Mike Kearney: Welcome to Resilient. My name is Mike Kearney, the Deloitte Risk & Financial Advisory CMO. As part of a new series on the Resilient podcast, we are continuing to shift our focus to the evolving impact of COVID-19. The special series is all about providing actionable insights to help you think through what you’re facing now and what to do next. Today, we gathered two leaders to explore a few future scenarios that they have developed on COVID-19; they will also share the uncertainties that contributed to these scenarios and how leaders can use them in planning for the future. First up is Andrew Blau, a managing director who leads Deloitte’s signature issues program. Joining Andrew is Peter Schwartz, a futurist and senior vice president of strategic planning at Salesforce.

Both Peter and Andrew are kind of famous for pioneering scenario planning back in the day, which is why they recently published a point of view that looks at possible scenarios that could take place and questions that leaders should be asking today to help shape their strategy in managing through the current crisis, the recovery and beyond. So let’s get to it: my conversation with Andrew and Peter.

Peter and Andrew, we were talking before we jumped on about the beautiful weather that we’re in right now in the East Bay within the San Francisco area. And obviously, one of the things that is top of mind for everybody as we’re sheltering in place is what we’re doing just to manage our well-being. So, I just wanted to start off with a light question, and that is, what are you doing to take care of yourself during these times? And maybe, Andrew, I’ll start with you.

Andrew Blau: Sure. Thanks, Mike. These are just incredible times—so little to compare them to. For me, there are a couple things I really try and focus on, the few things that do feel like they’re maybe in my control, like taking care of my family, like cooking together. If we’re going to be
sheltered in place at home, let’s make home a good place to be. So I do that. I’ve also been finding myself checking in with friends a lot more. I’ll go out for a walk and I’ll just open up my phone and sort of flip through my contacts and who I have not talked to in a while and just call them. Because I feel like we’re all hungry to be connected. And so thinking about just calling someone to say, “Hey, I’m thinking of you, how are you doing?” Those are things that I hope are good for those people, and I know they’re good for me, too.

**Mike Kearney:** Yeah, I actually create a list of five people every day that I try to call. And it’s kind of the highlight of my day. So great tip.

Peter, how about you? What are you doing to take care of yourself in these trying times?

**Peter Schwartz:** Well, like everybody, I feel badly for so many people in the world who are in much worse circumstances than I am, but the honest truth is I’m in pretty good circumstances. I have a beautiful home. I’m getting to spend more time with my wife, and I’m truly enjoying it. We live in an area where it’s easy to get good food. So I have no complaint of the life I’m living day-to-day. I love being here. I love being with my wife. I’m feeling like my work is giving me a lot of opportunity to contribute. I love walking. We go for a long walk every day, both for exercise and, you know, to get out.

**Mike Kearney:** Absolutely. I’m going to be taking a hike after this. Andrew, let’s move to you. I want to have you describe what scenario planning is. I think, you know, when you listen to the term, I think it’s pretty logical, but can you talk about what the science behind scenario planning is and how leaders actually use it to identify different options about the future and even potential risks? So let’s just ground ourselves in what it is before we move forward.

**Andrew Blau:** Sure. Let me just start by saying it is both an honor and you know, a challenge to try and define scenario planning with Peter Schwartz on the line, who literally wrote the book that we all learn from. So he’ll tell me whether I’m doing a good job or not.

So scenario planning is a tool created to help leaders think about and manage the uncertainty that is in their lives in order to make better decisions. Scenarios, at one level, are stories, and they’re nothing more than that, but they’re nothing less than that. They’re stories told in a rigorous, methodical way designed to enable the people who create or use the stories to see choices they might not have seen before—scenarios or stories that allow you to see possibilities in the future by focusing on what’s really uncertain rather than what is certain, and how might those uncertainties add up in surprising ways.

They’re used by leaders to do all kinds of things. They’re used by leaders to identify strategic choices. What are options that we might have if the future turns out different than the one we expect? They are similarly used to identify risks. What are the things that might be coming at us over the horizon that we’re not prepared for? They’re used for innovation. Scenarios can be a start to allow you to see the outlines of markets that you haven’t seen before or consumer behaviors that you haven’t imagined before. And in some cases, they’re actually used to do executive education and organizational design. Who are the people that we need to be to lead in the future? So they’re very flexible. They have been enormously powerful for organizations for now decades. But at their heart, they are stories about the future designed to create and support better decisions today.

