

Rehearsing the Future

An introduction to developing and using scenarios

CURATED BY DIANA SCEARCE AND BARBARA KIBBE | FALL 2020

Introduction

Scenarios are stories about different future environments in which today's decisions might play out. We cannot predict the future. However, by thinking creatively and rigorously about a range of scenarios, we can rehearse future possibilities and prepare for what might be next.

In the summer of 2020, as the COVID-19 pandemic raged, job losses mounted, and the movement for racial justice grew across the U.S., one thing was clear: nonprofit leaders were trying to figure out how to manage in such a volatile, highly uncertain, and complex environment. The S. D. Bechtel, Jr. Foundation had long been committed to helping nonprofits cultivate resilience and grow the related capacities for responding and adapting to significant change and uncertainty.

Scenario thinking was a natural fit for this moment. In the second half of 2020, the Foundation offered a training program, *Rehearsing the Future*, to four cohorts of grantees, partners, and staff. Through a series of virtual working sessions participants were introduced to the discipline of scenario thinking and the core steps of the scenario-creation process.

“Imagining the future can be stressful, and this process provided a way to do so with optimism and possibility (no matter the outcome).”

– COURTNEY HURTT, PARTICIPANT

Rehearsing the Future origins

Scenario thinking (also called scenario planning) is a well-established discipline and process, with origins in military and corporate planning. Founded in the late 1980s, Global Business Network (GBN), a network of organizations, scenario practitioners, and futurists, codified a scenario toolkit and began offering public trainings for strategists and planners from across sectors. In the early 2000s, GBN scenario practitioners developed a guide to scenario thinking for nonprofit leaders, [*What If? The Art of Scenario Thinking for Nonprofits*](#).

The *Rehearsing the Future* curriculum draws on the materials developed for *What If?*, and from GBN's work over many decades to train leaders across sectors on the art and the science of developing and using scenarios. We have also been especially inspired by [*An Event or Era?*](#), a well-researched set of scenarios on the future of the social sector developed in the summer of 2020 by our former colleagues at Monitor Institute by Deloitte.

About this tool

The slides that follow were created to support *Rehearsing the Future* training sessions, and are a companion and visual summary to the concepts outlined in *What If?*

Rehearsing the Future presentation materials

- **Scenario thinking defined** (slides 5–10):
What it is, how it works, and common applications
- **Scenario thinking in practice** (slides 11–56):
Five phases of scenario development

Additional resources

- Tips for conducting scenario thinking with virtual groups, and acknowledgements (slides 57–62)

We invite you to jump in and use these materials to explore what the future may bring and consider how you can create a better tomorrow for your organization or community.

Feel free to adapt this tool as helpful.

Scenario thinking defined

What are scenarios?

Scenarios are stories about alternative future environments in which today's decisions might play out.

Scenarios are not predictions about what **will** happen.

They are hypotheses about what **could** happen – to stretch our thinking about new opportunities or risks.

Typical responses to future uncertainty

DENIAL



OVER-CONFIDENCE



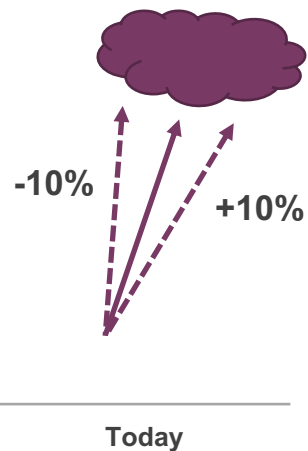
PARALYSIS



Scenarios also help us see how the future may not be an extension of the present

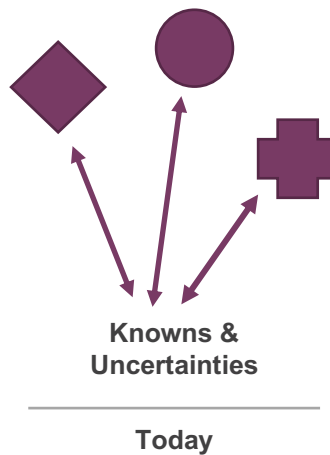
Forecast Planning

Extrapolating from the recent past to plan for one future



Scenario Thinking

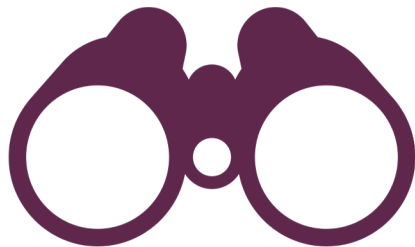
Envisioning and learning from multiple futures



Principles of scenario thinking

1

**Take the
long view**



2

**Use outside-in
thinking**



3

**Embrace diverse
perspectives**

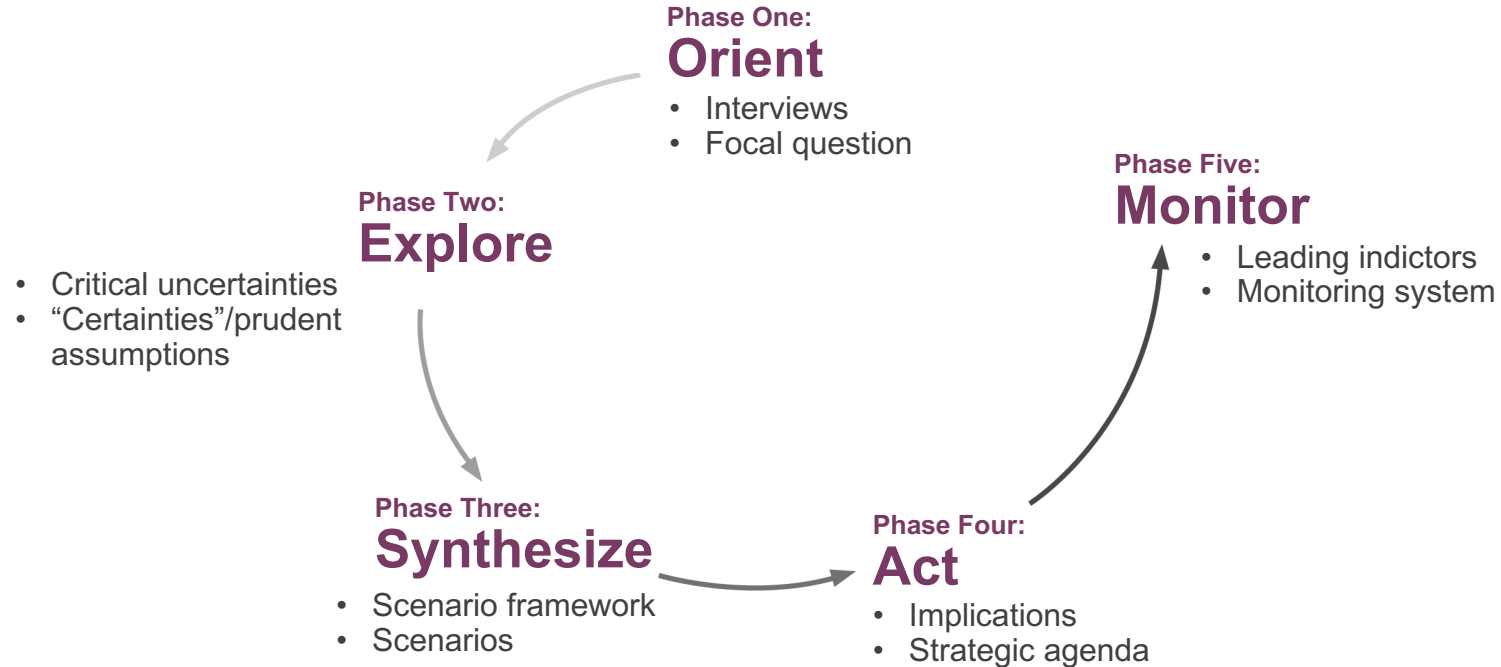


Purposes of scenario thinking

- 1 Align and envision
- 2 Set strategic direction
- 3 Catalyze bold action
- 4 Accelerate collaborative learning

