

# **Book The Five Futures Glasses**

## How to see and understand more of the future with the Eltville Model

Pero Mićić Palgrave Macmillan, 2010 Listen now

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### Recommendation

The future does not and never will exist, but people base many decisions on their conception of it. Futurist Dr. Pero Mićić's book deals with the complexities of "future management" and "futures methodology." The first three chapters, where Mićić lays out his elevated concepts, might be tough sledding, but from chapter four – where the author outlines his "five futures glasses" metaphor – his information becomes clearer and more applicable. *BooksInShort* recommends this book and its helpful case studies to corporate directors, executives, private investors and all decision makers. Mićić's original future analysis proves impressive and useful.

## Take-Aways

- Predicting the future is impossible.
- Assessing what the future may hold for you and your organization is possible and vitally important.
- · Flawed assumptions about the future will prevent you from developing a viable strategy for your organization or yourself.
- The Eltville strategic planning model helps you systematize your knowledge of the future.
- The "five futures glasses" can help you plan for and shape the future to your benefit.
- The "blue futures glasses" help you develop assumptions about the future that are most likely to come to pass.
- The "red futures glasses" help you imagine how surprising future events could affect you.
- The "green futures glasses" help you identify special opportunities to come.
- The "yellow futures glasses" help you establish a vision for the future.
- The "violet futures glasses" help you develop a workable plan to achieve your goals.

### Summary

### "See More of the Future"

The Eltville strategic thinking model uses the metaphor of five pairs of eyeglasses for seeing the future to help you think systematically about various possible futures and how to prepare for them using a seven-step process. First is the "introductory step," during which you collect the information you need to plan for the future. Next are the "five futures glasses," and the last step is "institutionalization," in which you embed "future management" as a regular part of your normal operations.

By using these seven steps, you can create a "mental map" of your organization's future based on an "overview of what you know and what you don't know." This template helps you plan your organization's future beyond the immediately visible.

### **Deciphering the Future**

Five "futures glasses" help you to understand the future and support your organization with solid future management. Each of the glasses performs a different function:

- Blue tests your assumptions about what the future may bring.
- Red anticipates surprises.
- Green helps develop your most promising future.
- Yellow shows how to establish your vision for the future.
- Violet aids in outlining your plan of action.

#### "Your Blue Futures Glasses: What Lies Ahead?"

Assumptions you make about the future's impact on you and your organization shape your everyday actions. Blue futures glasses orient you to what's coming. Use them to map out what seems likely to take place, thus reducing future complexity and confusion. Start by asking two primary questions: 1) What information do you have about what changes to expect? And, 2) what changes are likely, not likely and possibly likely?

"I have learned to use the word 'impossible' with great care." (Wernher von Braun)

To best utilize blue futures glasses, realize that you cannot predict the future. Be conservative in your estimates about what is to come; it may well not happen. Blue futures glasses help assess the soundness of your assumptions. Ask your colleagues and friends to evaluate your suppositions about the future and to check them against their own ideas.

"No one can predict the future, but it is dangerous not to try to do so, for we base every decision in our lives and in our companies on our image of the future."

Conclusions you form about the future determine your company's strategy. If you surmise inaccurately, your firm's strategy may fail. Future-oriented assumptions are just as important for individuals and how they plan their lives — where they will live and work, who they will marry, and so on. Informed guesses about the future can help reduce the "number of probable futures" (and there can be many). Assumptions help you think about the future in a structured way. Blue futures glasses can assist you in defining the following:

- "Assumption questions" Pose these queries to understand what knowledge you need to predict upcoming changes in your environment. The questions you choose must help you appraise factors that can affect your organization's future, such as the behavior of your customers, new technologies, the condition of the market, your organizational well-being, and relevant rules, regulations and laws.
- "Futures factors" What trends and technologies will change the status quo?
- "Signals" What indicators might reveal possible new developments and potential significant events?
- "Future projections" Each statement must focus on one concern about how, what and where some factor will be in the future.
- "Future scenarios" A projection concerns a single question, whereas a scenario concerns several questions about the future.
- "Assumptions about the future" The blue futures glasses' "core concepts" rest on "informed assumptions." For example, you might say: "We assume with 80% probability that 60% of the population of city X will live in single households in the year 2020."

"You have to start digging the well before you develop a thirst."

When you wear blue futures glasses, your viewpoint must be objective, passive and detached. Your attitude should be "realistic, analytical, experience-based and rather conservative." The more experience you have, the better you will be able to assess "which futures are more probable and which are not." Back up your important assumptions with meaningful data by finding external sources to validate your ideas. The more indications of the same trends you amass, the better your assumptions will be. When your organization looks through blue futures glasses (individuals can use a similar process to map their probable future), follow these steps:

- Develop a "futures team."
- Plan to investigate well down the road -10 years, for example.
- Develop five assumption questions.
- Focus on the most "fundamentally relevant future factors."
- Consider key signals.
- Develop three to six futures projections for each assumption question.
- Have your team rate the individual projections. Include opinions of external experts.

### "Your Red Futures Glasses: How Could the Future Surprise You?"

Use red futures glasses to consider the future's shocking possibilities. Because these events are unlikely, let your imagination run free. Ask: "How could the future surprise us, and how can we prepare for it?" Red futures glasses enable you to consider how unpredictable events might affect your organization or life. They allow you to think productively about uncertainty. To illustrate: In 1871, G.T. Chesney published a fictional story about Germany successfully invading Great Britain. This made-up account sparked worried speculation in England. As a result, the British altered their basic military strategy and emphasized defensive preparation.

