

What is Futures Research?

“What does the future hold for you, and your organisation?”

“Are you ready for it?”

“What can you do now to ensure your organisation is agile and resilient in the face of change?”

Futures studies seek to understand what is likely to continue, what is likely to change, and what is novel. Organisations use these techniques to better understand their strategic environment and to aid in building resilience and agility into their business model.

In conjunction with Delaney and Associates (an internationally renowned futures research company) CBA Consulting conducts futures research and modelling for many NZ and Australian organisations. We work with these organisations to assist them to identify future opportunities and risks and translate this understanding into pragmatic action.



Using Futures Research to Inform Current Strategy

Understanding Futures Research

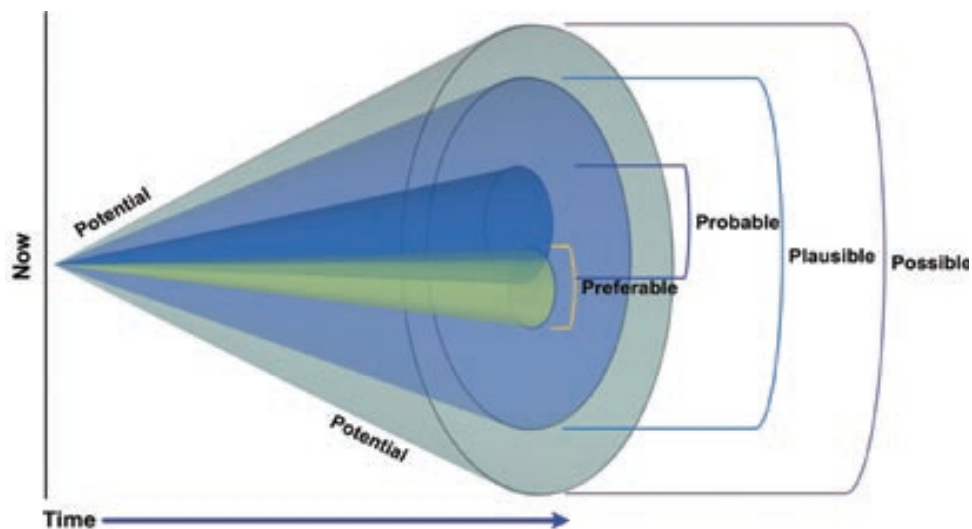
Research on how people and organisations prepare for the future has shown that as individuals we are very capable of considering multiple possible futures and imagining the sorts of surprises that might come along, but as organisations we tend to stick with what we know has happened in the recent past and expect it to keep happening.

An economy operating under rapidly changing conditions can exhibit very different behaviours than those commonly assumed. As our world speeds up, a much higher premium is put on our ability to provide early warning and couple that with early and focused action.

Recent “fast punches” such as shocks to world capital markets and “slow motion emergencies” such as population aging and climate change have caused many organisations to rethink the way they approach business intelligence. Organisations need to build resilience and agility into their business model. “Its only when the tide goes out that people see you have been swimming naked”.

In the diagram below we can see that the future state of a given factor can occupy a wide area of possibility. Within that area are more plausible future states and within the plausible area lies the probable future state. Futures research is concerned with identifying these potential future states and allowing the organisation to see the factors that will influence their preferable future. Some factors are inevitable (i.e. an aging population) and others can be influenced through strategic decisions made today (i.e. the level of literacy in the population) and therefore bring about a better future outcome.

Diagram One: Possible Futures



Using Research to Inform Current Strategy

What This Means for your organisation

The benefits of using futures to inform your strategic planning and decision making are as follows:

1. By understanding the future strategic environment, you can better identify and understand potential opportunities and then shape it to take advantage of these.
2. A structured approach to environmental scanning will plug any gaps in the current business intelligence model and will challenge latent assumptions that may be present in the strategic planning process.
3. Using scenario planning, your organisation can rehearse for the unexpected thus enabling it to be more agile during times of crises.
4. By understanding how to spot the weak signals of potentially significant change your organisation will be less likely to be caught out by "fast punches".

We can then assist you to:

- > Shape to identify, understand, and capture opportunities – **CREATE A PREFERRED FUTURE**
- > Hedge against identified risks – **MITIGATE FOR INEVITABLE CONSEQUENCES**

David Powell or Steve McCrone, CBA Consulting

david.powell@cba.co.nz or steve.mccrone@cba.co.nz Tel 09 358 4000