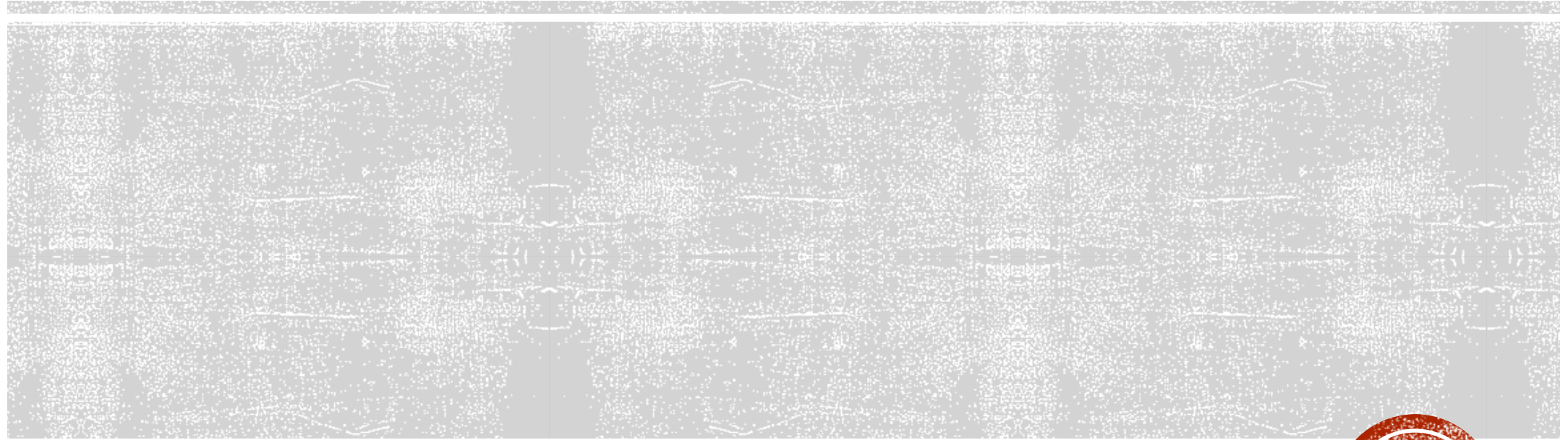
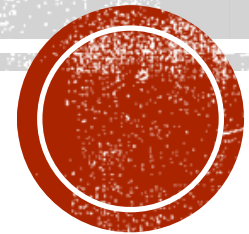


SCENARIO PLANNING



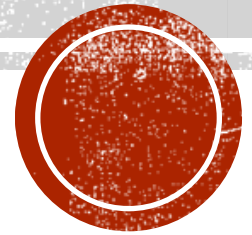
Elvin Aliyev – 11343615
Rafiq Huseynov - 11343595



