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Transformative Scenario Planning: A Tool for Systemic Change

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TRANSFORMATIVE SCENARIO PLANNING

A TOOL FOR SYSTEMIC CHANGE

A leading organiser, designer and facilitator of processes involving tri-sector collaboration, **Adam Kahane** shares with *Social Space* on how transformative scenario planning takes scenario planning to a new level and works as a powerful tool for systemic change.

Adam Kahane is the author of *Transformative Scenario Planning: Working Together to Change the Future*. He is a partner in the Cambridge, Massachusetts office of Reos Partners and an Associate Fellow at the Saïd Business School of the University of Oxford. He has worked in more than 50 countries, with executives and politicians, generals and guerrillas, civil servants and trade unionists, community activists and United Nations officials, clergy and artists. About his book, *Solving Tough Problems: An Open Way of Talking, Listening, and Creating New Realities*, Nelson Mandela said: “This breakthrough book addresses the central challenge of our time: finding a way to work together to solve the problems we have created.”



“A POINT THAT IS NOT OBVIOUS AND THAT PERLAS MADE TO ME WAS THAT WHEN THE THREE SECTORS SIT TOGETHER, THEY ARE SITTING AS CIVIL SOCIETY. ...THEY ARE NOT SITTING AS GOVERNMENT TO LEGISLATE, NOR SITTING AS CORPORATIONS TO BUY AND SELL PRODUCTS AND SERVICES. WHEN THEY SIT TOGETHER, THEY ARE DEALING WITH THE REALM OF CULTURE.”

How is transformative scenario planning different from the more popular adaptive scenario planning mentioned in your writing?

Although transformative scenario planning grew out of what I've called "adaptive scenario planning," the two methodologies are fundamentally different. Adaptive scenario planning, the subject of 99 per cent of the literature in this field, starts from the assumption that we can neither predict the future nor influence it. This is the fundamental and axiomatic assumption. I always thought the reason that Singapore was the first adopter of scenario planning in government is that Singaporeans see themselves as being at the mercy of external forces they can neither predict nor influence.

The assumption that we cannot predict and influence the future is partly true and partly untrue. It's a simplification. Shell is an extraordinarily powerful company. And although Singapore is a small country, it would be an exaggeration to say Singapore has no influence over what happens around her.

So, transformative scenario planning says, to some extent and in some ways, we cannot influence what goes on around us and therefore we have to adapt. But in other respects, we can and want to influence what goes on around us, and therefore we have to soften this basic assumption. In that sense, transformative scenario planning includes and goes beyond adaptive scenario planning—it involves both adapting to and transforming the future.

What is the scope and potential of transformative scenario planning for the non-profit sector?

Non-profit organisations such as hospitals, voluntary organisations, citizens' groups, and so on, are characterised not by the fact that they don't make profits (this is an incidental matter), but that in general, they have a transformative mission. They are trying to influence some aspect or area of society. In this sense, transformative scenario planning is well suited to such organisations.

At the same time, the most basic error that an organisation with a transformative mission can have is to overestimate their own influence, and to focus only on the way they want the world to be. Therefore, in non-profit organisations, adaptive work is also important. I would therefore say the scope for scenario planning for the non-profit sector or for non-profit organisations is both to adapt to and to transform the future. In contrast, for-profit organisations often see themselves as having no transformative purpose.

Could you walk us through some examples where transformative scenario planning was used in your work?

The examples of which I will give you involve tri-sector work, which in a not obvious way is civil society work. By tri-sector, I'm using Nicanor Perlas's definition¹—the government whose job is to make rules, the corporate sector whose job it is to produce things to buy and sell, and the civil society sector which in Perlas's formulation is concerned with culture, "culture" in the general sense of the word—the making of meaning. A point that is not obvious and that Perlas made to me was that when the three sectors sit together, they are sitting as civil society. In other words, they are not sitting as government to legislate, nor sitting as corporations to buy and sell products and services. When they sit together, they are dealing with the realm of culture. All of Reos's work is with the civil society sector in the sense of the sector whose job it is to create meaning about what's going on and what's important, and what we need to work on as a society.

