



# STRENGTHENING THE SECTOR

A business support and development programme for cultural organisations in Belfast

## Scenario Planning Toolkit



**Belfast**  
City Council

# Introduction

This toolkit is designed to complement the “Scenario Planning” workshop delivered by Gren Armstrong. Gren has been a Tax Inspector, a Business Development Executive at LEDU, a Management Consultant (Deloitte) and a lecturer at the Ulster Business School. Since 2002 Gren has worked in Invest IN across early stage investment, business opportunities & planning, IP Rights, implementing strategy, management & leadership, and as Regional Manager: Eastern & North Eastern Regions.

This toolkit will help you to undertake a scenario planning assessment of your organisation. Scenario planning is a business development tool that helps businesses strategically plan for the future by managing uncertainty and providing both high level and practical solutions to unknown problems.

Alongside a practical scenario planning step-by-step guide, this toolkit features an expert interview, glossary and a select list of further reading – from useful case studies to tools and frameworks to help you translate this high level business practice into a helpful model for developing the work and the long term sustainability of your organisation.

# Scenario Planning FAQ's

## What is scenario planning?

Strategic planning is often based around things going smoothly, a 12-month strategy or 5 year plan provides a valuable roadmap – but it falls short when things don't go to plan. Scenario planning is a strategic planning process that helps you plan for uncertainty and strategically respond to the unexpected if and when it happens. The aim of scenario planning is to future proof your organisation. This process helps you imagine “what if” and then plan for that imagined future.

## What is a scenario?

A scenario is a script like story of what the future might look like; it's built around a hypothetical sequence of events and internal and external drivers. Analysing these events, and the relationships between them will help you to identify processes and decision points which need to be in place to support your organisation through future challenges.

## When should we initiate a scenario planning exercise?

Scenario planning is best carried out when things are going well, and you have time to think about the future, however inevitably it is often a tool used to respond to a crisis be that a loss of funding or core member of staff. Christian Aid undertook scenario planning because they felt that their traditional 5 year strategic plan was too short to allow the organisation to anticipate and adjust to longer term changes in the environment that had the potential to impact our ability to achieve their goals.<sup>1</sup> While Open House festival undertook scenario planning because they felt the festival format had become dated, and was failing to stand out in a crowded marketplace.<sup>2</sup> Ultimately scenario planning can be carried out at any time, but is best utilised as a forward planning rather than crisis management tool.

## How do you implement actions and results from a scenario planning exercise?

Scenario planning is nothing more than blue sky thinking, unless it's implemented, and embedding an implementation plan in the process is key to making this happen. For a scenario planning exercise to be effective it must be embraced from the highest level of an organisation, buy in from senior management is important from the earliest stages of the process. It also needs input from across an organisation those that deliver services, those that plan them, and those that fund them. Rather than a one off process, the scenario planning exercise should be revisited annually.

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<sup>1</sup> <http://www.managementcentre.co.uk/knowledgebase/strategy-for-an-uncertain-future-scenarios-planning>

<sup>2</sup> See Expert Insight Interview for my details on how Scenario Planning helped to develop the Open House Festival.

# Scenario Planning: A Step-by-Step Guide

## **1. Scenario Question**

What is the strategic question that you want to explore through this exercise?

Some sample questions that will help you frame your question:

- Should we introduce a new service or programme?
- What impact will technology advances have on our company?
- What if we lose funding from our core funder?
- How would a loss of corporate sponsorship affect our festival?

