential futures. These can then get wider traction and help organisational self knowledge. For instance at a computer firm, two scenarios were developed for the industry:

Coral Reef, in which an exciting and innovative industry was represented by smiling clown fish, visible to customers and working with them
Deep Sea, in which an industry largely invisible to customers was treated with suspicion by customers,

These terms were used to discuss the changing nature of the industry – from Coral Reef to Deep Sea – to reshape the marketing and sales approach, and by account managers to discuss customers. The names were intuitive enough for those not involved in scenario development to find them useful, even without the full description, timeline, etc.

The process of scenario development has been described in a number of books and articles, and one of the most succinct is
on www.**samiconsulting**.co.uk/4**scenario** planning a **primer**.pdf .

*Written by Gill Ringland, SAMI Fellow and CEO, September 6, 2017.*

## Does Foresight work? Case studies


We know that there is evidence that long term thinking is linked to superior performance .

How does foresight contribute to long-term thinking? Can the effect be measured? As I was taught at Stanford Business School, it is impossible to directly measure the effect of strategy because strategy only has effect through implementation – and good strategy, bad implementation may be worse than bad strategy, good implementation. But it seems obvious nevertheless that long term thinking underpinned by effective foresight must be better than long term thinking underpinned by un-examined assumptions that the future will be very like the past.

So it is worth looking at case studies of foresight used to underpin decisions.
There is a range of studies of the effect of foresight in the form of scenario thinking at Shell, since the early 1970's. For instance:

- Wack, Pierre, "Scenarios, uncharted waters ahead", 1985, *Harvard Business Review*, https://hbr.org/1985/09/scenarios-uncharted-waters-ahead
- Wack, Pierre, "Scenarios, shooting the rapids", 1995**, Harvard Business Review**https://hbr.org/1985/11/scenarios-shooting-the-rapids
- Wilkinson, Angela and Roland Kupers, 2013,"Living in the futures", *Harvard Business Review* https://hbr.org/2013/05/living-in-the-futures
- Schoemaker, Paul, "When and how to use scenario planning", Journal of Forecasting,
  1991, http://onlinelibrary.wiley.com/doi/10.1002/for.3980100602/abstract

Another perspective can be found in "*Scenario projects in Japanese government: Twenty years of experience, five tales from the front line*" which can be found at http://unlocking-foresight.tizrapublisher.com/ka4o8s/

Directly tackling the evidence through evaluation in different environments, we know of a classic book on the use of Foresight in Research – which for instance evaluated how to get better results from Delphi following 25 years of experience in Japan – *Research Foresight*, Ben R Martin and John Irvine, Pinter, 1989. A more recent article is Martin, Ben (2010) ***The origins of the concept of `foresight' in science and technology:***

***an insider's perspective.*** Technological Forecasting and Social Change, 77 (9). pp. 1438-47. ISSN 0040-1625

In SAMI we have seen many organisations use foresight to improve their long term thinking. For instance:

- In the insurance industry, Legal and General used scenarios to explore changes through regulation, demographics and technology – concluding that the only two scenarios were Evolution or Revolution
- In asset management, the Man Group used Scenarios for the City of London to gain insights into their different businesses, leading to divestment and re-alignment: and the European Bank of Reconstruction and Development wanted to take stock after 25 years of operation.
- Angel Trains developed scenarios for the rail industry and realised that they were in the risk business rather than the rail industry
- Global lawyer Allen & Overy bought a number of firms in North Africa after using scenario thinking to surface their exposure to Sharia Law.
- Accountants Grant Thornton UK developed scenarios the business environment in the UK as part of their Future Perspectives project and found that this led naturally to their Vibrant England strategy to work with innovative, and small and mid-size, businesses.
- Scenarios for Europe were developed to advise on research agendas and policy options related to converging technologies. These are often defined as nanotechnology, biotechnology, information technology, and cognitive sciences (NBIC). The recommendations were used widely to inform research programmes in national laboratories across Europe.
- In Higher Education, scenarios for Scotland were used to frame the development of Napier University: and scenarios for Higher Education in Romania led to Government White Papers and the secondment of three of the team to the World Bank to plan implementation.

## What can be learnt from these case studies?

Perhaps, unsurprisingly, that foresight is often undertaken for a reason, such as a new Principal (Napier University) or new CEO (Legal and General), unacceptable losses in a division (Man Group), perceived need to restructure (Romanian Higher Education), the need to seek new investors (Angel Trains), the need to make assumptions explicit across cultures (Scenarios for Europe) or because of perceived challenges in the business environment (Allen & Overy, Grant Thornton).