**Mike Kearney:** So, Peter, as a teacher, how did the student do?

**Peter Schwartz:** Just fine, and he aced the test.

**Mike Kearney:** Good job. So, Peter, Andrew, you just wrote The world remade by COVID-19. Planning scenarios for resilient leaders. And this was a joint effort by Deloitte and Salesforce. What spurred you coming together? Why did you guys write it? Peter, I’ll start with you.

**Peter Schwartz:** Well, look, this is a group of people who’ve worked together for a long time. And we were all, each of us, individually wrestling with the fact that I suspect for all of us, like me, this was a moment of maximum uncertainty. A moment that actually invited scenario thinking. And good scenario thinking is usually done in teams. So it was a natural thing for this group of people to want to come together. Most of us have worked together for almost 20 years, or longer in some cases. And so the moment and the history brought us together.

**Mike Kearney:** Awesome. Andrew, have anything to add?

**Andrew Blau:** Yeah, I think that’s right. It was a moment. Listen, these are extraordinary times, and extraordinary times invite extraordinary collaboration. As Peter said, we’re a group that in various configurations have worked together for decades, in one form or another. And the chance to reconnect and get this group of extraordinary scenario planners into one virtual chat room, or to get us together again to think about what could be the biggest challenge that many of us in organizations are going to face, was too good an opportunity to pass up. I can’t remember where exactly it started or who had the first idea.

**Peter Schwartz:** You initiated it.

**Andrew Blau:** Thank you. We were already thinking at Deloitte, obviously, our clients need to respond to the crisis on the doorstep, and how can we help them do that? But the crisis will pass, and thinking scenarically about what might come seemed like a natural opportunity. The chance . . . Once Peter said, “I’d be interested in having that conversation with you,” well, it just took off from there. And pretty soon, it was just this extraordinary group of scenario thinkers who all just showed up and said, “Yeah, I want to be in that conversation with you guys.” And it was a thrill to be part of.

**Mike Kearney:** And, Andrew, Peter, who did you actually bring? When you say a group of scenario thinkers, it obviously wasn’t just the two of you. Who else contributed to it? And you don’t have to give all the names, but folks and their backgrounds—please share.

**Andrew Blau:** Yeah. Peter is a very generous, very collaborative leader. And so
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I want to give props to Peter for starting to invite some of the . . . really the world’s most extraordinary futurist thinkers. Peter, tell the story.

Peter Schwartz: Well, first of all, there were a couple of people who work with me at Salesforce who had been part of the group before, Mick Costigan and Noah Flower. But then some of the other folks that had been part of our community for a long time. First of all, Stewart Brand, who helped founded the Global Business Network. Kevin Kelly, who was one of the first editors of Wired and a founder of Long Now. And then Katherine Fulton, who led all of our work on NGOs and on philanthropy. So this was a group, the three of them, each quite unique, each quite distinctive in their thought process. And all three of them contributed a great deal to our collaboration.

Mike Kearney: So, Peter, in the document, The world remade by COVID-19, you talk about a lot of uncertainties, and two rose to the top, but could you talk about some of the underlying uncertainties that you identified, and then talk about the two that did rise to the top and how you ultimately got to those? And that was, I think, the severity of the pandemic and the level of collaboration amongst countries. But can you talk about that?

Peter Schwartz: In all candor, it’s pretty obvious. This isn’t one of those things where . . . What the uncertainties are are pretty clear. And at the beginning of it is what the dynamics of the actual disease are: how rapidly it spreads, what happens with you know immunity, and so on. So these questions are biological, ecological questions that are fundamentally uncertain. And then the second thing is really about the ability to respond to those events. Do we do them collaboratively or in competition? Are we effective in our response or not? So this is one of those situations where, frankly, it wasn’t too hard to get to the uncertainty. Now, thinking about how all that will play out and what the right combinations are, that’s a different question, but the kind of fundamental drivers were pretty clear in this case.

Mike Kearney: And you ultimately picked two, though, that you use to really drive the stories that you talked about with scenario planning.

