Disruption Ready:

Building market resilience through 'adapted foresight', organizational agility,

co-creative intelligence and employee engagement

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Oktay Kesebi

Abstract

In the 1920s, the average lifespan of an S&P 500 company was 67 years. Today it is 16. Strategy, foresight and disruption have always been inextricably linked. Foresight practices (either formal or informal) have provided insight to organizations about potential future disruptions (and opportunities) and organizations have reinvented their strategies to make themselves better prepared and resilient to change. Yet all is not well. Survival rates for small and young businesses are grim. Former market leaders such as Kodak, Blackberry and Nokia have failed despite having had vast strategic and financial resources at their disposal. And many other companies and industries are also in line for potential demise. With rapidly compressed timelines to develop and build profitable products and services, the speed at which an organization embraces and responds strategically to disruption is increasingly becoming a determining factor in whether it succeeds or dies. Based on an extensive literature review and primary research completed for this paper, the author surmises that this shifting market interplay between disruption, strategy and foresight is being amplified by 4 recognizable market disruption patterns: 1) Tomorrow Today: the collapse of organizational and product development timelines, 2) Fast-Fast: the inability of leadership to make faster yet effective decisions in the face of rapid market shifts, 3) The Idea Monopoly: the absence of a more organizationally diverse set of ideas available to leadership in strategy development, and 4) The Disenchanted Forest: a high level of employee disengagement which can significantly impact strategy buy-in and speed of strategy execution. The insights gained from this research paper has resulted in the development of a new and adapted strategic foresight tool in the form of a market disruption simulation game prototype. This game incorporates learnings from the 4 market disruptive patterns and aims to help time-strapped companies to better embrace a more rapidly emerging future to become more organizationally and financially resilient to increasingly volatile market environments. At the same time, the game allows foresight to begin to realign itself from a solely "long view" focus and expand into a practice that is more agile, dynamic and better suited for shorter-term futures, strategy development and execution.

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For my family: Anne, Baba, Lâl and Sük—without whose unconditional and unwavering support, this paper would not be possible. I also wish to thank my advisor Greg Van Alstyne, a brilliant creative and analytical mind who has consistently raised the bar for my work. To John Love, my secondary advisor, I extend my gratitude and admiration for your effortless ability to reframe and reconcile academic theory with street smarts. Finally, I would like to thank my friend and colleague Marilyn Booth who has shown me and others that organizations under threat can transform themselves and thrive when leaders are not afraid to embrace new ideas and implement bold new approaches to business challenges. Others should take note.

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Beginnings: Question formulation

The late Peter Drucker, often referred to as the father of modern management still exudes significant relevance, wisdom and guidance for business owners and leaders today. If only more would take notice. In a marketplace where the foundations of industry and long held business models are shifting and crumbling, I am drawn to one of his many poignant quotes where he reframes the purpose of business and how it should proceed in its march into the future: "The idea that growth is by itself a goal is altogether a delusion. There is no virtue in a company getting bigger. The right goal is to become better…"

I bring this quote to your attention because it has certainly grabbed mine and it hasn't let go. In fact, Drucker's words were the starting point for this paper and became a guiding principle for the companion game. Today in contemporary business and by the unforgiving rules of the market, success is largely defined by a single metric: growth. Being better seems to be inconsequential or at least a secondary or tertiary consideration. Whether it is growth in sales, revenues, profits or market footprint, the preeminence of this marker cannot be understated. An organization whose stock price and worth are subject to the whims of investors endures the wrath of the market when growth is not achieved. Even mom and pop shops are not immune to this line of thinking. They too, like their larger brethren are influenced by the belief that somehow growth and size can be equated to deliverance, a panacea for survival and future success.

When trying to decide on a compelling topic for this Major Research Paper (MRP), I was drawn to the grim statistics regarding the odds of success for Canadian business, specifically their low survival rate within their initial years of operations (Government of Canada, 2016). By their 7th year of operations, nearly half of Canadian companies will have failed. These statistics were compounded by other data showing increasingly diminished odds of survival for today's biggest market leaders (Anthony, Viguerie, Schwartz, & Van Landeghem, 2018). The average lifespan of an S & P listed company has shrunk from 67 years in the 1920s to a mere 16 years today.

Christensen contends that there are many reasons why businesses fail. Among them are: “bureaucracy, arrogance, tired executive blood, poor planning...inadequate skills and resources, and just plain bad luck” (Christensen, 2013). Of course, there are many more reasons why. If we were to accept Christensen’s assertions about business failure at face value, we would simply be following a post mortem and essentially drawing up a laundry list of pitfalls to avoid, either now or in the future. However, if we took his wisdom to be a springboard for enquiry, we could be more strategic. We could become interventionists. In doing so we could explore the larger context of organizational failure vis a vis the marketplace and potentially develop tools and nurture mindsets that could help organizations navigate their fragile situations, as existential and disruptive threats appear. As interventionists, we could help turn the tide that sinks so many businesses. And instead of having businesses succumb to the odds, we could do much better. We could help them win.

In this context, I was drawn to the contemporary conversation around market disruption (Gans, 2016; Deloitte, 2018; Taleb, 2007; Satell, 2016; Kost, 2019) and its impact on organizations. Disruption has become a liberally applied business management concept that has captured business headlines, invigorated opportunities for management consultants and has increasingly struck fear into business owners and leaders about their ability to withstand it—or ideally to profit from it. As the conversation around disruption has grown louder it has led to increasing scrutiny of how organizations are approaching their strategy for survival and future success as they contend with a more disruptive and rapidly accelerating marketplace (Lagace, 2019; McKeown, 2012; McGrath, 2013).

As a marketing and strategy consultant, my job has involved moving organizations from survival mode to market success. I have helped companies develop strategies to navigate disruption as well as to cause it. As my initial research unfolded, I wanted to explore how I could help more businesses, particularly those under threat to become more resilient, not only in the short-term but also in the future. Foresight was part of the plan.

As an avid practitioner of strategic foresight, I believe in the positive impact that foresight can have upon the future planning and success of all organizations. Since foresight is a “systematic, participatory, future-intelligence-gathering and medium-to-long-term vision-building process” (European Foresight Platform, n.d.), exploring exciting future possibilities and navigating away from potential threats can be a catalyst for present day action, planning and innovation (Berkhout & Hertin, 2002). With this intent in mind, I wanted to see how foresight could better improve the survival odds of businesses in today’s marketplace. Yet after several years of exposure to the practice, a very consistent characteristic of strategic foresight became apparent to me: strategic foresight, in my experience, largely remains a practice that is almost exclusively focused on established organizations who have significant financial resources and the luxury of time to explore the future. These businesses are the survivors who escaped the odds of death—at least for now—or were never at risk to begin with. Whether these organizations are large corporations, public institutions, civic organizations or social enterprises, their financial, time and political resources allow them to benefit from the advantages of future exploration without compromising their focus on their present-day operations. And since foresight practice by its very nature is often episodic—usually a one-off and/or intermittent activity (Treyer, 2009) and operates with the creation of scenarios using a multi-year lens (Jacobsen & Hirvensalo, 2018), the intrinsic strategic value of foresight to organizations operating in near-time was and continues to be extremely limited. As a result, foresight to me has been and continues to be a practice that is largely inaccessible to less financially secure and/or time-strapped organizations whose reality is focused on allocating time, effort and resources to the short-term—namely survival.

In crystallizing my research question, I explored literature on the many challenges impacting the business world (both SMEs and large organizations) and how strategic foresight could be a future planning practice for any type of organization—not just for the few. I wanted to see if there was a way to adapt this strategic practice to be better suited for businesses whose runway for survival was extremely short or getting shorter.

Yet my literature review continued to surprise me. My readings revealed an emerging disruptive pattern that indicated that even larger and established businesses, the audience for modern foresight was also becoming more near-term (Blank, 2019). They were increasingly exhibiting what is referred to as short-termism (Martin, 2015) a growing trend whereby companies focus on the present at the expense of the future (Haldane, 2011). Organizations who are not short-term aligned and do not deliver growth as expected face a marketplace that is increasingly impatient and sometimes savagely punitive (Summers, 2015). By extension, this scarcity of time implied to me that organizations have started developing future strategies that were incorporating an accelerated future and one that was converging with the present—diminishing the amount of time, focus, effort and resources available for longer-term planning—the traditional realm of foresight (Lindgren & Bandhold, 2002; Setili, 2014). As my literature review continued, 3 other disruptive patterns emerged that together with the pattern of collapsing futures coalesced into an extremely disruptive landscape for businesses today.

These 4 key market disruption patterns that I discovered were:

1) <u>The collapse of organizational and product development timelines</u> resulting in business to focus more extremely on present day activities (Ackoff, 2006.; Anthony, Viguerie, Schwartz, & Van Landeghem, 2018; Haldane, 2011; Martin, 2015; Summers, 2015)

2) <u>The inability of leadership to make faster yet effective decisions</u> and the inability of organizations to respond quickly in the face of rapid market shifts and compressed timelines (Bhide, 2007; Boswell & Ed, 2010; Eisenhardt, 1989; Gladwell, 2006; Gothelf, 2015; Kahneman, 2011; McGrath, 2013; McGrath & Gourlay, 2013; Tasler, 2013; Winquist, 2014; Wright & Goodwin, 2009)

3) <u>The absence of a broader, more unconventional and organizationally diverse set of ideas</u> available to leadership in strategy development (Baer, 2012; Baumann & Stieglitz, 2014; De Geus, 1997; Hill,

Brandeau, Truelove, & Lineback, 2014; Jung, 2001; Milkman, Chugh, & Bazerman, 2009; Page, 2007; Miron-Spektor, Vashdi, Amabile, & Holzmann, 2018; Robinson & Schroeder, 2014; Wang, Wang, & Tao, 2017), and

4) <u>A high level of employee disengagement</u> driven by a lack of meaningful participation in key strategic decisions facing the organization which can significantly impact strategy buy-in and rapid strategy execution (Baldoni, 2013; Capra, 2004; Davenport, Prusak, & Wilson, 2003; Gavett & Berinato, 2013; Horth & Mitchell, 2017; Macey & Schneider, 2008; Morgan, 2017).

The final pattern relating to employee engagement provoked my interest significantly. Even though it seemed somewhat out of place compared to the other patterns that dovetailed more neatly into a larger subtext relating to market disruptions, I was intrigued at the potential impact employee engagement and participation could have on strategy formulation, execution and in making organizations better and more resilient.

After these patterns were identified, a breakthrough 'aha' moment emerged that crystallized a major assertion which is resident throughout this paper. With the emergence of these patterns, I recognized quite clearly that modern foresight practice is actually being disrupted—and ironically by the present. Foresight has been a practice that explored the implications of the future yet these disruptive patterns revealed an increasing misalignment of foresight's long range lens with the strategic needs of organizations that are increasingly operating within shorter timeframes. Foresight has played an essential role within a trifecta relationship with disruption and strategy. In the past, the disruption insights gleaned from foresight activity have been used to create strategies to avoid, mitigate or exploit disruption. With collapsing timelines and rapidly accelerating disruption, businesses need to respond to disruption within much shorter operating horizons. Does this leave room for modern foresight practice? Can foresight be 'adapted' and be realigned with disruption and strategy to help organizations who are bound by short term futures? I believe that the answer to both questions is yes.

Within the spirit of helping businesses survive and thrive in an environment of extreme risk and disruption, I decided to extend the scope of my paper to develop a new ‘adapted foresight’ tool that was better suited for a future that was more immediate as opposed to one with a longer horizon. Based on this, the following research question emerged:

> *“How might we better improve an organization’s survival and success within an increasingly disrupted and time sensitive marketplace AND what kind of tool might be capable of helping an organization to become more agile, resilient and better prepared for any future within this marketplace?*

This approach lead me to explore the creation of a business simulation game whose gameplay environment would mimic rapidly occurring existential threats and the constraints of the 4 disruptive patterns currently impacting Canadian business. My project asks how such a game might help Canadian organizations improve their odds of survival and future success while making foresight more current and relevant to a broader cross section of business? Could the game be a valuable interventionist tool to help organizations harness their internal creativity to navigate disruption and within shorter timeframes? And could this game help organizations begin to shift their focus into a ‘Drucker mindset’ of becoming ‘better’? I believed it could.

Everybody has a plan until they get punched in the face.

—Mike Tyson

Introduction

To invoke Mike Tyson in an academic paper may surprise some. However, the oft-quoted statement from this controversial figure illustrates the stark reality organizations face when their best laid strategies go astray.

Same same.

Like a boxer entering a ring, organizations enter their respective marketplaces with the intention of not only surviving the fight, but to win. Be it a profit driven organization, government department or agency, charity or even social enterprise, the greater purpose of each is to win over and over again—both today and into the future (Fullan, 2011).

Yet success is not guaranteed. In many cases, it's also unlikely. For an aspiring athlete, the odds of reaching the upper echelons of their sport are very, very low and the chances of staying on top are statistically sobering. In men's basketball for example, there is only a .03% chance a college athlete will reach the NBA (Powell, 2015). Divide that figure by the amount of NBA teams (30 at last count) and the chance of an athlete being in the pros and on an NBA championship-winning team is incredibly small.

Business can also be a brutal sport and the odds of survival and continued success are not that different. In Canada, only 66% of new small and medium sized enterprises (SMEs) will survive their 5th year of operations—most of these employing 99 or fewer people. Another 10% will fail by their 7th year (Government of Canada, 2016). SMEs matter. They employ 87.7% of all workers in Canada. Their wages, through consumer spending drive more than half of Canada's economic growth. When SMEs succeed, so too does the Canadian economy. Today's larger and established businesses began as SMEs. That a stunning 44% of SMEs businesses will not survive their initial years, has a tremendous impact not only on Canada’s current economic performance but also on its future success. Despite the odds, many new businesses continue to replace failed ones, each hoping to improve their own chances for future success. Today however, new as well as existing organizations face perhaps one of their biggest challenges yet—aligning themselves to a faster, rapidly changing and increasingly disruptive marketplace (McGrath & Gourlay, 2013). Many are unprepared (Deloitte, 2018). And many will not survive.

Same but not.

As similar as sport and traditional business might be in their desire to survive and to win, the way each develops a strategy to win couldn’t be more different. When a boxer enters the ring, the path to victory is mired in a rapidly changing and uncertain set of circumstances that the fighter must contend with every minute of the match. The antics of their opponent, their moves, their speed, and their responses to punches and hooks are all unpredictable. In this uncertainty, each fighter must respond with split second agility and resolve, responding to and interpreting their opponent’s moves in real-time. The timeframe for winning or defeat is very short and all is won or lost in a matter of minutes—even seconds. For the fighter, the mantra for survival is not laying out detailed plans about the future and assuming how the match will play out in advance but rather in being prepared for any eventuality that can happen in the ring. The famous boxer Jimmy Smits echoes this approach succinctly: “It’s less about the advance physical training in the end than it is about the mental preparation: boxing is a chess game. You have to be skilled enough and have trained hard enough to know how many different ways you can counterattack in any situation, at any moment.”

Contrast this approach with many traditional organizations, some of them global leaders who still dominate the markets that they are in. Their approach to winning seems hardly dynamic—and comparatively glacial in pace (Winquist, 2014). Like a boxer, these organizations are mired in a rapidly changing and uncertain set of circumstances, and increasingly so. Yet surprisingly, many organizations still take significant amounts of time to prepare their strategies (Eisenhardt, 1989).

Many of them are narrowly focused about their assumptions of how the future will unfold and they lack a wider set of scenarios—of other excluded possible futures (Wright & Goodwin, 2009). This liberal expenditure of time on a preferred subset of futures without a more agile and flexible approach to be able to counter *any* future is increasingly problematic for business survival particularly at a time where product development and delivery timelines are contracting and where average business life spans are collapsing (Anthony, Viguerie, Schwartz, & Van Landeghem, 2018). As markets become increasingly impatient and are demanding greater growth and higher ROI (Summers, 2015), many traditional organizations are being uncomfortably pressed into shorter delivery timelines without having the requisite management or organizational culture nor operational structures to contend with these shifts (Mckeown, 2012; Deloitte, 2018).

Small and medium sized businesses (SMEs) are not exempt from criticism. Their small size suggests that SMEs are likely to be more agile and flexible in their ability to pivot. This assumption may hold true in certain contexts where agility and speed of action may be necessary, but not in others. In an increasingly connected world where market growth and leadership are being driven by digital prowess, where consumer buying habits are being influenced by digital platforms and where their purchases are increasingly shifting online, SMEs have been notoriously slow to catch up, if at all. Their adoption of digital technologies and processes into their business operations has been paltry and very slow. In fact, fewer than 12% of SMEs in Canada pursue active digital marketing (PWC, 2015) to reach new and existing customers. Less than 2 percent understand it well enough to do it on their own.

Idea cliques

Many organizations have also hamstrung their game by relying on a small pool of ideas available to leadership when it is engaged in proactive strategy development or during times when an organization is faced with disruption (Chesbrough, 2007). With less and less time, leadership in most organizations—both large and small— lacks the bandwidth and willingness to entertain and explore bold new ideas or opportunities, especially ideas that are outside of their industry lens (Dyer, Gregersen, & Christensen, 2009). A larger breadth of ideas for consideration can expand leadership's options and bring forth inherently diverse and new insights (Narayanan, 2017).

Perhaps the most insightful look into decision-making by time-starved leadership and organizations comes not from the ideas that are considered, but the ones that never make it to the table—particularly from front-facing and non-management employees (Hassan, 2016). Contrast this to Bill Coughran, Google's former senior vice president of engineering who was adamant in creating a culture of innovation throughout the organization by creating "a community that was willing and able to generate new ideas" (Hill, Brandeau, Truelove, & Lineback, 2014). The outcome of this groundwork has enabled Google to have a highly engaged workforce and to become a major disruptor allowing it to quickly enter and overwhelm market adjacencies and wholly new industries leading to its phenomenal and unfettered growth.

As technological changes accelerate, shifts in consumer preferences become more volatile and fickle (Porter, 2008), and as a rapid fragmentation of markets (from an era of mass production into more customized product and service experiences) takes hold (Rudelius, Bonifacio, Kerin, Bureau, & Hartley, 2018), the perils and risks for business survival will only increase. Worryingly, many Canadian organizations are strategically unprepared for disruptive change and they "lack essential internal traits and preparedness" that could help them better respond to rapid shifts in the marketplace and pivot to new opportunities as necessary (Deloitte, 2018).

In its very essence, this paper and accompanying game is to help improve the odds of success for businesses facing disruption. In today's business world, the need for speed to make a decision is becoming far more important than taking prolonged time to make a more researched decision (Setili, 2014): time is increasingly in short supply and an organization's future is already converging with its present. In addition, the need for bolder experimentation and consideration of alternative ideas is becoming critical for organizations especially at a time when most disruptions are derived from outside of an organization's market. This paper and game (which acts as an adapted foresight tool) are intended to help organizations to embrace disruption insights and by extension to better withstand and exploit random disruption when faster strategic responses need to be made. By utilizing the insights contained within the paper and research findings and by playing the game—regularly—organizations can develop muscle memory to become more agile and hopefully more resilient to market threats. As a result, organizations can be better prepared to confidently counter and embrace any future disruption rather than be side-swiped and knocked out in the process.

Section 1: You are here

Vision without action is a daydream. Action without vision is a nightmare.

—Japanese proverb

Strategy

The word strategy is rooted in Greek, essentially meaning the “art of the general” (Brown, 2012). The analogical extension to business makes strategy a very powerful word and concept with many implied meanings such as: a plan for victory, a codified purpose, a rallying cry for a team. Yet powerful words, concepts and their implementation alone do not guarantee market success. Arenas, battlefields and the marketplace are all littered with failed strategies, many of which are forgotten and buried, while others are upheld and studied.

In order to better assess the importance and relevance of strategy as it is posited in this paper, it is useful to have a common and shared understanding of the term. Roger Martin, former dean of the Rotman School of Management at the University of Toronto states (2014) that “strategy is a singular thing; there is one strategy for a given business—not a set of strategies. It is one integrated set of choices: what is our winning aspiration; where will we play; how will we win; what capabilities need to be in place; and what management systems must be instituted?” Mintzberg refers to strategy “as a plan with some sort of conscious course of action, a guideline (or set of guidelines) to deal with a situation” (Mintzberg, 1987). Drucker contends that strategy is a “purposeful action” (Drucker, 1985) to achieve an organization’s goals. For a common definition to be used in this paper, the sentiments from Martin, Mintzberg and Drucker have been distilled to define strategy as: a high-level plan to achieve the critical objectives of an organization.

Strategy however does not exist in a vacuum. Rather, it lives within a complex and ever changing ecosystem consisting of often uncontrollable, unpredictable and ambiguous variables and circumstances (Camillus, 2016). Technology, industry rivalry, changes in consumer preferences and demand or shifts to alternative (and unforeseen) offerings impact an organization's’ ability to achieve its goals and even force a change to its strategy (Porter, 2008).

While strategy is most often seen as a decided outcome developed by organizational leaders, it is not an end in itself. It cannot be willed into market-ready existence by the chosen few in the upper reaches of management. Leadership needs to partner with the broader organization for strategy execution to happen (De Geus, 1997; Capra, 2004). Traditionally, strategy has been described within a system called the strategic planning process which can be defined as: the *deliberate* process (Hamel & Prahalad, 1996) an organization uses to prepare a strategy for the future where it can sustain its viability, embark on growth/expansion while continuing to deliver value to its key stakeholders, an often time-consuming *and* increasingly time-constrained process (Mintzberg, 1994).

In strategic planning, strategy is often preceded by research on a defined organizational objective where there is an input of ideas and the collection of information and it is expected to be succeeded by a tactical plan. Ultimately—or ideally—the strategy is implemented where an organization's resources are applied for execution (McGrath & Gourlay, 2013). Every year, organizations across the world and across sectors (whether for profit or not) embark on this process (Gray, 1986) to determine how they will win, or at the very least how they will survive in the marketplace. The process can be formal, or informal. Menon et al (1996) posit that effective strategy development and its implementation can tremendously benefit an organization by enhancing its market success. Yet despite these planning efforts, many organizations fail. Begun and Heatwole (Begun & Heatwole, 1999) even suggest shockingly, that many organizations simply go through the motions of strategy planning and that their strategic plans are "put on the shelf and forgotten"—never to be implemented.

Leaders and expectations

Today, the ultimate responsibility for strategy formulation and success rests upon the shoulders of the organization's leader (Gandz, 2005). A leader of an organization is tasked with making hard, often complex decisions (Brown, 2012) on how to focus the company's direction and allocate finite resources to achieve strategic objectives and to win in the marketplace. Distilled down to essential business fundamentals, a leader needs to look at building an organization's strength and competencies in 3 critical areas (Treacy & Wiersema, 1993):

1. <u>Product leadership</u> where a company's products are seen as market leaders,
2. <u>Operational excellence</u> where the company is able to streamline and deliver efficiently, cost effectively and quickly, and
3. <u>Customer intimacy</u> where a company develops meaningful relationships with and a deep understanding of its customers, their needs and purchase habits.

In successfully doing so, an organization can differentiate itself and offer meaningful competitive advantage and value to its customers, while maintaining sustainability and enhancing the success of the organization (Porter, 2008; Hamel & Prahalad, 1996). A successful leader requires a deft, increasingly agile (Setili, 2014) and flexible stewardship to achieve these goals and to help the organization navigate threats and exploit opportunities in the marketplace.

In spite of the successes we see in the marketplace such as Apple, Uber and Facebook and the compelling importance we place on great leadership and the critical decisions they make, De Geus (1997) argues that "most leaders and corporations are dramatic failures". Traditionally, accomplished leaders have well developed expertise in their fields and demonstrated success in delivering revenue growth in those fields. Yet many leaders are bound by legacy thinking of how 'things are expected to be' and by thinking that is constrained by and rooted in often "inflexible organizational structures" (Blank, 2019). These seasoned professionals are highly sought after even when they exclude or ignore market outliers and new models of business that "can stretch the possibility of current thinking" (De Geus, 1997). In times of rapid disruption and market volatility where disruptive competitors are increasingly emerging from outside the industry (Deloitte, 2018), narrowly focused, industry myopic approaches to disruption are becoming less effective to deal with market crisis let alone the pursuit of new market opportunities. This can be especially acute if leadership is blind, dismissive, or worse—arrogant to newly emerging competitors—and ideas. Steve Ballmer, former Chairman and CEO of

Microsoft (then the world's largest company) is often and famously memorialized for his incredible misreading of the market when the iPhone was first launched: "There's no chance that the iPhone is going to get any significant market share. No chance." Yet misreading of markets are continuing. Many Canadian and American organizations, some of them leaders in their fields, have not prepared themselves for impending shifts (Deloitte, 2018) where industry focused and derived strategies are becoming increasingly inadequate to deal with today's externally derived threats.

Planning or insight?

The process of strategic planning by nature is a future-focused endeavour (McKeown, 2012): a 'how do we get there from here' outcome based mindset. Sampler contends that the vast majority of organizations who use a traditional strategic planning process build their future strategies based on past performance (Sampler, 2015), hardly future forward at all. O'Donovan and Flower (2013) stress that "the past was a good predictor of the future and that there were years and decades between meaningful shifts in the basic variables" and advocate that this is no longer the case. Rivera echoes this sentiment implying that ultimately, strategic failure can result: "There is nothing wrong with strategic planning – except when we believe that strategy unfolds as planned" (Rivera, 2012). These criticisms are part of a larger contemporary discussion amongst business observers who have taken an increasingly dim view of 'strategic planning'.

Mintzberg argues that organizations should instead focus on what is referred to as 'strategic insight'—sometimes also known as strategic management—a more adaptive and emergent approach to strategy development. Echoed by Martin, strategic insight (versus a more static and deliberate strategic planning approach) allows an organization to be more responsive and flexible to change rather than being rigid in its future assumptions which runs the risk of broadsiding an organization when the best laid plans are upended by unforeseen disruption. Begun and Heatwole (1999) introduce a concept called strategic cycling, one that challenges traditional strategic planning and instead promotes a 'cycling' or adjustment of strategy specific to trends and challenges as they emerge. By extension, one could say that with strategic insight or cycling, organizations can be more nimble, agile and be prepared for any future rather than be invested and exclusively shackled to a narrow band of ones. Donovan and Flower are more damning of strategic planning and argue that since the “the trusted traditional approach to strategic planning is based on assumptions that do not hold” that “the strategic plan is dead” (O’Donovan & Flower, 2013). Instead they advocate that organizations today need a far more resilient approach—an “adaptive strategy”.

Mintzberg, Martin, Begun, Heatwole, Donovan, Flower and McGrath, all proponents of dynamic and emergent strategy development would most likely see traditional strategic planning as increasingly misaligned if not futile for organizations who need to respond to rapidly changing, ambiguous, unpredictable and disruptive environments. Based on this assumption, one could say that the use of a traditional, time intensive and waterfall approach to strategy development can be a contributing factor for strategic failure in today’s business landscape *and* for future planning.

The need for speed

The wisdom of transitioning away from strategic planning to a more flexible and adaptive strategy which is particularly suited for today’s highly disruptive marketplace seems apparent. With collapsing market time frames developing and deploying flexible market strategies will not be enough. These strategies will need to be deployed quickly (Tasler, 2013; Winquist, 2014). Many argue that speed and agility are becoming key factors for organizational survival and success (Deloitte, 2018). McGrath is particularly forthright and posits that business “strategy is stuck”, that businesses need to reconfigure their strategy development process and they need to adapt themselves to “keep moving as fast as their business” environment in order to better confront disruption, to exploit opportunities and to survive (McGrath & Gourlay, 2013).

