

The future is a foreign country

by Tricia Lustig

Tricia Lustig's book, *Strategic Foresight: Learning From The Future*, is published this month by Triarchy Press. It is about the application of futures work in an organisational

context. This is an adapted extract on futures and business renewal, shared here with the kind permission of the publisher.

What baggage are you

taking with you as you head into the future? What unknown assumptions are you making? Baggage is neither good nor bad; but you do need to know how much of it you've got, how heavy it is, what shape it takes. The Strategic Foresight journey is an important one – you are considering making long-term decisions (tomorrow+ and tomorrow++) for yourself and your business – so it needs planning, reflection and sufficient time spent on it.

The journey will take you to other “countries” (different possible futures) and you need to prepare properly for that. You need to anticipate what could happen. ‘The Future’ is a foreign country and culture shock is guaranteed. You are arriving in a culture different from your own, where people have another world view and other values, some or all of which are inconceivable to you. If you can lessen the culture shock by understanding as much as you can about the new culture before you land, you will more quickly be able to learn and benefit from the new culture.

A major point of Strategic Foresight is to enable you to make good choices for the future and then implement these choices in your business, creating the changes you need in order to flourish and endure. This requires you to renew your organisation – in *Beyond Crisis* we described what we called the *Five Qualities* that are needed for organisational renewal:

Renewal can begin anywhere in the cycle, but all of the Five Qualities—which are organisational competencies—must be visited for an organisation to renew itself. In the Quality of Insight, you gain an understanding of where your business is and what is happening around it (internal and external scanning). This information is further developed using tools such as Three Horizons, Mental Time Travel and developing future scenarios to gain an understanding of what might occur that could affect you in the future and which emerging trends you need to pay attention to. This includes considering both the risks to, and the potential opportunities for, the business.

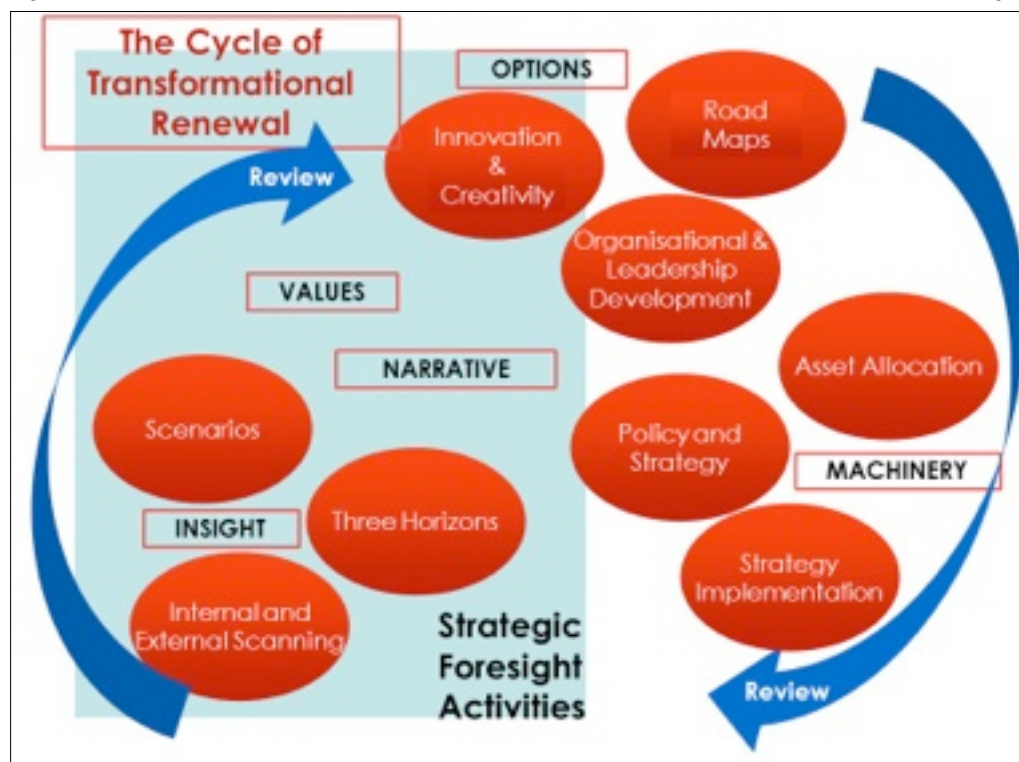
From this, you exercise the Quality (or organisational competence) of Options and start to develop viable options to ensure success in your future. What does the business need to be doing **now** in order to be successful in the long term? How do you mitigate the risks you might encounter? How do you amplify your opportunities? What do you need to stop doing? What do you need to do differently?

