AI-Powered Scenario Planning Workflow

The Oxford Scenario Planning Approach (OSPA) is not only appropriate for market conditions of extreme Volatility, Uncertainty, Complexity, and Ambiguity (VUCA), but was specifically developed to address them.

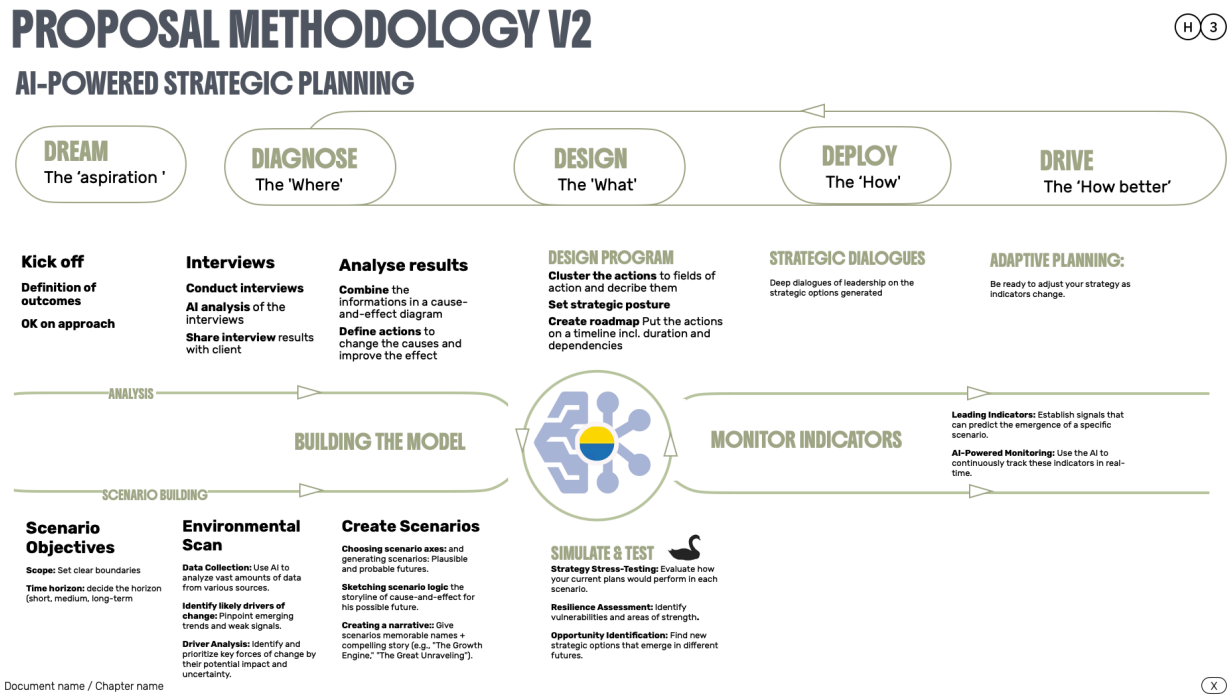
The approach is grounded in decades of practice and academic refinement, making it a robust, evidence-based methodology for navigating turbulent environments.

This workflow focuses exclusively on the **scenario planning** portion of your methodology. It is designed as a **hybrid process**, leveraging AI for speed, scale, and analysis, while reserving the crucial acts of **judgment, sense-making, and strategic conversation** for the human team.

Each AI-driven step includes a ready-to-use prompt.

Process Overview

This workflow follows the **SCENARIO BUILDING** and **SIMULATE & TEST** loop from your diagram, culminating in the ongoing **MONITOR INDICATORS** phase.



Step 1: Scenario Objectives & Scoping

Objective: Establish a clear foundation by defining the central question, analysis boundaries, and core assumptions to be challenged.

Process Roles:

- 👫 **Human Team**: Define and agree upon:
    - **Strategic Question** (e.g., *"How will the decarbonization of global supply chains impact our business model over the next 15 years?"*)
    - **Scope & Time Horizon** (e.g., *Global operations, 2025–2040*)
    - **Core Assumptions**: 3–5 critical, deeply held beliefs about industry, customers, and business
- 🤖 **AI**: Challenge the assumptions and surface weak signals.

AI Prompt Example:

> *Act as an expert strategic advisor trained in the Oxford Scenario Planning Approach.*
> *Our company is in the [Industry] sector. Our strategic question is: "[Core Strategic Question]."*
>
> *Our initial assumptions are:*
> *1. [Assumption 1]*
> *2. [Assumption 2]*
> *3. [Assumption 3]*
>
> *Please challenge our thinking by identifying one potential weak signal or emerging trend (2024–2025) that could undermine each assumption. Present this in a table.*

Step 2: Environmental Scan & Driver Analysis

Objective: Expand from internal assumptions to an external view by identifying forces of change and prioritizing them by **impact** and **uncertainty**.

Process Roles:

- 🤖 **AI**: Conduct a STEEP-based scan (Social, Technological, Economic, Environmental, Political), generating 15–20 drivers.
- 👫 **Human Team**: Review, debate, and select the two most **critical and uncertain** drivers—these define the axes of the scenario framework.

AI Prompt Example:

> *Act as a world-class strategic foresight analyst.*
>
> ***Context:***
> ** Industry: [Your Industry]*
> ** Core Strategic Question: [From Step 1]*

** Time Horizon: [From Step 1]*

Task:
1. Identify 15–20 key drivers of change using the STEEP framework.
2. For each, provide a description.
3. Rate Potential Impact (High/Medium/Low) and Uncertainty (High/Medium/Low).
4. Provide a rationale.