Andrew Blau: I mean, there’s certainly other things that feel uncertain right now, right? I know there’s uncertainty about the ability of the health care system to deal with the potential demand depending on what happens with the virus. There’s uncertainty about the economic consequences, and many countries and cities and companies are wondering about the economic consequences. There is uncertainty about what will happen in communities that are under this kind of a shelter-in-place or restrictions for potentially an extended period of time. I mean, there’s so much we don’t know. And yet, to Peter’s point, there were two that seemed to rise to the top, because once we could understand what might be the trajectory of the disease itself and once we could understand how much cooperation, collaboration, or lack of cooperation there could be among countries, the kind of governments that we depend on, to manage a response, once we knew what would happen with those uncertainties, once we could track that, then that’s how the scenarios really started to come together. And these other uncertainties, you could see the ways that they would flow from those other questions.

Mike Kearney: Can you guys talk about what the four uncertainties are? And obviously, there’s a lot more detail in the paper that we’ll reference and people could go read, and I would recommend that everybody take a take a look at it. It’s really good. But can you just share what those four scenarios are at a high level?

Andrew Blau: Sure. So there are four scenarios that that emerged when we combined originally these two big uncertainties. What’s the trajectory of the disease, and what is the level or quality of the collaboration between, and even in some cases within, across governments? The first one is a story that we did called “The passing storm,” a story where collaboration’s pretty good, and the disease actually passes faster than we fear. And so this is a story where the virus is relatively constrained. Government action is pretty coordinated. Listen, this is a story. Even though we call it “The passing storm,” it’s a storm that definitely leaves its impact, right? This is not something that has no impact.

We want to be clear that there will be significant impact, especially for smaller . . . potentially for smaller businesses, for lower-income individuals. But, you know, when we see stories in the press about “the peak is quickly approaching,” or maybe it’s being passed in some places, or we see stories about how maybe we’ll find a vaccine sooner, and the testing, maybe we’ll find something that’s already in the market that will be effective. Those are stories that, I think, imagine a world like we call “The passing storm.”

“Good company” is a story, a scenario, where the disease has a longer trajectory, more high-impact trajectory, and governments struggle more over time. What’s interesting about “Good company,” it’s a scenario in which trust is restored in the out years of the scenario, but not to governments or media or health experts. This is a story in which companies step up and really become the heroes of the story, where they . . . because of the role that they play in helping communities and economies rebuild. So here again, we’re already starting to see stories of companies stepping up, whether it’s tech companies working with health agencies to help with the monitoring or companies that are good at logistics, helping communities to rebuild or build. This is a story where we think companies could actually come out of this with renewed trust. And some of the skepticism people have had about companies in the last couple of years might be replaced with a new appreciation for what they do well.

Mike Kearney: And, Andrew, as you’re going through these, it’s not that any of these stories are right or wrong. These are potential scenarios, futures that organizations could look to try to understand, like you were talking about earlier, the risks and opportunities associated with it. But these are just possible scenarios of the future. If you
could comment on that as you're going through these.

Andrew Blau: When we talk about scenarios, they are not predictions. In fact, I think of them as the antidote to predictions. They're stories; they're a way of thinking about what might happen. But listen, there are a lot of possible outcomes and it's frankly far too soon to tell which future we're actually going to emerge into. The goal of this work is not to say this scenario or that scenario is what surely will happen. It's to start to see the ways in which this combination of the way the disease plays out and the way government institutions cooperate or don't to deal with it. Those could play out in very different ways. And so what we're doing is we're not making predictions. We're not trying to tell you what's going to happen. We're creating settings. Once you start to think, Oh, if that happened, what would I do. If that happened, you know, where, where would we end up? How might society be different? How might technology be adopted in new ways. So, yeah, in each case that I want to tell you about, these are stories about what might happen and really created to structure our thinking about what they might mean.

Mike Kearney: So, you've shared two so far: “The passing storm,” “Good company.” What's the third one?

