TRANSFORMATIONAL STRATEGY
DESIGNING YOUR BUSINESS FUTURE

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INTRODUCTION
In 2012 the State Library of Victoria commenced a strategic project to address the critical question: What is a public library in 2030?

The purpose of this project was to develop a strategic framework to inform, influence and guide the future strategic direction, priorities and planning for Victorian public libraries. Such a framework would underpin a cohesive approach to the future, ensuring that what public libraries do in the short term is consistent with where they are headed in the long term. By focusing on a longer term planning timeframe, this strategic framework would ensure the ongoing relevance of public libraries to the future wants and needs of their communities.

The objectives of this project were:

• To assist Victorian public library managers and staff to identify global trends that may impact public library services into the future (2030)
• To explore alternative futures, identify tipping points and devise strategic responses to perceived trends
• To develop and extend the strategic thinking capacity of the Victorian public library sector and ensure buy-in to the project process and outcomes
• To collaboratively create a strategic framework for Victorian public libraries which is applicable to a wide range of public library services (metropolitan, regional, rural) to guide their own strategic planning and be meaningful at a local and state wide level

The creative use of scenario planning to unlock strategic insights, and the reliance on industry-wide collaboration ensure that this project, its process, and outcomes provide a critical blueprint for all organisations and industries seeking to meet the fundamental challenges of the 21st century: strategic transformation and distinctiveness.

WHAT’S A PUBLIC LIBRARY IN 2030?
“What’s a public library in 2030? That’s easy”, my friends replied. “Libraries won’t exist in the future because books won’t exist.” And so went the most common response to my latest project in 2012, working with the State Library of Victoria to design a strategic framework for the state’s library network based around the question: What is a public library in 2030?

From the pragmatic responses of my friends it was clear that despite all the changes public libraries had incorporated in recent years, the overwhelming public perception remained anchored in the past; libraries were passive warehouses for books ruled over by stern matronly types who were forever demanding people to “Shoosh!”

Having not stepped inside a public library for the best part of twenty five years myself, it was hard to argue their point. The world was changing rapidly, books and newspapers were becoming digitalised, and access to information had become less of a social scarcity. Across Victoria, local councils were debating the merits of throwing more funding at public libraries given their decreasing relevance and seemingly bleak outlook.
Attempts to respond to this changing world had been sporadic and lacking in cohesion and direction, with public libraries seemingly lurching from one thought-bubble to the next in attempts to satisfy the changing social attitudes, behaviours, wants and needs of their communities. This haphazard approach reflected the fact that at their core, public libraries were suffering from an identity crisis. In 2012, Victorian public libraries were no longer sure of what they were, or what they wanted to be.

THE FUNDAMENTAL CHALLENGE

Whilst the public library sector provides an obvious example of a traditional industry struggling to navigate external disruptive forces, it’s fair to say that these challenges are no different to those affecting every industry. In the 21st century, the fundamental challenges for all organisations are strategic transformation and distinctiveness.

In times of constant change, growing complexity and increasing uncertainty about the future, organisations must be able to transform what they do, how they do it, or even who they are, to remain relevant and achieve their future goals.

And in a time of ubiquitous information, expanding competition and increasing globalisation, organisations must be able to generate a distinct strategic outlook that differentiates them from competitors and provides a sustainable advantage into the future.

These are the challenges that keep chief executives awake at night. And these were the challenges faced by the Victorian public library network.

THE LATENT RESOURCE

Central to the process of designing a near-20 year strategic framework was the art of building future scenarios. Scenarios are detailed descriptions or stories of plausible future events and outcomes. The word itself derives from the performing arts where scenarios historically provided the supporting background to a scene. These scenarios would be pinned to the back scenery as a reference for the actors, outlining the broad plot and its series of actions and events. Today the use of scenarios in business serves a similar purpose; they provide a backdrop for decision making.

In a business setting, scenarios are used to generate and explore the different future environments in which an organisation may have to operate. These hypothetical backgrounds allow the organisation to consider its strategic positioning and objectives from different, future contexts. Scenario planning is the process of developing strategic responses to these alternative futures.

The purpose of scenarios is not to predict the future or to get the future right, but rather to enable better decisions today; to empower organisations to shape or influence the future they want. Ultimately, they are a learning and re-framing tool; providing learning about the drivers of change and their possible impacts, while helping to form new perspectives on the future and the organisation’s role within it.

The use of scenarios is based on the philosophy that the best way to improve decisions is to improve understanding about the future. And as a tool for understanding future conditions of strategic significance, the scenario method is unsurpassed. In particular, scenarios stand out for the following five reasons:

1. Multiple scenarios acknowledge the uncertainty of the future (the future is not predictable)
2. Holistic scenarios acknowledge that trends don’t act in isolation (the future is not linear)

Multiple forces emerge and influence simultaneously; they interact with each other, they confront counter-trends, and they produce surprising outcomes.