Decisions can be made and actions can be taken with more confidence after foresight work has explored alternative futures – Shell have estimated that they can take decisions 3 to 6 months earlier than their competition through scenario thinking.

*Written by Gill Ringland, SAMI Fellow and CEO, September 13, 2017.*

## What does the future hold for Generation Alpha?

Grant Thornton are running a series of breakfast talks on the Future, with speakers from Cranfield University. The first one recently was given by Joe Nellis, Professor of Global Economy on the future for Generation Alpha – ie the under 7's and yet to be born, the next cohort following Generation Z, the 7 to 21 year olds.
Generation Z are facing a difficult financial situation, not of their making, with a concentration of wealth into the top 1% or fewer, increased parental dependency and increasingly likely to rent rather than buy their homes. They have less trust in institutions – politics, big business etc – and may be resentful of older generations for having left them in this position.

Joe warned us that nobody knows what the future will hold, but he identified a number of trends he saw continuing. Globally, Generation Alpha will be a smaller cohort because of falling birth rates, though increasing population will continue to put pressure on natural resources and raise issues of sustainability. So-called "Frontier economies", a wave following today's "developing economies" will emerge to become significant, and migration will continue to be a major pressure, with increased tensions in international relations. Urbanisation will also continue, with over half the world's population living in cities.

Globally, Joe thought Generation Alpha would be richer than the previous generation as increased wealth was shared amongst a smaller cohort, but he had concerns about wealth inequality, as the owners of AI/robots took an increasing share. They will also be better educated, staying in education longer (Masters degrees as standard), becoming ever more specialist. SAMI's view had been of increasing wealth inequality *within* countries, but decreasing inequality *between* countries. This brings with it shifts in global power.

On the technology front, Joe expected to see virtually complete global connectivity (SAMI's analysis challenges this idea because of the need for universal power supplies, which is a major issue), and continued development of AI and robotics into the 4$^{th}$ Industrial Revolution.

The word "digital", as in "digital camera" will become redundant, as Alphas will never have known analogue technology. They will have short, 10-second, attention spans ("the age of impatience"), expect all services to be personalised, and challenge brands (and politics) to be more ethical.

In the world of work, they will be less loyal to one organisation, expecting work to be project based, more complex and with more choice. They will be more entrepreneurial and expect to make an impact. But they may also have to work longer, with more caring responsibilities as populations age.

Contrasted with Baby Boomers, Alphas will be visual rather than verbal; experiential in learning style rather than sitting and listening; operate collaboratively rather than in a command and control system; and value job flexibility over job security.

Responding to questions, Joe thought that Alphas would be less susceptible to fake news, as they would have the skills to challenge it better, and generally be more cynical about sources. There could be tensions between the hollowing out of work by AI, and demands for fairness and ethical behaviour. AI would also create new jobs –

look at job ads today and you'll many for "app developers" – a job that didn't exist ten years ago.

And the basis of economic models could change, as GDP was no longer seen as a useful measure of society's success – Grant Thornton were already leading the way with the Vibrant Economy index, #vibranteconomy.

Joe's slides are available on the Grant Thornton website.

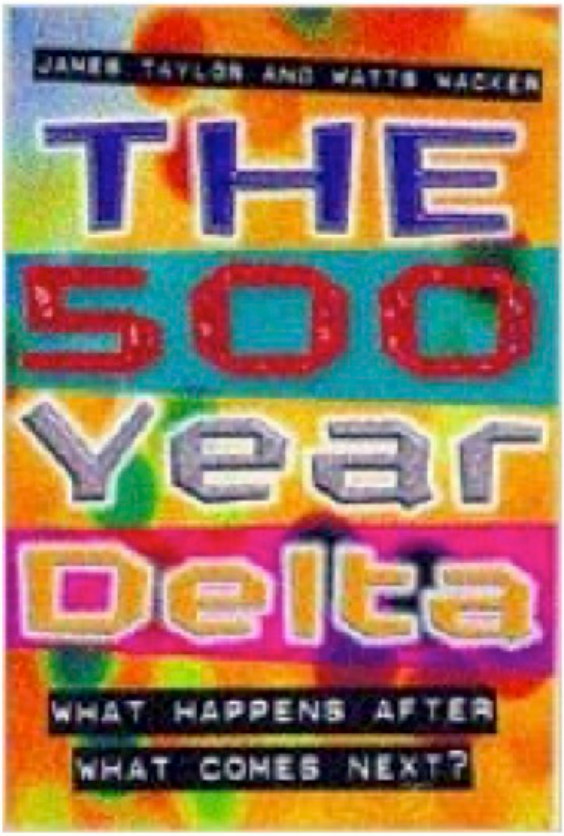
It was interesting to compare Joe's talk with the exercises SAMI has been doing with Grant Thornton, presenting drivers of change to various groups around the country as part of their Vibrant Economy programme.

