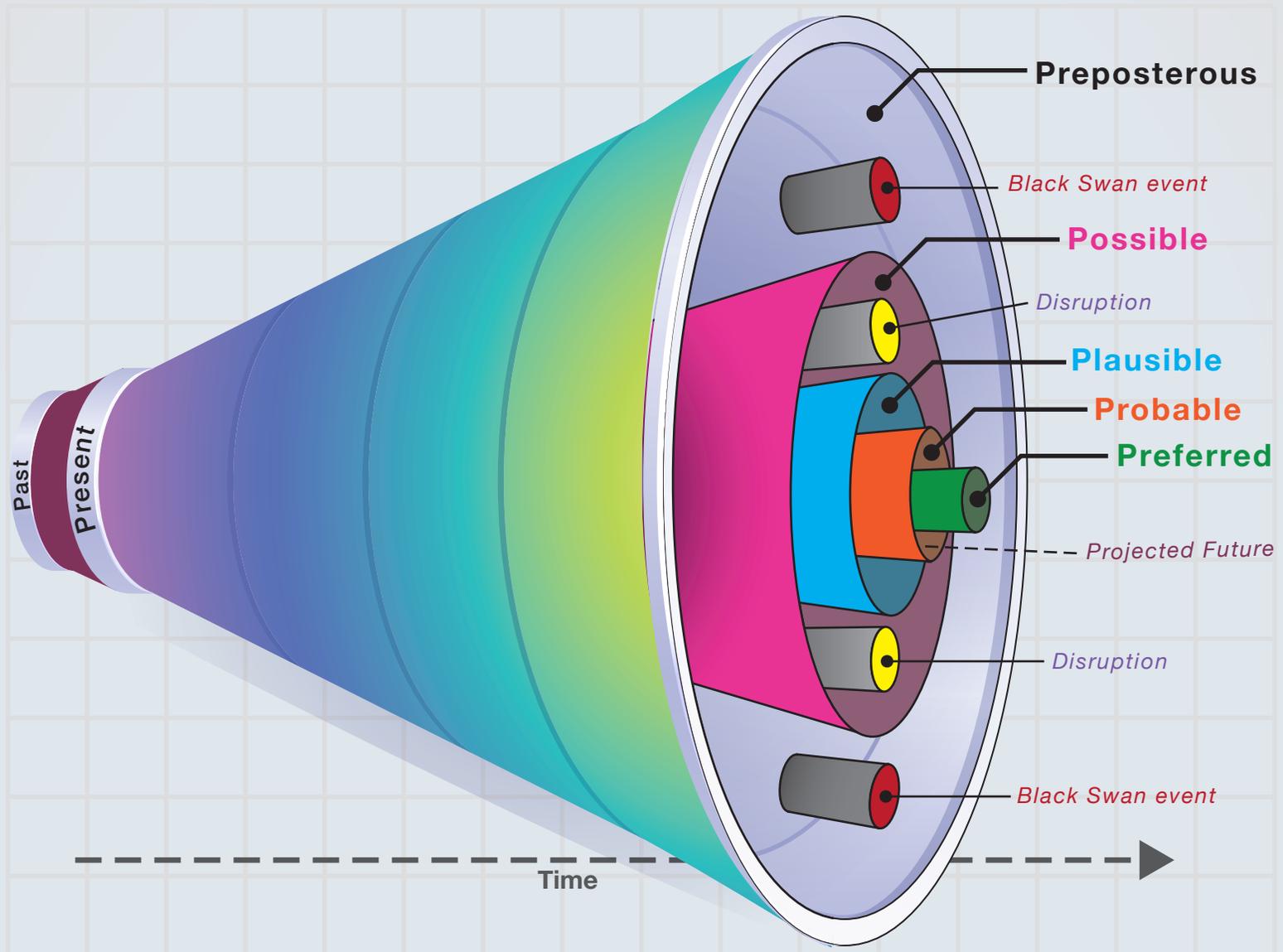


Futures Cone

Anticipating a Range of Potential Futures

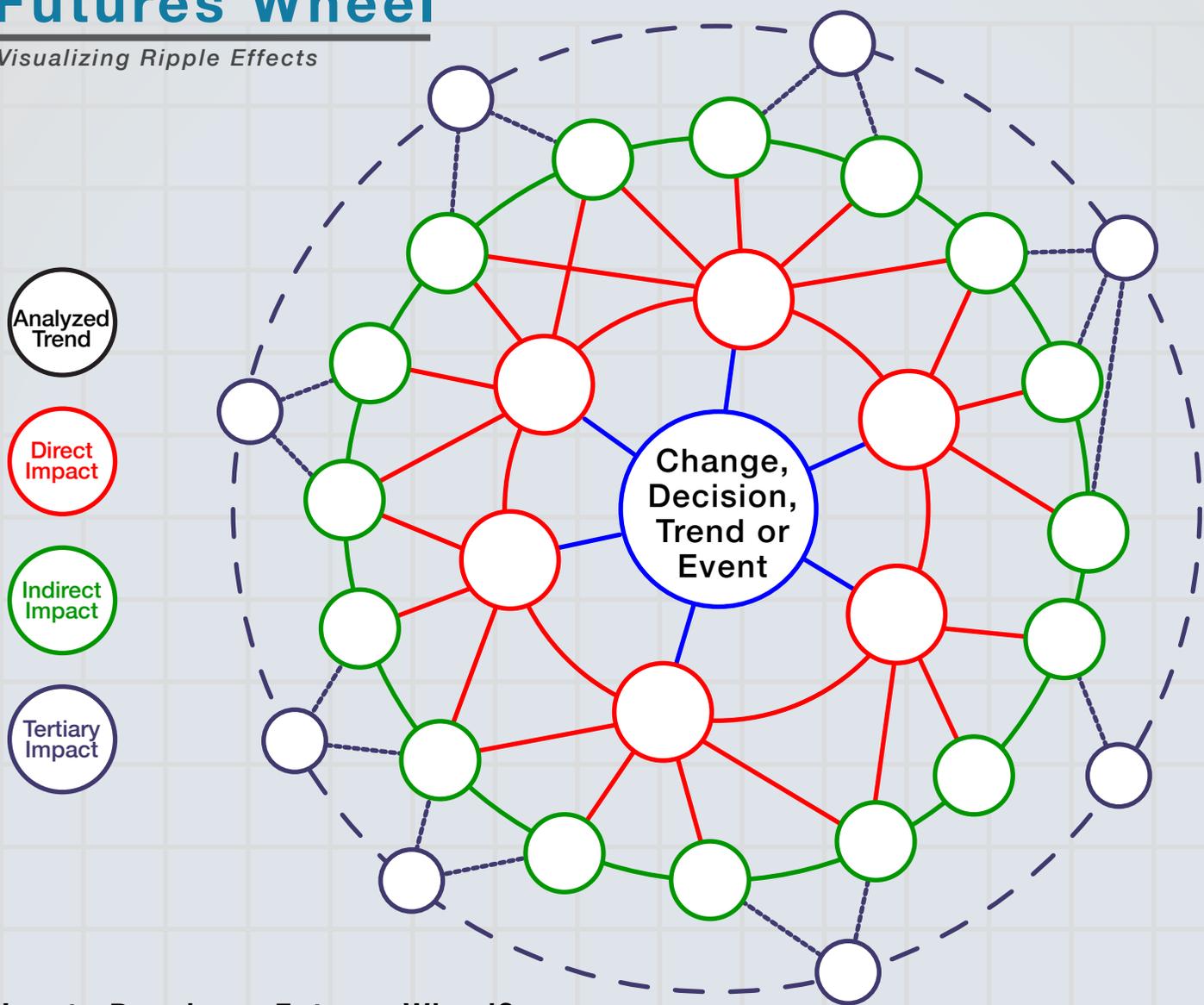


Developing a futurespective—seeing the future through a lens of probable, plausible, possible and preposterous impacts:

- Helps you better understand today by imagining a range of tomorrows.
- Opens your organization to previously unimaginable possibilities and to challenging long-held internal beliefs.
- Helps you better prepare for an increasingly complex future.
- Empowers your organization to make decisions and move with aligned and responsive action now to position it well for a range of possible futures.
- Helps you map out the near- and long-term ramifications of your decisions and ideas.
- Helps you identify your preferred future and the opportunities to alter course to achieve it.

Futures Wheel

Visualizing Ripple Effects



How to Develop a Futures Wheel?

