

# Scenario Planning

## Preparing for Discontinuity

Dr. James Berry  
Director – The UCL MBA  
University College London  
james.berry@ucl.ac.uk

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Note: The cone contains the probable path of the storm center but does not show the size of the storm. Hazardous conditions can occur outside of the cone.



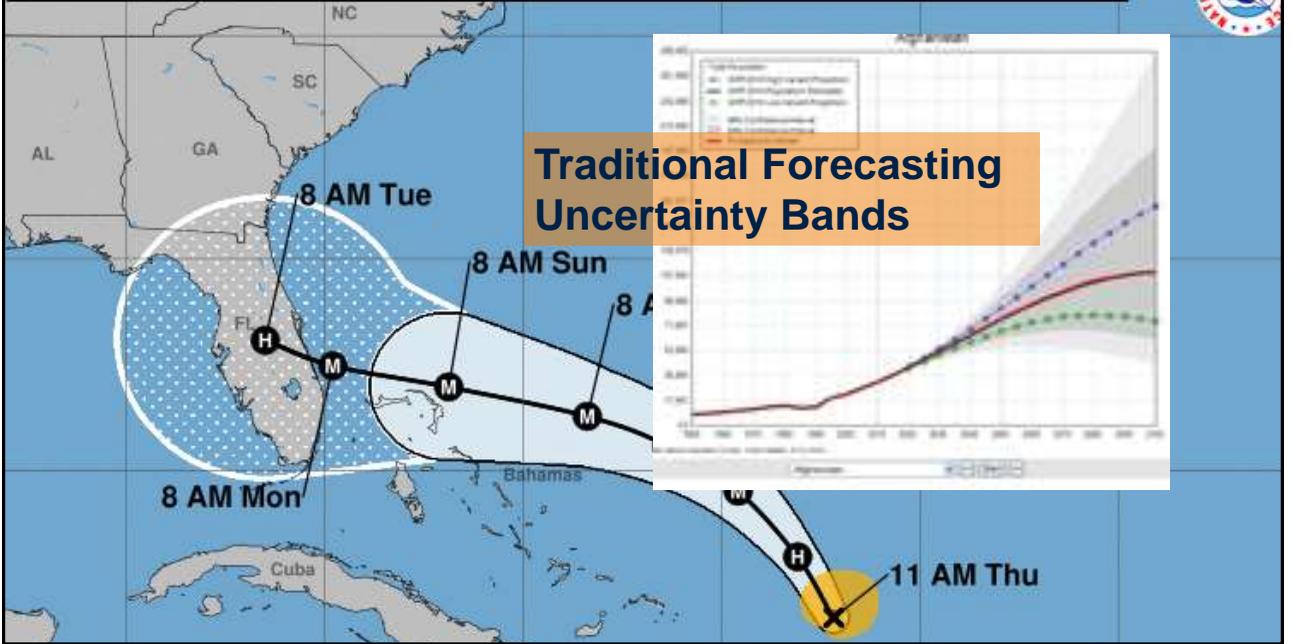
### Traditional Forecasting



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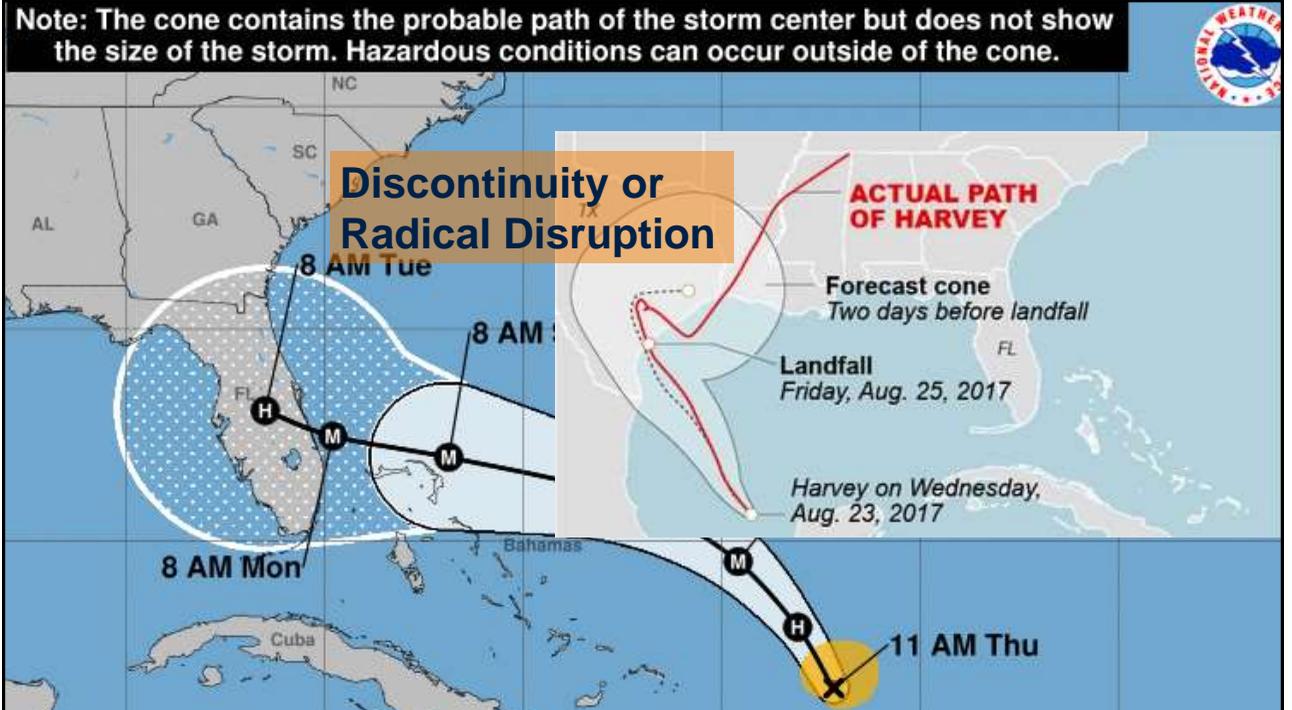
### Traditional Forecasting Uncertainty Bands



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### Discontinuity or Radical Disruption





Scenario Planning is future led...event driven ...  
WHAT IF...





## What IF....



Jump to the future and examine a world where something has significantly changed ... develop a plan to be successful in that situation...

Then back up and identify situations that might result in that change – this may help you become more proactive



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## Option Based



Predicting the future is like gambling – roulette with only one bet

Scenario Planning is examining the future to prepare for multiple possible action paths...it is examining options ... if - then

Ashby's Law of Requisite Variety (1959) – the complexity of a situation must be met with an equally variant set of responses.

A or B – two options

A -> Z – 26 options



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## Discontinuity or Crisis – What is it?



a time of great danger, difficulty or doubt  
when problems must be solved or  
important decisions must be made

(Oxford Dictionary, 2020)

**Paradigm Shifts** – we can only see the world from  
the reality we are in (Popper, 1962) ... There will be  
scenarios you have not planned for...CRISIS...



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## Scope of Uncertainty – Normal Planning



