

Task Sets for the Emergent Approach

Task Set 3: Draft/Modify Scenarios

Task Set 3 explains how to draft/modify scenarios and incorporate them into the SAM in three tasks:

- 3a Capture external conditions and events
- 3b Combine conditions and events into scenarios
- 3c Incorporate scenarios into the SAM

Like all components, your scenarios will likely change as you progress. Therefore, not only do you want to come out of Task Set 3 with good draft scenarios incorporated into your SAM, but you will also want to know how the scenarios were developed, so that when you are triggered to come back for modification, you can do so quickly by building on what you started.

Task 3a: Capture External Conditions and Events

Here you capture the external conditions and events, the raw material, from which you will construct your scenarios. Sometimes authors call this *environmental scanning*. The danger here is how easy it is to imagine multiple futures. The facilitator has the challenge of allowing free thinking but reining it in so that not just any idea gets through.

Ways to Capture Conditions and Events

Chapter 13 showed the simplest approach for capturing the potential impact of conditions and events and the probability of occurrence (Figures 13.1 and 13.2 for the Grands, and 13.4 and 13.5 for Courier Inc.). Include columns for your assessment of the probability of occurrence and the potential good and bad impacts of the occurrence. Some of the techniques used there included:

- Use percentages and numbers, not to be numerically precise, but to express concepts. It's okay to be loose with probability and impact in the beginning. You know most of the numbers will be wrong anyway.
- Make relative statements, just like in the SAM. Referencing numbered rows helps.
- Define the boundaries of variables wherever you can (e.g., gas price through the roof means greater than 17 pesos per liter).
- Conditions and events can be trends (Courier service demand growth will remain steady at 3% per year) or single events (drones approved for love potion delivery).
- Conditions and events can be one-sided, where you can conceive of the uncertainty having either positive or negative impact on your future (competitors entering, for instance, would usually be a bad thing), or two-sided (impact of economy).

The team needs to decide the limits of plausibility and whether to include a given future. For some at Courier Inc., the idea of love potions regulated off trains may be considered ridiculous and a waste of time to discuss, whereas others might think it is a plausible Black Swan. There's no formula for knowing.

Hint: You can capture conditions and events as neutral variables. *Gas prices* was captured in Figure 13.4, EAS, as high gas prices (through the roof), and then, in the impact column, there was discussion on whether these prices were a positive or a negative. Instead, you can simply write *gas prices* in the conditions and events column and then identify the range of impact in the second column, shown in Figure 3a.1. The neutral technique means writing in more detail, but it is also more flexible, especially when scenarios are considered against multiple alternatives.

3	Gas prices through the roof (>17 peso/l)	Good if trains available; bad if (1) or (2) come true	20% P20
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(A) As in 13.1

3	Gas prices	Go through the roof (>17 peso/l)	Good if trains available; bad if (1) or (2) come true	~20%
		Remain at average costs (~6 peso/l)	No particular impact	Most likely

(B) Neutral variable

Figure 3a.1 Alternatives for Capturing Variables

An alternative to tables is to graph conditions and events as in Figure 3a.2, using “probability of happening” and “potential impact on alternatives” as the two axes, sometimes called a *Wilson Matrix*. With this technique, you lose detail but gain visibility of relative probability and impact which may be helpful when facilitating a team. You can add +, -, or ? as shown in Figure 3a.2, or perhaps arrows, to give some sense of impact direction.

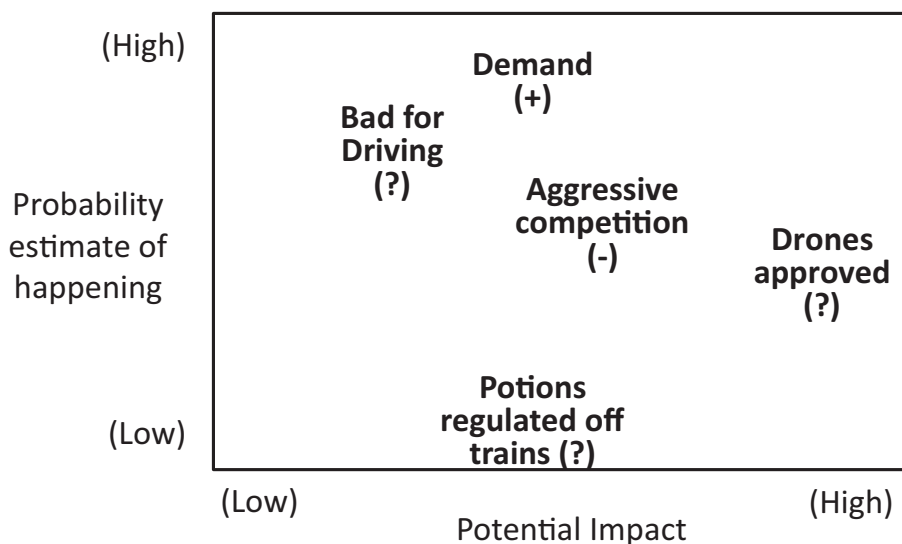


Figure 3a.2 Wilson Matrix for Capturing conditions and events Courier Inc.

