



## CSIS 2007 Global Strategy Institute Anniversary Conference

### **Navigating the Future: The People, the Plans, and the Policies Guiding Leading Organizations**

As part of its mandate to address longer-term trends in the world, the CSIS Global Strategy Institute (GSI) dedicated its third anniversary conference to exploring various institutional strategies for shaping the future. The April 19 meeting brought together farsighted leaders from the public and private sectors to offer insight into the processes their organizations use to think about the future and to formulate strategies. The event featured three keynote speakers and two panels, the first panel focusing on the creation of strategic visions and the second on the challenge of implementation.

A summary of the discussion is offered below. For more complete information, including recordings of presentations and some of the accompanying visuals, please visit our Web site at <http://www.csis.org/gsi>.

#### **REHEARSING FOR THE FUTURE**

Rinku Chandra of the World Bank and Enrique Rueda-Sabater of Cisco Systems, Inc., outlined the key differences between traditional methods of trend-based analysis and scenario planning. Because scenarios allow organizations to incorporate uncertainties into their thinking, Chandra and Rueda-Sabater employed this methodology for the World Bank's project, "Rehearsing for the Future: The World and Development in 2020." They arranged 36 key uncertainties into six groups: global economy, governance, security/social cohesion, demographics, science/technology, and environment/natural resources. Their analysis yielded three scenarios that could develop from current global trends: *Affluence Ltd.*, *Globalization Unwinding*, and *Competing Horizons*.

*Affluence Ltd.* describes a world characterized by rapid, uneven economic growth and the marginalization of many small countries. This system is politically stable, dominated by an alliance-oriented superpower, and marked by the rising importance of nonstate actors. By contrast, *Globalization Unwinding* describes a world of low economic growth, troubled emerging markets, political mistrust, and a spiral of protectionism. Nonstate actors play such a significant role that they challenge the power of traditional states. In the world of *Competing Horizons*, broad-based economic growth—coupled with constraints on Western economic growth—allows developing countries to dominate key industries. Chandra and Rueda-Sabater warned that we should not ascribe likelihood or probability to scenarios, but rather we should use the exercise to determine proactive steps for avoiding a "bitter-tasting world" in our future.

#### **CHANGING WITH CARE**

Dr. Helene Gayle, president and CEO of CARE USA, discussed her organization's vision of reducing poverty in a way that preserves human dignity and promotes security worldwide. She outlined the key global trends that adversely affect CARE's constituency of poor and marginalized populations: poverty, globalization, gender equality, health, environment, and politics. Many of these issues directly affect each other, as globalization causes the gap between rich and poor to grow, countries with low health indices continue to slip further into poverty, and climate change promises to have the highest impact on the world's poorest populations.

Key donor and funding trends also affect CARE as an institution. Because the nature of government funding is changing—constraints are increasing and budget support usually flows directly to host governments—CARE is working to diversify its resources by looking to international partners and other private funding sources. Dr. Gayle noted that budgets and humanitarian needs typically require short-term, immediate improvements, thus posing a challenge to CARE’s strategic vision of having a sustainable impact on eradicating poverty over the long term.

Dr. Gayle concluded her remarks by delineating CARE’s emerging strategic priorities. She explained that women and girls represent 70 percent of those living in extreme poverty today, and women are known to reinvest their financial and educational resources back into their families, thus serving a catalytic role in development. Therefore, CARE is building technical expertise in specific areas that have the greatest impact on women and girls, such as water, education, health, income generation, and agriculture. CARE is also establishing diverse partnerships on the ground—with local governments, social movements, other nongovernmental organizations, and the private sector—to multiply and enhance their work.



Source: Dr. Helene Gayle offers remarks about CARE’s vision of eradicating poverty over the long term/ © Center for Strategic and International Studies.

## THE VIEW FROM WALL STREET

Suzanne Nora Johnson, senior director and former vice chairman of Goldman Sachs, delivered off-the-record remarks about looking to the future and proactively capitalizing on global trends. She

explained that the critical risks we face today, such as environment, energy, and health, require government and market-based solutions on a global scale, significant investments over extended periods of time, and integrated responses guided by a deep knowledge of physical, social, and life sciences.

In her discussion of growth factors that will affect the world economy, she mentioned the BRIC economies (Brazil, Russia, India, and China) as well as the N-11 (Bangladesh, Egypt, Indonesia, Iran, Korea, Mexico, Nigeria, Pakistan, the Philippines, Turkey, and Vietnam) as economies that could provide a challenge to the major, developed economies in the years ahead. To keep the United States competitive, Johnson highlighted the need to invest domestically in education, infrastructure, and health care; strengthen alliances with Latin America; diversify U.S. energy reserves; and improve disaster preparedness.