The first example is well-known—the Mont Fleur project in South Africa.²

1. Mont Fleur (1992-1993)

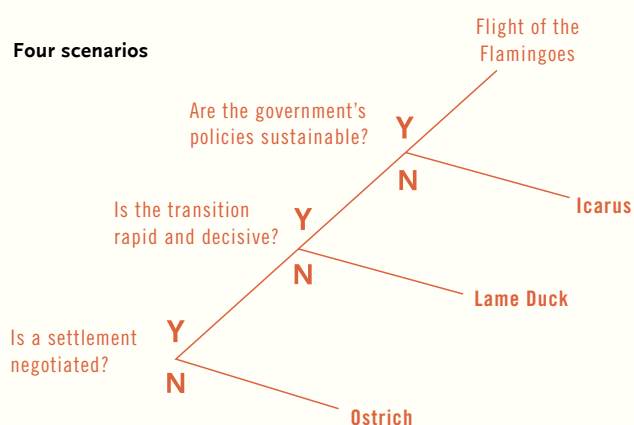
Theme

Possible futures for South Africa with the impending end of the apartheid regime.

Participants

A team comprising politicians, businesspeople, trade unionists, academics, and community activists; black and white; from left and right; from the establishment and opposition.

Four scenarios



The Mont Fleur Scenarios, South Africa, 1992

Impact

The essence of the Mont Fleur process was employed in the hundreds of negotiating forums (most of them not using the scenario methodology as such) on every transitional issue from educational reform to urban planning to the new constitution.

Text and illustration adapted from Transformative Scenario Planning: Working Together to Change the Future.

Figure 1

The second example is that of Destino Colombia³, which is an interesting example because it shows how a set of scenario stories can create a narrative for a population as a whole, and how a government can use the scenarios to understand, work with, and act on the future.

2. Destino Colombia (1996-97)

Theme

To discover the way out of the long-running and violent conflicts in Colombia.

Participants

Guerillas and paramilitaries, as well as academics, activists, businesspeople, journalists, military officers, peasants, politicians, trade unionists, and young people, including FARC (Revolutionary Armed Forces of Colombia) and the ELN (National Liberation Army). The guerillas participated in the workshops by telephone.

Four scenarios



When the Sun Rises We'll See



A Bird in the Hand Is Worth Two in the Bush



Forward March!



In Unity Lies Strength

Impact

Transformative change appeared to have occurred in some participants but no systemic change was apparent for more than a decade after the meetings. Since 2007, however, some actors (including President Juan Manuel Santos) have stated that Colombia has worked through the four scenarios and in recent years, has been empowered by the last scenario.

Text and illustrations adapted from Transformative Scenario Planning: Working Together to Change the Future.

Figure 2

The third example is one my colleagues and I have been working on for the past year, producing a set of scenarios⁴ to deal with one of the most difficult, serious and polarised issues in the hemisphere of the Americas (that is, North, Central and South America, and the Caribbean). This is the problem of illegal drugs.

On 15 April, 2012, there was a meeting of the heads of state of all countries of the Americas. They meet every three years in what's called the Summit of the Americas. And the host of that meeting was Juan Manuel Santos, the Colombian President who was also the initiator of Destino Colombia 17 years ago. He proposed to his fellow heads of state that they would use transformative scenario planning methodology to see if there would be better ways to address the problem of drugs in the hemisphere. He gave a compelling analogy, "I feel as though we're on a stationary bicycle. We're working as hard as we can we're spending tens of billions of dollars, and tens of thousands of people are dying. But while the scenery is changing, we are not making any progress." So this is a current example and it's the largest scale example of the use of transformative scenario planning. (See Figure 3)

The last is an Asian example that I've been peripherally involved in. It is the work of the Indian Planning Commission, a very important body since India's independence. These are full-time commissioners and a cabinet level appointment, and in the most recent Indian five-year plan, they used scenario planning to supplement the plan. It was done by one of the commissioners, Arun Maira, somebody I worked with many times. The Indian Planning Commission for the first time, used scenarios to draw conclusions about what was needed to be done. One of the conclusions was that in order to be able to achieve the plan and move forward, India needs to develop the capacity for coordination and alignment, not just involving the government, but also involving the business sector and civil society.