Creativity and innovation processes are used to develop what needs to happen/ change in product line(s), service line(s) **and** business organisational processes. Road maps are used to help make choices around what the business is going to do or become and set out how to get there/make it happen.

The Quality of Machinery is about the ways in which a business makes things happen, the implementation of the strategy that has been decided upon.

Figure 1: The Cycle of Transformational Renewal.

Source: Tricia Lustig



All this rests upon the foundation of the business's core Values and its Narrative, the two overarching Qualities of organisational renewal. The core Values define the playing field, helping by making clear where choices are limited (due to Values) for a chosen strategy direction. Narrative is the stories we tell about who we are; it helps with the machinery of change as well as with environmental or horizon scanning. Narrative must be congruent with the values and the strategy in order for renewal to take place and be successful. Narrative is the glue that holds the organisation together, since it connects Values, Insights and Options.

The practice of Strategic Foresight (the shaded box in the diagram) combines activities from each of the four Qualities of Insight, Options, Values and Narrative as a basis for identifying decision points and deciding on the emerging strategic direction that a person or business is going to follow to enable their preferred future(s) to occur. As one of my colleagues says, "Strategic Foresight refreshes the fuzzy front-end of innovation" to enable a business to re-energise itself and to take

advantage of the opportunities it discovers.

As human beings, we make sense of the world around us through stories. Stories help build a shared culture and a shared understanding. They help us to make sense of what is 'out there' (and what is 'in here'). The Quality of Narrative in the cycle means the stories we tell – both individually and collectively, both 'good' and 'bad' – about the way things work around here, about what happens here (and what does not).

Human beings like storytelling; we are story tellers by nature and use stories and narrative to create our reality. Therefore it is imperative that your organisational Narrative is thoroughly researched and understood and that the underlying assumptions are identified and challenged. The metaphor of baggage is what I've used to describe these assumptions. A shared and articulated Narrative makes it easier to communicate and take group decisions because you all understand the background story; the rules of the game are clear to everyone.

Identifying your underlying assumptions

An assumption is a belief that you haven't challenged or questioned, so it may be untrue. It can be heavy and can slow you down. It can be awkward in size. It could also be something that really helps you, and you need to know if it is helpful (in which case, make use of it) or not.

A helpful assumption is one that you clearly identify and use; for instance you can make an assumption about energy when you think about a particular future. You could assume that your business will not be affected by any energy problems, that is, the price of energy will remain stable and you will always be able to access an adequate supply for your needs. Or you could assume the opposite, that you will have trouble getting access to sufficient energy and that there will be increased costs in doing so. When you make this clear and share this widely as the basis to build upon, you have a useful assumption (useful 'baggage' from the metaphor).

To get the best stories and information out of Strategic Foresight, you need to

How the future meets you

How does the future happen? How does it meet the present? Where is the dividing line? People don't seem to notice when it happens. The past is your history and then you've got... now. In a sense you have what Daniel Gilbert calls the "end of history illusion": the illusion that history has just come to an end and that you are the finished product of that history.

