



HORIZONS **FORESIGHT** METHOD

Module **6**



Scenarios and Results



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PH4-164/6-2016E-PDF
978-0-660-05857-3

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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

SCANNING

- 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

You are here in the
Horizons Foresight
Method



LEARNING OBJECTIVES

- Understand how to develop and analyze scenarios
- Understand how scenarios are used in the Horizons Foresight Method

WHAT IS A SCENARIO?

- **Definition: Scenarios are descriptions of plausible alternative futures.**
- In the Horizons Foresight Method, scenarios are a way to visualize how the system evolves as it interacts with drivers that create new and unexpected changes.
- The objective is NOT to predict the future, but to :
 - explore a range of plausible futures
 - identify potential challenges and opportunities that could emerge
 - develop robust strategies that may help cope with these surprises

FEATURES OF A SCENARIO

- Scenarios can be displayed in a variety of formats: words, graphics, pictures, video, etc. Experiential scenarios can include role playing, games and scenes with a collection of artifacts.
- Normally scenarios have a defined time limit, e.g. 2025, 2030.
- The detail level can range from one paragraph to many pages.
- There are many types of scenarios, but the two main ones are:
 - End-state scenarios (snapshot in time)
 - Developmental scenarios (story over time)
- The Horizons Foresight Method focuses on end-state scenarios.

WHY USE SCENARIOS?

Scenarios:

- Offer a holistic view/experience of the range of futures we may confront.
- Expose people to new ways of thinking.
- Can change how people see the system and the strategies they propose.

Scenarios are used to:

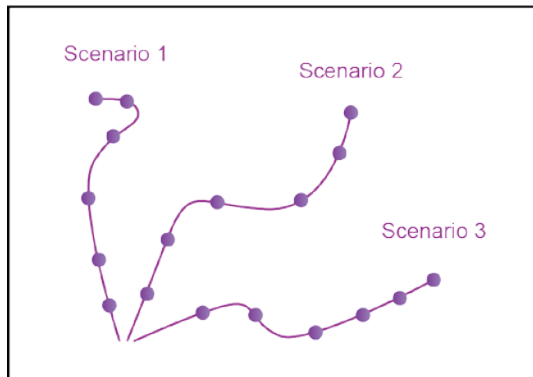
- Identify emerging issues and potential policy challenges and opportunities.
- Clarify and test policy and planning assumptions.
- Develop a better understanding of the system and its future.

WHAT MAKES FOR GOOD SCENARIOS?

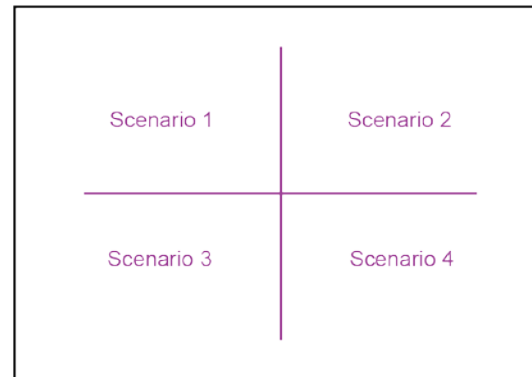
- **Multiple futures** – don't examine only one future
- **Plausible** – the causal pathways that explore low probability, high impact developments seem reasonable
- **Non-linear** – go beyond linear models of change (A causes B) to explore spiraling complexity
- **Provocative** – explores the significant issues in a vivid and strategic manner
- **Explore assumptions** – move beyond conventional thinking
- **Concise and clear** – convey images more than facts; elements are at the same level of generality; contains the essence, not the details

