

GUIDE TO SPEAKING POINTS:

The following presentation includes a set of speaking points that directly follow the text in the slide.

The deck and speaking points can be used in two ways.

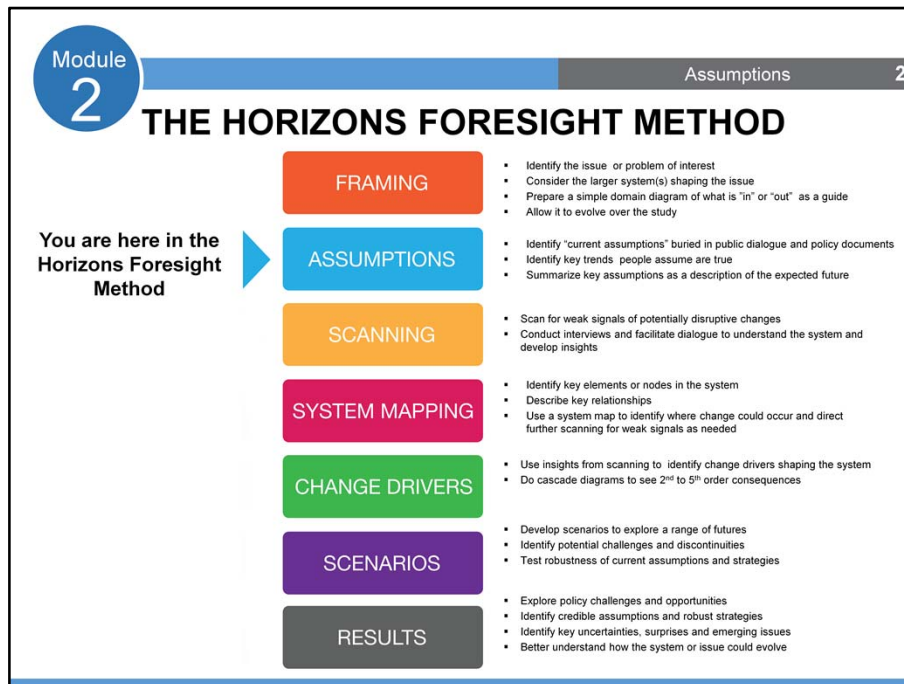
- As a learning tool to enhance the reader's foresight literacy
- As a presentation tool to accompany the facilitation of foresight sessions

The facilitator can be selective when choosing their slides and speaking points to deliver, depending on the needs of the audience.

Horizons publications are readily available for personal and public non-commercial use and may be reproduced, in part or in whole and by any means, without charge or further permission from Horizons. We ask only that Policy Horizons Canada be identified as the source of the material.

PH4-164/2-2016E-PDF
978-0-660-05849-8

© Her Majesty the Queen in Right of Canada, 2016.



The Horizons Foresight Method – Assumptions:

- This module demonstrates when assumptions are used in the Horizons Foresight Method, how they are used, and the key challenges in working with assumptions.
- An assumption is a statement that is generally accepted as true or certain.
- Current assumptions shape policy analysis, and as a result should be challenged to ensure that policy development is effective and efficient in addressing other issues.
- Foresight can help test the robustness of current assumptions.

LEARNING OBJECTIVES

- Understand why assumptions are a useful focus in the foresight process
- Understand how assumptions are used in the Horizons Foresight Method
- Know how to identify strategic assumptions

Learning Objectives:

- To understand why assumptions are a useful focus in the foresight process
- To understand how assumptions are used in the Horizons Foresight Method
- To know how to identify strategic assumptions

WHAT IS AN ASSUMPTION?

- Definition: A statement that is accepted as true or as certain to happen, without proof. (Oxford dictionary)
- Assumptions can be conscious or unconscious, explicit or hidden.
- They shape every step in the thought process:



- Unexamined assumptions are a source of surprise and uncertainty in analysis and decision-making and thus a useful focus for foresight.

What is an Assumption?

- An assumption is a statement that is held to be true, without proof.
- People can be aware of their assumptions, but often assumptions are hidden or implicit and are simply taken for granted.
- Assumptions play a very significant role in our lives.
- The diagram above demonstrates the generic steps in the process of logical thinking.
- When thinking about an issue:
 - People select facts and beliefs based on assumptions
 - They create a mental model which incorporates more assumptions
 - They then use this mental model as a lens through which they deduce or infer conclusions
- For example, a few years ago many analysts looked at population projections and concluded that the ageing boomers would soon retire, creating many job openings. The underlying assumption was that most boomers would retire in their early 60's. Most analysts did not question this assumption and were surprised to see many boomers remain in the workforce.
- Unexamined assumptions are a source of surprise and uncertainty in analysis and decision-making and are thus a useful focus in foresight.

