

Impact case study (REF3)

Institution: University of Oxford		
Unit of Assessment: 17 – Business and Management		
Title of case study: Building Organisational Resilience Using the Oxford Scenario Planning Approach to Reframe Strategy		
Period when the underpinning research was undertaken: 2005-2020		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): Rafael Ramirez	Role(s) (e.g. job title): Director of the Oxford Scenarios Programme and Professor of Practice	Period(s) employed by submitting HEI: 14/11/2005 – present
Period when the claimed impact occurred: August 2013 – July 2020		
Is this case study continued from a case study submitted in 2014? N		
<p>1. Summary of the impact (indicative maximum 100 words) Ramirez's research has integrated Scenario Planning (SP) with other scholarly fields such as Social Ecology, Sensemaking, and Design to develop the Oxford Scenario Planning Approach (OSPA). The OSPA is a distinctive SP methodology that has been influential worldwide across organisations and industry sectors by enabling a shift in the mind-set of strategic management from closed to more open and flexible. Approximately 1,000 individuals from several hundred organisations have benefitted from instruction on the methodology to date via the Oxford Scenarios Programme (OSP) at the Saïd Business School. The OSPA has served as the catalyst for changes in strategic planning at companies such as Rolls Royce, and influenced policy and funding decisions within public bodies such as the International Monetary Fund (IMF), the World Economic Forum (WEF), the International Atomic Energy Authority (IAEA), and the National Health Service (NHS), charities such as Diabetes UK and Mercy Corps, and even scientific fields such as gastroenterology and the chemical sciences.</p>		
<p>2. Underpinning research (indicative maximum 500 words) Action research conducted by Ramirez and colleagues since 2005 with participants at the Oxford Futures Forum (OFF) – a triennial meeting of scholars and practitioners exploring new research collaborations focused on Scenario Planning (SP) – has informed the concepts of the Oxford Scenario Planning Approach (OSPA). The OSPA is a distinctive SP methodology that contributes to strategic management through an iterative process of framing, reframing, and re-perception. This enables an important shift in mind-set, whose effectiveness lies not in terms of old to new, or wrong to right, but from closed to open and flexible. This is the central value proposition of the OSPA [R1]. Ramirez developed the methodology with Wilkinson (Associate Fellow, Saïd Business School (SBS); CEO & Secretary General, World Energy Council), and Van der Heijden (formerly Associate Fellow, Templeton College; Emeritus Professor, University of Strathclyde). Ramirez and Wilkinson contributed jointly to the ideas in R1, with Ramirez providing 3 of the 6 case studies in which the methodology is grounded, working together with Wilkinson on a fourth.</p> <p>Research with OFF participants has enabled 2 common divides to be addressed in the OSPA's pedagogy – that between theory and practice, and between SP and other scholarly fields. In R2 for example, Ramirez collaborated with Churchhouse (then Director of Digital, Rolls-Royce plc), Palermo (Manager of External Relations, Royal Society of Chemistry), and Hoffman (Associate Professor, Skema Business School) to show how his co-authors' organisations had deployed the OSPA in their strategic management. The research has also integrated SP with other scholarly fields such as Social Ecology, Sensemaking, and Design to inform the ontological, epistemological, and methodological foundations of the OSPA, making it distinctive from other plausibility-based SP approaches in 3 ways:</p> <p>1) <i>The OSPA is learner-centric in terms of its methodological choices.</i> This reflects its core theoretical roots in social ecology. In R3, Ramirez and co-author Selsky (Consulting Fellow, Institute for Washington's Future) contrast conventional strategic approaches derived from neoclassical economics with a socio-ecological approach to strategy. They propose that the latter approach better helps strategic planners to engage the unpredictable uncertainty that characterises turbulent environments. Consequently, the OSPA articulates a phenomenological approach to strategy and not a predict-and-control mode. Focusing on usefulness makes</p>		

determining purpose and user a primary condition to establishing success – which differs from considering success on whether the scenarios unfold as imagined. This is taken to be impossible in the turbulent, uncertain, novel, and ambiguous (TUNA) conditions in which SP is used. Ramirez and Selsky worked jointly on the manuscript for **R3**, bringing specialist knowledge on SP and Social Ecology to the collaboration, respectively.