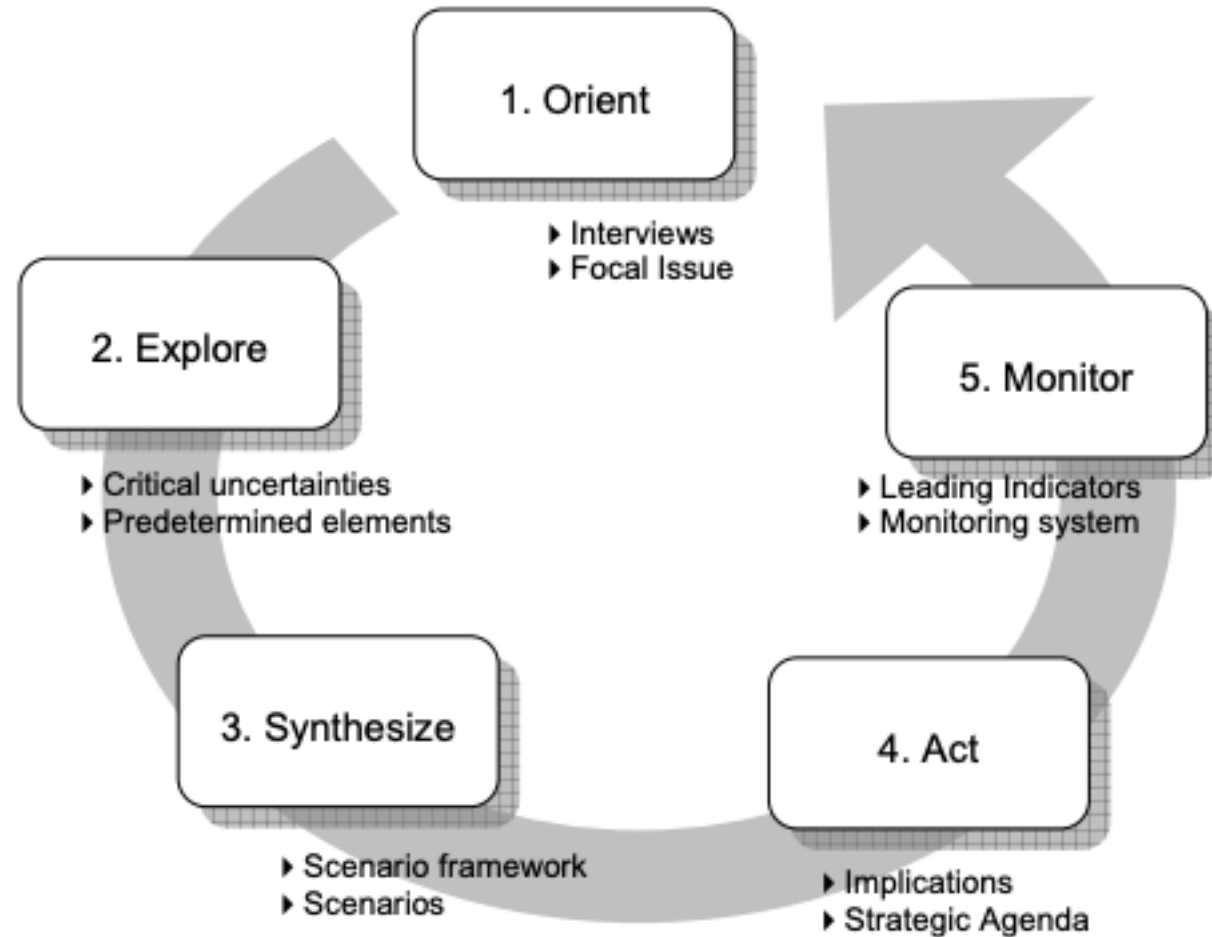
WHAT IS SCENARIO PLANNING?

Two types: 1. Generative, 2. Adaptive

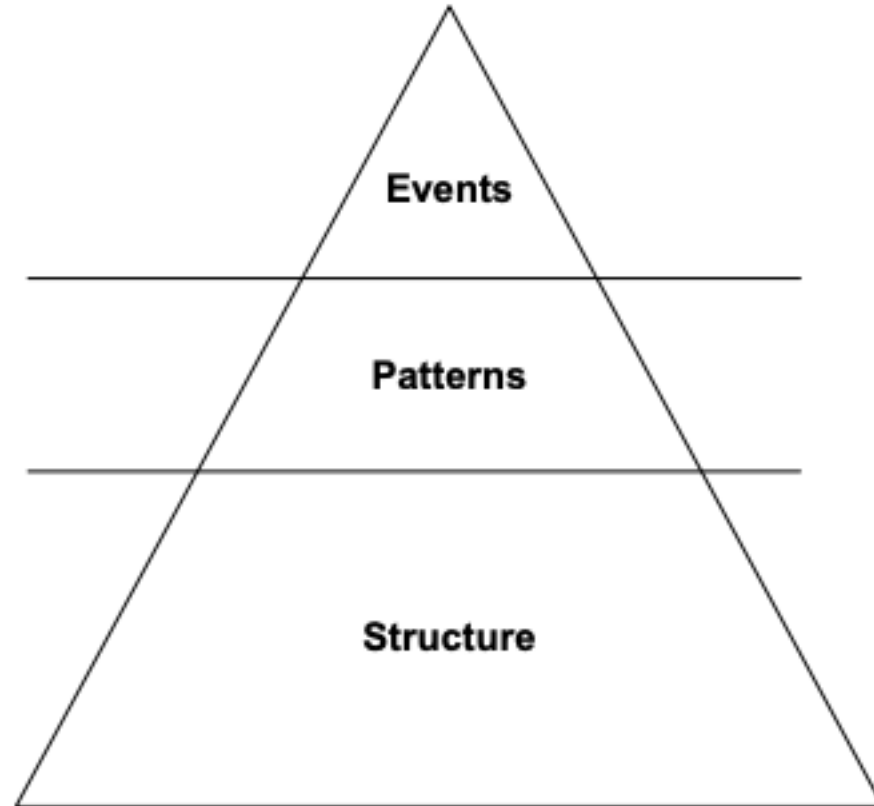
Three methodology types: 1. Deductive, 2. Inductive, 3. Incremental