EXAMPLES OF SCENARIO METHODS

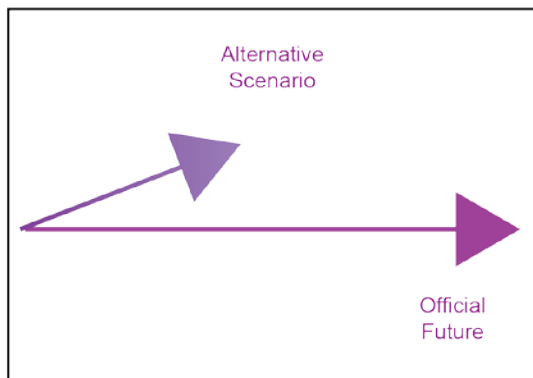
Inductive



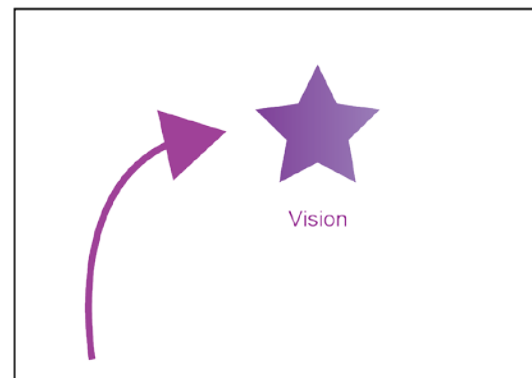
Deductive



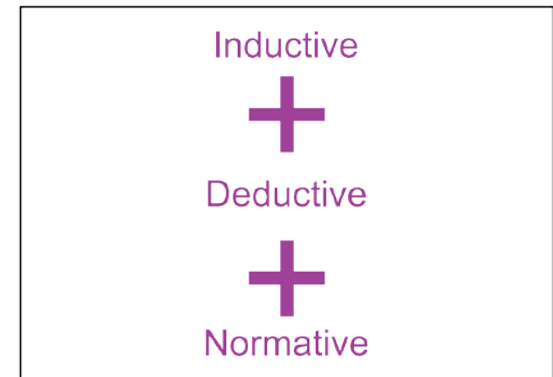
Incremental



Normative



Integrative



STEPS IN THE HORIZONS SCENARIO METHOD

1. Identify change drivers and system elements that will inform the scenario development
2. Develop the scenario logic
3. Put it all together: Create the structural scenarios
4. Identify policy challenges and opportunities
5. Test and clarify assumptions

STEP 1: IDENTIFY KEY CHANGE DRIVERS AND ELEMENTS FOR ANALYSIS

- Change drivers with the most disruptive impact on the system under study are chosen—these change drivers will be instrumental in the elaboration of the scenarios.
- System elements with the greatest potential for disruption or change over time (given the change driver impact) will also be central in the scenario structure.

STEP 2: DEVELOP THE SCENARIO LOGIC

A scenario logic is...

- Built on a foundation of archetypal scenarios that ensure a range of plausible but distinct alternative futures are explored.
- The following archetypes have proved useful in public policy foresight:
 - **Muddling through** – coping with or reacting to change, but without improving outcomes;
 - **Incremental progress** – things are getting better, but in an incremental way;
 - **Incremental decline** – current arrangements are hard to sustain and things are getting worse (without necessarily being catastrophic)
 - **Transformation** – things change due to fundamental shifts in the way we work or see the problem. Transformation is often a response to an opportunity or a crisis.
- Each archetype is supplemented with additional lines of logic that help define the scenario context. This helps to place boundaries on the archetype, which facilitates the exploration of plausible futures.

EXAMPLE OF SCENARIO LOGIC

	Muddling Through	Slow Decline	Gradual Progress	Transformation
Archetype Logic	Incremental approach. No major decline or improvement.	Period of instability. Things are not getting better.	Growing prosperity and security.	Crisis catalyzes change (drought -> food shortage).
Global Power Shift	Declining US and EU influence, while China and others grow in influence.	Shifting coalitions led by US, China and others compete for influence.	US, EU, China and others cooperate to promote prosperity.	Recognition of shared values and mutual interests in addressing global issues.
Geo-Economic	West is fiscally constrained, but "rise of the rest" slowly continues.	Recession. Growing debt. Growth hubs in parts of Asia.	Growing value chains. Growing transparency and accountability.	Well-being redefines progress. Both long and short (resilient) value chains.
Geo-Political	Shifting consensus. Patching up old systems.	Minilateralism: coalitions of like-minded. Competing norms.	Multilateralism is working and becoming networked.	Experimenting with co-creation, empowerment of self-organizing networks to produce global public goods.

