



CORPORATE HOUSING
PROVIDERS ASSOCIATION

NAVIGATING THE NOISE PODCAST EPISODE 17: SCENARIO PLANNING PART 1

Brian David Johnson:

Hello, everybody and welcome to Navigating the Noise, a broadcast brought to you by CHPA, the Corporate Housing Providers Association. Well, welcome everybody to this special, special season of Navigating the Noise. As many of you know, on Navigating the Noise, we like to bring in some large, confusing topics and really help you navigate the noise, bring in external experts, bring in people inside of the industry, get them together and kind of have a really pragmatic conversation about what to do about it. But certainly, this season is quite different. We're doing things in a very different way. In this episode, I do have to say, is like no other episode we've done. So this episode of Navigating the Noise is an actual two-parter, there's going to be part one and part two, because we're doing, as I said, something we've never done before. We're going to call this a skill-building podcast, where we're going to be looking at a specific skill that you might be able to use, that you might be able to apply to your business, to apply to your industry, to apply to your collection of partners.

Brian David Johnson:

And so on this Navigating the Noise skill-building episode, we're going to be looking at scenario planning and contingency planning. So how can you think about the future? But think about it in a very specific way and really apply it to your business. And so I mentioned, so in episode one, what we're going to be doing is really just looking at the high level. What is scenario planning? What is contingency planning? What is that? And then, in episode two, we're going to get into, what does it look like to have it apply? What does that really, really look like? So with that, we're just going to dive right in. I said, we've never done an episode like this before, so we're just going to get started. Oh I should say, as I normally do, I'm Brian David Johnson, I'm your host and your futurist. I'm also the engineer on today's show, so please bear with me as we switch back and forth between the cameras.

Brian David Johnson:

So we've got two and fantastic guests who have been very, very gracious with their time to record these two episodes with us. So the first is Robin Champ. So Robin is a foresight and strategy expert. She is a legend in the federal foresight world. She has a long career working with different government agencies, doing long-term strategic foresight for these agencies. She's actually quite a celebrity. When I go and do my speaking, as many as you know, I speak at events, I do a lot of work with universities, oftentimes I'll go to universities and people come up and they want to meet me, and what they'll say to me is, "Do you know Robin Champ?" And so I have to say, "Well, yes. I do work with her and she actually is that good."

Brian David Johnson:

So we're very, very, very fortunate to have Robin on the show with us today. And then also, we have Tracy Hayes. And Tracy is the founder and president of CWS Corporate Housing, and again, we're really fortunate to have Tracy on because she's been doing work for many, many years now, in contingency planning, but applying it specifically to this industry. And when I sat down with Tracy and she talked about the work that she had been doing, not only previous to the pandemic, but really in the pandemic, I was

fascinated. I was... Really the work that Tracy and the work that her team has been doing, that really brought about this two part episode. Because I thought that, as viewers and as fans of the show, that you really needed to hear it.

Brian David Johnson:

So that's why we're going to be doing two. So again, we're going to get into the work that Tracy's been doing and the work that her team has been doing in episode two and how she's been applying it. But here, we're just going to start with that high level. So speaking of high level, we're going to switch over and we're going to bring on Robin. As I mentioned, she is a foresight and strategy expert, and I've asked her just to come on and give us an overview of strategic planning, of scenario planning, of just her world.

Brian David Johnson:

She's also a professor and sort of teaches these things, as well. So we're going to switch over to Robin, and I'm going to say, "Robin, thank you so much for joining us on Navigating the Noise. Thank you for agreeing to do this, to kind of give us that overview of the work that you've been doing." So, let's just start that. Give us that high level and say, as people think about this type of thing, and as I know, Robin, you've given us some slides, so at some point, just tell me when you want me to click over to the slides, and we'll just dive in. So could you please just give us an overview?

Robin Champ:

Absolutely. And thank you so much for having me on the show. I really appreciate it. Why don't we dive right in? I love visuals. I'm a visual learner, so let's put up the first slide. And I always like to start with the difference between forecasting and foresight because they're two very different things. The difference between forecasting and foresight, if you think about the weather, and we forecast the weather, forecasting is predicting. And in the short term, when we're looking just a little farther into the future, forecasting might work. I could tell you with relative certainty whether or not it's going to rain tomorrow, on the 13th day of the month. But if I look a little farther out, could I tell you with certainty it's going to rain on July 14th, not June 13th? Well, probably not. So your forecast, the farther you look in the future, your ability to forecast or predict is less and less and less.