There was a famous book by V.S. Naipaul published just after Indian independence called *India: A Million Mutinies Now*, and Arun made the comment that you

could write a book called *India: A Million Bottlenecks Now!* That incapacity of the Indian stakeholders from the three sectors, to think, talk and to act together, was a serious impediment to the development of the country. An effort to build the capacity with the three sectors to work together was required. When I was in New Delhi in April of this year (2013), they launched something called the India Backbone Implementation Network or IBIN, which is all about building the capacity on a large scale for this kind of tri-sector collaborative work.

In this instance, scenario planning was used as part of the Planning Commission's work involving actors not just from the government of India, but from all three sectors. And these scenarios (stories about what was possible in India) shaped what the government thought it needed to do—that is, the plan, an important government document. Furthermore, in working on what it would take to implement the plan, they realised a very specific capacity was missing in the country, which is this capacity for tri-sector collaboration and this led to the launching of the IBIN initiative. So, this is an example of a specific and important initiative that arose directly out of a transformative scenario planning exercise in an Asian country.

Let's stay in the context of Asia. You spoke of Singapore as a user of adaptive scenario planning. How do you see scenario planning developing further here?

The government of Singapore is the most sophisticated governmental user of adaptive scenario planning. It has been a tool, at least historically, for making government decisions, and for giving direction to programmes. But my understanding is more generally giving direction on the way forward to the country as a whole.

What I understand as being attempted now is the use of scenarios not only as a tool for making government decisions and giving direction, but also as one for engaging societal actors, that is, actors from all three sectors, in discovering the way forward.

There are many aspects of this work that are challenging—

to do the work in a way that is systemic and participative. The way that it is most challenging is that this work is *emergent*. You're finding the way as you walk, and this is difficult for everyone. When I made this comment in a meeting in Singapore, one of the participants responded that a specific reason why this is difficult in the Singaporean context is that finding the way together is in contradiction to a Confucian idea of being told the way forward.

There is a fundamental difference between a system where people are told what to do from the top (a command and control system), and a system where the actors in the system negotiate, discover and create a way forward. Of course, it's always a mixture of the two—it's not black and white, or right and wrong—but they are not the same. So inasmuch as historically, Singapore has thought of herself as the former, she is trying to shift in some measure towards the latter, and this is a big change.

There have been two participative scenario processes in Singapore. The first was a citizen engagement process—Our Singapore Conversation,⁵ an attempt to have a participatory process, and there was the IPS Prism,⁶ an attempt at a multi-state scenario process. So that sounded to me like first-generation attempts at transformative scenario planning processes.

Are you saying that while Singapore has led the way in adaptive scenario planning, when it comes to transformative scenario planning, other countries have actually gone further?

Well, yes, it's certainly true that the government of Singapore has led the way in using adaptive scenario planning as a tool to provide direction in how the country can adapt, but in terms of tri-sector work to shape the future together, I would say there are examples of other countries where this is more developed, including Colombia and India.

In your words, transformative scenario planning is “a way for actors to work cooperatively and creatively to get unstuck and to move forward.”⁷ Do you think transformative scenario planning actually works better for those in dire need of change? In countries like Singapore, where the situation is not desperate, it is more difficult to apply transformative scenario planning.

