

Lessons from 16 Years of Scenario Planning at the US Department of Defense

Britten Coyne Partners

The Strategic Studies Institute at the US Army War College has just published a monograph on issues that will be familiar to many users of scenario planning methodologies.

In "*Scenario Planning and Strategy in the Pentagon*", Michael Fitzsimmons pulls no punches, either about the problems encountered since the Pentagon began to formally use scenario planning in 2002, or how the current process can be improved.

He begins with an observation familiar to many, if not all organizations today: "Students and practitioners of national security policy have long understood that uncertainty about the future is a central challenge of strategy."

He then notes that, "Scenario planning should be one of the Department of Defense's (DoD) most important tools for developing strategy under uncertainty." However, many have judged scenario planning to be a big disappointment. Fitzsimmons digs deep to understand the underlying root causes of this outcome.

He examines "six debates that have complicated the execution of scenario planning in the DoD over the years."

"Likelihood versus plausibility as an appropriate planning factor. How likely does a scenario need to be to compel planning? And how likely is any given scenario in the first place? Despite the use of much scientific-sounding arguments on the subject, and despite superficial deference to the intelligence community as an authority on the subject of likelihood and plausibility, the answers to these questions are entirely subjective and unverifiable. Everyone has an opinion, and few can be disproved. This means that, despite the scenarios' purpose to serve as test cases rather than predictions, a nearly endless number of

uncertainties can be cause for legitimate debate in making scenario assumptions.”

“High-resolution analysis of a small number of cases versus low-resolution analysis of a large number of cases. Should the scenario planning process focus on studying a few scenarios in-depth or many scenarios with less detail?”

“Long, structured timelines for data development and analysis versus the need to be responsive to senior leader guidance. The more complex scenarios and associated data become and the more organizations required to review and approve the content, the longer it takes for the system to produce and approve those products. This is a challenge regardless of which end of the spectrum identified in the previous point the system tends toward (i.e., many simple scenarios or few complex scenarios).”

“Transparent, collaborative process versus innovative exploration of new concepts and capabilities. It is no secret that bureaucratic processes are enemies of innovation...In the case of DoD, the natural dynamics and politics of developing collaborative products across multiple organizations with differing incentives tend to produce compromises that elide difficult strategic choices rather than confront them and suppress experimental ideas rather than nurture them.”

“Appropriateness of operational plans versus scenarios as the basis for strategy development and force planning...Because the operational planning (focused on near-term employment of existing capabilities) and force planning (focused on supporting budgets and programs well into the future) processes are so segregated, the claims of operational plans and future scenarios often end up being more competitive with each other than complementary when it comes to strategic resource allocation.”

“Prerogatives of civilian planning guidance versus military operational art. Finally, the DoD process has experienced a constant struggle, as do many Pentagon processes, in defining a boundary between those prerogatives and judgments for which civilian guidance predominates

and those in which military operational expertise predominates [analogous to corporate conflicts between strategy departments and line managers]. Both perspectives are essential to the process, but it is often ambiguous whether and when one's deference is due to the other."

On balance, Fitzsimmons concludes that the use of fewer, more detailed scenarios has been more successful in supporting near-term operational planning needs but less successful supporting long-term strategy development.

The author notes that, "Strategy and force structure development [i.e., investment in capabilities] comprise the questions that preoccupy the DoD's most senior leaders, especially the secretary and the chairman. These questions address the largest elements of force structure, major resource trade-offs, global posture, alliance relationships, rationales for technology investment strategies, and the like. Problems in these areas are extremely complex and unstructured. As a result, decision-making on strategy and force structure tends to follow a highly inductive path."

"Decision-makers faced with these questions must think very broadly and consider many potential variations in strategic-level assumptions. In part due to these requirements of breadth and variation, the level of analytic detail that is relevant or even digestible on such questions is sharply limited. Decision-makers involved in strategy and force structure development need to be able to think creatively and consider a full range of possible solutions to strategic problems relatively unconstrained by current doctrine, official intelligence estimates, and programs."

Our key takeaway from this excellent analysis is this: Strategy development has a longer time horizon than operational planning, and is thus a less constrained process that requires a greater range of less detailed scenarios. Trying to use the same scenarios for both operational planning and strategy decisions invites the frustration that has occurred at DoD.