Scenario thinking in practice

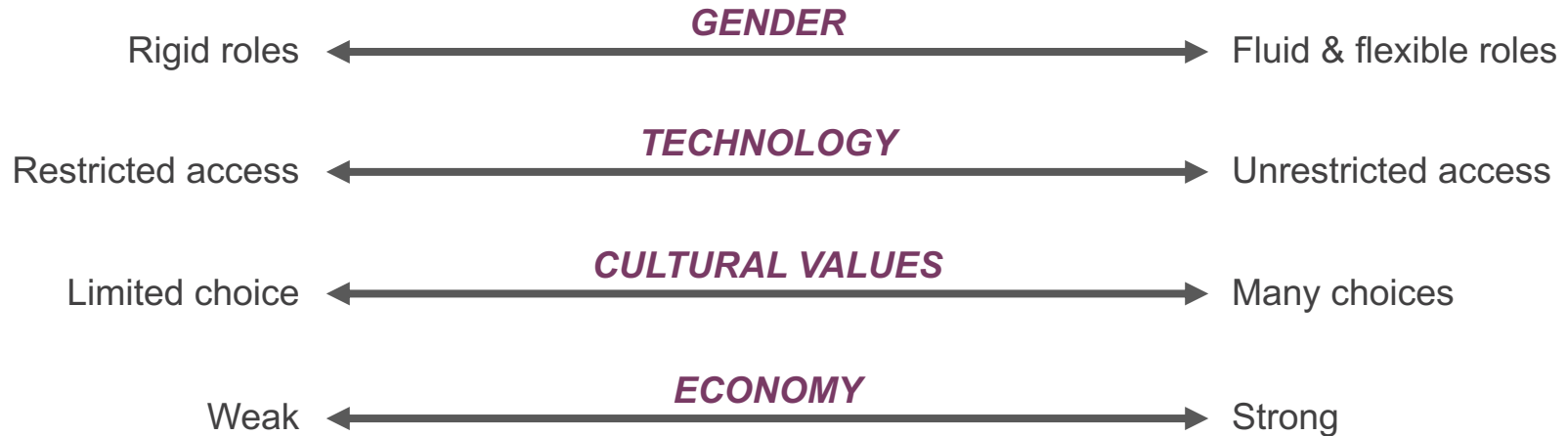
Scenario development process



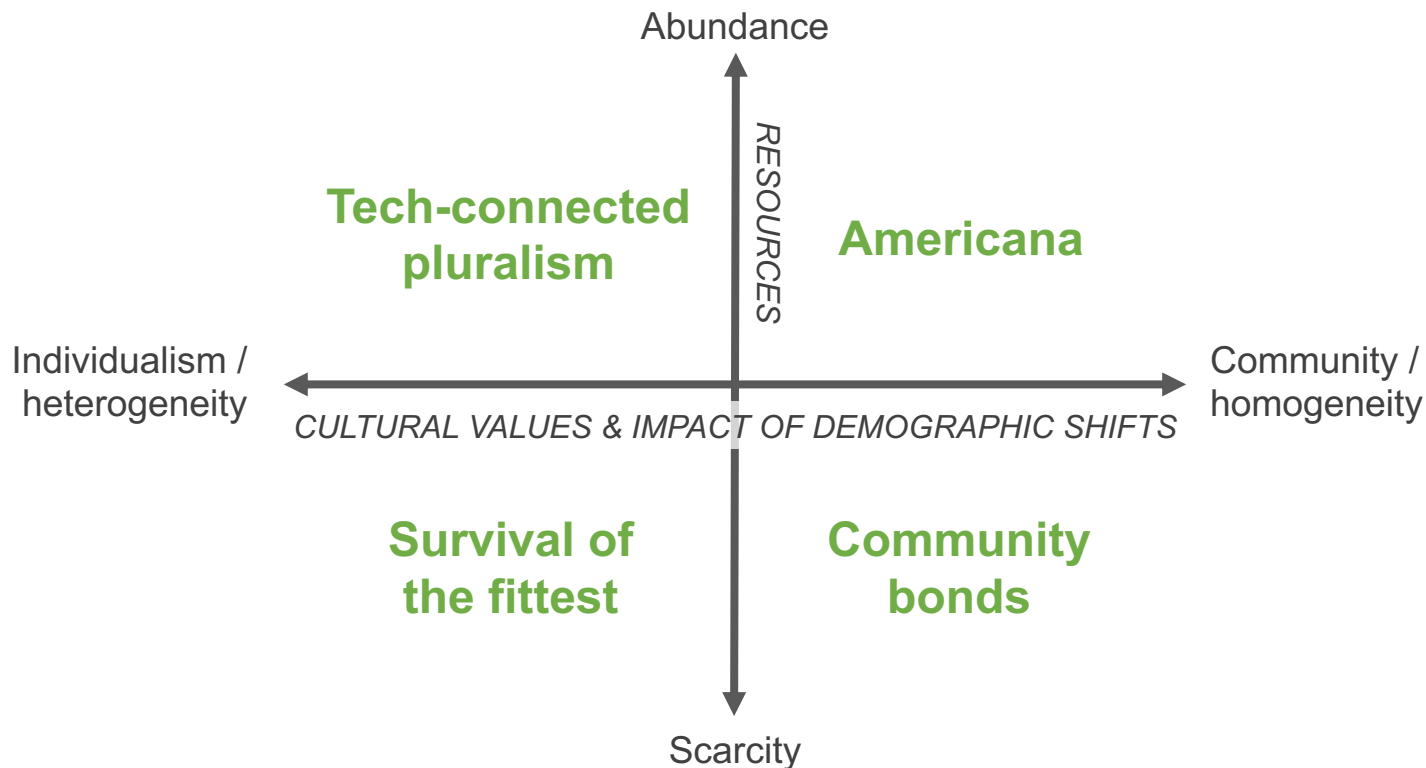
Phase One: Orient

**How do we (the community of interest)
most positively impact the education and
development of girls and boys in
American societies to achieve an
equitable future for the next generation?**

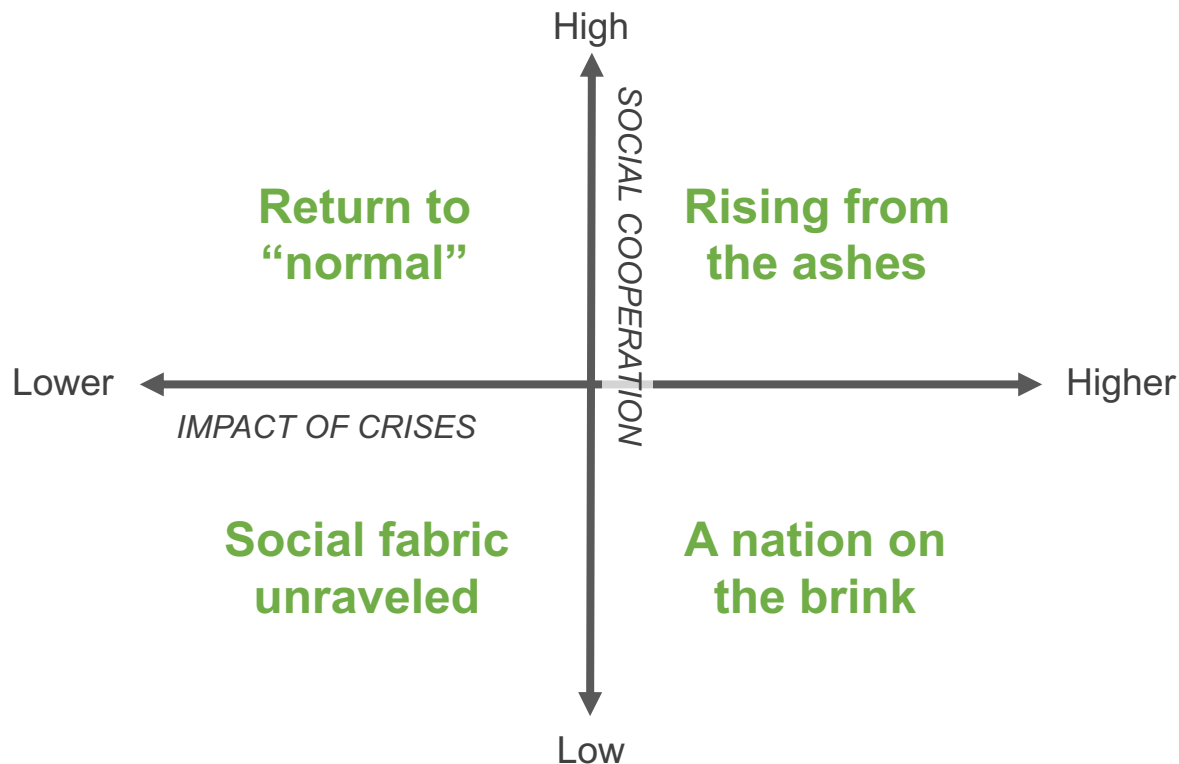
Phase Two: Explore



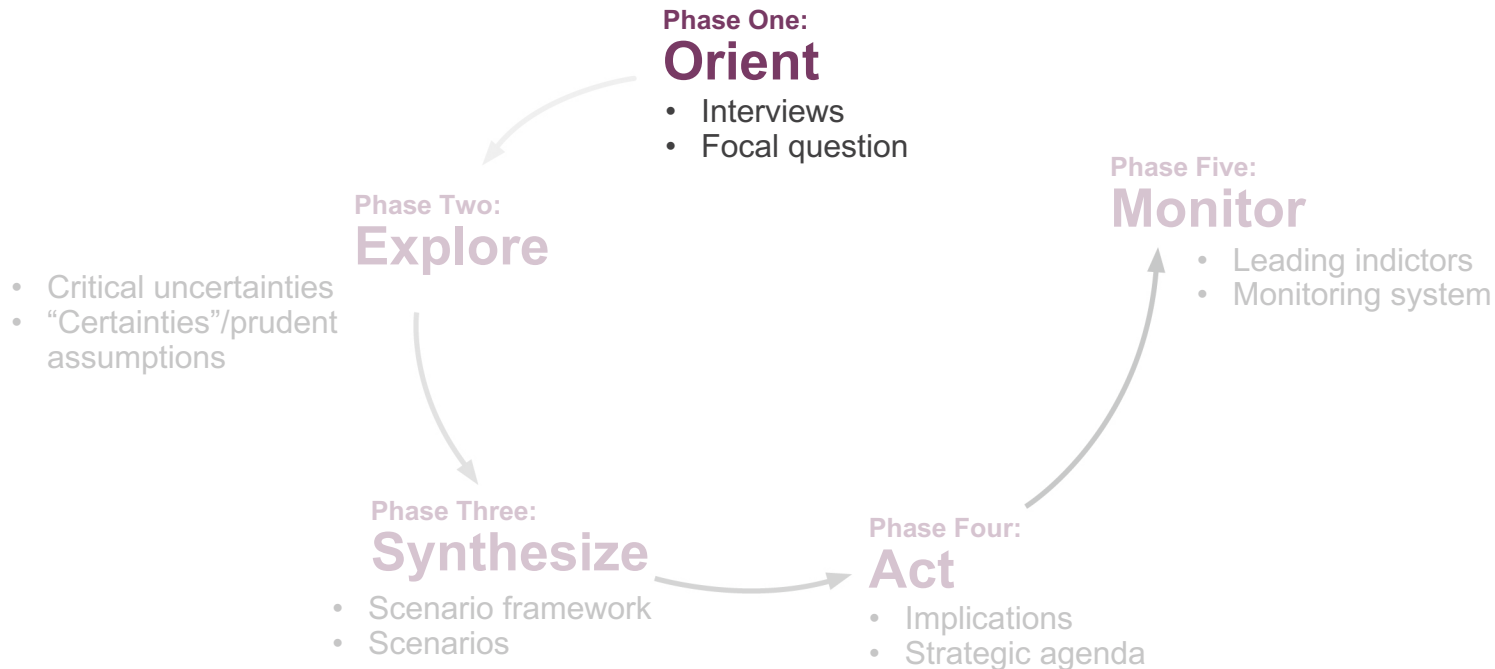
Phase Three: Synthesize



Social sector scenarios: Post-pandemic



Scenario development process



Interviews

Start by learning about the challenges faced by your organization or community. Examine the underlying assumptions.

Ask broad, open-ended questions about the internal and external environment.

For example:

- If you could have **any question answered** about the next "x" years or months, what would you like to know?
- What do you believe is **predetermined** or prudent to assume for the next "x" years or months?
- If you looked back from "x" years or months hence on the story of **triumph** for your organization or community, what would be the story?
- If you looked back from "x" years or months hence on the story of **failure** for your organization or community, what would be the story?

