Foresight Workbook

A guide for executives to build strategic foresight programs into their organizations
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HOW TO USE THIS WORKBOOK

Executives can use this workbook to help implement foresight programs into their organizations. This book presents a model for seeing what is changing in the overall environment and marketplace, understanding how trends and shifts relate to your professional practice, and deciding what to do about it.

However, the workbook alone is not a complete resource. It is meant to be used in conjunction with the AIA Foresight Report—one of AIA’s key business intelligence resources for members.
The “what” and “why” of strategic foresight and planning

While most of us would not call ourselves futurists or trend watchers, we mimic them unconsciously every day.

We stay informed of events in politics, business, popular culture and our areas of interest (perform an environmental scan); try to understand events and how they relate to us (analyze and interpret drivers of change); and imagine what type of future the past and present might create (develop scenarios).

What is strategic foresight and planning?

Simply put, strategic foresight and planning is defined by four key activities:

1. **Seeking**: Scanning the environment to better understand the opportunities and constraints both inside and outside the organization
2. **Analyzing and interpreting**: Making insights relevant to the firm
3. **Designing a response**: Integrating what you’ve learned into a strategic plan
4. **Taking action**: Implementing the plan

Why is it important?

Whether they are developing contingency preparations in response to global military threats or deciding on a long-term approach to public transportation investment, leaders of all types of organizations use foresight development and forecasting as essential components of strategic planning. In order to be effective in carving out a path through the future, leaders must understand what type of world they are planning for.

The same goes for leaders of architecture and design firms of all sizes, as well as sole practitioners, who wish to deepen their practices’ relevance to the marketplace or their own relevance to employers.

The old bromide of “forewarned is forearmed” is only part of the rationale for attempting to understand how the future is unfolding. Firms that engage in strategic foresight can not only avoid hazards, but also position themselves to take full advantage of emerging opportunities.

The more that architecture and design professions become attuned to drivers of change in the operating environment, the sooner they can become drivers themselves who lead the future development of our built environment.
The Four-Step Foresight Process

1. **Seeking**
   Collect raw material—information about drivers of change and the condition of the broader operating environment.

2. **Analyzing & Interpreting**
   Build a context; sort through and prioritize data and define what will be relevant to the firm (and how); and develop insights that will inform future stages.

3. **Designing a Response**
   Create goals and strategic priorities based on the changing environment, strengths and weaknesses of the firm, and opportunities ahead.

4. **Taking Action**
   Take the practical steps to realize the plan.
What is seeking?
Seeking is a process that develops a picture of the broader context in which a firm or organization operates. It is frequently called environmental scanning because the seeker collects information on a broad array of disciplines and topics: from macroeconomic and global political trends to conditions in the local AEC marketplace.

Goals of seeking
• Identify key trends and drivers of change in the wider operating environment as well as AEC and client industries.
• Build a bank of credible sources for future information on trends.

Action Steps & Exercises
Use the Scanning Map to focus your search on key themes and topics (see pages 5-6).

Develop a frequently updated list of information and data sources for environmental scanning.

Create a living document of observations and insights (including sources).
Scanning Map

Where to look and what to look for

Where do you begin when trying to understand how the future will unfold for design organizations? The Scanning Map is a tool to help focus your search into three broad categories (Operating Environment, Professional Practice, and the Business of Design) that are each broken down into four sub-categories.

1. Seeking

ECONOMY & BUSINESS
- Macroeconomic trends that create the overall environment for business (special focus on AEC and your clients’ industries); trends in consumer attitudes and habits generally

SOCIO-CULTURAL & POLITICAL
- Important shifts in the social, political, and regulatory environments that affect the health of national, state, and local economies; changes the interaction of people and the built environment

SUSTAINABILITY
- New developments in the ecological, social, and health impacts of decisions

TECHNOLOGY
- Trends and shifts in technology outside the design professions; changes in tools and how people use them generally (such as, for work, entertainment, relationships, etc.)