Robin Champ:

So what do we do when we can't just look and predict something? We have to have something called foresight, where we look at the many possible things that could happen and make sure we plan accordingly. So for instance, I don't know if it's going to rain or snow on December 13th or January 13th, but I better be prepared with an umbrella and snow pants because I don't know which one's going to happen. And it is a possibility either one could happen. So, with that, we have to understand that the future has not happened yet. There are many possible ways the future can happen, and we're always caught by surprise. If this year taught us anything, is that we can always be caught by surprise, and the future doesn't always look the way we think, or predict, or forecast it's going to look.

Robin Champ:

So if you look at this slide here, you can see a little tubular cone, which it says today's perspective. And what we all do, it's very normal, is we take what we see today, and we project what we see and know today into the future. And we think the future is going to look somewhat similar to what we see today. That's today's perspective. But again, the farther out you go in the future, you can see that cone, that aperture opens up into uncertainty. And really, the future is not necessarily going to be where that cylinder points out at the end of the cone. The future could be in section C, section A, section B, section D, it's in some sort of one of these areas of the future. So what we need to do is think about what all those possibilities are in the future, and then plan accordingly so that we are prepared.

Robin Champ:

And I really like this quote by Alvin Toffler. He said, "The inability to speak with precision and certainty about the future is no excuse for silence. It is more important to be imaginative and insightful than to be 100% right." And that's a quote from Alvin Toffler in Future Shock. So again, just as a high level overview, what we want to do with foresight is embrace the fact that the future is uncertain, and then prepare for uncertainty, rather than try to predict the future and put all of our eggs in one basket.

Brian David Johnson:

Well, that is great, Robin. Thank you so much. That's a very, very good overview and I love... Here, I'm going to bring up the gallery view, just so we can... I have a quick question for you, real quick. But before you do that, I want to show you something. So here, we're all in gallery view. So Tracy, everybody can see you now, as well. So I have a question for you, but before we do that, so you mentioned Alvin Toffler. So for everybody in the audience, so Alvin Toffler is one of the premier and sort of founders. He and Heidi Toffler, his wife, really pioneered a lot of it. Here's how much Alvin Toffler sort of means to this work of foresight is if you look, actually in every episode of Navigating the Noise, right here, this is how much of a nerd like this.

Brian David Johnson:

So this book is foundational and actually all his books. And if you actually go back and look at the episodes of Navigating the Noise, you will always see it's either right there, or it's usually right there. There's another one of Toffler's books. So I'm glad that you brought that in. So, Robin, let me ask you this question. So, when somebody sort of thinking about, like you said, there's forecasting and then there's foresight. So when somebody's thinking about maybe implementing this, what is a barrier? I know we're going to get more into implications working with Tracy in the next episode, but what do you think is the first barrier? What's the hardest thing for organizations just to get started doing this?

Robin Champ:

To me, the biggest barrier is they're really good at what they do today. And they projected what they do today really well is going to happen in the future. And I'll give you a perfect example. We all remember Blockbuster, right? Blockbuster was the best of the best when it came to DVDs and videos, the stores were clean, their operations

worked well. You went in, the movie was there, you had customer service. Blockbuster was the bomb, right? Tons of stores, everything was perfect, and they were great at their operations. But what happened to Blockbuster?

Robin Champ:

Well, they went out of business. Netflix came along. So I kind of call that a failure of imagination, a failure of innovation, of failure of foresight. They took what they did today and they projected it into the future, and they assumed they were going to be the bomb in 20 years from now. Because they did what they did very well, and at the time they were doing it, they had great sales. They failed to reinvent themselves. They failed to look into the future and see there might be caught by surprise, there might be innovation there. There could have been a multitude of other things that could happen to them, and instead, they just focused on today and they were overtaken. So to me, I think this failure of imagination, this natural resistance to change is the biggest barrier.

Brian David Johnson:

That's great. And that's a really great segue over to Tracy. So that's a great overview of foresight, and that's a great resources, so we'll make sure to put the two slides up on the Navigating the Noise website. We'll maybe put some links to some foresight books if you really want to nerd out around foresight. Again, you don't have to, but if you want to. But I think that's a great point is like you learn... So, Robin, learn also from the mistakes of other people in business. Remember the Blockbusters, remember the Kodaks. And this sort of, Tracy, kind of brings us to our conversation.