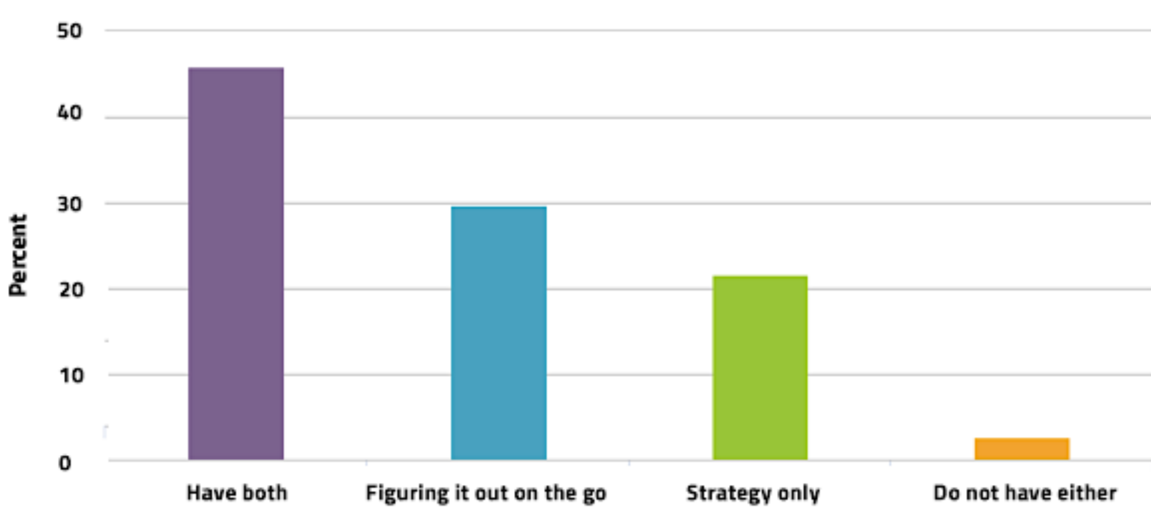
Market insights

Survey results for this paper shed valuable insights into how Canadian and American organizations view and create strategy. The results are telling.

A total of senior 74 leaders from Canada and the United States participated in a strategy and future planning survey. Two thirds of the participants were C-Suite leaders with the remainder divided amongst executive and divisional directors. Leaders from private corporations for the largest group representing 46% of participants followed by publicly listed corporations (23%) and government entities (22%). Government entities include public institutions and healthcare facilities. Leadership participants were balanced between very large organizations who had more than 5000 employees (41% of respondents) and leaders who represented smaller organizations with fewer than 200 employees (42%). Very old and young companies were heavily represented in the results. 31% of organizations were 10 or more years old. 35% of organizations were 5 years old or younger.

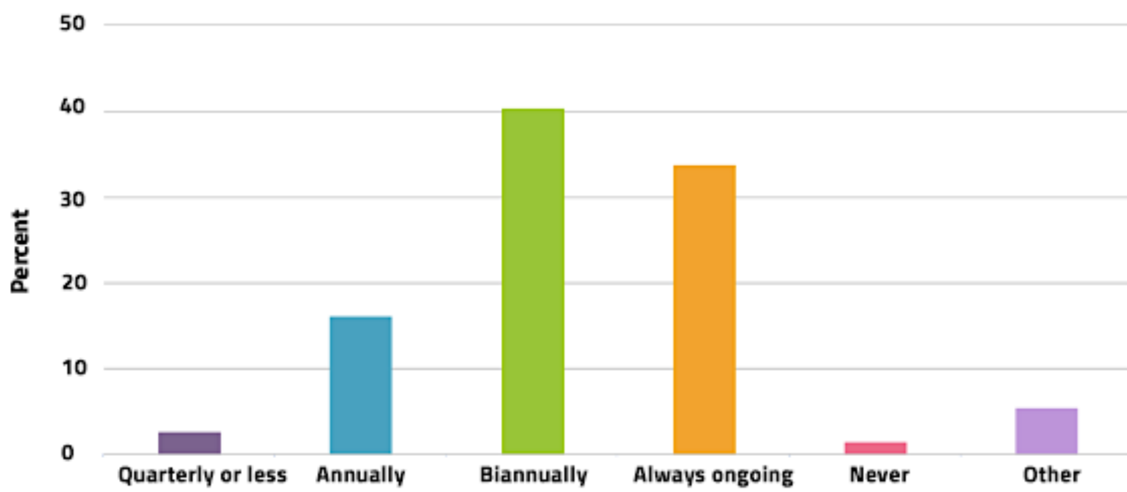
After analyzing the survey data, the impact of an organization's age upon results was significant. Whether this dealt with strategy development, planning horizons and/or the inclusivity of employee ideas and contributions (plus many more areas) age as a variable resulted in wide deviations between organizations. Where appropriate, age-based breakdowns of results are provided.

Figure 1: Do you have a strategy and a tactical plan to implement your strategy? *Aggregate responses*



Less than half of respondents said their organizations had both a strategy and tactical plan. When broken down further, established and older organizations were more likely to have a strategy in place. More than 70% of older companies had both a strategy and a tactical plan. Younger organizations were far more likely to pursue a 'figuring out as they go" approach to strategy development. Only 17% of younger companies had a long-term strategy and plan.

<u>Figure 2: How often does strategy planning happen?</u> *Aggregate responses*



The aggregate results hide dramatic variations in results when segmented by age of organizations.

<u>Figure 3: How often does strategy planning happen?</u> *Segmenting results based on company age*

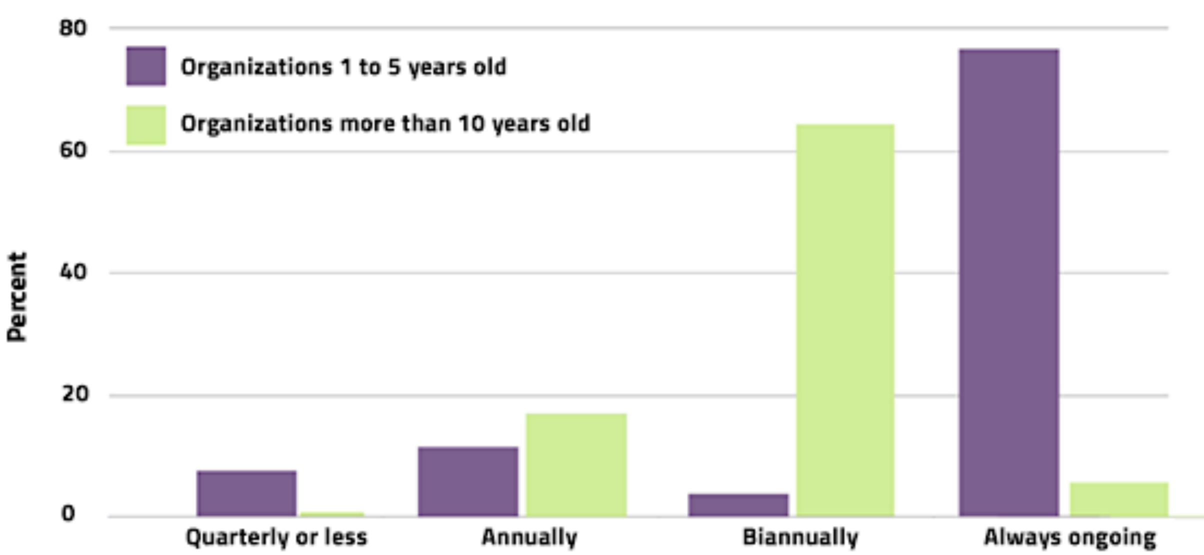
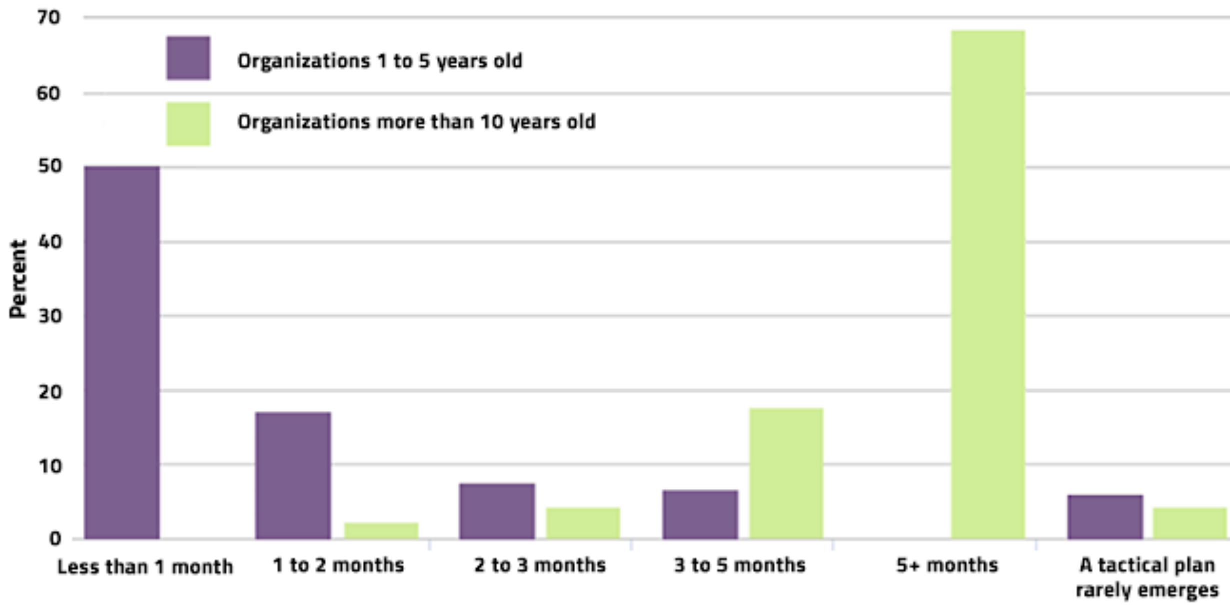


Figure 4: How long does strategy planning take? *Segmenting results based on company age*



Results indicate that younger and statistically vulnerable organizations are operating at much faster speeds and are able to create strategies more quickly and to create more of them more frequently. This demonstrates a flexible and adaptive approach to strategy formulation.

Strategic disconnect

As organizations look to survive, outwit disruption and vanquish their competitors in a disruptive marketplace, a winning strategy is essential. Increasingly, this strategy also needs to be a flexible one. Yet today, many organizations, particularly older ones are increasingly out of sync with emerging best practices for strategy development that could help them in disruptive landscapes. Traditional strategy planning can be relatively glacial and often leads to 'deliberate and largely inflexible strategies' built around a narrow set of scenarios for the future. By locking themselves into a limited interpretation of the future, this can leave organizations vulnerable should the future not unfold as planned. And if strategy development process takes significant time (as it usually does for traditional and older organizations), this also hampers an organization's ability to react quickly to disruption and to pivot if necessary. For smaller and younger businesses, the prime directive has always been present day survival. Meaningful planning for the future that older companies can do has and continues to be a luxury. Increasingly, the competitive and existential practicality of developing flexible strategies within time scarce environments is becoming a common need and denominator for both large and small businesses, and not by choice. Accelerating disruption is taking root and organizations need to be more agile and nimble in order to effectively respond within ever limited timeframes. How each navigates this challenge, will determine whether they survive, become a market leader or die. It also poses a serious challenge and opportunity for foresight. What is the role of a practice so invested in the future when organizations are increasingly buying into the present?

Tomorrow belongs to those who can hear it coming.

—David Bowie

Disruption

A recent and sobering report from Deloitte argues that Canadian business is woefully unprepared to deal with disruption (Deloitte, 2018). Most notably, the report highlights that Canadian business lacks the urgency, agility, strategic thinking, internal processes and response mechanisms to deal effectively with disruption. Deloitte predicts that nearly every major industry will be affected by disruption, particularly from artificial intelligence, automation and/or the shift to digital practices. Increasingly, responding to disruption is simply not enough. In today's time scarce business ecosystem, failing to respond fast enough can determine whether the organization survives or not (McGrath & Gourlay, 2013; Winquist, 2014).

But what exactly is disruption? Renowned Austrian economist Schumpeter described disruption within a process termed "creative destruction," (Schumpeter, 1942) where economies innovate when younger, more nimble companies enter the marketplace and 'sweep away large incumbent enterprises' (Lagace, 2019). Christensen introduced disruption to a contemporary business audience in 1995 with his theory "disruptive innovation" (Christensen, 1995), which he defined as "a process by which a product or service takes root initially in simple applications at the bottom of a market and then relentlessly moves up market, eventually displacing established competitors." Ignatius (2015) even argues that disruption is probably the most overused or misused term in business and highlights scholarly attempts to constrain it meaning. As overused as the word may be and barring academic attempts to remain a purist to Christensen's original definition, it can be said that contemporary business has generally embraced a much wider interpretation definition. And in this contemporary and practical use, disruption can be defined as any key development, be it technology, competitors or market shifts (Applegate, 2007) that can imperil a business or provide it with new opportunities. This paper concurs with such a definition and further refines it as: any event such as the actions of competitors, the regulatory environment, the state of the economy, shifts in technology or changes in consumer preferences that can significantly impact the current or future viability of an organization's business model and/or threatens the organization's very existence.

There are many examples of disruption in the marketplace. Innosight (Anthony, Viguerie, Schwartz, Van Landeghem, 2018) contends that one of them is the "digital disruption in retail" where former retail behemoths have succumbed to a changing landscape where shoppers are increasingly turning to online vendors. Ecommerce operations have the benefit of centralizing operations without having to invest into expensive, physical and long term lease commitments that traditional retailers do. Furthermore, retailers are plagued by a unique phenomenon called showrooming (Gensler, Neslin, & Verhoef, 2017) where shoppers will evaluate a product at a retailer's physical location and then search for the best price online. Both Innosight and Deloitte (2018) agree on another trend that is disrupting the business landscape—and that is the impact of technology and the rise of digital platforms. Companies embracing newer technologies and organizations who are digital platforms such as Facebook can scale, expand and add product and service offerings faster than ever before, outpacing and superseding former frontrunners. Perhaps one of the most compelling trends pressed by Innosight and many other observers is one that revolves around "business model innovation" (Drucker, 1985; Osterwalder & Pigneur, 2010) that is pursued by new or external market entrants. Uber, a digital platform company, did not attempt to change the perception nor the concept of travelling from one location to another. Rather, they changed how it was done. They were able to dislodge physical taxi companies by pursuing what Innosight refers to as "asset-lite"—a rather ingenious business model innovation where companies like Uber offer a similar service offering without having to invest in expensive underlying assets (cars, licenses and insurance) that the incumbent had to and may still be required to do. Asset-lite disruption is clearly evident as a disruptive business model in another industry—hotel accommodations which is being disrupted by Airbnb, a relatively new market entrant.

In much of the conversation in business circles, disruption is often is perceived to be a dirty word and threatening circumstance. It need not be. It can also represent a positive situation where a company seeks to proactively exploit new market opportunities. And just as organizations can be disrupted, so too can they be disrupters. Applegate argues that "disruptions allow new entrants or forward thinking established players to introduce innovations that transform the ways companies do business and consumers behave" (Applegate, 2007) Despite this optimism, Chris Bradley a consultant at McKinsey posits that "often it is incumbents that find themselves on the wrong side of a big trend" (Bradley & O'Toole, 2016). And despite the *possibility* of an organization becoming a disruptor, he states that: "The champions of disruption are far more often the attackers than the established incumbent." Drucker's concept of abandonment (Drucker, 1985) may shed light on why companies are more likely to be disrupted rather than be disruptors. He argues that most companies are bound by legacy structural and human systems and are invested heavily in processes (Christensen & Raynor, 2013) with a sunk cost mindset—a belief that business processes or decisions should be guided by the incurred cost of investments made in the past, ignoring whether those past investments or processes serve the company's best interest today. This fear of abandonment and sunk cost mentality can severely impede the organization's efficiency. An organization's unwillingness to 'abandon' this legacy baggage inhibits its ability to flourish into new areas of thinking and growth, making it more susceptible to the actions of more nimble disruptors who lack such limitations (Drucker, 1985; Network, 2018).

Partners in innovation

In the simplest of analogies, one can say that disruption and strategy formulation are natural though dueling partners in an organization's strategy development and business ecosystem. The interplay within this tenuous relationship between disruption and strategy, is where innovation, new ideas, and new ways of doing business flourish (Manu, 2010; Applegate 2007)—most often through necessity rather than self-will. Conversely, when this relationship breaks down and where strategy cannot respond effectively to disruption, the organization can become vulnerable and the risk of failure can significantly increase (Drucker, 1985). Historically, both disruption and strategy relied on an intermediate partner, foresight, to balance this relationship. Foresight tools (such as forecasting, financial modelling, risk analysis, in-depth market research) provided organizations with resources and insights into trends and desired futures, thereby impacting how organizations prepared their strategies for tomorrow. However, given the collapse of product development timelines (McCardle, White, & Calantone, 2018) often driven by changing customer preferences, disruption and strategy have increasingly developed a new and more exclusive relationship with one another—limiting the room *and time* for longer term future planning.

Market insights

Primary research collected for this paper provides insights into how North American business leaders are viewing an increasingly disruptive landscape and how it is affecting their businesses and their industries. A 2018 report from Deloitte titled 'Prepare for Canada's Disruption Storm' suggests that many Canadian businesses are unprepared for disruption and lack the necessary traits and operational structures to successfully weather market shifts. This paper's survey respondents (which included leaders in both Canada and the United States) suggest a sense of overconfidence in the face of disruption. Many businesses remain unfazed about the risk to their survival while demonstrating an awareness of—some of— the emerging threats them facing them and their industries. The insights are as follows:

Figure 5: Is your industry being disrupted? *Aggregate responses*

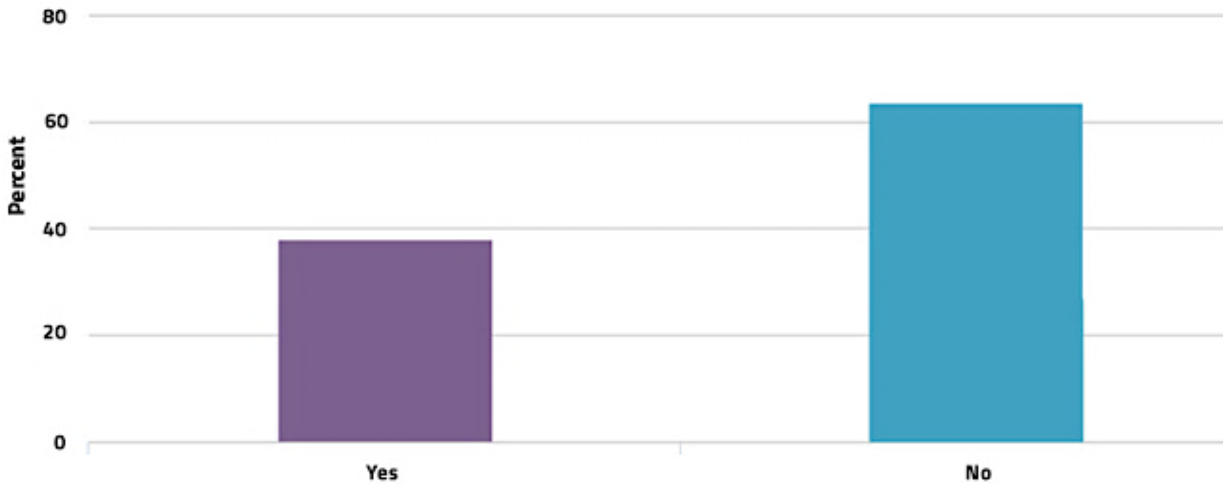
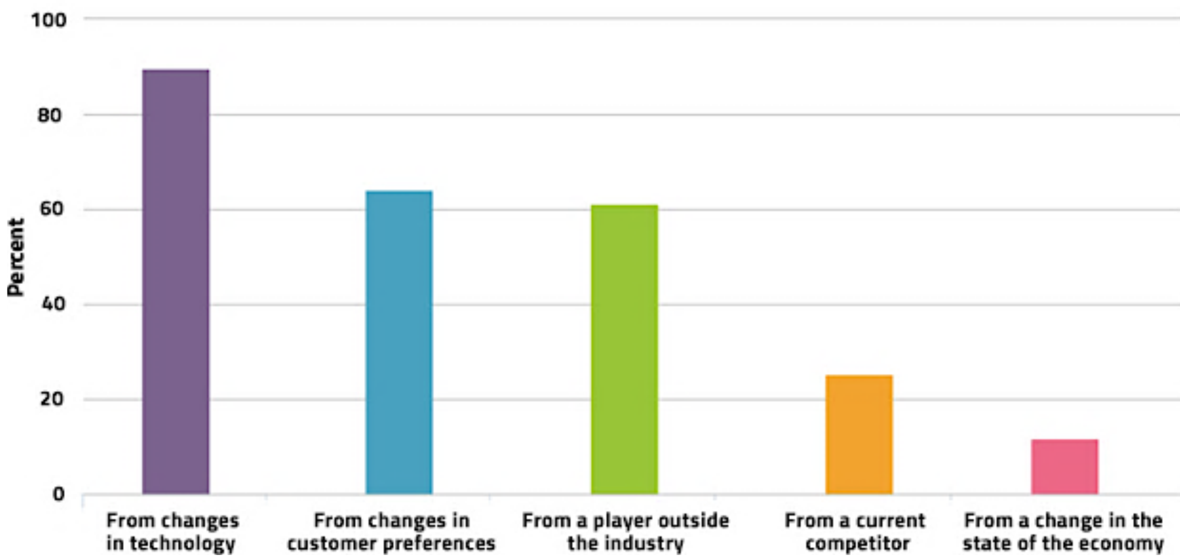
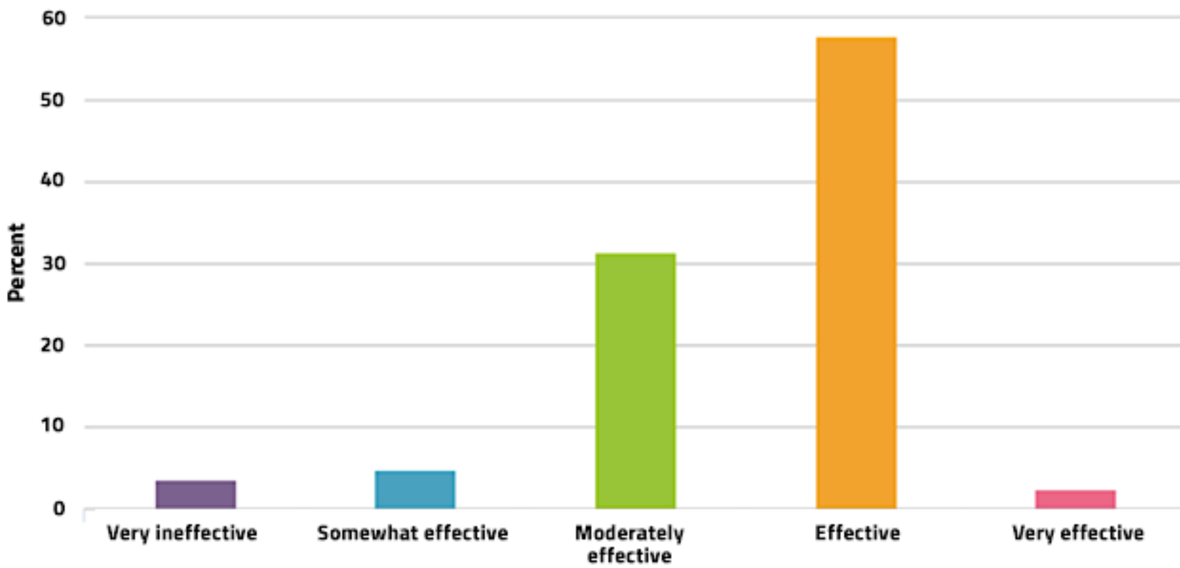


Figure 6: If your industry IS being disrupted, how? *Aggregate responses. Up to 3 responses could be selected.*



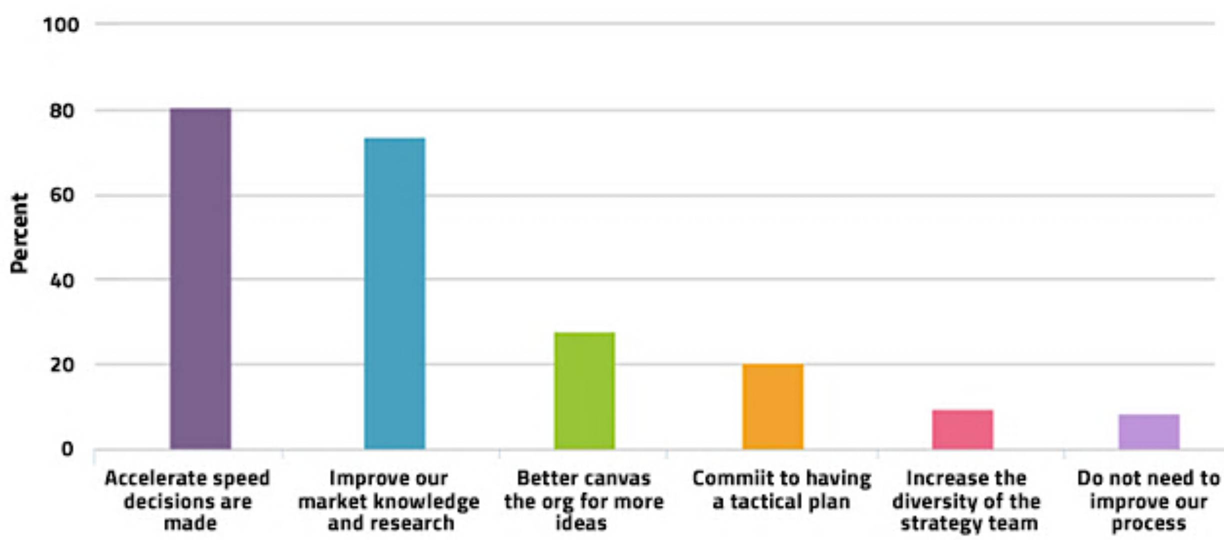
Not surprisingly, disruption by technology ranks first. Surprisingly, disruption from current competitors ranks very low and there is an expectation by leaders that disruption in the market will come mainly from outside of the industry and from changing customer preferences.

Figure 7: How effective do you think your organization's current strategy planning will be to successfully react to disruption? *Aggregate responses*



Respondents exhibited significant confidence in their strategy process to survive disruption. This confidence was evident in all types of companies—both young and old— and across different industries and types of organizations.

Figure 8: If you could improve your strategy planning process to better manage disruption, what would you change? *Aggregate responses. Up to 3 responses could be selected.*



Overall, eight out of ten leaders recognized the critical importance of increasing speed and agility in decision-making to confront disruption. ‘Better canvassing the larger organization for ideas’ which could tap into an organization’s creative intelligence ranked low.

Unpredictability and ambiguity

The market insights from the survey represented a distinct sense of confidence and optimism amongst leaders in the future of their organizations. Often, discussion on disruption happens within a context where disruption is to be dreaded. It was surprising to see results that indicated that these leaders believed that their organizations would be survivors and indeed future players in the marketplace. Yet many may be fooling themselves. As discussed in the previous chapter and based on survey results, a significant portion of organizations continue to pursue traditional strategic planning: an approach to strategy development that is extremely time intensive and whose strategy outcomes are often fixed and largely inflexible. This is hardly a framework with which to be nimble, agile and adaptive to emerging and yet to be seen threats, particularly if they blindside an organization and require a rapid response. Taleb (2007) and many others contend that most disruptions cannot be accurately predicted or even foreseen. This begs the question: Why do organizations continue to invest and risk so much time and resources into traditional future strategy planning which is often tied to assumptions of the future that in many cases will not transpire?