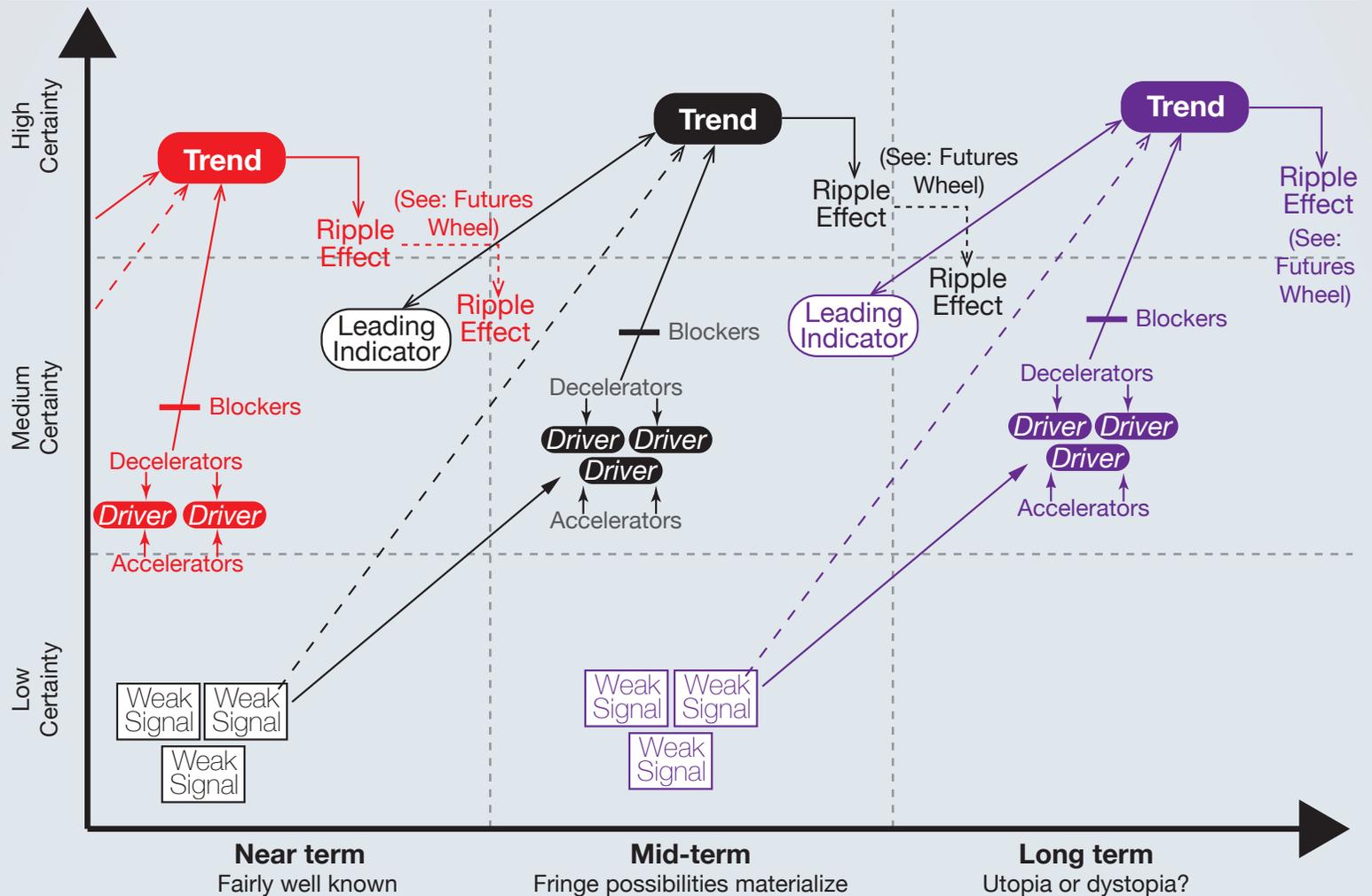
1. To start a futures wheel, place the primary change, decision, trend or event you want to analyze in the center of the wheel.
2. For the primary event, ask "If this occurs, then what might happen as a result?" Identify the positive and negative impacts or consequences flowing directly from that development—without any intervening events—and place each in one of the small circles surrounding the inner ring. Include both high- and low-probability impacts—to identify all possibilities, however remote.
3. For each direct impact, ask, "If this occurs, then what might happen as a result? Identify the indirect positive and negative impacts or consequences that flow from the direct impact, or indirectly from the primary event, and place each in one of the small circles surrounding the middle ring.
4. For each indirect impact, ask "If this occurs, then what might happen as a result?" Identify the tertiary positive and negative impacts or consequences that flow from the indirect impacts, and place each in one of the small circles surrounding the outer ring.
5. Add as many additional impact/consequence rings as necessary.
6. Analyze and prioritize the impacts/consequences alone or in clusters by scoring each for desirability, impact and probability.
7. Identify Actions.