DESIGN
- Enduring shifts in how spaces and structures are envisioned and created (including form, process, and performance)

STUDIO & JOBSITE TECHNOLOGY
- Changes in technology tools and best practices at every stage of the design and delivery process; shifts in technologies that support the business side of your firm

ECONOMY & BUSINESS
- Changes in how people use (and therefore, what they want) regarding residential, workplace, retail, public, and other types of spaces

SOCIO-CULTURAL & POLITICAL
- Changes in the fundamental value proposition of design (what firms offer and are valued for in the market); shifts in the way value is communicated and projects are won

SUSTAINABILITY
- Changes in the way that projects are financed and firms are managed financially

TECHNOLOGY
- Trends and shifts related to talent (human resources), the workplace/studio, and new models for organizing your firm to do better work
Analyzing & Interpreting

What is Analyzing & Interpreting?
The analysis and interpretation phase begins to shape what you have discovered in the seeking process. As this phase progresses, a clearer picture will emerge of significant trends and shifts that are relevant to your practice.

Strategic planning models will sometimes include a streamlined version of environmental scanning and analysis, and tools like scenario planning exist to help leaders better understand how the world is evolving.

Goals
- Develop a more coherent picture of the current operating context.
- Form a workable model for the future operating context.
- Categorize insights and observations by the pace of change and their importance to your firm.
- Identify how each trend will affect your firm or organization (i.e., what part of your practice will be affected).
- Identify the internal condition of your firm or organization.

Action Steps & Exercises
Score each major trend you identify on a scale (high to low) of pace and importance [figure 1].

Tie each important trend to the five major dimensions of your firm (using the Design+Enterprise model) [figure 2].

Conduct a SWOT (Strengths-Weaknesses-Opportunities-Threats) analysis to understand the inside of your firm [figure 3].
Analyzing & Interpreting

FIGURE 1

Trend 1
Trend 2
Trend 3
Trend 4
Etc.

FIGURE 2


FIGURE 3

Strengths
1.
2.
3...

Weaknesses
1.
2.
3...

Opportunities
1.
2.
3...

Threats
1.
2.
3...
Designing a Response

What is Designing a Response?

Once you have a picture of the evolving future marketplace and a deeper understanding of how your firm is prepared to meet it, the obvious question becomes what to do to navigate the obstacles and opportunities coming your way.

The purpose and process of designing a response is the same as strategic planning: to identify the best course of action for your firm or organization in light of its goals, capabilities, and desires.

Goals

- Clarify the firm’s underlying mission, vision, and values.
- Establish a set of guiding strategic goals that help shape decision-making in all areas of the firm.
- Determine highest priorities for allocation of the firm’s resources (staff time, money, and creative energy).
- Uncover any needs for structural changes or reorganization in the firm.

Action Steps & Exercises

Assemble key members of the leadership team to review strategic foresight research and insights.

Clarify the organization’s mission, vision, and values; Establish strategic goals and priorities in a written plan that includes timelines and action steps.
Taking Action

What is Taking Action?
As the name implies, Taking Action is the phase in which research, strategy, and implementation come together to shape the future of the firm or organization.

Implementation is often the most challenging phase to complete because it requires sustained effort from leaders and staff who are undoubtedly managing many competing priorities. The Taking Action phase also provides important feedback on the successes and failures of the prior three stages.

Goals
• Allocate resources to complete strategic initiatives.
• Execute the strategic plan and measure the results of initiatives and actions.
• Capture feedback on the accuracy of the strategic plan.

Action Steps & Exercises
Assign roles, responsibilities, timelines, and budgets to strategic initiatives.

Identify adjustments needed in strategic goals or other elements of the strategic plan.
ABOUT THE AIA ECONOMICS AND MARKET RESEARCH GROUP
The AIA Economics and Market Research group provides AIA members with insights and analysis of the economic and market factors that shape the business of architecture. We conduct monthly and periodic surveys to track business conditions and provide useful and timely analysis. We also work with and use data from other institutions to compile information that helps explain the market dynamics of the architecture business. One of our flagship products is the AIA Foresight Report that provides knowledge about the changing context, business, and practice of architecture.

For more information, visit us at aia.org/foresight.

ABOUT DESIGNINTELLIGENCE
Founded in 1994, DesignIntelligence is a research, publishing, and business networking fir that is focused on improving the performance of the A/E/C and design organizations worldwide. DesignIntelligence convenes the Design Futures Council.

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