Tap Your Inner Futurist:
A 21st Century Roadmap
for Corporate Real Estate

Designed by

Garry Golden

Forward Elements, Inc

Foresight for Business Environments

Foresight refers to our ability to construct images of plausible, possible, and preferable futures based on a formal study of change. It is commonly referred to as: futures studies, strategic foresight, or futurism.

Strategic foresight is used to improve decision-making related to potential opportunities and threats that exist beyond present-day plans, market conditions and organizational capabilities. In recent years foresight has started to shift from an activity limited to executives offices, to being practiced by *business* units and staff across the organization.

In the practice of foresight we apply a mixture of qualitative and quantitative techniques used in a wide range of applications from forecasting, to scenarios and visioning. Insights are based on a range of disciplines from sociology, economics, organizational behavior, technology forecasting and systems modeling.

The definition of '*future'* time horizons vary based on clients and industry. Governments and companies involved in infrastructure and natural resources will typically plan using 10-30 year time horizons. Organizations involved in consumer products, services and experiences typically view 3 to 7 years as the furthest practical time horizon. Non-profit organizations tend to focus on time horizons linked to funding resources. Alternatively, news companies, stock markets, celebrity/ad campaigns and consumer attitudes refer to time horizons only seconds, days or weeks ahead.

The aim of strategic foresight is to avoid single-point forecasts (e.g. predictions) and create a range of plausible outcomes (e.g. scenarios within a *cone of plausibility*) that help us avoid surprises and expand our ability to respond effectively when changes do occur. Foresight is a skill set and mindset that needs to be cultivate and developed over time. This seminar is designed to teach the foundations for self-directed and professional community-based learning.

The Evolution of Foresight – Fringe to Mainstream?

In the early 20th century the study of economics and psychology shifted from fringe and misunderstood areas of academic study to mainstream disciplines that influenced all aspects of public and private life. Today the two fields are integrated into *neuro-economics* and shape branding and marketing efforts across most Fortune 500 companies. A similar *fringe to mainstream* transition is occurring around foresight and the study of social change. Foresight is becoming more closely integrated into formal strategy efforts and is commonly referred to as *the front-end of innovation*. The history of foresight, however, dates back to the early 20th century.

- **1930s – Social Change and Role of Technology**
  Sociologist William Ogburn writes *Recent Social Trends* which explores the notion of a *cultural lag* as society adjusts to technological change of the industrial age.
- **1950s – Scenario-based Decision Making**
  Hudson Institute Founder Herman Kahn works with government leaders to use scenario-based planning at the height of threats associated with the Cold War.
- **1970s – Systems Thinking and Principles of Interdependence**
  Authors of the book *Limits to Growth* use systems-based modeling to understand effects of non-linear change from the relationships of population growth, industrial production, and natural resource management.
- **1980s – Accelerating Change and Competitive Advantage of Strategy**
  Birth of modern day *strategy* field with release of Alvin Toffler's *Future Shock*, John Naisbitt's *Megatrends,* and emergence of prominent strategic advisory focused consulting firms: McKinsey & Co., Boston Consulting Group (BCG), and Monitor Group (Read: Lords of Strategy)
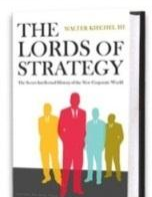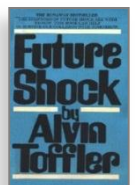
T-Shaped Professional Skills: Deep & Broad

Breadth of Understanding

Depth of Subject Expertise

Business leaders are beginning to embrace a vision where talent strategies are built on the evolution from an 'I' to 'T' shaped set of skills.   The traditional model of 'I' shaped skills reflect the depth of subject matter expertise that is core to industry demands. The horizontal line, which makes the 'T', refers to a wider breadth of skill sets and mindsets which compliment core expertise. This may include training in communication, organizational change, or project management– as well as non-traditional skills such as storytelling or painting that might be applied in business settings.

Professionals in the corporate real estate world are already *T-Shaped* in many ways with skills that range from– finance to negotiation techniques. Our goal is to consider a wider range of emerging skill sets and mindsets to *future-proof* our talent strategy: data science and visualization, design thinking, materials engineering, social ergonomics, user experience design, software/programming, and neuroscience.

