

RSM INTERNATIONAL MBA 2010

# Learning Essay on Scenario Thinking

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# 1 Scenario thinking perceptions

In my perception, scenario thinking is certainly one of major strategic methods in real business. However, I didn't know what exactly how to apply to the real business case. My perception for scenario thinking is more like the sensitivity analysis in the same scope. I would expect more academic way for process or frameworks to follow the suits, like other strategic methods. Nevertheless, the way of teaching scenario thinking and the practical cases make the learning more heuristic and hard to define the boundary of this method in real cases. It may be just the natural of this strategic methodology.

I will express my learning points in terms of the methods of learning, group process and pitfalls, personal developments/reflections in the following sections.

## 2 Heuristic methods for leaning

### 2.1 Choices of group members and topics of scenario planning

The involvement of the selection of group members on the basis of an easy test for personality is really out of my expectation. I was expecting a well mixed background of group members to fully utilize the professional knowledge from each member. If the group is lack of some expertise or knowledge in certain industry, it is really hard to deal special topic for scenario planning in a short time frame. It does require a lot of work to do research. Moreover, the topic is too broad to be reached the boundary in one or two month, not to mention the diverse background of group members.

At first place, I would think that the choice of scenario topic is just for the practice of scenario planning. It may be good to choose the topics that never reachable by one person or anything new. Whatever the topic is should be only good for practicing since the group member is not selected on the basis of common interest and personal expertise. It certainly becomes the learning obstacle in the later stage if I don't have enough passion and knowledge for the chosen topic since the required knowledge is too much.

### 2.2 Personal learning style and benefits from the heuristic way of teaching

In general, it is common for me to see the practical sides of everything in terms of number and built up steps for any subject. Sometimes, it will make me miss the big picture event if I stick to certain numbers too seriously. The system thinking method gives me a good impression how to see things in different angles and more well round way. The hidden connections among each event are hardly discovered in the first place. To do the system thinking better, it does require a good understanding of the related contents for the topic.

The nature of heuristic way of learning does put me in uncomfortable shoes. Sometimes, I am

not sure the information I get is solid enough and impeccable to experts. At the very least, the logic to think through is highly beneficial to me since I am good at the number analysis. The logical flow of the uncertainty, driving force, system thinking and crafting scenario is a good guide line for me to see things in different angles.

### **2.3 Research process and map of learning**

As I mentioned before, the top of the nature of certain countries is too broad. To be honest, I have no clue about anything about the Russia. I am mostly immersed in the culture of Asia and Great America, and Europe. Russia used to be a superpower, but not really related to my real life. The only knowledge I got is back to cold war and limited information from the international news. It is really hard to get started in the reading. Firstly, I have tried couple of web research, such as BBC, Wiki. It did give me the very basic idea what does Russia looks like to a foreigner. Through the future process of research, I got a business case from Stanford about the "competitive advantage of Russia". It gives me a good summary and current issue of Russia. I went further to the all kind of resource in the library database to read the recent news and country reports of Russia. I also got some papers from the group members to get different views of the Russia. The hardest part is to get the first hand information of Russia. The interview methods really depend whom are you interviewing and how objective they are. Unfortunately, I didn't know anyone who acquires good knowledge of Russia. One of our group members interviewed two people from the business and research side of western world. It does not necessary gives the fair view of current Russia. At least, it offers us the views of Russia in different angles. We also turn to some of our Russia classmates since RSM MBA program has diverse student bodies. They also offer some interesting insight of Russia and their "Russia views" of Russia. In summary, the research process really took me a long way to get the basics about the topics. To some extent, the solid assumptions should be the foundation of the scenario planning; otherwise plausibility of the scenarios is highly questionable.

### **2.4 Group dynamic and work process**

We originally have five group members, one is from India, one is from Australia (Russia original), and one is from Canada (Czech origin) and two Taiwanese. We lost one member in the middle of class due to his visa issues in India. Apparently, two group members have better knowledge for Russia and formal Soviet Union countries. The other two (including me) has bare ideas of Russia. The flow of group work actually follows the guidelines of the courses. We did the research questions, driving forces, system thinking in a group and exchanged ideas. To be honest, at the first several meeting, I seldom felt confident to express my ideas since I have little understanding of the topic. It is a very rough, unorganised picture to me. I can't tell whether an important issue in Russia is or not. The group dynamic ran pretty

smoothly. However, I feel that we lack a strong leadership to guide the process flow in the group. I was expecting the member with most knowledge will take the lead. Nevertheless, I didn't have the feeling that we had a knowledgeable person to guide the directions or assign the individual jobs or researches. Therefore, I only can enhance my knowledge through more research about Russia. The boundary or specific research of Russia is never defined. If there is no timeline for assignment, I won't think the assignment will be finished in our group. The trade off of time constraint and more understanding of the topic really causes me lose the passion about the topic. Looked back the previous driving force and system diagram; I am not even convinced that they are the most appropriate ones for this scenario building since the scope of the topic is too broad. I have never worked with other three members before. In one aspect, there may be some culture differences in learning style but not a major issue. On the other hand, the real challenge is that we don't have a smooth guideline how to make the group more efficient with different knowledge levels in a short period, especially I am not confident about the knowledge I acquired about Russia is enough or not.