## **2. Critical events**

Identify potential events that may affect your company – think big, and creatively, from a volcano stopping flights to swine flue closing venues:

- Political – i.e. new government – new policy agenda
- Economic – i.e. economic downturn means sponsors pull out
- Social – i.e. civil unrest such as flag protests
- Technological – i.e. an app that replicates your outreach programme
- Legal – i.e. new law that states all staff must be first aid trained
- Environmental – i.e. freak weather storm

Then Identify the competitive environment you operate within by outlining who directly and indirectly can affect your work:

- Audiences
- Customers
- Clients
- Partners
- Funders
- Artists
- Current competitors
- New competitors

### **3. Combining critical events**

- Now you will start to turn this “blue sky” thinking into potential future realities. Identify a few critical events outlined in step 2 and examine how they would impact upon your competitive environment.
- For example: If Swine Flu broke out it would affect our audience as they wouldn't be able to attend our shows. If Swine Flu broke out it would affect out corporate sponsorship deal as the event being sponsored would not be delivered.

### **4. Developing scenario statements**

- Turn the statements created in step three into a script like narrative – play out the story and identify the roles and responsibilities of those within your organisation in this scenario.
- Identify the roles and responsibilities of external partners involved in this scenario from the police to venue staff.

#### **4. Identifying strategies to prepare for a range of potential futures.**

- Having played out how your organisation would practically respond to a critical event in a calm and effective manner. Translate this rational thinking into a coherent strategy to manage this future should it happen.

# Expert Insight

[Kieran Gilmore]

Kieran Gilmore is the Director of Open House, a fiercely independent not-for-profit music charity that was founded in 1999.

“The only constant at Open House Festival is change itself. So, we have to be prepared for many different outcomes. We like it that way too. It keeps us lean and agile.”

Kieran describes Open House as a festival that has been organically grown and tenderly looked after by himself and Alison Gordon since they founded it in 1999. Open House started out as a music festival based in Belfast, however over the years it has grown to become a music charity based in Bangor, and delivering an annual festival in Belfast and Bangor – this year Open House launched it's first touring programme. In this interview Kieran describes how scenario planning planted the seeds of change, and the strategic routes to up sticks and move their operation from the increasingly thriving cathedral quarter to the untapped and emerging cultural scene in Bangor.





**“Follow your ideals and values first, then find a way of making it happen, rather than waiting on a grant or funding to get you started. There is never a perfect time, nor a perfect budget so if you really want to make something happen, then just go for it and the rest will follow and fall into place. And don't be afraid to discuss the ideas. The more input to the creative stages, the better.”**

**Q. Why did you undertake a scenario planning exercise for Open House?**

In order to help make a significant shift in the strategic direction of the festival. It was time for Open House Festival to make a change, and so we looked at some feasible, and exciting options. Belfast is now overflowing with festivals, it wasn't when we started, as well as it boasting an abundance of arts and cultural provision throughout the year, so we decided to move our festival out of Belfast to a place where there is virtually no arts infrastructure or meaningful arts provision.

**Q. How long did it take you to complete this strategic exercise?**

We organised a pilot festival in Bangor in the summer of 2012 and by the end of August our minds were made up about moving the festival out of Belfast and taking it to Bangor. The pilot was a huge success and it made the decision-making process an easy one. As big a strategic shift as moving the location of our festival from Belfast to Bangor is not made that often but we had been searching around for a year or two for ideas to "freshen" things up...

things were getting very competitive in Belfast and we knew that a significant change in direction and style was needed.

**Q. What tools, techniques or processes did you use to complete your scenario planning?**

The main tool was carrying out a low-risk pilot festival during August 2012. We felt it was the only credible technique to use, but one that could possibly give us a whole new future. So we felt the time, effort and risk put into the pilot was well worth it.

**Q. What lessons did you learn along the way?**

Scenario planning, and careful budgetary planning therein, is very important, but not as significant or strategic as identifying an opportunity, grabbing that opportunity and taking risks. Festivals need to be exciting, and unpredictable, and taking risks gives every business an edge. Without risk, businesses can become too safe, sterile. Predictability is not a good term to use when describing a festival!

# Scenario Planning Glossary

## Critical Uncertainties

Unpredictable external drivers such as public opinion or the economy.

## Drivers

Underlying causes of change that are external from the organisation undertaking any scenario planning exercise. They are large scale forces such as funding cuts or policy changes that an individual arts organisation is powerless to change in the short term.

