Shaping the Future with Strategic Foresight

Facilitation Guide

Crossroads & Catalysts: Leading through Uncertainty
Washington City/County Management Association
Alliance for Innovation
August 2025

Tools that Embrace Uncertainty

The world is changing faster than local governments can adapt. The challenges of the 21st century are interconnected, "moving targets" with multigenerational impact. Decision-making informed by comprehensive data and decades of experience is necessary but not sufficient. Leaders need methods and mindsets that prepare them to embrace uncertainty rather than minimize it. Governments around the world have recognized strategic foresight as best practice for navigating uncertainty with resilience and adaptability.

The Three Horizons Framework is a foundational strategic foresight tool that provides a collaborative, structured approach to balancing the demands of current operations with the foresight needed to anticipate change and adapt proactively. Through a combination of presentations and interactive exercises, participants will learn to assess the current state of affairs, explore possible futures, and design a strategic path towards their desired future. Applying this framework will empower teams to collaborate across competing priorities and lead through uncertainty.

Leaders will come across continued practice despite no longer being linked to the broader vision, strategy, or the changing world. To address this challenge, futurists have used Causal Layered Analysis (CLA) to uncover four layers of change influencing an uncertain, complex challenge. CLA empowers participants to collectively identify underlying obstacles to change, going beyond symptoms and systems to surface what shapes behavior. Ultimately creating positive alternatives for each layer to form an integrated vision of the future. This strategic foresight method will allow leaders to engage with constituents in ways that create deeper understanding and lasting change.

Contact afi.info@governmentresource.com to learn more about the tools and how to use them to navigate uncertainty.

About AFI

The Alliance for Innovation (AFI) is a leading non-profit association of local governments committed to fostering innovation and enhancing the quality of life in communities across the United States. Since its founding in 1994, AFI has served as a dynamic platform for collaboration, learning, and the sharing of best practices among its members. Our mission is to drive transformative change in local government through the power of innovation and foresight.

In partnership with Strategic Government Resources (SGR), AFI leverages the expertise of top specialists to deliver comprehensive services in anticipatory leadership, future-readiness, and innovation. AFI and SGR are proud to offer a robust selection of programs and resources designed to support local governments in their quest for excellence. From thought leadership and cutting-edge research to practical training and hands-on support, our offerings are thoughtfully crafted to meet the diverse needs of our members.

As you explore this report, we invite you to learn more about AFI, SGR, and our commitment to empowering local governments. For further information about our services and how we can assist your organization, please visit our website or contact troyriggs@governmentresource.com

Three Horizons Framework

What is the Three Horizons Framework ?

A strategic foresight framework developed by Bill Sharpe for proactive thinking about systems change. The framework maps three qualitatively distinct systems in terms of strategic fit with the external environment over time. The first horizon (H1) represents today's practices. The third horizon (H3) represents the emerging future. The second horizon (H2) represents the transition between the first and third horizon.

Why Three Horizons?

- Leaders need clarity and alignment on practices losing effectiveness due to long-term changes in your operating environment.
- Cocreate a desired future underpinned by updated operating assumptions that work with change.
- Surface innovations and partners that amplify effective transition from the current state of play to the desired future.

When to use Three Horizons?

- *Visioning:* Use in advance of strategic planning to align resource allocation with a genuinely new vision that informs action today.
- *Organizational Learning:* Develop shared understanding of what a complex, uncertain topic means for your local government such as artificial intelligence, climate change, polarization.
- *Collaboration:* Evaluating strategic fit of today's operations and co-creating vision across departments, sectors, or community.