Andrew Blau: There's another scenario that we've talked about called “Sunrise in the east.” So imagine a world created as the pandemic plays out for a longer period of time, and the recovery is actually really uneven, where China and some of the other East Asian countries actually manage the pandemic more effectively, they come out of it more quickly. They lead in terms of their collaboration around the health response, are able to manage the disease. And the kind of coordination that they demonstrate turns out to be quite effective. So they really take the reins over time as an economic power. This is a scenario that takes some trends that people had already been talking about: growing economic might in China, growing influence, and that whole pivot to Asia that people talked about in the last decade, and accelerates it and says that this is one of the possible effects of COVID-19 and the pandemic that we are experiencing is an acceleration of a trend where East Asian countries come out of the pandemic stronger on the world stage. And so a lot of the kind of international cooperation that flows after that, the lead is now taken by East Asian countries.

Mike Kearney: And the final scenario?

Andrew Blau: There's a fourth scenario called “Lone wolves.” “Lone wolves” is a scenario that says, what would happen if the pandemic actually goes on longer than any of us are really prepared for? Perhaps, rather than ramping down over time, it actually accelerates or ramps up over time. What if our attempts to control that are ineffective? What if government collaboration is very weak and is not effective at managing the disease over time? So imagine a world where the disease feels out of control, government action is . . . turns out to feel uncoordinated and ineffective. And the kind of feeling that people might have where they don't know where the enemy is, that the sense of a disease that no one can control goes on for longer than anyone wants. This is a world in which we could imagine countries really putting up new borders or really shortening their supply lines, feeling that even within traditional allies, countries sort of turning against each other in an effort to secure their own populations. We can imagine this is a world that plays into kind of a next generation of demagogues who really are trying to speak to a population that feels like “The government’s failing me. I'm really afraid for my family. I can only trust something very close at hand.” And so “Lone wolves” is a kind of worst-case scenario with a prolonged pandemic with ineffective government action and a world of all against all, just in the name of security and safety.

Mike Kearney: So, Peter, let's go to you. These are all interesting scenarios. But if I'm a leader listening to the two of you, what guidance, what pragmatic advice would you give to them when they've heard these four different stories of the future? How can they use them? And I guess what I'm really trying to get to is, it's interesting, but now what? What do they do with us?

Peter Schwartz: You'd ask yourself the question, if you were CEO, “What would I do if we live in a world of ‘The passing storm [scenario]’?” What would I do if we're operating in the world of “Lone wolves?” and so on. And then I'd ask myself the second set of questions: What are the indicators that I should watch to tell which ones are happening? And finally, what are the risks in the following sense: “I cannot afford to take fatal risks. There are things that I can do that are no-regrets, no matter what. And there are things that I can do that would have a maximal regret if one or more of these scenarios occurred.” So let us say, hypothetically, the “Lone wolves” scenario occurred. If I take certain risks that would lead to the death of my company, I can't afford to take that risk, period, because today, I don't know whether “Lone wolves” will occur. So I need to address that question of, what are those risks that would be fatal under those scenarios? And then the final question is, what are the opportunities that might emerge during those scenarios? But critically, as we move into those new worlds, what kind of resources do I need to take advantage of those opportunities as they begin to emerge?

Mike Kearney: Andrew, Peter talked about the whole monitoring process. Is there anything that you're recommending to companies to monitor beyond just kind of looking at these scenarios and seeing how they unfold? Are there any tools or techniques that you would recommend?

Andrew Blau: These are tools for learning, and we should continue to engage with the world, watching for what direction do we think things are going. I think that there are techniques that are more formal and less formal. Informally, I think that a leadership team should be watching the world around them and collecting evidence that really challenges their own assumptions. One of the things that are really great about scenarios is, they give us a framework for watching events in the world and, rather than discount the things we don't believe, or we think that's probably unlikely, it gives us a framework for understanding “What am I seeing?” How could this actually be an example of a world that I either think is improbable, but you start to see evidence...
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getting created or starting to accumulate? Another possibility is that you begin to create frameworks for having a leadership conversation that the scenarios are kind of like a kind of a framework for interpreting the world.

