Scenarios "Lite" - Lessons from the Field

Richard Smith
Simon Fraser University
Canada

Abstract

This article presents a case study that illustrates a new way of developing creative and constructive visions of the future, based on a merger between the principles of scenario planning and the practices of a team-based process for early product and service opportunity identification. The case study is from the planning process used by a government agency that manages services for aging and disability services in the City of Seattle, Washington, USA.

Overview

This article explores a new scenario planning technique that makes somewhat fewer resource demands, in large part because of the extensive use of internal personnel and relatively light use of consultants. We call this approach "scenarios lite." It is a hybridization of some of the processes found in scenario planning with a team-based, new product and service opportunity scanning technique called "champions of innovation." The case study described below involves aging and disabilities and was carried out for the City of Seattle in 1999. Four scenarios were developed along two axes: technology and social responsibility. The scenarios were titled "Bees," "Bears," "Orcas," and "Fireflies." The implications were used to inform the four-year planning process conducted by the City of Seattle.

Background

I learned about scenarios from a WIRED Magazine special issue, published in 1997 [See http://www.

wired.com /scenarios/]. I was teaching a course on "Issues in an information society," and I challenged my students to consider new product and service opportunities in this environment. I suggested they use a technique I had learned as a graduate student, called "Champions of Innovation" (Bailetti and Guild 1991; Smith 1994).

Some of my students were restless, looking for an alternative way of looking at things. The Internet boom was in full swing, and they were keen to think further into the future. I showed them the WIRED articles, and suggested that they combine what they knew about "champions of innovation" with their new knowledge about scenario planning.

Champions of innovation is a methodology that is similar to "lead user method," a new product opportunity identification technique pioneered by Erik Von Hippel (von Hippel 1988). Both of these techniques seek to find opportunities in emerging technological and market breakthroughs. The champions method differs from lead user method in that it is more strongly team-based and typically involves an internal group rather than external consultants. It also emphasizes direct contact with those

who push the boundaries of technology and market—the "champions" in the name. Both lead user and champion techniques have a much shorter time-frame than scenario planning, typically in the one to three year period.

Combining champions with scenario planning yields a technique that is team-based, internally situated, and dedicates significant time to direct contact with change agents. In the case of the students we had them imagine they were based inside the company they were studying, and asked the company to treat them that way. The students used this combined method as a launching pad for an exploration of e-cash and banking in the future. I have used this modified scenario planning approach several times since and report here on the lessons learned.

In my courses, the impact of technology on our society—and the impact of society on technology—is frequently in the crosshairs. As such, the future is obviously part of our concern, but it is important, I feel, to provide students with a way to think about the future that isn't just arm waving and hand wringing. In other words, dire catastrophes or pleasant fantasies are not enough. I want my students to be able to think about the future creatively and constructively. They should feel like empowered actors, able and motivated to make decisions that build the future.

Scenario planning does that for my students, in large part because it peels back the layers on the forces of change and ensures that we don't think about these things with rose-colored (or needlessly murky) glasses. Scenario planning also highlights the role of uncertainty, something that is not sufficiently appreciated in our society, at least in a constructive way. By that I mean that uncertainty—"we don't know if this is going to happen"—isn't necessarily absolute and therefore disabling. Rather, it can be looked at as a measure, like any other, on which to judge possible outcomes and compare them with others. I now use scenario planning fairly regularly as a classroom or group project exercise.

The scenario planning exercises that my students did on electronic banking were published on the web several years ago and remain there to this day where they have become quite

popular.[1] This popularity has meant that I have been asked to comment in the media on scenario planning, participate in conferences on scenario planning, and even do some consulting on the topic. And it was my experience with doing scenario planning as a student project that emboldened me to take up some of those consulting requests, even though I don't have the resources of a full-fledged scenario planning consultancy. The result is what I have been calling, thanks to an insightful gentleman from Bainbridge Island, near Seattle, "scenario planning lite." My apologies to the founders of scenario planning; no disrespect intended.

