Scenario Planning

Playbook

Scan

Indicators

Brainstorming

Scenarios

Action
Scenario planning is a strategic planning method to develop flexible plans, based on external or internal forces, by generating critical “what-if” situations and designing response options to mitigate or adapt to the situation.

A scenario plan is a vital tool in times of uncertainty.
Scenario Planning Process

Adapting the classic design thinking flow, we'll identify scenarios by broadly assessing the environment, narrowing in on the most critical scenarios, brainstorming response options, and developing specific strategic response.

**Scan**
1. environmental scan
2. warning signs

**Indicators**
1. what-ifs
2. critical scenarios

**Brainstorm**
1. brainstorm options
2. Select priorities

**Scenarios**
1. action plan
2. budgeting
3. monitoring

**Action**
Knowns:
What trends are impacting clients, services, and/or funding?

Examples:
• Shifts in client demographics
• Competitors
• Federal reimbursement changes
• Staff turnover
Unknowns: What information do we need in order to understand external forces impacting clients, services, and/or funding?

Examples:
- Potential policy changes
- City/neighborhood planning
- Potential new funders
Based on trends and insights identified in the environmental scan, create five key indicators and thresholds that would necessitate a strategic response.

- 20% drop in primary funding stream
- New bill moves through legislature faster than expected
- High board turnover rate
Assessing the likelihood of the identified warning signs, define the potential impact (and its relative likelihood) that would trigger or indicate the need to change your organization’s strategy.
Brainstorming a Response

For each change:
List as many options as you can think of to respond or adapt to the event or change.

A. 

B. 

C. 

Scenarios

Based on the preceding work – environmental scan, warning signs and indicators, and what-ifs and your brainstorming – define three likely and impactful scenarios for which to develop plans for.
For Scenario A on the previous page, select the most appropriate and viable response option, refining its clarity or merging with other options.

Additionally, what actions would you take in the immediate future and, longer term, what objectives would you want to achieve?
Scenario A: Budgeting

What is the budget impact of the objectives and activities?

Develop a budget for this scenario, identifying necessary:
• resources
• expenses
• cuts and savings
• income
Scenario A: Action Plan

Create an action plan that articulates the overarching outcome you are trying to achieve, focusing everyone during planning.

Next, clarify the objective (what you plan to accomplish), tasks, timeline, needed resources, and responsible person (board, staff, or committee).