



What do we need to know about the future?

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Where are we today?

- Very few companies have dedicated foresight/future studies teams with a long and successful track record
- Limited use of future studies in most businesses
 - Financial modeling and planning
 - Market forecasting
 - Risk analysis
 - Scenario planning used by a few companies
- Managers are not comfortable dealing with the ambiguity of the future
- Most companies do not prepare for the future proactively, but adapt through disruptive change once the situation is urgent enough

Why is this?

- Financial markets and quarterly reporting lead to short term focus
- Speed to market and incremental improvement were the norm during the Internet bubble – not long term planning
- Economic slow-down of past five years has led companies to focus on operations and costs – cutting future-oriented activities
- Future studies is not addressed in most MBA curricula
- Many companies that have worked with futurists have not found tangible business benefits

So what do business leaders want?

- Future studies need to meet three criteria in order to help a business leader make good decisions
 1. Give me insights on the future of my customers and my industry
 2. Help me understand what the implications are for my business
 3. Involve me in exploring the options that I face

1. Give me insights on the future of my customers and my industry

- Most future studies focus on macro (PESTE) level
- Managers are more interested in customer and business trends specific to their industry – these are difficult to find
- Few futurists dedicate themselves to understand the customer segments, technological architectures and value chains of specific industries
- Time frame of Future studies is typically 10 years or more, while the actionable time frame in most companies is less than 5 years

Examples of topics of interest to Nokia

- What role of Intellectual property rights will play in business models
- How people will behave in a continuously connected environment
- What role telecom operators will play when communications is available for free

2. Help me understand what the implications are for my business

- Trends are interesting, but managers don't always realize the implications for their business
- Understanding implications of trends requires deep inside knowledge of the company and its challenges – difficult for outsiders
- Even within the company, cross-functional participation of a large number of managers is needed to explore implications
- Futurists must combine facilitation with domain-specific knowledge and insights

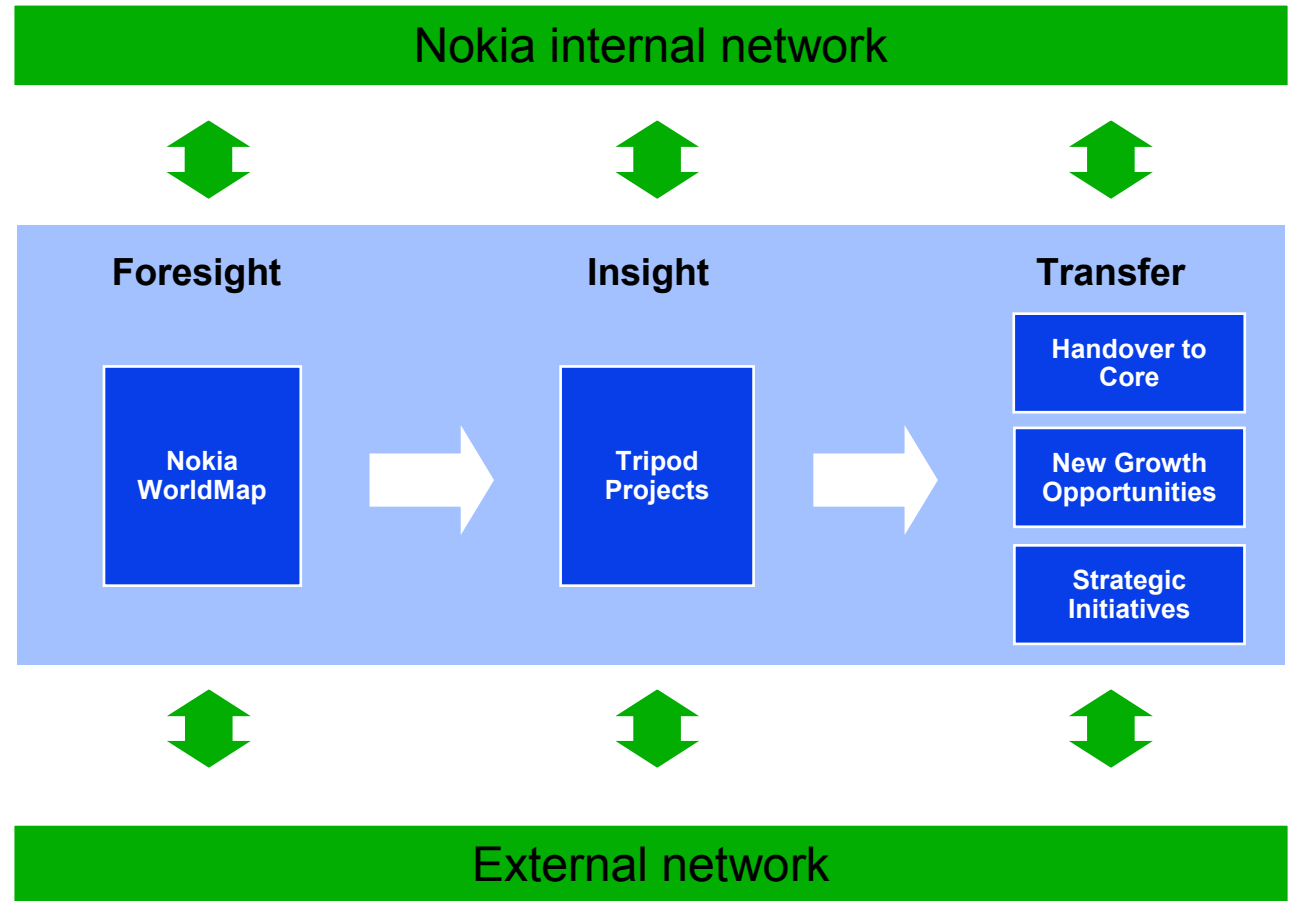
3. Involve me in exploring the options that I face

