

Preparing for the Future: Tools for Uncertain Times

Scenario Planning Guide

September 2018



525 South Lake Avenue, Suite 320 | Duluth, Minnesota 55802
(218) 727-9390 | info@ruralcenter.org
Get to know us better: www.ruralcenter.org/rhi



This is a publication of Rural Health Innovations, LLC, (RHI), a subsidiary of the National Rural Health Resource Center. The Technical Assistance for Network Grantees Project is supported by Contract Number HSH250201400024C from the U.S. Department of Health and Human Services, Health Resources and Services Administration, Federal Office of Rural Health Policy.

TABLE OF CONTENTS

- Introduction 2
- Getting Ready..... 3
 - Preparation Worksheet..... 3
- Design and Approach 5
 - Scenario Planning Event 5
 - Sample Agenda 5
- Identifying and Monitoring Milestones 7
- Appendix 8
 - Appendix A: Facilitating Scenario Development 9
 - Step 1: Selecting a Scenario Development Method 9
 - Step 2: Facilitator’s Worksheet..... 11
 - Appendix B: Scenario Development Worksheet 12
 - Sample of Scenario Title and Description 14
 - Appendix C: Template for Strategy Evaluation 15
 - Cross Walk Scenarios with Current Strategies 15
 - Appendix D: Scenario Monitoring and Tracking 16

Introduction

How can you and your network board make effective decisions when the future of health care is so unpredictable? In contrast to traditional planning, which uses the past as a guide for how the future may be, scenario planning uses a process that encompasses a variety of possible futures. Considering a range of potential futures leads to more resilient, flexible and innovative organizational strategies. This is an important tool that network leaders can use to better prepare their organizations to respond to uncertain times.

“Thinking through [scenario] stories, and talking in depth about their implications, brings each person’s unspoken assumptions about the future to the surface. Scenarios are thus the most powerful vehicles I know for challenging our ‘mental models’ about the world and lifting the ‘blindness’ that limit our creativity and resourcefulness.”

Peter Schwartz, *The Art of the Long View: Planning for the Future in an Uncertain World*

This Preparing for the Future: Tools for Uncertain Times Scenario Planning Guide provides worksheets to guide the planning and process of scenario planning, tips and advice on when to use scenario planning and methods that will be helpful planning with a group, such as a board. An important next step includes using the scenarios to monitor the environment; watching for clues that a scenario is beginning to take shape. This requires the planners identify milestones and implement routine tracking methods to monitor them.

This guide compliments a webinar, [Preparing for the Future with New Tools for Uncertain Times](#), delivered to the Rural Network Allied Health Training program participants in June 2018.

The content of this guide is based on information and facilitation details from Rhydderch, Alun. (2009). *Scenario Planning Guidance Note*. Retrieved from: http://webarchive.nationalarchives.gov.uk/20140108141323/http://www.bis.gov.uk/assets/foresight/docs/horizon-scanning-centre/foresight_scenario_planning.pdf

4. Who should participate (stakeholders, expertise, influencers – connectors, practitioners, key staff, volunteers, anyone who must buy-in):
Tip: Work hard to get the right people. Set the date early, check back and remind.

- Who has a view of potential alternative futures?

- Develop your ideas to talk with participants about attending the planning event, i.e. how it will scenario planning help shape future decisions.
Answer the question each participant will have, “What’s in it for me?”

5. What is a location/setting option(s) and what planning materials are needed?

6. Get prepared to set the context of the planning event and provide participants with the information they need to be engaged.

- Gather research, review and summarize relevant data that relates to your objective and focus question.

Design and Approach

Scenario Planning Event

This portion of the Scenario Planning Guide, Design and Approach, includes a sample scenario planning event agenda with specific facilitation tips and tools. This design incorporates important components; the event is participative in nature; the design considers the current environment and also aims to identify relevant and focused scenarios to consider for future planning. Specific facilitation tools are referenced in this worksheet and templates are provided in the appendix.

Sample Agenda

8:30 – 9:00 a.m. Welcome, overview of the day, recap of Scenario Planning goal(s) and process

- Review of Mission (why we do what we do) and Vision (what we want to do)

9:00 – 10:00 a.m. Overview of research gathered: Inform, Discuss and Prioritize

- Information can be sent out ahead of time then briefly presented to the work group
- Environmental Scan: Discuss the most impactful driving forces and critical uncertainties. What is going on that impacts us? What will we have to adapt to?
- If useful, use the concept of “levers”, what helps us get to where we want to go, and “blocks”, what keeps us from getting to where we want to go. See Behind the Scenes with Strategic Planning [I](#) and [II](#) for a Levers and Blocks Facilitation Worksheet.