Focal question

Use your interview insights to craft a focal question.

A good focal question anchors conversations that could wander away from relevance while still providing a platform for future discovery and exploration.

A good focal question:

- Is precisely worded
- Is no more than one sentence
- Is relevant to all stakeholders
- Specifies scope and timeframe
- Should trigger immediate visions of uncertainty
- Allows for “it depends” as the right answer
- Is clearly linked to the underlying problem or dilemma

A note on timeframe

Specify a timeframe for your question (and subsequent scenario development) that:

- Reflects how quickly the issue/context is likely to change
- Is far enough into the future to challenge conventional wisdom
- Is close enough to the present to maintain relevance and credibility



Getting to better focal questions

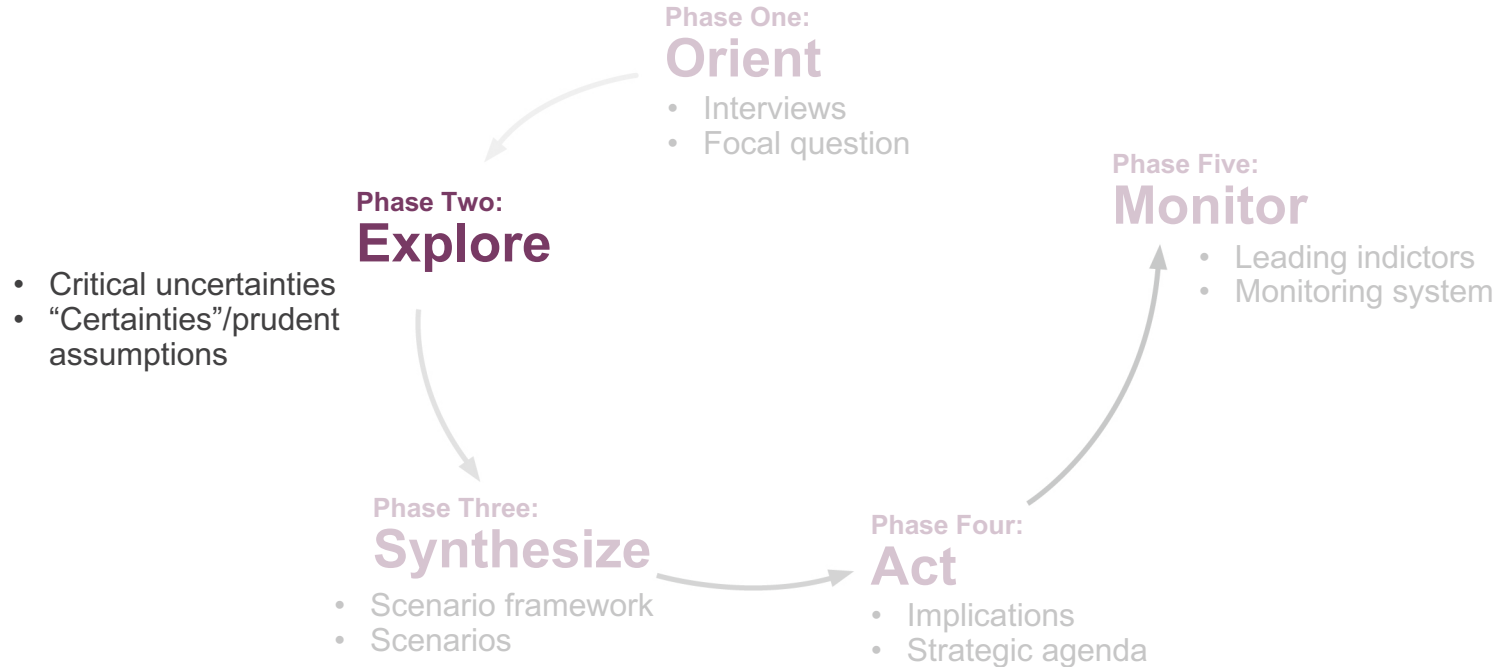
Initial Will political polarization in the U.S. decrease?

Improved **What will be the nature of the relationship between major political parties in the U.S. in five years?**

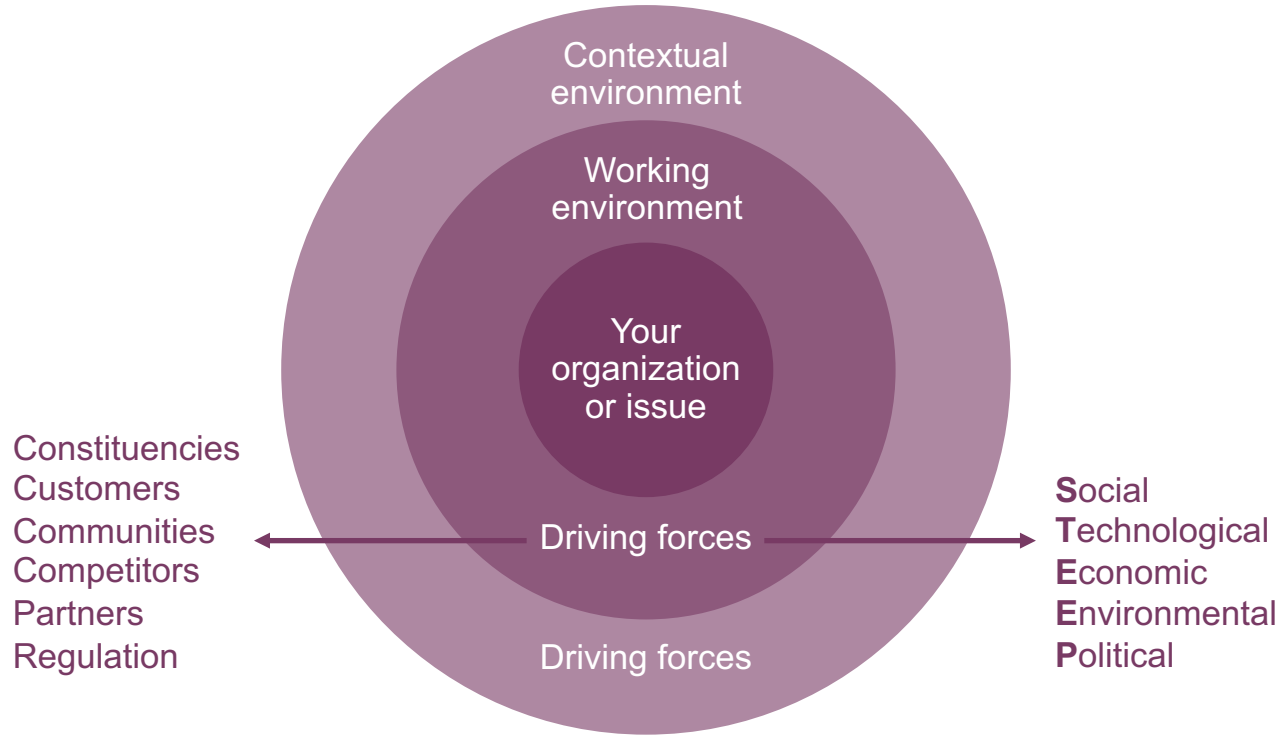
Initial How will climate change damage people and nature over the next 20 years?

Improved **How will climate change affect frontline communities and natural habitats in the arctic over the next 20 years?**

Scenario development process



Driving forces



Identifying driving forces

- Empty the “barrel of the obvious” – considering both your working environment and the external environment
- Include both what’s relatively certain and what’s uncertain
- Look around corners:
 - Think like a journalist, not a data analyst
 - Focus on lead users/adopters
 - Read non-traditional sources
- Crowdsource ideas and insights



Sample driving forces

Vaccine
distribution

Trust in
government

Role of Big
Tech in society

Population
increase

Level of
generosity

Political
polarization

Degree of
economic
volatility

Effectiveness
of climate
adaptation

Water scarcity

Gen Z values

Government
scrutiny of
philanthropy

Global
cooperation /
fragmentation

Certainties

Certainties (or “predetermined elements”) are forces of change that are prudent to assume over a given future timeframe.

Be sure to include uncertainties when you brainstorm driving forces.

Examples of uncertainties from Monitor Institute’s 2020 scenarios:

- The pandemic will intersect with and compound other ongoing trends
- The need for nonprofit services will dwarf available capacity and resources
- A significant number of nonprofits will be forced to consolidate or close their doors
- Impact from the crises will continue to fall disproportionately on communities of color and other marginalized populations
- Difference in outbreak rates and reopening strategies will cause varying levels of crises and needs across geographies and time

Source: Monitor Institute by Deloitte

Outside-in perspectives

Scenario development will benefit from creative outside-in perspectives (drawn from beyond your organization).

Look for people who are:

- Outside your domain
- On the cutting edge of new dynamics
- Willing to say what they are thinking



Collectively identify driving forces

- Involve the entire group
- Practice “yes, and...” thinking
- Be aware of your blind spots
- Gather first; organize later
- Remember the 80/20 rule
- Include both certainties and uncertainties

Focal Question: _____

DRIVING FORCES BRAINSTORM (Social, Economic, Environmental, Technological)

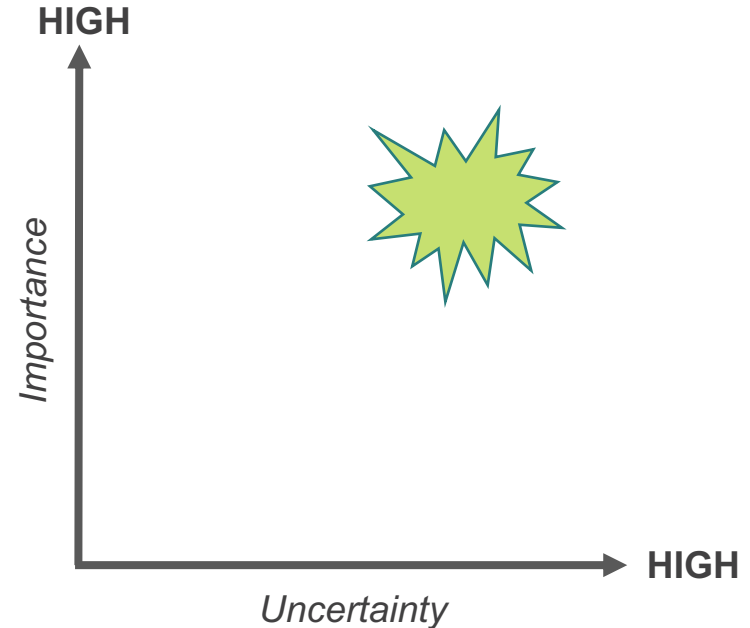
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Critical uncertainties

Critical uncertainties are driving forces that have the potential to tip the future in one direction or another. They are the building blocks for creating scenario sets.

