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**Scenario Thinking as the
Main Tool of Strategic
Thinking in the
Information Age**

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Scenario Thinking in the Information Age

- **Scenario thinking is strategic thinking for the information age**
- **One scenario strategies of industrial age are substituted by multiply alternative scenario strategies**
- **Emergence of scenario thinking has same timing as emergence of information age**



Scenario Thinking in the Information Age

- **Emergence of scenario thinking is response to growing uncertainty of emerging information age**
- **Scenarios are about freedom and choices**
- **Scenarios are about choices of future and present**



Strategic Thinking

- **Industrial Age**

- Forecasting
- Technological Forecasting
- Prognosing
- Trend Extrapolation
- Modelling
- Strategic Planning
- Strategic Analysis

- **Information Age**

- Scenario Thinking
- Scenario Writing
- Scenario Planning
- Scenario Designing
- Long View
- Mental Maps
- Wild Cards
- Assumption Based Planning
- War Gaming
- Learning Organization
- Robust Strategies
- Puzzle Paradigm



Scenario Thinkers

- **Herman Kahn**
- **Pierre Wack**
- **Gill Ringland**
- **Miriam Galt**
- **Jerome Glenn**
- **Theodore Gordon**
- **Liam Fahey**
- **Robert Randall**
- **Chantel Ilbury**
- **Clem Sunter**
- **Diana Searce**
- **John Petersen**
- **Peter Schwartz**
- **James Ogilvy**
- **Lawrence Wilkinson**
- **Napier Collyns**
- **Art Kleiner**
- **Kees van der Heijden**
- **Adam Kahane**
- **Ged Davis**
- **Michel Godet**
- **Andrew Marshall**
- **Katherine Fulton**
- **Max More**



Strategic Thinkers

- Herman Kahn
- Ossip Flechtheim
- Buckminster Fuller
- Daniel Bell
- Yoneji Masuda
- Alvin Toffler
- John Naisbitt
- Pierre Wack
- Peter Schwartz
- James Ogilvy
- Arie de Geus
- John Petersen
- Jerome Glenn
- Peter Senge
- Napier Collyns
- Lawrence Wilkinson
- Art Kleiner
- Stewart Brand
- Andrew Marshall
- Arthur Cebrowski
- John Garstka
- Thomas Barnett



Scenario Thinking Organizations

- **RAND Corporation**
- **Hudson Institute**
- **SRI International**
- **Royal / Dutch Shell**
- **Batelle**
- **Global Business Network**
- **Arlington Institute**
- **World Economic Forum**
- **CIA - NIC**
- **Millennium Project of AC/UNU**
- **Net Assessment Office DoD**
- **Club of Rome**
- **Global Scenario Group**
- **Chatham House**
- **IDON**
- **RAND Pardee Center**

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- **Herman Kahn: Thinking about the Unthinkable. 1962**
- **Herman Kahn: On Escalation. Metaphors and Scenarios. 1965**
- **Herman Kahn, Anthony Wiener: The Year 2000. A Framework for Speculation on the Next Thirty-Three Years. 1967**
- **Daniel Bell: The Coming of Postindustrial Society. 1973**
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- **Pierre Wack: Scenarios: Shooting the Rapids. Harvard Business Review. 1985**
- **Pierre Wack: Scenarios: Uncharted Waters Ahead. Harvard Business Review. 1985**
- **Peter Schwartz: The Art of Long View. Planning for the Future in an Uncertain World. 1991**
- **Wired. Scenarios Special Edition. October 1995**
- **Lawrence Wilkinson: How to Build Scenarios ? 1995**



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- **Kees van der Heijden: Scenario. The Art of Strategic Conversation. 1996**
- **Art Kleiner: The Age of Heretics. Heroes, Outlaws, and the Forerunners of Corporate Change. 1996**
- **Kees van der Heijden, Ron Bradfield, George Burt, George Cairns, George Wright: The Sixth Sense. Accelerating Organizational Learning with Scenarios. 2002**
- **Eamonn Kelly, Peter Leyden and Members of Global Business Network: What's Next? Exploring the New Terrain for Business. 2002**