10:00 – 10:45 a.m. Identify two to five possible scenarios

- Step 1: Select a scenario development method, either A) the 2 x 2 matrix method or B) the branch method, [Appendix A](#)
- Step 2: Use the Facilitating Scenario Development Worksheet, [Appendix A](#)

10:45 a.m. – 12:00 p.m. Small Group Scenario Development to create narrative “scenarios”

- Use the Small Group Scenario Development Worksheet, [Appendix B](#)
- The challenge at this step of scenario planning is to keep the group from problem solving for each of the possible scenarios. Remind them that the factors help us imagine different possible futures. That our work in this step is to anticipate possible futures so that we can be strategic in planning for the possibilities.

12:00 – 12:45 p.m.

Lunch break

12:45 – 2:00 p.m.

Present small group findings and discuss scenarios as a large group

- Each small group presents its assigned scenario. Allow time for clarification and Q&A.

2:00 – 2:45 p.m.

Identify patterns and insights

- Where do you have choices to make? What triggers were identified for each scenario?
- Use the Strategy Evaluation template to cross-walk scenarios with current strategies, [Appendix C](#):
 - Option 1: complete this step at the end of the scenario planning session
 - Option 2: complete this step during your strategic planning session

2:45 – 3:00 p.m.

Next Steps

- Review with the large group that the scenarios will be tracked and monitored so they can be used as a guide for making strategic choices over the coming six to 18 months.

3:00 p.m.

Adjourn

- Follow up: Thank participants, prepare a summary of work and use the developed scenarios for strategic planning.

Identifying and Monitoring Milestones

Next, identify specific milestones, or triggers, that allow the organization to watch for signs developing within the environment that a scenario is playing-out. The goal, while monitoring, is to avoid being surprised by changes in the environment that impact the organization's strategic objectives.

Within the scenario, each small group discusses the following questions and records a list of milestones, or triggers, for the organization to watch for and monitor over the coming six to 18 months. Use the Scenario Monitoring and Tracking Chart, [Appendix D](#).

- For each scenario, what are the milestones, or triggers? Identify significant changes in the environment that we would anticipate within this scenario. Identifying these milestones will tell us that our scenario is beginning to come true.

- What date do we anticipate each milestone coming true?

- Use the Scenario Monitoring and Tracking Chart, [Appendix D](#), over the next six to 18 months to track changes in the environment identified as milestones, or triggers, within each of the scenarios. This task should be assigned to an individual, or a small group, and reported to leadership on a quarterly basis.

APPENDIX

Appendix A: Facilitating Scenario Development

The goal of scenario development is to identify specific scenarios that are described well and with enough shared understanding that future planning will be effective and will continue forward with all participants engaged in the process.

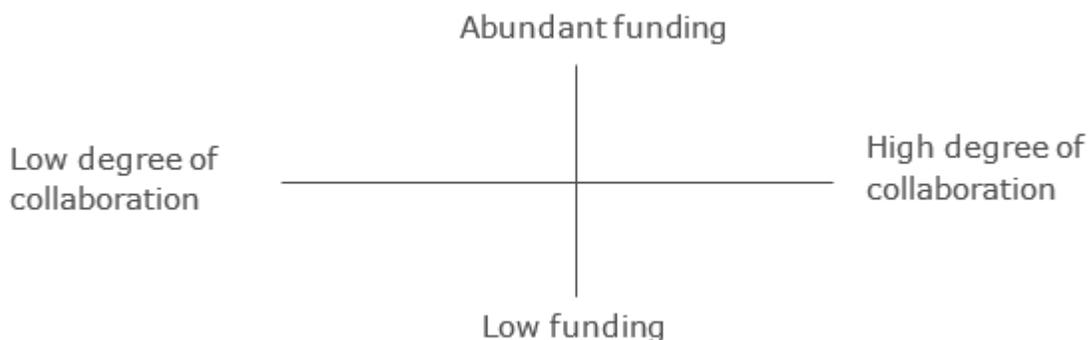
Step 1: Selecting a Scenario Development Method

A) **2x2 matrix** includes using the two selected factors to label the axis using polarities such as, “amount of” by “degree of” or “level of” by “presence of”.

