Universidad Externado de Colombia
SCHOOL OF MANAGEMENT

Strategy and Future Studies for Beginners

Future Studies Process

The Future Studies process consists of the following steps:

a. Precision of the topic being studied.
b. Identification of the “key variables” that define it.
c. Establishment of the grade of power and conflicts that occur between “social actors” involved in the topic.
d. Design of a “probable scenario” or trend.
e. Design of other future options or “alternate scenarios”.
f. Choosing a “wageable scenario”.
g. Select strategies that allow you to reach the likely scenario.

According to the above stated, it’s possible to carry out an analysis of certain future topics, following these guidelines:

h. Signal the topic to be analyzed strategically.
i. Determine the most important variables (dubbed “strategic variables”) that compose and define the topic. Provide measurement indicators for these phenomena. These variables tend to belong to the following categories:
    1. Economics
    2. Cultural
    3. Scientific - Technological
    4. Environmental
    5. Political-Administrative
    6. Normative-Legal
    7. Others
j. Indicate who the “social actors” are that intervene in the behavior of the particular topic of study. Indicate the alliances and conflicts that occur between them in relation to the aforementioned variables identified. Analyze these situations.
k. Revisit the “strategic variables” once again and verify the tendencies that each one presents and with this information design an image of what could happen in the next 20 years should these tendencies continue. This way it is possible to obtain the first future scenario, called the “trend scenario” or “probable scenario”. Signal the consequences that would occur in such a scenario.
l. Design alternate “probable” or “trend” scenarios in the following way:

1. Group into two categories the “strategic variables”. For example: the economic and technological variables in the first category.
2. Social and cultural variables in the second category.
3. Assume that within 20 years these variables will face a better or worse situation than the current one. Utilize the 2 categories or select the variable that best represents both categories.
4. Signal the improved situation with the plus (+) sign
5. Signal the worsened situation with the minus (-) sign
6. There are only 4 possible combinations with the plus and minus signs. For the most part, within 20 years, the selected variables should find themselves in one of the following 4 situations: (+ -) (- +) (- -) (+ +). Graphically it can be visualized in the following way:

First variable or First category of variables					
			+		
Second variable or Second category of variables		SCENARIO 2	SCENARIO 4		Second variable or Second category of variables
	-			+	
		SCENARIO 3	SCENARIO 1		
			-		
First variable or First category of variables					

7. The 4 possible scenarios are the following: SCENARIO 1
   The first variable or category is positive (+)
   But...
   The second variable or category is negative (-):SCENARIO 2
   The first variable or category is negative (-)
   But...

The second variable or category is positive (+) SCENARIO 3
The first variable or category is negative (-)
And also
The second variable or category is negative (-) SCENARIO 4
The first variable or category is positive (+)
And also
The second variable or category is positive (+)

8. These are “alternate scenarios” compared with “probable scenarios”. Designing the “alternate scenarios” assuming that a conjecture is taking place and one must ask herself what conditions must have been in place for each one of them to occur. Keep in mind the conflicts and alliances of the “social actors”. This scenario could occur under these conditions...
    1. Condition 1
    2. Condition 2
    3. Condition 3

    Signal the consequences that would have to occur for the scenario. In order for the consequences and conditions to be valid, they must be:

    4. Coherent
    5. Pertinent
    6. Transparent
    7. Believable

f. The analysis of the probable scenario and of the alternate one must serve as a tool to justify the selection of one of these scenarios “on which we can wager”. It is necessary to construct it in the moment. Otherwise, it will never get done.

Signal as to what strategies would be necessary to begin to accomplish the “wagerable scenario”. Design these strategies keeping in mind the conditions that appear in the analysis of alternate scenarios.

The following is a partial example of the application of the methodology that we’ve mentioned.
Colombian scenarios towards the year 2020.

To design Colombian scenarios for the second decade of the 21st century, the theory of Peter Schwartz will serve us well. It’s necessary to form a perception of reality via 2 axes and to do so we must group previous variables into two notional fields to know:

1. SOCIO-POLITICAL
    Social Crisis
    Political Crisis
    Human Rights

2. ECONOMIC-INTERNATIONAL
    Economic contraction

Potentials
International Reaction

The reality of the problem makes us assume that there is a causal relationship between the socio-political and economic-international factors. We can just as well speculate that the behavior of each one of these factors in the future could situate into two possible moments: minimum or maximum according to whether the situation improves or gets worse.

Minimum	FIELDS	Maximum
-	Socio political	+
-	Economic international	+

3. From this classification of possible situations, we can create 4 scenarios for 2020, knowing:

"The tight rope" The economy would be successful (+) but the country would encounter social problems and a delicate political situation. In this scenario, social dysfunction would follow suit:

Poverty, misery, unemployment, guerrilla groups, paramilitary groups, drug-trafficking.

But we would have an economic boom above 3.0 in 1997. It would be a break from the situation lived in 1998 (-0.2) which would synthesize the classic affirmation that the economy is in good shape, but the country in bad shape.

4. "Mission impossible". Social disfunction would be corrected (+) and as a consequence there would be an environment of social peace. Nonetheless the economy would have serious setbacks (-). This is the inability scenario. We would have all circumstances in our favor but we wouldn't be able to create well-being. As can be seen, this scenario is unlikely.

"Unending Nightmare" In this scenario, the social situation would be deteriorated (-). Guerilla and paramilitary groups would come back as well as drug traffickers. Poverty

would increase as well as unemployment and misery. We would live in an anxious and insecure situation. At the international level there would be economic restrictions, making the panorama even more obscure. A very unfavorable environment for investing would occur which would maximize poverty and unemployment and there would be more isolation and less development.

"Tree of Heaven" Social peace (+), subversion finalization and extinction of drug trafficking. The country would once again trust their leaders and there would be more citizen participation. The economy would flourish (+). We would have an extremely competitive country. We would develop technology that would produce dividends. We would take full advantage of the "universal village" and the information society. There would be well-being and people would lead meaningful lives.

Conclusions

Obviously the scenario on which we should wager is the last one. Our intentions should be for Colombia to become a "Tree of Heaven", because it combines economic, social and political excellence and it involves us in the globalized world of the future. However, this scenario will not take place except through the means in which, starting now, we make the changes that can drive us toward it. If we drop our guard, that's to say, if we don't address social problems with the importance that they deserve, we could fall into the "tight-rope" or even worse, the "unending nightmare".

On the other hand, if we don't focus on developing the economy and we tend to be highly competitive, the future will be "mission impossible" or "unending dream". But if we apply the right strategies and actions on social and economic fronts, we will be able to achieve the optimistic scenario. That is to say, the future is not going to happen randomly rather that we can begin to construct it starting now. This is the great moral of Future Studies: conceive and build the country that we want. We all know what the country is going through a moment of confusion, often improvising and acting day by day. To continue with this short-term attitude is to promote the idea that the future will continue to surprise us as we accelerate towards the abyss.

This is valid for our sister countries whose situation is analogous to ours. That is to say, in facing the challenges before us, short-term solutions are not valid. Consequently, the only alternative that Latin America and Colombia have is to look at the long-term, analyze the future, dream of the continent and the country as marvelous and then return to the present to construct them.

Note: This example is only an approximation of a future study as it is lacking a probable scenario and a more focused analysis of the consequences of each alternative scenario.

This theory is based on two sources: *GODET, Michel "De l'anticipation à l'action", Dunod,*

París, 1991 Y "Manuel de Prospective Stratégique", Dunod, París, 1999. SCHWARTZ, Peter. "The art of the long view", The Global Business Network, 1999.