

Towards a future-proof organisation: using foresight in HR and organisational development

Sophie Ambrosat and Christian Grünwald

Abstract

Purpose – Although trends such as digitisation, demographic change and flexibilisation of work have been recognised by many human resource (HR) practitioners, this viewpoint paper argues that future-orientation in the HR sector could benefit from making use of the foresight perspective. Foresight is understood as the systematic, method-guided analysis and discussion of possible future developments. The goal is to build future-robust structures in organisations at an early stage and to identify emerging skill needs. This paper aims to make HR professionals aware of the potential of foresight for their strategic activities.

Design/methodology/approach – Introducing the approach of strategic foresight to the field of HR, this study derives the argumentation from a discussion of literature and practitioners' experiences.

Findings – So far, foresight in companies has mainly been conducted by strategy and innovation units, with HR and organisational development playing a subordinate role. However, foresight can contribute to gaining a competitive advantage and proactively shape future success factors in the organisation.

Practical implications – The authors advise practitioners to begin implementing strategic foresight within HR departments and organisational development to build future-proof organisations.

Originality/value – This paper introduces strategic foresight to the field of HR and points to a lack of integration between potentially existing foresight activities and people and culture considerations for the future.

Keywords Human resource management, Foresight, Organisation development, Strategy, Future skills, People and culture

Paper type Viewpoint

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Introduction

The 21st century is characterised by rapid technological change, paradoxes, complexity and uncertainty. In times of constant restructuring, reorientation and reorganisation, business success lies not only in product innovations and adapted business models but is largely based on the skills and attitudes of the people who work in a company. Especially in knowledge-intensive industries, employees offer the most important potential for competitive advantage (Surrey and Tiberius, 2018). Challenging transformation processes give enormous importance to measures in human resources (HR) management and organisational development to tackle change with new qualifications, competencies and further training measures.

In such a dynamic environment, responsible strategic planning must take a variety of plausible futures into account. Foresight as the systematic, method-guided analysis and discussion of possible future developments provides the means to do this. Foresight provides a broad set of methods ranging from trend analysis to scenario planning and Delphi surveys to speculative design (and much more). In this article, foresight will be

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introduced to the field of HR management. Foresight is not to be confused with forecasting. Whereas forecasting attempts to predict a single “correct” version of the future based on empiricism and probabilities, foresight uses multiple alternative plausible futures to develop robust strategies. Many companies have already implemented foresight processes ([Popp and Zweck, 2013](#)). However, these processes are almost always carried out by the strategy or innovation departments, without the results being sufficiently disseminated to other areas of the company. Strategic foresight can also provide important insights for HR. Companies should try much harder than in the past to make not only their business models and offers future-proof, but also their organisations. In this viewpoint article, we argue that almost all organisations are still far from making sufficient use of the potential of foresight in HR and organisational development.

Future challenges in human resource

In this context, several future drivers have an impact on each other as well as on organisations: Demographic change will no longer remain an abstract scientific phenomenon in the coming years, but will take full effect. Companies will have to reckon even more than today with shortages of skilled workers and an increased involvement of older workers. Working worlds are also changing, both the social meaning of work and the organisation of work in companies. New work, agile working principles and changing leadership in more complex work environments pose the question of what skills will be needed in tomorrow’s organisation. The dynamic integration of new technologies and new forms of human–machine collaboration are expanding the understanding of HR development.

Digitisation, demographic change, the shift from an employer market to an employee market, internationalisation of the labour market, changing values, flexibilisation of work – the list of trends currently under discussion in the HR sector could be continued and exemplifies how future orientation is usually understood here. However, foresight is about much more than just linear extrapolations of trends but about the systematic and intentional handling of uncertainties. The future is not simply a linear continuation of current trends but means structural change that must be anticipated to be able to shape the future. Therefore, [Surrey and Tiberius \(2018\)](#) argue that a purely defensive and reactive future orientation, i.e. addressing challenges that are very likely to become pressing in the future, is not sufficient. Instead, the researchers suggest supplementing this with proactive or visionary future orientation in the sense of purposefully shaping the future to generate potential for success and not just avert risks. Specifically, they recommend not only picking up on the future trends widely discussed in the media, but also developing your own scenarios. To achieve HR-related competitive advantages, employers must not be interchangeable by merely reproducing the same assumptions and standards.

On the road to organisational foresight?

Although the potential of the foresight perspective is evident in this context, the understanding of foresight as a strategy and innovation tool dominates in companies. As a survey by [Müller and Müller-Stewens \(2009\)](#) showed, companies generally pursue several objectives simultaneously with foresight processes, but “hard” objectives such as innovation processes and strategic long-term planning are in the foreground and are dominating “softer” objectives that relate to factors of corporate culture, for example. Despite the increasing importance of foresight in science and corporate practice, this trend toward anticipating possible future developments has so far largely bypassed the discipline of HR management ([Metzger and Tiberius, 2018](#)). [Neef and Glockner \(2021\)](#) also observe that the topic of “people and organisation” plays only a subordinate role, if any, in strategic future dialogues in companies. They notice an internal future competence gap as in practice market strategies are often launched without taking into account the competencies

required for implementation at the level of the employees as well as the organisation as a whole. To change this and create forward-looking organisations, this article aims to emphasise the concept of “organisational foresight” which systematically connects HR and foresight practice.