A new way forward

Taleb, in his book *The Black Swan* (Taleb, 2007) posits that people seem to provide logical reasons for the occurrence of disruptions in retrospect (meaning after they happened) yet he continues on to state that many if not all of the most impactful disruptions in our history occurred without warning and often quickly overwhelmed an organization and societies with the speed at which they took hold. As a result of these impactful, sudden and unexpected events, he advocates that organizations develop ‘antifragile’ systems (Taleb, 2007), a position supported by Derbyshire and Wright (2014). Antifragile systems essentially build organizational capacity that enhances robustness and preparedness to counter negative disruption and by extension allows organizations to exploit positive ones. Taleb’s position dovetails nicely into the concept of strategic insight as posited by Mintzberg (1994) and Martin (2014), as well as with strategic cycling (Begun & Heatwole, 1999) and the case for adaptive strategy (O’Donovan & Flower, 2013). This more dynamic approach to market strategy could yield key benefits to many organizations currently under threat and to those who want to march successfully into the future.

No security guard can stop a refrigerator falling off a skyscraper.

—Jadakiss, Rapper

Foresight

Planning for the future is an age-old practice. Our ability to plan for and to respond to the future has been a critical skill for humans, allowing us to adapt (many times unwillingly) to unpredictable events—and in doing so to survive, thrive and to develop sophisticated and advanced societies. We are creatures of habit and routine, where much effort is spent to reduce effort in the ritual of life—not to speed it up. And humans also love predictability. We are natural planners. Our assumptions on the future drives our activities today and allow us to plan for the tomorrow that we believe will unfold. Many elements of the future are foregone conclusions such as the rising sun, the changing seasons and the fact that we will grow old. Other aspects of our life are not as certain such as job security, having perfect health and attaining financial success. Yet even with these uncertainties, we make plans *assuming and hoping* that the future will unfold as desired. Organizations, like people (and comprised of people) also love predictability and are often driven by entrenched routine and legacy processes that have required significant investment which work to support the status quo. Yet "many leaders making decisions are staring in a foggy lens into the future" (Lagace, 2019). In a business ecosystem where unpredictably abounds and where market disruption and the resulting change is accelerating, leaders need more flexible, dynamic and responsive approaches (O'Donovan & Flower, 2013) that can diminish status quo behaviour, increase the speed with which their organizations can pivot and allow their organization to be more agile and future-ready—rather than future-predictive (Gothelf, 2015).

Strategic foresight is an intriguing discipline. Associated with and informed by futures studies, it is a formalized contemporary practice organizations can use to gather and "process information about their future operating environment" (Jacobsen & Hirvensalo, 2018), often with the creation of scenarios to help organizations view potential, probable and preferable futures. Jacobsen and Hirvensalo (2018) contend that "many people in organizations believe they can foresee developments in their industry or sector—at least over the next couple of years.'

Foresight has many strategic benefits for organizations. One such benefit is its ability to create what I like to refer to as a ‘change in lens tense’. Simply embarking on or even considering what the future may hold jars organizations out of their today-focused outlook and allows them to glimpse into the future. Secondly, foresight can strengthen an organization’s ability to be more ambidextrous an elusive condition for most and one that O’Reilly and Tushman describe as “the capability of an organization to balance deliberate and emergent approaches to strategy at the same time” (2013)—essentially allowing an organization to be present-focused and future-conscious *simultaneously*. One can argue that an organization bereft of *any* future planning is likely to be at the mercy of an ever-changing marketplace coasting without purpose until it hits another roadblock. A third benefit is that foresight is typically (though not always) led by a seasoned practitioner and often involves scenario development that is a co-creation and participatory process (Grienitz, Hausicke, & Schmidt, 2013). This can bring together organizational stakeholders from across an organization to collectively collaborate on the implications of the future. This co-generative process can be a powerful tool to spark conversation and discussion amongst a multi-level and cross departmental audience (Chermack, Coons, Nimon, Bradley, & Glick, 2015). Finally, insights gleaned from foresight activity and actually integrated into the organization’s strategy can have significant impact upon on an organization’s stakeholders in its ecosystem (such as customers, employees, shareholders, vendors, community etc.) and upon the organization’s survival and success.

The future is constrained

Despite these fundamental benefits, foresight has in many cases been a discipline to help organizations *look* for the proverbial falling refrigerator—essentially a desirable but low probability and high impact event. Foresight and strategic planning are tightly bound together in an interdependent relationship. Foresight typically plays the role of market sentry scanning the horizon for future threats and opportunities which provides valuable insights to enable organizations to adjust their strategies accordingly. Foresight practice and traditional strategic planning both converge around a concept called a scenario. From an organization’s perspective, scenarios can be described as the possible and or preferred versions of the future it wishes to achieve and conversely the future(s) that it wishes to avoid. Chermack, Coons, Nimon, Bradley, & Glick (2015) describe scenario planning as “an approach to strategic planning that abandons the need for a single predictable future on which decision makers base their concrete plans”. Foresight helps develop these scenarios by exploring a broad and dynamic array of signals, drivers and trends that thread insights together to frame potential futures for an organization. Yet at the end of this emergent future exploration process, the resulting outcome usually becomes fixed and ‘deliberate’ when an organization chooses a scenario or a small subset of scenarios and integrates the assumptions of the scenario(s) into its strategy. This is an important point to note. Even though the input process of foresight and its exploratory nature is emergent and dynamic, foresight’s alignment with traditional strategic planning results in an output, a strategy, that is often inflexible. As supported by research that in the previous Strategy section of this paper, many established organizations continue to develop future strategies based on a *deliberate* traditional strategic planning approach. In being so focused on a specific or small set of futures and by using a relatively inflexible strategy development process, the organization can put itself in serious jeopardy should the fridge not fall when, where and how it was expected to—if at all.

Future challenges

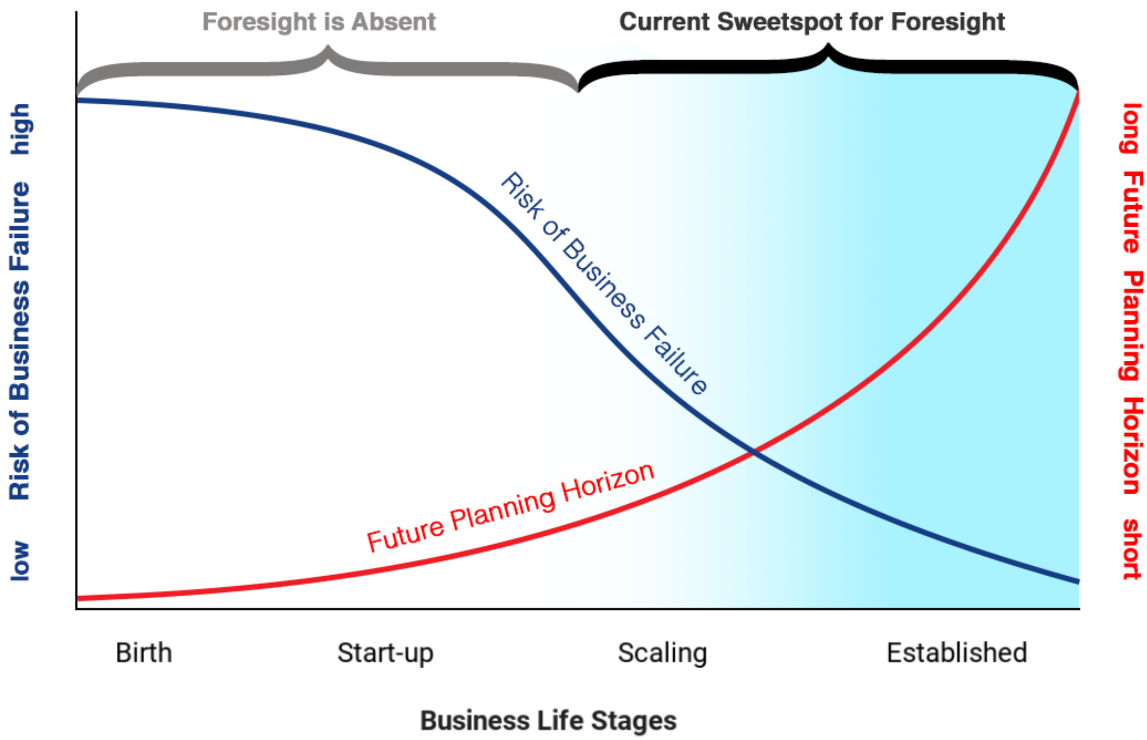
Foresight today using tools such as the 2 by 2 matrix and other visioning frameworks can also limit discussion of an organization’s future to a handful of scenarios, with a significant risk to business and the investment made that none of them may transpire. Treyer critiques foresight arguing that there is a ‘lack of reflexivity in the field’ (Treyer, 2009) and that it is largely ‘practice oriented’, essentially a localized exercise to deliver an optimal outcome, rather than an *ongoing* and *ingrained* process of determining and incrementally improving (and adapting) collective strategy and processes across an organization. Treyer argues that “more useful links could be established with theoretical frameworks both in the fields of research in science and technology studies and in strategic management.” This is an important perspective, particularly in light of unpredictable and disruptive market landscapes. From Treyer’s perspective, the process of embedding and aligning foresight within an organization’s processes is inherently more important than one-off or episodic foresight exercises and workshops we so often see in foresight practice.

Foresight practice like organizational forecasting can also create scenarios with an inherent double bias. Certain trends, signals and drivers determined by foresight activity may be preferred over others (included ones that have not been uncovered) that are ignored (Wright & Goodwin, 2009). Scenarios that are built around these preferred trends, signals and drivers can be misleading (and disastrous) if the underlying assumptions (which are biases themselves) prove to be incorrect or misread (Derbyshire & Wright, 2014). Furthermore, modern foresight practice often operates in broad, unanchored and non-specific timeframes which are often detached from business' increasing need for immediate specificity. In environments driven by shorter and shorter timelines where disruption is accelerating and where leaders are running out of runway to make decisions and to pivot quickly, longer term focused foresight tools can be viewed as increasingly irrelevant to immediate business needs—a luxury that can be relegated to 'nice to haves.' In an increasingly time-constrained and ambiguous marketplace, *preparing* one's business for falling refrigerators (or any future), may be more prudent rather than trying to determine exactly where, when or if they will fall.

The future is expensive

The Masters of Design in Strategic Foresight and Innovation at OCAD University was established to create 'a different kind of designer,' one who could approach problems from a different perspective and to reimagine solutions to what could be seemingly intractable problems in order to build a better and more inclusive future. Inherent within this program was also the desired intent for foresight practitioners to make greater social impact. Yet currently there is a lack of accessibility of foresight for the vast majority of Canadian organizations. Aside from governments, agencies and larger businesses that have the financial resources and market position not to worry about immediate market disruption nor demise, modern foresight practice and its current toolset has had limited applicability or even 'down scalability' to the broader Canadian economy and society. Canada's economy is based on small business where 97.5% of all businesses are SMEs, who contribute to 87.7% of Canadian employment (Government of Canada, 2016). In their initial years, nascent organizations and SMEs are transfixed on survival, trying to beat the odds of demise. That statistics consistently point to the first few years and initial life stages of a business as being the most vulnerable would warrant a serious rethink in the foresight community on how foresight could be extended and better adapted to help nascent organizations to get to the future.

Figure 9: Business Risk and Future Planning Horizons



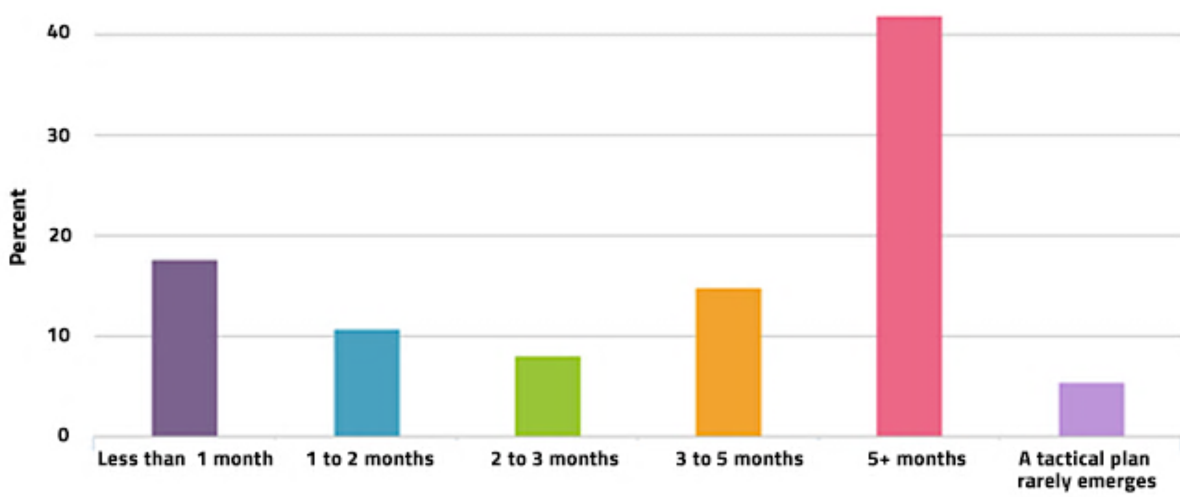
As a matter of priority, future planning to young, resource and time strapped organization is a luxury— and one that they cannot easily afford. And small businesses will no longer be alone in the near future. The collapse of organizational timelines (to be discussed in the sections Tomorrow Today and Fast-Fast) and accelerating disruption will result in a dramatic shift for larger and established organizations—the current domain of foresight practice—forcing them to focus more intently on the present, at the expense of the future.

Market insights

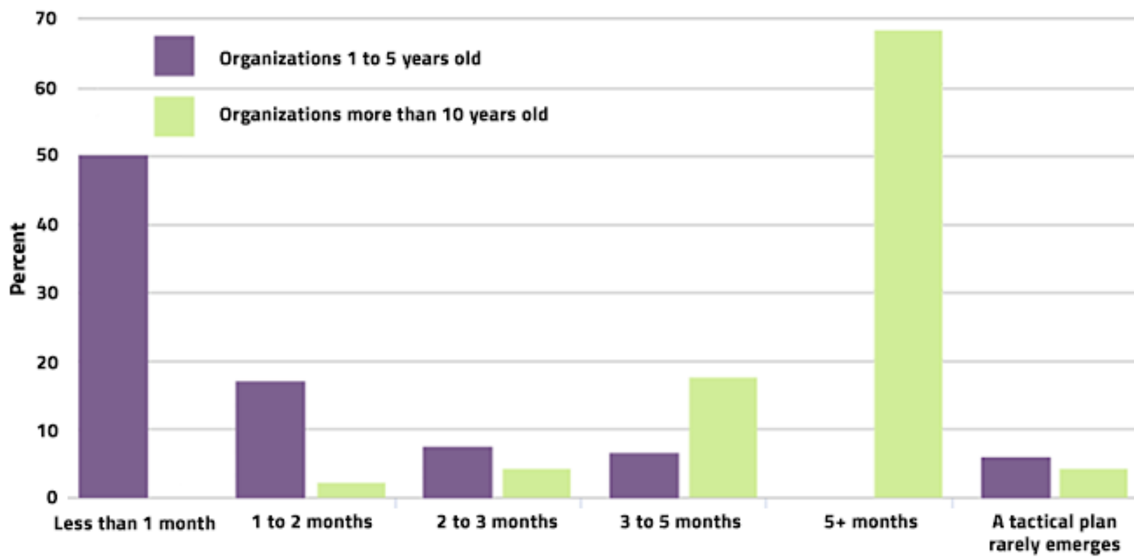
Research insights gleaned from the survey indicated a huge disparity between younger and older organizations, how they operate in the present and the potential impact their current approaches to strategy development can have on their future. The results were compelling.

Younger organizations, 1 to 5 years old, seem to approach strategy planning and development at much faster speed. 96.1% of younger organizations, essentially new SMEs, undergo strategy development at least once a year. 76.9% have a dynamic and emergent approach where it is always ongoing. 64.4% of older organizations, aged 10 years to more than 50 years pursue strategy development *only once every 2 years*. Only 6.7% of these organizations indicated that strategy planning is always ongoing. Other survey questions revealed significant disparity.

Figure 10: How long does strategy planning take for your organization before a tactical plan to implement the strategy emerges? *Aggregate results*

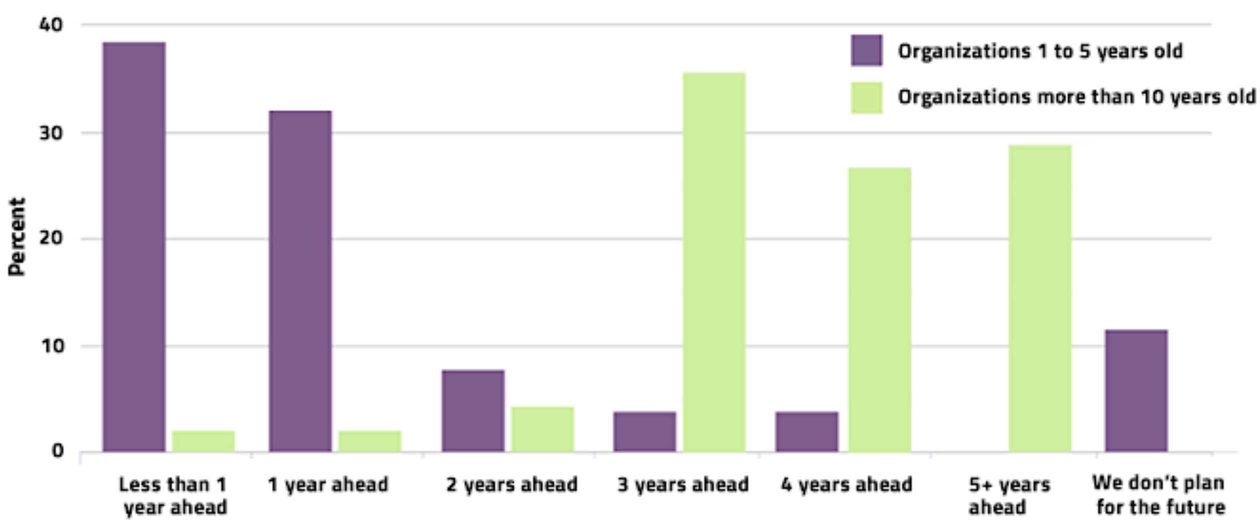


<u>Figure 11: How long does strategy planning take for your organization before a tactical plan to implement the strategy emerges?</u> *Segmenting results based on company age*



The vast majority (67%) of younger organizations take less than 2 months or less to have a tactical plan emerge allowing them to respond to market dynamics more quickly. In contrast, the vast majority (68%) of older organizations take more than 5 months before a strategy and a tactical plan emerges. Due to the rapid response speed of younger organizations and the emphasis they place on the present, it also has a diminishing effect on the amount of time spent on planning for the future.

<u>Figure 12: When your organization is planning its strategy for the future, what timeframe in the future or horizon is it usually planning for?</u> *Segmenting results based on company age*



Over 86% of younger companies have a future planning horizon of 1 year or less. Contrast this with older organizations where over 91% respondents plan for a horizon of 3 years or greater: 26.7% of them with future planning horizons of 5 years or greater.

The research survey showed significant and divergent results between younger organizations who are generally resource and time strapped and older organizations who are more established in their industries, typically have the financial resources to plan for a longer horizon and less worry about immediate demise—at least for now. The results have significant implications for foresight as well.

The future is different

Mendonça et al contend that foresight "itself is always in a continuing process of innovation as it is not detached from the changing environment that engulfs organizations" (Mendonça, Sandro, Sapio, & Bartolomeo, 2013). This remains to be seen. The ability of foresight to innovate within a time scarce environment is limited. Foresight is a practice that traditionally operates with a longer lens and services organizations who are typically—and relatively—time rich. What will happen when foresight is faced with organizations confronting a time starved and disrupted marketplace that is increasingly taking shape today? I believe foresight will find it increasingly challenging to expand its voice at the strategy table, in its current form—or more aptly: its only form. Driven by a shortage of time, the traditional trifecta relationship that defined the interaction between disruption, foresight and strategy increasingly becoming a binary one, between disruption and strategy alone.

Foresight today faces a double irony. Long used to help older and more established organizations navigate future disruption, foresight is itself being disrupted—not by the future but by the present. What's more, the foresight community is well aware of collapsing timelines for business and the acceleration of disruption. Yet few of us anticipated that foresight in its current form would be facing a relevancy crisis.

This begs 2 important questions:1) What does the future hold for a planning practice increasingly displaced by the present? and 2) Considering this, can foresight adapt itself to a disruptive reality based on shorter term horizons? In doing so, can foresight become more relevant and accessible to a greater cross section of organizations helping to better their odds of survival by making them more resilient to the threats of the future?

Section 2: Patterns at Play

Learning and innovation go hand in hand. The arrogance of success is to think that what you did yesterday will be sufficient for tomorrow.

—William Pollard

A grand misalignment

Today's marketplace is a rapidly shifting one where the amount of time available to an organization is becoming a critical determinant in how a business plans for today and into the future (Blank, 2019; Gladwell, 2006; McGrath & Gourlay, 2013). The increasing scarcity of time for businesses to succeed (Anthony, Viguerie, Schwartz, & Van Landeghem, 2018) is also likely to impact foresight as we know it. Modern foresight takes the long view and relies on an extended runway of available time to explore the future. As younger businesses, SMEs and increasingly more established organizations are increasingly confronted by a time scarce marketplace (as detailed in Tomorrow Today) this forces them to be more present focused at the expense of long term future planning. This risks sidelining modern foresight (in its current and only form) as an effective and relevant future planning practice. Yet business success is not a zero-sum game. The future (and foresight) cannot be excluded from present day considerations (or vice versa) without negatively impacting the resilience of the organization. Both are needed (O'Reilly & Tushman, 2013) and they need to be better aligned (Bodwell & Chermack, 2010) and synchronized.

In the research completed for this paper which included an extensive literature review in addition to a primary research survey, 4 identifiable patterns emerged that are can significantly amplify the misalignment between marketplace disruption, organizational strategy and an organization's ability (or inability) to plan for the future. They are as follows:

1. <u>Tomorrow Today:</u> the collapse of organizational and product development timelines resulting in business to focus more extremely on present day activities
2. <u>Fast-Fast:</u> the inability of leadership to make faster yet effective decisions in the face of rapid market shifts and compressed timelines
3. <u>The Idea Monopoly</u>: the absence of a broader, more unconventional and organizationally diverse set of ideas available to leadership in strategy development, and

4. The Disenchanted Forest: a high level of employee disengagement driven by a lack of meaningful participation in key strategic decisions facing the organization which can cause significant resistance to and/or a slowdown of strategy execution or when an organization pivots.

By better understanding these factors, businesses can gain greater insights about the shifting dynamics of their market environments and allow them to better scrutinize and improve upon outdated approaches to strategy development and future planning. The four patterns can also provide insight into how foresight could be better adapted and made more accessible to increasingly short-term focused organizations.

You said it would last forever, but now forever ain't as long.

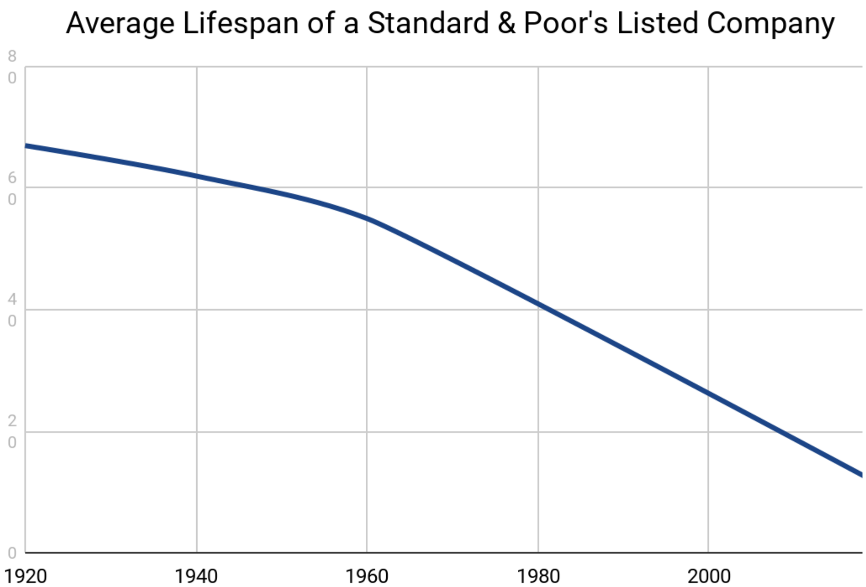
—Hip hop artist Iggy Azalea

Pattern1: Tomorrow Today

In 1995, when Fedex introduced its campaign slogan, “Because there is no tomorrow,” it resonated with unintended future relevancy. It implied that for business, time was an extremely valuable commodity and that the present was far more important than the future. By extension, it also implied that businesses and their agility to respond to the present were at risk if they put their efforts into the future rather than today. Renowned and respected systems thinker Ackoff argues that “so much time is currently spent in worrying about the future that the present is allowed to go to hell.” He contends that “the future is created by what we do now” (Ackoff, 2006). Ackoff’s views are premised on the logical perspective that in order to make an impact on a system and by extension on the future of the system, “now is the only time in which we can act.” This essentially relegates the future as a consequence of today’s actions and interventions.

According to Innosight, a futures consultancy, the ‘tomorrow timeframe’ is collapsing (Anthony, Viguerie, Schwartz, & Van Landeghem, 2018). Put another way, as far as organizations are concerned, tomorrow is increasingly *becoming* today and the wide distance between the present and the future has significantly closed. Innosight’s research indicates that the lifespans of major companies are being reduced at a remarkable rate. In the 1920’s the average lifespan of a Standard and Poor’s company was 67 years. Today it is 16 and shrinking. Innosight indicates that every 2 weeks, a company listed on Standard and Poor index disappears. Current and future businesses that will have survived significant odds in their initial 7 years in business may have less of a future than they will have ever imagined.

Figure 13: Shrinking corporate lifespans



Source Innosight, 2018

In for the short haul

Based on the need for future survival, many organizational leaders have begun to short shrift tomorrow in favour of present-term reality. Leadership today is being increasingly driven by a concept called short-termism (Haldane, 2011) and it is particularly acute for organizations who are publicly listed. The Financial Times defines short-termism as: “Excessive focus on short-term results at the expense of long-term interests (Short-Termism Definition, Financial Times Lexicon, n.d.). Short-termism in business is being driven by four primary factors: 1) accelerating disruption of businesses and the volatility of markets (Deloitte, 2018), 2) shrinking corporate lifespans (Anthony, Viguerie, Schwartz, & Van Landeghem, 2018), 3) compressed product and service development and delivery timelines (Blank, 2019) and 4) by enhanced corporate impatience (Martin, 2015) with investors expecting businesses to generate more and more revenue in a short period of time, a phenomenon, Larry Summers, former American Secretary of the Treasury refers to as “quarterly capitalism” (Summers, 2015). The resulting outcome of short termism is a unique phenomenon known as “discounting,” a term “policy makers and economists refer to as foregoing future investment in favor of short-term gain” (Martin, 2015). Between acting now versus focusing strategy on the future, organizations are increasingly opting for today.

Clashes and consequences

Despite leadership’s need and increasing awareness to reorient their strategic outlook to deal with disruption realities, their organizational structures and operations are not designed nor aligned for the short-term. Current business processes, namely traditional strategy planning are time rich activities occurring in a business environment that is increasingly time-poor. Traditional strategy development, implementation and assessment takes months if not years. In corporate ecosystems, company structures continue to take a long-term lens (Drucker, 1985). Organizations seek investment with hopes of providing multi-year returns to many institutional and fund investors who seek greater market stability. Leases for premises and business equipment are negotiated for extended time frames. Companies lure top quality talent with stock options that have long vesting periods on the assumption that their performance will be both positive and long-term—*and* that the companies will be around for longer than the odds of survival say they will. And there is often valuable time and meticulous effort invested to develop future plans and sales/revenue forecasts, few of which deliver as planned (Mintzberg, 1994).