Skills for Past / Present	**Skills for the Future**
_____	_____
_____	_____
_____	_____
_____	_____

Personal Action Plan:
 Three (3) concepts / subjects that I would like to learn more about:

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Organization Action Plan:
Three (3) unique *T-shaped* partnerships for our company to explore:
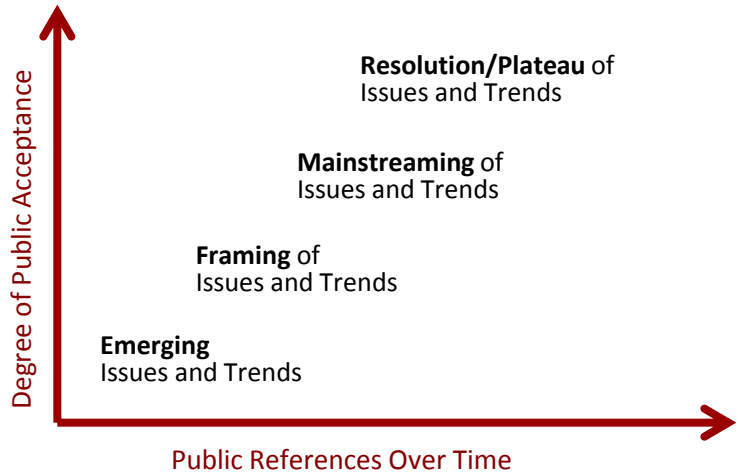
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Trends & Emerging Issues - Diffusion Frameworks

Trends are defined as slow changes over time that move in a
particular direction and momentum (e.g. Aging Populations, Trade Exports).
Trends are extrapolated via forecasting methods to give us the most plausible futures.

Emerging Issues are those ideas which require a decision in the realm of private or public policy. We can
think of *emerging issues* as those questions which requires us to answer: "Will we…?" or "Will we not..?"
embrace *X* change (e.g. Genetically Modified Crops; Privacy Standards; CO_2 Emissions; LEED Standards).

This framework attempts to quantify the
developmental stages of trends and
emerging issues as they gain acceptance (or
not) within society.

- **Emerging** phase indicators are usually
  limited to niche community discussions.
- **Framing** stage indicators are shaped by
  supporters/opponents.
- **Mainstreaming** phase indicators are often
  signaled by appearing on the cover of
  Time™ magazine.
- **Resolution** stage indicators are often
  linked to legislation, policies or consumer
  behavior that resolve the dilemma of
  "Will we embrace X change?"

Resolution/Plateau of
Issues and Trends

Mainstreaming of
Issues and Trends

Framing of
Issues and Trends

Emerging
Issues and Trends

Degree of Public Acceptance

Public References Over Time

** Framework popularized by Graham Molitor

Questions to Consider:

Trends or Emerging Issues - most likely to **converge** and have an impact on real estate & corporate settings:

_____

_____

Trends or Emerging Issues that make me feel **most uncomfortable** and hold the **most uncertainty/risk**:

_____

_____

Trends or Emerging Issues that provide the **most inspiration** and represent the **biggest opportunity**:

_____

_____

Phase One: Identifying and Monitoring Change

- Scanning is a fundamental activity of foresight and helps to expand the quality of inputs which challenge our thinking about changes happening in the world. ['Scan Hits' are the activity outputs]
- Organizations use scanning to support innovation and strategic planning activities – as well as create a culture of curiosity.

Overview: Horizon Scanning

Horizon Scanning or Environmental Scanning describes the identification and monitoring of *change over time* that might represent a future opportunity or threat. A balanced approach to horizon scanning includes both continuous and project-specific efforts— and is based on a wide range of inputs that come from the **STEEP** categories of change: **S**ociety (Culture and Demographics), **T**echnology (Info, Bio, Materials), **E**conomics (Macro, Micro), **E**nvironment (Energy and Natural Resources), and **P**olitics (Legal, Regulatory).