This recognition of systemic interaction is a key differential between scenarios and other methods such as SWOT analyses, stand-alone scanning exercises or trends analysis. These more common approaches tend to simplify the future by treating forces or events in isolation; merely extrapolating their individual impact rather than looking for the emergent properties that result from their interaction. As a result of this distinct treatment, the strategic value of such activities is usually minimal, with the output usually failing the managerial “So what?” test. The penalty paid for this incomplete approach is strategic incrementalism and an inability to detect emerging novelty or strategic surprises.

3. Holistic scenarios provide a more complete, systemic picture of the outcomes of change (a broader understanding of the future)
Just as trends don’t act in isolation, nor are the effects of trends felt in isolation. Scenarios acknowledge that societal components such as commuting, employment, housing and recreation are also interconnected, and that it’s necessary to explore this interdependence when assessing possible impacts of events and forces occurring today. Increased hours at work, for instance, impact on people’s capacity to pursue recreation activities, which in turn can impact on both mental and physical well-being, and so on.

Once again, it’s within this deeper, interconnected exploration that novelty and original insights tend to reside. And once again, this more complete systemic understanding tends to be overlooked by more popular and simpler approaches to the future.

4. Future scenarios acknowledge that the best way to inform long-term strategy is from a future perspective (the future will be different from today; strategy is targeted at the future)

5. Future scenarios enable strategic creativity by facilitating the perceptual and conceptual shifts necessary for strategic transformation (the future requires a different and distinct strategy)

This final point concerning strategic creativity and distinctiveness is important. Not only do scenarios provide strategic reasoning, more specifically, they provide the organisation with their own strategic reasoning – an original and distinct perspective on the future. The way you see the future of your industry will reflect the drivers you feel are significant; it will reflect the future storylines and scenarios you feel are logical; and it will reflect the creative input of your internal staff. The result is a unique view of the future. This internal perspective is a strategic asset that cannot be replicated by competitors.

Generating original strategic reasoning overcomes the cliché of strategic and innovation convergence that defines most industries. This convergence tends to result from a lack of knowledge about how to think about change and the future, and a subsequent reliance on shared or traditional sources of information. Internally-developed scenarios that generate original strategic reasoning are the most effective method for escaping this convergence, providing the ultimate head start on competitors.

**SCENARIOS FOR 2030**

Scenario workshops held in June 2012 sought to explore the following question:

*What might be the established and emerging community values, attitudes, behaviours, wants and needs in 2030?*

The focus of this question deliberately lay outside the scope of public libraries as workshop attendees spent two days seeking to understand the future social context in which public libraries might have to operate in the future.

Building scenarios starts with identifying the relevant forces that could shape the future and participants discussed the significant social trends they felt could impact Victorian lifestyles over the next 20 years. They then developed two future scenarios to understand how these trends might drive different social behaviours and needs in 2030. These futures were called the creative and community scenarios. These scenarios depicted the different social environments in which public libraries may have to operate, providing a hypothetical future context for public libraries to consider their strategic options.

In the creative scenario we see the rise of a collaborative creative culture as creativity and collaboration become aspirational across the community. In this scenario, people seek to develop, express and share their creativity through writing, music, dance, multi-media, drawing, painting and theatre. In essence, the desire to create has emerged as a prominent social need in 2030 - “Help us to create.”

In 2030, we have seen the emergence of Post Materialistic values and the fundamental shift away from material consumption. The drive for economic growth has been complemented with broader measures of social progress, including personal time and mental health. And we see the rising interest in collaboration, particularly with regard to consumption and creativity.

This scenario describes lifestyles in 2030 that were primarily shaped by the following forces:

1. Emergence of post materialistic values
2. Increasing environmental awareness and activism
3. Continuing influence of technology
In the community scenario the needs for people to re-learn, re-skill and re-connect have emerged as prominent community features in 2030. It’s a scenario in which the dynamic nature of change demands a dynamic approach to learning. And being 21st century literate requires people to remain in a perpetual state of learning, un-learning and re-learning to ensure their knowledge and skills remain relevant.

In this scenario, individual entrepreneurship, globalisation and technology combine to cause political and industry fragmentation, leading to the growing irrelevance of traditional gatekeepers. This disruption leads to sustained high unemployment and growing feelings of social displacement, as knowledge and skills that have served for years become increasingly redundant.

With growing distrust of traditional gatekeepers we see the rise of the local community, local connectedness, and interest in local issues. The rise of tele-commuting leads to the development of dispersed business districts, as local governments place an emphasis on self-contained employment (the proportion of locals who work locally) and the community benefits that spring from this.

This scenario describes lifestyles in 2030 that have primarily been shaped by the following forces:

1. Growing economic challenges posed by the transformation to a virtual economy in a globally competitive, resource-constrained world
2. Increasing irrelevance and distrust of traditional gatekeepers
3. Continuing influence of technology

The social trends that emerged across these two scenarios with greatest relevance to Victorian public libraries were creativity, collaboration, brain health, dynamic learning, and community connection.

FIGURE 1.

These trends presented exciting opportunities for public libraries to play more prominent roles within their communities in the future.

With an understanding of future contextual scenarios, we now had the future-oriented basis from which we could address the question: What is a public library in 2030?