Brian David Johnson:

So, Tracy was very giving of her time, where we sat down and we had this very long conversation. We went much longer than we were supposed to and than we were scheduled to go because I was fascinated in the work that she had done because she was actually using some of the tenants and some of the ideas behind strategic foresight that Robin was talking about and was applying it to her work. And really the thing, Tracy, is that really kicked it off was 9/11, for you kind of thinking that sort of that shift and really beginning to apply that, and I think that is wonderful. But first, let's welcome you. Tracy Hayes, founder and president of CWS Corporate Housing. Thank you so much for joining us on the show today. We really appreciate you being here.

Brian David Johnson:

Oh. You still got to unmute, unmute yeah. You need to unmute, Tracy. There we go.

Tracy Hayes:

Hello.

Brian David Johnson:

Welcome to the show! Yeah.

Tracy Hayes:

Thank you.

Brian David Johnson:

So let's do this. So I'm going to switch over to your camera in just a moment, so everybody can see you full screen. So as you think about the work that you've been doing, and you think about sort of how you were planning, what are some high level ways for people... Like I said, in the next episode, we're going to get into what you've been doing for the pandemic and how it's really paid off. But from a really high level, how would you explain to folks who may not be so familiar with this, when you're doing contingency planning and the type of planning that you and your team did? Can you give us an overview of that please?

Tracy Hayes:

Sure. So, really we looked at it at three different ways. What was our immediate responsibility? And what did we need to do? And that really impacted our team and our guests that were in our suites. This isn't something that we can say, "If this happens, what do we need to do in the future?" We had people living with us and we had people that were relying on us every day immediately. So what is our immediate impact, both at the beginning of this, but as it progressed, every day is what do we need to do today? How do we honor our duty of care? Then the next one is near future. How do we continue to provide our services for people that were depending on us to arrive, along with the guests that were with us, and people that were planning to leave that couldn't leave? What did we need to do?

Tracy Hayes:

And then the long-term, how did we work with our team? With our... Not just our guests that were in our units, but the corporate clients, the decision makers, the relocation companies, and our partners, and our supply chain, from housekeepers to properties. And then, really overlying all that is how did we navigate the resources that were available? How did we honor our agreements with our financial institutions that we had agreements with? Kind of just the whole scope, but really looking at it in three phases. Just today's immediate needs, primarily that was our team and our guests. Then, the next phase of it, how do we take care and communicate with other stakeholders? And then, long-term, how do we come out of this viable, and relevant, and as a resource? And in the corporate housing industry, as you've mentioned, there's been several things that have affected us in the past. 9/.

New Speaker:

11 was a big one.

Tracy Hayes:

And that was probably initially what we kind of saw, what happens if business travel stops? So we had some history from that. Then we've had natural disasters that are really close to this. If it's a hurricane in Houston, there's people with us that we have a duty of care. There's clients that depend on us. There's our team members have been

affected. But really, the scope was so much larger that every part of the country was affected. And how do we as an organization go there? The majority of our clients ask us for business continuation plans. So we've got these formal plans, but you can't just really be blinded or limited by the past, because this was so unique. And even as it evolved, what we thought was true yesterday didn't apply at all for today.

Tracy Hayes:

And then people were asking us, "What will happen in two weeks? Will we be able to move into your city?" And they were counting on us as the local experts, but there were so many factors that were outside of our control and just evolving every day. So even and... As we brought in different stakeholders, this is definitely I would think, and there's a tendency, sometimes as a leader to say, "I can take care of this and protect it, and I'll communicate it out." But there's so many different stakeholders in this, and viewpoints, and responsibilities that it was really important to get... What is the cashflow? That's one way to look at it. How will we do service delivery? That was a different subject matter expert. And how does this impact our team and their health? That we needed our HR perspective to make sure we were taking care of our team, so that we could continue to take care of others.

Tracy Hayes:

And then, we almost needed someone that was the strongest realist to help us realize what are our limitations. And could we deliver service ongoing, in a safe manner for both us, and the guests that were staying with us? So it was unlike any other. Our business continuation plan that we had on the shelf that was supposed to be this roadmap that we pulled off, part of it was relevant, but many parts of it, just this event was so unique, that it really wasn't relevant at all. So just our ability to adapt and shift was really important.

Brian David Johnson:

That's really, really fascinating and I think you should be... I'll take us to gallery view for a moment. So there's so much in what you've just said, Tracy. So this is... So, and when I call out, so you... I think you could write a textbook on this. So, it's fascinating because from foresight of standpoint and that sort of a future standpoint, sort of what you broke down and I want to be really, really clear, so what I think was really fascinating about what you and your team did is, well, number one, is you really methodically broke it down, right? This idea of saying, there's sort of near-term, midterm, long-term, and that's very much a foresight thing. They're going, "Okay, you're thinking about these." So if you think about Robin's that the cone, very similar, right? When she was saying, "As you go out, the level of uncertainty grows." But you're still breaking it down because methodically, then it allows you to focus and say, "Okay, let's think about this." And think about, as you said, what are the interdependencies?