THE BASIC FIVE-STEP SCENARIO THINKING PROBLEM



PERCEPTIONAL ICEBERG BY SENGÉ



APPROACHES TO IDENTIFY DRIVING FORCES

- brainstorming sessions
- Literature research
- PESTE
- Expert interviews (internal and external experts)



- Further in process, driving forces are used to form the scenario matrix and define the nature of the scenarios and therefore they directly affect on the quality of the scenarios. The facilitator must ensure that;
- The team look further than current events that typically occupy participants' minds and rather pay attention to the long-term forces
- A variety of driving forces is generated based on PESTE analysis
- The brainstorming is facilitated by the person or team experienced at brainstorming sessions, instead of the stakeholders themselves

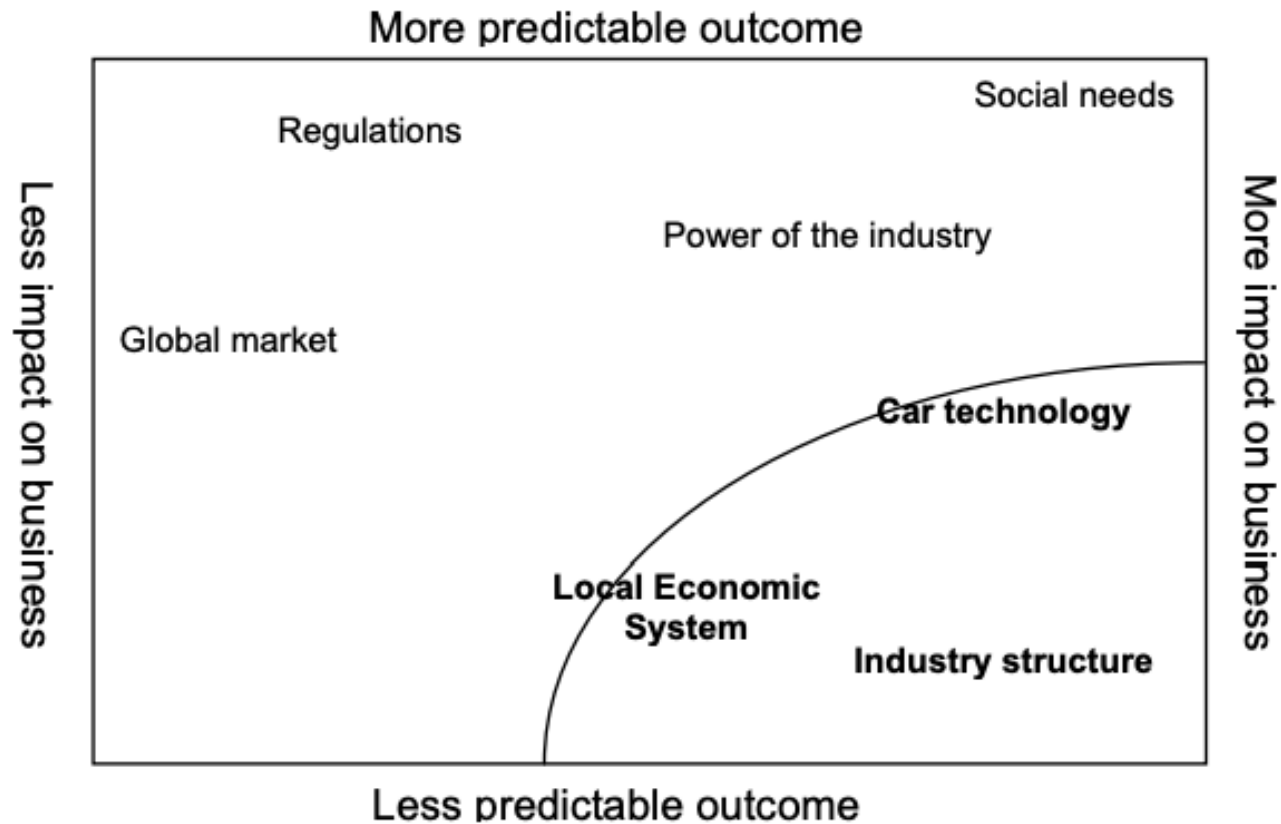


TYPES OF DRIVING FORCES

- Once the list of driving forces is determined they are divided into **predetermined forces** and **critical uncertainties**.
- According to Van der Heijden in a typical timeframe of the business strategy some systems show enough inertia that allows to make certain predictions. These predictable driving forces which are outside of control of the organization are called **predetermined elements** in the scenario-based planning.
- Meanwhile, according to Global Business Network **critical uncertainties** are driving forces that have potential to tip for the future in one direction or another.



THEY ARE CHARACTERIZED BY UNUSUALLY HIGH IMPACT AND EXTREME UNCERTAINTY OR VOLATILITY



CRITICAL UNCERTAINTIES



SYNTHESIZE BY COMBINING A PAIR OF MATRIX AXES

STEPS FOR GENERATING A SCENARIO MATRIX:

- Skeletal scenario - finding high concept to describe the scenario
- To flesh the skeletal matrix by scenario stories
 - Plausible
 - Relevant
 - Challenging
 - Divergent



APPROACHES FOR CREATING INSIGHTFUL STORIES

- Narrative development-taking the basic ideas and enriching them with a beginning, a middle and an end
- System thinking-studying how parts of the systems interact with one another
- Characters and actor analysis-populating the scenario with illustrative individuals who personalize the plot

