



## Business Direction Tutorial Resources: Scenario Planning Template

CRITICAL UNCERTAINTY 1: EG RISING PRICES AND LOWER CONSUMER DEMAND	POSSIBLE SCENARIOS (BEST CASE TO WORST CASE)	SCENARIO 1	SCENARIO 2	SCENARIO 3	SCENARIO 4
SITUATION	Describe the scenario				
TRIGGER	What will trigger this scenario?				
IMPACT	What happens if this scenario occurs? (positive or negative)				
UNCERTAINTIES	What are the unknowns?				
QUESTIONS	What questions do we have?				
RESPONSES	How could we respond?				
CONTINGENCY	What could we do to mitigate risk if the scenario occurred?				

### METHOD:

**1. Identify your driving forces:** To begin with, decide your focal issue. It could be a strategy decision or external forces arising from your PESTLE analysis. What challenges are arising and how will they affect your company?

**2. Identify the critical uncertainties:** Which of the driving forces will have the most impact on your business? Pick 2 of the driving forces, for example, rising prices and consumer demand.

**3. Develop a range of plausible scenarios:** Think about the best case to the worst case of the chosen critical uncertainty. Depending on what direction each of the uncertainties might take, imagine four possible scenarios for the future (best case to worst case).

**4. Discuss implications and paths:** During this final step, you should discuss the various implications and impacts of each scenario and start to consider your strategy.