

**FOTR, Jiří and SOUČEK, Ivan, 2020. Scénáře pro strategické rozhodování a řízení/Scenarios for Strategic Decision-Making and Management. Prague: Grada Publishing. 235 p. ISBN 978-80-271-2020-8.**

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## **Autor**

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The social and economic reality is more and more complex and complicated, particularly, because of the results of scientific-technological development and their almost instant introduction in manufacturing, production and consumption, and so, in the near future, we will face even more complicated relationships, links, structures and dependences on the national as well as global scale. But how to take a look behind the curtain of everyday life, how to look at the near and distant horizon and make a qualified guess what awaits the human race there, in what direction will the segment of life we are most interested in move?

Grada Publishing is committed to bring, at least, a partial answer to these questions in its new publication focused on prediction and creation of possible future scenarios. Primarily, in the economic sphere, but as the authors mention in many places, the analysed methods can be used in many other areas. Dean Brabec formulates the initial idea in the foreword: „Strategy is an exponential function, ability to respond to changes caused by new technologies and demands of customers. The companies able to work with the future best practice and create a new ecosystem will multiple their profits up to eight times, and, on top of that, significantly reduce business risk. The proof is the convergence of industries, commoditization of products, customers of the new generation, individualization, new technologies. Imagine the new world as one large ecosystem formed by clouds communicated with each other without the need for any human intervention“. Eight chapters full of factual information gradually engage the reader in the method of the creation of scenarios for the future. In their approach, the authors can't hide they are university teachers - their presentation is thematically clearly sorted out, accompanied with facts and a summary of the key findings in the end of each chapter; and what we should especially appreciate is the number of concrete examples of actually existing scenarios. The scenarios are just the tool reducing the risk of uncertainty from the future development. They come out of the knowledge that many uncertainties of the future development have the character of discontinuations, i.e., certain turning points which

can be predicted only with a difficulty. So, they can be threats on the one hand, but on the other hand, also a perfect opportunity for the dynamic development; at the same time, the thoughts reflect the awareness of the relevant trends in the socio-economic reality. Therefore, we should get ready for the future in the form of alternative scenarios allowing us to include into our considerations about the future various quantifiable phenomena, which decrease the error rate in prediction. The scenarios enable to create variant solutions for a possible, highly probable development. The authors show the main typology of scenarios (visionary, deciding, global, local, industry-related, specific, characterized by the duration of the planning horizon, etc.). It is beyond doubt that alternative scenarios can reduce risks in the creation of development strategies, investment decision making and strategic planning. It is obvious that these types of scenarios alone can't guarantee the correct decision-making. However, the authors show some examples of the creation and use of scenarios in the US, France and in the Shell company, which indicate their practical and strategic significance in the managerial decision-making processes.

Characterizing the standard methods used in their creation, they formulate 8 steps:

- Specification of the problem and goals of solving the problem.
- Selection of participants in their creation.
- Identification of driving forces.
- Creation of scenarios with the use of matrixes.
- Concepting, naming and executing stories of scenarios.
- Communication and presentation of scenarios.
- Testing their consistency.
- Monitoring the surroundings and updating these scenarios.

They pay attention to some other methods of their creation, to the quality and sources of input information and data collection methods including their possible presentations to the target groups the near development will apply to most and who also have most chances to influence their future implementation.

The next chapters demonstrate, on the real examples, the benefits of skilfully executed scenarios in different areas of the life of the society in both the economic and social sphere: reducing risks of natural catastrophes in South Australia, protecting land against flooding - the UK, the Netherlands, protecting ecosystems in Virginia, future development of the city of Ostrava, development of the British power industry, defence of the state, future of the pharmaceutical industry, development in logistic systems, investment schemes in large companies, strategic planning in refinery companies, possible forms of car manufacturer development in Brazil. The mentioned practical examples prove that the scenarios are successfully used in many areas - often quite different ones. This is confirmed by the chapter 7 focused on the application of possible development scenarios at the level of countries - use of the land in New Anglia - USA, energy changes in Germany, development of consumption and prices of oil - Shell, AIDS development in Africa.

The last chapter summarized the pluses and negatives of scenario creation. The authors agree that for marketing, and, particularly, marketing communications, it is absolutely vital to change the mental models of managers whose thinking usually concentrates on the phenomena and processes going on in their organization and neglect the essential factors of the environment. Managers typically lack prospect and interdisciplinary thinking, the thinking based on considering future uncertainties, on the ability to perceive changes, interpret them and promptly respond to them. And this is exactly what the thinking paradigm in this area of managerial activities as a part of corporate culture should be like.

The reviewed book brings many new thinking stimuli, doesn't overlook the complexity and obstacles of creating scenarios for the development in the future in various spheres of the life of the society; however, it is also a very inspirational information source about possible ways to reduce the level of uncertainty about the future development. At the same time, on the horizon there appears a new important assistant to have a say in the writing of future scenarios - artificial intelligence.