Levels of Uncertainty...

What is Stable?

What can I Control?

What can I Anticipate?

What is truly Unknown?

Range of Possibilities...

Unknowns	<b>Known Knowns</b> <i>Things we are aware of and understand.</i>	<b>Known Unknowns</b> <i>Things we are aware of but don't understand.</i>
	<b>Unknown Knowns</b> <i>Things we understand but are not aware of.</i>	<b>Unknown Unknowns</b> <i>Things we are neither aware of nor understand.</i>
	Knowns	Unknowns



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# Reduce the Scope of Uncertainty-Scenarios

Levels of Uncertainty...

What is truly Unknown?

Range of Possibilities...

What can I Anticipate?

What can I Control?

What is Stable?



Reverse the process – Take a different perspective

## Example...

**Instigator:** Tube bombing in 2017 Parsons Green

**Potential Discontinuity:** Transit in London Disrupted

**Alternative Causes:** Strikes or line failure

**Impact to business:** People can't get to the office

**Result:** Plan for staff to work from home on short notice,  
influences: technology, staff communications, logistics, security

**COVID 19:** Previous plans were adapted for the pandemic

## HR Central Role in Scenario Planning



- Disruption often has personnel implications
- Discontinuity may effect vendors and supply chain
- Consider cross boarder issues: HR culture knowledge key
- HR key to bringing the right stakeholders to the table
- Proactive action to keep your organisation nimble



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## Future Break-out Questions



- 1) Workforce Planning: What is the Impact on HR, the HR Function, HR Specialists, HR Business Partners and what does good look like in terms of best practice?
- 2) How can HR use scenario planning as a tool for planning?

Now to Andrea...



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