HORIZONS FORESIGHT METHOD

Module 5

Change Drivers
THE HORIZONS FORESIGHT METHOD

You are here in the Horizons Foresight Method

- **FRAMING**
  - Identify the issue or problem of interest
  - Consider the larger system(s) shaping the issue
  - Prepare a simple domain diagram of what is “in” or “out” as a guide
  - Allow it to evolve over the study

- **ASSUMPTIONS**
  - Identify “current assumptions” buried in public dialogue and policy documents
  - Identify key trends people assume are true
  - Summarize key assumptions as a description of the expected future

- **SCANING**
  - Scan for weak signals of potentially disruptive changes
  - Conduct interviews and facilitate dialogue to understand the system and develop insights

- **SYSTEM MAPPING**
  - Identify key elements or nodes in the system
  - Describe key relationships
  - Use a system map to identify where change could occur and direct further scanning for weak signals as needed

- **CHANGE DRIVERS**
  - Use insights from scanning to identify change drivers shaping the system
  - Do cascade diagrams to see 2nd to 5th order consequences

- **SCENARIOS**
  - Develop scenarios to explore a range of futures
  - Identify potential challenges and discontinuities
  - Test robustness of current assumptions and strategies

- **RESULTS**
  - Explore policy challenges and opportunities
  - Identify credible assumptions and robust strategies
  - Identify key uncertainties, surprises and emerging issues
  - Better understand how the system or issue could evolve
LEARNING OBJECTIVES

• Understand when, how and why to use change drivers
• Understand how change drivers are used as part of the Horizons Foresight Method
WHAT IS A CHANGE DRIVER?

• Definition: In the world of cause and effect, a change driver causes significant change in the system under study.

• A change driver is a significant disruptive force that is present in all scenarios, although it may have a different impact in each scenario.

• Change drivers influence elements on the system map. As they interact with one or more elements of the system, those elements change or behave in a new and/or unexpected way. This interaction is one of the sources of surprise and insight in foresight.
EXAMPLES OF CHANGE DRIVERS
IMAGINE IT IS 1982

- The number of and applications for personal computers are growing
- Anti-smoking sentiment is growing
- Charter of Rights and Freedoms promotes diversity
- China’s Reform and Opening-up Policy
FROM WEAK SIGNALS TO INSIGHTS TO CHANGE DRIVERS

• The scanning phase helps identify weak signals and insights about what is changing
• The change driver is a succinct statement of what is driving the change

Example

**Weak signals** about Russia’s recent behaviour:

• Russia wants to expand energy infrastructure and sales to China
• Russia is building new special economic zones to expand ties to the far east
• Russia is building the Eurasian Union to expand its influence
• Russia agrees to sell advanced missile defense systems to China
• New nuclear deal with India and air fighter deal with Malaysia

**Insight/Change driver:**

• Russia is pivoting to Asia to expand markets, influence and allies
IMPACTS OF A CHANGE DRIVER

Module 5: Change Drivers

Growing significance of medical tourism

- Ageing
- Overcrowding
- Long wait times
- Low travel costs
- Availability of treatment
- Internet (advertisement)
- Cheap uninsured services

Medical licensing / liability
- Dissolving geographic borders for medical services
- Worldwide use of electronic medical folders for patients
- Physicians located abroad
- Legal remedies abroad

Shifting ethical/moral views of the society
- Promotion of medical tourism to reduce burden on Canadian health system

Increased flow of travelers to emerging economies
- Spread of infectious diseases
- Epidemics
- Increased vulnerability to counterfeit products
- Antibiotic resistance
- Economics development of emerging economies

Capital outflow
- Decreased Investment

Rise in inequalities in both countries
- Queue-jumping in Canada

Disparity in medical facilities
- Medical services as a business

Decrease services to local population
- Lower costs of treatments
WHAT MAKES A GOOD CHANGE DRIVER?

- It causes significant disruption
- The driver or its consequences are not well known or understood (or may be contested)
- The driver has impact within the timeframe (10–15 years)
- It is often a succinct statement with a direction to the change
  - E.g. Aging population, Shrinking Middle Class, Rise of Cleantech
CHOOSE THE MOST STRATEGIC WAY TO FRAME THE DRIVER

- Sensors & Data
  - Automating away Privacy
  - Biometric IDs
  - Digital/Automated Economy
  - Data as a Commodity
- Surveillance
- State Control
MORE ART THAN SCIENCE

Ultimately, the choice of which drivers to use in the scenarios is a judgment call about which surprises are strategically worth exploring.
TESTING TO IDENTIFY USEFUL DRIVERS

Test each candidate driver for its impact on each element in your system or domain map.

Driver 1
Driver 2
Driver 3
Driver 4

SYSTEM MAP
TESTING TO IDENTIFY USEFUL DRIVERS

Test each candidate for its impact on each element in your system or domain map.
AN ALTERNATIVE APPROACH: USE A DOMAIN MAP TO ASSESS DRIVERS
### USING CROSS-IMPACT ANALYSIS TO SELECT DRIVERS

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**Rating:**
- **H** = Change driver has a high impact on these system elements
- **L** = Change driver has low impact on these system elements, but still interesting
- Empty cell = no impact
Module 5

USING CROSS-IMPACT ANALYSIS TO EXPLORE INTERACTIONS BETWEEN DRIVERS AND FIND NEW SURPRISES

THE WHOLE MATRIX

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A CLOSER LOOK

THE DIGITIZATION OF THE ECONOMY

GROWING INEQUALITY

INTERNET BECOMES A BASIC HUMAN RIGHT
HEADLINE: OECD, HUMAN RIGHTS WATCH SLAM CANADA’S CONNECTIVITY IN THE NORTH
WHAT IS NOT A CHANGE DRIVER?

- A statement about the change rather than *what is driving the change*.
- Change drivers are not normally any of the following:
  - problems
  - solutions
  - advocacy / desired states
- If a change driver does not have a significant impact on at least one element in the system map, then it should be discarded.
SUMMARY

• Change drivers cause significant change in the system under study.
• Cascade diagrams help identify surprising and unexpected consequences of drivers over time.
• Cross-impact matrices and domain map exercises can be used to identify the most significant and disruptive change drivers.
• The choice of the best change drivers to use is more of an art than a science.
INFORMATION

Policy Horizons Canada
Horizons de politiques Canada
www.horizons.gc.ca