
Report back on Crystal Ball Workshop Denver, Colorado June 17 and 18, 2011

**Emerging Issues and Trends
Committee**

ASFE THE GEOPROFESSIONAL
BUSINESS ASSOCIATION



Presentation Objectives

- **Background**
- **Identify key trends**
- **Brief overview of scenario planning tool**

Background – why and how we looked at trends

“No matter what happens, the U.S. Navy is not going to be caught napping.”

Frank Knox, Secretary of the Navy, 12/4/41

“There is no reason for any individual to have a computer in their home.”

Ken Olson, president and founder of Digital Equipment Corp.

“This ‘telephone’ has too many shortcomings to be seriously considered as a means of communication.”

A memo at Western Union, 1878

1. Relevance

Driving Forces

Trends that are relevant and critical to your business and the industry's long-term future.



2. Certainty

Driving Forces

There are 2 kinds of driving forces.



Predetermined Elements

What we know for sure.
Trends whose outcomes are fairly **certain** and don't rely on any chain of events



Critical Uncertainties

Trends whose outcomes are highly **uncertain** and could alter fundamental assumptions about your business

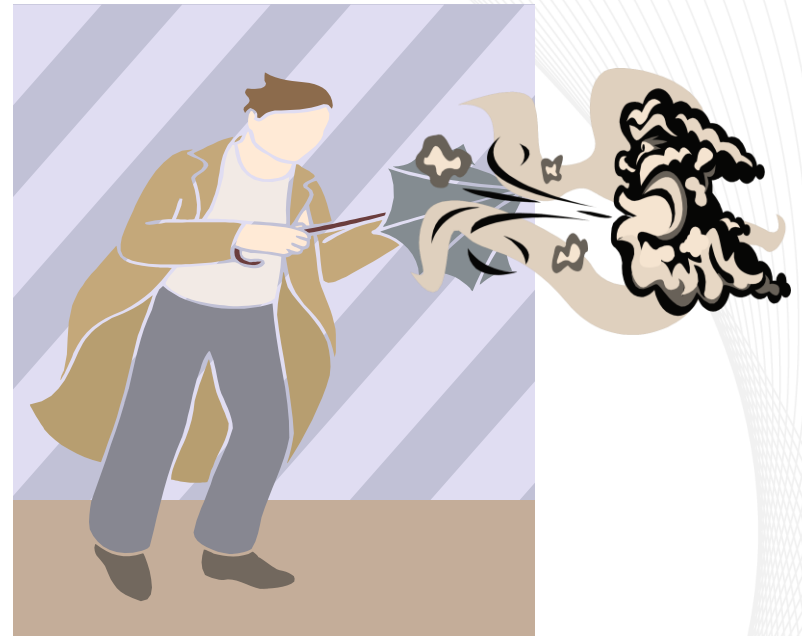
3. Impact

“Tailwind”




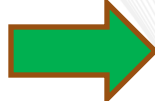
Could work for us

“Headwind”



Could work against us

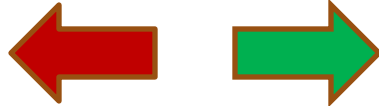
Key Trends

- **Review key trends considered**
- **Identify level of certainty**
- **Identify headwind () or tailwind ()**

Technology

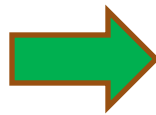
Technology is significantly changing the way we work

Certain



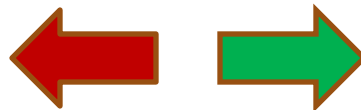
Technology is “leveling” the playing field; the “world is flat”

Certain



Social media will be a business, communication, and branding driver

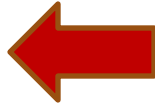
Certain



Financial

Economic doldrums to continue

Uncertain



Pressure to curtail public spending to continue

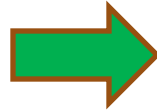
Uncertain



Water

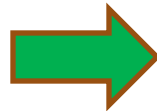
**Groundwater unsustainable;
surface water development needed**

