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(sight hine:)

a regular column on business futures
by ***andy hines****

foresight and the bottom line

Let's not get too far down the road with this column without addressing the bottom line, lest we be as subject to dismissal as pie-in-the-sky theoreticians. So far I've focused on a framework for the use of foresight in business. Let's get more concrete and explore some ways that foresight has been applied in corporations in recent years. I would like to put out a special call for feedback here. What examples can you, the readers, pass on to build the credibility of our enterprise? We'll feature as many of these as possible in upcoming columns.

The direct stimulus for this column came from an inquiry from UHCL graduate student Leah Stitz, who, as part of a class project, asked me to provide some examples of how my work has translated into improving the bottom line. This is tough stuff, when students demand to know the bottom-line impact that their predecessors have had – it's bad enough trying to answer our bosses and internal sceptics where we work! Surely, you in this field have faced a similar question one time or another. As a quick response, I like the suggestion by Stewart Brand of the Global Business Network. He points out that looking to the future does not mean you'll get it right, but that in exploring alternatives you won't get it wrong. I'm not sure, however, that this response will satisfy our students and critics. We need to improve our answer!

There are several difficulties in giving a straight answer. There are proprietary concerns and the inherently longer-term nature of the outputs. There is also an issue about a key purpose of foresight which, I submit, is broadening thinking and exploring options – let's call it raising awareness. If this is done in the course of a project, then I think you could consider the foresight contribution a success. But will it show up in the bottom line? My sense is that the grad students and the bottom-line devotees are looking for A leads to B

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cause-and-effect kinds of response. In defence of foresight, the nature of the corporate world is such that it is hard to pinpoint anything as a cause-and-effect relationship. Put differently, there are so many factors influencing decisions, that's it's often impossible to point to anything as *the* cause.

That said, let my now turn to my own experiences as a stimulus to your thinking about applying foresight within the corporation. I went through the list of projects that I worked on at Coates & Jarratt over a six-year period, and then examined my work at Kellogg's over the past two years. Here are some of the lessons I've drawn, generalized to protect proprietary concerns.

At Coates & Jarratt, we usually had a multi-client project going every year that I would work on. We know that varying uses have been made from these projects.

- Some clients are quite simply looking for, and one presumes finding, a few good ideas. One client, who really loved our work and enjoyed its intellectual stimulation on a personal level, told us that our science and technology project had given him an idea that led to the formation of a new business at his company, and specifically noted one phrase in the report that gave him this inspiration. That report, by the way, probably consisted of a thousand pages – and it was just one phrase that influenced this client!
- Others report that these multi-client studies are a cost-effective way of getting a handle on what's going on 'out there'.
- Still others report using these projects as the basis for internal workshopping activities. One client reports spending a couple of *years* mining the output from one of these multi-client projects as input to their strategic thinking and planning.
- Another use of multi-client studies has been to use them to support an internal futures-function. One client, for instance, set up a 'futures room' with resources including some of our project work.
- Now, as a subscriber to a Coates & Jarratt multi-client project as a Kellogg's representative, I can say that I use the reports in all-of-the-above categories.

While at Coates & Jarratt I also worked on many projects for single-clients. As I went through the list, I was surprised that I was less able to think of examples of where the output from these projects was used. But on further reflection, I attribute this to the proprietary phenomenon I've already acknowledged. It would be interesting now, a few years after those projects, to go back and talk to some of these clients and see what happened. One thing I can say is that every once in a while I'll be reading *The Wall Street Journal* or some other publication and read about a new product or business coming from a client, and think, 'hmm, that sure sounds like what we suggested'.

As I suggested above, if you regard a successful project as raising awareness of futures opportunities and alternatives, then we can point to a long list of successful workshops, presentations, articles and so on. At Coates & Jarratt we got clear feedback from participants about how this or that talk inspired them to do a, b or c. Another general factor regarding whether projects are successes are repeat business. Many clients sign up for projects year after year – presumably, they think they're getting something.

Now, let me turn to projects I have led as an internal futurist at Kellogg's. Currently there is a project underway that could turn out to be a fairly big initiative for the company that could be attributed pretty directly to a foresight project. That project took almost a year to complete, and it may take that time again to get it into market. And I'm sure many people will, rightly, take credit for it. The really good news is that the foresight-based technique we used has gotten its due respect as a useful technique. We came to some insights that the traditional company approach would not have otherwise, and I think most people exposed to the project and its findings accept that – no matter how much they may have initially fought it. This is the best example, but, alas, it is still highly proprietary at this time.

I can point to several other specific instances where insights from foresight have been incorporated into projects. There is no question that we have been successful in raising awareness of futures options and alternatives. At the same time, there are many discouraging examples of the tendency to fall back on the familiar course of action. Put differently, the good news is that the future increasingly is on the table for discussion; the bad news is that it still routinely loses out to business as usual. A useful motto is 'progress not perfection'.

More recently I have shifted my focus away from the educational function and more towards 'big projects'. (For an outstanding article on the importance of project work, I recommend Tom Peter's 'The WOW project' in the May 1999 issue of *Fast Company*). Part of my strategy is looking to score a big victory with a successful project that I can point to. It seems to me that success with a WOW project is worth a couple of dozen 'raising awareness' successes. It remains to be seen how this strategy will play out.

Now it's your turn. What are your experiences – whether as a manager, futurist or consultant – in implementing foresight within the corporation, or within any organization? Beyond this, perhaps we could devote another issue to speculations as to how the role of foresight in the corporation will evolve into the future.

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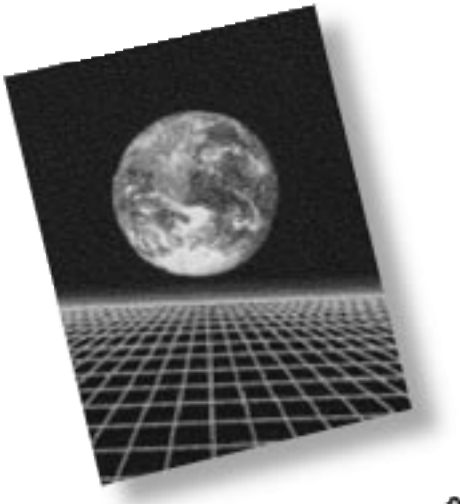

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