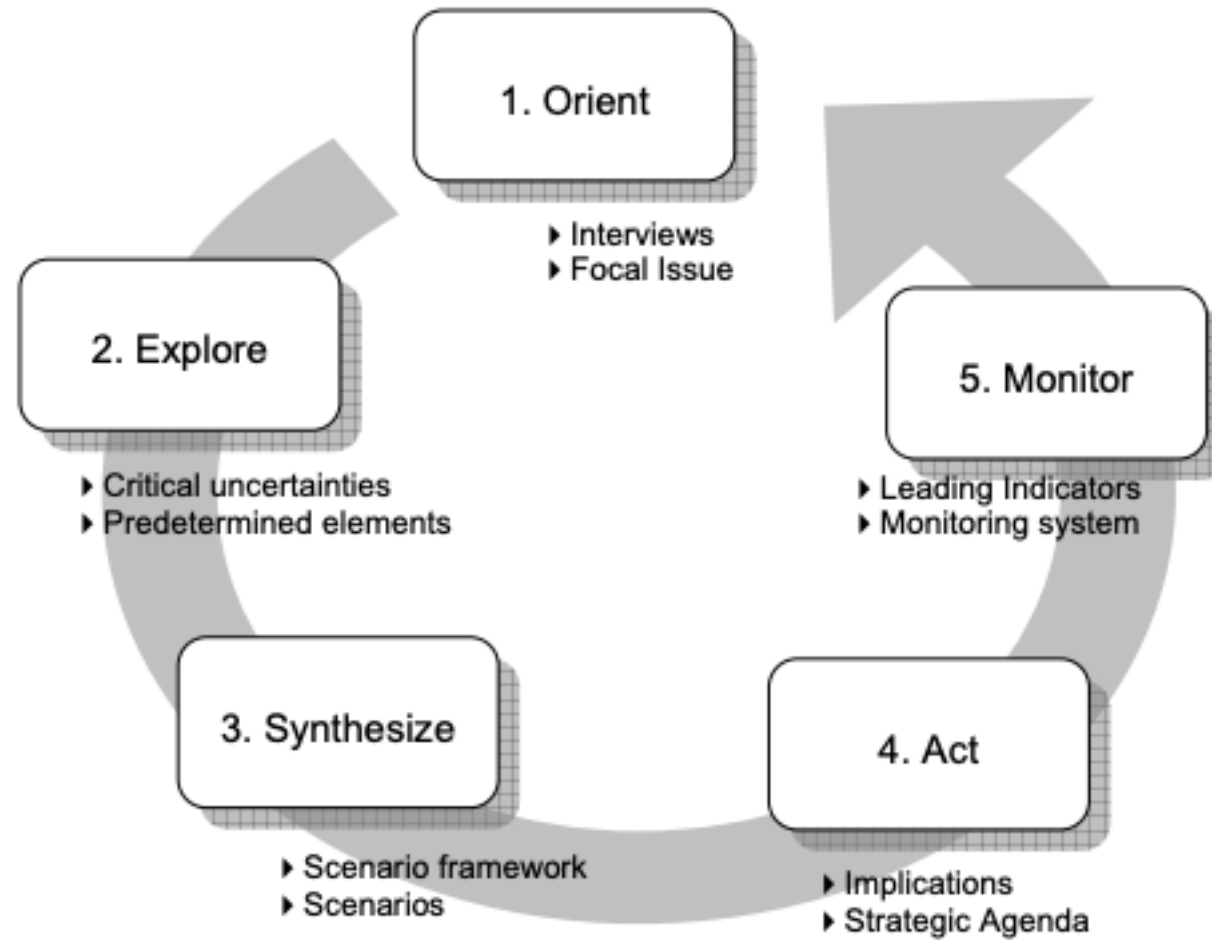


A FEW ARCHETYPICAL PLOT LINES ACCORDING TO OGILVY AND SCHWARTZ (1998)