STEP 3A: BUILD THE STRUCTURAL SCENARIOS – A TEMPLATE

		Element	Muddling Through	Incremental Decline	Incremental Growth	Transformation	
Scenario logic	Scenario Logic	Archetypal Logic					
		Geopolitical logic					
		Geo-economic logic					
		Global Resource Scarcity					
Change drivers	Change Drivers	More Economic Centres of Power					
		Science, Technology and Innovation					
		New Societal Actors in Governance					
		Greener Economy					
System elements (lenses)	System Elements (Lenses)	System element 1: Manufacturing					
		System element 2: Services					
		System element 3: Natural Resources					
		SE 4: Nature of Firms and Character of Value Chains					
		SE 5: Work and Jobs					
		SE 6: Nature of Government					
Policy challenges	Key Policy Challenges	Policy Challenge 1					
		Policy Challenge 2					
		Policy Challenge 3					

STEP 3B: FROM STRUCTURAL TO NARRATIVE SCENARIOS

- Once the structural scenario matrix has been completed, the information can be analyzed and synthesized to create narrative scenarios.
- Narrative scenarios can take the form of:
 - Short one-paragraph scenarios
 - 1–2 page scenarios (e.g. day in the life of...)
- These scenarios incorporate the insightful components of the structural scenario matrix.

STEP 4: IDENTIFY POLICY CHALLENGES AND OPPORTUNITIES

- **Definitions:** A policy challenge is a future issue that current policies or institutions may not be ready or able to address. A policy opportunity is a potential advantage that requires strategic action to maximize future benefits.
- The scenarios developed in the previous step can help uncover new policy challenges and opportunities:
 - Discuss, brainstorm or imagine how current policies and institutions will fare when confronted with each scenario. What challenges and opportunities may emerge?
 - Guided imaging can be used to help participants experience a scenario and explore surprises, challenges and opportunities.
 - Engage different groups to get varying perspectives on the challenges and opportunities the scenarios may generate.
- During this exploration, note any alternative strategies or solutions worth exploring in the policy development phase.

STEP 5: TESTING ROBUSTNESS - THREE TYPES OF ASSUMPTIONS

CREDIBLE ASSUMPTIONS
Should guide planning for the future

UNCERTAIN ASSUMPTIONS
Should be researched further

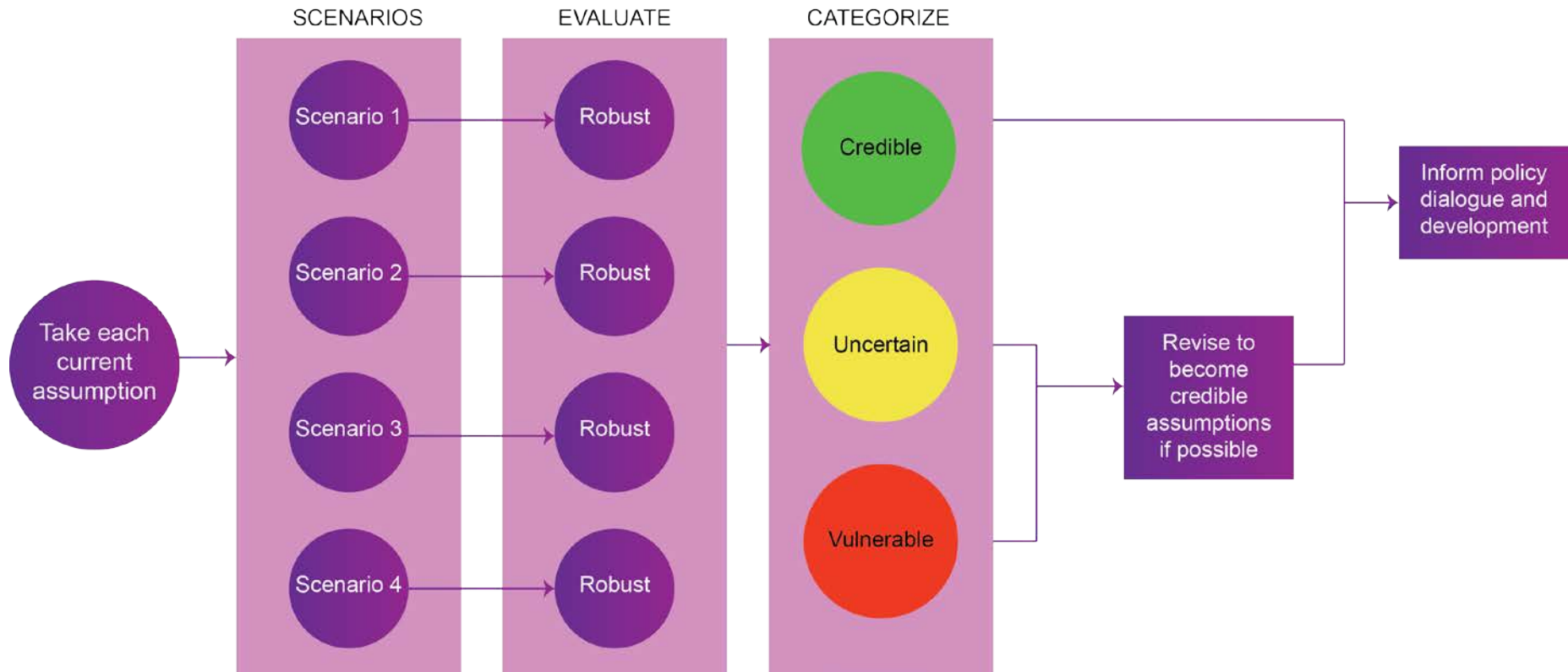
VULNERABLE ASSUMPTIONS
Should be reconsidered