The scenario for scenario planning

The City of Seattle, Washington, has a global profile as the home of Boeing and Microsoft, among others. It has grown rapidly over the past few decades and has a well-deserved reputation as being a city that takes good care of its citizens. One of the city's service functions is called "Aging and Disability Services" or ADS. ADS delivers or coordinates a wide range of services to the elderly and disabled in the Seattle area, and works with neighboring districts as well as State-level and national programs for the aging and disabled population.

The people who run ADS, like many service organizations in North America and Europe, recognized that they were about to experience an influx of clients that was unprecedented, both in terms of numbers and the demands they would be making on the system; the so-called "baby boomers" are hitting retirement age. In this context, ADS' normal planning process was strained. Could they cope with such a transformative change in their program with incremental planning methods? Once they started thinking about that, the managers also began to reflect on the additional impact of technological change on how they carried out their role. It seemed clear that traditional planning methods would have to be supplemented with something more long-term and far-reaching. They looked around for advice and eventually connected with me.

It is important to note that this was clearly seen as a supplement to, and not a replacement

for, strategic planning. As an organization with important, ongoing, operational demands, ADS had to plan carefully for operational issues in the weeks, months, and year ahead. Strategic planning at ADS normally follows a four-year cycle and this initiative did not deflect that process. Instead, it was added on and informed the normal planning process.

I should also note that the city of Seattle staff and community volunteers did the scenario planning process described here. My role was strictly as a coach and facilitator. The outcome of that process was a set of scenarios (see below) and a web-based "signposts" initiative that began after the scenario planning process was complete and continues to this day. The City of Seattle Aging and Disability Services has just begun a new round of strategic planning (four years have now passed since the 1999 initiative described here), and has decided to again include a "do it yourself" scenario planning phase as part of that process.

Why do it yourself?

ADS contacted me in a quest for a cheaper alternative to a "full service" scenario consulting firm. As a non-profit public agency, their budget did not extend to such items, especially since it had not been previously tried and was being considered as a supplement to their regular planning process. They saw the scenarios my students and I had created on electronic banking, and wondered if I could help them do something similar.

I told them that I would be pleased to help out, but that it would have to be a process that they "took ownership" of, as I was (and am) a full-time professor. I reviewed the process that my students had used, and we discussed how a modified scenario planning process, with elements of "champions of innovation" technique, could be instituted in their circumstances. We decided to dovetail the scenarios activity with something called "Focus on the Future," a series of community forums taking place around the city as part of community outreach and dialog in advance of their strategic planning initiative. Because we had some advance notice, we were able to shape the topics and discussion to provide input to the scenario planning process.

The coaching allowed them to see what was possible using their own resources, as well as the help of their partner organizations and volunteers. More importantly they had confidence in their staff and their community as creative and critical thinkers and they were willing to take a chance on a new methodology.

How did ADS do it?

The process began with a series of telephone conversations. We established our objectives and looked at our resources. The first resource was people. A key part of the "champions of innovation" technique is the selection of a cross-disciplinary team of exceptional people, people with breadth as well as depth. These people are sometimes called "T-Shaped" people and are essential in this type of undertaking (Leonard-Barton 1995). ADS put together a team comprised of their own staff, key individuals from affiliated and cooperating agencies, volunteers, and selected members of the public.

The second resource was an information gathering mechanism in the form of the community workshops. These workshops provided the equivalent of the face-to-face field visits deemed so crucial to the success of champions of innovation. Not only did they bring new information but they also "stirred it up" among the team, providing them with a shared knowledge base from which to build. In terms of the four step knowledge spiral put forward by Nonaka and Konno, this would be the "combination" phase (Nonaka and Konno 1998).

After each workshop the core team at ADS and I met (usually by conference call) to review the results and toss ideas around on what it meant, where to focus our attention next, and what were the "take away" key points.

After about eight of these meetings, we gathered the team of volunteers, staff, and collaborating agencies and held a retreat. We did the entire story creation process together, as a team, at the retreat site. We identified the driving factors, we isolated the key uncertainties and pared these down to a top two, and then we considered how those two drivers would create four different scenarios for the future of Aging and Disability

Services. Our closing activity was to break into four teams and act out the scenarios in front of each other, as impromptu skits.

