

# Strategic Foresight

Alberta CoLab Info Sheet



## Overview

**Strategic Foresight** is one of the two primary methodologies Alberta CoLab uses in its work - the other is Systemic Design. When combined, we believe that these business-as-unusual approaches are a powerful toolkit that can enhance the relevance, adaptive capacity, and innovativeness of people, services, organizations, and systems.

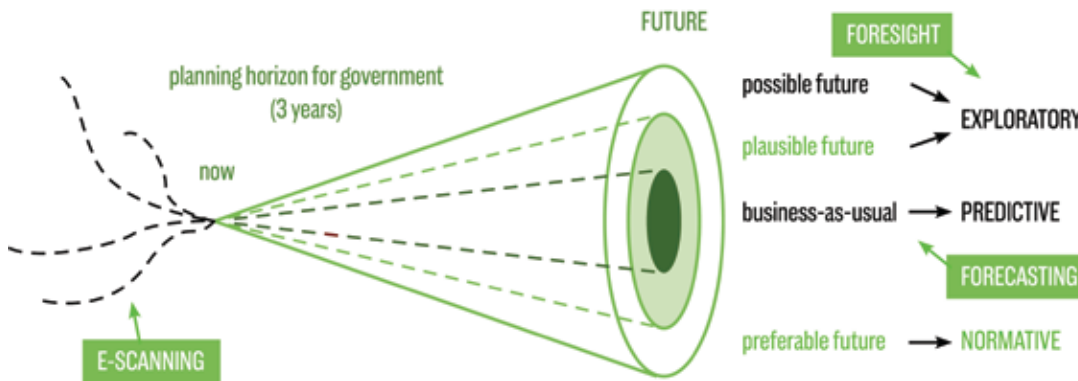
## What is Strategic Foresight?

**Foresight** is the **systematic** exploration of **possible** futures to help inform present-day decision-making. It is about searching for **signals** of potential future disruptions, helping people explore a longer-term horizon. Foresight does not predict; rather, it expands our thinking about what is possible, helping us determine how we choose to **prepare** for and **shape** the future.

It is this futures-orientation that differentiates foresight from its cousins: forecasting and environmental scanning.

- **Forecasting** tries to estimate what will happen, assuming that past trends will continue to be solid indicators of future happenings.
- **Environmental scanning** is traditionally done as a way of confirming previous predictions of what we thought would happen. It usually focuses on sources that explain what has already occurred.

Both forecasting and e-scanning are based on a specific set of **assumptions** about how the world works: first, that the world is orderly, knowable, and predictable; secondly, that we can understand the world by breaking it down and studying its components in isolation (reduction); and, thirdly, that past data are good predictors of future behaviour. These assumptions result in relatively linear, path-dependent, and surprise-free ways of thinking about the future.



## Learn More

Our favourite resources on strategic foresight include:

- *The Art of the Long View* by Peter Schwartz
- *Scenarios: The Art of Strategic Conversation* by Kees van der Heijden
- *There May be Zombies: A Field Guide to Strategic Foresight* by Alberta CoLab

Increasing uncertainty requires a new **mindset** about the future - one underpinned by four key axioms:

- **The future is not predetermined.** There are no facts about the future. There are multiple possible futures - the further forward we look, the more possibilities.
- **The future cannot be known with accuracy.** At best, we can make educated guesses about how the future may unfold.
- **Cause-effect relationships are multi-directional and non-linear.** Our thinking must be systemic - more attuned to interactions, relationships, and flows between variables.
- **The future can be influenced by our choices in the present.** Our choices have consequences. Not being able to predict the future does not mean that we should not explore it so that we can prepare for and shape what is possible.

**In a complex world, the past is a poor guide to the future.** Foresight is driven by **abductive logic** (what might be true), which is weaker than both deductive (what must be true) and inductive (what is probably true) logics. It casts a larger net to capture quantitative and qualitative data, exploring how the future might evolve.

# Strategic Foresight in Practice

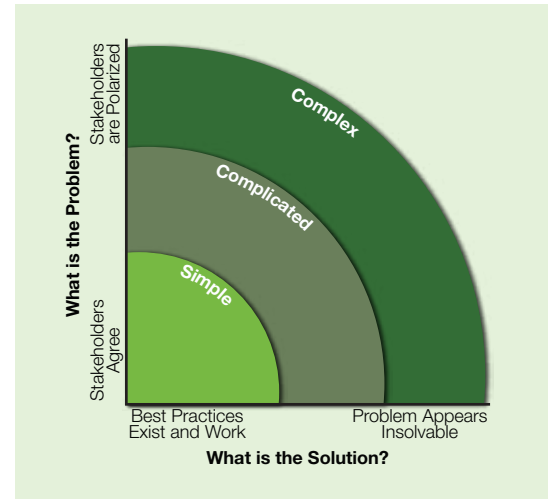
## When to Use Strategic Foresight?

Foresight is most useful when dealing with **complexity** - situations of high uncertainty and unpredictability that could result in a range of possible future states.

In relatively stable environments or in those with a high degree of certainty, a more predictive approach like forecasting will likely be just fine.

Strategic foresight may involve the following types of **activities**. These activities are nonlinear and iterative, and not all foresight projects include all activities.

- **Scoping:** identifying a framing question - the starting point for exploration.
- **Scanning:** identifying evidence of change through collection, collation, and trend identification.
- **Trend Analysis:** identifying underlying drivers of change, and measuring the potential impact, certainty, and velocity of this change.
- **System Analysis:** taking a system approach to explore how different elements interact with each other and what drives them.
- **Critical Uncertainties:** identifying which system elements are the most impactful and uncertain.
- **Scenario Development:** formulating scenarios using the critical uncertainties as parameters; identifying pathways to scenarios.
- **Developing Strategic Implications:** identifying the implications of different scenarios.
- **Developing Strategic Options:** having identified the desired scenario, work backwards from the future to identify key milestones, potential interventions, and formulating and considering different responses to future uncertainty.
- **Evaluation:** testing options for robustness, modifying them based on learnings, and implementing.



## The Value of Strategic Foresight

Organizations make decisions on where to focus their time and efforts in order to survive and thrive. Foresight is **strategic** to the extent that it informs decision-making today, to help organizations adapt to or even help shape the future. Foresight can help organizations better adapt to a rapidly changing world in the following ways.

- **Develop Robust & Forward-Looking Strategy:** Foresight helps organizations adapt by helping them make decisions relevant and advantageous to changing dynamics. Its longer time horizon (up to 40 years) helps people anticipate change and disruption.
- **Build Collaboration & Deliberation:** As a collaborative process, foresight can build inclusion of different perspectives, help leverage multi-sector expertise, and anchor and drive executive-level discussions.
- **Drive Preparedness & Agility:** Foresight methods help people uncover emerging/potential issues, assess whether current strategies perform well in uncertainty, and can alert organizations to impending changes by acting like an early warning system.
- **Support Innovation:** With its openness to possibility, foresight enables people to uncover latent potential and opportunity.
- **Create Awareness & Literacy:** Foresight products - like scenarios, scans, and visual tools - help people gain a greater understanding of complex systems and challenges.

### Loofragenada

At Alberta CoLab, we have organized our systemic design and foresight methods using Look – Frame – Generate – Adapt. These four activity streams combine in a fluid and dynamic mix, providing the scaffolding for a methodology. They also combine to form a really fun word: **loofragenada!** Different methods or tools will be useful during different phases of systemic design and foresight projects. Rather than thinking of them as stages or a cycle, think of each activity stream as a different way of exploring a challenge space. Start where it makes sense to begin given the challenge. For more information on our methods, check out our website and field guide resources.