***Format:** Present as a markdown table with:*
Driver | Category | Description | Impact | Uncertainty | Rationale

Step 3: Creating the Scenarios

Objective: Develop four **distinct, plausible, and challenging narratives** about the future.

Process Roles:

- 👫 **Human Team**: Define quadrant names in a 2x2 framework.
- 🤖 **AI**: Draft rich narratives for each scenario.
- 👫 **Human Team**: Refine drafts in a workshop, ensuring industry relevance and challenge.

AI Prompt Example:

Act as a master scenario writer.

Scenario Matrix:
** X-Axis: [Driver 1: Endpoint A ↔ Endpoint B]*
** Y-Axis: [Driver 2: Endpoint C ↔ Endpoint D]*
** Quadrant Names: [Name 1], [Name 2], [Name 3], [Name 4]*

***Task:** For each quadrant, write a narrative (~600 words, target year [Year]) including:*
1. Title
2. World in Brief
3. Key Headlines (3–5)
4. A Day in the Life vignette
5. Industry Landscape analysis

Step 4: Simulate & Test (Strategy Stress-Testing)

Objective: Stress-test current strategies against all scenarios to identify **robust**, **brittle**, and **new options**.

Process Roles:

- 👫 **Human Team**: Define 2–3 core strategies.
- 🤖 **AI**: Analyze performance across scenarios.

- 👫 **Human Team**: Debate results and reframe strategies.

AI Prompt Example:

> *Act as a strategic advisor.*
>
> ***Strategies:***
> ** Strategy A: [Description]*
> ** Strategy B: [Description]*
>
> ***Scenarios:** [Full text from Step 3]*
>
> ***Task:***
> *1. Create a table analyzing each strategy vs each scenario.*
> *2. Classify as Thrives / Survives / Fails.*
> *3. Provide rationale citing scenario elements.*
> *4. Summarize robust vs brittle strategies.*
> *5. Suggest one new resilience insight + one new opportunity.*

Step 5: Monitor Indicators

Objective: Make scenario planning an ongoing capability by tracking early signals that reveal which future is emerging.

Process Roles:

- 🤖 **AI**: Brainstorm potential leading indicators.
- 👫 **Human Team**: Curate and finalize 5–7 trackable indicators for a **Scenario Monitoring Dashboard**.
- 🤖 **AI (Ongoing)**: Monitor data sources and update the dashboard.

AI Prompt Example:

> *Act as a foresight and intelligence analyst.*
>
> ***Scenario:** [Paste one scenario narrative]*
>
> ***Task:***
> *1. Identify 5–7 leading indicators signaling this scenario is emerging.*
> *2. Explain why each is a *leading* signal.*
> *3. Suggest real-world data sources for tracking.*
>
> ***Format:** Present as a markdown table (Indicator | What It Measures | Why It's Leading | Data Source).*

OSPA: A Methodology Forged in Turbulence

The OSPA was designed for what its developers call

TUNA conditions—Turbulence, Uncertainty, Novelty, and Ambiguity—which are a direct academic parallel to the concept of VUCA. It moves beyond traditional "predict and control" strategic planning, which often fails when the past is no longer a reliable guide to the future.

- **Volatility & Uncertainty:** The OSPA rejects prediction in favor of exploring multiple plausible futures. By creating a set of contrasting scenarios, it builds an organization's "adaptive capacity". The process doesn't try to eliminate uncertainty; it helps leaders make robust decisions *within* it. This is supported by an iterative learning process and the identification of "early warning signals" to monitor which future is emerging, allowing for agile responses to volatile shifts.

- **Complexity & Ambiguity:** The approach directly tackles complexity by distinguishing between the immediate **transactional environment** (customers, competitors) and the broader **contextual environment** (geopolitics, technology, society). This systemic mapping helps leaders see the interconnected forces at play. Ambiguity is addressed through the core OSPA process of the **"strategic conversation"**. By creating a "safe space" to surface and challenge deeply held assumptions, the method helps teams move past conflicting interpretations to a shared understanding and new strategic insights.

An Evidence-Based Approach

The OSPA is not a theoretical fancy; it is an evidence-based practice with a strong pedigree.

1. **Academic Rigor:** It was developed and refined over more than a decade at the **University of Oxford's Saïd Business School**. Its principles are detailed in numerous peer-reviewed papers and the foundational book, *Strategic Reframing*.

2. **Proven in Practice:** The approach has roots in the globally recognized scenario planning practices of **Royal Dutch Shell**, where its co-developers had extensive experience. Shell has famously used scenarios for nearly fifty years to navigate major geopolitical and economic shifts .

3. **Diverse Case Studies:** The methodology has been successfully applied in a wide range of real-world settings. The appendices of *Strategic Reframing* document its use in complex corporate cases like **Wärtsilä** and **Shell**, as well as in multi-stakeholder public sector challenges such as the

AIDS epidemic in Africa, the **European Patent Office**, and the future of risk governance .

4. **Continuous Refinement:** The OSPA is continuously tested and improved through the **Oxford Scenarios Programme (OSP)**, a long-running executive education program that has engaged over 500 senior leaders from global organizations in applying the method to live, complex strategic issues.

This combination of a clear theoretical foundation designed for uncertainty and extensive, documented application in real-world VUCA conditions makes the OSPA a highly credible and evidence-based approach to modern strategic planning.