So I would encourage leaders to be engaged in that dialogue. What are we seeing? Don’t tell me whether you believe it or not. Let’s start to collect these things and start to put them in against these different possibilities. There are more formal things that you can do. I mean, we’re already starting to see techniques for using artificial intelligence, scanning very large data sets, looking for evidence, that kind of stuff that I think a lot of companies are using shorter-term, we can start to apply longer-term. What are some of the ways in which we don’t just have to rely on our own judgment about the things that we see in whatever news feeds we have, but use the tools of artificial intelligence and data analytics, to start to comb through much bigger data sets to look for evidence? But you want to put it against, again, is that evidence that we are probably getting out of this sooner or not so soon? Are we looking for evidence that the governments are coordinating effectively or not? And then what are the kinds of combinations that allow us to see what this might mean for us? Because I think these scenarios are going to have really different consequences depending on what industry or sector you’re in, what kind of business you’re in, what region you’re in, etc.

Mike Kearney: Andrew, I hear a really important point, though, and that is, we’ve got these stories for the future, but you also need to monitor them. And monitoring is a pretty straightforward process, but organizations likely have tools in place. And, you know, we’ve obviously talked a lot about sensing over the last several years, but there’s likely tools in place where you could get kind of unbiased information to help you determine whether or not these stories are coming to fruition or not. Is that what I hear you saying?

Andrew Blau: Yeah. Listen, we live in a world with more data than our parents or grandparents ever knew anything about, and let’s put it to work. And I think that tools—whether it’s artificial intelligence, machine learning, whether it’s big data and data analytics—people should be using those tools to look at not just “What’s the next couple of weeks going to look like,” but to begin to think about “How would I scan those much larger data sets for early indications of what might be happening with the pandemic and its consequences?” And then what the scenarios do is give you a tool to take those perceptions and start to turn them into kind of a longer view, like “Ah, I see; if this is starting to happen already, now I’m going to start looking more for other evidence,” right? This is a way that you can tune your radar to see longer-term change happening before it surprises you.

Mike Kearney: And, Peter, you’ve been doing scenario planning, as we talked about at the outset, for years. Is there anything different with this pandemic and kind of the size and severity of it from different scenario planning, or anything different about the current environment, that leaders should take into consideration?

Peter Schwartz: Yes, first of all: a very rare event. The short-term uncertainty, in some ways, is greater than the long-term uncertainty. And so you have to look at short-term phenomena as well as long-term phenomena. You need to make those short-term decisions in light of what you think about the long term, particularly where you want to come out of it. But we’re in an environment where one has to look at these several timeframes of the short term, the kind of transition to a new world, which we clearly acknowledge is going to be quite different from today’s world, and we see that in the scenarios that are presented here, but it’s that interplay of how do you make those short-term decisions in light of the long term.

Mike Kearney: Great. Andrew, we oftentimes talk about a “black swan” event. How do you think that definition is going to change based on what we’re experiencing with this crisis?

Andrew Blau: So, you know, it’s interesting that you put it that way. What I think is, people may be talking about this as a black swan, but if we take seriously what a black swan is, something that no one saw coming, that has an enormous impact, listen, Peter and I and many others have been doing scenarios for years that have been talking about the potential for a pandemic. In many ways, this isn’t a black swan. What should change is less our definition about what a black swan is; what should change is the way we think about the future, right? Many of us have been talking about pandemics, and I know Peter was involved in some work maybe 15 years ago, when you were looking at the implications of SARS [Severe Acute Respiratory Syndrome]—there have been scenarios about a coming pandemic for years. In some ways, this is closer to what some people are calling a gray rhino, right? It’s something that’s readily apparent. It’s charging right at us. I mean, everyone can see it.

Mike Kearney: Andrew, you talked about the fact that a lot of organizations knew that there was a pandemic coming down the pike, right, but many organizations may not have prepared for it, and I’m curious: In your opinion, how would an organization use scenario planning in order to identify these futures, but then also maybe be prepared for when it ultimately happens? Because I think that’s part of the challenge, is there’s a lot of things that are out there that we know are going to come at some point in time, but oftentimes risk management structures or systems don’t necessarily account for that. You have a thought on that? And Peter, you could jump in as well.

Andrew Blau: Sure. Listen, scenarios that don’t change action are interesting, but not effective. We need good scenario planning that really causes people to say more than, “Oh, that was interesting.” I had a lot of fun in that scenario session, because, listen, thinking about the future, thinking about what might happen, is often a lot of fun to do, and it’s one of the great pleasures of this work. But if it doesn’t change what people do, it’s just interesting, and interesting is not enough when we’re talking about issues like this.

