

Understanding the Scanning Framework

The degree to which an organisation might be considered strategically agile is directly influenced by how quickly an organisation becomes aware of, and the responds to, signals of change.

Environmental Scanning (ES) is a deliberate and structured process that aims to identify ‘things of interest’ that may signal the emergence of a change in an organisation’s operating environment. These things of interest (or scanning hits) are likely to include a number of items that the organisation is aware of. To be more useful as part of a scenario planning development however, it is important that the ES includes things which might be considered ‘on the periphery, or not obviously relevant to the organisation.

High quality ES does not rely on history or information that would be considered widely known. Typically most market research or media monitoring data will provide an assessment of existing trends or ‘yesterday’s news’. Whilst a useful input, for the purpose of strategic agility it is imperative that the organisation look further a-field and further ahead in its quest for early signals of potential change.

Building on a commonly used STEEP scanning framework, Looking Up Feeling Good Pty Ltd was the first organisation in the world to develop the VSTEED (or ‘Very STEED’) framework for scanning. In addition it applies a Causal Layered Analysis filter to its data which looks to identify bias in the information available. In this way we are prompted to seek out ‘Confirming’, ‘Disconfirming’ and ‘Alternative’ things of interest.

The VSTEED framework provides a significant improvement to the STEED model for it brings the idea of ‘agency’ into consideration – the consideration for how human involvement might influence, negate, enhance or influence the data that appears in each of the other categories.

- V – Values: The Values filter applied is based on the Spiral Dynamics™ model also known as Value Systems. Rather than consider things that are ‘of value’ (cars, clothes, people etc), we look for the way in which people or societies approach their day to day lives – are they attempting to shape the world to their liking or do they have a preference for compliance?; and how complex are the actions they are taking? For additional understanding, read the Values Paper available at http://www.lookingupfeelinggood.com/uploads/Values_Systems_as_Foresight_Frameworks_2006.pdf
- S – Social The Social filter seeks to consider constructs that occur within the interaction of people living in society, the norms that may exist, the ‘structures’ and icons that are identifiable and that provide meaning.
- T – Technology The Technology filter focuses on both technology in a computing sense, as well as technology in the sense of ‘tools of the trade’. Where a data processing centre or mobile phone might be the norm in one part of the world, technology could just as likely be a simple water wheel or bullock drawn plough
- E – Economics The Economic filter is perhaps one of the more straight forward of the filters used in the VSTEED process. It recognises or labels information based on its relevance to the financial, trade and monetary systems used within societies around the world
- E – Environmental The Environmental filter looks to identify information based on its connection to the air/water/land notion in which we see all species habituating the globe. Although ‘Environmental Scanning’ is the process or ‘looking all around’, this ‘E’ filter differs in that it considers what many have come to know as ‘green’ issues
- P – Political The Political filter looks at the legal and procedural nature of a society – the laws, regulations, enforcement and representative structures that enable a society to

function. The ES does not consider the degree of effectiveness of those processes, merely acting to identify items likely to be representative of those processes.

Understanding the Notation System.

Every single scanning hit will be 'tagged'. Each tag identifies the core filters considered relevant by the scanning analyst at the time of the scan. As such, each hit will have a VSTEER label preceding the headline and the reader will immediately know what core filter is in play, based on the capitalisation of the VSTEER tags.

By way of example, '*VsteeP New approach to thinking*' would indicate that the article or information is relevant to the Values filter. Another, say '*vsTEeP robotics shifts to downtime at work*' would suggest that the story is weighted towards the Technology, Economic and Political filters.

In this way, it is also possible to shed new light on already known data for it asks the reader to consider how the article or data might be viewed through a particular filter. This often leads to significant insights that had remained hidden until the VSTEER notation is included.

The VSTEER framework works in two directions – both as a means to categorise discovered or identified data, and also as a search guide wherein an Analyst might seek out data specific to a particular filter.

Building Relevance

Whereas the first stage of effective ES is to find information, the second stage is to analyse that information and consider its potential meaning.

The Causal Layered Analysis (CLA) model enhances our ability to identify the quality of information. The shorthand approach of CLA suggests that it asks three key questions:

- 'Who wins if I accept this point of view?'
- 'Who loses if I accept this point of view?'
- 'Who exactly, is doing the 'saying'?'

These three questions help identify potential bias and those who might benefit or be negatively impacted should this line of thinking be accepted by those involved in the discussion. CLA also opens up an organisation's awareness of information outside its typical point of view.

Whereas most market research provides only that information that is immediately relevant, the combination of the VSTEER filters and the CLA model exposes a new question:

'In what way could this information be relevant to this organisation?'

This question is fundamental to building an organisation's capacity for strategic agility for it forces the organisation to consider potential links where previously none existed. It enables an organisation to seek relevance among seemingly disparate items of data and uncover potential connections indicative of significant potential for change. Simply, the process increases and organisation's alertness to shifts in its operating environment, and in doing so, greatly enhances the time available for effective decision making.

Strategic agility is greatly enhanced with an improved awareness of signals for change. Viewed in isolation it is likely that the interpretations of any Environmental Scanning document will be taken out of context. The main purpose of ES is to kick-start the thinking of participants involved in the Strategy setting, in particular where scenarios are being used.

For further information contact Marcus Barber at Looking Up Feeling Good Pty Ltd via www.lufg.com.au