"The future is made up of future opportunities."

Red futures glasses enable you to think clearly about unlikely scenarios that might seriously disrupt your organization or grant it advantages. Red glasses enable you to develop workable responses to events that, while unlikely, remain plausible. They also help you develop potential "preventive strategies" for disruptive events.

"Future opportunities are the material from which good decisions and good future strategies are made."

Develop questions regarding surprises that could occur such as: "How could our customers' demand for our services suddenly fall dramatically?" "How could our core product be substituted by a new technology?" "What could happen in nature and the environment that would affect...our business?" When wearing red futures glasses, practice calculated pessimism. This "negative form of creativity" stimulates thinking about dangerous shocks that could upend your organization.

"It is probable that something improbable will happen." (Aristotle)

Wear red futures glasses as you organize your futures team, develop questions about surprises, gather "projections and scenarios of surprising events," prioritize possible shocks, and develop strategies to deal with them.

### "Your Green Futures Glasses: Which Future Opportunities Do You Have?"

Green futures glasses let you creatively imagine beneficial future opportunities for your organization. They enable you to spot and seize prospects earlier than you could have without them. Identify strategically significant potential opportunities and visualize the steps required in the near term to exploit them. Target future opportunities to create more avenues for success. Green futures glasses "transform threats into opportunities." Toyota used this approach to create its Prius vehicles, the world's first mass-produced hybrid automobiles.

"Before risks can be managed, they have to be recognized."

Organizations thrive on new opportunities that motivate employees and foment optimism. Develop the right "opportunity questions," such as: "Which markets can we develop?" "How can we win new customers?" "Which new partners provide competitive advantages for us?" When you use green glasses, involve your entire team in "opportunity development." Use "opportunity questions" to imagine these developments. Thinking about how other organizations seized special opportunities in the past can help you recognize the best future chances. For the individual, imagine opportunities that will enhance your "professional satisfaction."

"We can only meaningfully think about probabilities if we ... have no influence over what is being observed."

Green futures glasses suggest introspection, positivity and hope. The reality of the future opportunities you imagine depend on your organization's ability to achieve them. Ironically, the more experience people have, the less likely they are to perceive the future's full range of profitable opportunities. Experts often automatically dismiss special opportunities as impractical. As per the Asian proverb, "There are millions of possibilities in the mind of the beginner, but only very few in the mind of an expert." Whether novice or expert, do not be timid. Seize the opportunities you imagine when you don green futures glasses.

#### "Your Yellow Futures Glasses: Which Future Do You Want to Form?"

Use yellow futures glasses to imagine a positive vision of your organization's future. This vision sets the path your company must take to orient itself in the most productive way and achieve its goals. Yellow glasses open your perspective so you can see where your firm will be in the next 10 years. Ask "what fascinating future" your company seeks in the long run.

"The quality and meaning of a strategy concept...can only be verified if the assumptions about the future they are based on are known."

Yellow futures glasses help develop the right mission and strategy, and provide clarity for the people in your organization. Show them what they are working to achieve in both short- and long-term goals. A robust strategic vision sets you apart from the competition. To develop a strong strategic direction, consider some typical "vision questions," such as: "What do we want our company to look like in 20XX?" "How do we want to decide and act in [the] future?" An individual who is planning a strategic vision might ask, "What more do I want to experience in my life?"

"Some futures experts...claim that almost everything that happens now has been foreseen."

Yellow glasses help you state your firm's strategic vision. A typical statement reads: "In 2018, we are the fastest developer of individual cosmetic products in Europe." The decisions you make emanate from your strategic vision, which should remain conservative. Portray this vision in images you can share quickly and easily. Write it out in the "future present" or at least in the 'future perfect' – as if it were already reality." Develop three to ten "vision candidates," that is, "rough draft[s] of a strategic vision." Choose the vision that best serves your organization.

"Charles Duell, head of the U.S. Patent Office in 1899... requested that his office be closed as everything of importance had already been invented."

Establishing a corporate vision is not a group task, but a futures team can evaluate the vision after you develop it. Once you have established your strategic vision, work hard to secure as much support as possible. Monitor your vision on a regular basis and adapt as the future changes.

### "Your Violet Futures Glasses: What Are You Planning to Do?"

A great strategic vision is worth little without the proper plan of action. Violet futures glasses help you develop a workable plan to achieve your strategy and vision. Use them to focus on "project management, strategic planning, operative planning (balanced scorecards and so on), critical path analysis," and "time management." Violet futures glasses help you reach your goals, and they develop strategies for success and put them into practice. Violet futures glasses help answer this question: "How should we design our futures strategy as a path to our vision?"

"If you have two possibilities, then you should choose the third."

Violet glasses enable you to plan the necessary steps to achieve the "desirable future" which yellow futures glasses helped you envision. Ask pivotal "strategy questions," such as: "What strategic goals" will help you fulfill your mission? Or "what projects" must you complete to reach your objectives, and "what systems" will that require? A typical strategic goal might be that the company "will have built up a new business in optoelectronics by the end of next year."

"Only one thing is certain...the future will surprise us."

To reach your goals, you must have the right resources and the proper "measurement criteria." Violet futures glasses demand a pragmatic attitude. Make sure you have clear objectives, and establish an appropriate "time horizon." Just as you did with the vision candidates, "develop 'goal candidates'." Make sure that your strategy matches your assumptions. Individuals should set reasonable targets and avoid overly ambitious goals.

## **About the Author**

Pero Mićić, an author on future management, chairs the FutureManagementGroup AG.