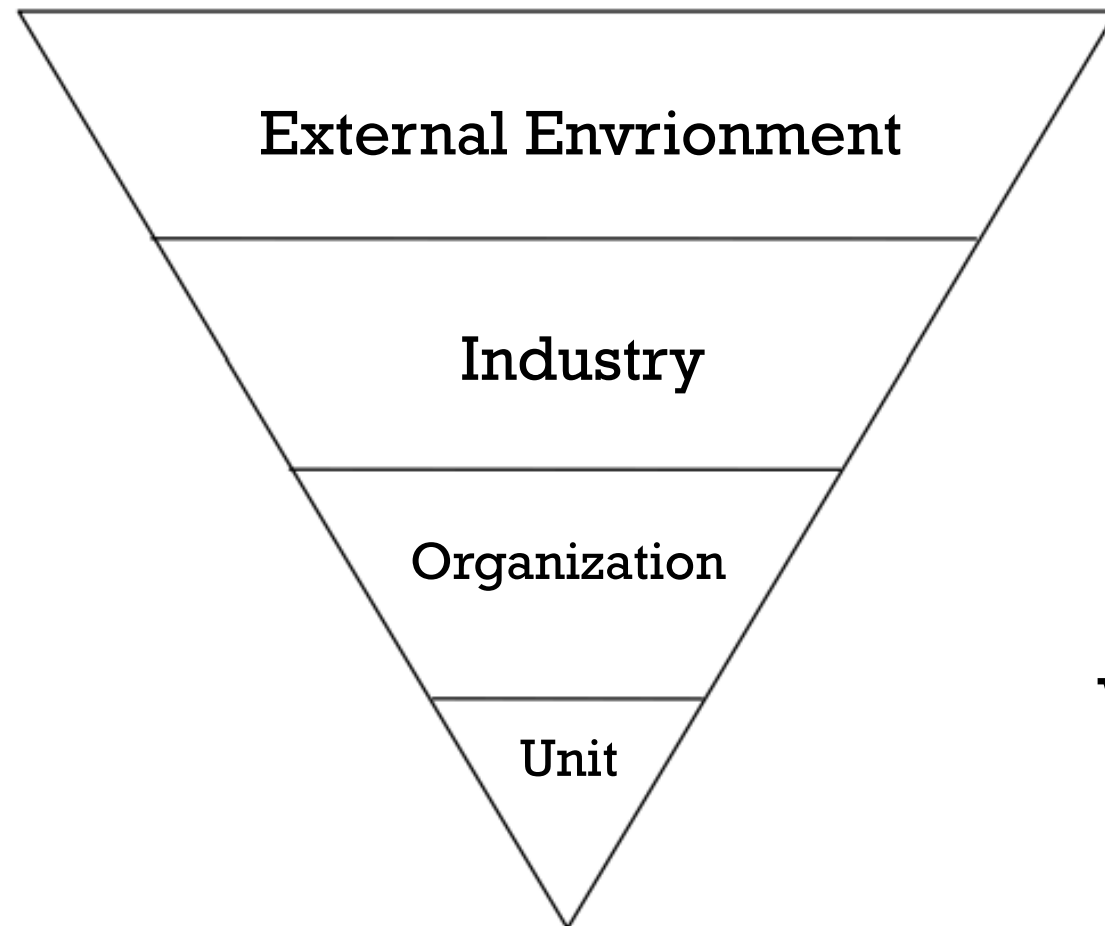
- Winners/Losers
- Good news/Bad news
- Evolutionary change



