From Foresight to Insight: Using Scenarios Well

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Some of the best moments I have had working with clients on futures projects as a consultant and a facilitator have been during scenarios workshops. By 'best', I mean those moments when a different insight emerges in the room, or a new way of interpreting the world. Even in the more everyday futures work I've never had the sense that I've been "hashing and haranguing" my way through it. Without appearing to brag, clients generally seem to feel that they have benefited. So reading Graham Molitor's piece, my first reaction was one of sadness, that such a distinguished futurist has come to find such rich work so wearisome.

His article, however, raises important questions about why, in our futures practice, we use scenarios methods at all. There are many futures techniques, after all. So what is it in scenarios methods that contributes depth or breadth to futures work? For me the answer to that question lies in the way in which organisations relate to their external environment and understand it, and how groups learn. Futures work can be thought of as a device for 'disturbing the present', to adapt Gaston Berger's famous phrase. The question is whether scenarios do this well or not.

Crossing Boundaries

The emergence of futures as a discipline was closely bound up with the development and diffusion of open systems theory, during the 1950s and the 1960s. One way to think about the role and value of scenarios is to look at them through the lens of the 'law of requisite variety', formulated by Ross Ashby (1956) in the 1950s. Ashby's law states that organisations need to match internally the variety they encounter in their external environment. They can do this by increasing (or amplifying) their own variety, or reducing (attenuating) that of the external environment.

One of the problems with much futures analysis is that if it is any good it produces far too much 'variety' for the organisation (or group of organisations) to process it effectively; that is, in a manner that creates meaning for them. Scanning, that essential tool for futures work, is a case in point; it produces so much data, much of it new, that organisations are overwhelmed by it. One of the reasons we create scenarios, therefore, is to help people interpret data in a way which allows them both to manage variety and to comprehend it.

There is more to this. Arie de Geus (1997) suggested more than a decade ago, drawing on the work of Winnicott, that scenarios could be thought of as "transitional objects", versions of the play

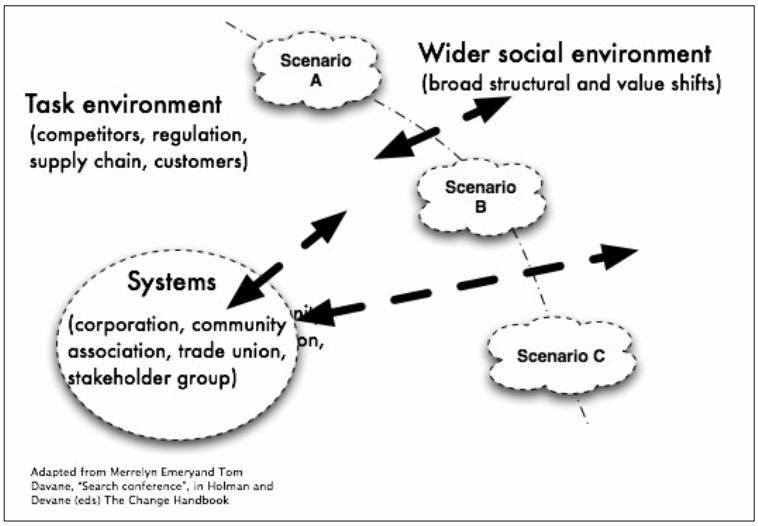

Figure 1. The future context
Note. From "Search Conference", *The Change Handbook* (pp.25-42), by Merrelyn Emery and Tom Devane (1999), in Peggy Holman and Tom Devane (Eds.), San Francisco, Berrett-Koehler.

objects which children use to as they evolve their own identities, separate from that of their parents. The idea can be extended, for Winnicott also told us that one of the important features of the transitional object is that they are made (as objects) by those who use them. Scenarios likewise. Scenarios are an object, or set of objects, which enable a structured transition between past, present and future. The idea can be extended again. Much of my work is with inter-disciplinary or multi-stakeholder groups, where scenarios enable transitions between domains of expertise and organisation boundaries. They become the 'boundary objects', in the sense imagined by Susan Leigh Star (Curry, 2007).

In other words, scenarios work is a process which is about learning and negotiation, about constructing new social meaning. It is possible to find ways to capture some of this for others who weren't involved in the process, but it requires care. On this reading, some of the expectations which are still conventionally brought to bear on scenarios work actually get in the way of the work.

Theory and Practice

One of the issues about scenarios work that emerges clearly from Graham Molitor's paper is the extent to which particular assumptions about process have become reified. Aspects of practice which developed initially because of contingent issues of practice in particular organisational or cultural environments have become inscribed as method. One of the issues for me in GBN's description of its method, for example, is in its initial emphasis on "Uncovering the decision" (Schwartz, 1996). SRI's scenarios approach, similarly, starts with the "decision focus" (Wilson, 1997).

This seems to me to lead to some of the difficulties Molitor describes with scenarios work in general. Donald Schon (1981) makes a valuable distinction between 'problem solving' and 'problem setting', and GBN's approach, like that of SRI, leads to a more narrow emphasis on problem solving. The effect is obvious. Asking about "the shape of the American car market in 2025" leads to a different conversation, and to different data, than "the shape of transport choices in 2025" (although asking either question might have steered the industry away from its current pit). In my experience, part of the value of scenarios work lies in those moments of re-framing which can be stimulated by a challenging problem-setting question.

Similarly, the widespread American scenarios practice – when using the 2x2 'axes of uncertainty' model – of doing the scenario-building in a two-day workshop has much to do with the way in which US companies and executives expect to think about strategy. The outcome is that the development of the axes – the most sensitive and often most difficult part of the project, in my experience – is done towards the end of the first day under acute pressures of time with a roomful of tired people. The result is often that the critical uncertainties identified are too simple to accommodate the level of richness which good futures work should generate. This creates an inevitable frustration with the process and its outcomes.

Again, much scenarios practice, referred to in Graham's paper, places undue emphasis on the role of experts. They are often the worst people at thinking about uncertainty; they typically over-emphasise the likely speed of change, and pay insufficient attention to social and other contexts. They also have most to lose from different ways of imagining the organisational landscape. In practice, most people have some knowledge of the future, provided they are involved in processes which give them the space to think and reflect on the material. Everyone (in the phrase of the late Michael Young) has the capacity to be remarkable. For this reason, diversity is usually more valuable than expertise.

Finally, many of the flaws in scenarios processes come from an over-reliance on specific methods which are expected to serve all purposes. Futures practitioners can be their own worst enemies here, since in they tend to re-use particular methods once they become familiar with them. A telling exchange between (academic-based) practitioners at this year's Oxford Futures Forum suggested that futures work generally had too little theory, and by extension, rather too much practice. While this may be a northern perspective rather than a universal view, the outcome is that there is insufficient consideration of the basis of particular methods, and therefore their appropriateness as a tool. This is true both of futures methods in general, and scenarios methods in particular.

Graham Molitor's paper, therefore, is a challenge to futures' practitioners to do better. In its review of much scenarios work, it makes us focus on what work we are doing when we use scenarios, and why we are doing it. His emphasis on the need for depth, and the value (and importance) of understanding long-term histories, is timely. Even with such care, scenarios are poor forecasting tools. They are better at generating foresight. It should be our challenge, as practitioners, to turn that foresight into insight.

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