Strategic Questions

The following strategic questions can be used to apply the Three Horizons Framework. Draw a copy of the framework below and answer the questions in order.
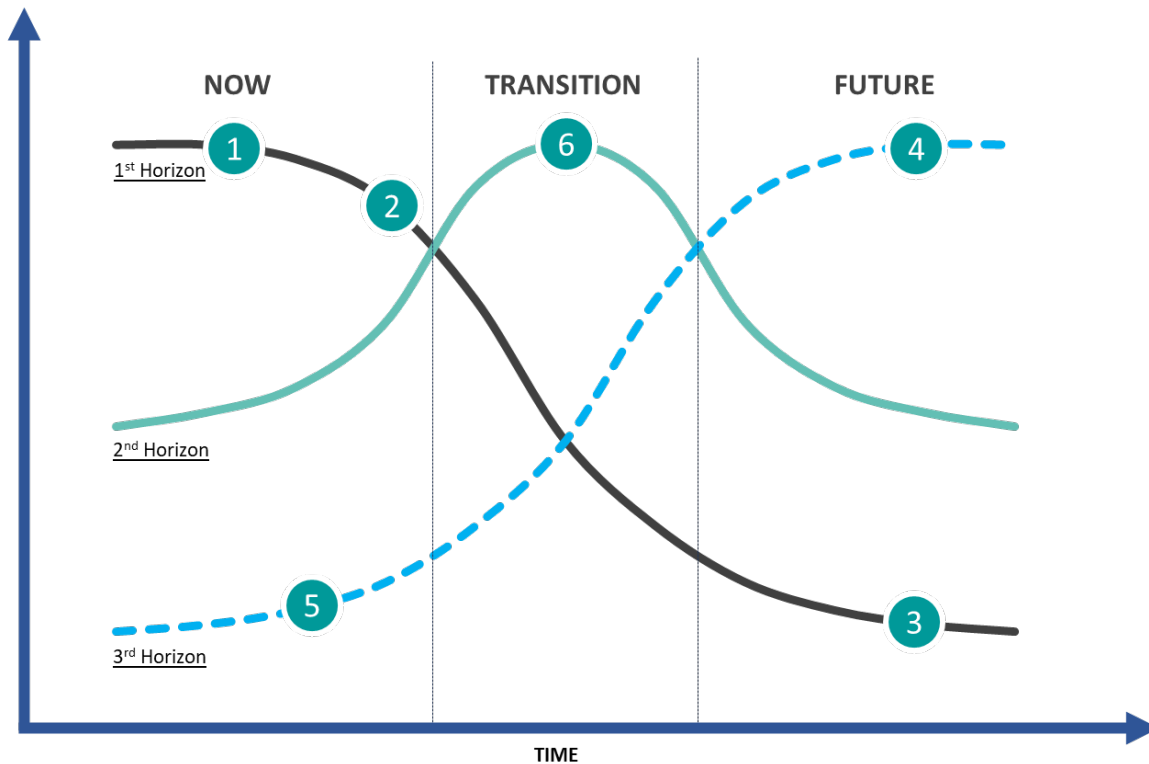
1. What is business as usual and how did we get here?

