To Shape Your Future, Write Its History

"History will be kind to me, for I intend to write it myself."
— Winston Churchill

Every innovative strategy has multiple dimensions and depends on complex interactions between a host of internal and external factors. A strategy's success depends on achieving clarity and getting everyone on the same page for the challenging transition to new business and operational models. The best mechanism for overcoming this challenge is one I have used to powerful effect. I call it a "future history."

Future histories fulfill [our human need for narratives](#).[1] As much as we like to think of ourselves as modern beings, we still have a lot in common with our earliest ancestors, who gathered around fires outside their caves. We need stories to crystallize and internalize abstract concepts and plans. We're social creatures. Shared stories unite us and guide us toward our collective future.

Future histories provide that story for large organizations. They are especially needed now, as exponentially advancing technologies drive disruption across every economic sector, especially in information-intensive industries like insurance.

As I laid out in my [previous article](#), seven "Laws of Zero" are causing enormous disruption in the context and practice of insurance, and they will likely continue doing so at an even faster pace than most imagine.[2] These drivers—in computing, communications, information, genomics, energy, water, and transportation—are improving exponentially in capability while collapsing relative cost towards zero. The impact of these trends on insurance will be profound.

For example, rapid advances in computing and communications mean that homes, cars, and all other insured assets will become increasingly more digitalized, connected, and perhaps even autonomous. Microchips the size of a grain of salt are being developed, which could be swallowed and provide real-time data of our vital signs from inside our bloodstream; sort of an Internet of Me to go together with the Internet of Things. Genomics will allow us to read and

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[1] Jag Bhalla, "It Is in Our Nature to Need Stories," *Scientific American*, May 8, 2013.
[2] Chunka Mui, "Seven Laws of Zero Will Reshape the Future. How Will Insurers Respond?," International Insurance Society, June 2021.

write in the language of life. Artificial intelligence (AI) will turbocharge analytics. Information proliferation and transparency will be increasingly scary, not just more powerful. Cybersecurity and privacy will become increasingly important and challenged more often. Cloud and edge computing will transform information architectures.

This poses a multitude of questions:

How do insurers shape their futures in a world where every bit of information is available?

How do insurers offer trustworthy products and services while navigating potential problems?

How do these insurers innovatively adapt their own business and operating models to stay responsive and competitive as customers, supply chain partners, competitors, and the world at large accelerate their own adaptation, which is driven by these Laws of Zero?

A few years ago, I helped the CEO and senior executives of a major financial-services company develop their future histories. The CEO occasionally still reads parts of those future histories to internal audiences. He says they have helped him get his team focused on the right opportunities. As of this writing, his company's stock has increased almost fourfold, even though his competitors have had problems.

Devices like future histories show up in many industries as a way of helping people jointly construct a vision and start implementing it. When Amazon begins work with a potential partner, it often starts by jointly producing a mock press release announcing a deal. Only when the two sides establish the broad outlines of the desired future do they start negotiating the details and actively working toward their common goals.

In 1987, Apple released a video vision for a so-called Knowledge Navigator. One clip featured a professor in the year 2009 using a device that bears an eerie resemblance in form and capability to the Apple iPad. It was an especially foresighted projection, as the first iPad was released in 2010, 23 years after the making of the video but just months later than the video's fictionalized date.

While Steve Jobs obviously shaped the iPad in his own brilliant way, the vision in the *Knowledge Navigator* video guided research inside Apple's labs for years before Jobs got involved. For good measure, Apple's work on the iPad gave the company the biggest gift in the history of business: the iPhone. According to Jobs, when he decided the iPad was not yet ready for production, he realized the technology could be packaged into something much smaller, which resulted in the revolutionary phone.

Figure 1. Apple Knowledge Navigator, Apple 1988; link: https://youtu.be/xp4aRpcX5So

Another example of a future history reaches back to the year 1296, when the Catholic Church in Florence laid out plans for the glorious *Il Duomo*. The church began construction without knowing how to build the dome that gives the *Cattedrale di Santa Maria del Fiore* its famous nickname, but it was confident that it could find someone with the necessary expertise when the time came. A competition to design the dome was eventually launched in 1418, by which point architecture had, in fact, advanced sufficiently—Filippo Brunelleschi won the competition and completed the magnificent cathedral in 1436.