The future reframed

This long-term approach to the future is also inherent within modern foresight. In fact, the long view of foresight and the operational structure of many established businesses today are perfectly aligned to one another. Both require an abundance of time, a valuable commodity which is getting increasingly scarce. Since modern foresight practice relies on a more time intensive traditional strategic planning process (Bodwell & Chermack, 2010) both foresight and traditional corporate strategy planning and the organizational structures that support them are increasingly out of sync from today’s shorter-term realities. The impact of this disconnect cannot be underestimated. When time intensive corporate processes, legacy investment timelines and future planning tools act in direct contravention of the need for businesses to respond rapidly to disruption, the best laid future plans for market success or survival can be felled—if ever achieved (Wells, 2013).

Tomorrow Today will increasingly force businesses be more present-day focused, nimble and emergent, requiring rapidly adaptive and emergent strategies (O'Donovan & Flower, 2013) rather than deliberate and inflexible ones (Mintzberg, 1994). Given that market conditions are forcing organizations to be increasingly short-term focused resulting in reduced focus on a longer-term future, the impact on foresight can be significant. Can foresight adapt itself from simply embracing the 'long view' to also help organizations better navigate a shorter one?

Dancing to me is like standing still—but only faster.

—Billy Crystal

Pattern 2: Fast-Fast

In the natural world, it is the Darwinian code that drives life. It is survival of the fittest. Through natural selection, species thrive or die by their unique ability (or inability) to change and to evolve. Responding to and being able to adapt to environmental stimuli and existential threats makes them more resilient. They become survivors. Organizations also have a period of evolution (or death) within their own ecosystems. At every point in its lifespan, an organization must contend with external stimuli, enhancing or jeopardizing its odds of success. For fauna and flora, this remarkable process of adaptation and the acquisition of ecological resilience has spanned tens of thousands if not millions of years. Businesses unfortunately are not so time-rich. What takes nature innumerable years to adapt to disruption, businesses must increasingly do so at a relatively rapid speed in order to survive. While time in the disruption sense is an increasingly scarce commodity, many leaders of traditional and older organizations continue to pursue strategy development in a time-intensive and meticulous manner, even when doing so often does not produce the intended results. Collapsing organizational lifespans, rapidly diminished product development timelines and organizational short-termism are converging and are challenging the limits of an organization's capability to adapt to accelerated business timeframes. Leadership's inability (or perhaps even their unwillingness) to make strategic decisions more quickly and to act on them not only impedes their organization's ability to adjust to new market dynamics, it can imperil its survival (Boswell & Ed, 2010)**.**

Almost ubiquitously organizations, companies and business schools have ingrained Darwin (Haidt, 2014) into their strategic outlook, operations and teachings, widely referencing his theories and their applicability to business to achieve unbridled growth. The need for competitive advantage, the importance of 'protecting territory' and ring-fencing opportunities and resources out of reach from competitors presses a fundamental subtext: it is the tangible characteristics of an organization—largely size, existing market dominance and operational capacity—that provide it with (assumed) advantages to survive (McGrath & Gourlay, 2013) grow and deliver more profit. With collapsing corporate lifespans and product development timelines and rapidly changing consumer preferences, it is not only survival of the fittest that can enhance survival odds and market success (Caulkin, 2009). Increasingly, it will also be the survival of the quickest. Reed Hastings, the CEO of Netflix presses the importance of organizational speed and agility, a perspective that is echoed by many business leaders: “Companies rarely die from moving too fast. They frequently die from moving too slowly.”

Evolution reframed

Renowned management expert Drucker contends that traditional organizations are inherently designed for continuity and that they have to make special efforts to change or be able to change (Drucker, 1985) and to change quickly. In essence, the concept of longevity in most established organizations has been baked into their organizational thinking from the start: that is organizations *think* that they will be around for the long term. This bold assumption of sustained longevity is even more remarkable as Drucker continues to state that change for the traditional institution is in fact ‘a contradiction in terms.’ That change and adaptation is in fact unnatural and a contradiction to most organizations should be cause for concern, especially for organizations who are change averse, who are facing disruption and who need to evolve—quickly—or face demise in not doing so. Today’s rapidly disruptive marketplace should urgently concern organizations who typically face inertia and who operate in an environment of glacial decision making’ (Drucker, 1985)

Time laggards

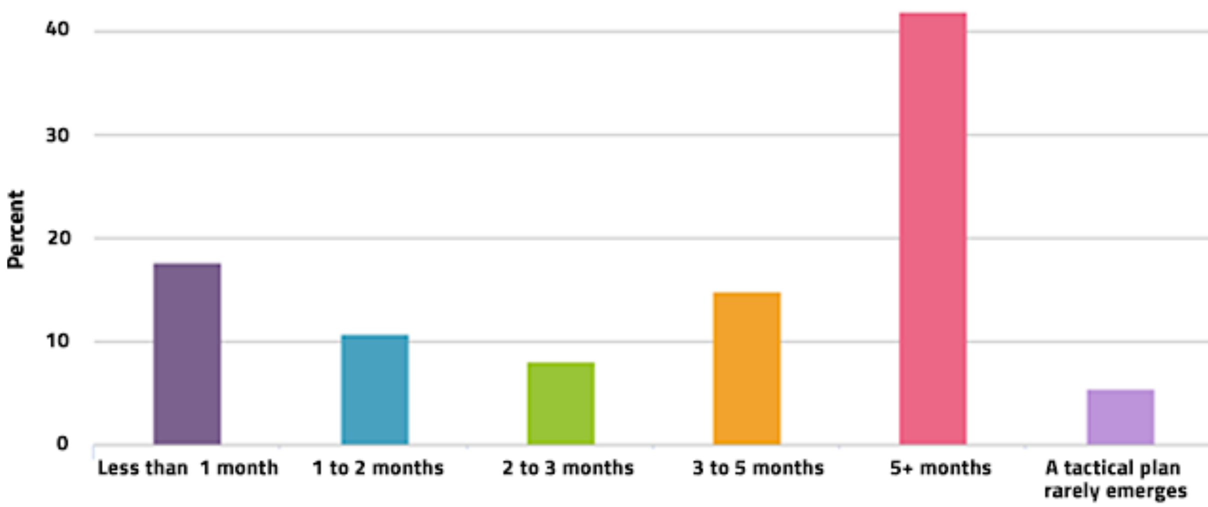
The speed at which market timeframes are accelerating cannot be underestimated. It took radio almost 40 years to reach 50 million listeners while it took Facebook just 2 years to reach the same number (Von Heimburg, 2014). Despite this market acceleration, some organizations are caught exhibiting a characteristic I would like to introduce as ‘time-comfort complacency.’ Organizations who are in the midst of ‘time-comfort complacency’ assume that time is abundant and that they will be able to effectively respond to market shifts using the current organizational resources and processes in place. One of those processes they rely on is traditional strategic planning, an approach to strategy development that is relatively time intensive and one that lacks reflexivity, particularly if the developed strategy and the assumptions upon which it rests fail to materialize.

Market insights

Time-comfort-complacent organizations are not inconsequential in number. According to the survey prepared for this paper, 41.9% of all respondents (79 in total) take 5 months or more to develop their organization's business strategy. When broken down and filtered to include only older and more established organizations (10 years of age or older), 68.9% of these organizations took at least 5 months to formulate their strategy. This does not include the time required for implementation nor the time required for the strategy to be in market before it is assessed to see if it was successful or not.

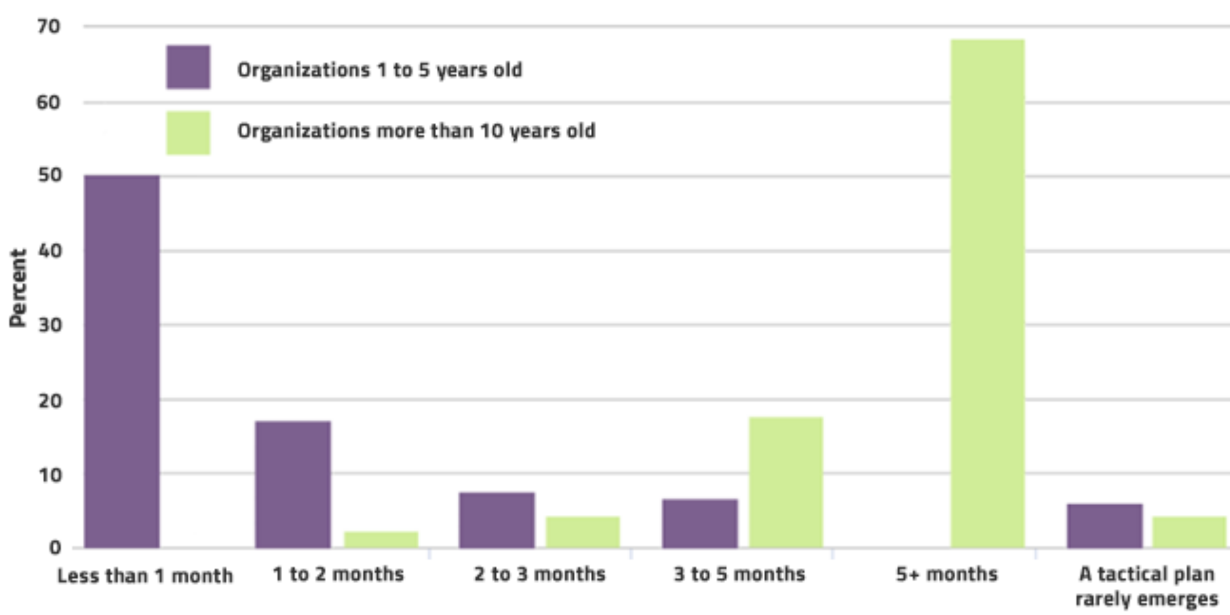
Considering that large corporate lifespans are collapsing, one can see the urgency to speed up strategic decision making and to reduce the time it takes to implement those strategies.
Contrast older organizations with younger ones where the approach to strategy development is more dynamic. 50% of young companies (5 years old or less) took less than a month to develop their strategic plans. Another 30% took less than 2 months. Furthermore, 76.9% of younger companies indicated that their strategic planning was always ongoing. Didonet et al (2012) contend that younger companies are better at adjusting to change by managing disruption in a timely manner. Drucker posits that younger companies by nature and structure lack the legacy organizational and operational baggage that older and larger organizations can have (Drucker, 1985), in essence providing younger organizations with a potentially significant competitive advantage.

Figure 14: How long does strategy planning take before a tactical planning emerges? *Aggregate results*



Even in the aggregate results, a significant portion of companies spent 5 months or more in the strategy planning/development process.

Figure 15: How long does strategy planning take? *Segmenting results based on company age*



Go fast or go home.

Thinking, Fast and Slow by Nobel laureate Daniel Kahneman alludes to distinctions in decision making. He speaks of two different decision making speeds that all individuals (and by extension leaders) operate within: fast and slow (Kahneman, 2011). Fast thinking is “instinctive, emotional and rapid”. Slow thinking is more “deliberative, conscious, logical and time consuming”. Traditionally, most organizations today operated in the slow-think mindset both in their decision making and the amount of time it took to address change and/or to pivot. And although Kahneman is critical about the increasing emphasis placed on fast thinking which could negatively impact the quality of decisions, leaders contending with rapidly occurring future disruption will simply lack the time with which to continue making slower decisions. Coupled with collapsing timelines and market volatility, leaders will face greater time scarcity, in effect forcing them to be faster. Gottlieb and Sanzgiri (1996) suggest that in constantly changing and disruptive environments where time-to-market is critical, this does not allow organizations to “reflect or think about the next action”. Gladwell alludes to accelerated decision making by invoking Gigerenzer and his concept of “fast and frugal,” a process where “decision makers don’t weigh every conceivable strand of information” to come to a decision (Gladwell, 2006). Without the application of faster, frugal and accelerated thinking and decision making, organizations by default can become slow and in a disruptive market landscape they can become vulnerable to competitors who have embraced speed as a significant competitive advantage.

Fast fast. More more.

In her Harvard Business Review article ‘Transient Advantage, McGrath (2013) states that in a rapidly accelerating business ecosystem, “fast and roughly right decision making will replace deliberations that are precise and slow.” Stalk and Stewart (2019) contend that speed in today’s business is essential while lamenting that “most companies spend far too much time on things that slow people down, use up resources and add little value.” They introduce a term called “tempo-based competition” (Stalk & Stewart, 2019) essentially fast decision making that creates competitive advantage in a disruptive market environment. Gladwell's concept of 'thin slicing' also supports this view where he contends that rapid decisions derived from a narrow band or period of experience can often "be as good or better than highly deliberated decisions" (Gladwell, 2006). If the shift to faster decision making happens, strategy development for an organization by default becomes faster, making the organization quick to respond to threats and opportunities. And when an organization, large or small, young or old becomes faster in its ability to make decisions, it gains additional time that it can use for priority activities, which may include planning for the future. Leaders of fast-fast organizations are able to press and instill the importance of market urgency and hasten their ability to make critical decisions in less time. This allows their organizations to pivot more quickly and in near-time (Eisenhardt, 1989). As a result, fast-fast organizations can not only better their odds of survival by responding quickly to disruption, they can become disrupters themselves.

Strategy is not really a solo sport – even if you're the CEO.

— Max McKeown

Pattern 3: The Idea Monopoly

In their article, ‘Idea based innovation’, Johannessen and Stokvik (2018) argue that “leadership is becoming more and more about promoting entrepreneurialism and ideation in order to create creative energy fields that can generate enthusiasm and motivate the front line in relation to creativity and action” (Johannessen & Stokvik, 2018). Yet the reality of many businesses is very different (Sull, Homkes, & Sull, 2015). Despite the views of Johannessen and Stokvik and many business observers, most leaders have not fully grasped (let alone implemented) the importance of cross-organizational ideation and the promotion of entrepreneurialism within their businesses (Kanter, 1984). They may not be not listening, haven’t heard or may be tone deaf to the power and impact that an organization’s creative intelligence (Nussbaum, 2013)—especially when a company is seeking to develop better processes, exploit new market opportunities or to survive an existential crisis (Davenport, Prusak, & Wilson, 2003).

Opportunities and Benefits

Mihaly Csikszentmihalyi (1996) states that creativity is “any act, idea, or product that changes an existing domain, or that transforms an existing domain into a new one”. The American Management Association defines creativity as the “application of imagination to finding solutions to problems and decision making and includes brainstorming and lateral thinking” (Kurian, 2013). Lateral thinking in particular is a powerful approach to problem solving. Unlike vertical thinking which is logic driven and often the seemingly default operating mode for most leaders, lateral thinking expands beyond the constraints of logic to examine a problem from multiple perspectives (De Bono, 2011). As the name implies, lateral thinking can allow for a broader set of potential ideas and solutions to problems. Jalan and Kleiner (1995) press an increasingly held view that with rapid and unpredictable shifts in the marketplace “it has become of utmost importance for organizations to address business issues creatively” (Jalan & Kleiner, 1995). Amabile strongly argues that the “generation of novel and useful ideas is critical to organizational survival and effectiveness" (Amabile, 1988). And research continues to show that organizations who embrace creativity and provide space for ideation and cross organizational contribution can lead to higher levels of employee engagement and ownership (Nussbaum, 2013). Ths in turn can lead to higher productivity and lower turnover rates (Baldoni, 2013). Tucker contends that successful high growth companies exhibit an ability to innovate by embracing ideas from across the organization while slow growth companies typically lack such willingness and/or capability (Tucker, 2002).

Echo chambers

Many organizations do not exhibit a culture of cross organizational ideation (see research findings below). Organizational leaders are often caught in what I like to call an 'idea trap'—an echo chamber of a small pool of ideas derived from a select few residing in the upper echelons of management. This 'idea trap' should not necessarily be considered a deliberate nor sinister plot of exclusion by leadership—but it can be. Robinson and Schroeder in their book the Idea Driven Organization (Robinson & Schroeder, 2014) point to research that indicates "that as managers rise in the hierarchy and gain power...power reduces the complexity of a person's thinking and his or her ability to consider alternatives." Furthermore, when this happens, people in power "listen less carefully and have difficulty taking into account what others already know". As a result, leaders are "less accurate in their estimates of the interests of others and they are less open to others' perspectives." This can be compounded in many instances by the (limited) experience of leaders whose past success was based on a narrow band of business models (Blank, 2019) within industries and marketplaces that until recently were relatively stable and largely predictable. In this environment, where unique power dynamics are at play and where time is becoming a scarce commodity, leaders are increasingly being forced to make important decisions more quickly—which is promising, from a dearth of choice—which is immensely discouraging.

It would be fair to say that many, if not all leaders believe that their employees are their greatest resource. Yet few companies provide opportunities for their greatest resource to meaningfully contribute their ideas to leadership (see research insights below). Instead, time-strapped leadership becomes more invested in “ideas that are readily accessible” (Robinson & Schroeder, 2014), more familiar to them and speak to their comfort zone and industry specific knowledge. Although these leaders could easily tap into the collective creative intelligence of their organizations and access bold, new and unconventional ideas, especially in times of disruption, they do the opposite. They create idea monopolies.

Gatekeepers

One effective way to create an idea monopoly and to discourage creativity is to sustain an environment that limits the number of individuals who can contribute their ideas for consideration (Agbor, 2008). In one knowledge based organization that I completed work for, the new leader was forthright in the view that “If we keep on doing what we’re doing, we’re gonna get the same results.” It was quite encouraging, at first. Implicit in this statement was the compelling need to try different ideas that could yield new and promising outcomes. Unfortunately, inaction was louder than words. Leadership within this organization severely restricted the discussion of new ideas and few if any from outside of leadership were ever considered. Discouragingly and to the detriment of the organization, one leadership team member even referred to themselves as a ‘dream crusher,’ clearly indicating their aversion for new ideas—hardly anything to boast about, let alone be tolerated in an allegedly new idea embracing organization.

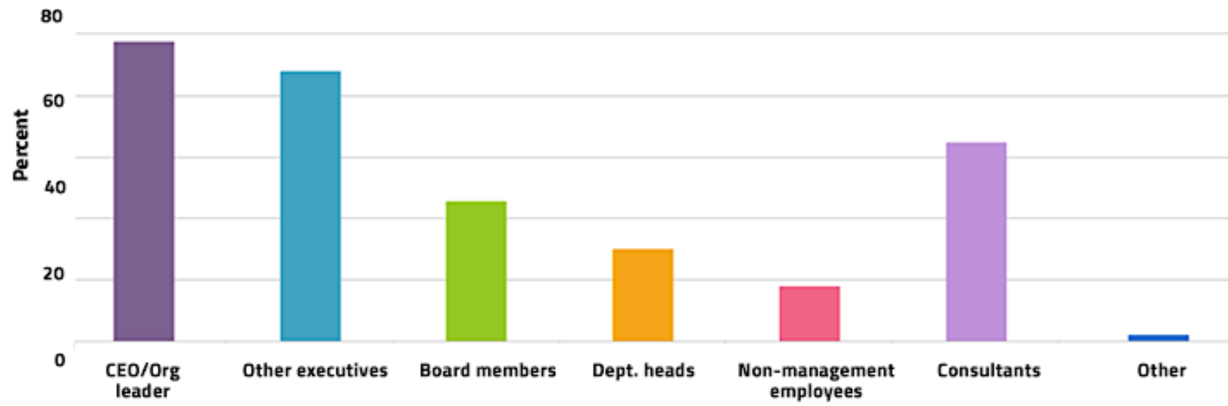
Follow by example

There are of course many exceptions where organizational cultures demonstrate their commitment to creating environments where new ideas can emerge, be shared, challenged and or implemented. 3M and Google are poster children for the notion that frontline ideas can lead to breakthrough thinking and market success (Wells, 2013). Leadership at these companies makes ideation central to their culture and a requirement in their organizational operations. And this culture of promoting a free market of ideas extends to all levels of the organizations, regardless of rank (Robinson & Schroeder, 2014). Employees are in fact required to dedicate a portion of their work time to ideation. De Gues refers to organizations such as 3M, Google and others who embrace and invest in new ideas, approaches and who experiment with alternative perspectives as ‘learning organizations’ (De Geus, 1997). In this context, Capra suggests that “leaders need to recognize emergent novelty...and a culture of fostering emergence must include the freedom to make mistakes” (Capra, 2004). Put another way, failure within learning organizations should be embraced and understood to be a learning experience, where everyone, most notably leadership can grow from. Amabile (1988) also supports this view and stresses that “to enhance creativity, there should always be a safety net below the people who make suggestions” (Amabile, 1988). Conversely, in traditional business thinking, the failure of ideas and strategy for an organization (or more egotistically for a leader) is seen as anathema and something to be avoided at all costs, unless of course it happens to a competitor.

Market insights

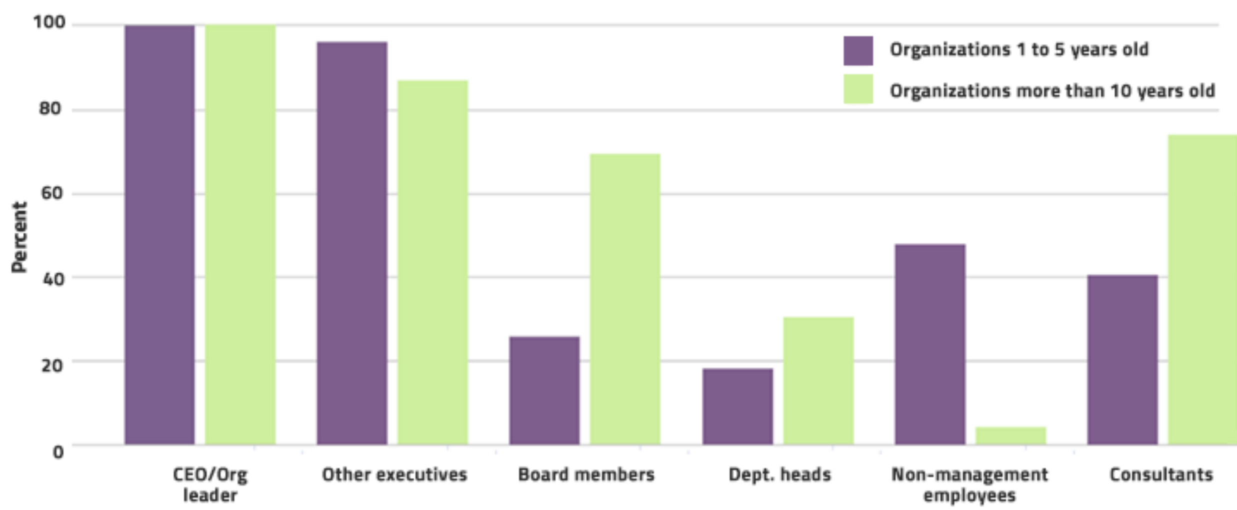
These survey results focused on the inclusivity of strategy development within organizations, where most strategy ideas come from, how and if non-leadership employees are canvassed for their input and ultimately how a finalized strategy is communicated to the larger organization.

Figure 16: What is the typical composition of your strategy planning team? *Aggregate results. Up to 3 responses could be selected.*



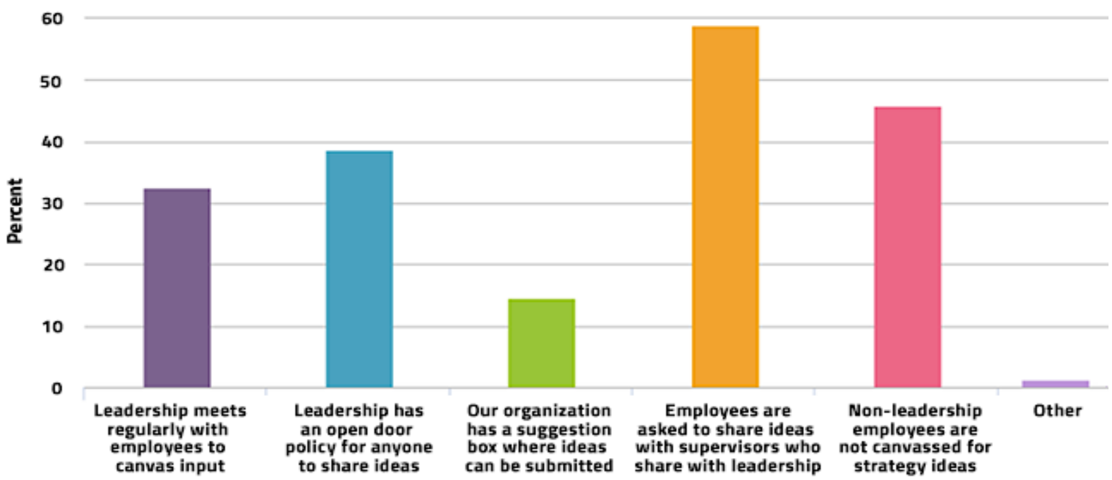
In aggregate and unfiltered results from the survey developed for this paper, most individuals responsible for and/or participating in strategy formulation were limited to the upper echelons of management. This included the company leader according to 98.3% of respondents, other company executives, 89.8% of respondents and consultants who were involved 71.2% of the time. Non-management employee participation came in at a low 13.6%. This varied significantly when the organizations were broken down into age groups. Young companies (1 to 5 years old) were more inclusive of non-management employees as part of the strategy teams.

Figure 17: Strategy team composition. *Younger vs. older organizations. Up to 3 responses could be selected.*



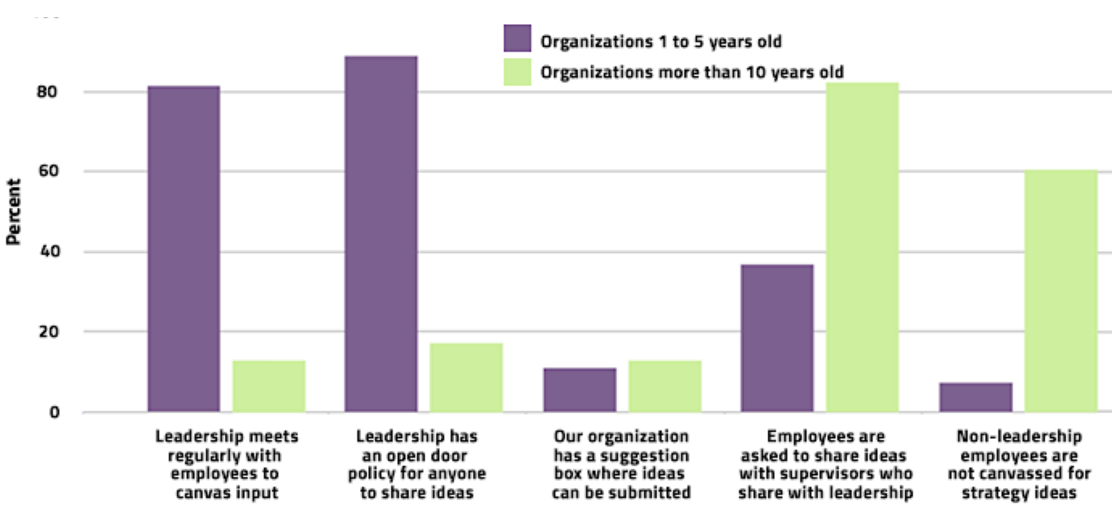
In the same survey, leaders were able to select up to 3 options when asked 'how employees were canvassed for their strategy related ideas'. From aggregate results, 61% indicated that instead, 'employees are asked to provide their ideas to their supervisor which can then filter up to leadership'. This assumes that ideas will filter up to and reach leadership—a potential challenge for larger organizations who have multiple layers of supervisors even before the leadership level. The option that indicated that: 'non-leadership employees are not usually canvassed for their strategy related ideas' received a weighting of 49.2%. Encouragingly, the option where 'leaders regularly meet with employees to canvas their input' received 30.5% and another the choice for 'leaders maintained an open-door policy for employees to directly share their ideas with the leaders received 37.3%.