They have two essential characteristics:

- Very important (for the focal question)
- Highly uncertain or volatile



The future of the social sector



Steps to identify critical uncertainties

1

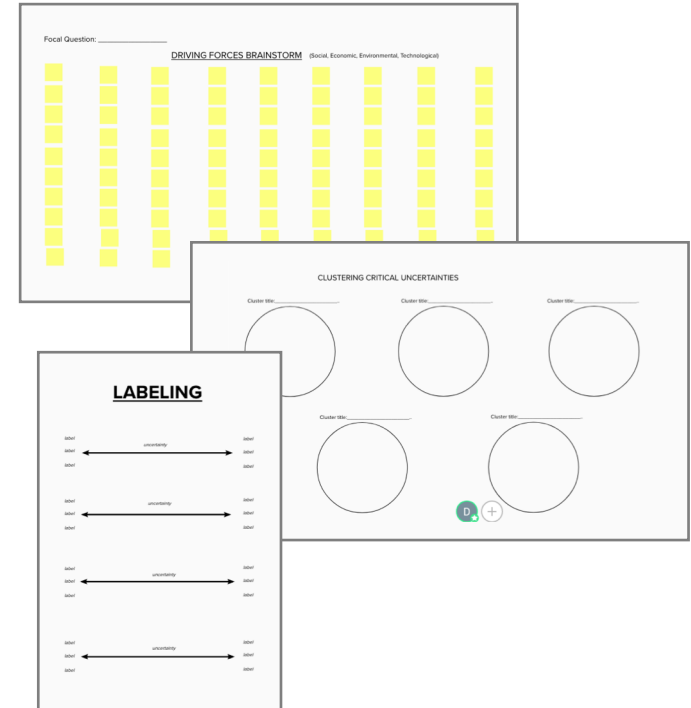
Vote to identify the five most important, and most uncertain, driving forces

2

Cluster, clarify, and, as appropriate, expand on these five most critical uncertainties

3

Label the axes of uncertainty

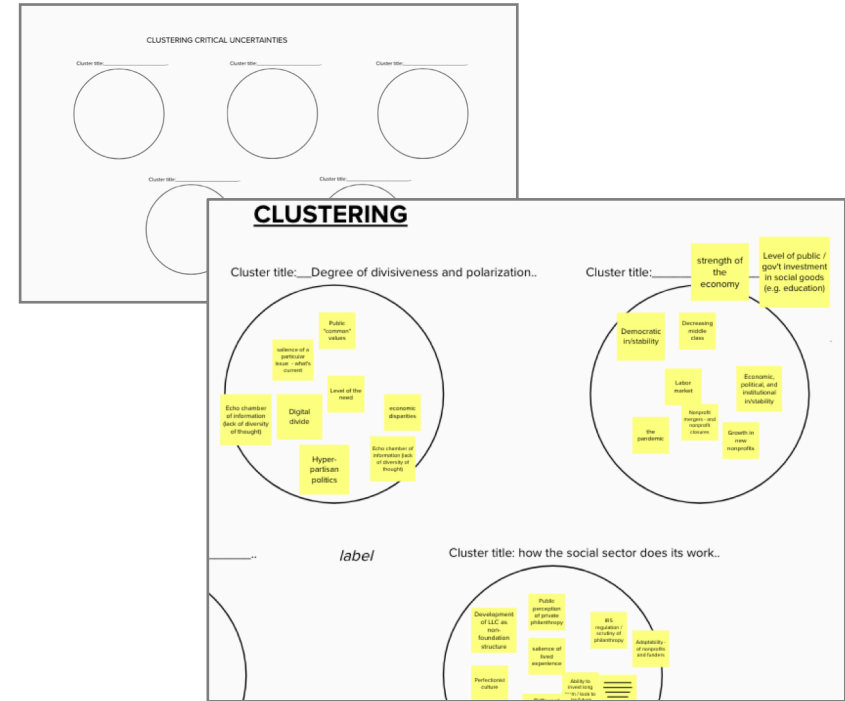


Vote on your uncertainties

- Individually select your most important and uncertain drivers
- Distribute a total of **10 points** among selected uncertainties, with no more than **3 points** allocated to any one
- Total all individual point allocations
- Circle the top five uncertainties; items in this group will become the (initial) titles of your clusters

Cluster your critical uncertainties

- Name each cluster after your top five vote-receiving driving forces
- As a group, identify other drivers from your master list that seem to “fit” within each cluster
- Review the expanded lists of drivers associated with each cluster
- Consider renaming the clusters – as appropriate – to represent the drivers clustered there



Labeling critical uncertainties as axes

Think of a critical uncertainty as representing a continuum of possible outcomes. By labeling it well, you should be able to instantly imagine both end points being plausible. Consider different options for labeling the end points before settling on the best one.



Labeling axes: pitfalls to avoid



Don't make dimensions asymmetrical



Don't make dimensions difficult to understand

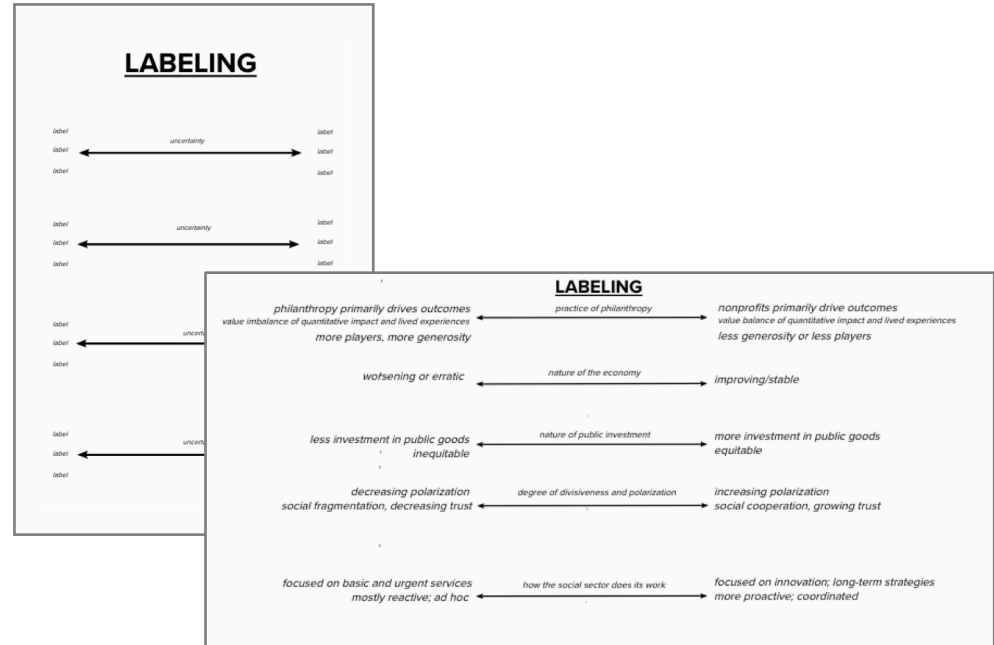


Don't make dimensions too extreme

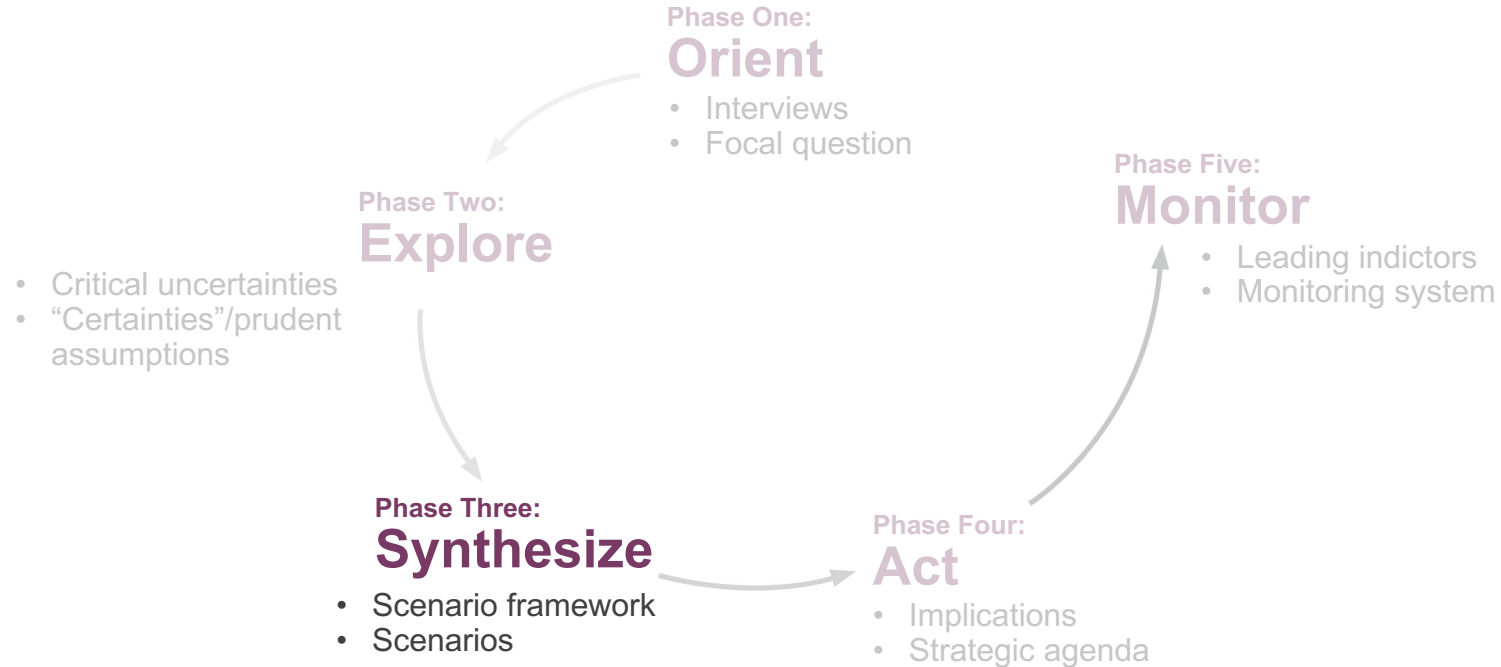


Identify critical uncertainties

- Transfer a cluster name over to one of the axis of uncertainty arrows
- Develop endpoints to the axis of uncertainty
- Iterate and refine to make the axis label and endpoints work together
- Repeat for your other top clusters



