

Scenarios: Process and Outcome

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Graham Molitor's article : "Scenarios: Worth the Effort?" is a profound examination of scenarios and their use in businesses and organizations. Molitor has discussed in his article various aspects of scenario process from the philosophical level to the practical. Even though Molitor is skeptical about the usefulness of scenarios, I personally think that scenarios are valuable tools for futures thinking in organizations of many kinds.

I see that scenarios are our humble way to look at the futures. By using the scenario technique, we admit that we do not know what is happening in the futures (which is so true!). We admit that we have to prepared for various situations when the time passes. In one sentence: scenarios help us to be flexible enough to cope with various situations in the future.

Scenarios Help Us to Be Prepared For Futures and Innovate the Futures

In fact, I see that scenarios, as many futures techniques (I prefer not to talk about forecasting techniques here) have two purposes. Firstly, they'll help us **to be prepared for alternative futures** and they question our persistent beliefs about the futures. In my view scenarios have nothing to do with forecasting – they do not try to find the right guess of what is the future going to be. On the contrary, the give immediately range of possibilities of the future.

Secondly, futures techniques, such as scenarios, help us also to **innovate the futures** possible to us by helping to break our mental models and by that, at the best, to encourage us to create something new. For example by creating various macro scenarios an organizations could start to innovate services or products that would suit the best for various world situations. The best of the product/service ideas would fit a wide range of future scenarios.

Scenarios Help Organizations to Test the Strategy

Scenarios are effective tools to test the strategies of organizations in various environments. A colleague of mine that has worked with scenario technique for years commented that scenarios are like wind tunnels for strategy. Another car related metaphor could be test driving. That is what car manufactures are doing when designing cars: they take the prototype to various environments and test how the car is working in these conditions. The car should be coping as well with - 20 degrees centigrade as +30 degrees. That is how strategies should also work: they should be functional for

example in various economic situations. If this kind of functionality is not achievable the flexibility of the strategy is called into question. Scenarios are in the position to help organizations to think through these various business environment where their strategies should be functional. They also help to test the flexibility of strategies.

Utility of Scenarios

Are scenarios useful? I think that in scenario work there are two dimensions, which create the usefulness for practical strategy work. These dimensions are the process and the outcome. The process, the phase of making the scenarios leads us to seek for information about the future, weak signals, trends, wild cards etc. and think about the possibilities of combinations of these elements. The process of information seeking and processing is surely going to be useful to any organization. Also, scenarios are able to break the mental models of organizations and enhance what I have named "organizational futures learning".

The end result, scenarios or the views of the future world are of course useful for communicating the possibilities of the futures to the stakeholders. But they have even more valuable benefit: they create other futures processes. These scenarios can be used for example by other divisions of an organization for various purposes: product or service conceptualizing, to name few.

Scenarios are for challenging the organizations collective view of what is going to happen in the future. Their purpose is to challenge us - to be prepared for events and situations that break our expected futures. In my opinion creating scenarios in an organizational context is valuable and truly worth the time. However, one reminder: Scenario exercises should be taken with seriousness, which means time, resources and expertise need to be spent. Only via this the utility of the scenarios is achieved.

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