Figure 18: How are employees canvassed for their strategy related ideas? *Aggregate results. Up to 3 responses could be selected*



Again, once the results were filtered based on organizational age, results shifted significantly

Figure 19: How are employees canvassed for their strategy related ideas? *Segmenting results based on company age*



When leaders were asked where most strategy ideas come from, aggregate results showed that 'Mainly from leadership was the top choice at 47.5%. 'Consultants' consisted of 37.3% and 'balance between consultants and leadership' came in at 44.1%. Non-leadership employees as a source of ideas for strategy was a paltry 3.4%. Although the option 'balanced mix from leadership and other non-leadership employee' received a 32.5% weighting, the aggregate results can be misleading.

Figure 20: Where do most strategy related ideas come from? *Aggregate results. Up to 3 responses could be selected*.

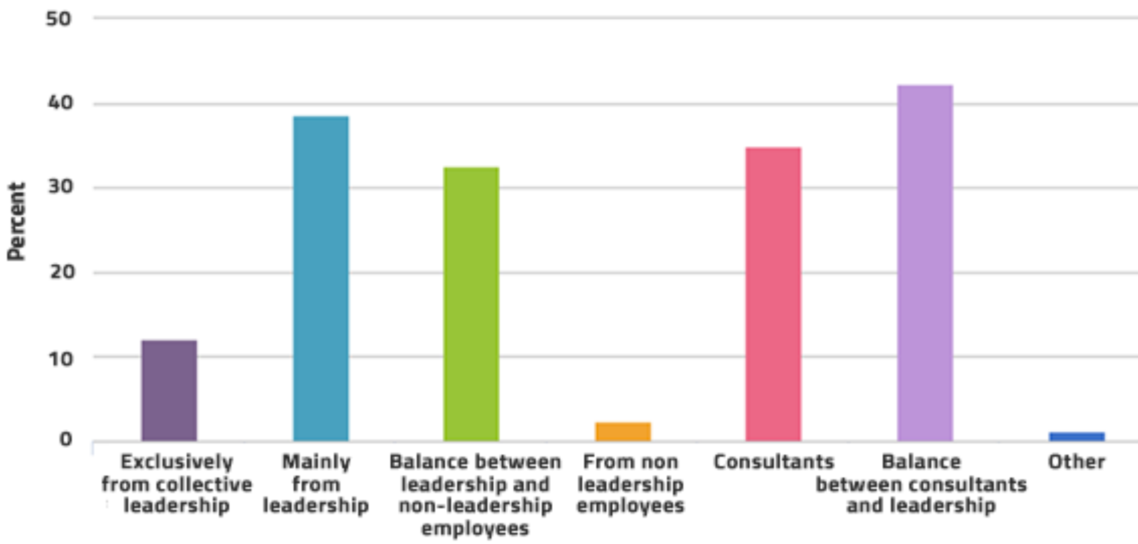
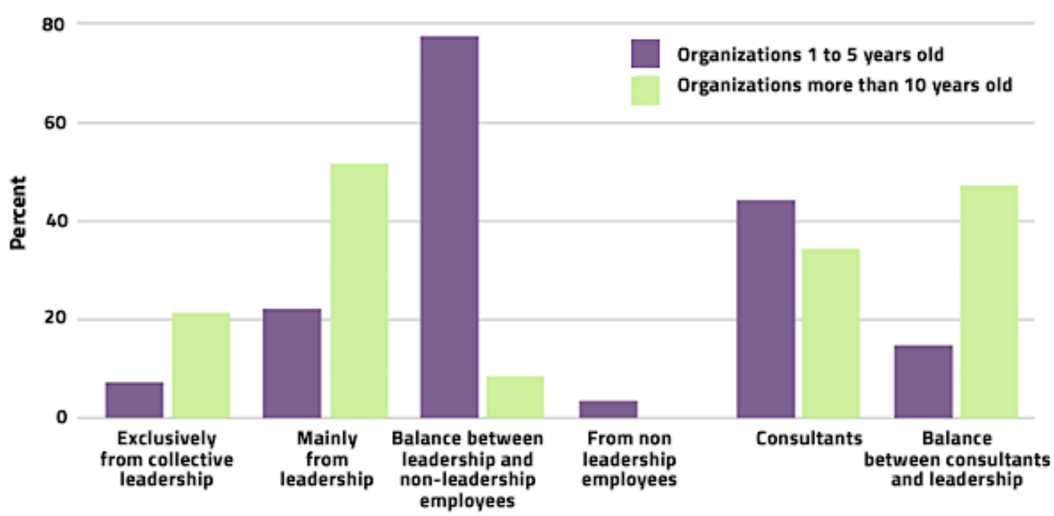
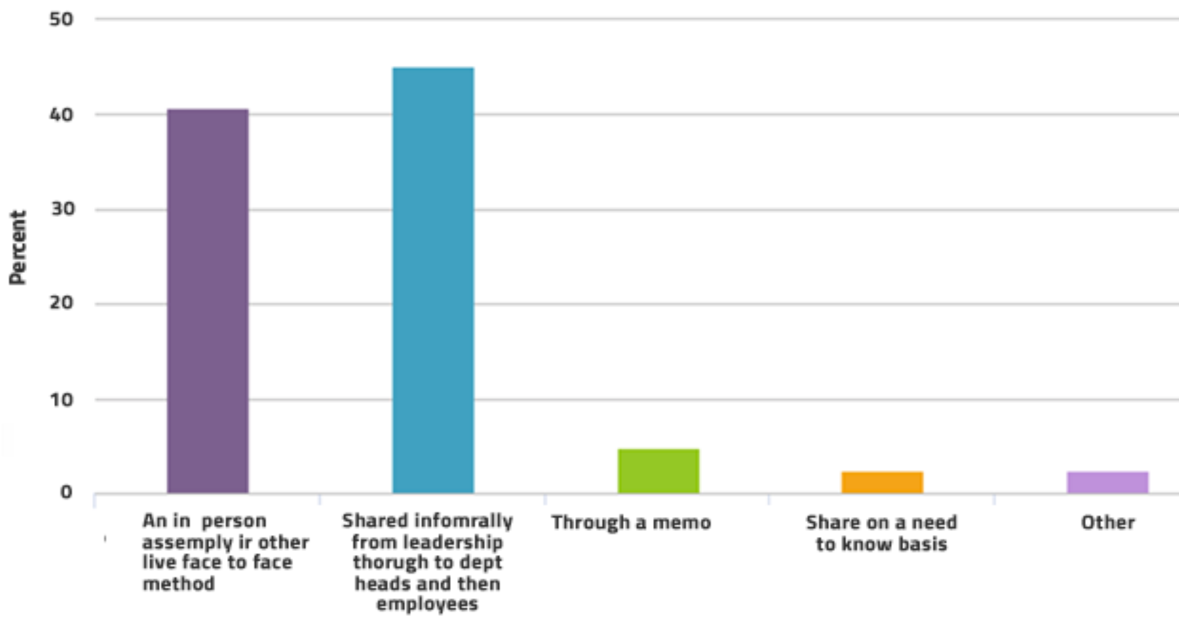


Figure 21: Where do most strategy related ideas come from? *Segmenting results based on company age*



Results indicate that not only are non-leadership employees often excluded from strategy planning either through participating or being canvassed for ideas, leaders in many organizations do not directly share the strategy that was developed with employees and instead rely on supervisors to deliver the message.

<u>Figure 22: How is organizational strategy communicated to the organization?</u> *Aggregate results*



The largest group of leaders, 44% of respondents did not communicate their organization's strategy and used the 'shared informally' approach versus approximately 40% of leaders who did share their organization's strategy directly. Failure to communicate an organization's strategy directly to the larger organization is a lost opportunity to connect physically, psychologically and emotionally with a broader cross section of employees. This isolation of the leader from his or her organization serves no one.

Perhaps most notable of the results was from the following question asked to both leaders and to non-leadership employees. The perspectives of each group are polar opposites, suggesting a massive disconnect between leadership and non-leadership employees.

Figure 23: In your opinion, when asked the question: "Do you have a good opportunity to contribute your ideas to the organization?" how would most non-leadership employees respond?

Creative possibilities

Van Dijk contends that "most companies underline innovation in their strategy but fail to fully utilize the creativity of their employees" (Van Dijk & Van Den Ende, 2002). Today's leaders need not miss such a great opportunity—one that comes with such little cost to embrace yet with great potential cost when ignored. As timelines collapse and as incumbents respond to new market entrants who have disruptive business models often unconstrained by industry norm, leadership will require more ideas, not less. And these ideas will need to be laterally and creatively diverse that challenge present-day perspectives that are increasingly inadequate to deal with unpredictable and emerging disruptions.

Instead of remaining idea monopolies, today's disruption focused leaders must be catalysts to create safe (Amabile, 1988) and open environments for their employees and their ideas. Tucker stresses that ideation and "innovation must involve everyone" (Tucker, 2002). In doing so, leaders can enrich their decision making and organizational strategies with new and unconventional perspective from all areas of the firm—allowing them to better confront market threats and to exploit new opportunities. Organizations that embrace idea diversity and encourage employee exploration and experimentation often develop into flourishing "learning organizations" (De Geus, 1997). As a result, these idea-rich and idea-embracing entities become inherently more resilient and better adapted to market volatility (Capra, 2004)—improving not only the odds of survival but increasing the likelihood of future market success.

"To win in the marketplace you must first win in the workplace."

—Doug Conant

Pattern 4: The Disenchanted Forest

In an extensive Harvard Business Review Survey on employee engagement (2013), 71% of leaders who participated ranked employee engagement as very important to achieving overall organizational success. Yet only 24% of respondents say employees in their organization are highly engaged. High employee engagement is often considered the holy grail by many organizations (Fuller & Shikaloff, 2017). “Organizations are spending hundreds of millions of dollars on employee engagement programs,” (Morgan, 2017) and it’s rather obvious why they do. Harter, chief scientist at Gallup Research states that “Engaged employees are more attentive and vigilant. They look out for the needs of their coworkers and the overall enterprise, because they personally ‘own’ the result of their work and that of the organization” (Baldoni, 2013). Having highly engaged staff would be viewed as a tremendous resource by any organization yet engagement scores for organizations remain dismal (Morgan, 2017). One would think that contemporary business rhetoric espousing the critical importance that employees play within an organization’s success would have translated into more meaningful organizational action in turn resulting in remarkably higher engagement scores across the corporate world. It hasn’t. "After years of telling corporate citizens to 'trust the system', many companies must relearn instead to trust their people and encourage them to use neglected creative capacities in order to tap the most potent economic stimulus of all: idea power" (Kanter, 1984).

Definitions and dissonance

Employee engagement as a concept was first introduced by William Kahn who wrote about employees and their ability (or inability) to utilize their full self at work (Kahn,1990). He pressed three important pillars of engagement: meaningfulness of the work, the safety of the work without the risk of negative consequence and availability, the ability to be present both physically and mentally at any moment at work (Kahn,1990). The concept of employee engagement has been widely researched since Kahn’s introduction, yet it is an area of study that lacks a consensus view (Truss, Alfes, Delbridge, Shantz, & Soane, 2013). To better understand employee engagement, we need to provide better clarity around its meaning as it applies to this paper. The Merriam-Webster dictionary defines engagement as ‘emotional involvement or commitment’. According to the Chartered Institute of Personnel Development (CIPD) a respected professional association for human resource professionals, engagement is defined as “an internal state of being – both physical, mental and emotional – that brings together earlier concepts of work effort, organizational commitment, job satisfaction…optimal experience” (Employee Engagement & Motivation: Factsheets, CIPD, n.d.). Custom Insight, a leading employee engagement and performance consultancy defines engagement as “the extent to which employees feel passionate about their jobs, are committed to the organization, and put discretionary effort into their work” (What is Employee Engagement?, Custom Insight (n.d.). In order to have a common understanding of the term for this paper, the aforementioned definitions have been distilled into a consolidated one where employee engagement is defined as: a heightened level of interest, emotional involvement and/or commitment to an organization.

Macey’s and Schneider’s respected framework (Macey & Schneider, 2008) on engagement provides a more practical approach to understand the term which can be useful to organizations and their concerns relating to employee motivation, morale and productivity. Macey and Schneider highlight three aspects of engagement that need to be considered: psychological state engagement, behavioral engagement and trait engagement (Macey & Schneider, 2008). Psychological state engagement is evoked feelings of energy, inspiration and attachment which can be demonstrated by a greater emotional level of involvement. A positive or increased psychological of engagement would suggest greater employee morale, commitment and loyalty. Behavioral engagement is characterized by taking self-initiative and action, exhibiting being proactive and being adaptive to situations. Often as a result of and in combination with psychological engagement, behavior based engagement is an outward and tangible expression of a high level of involvement in an employee’s work. Trait engagement characteristics on the other hand are largely innate either making a person predisposed to a particular behavior or attitude (or not). An example might be an employee having a personality that is conscientious or even conversely—stubborn. Macey's and Schneider's model can act as a useful tool for those who are invested to better understand and reframe the dynamics of employee engagement within their organizations.

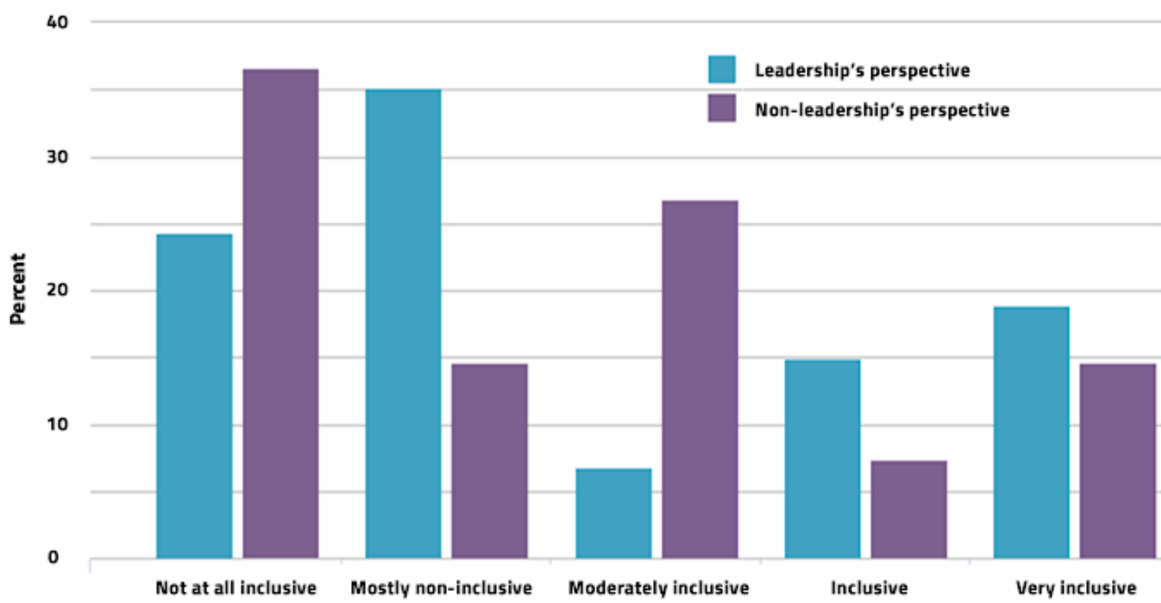
All I need

When it comes to employees being more engaged, what are the factors that drive it? Unsurprisingly, remuneration is typically shown to be a motivator for employees. According to a recent SHRM research report 2014 "sixty percent of employees rated compensation/pay 'very important,'" and 36 percent rated it "important," making it the top contributor to overall employee job satisfaction" (Miller, 2014). But research also indicates that remuneration is not the only major motivator affecting levels of engagement. Sejits and Crim (2006) refer to the critical importance of clarity of purpose for employees and employees expect their leaders to be able to share and convey it. Purpose according to Thomas (2009), not only helps guide organizations in their strategic actions but it helps employees to understand how they and their work fit into the purpose. Mourkogiannis stresses the importance of a "shared purpose" and community (Mourkogiannis, 2014) a view also embraced by Seijits and Crim who posit that having such a community or environment where employees can contribute, collaborate and be congratulated (Seijts & Crim, 2006) is a significant factor for raising employee engagement and job satisfaction. If we were to refer to the Macey and Schneider model relating to engagement, one can easily surmise that leadership, based on the aforementioned contributors to engagement has a direct role to play in its employees' psychological state and behavioral engagement (Macey & Schneider, 2008). By creating an organizational environment where feelings of energy, inspiration and attachment are increased, this *can* by extension lead to positive behavioral engagement where employees take self-initiative and exhibit being proactive and adaptive to pressing market situations. The challenge of course is for leaders to create such environments where purpose is clearly shared with the organizations and where employees feel like they are included in a shared community and environment that allows them to contribute meaningfully to the organization. Research collected for this paper indicates behavior and perception gaps between leaders and their employees and the possible opportunities leaders can address to bridge them.

Market insights:

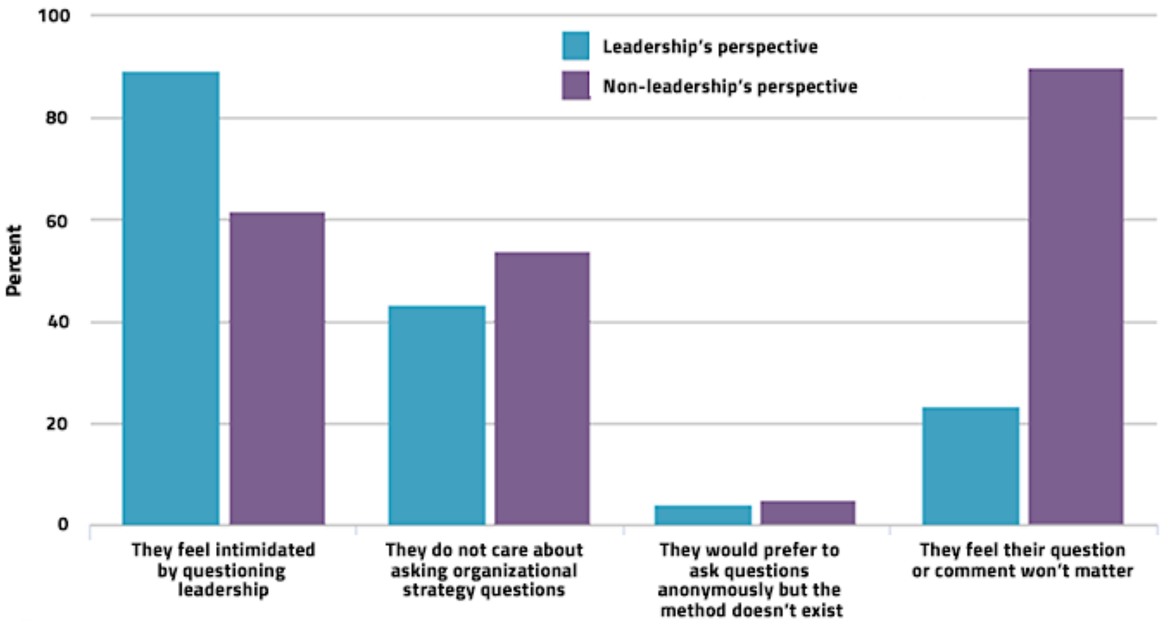
For the following survey results, 55 non-leadership employees participated. 74 senior leaders are also represented.

Figure 24: In your opinion, how inclusive is your organization's strategic planning process to include non-leadership employees in the strategic planning process?



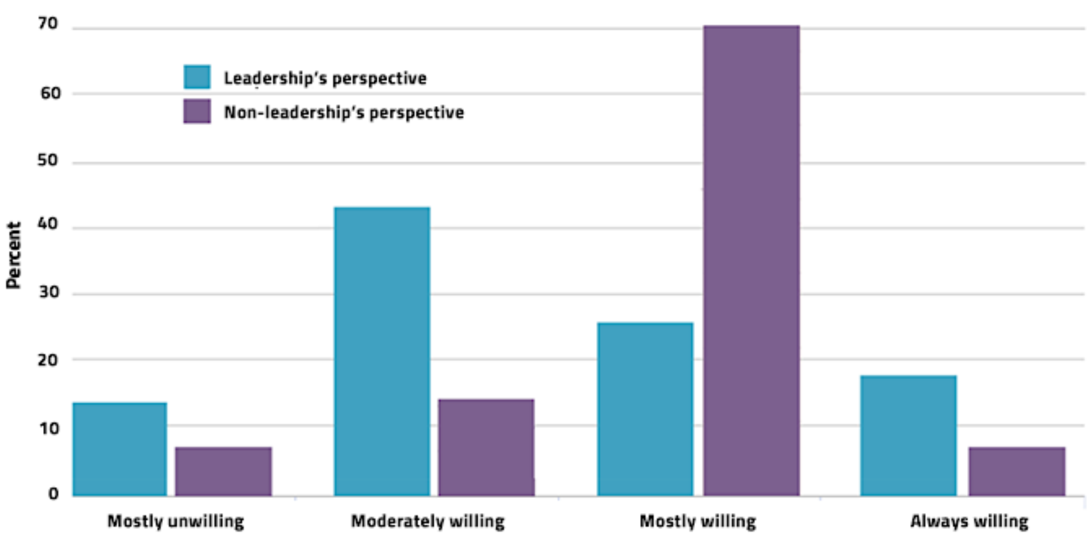
Both leadership and non-leadership employees agree that the strategy planning process for the company is largely not inclusive to non-leadership participation. This should be worrying as Baldoni (2013) indicates that lack of meaningful employee participation in company direction is considered to be a factor in employee disengagement.

Figure 25: Why might a non-leadership employee refrain from asking questions to leadership about the organization's strategy? *Up to 3 responses could be selected*.



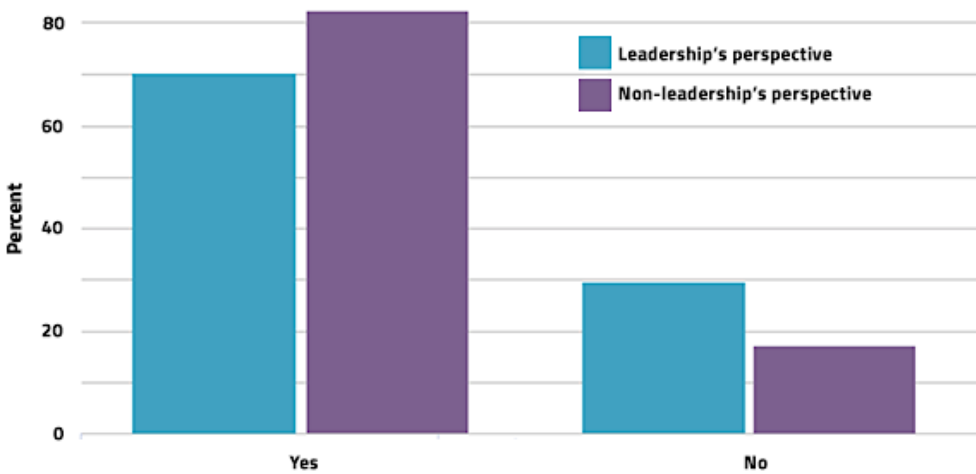
Whereas leaders are more likely to believe that employees may be intimidated to ask leadership questions about their strategy, employees are more likely to believe that their question or comment will not mater. This disconnect could result from employees' general assessment that there may be lack of meaningful discussion with leadership, or the lack of channels with which to do so.

Figure 26: In your opinion, how willing are non-leadership employees to contribute their strategic ideas (e.g. for innovation, growth, cost savings, marketing, etc.) to leadership?



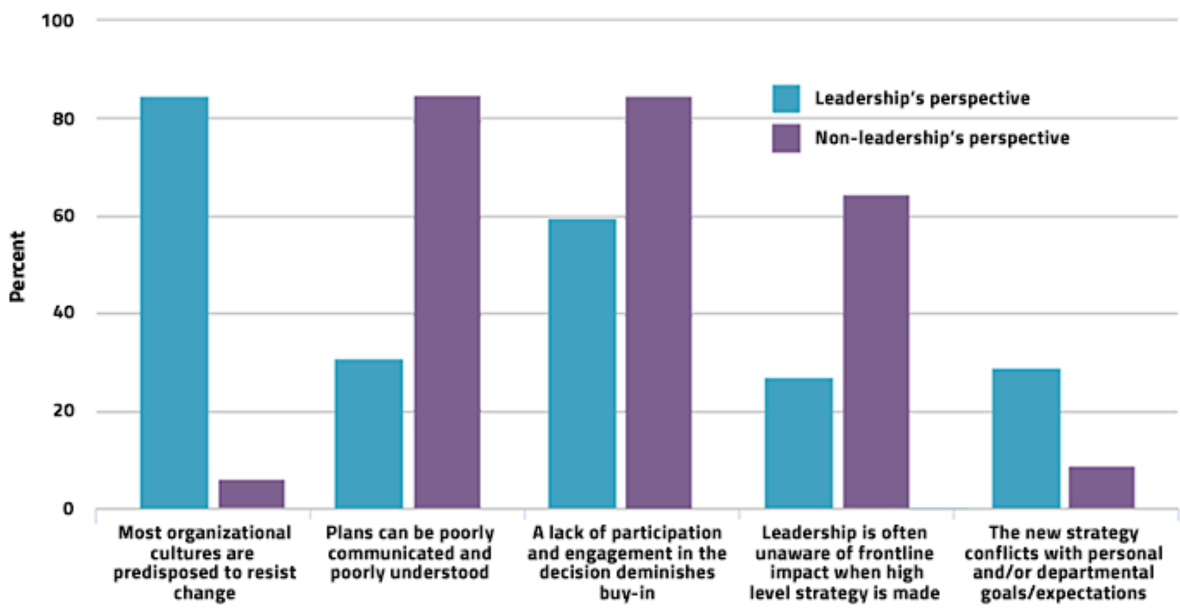
Employees seem more willing to contribute than leaders give them credit for. When combined with the perception that their comments to leadership won't matter, this may discourage even willing employees from contributing.

Figure 27: Have you witnessed pushback (from non-leadership employees) when trying to implement your organization's strategic plan?



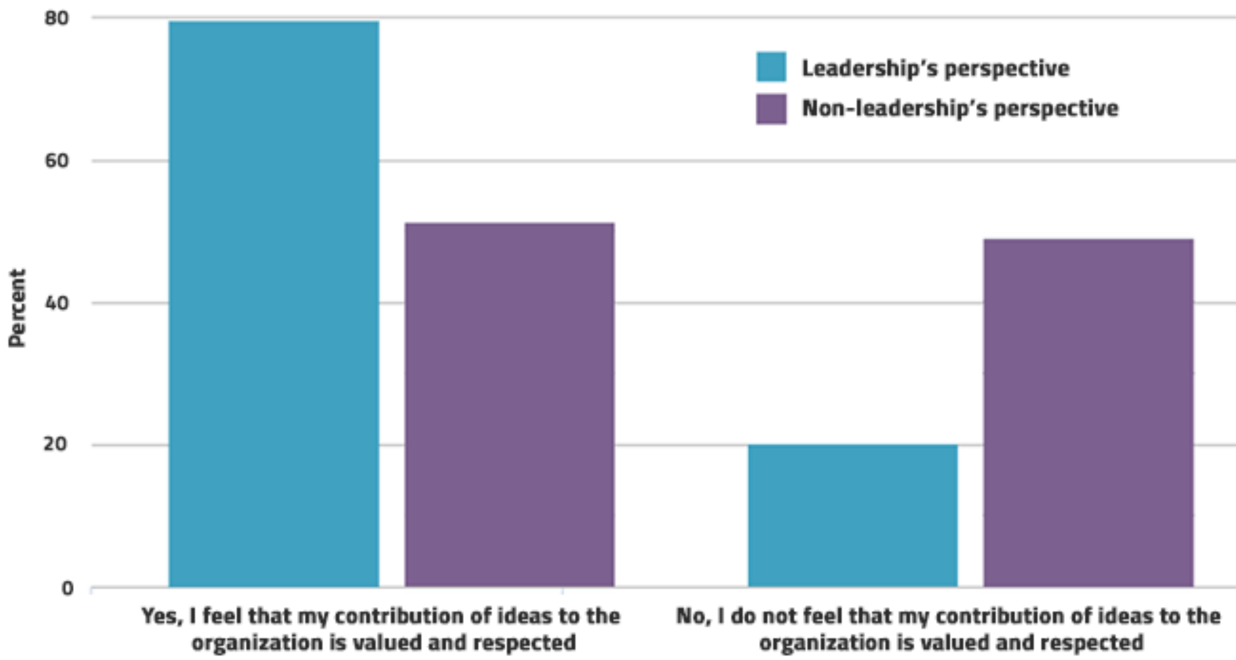
Both groups indicated by large majorities that they have witnessed organizational pushback to an organization's strategic plan. Leaders may have responded to only the pushback that they have seen or were aware of while responses from non-leadership employees may include pushback behaviour that was not visible to leaders.