Futurespective Roadmap



Mapping the impacts of future developments

The best way to ensure that your organization not only survives, but thrives, is to better anticipate what the future holds. The future doesn't just appear; it is constantly developing. By looking for hints and clues to how the future is developing you won't be surprised by it. And, instead of simply reacting, you can anticipate future developments, help influence and shape those developments, pretest alternative strategies to defend against potential threats, overcome obstacles, and to leverage potential opportunities earlier than your competition.



What counts as near, mid- or long term depends on the general rate of change in your industry and the environment within which you operate.

Definitions

Accelerators - forces or factors that promote, facilitate or enhance a driver's effect.

Blockers - forces or factors that cancel a driver's influence or prevent a trend from forming.

Decelerators - forces or factors that slow down a driver's effect.

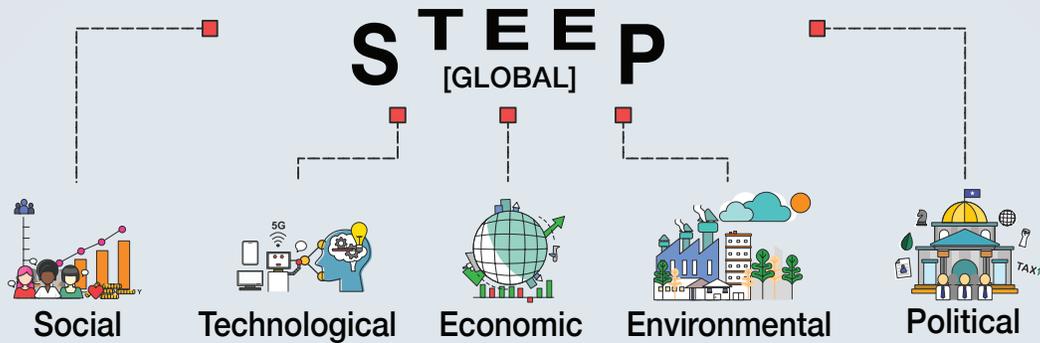
Drivers - The direct actions of competitors, new market entrants, or changes in customers taste, and the indirect underlying social, technological, economic, environmental or political forces or factors causing big shifts or gradual change, which affect or shape future behavior, resulting in a trend.

Leading Indicators - point to the coalescence of drivers and the probability that a trend is forming.

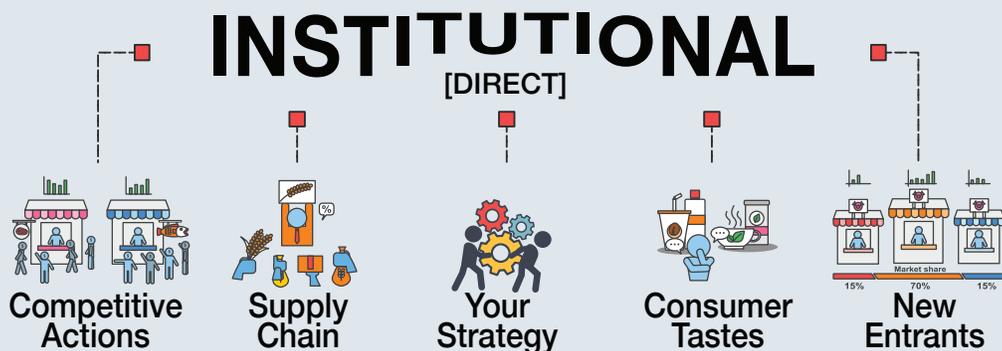
Ripple Effect - a series of direct or indirect future consequences as a result of a particular change, development or event, such as the forming of a trend.

Trend - the resultant behavior change produced by sum of all forces applied: drivers, accelerators, decelerators and blockers. Trends started as something new and then over time, became more pervasive. Trends may be steady over the long term, vary within a range or get stronger over time. Trends may not continue indefinitely, but at least for some time.

Weak signals - hint at the appearance of influences or drivers that could coalesce to create a particular result—a trend. Other factors could speed up, slow down, or completely block the trend's formation.