At this point in the process, we test the “current assumptions” that we collected at the very beginning of the Horizons Foresight Method. We test the assumptions for their robustness across all scenarios.

Testing in this way results in three types of assumptions:

- Credible – those that usefully guide planning for the future
- Uncertain – those that require further research
- Vulnerable – those that should be reconsidered in planning

STEP 5: TEST AND REFRAME ASSUMPTIONS



PUT IT ALL TOGETHER: PROCESS STEPS

Each step provides a context informing the next step:

- Develop the scenario logic—it sets the boundaries for the scenario.
- Deduce how the scenario logic shapes each change driver in this scenario.*
- Deduce how the logic and change drivers (all of the above) shape each system element in this scenario.*
- If time permits, review and revise to ensure that it meets the criteria for a good scenario (strategic, provocative and plausible).
- With all the boxes in mind, identify the policy challenges and opportunities that may emerge in each scenario.*
- Test the robustness of each current assumption across each scenario. Assess and reframe as a new, more robust assumption, if necessary.

* Use guided imaging, brainstorming or discussion to identify a few headlines and synthesize into 1–2 sentences.

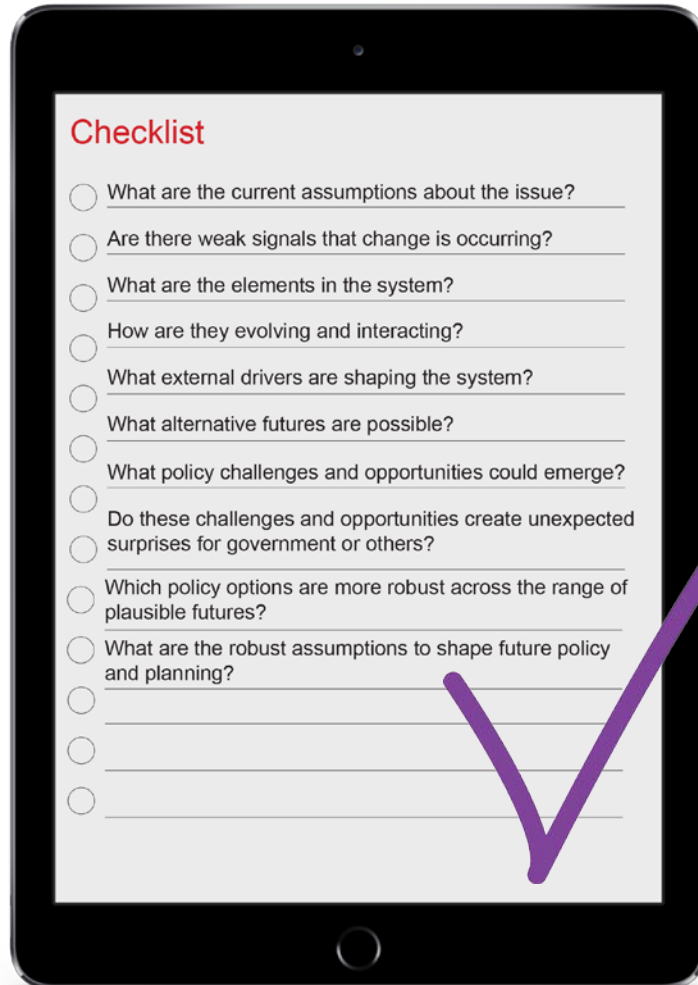
SCENARIO LOGIC	Provide boundaries for the scenario
DRIVER 1 DRIVER 2	Describe how each driver is shaped under this scenario logic
SYSTEM ELEMENT 1	Deduce how the above context shapes SE1
SYSTEM ELEMENT 2	Deduce how the above context shapes SE2
POLICY CHALLENGES	Identify the challenges that may emerge
ASSUMPTIONS	Test for robustness and reframe if necessary