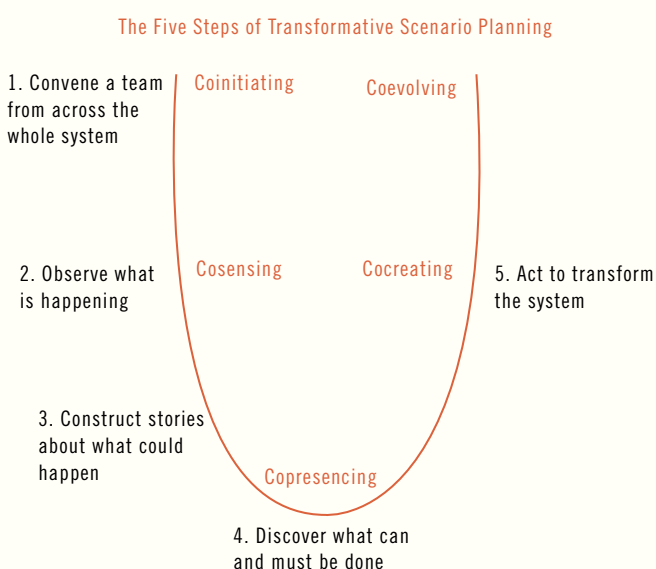
Well, these are fundamental points. So yes, and I will broaden the point in the following way. Any process of change, especially voluntary change, requires as a condition that I have some substantial dissatisfaction with the way things are now, or at least some aspects of the way things are now.

In a Nutshell

(I) How transformative scenario planning differs from adaptive scenario planning:

Adaptive scenario planning focuses on producing new systemic understandings, whereas transformative scenario planning assumes that new understandings alone are insufficient and so focuses on producing new cross-system relationships and new system-transforming intentions. And to produce these two different outputs, adaptive scenario planning requires a rigorous process, whereas transformative scenario planning assumes that the process alone is insufficient, and so it also requires a whole system team and a strong container.

(II) How transformative scenario planning works:



(III) Applying the five steps to the drug problem in the Americas

1) This initial step involved a decision by a group of leaders led by Juan Manuel Santos, the Colombian President, that a different approach to the problem was required. A team of actors from across the Americas was assembled.

2) & 3) The team from the whole continent gathered and went through the steps of transformative scenario planning in two workshops, seven days in total, to observe what was happening and construct stories of what could happen. The report published contains the four scenarios.

4) & 5) Actors in national governments and local governments met in hemispheric meetings like meeting of the Organization of American States in June 2013 in Guatemala, to discover what can and must be done, and then take action, together and separately to transform the system.

Text and illustration adapted from Transformative Scenario Planning: Working Together to Change the Future and this interview with Adam Kahane.

Figure 3

Why would I change and in particular, compromise and be willing to work with opponents, if basically, I thought everything was okay? Either somebody has to force the change from the top or we will have to wait until things are much worse, or perhaps, someone has to decide that the scenario process can help us see the danger of the situation before it happens. People sometimes say to me, “Oh, it must be so difficult to work in Colombia, South Africa or Thailand,” but I say no. In certain respect, it’s easier because in such situations, all actors have already seen that the situation they’re in is not sustainable, and they are therefore willing to do the genuine hard work of thinking and acting out of the box, not just with friends and colleagues, but with strangers and opponents. So a complacent society, like Canada in my example⁸ and Singapore in yours, finds it difficult to do this work. Changing voluntarily requires real energy, will, commitment and patience.

That’s why the drug situation was a good example for transformative scenario planning because everybody knows that this situation is really not good, and whatever we’re doing is not working. So although they disagreed over the solution or even on the characterisation of the problem, they agreed they had to do better than what they had been doing, and that was enough.

We understand that Reos’s work involves tri-sector collaboration in some form. But hypothetically, we see transformative scenario planning possible within the non-profit sector itself. Does it have to involve all three sectors?

Transformative scenario planning is where we’re trying to adapt to and also to transform or influence our context. So yes, most non-profit organisations need to adapt to remain in existence, and they almost always need to have a transformative objective—they’re trying to change something in society.