2. Why is it not fit for purpose anymore? How can we help it leave well or renew purpose?

3. What's worth keeping?

4. What is the future we want?

5. What signals of change are present today?

6. What operating assumptions are we updating as we transition from H1 to H3?

7. What innovations, partners, or practices address H1 challenges or lead the H3 transition?
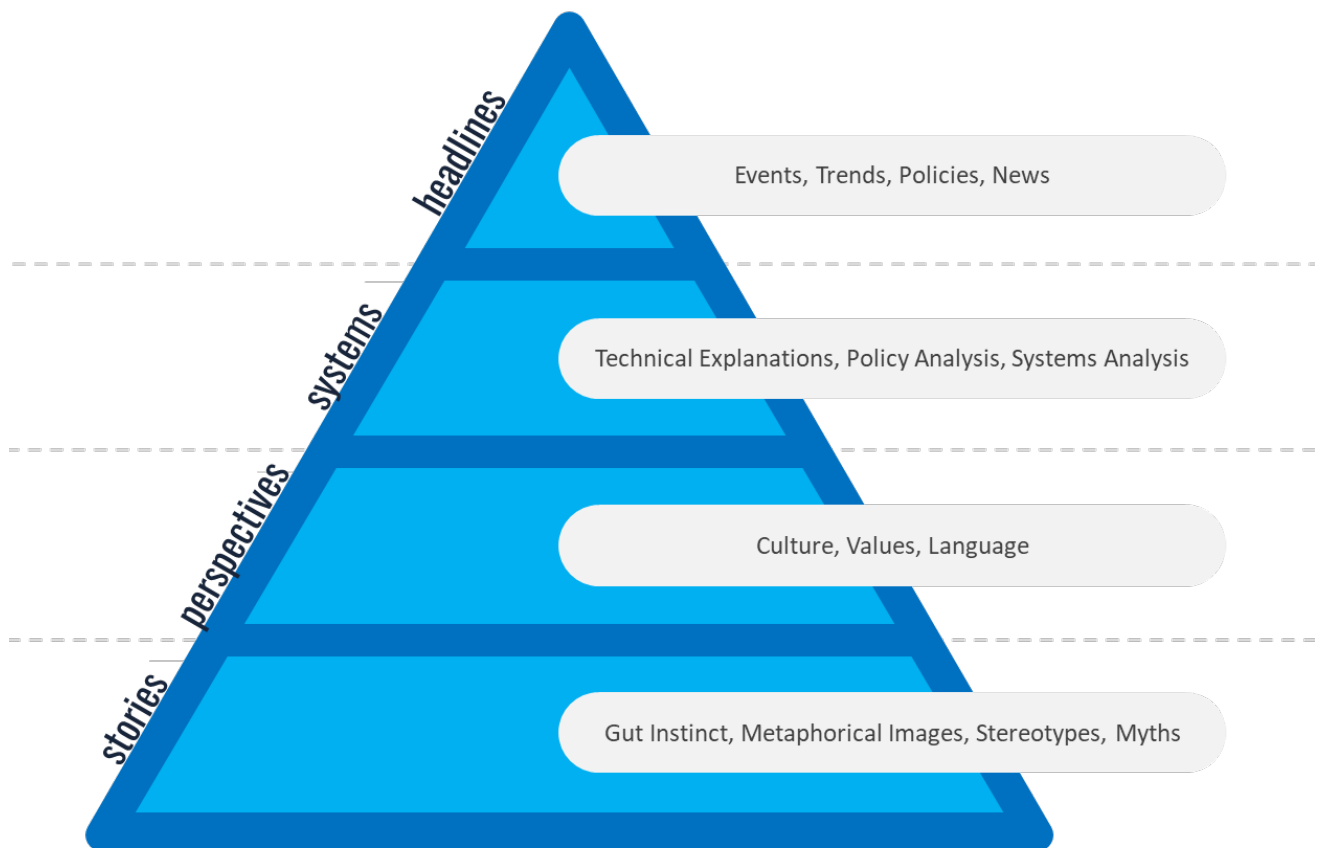
Causal Layered Analysis (CLA)

What is CLA?
A tool for cocreating effective policy and strategy by surfacing multiple levels of understanding of an issue.

Why CLA?
To create new, shared understanding that unlocks new behavior and strategic opportunities.

When to use CLA?
When strategic options seem to be limited, solutions are failing to address the problem, or there is a need for a more robust, longer-lasting strategy.

headlines — Events, Trends, Policies, News

systems — Technical Explanations, Policy Analysis, Systems Analysis

perspectives — Culture, Values, Language

stories — Gut Instinct, Metaphorical Images, Stereotypes, Myths

CLA Applied: Reframing Crime

Headlines
The events that were happening: 11 attacks by 1 person in 15 months

Systems
The standard process that contributed to the events: Police kept details of the events from the public so the criminal would not have insight into the progression of the investigation.

Perspectives
The core values that underlie the standard process: Safety is the priority - Keeping investigation details secret protects the public by allowing the police to catch the criminal faster. However, this perspective also prevented the police from sharing information that may have "inoculated" the public against further harm.