RESULTS: PRODUCTS OF THE HORIZONS FORESIGHT METHOD

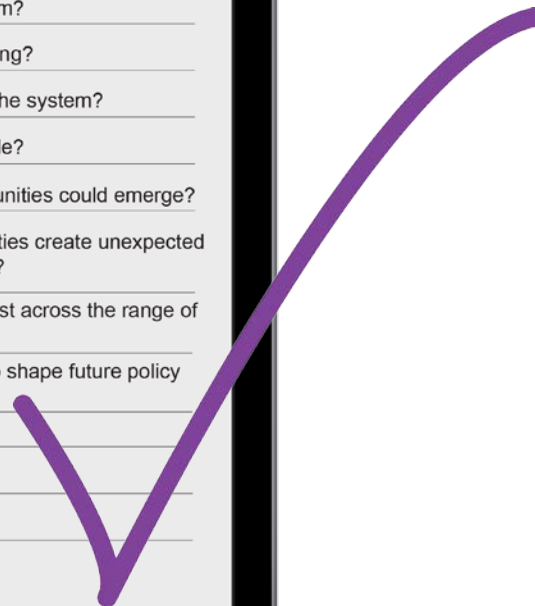
- The entire process give participants a holistic view/experience of the range of plausible futures. It exposes people to new ways of thinking and can change how they view the system.
- Scenarios are used to:
 - identify emerging issues and potential policy challenges and opportunities
 - clarify and test policy and planning assumptions
 - develop a better understanding of the system and how it could evolve
- Once the scenarios have been completed, they can be used to:
 - test the robustness of existing policy
 - provide a context for new policy development
 - identify uncertainties that need to be monitored as leading indicators of change

SUMMARY: KEY FEATURES OF THE HORIZONS FORESIGHT METHOD

- It uses our innate foresight skills to develop, share and test mental models of the system and alternative futures.
- An understanding of the system is at the core of the process.
- It engages knowledgeable people to share their mental models of the system and how it may evolve.
- Visual tools provide “scaffolding” at every step of the process to help participants share their models and facilitate dialogue.
- The key products (credible assumptions, robust mental models of the system and how it could evolve, and a clear sense of emerging challenges and opportunities) are extraordinarily useful products in policy development and decision-making.
- It offers a more rigorous and systematic exploration of the future possibilities than many other methods.



QUESTIONS TO MAKE POLICY ANALYSIS MORE FORWARD-LOOKING



REFERENCES

A variety of other scenario methods are included in the list below:

- Peter Bishop, Andy Hines, Terry Collins, (2007), "The current state of scenario development: an overview of techniques", foresight, Vol. 9 Iss: 1, pp. 5 – 25. An excellent overview of the methods and techniques used to create scenarios.
http://training.fws.gov/courses/alc/alc3194/resources/publications/scenario-planning/Bishop_et_al_2007.pdf
- Scenario Planning Resources
http://www.well.com/~mb/scenario_planning/#Introductory_texts
- Shell Guide for Explorers (walks through the whole process) <http://s05.static-shell.com/content/dam/shell/static/public/downloads/brochures/corporate-pkg/scenarios/explorers-guide.pdf>
- The scenarios page in the Journal for Future Studies library
<http://www.jfs.tku.edu.tw/?cat=23>
- Kosow and Ausgabe, Methods of Future and Scenario Analysis, ITZ, 2008. One of many thoughtful overviews of the field. <http://www.die-gdi.de/studies/article/methods-of-future-and-scenario-analysis-overview-assessment-and-selection-criteria/>

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