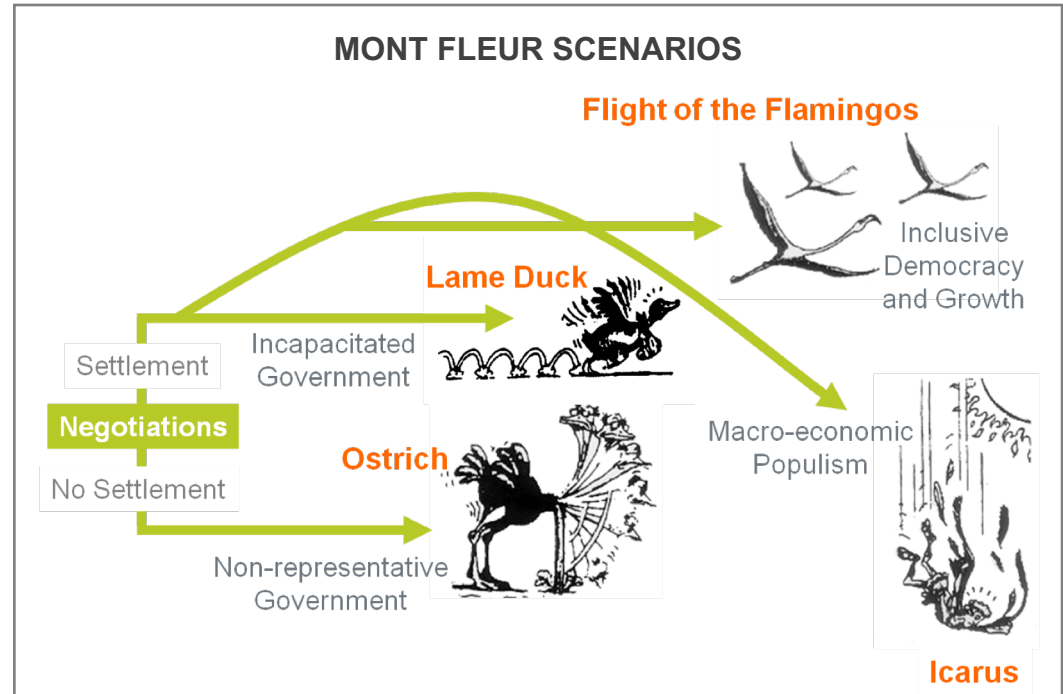
Scenario development process



Approaches to developing a scenario framework

Inductive approach

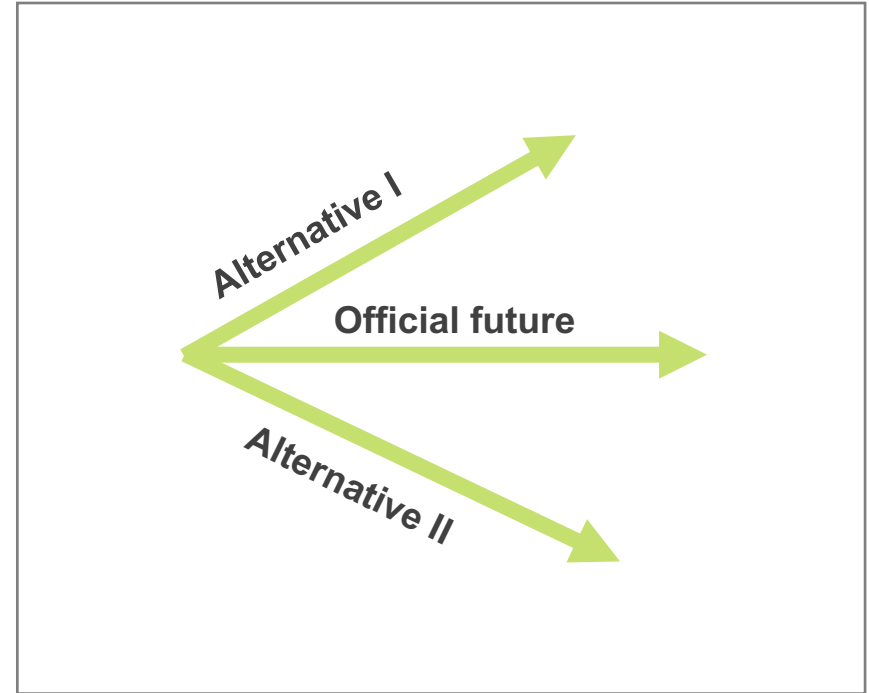
- Tell stories of the future based on identified critical uncertainties
- Then, step back to refine the scenario set



Approaches to developing a scenario framework

Incremental approach

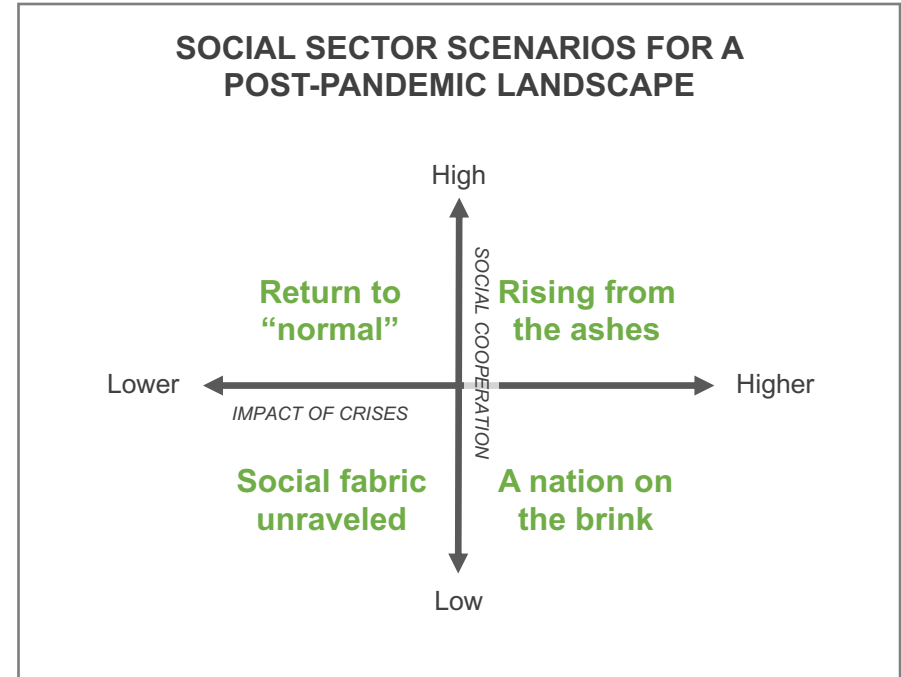
- Start by articulating the future your organization or community is planning for (“official future”)
- Ask: “How could we be wrong?”
- Develop two alternative stories



Approaches to developing a scenario framework

Matrix (“deductive”) approach

- Construct a matrix from two critical uncertainties
- Try several different combinations of critical uncertainties before settling on a final matrix
- Make sure the final matrix is constructed from two “independent” uncertainties
- Use axes of the chosen matrix as driving forces to deduce four scenarios



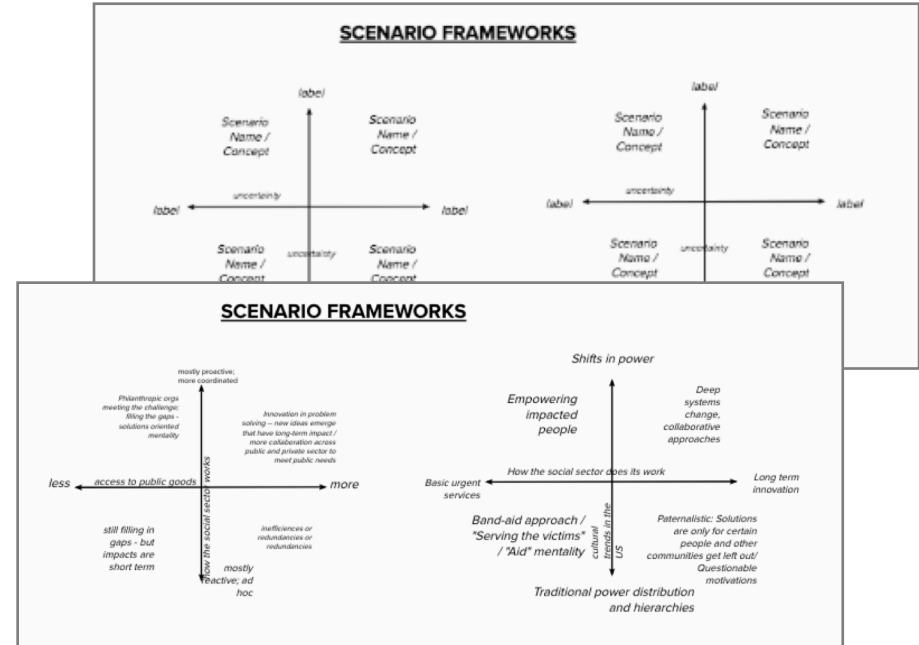
Source: Monitor Institute by Deloitte

Criteria for a good scenario framework

- 1 **Challenging** – to the group's conventional wisdom
- 2 **Divergent** – together, the scenarios “stretch” thinking in different directions
- 3 **Plausible** – each scenario could actually happen in some form
- 4 **Relevant** – to the strategic issues, and related focal question, at hand

Experiment with scenario matrices

- Identify two axes of uncertainty that are relatively independent variables
- Cross to create a matrix, and explore the potential scenarios in each quadrant
- Refine the ends of the axes to develop more challenging, plausible, and relevant scenarios
- Experiment with several matrices before you settle on one



Naming high concepts for each scenario

A high concept is a short description of the scenario that captures the essence of the story and provokes the desire to hear more.