*Written by Huw Williams, SAMI Principal, November 15, 2017.*

## Memories of Watts Wacker

I heard recently that futurist Watts Wacker has died. He was a leading thinker from the 1980's onwards, using a variety of styles and images to help people and organisations think about the future.

One of his books, The 500 Year Delta, published in 1997, (ISBN 978-0887308383) was much more approachable than the title suggested, as it explored 5, 50 and 500 year futures and provided tested strategies to help companies and individuals reset their course to accommodate the increasing chaos of everyday life as seen from the 1990's. It became a world-wide bestseller.




His later books included The Visionary's Handbook (2000, ISBN 978-0066619873) , and What's Your Story – Storytelling to Move Markets, Audiences, People and Brands (2012, ISBN 978-0132312011). His body of published work has lasted well, but it was as a speaker that he came into his own – he was brilliant at challenging an audience to think about the ways in which our assumptions about the world might not hold in the future.

Watts and I worked together at ICL in the 1990's with the then CEO, Keith Todd, to formulate ICL's strategy as part of the Information Society, and with European Commissioner for Industry Dr Martin Bangemann on how to implement his 1994 report on Europe and the global information society. The report represented the findings of a group of senior business people and community leaders, including the then-chairman of ICL, Sir Peter Bonfield, and formed the basis of much of the European Commission's programme in strategic planning for the Information Society. It also

influenced the subsequent G7 Global Information Society conference held in Brussels in 1995.

One of the steps ICL took was to host a seminar in July 1996 to examine:

- issues of regulation in the light of new technological advances;
- issues arising from the implementation of the information Society in Europe such as public awareness/education, skills training
- the most appropriate regulatory/institutional environment to encourage entrepreneurship and innovation.

Participants in the seminar included Dr Bangemann, Keith Todd, ICL's Chief Executive Officer, and twenty participants from the media and the Open University, public administration, telecoms and computing, and entrepreneurs, from 13 countries.

As part of the discussions, the group developed two visions for Europe; a leading and a trailing scenario. The leading scenario described a society with an improved quality of life. Contributing to that would be choice: opportunities for employment rather than jobs as such, opportunities for education, choices over lifestyle, health and medical care, and choice to use information technology or not – based on there being no barriers to access.

The group concluded that to achieve the leading scenario three elements had to be in place:

- The capacity of Europe to improve the relationship between entrepreneurship, education and the financial system;
- Education, helped by IT, needs to become a critical factor in growth in Europe. Overall, the whole attitude toward risk-taking and management had to change;
- A new approach to regulation and deregulation in the light of technological developments. For example, while getting rid of monopolies is important, the completely deregulated model might not always be appropriate.

The Report from the Workshop was called the Hedsor Memorandum. The recommendations focused on areas for action which would use the infrastructure of communications, and which could be carried out over the next two years to take effect over the next decade. It focused on the need to shift attention to spreading awareness of the impact of the Information Society from large organizations and towards

- individuals, so they would understand the potential to increase their skills,
- small and medium-sized enterprises which will play a critical role in advancing the Information Society by extending their global reach through technology,
- local governments as catalysts and providers of local networks with a bridge to global resources.

However we were concerned that the workshop participants might have a systematically different view of life from the next generation, who would be living in the Information Society. So we invited a group of seventeen young graduates from throughout ICL, from a wide range of backgrounds and nationalities, and with differing knowledge, skills, attitudes and experience, to attend a "Future Scope" workshop to consider Europe in 2006: what should we want and expect from the Information Society? After an initial brainstorming session to collect views about Europe and the Information Society in 2006, three main themes were extracted for break out groups to consider in more detail; work – smarter not longer, education, leisure and the family.

At the end of the workshop the Futurescope Group made a number of recommendations which were included in the Memorandum, particularly relating to

ways of engaging individuals who were not part of the formal power structure in decision making.

Watts and I then had the task of taking these messages to audiences inside and outside ICL – he was more successful than me! – he will be missed by all those who knew him either in person or through his books.

There is a fuller discussion in Scenario Planning (ISBN 978-1-909300-54-5).
Whilst a stimulating thinker and presenter such as this will always be much missed, the futurist community continues to challenge current paradigms and to help people and organisations face the future by making #robustdecisions.

*Written by Gill Ringland, SAMI Fellow Emeritus, December 6, 2017*