There is one major *outcome* and one major *output* to scanning. First, we are focused on expanding our knowledge base on a cross section of domains (e.g. demographics, technology, policy). The *outcomes* goal is to learn about important things that challenge conventional thinking. Second, we are looking to produce *outputs* known as **scan hits** which are evidence of change in the world that might have relevance to the future of our industry.

Scan hits *(alt: Signals or Signposts)* can be applied to formal strategic planning efforts—or used for less formal brainstorming on long-term implications of change using tools such as the *Futures/Implications Wheel*.

Scan Hits: Criteria and Considerations

In general, criteria for *scan hits* should be judged on the following elements:

- Source Credibility
- Source - Mainstream vs Fringe (Early indicators)
- Newness/Uniqueness
- Degree of Uncertainty
- Degree of Impact
- Momentum (e.g. trends converging, slowing down, speeding up)

Scanning can be applied across a wide spectrum of strategic activities. When applied to scenario thinking or customer research a *scan hit* may do one of three things:

- **Confirm** assumptions of one scenario outcome
- **Diminish** the likelihood of a particular scenario
- **Create** a new scenario to consider

Types of Scanning Projects

- **Horizon or Environmental Scan**—a continuous or periodic survey of broad global changes

- **Emerging Issues Scan**—a targeted survey of issues that will require a significant public or private policy decision

- **Industry or Sector Scan**—an in depth, industry specific survey

- **Technology Scan**—specific focus on technology platforms and related issues shaping culture, policy, and product development

- **Delta Scan**—survey using primary inputs, usually from a group of experts from diverse fields

- **Sigma Scan**—a summary survey of existing publicly available horizon scanning documents

How do I begin *Scanning*? Keep it Simple and *Social*

Scanning will inevitably include both formal and informal team-based activities. It is important to remember– scanning should be fun and enriching – not a chore. We recommend the following steps as a way to ensure that self-directed scanning will be effective and find real-world applications within your organization.

Step One: Integrate Scan Hits within collaboratively built *Trendscape* Maps
Working with colleagues, establish your *Trendscapes* (*See complete Guide to Scanning for Change - PDF*) as the frameworks for monitoring signals of change. The maps will establish a set of larger STEEP (Society, Technology, Economics, Environment, Politics) categories and sub-trends along with buzzwords and resources that you and your colleagues will share as your guide.

Step Two: Schedule Social Scanning Activities
Individuals may choose to set their own schedule for scanning, but it is essential to dedicate time for social scanning activities that give structure for sharing results. Consider forming a **Scanning Club** (or **Signals Team**) that meets once a week or once a month to share top *scan hits* and discuss how they might have an impact on how you improve your products, processes, or services.

Step Three: Apply your Findings
The final step is to bring life to your *scan hits* by ensuring that they can be applied to existing innovation and planning efforts—or to use foresight tools such as the *Implications Wheel*. If you have a formal strategic planning project ahead, be sure to include time for sharing key scanning insights during the early stages of the process. Or have the *Scanning Club* produce Implication Wheels to share or create fake '***Headlines from the Future***' that provoke new thinking.

Scan Clubs / Signals Team

The easiest way to create a structure – is to establish a Scan Club(s) within the organization that is tasked with overseeing all horizon scanning activities. Scanning Clubs help to increase the output of scan hits and help to build a culture of curiosity as members emerge as evangelists of foresight and innovation. A few could embrace particular trends and help to socialize big ideas that might have an impact on your industry sector.

Tips for Scan Clubs / Signals Team
- **Name the Club** – Allow the team (or teams) an opportunity to build an identity and brand associated with their scanning and foresight activities

- **Give them Visibility** – Consider a dedicated space in the office or break room for posting scan hits or scenario headlines that the group produces

- **Gift of Time** – Allow them to schedule 30 minute blocks of time for scanning and 90 minutes for bi-weekly scanning meetings

- **Transparency & Accountability** – Establish expectations that Scan Club members will publicly (or privately within your company) share their social bookmarks (See Diigo™ instruction in complete Scanning for Change PDF) or documents (e.g. shared DropBox ™ folder)

- **Events** – Require the scan club to sponsor an internal event for colleagues, partners or a focus group of customers – where they share major insights or run an ideation session

A Starter List: STEEP Concepts & Emerging Issues

Futurists use the *STEEP* categories as buckets where you place your *scan hits*. STEEP = Society, Technology, Economics, Environment, Politics.   The framework ensures that you are scanning widely across topics and not limiting yourself to one source of social change.