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- **Liam Fahey, Robert Randall: Learning from the Future. Competitive Foresight Scenarios Advantage Through Scenario Planning. 1998**
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- **James Ogilvy: Building Better Futures. Scenario Planning as a Tool for a Better Tomorrow. 2002**
- **Peter Schwartz: Inevitable Surprises. Thinking Ahead in a Time of Turbulence. 2003**
- **Rober Lempert, Steven Popper, Steven Bankes: Shaping the Next One Hudred Years. 2003**
- **Diana Searce, Katherine Fulton: What If ? The Art of Scenario Thinking for Nonprofits. 2004**
- **Jerome Glenn, Theodore Gordon: Future Research Methodology 1.0, 2.0, 3.0, 1999, 2003, 2009**

Milestones of Scenario Thinking

- **1950 Herman Kahn started and developed scenario techniques at RAND Corporation**
- **1956 Emerging information society in United States**
- **1960 Herman Kahn founded Hudson Institute**
- **1960 Several Herman Kahn's books on scenario thinking**
- **1970 Warning scenarios of Club of Rome**
- **1970-1980 Developing scenario thinking and scenario planning at Royal / Dutch Shell**
- **1984 Pierre Wack's articles on scenario planning**
- **1987 Foundation of Global Business Network by Peter Schwartz, Jay Ogilvy, Napier Collyns, Stewart Brand and Lawrence Wilkinson**
- **1990 Emerging World Wide Web**



Milestones of Scenario Thinking

- **1995 Wired Magazine – Scenarios Special Edition**
- **1997 The Millennium Project of AC/UNU started**
- **1997 State of the Future reports published every year**
- **1999 Future Research Methods 1.0 edited by Jerome Glenn**
- **1999 Out of the Blue - How to Anticipate Wild Cards and Big Future Surprises by John Petersen**
- **2003 Future Research Methods 2.0 by Jerome Glenn and Theodore Gordon**
- **2004 Pentagon's 2020 warning scenario by Peter Schwartz and Doug Randall**
- **2009 Future Research Methodology Version 3.0 by Jerome Glenn and Theodore Gordon**
- **2010 – Global Governance 2025 scenarios by NIC - CIA**



What Are Scenarios

- Scenarios are stories
- Scenarios are maps of the future
 - Scenarios are mental maps
 - Scenarios are mental models
 - Scenarios are narratives
 - Scenarios are pictures
 - Scenarios are models
- Scenarios are sets of indicators
 - Scenarios are tools
 - Scenarios are art

What Are Scenarios

- **Scenarios are the powerful vehicles for challenging our mental models about the world.**
 - **Peter Schwartz**
- **Scenarios are a tool for helping us to take a long view in a world of great uncertainty.**
 - **Peter Schwartz**
- **Scenarios are stories about the way the world might turn out tomorrow, stories that can help us recognize and adapt to changing aspects of our present environment.**
 - **Peter Schwartz**



What Are Scenarios

- **Scenarios are attempts to describe in some detail a hypothetical sequence of events that could lead plausibly to the situation envisaged.**
 - **Herman Kahn**
- **Scenario is a tool for ordering one's perceptions about alternative future environments in which one's decisions might be played out.**
 - **Peter Schwartz**
- **Scenario is a set of organized ways for us to dream effectively about our future.**
 - **Peter Schwartz**

What Is Scenario Planning

- **Scenario planning is about making choices today with an understanding of how they might turn out.**

- **Peter Schwartz**

- **Scenarios liberated planning from the traditional predict and control approach. They are not accurate forecasts, they are, as Kahn said, thinking tools.**

- **Kees van der Heijden**



Steps to Developing Scenarios

Peter Schwartz's Method

- **Step One: Identify Focal Issue or Decision**
- **Step Two: Key Forces in the Local Environment**
- **Step Three: Driving Forces**
- **Step Four: Rank by Importance and Uncertainty**
- **Step Five: Selecting Scenario Logic**
- **Step Six: Fleshing Out the Scenarios**
- **Step Seven: Implication**
- **Step Eight: Selection of Leading Indicators and Signposts**
 - **Peter Schwartz: The Art of Long View**



Scenario Thinking – 5 Phases

According to Diana Scearce and Katherine Fulton

- **Phase One: Orient – Interviews, Focal Issues**
- **Phase Two: Explore - Critical Uncertainties, Predetermined Element**
- **Phase Three: Synthesize – Scenario Framework, Scenarios**
- **Phase Four: Act – Implications, Strategic Agenda**
- **Phase Five: Monitor – Leading Indicators, Monitoring System**