Figure 2. Il Duomo, Cattedrale di Santa Maria del Fiore, Florence, Italy (photo source: Princeton University)

Future histories don't predict the future; rather, they focus on the future we want to achieve. For example, all of us want our team to win each World Cup, but that simply can't happen. Future histories focus on the scenarios we believe are achievable within the allotted timeframe.

This timeframe of consideration is key. If you choose a future point that is too close to the present, all of today's noise and worries will severely constrain imaginations, and you will likely end up with incremental strategies that completely miss out on the future. If you choose a point that is too far out, you are left with untethered, pie-in-the-sky wishful thinking. In my experience, the sweet spot of the timeframe is between 15 and 30 years, depending on one's ambition.

While such long timeframes are not typical for corporate planning exercises, I urge executive teams to start there because that is far enough in the future that they don't have to worry (yet) about all the implementation details. At the same time, based on the scientific and technological starting points that exist today, it is close enough that the Laws of Zero allow us to realistically envision what might be technologically possible.

So, ask yourself the following: What would be crazy *not* to have in 15 years? Think in terms of the Laws of Zero and the additional breakthroughs that'll be particular to the insurance industry and your company. What big problems should the exponentials help solve in the 15-year timeframe? You might consider, for example, some of the questions I've raised in previous IIS articles:

- What are the most pressing protection gaps in the communities you serve? The candidate list is not short. Natural catastrophes like wildfires, heat waves, earthquakes, pandemics, flooding, and other extreme weather events loom large. Long-term climate disruptions such as a rise in sea level, temperature shifts, and droughts will be more severe. Additionally, technology-related risks like cybersecurity and large-scale technology failures could be more disruptive.

- How might those protection gaps evolve over the next 15 years, especially for the most underserved?

- How might leading-edge tools enabled by the Laws of Zero be applied to better expose, model, project, and communicate meaningful slices of the corresponding risks?

- How might these tools transform every aspect of the insurance value chain, including product development, marketing and sales, underwriting and pricing, claims, and customer service?

- How might early lessons from innovators and early adopters around the world be adapted to your community's evolving challenges?

- How might your organization evolve to help markets and customers better understand their risk profiles and increase resilience, mitigate risk, and reduce losses?

- How might your environmental social governance (ESG) strategy evolve, and what progress should be made in the allotted timeframe?

Future histories aren't encyclopedic blueprints of a desired future state. As much as we'd love to have a concrete vision of 2035, there are simply too many variables in play to produce a fully realized projection of the world in 15 years. So, rather than a grand, unified field theory of the future, you will want to sketch out some of the defining features.

In particular, smell out needs that are trapped by incremental thinking. Try to reach beyond the incremental to engage in deep problem-finding rather than short-term problem solving. Try to break the tyranny of current assumptions. Look for opportunities where exponential improvements in technology enabled by the Laws of Zero could radically alter the range of possible approaches.

To focus the exercise, I have executive teams imagine themselves in the 15-year future state (as illuminated by the above and similar questions) and ask them to write two short memos.

For the first memo, I ask them to imagine that their organization has failed because of a circumstance or resistance from some part of the organization, investors, customers, or any other key stakeholder. The first memo should clearly explain the failure.

Imagine, for example, all the doomsday scenarios based on customer behavior, competitors, and technology. Imagine how rapid changes in government, investor, and consumer emphasis on climate disruption and the protection gap might heighten the transition risk for your core products and business models. Imagine how your 15-year future might intersect with other stakeholders beyond customers, employees, surrounding communities, and supply chains.

This exercise lets people focus on the most critical assumptions and raise issues without being seen as naysayers. There is usually no lack of potential problems to consider, including technology developments, employee resistance, customer activities, competitor actions, governmental actions, substitute products, etc. Articulating the rationale for failure in a clearly worded memo crystallizes thinking about the most likely issues.

