

# THIS IS HOW YOU DO FUTURE

## Corporate Foresight and Entrepreneurial Spirit

*By Klaus Burmeister and Andreas Neef*

**Change.** In a very literal sense, researchers of the future thrive on change: Where status quo reigns supreme, no one requires forecasts. Business as usual ad infinitum has no need of future specialists. The same, however, applies to businesses: Business opportunities only ever come as the result of change. Foresight and entrepreneurship are inseparable.

**Simulating the World.** In the past, however, the connecting link between future work and the business community was not the focus on the opportunities of change but its risks. In the 1960s, futurology was excessively devoted to quantification. “Operations Research” was considered a core competency, people were at pains to use calculations and simulations to get a grip on the future. Businesses, too, showed interest in the work of Herman Kahn and others – because they promised to make the future calculable and, hence, controllable. Suppliers of forecasts like Global Insight still tap into this need for security today.

**Thinking in Alternatives.** In the 1970s, forecast methods which focussed more on quality began to gain a foothold in the business community. People used scenarios and learned to think in alternatives: If we cannot calculate the future, we should at least be able to prepare for it. This is what businesses did, with some measure of success. Shell is a primary example. In several energy scenarios, its people had simulated in detail the effects of an oil crisis. When it began, Shell was prepared and was not forced to pay for tankers lying at anchor in the ports. The early success of corporate future research exemplifies what Eckhard Minx, futurologist at Daimler, once termed “stockpiling thinking”. If we may call Shell plc. the mother of Corporate Foresight internationally, Daimler Benz’s “Society and Technology” Research Group played the same role in Germany in the late 1970s.

**Trend Surfing.** In the 1980s, a new approach to the future came to the fore. William Gibson once wrote that “The future is already here – it is just unevenly distributed”. This became the rallying cry of a new discipline, trend research, which focused on fads and fashions, youth cultures, and “zeitgeist”. The general idea was that by joining a trend early, businesses would be able to “surf the wave”, gaining “street cred” and increasing their sales. This is bound to be an oversimplification, nonetheless, what we owe to trend research is a heightened awareness of the significance of social phenomena. It also yielded great individual performances, for instance Naisbitt’s work “Megatrends”, published in 1982, which offered a convincing portrayal of the dominant lines of change beyond the 1980s from a global perspective.

**Our Roots.** As a consultancy, Z\_punkt is positioned at the intersection of the three traditions outlined above: The quantitative approach following Kahn, Batelle, and – for German-speaking countries – Prognos; the scenario method used by a futurology focused more on quality in the tradition of Robert Jungk; and trend research which emerged in the 1980s in the United States advocated by Popcorn and others. Most of all, we are committed to the second tradition, to thinking in alternatives. It was our deep conviction that in order to act businesses require this thinking which lead to the foundation of Z\_punkt a decade ago. We do, however, also consider ourselves seismographs of change, hunting for new patterns which emerge in the economy and society. In recent years, we have also gained much experience in the quantitative approach – both because this is an expertise our customers expect us to have, and because figures help in making statements more precise and avoiding a general vagueness of ideas.

**Thinking Outside the Box.** In the 1990s, real future work in businesses was still almost solely the domain of so-called “lateral thinkers”, which were expected to brainstorm with no holds barred. This approach to “stocking up on thinking”, however, soon results in losing contact with the day-to-day management and the strategic core functions of a company – which is precisely what happened to the early corporate futurologists.

**The PowerPoint Culture.** Today, futurology in a business environment is often referred to as “Corporate Foresight”, a term we helped establish. It is also an expression of the increased significance of research into the future: Foresight has become a strategic core task, the responsibility of departments which directly assist the board of directors. It has become ingrained in corporate business functions, be it corporate planning, strategic marketing, innovation management, or corporate communication. This has made Corporate Foresight a part of the “PowerPoint culture” characterising staff work in large businesses: Statements are carefully worded, a major part of work consists in hedging one’s bets, people proceed methodically, yet in tiny steps. In other words: Today, futurology may have a far sounder standing in many businesses and be better established in organisations than ever before – but all too often, it lacks the breadth of vision to see emerging radical changes, and the willingness to engage a more daring entrepreneurial spirit. The former “court jesters” showed more courage.

**The Future Becomes Top Priority.** For some time, we have observed that research of the future has moved closer to executive management. There is a very simple reason behind this: Only a tiny number of companies still operate in a stable business environment, and where change becomes the norm, futurology is a natural ally of corporate management. This makes Foresight even more into a consultative business. The range of issues is familiar enough – globalisation, demographic change, knowledge economy, digitisation, and so forth. But what do we make of this? How to create added value for your business? Here, Corporate Foresight has the answers.

**Re-Designing Our World.** In order to provide you with these answers, we researchers of the future have said goodbye to a practice limited to describing and analysing trend information. Today, we offer businesses a way of working for the future together which is not focused on safeguards, but rather on boldly re-designing the world – there are, of course, many smaller worlds within our large one where redesigns pay off.

**Rethinking Business.** We initiated Rethinking Business, a series of conferences, on the occasion of our company’s tenth anniversary in 2007. Intended as an experimental laboratory, it is the place to fully embrace and face squarely radical new ideas: Rethinking Germany, products of tomorrow, revolutionary manufacturing processes, tomorrow’s business models. Businesses need to break with tradition. In many respects,

linear approaches to innovation have been exhausted. Systemic innovation is necessary. With markets more dynamic than ever and subject to external disruption, we need new patterns of thinking and acting. Nokia started out as a paper manufacturer and, later on, produced rubber boots. Where will your company be in ten, twenty or thirty years?

**Beyond the Confines of Your Industry.** In the future, successful companies will be the ones asking radical questions today: What will be tomorrow's mobility paradigms? How will the user-driven economy work which emerges in today's Net? How to open up markets "at the Bottom of the Pyramid"? Or, more specific: Which drastically new business models will make money in the telecom sector in 2020? What might Germany's sustainable and customer-oriented power supply look like? Today's businesses can only give answers which do justice to these questions if they transcend borders, collaborate with others, and dare to leap forward: Limiting yourself to your industry is not the right approach to rethinking your own business.

**Foresight Entrepreneurs.** In the 21st century business environment, Corporate Foresight is a core competency tasked with designing the architecture of a new economy and exploring new ways of creating values within its framework. This claim may seem too high a hurdle for futurology. Not to raise it would be fainthearted and show a lack of good business sense. Because after all, Foresight and entrepreneurship are of the same kind.

## Contact

Z\_punkt GmbH The Foresight Company  
Bullmannaue 11 | D-45327 Essen | Germany | phone +49.201.74727-0 | fax +49.201.74727-22 |  
burmeister@z-punkt.de | neef@z-punkt.de

Copyright Z\_punkt GmbH The Foresight Company January 2008