The way you live your life is with a familiar sense of a static, continuous present. People tend to vastly underestimate the amount of change they will experience over the next 10 years. So, you live in what can be

called a 'manufactured normalcy field'. This makes it more difficult to think realistically about the future even when you know that this is the case.

For instance, when you use an e-reader, you neither use nor experience the full extent of what an e-reader is capable of. This is because it is easier to stretch the boundaries and change just a little bit at a time – and that is a manufactured normalcy field.

Yet with the technology available to us today, you wouldn't need to read things sequentially, you could link

articles, or chapters, or paragraphs up by subject matter, or you could make a mind map and read a book that way.

The organisation of what you read could be done just for you – that is, only what is of interest to you would be at the front of the e-reader for that book. It could recognise what you are searching for and feed you that sort of information only. This sort of thing exists today with news aggregator apps like Zite which collect and collate articles from the web. The list goes on.

identify and share your underlying assumptions with your Strategic Foresight project team; this is how you start to make collective sense of what is out there and how you start to build a community to explore different futures and prepare for change.

These assumptions are the raw material on which your project work is based. They reflect the vision, opinions, hopes and beliefs of you and your team. If they are questionable, or are different for different members of your

And in 10, 20 or 50 years' time? What are your assumptions about the price of 'ingredients' and raw materials – your cost structure? What will your operating assumptions be tomorrow, tomorrow+ and tomorrow++? What do you need in order to continue to operate across different time horizons?

Then you can apply some rigour and focus your enquiry – challenges and checks – using futures models such as PESTLE (or STEEPLE), CLA or VERGE. These models give you a framework around

these different futures. The language you use is part of your Narrative – personal or organisational – and it is key to joint sense-making. Your own perception of reality is not necessarily the same as that of other people. This can be a wonderful gift into shared understanding if you can use the idea to explore another person's perceptions. Awareness of your own, other people's and the organisational Narrative enables shared sense-making which is the precursor to mapping what exists in the external world.

How you enquire is important and it depends on the language you use. If you ask 'Why?' you are more likely to get an unthinking response which includes opinion (instead of fact), interpretation and defensiveness than if you ask 'What happened?' which encourages facts and a description of what actually happened without the interpretation. Time spent considering what you are enquiring about and then how best to ask the question saves you time in the long run by enabling the response to your enquiry to be more valuable to you.

Chris Argyris' 'Ladder of Inference' is a model of how Narratives are constructed. At the bottom is the event you experience. It is observable, it is neither good nor bad. Then you choose what is important to

An assumption can be an awkward size. It can be heavy and it can slow you down.

team – that is, they are not understood by all – the output of the process will be flawed and is likely to be incomplete. You need to be able to question what might be missing and identify what is not robust. Admitting your assumptions may make it harder to defend the outcomes to others, but it will make it easier to share these outcomes with others, to be certain that you aren't missing anything and to learn from each potential future.

You will have to make some basic assumptions to build upon as you will never have all the hard information you need. Challenging and sharing these assumptions with your team will reduce any limiting effects. For instance, how do you think globalisation will affect your sector and your business? Will businesses consolidate into large conglomerates, with a few large players? Or will there be fragmentation and many niche players? What assumptions will you make about how your business adds value next year?

which you can prepare questions and challenges and they help you ensure that you cover diverse perspectives so that you don't forget things. The risk of mistakes and ensuing losses is reduced when the underlying assumptions are shared, when you've challenged them and everyone understands why you've made the choices (assumptions) you did.

Language creates reality

Language isn't just a tool to describe reality, it *creates* our reality. It is active, it moves people, and it makes things happen. We construct futures with language and it is really important to be careful with the language you use when developing

Figure 2: The Ladder of Inference.

Source: Chris Argyris



you. You select what you will use, usually unconsciously. You add meaning to it – a ‘truth’ which could be based on an assumption you made, and which is again, likely to be unconscious. Next you come to a conclusion. This informs your beliefs which underlie your actions. It’s cumulative, you end up acting on beliefs that are built upon many unconscious judgements you made which can get in the way of shared sense-making.