The question of whether the organisation can do this alone or needs to work with others, including those from the government and corporate sector, is a practical question. Let’s take services to the disabled as an example. On the one hand, somebody working for the non-profit organisation providing services for the disabled has an adaptive problem. They need to think about what might happen to the population and to the economic opportunities of the population, as well as to government policy and technological developments, and adapt, so as to be able to survive and fulfill the mission, given different possible futures.

But at the same time, such an organisation has a transformative objective. It is trying to create a society where disabled people have opportunities and good lives. In achieving the transformative objective, at what point does somebody working for a non-profit organisation for the disabled say we are doing everything we can by ourselves? There’s a larger context here about government policy, or cultural and social norms, or about political will that requires us not just to work with people from within our organisation, but to also make alliances with people from other non-profits, corporations and government.

How do businesses come into this? Would their contribution to the process be simply financing the initiatives?

The contribution goes beyond financing. Most of these problems cannot be addressed at scale without the participation of business. If we think about Perlas’s definition of the sectors, that the business sector is in the job of providing products and services, most of the solutions to these social or societal problems cannot be successfully there without the participation of the business sector.

If I take a more dramatic example of climate change,

it would be impossible to make progress on climate change without the active participation of the companies that produce energy and produce technology. The idea that government alone, or government and civil society alone, can effect the kind of change that's required to address climate change without the participation of the business sector, is absurd! Perlas's point is that all three sectors are required to deal with any of these difficult societal changes.

So, how do we get people to act and change the future?

Here, I just want to add one non-obvious point, which I think is important. In most of these situations, and it's dramatically true in the drug situation, it's not as though nobody's doing anything. On the contrary, probably tens of thousands of people are employed to work on the drug problem across the hemisphere and tens of billions of dollars are expended every year in treatment, security and control programmes.

The more important question is, "From what story are we acting? With what understanding of the situation are we making decisions about what to do?"

People often say, "Well, how do we get people to act?" This is usually not the problem! Actors are acting all day every day. The question is from what stories, from what narratives, from what understanding, from what mental morals are they acting?

Transformative scenario planning operates at the level of how we understand the situation and what we need to do about it. The four drug scenarios⁹ arise from four understandings of the problem and therefore show different ways of dealing with the problem.

How can transformative scenario planning become more widely accepted?

What I've tried to do in my book is to explain the methodology in straightforward terms and to spread it, so that it's not a mysterious thing. It took me three years to write a 100-page book and I hope this "essentialisation" of the methodology will allow it to be more widely used, and for people to try it and do it themselves. ■

Endnotes

- 1 Nicanor Perlas, "Globalisation, Post-Materialisation and Threefolding" *Centre for Alternative Development Initiatives*, 26 July 2007, www.world-governance.org/IMG/pdf_0102_Globalization_Postmaterialism_and_Threefolding.pdf.
- 2 Adam Kahane, *Transformative Scenario Planning: Working Together to Change the Future* (San Francisco: Berrett-Koehler Publishers, Inc, 2012), 4-13.
- 3 Ibid., 79-90.
- 4 *Scenarios for the drug problem in the Americas 2013 –2025*, by the Scenario Team appointed by the Organization of American States under the mandate given by the Heads of Government of Member States meeting at the 2012 Summit of the Americas in Cartagena de Indias, www.oas.org/documents/eng/press/Scenarios_Report.PDF.
- 5 Our Singapore Conversation, www.oursgconversation.sg/.
- 6 IPS Prism, by the Institute of Policy Studies, www.ips.sg/prism/.
- 7 Adam Kahane, *Transformative Scenario Planning: Working Together to Change the Future* (San Francisco: Berrett-Koehler Publishers, Inc, 2012), 18.
- 8 Ibid., 63-65.
- 9 *Scenarios for the drug problem in the Americas 2013 – 2025* by the Scenario Team appointed by the Organization of American States under the mandate given by the Heads of Government of Member States meeting at the 2012 Summit of the Americas in Cartagena de Indias, 19-23, www.oas.org/documents/eng/press/Scenarios_Report.PDF.