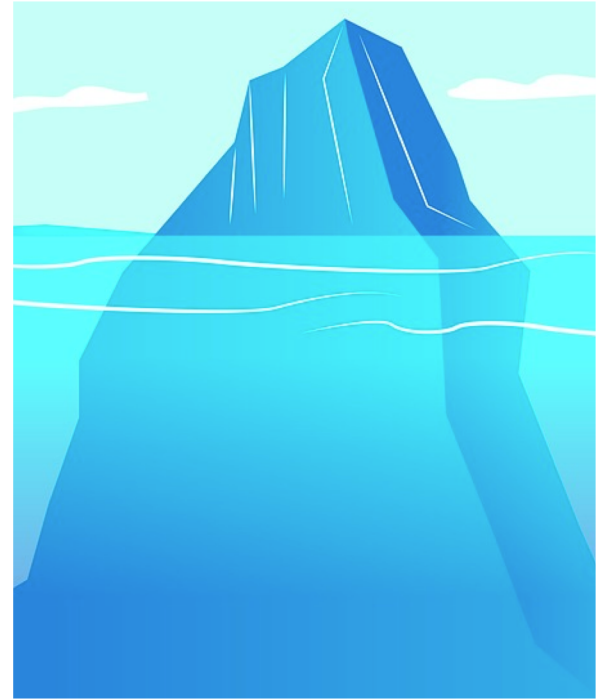
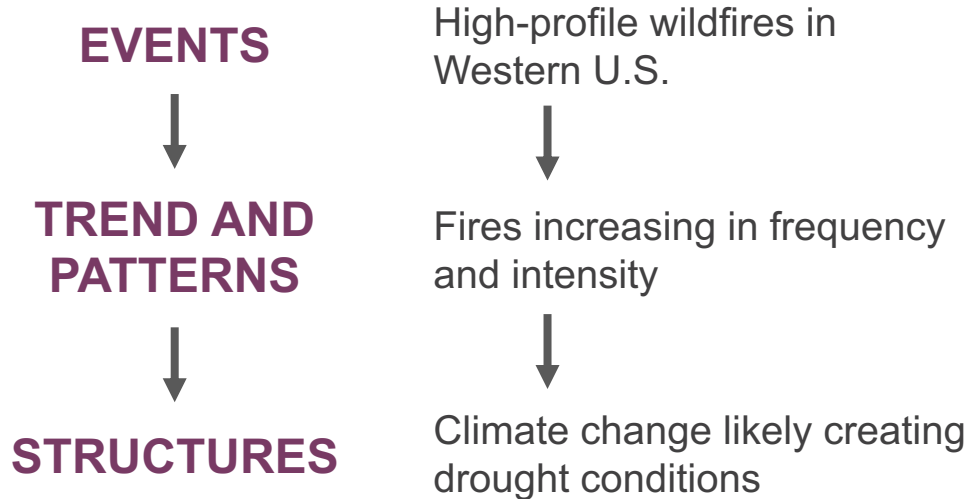
For example:

- For Sale to the Highest Bidder
- Back to the Future
- We Win
- 21st Century Monasteries
- Blade Runner
- Pockets of Innovation



Identifying deep causes for each scenario

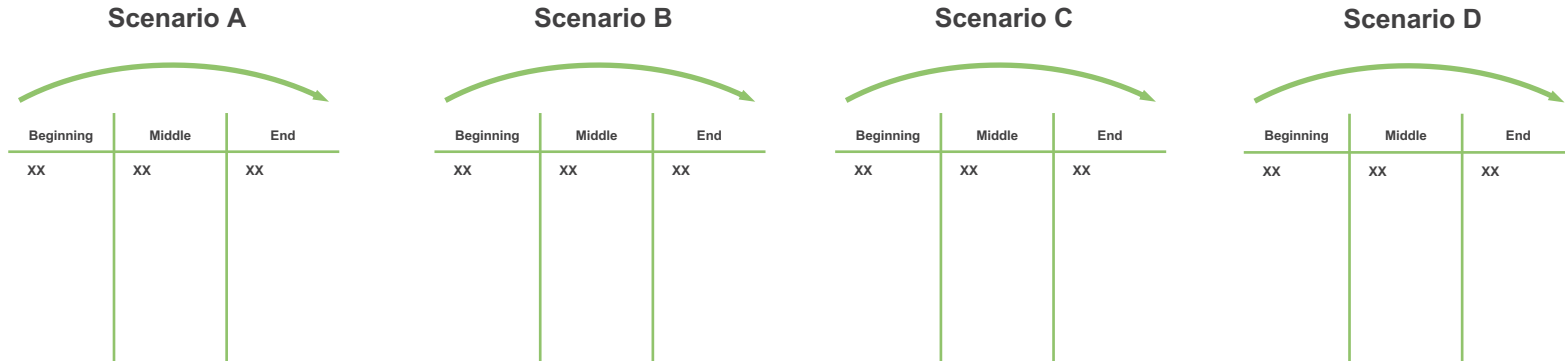
For each scenario, ask: WHY? WHY? WHY?



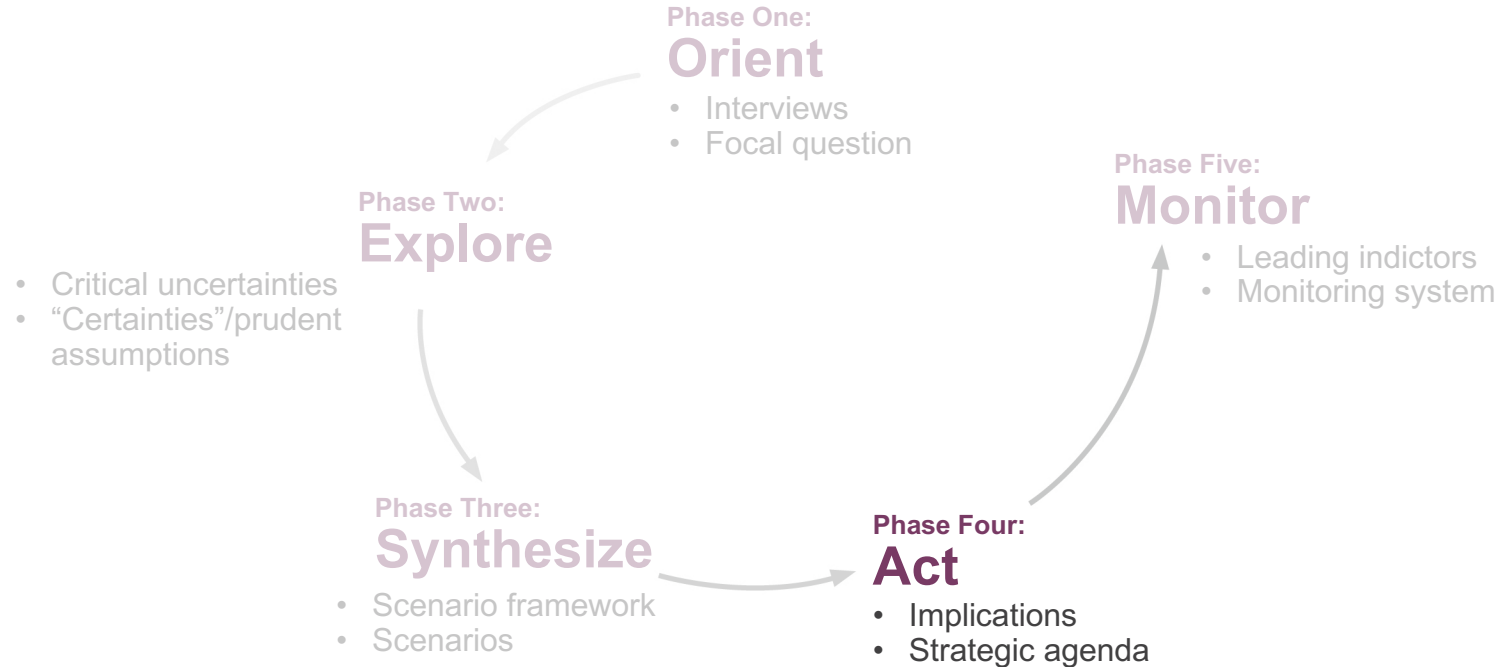
Developing scenario narratives

For each scenario:

- Write headlines that could appear in the beginning years
- Develop a logic that strings the headlines together
- Repeat for middle and end years of the scenario, then refine the main themes unfolding across the scenario



Scenario development process



Implications and options differentiated

Implications

The conditions under which you will need to operate

Options

The range of actions you will take in light of the conditions

Challenges



Responses

Bottlenecks



Workarounds and fixes

Emergent needs



New offerings, campaigns, partnerships

Emergent capabilities



Specific investments, development activities

Identify implications and options

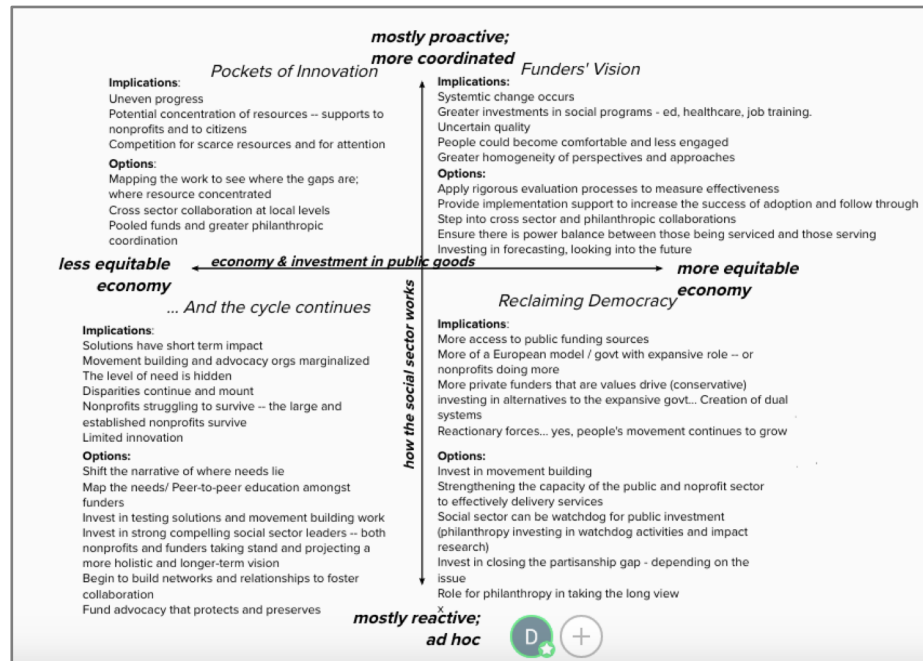
1. For each scenario, brainstorm potential implications and options.