- **Society:** Culture, Demographics, human migration, lifestyles, communication, consumer behavior, religion, values, media, public health and advertising
- **Technology:** Infotech, Biotech, chemistry & Material science, communications, energy, transportation, patent regulations, manufacturing, nanotechnology, product life-cycles
- **Economics:** Macro/Micro; Monetary/Fiscal, value generation and exchange, interest rates, taxes, international trade, job availability, alternative currencies, savings, inflation, subsidies, availability of workers, entrepreneurship, haves-vs-have-nots, currency fluctuations
- **Environmental:** Climate, Energy, Natural Resource scarcity, water, wind, soil, weather, pollution, air quality, built environments, workplaces and digital environments, industrial environments: competitors, customers, employees, emerging markets
- **Political:** Legal, Regulatory, individual rights, trade agreements, political stability, regulation of monopolies, tax policies, price regulations, consumer protection, lawsuits & litigiousness, jurisdiction, wars & regional conflicts, and trade unions



- **Competitive Actions:** New business models, new marketing strategies, new product/service offerings or offering extensions, new distribution channels, acquisitions or consolidations
- **Supply Chain:** Offshoring, reshoring, logistics disruption, product delays, disintermediation, digital enablement, blockchain and NFT, omnichannel shopping, end-to-end visibility
- **Your Strategy:** New business models, new marketing strategies, new product/service offerings or offering extensions, new distribution channels, acquisitions or consolidations
- **Consumer Tastes:** Shifting consumer demands, rising expectations, technology-driven customer service, environmental sustainability, clean, personalization
- Potential competitors—similar offerings to similar target customers, but not yet addressing your market. Replacement competitors—solve the same pain points as you with offerings from an alternative category.

Leading Indicator Examples

Leading indicators	Focus	What is influenced
Housing starts	Appliance sales	When new construction slows down, sales of appliances slow down soon after
Gas prices	Snack and drink sales at c-stores	When the price of gas goes up, people purchase fewer snack items from convenience stores, where the majority of gas is purchased.
Durable goods orders	General economy	A high durable goods number indicates an economy on the upswing while a low number indicates a downward trajectory.
Car Sales Closing Time Indicator	General economy	The quicker salesmen are to discount cars on their lots, the weaker the economy.
The Plastic Surgery Indicator	General economy	People stop getting cosmetic surgery as the economy begins to waver. The reasons: 1. If job cuts are coming, people want to save for futures needs, 2. Even if job cuts are not coming, employees don't want to take off work to stay in the best grace of their bosses.
Mosquito Bite Indicator	Housing market	Mosquito bites increase as more homes sit empty and ill maintained. With higher grass and disheveled properties, back yards and swimming pools become breeding grounds for the pest.
Contractor return call time	General economy	Always busy with other clients, getting a contractor to return a call can be a big hassle during a home renovation project. So, the quicker a contractor returns your calls, the worse the economy is doing.
Venture capitalists investing indicator	Market specific	Markets into which venture capital is flowing is likely to see a significant increase in sales activity. For incumbents not on the receiving end of VC investments, this means stiff new competition.
Building Permits	Future housing supply	A high volume of permits issued indicates the construction industry will be active, which forecasts more jobs and an increase in GDP.
Inventory Levels	Product demand	High inventory levels can reflect two very different things: either that demand for inventory is expected to increase or that there is a current lack of demand.
Initial claims for unemployment insurance	Retail sales & housing markets	When unemployment rates are high, consumers have less money to spend, which negatively affects retail stores, GDP, housing markets, and stocks.
Grass Length Indicator	Lawnmowesales	Three days after a heavy rain, sales of lawnmovers increase.
Domino's Pizza Indicator	Military action	When pizza deliveries to the Pentagon exceed 5,000 units in a single day, new military action soon follows.

Future Prospective Exercise

What is your 5 year revenue goal? What is your preferred future?

What customer segments and markets will sales come from? If you don't already serve them, how will you develop them?

What if your offerings are not acceptable to buyers, or can't afford them?

What assets will you need? If you don't already have them, where will they come from?

What if those assets are not available?

What people will you need? If you don't already have them, where will they come from?

What if there continues to be a constrained labor pool?

What materials will you need? If you don't already have them, where will they come from?

What if those materials are not available?

What STEEP and Institutional changes will help you achieve your goal?

What existing trends will help you achieve your goal?

What developing trends create opportunities for you that will help you achieve your goals?

What STEEP and Institutional changes will make it harder or block you from achieving your goal? What actions can you take now to overcome it?

What existing trends will make it harder for you to reach your goal? What actions can you take now to ease the burden?

What developing trends can cause you trouble? What actions can you take now to ease the burden?