2) *The OSPA is designed to produce iterative learning through cycles of reframing and re-perception.* Reframing occurs at a higher logical order through a process of ‘upframing’, which invites the scenario learners to view their situation from a ‘macro’ viewpoint, situated in the future that encompasses the wider context. A complementary ‘downframing’ process then helps the scenario learners to immerse themselves in the new contexts they learn. In downframing, the learners experience the ‘micro’ specific ‘what if’ implications for practice [**R1**, **R2**]. In **R4**, Ramirez presents the theory and provides empirical support using 2 case studies developed with Mukherjee (Associate Fellow, Oxford Institute of Retail Management (OxIRM), SBS; Lecturer, James Cook University) and Cuthbertson (Senior Research Fellow and Director of OxIRM, SBS). Ramirez was the lead author and provided the overall argument and theoretical lens, with Mukherjee and Cuthbertson providing data and leading on the analysis.

Ramirez’s research with Selin (Associate Fellow, SBS; Associate Professor, School of Sustainability, College of Global Futures, Arizona State University) underlines the central role of plausibility as it guides and helps assess development of a limited number of contrasting, relevant, and challenging scenarios as part of the above process of upframing. Their joint research found plausibility plays a more significant role than probability in many cognitive processes of deliberation and decision-making. Plausibility is preferable to probability in TUNA conditions, where probability is either irrelevant or a logical impossibility [**R5**]. Ramirez was the lead author on **R5**, with Selin contributing insights on plausibility.

Ramirez and Eidinow (Chair in Ancient History, University of Bristol) are the only authors in the field who have proposed the aesthetics of storytelling as a technology to create and share plausibility to analyse scenario stories in SP [**R6**]. The role of aesthetics in articulating plausibility is one of the distinguishing features of the OSPA. Both authors contributed equally to **R6**, with Ramirez providing insights on SP and Eidinow the classical view on aesthetics.

3) *The OSPA is designed to help strategists and policymakers find more and better options for coping and succeeding in TUNA conditions.* In TUNA conditions, applicability of existing factual evidence to forecast is limited. SP complements and challenges existing strategy development, but it is not the same as strategy. The research underpinning the OSPA examines the wider context that strategy inhabits, independent of the will or control of the strategist, recognising the need for a balance of competitive and collaborative strategic action in TUNA conditions [**R1**].

3. References to the research (indicative maximum of six references)

R1. Ramirez, R., Wilkinson, A. 2016. *Strategic Reframing: The Oxford Scenario Planning Approach*. Oxford: Oxford University Press. Submitted for REF2 [output type: A]

R2. Ramirez, R., Churchhouse, S., Palermo, A., Hoffmann, J. 2017. Using scenario planning to reshape strategy. *MIT Sloan Management Review*, 58(4). June 13, 2017. <https://sloanreview.mit.edu/article/using-scenario-planning-to-reshape-strategy/> [output type: D]

R3. Ramirez, R., Selsky, J.W. 2016. Strategic Planning in Turbulent Environments: A Social Ecology Approach to Scenarios. *Long Range Planning*, 49(1): 90-102. <https://doi.org/10.1016/j.lrp.2014.09.002> [output type: D]

R4. Mukherjee, M., Ramirez, R., Cuthbertson, R. 2020. Strategic reframing as a multi-level process enabled with scenario research. *Long Range Planning*, 53(5): 101933. <https://doi.org/10.1016/j.lrp.2019.101933> [output type: D]

R5. Ramirez, R., Selin, C. 2014. Plausibility and probability in scenario planning. *Foresight*, 16(1): 54-74. <https://doi.org/10.1108/FS-08-2012-0061> [output type: D]

R6. Eidinow, E, Ramirez, R. 2016. The aesthetics of storytelling as a technology of the plausible. *Futures* 84 (Part A): 43-49. <https://doi.org/10.1016/j.futures.2016.09.005> [output type: D]

4. Details of the impact (indicative maximum 750 words)

The Oxford Scenario Planning Approach (OSPA) has raised the quality of strategic conversations and led to invention and testing of new options and actions in multiple industries and sectors worldwide, including healthcare, finance, manufacturing, energy, security law enforcement, and charities. Approximately 1,000 individuals from several hundred organisations have been through the Oxford Scenarios Programme (OSP) to date. The OSP is Saïd Business School's executive development programme founded on the methodology. Alumnae have deployed the OSPA to the benefit of firms such as Rolls-Royce, Anglo-American, and Wärtsilä; intergovernmental organisations such as the International Monetary Fund (IMF), the European Patent Office (EPO), and the International Atomic Energy Agency (IAEA); NGOs and charities such as the World Economic Forum (WEF), Diabetes UK, and Mercy Corps; and scientific and professional fields such as Royal Society of Chemistry (RSC), BMJ, and United European Gastroenterology. As illustrative examples, participants on the OSP have collaborated with Ramirez on joint scholarly publications that explore the ways in which the OSPA has been employed in their institutions. One such example is Rolls-Royce [R2].