Consider implications – first in general terms (e.g., for your sector), then as they specifically relate to your focal question

Consider options by asking, “What could or might we do if faced with this future?”

2. Looking across the four scenarios, assess your strategic options.

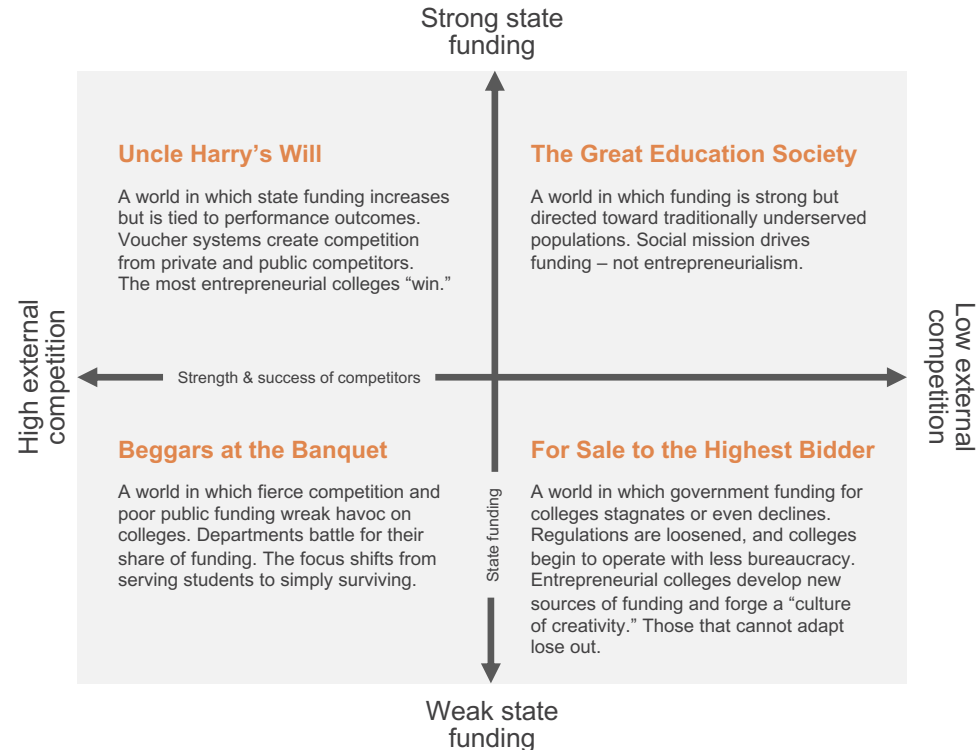
How risky is each option? How might this inform your strategic agenda?



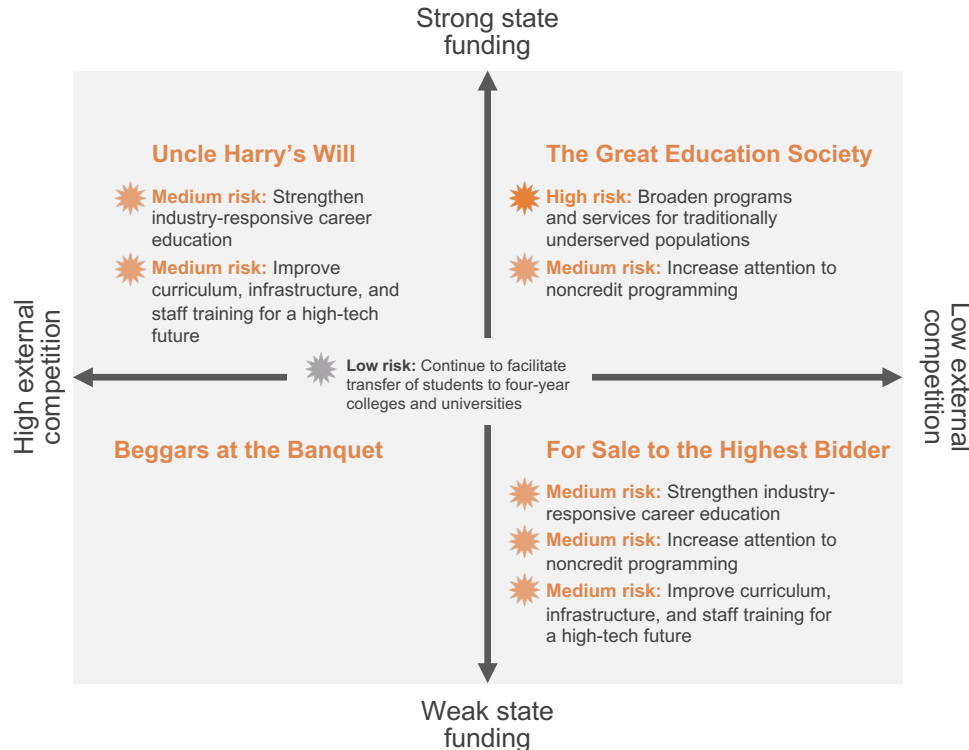
Placing bets across a scenario matrix

Focal question:

Should the College of Marin get smaller in order to get stronger?



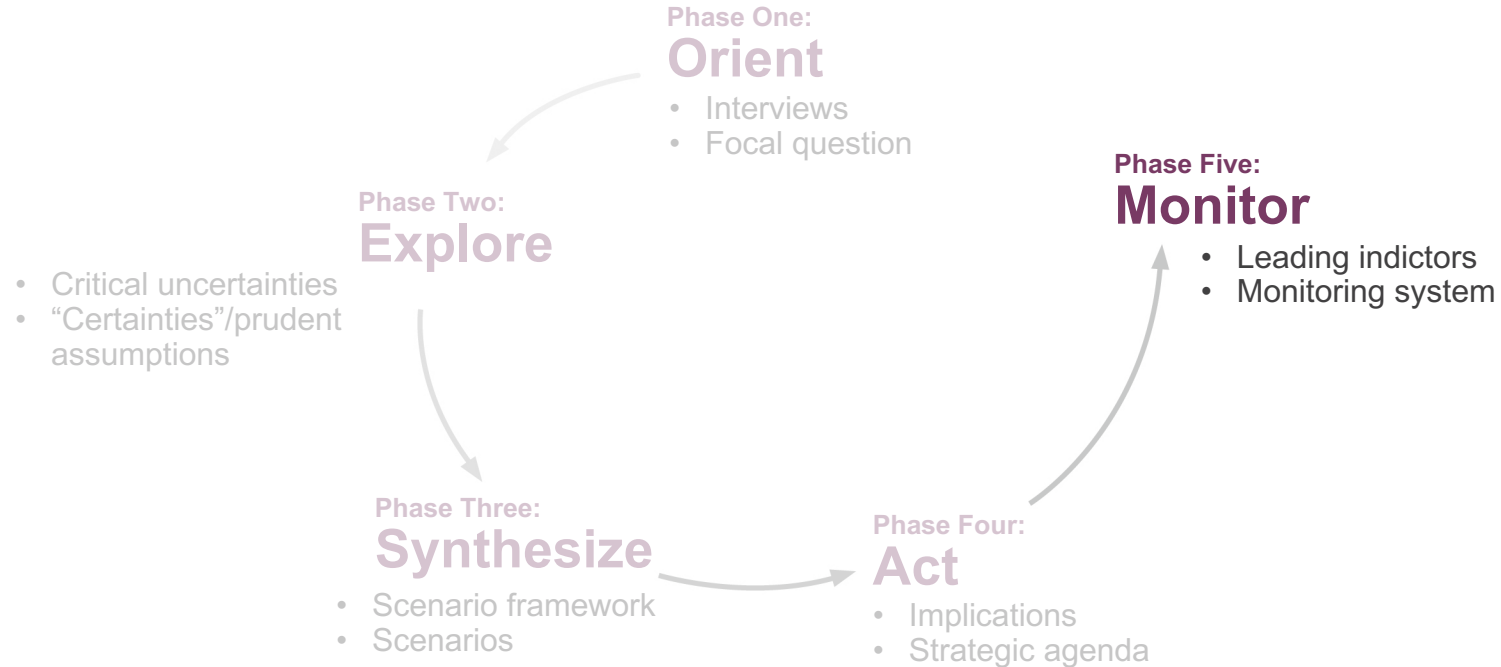
Placing bets across a scenario matrix



“Realizing that our current strategy performed the worst across the four futures became the ‘eureka’ moment.”

– COLLEGE OF MARIN PRESIDENT

Scenario development process



Track leading indicators

Leading indicators are signs of potentially significant change that tell you if a particular scenario is beginning to unfold. They can serve as signals to adapt your strategy to a changing environment.

Look for:

- Major events you might see in the news media
- Subtle signs of potentially larger shifts
- Trends, trajectories, and tipping points

Track indicators in a *variety* of places.

For each scenario, brainstorm potential leading indicators. What are possible signals of key storylines or turning points in your scenarios?