ACT



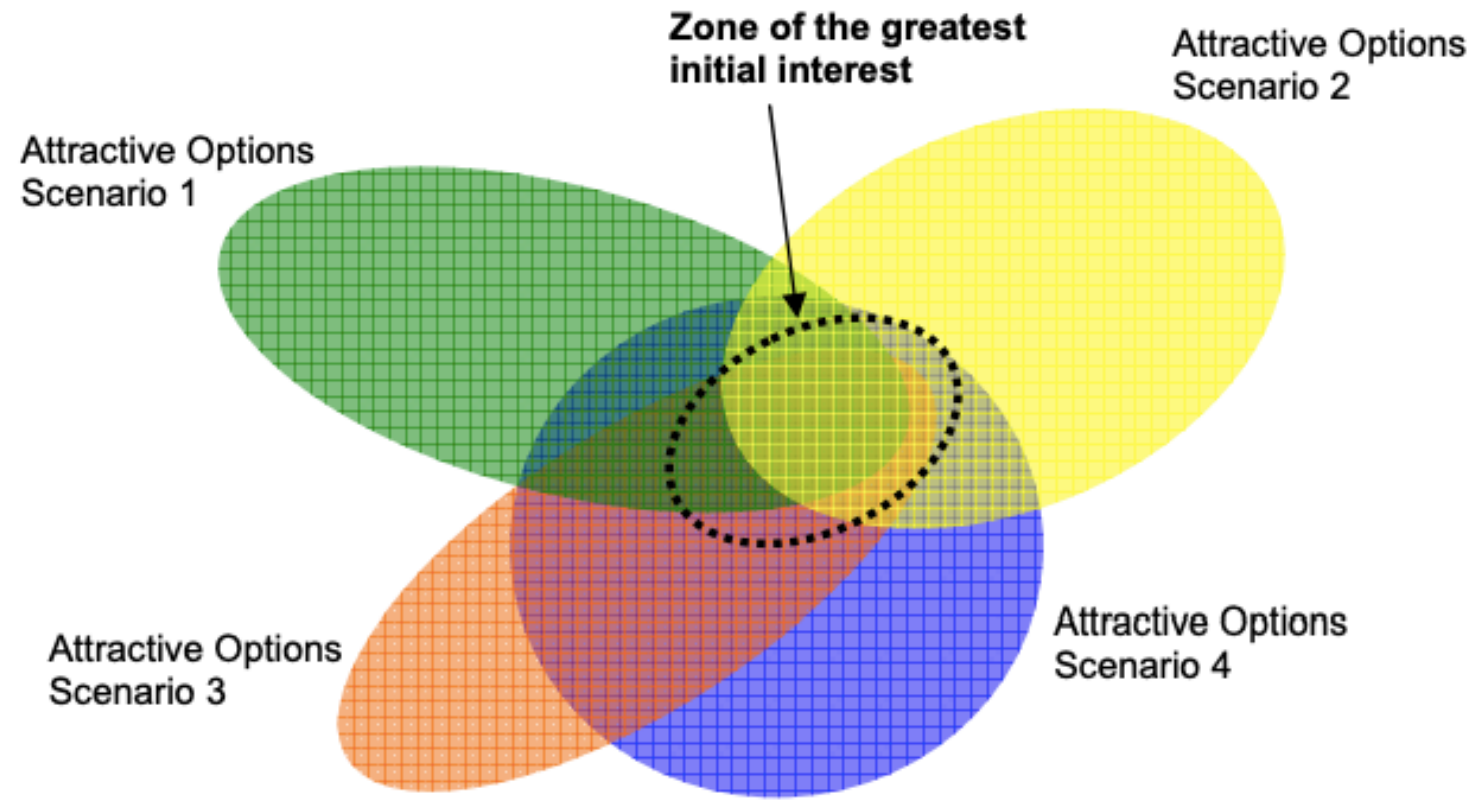
ORDER OF IMPLICATIONS DEVELOPMENT



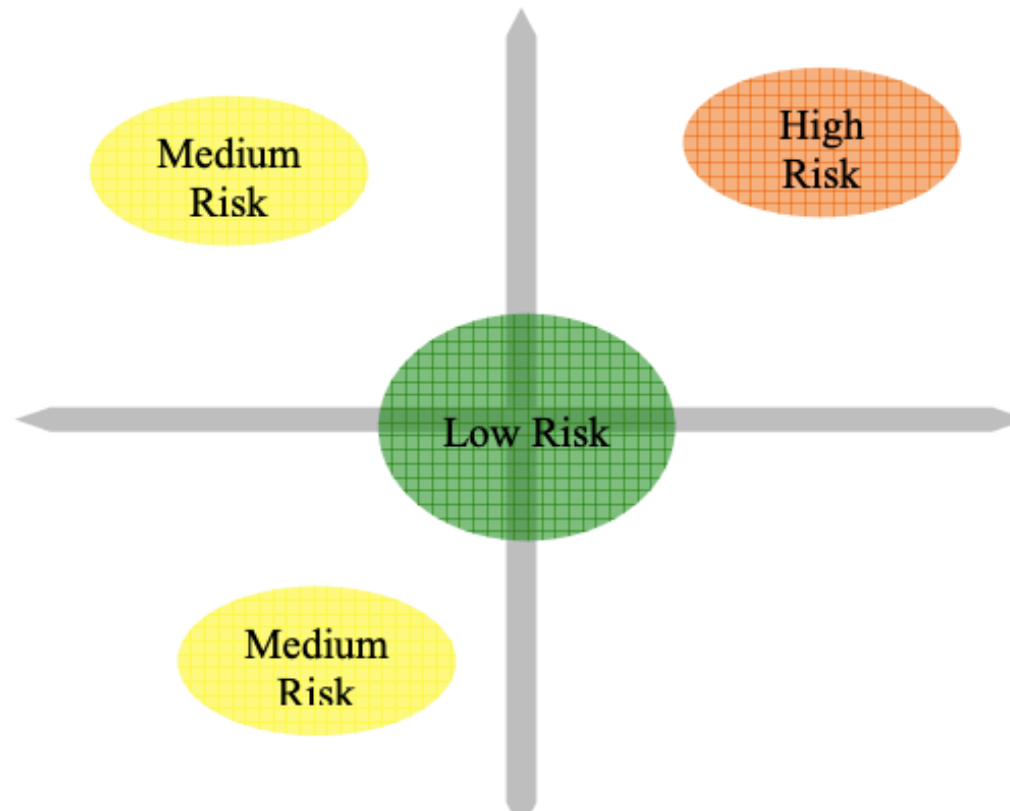
Workshops*



FROM SCENARIO OPTIONS TO STRATEGIES



USING SCENARIOS TO GAUGE RISK



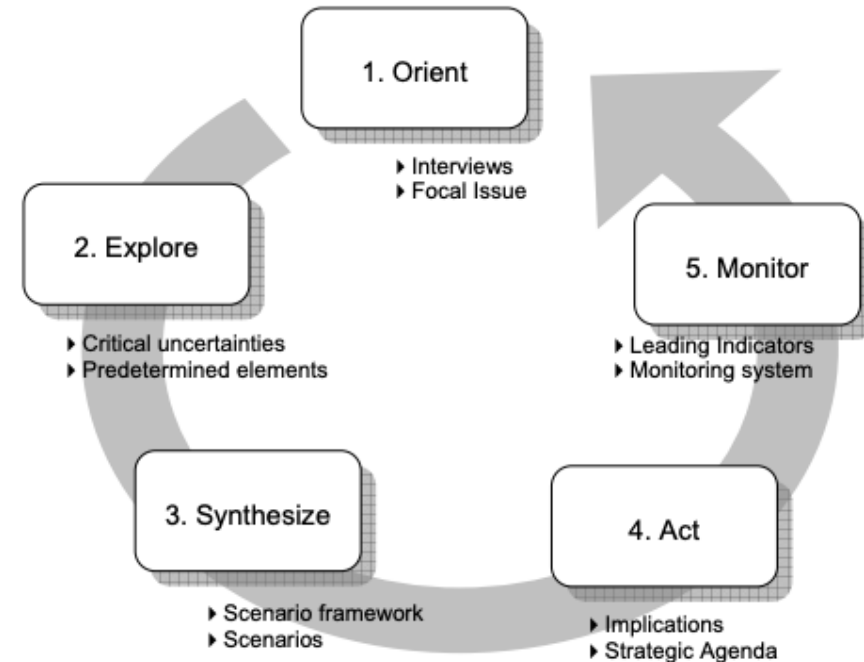
MONITOR

- Signposts and indicators are synonymous terms for the “events and development that can be measured, and which are thought to be indicative of a particular path, dynamic or scenario outcome evolving”



MONITOR

- Helping to notice if a scenario is beginning to unfold
- Providing trigger points that can suggest a possibly new strategic move, and
- Alerting to weak signals of potential significant changes



ART OF EFFECTIVE SCENARIOS

The critical role of the scenario is to enlighten and to inspire; hence successful scenarios require a creative approach in careful balancing between **novel and known**.

(Van der Heijden, 2005, p. 145)



CASE STUDY — NOKIA LIFE TOOLS

- The goal: to create future scenarios for emerging markets and to study implications and opportunities for services for low-income customers in rural areas and informal settlements.



SCENARIO METHODOLOGY IN PHASE 1

| Project Phase | Description | Scenario methodology | Modifications of methodology |