Brian David Johnson:

Who are the people? Who's affected? And to really methodically think about that as you're kind of breaking it through. And then, the next step, like you said, it's then that communication. Being able to go and sort of talk to people about it. That is such a

huge part in doing this type of work, is saying, "Okay, now, here's what I think. What do you think about?" Right? And so that, I think, is a really important part, that communication part of it. And at the end, and then the final bit, which you didn't say this, but this is exactly what you were doing, there's a level, and Robin will back me up here, there's a level then once you've come up with a foresight, a plan, right?

Brian David Johnson:

You said, "Okay, here's mid. Sort of here's what we're doing right now. Here's what we're keeping an eye on in the midterm. Here's what we're doing in the long-term. These are the interdependencies." We've now talked to other people, whether it be inside of the organization, or even broader. I know you do a lot of communication outside of just your organization because not only the work that you do when you're in many, many cities, but also you know that there are interdependencies with your customers, and your vendors, and all the people that you work with. And it's that validation side, right? Bringing in that person to say, "Okay, now we have this plan." And having them look at it and go, "Is it working? Is it right? Who's the realist? Who's the one who can take a look at it?" Because I tell my students all the time that she or he who looks at their plan and finds the flaw first, wins. That's the best thing.

Brian David Johnson:

We want to find the flaw because you want to have a culture where if you go, "I don't think this works." Then, people go, "Oh, cool. Tell me why?" Because if you can find out why it doesn't work and everybody's supporting each other, that's great. Then you've actually fixed it. You've made it even better. So I think that's a really helpful... I mean, maybe we can do an infographic on that. That's really fascinating to be able to do that.

Brian David Johnson:

So, as you've gone through... So I'm going to ask you, Tracy, the same question I asked Robin. Is that, so for you and for your team, and I know a lot of this came out of just intense pragmatism, right? You're a business owner, right? You've been in this for a while, you've got the experience, but for you, for your team, and then maybe even when you talk to other people, because I know you do some mentorship and talk to other people outside of your organization, what's the biggest hurdle? I'm going to go back and spotlight you, so you'll be on. So what do you think is the biggest hurdle for people to really get started in doing this?

Robin Champ:

As a leader, you want to build confidence to our clients, to our team, and you really want to be able to have a plan that's black and white, and throw it out there. And Robin, this really resonated when you said there's going to be surprises. So, for me, the hurdle was, how can I let people know that we're listening to them, that we're thinking of things, but also balance that with, we don't know all the answers. So we kind of started changing our vocabulary to, this is our plan today until we learn more. And really throwing out there, you can ask me anything, if I know the answer, we'll share it with you, but if we don't answer it, it's because we don't know. So I think that that... To

not look foolish, or kind of keep your insecurities close, could be your death in this. But it's really just sharing what you know today, here's our plan. And we would break it into small increments.

Robin Champ:

This is our plan for this week, until it's not. But as soon as we know we're going to change direction, we're going to let you know. And then, also, there was so much information coming in, you almost didn't know what to... What of it was what you should use as your foundation. And finally, just one day saying, "You know what? This is not a one size fits all. It's truly one size fits one." And although it was cumbersome, we had a small group that represented different viewpoints in our company that we would meet every day at four o'clock. And it was kind of coming off of our training from hurricanes and natural disasters, where we would say, "Bring anything up." And a lot of it was around our clients' concerns, cancellations, financial viability, things like that. And using that to bring up anything we didn't know.

Robin Champ:

Because had we waited until we had all of the facts, that by the way, facts today were nonsense tomorrow, we would've just been paralyzed. So really communicating primarily with our team. We don't know. We don't know what tomorrow looks like and we don't know what next week looks like. And then, not being stuck on efficiency necessarily. What our plan was in West Texas would not work in Boston or Seattle. So really just being flexible and adaptable and saying that you have all times if you're looking for a plan that's going to be check the box, from my perspective, we would not have been able to execute. And then, being honest. Calling people who maybe have a different perspective and know more about something than you do, and sharing your vulnerabilities and your insecurities of how to handle it, that's really what I think is the foundation. And it's kind of counterintuitive to what we think instills confidence sometimes.