For example:

On the x axis (horizontal) we are going to use the driver identified as ‘having the highest impact on our organization’. In our example, this is “collaboration”. Place the factor with the ‘highest’ degree of impact to the right and one with the lowest degree of impact to the left.

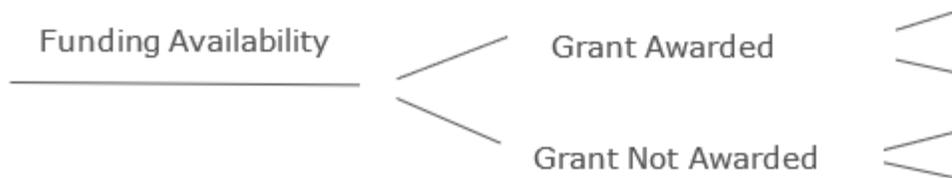
On the y axis (vertical) we are going to label with the issue, ‘trend or factor identified as having the highest uncertainty’. In our example, this is “funding”. Identify the top of the axis with the most positive, or abundant uncertainty of the factor, and the bottom of the axis with the most reduced, or diminished uncertainty of the factor.



B) **Branching:** If there is one easily agreed-upon impactful factor, use the branching method of scenario development. Using the agreed-upon factor as the initial branch and then creating cascading branches for the unique way things could develop from there.

Example:

During the presentation of issues and information, it becomes clear that the results of a local election to be held within the next six months will have the most impact on your organization’s future. Use “election results” as your initial branch, then use other factors as cascading branches.



If there is no clear consensus about which factor is most impactful and which factor is most uncertain, you can facilitate group consensus by using any one of the following methods:

- If there is clear consensus on a few factors, use those to create scenarios.
- If there is still no clear consensus, ask participants to explain why they identified the factors they chose. Then, complete a second round of prioritizing the top four to six issues from the first round; using asterisk or dots to identify the top four to six issues. The goal is to find the two issues that will structure the scenario narratives.
- Another option is to hand out index cards, one per participant. Ask each person to write their top three uncertainties and their top three impactful factors on the card. Have the individuals share their thoughts in pairs and then have the pairs report out the large group their top impactful and top most uncertain factors. Capture the report out on a flip chart. From this narrowed list, use group discussion, or a second round of “voting”, to identify the most impactful factor and the most uncertain factor.

Step 2: Facilitator's Worksheet

<p>Rational Aim: Prioritize and select two to three trends, or issues, as factors to use in developing scenarios. The selected factors identify significant uncertainty and significant impact on the organization or project. These become the matrix axis or identify the first two levels of branching when initially developing scenarios.</p>		<p>Experiential Aim: Participants will begin to think strategically in selecting significant issues and feel engaged in contributing to the discussion.</p>	
<p>Timing and Audience: (60 mins) Audience includes full group of participants, such as, network leadership and staff, network partners and stakeholders.</p>			
<p>Preparation: Completed environmental scan and analysis, i.e. identified themes and issues, or specific levers and blocks for network in reaching toward its mission and vision. And select a scenario development method: 2x2 matrix or branching.</p>			
<p>Focus Question: What are the two to three significantly uncertain or impactful factors that may influence the network's mission and vision over the next three to five years?</p>			
<p>Opening: (4 mins) In this step of our Scenario Planning work we want to begin to think strategically. Our objective in this discussion is to prioritize and then select two to three trends, or issues, for developing our scenarios. These selected issues, or factors, identify significant uncertainty and significant impact on the organization, or project, and will help us develop our scenarios. This step helps us put boundaries and structure on our scenario planning so that we avoid talking in circles.</p>			
Environmental Check-In	Identify Priorities	Select Scenario Factors	Describe Scenarios
10 min	20 min	20 min	5 min
<ul style="list-style-type: none"> Read across the list of Levers and Blocks (or a listing of significant issues) What stands out to you? Or seems to be particularly impactful to our network over the coming three to five years? <p><i>(Round Robin – Go around the group and have each person share their thoughts.)</i></p>	<p>Prioritize top issues using colored dots – each person gets two dots for each question (a total of four 'votes')</p> <ul style="list-style-type: none"> Which of our identified Levers and Blocks has a high degree of uncertainty? It might unfold in very different ways. Which of our identified Levers and Blocks will be particularly impactful to our network or project? Will it influence our work? 	<p>Gain consensus on two scenario factors that will be used for planning in small groups.</p>	<p>Check back to the network or project mission and vision (purpose and goals), and consider initial descriptions to help the small groups get started.</p>
<p>Closing: (1 min) <i>Breaking into small groups and using the Small Group Scenario Development Worksheets</i></p>			

Appendix B: Scenario Development Worksheet

Within each small group, it is time to develop the scenario and imagine the situation. Complete this scenario development worksheet and be prepared to report out to the larger group. The results of this work will be used for the next steps of scenario planning, including a cross-walk with current strategies.