## Risk

The probability of an event occurring and the scale of the impact said event would have on an organisation.

## Risk Management

Planning how to respond to potential but defined risks with foresight rather than facts. The aim of risk management is developing strategies to reduce the impact of identified risks.

## System

The context an organisation operates within, it is composed of a range of variables including internal and external relationships.

## Scenarios

A statement that outlines plausible future operating contexts of a system (in this case an arts organisation) under different conditions and potential drivers.

## Scenario Planning

A strategic planning process that involves developing scenarios, examines their potential impacts and helps senior managers to identify proactive actions and strategy for managing as yet unknown changes should internal and external scenarios happen.

## Strategic Plan

A road map that helps an organisation moves from its current working practices towards a desired future state in which its mission, and vision is realized.

## Triggers

A combination of internal and or external conditions that lead to a change in operating conditions.

## Vision

A clear statement of purpose that outlines what an organisation is striving to achieve.

## Wild Cards

Major events that whilst unlikely to happen would have a dramatic impact if they did – for example a global epidemic.

# Further Reading

“Art Management: Entrepreneurial Style”, Gielp Hagoort; Eburon, 2003

<[http://www.ftms.edu.my/pdf/Download/UndergraduateStudent/WK4\\_SR\\_MOD001074\\_Schoemaker\\_1995.pdf](http://www.ftms.edu.my/pdf/Download/UndergraduateStudent/WK4_SR_MOD001074_Schoemaker_1995.pdf)> (Accessed on 30<sup>th</sup> March 2015).

“Strategy for an Uncertain Future”. The Management Centre, date unknown

<<http://www.managementcentre.co.uk/knowledgebase/strategy-for-an-uncertain-future-scenarios-planning>> (Accessed on 30<sup>th</sup> March 2015).

“Carnival Futures: Notting Hill Carnival 2020”, Albert Postma, European Tourism Futures Institute Nicole Ferdinand, King’s College London, Mary Beth Gouthro, Bournemouth University; Kings Cultural Institute, Kings College London, 2013

<<http://www.kcl.ac.uk/cultural/culturalinstitute/showcase/current/kei/curationprogramming/cfreport.pdf>> (Accessed on 30<sup>th</sup> March 2015).

“Exercise: Scenario Planning”, Paul Miesing, Raymond K. Van Ness; Organization Management Journal, 2007 Vol. 4, No. 2, 148-167

<<http://www.albany.edu/~pm157/research/Exercise-Scenario%20Planning.pdf>> (30<sup>th</sup> March 2015).

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<<http://www.kpmg.com/AU/en/IssuesAndInsights/ArticlesPublications/Documents/Manage-the-future-through-scenario-planning-v3.pdf>> (30<sup>th</sup> March 2015).

“Picture This: A Guide to Scenario Planning for Voluntary Organisations”. Caroline Copeman, NCVO, date unknown

<[https://www.cass.city.ac.uk/\\_\\_data/assets/pdf\\_file/0010/37297/picture\\_this.pdf](https://www.cass.city.ac.uk/__data/assets/pdf_file/0010/37297/picture_this.pdf)> (Accessed on 30<sup>th</sup> March 2015).

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Management Review, 1995 <<http://sloanreview.mit.edu/article/scenario-planning-a-tool-for-strategic-thinking/>> (Accessed on 30<sup>th</sup> March 2015).

“What If? The Art of Scenario Thinking for NonProfits”. Diana Searce, Katherine Fulton, and the Global Business Network; GBN, 2004

<[http://www.monitorinstitute.com/downloads/what-we-think/what-if/What\\_If.pdf](http://www.monitorinstitute.com/downloads/what-we-think/what-if/What_If.pdf)> (Accessed 30<sup>th</sup> March 2015).

# Notes:

Toolkit produced by Dr Oonagh Murphy  
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