The team likely started to think about conditions and events when brainstorming ideas back in Task Set 1. All you may need now is to continue this thinking, perhaps adding more detail in a more focused brainstorming session. Other techniques that can inspire the team include:

Engage people with diverse views and knowledge through interviews and invitations to scenario generation sessions.

Put yourselves in other people's shoes, imagining their incentives and how they would see the environment. Suspend disbelief to think of other people's values and beliefs that are different than your own.

Use influence diagrams/mapping (Chapter 3). Ask questions like: "What might competitors or regulators do that would surprise us?" or "What good things could happen that might surprise us and lead to even better results?" Then work backward, asking what influences the answers to the questions.

Use analysis techniques like PESTEL (Political, Economic, Social, Technological, Environmental, Legal) and Porter's Five Forces (see Task Set 4 for listings of additional techniques) to ask questions like: "To what extent is there a threat of substitution?"

Consult the literature. Scenario planners (see the document *References for an Adaptive View of the World* in emergentapproach.com/supplements),¹ and also business textbooks, supply case studies and lists of common external conditions and events. The Complex Adaptive System literature describes how the elements of systems interact nonlinearly and how a small, seemingly innocent change in one place might have a powerful and unexpected impact somewhere else. Consulting firms and think tanks issue short and readable studies on trends and possibilities on a wide variety of topics:

¹ See in particular Woody Wade, *Scenario Planning: A Field Guide to the Future* (John Wiley & Sons, 2012). KL488.

- Regulation, legislation
- Public opinion, societal changes, demographics
- Politics, geopolitics
- Markets and commerce; market demand; competitors
- Industry trends
- Raw material costs/availability
- Tariffs, exchange rates, interest rates, macro and local economies
- Supply chains
- Stock markets, mergers and acquisitions
- Technical discoveries, industry changes, bankruptcies
- Social media impact
- Health, disease patterns, medical breakthroughs and failures
- Weather patterns; natural disasters

Hint: If you consult scenario planners for more sophisticated techniques and expansive future studies, be sure to keep in mind the differences between the terminology and approaches used in the literature and those used in this book, as listed in *References for an Adaptive View of the World* in the book chapter supplements.

Consider your nested systems. The parent organization can exert conditions and events that might be important in scenarios. For instance, Courier Inc., (Chapter 10, EAS) might be part of a larger parent corporation whose policies (unspoken, habitual, or official) might include things like support for mass transit, policy to employ drivers from broad demographics, the potential for restructuring or selling off units, or a policy of lobbying against drones because the corporation sees them as an existential threat. These corporate policies might be just as unchangeable and constraining as governmental regulations (you also may not be able to state them publicly if they are unflattering).

Bike Shop

The beliefs brainstormed by the zTeam in Task 1d included a few external conditions and events that might be important in scenarios. The macro economy has been strong over the four years during which *Yo! Bike It.* has become a success. So, the team worries, “What if the economy tanks just as we take loans and make

investments?” They then add, “What if global warming concerns ramp up? Could politicians feeling pressure from rich folk who live in low-lying areas with rising sea levels lead to more demand for biking and less driving? Perhaps most concerning is that bike shops are under financial pressure due to online buying from non-bike websites. What will the global brands do? Can they adopt something like the *YBI* model and kill small guys like us?” These and other ideas are captured in Figure 3a.3:

	Conditions and events	Positive or negative for expanding the <i>Yo! Bike It</i> Model?	Range of probability of happening?
(1)	Strong public sentiment to do something about global warming	Helpful if people see biking as part of the solution; biking might be more symbolically than technically important. May also depend on which political party is in power.	Hard to tell because year-to-year short-term weather variations make global warming a difficult debate.
(2)	State of economy	Strong economies always support biking	Have no idea
(3)	Online sales continue grow and make it difficult to run a shop	Negative unless <i>YBI</i> can create an online alternative that people prefer to huge non-biking sites.	Looks high.
(4)	High fuel prices	Assume a benefit to biking; not clear how much because biking as transportation is not yet a major influence on fossil fuel use.	Have no idea
(5)	Global brands copy <i>YBI</i> without us	Would kill our ability to make money (but would help bring biking to the world).	Joey says big corporations are slow to change, and it would be hard to find evangelists, but the team is not so sure.
(6)	There’s a health craze	We could be in the center of this: not only is biking aerobic, but it’s easy on the joints and is often recommended as strengthening and mobility for older folks and people with bad knees.	Impossible to predict
(7)	Hot new bike technologies come along	Electric bikes are having a big impact, but they are only moderately aligned with the <i>YBI</i> model because they are not always for the less-affluent community that you are trying to help, and in some ways defeat the exercise benefit of biking.	New technologies are coming but how much how fast?

Figure 3a.3 Bike shop external conditions and events

The team struggled a little with determining whether the global brand copying *YBI* was something they could influence and should be used as a fitness criterion or an aspiration instead. But they decided to keep it as an environmental condition for now.

Task 3b: Construct Scenarios from External Conditions and Events

Chapter 13 showed the basics of constructing scenarios from external conditions and events either by simple mapping or constructions of 2×2 crosses for the Grands and Courier Inc. Another technique is *Zwicky boxes*, also called *morphological analysis*.²

It is recommended to start with simple mapping and move to other techniques only if this is not working. As a reminder, conditions and events that can have similar impact are combined into scenarios for simplicity, otherwise each would have to be incorporated into the SAM individually resulting in many unnecessary assessments. Single conditions or events that seem insignificant may have impact if two or more reinforce each other and raise the overall possible impact and probability.

As with all elements of the SAM, you can't fully know which scenarios are relevant until you are sure of your strategy alternatives, and vice versa. But that's okay. You will work both scenarios and alternatives together along with assessments and fitness criteria in Task Set 4 to arrive at the right combination.

How Many Scenarios?

One persistent question in scenario creation is how many to use. You will find logical arguments for using even numbers of scenarios, because if you use three, people tend to choose the middle one; for using four because it avoids “best case,” and “worst case” approaches; for no more than four because of complication; for two because

² For an example of Zwicky use, see <https://www.waldwissen.net/en/forestry/forest-protection/scenario-planning-a-glimpse-into-the-future>

two is even, and four is too many for leaders to internalize; and for a base case and two alternatives, that is, two cases with a reference state or base case.³

The danger of the low-mid-high habit of thinking that using three scenarios promotes is real, but if you are doing it right, you will have *qualitatively different* scenarios, not three numbers, or a “small, medium, big” progression, so the danger is minimized. Too many scenarios is a valid problem too, both because of people’s capacity to internalize multiple scenarios and the complication of incorporating them into your SAM. Yet aiming for a number overlooks the organic nature of the task. The question is: how many scenarios do you need? What are the fewest scenarios needed to capture the different future environments that influence your choice of framework? Further, as you evolve the SAM, new scenarios will probably emerge, and you will discard others. You can’t pick a number of scenarios up front and stick with it. Just establish a starting point here.

Scenario Construction Guidelines

The following guidelines apply when constructing scenarios from conditions and events:

Make scenarios qualitatively different—Do not just take high and low cases unless you are sure that the quantitative difference will lead to a qualitative difference. Scenarios with gas prices at 17 peso/liter and 14 pesos/liter are probably not both needed if you are contrasting with gas prices at 35 peso/liter.

Include everything that will influence alternative choice, for good and for bad—If you believe a scenario environmental force will influence your choice of framework alternative, then you need to include it. No cherry picking. Never censor a condition or event because you believe it to be bad for an alternative. Nor,

³ R. Rafael and W. Angela. 2014. “Rethinking the 2x2 Scenario Method: Grid or Frames?,” *Technological Forecasting and Social Change* 86: 254–64. shows a table of about 15 references and their views of how many; Thomas J Chermack, *Scenario Planning in Organizations: How to Create, Use, and Assess Scenarios* (San Francisco, CA: Berrett-Koehler Publishers, 2011). L2592 has a good discussion and believes four is best, he also cites Pierre Wack from Royal Dutch Shell for the status quo plus two approach; Wilkinson and Roland said at Shell two is the sweet spot Angela Wilkinson and Roland Kupers, “Living in the Futures,” *Harvard Business Review* 91, no. 5 (2013): 118–27.

on the other side, include items you believe will make the alternatives you favor look good even if you fear people want you to be conservative.