Metaphors
The deep story that underlies what's been uncovered: "Crime is a beast," and thus criminals are monsters that must be caught and from which the public must be protected. Framing crime as a virus instead allows for new approaches and a view of criminals as patients instead of monsters.
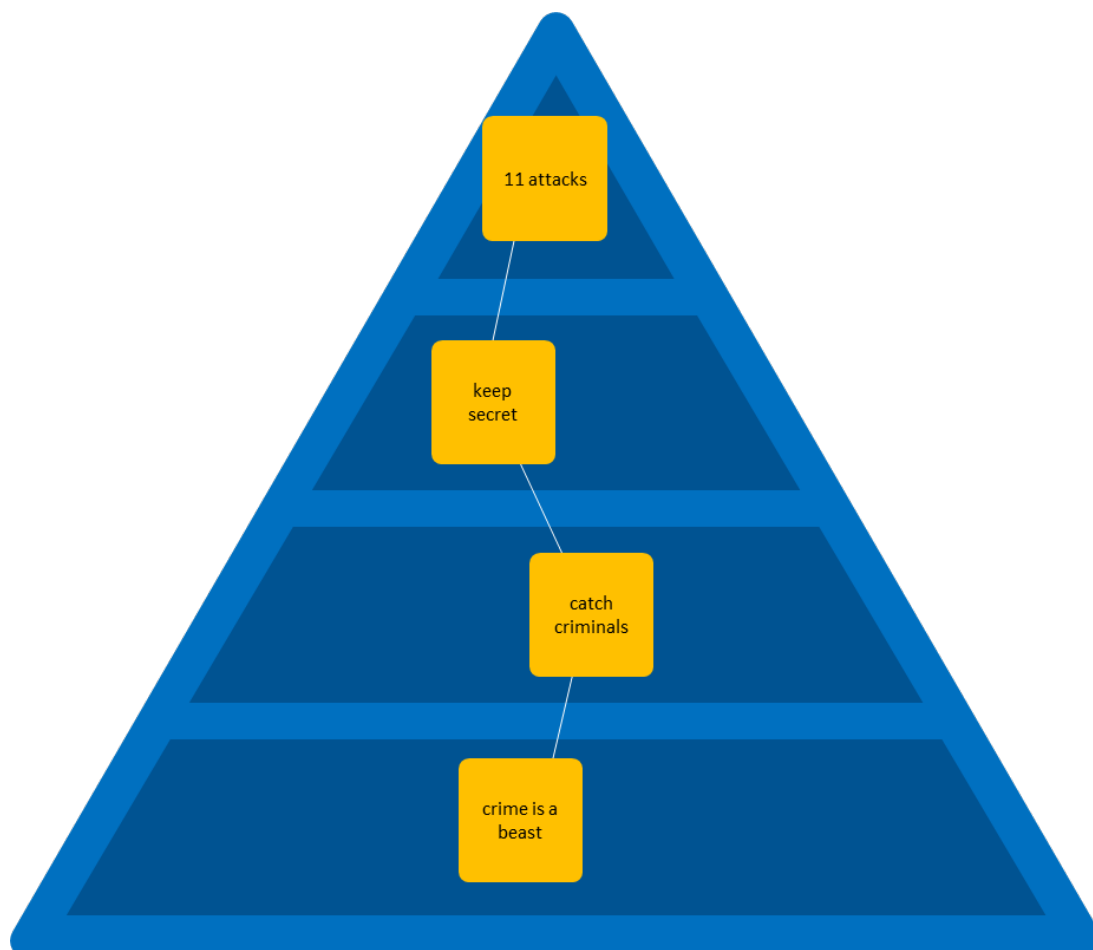
Activity #1: Deconstruction

Summary
Use the CLA framework to deconstruct the selected topic.

Topic
Select a topic that is uncertain and complex.

Goal
Unpack different challenges of your topic in order to reimagine an integrated and lasting vision for the future.

Instructions:
1. Identify your group's notetaker.
2. Identify your group's discussion leader.
3. Start at the top of the CLA triangle – Headlines – and identify at least 3 ideas about your topic. Write each idea on a separate post-it note and stick it to the large CLA triangle diagram on your table.
4. Once the Headlines layer has been fully explored, select 3 ideas to continue developing and move on to the Systems layer. Identify at least 3 ideas that connect to the ideas in the Headlines layer.
5. Continue this process for the Perspectives and Metaphors layers.
6. Stop once you have 2-3 core Metaphors about your topic. Vote to select the metaphor that is most compelling.

Guidelines & Tips
- Questioning which level each idea belongs in is natural and encouraged.
- Moving ideas around is OK.
- Write only one idea per post-it note
- If you get stuck, refer to the guiding questions for inspiration
- If you are still stuck or confused, raise your hand and a facilitator will come help.
- Learning is the primary goal. The purpose is not to fill in the boxes of a CLA table, but rather gain insight into the context of the issue and the process.

When to move on to the next layer:
- Your group has identified at least 3-4 ideas for the given layer.
- The discussion has tapered off and group members are having a hard time coming up with new ideas.
- The discussion is naturally moving to the next layer.

Deconstruction Discussion Guide

Headlines
Characteristics:
- The fixing belongs to someone else – "why don't they"
- Helplessness and apathy
- Oversimplifications
- Easily perceived or verifiable with data

Guiding Questions:
- What are some challenges that need to be addressed?
- How do community members perceive your topic? Are there any common concerns, misconceptions, or expectations?

Tips and Tricks:
- Statements that can be easily empirically verified are typically litany–type statements.