<u>Figure 28: If so, why do you think this happens?</u> *Up to 3 options could be selected.*



The results from this question were telling. Leaders were overwhelmingly likely to base employee resistance upon the inherent nature of organizations to be resistant to change. That contrasted significantly with employees who indicated that most pushback came from poorly communicated strategy and lack of participation and engagement with strategy development. These results indicate that leaders may not be aware that resistance is caused by communication and engagement issues therefor making resistance a potentially continuing problem, when it could be addressed by a better engagement strategy.

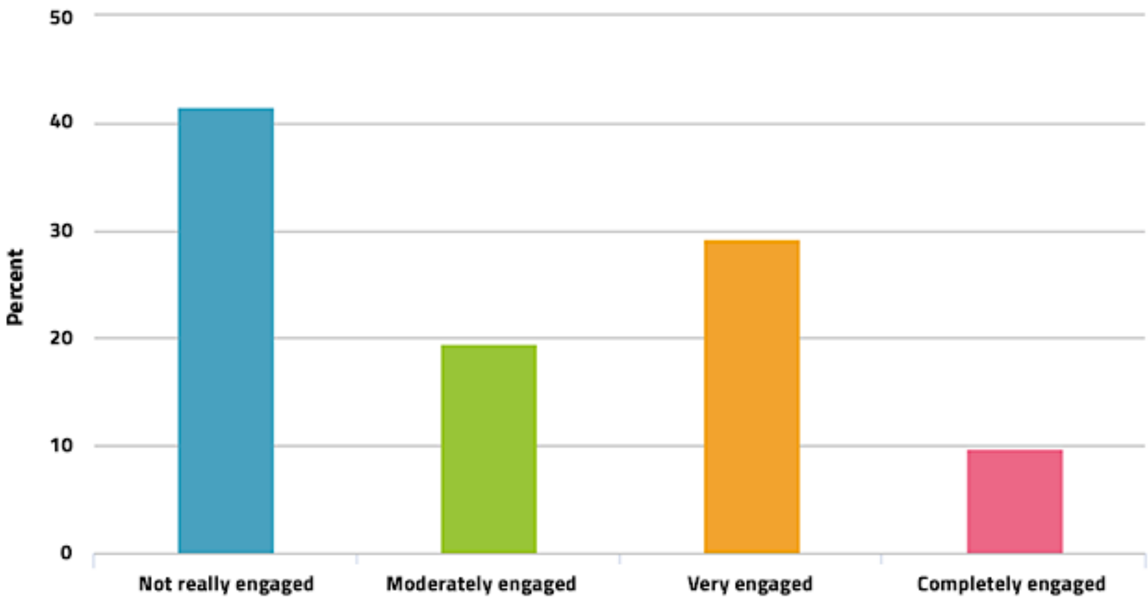
Figure 29: In your opinion, when asked the question: "Do you feel that your contribution of ideas to the organization is valued and respected?" how would most non-leadership employees respond?



The results from this question are striking. Even though most employees indicated that they had a good opportunity to contribute their ideas, half of employees indicated that their ideas were not valued or respected. This should be of concern to leaders. If leaders believe that venues for contribution are sufficient for employees to be engaged, a lack of meaningful contribution makes the ability to contribute a moot point.

A final question relating to employee engagement was asked only of non-leadership employees:

<u>Figure 30: How engaged do you feel with your organization's strategic direction?</u> *Non-leadership employees only*



Despite results that indicate most employees were moderately to highly engaged, a significant 40% of non-leadership employees are 'not really engaged' with their organization's strategic direction. This should be worryingly high as a significant portion of employees may not be operating at their full productive capacity and may lack a psychological and behavioral commitment to their organizations' strategic direction. These insights indicate that organizations need to improve employee engagement and that much works needs to be done.

Challenge and opportunities

The state of engagement in the larger business world, as measured by Gallup (Crabtree & Gallup, 2013) is even lower. As the survey research for this paper illustrates there is a clearly discernable 'engagement disconnect' between leadership and non-leadership employees. Despite the contemporary rhetoric amongst leaders espousing the critical importance of employee engagement, the responsibility of measuring and enhancing it often falls upon the human resources, a department that many employees can view with suspicion (Whitener, 1997) and even "derision" (Bowen & Bowen, 2014). According to a Harvard Business Review survey on employee engagement, less than 50% of companies measure employee engagement against performance ("The Impact of Employee Engagement," 2013).

Employee engagement can lead to 22% higher productivity (Baldoni, 2013). Krugman defines productivity as a ratio between the output volume and the volume of inputs (Krugman, 1994). Put another way, employee productivity is an assessment of how much work or output an employee can produce per hour of effort. Higher productivity means that employees can produce more in the same amount of time. This becomes more cost efficient for organizations as they achieve more for the same amount of labour cost. By extension, employees and organizations can become more agile when critical work (such as the implementation of disruption response strategies) can be completed and implemented in less time.

Engagement reframed

That engaged employees are generally more attentive invested and helpful to others in the organization is no longer up for serious debate (Baldoni, 2013). In these organizations "people want to come to work, understand their jobs, and know how their work contributes to the success of the organization (Baldoni, 2013). In essence, engaged employees can become psychologically and behaviorally (Macey & Schneider, 2008) committed to the organization, its strategies and the implementation of a company's goals—assuming that they were provided a meaningful opportunity to do so (Seijts & Crim, 2006).

When an organization is being disrupted and a rapid response is required, productive and engaged employees are tremendous assets. As the foot soldiers of implementation, engaged employees are less likely to pushback on organizational strategy and execution and can allow an organization to respond more quickly to disruption. This resulting agility can also make the organization more resilient to unpredictable market shifts and to the scarcity of time. One could say that engagement is essential to organizational agility and conversely, disengagement can be a tremendous disadvantage. To increase employee engagement levels, leadership should look to establish an environment where employees can meaningfully contribute their ideas while creating a culture of collaboration relating to important issues and market challenges facing the organization. In creating this type of environment that canvasses the creative intelligence of the organization, leadership has access to not only to the diverse ideas of their human talent, it also invites employee buy-in, commitment and investment into the organization. Pragmatic leaders today who are operating in an increasingly time-strapped and turbulent business world would be wise to recognize the critical importance of engagement and to nurture and enhance it to their strategic market advantage.

Section 3: Insights and Implications

A new way forward

This paper is premised on helping businesses to become more future resilient. It aims to help them become better at survival and to help them transition to and maintain market success in an increasingly disruptive landscape—one that is placing even the most established and experienced market leaders at significant risk.

In the recent past, how established and young businesses approached strategy planning was remarkably different from one another. Established businesses benefited from their significant resources, both financial and time and were able to embrace modern foresight and traditional strategic planning processes both of which relied on the abundant availability of time. Small businesses on the other hand lacked the resources and the luxury of time to undergo significant future planning and have been inherently reactive. Their focus was and continues to bound to the present and on the need for survival.

The future, today, has moved from being a long-term strategic point of reference for many organizational leaders to a newer and more imminent reality forcing business leaders to contend with ever shortening timeframes which by default favours near-time response over long view planning. This development places a significant question mark about the relevance of modern foresight, a 'long view' practice and its place in an increasingly short-term world.

The need for new (and more) horizons

Modern foresight's current focus on the long view is increasingly becoming inadequate for a marketplace with collapsing timelines where players need to respond in a timeframe that is incongruent with current foresight practice. Additionally, modern foresight has been notably absent for smaller and younger organizations whose priorities and timelines are completely misaligned to those that are explored in modern foresight practice. Yet it is with these younger and smaller organizations that foresight could make its most impact, helping the bulk of Canadian and indeed North American companies better grasp and respond to the future—assisting them in market survival and success. In this rapidly evolving marketplace, younger, smaller as well as established organizations can benefit from a 'shorter term' foresight tool that is ideally optimized for time scarce and rapidly unpredictable environments.

In the same breath, current foresight practitioners could argue, with a subtext of irony and merit, that with such increased and accelerating focus on the short-term, the importance of a longer-term future planning becomes amplified and ever more critical. This point of view should not be overlooked. Despite the increased focus of organizations to survive the present day, reaching the future will be the primary metric for organizational survival and success. Balancing the needs of today's short-term planning with the prudence of preparing for a longer-term desired future requires both the organization and modern foresight to embrace multiple horizons to address the specific needs relative to today and tomorrow. With a realignment of market conditions and the relative inadequacy of current modern foresight tools to this new landscape, foresight practice has a tremendous opportunity to develop new and additional tools to help younger and/or short-term minded companies manage the present while graduating them into longer term future planning.

The need for speed

Each of the disruptive patterns mentioned in the previous section referenced the importance of speed in today's marketplace. Whether it is increased speed required to make strategic decisions or the impact that the exclusion or inclusion of employees in strategy development can have on how rapidly an organization can implement its plans, speed and agility are critical factors for market success, both now and into the future. Organizations will need to adjust to a new timecode where the ability to operate quickly in a time-constrained environment will become a critical strategic and competitive advantage.

The need for emergence

If anything, accelerating market shifts and increasing disruptions, particularly from players from outside of existing markets will press organizations to embrace more dynamic strategies, whether they want to or not. Established businesses have traditionally relied on fixed assumptions of the future laying out deliberate and often inflexible strategies that took considerable time to develop. Instead, they will need to be increasingly adaptive in their strategy and be flexible and nimble to change when assumptions about the market go awry—as they so often do. Tied to this is the need for organizations to shift from a sequential, time intensive strategy development and closed process to one that is more inclusive, flexible and dynamic. Smaller and younger businesses need to emerge from a solely present-day focused mindset and develop capability to peer into tomorrow. Established businesses in turn need to decouple themselves from time intensive planning and long term horizons and be better prepared for a disruptive and shorter term future.

The need for new perspectives

Organizational leaders also need to be aware of the impact of diminishing timelines on their consideration set of ideas, the pool of strategic options available to them from which to make critical decisions. A lack of time may force a leader to limit ideas for consideration. In pursuing a process of expediency to manage their limited time, a leader may be confirming their own strategic bias limiting their options and perspectives to their own past experiences and assumptions. Absent from this consideration may be unique perspectives from across the organization, especially those from the front line who can provide a more holistic if not more nuanced view of the immediate and emerging realities of the market, a view that can only be attained if one is actively engaging with it. Canvassing and embracing the collective and creative intelligence of their organization can positively impact employee engagement levels and buy-in which can significantly increase productivity. This can in turn reduce the amount of time it can take for leadership to respond to market disruption and implement their response strategies in the market.

The need for ambidexterity

Despite significant evidence that points to collapsing product delivery timelines and organizational life spans it would be reckless for organizations to absolve themselves of the future and not plan for it. It is critically important from a strategic perspective for an organization to establish both short term goals as well as longer term ones. Although the prime directive for any organization is to survive (short term goal) it is their ultimate objective to win and achieve continuing market success (long term goal). Maintaining this dual approach and outlook is what is referred to as organizational ambidexterity. The concept of organizational ambidexterity describes the capability of an organization to balance deliberate and emergent approaches to strategy at the same time (O'Reilly & Tushman, 2013). March (1991) refers to organizational ambidexterity as "the exploration of new possibilities and the exploitation of old certainties". Nieto-Rodriguez (2014) frames organizational dexterity as being able to 'run the business' in the present and being able to "change the business" to exploit new opportunities—simultaneously. Whether an organization's horizon is short term or long term, each organization must survive today in order to be ready for tomorrow. A perpetual state of survival mode can make an organization more resilient and responsive to immediate threats. However, without a horizon beyond the present, it can impede the planning and investment needed for achieving future goals and market success. Today, many smaller and younger organizations lack such ability to do so. Their outlook can be enhanced with a future planning tool that is aligned to both their present focused circumstance while providing the ability to explore and build capacity to adapt and to explore unpredictable futures. Even more established organizations who have the luxury of resources to be more ambidextrous can benefit from such a tool—one which could help them to better adjust to a present-focused mindset and operate more nimbly within collapsing future timelines.

Foresight reframed

Based on significant market shifts and the impact on product development, delivery, and organizational timelines, modern foresight needs to be adapted to meet the contemporary needs of businesses in today's disruptive marketplace. One way to approach how foresight might be adapted is to use methods that marketers do to better align and develop products to serve the changing needs of their customers. Marketing can be considered a business-focused social science whose primary purpose is to help organizations reach, fulfill and satisfy the needs and wants of customers. More specifically, The Chartered Institute of Marketing (CIM, n.d.) refers to marketing as the management process for identifying, anticipating and satisfying customer requirements profitably. Like other disciplines, marketing has many frameworks, mental models and concepts for each facet of the field. Two such commonly used frameworks are: life stage marketing and product portfolio management.

Every step of the way

Life stage marketing is a concept that is widely used by marketers to ensure long term customer value for a business' bottom line. Essentially, life stage marketing means that the marketer is able to meet the unique needs of its customer with appropriate products as customer needs change through key milestones or stages in their lives. Car companies use this marketing model to their full advantage. For example, a university student may be targeted with an inexpensive and fuel efficient subcompact car to meet the need for affordable and reliable transportation—on a budget. After graduation, this new professional may embrace a sportier model to reflect their new earning power and lifestyle aspirations. Once married, a new couple can be matched with a versatile hatchback, perfect for road trips, shopping and groceries. Afterwards, a growing family can be presented with a minivan with enough space and storage to comfortably accommodate several children and related family gear. At each milestone, the car company has a unique product offering for the customer, to keep them as lifelong customers. If we were to use life stage marketing when looking to adapt foresight, it would mean that there would be a different type of foresight for young businesses and the offering would change as companies grew older. Yet life stage marketing on its own would be problematic as it wouldn't fully align to trends affecting today's established and older businesses whose life stages are in flux and whose needs are increasingly converging with those of younger organizations.

Something for everyone

Product portfolio management is another marketing framework whereby companies serve each segment of their market with a product that is specific to the needs of that segment. Although similar to life stage marketing, product portfolio management is age agnostic. In other words, product portfolio management aligns products to the *contextual* needs of the market segments, not age alone—if at all. Aircraft manufacturers use product portfolio management as a framework with which to develop new airplanes for emerging needs in the industry. Boeing for example has an extensive portfolio of aircraft suitable for a variety of purposes whether customers are seeking a specific aircraft for range, passenger capacity, fuel efficiency and/or based on the density or frequency of the routes to be served. Having a broad portfolio of product enables Boeing to service a broader range of the market. Conversely, if Boeing had only one type of aircraft, its product would remain unsuitable for vast portions of the market whose needs would go unfulfilled.

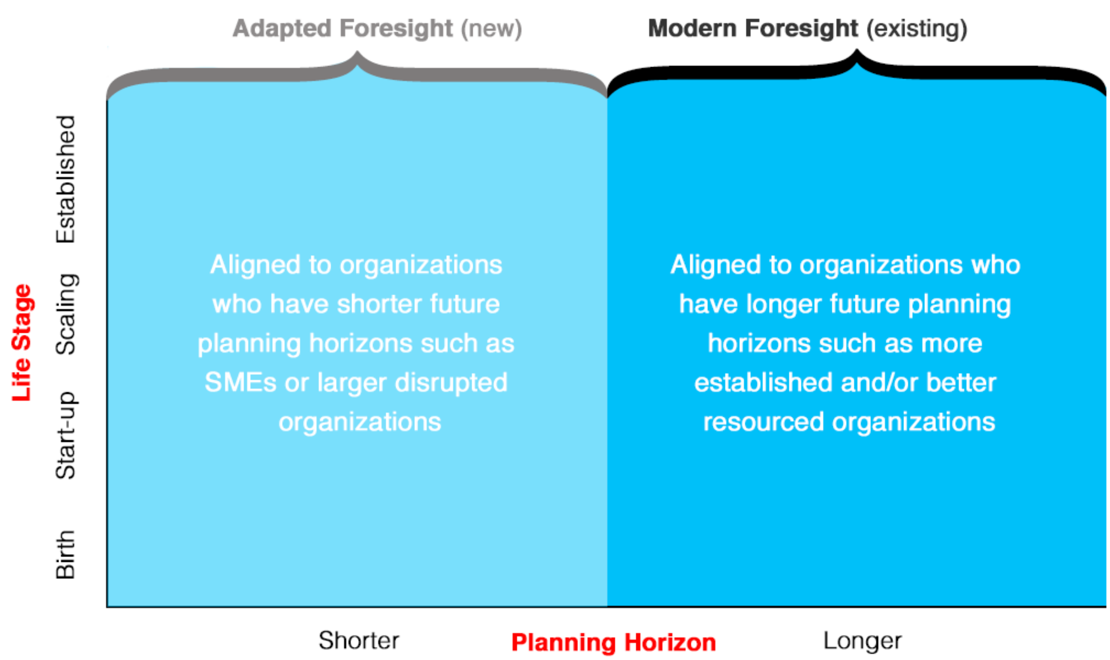
Best of breed

What if foresight could be adapted by combining both a life stage marketing and product portfolio management approach to "identify, anticipate and satisfy customer requirements" (CIM, n.d.)? In other words, what if there could be more than one type of foresight, each type targeting a horizon for future planning whether this is based on an organization's life stage or market specific need? Having two foresight approaches can be a powerful way for foresight to expand it accessibility and impact to a broader range of organizations. This would be particularly beneficial to younger and smaller businesses who up until this point were excluded from the benefits of modern foresight which have been largely aligned to more resource and time rich organizations. Existing foresight approaches can continue to be used by more established companies or by any company who wishes to explore and plan for longer horizons. This new 'adapted foresight' tool can be used by any organization, young or established who operate within time constrained environments and shorter future horizons.

Complementary not competitive

Figure 31 shows where both modern foresight and adapted foresight can operate to serve the future planning needs of an organization.

Figure 31: Two Forms of Foresight



Adapted foresight could be considered an exploratory form of foresight which is more "outward bound" (European Commission, n.d.) where it begins with the present and moves forward to the future "to maintain a constant state of preparedness" (Nikolova, 2013). On the other hand, Modern foresight has normative characteristics and is more "inward bound" where it starts with a preliminary view of a possible (often a desirable) future or set of futures and then plans backwards to see if and how these might futures might or might not grow out of the present (European Commission, n.d.).

Having two types of foresight approaches provides an organization with choice and allows it to migrate from one foresight approach to another based on their current needs, market circumstances and desired future horizons. By having a presence in both short term and longer-term planning horizons, foresight can become a futures practice that is more comprehensive in its market reach. As a result, foresight can become more flexible, dynamic and better aligned to the fluctuating characteristics of a volatile and accelerating marketplace.

Section 4: Playing to Win

True innovation and disruption happen outside of the accepted playing field, outside of the court, outside of the battleground. Disruption breaches the field and changes the game.

—Tony Curl

Gaming the future

If a new adapted foresight game tool is to be developed, what would this look like, what form would it take and how exactly would it be used? To better address and answer these questions, a list of essential elements was developed.

Disruption ready and bottom line impact

An adapted foresight tool must be able to address the key disruptive patterns that are affecting organizations today; patterns that have contributed to the increasing misalignment of modern foresight to the strategic needs of organizations facing rapidly and increasingly occurring disruption. Organizations must also consider the potential financial impact of these market disruption patterns upon their bottom line:

1. <u>Tomorrow Today</u>: The tool will need to help businesses better navigate the collapse of organizational and product development timelines

   Bottom line impact: Being mindful of collapsing organizational lifespans and product development timelines can allow organizations to make strategic investments that are more aligned to shorter term market shifts. Instead of making investments into time intensive activities and processes, and ones that focus on far future returns, organizations can strategically economize and conserve cashflow and allocate resources to opportunities and risks that are more immediate.

2. <u>Fast-Fast</u>: The tool will need to help build capacity, skill and muscle memory for leadership and other stakeholders to make faster yet effective decisions in the face of rapid market shifts and compressed timelines

Bottom line impact: In the business world, time is money and the more time it takes to make decisions, the more resources are wasted and the higher the risk that the opportunity can slip away, or Even more perilous is that risks can amplify should a response to disruption not be heeded quickly.

3. The Idea Monopoly: The tool will need to provide a more inclusive and collaborative environment to help reverse the absence of a broader, more unconventional and organizationally diverse set of ideas available to leadership,

Bottom line impact: Currently, the business world is operating in the knowledge economy where the power of ideas drives organizational opportunity and success. An organization that limits itself from idea capital and potentially market breakthrough ideas, is at a severe disadvantage. Furthermore, the deliberate exclusion of ideas from across the organization can have an impact on job satisfaction, employee engagement and productivity.

4. The Disenchanted Forest: The tool will need to offer non-leadership employees a meaningful opportunity for participation, ideation and collaboration. This could improve engagement levels, productivity and as a result potentially enhance the speed at which organizations develop and implement disruption and future planning strategies.

Bottom line impact: Employee disengagement costs organizations billions per year. The lack of emotional and psychological commitment to an organization can be traced to several factors which include the inability of employees to understand their purpose within an organization, the inability to contribute their ideas meaningfully to the organization and the lack of collaboration and recognition on ideas that were offered. More explicitly, disengagement reduces employee productivity and increases the cost of getting work done. Disengagement can also lead to greater employee resistance to leadership strategies and can slowdown the implementation of strategies needed to quickly respond to market disruption.

Desired characteristics

More specifically, the tool must be able to:

- Provide a safe discussion and collaboration venue where creativity and conversation is provoked by all participants
- Simulate an environment with time constraints that mimics restricted planning horizons
- Accelerate the speed of decision making and enhance organizational agility when facing disruption
- Simulate random and unpredictable disruptions
- Be a participatory, inclusive and co-generative process that embrace an organization's collective creative intelligence
- Create a space for unrestricted ideation and brainstorming
- Create a venue for non-leadership employees and leadership to communicate, engage, share and collaborate
- Represent a place for a diversity of perspectives within a safe and risk free space
- Create an environment where power dynamics can be minimized and where the opportunity to contribute, discuss and share is equal for all.
- The game needs to be small in physical size making it mobile and easily transported.
- The game should be able to be played without a facilitator required to lead the gameplay experience although the game should be flexible enough to allow for a facilitator to lead

When the desired essential elements and desired characteristics of an adapted foresight were examined, it was determined that only an experiential type tool such as a game could provide the features, functions and outcomes that were required. The final prototype of the game that was developed for this paper and to be used as an adapted foresight tool incorporates the 4 disruptive patterns facing organizations as well as the key desired characteristics of the game that were listed in the previous pages. The final prototype will be discussed in this section. The iterative design process that lead to the final prototype of the game is detailed in the section Methodology 2: Gameplay. Elements of the game, which provide greater insight into the game experience are also included in the Appendix.

The game is called Disruption 180. The name specifically addresses the challenges organizations face with disruption. The 180 component reflects two things. First, all rounds within the game (there are five) are played in 3 minute sprints (180 seconds). Secondly, the end result of developing creative ideas in the face of rapid disruption can shift participants' perspectives to achieve a new 180-degree view and market lens.

Designing for success

Alongside the need for organizations to address the 4 disruptive patterns and to have the desired features of the game, what other key elements are required when designing a successful and engaging game?

Dempsey et al defined a game as “a set of activities involving one or more players with goals, constraints, payoffs, and consequences” (Dempsey, Haynes, Lucassen, & Casey, 2002). If one was to embrace this definition, players, goals, constraints, payoffs and consequences would need to be addressed. Macklin and Sharp contend that a successful game addresses the following basic elements:

“1. **Goals**: The outcome players try to achieve through their play, whether they be measurable or purely experiential

2. **Actions**: The activities players carry out in pursuit of the game’s goals

3. **Rules**: Instructions for how the game works

4. **Objects**: The things players use to achieve the games rules

5. **Playspace**: The space, defined by the rules, on which the game is played

6. **Players**: The operators of the game” (Macklin & Sharp, 2016)

Goals

This game is an adapted foresight tool to help organizations contend with an unpredictable near-time future. It tests participants’ abilities to react quickly, frequently and collaboratively to develop strategies to protect and enhance the organization survival and future success in the face of rapid and frequent disruptions.

This game is a team based *business simulation card game.* It mimics a time scarce business environment that is undergoing constant market shifts. Participants need to collaborate and develop innovative ideas to strengthen their organization in the face of random disruption and changing business models—and must do so quickly to adapt and benefit from these market challenges. The teams challenge their own creativity and capacity to react to disruption. They do not compete against other teams.

<u>*Note:*</u> *Determining whether the game in fact contributes to organizational resiliency is not easily measurable. Nor could one make a direct correlation between playing the game (or not) and a resulting impact, if any, on an organization's market survival or success. Instead, the game focuses on being an experience activity. It is this episodic and experiential environment that aims to help build greater capacities in agility in response and decision, ideation, collaboration, and organizational engagement—all of which may contribute to organizational resilience in today's disruptive landscape.*

<u>Context of Play</u>

Where and by whom the adapted foresight tool is played can impact the experience (Macklin & Sharp, 2016). It is recommended the when the adapted foresight tool is initially introduced to an organization that a dedicated time and space for playing the game is set aside. When played for the first time, it should be endorsed by leadership as an opportunity for leadership to better connect with the larger organization, to allow for an environment where valuable ideas can be shared and where employees can contribute their unique perspectives to disruption and strategy challenges.

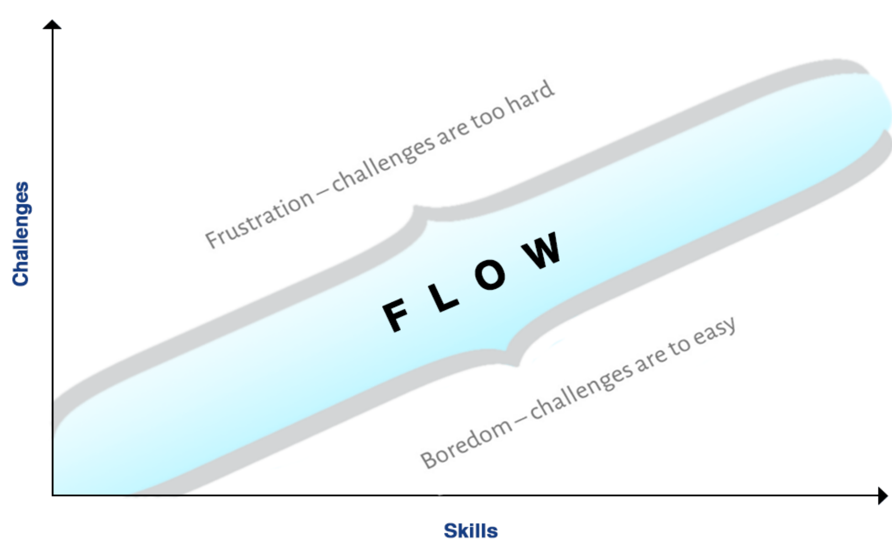
The game can be played simultaneously by a wide number of participants at once, although a large group would be broken down into smaller groups of 3 to 6 with each group consisting of one senior person but no more than one senior leader (where possible). The other members of the team should each represent different departments within the organization.