Name your scenarios—Capture the qualitative difference between scenarios, just like naming your framework alternatives (see Introduction to the Task Sets). For instance, “high oil prices (\$160)” might be better than “oil at \$160.”

Call in more detailed models of scenarios when needed—For example, scenarios will sometimes be best represented as developments over time (Figure 3b.1 for 24-month demand, for instance). Courier might include multiple projections as part of their scenarios. The time horizon would depend entirely on the aspiration or decision at hand.

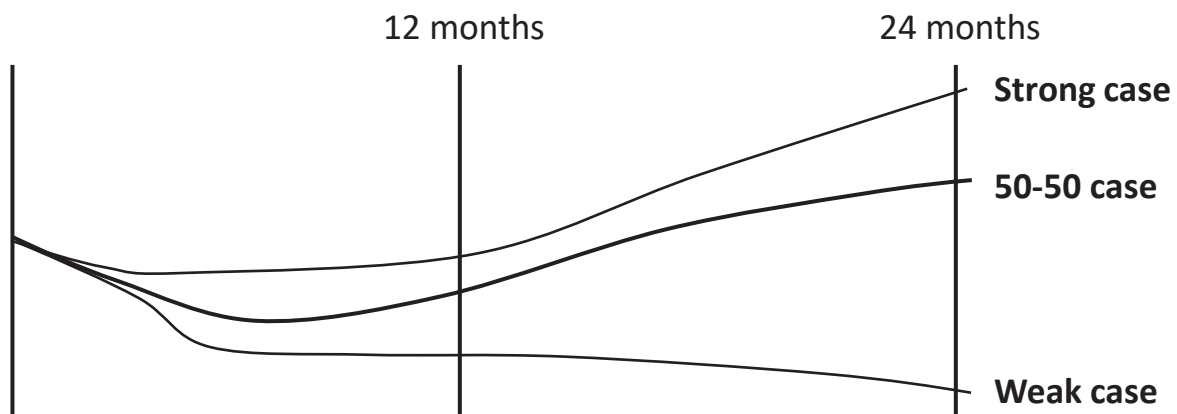


Figure 3b.1 Scenarios as demand projections over time

“Official Futures”—Sometimes, leadership will create an *official future* case so that all groups in an organization plan on the same basis. For instance, “assume prime rate will be 4.25% in 2025 or GDP growth of 3.5%,” or “assume love potion transport by drone will not be approved in 2028.” If so, then it is an external constraint you must abide by. Of course, leadership labeling something an official future does not make it more likely.

Tell stories and narratives—Working in a less technical format might help loosen up the team and stretch thinking. Peter Schwartz calls them “plots.”⁴ Ogilvy suggests creating newspaper headlines.⁵

⁴ Peter Schwartz, *The Art of the Long View: Planning for the Future in an Uncertain World* (Crown Business, 2012). Chapter: Composing a Plot, L1888.

⁵ James A Ogilvy, *Facing the Fold: Essays on Scenario Planning* (Triarchy Press Limited, 2011). p24

New City Parking shortage increasing train ridership

Man accidentally ingests ACME love potion on the A Train

Wife Files for Divorce

President: never another recession if my policies are followed

Drones approved for limited prescription delivery

Love potion and bipolar drug suppliers hopeful

Surge in Bike Ridership

Health and environmental benefits seen as cause

You might also play-act or role play:

President Jamie, let me explain. Hydrochloric acid packets, maybe, just maybe, will be banned from the trains.

VP Let's add that explosives, likely, will be banned from trains.

Treasurer Stink bombs, absolutely.

President But love potions? The transport of love potions by train was the firm foundation on which my grandparents founded this company 80 years ago. (Gestures with arm.) With nothing more than *tuppence in the bank*, may I remind you.

Jamie What if a bottle breaks on the train, and people all start falling hard for each other? The new fast-acting formulations are powerful. People might not be able to get off the train. They might not *want* to get off the train.

Treasurer Business leadership is not a collection of what-ifs; it is setting tough goals and then achieving them. Such an untoward conjecture is not productive.

Jamie What if the potions make people do things that lead to divorces, lawsuits, spread of disease, and public displays not meant for young'uns? Our society no longer accepts these dangers.

Treasurer Jamie, you speak in hyperbole.

Jamie What if breakage leads to spontaneous Celine Dion sing-alongs?