In other contexts, the term “organisational foresight” is often used to basically describe foresight work within organisations (Tsoukas and Shepherd, 2004). Paliokaitė and Pačėsa (2015) also use the term to refer to the structural and cultural capabilities of a company that are necessary for foresight to have an impact. However, these definitional approaches are still strongly aligned with the classical understanding of foresight as merely a strategy and innovation tool. Given the explained need for future orientation in HR management, this article suggests strengthening an alternative understanding of organisational foresight as the use of foresight for long-term HR and organisational development. Thereby, we do not neglect the need to systematically align organisational strategy, innovation and HR in foresight projects by solely emphasising the HR side (in some organisations also called “People and Culture”). On the contrary, we ask existing foresight measures to strengthen HR perspectives and, moreover, put forward the term “organisational foresight” to offer a means for taking people and culture questions in focus.

To give a more concrete idea how this could look in practice, Specht *et al.* (2017) further explain the potential of foresight methods for strategic workforce planning that can act proactively. In doing so, it must be ensured that the strategies developed here are in line with the future orientation of other areas of the company so as not to miss the target. The authors suggest that organisational foresight should be integrated with higher-level strategic planning and innovation work. If companies work with roadmaps, for example, these can be fed simultaneously with information on requirements and qualification profiles for employees to invest in recruiting and training measures in a timely and targeted manner. Foresight experts, Neef and Glockner (2021), are also convinced that long-term strategy and organisational development must always be thought of together.

To find out more about the current status of future orientation in HR management, Metzger and Tiberius (2018) surveyed members of this corporate sector from eight different countries in their international explorative study. Although there is agreement among the respondents about the relevance of future orientation in HR management, also to generate competitive advantages, in practice a lack of know-how and scarce financial and time resources are the main obstacles to taking appropriate action. The lack of knowledge on possible approaches could, if available, be provided by cooperating with foresight units already existing in the company. Alternatively and in addition, external specialised foresight experts can be involved. Currently, however, this option is only perceived by one in ten respondents, which may be due to the lack of financial resources cited at the same time (Metzger and Tiberius, 2018).

This discrepancy between subjectively perceived importance and actual implementation of future-oriented actions is significant, especially when companies are convinced that the future-oriented alignment of HR management can generate a decisive competitive advantage. Despite Metzger and Tiberius' (2018) gloomy diagnosis, the good news is that due to the low application of the foresight perspective to organisational development and HR work, even small efforts seem sufficient to differentiate from competitors. Although this exploratory study initially provides only an overview of perceptions of organisational foresight, it reinforces the suggestion that a perceived gap exists in practice that could be addressed with foresight initiatives.

To find out to what extent companies in which foresight activities have been established for years already invest in organisational foresight, Ambrosat (2022) interviewed eight leading German foresight practitioners. Results suggest that organisational development and HR work do not currently play a major role in corporate foresight, even though all of the

organisations interviewed have been conducting foresight for years. All of the interviewees agreed that the organisational and personnel components are crucial for successfully driving forward future projects. In most cases, the foresight perspective has not yet been applied specifically to “people and organisation” issues but has been understood as a classic strategy and/or innovation tool.

However, one example illustrates how the personnel component and competencies are already being systematically considered in one company’s work on the future. Job advertisements, for example, are formulated specifically with anticipated competence requirements in mind. As a hurdle for organisational foresight, it was mentioned that there is still no corresponding training for some future job tasks. The findings of the foresight department also find their way into internal corporate learning platforms to prepare employees for future challenges. Thus, this example from practice provides a first indicator of how foresight work can be specifically thought together with HR and organisational development. Considering the fact that the companies studied have been investing in foresight for years and are, in a sense, pioneers in the field of corporate future orientation, the current spread of organisational foresight is rather sobering.

In summary, the relevance of employees for the future survival of companies is widely recognised. Inadequate measures in HR work and organisational development are even identified as a problem by foresight practitioners. Nevertheless, although the competence exists in the companies, the foresight perspective is applied only sporadically in these areas.

Outlook and conclusions

Alongside the implementation of agility in the day-to-day organisation of work in organisations, strategic agility should emerge in HR planning, enabling companies to align themselves with dynamic change. At a time when multiple transformations in society and the economy are imminent, a systematic approach to change in HR and organisational development can contribute to the development of a kind of “transformation literacy”. The implementation of foresight in organisations can help to form a mindset that sees change as a continuous process of adaptation to a constantly changing environment and thus may minimise resistance to change in organisations.

Strategic foresight provides the means to identify skill demands and organisational needs at an early stage, contribute to networked cross-departmental thinking and strengthen the position of HR in the company. The tools of foresight, which are already firmly established in other areas of companies, should also become a new normal in HR.

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