“Thinking through [scenario] stories, and talking in depth about their implications, brings each person’s unspoken assumptions about the future to the surface. Scenarios are thus the most powerful vehicles I know for challenging our ‘mental models’ about the world and lifting the ‘blinders’ that limit our creativity and resourcefulness.” Peter Schwartz, *The Art of the Long View: Planning for the Future in an Uncertain World*

For the scenario you have selected to work on:

- What are the factors or themes that are key descriptors of this scenario?
- What might this scenario’s environment ‘look like’? This is initial brainstorming and ‘imagining possibilities’. These are early thoughts for developing the narrative or story of the scenario.
- If this scenario does happen, what might be an impact on our mission and vision?
- In what way are the scenario factors working together that describes a unique scenario?

1) Scenario Title: Now as a small group, agree on a descriptive and easy to remember title for this scenario, for example, a name of a song or show, or a catchy phrase or metaphor.

2) Scenario Narrative – The External Environment: And lastly, within the small group, paint the picture of the environment that would unfold as a future environment. Describe the situation or tell the story that illustrates the situation. For example: What is happening? Who are the players? What are the possible events? Remember during this point we are thinking about the external environment, not the internal reaction to the environment. *Note: a sample description is included at the bottom of this Appendix B.*

3) “How is this scenario influencing us?” The internal reaction to the environment: Using the narrative description of the scenario, what are the implications or ramifications IF this scenario develops? As a small group, answer the following questions and be prepared to report out to the large group a summary of your discussion.

- Is there still a “fit” between our product/service and this environment?
- What capabilities will be needed?
- What are our present strengths/weaknesses/gaps in these capabilities?
- Who will be successful in this scenario? Why?
- Who will not be successful in this scenario? Why not?
- What are the risks to the organization?
- What might be good business or a good position in this model world/this scenario?
- What is the likelihood of this scenario developing?
- What are the potential triggers / early warning signs this scenario is playing out?

Sample of Scenario Title and Description

This sample scenario title and description illustrate the importance of a title that participants can remember and provide a shared understanding of the scenario. Gaining consensus on the description will help keep planning moving ahead.

Title: “Joy to the World”

Description of the external environment within this scenario: In the next funding cycle, our funding is increased by 25%. The federal government has identified opioid use as an epidemic. We are expected to increasingly work with community organizations on this issue. Schools, churches and volunteer organizations are ready and willing to collaborate with us to supply a diverse workforce. Partners are working well together. Social determinants of health are being addressed by a coalition of highly collaborative partners.

Appendix C: Template for Strategy Evaluation

As a large group, after each small group has reported the scenario title and narrative, have the following discussion to identify how current strategies fit, become ineffective or are not relevant within the different scenarios.

Within each scenario, moving across the row, answer the question for each strategy, either as a yes or a no, "Does this strategy fit as a strategy?" In other words, will it be an effective strategy within this scenario to move us toward our vision?

Cross Walk Scenarios with Current Strategies

	Strategy A	Strategy B	Strategy C
Scenario 1			
Scenario 2			
Scenario 3			
Scenario 4			

Appendix D: Scenario Monitoring and Tracking

Use the Scenario Monitoring and Tracking Chart over the next six to 18 months to regularly track changes in the environment identified as milestones or triggers within each of the scenarios. This task should be assigned to an individual, or small group, and reported to leadership on a quarterly basis.

Scenario Monitoring and Tracking Chart

	Describe the Milestone or Trigger	Anticipated Date	Status or Progress of Environmental Change	Who is responsible for tracking
Scenario 1	•	•	•	•
	•	•	•	•
	•	•	•	•
Scenario 2	•	•	•	•
	•	•	•	•
	•	•	•	•
Scenario 3	•	•	•	•
	•	•	•	•
	•	•	•	•
Scenario 4	•	•	•	•
	•	•	•	•
	•	•	•	•