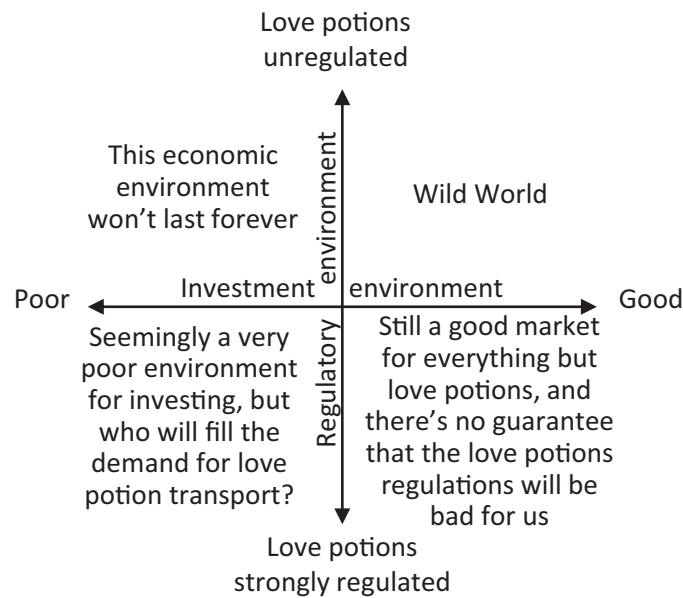
VP (Increasingly irritated) May we please continue with the agenda?

Jamie All this could cause the government to regulate love potions off trains! And as the updated SAM shows, this scenario would be a disaster no matter what because there is *zero revenue*. If we have only train transport, we would be out of business.

VP I mean, really, is this ridiculous discourse necessary?

Using 2x2 Crosses

The commonest technique of constructing scenarios from conditions and events is the 2x2 scenario matrix, sometimes called a *scenario cross* or a *2x2 alternative futures matrix*. These 2x2s may appear more objective because of the graphical format, but this isn't necessarily true. Their prevalence may be due to ease of completion and familiarity.⁶



To create a 2x2, capture on two axes the two most important conditions or events, generating a scenario in each quadrant (not to be confused with the Wilson Matrix discussed above). Courier Inc., might decide love potion regulation and investment climate are most important, as in Figure 3b.2.

The use of 2x2s forces some storytelling, which is good. They may best be used to stimulate thinking or to supplement simple mapping. Another benefit is 2x2s drive you away from the mid-case mindset because there is no case in the center. Dangers with 2x2s include:

⁶ People that speak out about the deficiencies of 2x2s include, Ramirez and Wilkinson, “Rethinking the 2x2 Scenario Method: Grid or Frames?” and Wendy Schultz and Nichola George, “Scenarios Compendium: Natural England Commissioned Report NECR031,” 2011. p126.

- Assumes exactly two main conditions and events that are always double-sided, which can lead to loss of detail over-aggregation.
- May encourage (or at least, not discourage) numerical views of the two-sided conditions and events: gasoline at 17/pesos per liter \leftrightarrow 34/pesos per liter.
- May become a filling-out-the-form exercise because they are so common and easy.
- May encourage the damaging one scenario-one strategy habit as illustrated in Figure 3b.3 for the grands. A strategy for each quadrant is *not permissible*—all strategies are at the mercy of all scenarios (Chapter 13).