Brian David Johnson:

I'm glad you brought that up, that the... I'm going to take us back to gallery view because I actually have a question for you, Robin. We have to understand... And I always say all the time that the future is local. And by this pandemic has shown us. And we've always talked about this on the show that the future is local, but certainly as we're looking, not only at the pandemic now, but as we move into the future, local is so, so important, but I think it's a really hard thing, and it's a good point to bring up, Robin. And you said this and I'd be interested to see, certainly in your world and in your career, this idea that there's just uncertainty. That we know that there's uncertainty. Uncertainty is certain, in a way, and getting comfortable with uncertainty is there a... Robin, is there a way that you talk to people through around how do you just get comfortable with being uncomfortable? How do you get comfortable with uncertainty?

Robin Champ:

Yeah, that's... Wow, that's a great question. I think you just have to talk about it and you have to make it an educational experience. It's a change management experience. Some of the things I'm doing in my organization is I'm bringing guest speakers. So how do you know the future's uncertain? Bring in lots of different points of view, talk about innovation, talk about change. And so what I try to do is a change management campaign, where I bring in these speakers, we're going to talk about change, we're going to talk about things they might not have thought about before. I put out a newsletter in my organization, where I put really cool ideas out in the newsletter that maybe people weren't aware of.

Robin Champ:

For instance, these new night vision goggles. So they're not really night vision goggles, they're injecting stuff in people's eyes. That's what the future's going to be. Toyota's Woven City, where in Japan, they're trying to have this interconnected, woven city. I mean, there's lots of innovation out there. And I think, when... We think we're certain, until we're exposed to things that make us realize we're not that certain. So the exposure and the change management is how I'm trying to address it. But I think in humanity, we're all sort of comfortable with status quo, and change is difficult for most people.

Brian David Johnson:

Yeah. And I think that as we go through it, and I'm going to bring us back to the gallery view just to wrap us up here. Because, especially now, we've sort of seen that change is uncomfortable for sure, but we can now see that it's going to happen, right? And that we need to understand that there's a lot that we don't know. And certainly this pandemic has shown us that there's still a lot that we don't know, as we come out, as people start to open up and close back down, and as we move hopefully towards sort of therapeutics in a virus, there's just so much uncertainty. And now, it's probably a good time for the organization to start having those conversations, and both Tracy, both is what you said and Robin said, it's having those conversations. It's bringing in perspectives. It's having those conversations.

Brian David Johnson:

So I'm going to wrap us up here. So hopefully everybody can see why this had to be a two parter, right? This is become, so it could be a mini series. There's so much good information here. So I'm just going to stop us right here, I'm going to go and close this out and get us ready for the next episode. But again, I want to thank you both for agreeing to do this and being so generous with your time, but I'm going to pull you into the next episode here in just a few minutes. But thank you both for being on this show, and then we're going to go into the next one in just a moment, but thank you very much.

Brian David Johnson:

So, as we go through this, and I wanted to make sure to stay true to the work that we do here on Navigating the Noise, we normally have three things to do. Bring three pragmatic things to do today to prepare for tomorrow. We're not doing three, we're just

doing one. So you've heard some amazing perspectives, both from Robin and from Tracy, around ways of thinking about the future from a very high level. And so what I would put to you is the one thing for you to do is to say, "How would you apply it? What would you want to think about?" You know very specifically, and on the next episode, you're going to hear all about how Tracey's applied it, and what she did specifically during the pandemic for their business.

Brian David Johnson:

But for yourself, take this moment, before you, of course, rush over and watch episode two, think about how you might apply it. How could you best focus? What areas would you focus on and who might you want to talk to or bring in? Because you can reach out to us. So as I mentioned, we are going to put up all the information that we talked about here today from Robin's slides to links. Maybe we'll kind of think about doing this infographic around the kind of the four steps that Tracy kind of talked about, as you start thinking about contingency planning. I think as you apply them to this industry, they can be really, really helpful. But as always, you can reach out to us here at Navigating the Noise. And if you have any questions, concerns, want a little bit more information, we're always here to see what we can do, especially during these times.

Brian David Johnson:

But, so with this, I'm going to wrap us up. As you noticed, I didn't do the second thing to do was watch episode two because I know you're going to want to watch episode two anyway. So I want to thank you all for joining us today. So thank you for listening to Navigating the Noise, a broadcast brought to you by CHPA, the Corporate Housing Providers Association. As always, you can always reach out to us. You can email us at info@chpaonline.org. You can follow us on Twitter @CHPAonline, or you can visit the website where we'll have all of this information, which is chpaonline.org. Thank you again for joining us today. Come see us on episode two on this two parter of Navigating the Noise, and we'll be talking to you soon. Thanks everybody.