The following list includes **meta trend categories** (e.g. Urbanization) as well as **buzzwords** (e.g. Gaming Mechanics) that are italicized. Many organizations choose to keep their STEEP master list on a shared file to enable collaborative editing.   Consider this a starter list that will grow as your team expands its horizon scanning activities:

Social (Demographics/Culture)

Aging (*Boomers*/Global)
Millennial Household Formation
Urbanization
Rural / Small Town Divides
Experience Design
Globalization (Economic/Cultural)
Religion / Spirituality
Education (Lifestage vs. Lifelong Learning)
Multi-generational Households
Leisure Industry (e.g. Stay-cations)

Environment

Third Places (Built Environment)
Pop-up Architecture
Peak Production of Conventional Oil
Peak *[Fill in the Blank]*
Rise of Toxins (BPA-Free)
Commodity Production Challenges
Bio Industrialism
Post-LEED Building Standards

Politics

Regulatory Frameworks
Tax Policies
   (Corporate/Personal/501c3)
Values Fragmentation
Regulatory Harmonization
Radical Transparency
Civicware / Govt. 2.0

Technology

Cloud Computing
Location-based Services (LBS)
Machine-to-Machine (M2M)
Internet of Things (IoT)
LTE/4G (Broadband Wireless)
Big Data / Prescriptive Data
Algorithms (Machine Learning)
Personal Assistants (e.g. Watson/Siri)
Functional Nanomaterials
Synthetic Biology
Neuro – Marketing; -Economics
Textiles / *Wearables*
Additive Manufacturing
Robotics
Distributed Power
Autonomous Systems / UAVs

Economics (Macro/Micro)

Entrepreneurship
Social Entrepreneurship
Base of Pyramid (BoP)
Manufacturing
Warehouse & Logistics
Service/Knowledge Economy
Creative Industries
Behavior Change (Gaming Mechanics)
Neuro-economics
Trade Policies
BRIC Economies
South-to-South Globalization
Localization

Industry-specific

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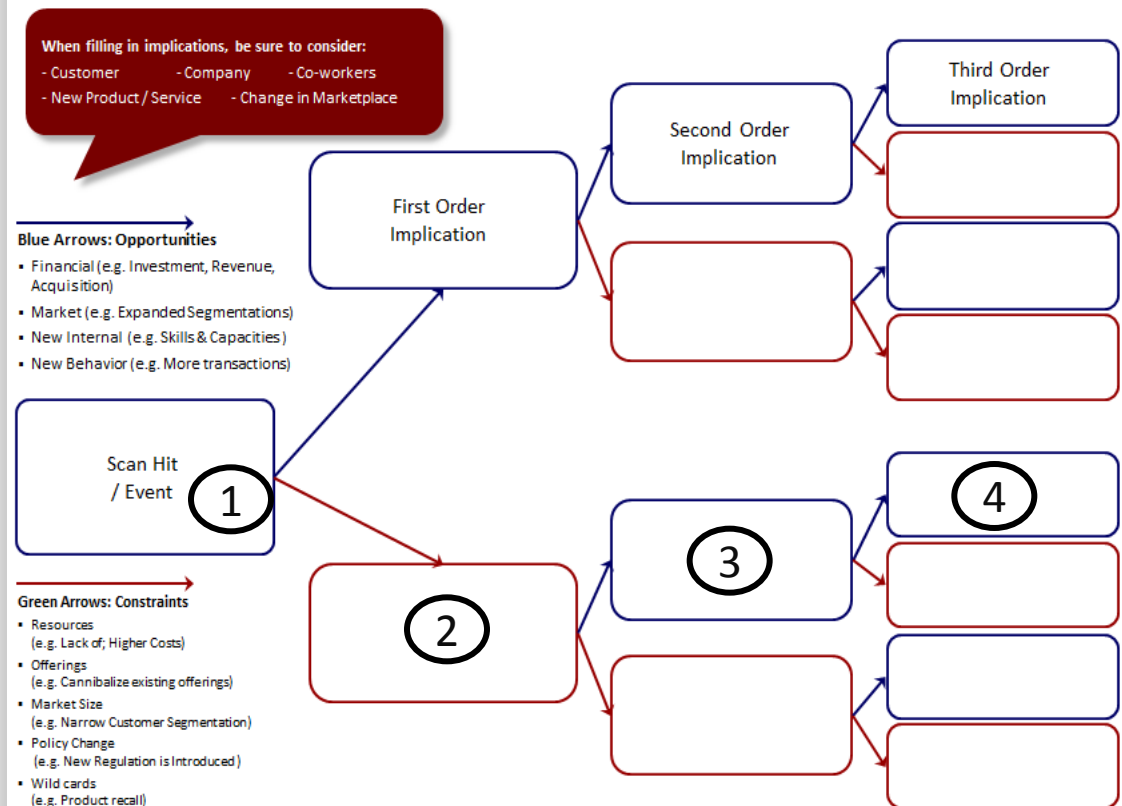
Activity Review: Futures Wheel