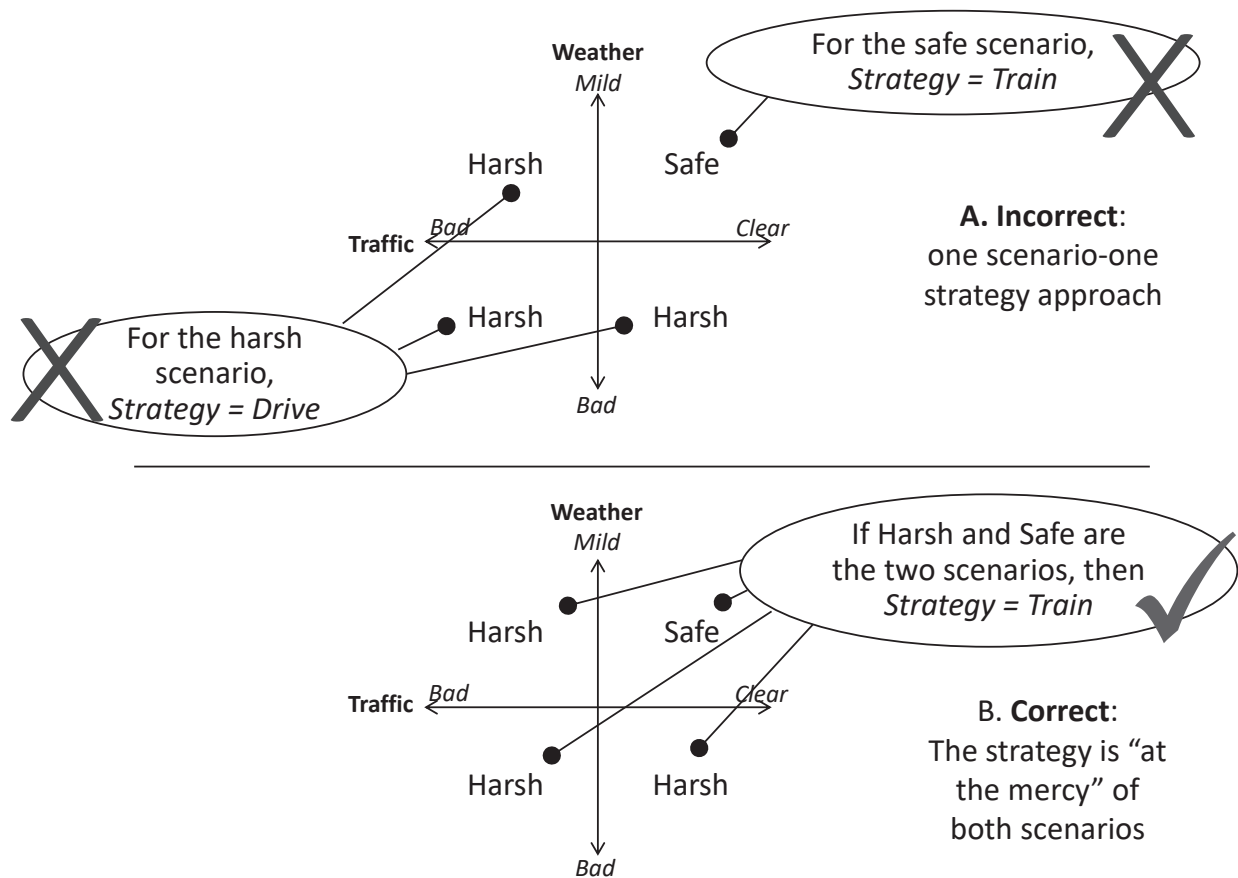


Figure 3b.3. Incorrect (A) and correct (B) scenario construction

Bike Shop

The external conditions and events from Task 3a suggest several scenarios to the zTeam. The first captures a safer bet for investing time, money, and hearts into *Yo! Bike it*. These include public sentiment to do something about global warming, a strong economy, high fuel prices, a health craze, and new bike technologies that inspire consumers. Although these conditions and events may not all occur, the team is confident a few can. You call it *Tailwinds*.

A second scenario, called *Panic*, scares the team. Online sales increasing at a faster rate leading to panic at the global brands such that they take everyone down—things like lowering service prices ridiculously or resorting to low-quality materials and construction. The remaining mom and pop bike shops are hit too, but they can't really do much. The zTeam knows *Yo! Bike it* is too small to impact this dynamic if it occurs, the brands have over 700 stores each.

A third scenario is the global brand copying the *Yo! Bike it* model, or something close enough to it, thereby destroying the zTeam's advantage. Whereas it would be great for all the brands to bring biking to the people this way, it doesn't bode well for the zTeam future. You call this scenario, *Yo! Lost it*.

The last scenario generated was the *Blah* case, in which nothing dramatic happens. Economy is okay, the brands don't panic and don't really copy *Yo! Bike it*, even though they adopt some elements, and online sales continue to grow, but not dramatically.

When asked by Joey which of these four scenarios were most likely, they were roughly ranked as *Blah*, *Tailwinds*, *Panic*, and *Yo! Lost it*. It was also agreed that there could be overlap and that it hardly mattered to consider probability anyway at this point.

Task 3c: Incorporate Draft Scenarios into Your SAM

In Task Set 3, you incorporate the scenarios into the SAM. Two methods are provided, along with illustrations of how assessments are made with each. You may start with the simplest method (method 2), or even end up with it, but it is important to understand the mechanics of the more detailed subcolumn method to avoid pitfalls when simplifying. In both methods, you will list your scenarios in the diagnosis section to keep them in front of the team.

