

## How to be aware of what's coming next

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### Five Steps to Formalizing Forward Thinking in Your Organization

Many organizations include the phrase “forward thinking” in their core values or vision statements, but few have a formalized process for this practice.

In the **innovation** space, forward thinking is more than a generic phrase: It refers to organizations and the way in which they proactively look toward the future to identify opportunities. And there are some specific tactics that can help companies capitalize on future trends:

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1. **Go micro.** Campbell Soup Company uses an internal program called Culinary Trendscape to provide insights for the company’s product development teams. The Trendscape team gathers and analyzes microtrends observed through vendor partners, magazines, cookbooks, blogs, specialty food shops and groceries, fine-dining restaurants, and quick-service operations, as well as cultural influences across the globe. Flavor and texture predictions are compiled into an annual report and used to inform new offerings.

In your own organization, **designate** one team member to represent each relevant department for a once-a-month meeting in which microtrends are presented and discussed. Trend predictions gleaned from this group should be submitted to the **innovation** team/decision makers.

2. **Conduct annual scenario planning.** Shell Oil Company uses “what if?” scenario planning to consider a range of plausible futures and how these could emerge from the realities of today. In order to inform the company’s business decisions, **Shell’s** scenarios teams consider such changes as the global economic environment, geopolitics, water availability, greenhouse gases, and energy supply/demand.

To analyze long-term trends and market forces, the following scenario-planning exercises can

be useful:

- Set a time horizon (2025, 2055, etc.) and scope (a specific area of your business, all areas of your business, or the entire industry) for the analysis.
- Map the key trends and driving forces that could impact your business, including economic, political, technological, legal, societal, and industry-specific trends. Describe each trend, as well as how and why it will affect your organization.
- Look for uncertainties: wild-card factors that could upend current plans —such as an environmental disaster, vendor bankruptcy, or tighter industry regulation — and threaten your organization.
- Define two to four scenarios based on the trends and uncertainties you've identified. Include a mix of best- and worst-case scenarios.
- Assess the scenarios. What are your opportunities? What are the threats? How can your business prepare now for these scenarios?

3. **Make the future tangible.** Twice a year, German conglomerate Siemens publishes the magazine *Pictures of the Future*, which highlights technologies that will shape our lives in the next 10 to 20 years. The company uses these findings to showcase its vision of the world, as well as to inform its **innovation** decisions.

A biannual publication may not be relevant for every organization, but you can use the following exercise: Task your product team with identifying key **social**, technological, economic, environmental, and political (STEEP) forces that will likely impact your organization. Distribute the STEEP list internally and use it to generate forward-thinking ideas from the company at large.

4. **Retain a technology scout.** Technology scouting is a systematic means of identifying emerging technologies or applying established technologies in new ways. **BMW** recruits tech scouts from Silicon Valley, Japan, and Europe to report on new research and trends from their respective markets. Through an intranet database, these scouts distribute their findings to all **BMW** managers.

If you don't have the budget to retain scouting services, identify a current employee who is imaginative and has a track record for making unexpected connections. This individual should have a technical background, broad experience within the company, and a vast network of contacts in diverse industries.

5. **Tap into academia.** Back in the 1960s, **Gatorade** was invented at the University of Florida to replenish the water, carbs, and electrolytes that its football players lost during games and practice. Today, **Gatorade** is owned by **PepsiCo** and has a 75 percent market share in the sports drink category that it created.

Academic **innovation** can be disruptive, yet only a small fraction of universities in Europe and America have research partnerships with the private sector. To pull ahead of your competition, start by outlining your long-term business objectives that could be served through collaboration with a university.

Even if you're not a multibillion-dollar company, forward thinking is both an essential and achievable exercise.

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