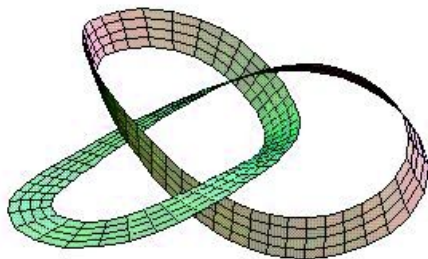


Framing the Future: Barriers to effective strategic planning

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How do we lead an organization through an uncertain future? This question forms the basis of numerous best selling business books, popular business press stories, academic articles, graduate management programs, and consulting practices. The process of planning for the future is an inherently uncertain process. Leading such a process requires a level of cognitive flexibility that challenges even the best prepared leaders. If done well, future planning ought to challenge dominant perceptions and help reduce organizational blind spots. Below, I identify four common challenges that limit the effectiveness of organizational future planning processes.



Breaking the Frames

Rigorous future planning requires the capability to challenge dominant organizational mindsets. This is not an easy process. Our mindsets, or frames, are not randomly created. They are built from experience and we use them because they have been successful in the past. In addition, frames shared with others provide coherence to individual action and enable collaboration and coordination within organizations. Future planning often

requires modifications of the shared frames. In fact, the ability to prepare for a future drastically different from the present may require a whole-scale remaking of organizational frames of reference. Changing shared organization frames logically requires some level of change in individual perceptions as well. Thus, any future strategic planning process may only be valuable if some individual cognitive change occurs.

Barriers to Effective Future Planning

Given that future planning requires some level of individual cognitive change, it useful to recognize common cognitive blocks that inhibit effective strategic future planning.



Barrier #1: Attempting to Predict the Future.

You cannot predict the future. It is tempting to allow a future planning exercise to end with a bold prediction of what the future

holds. Such predictions give us a comforting sense of control. Because the prediction emerged from a thoughtful process, we want to believe it is etched in stone. We are notoriously bad at predicting future events, yet we continue to try. This point is not just an academic observation. Investing organizational resources based on a prediction of the future, as if it were a certainty, puts the organization at risk.

An alternative to predicting the future is trying to anticipate a range of possible futures. Scenario planning is a strategic planning approach that identifies futures based on combinations of uncertainties and trends. The aim is to prepare your organization to thrive across a range of possible futures rather than attempting to predict one likely future. It is reasonable to expect that one identified future scenario has a higher probability of occurring than another. However, rather than only preparing your organization for the likely future, a more reasonable strategy would be to make investments in competencies required across a range of possible futures. In addition, many companies choose to make “small bets”, or low cost investments, that will prepare the company to thrive in different possible, but unlikely, futures.

Barrier #2: Reinforcing Personal Biases

We all struggle with certain cognitive biases. These include being overconfident about our expertise, giving too much weight to vivid memories, projecting past trends into the future, and allowing framing of arguments to unduly influence our decision processes. A good future planning process should counteract these biases not reinforce them.

Counteracting personal biases involves seeking out diverse opinions from a range of

experts, seeking data to test perceptions, identifying uncertainties that may indicate ways the past is not a good predictor of the future, and actively reframing the task to not unduly limit perspectives. Simply recognizing common cognitive biases goes a long way towards limiting their influence on a planning process.



Barrier #3: Seeing What You Want to See

We are quite good at rationalizing a future that benefits us. If I invest in oceanfront property, I want to believe sea level changes over the next fifty years will be minimal. Not only do I want to believe that, but I am likely to seek out data supporting my belief and discount data that refutes my belief. Numerous studies over the past thirty years demonstrate our tendency to seek out information that confirms our beliefs and discount information that challenges our beliefs. Obviously, any planning exercise that does not actively combat this tendency is going to end with an image of a future that merely reinforces that which participants already believe.

Seeking disconfirming evidence ought to be at the core of any strategic planning process. Taking time to explore the unimaginable, unspeakable possibilities often opens up the process and can lead to a more clear-headed assessment of future possibilities. Gathering opinions from outside experts and other organization stakeholders can help

overcome the tendency of a planning process to reinforce current dominate frames.



Barrier #4: Seeing What Others Want You to See

For the most part, planning projects are completed in groups. Groups working on creative projects are prone to a number of frame-limiting group dynamics. The inherently ambiguous nature of strategic planning can exacerbate group frustration. Such a situation is ideal for the emergence of groupthink. Even if the group does not suffer from an idea-inhibiting groupthink dynamic, group members may still find themselves prematurely coalescing around a certain framing of the future. In addition, it is not unusual to find the group quickly dominated by the most vocal, animated, or powerful member.

Fortunately, the risks of group influence inhibiting the creative part of future planning are easily remedied. Well-established structured decision making protocols, creativity enhancers, and meeting management tools can counteract negative group dynamics. Good group facilitators are worth their weight in gold when it comes to strategic planning projects.



Anticipate, Adapt, Win

Strategic future planning has great potential to enable a company to better compete no matter what the future holds. However, that potential can only be realized if the planning process is designed to embrace uncertainty, rather than try to remove uncertainty.



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