Method 1: Incorporate Scenarios as Subcolumns

The use of subcolumns was illustrated for the Grands’ little SAM in Chapter 13, EAS, shown below as Figure 3c.1. The “Safe” and “Harsh” scenarios were added to the Drive alternative. (Grandpa did not worry about the impact of traffic and weather conditions on train travel, so there remained only one column there.) The addition of the column doubles the number of assessments, and the overall assessment is simply the sum of the individual assessments in each column.

Alternative → Scenarios →	Goal: Get to the Kids in New City in Best Way		
	Drive		Take the train
	Safe (~90%)	Harsh (~10%)	Safe or Harsh (100%)
Time (hrs.)	2–3	4–5+	1.5
Comfort	Somewhat irritating	Highly irritating	Good
Cost	\$30	\$30 + accident potential	\$190
Impact on Environment	OK	OK	Feels good
Car in New City	Yes	Yes	No
	X		√

Figure 3c.1 How the Grands used subcolumns to incorporate scenarios into the SAM (Reproduction of Figure 13.2 in the Emergent Approach).

Hint. Merge assessments that are not influenced by the scenarios. Grandpa believes that the driving environment does not change the assessment of environmental impact, or whether they have a car (he dismisses the possibility of an accident), so merge these cells. In more complicated SAMs, merging enables visibility. Note that merging is not averaging; that is, averaging safe and harsh and calling it “kind of safe,” which is bogus. Merging merely reflects that the individual assessments are identical or nearly so.

Technically, you can capture the scenarios by expanding the ranges of the assessments, but this is not recommended. You will often use ranges to capture the assessments of the alternatives because of the uncertainty of actions and decisions in your control. The time for the Grands to drive was already a range of 2–3 hours. Adding the potential for about 2 hours more for the *harsh* scenario will lead to a new range of 2–5 hours, but the assessment range and the scenario range are now scrambled and less visible to the team.

Unless there is some special reason, do *not* capture your scenarios as the major columns. Doing so adds complication of an additional level for making overall assessments and gives no benefit. Figure 3c.2 shows how the Grands’ SAM would look with the

		Goal: Get to the Kids in New City in Best Way		
Scenarios→		Safe (90%)		Harsh (10%)
Alternatives→		Drive highway	Take Train	Drive highway
Time (hrs)		2–3	1.5–3+	4–5+
Comfort		Somewhat irritating	irritating delays	Highly irritating
Cost		\$30	\$130	\$30 + accident potential
Impact on Environment		OK	Feel good	OK
Car in New City		Yes	No	Yes
		Overall: Drive Highway under Safe scenario	Overall: Train under Safe scenario	Overall: Drive highway under Harsh scenario
		Overall: Drive Highway		

Figure 3c.2 An incorrect use of scenarios as the major columns.

Scenarios as the major column headings. Merging cells is also more difficult. (You will find examples of scenarios used as the major column headings in the literature.)

Method 2: Incorporate Scenarios in Overall Assessments

A simpler way to incorporate scenarios is to capture one scenario in the column, and then capture the assessments under the other scenarios in the overall assessments, as shown in Figure 3c.3.

This method is attractive when you believe one scenario is much more likely than others, sometimes called the *base case*. Use the columns for the base cases and then capture the impacts of the less likely scenarios in the overall assessment at the bottom. Never, however, fall in love with your base case—the Grands *safe* case is their base case, yet the *harsh* case—even at estimated 10 percent probability (P10)—keeps them from the Drive alternative. If there is no scenario you consider to be most likely, then just pick one for the column, but be sure not to label it as high probability.

		Goal: Get to the Kids in New City in Best Way	
Alternative→		Drive	Take the train
Scenarios→		<i>Safe</i> (90%)	<i>Safe or Harsh</i> (100%)
Time (hrs)		2–3	1.5
Comfort		Somewhat irritating	Good
Cost		\$30	\$190
Impact on Environment		OK	Feels good
Car in New City		Yes	No
		<i>Harsh</i> (10%) scenario adds ~2 hrs, \$30 cost, irritation, & accident potential.	Overall Train

Figure 3c.3 Capturing influence of scenarios in the overall assessments.

Describing scenario impact in the overall assessments works for more than two scenarios as well. In Figure 3c.4, Grandpa adds a scenario of the car breaking down. Again, the percentages are used to illustrate the general probability and are not meant to indicate precision.