- Reading analysis done by someone else may be interesting, but seldom leads to passionate involvement and action
- Managers need to be involved in the future exploration process itself to understand the underlying drivers and implications needed for decision making
- Relevance of findings and changes in mental models can only be achieved via a process of co-creation
- But key decision makers are busy and difficult to involve in these processes...

Providing Insight and Foresight for Nokia Renewal

MISSION AND INTENT:

Combine business, technology and user perspectives with validation from external sources to bring unique Insight and Foresight on topics that drive the Renewal of Nokia



Nokia WorldMap – a foresight methodology

Intent - The Nokia WorldMap compiles those trends and disruptions in the Converging Digital Industry and related macro environment that are of highest potential impact to Nokia in the next five years

Objectives

- Provide trend and disruption input to strategy process
- Challenge widely-held orthodoxies in Nokia
- Raise cross-functional awareness of important trends and disruptions across Nokia
- Stimulate out-of-the-box thinking and strategic dialogue
- Serve as a tool for identifying new business opportunities

Outputs

- Printed Nokia WorldMap book
- WorldMap exhibition in Nokia head office meeting room
- PowerPoint presentation for Nokia employees
- Industry scenarios
- On-line interactive version

Target audience

- Nokia's top decision makers
- Planners and participants in Nokia strategy work
- Roadmappers and other future-oriented employees
- Key customers and industry partners

Key challenges

- Ensuring deep enough involvement of top mgmt in process
- Tailoring findings and implications for different units
- Achieving right balance of
 - Facts/analysis vs narrative
 - Stretch vs relevance
 - Focus vs breadth

The road ahead

- Companies are becoming increasingly interested in foresight, growth and innovation
 - Increased competition in core markets
 - Entering new investment cycle
 - Looking for new direction
- The Internet and new collaboration tools are enabling innovative approaches to future studies
 - Prediction markets
 - Collaborative filtering
 - Weblogs and wikis

What we need

- Bridging the theory and practical methods used by futurists and those used by business strategists
 - Develop case studies of best practices in companies
 - Document achievements and impact
- Building closer relationships between in-house foresight teams and the futurist community
 - Develop perspectives on the evolution of customer needs and business models in specific industries
 - Stretch to consider similar time-frames (5-10 years)



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