ASSUMPTIONS IN POLICY ANALYSIS

- Assumptions shape every step in policy analysis.
- A frequent assumption in most policy analysis is that the future will be like the present or an extrapolation of the present.
- The problem: There is mounting evidence that the world will change over the next decade, driven by ongoing economic, social and technological revolutions. So some of the current underlying assumptions may be wrong and might need to be revised.

Assumptions in Policy Analysis

- Like every other area, policy analysis relies on assumptions at every step in the process.
- The key unexamined assumption in most policy analysis is that the future will be like the present or an extrapolation of the present.
- The problem is the world will change over the next decade driven by ongoing economic, social and technological revolutions. Some of the current underlying assumptions may be incorrect even today; others could change in the foreseeable future.

ASSUMPTIONS IN MANAGEMENT

- Research shows that managers develop mental models of the systems they manage and rely on these models in decision-making.*
- They use them to run mental movies to explore, develop and test alternative ideas, strategies and visions.
- Assumptions are the foundation on which people build their mental models.
- Mistaken assumptions can lead to poor decisions.

Assumptions in Management

- Research shows that managers develop mental models of the systems they manage and rely on these models in decision-making.
- They use them to run mental movies to explore, develop and test alternative ideas, strategies and visions.
- Assumptions are the foundation on which people build their mental models. Once again, mistaken assumptions can lead to poor decisions.

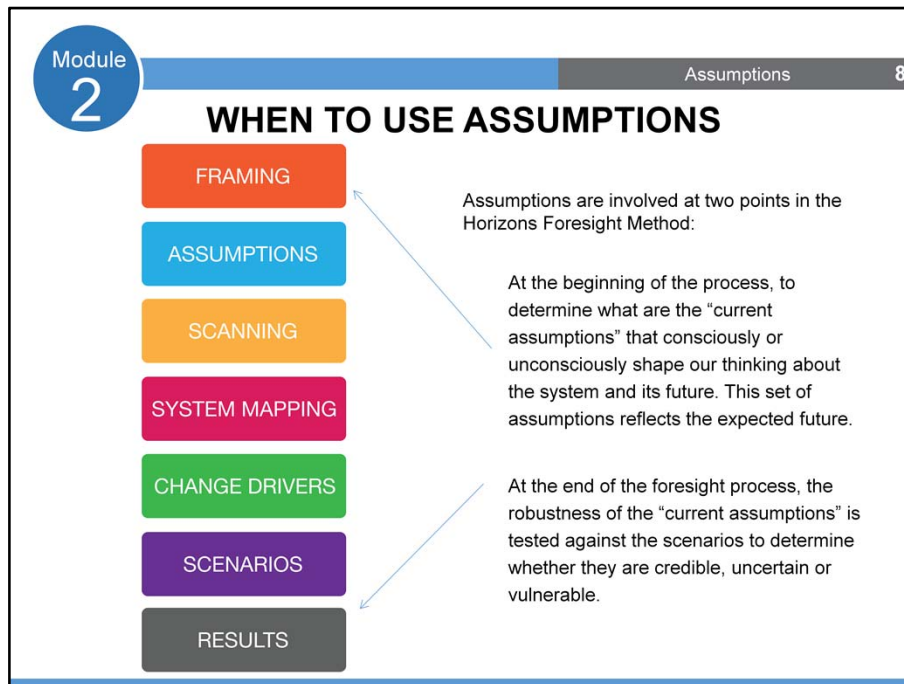
*<http://mentalmodels.princeton.edu/about/what-are-mental-models/>

ASSUMPTIONS IN THE HORIZONS FORESIGHT METHOD

- The Horizons Foresight Method is one of the few foresight methods that explicitly tests and, if necessary, reframes assumptions.
- Assumptions that have proved robust across a range of futures are one of the best ways to prepare for an uncertain future.
- Highlighting credible and vulnerable assumptions is one of the most efficient ways to communicate foresight findings.
- Foresight can help improve policy development and decision making by testing the robustness of current assumptions and proposing new ones, for consideration, as needed.

Assumptions in the Horizons Foresight Method

- The Horizons Foresight Method explicitly tests and, if necessary, reframes assumptions.
- Assumptions that have proved robust across a range of futures is one of the best ways to prepare for an uncertain future.
- Highlighting credible and vulnerable assumptions is one of the most efficient ways to communicate foresight findings.
- Foresight can help improve policy development and decision-making by testing the robustness of current assumptions and proposing new ones, for consideration, as needed.