UNDERSTANDING STRATEGIC IDENTITY

After looking externally at the future social environment, it was now time to turn our attention inwards – to the identity of public libraries. What’s important for any organisation is to have a sense of identity that is as broad as possible whilst maintaining credible links with its purpose and heritage.

A broad sense of identity (how the entity sees itself) allows an organisation to attach relevance to future scenarios, providing the flexibility to adapt and remain relevant to evolving attitudes, wants and needs.

Historically, public libraries were borne from the purpose of providing universal access to information. The limiting word in this purpose is access; for what happens when access to information is no longer a major social scarcity? You lose relevance; constrained by the limitations of an out-dated and narrow sense of identity. Organisations lose relevance if they adhere to a rigid or narrow sense of identity that restricts them to offering what they have always offered. In the instance of Victorian public libraries, providing universal access to information in the year 2012 had merely extended their services to free internet access – hardly a sustainable business offering.

Clearly, the identity of public libraries needed to be broadened to enable future transformation. Accordingly, the broader purpose of providing solutions to society’s information needs provides far greater flexibility to adjust services as information needs change over time, whilst remaining true to their purpose and heritage.
Having developed a broader sense of identity with which we could approach the future, we turned our attention to the scenarios, and in particular understanding just what were society’s information needs in 2030?

**FUTURE STRATEGIC POSITIONING FOR PUBLIC LIBRARIES**

Future strategic positions for public libraries were identified around the concept of **content** (the output of creativity), or more particularly, the content spectrum (the range of activities associated with content). Such a content spectrum is illustrated in figure 2, showing, from left to right, the creation of content, the management and distribution of completed content, and the consumption of content by the end user.

**FIGURE 2.**

Public libraries have fulfilled their traditional purpose of providing universal access to information via a content management and distribution role. However, advancements in technology, higher education levels, and increased personal wealth have reduced society’s needs for such a role. So, future strategic options for public libraries were explored by broadening their historical role in different directions along the content spectrum.

In the **creative** scenario, the rise of a creative culture moved the social need to the left of the content spectrum, towards creation. The rising social need in this scenario is around creativity, as more and more people seek the skills and resources to develop and express their creativity. Hence, the strategic option for public libraries is to evolve towards becoming the **creative library**. (See figure 3a.)

In the **community** scenario, we see the increasing need for dynamic learning and community connection. The rising social needs in this scenario lie to the right of the content spectrum, around how information is consumed. As opposed to the informal learning that largely takes place today, public libraries in this scenario provide community learning programs. Here, the strategic option is to become the **community library**, providing the classes, workshops and spaces that support 21st century literacy. (See figure 3b.)

**FIGURE 3A AND 3B.**
The creative library was founded on the prominent social needs for creativity, collaboration and brain health. This foundation enables public libraries to broaden their role to helping the community achieve its creative goals. The aspirational vision for the creative library was:

*To become the community’s central hub for creative development and expression*

And the mission for creative public libraries in 2030 is:

*To contribute to community wellbeing by facilitating creative development and expression in a collaborative environment*

In fulfilling their role as the community’s central hub for collaborative creativity, public libraries will provide the products, services, programs, facilities and assistance that enables the community to unlock, express, develop, record and share their creative interests and output.

Libraries will continue to provide access to content (*the completed creativity of others*), however the social need for this role was forecast to decline. Instead, the future role of public libraries will increasingly broaden to facilitating content creation (*creating content myself or with others*).

The community library was founded on the prominent social needs for dynamic learning, community connection and brain health. This foundation enables public libraries to broaden their role to helping the community meet the dynamic challenges of the 21st century. The aspirational vision for the community library was:

*To become the community agora - the people’s place*

And the mission for community public libraries in 2030 is:

*To support 21st century literacy by facilitating dynamic learning and community connection*

In essence, the community library supports its community to navigate the dynamic social, economic and technological environment of 2030 - an environment that has left many people with redundant skills and feelings of inadequacy (*Where do I fit in?*).

The purpose of the community library is to build community capacity by delivering programs that support and develop 21st century literacy. In doing so, the community library provides people with the ongoing knowledge, skills, confidence and support to participate fully in a rapidly changing environment.

The focus within the community library is on learning delivery - *how information and knowledge is consumed.* As such, the public library broadens from an informal learning delivery model to delivering community learning programs. As the community library, public libraries provide an array of programs, forums, classes and workshops to meet local dynamic learning needs.

CONCLUSION

The *Victorian Public Libraries 2030: Strategic Framework* has become the accepted blueprint for transitioning the industry towards the future. In 2016, all strategic and significant innovation concepts are viewed through the prism of the framework. And the strategic objectives outlined in the document have provided, and continue to provide, the basis for extensive follow up workshops and reports. The entire industry is moving in the same direction in a cohesive manner - *it knows what it wants to be, it knows how to get there.*

The VPL 2030 project provides the perfect example to organisations and industries of effective strategic planning and transformation in today’s turbulent business environment. If we accept that social and industry change is becoming more rapid, then strategic planning must embrace the *creativity* that enables organisations to anticipate and adapt to these changes. A collaborative approach to scenario planning is the essential element to enable organisations to achieve strategic transformation and distinctiveness in the 21st century.

THE AUTHOR

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