Changes in strategic planning at Rolls-Royce

After issuing 4 profit warnings and witnessing a share price fall of over 50%, in 2016 the OSPA helped Rolls-Royce develop a new strategic planning process that re-orientated the company's investment process. Several dozen top managers had participated in an OSPA-centred programme the previous summer. This led to an appetite for a company-wide scenario planning process. 25 mid-and-senior level executives selected from different business units, functions, and locations, attended a 3-day OSP workshop, during which they developed a set of scenarios addressing core strategic questions. According to Rolls-Royce's VP Strategy: *'These are now used...as a stress test of the resilience of the group and business strategic plans carried out at least annually, and also as one of the decision criteria for each strategic investment option being considered. It is acknowledged within the company that the use of scenario planning contributed to the acceleration of some key strategic investments for the company which otherwise may have been delayed until a future time.'* [E1]

According to the VP Strategy, the introduction of the OSPA as a tool to stress-test the group and business unit strategic plans also yielded several 'soft' benefits, including: *'an "unfreezing" of the senior executives' thought patterns to become more aware and creative; a mechanism to "make sense" of contextual complexities and uncertainties; a structured thinking approach for considering alternative plausible futures (even if not probable); [and] an ability to collaborate in the wider industrial strategic arenas where scenario planning is more mature/developing.'* [E1]

Incorporating longer-term risks and uncertainties into the International Monetary Fund's (IMF's) analysis

The OSPA has supported the IMF's mission across its 3 major business lines of economic surveillance, lending, and capacity development. According to the IMF's Director of Strategy, the IMF consulted Ramirez on *'how to incorporate longer-term risks and uncertainties into [its] traditionally shorter-term analysis.'* [E2] This led to 2 rounds of scenario planning: the first in 2012, the second in 2016. *'Prof Ramirez's research, including his book [R1] ...served as important references for guiding scenario planning at the IMF. We have used recent research articles to motivate users [R2], inform scenario design questions, and tailor scenario planning to users more accustomed to working with probability-related concepts [R5].'* [E2]

An ongoing review of the IMF's economic surveillance activities uses custom-built OSPA scenarios to identify work priorities that are robust in an uncertain future and will influence how the IMF allocates resources across its 189 member countries. The Director of Strategy confirms:

'Our Fall 2018 Regional Economic Outlook for sub-Saharan Africa [E3] used scenario planning – rooted in Prof Ramirez's research – to call for an adaption of development strategies to demographic, climatic, and technological change.' [E2]

In response to the 2013-16 Ebola outbreak, the IMF established the Catastrophe Containment and Relief Trust to provide grants for debt relief for the poorest and most vulnerable countries hit by catastrophic natural disasters or public health disasters. *'Scenario planning helped IMF management to respond quickly with this new Trust by sensitizing them to how the Fund can help stop a non-economic trigger from causing snowball effects on economic growth and stability,'* says the Director of Strategy [E2]. *'I can attest that the OSPA has had a considerable impact on the mindsets of IMF staff... It helps us anticipate and cope with ongoing changes... we feel that we have collectively improved our ability to stay ahead of developments and respond with policy options when the need arises.'* [E2]

Improving reception of the World Economic Forum's (WEF's) strategic foresight work with key stakeholders

The experience of WEF staff at the OSP, combined with WEF's collaboration with Ramirez between 2012 and 2014, changed the way WEF approached scenarios and improved the reception of the Forum's strategic foresight work with key stakeholders and communities as a result. According to WEF's Head of Society and Innovation, WEF's new strategic foresight project on future availability of natural resources [E4] *'differed markedly from previous scenario projects because it focused specifically on a critical insight from Oxford research around the power and importance of surfacing assumptions in scenario practice [R2, 5].'* [E5]

Application of the OSPA meant that participants perceived and experienced the new scenario method as a form of 'interesting research' that revealed competing assumptions, new dynamics, and complex contexts for the management of natural resources. Resulting project publications by WEF experienced a significant increase in media mentions and positive feedback from among Forum communities. *'The project engaged in workshops and dialogue more than twice the number of participants (300) as the average project of its type and duration. The main project was also used to "reframe" strategic conversations around resources with stakeholders – for example, with the members of the Minerals Council of Australia, community groups and Australian policy makers in a series of very challenging but productive workshops,'* confirms WEF's Head of Society and Innovation. [E5]

Increasing revenues and prioritising the digital agenda at management consultants Kearney and Atkins