## PANEL DISCUSSION ON “ARRIVING AT STRATEGIC VISIONS”

The first panel focused on the tools and processes that organizations utilize when scanning the horizon and creating strategic visions. Panelists were Dr. Scott Pace, the associate administrator for program analysis and program evaluation at the National Aeronautics and Space Administration; Captain Sam Neill, chief of the Office of Strategy Analysis for the United States Coast Guard; and Dr. Hank Gaffney, director of the Strategy and Concepts Group at the Center for Naval Analysis. The moderator, Dr. Peter Davies, director for institutional development at Sandia National Laboratories, highlighted the complexity and fast pace at which organizations today create strategic visions and asked, “How do you plan in an environment that is changing so quickly?”

The value of process emerged as a key factor in successfully building and constantly revisiting a strategic vision. A structured process for strategic planning creates an organizational license and provides an intellectual space within which members of an organization can begin to think about the future. Institutionalizing the process so that everyone, from the top of the organization down to the lowest levels, is eventually engaged also gives individuals a shared experience. This experience allows them to begin communicating in a common

language and thinking within a common framework focused on the future. To sustain a vision within an organization over multiple generations, one panelist suggested building coalitions of diverse, flexible partnerships with other outside organizations in combination with a strong and transparent governance structure. Finally, any process of envisioning the future as characterized by a series of either-or tradeoffs will inevitably produce significant gaps in which the real future most likely lies. To fully capture the complexities of the future, one must consider unlimited variables and outcomes, known and unknown uncertainties, and organizational constraints.

When asked how to change long-term behavioral patterns within an organization, the panelists suggested linking a strategic vision onto a budget or another mechanism that will build the changes into the organization's framework. They also highlighted the value of the U.S. government system, which rotates political leadership while maintaining lifelong career staffers. Leveraging the tensions between these two groups can create beneficial organizational checks and balances and spawn analysis-based discussion. However, panelists also acknowledged the challenge of marrying both political leadership and career staff to a unified strategic vision.



Source: Captain Sam Neill, USCG, and Dr. Scott Pace address the process of creating strategic visions/ © Center for Strategic and International Studies.

## PANEL DISCUSSION ON “IMPLEMENTING STRATEGIC VISIONS”

Moving from ideas to achievements, the second panel addressed how organizations integrate long-

range visions into their short-term objectives. Panelists were Captain James Foggo, director of the Strategic Action Group of the United States Navy; Dr. Nancy LeaMond, the group executive officer of social impact at the American Association of Retired Persons (AARP); and Shep Hill, the senior vice president for business development and strategy at the Boeing Company. The moderator, Dr. Clark Murdock, senior adviser in the CSIS International Security Program, differentiated the notions of planning and “future-making,” as the latter implies taking action. He stated that organizations need to create their own futures by bringing senior leadership on board to initiate implementation of strategic visions, by prioritizing actions so as to maximize available resources, and by following up throughout the process in order to ensure that goals are reached.

The panelists echoed Dr. Murdock's comments as they noted that the first step in implementing a strategic plan is to create a solid vision. Such a vision establishes an organization's identity and defines the role that the organization will play in the future that it wants to create. Panelists also noted that when creating a vision, active incorporation of multiple perspectives—whether from within the organization or from outside stakeholders—will garner support and ownership to help drive action.

Once the vision is created, capturing it in a written document or campaign communicates the ideas and the plans both within the organization and to external partners. A memorialized vision also motivates subordinate teams within an organization to devise their own plan for contributing their piece of the overarching strategy. Soliciting constant feedback from employees and rewarding organization-wide and individual contributions to the long-range plan will further inspire employees' buy-in. Finally, the panelists emphasized the importance of an organizational culture that not only embraces and supports the creation of a strategic vision, but also empowers and incentivizes its employees to proceed independently in enacting the strategic plan.

**CSIS GLOBAL STRATEGY INSTITUTE  
“STRATEGIC VISION AWARD”**

Dr. Greg Allgood, director of the Children’s Safe Drinking Water initiative and senior fellow in sustainability at Proctor and Gamble (P&G), offered remarks about his experiences at P&G working in collaboration with the U.S. Centers for Disease Control and Prevention (CDC) to develop PUR Purifier of Water, a powder, sold in low-cost sachets, that removes contaminants and clarifies water. Over the years, P&G has engaged a number of diverse partners to distribute this product with maximum impact, including the U.S. Agency for International Development, the Johns Hopkins Bloomberg School of Public Health, CARE, the United Nations Children’s Fund, the Red Cross, and Population Services International, among others. Together, they have delivered more than 60 million PUR sachets to

communities in the developing world, treating 600 million liters of safe drinking water and preventing 20 million days of diarrhea for children. Dr. Allgood stressed the importance of leveraging the strengths of each partner and focusing on common objectives to achieve strategic visions.

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