Systems
Characteristics:
- The citing of 'authorities' and their role in the issue
- A strong problem/solution orientation — 'if these things are addressed in unison the issue can be resolved'
- Partnership or the lack of between different actors
- Obvious conclusions that have been reached by 'rigorous' analysis

Guiding Questions:
- What are the primary causes of the Headlines?
- What are the most impactful systems contributing to your Headlines?

Tips and Tricks:
- Solution–oriented statements invoking actors and their structural relationships generally fall in systems.
- Consider Societal, Technological, Economic, Environmental, and Political factors playing a role in your issue.

Perspectives
Characteristics:
- Grander statements that are difficult to verify
- Big picture
- Strongly held views and beliefs

Guiding Questions:
- What kind of culture are the systems reinforcing, both intended and unintended?
- Are there any competing priorities in the system? i.e efficiency & resilience or stability & adaptability

Tips and Tricks:

- The key at this level is to search for positions that reflect deeper, generally nonnegotiable worldviews.
- Think about other perspectives/viewpoints. How do these others see it? How is the influence of these "other" being contained?

Metaphors

Characteristics:
- Imagery
- Evokes an emotional connection
- Understood without explanation
- Disempowering

Guiding Questions:
- What are some common metaphors, sayings, or myths related to your topic that shape the way people think about and discuss the topic?
- Can you identify any metaphors that are commonly used to describe your topic in local government (e.g., "If it ain't broke, don't fix it", "breaking down silos")?
- Are there any narratives or myths around the topic that may inadvertently contribute to the problem, such as the "lone genius" creating silos or the "silver bullet" solution?
- In what ways do the core metaphors and myths around your topic impact the way different stakeholder groups (e.g., government employees, community members, local businesses) perceive and engage with the topic?

Tips and Tricks:
- Metaphors are meant to communicate complex reality in simple terms. If you need to explain the metaphor, then it is not one that communicates and persuades.
- There is no right or wrong story, only empowering or disempowering.

Activity #2: Reconstruction

Summary
Use the CLA framework to reconstruct the selected topic.

Goal
Develop a new story with your topic that allows for new and fruitful actions and opportunities.

Instructions:
1. Identity your group's notetaker.
2. Identify your group's discussion leader.
3. Start at the bottom of the CLA triangle – Metaphors – and identify at least 3-4 ideas about your topic. Write each idea on a separate post-it note and stick it to the large CLA triangle diagram on your table.
4. Once the Metaphors layer has been fully explored, move on to the Perspectives layer and identify at least 3-4 ideas. Draw an arrow from ideas in the Metaphors layer that connect to ideas in the Perspectives layer.
5. Continue this process for the Systems and Headlines layers.

6. Stop once you have 3-4 new headlines about your topic.

Guidelines & Tips

- Questioning which level each idea belongs in is natural and encouraged.
- Moving ideas around is OK.
- Write only one idea per post-it note
- If you get stuck, refer to the guiding questions for inspiration
- If you are still stuck or confused, raise your hand and a facilitator will come help.
- Generally the best CLAs are those that link a new metaphor with a new systemic strategy. This is possible by exploring multiple perspectives.
- The "cherry on top" is having a new measurable litany.

When to move on to the next layer:

- Your group has identified at least 3-4 ideas for the given layer
- The discussion has tapered off and group members are having a hard time coming up with new ideas
- The discussion is naturally moving to the next layer

Reconstruction Discussion Guide

Metaphors

- What are some of the key values, aspirations, and characteristics that you would like to see reflected in new metaphors about your topic? What metaphor captures these?
- What new metaphors would help to bridge gaps or address tensions between different values, priorities, or perspectives within the local government and the broader community?
- What about this metaphor is new and empowering?

Perspectives

- What values, beliefs, or principles do the new metaphors about your topic promote or emphasize?
- How are resources, time, and attention allocated differently?
- How might the new metaphors about innovation influence the way different stakeholder groups perceive their roles and responsibilities within the innovation process?
- What new values and social structures would need to be in place to support the story?

Systems

- What new initiatives reflect your core metaphor?
- What partnerships and cooperation would be needed to support the new metaphor?
- What is the new strategy measuring and prioritizing?

Headlines

- What new measures reflect your core metaphor?
- What short term actions link back to the lower levels?
- How does dialogue change?
- What are your desired outcomes?