Certain



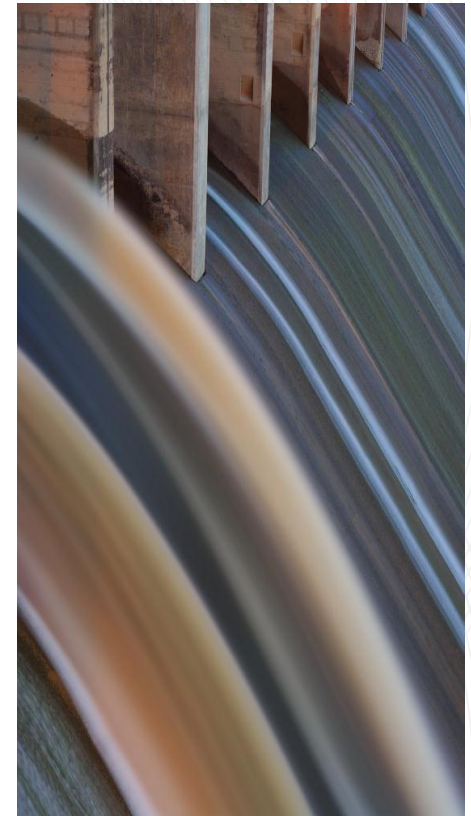
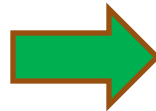
Surface water capacity declining

Certain



Water and food shortages likely

Certain



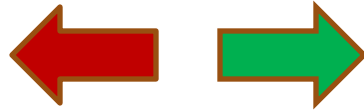
Our Business

ASFE THE GEOPROFESSIONAL
BUSINESS ASSOCIATION



Continued consolidation of industry

Certain



Ownership transition increasingly challenging

Certain



Increasing multi-national ownership may fragment industry

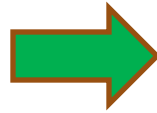
Uncertain



Climate Change

**Climate change to increase variability
and intensity of weather thereby
stresssing infrastructure**

Certain

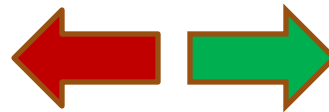


War For Talent



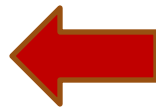
Corporate social responsibility and purpose-driven organizations will become key attractors for talent

Certain



Loyalty to personal networks over employers

Uncertain



Rebound in economy will result in significant turnover

Uncertain



Evaluating Trends

- **The “Certain Future”:** strategies can be directly developed
- **The “Uncertain Future”:** scenario planning useful way to develop strategies



Developing Scenarios



Scenario

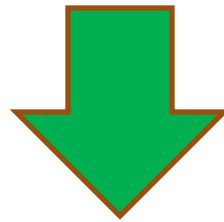
A plausible story of how the future could possibly turn out – a description of how trends could interact and play themselves out

How do you define scenarios?

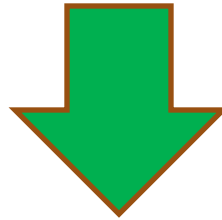
EXAMPLE

US Economy		Infrastructure Investment	
		Strong	Weak
Boom	Boom economy with strong investment	Boom economy with little investment	
Bust	Bust economy with Strong investment	Bust economy with little investment	

**Explore and develop scenarios, consider:
plausibility, what's happening (story telling),
stakeholder impact, firm implications**



**Develop strategies for each
scenario**



Evaluate strategies

Evaluating strategies across scenarios

No Brainers

Strategies that make sense in all scenarios

No Regrets

Strategies that are more valuable in one scenario, but don't hurt you in others

Contingent Possibilities

Strategies that are valuable in one scenario and harmful in others

No Ways

Strategies that are bad in all scenarios or so damaging in one as to be unacceptable

What are early indicators?



Signposts that could signal this scenario is coming true

A few examples

Internal indicators

**voluntary turnover
sales of company logo-wear
time for clients to pay (DSO)**

External indicators

**CPI
10-year T-bills
building permits**



Next Steps: recommendations for future programming