



Future Environmental Scanning

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"If you don't know where you're going, any road will take you there"

- George Harrison

Planning is about the future. Before you get busy planning, stop and take a look at that future. That is critical to effective strategic thinking and any planning process. You must put some thought into what the future might look like for you and your organization. Miss this step and your planning process is a waste of time and money.

Future Environmental Scanning is simply a look at the future world through the lens of topic areas that may affect your organization. We are looking at future trends, projections, opportunities and risks that may face you in the coming years. We do this *prior to starting the planning process* to ensure we have as much information as possible to make sound decisions.

As always, we recommend that you include as many stakeholders as possible in the scanning process. What are the critical issues facing each part of your organization? What are your suppliers, customers, clients and investors facing? What does the economy and political scene look like where you operate? The more questions you ask, the better the scan. Your internal people have the best focus on what is happening related to your industry, products and services – use them. In some cases, you may need to go to outside experts for specialized intelligence.

Remember our helicopter view. Get above today's issues. Broaden the discussion and look at any and all possibilities. What seems crazy, might just happen! If you only look at today, your planning will get stuck in today and it is impossible to really move forward.

A thorough scan should cover areas including: your industry, stakeholders, political/regulatory, customers, competition, technology, financial, natural, social, reputation, brands, demographics and any other issues specific to your organization.

For each of these topic areas we need to ask three key questions.

- What?
- So What?
- Now What?

For example:

- *What* is the trend?
- *So, what* does that mean to our organization?
- *Now What* do we need to do to prepare for it?

Use the scanning process to build teams. Assign topic areas to groups of staff and have them come back with their thoughts to share with the entire organization. Embrace skeptics and people that push the boundaries of your thinking. Remember, no one can predict the future. We can however create it through unique ideas.

Be on the look-out for “black swans”. A must read is *The Black Swan* by Nassim Nicholas Taleb. Effective future environmental scanning is looking for things that at one time were unimaginable but are now taken for granted. Identify those unexpected events that could affect your organization. What are the potential transformational technologies or business models and how would they affect you? Check out ***Rhiness Group Articles*** for the article on *Scenario Planning*.

There are many examples of new business models, technologies or trends that changed the world for organizations. This can be either positive or negative depending on how your organization responds. Look at the music industry, computers, cell phones or social media for real life examples.

The results of your future environmental scan will provide a solid foundation for your strategic planning process. Use our Strategic Thinking Simplicity model to bring those great ideas to life.

Check out our other articles for best practices, tips and tools to help your organization become an industry leader in strategic management

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Simplicity – Clarity – Action - Results