Europe 2036

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Nation State

Europe of Conflicts

Puzzle Europe

Europe of Alliances

Superpower Europe

Market State

Europe 2036 Wild Card Scenarios

- Economic Conflict with USA
- Economic Conflict with China
- War Conflict within European Union
 - War Conflict with Russia
- War Conflict with Islamic Countries
- War Conflict with Countries of North Africa
 - Civic War within Region of EU
 - Permanent Economic Crisis
 - Collaps of Eurozone
 - Dezintegration of European Union
- Big Terrorist Attack on the Territory of EU
 - Local Arm Conflict
 - Ecological Disaster
 - Collaps of Basic Infrastructure
 - World or European Pandemy
 - Natural Disaster

Europe 2036 Driving Forces

- Information Technology
- Internet
- Information
- Knowledge
- Education
- Science
- Information Capital
- Knowledge Capital
- Networking
- Digital Economy
- Communication
- Spirituality
- Art
- Culture
- Health
- Diversity
- Emerging Markets
- Social Capital
- Sustainability
- Information Economy
- Network Economy
- New Economy



Europe 2036

Scenario Europe of Alliances

- Driving Forces: Industrial Policymakers plus Market
- Political System: Aliances of National States, National Governments, National Sovereignties, Parliament Democracy, Dictatorships, Partisan System, Corruption
- International System: Aliancies of National States as International Players
- Economy: Second Wave Industrial Economy, New Economy of Information Society in Selected Countries
- Security: European Security System, Security Aliances
- Defense: National armies, Defense Alliances
- Priorities: Second Wave Industries
- Currency: National Currencies
- Competitiveness: Partialy
- Internet: According to Economic Performance
- Social Capital: Decrease
- Demography: Decrease, Ageing
- Organization: Industrial Hierarchies, Crime and Shadow Economy Networks
- Society: Second Wave Industrial Society, Information Society in Selected Countries, Tribalism
- Culture: Industrial Unification

Europe 2036

Scenario Superpower Europe (United States of Europe)

- Driving Forces: Information Technology plus Market
- Political System: United States of Europe, Federalism, Parliament Democracy, Civic Society, Government, Parliament, President, Regional Governments
- International System: United States of Europe member of UN and International Organizations
- Economy: Third Wave New Economy, Eco-Social Market Economy
- Security: European Security System
- Defense: European Army
- Priorities: Third Wave Priorities, Information Society, Science, Education, Tourism
- Currency: EURO
- Competitiveness: Global
- Internet: High Penetration
- Social Capital: Moderate Growth
- Demography: Stagnation, Moderate Growth
- Organization: Information and Value Networks
- Society: Third Wave Society, Civic Society
- Culture: Diversity

Europe 2036

Scenario Europe of Conflicts

- Driving Forces: Industrial Policymakers plus Events
- Political System: International Agreements, National Governments, National Sovereignties, Parliament Democracy, Dictatorships, Partisan System, Corruption
- International System: National Governments Members of UN and International Organizations
- Economy: Second Wave Industrial Economy, New Economy of Information Society in Selected Countries
- Security: National Security Systems
- Defense: National Armies
- Priorities: Second Wave Industries
- Currency: National Currencies
- Internet: According to Economic Performance
- Competitiveness: Partialy
- Social Capital: Rapid Decrease
- Demography: Decrease, Ageing
- Organization: Industrial Hierarchies, Crime and Shadow Economy Networks
- Society: Second Wave Industrial Society, Tribalism
- Culture: Industrial Unification, Disruption

Europe 2036

Scenario Puzzle Europe (European Union)

- Driving Forces: Third Wave Technocracy plus Market
- Political System: European Commission, Council of Europe, European Parliament, President, National Governments, Limited National Sovereignty, Parliament Democracy, Civic Society
- International System: National Statesmembers of UN and International Organizations
- Economy: Transformation to Third Wave New Economy, Eco-Social Market Economy
- Security: European Security System, National Security Systems
- Defense: European Defense System, National Armies
- Priorities: Third Wave Priorities, Information Society, Science, Education, Tourism, Selected Second Wave Industries
- Currency: EURO, National Currencies
- Internet: According of Economic Performance
- Social Capital: Stagnation or Moderate Growth
- Demography: Stagnation or Moderate Growth
- Organization: Hierarchies and Networks
- Society: Emerging Third Wave Society, Civic Society
- Culture: Diversity

- **Thank You For Your Attention !**