The process didn't end there, however. As the facilitator, I took the notes from the meeting home and wrote up the scenarios in the form of narratives. These were re-distributed to the participants and formed the basis of an afternoon's activity for the entire organization (over 100 people) during their annual retreat a few months later. In this way the message of the scenarios was cemented into the lived experience of all the people in that organization.

Finally, the information technology architect for the organization created a web-based "watching brief" on the four scenarios that was available to everyone in the organization [see http://www.cityof-seattle.net/hu manservices/ads/Signposts/default .htm].

The Scenarios - Bees, Fireflies, Orcas and Bears

Scenario planning supplements the regular planning and decision-making process. It is particularly useful for organizations that anticipate rapid and significant change. Scenario planning helps an organization construct multiple alternative futures in the form of stories based on the interplay of anticipated driving forces of change.

In the spring of 1999, Aging and Disability Services (ADS) commissioned a series of four public meetings as part of their four year planning process. The meetings were publicized under the banner of "Focus on the Future" and took the form of expert presenters and public discussion at a variety of locations throughout the Seattle area. The information from those meetings formed the basis for a scenario-planning workshop.

At the workshop in Seattle, participants created four scenarios that highlight possible futures for the work of ADS. The stories examine two driving forces, or dimensions: technological change and shifts in our sense of social responsibility. We hope that planners and decision-makers will be able to use these scenarios to guide action over a wide range of possible outcomes.

The scenarios are set in the year 2020 and represent extremes in each of the two dimensions. The first scenario, which is nicknamed "Bees," depicts a world of high social responsibility and high technology. The second scenario, "Fireflies," is characterized by high technology but low social responsibility. The "Orcas," the third scenario, is a place with high social responsibility but low levels of technology. The last scenario, "Bears," has low social responsibility and low levels of technology use. These are summaries of the full scenarios. Please contact the author for a copy of the full versions.

The Scenarios - Bees, Fireflies, Orcas and Bears

Bees	Fireflies
High social responsibility High technology	Low social responsibility High technology
Orcas	Bears
High social responsibility Low technology	Low social responsibility Low technology

Bees Scenario

In this scenario, advanced technology is widely used to complement and support a community with a strong sense of social responsibility. For this reason technological solutions are not always the first chosen and when used are

not accentuated. The role of older people is celebrated. Their contributions to society as a whole are numerous and notable in this highly diverse community. ADS, now known as the Family and Community Care Network, leverages their work with links to volunteer, faith and ethnic groups through the use of advanced information and

communication technologies. These systems ensure that the paperwork associated with their programs is a background activity and human interaction is at the forefront. As an example of this, technology has been applied to the design and delivery of meal services that are ethnically appropriate. Client interaction is always in the language of the client's choice because of ubiquitous and unobtrusive simultaneous translation.

Fireflies Scenario

Technological solutions to "the aging problem" are the norm in this scenario. A low sense of social responsibility has resulted in a polarized, have and have-not society with very few older people visible anywhere. Those who can afford it have turned to regenerative and reconstructive techniques to reverse the aging process. The remainder of the older population is largely invisible, housed in automated facilities that optimize life span to match financial resources. Euthanasia is widely promoted for those unable to afford these solutions. ADS, now known as ADS-Online, is a private corporation with two main lines of business. The first is an information brokerage, providing multimedia access to "star" doctors and their understudies, expert system-based synthetic practitioners. The other line of business is remote monitoring and performance evaluation of elder holding facilities.

Orcas Scenario

In this scenario, technology is rarely seen as a part of the aging process. The high level of social responsibility has found its expression in urban village living and a community-focused food production and distribution system. Older people are active members of a workforce that shares responsibilities for a lifestyle that is demanding physically but rewarding socially. Intervention in the aging process is rare and older people tend to prefer to pass up scarce medical resources in favour of the younger members of the community. This means that death rates for some diseases have risen but overall rates are stable, as stress-related diseases are very low. ADS is most active at the local level, as are all social services, and is broadly supported by both financial and volunteer resources.

