

## **Expert Workshop**

## "Crossing Borders. Migration and Citizenship Education in Europe"



### Why Strategic Foresight Analysis?

NECE-2016 Expert Workshop Ljubljana, 8–10 July 2016



#### The VUCA World

#### Volatility

The nature, speed, volume, magnitude, and dynamics of change

#### Uncertainty

The lack of predictability of issues and events

#### Complexity

The confounding of issues and the chaos that surrounds any organization

#### Ambiguity

The haziness of reality and the mixed meanings of conditions



#### How well are we prepared ...





#### Disruptive vs incremental change

#### theguardian

## Arab spring took British intelligence by surprise, report says

Committee says there are questions about whether agencies should have been able to anticipate how events might unfold





Swedish National Defence College

# Strategic Surprise in the Ukraine Crisis

Agendas, expectations and organizational dynamics in the EU Eastern Partnership until the annexation of Crimea 2014



#### **Foresight Analysis: Challenges**

#### Why is thinking about the future so challenging?

- Our view of the future is often firmly anchored in our past
- We believe the answer is to be found, not created or imagined
- We cannot consider what we cannot imagine
- Our brains are not programmed to think systematically about what the future will bring



#### Framing, Cognitive Biases, Intuitive Traps





#### **Optical Illusions / Visual Framing**





#### **Cognitive Biases**

# Cognitive biases are mental errors caused by our brain's simplified / efficient information processing strategies.

○Group Think

Anchoring Effect

Professional experience / salient personal experience (Déformation professionelle)

Ingrained analytic mindset / Training or education

oThe nature of one's upbringing / Type of personality



#### Groupthink



#### "When all think alike ..."



"... no one is thinking."

Walter Lippmann



#### **Confirmation Bias**

"People almost always find what they're expecting to find if they allow their expectations to guide their search."

Bart D. Ehrman



#### Mirroring & Anchoring







#### Mental Maps





#### Further Readings on Cognitive Biases





#### **Our Cognitive Limitations**

## "These errors remain compelling even when one is fully aware of their nature. Awareness of the bias, by itself, does not produce a more accurate perception."

Richards J. Heuer, Jr.



#### **Intuitive Traps**

#### **Sloppy analytic processing / intellectual short-cuts:**

- $\circ$ Expecting marginal change
- $\circ$ Ignoring inconsistent evidence
- $\circ$ Relying on first impressions
- oOverestimating probability
- $_{\odot}\mbox{Confusing correlation with causality}$
- $\circ$ Lacking sufficient bins



#### **Correlation** ≠ **Causation**





#### Lacking Sufficient Bins / Bin Depletion



To a man whose only tool is a hammer, every problem looks like a nail.

**Russian Proverb** 



#### SAT: Tackling Cognitive Biases & Intuitive Traps

#### Analysts use Strategic Foresight Analysis to:

- Mitigate the impact of many cognitive biases
- Avoid analytic failures due to intuitive traps or overreliance on linear thinking
- Encourage more creativity and collaborative work processes
- Increase transparency of policy or strategy recommendations
- Expose information gaps

Structured Analytical Techniques: System–2–Thinking to identify and overcome the analytic biases inherent in System–1–Thinking.



#### Thinking Fast and Slow

#### System-1 Fast Thinking

ointuitive

ooften unconcious

ofast & efficient

odraws on available knowledge, **past experience**, longestablished mental models

ocommon source of cognitive biases



HINK oanalytical

o**deliberate**, conscious reasoning

#### $\circ \textbf{slow}$

ASTAND

DAN Oincludes all types of **critical thinking**, structured analytical techniques

## oempirical and quantitative methods



#### **Toolbox for System-2-Thinking**

#### System-1-Thinking Known Data **Unknown Data** Critical **Structured Analytic Thinking Skills Techniques Intuitive Judgment** Qualitative Getting started • Diagnostic Vetting information (Traditional Analysis) • Foresight • Making the case Design Thinking Conveying the Reframing message **Quasi-Quantitative Empirical Analysis Analysis** Data-based Quantitative computer tools Computer-based Visualization tools using experttechniques generated data

System-2-Thinking



#### Strategic Foresight Analysis

#### Definitions

 A reframing process that involves the exploitation of insights to prepare for thinking, seeing, and acting in the future

oA process for avoiding surprise and generating counterintuitive ideas

#### It is a more complex process distinct from:

- **Prediction:** a definitive statement about what will occur in the future
- Forecasting: qualified, usually bounded statement about future event or condition



#### **Goals of Strategic Foresight Analysis**

- To generate a solid set of scenarios that bound a plausible range of alternative futures (including the stepping stones to get there)
- Scenario planning enables decision-makers to:
  - think in and prepare for plausible alternative future situations
  - make sense of "weak signals"
  - differentiate "weak signals" from "noise"
  - detect "unknown unknowns" (things we don't know that we don't know)
- Establishment of a framework for decision-makers to:
  - mitigate the impact of risk scenarios
  - create enabling conditions to make positive scenarios happen



#### Strategic Foresight Analysis as Reservoir Thinking

#### **Foresight Analysis is "Reservoir Thinking" / Pre-Mortems:**

- Explorative scenarios: What could happen?
- •Normative scenarios: Where do we want to go?
- oAction-oriented scenarios: What can we do? And how?

Normative and explorative scenarios complement one another. The art is to make them relevant for decision-making.



#### Linear Scenarios: Cone of Plausibility ("What if ...?")





#### Scenarios: Alternative plausible Futures

#### NECE 2013 scenarios





#### Tackling the VUCA world with VUCA

#### Vision

An intent that seeks to create a future

#### Understanding

The ability to stop, look, and listen

#### Clarity

The ability to help make sense of the chaos

#### Agility

Organizations where 'wirearchy' is rewarded over hierarchy



#### **Taxonomy of Foresight Techniques**

End-point of Analysis	Simple Situation	Complex Situation	Primary Objective
< 1 to 4 years	Brainstorming; Flipping Assumptions	Simple Scenarios; Cone of Plausibility; Classic Quadrant Crunching	Avoiding Surprise; Anticipating the Unanticipated
5 to 10 years	Alternative Futures Analysis	Multiple Scenarios Generation; Foresight Quadrant Crunching; Strategic Foresight Decision Tool	Mapping the Future; Finding Opportunities



# What has not been imagined will not be foreseen in time.

Peter Schwartz, The Art of the Long View





Gustav-Freytag-Straße 5 10827 Berlin

bfz-berlin@bureau-fz.eu www.bureau-fz.eu