For maximum engagement, it is recommended that the game be played, ideally, with participants form across the organization. However, the game can also be played within departments and even amongst leadership themselves. Furthermore, the game can even be played by an individual, if desired. The goal remains the same: to build capacity to deal with disruptions in near-time, to help enhance the odds of organizational survival and to help improve organizational resilience.

Challenges

In game play experience, how challenging a game is or not for players is an important factor to successfully reach the game's goals. The level of challenge can determine whether a player becomes engaged and actively participates or becomes disengaged through anxiety or boredom (Macklin & Sharp, 2016). Csikszentmihalyi (1996) contends that in the context of gameplay, there is a very narrow band of engagement that separates players from becoming bored if a game is too easy or becoming anxious if the game is too hard and demands significant skill. This narrow band is often referred by Csikszentmihalyi (1996) as "flow", where a player is in a psychological state of complete engagement in the current experience. To counter boredom in this adapted foresight game, there is enough tension and constant activity which reduces the willingness of the player to withdraw. To limit time driven anxiety related to rapidly occurring challenges within the game, the activities and tension is distributed across the entire team, addressing the challenge as a collaborative effort.

Figure 32: Illustration of Csikszentmihalyi's Flow Concept



Strategy and Uncertainty

The ability to adapt to ambiguity and unpredictability, particularly in a disruptive marketplace is a key skill to have and to further develop. The concepts of strategy and uncertainty in the design of this game directly challenges players to react and craft strategic responses to unpredictable events during very short time periods of gameplay. Having players demonstrate and hone their strategy skills within a gameplay environment of random and unforeseeable events is key to the goal of the game to help develop organizational resilience.

Actions

The player's activity in a game to reach the game's objectives can be referred to as actions (Macklin & Sharp, 2016). In this adapted foresight game, the primary action is for the team to discuss and strategize a response to disruptions which may include catastrophic or existential threats, changes in conditions in the marketplace, challenges from competitors or the development of a new product and/or service. In each case, participants will be challenged to protect and enhance their organizations by focusing on the three areas of the business as espoused by the Treacy and Wiersema model (Treacy & Wiersema, 1993):

1. Product excellence,
2. Operational excellence, and
3. Customer intimacy excellence

In addition to the disruptions they encounter they will also be asked to learn from other industry model that can help them overcome the disruption while strengthening their products, operations and customer relationships (Treacy & Wiersema, 1993). Specific gameplay details are located below in the Rules section.

Constraints

The actions of a player in any game is limited by deliberately designed constraints intended to manage the challenge of the game. Constraints when designed properly contribute to the state of low. Too few constraints and the game can be boring. Too many and the game can become too challenging. Within this adapted foresight tool, there are 3 key constraints:

1. *Time*

   In each round of game play (there are 5), participants must develop new ways to counter or exploit disruption within a 3-minute time span. The reason for using time as a constraint is the need for organizations to be more agile and nimble in their decision making.

2. *Immediacy*

   Participants need to be in constant thinking about the immediate disruption at hand and must shift any long term thinking and biases that they may have into shorter term ideas and strategies.

3. *Unfamiliarity*

   The game will not include business cases to improving the client's/participants' own organization and business model. Instead, participants will be using business cases far removed from that of their own organizations. The reason for this is to reduce knowledge imbalances that would exist within the organization about the organization. Another reason for this constraint is to reduce power dynamics or the 'expert mentality' where it is essential to 'overcome the disciplinary narrow mindedness of the specialist" (Nikolova, 2013) or a senior person on the team who may assume a position of authority and limit contribution of ideas and strategies.

Objects

This game consists of 5 game objects:

1. A business case: There are many business cases developed for the game. In a game, a team receives a single business case that provides information about a single business and it current circumstance
2. A game sheet: A game sheet is like a scorecard but instead, teams collect and record their ideas onto the game sheet.
3. Disruption cards: These cards are randomly drawn during the rounds in the game and reflect an unforeseeable disruption that teams must respond to.
4. Innovation cards: These cards provide examples of other business models from outside of the current business case's industry so that participants can ideate and innovate new approaches to disruptions by using industry external solutions
5. Inspiration cards: These cards can be accessed by the team at any time during the game rounds to help them overcome frustration that can occur by a lack of ideas or the pressure of time. These cards list best practices that have been used across industries and they attempt to provide inspiration for conversations and ideas to unfold.

Rules

As the instructions for the game, the rules have significant impact on the gameplay experience. Each team is given a business case and a game sheet to be used for the duration of the entire game. The business case is unique to all players so that no one has an inherent knowledge or experience advantage over others on the team.

1. If the team perceives there to be information gaps and/or have unresolved questions about the business case, they can collectively agree to add their own assumptions about the business case to fill in these gaps.
2. The business case title and descriptor line must be documented on the game sheet before the game rounds begin. This captures critical details of the business case in case the game sheet is revisited in the future.

3. Each team member's name and department is also recorded on the game sheet. This game sheet serves as the team's 'ideation archive' of contribution and can be photocopied and distributed to each team member after the game is completed. By recording the names on the game sheet, leaders and others across the organization will be able to recognize and credit teams for their specific contribution of ideas.
4. The is a single business case per game. A business case cannot be changed once the game has begun.
5. Before gameplay begins, each team has 10 minutes to review and to discuss the business case
6. A designated team member sets an electronic timer (such as on a cellphone) to 3 minutes and upon approval from the team, begins the countdown. Please note that there should not be a timekeeper. Once the time is set and begins, everyone needs to participate equally.
7. Each round of gameplay begins with drawing a single disruption card and placing it face up so that every team member can see it and examine it. A disruption card cannot be exchanged for another card during that round of play—there is only one disruption per round of play.
8. Immediately after drawing a disruption card, the team draws a single innovation card from which to generate ideas to help overcome come the impact of the disruption card. This card is placed face up and next to the disruption card.
9. During each round, there must be constant activity. If conversation or ideas are exhausted, another innovation card can be drawn—and as many as necessary (one at a time) until the round is over. Alternatively, an inspiration card(s) may be drawn to stimulate ideation.
10. Each round of gameplay lasts 180 seconds (3 minutes) during which strategies against disruption are developed by the team. There are 5 rounds within a game.
11. Once the timer finishes, the team has a 3-minute break between each round which they can use to have a quick discussion and review, clarify and/or combine then ideas and then record them onto the game sheet before the next round begins

12. Each round must be documented using the game board and must list the disruption card and innovation card(s) found as well as the ideas generated during that round. Inspiration cards that may have been used do not need to be recorded.
13. Everyone on the team must contribute to idea generation in every round.
14. Ideas can be combined with one another but no ideas can be dismissed except by the contributing team member who can withdraw their own idea.
15. Once all 5 rounds of the game are complete, each team has 10 minutes to determine the top 4 unconventional ideas related to improving: Product/service leadership, operational excellence and customer intimacy (Treacy & Wiersema, 1993). Teams will then record these onto the game sheet.
16. If the game is facilitator lead, this provides an opportunity for discussion with the larger group. Otherwise, an informal discussion amongst team members can take place.
17. At the end of the game and/or discussion, one team member will make copies of the game sheet to distribute to each team member for their reference.

<u>Note:</u> *Ideas that are generated by the team do not need to be fully developed. There is insufficient time for that. Team members should also be careful to not be fully constrained by the present constraints of the organization within the business case card. Strictly limiting ideation by participants to the organization's current circumstances can limit the exploration of exciting and unconventional ideas to contend with disruption.*

Playspace

Playspace is defined as the space, defined by the rules, on which the game is played (Macklin & Sharp, 2016). By strict definition, this would be the game sheet where ideas are collected. However, a more comprehensive perspective would be to create a "space of possibility" (Salen, Tekinbaş, & Zimmerman, 2004) within the game that aside from its challenges and constraints provides a venue where innumerable ideas and strategies can be generated. The combination of the cards that are listed in the Object section allow for innumerable permutations and outcomes for repeated gameplay, each generating unique results. However, it is the imagination and collaboration of the participants that drive a vast space of possibility in the huddles and discussions that occurs beyond what is recorded on the game sheet.

When the testing workshops were run for the iterative versions of the games, the playspace also included the provision of easels, markers, index cards and sticky notes where players could first generate ideas before placing them onto the game sheet. In a game such as Disruption 180 where open dialogue, participation and the contributions of ideas are key, the playspace both physically and emotionally must be an environment that allows people to feel unconstrained, even though there are deliberate constraints and challenges built into the game. Testing workshops also revealed that teams wanted abundant physical space away from other teams so they would not be distracted.

Participation not decision making

It is important to note that the playspace, aside from being a session for gameplay to occur, should also be considered a starting point for creative emergence to begin. Cultural transformation will not magically appear nor occur immediately. However, with regular gameplay, the game can help encourage cross organizational participation, discussion and collaboration all of which are important to help organizations confront the impact of the 4 market disruption patterns. It should also be noted that incorporating the game as a tool for engagement and ideation should not imply taking away decision making from leadership, nor opening it up to the larger organization. Rather, the game should expose leadership to the organization and vice versa where leadership can appreciate, co-generate with and recognize non-leadership employee participation and ideation in a manner that is integrated and welcomed into the organization’s problem solving.

Players

It cannot be overstated that players within a game make the game. Without players, the game is a construct void of activity and outcomes. The players in organizations consist of leaders and non-leadership employees. Each of them are critical to the success of the business. However, as the section Patterns at Play illustrated, disconnect between organizational players can lead to profound miscommunication and misunderstanding that can negatively impact and even imperil an organization's performance. Knowing that idea monopolies are rampant within organizations and that they contribute heavily to employee disengagement levels, it is important to ensure providing a game environment for players that supports all players and encourages their ability to contribute, collaborate and be congratulated (Seijts & Crim, 2006)—in a safe and risk-free game environment (Amabile, 1998).

Based on game testing and insights from the survey created for this paper, a team playing the game should be composed of:

1. One senior leader who is coached ahead of time to allow discussion amongst all team members to take place
2. One manager who does not report to the senior leader and preferably works in a different department
3. The three remaining team members should be non-leadership and non-management roles representing different departments within the organization

This approach will allow for the emergence of a broad cross-section of ideas from across the organization and allow the full potential of an organization's creative intelligence to be represented. In smaller organizations with far fewer employees, players from different areas should be mixed and placed on different teams being mindful of how many leaders are on a team.

Time for Time

It might be ironic to suggest that busy leaders who are already pressed for time to make time for gameplay. The recommended commitment of time for gameplay in the organization is 3 hours per quarter or put another way, 12 hours per year. It could be time well spent. Twelve hours can harness the creative intelligence of the organization to surface solutions for critical market challenges. Twelve hours of gameplay can also boost employee morale, buy-in, emotional attachment and productivity which in turn can increase the speed (and reduce output costs) at which engaged workers do their jobs and implement creative solutions to market strategies.

Methodology

Preface

For an academic paper and game about a non-academically indigenous topic such as business disruption, I had to be careful to ensure that the research that was collected did not rely principally upon academic sources. The rationale was simple. Most academic scholars aren't business leaders (Bennis and O'Toole, 2005).

As a result, and to provide a more comprehensive approach to my research, relevant academic references were balanced with business practitioners from the private sector. Business practitioners include business leaders, consultants, employees, organizational psychologists, game designers as well as references from my own 17 years of experience as a marketing and strategy consultant.

This section consists of 2 separate methodologies.
<u>Methodology 1</u>: Outlines the methodology used to gather secondary and primary research (in the form of a survey) for Parts 1, 2 and 3.

<u>Methodology 2</u>: Outlines the research activities and methods used in the development of the adapted foresight game tool including the iterative prototyping and testing of the game.

Methodology 1: Setting the stage: Adapted Foresight

This methodology covers research methods used to develop insights for the following sections:

<u>Part 1: You are here</u>

This methodology was used to discover more information on how organizations approached Strategy planning, disruption and future planning.

<u>Part 2: Patterns at Play</u>

This methodology was used to collect more information about 4 emerging market patterns:

1. Tomorrow Today
2. Fast-Fast
3. The Idea Monopoly
4. The Disenchanted Forest

The methodology in 'Research Structure 1' had 3 components:

Step 1: Secondary Research: Literature Review,

Step 2: Primary Research: Online Questionnaires, and

Step 3: Additional readings during the writing of the paper to enhance and support concepts introduced in the paper.

Step 1: Secondary Research: Literature Review:

Information on strategic and growth planning, foresight, change management, disruption, collective creative intelligence and employee engagement was accessed and reviewed. An extensive literature review of academic papers, books and published articles were accessed helped to develop an argument and to formulate the research question. The literature was also used as references cited in this paper. All sources are listed in the bibliography.

Step 2: Primary Research: Online Questionnaires

Online questionnaire details

1. Three separate anonymous 59 question online surveys were developed, one for each of the three clearly defined groups that were targeted. The three groups were: leaders of organizations, consultants/experts who advised leadership and non-leadership employees. More information on each group is available in the 'Target Participant Group Characteristics' section. Please see below.
2. The survey was developed using Survey Gizmo and Google Forms and included an electronic consent form that was required to be agreed to by the participant prior to beginning the survey. Participants could withdraw consent and participation at any time prior to submitting their results. Participant responses were recorded anonymously and once submitted, there was no way to withdraw their participation.
3. On average, the survey took 9 to 13 minutes to complete.
4. The questions were designed to gain organization and participation centric insights into the 4 disruptive market patterns: Tomorrow Today, Fast-Fast, The Idea Monopoly and the Disenchanted Forest.
5. Within this context, the survey asked specific questions relating to disruption and disruption readiness, strategy formulation, strategy team composition, future planning, strategy timelines and implementation, the canvassing of employees for ideas, employee engagement questions and questions relating to contingency planning.
6. These questions were preceded by questions relating to demographic information about the organization (such as size, revenue, age of organization, etc.) and about the individual participants (such as gender, age, role, current length of employment, experience level, etc.). Participants were given the option to decline responding to questions (prefer not to say) related to gender, age and other personal characteristics.

7. Survey participants from each of the 3 groups received identical questions, except for 4 questions that were tailored to each group, mostly specific to their respective roles in the organization. Identical questions were asked to see if there would be significant deviation of answers.
8. The survey was deployed from August 15, 2018 until December 31, 2018 using my own LinkedIn network and the LinkedIn networks of colleagues and the colleagues of colleagues. Participants from four conference at the Toronto Trade and Convention Centre were also asked to complete the survey. In addition, participants at various start-up and innovation groups such as at the Ryerson Start-up School and DMZ completed the survey.
9. Initially, 100 participants were sought. 394 participants responded. Only 245 participants fully completed the survey. 144 of these respondents were from North America (the United States and Canada). Another 85 of the respondents were from Far East Asia (China, Hong Kong, Singapore, Malaysia and Indonesia), India and the Middle East (Turkey, Egypt, Saudi Arabia and the UAE). The remaining 16 respondents were from disparate areas such as Latin America, Oceania, Africa and Europe). To avoid significant variance in the results, final survey findings were limited to North American respondents only. The reason for this was to select respondents who worked in a similar business culture where business etiquette, cultural frames of references, language and business terms and similar business trends were consistent. This decision was also supported by the overwhelming presence of North American research sources (both academic and business experts) that were cited in the paper.
10. Of the 144 selected respondents, leaders of organizations formed 51%, 10.4% of respondents were consultants/experts and the remaining 38% were non-leadership employees.
11. The surveys specific to each participant group is located in the Appendix.

Target Participant Group Characteristics

Leaders of organizations*

The first participant group were leaders of companies/organizations who had a broad set of experiences working for organizations at various stages of growth. The questionnaire sought to access more information about an organization's strategic planning and employee engagement environment from the perspective of leadership.

Consultants/experts*

The second participant group was consultants/experts who are working/have worked for many organizations at various stages of growth. This questionnaire sought to access more information about an organization's strategic planning and employee engagement environment from an outsider's view.

Non-leadership employees*

The third participant group was non-leadership employees. Since employee disengagement was a key emerging disruptive pattern, it became obvious that it was necessary to get feedback from employees. This questionnaire assessed the impact of strategy formulation upon employee engagement. This provided a critical employee lens that was necessary as employee participation was deemed to be critical to provide a more diverse set of ideas and to implement an organization's strategy

**At the end of the survey, all participants had the option of providing their name, role, company and contact information so that they could be contacted for follow-up, if necessary. In doing so, participants would reveal themselves to the researcher, although the survey was designed to ensure that the participant's responses would remain anonymous from the researcher whether they provided their name or contact information.*

Research Data and Caveats

1. Results were cross tabbed and examined which revealed some unique insights which are detailed in Part 1 and Part 2 of this paper
   a. **Data findings.** All key insights are listed in their relevant sections within the subsection 'Market Insights'.
   b. **Characteristics.** The age of a company had significant impact on results and represented significant deviations from aggregate results. Findings based on these characteristic differences were detailed in each relevant section, where appropriate. Aggregate results were also shown so that the characteristic differences could be better illustrated as deviations from aggregate results
      i. Young organizations were much faster in developing strategies and more likely to have an ever-evolving approach. They were also significantly less likely to plan for the future and had much higher levels of engagement. Young organizations were those between 1 to 5 years of age.
      ii. Older and established organizations typically exhibited longer strategy development times and had longer planning horizons and lower levels of engagement. Older organizations were 10 years or older.
      iii. Various combinations of these characteristics and across more granular data was examined but not presented because of the sheer amount of data and to manage the scope of the project
2. **Exclusion of participation groups**. To manage the scope of the project, results from the consultant participants were not included in the findings presented within the paper. The consultant group was not considered essential although the results from this group would have reinforced engagement gaps between the two other participant groups: leaders and non-leadership employees. If presented, the perspectives of the consultants overwhelmingly aligned with those of employees indicating that leaders, at least in results for this paper, were largely insulated in their

views and disconnected from the perspectives of their employees, as it related to engagement related questions.

3. **Present Term Results.** The questionnaires developed for this section was used to collect results from the present term. They do not include any results of having played the foresight game

Step 3: Additional Readings

Additional readings were also researched during the writing of this paper to gain a broader understanding of the concepts within the paper and to cite references from more current sources that emerged during the writing of this paper (ones that had not been published during the initial literature review several years ago). A total list of readings referenced in this paper are listed in the bibliography.

Methodology 2: Gameplay

The research methods use for the creation and testing of the game included 5 components:

1. Literature review
2. Game design and gameplay workshops
3. Incorporating Patterns at Play results
4. Iterative game development and testing

Literature review

Significant readings related to games, gameplay, and game mechanics were assessed. A literature review of academic papers, books and published articles related to participative and collaborative design, creative intelligence and employee engagement were analyzed to help provide structure to and inform the design of the games. The literature was also used as references cited in this paper. All sources are listed in the bibliography.

Game design and gameplay workshops

Between April 2018 and January 2019, I participated in several design conferences, game design, gameplay and game facilitation workshops. These included:

<u>Fauc Play workshop and certification from GloComNet, April 2018</u>:

I attended a workshop developed by GloComNet based in the Netherlands to learn more about the Fauc Play business simulation game framework whose premise was to help organizations navigate ambiguity. During this workshop, I became a certified facilitator for the game.

C2 business and design conference, May 2018:

I won a national student competition that provided me free entry to the C2 conference held every year in Montreal. Fusing design and creativity, this conference brought together many creative professionals including game designers and design thinkers. I could network and gain insights from the many workshops that combined design and business thinking that helped organizations to develop more compelling strategies for the marketplace.

Makestorming and Nod-A Game Designers, May 2018

I attended a game design seminar hosted by Makestorming, an organization that uses gameplay to help organizations break through organizational barriers, to improve designing for business excellence and to stimulate organizational creativity. This provided insight into how others approach game design focused on ideation targeting market disruptions and opportunities

401 Games, game nights and game developer series, April 2018 to January 2019

For approximately 9 months, I attended game nights at 401 Games and was a participant/ observer in a variety of games including role playing, strategy, entertainment and simulation games. This allowed me to better understand games, game dynamics and to gain insight on success factors for games. I was also exposed to their game design workshops and resources.

Patterns at Play results

The insights gained from exploring the 4 disruptive trends detailed in Patterns at Play: Tomorrow Today, Fast-Fast, The Idea Monopoly and The Disenchanted Forest and the survey results that illuminated these trends within organizations, formed the foundation for the creation of this game. In fact, Patterns at play was a necessary and summative research component to help justify the development of this formative game development process. Patterns at Play directly informed the goals, challenges, rules, player activity and overall experience of the game.

Iterative Game Design

Several prototypes were developed that lead to the current version of the game. Each prototype that was designed and tested yielded important insights that help inform and improve the subsequent prototype. Each prototype had the same form and goal.

The form was a card game that simulated a real-world business environment that was characterized by rapid disruption. This form was deliberately chosen because such a game could be portable and played anywhere, by anyone without the need for elaborate game pieces (objects) nor a steep learning curve.

The goals for each was to build capacity for agility and rapid response (Tomorrow Today and Fast-Fast) to organizational disruption helping organizations to survive the near term so that they can improve and/or maintain their success in the long term. Since the Idea Monopoly and the Disenchanted forest was so prevalent amongst organizations, each prototype espoused a collaborative team play environment where the experience of practicing disruption response was the primary outcome in a non-competitive environment.

Prototype 1: October 2018

This prototype was developed to be more fully aligned with modern foresight practice with scenarios as the desired post game play outcomes.

Participants:

Included 2 teams of 5 personal and professional colleagues from my business network. Participants included 2 senior leaders, with the rest being managers and non-leadership employees. Each of the participants was from different industries and organizations.

Key Game characteristics:

1. The game required a facilitator to lead the workshop. This was led by me. Having a facilitator was deemed necessary to explain the purpose of the workshop as well as to conduct a debrief after.
2. Players were required to develop finished 'disruption resilience' scenario at the end of the game as artifacts of the game.
3. Each team was given a hypothetical business case and a series of disruptions to address *per turn* in the game.
4. Instead of using a simpler Treacy and Wiersema business model, the Osterwalder Business Model Canvas was used as the game sheet and participants were asked to enhance the business based on this canvas.
5. Users were constrained to 4 rounds of gameplay. Teams had 15 minutes per round to respond to a disruption and to update the business canvas.

Observations:

1. Having a facilitator based delivery model limited the accessibility and the portability of the game
2. Developing scenarios at the end of the game play proved to be divisive and not cooperative with team members failing to agree on the ideas/content on the business canvas. Disagreement and strife diminished and reduced a positive impression of the experience and encumbered the intended collaborative environment that was a key desired characteristic for the game.
3. The Osterwalder (2010) business model canvas in a game environment proved to be complex. Half of the participants were not familiar with it and needed to be educated which took significant time and bored those who were already aware of the canvas.
4. Since the business model canvas was complex to fill out and the time per round was constrained to 15 minutes, this caused frustration for team members because they felt they were unable to complete the tasks in the period allotted. They felt that there were too many tasks.
5. Participants increasingly became disengaged as each subsequent round was played and this was due to a combined complexity of deliverables and the lack of time to deliver.

6. Overall, participants thought the entire game play and each session were too long. By the time everyone was made aware of the business model canvas, plus the 60 minutes of gameplay and the end discussion, many players had become disengaged and frustrated.

Prototype 2: January 2019

This prototype was informed by the insights from Prototype 1. This prototype was still aligned with modern foresight practice with scenarios as the desired outcomes but with some notable changes.

Participants:

Included 2 teams of 3 individuals from a local charity. Participants included 1 senior manager, 1 board member and 4 non-leadership employees from the same charity

Key Game characteristics:

1. The game still required a facilitator to lead the workshop. This was still led by me. Having a facilitator was still deemed necessary to explain the purpose of the workshop as well as to conduct a debrief after.
2. The business case used was the organization's own business model and not one that was hypothetical and external to the organization.
3. Each team was given only one disruptions to address *per turn* in the game.
4. Players were required to develop a finished 'disruption resilience' scenario by the end of the game as artifacts of the game
5. The Treacy and Wiersema business model, replaced the Osterwalder (2010) business model canvas and new game sheet was developed. Since the Treacy and Wiersema model focused on only 3 elements of the organization, there were less deliverables to complete.
6. Users were given a detailed written set of rules to review and to follow and to better explain the game. This was to test to see if game play could occur without a facilitator.

7. Users were still constrained to 4 rounds of gameplay. This time teams had 5 minutes per round to respond to a disruption and to enhance their organization based on the Treacy and Wiersema model.

Observations:

1. Having a set of written rules substantially reduced the amount of questions and the game occurred in a largely independent manner where groups took initiative to play the game.
2. Developing scenarios at the end of the game play still proved to be divisive and with team members failing to agree on the outcomes. I felt that this was attributable to leaders invoking the senior level positions and expertise to the detriment of a more democratized playspace. Also, there were vested positions in the organization and every person on the teams had varying and entrenched views on how things should be done.
3. The Treacy and Wiersema model was a very simple and easy model to comprehend which accelerated how fast ideas could be generated and how quickly tasks could be completed.
4. Since the game sheet was adjusted to the Treacy Wiersema model, it was less imposing and arduous to complete.
5. Participants were more engaged, at first, compared to the experience of observing participants testing Prototype 1. However, frustration and disengagement did occur because of power dynamics created by leaders who invoked the privilege of hierarchy which limited conversation and contribution from certain non-leadership employees
6. Overall, participants thought the entire game play was manageable.

Prototype 3: March 2019

This prototype was informed by the insights from Prototype 1 and 2. This prototype moved further away from modern foresight practice and eliminated end of game scenario development.

Participants:

Included business colleagues and friends 2 teams of 4 individuals. Participants included 1 senior leader, 1 board member, 1 senior manager, and 4 non-leadership employees each from different organizations

Key Game characteristics:

1. The game still required a facilitator to lead the workshop. This was led by me. I needed to explain the purpose of the workshop as well as to conduct a debrief after.
2. A unique business case used was developed specifically for this group. Knowing each participant, I developed a business case for an organizations and industry that was new to everyone participating.
3. Each team was given only one disruptions to address *per turn* in the game as this proved to be well received in Prototype 2
4. An end scenario was eliminated for a variety of reasons. The end scenario led to significant conflict in the previous two prototypes. It was decided that a business case at the beginning of the game in this near-time adapted foresight tool was sufficient. This would refocus the game as a more creative and ideation tool that reduced the politics and disagreement at the end of the game. By eliminating end of game scenarios, the outcome and experience of the game could be more positive.
5. The Treacy and Wiersema business model was maintained and made the game less complex.
6. Users were given an enhanced set of rules written that were clearer to follow. No questions arose about the rules. This indicated to me that the game could be played independently without a facilitator if an organization or a department chose to play it on their own.
7. Users in this prototype were given 5 rounds of gameplay. Teach round of play was reduced to 3 minutes (180 seconds) per round to respond to a disruption and to enhance their organization based on the Treacy and Wiersema model.

Observations:

1. Having an enhanced written set of rules eliminated all but 2 questions throughout the gameplay. The gameplay was completely independent and groups were encouraged to rely on the rules as their source of information. This indicated to me once again that with a solid set of clearly presented and communicated rules and guidelines that the game could be played with or without a facilitator depending on the organization's need.
2. By removing scenarios at the end of the game and having a business unique to everyone reduced the power dynamics significantly and provided more democratization to the playspace and gameplay experience. More noticeable collaborative conversation could be observed and participants seemed more engaged based on the level of conversation and interaction but also from their more positive facial expressions and body language
3. The Treacy and Wiersema model was determined to be winner as a very simple and easy model to comprehend which accelerated ideation and task completion
4. Participants demonstrated a visibly high level of contribution, discussion and collaboration
5. Reducing the time per round had little impact on engagement. It seems to make teams more conscious of working together to deliver results in the constraints given to them. This 3-minute allocation per round led to the naming of the game, Disruption 180, (180 also equals 3 minutes)
6. Participants expressed that the game was an enjoyable and enlightening experience that they would play again and would like to share with their own organizations and colleagues.