Between 2011 and 2018, 128 of Kearney's international clients participated in the OSP, representing 29 countries; 50 of Kearney's partners attended (over 15% of partners), and 16 VPs and Principals from the company (194 participants in total). In the words of Managing Director of Kearney's internal think-tank, the Global Business Policy Council: *'The program with Oxford has led to a wider application of scenario planning across the various practices (both industry and service sector) of our organization. This impact cannot be overstated. By involving so many of our partners...we have affected a sea change in the firm's conceptual point of departure, frame of reference, preferred methodology, and intra-firm "communities" that champion the Oxford approach to serving the scenario needs of clients. The number of Kearney projects involving scenario planning has risen significantly since the onset of our program with Oxford. So too have the revenues associated with scenario-related client work.'* [E6]

The OSPA led to prioritisation of the digital agenda at design, engineering, and project management consultancy, Atkins. *'Impacts have mainly been in the justification for, and adoption of, technology-led strategy, which has steered the priorities of the whole business,'* says the Director of Strategic Planning (DSP). Group Information Services were reorganised at the company in early 2016. Referring to R1, the DSP confirms that the OSPA *'informed the strategy workshops undertaken in 2015 and subsequent years – and was instrumental in the prioritisation of the digital agenda within Atkins over the last few years. In particular, the 2014 and 2015 engagements catalysed the introduction of further external thinking into senior level*

workshops in the early part of 2015 – including the invitation to representatives from a technology provider and data analytics firm. This brought this area of the business to the fore and progressively changed the way it was articulated externally to the market.’ [E7]

Tackling technological weakness within the Danish National Police

In the context of a comprehensive review of its internal strategic governance structure in autumn 2017 and full review of its corporate strategy, an OSP live case forced the Danish National Police to tackle their severe technological weakness and introduced the OSPA as an internal tool for management. *‘The impact of our participation in the OSP can be documented from the amendments that were made to the corporate strategy to the decision to alter the internal governance structure to accommodate semi-annual reviews of the strategy in the senior management board. The decision to tackle the ICT assumptions head on resulted in a decision to launch a comprehensive review of the ICT organization of the Danish Police in late 2019, early 2020,’* says the Deputy Director, Strategy and Analysis. [E8]

Diversifying income at Diabetes UK

66 staff (16% of Diabetes UK’s workforce) have been trained in the OSPA following the Director of Operations’ attendance at the OSP in April 2017. *‘[R1] was used as a guide by the scenarios core team we set up in the charity...it was read by our Chief Exec and Head of Strategy amongst others,’* confirms the Director of Operations. [E9]

The OSPA scenarios led to an assessment of the charity’s portfolio of income generating activities. According to the Director of Operations: *‘The scenarios had highlighted for us the need to engage more in digital healthcare and we have seen an opportunity both to bring in funds through our knowledge assets on diabetes in this area, and also to help shape the digital healthcare agenda for diabetes. We have agreed a staged investment process for several £00k in a programme of work to develop this.’* [E9]

In addition, the OSPA led to a new programme of work on inequalities arising from future scenarios: *‘One of the most striking conclusions we came to from the scenarios thinking was the extent of the new inequalities for some groups and individuals with diabetes that each of our scenarios led to. We have therefore set up a whole programme of work around this area...we are investing in this and have agreed that all our work needs to look through the various different lenses of inequalities that the scenarios highlighted. We are seeing this play out with Covid-19 as it has highlighted the heightened mortality risks to people with diabetes in the lowest income decile,’* says the Director of Operations. [E9]

The above examples illustrate how the greatest value from the OSPA has come from organisations’ embedding the re-perception that the OSPA has helped bring about as an input to other processes. In this way, the OSPA has contributed to organisations’ agility and adaptability by maintaining a more open sense of future and delivering new and different thriving and coping options, all of which are key elements of organisational resilience.

5. Sources to corroborate the impact (indicative maximum of 10 references)

- E1.** Supporting written statement from VP Group Strategy, Rolls Royce.
- E2.** Supporting written statement from Director, Strategy, Policy and Review, IMF.
- E3.** IMF Regional Economic Outlook: Sub-Saharan Africa (April 2019).
- E4.** WEF Future Availability of Natural Resources Report, 2014.
- E5.** Supporting written statement from Head of Society and Innovation, Member of the Executive Committee, WEF.
- E6.** Supporting written statement from Partner and Managing Director, Global Business Policy Council, Kearney.
- E7.** Supporting written statement from Director of Strategic Planning, Atkins.
- E8.** Supporting written statement from Deputy Director, Strategy and Analysis, Danish Police.
- E9.** Supporting written statement from Director of Operations, Diabetes UK.