To heighten the effect, I ask the executive team to adopt an independent journalist's voice to help focus the narrative on the most salient points. I also format and structure the memo to look like an article from the *Wall Street Journal* or *New York Times.* Most people hate the idea of being embarrassed in such publications, so readers of the memo pay attention to the potential problems while there's still time to address them.

The second memo is the success story. This optimistic future history pulls all the thoughts together to explain the success of the company in 15 years. What key elements and events helped the organization shake its complacency? What key strategic or technological shifts helped to capture disruptive opportunities? How did the organization's unity help to out-innovate existing players and start-ups? This part of the exercise encourages war-gaming and helps the executive team understand the milestones on the path to success.

Taken together, the future histories provide a new way of thinking about the long-term aspirations of the organization and the challenges facing it. By producing a chronicle of what could be the major successes and most dreaded failures, the organization gains clarity about the levers it needs to pull to succeed as well as the pitfalls it needs to avoid.

Most importantly, by working together to write the future histories, the executive team develops a shared narrative of those potential futures. This exercise forges alignment around the group's aspirations, critical assumptions, and interdependencies. The process of drafting and finalizing the future histories also prompts the team to articulate key questions and open issues. It drives consensus about key next steps and the overall change-management road map. In just a few weeks, future histories can transform an individual's or small group's contemplated strategies into the entire team's strategy.

Future histories also facilitate the communication of that shared strategy to the rest of the organization. Often, senior executives extend the process, including more layers of management to flush out the success and failure scenarios in greater detail and build wider alignment.

Future histories take abstract visions and strategies and make them real—in ways that excite people. They help people understand how they can contribute—how they *must* contribute—even if they aren't directly involved in the innovation initiative. People also gain the understanding of the timing and see how efforts will build.

Future histories unite teams as they face inevitable challenges. These shared visions can then guide estimates of how much progress needs to be made by the halfway point in the timeline. That, in turn, allows for the creation of three- or five-year plans that inform long-range strategy. And, finally, those strategic choices can be translated into the immediate actions that the organization needs to take today to set the course towards that desired future.

Otherwise, to paraphrase the Cheshire cat in Lewis Carroll's *Alice's Adventures in Wonderland*, if you don't know where you're going, then it doesn't matter what path you take.

The key is to start by thinking big (really big) in order to enlarge the realm of strategic options the organization is willing to explore. But then, rather than falling in love with initial ideas, start small. Break the ideas down into smaller pieces for testing and defer important decisions until early experiments yield real data. Typically, those early experiments require only correspondingly small investments. Take that initial step so you can be ready for the next idea and the one after that—and so you can be prepared to take full advantage when the exponentials kick in 5, 10, or 15 years down the line.

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Chunka Mui is a futurist and innovation advisor. This article is adapted from his upcoming book, *A Brief History of a Perfect Future: Inventing the World We Can Proudly Leave Our Kids by 2050*, coauthored with Paul B. Carroll and Tim Andrews. For updates and free excerpts, please visit *www.perfectfuturebook.com*.

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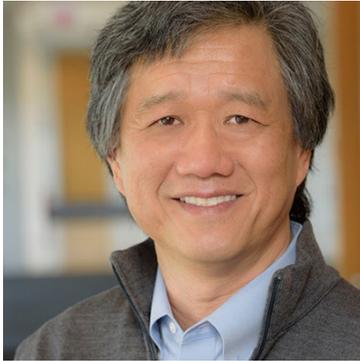
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About the Author:
Chunka Mui is a futurist and innovation advisor who helps organizations design and stress test innovation strategies. He is the best-selling author of [four books on strategy and innovation](#) including *The New Killer Apps: How Large Companies Can Out-Innovate Start-Ups* and *Billion Dollar Lessons: What You Can Learn From the Most Inexcusable Business Failures of the Last 25 Years*. Chunka is also a regular contributor to *Forbes*. Chunka was previously managing partner and chief innovation officer of Diamond Management and Technology Consultants (now part of PWC) and co-founder and director of Vanguard. Chunka holds a B.S. in computer science and engineering from MIT.