When to Use Assumptions

Assumptions are involved at two points in the Horizons Foresight Method:

- At the beginning to identify perceptions of what might be shaping the issue under study
 - The typical question is: "What are some assumptions about the future that are implicit in public dialogue, buried in policy documents and shaping the thinking of policy analysts and decision-makers?"
 - These are the views that are shaping government plans and priorities.
 - They may or may not be correct.
 - They may or may not coincide with individual views.
 - Trends that people perceived to be important to the issue can be included at this time
 - Taken together, this set of underlying assumptions informs how people see the expected future.
 - It is the equivalent of the baseline future in other foresight methods, but it is based on what people perceive to be real rather than academic projections or forecasts.
- These assumptions are reviewed at the end of the foresight process when they are

assessed against each scenario to determine whether they seem credible, uncertain or vulnerable.

- While assumptions are used explicitly at these two points, it is good practice to check throughout the process whether any new assumptions are surfacing.

HOW TO FIND ASSUMPTIONS THAT ARE STRATEGICALLY USEFUL

Some assumptions are more important than others in shaping our thinking. The task is to find the assumptions that are at the core of our analysis.

Given that:

- We make assumptions about the expected future
 - Try to identify the key assumptions buried in public discourse and policy documents.
- We make assumptions to reduce uncertainty
 - Try to identify the critical uncertainties - the things you need to know but don't know about information or outcomes. Then state and test the related assumptions.
- We make assumptions to reduce complexity
 - Try to identify the key systems, structures and processes and then state any assumptions about continuity and change in these areas.

How to Find Strategic Assumptions

At the beginning of the process, we surface the “current assumptions” that are shaping thinking about the issue or topic.

There are potentially thousands of current assumptions about an issue or system. But some are more important than others. One way to narrow the list is to identify important assumptions that are strategically useful.

- Below are several approaches to keep in mind, given that:
 - We make assumptions about the expected future of the system.
 - We can try to identify the assumptions buried in public discourse and policy documents.
 - We make assumptions to reduce uncertainty.
 - In the absence of knowledge, try to identify what we assume the knowledge or the answer to be.
 - We make assumptions to reduce complexity.
 - Try to identify the key systems, structures and processes and then state and test any assumptions about continuity and change in these areas.

TESTING ASSUMPTIONS

CREDIBLE ASSUMPTIONS
Should guide planning for the future

- Economic power will shift from West to East.

UNCERTAIN ASSUMPTIONS
Should be researched further

- Science and technology will save us.

VULNERABLE ASSUMPTIONS
Should be reconsidered

- Health care will be delivered in the same way.

Testing Assumptions

We test assumptions at the end of the foresight process to assess whether they seem to offer a strong foundation for policy. We do this by considering the validity of each assumption against a range of future scenarios.

- Testing in this way sorts assumptions into three types:
 - Credible – those that usefully guide planning for the future
 - Uncertain – those that require further research
 - Vulnerable – those that should be reconsidered in planning
- Some examples include:
 - Credible – Internationally, economic power will shift from the West to the East.
 - Uncertain – Science and technology will save us.
 - Vulnerable – We will keep delivering health care in the same way.
- The results at the end of the Horizons Foresight Method:
 - Generating a set of assumptions that have proved robust across a range of scenarios is one of the best ways to prepare for an uncertain

future.

- Highlighting assumptions is one of the most powerful ways to communicate foresight findings.
- For more information on how to test assumptions, see module 6 (Scenarios).

WHAT ARE THE KEY CHALLENGES OF WORKING WITH ASSUMPTIONS?

- It can be difficult to articulate our own assumptions as we may be unaware of them.
- Issues like worldview, values, culture and knowledge may limit or distort our ability to see assumptions as individuals and in groups.
- It can be difficult to agree on which assumptions matter.
- Frequently, strategic assumptions raise topics such as wealth, power and gender. It is important to have the courage to address and unpack the taboo issues.
- As we learn more about a system, we need to be open to updating and reframing assumptions.

What are the Key Challenges Working with Assumptions?

- It is difficult to articulate the assumptions we hold; they are so closely held that often we aren't aware of them.
- Issues like worldview, values, culture and knowledge may limit or distort our ability to see strategic assumptions as individuals and in groups.
- It can be difficult to agree on which assumptions matter.
- Frequently, strategic assumptions raise topics such as wealth, power and gender. It is important to have the courage to address and unpack the taboo issues.
- As we learn more about a system, we need to be open to updating and reframing assumptions.

CONCLUSION

- Assumptions are central to thinking, analysis and decision-making.
- Unexamined assumptions are a major source of surprise and uncertainty.
- Using foresight to test the robustness of strategic assumptions across a range of futures helps develop policy and decisions for the world that is emerging rather than the one that is fading.

Conclusion

- Assumptions are central to thinking, analysis and decision-making.
- Unexamined assumptions are a major source of surprise and uncertainty.
- Using foresight to test the robustness of strategic assumptions across a range of futures helps develop policy and decisions for the world that is emerging rather than the one that is fading.

The next module will describe the next step of the Horizons Foresight Method, which is scanning.

INFORMATION

Policy Horizons Canada
Horizons de politiques Canada
www.horizons.gc.ca