So what can leaders do? A couple things. One I found in our practice around doing scenarios—and really interested in Peter’s perspective on those having done it even longer—it’s really important to engage critical stakeholders and decision-makers.
I'm not saying they need to be in every scenario development conversation, but scenarios need to be developed with an eye toward who are the actual decision-makers that need to act on this, and what do we need to engage with them. Because if they are not feeling compelled by what we find, then we haven't really done the job that we need to do. So scenario-builders, scenario thinkers need to think about “Who's the user of this? What kinds of decisions am I asking them to consider, and what's the context in which they’ll feel confident making that choice as a result?” Secondly, I think that the scenarios—you know, these stories about what might happen—if we just leave it as stories that might happen, we haven't done enough to actually make the consequences real. So I think a second part of a good scenario process is to say, “So what?” What would it mean if we end up in “Lone wolves?” What would we do differently? What are the actions we could take now to prepare? What are the signals we would watch for? We need to translate the work into the kinds of choices that decision-makers can actually act on rather than just say, “Oh, you know, it could be this or it could be that.” So we translate the work into “This is what it would mean. These are what your options are.”

Hear what some of the trade-offs are; let's have a strategic conversation about that and begin to put in place the playbooks that we know what we would need to activate once we start to see this or that scenario developing. Peter, I would love for you to comment on this, because the work that you did over the last 30, now 40 years, is some of the defining features of how executives should be using this kind of work.

Peter Schwartz: Well, you know, I think you basically got it right, Andrew. The only thing I would add to what you’ve just said: In a sense, you have to give people a route out. By that, I mean an alternative to denial, options for dealing with each of these scenarios. If they can't see any way out, they're going to be in denial. And so it’s important that they see, when these are being presented, that there are choices that they can actually make to deal with this. I would only add, I guess, one other thing: My experience tells me that if particularly you're trying to present very controversial and very challenging information, you want to make sure that the point of view of the executives that you are speaking to is also representative. What's their scenario? What do they already believe? And show them how that could happen, but then give them an alternative. And if they don't see the scenario, they already believe ... they tend to discount the other alternatives. But it is also important that they see a way forward from there, that they have options and choices they can actually make. If they don't, then they're going to try and figure out why this can't possibly happen.

Mike Kearney: So, Peter, just let me ask. So on a process question, if you were to come up with the different scenarios, and a leader or two had a different point of view, you would actually even want to factor their scenarios in to create that net new story so that they feel that they're included, so that they'll take into consideration the scenarios that you had developed offline. Is that kind of where you're going?

Peter Schwartz: That’s exactly right.

Mike Kearney: Okay, perfect. Peter, how do you think that this crisis is going to spur leaders maybe to think differently in the future?

Peter Schwartz: I think every leader in a company, whether it's at an operating unit or at the whole corporate level, is asking himself a very big question. They’ve had to innovate to adapt to the new reality. What have they learned? What has worked well? What has worked better than before, or what do they need to fix? So this has been an enormous learning experience. And so the very first question in sort of coming out of the crisis that people are going to be asking themselves is, “What do I want to keep that was good? Did my workers like working at home? What has to be done in the office? Did people like shopping it in my retail operation online? Do I need a store? What happens to my supply chain in this world?” And I think leaders are going to need to articulate that for their companies.

Mike Kearney: Yeah. What I keep thinking about is, we are getting things done so much faster, just generally speaking, than we used to. And my hope coming out of this is, how do we sustain, you know, that ability to kind of push past bureaucracy and administration and get things done? So that’s my hope for all of this. Let me just end with one question. I'm going ask both of you. Andrew, I'll let you start. We've talked about scenario planning, we've talked about these four different stories. We've talked about the paper that's come out. You guys have given incredible guidance on how leaders can actually use scenario planning and think about the different futures, the risks, the opportunities. The question that I would have for both of you is, what is one actionable step? If you’re a leader and you’ve never engaged in this type of scenario planning, what's that first actionable step that you should take? Andrew, I'll start with you.

