This article on **Scenario Building** is a **stub**. You can help the Foresight Wiki by expanding it with new sections on the usage of this method in foresight exercises.

Scenario Building is a process designed to improve decision-making by analyzing possible future events. Unfortunately there are many different approaches to scenario building. There are various manuals which describe step-by-step approaches, for example the FOR-LEARN online guide, the UNIDO technology foresight manual and the European Foresight Platform (EFP) (see links below).

Just as many other foresight methods scenario building is an empirical driven process. There are different schools, for example: The Dutch-Californian school emerging from SHELL and using an explorative approach. It started with people such as Peter Schwartz, Pierre Wack and Kees van der Heijden. The French school combines normative and explorative approaches starting out in the 1960s with people like Gaston Berger and Michel Godet. The explorative approach means to look how a situation can evolve from the present into different alternative futures. This is often a participatory process, involving many stakeholders and perspectives and encourages speculation. The normative approach takes one specific and desired future as a starting point and looks at different possible paths to achieve this desired future. The challenge for foresight practitioners is how to combine these two approaches in various contexts taking into account variables such as culture, economics, politics.

This ForWiki platform offers the opportunity for foresight practitioners to revisit established concepts, present and share experiences and propose new approaches and innovative ideas. In other words, scenario building just as other foresight approaches is not an inherently stable concept, but depends on practices. Scenarios can be used as a stand-alone method but is increasingly used in combination with other methods such as road mapping (highlighting which actions are needed to arrive at a desired future) or environmental scanning (understanding the present context).

Pros and cons

The FOR-Learn guide highlights the advantages of using Scenario Building in respect to other methods where the degree of uncertainty is high, as this is a tool that stimulates strategic thinking, creativity, communication and organizational agility, allowing individuals and organizations to ?create their own future?. A robust set of scenarios helps organizations become proactive, working towards a desired future. Among the drawbacks of the method there are listed the difficulty to produce credible and useful scenarios, and the limited range of approaches and dynamics which we can be consider during the process. Scenario building always undergoes the risk of staying at the level of broad generalities, without in-depth analysis and quantification, thus becoming useless to decision-makers. On the other hand, scenarios can be extremely technical and formalized, making them hard to assimilate by ordinary readers.

Variations

There are different approaches towards building scenarios. For instance, constructing normative scenarios starts with a preliminary view of a possible future and looks backwards to see how it might grow out from the present, while exploratory scenarios are mostly based on counterfactual reasoning (?what if??). In a different approach, an inductive technique for building scenarios starts with the available data and allows the structure of scenarios to emerge by itself, while in a deductive technique one begins with the overall framework and pieces the data into

his framework. An inductive/deductive approach is preferable when it is clear that scenario building is the proper tool for dealing with the uncertainty of decision-making, or when the method is already embedded in the organizational culture. However, when participants to the process have doubts about the utility of the method, an incremental approach is more suited. The incremental approach uses the *official future* as starting point, and tries to highlight flaws and develop alternatives.

See also

Environmental Scanning & Monitoring
System Dynamics
Structural Analysis
Agent Modelling
SWOT Analysis
Trend Intra & Extrapolation
Modelling & Simulation
Gaming
Creativity Methods
Expert Panels
Delphi survey
Backcasting
S&T Roadmapping
Critical & Key Technology Study
Morphological Analysis & Relevance Trees
Cross-Impact Analysis
Multi-Criteria Analysis

FOR-LEARN: http://forlearn.jrc.ec.europa.eu/index.htm

Scenario building method step-by-step according to FOR-LEARN: [[1]]

UNIDO Technology Foresight: http://www.unido.org/index.php?id=o5216

Shell "Scenarios: An Explorer's Guide":
http://www-static.shell.com/static/public/downloads/brochures/corporate_pkg/scenarios/explorers_guide.pdf