DO IT YOURSELF KIT
Scenario-based planning

Present
Future: 2030

What could happen
What we typically prepare for

Scenarios

Mission: Making organizations FIT to drive desirable futures.

EDHEC Chair for Foresight, Innovation and Transformation
HOW WILL THIS KIT HELP YOU?

◆ We usually prepare ourselves for best-case, worst-case or most-likely scenarios. These are often based on a bias for the short term, or to seek information that reinforces existing beliefs.

◆ This DIY kit has been developed to enhance your ability to make decisions under uncertainty through:

  – Greater awareness of a broad range of factors that may influence outcomes
  – Structured approaches to make sense of interactions and consequences in complex systems
  – Systematic development of strategies that balance short and long-term performance
STEP 1: SCANNING AND IDENTIFYING KEY UNCERTAINTIES

**SCAN**
Brainstorm, involve divergent thinkers, systematic search, etc.

**POLITICAL**
New laws, executive orders, etc.

**ECONOMICAL**
Factors driving supply, growth, etc.

**SOCIAL**
Factors affecting customer needs, consumer behaviour, etc.

**TECHNOLOGICAL**
Availability of technical solutions, automation, etc.

**COLLECT & SELECT**
List 30+ factors Select 5-8 key factors

**BUILD SCENARIOS**
Discuss and consolidate the key factors into two main factors that will form the axes of your scenario cross.
## STEP 2: MAP STRATEGIC CHOICES.

### ACTION FIELDS
Including, scope of offering, type of customer, channel, pricing, logistics, source of competitive advantage, etc.

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### ALTERNATIVES
List all alternative choices you have in each action field.

For example your offering may include only to produce a product or to produce the product and offer a range of value added services.

Or your competitive advantage might be based on price or on quality.

Your logistics could leverage your own fleet of trucks or on

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### STRATEGIES
After constructing the grid of alternatives you will be able to identify alternative strategies, which are choices that fit together and feel consistent and feasible.

Use colours to circle the choices that fit together and form a strategy

- Strategy A
- Strategy B
- Strategy C
**STEP 3: CRAFT ALTERNATIVE STRATEGIES.**

**ACTION FIELDS**
Including, scope of offering, type of customer, channel, pricing, logistics, source of competitive advantage, etc.

**ALTERNATIVES**
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For example, your offering may include only to produce a product or to produce the product and offer a range of value-added services.

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- **Strategy B**
- **Strategy C**
STEP 4: DECIDE ON WHAT TO DO NEXT.
Congrats you have built awareness of your key uncertainties, you have mapped your strategic choices, now is time to build the entrepreneurial drive.

NO REGRET MOVES
List all actions that will help you in all (or most) scenarios. Those can be implemented directly. For example build a closer relationship to your customer.

BUILD OPTIONS
List all actions that expand your strategic action field. For example find and make preliminary contracts with alternative suppliers.

PLACE BIG BETS
List actions that are risky, but highly interesting. From this list you can choose to make big leaps of faith that shape the future of your company or industry.

CREATE A CONSISTENT STRATEGY
Integrate the list of actions into a consistent strategy. Make it engaging by formulating it as Massive (aspirational) Transformative (cause significant change to industry, community or planet) Purpose (the clear ‘why’ that can unite your people and stakeholders). Be bold!

Massive transformative purpose (MTP) examples:
- Tesla: “Accelerate the transition to sustainable transportation.”
- TED: “Ideas worth spreading.”
- X Prize Foundation: “Bring about radical breakthroughs for the benefit of humanity.”
### SCENARIO DEVELOPMENT BOX

#### KEY FACTORS
All drivers of change that are important for the firm and uncertain in their future development

#### PROJECTIONS
Alternative future states of this factor in the time horizon.

For example, the price of oil is an important factor for the mobility sector. If we develop scenarios with a 30-year time horizon, the projections of this factor could be $10 per barrel (a very low level), $50 per barrel (approx. today's level), and $200 per barrel (a very high price).
WHAT NEXT?

◆ Now that you have built your strategy playbox, it’s time to let implement it.

◆ You may also share your results with us at EDHEC Chair for Foresight, Innovation and Transformation to:

  – Partner with EDHEC’s FIT Chair for further insights
  – Help others in your industry get started with scenario-based planning
Prof. Dr. Rene Rohrbeck
Professor of Strategy
Chair for Foresight, Innovation and Transformation

http://fit-chair.edhec.edu

Make an impact