The ‘Ladder of Inference’ contributes to what I call ‘already hearing’. You could also call it ‘actually I’m **not** listening’, or ‘I already know what you are going to say’. You are ‘already hearing’ when you are so far up the ladder of inference that you can’t hear what is actually being said. You already ‘know’ what the answer is going to be, so you ‘hear’ the answer you’re expecting, even if that isn’t what the person is saying. This stops collaboration, learning and moving forward. It is worth thinking about whether or not you are ‘already hearing’ when you start working collaboratively, in dialogue with diverse participants and stakeholders to ensure you get the best, most useful results from your work.

What gets in the way of this is the negative voices that limit your thinking. Below you will find five very common background conversations. Identifying them will help you to turn them off while time that you are exploring in the foreign country of the Future(s).

1. **Find the Flaw.** Someone comes up with an idea and someone else immediately jumps on it to point out why it won’t work. It crushes creativity and innovation and blinds you to opportunity. If you can’t shut this conversation off, you will remain firmly rooted in the present (or the past).

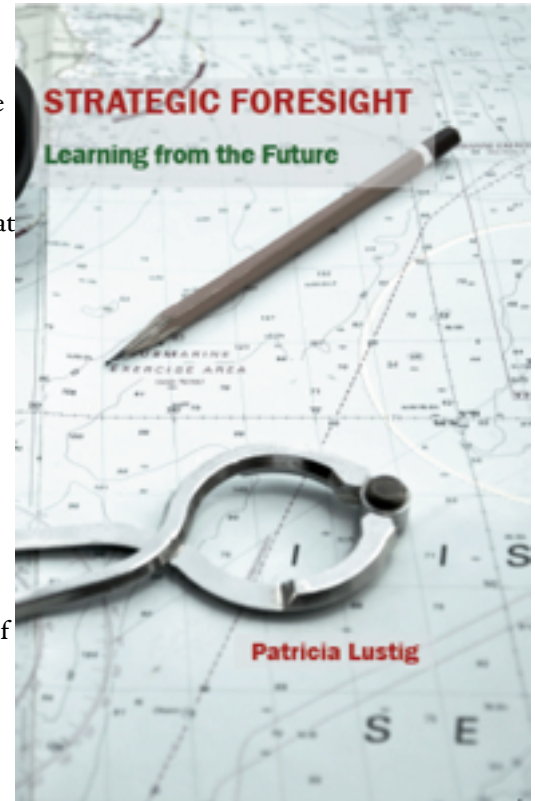
2. **Not Responsible (a.k.a. the Tragedy of the Commons).** It’s easy not to worry about responsibility if you know someone else is responsible. If we have agreed to examine our assumptions and we find it rather painful, we hear this little voice that encourages us to just let it go. It’s easier that way. But going to another country is all about confronting yourself with ‘not the usual suspects’ and it can feel daunting.

3. **Us vs Them.** When you see yourself as different from others you immediately move into the space of zero sum games—where you can’t work with ‘them’ to develop solutions. You can’t make sense of what is out there, without doing so *together*. We need the diversity of people different from ourselves to open conversations up.

4. **Either/Or.** This restricts you to only two possibilities and that is not the real world. Yes, it is sometimes difficult to hold two opposing ideas in your mind (or several for that matter), but it is far more useful to think in terms of **Both/And**.

5. **Scarcity.** This is the conversation that tells you there isn’t enough to go around and therefore you’d better get in there and get your share before someone else gets it. It is a self-fulfilling prophecy. Scarcity conversations force us into **Win/Lose** thinking, which is shorthand for **Lose/Lose**. It restricts your ability to see alternatives and opportunities.

The assumptions and baggage that you unconsciously carry with you get in the way of making robust, consistently good, decisions. These assumptions can cause you to remain stuck in the status quo, even when you need to move on. Human beings assume that things will change far less than they actually do. ◀



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