Andrew Blau: Well, first, it may sound obvious, but we’d love you to read the paper: that what it lays out is a set of these four futures. And, listen, they're not the only futures that could happen. There's a lot of possibilities. But they’re structured in a way to tease out, push out, require a kind of different way of thinking about where might we be going. Secondly, understand that the choices you make today are actually going to situate you for not just the next couple of weeks, but actually position you for what comes later. And then third, I think that what folks can do, what people can do with this work, is start from a premise. I know I feel strongly about this. Whatever we thought the early 2020s were going to be like two months ago, I don’t think that’s what’s going to happen. I think that certain things will endure for sure. But we all live in a remarkable moment in history where our expectations need to be examined, where our assumptions about what was certain need to definitely be challenged. Where the things that we thought were 15 years away, maybe they’re five years away, and the things that we thought would never happen actually may become our reality in a year or two. So I think that what leaders can do is use the work to structure the thinking, challenge yourself to really go back and think about, “What did I assume was going to happen that may not? What did I assume was far away that could be close? What do I assume was implausible or
improbable, and actually we’re starting to see it every day?” If we ask ourselves those questions, if we think, in a sense, some of the “unthinkables” and start to actually get into position to think, “What would I need to do if this were happening?” I think leaders and the organizations they lead will become much more resilient despite the uncertainty, despite the inability for any of us to see, you know, very far into the future right now. By asking those questions, I think we’ll all be better off.

**Mike Kearney:** And, Andrew, you exposed me personally to scenario planning, I don’t know, five or six years ago. And the way that I think about how an organization identifies risks, since that’s the area that I practice in, it’s changed drastically. And so this is not just about using it for COVID-19. I think what leaders are going to find is, if they have not adopted this type of practice before, it can be applied to so many different futures beyond the timeframe that we’re in. Peter, I’m going to ask you to take it home. What’s one thing that you would recommend a senior leader do today, based on this conversation?

**Peter Schwartz:** All of the scenario planning is about challenging your mental maps, forcing you to think differently, thinking the unthinkable. And the best way to do that, besides actual . . . The good scenario is find people around you that challenge your thinking. People you trust; smart, informed people whose judgment and point of view matter to you. Start having conversations with them. Ask them what their scenarios are. Share our scenarios with them. Widen your circle so that you’re not just talking to people that are inside your own mental map. People who will challenge your mental map. Every time I’ve been wrong about the future is because I didn’t talk to a wide enough circle of people. Diversity matters for thinking about the future. So get a diverse group of people who challenge your thinking.

**Mike Kearney:** That is such a great way to end it. It’s not just about staying within the circle of folks that you engage with; it’s about finding people that may even think, obviously, Peter, very differently from you, right? Maybe people that are going to challenge the way that you think, but broadening your circle, applying scenario planning, and then moving on from there.

**Peter Schwartz:** Exactly right.

**Mike Kearney:** Awesome. Peter and Andrew, I know you guys are extremely busy. I appreciate your time here. Like I said, go out and read the paper. We’ll put it on our website, we’ll put it in the notes for the podcast, but it is a great read, and I think one thing leaders every leader should be doing today is thinking about these different stories and then preparing for them, preparing for the risks, and obviously seizing the opportunities. So, Andrew and Peter, thank you for your time.

**Andrew Blau:** Thanks, Mike.

**Peter Schwartz:** A pleasure.

**Mike Kearney:** Thank you, Peter and Andrew. That was incredible. I have a few key takeaways. The first is, scenario planning is powerful. It’s helpful, because it has you think about different alternative futures that you could identify the risks and the opportunities and then obviously take action. The other thing that I heard loud and clear is, we do not know how the story is going to unfold, but leaders should understand the scenarios, how they may evolve, and they should be prepared. The last thing is, if you are using scenario planning, this is not just an exercise in talking about how the future may unfold; this is about making sure that you take action. The other thing that I heard is that if you are doing scenario planning for the organization, make sure that you engage leadership. We’re going to continue to bring incredible guests and perspectives to help you respond, recover, and even thrive through COVID-19. I will say that our backlog of guests keeps growing, so stay tuned.

If you have a COVID-19 topic you want to hear more about, suggest them at deloitte.com/us/resilient, our Resilient page. And for more insights on all aspects of COVID-19, look to deloitte.com and look at our COVID-19 page. You can also find us on Apple podcasts, SoundCloud, Stitcher, Google Play, and even Spotify.

And until next time, stay safe and remain resilient.

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