### **3 Personal development and reflections**

#### **3.1 Academic learning point**

Regardless of the difficulties of the broad topic in the scenario thinking, it actually brings me the knowledge of the Russia and understand what it behinds the daily news about Russia. Beyond the knowledge of new subject to me, the more valuable asset to me is the thinking process for the methodology of scenario thinking. In some occasions, the complexity of system of any issue is too complex to identify the key issue, not mention to address the future trends. The logic flow of the identification of uncertainty, driving force and hidden connections among these factors is very helpful to break down the issue in certain ways. It is extremely useful while we cannot see the issue clearly and decide which strategy for possible futures.

#### **3.2 Key learning moments**

There are several stages in the timelines of this class. At first stage, I was eager to know anything about the topic. At second stage, I answered some research questions and started made some driving force and system diagrams. However, I felt not confident at all for the efforts I have made. I felt that it may require more research and different opinions from different angles. It is very enough. I would keep finding information on the web, news or even books. It was really frustrated and not motivated. The topic is not real my concern in my real life or personal interest. Finally, it was time to decide the final drafts of scenarios. It made me a little bit relief but still concern the richness and amount of information. I was worried about whether it met the criteria, plausible and surprising. At final stage, I am glad there is a

deadline for this assignment. I realize that it is just a good practice for steps of crafting scenarios. It is a methodology of changing mindsets in organization or facilitator for preparations for future challenge. It makes me feel relaxed if I see the assignment with different mindset. I find it more interesting to read the news about Russia.

### 3.3 Personal reflection on the course

As I mentioned in previous sections, the topic is a good practice for scenario thinking process, it is still too hard to define the boundary in the short time frame. The choice of group members and background will significantly affect the progress and level of depth of the project. The big picture thinking of the issue is based on the deep understanding of the assumption. Once the assumption is challenged, the plausibility of the scenarios does not exist anymore. For learning purpose, I think it is a good way to demonstrate the way of logic thinking in terms of methodology of scenario thinking. However, the limitation of this method also exists. To some point, the subjective cut off point is critical especially for only couple sessions classes and limited knowledge of the topic. I will agree that it is good for training purpose, but I am uncertain that the work is not bias from our information source. Furthermore, I feel frustrated during the course while how to set up the stop point. I feel that it never ends for live learning and changing information daily. The other basic assumption for scenario thinking also makes me hard to do judgements, which is the equal probability of each scenario. Without sound analysis of information and numbers, I can say it is only on the conceptual level. It is a methodology of learning by doing.

Nevertheless, there is blurry boundary between support facts and imagination. It is not possible to be objective in the scenario planning. Therefore, the scenario planning will fit the contents of business practice or individual interests. Then it will come to the motivation parts for the projects. The topic is not really related to what I try to study and my immediate concern in the future. The scenario thinking is not about right and wrong, it is about to explore the unexpected future within reasonable boundary of current information. Then the individual or business can act upon the best strategic plan for the possible future. The execution part is much harder than the methodology itself due to the choices of team diversity, the motivation and the communication through all organization. In short, it is the good logic way to do before individuals or organizations prepare for the future challenge. Certainly, the thinking logic is good alternative for strategy network when we don't know what we go for in the future.

### 3.4 Personal development and possible leverage on this course

I view myself as an analytical person and good at the number analysis. However, the weakness may come from the strength. It usually leads me to have certain predetermined path of thinking process. The traditional Asian way of learning is to pursue the precise and correct answers to the questions. That is also why we are good the number analysis. It may also eliminate the creativity of our thinking process. The training of scenario thinking actually makes me feel pointless in the middle of process. I feel that it is hard to tell the difference the plausibility of the scenario and all possible connections of uncertainties and driving force. It does make me nothing concrete for this method. The challenge of my stereotype assumptions is based on the logic way of system thinking and complex theory (The math behinds this is much more complex). The logic of scenario thinking does add subjective judgements, but it still follows the very basic logics of solid assumptions. It will add value to my personal life or business decisions in my career since it is the tool makes me think big and prepare best by the judgement for current limited information.

## 4 Conclusion Remarks

In short, it is still valuable to me by learning the logic flow of scenario thinking, not detailed Standard operation procedure (SOP) of normal strategy framework. It is especially meaningful to challenge my convention way learning in Asia. Instead, it is a heuristic way to guide the path of learning---learning by doing. Although I am not satisfied with the topic and group selections, it still made me understand more about new subject. Moreover, if I could practice way with non traditional mindset, it actually will become more interesting in terms of new knowledge and creative thinking. It also lets me grasp the information quickly by this way of practice. On the leverage of the big picture thinking, it will certainly add value to my original strength of analytical thinking in numbers.