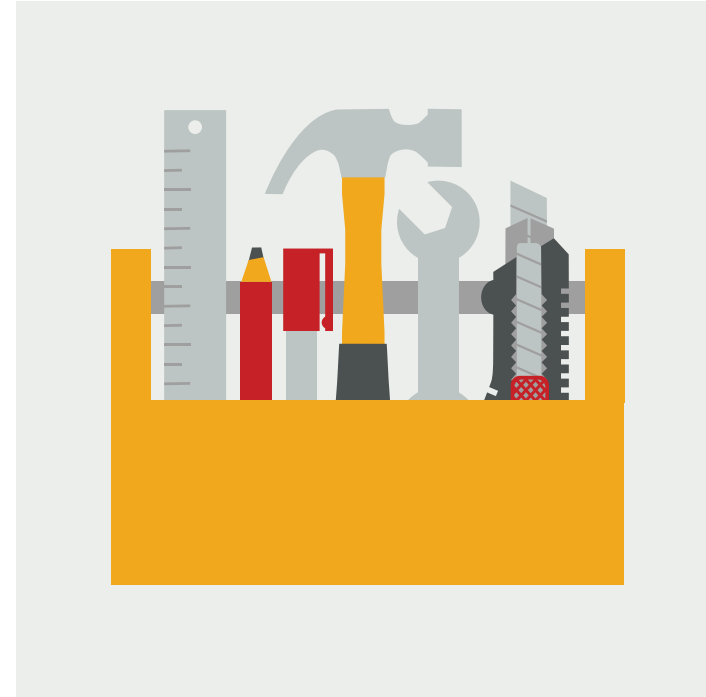


Unpacking the scenario-thinking toolkit

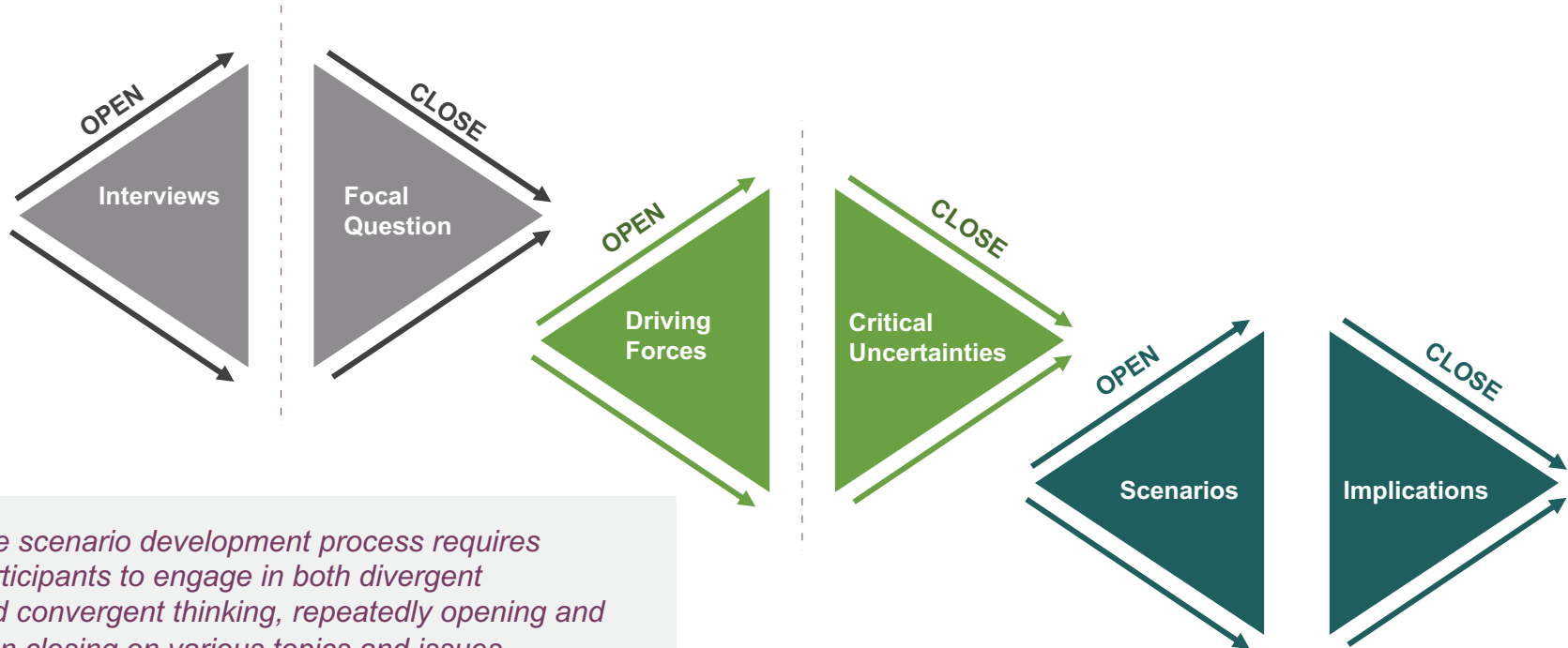
The full five-phase process may not be the right fit for your needs (and constraints). If so, consider modifications and using elements of the process as standalone exercises.

For example:

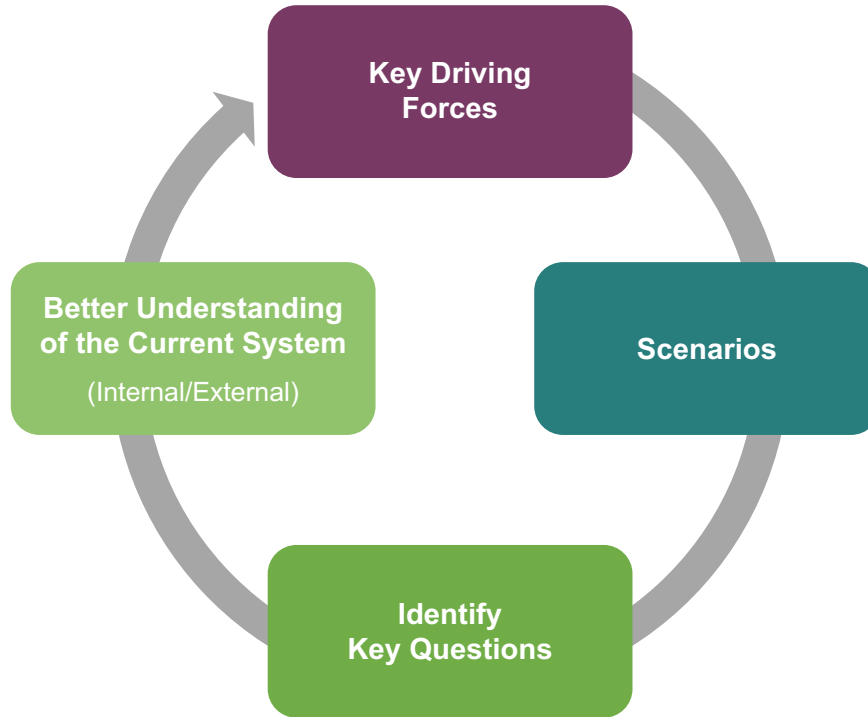
- Surface assumptions
- Articulate the official future
- Test current strategy against agreed upon certainties (“prudent assumptions”)
- Use pre-created scenarios to provoke strategic conversation



Scenario facilitation: “open” and “close”



Scenarios: A platform for ongoing strategic dialogue



A continuous loop between the present reality and future possibilities helps inform near-term action with learning from the future.

Source of diagram: Pierre Wack



***“The future is already here.
It’s just not evenly distributed.”***

– William Gibson

More resources: Theory and practice

To learn more about what scenario thinking is, why it matters, and how to develop scenarios, check out:

[What If: The Art of Scenario Thinking for Nonprofits](#), Diana Searce, Katherine Fulton, and the Global Business Network Community (2004)

[“Learning from the Future,”](#) J. Peter Scoblic (Harvard Business Review, July–August 2020)

[An Introduction to Scenario Planning Video](#), Freightlab (MIT, 2011)

[Scenario Planning Resources for Jewish Communal Professionals](#), developed by Matt Ranen for the Jewish Federations of North America (2020).

More resources: Examples

Here are recent examples of scenario thinking in practice. Reviewing a range of scenario sets, including those for timeframes that have already passed, can help students of scenario thinking deepen their understanding of the underlying process.

[An event or an era?](#) Monitor Institute by Deloitte's scenarios on the future of the social sector. Rigorously researched and released in July 2020.

["Four Future Scenarios for the San Francisco Bay Area."](#) Developed in 2018 by SPUR, an urban planning nonprofit. This is an example of scenarios for very long-range planning (looking out to 2070).

[Imaging the Future of Science in America.](#) A set of scenarios for 2020–2022 developed by the Intertidal Agency to spark dialogue about science's role in society.

[Scenarios for the COVID-19 Future.](#) By Breakwater Strategy. A near-term set of scenarios developed in the spring of 2020, exploring what the U.S. in January 2021 could look like, post election.

["The world remade by COVID-19: Scenarios for resilient leaders."](#) Developed by Deloitte. These scenarios were developed in the spring of 2020 and look three to five years out.

Developing scenarios in virtual settings

When we set out to design and deliver *Rehearsing the Future*, we had never developed scenarios in a virtual setting. Like many service providers pivoting to online delivery in the summer of 2020, our learning curve was steep. Fortunately, course participants not only tolerated our “learn on the job” approach, they also contributed their own insights and know how.

In our prior experience, scenario development happened in a large room with ample space for participants to move between small group breakouts, working over the course of several days.

We wondered: How can we bring the collaborative scenario thinking process to groups working at a distance, connected via videoconference?

We discovered that it is possible – in some cases it may even be preferable!

While there is a lot to miss about co-creating scenarios in person, we found benefits to being online:

- It’s logistically simpler and lower cost to come together
- Given the reduced barriers to participation, it can be easier to engage participants who hold diverse perspectives, especially those who are from outside your organization, community, or domain
- Online scenario development invites multiple learning and engagement styles, creating space for both those who willingly speak up and those who are most comfortable offering their contributions in writing (e.g., via chat, or directly into a Google doc)

Tips for virtual scenario development

Pay attention to shorter attention spans when collaborating online

- Do the work in smallish chunks; convene participants for no longer than two hours before taking a restorative break (more than ten minutes!) or reconvening on another day
- In between collaboration sessions, advance the scenario development asynchronously; for example, ask participants to vote on critical uncertainties or to develop headlines for an assigned scenario quadrant and add them to a shared online collaboration board
- When gathered for synchronous activity, use active small group facilitation to help ensure the work moves forward when time is tight

Tools for online collaboration, like Mural and Google docs, are invaluable

- When developing scenarios in person, we like to cover the room with flip charts and big boards layered with butcher paper to capture the group's work at each phase of the process; online collaboration spaces, such as Mural or Miro, offer a similar shared space for collaborative brainstorming

Acknowledgements

The *Rehearsing the Future* program was made possible with the generous support of the S. D. Bechtel, Jr. Foundation. A huge thanks to the Foundation's Matthew La Rocque for his invaluable partnership in developing and delivering the training.

The *Rehearsing the Future* materials build on Katherine Fulton's leadership in bringing scenario thinking to the social sector, and decades of work by the Global Business Network community to codify the scenario process and train leaders around the world.

This file was prepared in 2020 by Diana Searce and Barbara Kibbe using a combination of original material, content from [What If? The Art of Scenario Thinking for Nonprofits](#), and resources generated by Global Business Network; additional sources are cited where appropriate throughout.

doi.org/10.15868/socialsector.37868

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