|---------------------------------|--|---|--|
| Phase 1: Gaps and Opportunities | Preparatory phase for collecting information and creating the input for scenario workshops | Forming the team | Separate workshops with experts and stakeholders |
| | | Interviews with the client and stakeholders | |
| | | Collecting background information | |
| | | Selecting methodology | |



SCENARIO METHODOLOGY IN PHASE 2

| Project Phase | Description | Scenario methodology | Modifications of methodology |
|---------------------------|--|--------------------------|--|
| Phase 2: Focused Projects | Workshops on location in India and Brazil. Primary goal was to conduct user studies in rural areas, collect relevant information for the scenario workshops and create a set of four scenarios | Focal question | The focal question was given to the expert team by the facilitators |
| | | Driving forces | |
| | | Critical uncertainties | |
| | | Scenario frameworks | |
| | | Scenario stories | The scenario stories were refined during one week field study |
| | | Indicators and signposts | The indicators were refined during one week field study |
| | | Implications and options | Expert group did not create implication. Instead, the concepts of services were created for each scenario. |



GOALS OF THE PHASE 2

| Week | Location | Activities |
|--------|--|--|
| Week 1 | Bangalore, India | Introduction to the workshop Scenario creation workshop (driving forces, critical uncertainties, scenario matrix, preliminary scenario stories) |
| Week 2 | Four villages in rural areas near Bangalore, India | User studies (interviews, observations) Scenario refinement (scenario stories, indicators and signposts) |
| Week 3 | Bangalore, India | Scenario refinement (scenario stories, indicators and signposts) Concepts creation |



SCENARIO METHODOLOGY IN PHASE 3

| Project Phase | Description | Scenario methodology | Modifications of methodology |
|--|---|--------------------------|---|
| Phase 3: Foresight and Scenario Building | Analysis of the material from Phase 2 and aggregating it into a single scenario set | Implications and options | Implications were created by the facilitator team together with some stakeholders |



SCENARIO CREATION PROCESS

- Focal question
- Driving forces
- Critical uncertainties
- Scenario framework and stories
- Implications and options
- Indicators and signposts



THANKS FOR YOUR ATTENTION!

