

Storytelling VS uncertainty: how the 'scenario planning' will help you decide in the future

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- The key to success is in the decision.
- Scenario stories help to make decisions and convince.
- No setting is perfect.

Imagine that **Lara Croft** (or **Captain Marvel** , or whoever you want) is the heroine of a new role-playing game and that, at a certain moment, she finds herself in front of a mysterious cave that she can explore (or not).

Suppose you can only find one of three things in the cave: a fabulous treasure, a terrible dragon, or nothing at all. Imagine, finally, that the protagonist has three tools: a wheelbarrow, a “dragon slayer” sword and a flashlight. But you can only select two of them to enter.

The dilemma and the decision

Our heroine can refuse to enter, of course, or she can do so with only two of the three tools. Each tool has its advantages: if there is a treasure, the cart will help you transport it. If there is a dragon, the sword will be useful to face it. If there is nothing at all, the flashlight will get it in and out quickly.

His problem is that no one knows for sure what is in the cave. Maybe just the treasure, or just the dragon, or maybe the dragon and the treasure. It may also be that there is nothing. The choice of tools depends on this incomplete information.

Image: Joshua Sortino via Unsplash

As a good adventurer, she chooses to enter, but knowing that her movement can lead her to total success (millionaire, if she finds the treasure), serious danger (attacked by the dragon) or an anodyne situation (lost in the dark, if not. there is nothing in the cave and he has no flashlight). They are, in short, three possible scenarios.

This may seem like a child's game, but it symbolizes something very comparable to real life. Every day we heroes and heroines (you, me, everyone...) are forced to make critical decisions in very VUCA environments (you know: volatile, uncertain, complex and ambiguous). Getting stuck in front of the cave is not a good option. And if we do decide to go in, our limited resources and information don't help us much to anticipate every possible circumstance.

The key to success is in the decision: take the sword or the chariot? Invest in one company or another? Starting a Master in Marketing or Finance? Launch our startup or stay linked to the company that pays us our salary? To marry or not to marry?

...

I was never a great practitioner of role-playing games. But they always caught my attention for their ability to challenge creativity and for what they can teach us: you have to take responsibility for making decisions and you have to gather the best possible information before you make them.

The methodology of strategic scenarios

Since the 1950s, when the “Cold War” and the nuclear threat occurred, some military strategists spent a lot of time and resources thinking about what would happen if the enemy attacked them first or if it was they who started the war. Expert groups discussed each possibility at length and analyzed the implications and consequences of each option, given some premises. There Herman Kahn and the RAND corporation appeared , who designed a method of building “strategic scenarios” for the United States Department of Defense. And it worked for them for years.

Image: Daria Nepriakhina via Unsplash.

Later, the Royal Dutch / Shell oil company adopted and expanded this method to optimize its long-term decision-making in the business world. And it was not bad at all. It was also assumed by generations of academics, businessmen and public organizations. Currently, very serious consultants define it as “the construction of a story based on the analysis (...) of current and historical events and trends ” and as “a detailed description of possible future situations.” The objective of the tool, in any case, is to help people identify courses of action in probable futures and anticipate the best possible decision-making.

And here is the connection: a “strategic scenario” is nothing but a story that guides us and shows us how to act in the face of the complex future. The method, despite having criticisms and limitations , is still taught in prestigious universities such as Oxford .

How to build strategic scenario stories?

The narrative form is up to you: a story, a descriptive writing ... Whatever you want. The temporal scope, too: you can think of situations for the next month, the following year, or five years from now. In any case, a strategic scenario is a description, as complete as possible, of a set of probable situations that will affect your project at a certain point in the future. If you want, I share a truly elementary way to build them.

First, take as many sheets of paper as there are scenarios you want to study. On each sheet, write the title of a probable situation and a brief description of what happens on it. For example, in the case of our heroine we could propose four scenarios: “do not enter the cave”, “enter and find a treasure”, “enter and find a dragon” and “enter without finding anything”.

Image: Hugo Rocha via Unsplash

Then, on another sheet, brainstorm to list all the tools, options and resources that are within your reach (whether they are budgetary, technological or human...). You can also think of exogenous factors that are beyond your control. For example: will the virus vaccine appear soon? Will there be enough stimulus in the country's economy? What you think has an impact on your project.

Lastly, imagine that you use each resource in each scenario and describe what will happen when you use it. In our example, I can think of at least 24 alternative stories about our heroine (see table below), depending on what is in the cave

and depending on her decision about the tools she will use.

If you feel capable, you can even assign probabilities to each of the 24 events, in order to determine which situations are easier to happen and which are more remote. No one guarantees the scenario that will occur, but at least you will know a probable outcome for each one, what situations to avoid and what tools will help you best in each case.

5 keys to good stage construction

It is good to take into account some tips to work.

1. Scenario stories help to make decisions and convince

Unless you are role-playing, the scenarios are not for fun. They are so that, if necessary, it is easier for you to make a decision. They will also give you reasons to convince your collaborators to follow you.

When you build scenarios, you discover that they are something like a “mental training” in which you and your team project towards a possible future and decide, from now on, what to do in each situation. If you don't create the scenario now, you may not know what to do when the time comes.

2. No setting is perfect

We are human and we have limits. We do not know the future. So nothing happens if our scenarios are not fully or partially fulfilled. Wilkinson and Kupers already warned us about this in an article for the *Harvard Business Review* . But if we do a good job from the beginning, it will be easier for us to adapt our scenarios regularly. And we will end up getting it right.

3. One scenario is not enough: build a few

Thinking of a single story of what the future can look like is not enough to develop good strategies and decisions. What's more, we usually imagine the most desired scenario and forget about other possibilities. If you want the exercise to be worthwhile, you must generate more than one story. I recommend these three: the most unfavorable, the most probable and the most favorable to your interests. In each one, ask yourself: what results would you get? What tools would you need to enter the cave? What should you keep in mind once inside?

4. Create them with more people

Although a person can build scenarios, it is advisable to have a group of collaborators helping with the task, because that way many more possible aspects are covered. You already know: two see better than one.

5. Add numbers to the narrative

Scenario stories should be assigned some figures that help us understand how much more important one scenario is than another, or how much more likely it is to happen. This also helps other people linked to the project to better understand the relevance of each thing. The more elaborate your calculations, the more likely you are to make a good decision.

The heroine chooses to enter

After thinking about it, Lara Croft decides to enter the cave with the dragon slayer sword and the chariot. It is not that he is not worried about the dark, but if he meets the dragon he will know how to counter it and, surely, the fire that he spits will illuminate the cave and will not make the flashlight necessary. If there is ultimately no dragon, he will use the sword's reflection to orient himself, whether or not he finds the treasure. It's all about rationalizing probabilities and prioritizing options.

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