

## Scenario planning

### Short description

Scenarios are not predictions of the future. They show how different interpretations of the driving forces of change can lead to different possible futures. By setting up several scenarios a possibility space is created and it is within this space that the future is likely to unfold. Scenarios are an important and useful tool in providing space for discussion and help to build consensus on the key issues facing all stakeholders. They:

- Offer an inclusive and consultative process.
- Can reflect the views and challenges facing all stakeholders.
- Are a useful tool for organisational learning.
- Use stories to describe strategic issues.
- Allow detailed analysis to be woven in.

There are likely to be a number of possible strategic options for any strategy area. Before developing options further, it is useful to agree the basis on which the relative merits of alternative options will be evaluated. The team will require a robust method of selecting and maximising buy-in to the preferred option. Again, you should reflect on exactly what you are trying to achieve by designing the new strategic plan. Once you have identified the core objectives, it can be helpful to use them to develop a set of criteria (usually a maximum of 8) against which to evaluate future options for strategic direction. These should draw on any relevant objectives (such as the underlying principles), and should also include others such as suitability, feasibility, acceptability and risk. You may decide that some criteria are more important than others; in which case, the criteria should be ranked and weighted, to take account of their relative importance. Ideally, the criteria should be developed, ranked and weighted in consultation with the stakeholders. Once developed, the criteria can be used to evaluate and select the preferred strategic direction. For example, using a simple scoring mechanism.

### Strengths

- Can help to identify opportunities
- Can act as a checklist during planning to ensure that nothing has been forgotten.
- Can be used to give early warning to possible changes
- Can be used to envisage preferred futures.
- Remove some of today's constraints
- Allow strategists to say "what if...?" "I like that..." "That would be a good outcome"
- Assist in separating tangled issues
- Help to break 'group think' and conventional wisdom
- Allow tough issues to be aired
- Create a rich and shared picture of outcomes

## Weaknesses

- Can be difficult to translate the outcomes into concrete decisions
- The method is partly based on qualitative information that is imprecise.
- Beware of focussing too much on the scenarios at the expense of the actual objective for using them.