

# Scenario Planning: An Introduction

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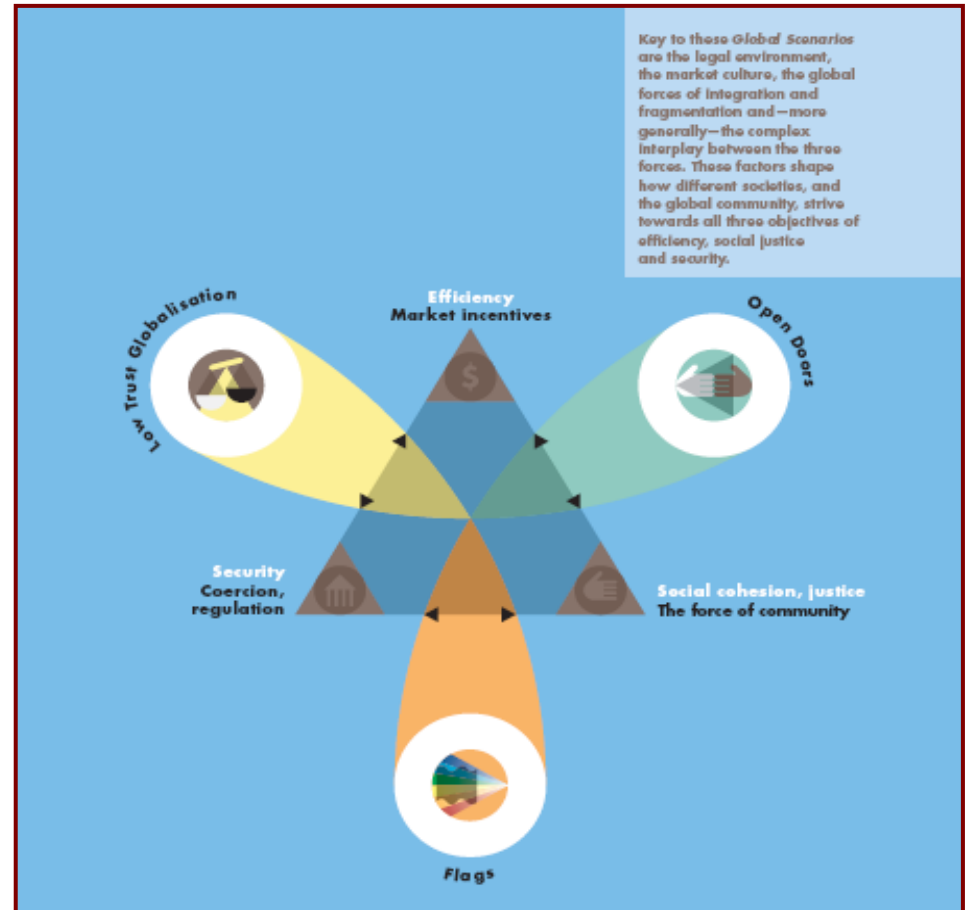


Royal Dutch Shell pioneered scenario based strategic thinking in the early 1970's, famously rehearsing how they would react to a looming oil crisis, and gaining a significant leap on their competitors.

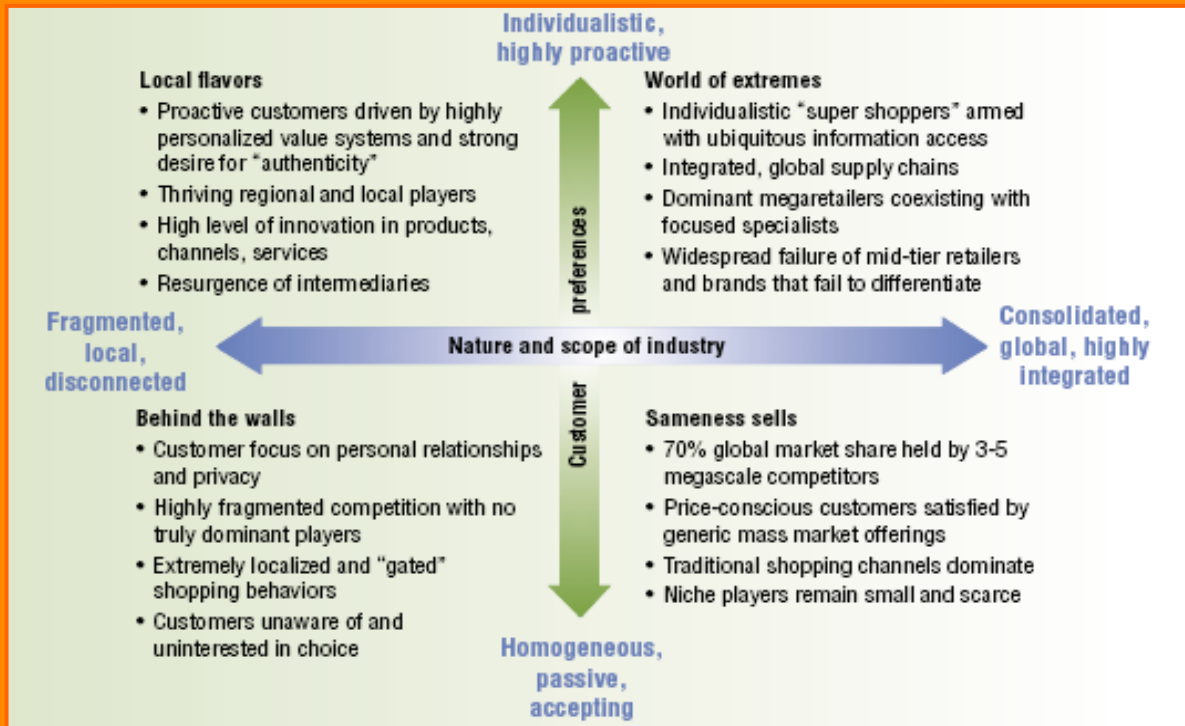
In the 1990's, following the release of Nelson Mandela, Shell futurists were commissioned to facilitate and develop the Mont Fleur scenarios that mapped the transition of South Africa to a majority Black Government.