Based on testing, Prototype 3 was chosen as the final prototype that is included in this paper and final prototype visuals graphics were completed by me. More details of this version are available in the Section: Gaming the Future. Visual elements of game objects are included in the Appendix

Future considerations

This paper and adapted foresight tool game attempt to tackle the unique but shifting interplay between disruption, foresight and strategy development and how organizations navigate and adjust this interplay to their needs within an increasingly disruptive environment. How they proceed can impact their organization's survival and future success. By adding an adapted foresight tool to existing modern foresight approaches, many organizations in Canada and in North America whether young, established, small or large may be able to better embrace long term and short term approaches to the future. Future opportunities for this tool may include:

An expanded use of the game by modern foresight

A great opportunity for the game to increase its footprint would be through the training of existing foresight facilitators and change enablers within organizations to present the game in their own workshops whether for foresight, strategy development, ideation or employee engagement purposes.

Additional business cases

The game currently has 3 hypothetical business cases. To fully expand the relevance and appeal of the game across industries, more business cases will be necessary along with the potential option to tailor businesses (and even the types of disruptions) depending on organizational need.

Creation of a Business Disruption Canvas (BDC)

The only artifact when gameplay is finished is the game sheet which is an unordered collection of disruption response ideas. When the game was entering its final prototype, it occurred to me that there was room in the business landscape to create a new canvas tool that could be called the Business Disruption Canvas (BDC). This could be similar in intent to the Business Model Canvas. This new canvas could order the generated ideas from rounds of gameplay into plans, pathways or an actual strategy for implementation. Thoughts around such a canvas are preliminary and contemplative at this stage. I do not wish to alter the purpose of the game as being an agility, ideation and resiliency building tool. Filling out the BDC could be an activity specifically for leadership. They can do so after their organizations have played the game and provided them with a source of ideas to be reviewed and considered in strategy development.

Electronic version of the game

Accessibility of foresight, the importance of ideation and cross-organizational contribution were critical themes resident within this paper. For the game to be more accessible to a wider audience, it an electronic version of the game could be accessed by anyone with an internet connection. A benefit of such a version of the game would be the ability to record ideas within the game, allowing the game to collect and organize ideas that can be accessed later by the organizational leaders. Because of its electronic form, it could be played more frequently and could be deployed as an organizational ideation tool and vehicle with which to contribute ideas to leadership and to share with the broader organization.

Creating organizational portals

If there was an electronic version of the game, ideas could be placed into a relational database where ideas could be parsed and displayed according to disruptions and idea types that were generated. Since the game, including the current version, records the team responsible for generating the idea, leaders can recognize teams and individuals for their ideas should such ideas be considered or used by leadership. Seijits and Crim (2006) refer to this as a “congratulatory” characteristics that is important for employees to be recognized and praised for their contribution and it is a significant factor that can lead to higher employee engagement levels.

Leaders manual: introduction and follow-up

Randomly introducing a game element into an organization could be met with surprise but also suspicion. Employees may question the relevance and intent of a game, whether playing a game would be a good use of time, or if such a game would make any impact at all. To overcome organizational pushback, particularly in traditionally conservative environments, or in organization where trust or organizational communication needs improvement, a leader or a change catalyst within and endorsed by leadership can be given a manual of techniques and scripts on how to position and frame a gameplay event within an organization.

Many organizational workshops also lack a ‘now what’ component. After many potentially engaging and inspiring workshops, there is very little follow through or follow-up to maintain the momentum and energy that was generated. Time permitting in the future, I would like to develop a ‘kit’ of resources, to include custom scripts and communication pieces to share with the organization. This can help an organization to keep the momentum of the event going—well after gameplay is complete.

Additional research

Finally, I would like to enhance and improve the survey instrument that was used in this paper and to expand the number of participants responding to it with new deployment of the survey. At the same time, I would like to better gauge the impact of this adapted foresight tool by following a group of organizations who use the tool over the longer term and to see what type of impact the tool has made, or not.

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Appendix A: Leadership Questionnaire

Project Title: Disruption Ready: Building Organizational Resiliency Through Gameplay, Scenario Design and Business Model Regeneration

Format: This questionnaire be deployed as an online survey using the Survey Gizmo and Google Forms

Consent Form: The consent form will be included in the online questionnaire and will precede the questions.

—Questionnaire Begins—

This questionnaire will take approximately 20 minutes to complete.

Before you begin the questionnaire In order to have a baseline and common of understanding of terms that arise within the questionnaire, the following terms have been defined as follows. They will be repeated as part of the question when the term arises:

Definition of term: Strategic Planning:

"*The deliberate process an organization uses to prepare for a future where it can sustain its viability, embark on growth/expansion while continuing to deliver value to its key stakeholders."*

Definition of term: Engagement:

"A heightened level of interest, emotional involvement and/or commitment to a person, idea, organization or cause."

Definition of term: Disruption:

"Any market event such as the actions of competitors, the regulatory environment, the state of the economy, shifts in technology or changes in consumer preferences that significantly impacts the current or future viability of an organization's business model, or threatens the organization's very existence."

Assuming the preceding definitions, please answer the following questions:

<u>Strategic Planning Assessment Section</u>

1. In your career what types of companies have you had experience working with?
    a. Start-up companies (pre-commercialization and no revenue)
    b. Start-up companies (commercialization with some or no revenue)
    c. Scaling stage companies (companies that are poised for, or are in a rapid stage growth, revenue positive, not necessarily profitable)
    d. Established companies (commercialized, revenue generating and profitable)
    e. Companies under risk of or are undergoing disruption from external market forces)

2. On a scale of 1 to 10, 10 being the most important, how important is strategic planning for your organization?

3. From your experience, what is the typical strategic planning process team size:
    a. 1 person
    b. 2-4 people
    c. 5-8 people
    d. 8-10 people
    e. 10 or more people

4. From your career experience, the typical composition of a strategic planning team includes key people such as (check all that apply):
    a. CEO/company leader
    b. Other executives
    c. Board member
    d. Department heads
    e. Non-management employees
    f. Consultants
    g. Customers
    h. Vendors
    i. Others

5. From your career experience, who typically leads the strategic planning process?
    a. Company leader
    b. Jointly led by team
    c. Led by Consultant/Facilitator

6. What do you believe organizations use strategic planning for? Choose the top 3 options.
    a. To develop a business strategy for the organization
    b. To improve an organization's position in the marketplace
    c. To plan for the future
    d. To focus efforts and purpose of the company
    e. To get everyone on the same page
    f. To codify and entrench the plan
    g. They feel that are expected to

h. They are mandated or forced to (investors, regulations)
i. Other, please state_____________

7. Please select the best answer: When your organization's strategic planning is complete:
   a. The outcome always results in a strategy
   b. The outcome sometimes results in a strategy
   c. The outcome always results in a strategy *and* a tactical "this is how we do it" plan
   d. The outcome sometimes results in a strategy *and* a tactical "this is how we do it" plan
   e. Other, please state

8. What type of strategic planning process does your current company/organization have?
   a. It's a formal process
   b. It's an informal process
   c. A strategic planning process does not exist

9. From your career experience, what type of process do most companies have?
   a. Formal process for strategic planning
   b. Informal process for strategic planning
   c. There is an equal balance of companies with a formal strategic planning process along with other companies with informal strategic planning processes

10. For your current organization, its strategic planning process (as it relates to those on the strategic planning team) is usually:
    a. Perfectly clear
    b. Adequately clear
    c. Unclear

<u>Perspectives on Non-Management Employees Section (those not part of the strategic planning process)</u>

11. From your perspective, for those 'not on the strategic planning team' (non-management employees, and other key stakeholders) your organization's strategic planning process is usually:
    a. Perfectly clear
    b. Adequately clear
    c. Unclear

12. From your experience, how does your organization typically prepare for the strategic planning process, before it begins? Choose up to 3 of the most important options:
    a. Participants research alone in advance of the process
    b. Strategic planning team decides and limits in advance what areas and ideas to discuss
    c. Management canvasses their respective departments for ideas
    d. The leader canvasses the entire organization for ideas
    e. External research and trends are examined
    f. Other_________________

13. From your career experience, where do 'most' strategy ideas typically come from. Choose up to 3 of the most important options.

    a. Hunches of the founder. The leader believes that their instincts need to be followed
    b. Exclusively from the collective leadership
    c. Mostly from leadership
    d. Balanced mix from leadership and other non-management employees
    e. Mostly from employees
    f. Mostly from consultants
    g. Balance between consultants and leadership
    h. Other

14. On a scale of 1 to 5, (1 being not engaged and 5 being very engaged) typically, how engaged/motivated are the planning teams in the strategic planning process?

15. On a scale of 1 to 5, (1 being: final decisions are made by one or a few, and 5 being decisions are made largely through consensus) what is the decision-making culture of your organization's strategic planning team?

16. On a scale of 1 to 5 (1 being competitive and 5 being cooperative) what is the prevailing culture between participants of your strategic planning team?

17. Outside of market factors, and drawing from your experience what would you say are the 3 most common reasons why a strategic plan fails to get implemented. Click all that apply

    a. In retrospect, the plan wasn't really feasible.
    b. We didn't have the financial nor operational resources to implement
    c. There was organizational pushback (no buy-in)
    d. No one really understood what they plan was meant to achieve
    e. It wasn't really a plan but more of a statement
    f. We couldn't plan/implement fast enough (the plan was outdated by the time it was released/implemented)
    g. Other

18. On a scale of 1 to 5, (1 being not inclusive and 5 being very inclusive) how inclusive is your organization's strategic planning process to include others from outside of the leadership and management team?

19. How does your organization communicate their strategic planning process to the larger organization?
    a. The timeline and critical areas of discussion is shared *before* the strategic planning process begins
    b. The timeline and critical areas of discussion are not shared *before* the strategic planning process begins *but* the outcome of the planning is shared with the larger organization
    c. Only the outcome of the planning is shared with the larger organization
    d. Neither planning nor outcomes are shared with the larger organization

20. Typically, when you do share information about the organization's strategy (whether new or ongoing), how is it communicated? Choose the best answer.

    a. An in-person assembly or other live tool (face to face, video link, or telephone)
    b. Shared informally from leadership through to department heads and down to other employees
    c. Through a memo
    d. Other
    e. Shared on a need to know or when asked basis
    f. Not shared.

21. When a strategy is shared, typically, employees, regardless of their rank:

    a. Can freely ask questions about the strategy directly to leadership
    b. Are encouraged to ask questions mainly to their supervisor
    c. Feel discouraged or unwilling to ask questions
    d. Most employees do not ask questions
    e. Other
    f. N/A

22. Please select the 3 top reasons why you think, from an employee's perspective that they may refrain asking leadership questions about strategy:

    a. It doesn't apply to me. I will ask questions when I feel I need to.
    b. I do not want to come across as questioning their leadership.
    c. The culture of the organization doesn't really allow it.
    d. They are too busy.
    e. I feel intimidated by engaging with a person of greater authority.
    f. I would prefer to ask my questions anonymously but the method to do so does not exist.
    g. My question or comment won't matter.
    h. I don't want to nor do I care about asking organizational strategy questions.
    i. Other. Please explain state.

23. On a scale of 1 to 5, (1 not willing and 5 being very willing) how willing are/have employees been to contribute their ideas (e.g. for innovation, growth, cost savings, marketing, etc) to leadership.

24. Is there a way that employees can contribute their ideas to the leadership team? (This methods must be known and clear to everyone in the organization).
    a. Yes
    b. No

25. Have you witnessed organizational pushback (from non-management employees) when trying to implement a plan?
    a. Yes
    b. No

26. If so, why do you think this happens? Select up to 3 options.
    a. Most organizational cultures are predisposed to resist change
    b. Plans can be poorly communicated and poorly understood
    c. A lack of participation and engagement before the decision diminishes buy-in
    d. Leadership is often unaware of the impact on the ground when a high-level strategy is developed
    e. The new strategy conflicts with personal or departmental expectations/goals
    f. Other, please state

27. Canvassing employees for their thoughts and ideas about the company direction is likely to lead to higher levels of engagement.
    a. Yes
    b. No

28. When employees have a higher level of engagement with the company and leadership, they are less likely to push back on key company decisions.
    a. Yes
    b. No

<u>Future Planning Section</u>

1. How often does strategic planning occur at your current organization?
    a. Quarterly or less
    b. Annually
    c. Biannually
    d. Other

2. How long does strategic planning take before a full strategy (one that can be immediately implemented) emerges?

a. less than a month in total
b. 2months
c. 3 months
d. 4 months
e. 6 months
f. other

3. When your organization is planning its strategy for the future, what timeframe in the future or horizon is it usually planning for?
    a. Less than 1 year ahead
    b. 1 year ahead
    c. 2 years ahead
    d. 3 years ahead
    e. 4 years ahead
    f. 5 or more years ahead
    g. Other, please specify.

4. How much of its time and effort does your organization use on the business activities of today versus planning for the future? Please select a ratio:

    a. 90/10 (90% on today's activities, 10% on the future)
    b. 80/20 (80% on today's activities, 20% on the future)
    c. 70/30 (70% on today's activities, 30% on the future)
    d. 60/40 (60% on today's activities, 40% on the future)
    e. 50/50 (50% on today's activities, 50% on the future)
    f. Other, please write a ratio in the blank using a format similar to 80/20

5. Does your organization have a contingency plan or process to help you react quickly if a major disruption were to occur? Please select the most appropriate option.

    a. Yes we do. We will not get caught by surprise.
    b. Not really. We will deal with each disruption when it occurs.
    c. No. We are too busy dealing with the present.
    d. Don't know

6. On a scale of 1 to 5, (1 being not a lot and 5 being a lot), how much effort does your organization place on future contingency planning?

7. On a scale of 1 to 5, (1 being not all prepared and 5 being very prepared), in your opinion, how prepared is your organization to deal with disruption? Please select the most appropriate option.

8. On a scale of 1 to 5, (1 being not effective and 5 being very effective) If faced with a serious disruption and existential threat from the market, how effective would your organization's current strategic planning process be to react to this threat?

9. Currently, how confident are you with the strategic planning process in your organization and its ability to accommodate the problems of today?

10. Currently, how confident are you with the strategic planning process in your organization and its ability to accommodate the problems of tomorrow?

OPTIONAL INFORMATION SECTION (This section is optional and will be kept confidential and will not be shared with others outside of the research team without your permission).

You are not required to provide your contact information. However, doing so will identify yourself to the researcher and will allow the researcher to reach out to you for additional feedback, if necessary.

Name:
Role:
Company:
Email:

You have reached the end of the survey. Your responses have been recorded. Thank you for your participation.

(This where online participants will see the confirmation screen, see attached file).

Appendix B: Employee Questionnaire

Project Title: Disruption Ready: Building Organizational Resiliency Through Gameplay, Scenario Design and Business Model Regeneration

NOTE to REB Committee:

Format: This questionnaire be deployed as an online survey using the Survey Gizmo and Google Forms

Consent Form: The consent form will be included in the online questionnaire and will precede the questions.

—Questionnaire Begins—

This questionnaire will take approximately 20 minutes to complete.

Before you begin the questionnaire, the following terms have been defined as follows. They will be repeated as part of the question when the term arises:

Definition of term: Strategic Planning:

"*The deliberate process an organization uses to prepare for a future where it can sustain its viability, embark on growth/expansion while continuing to deliver value to its key stakeholders.*"

Definition of term: Engagement:

"A heightened level of interest, emotional involvement and/or commitment to a person, idea, organization or cause."

Definition of term: Disruption:

“Any market event such as the actions of competitors, the regulatory environment, the state of the economy, shifts in technology or changes in consumer preferences that significantly impacts the current or future viability of an organization’s business model, or threatens the organization’s very existence.”

Assuming the preceding definitions, please answer the following questions:

29. From your knowledge, who typically leads the strategic planning process in your organization?
    a. Company leader
    b. Jointly led by the leadership team
    c. Led by Consultant/Facilitator
    d. Don’t know

30. What do you believe organizations use strategic planning for? (Choose the top 4)
    a. To develop a business strategy for the organization
    b. To improve an organization’s position in the marketplace
    c. To plan for the future
    d. To focus efforts and purpose of the company
    e. To get everyone on the same page
    f. To codify and entrench the plan
    g. They feel that are expected to
    h. They are mandated or forced to (investors, regulations)
    i. Other, please state_____________
    j. Don’t know

31. Please select the best answer: When your organization’s strategic planning is complete:
    a. The outcome always results in a strategy
    b. The outcome sometimes results in a strategy
    c. The outcome never results in a strategy
    d. The outcome always results in a strategy *and* a tactical “this is how we do it” plan
    e. The outcome sometimes results in a strategy *and* a tactical “this is how we do it” plan
    f. The outcome never results in a strategy *and* a tactical “this is how we do it” plan
    g. Other, please state
    h. Don’t know

32. From your perspective, for those ‘not on the strategic planning team’ (non-management employees, and other key stakeholders) your organization’s strategic planning process is usually:
    a. Perfectly clear
    b. Adequately clear
    c. Unclear

33. From your experience, how does your organization typically prepare for the strategic planning process, before it begins? Choose the 3 most important options.
    a. Participants research alone in advance of the process
    b. Strategic planning team decides and limits in advance what areas and ideas to discuss
    c. Management canvasses their respective departments for ideas
    d. The leader canvasses the entire organization for ideas
    e. External research and trends are examined
    f. Other_________________
    g. Don’t know

34. From your experience, where do ‘most’ strategy ideas for your organization typically come from. Choose the up to 3 of the most important options.

a. Hunches of the founder. The leader believes that his instincts need to be followed
b. Exclusively from the collective leadership
c. Mostly from leadership
d. Balanced mix from leadership and other non-management employees
e. Mostly from employees
f. Mostly from consultants
g. Balance between consultants and leadership
h. Other
i. Don't know

35. Outside of market events, and drawing from your own experience what would you say are the 3 most common reasons why a strategic plan fails to get implemented at your organization.

    a. In retrospect, the plan wasn't really feasible.
    b. We didn't have the financial nor operational resources to implement
    c. There was organizational pushback (no buy-in)
    d. No one really understood what they plan was meant to achieve
    e. It wasn't really a plan but more of a statement
    f. We couldn't plan/implement fast enough (the plan was outdated by the time it was released/implemented)
    g. Other
    h. Don't know

36. On a scale of 1 to 5, (1 being not inclusive and 5 being very inclusive) Typically, how inclusive is your organization's strategic planning process to include others from outside of the leadership and management team?

37. Typically, how does your organization communicate its strategic planning process to the larger organization?
    a. They share the timeline and critical areas of discussion *before* the strategic planning process begins and they share the outcomes
    b. They do not share the timeline and critical areas of discussion *before* the strategic planning process begins *but* share the outcome of the planning with the larger organization
    c. Neither planning nor outcomes are shared with the larger organization

38. Typically, when your organization does share information about its strategic plan to the larger organization, how is it communicated? Select the top 3 answers.

    a. An in-person assembly or other live tool (face to face, video link, or telephone)
    b. Shared informally from leadership through to department heads and down to other employees
    c. Through a memo
    d. Other
    e. Shared on a need-to-know or when-asked basis
    f. Not shared.

39. Typically, when a strategy is shared, non-management employees:

    a. Can freely ask questions about the strategy directly to leadership
    b. Are encouraged to ask questions mainly to their supervisor
    c. Feel discouraged or unwilling to ask questions
    d. Most employees do not ask questions
    e. Other
    f. N/A

40. Please select the 3 top reasons, from an employee's perspective, why they may refrain from asking questions to leadership about their strategy:

    a. It doesn't apply to me. I will ask questions when I feel I need to.
    b. I do not want to come across as questioning their leadership.
    c. The culture of the organization doesn't really allow it.
    d. Leadership is too busy.
    e. I feel intimidated by engaging with a person of greater authority.
    f. I would prefer to ask my questions anonymously but the method to do so does not exist.
    g. My question or comment won't matter anyways.
    h. I don't want to nor do I care about asking organizational strategy questions.
    i. Other. Please explain state.

41. On a scale of 1 to 5, (1 not willing and 5 being very willing) Typically, how willing are/have employees been to contribute their ideas (e.g. for innovation, growth, cost savings, marketing, etc) to leadership.

42. Are there ways that employees can contribute their ideas to your leadership team? (This method must be known and clear to everyone in the organization).
    a. Yes
    b. No

43. Have you witnessed organizational pushback (from non-management employees) when the organization is trying to implement a plan?
    a. Yes
    b. No

44. If so, why do you think this happens? Select up to 3 options.
    a. Our organizational culture is generally resistant to change
    b. Plans were poorly communicated and poorly understood
    c. There was a lack of participation and engagement before the decision was made
    d. Leadership was unaware of the impact on the ground when the high-level strategy was developed
    e. The new strategy conflicted with personal or departmental expectations/goals
    f. Other, please state

45. Canvassing employees for their thoughts and ideas about the company direction is likely to lead to higher levels of engagement.
    a. Yes
    b. No

46. When employees have a higher level of engagement with the company and leadership, they are less likely to push back on key company decisions.
    a. Yes
    b. No

<u>Future Planning Section</u>

11. How often does strategic planning occur at your organization?
    a. Quarterly or less
    b. Annually
    c. Biannually
    d. Other, please specify
    e. Don't know

12. Typically, how long does strategic planning usually take before a full strategy (one that can be immediately implemented) emerges?
    a. less than a month in total
    b. 2 months
    c. 3 months
    d. 4 months
    e. 6 months
    f. Depends, please specify
    g. Don't know

13. When your organization is planning its strategy for the future, typically, what timeframe in the future or horizon is it usually planning for?
    a. Less than 1 year ahead
    b. 1 year ahead
    c. 2 years ahead
    d. 3 years ahead
    e. 4 years ahead
    f. 5 or more years ahead
    g. Depends, please specify.
    h. Don't know

14. How much of you time and effort do you typically spend on your job activities of today versus planning for future related activities? Please select a ratio:

    a. 90/10 (90% on today's activities, 10% on the future)
    b. 80/20 (80% on today's activities, 20% on the future)
    c. 70/30 (70% on today's activities, 30% on the future)
    d. 60/40 (60% on today's activities, 40% on the future)
    e. 50/50 (50% on today's activities, 50% on the future)
    f. Other, please write a ratio in the blank using a format similar to 80/20

15. Does your organization have a contingency plan or process to help it react quickly if a major disruption were to occur? Please select the most appropriate option.

    a. Yes, they do. They will not get caught by surprise.
    b. Not really. They will deal with each disruption when it occurs.
    c. No. They are too busy dealing with the present.
    d. Don't know

16. On a scale of 1 to 5, (1 being not all prepared and 5 being very prepared), in your opinion, how prepared is your organization to deal with disruption?

17. On a scale of 1 to 5, (1 being not all confident and 5 being very confident) Currently, how confident are you with the strategic planning process of your organization and its ability to deal with the problems of tomorrow?

OPTIONAL INFORMATION SECTION (This section is optional and will be kept confidential and will not be shared with others outside of the research team without your permission).

You are not required to provide your contact information. However, doing so will identify yourself to the researcher and will allow the researcher to reach out to you for additional feedback, if necessary.

Name:
Role:

Company:
Email:

You have reached the end of the survey. Your responses have been recorded. Thank you for your participation.

(This where online participants will see the confirmation screen, see attached file).

Appendix C: Game sheet object

DISRUPTION 180: Game Sheet

DISRUPTION: Round1 | DISRUPTION: Round2 | DISRUPTION: Round3 | DISRUPTION: Round3 | DISRUPTION: Round4 | DISRUPTION: Round5 | DISRUPTION: Round6

INSPIRATION: Round1 | INSPIRATION: Round1 | INSPIRATION: Round1 | INSPIRATION: Round1 | INSPIRATION: Round1 | INSPIRATION: Round1 | INSPIRATION: Round1

The business is a: | The business is a: | The business is a: | The business is a: | The business is a: | The business is a: | The business is a:

NEW IDEAS: Round1 | NEW IDEAS: Round1 | NEW IDEAS: Round1 | NEW IDEAS: Round1 | NEW IDEAS: Round1 | NEW IDEAS: Round1 | NEW IDEAS: Round1

TOP 4 | TOP 4 | TOP 4 | TOP 4

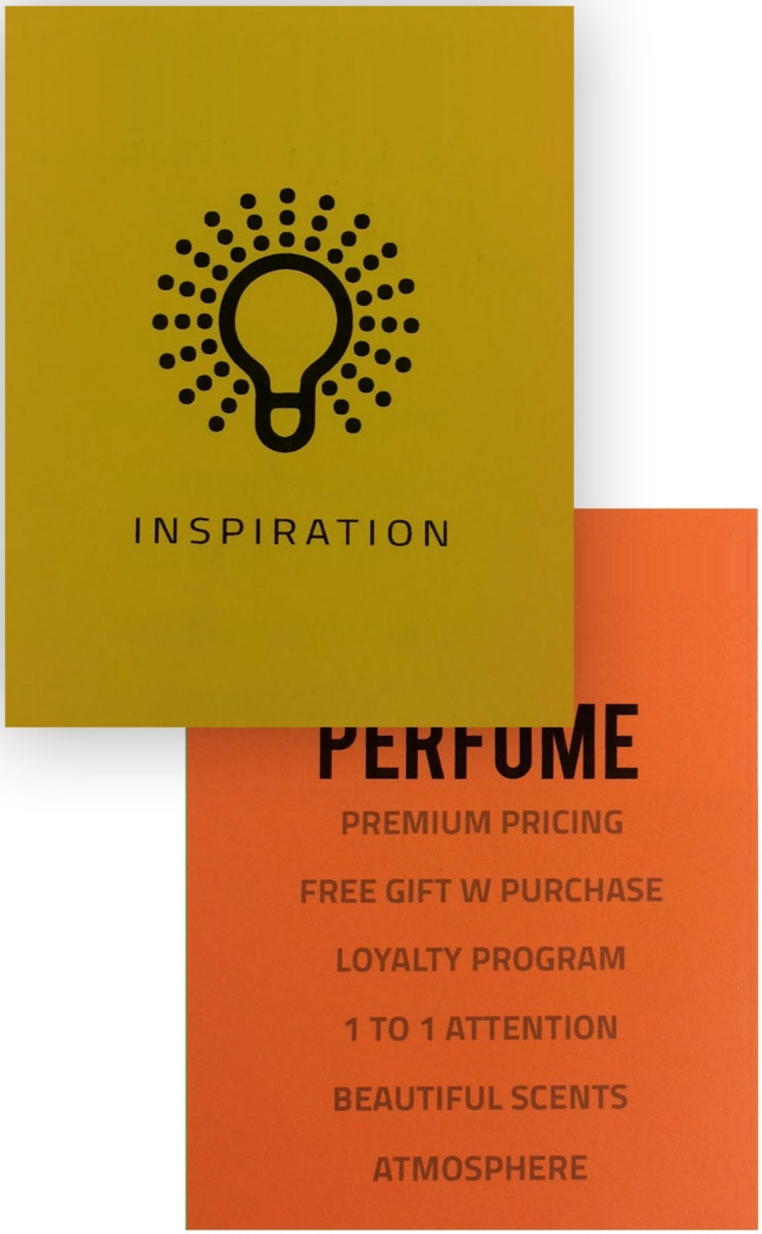
SCENARIO: | DATE:

TEAM MEMBERS:

Appendix D: Disruption card

Appendix E: Innovation card

Appendix F: Inspiration card



Appendix G: Game rules