Bears Scenario

In this scenario, human beings have rejected many of the technological advances of the late 20th century. Unfortunately, they have also abandoned many of the social programs and even volunteer initiatives we took for granted in 1999. This has resulted in premature deaths from disease, particularly as new strains of disease, such as "HepZ", find little resistance in a weakened and isolated elder population. The disparities between rich and poor have continued to grow. Those who can afford to, live a "plantation" lifestyle, isolated from their neighbours and making use of large numbers of manual laborers. Except for the rich, people work longer and harder and when they are no longer able to work they have little to fall back on except immediate family. Aging and Disability Services was dissolved in 2010 in a tax cut initiative.

Lessons learned

When I consider the ADS scenario planning process and compare it with more "traditional" approaches, I see several benefits. First of all, the scenarios were relatively inexpensive to create. Of course, the quality and detail of these scenarios could not match those of a professional organization, but I'd like to think that they were sufficient for the task at hand, which was to get an organization to think differently about the future.

More importantly, the scenario planning exercise was a knowledge building exercise for the organization as a whole, and not just for the (usually external) group that produced them. You could say, from a learning perspective, that the way ADS did their scenario planning dispersed knowledge into their organization instead of concentrating it in the heads of a few consultants. As evidence of this, the organization

continues to think about scenarios four years later, and their "watching brief" on the web is up-to-date and well used.

The exercise was also an important agent for employee development, something that is extremely important for a learning organization (Garvin 1993). Every employee who participated not only learned a great deal about the process itself but also about the current situation, projected changes, and social trends that drove the scenarios. Perhaps even more importantly, the employees were able to participate in a creative and constructive exercise that saw them taking an initiative in the face of uncertainty. They were included in the planning process in a way that they hadn't been in the past.

The process went further than just the participating team, however. When we took the scenarios to the annual employee retreat they were not simply presented to employees as a fait accompli via PowerPoint slides, as often happens with strategic planning documents. Instead, they were used as the catalyst for a series of exercises in which the entire staff explored "what if" thoughts based on those scenarios. At the end there was a real sense of ownership by the entire company.

Finally, by including their partners and sponsors in the champions process, ADS was able to bring their vision(s) of the future into the awareness of a large number of people who wouldn't normally be aware of it, or would only have a superficial explanation. This attention to the many people in what Porter would call their "value chain" (the many agencies who work for them or who contract for their services) means that others are aware of the scenarios and have thought about the implications of them (Porter 1985).

This process is not without its costs, of course. First and foremost is the cost of salary for all the employees involved. This could very well add up to more than the cost of an outside scenario planning report, depending on how the accounting was done and what was included and what wasn't. Perhaps even more important is the "opportunity cost" of employees who are participating in this kind of process and not something else. Do you have to replace them?

Are things not getting done while this scenario activity is underway?

A more subtle type of cost is the cost of not doing a professional job with the scenarios. What are the risks of insufficiently trained participants missing something important or simply making a mistake? This is particularly important in those sectors where scenarios are an important part of capital planning that must be done with an eye to the whole lifespan of the scenarios (the petrochemical industry, for example).

All of these costs and benefits must be weighed before undertaking an in-house scenario planning exercise.

Conclusion

We have reviewed an alternative form of scenario planning that is essentially a hybrid of early stage market and technology opportunity scanning with scenario planning. It is team-based and relies on direct contact with innovators and uses a team based inside the organization to develop the scenarios, with some coaching and facilitation by someone familiar with the technique.

In the case presented here, Aging and Disability Services, an agency of the City of Seattle, was able to use the method to create scenarios that provided a useful supplement to their normal planning process and facilitated dialogue and debate among their employees and partner agencies. It also provided strong employee and organization indirect benefits in the form of learning, knowledge transfer, and closer ties with their value chain. The costs, in terms of direct and indirect costs of employee time and energy, were felt to be "worth it" by senior management at ADS such that they will be repeating the process in 2003.

Correspondence:

Simon Fraser University, Vancouver, Canada
V6B 5K3
smith@sfu.ca

Endnotes

1 By virtue of the magic of Google, and the way in which it rewards stable, long-term

links—people link to them and the links don't break—these scenarios have become very well known around the world. Many people have linked to them, quite a few have reproduced them with attribution, and, as you might expect, they appear in other reports wholly un-attributed. [See http://edie.cprost.sfu.ca/~idea/]

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