Futures Wheel Activity Steps:

Take some of your most provocative *scan hits* and apply them using a simple foresight-innovation tool. The Futures Wheel (or Implications Wheel) explores a range of plausible outcomes from important *scan hits*. The goal is to fill each box with a snappy title or short description that represents a dramatic change in the marketplace as a result of the original *scan hit*:

1) Choose a relevant scan hit that is unique and has a high degree of uncertainty and impact
   (e.g. if it happens, it will really change our industry, or the lives of our customers?)
2) List a *first order* level implication that represents an opportunity, then along the opposite arrow/box list an implication that represents a possible constraint.
3) Move outward along each box following the same pattern of splitting implications into boxes that represent an opportunity and constraint from the same root.
4) When you have reached an end point to your futures wheel choose your most provocative boxes.

Do not feel bound to this particular hub and spoke framework. We encourage you to expand implications further and wider. There are a number of online "Mind Mapping" tools that can be used to create digital versions of future wheels. The Implications Wheel is meant to be a fast-moving technique that is not constrained by current day thinking or reality. The final products should be possible and provocative.

Worksheet: Futures Implications Wheel

When filling in implications, be sure to consider:
- Customer   - Company   - Co-workers
- New Product / Service   - Change in Marketplace

Blue Arrows: Opportunities
- Financial (e.g. Investment, Revenue, Acquisition)
- Market (e.g. Expanded Segmentations)
- New Internal (e.g. Skills & Capacities)
- New Behavior (e.g. More transactions)

Green Arrows: Constraints
- Resources
  (e.g. Lack of; Higher Costs)
- Offerings
  (e.g. Cannibalize existing offerings)
- Market Size
  (e.g. Narrow Customer Segmentation)
- Policy Change
  (e.g. New Regulation is Introduced)
- Wild cards
  (e.g. Product recall)

Scan Hit / Event   1

First Order Implication

Second Order Implication

Third Order Implication

See Slide Deck Example:
Apple Fuel cell Patent   >> 'Cord-free' Christmas   >> Office Buildings without Sockets

2nd Order Implication

2nd Order Implication

3rd Order Implication

3rd Order Implication

2nd Order Implication

1st Order Implication

3rd Order Implication

3rd Order Implication

2nd Order Implication

3rd Order Implication

3rd Order Implication

2nd Order Implication

1st Order Implication

1st Order Implication

2nd Order Implication

3rd Order Implication

3rd Order Implication

2nd Order Implication

3rd Order Implication

Scan Hit
Or Fictional Event

2nd Order Implication

3rd Order Implication

3rd Order Implication

1st Order Implication

1st Order Implication

2nd Order Implication

3rd Order Implication

2nd Order Implication

3rd Order Implication

3rd Order Implication

2nd Order Implication

2nd Order Implication

1st Order Implication

3rd Order Implication

3rd Order Implication

2nd Order Implication

2nd Order Implication

3rd Order Implication

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Doodles