Goal: Get to the Kids in New City in Best Way		
alternative→	Drive	Take the train
Scenarios→	Safe (90%)	Safe or Harsh (100%)
Time (hrs)	2–3	1.5
Comfort	Somewhat irritating	Good
Cost	\$30	\$190
Impact on Environment	OK	Feels good
Car in New City	Yes	No
	<i>Harsh (10%) scenario adds ~2 hrs, \$30 cost, irritation, & accident potential.</i> <i>Breakdown (1%) scenario adds ~4 hrs and a lot of irritation, especially if coupled with bad traffic.</i>	Overall Train

Figure 3c.4 Capturing influence of scenarios in the overall assessments.

You may also mix the two methods using overall assessments against scenarios with some commentary in the columns.

Method 3: Incorporate Scenarios by Simply Listing Them in the SAM

This simple method may be perfectly acceptable; it just requires more vigilance from the team to assess alternatives against all scenarios.

Method 4: Add a “Robustness” Fitness Criterion Row

Evaluate your alternatives versus fitness criteria for a base case, and then add a new fitness criteria named “robustness to alternative scenarios.”

Hint: No matter which technique is used to incorporate scenarios into the SAM, you will need to link to the detailed scenario information (Chapter 10). There is room only for the names and smallest amount of scenario detail in the SAM.

 Bike Shop

The zTeam has four scenarios:

Tailwind: A lot of things support investment in *Yo! Bike it*.

Panic: Internet drives the global brand to an industry mess.

Yo! Lost it: Global brands successfully copy the *Yo! Bike it* model without us.

Blah: Nothing particularly different or dramatic occurs.

The team then looks at the scenarios in the context of the SAM and the draft alternatives and captures the thoughts in the overall assessments. It's clear that *Yo. Lost it* and *Panic* are bad news for the first three alternatives. But panic by the brands might encourage or discourage their interest in acquiring YBI. Under duress they might see YBI as a solution, or if they hunker down, they might cancel any spending. You point out to the team that any investor or partner might take shortcuts in adhering to the YBI principles (executing) under *Panic* and that estimating the potential for panic in the industry is important.

Ree says, "We should not worry about the investment environment because it's like timing the stock market—it is impossible to predict. We want to move forward with growing no matter what." Joey answers that you don't want to pick a strategy alternative that will easily fail under one or more plausible scenarios. Joey then says that the scenario that might not be needed is *Tailwind*. She explains that whereas *Tailwind* is just as unpredictable as the investment environment, there is no way the team would count on tailwinds, even if considered a 50–50 probability scenario.

The team agreed that *Yo. Lost it* and *Panic* would be arduous environments to operate so it is important to engage prospective partners or investors quickly before these conditions could develop. They also agree that further assessments were worthless without feedback from prospective partners or investors. You don't really have strategies yet, either, just rough concepts. But despite not being able to make detailed assessments, the team feels good about having a starting point

with which to enter discussions with the prospective investors and partners. You list the scenarios in the SAM, and then make comments on impact in the overall assessment cells in Figure 3c.

Bike Shop SAM 3c Scenarios Added				
Values	Independence; Stay bike people not business people			
Aspirations	Vision: Make biking a bigger part of people's lives Mission: Greatly increase the rate of expansion of the <i>Yo! Bike it.</i> model Goals: ??????????			
Diagnosis	P: Provide innovations & quality other stores cannot EC: My Thing shop approach B: People don't understand the proposition		P: Teach <i>Yo! Bike it.</i> EC: TBD S: <i>Blah, Tailwind, Panic, Yo! Lost it.</i> details B: Several possible; see listing.	
Strategy	Current: Keepin' on	Passive Investors	Partners	Get acquired
Strategy (< 30 words)	Continue to evangelize with no one's help (or interference)	Gain investors who like what we do, but don't want to actively participate.	Find partner who shares our vision and values; recognize this will narrow the field dramatically.	Get acquired by national chain (does it have to be a bike chain?) that sees <i>Yo! Bike It.</i> as an opportunity.
Key tactics, plans, sub-goals, & metrics	Substantial loans? (Keepin' on only?) August deadline for Decision Metric: biking to business ratio for the zTeam Do something about the confusing number of mobile biking apps			
Fitness Criteria	Speed of expansion	← Faster? →		
	Quality of expansion (execution)	Full control? ←	More control?	→ How judge intent/ability?
	Shared vision with investors and partners		Will it be an issue?	How judge?
	Personal financial risks	Personal risk on loans?		How judge?
	Time required to run business vs. working in the biking world	Bad!!!!!!	How can we know? Talk is cheap!	
Profit potential	Eh			
		Yo. Lost it and Panic bad news		Panic could be good or bad
		Tailwind good news		