Nowadays, scenarios pervade many aspects of their business from increasing the robustness of decision making to delivering corporate vision throughout their many divisions.

Many of their scenarios, such as the recent "Shell Global Scenarios to 2025", are made public, stimulating debate and providing a vocabulary for discussing the future.



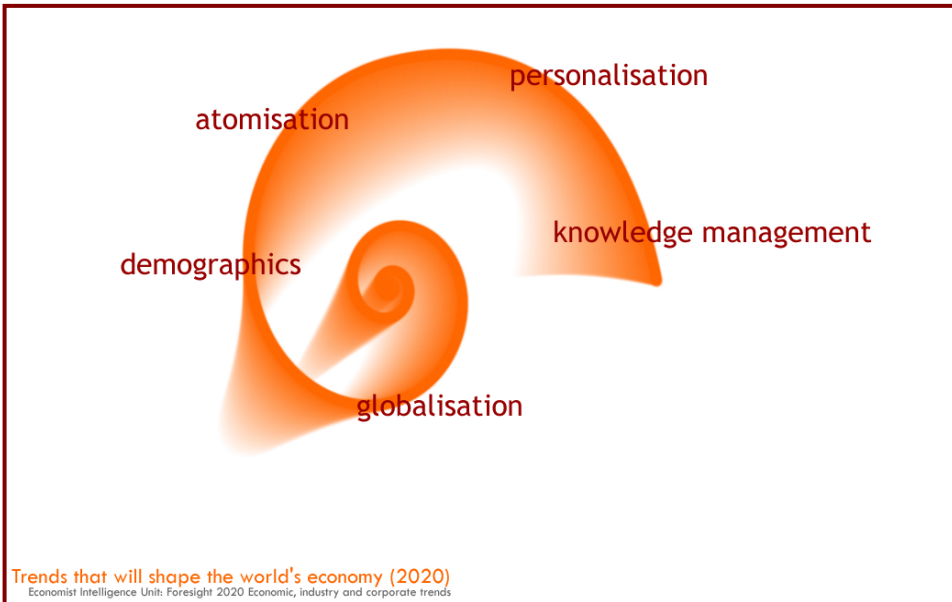
From Shell Global Scenarios to 2025



The retail divide: Leadership in a world of extremes  
 IBM Business Consulting Services

Scenarios take into account the uncertainty of the future, by letting us explore alternative worlds. These four scenarios for retail from IBM are typical, based around different views of the way "customer preferences" and the "nature and scope of industry" will develop.

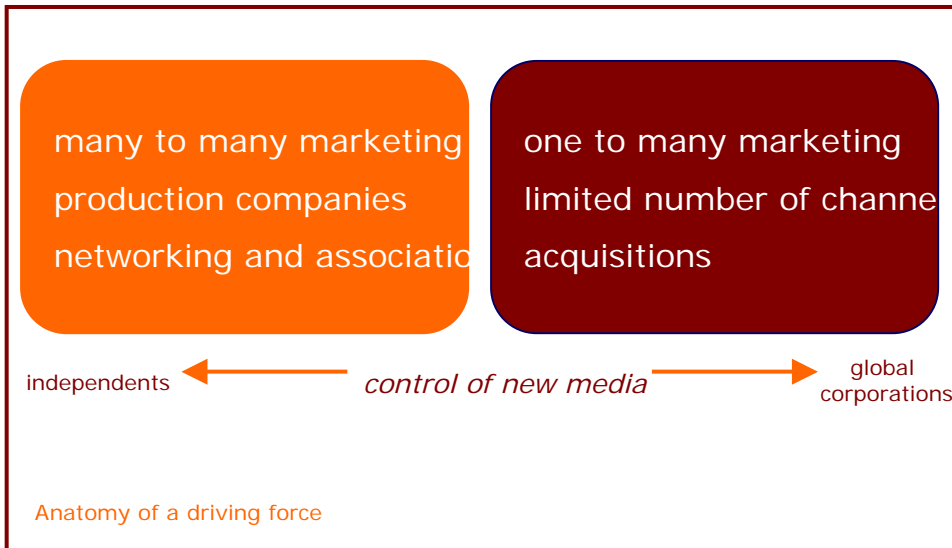
Scenarios help us to undertake projects and decisions that are more robust under a variety of alternative futures. They also tend to lead to the discovery of innovative product and service concepts; they afford us the opportunity to think outside the "official straight-line", letting us immerse ourselves in the extremes of alternative exciting, challenging and sometimes uncomfortable worlds.



A deep understanding of the trends and driving forces for the future is key to developing a successful set of scenarios.

Scenarios encourage us to look for driving forces across a wide spectrum; addressing the influences on the world in which our future consumers and business will be operating. We look for driving forces in society, technology, environment, economics and politics. We consider culture, explore the fringes, and look for perception changing events.

Some driving forces will appear pre-determined, e.g. demographics, others will be uncertain, i.e. we will feel they could develop in alternative directions. We are interested in the uncertain, unpredictable driving forces as candidates for the axes on which we will build our alternative scenarios.





“... implemented a scenario development process to provide a deeper and richer understanding of the possible futures for our business.”