Systems Thinking and Strategic Foresight

Azeema Adam, Inter-regional Advisor, PMCDU, DPIDG, UN DESA

Integrating Systems Thinking and Strategic Foresight for Resilient Policymaking

Foresight is essential, not optional

We live in a VUCA world:

Volatile, Uncertain, Complex, Ambiguous

Systems thinking is a key component of foresight, helping to identify interlinkages among drivers of change and uncover hidden dynamics within complex policy environments.

Systems Thinking: The ability to **analyze complex systems**, understand **how different factors interact**, and identify **leverage points** for effective interventions.

Strategic Foresight: A structured **methodology for anticipating future challenges**, using tools like **scenario planning and horizon scanning** to inform policy decisions.

By combining systems thinking with foresight, policymakers can develop forward-looking, coherent, and future-ready policies.

The Need for New Approaches in Governance

Governments today face **complex, interconnected challenges** that require **new thinking and adaptive governance**.

- Climate Risks
- Economic Shifts
- Digital Transformation

Why Change is Needed?

- Issues are interconnected—climate change impacts economies, which affect social stability.
- Siloed decision-making weakens governance; collaboration and foresight are essential.
- Governments must anticipate and adapt, rather than react to crises.

New Approaches for Better **Governance:** Systems Thinking helps map complexities and avoid unintended policy impacts Strategic Foresight enables forwardlooking, resilient decision-making. Anticipatory Governance ensures policies remain future-ready, adaptive, and integrated across sectors

Why Systems Thinking is Necessary

Traditional Thinking: Linear, cause-effect problem-solving.

 $A \rightarrow C \rightarrow D$

Why Do We Need Systems Thinking?

- Modern challenges are complex and interconnected (e.g., SDGs).
- Sectoral approaches are insufficient—policies in one area affect others.
- Holistic, integrated solutions are needed for sustainable impact.

Systems Thinking: Recognizes interconnections, feedback loops, and unintended consequences.



Systems Thinking Foundation



Views complex phenomena as **interconnected systems**, not isolated components



Focuses on relationships, patterns, and feedback loops



Helps see interrelationships and patterns of change rather than static snapshots



Organizations as **open systems** - external environment impacts internal functioning



Essential for understanding longterm implications of policy decisions Example of Youth in NEET (not in education, employment or training) as outcome indicator and its causes of outcomes and consequences of outcomes



Effective solutions require collaboration between ministries beyond coordination within Technical Working Groups

The Iceberg Model of Systems Thinking

Most people react to visible **events**, but these are just the tip of the iceberg—the real causes lie beneath the surface.

Systems Thinking helps us move beyond surface-level events and uncover deeper causes:

- Patterns & Trends: Recurring events that indicate systemic behaviors over time.
- Underlying Structures: Policies, institutions, and power dynamics that shape those trends.
- Mental Models: Deep-seated beliefs and assumptions that guide decision-making.



Shifting mental models enables anticipatory governance. A foresight mindset extends planning beyond shortterm fixes to adaptive, long-term approaches. Identifying necessary mindsets ensures policies remain resilient in our rapidly evolving world.

Causal Loop Diagrams

Mapping System Relationships

- Visual tool for mapping relationships between variables in a system
- Shows how variables influence each other (positive/negative relationships)
- Identifies two types of feedback loops
 - Reinforcing loops: Change amplifies in same direction
 - Balancing loops: Change countered by opposite forces
- Helps identify leverage points for effective intervention
- Creates shared understanding of how systems work



Real-World CLD Application: Seychelles



Strategic Foresight: Building on Systems Understanding

Systems Thinking helps us understand complexity, interconnections, and feedback loops, revealing how different elements influence each other

But understanding alone is not enough—we must also prepare for change.

Strategic Foresight builds on this understanding to navigate uncertainty by exploring multiple futures.



Together, these approaches create an integrated framework for anticipatory, future-ready decision-making, with thought leadership driving the mindset shifts essential for sustainable transformation.

Why use foresight?

- The future has multiple possible paths
 > not one predetermined outcome
- Different scenarios can exist simultaneously across regions
- Change is constant
 - but not always predictable
- The future is a fiction we write together
 > limited only by imagination



Foresight Application Areas and Tools

Explore the tools through three areas of application

Make sense of change

These are the tools that help us make sense of what is happening: they help us to observe the world and to look out for signals of change-things that might be small today but could become big in the future, or viceversa.

- Horizon Scanning
- > Three Horizons
- > Futures
- Triangle Futures Wheel

Source: UN Futures Lab (2023), UN Strategic Foresight Guide, pg12

Imagine possible futures

These are the tools for identifying new possibilities for the future, building scenarios, and identifying what a desired future might look like.

- Scenario Development
- Desired Future
- Matrix Policy Gaming
- Causal Layered Analysis

Take action

These are the tools that have to do with bringing the future back to the present. What transformations need to happen to bring about our desired future? What do we need to start doing now to move towards that future?

- Back Casting
- Change Agenda
- Wind Tunnel Testing

Foresight Process Overview

	Framing		Scanning		Futuring		Visioning		Backcast ing		Adapting
•	Define scope,	•	Collect	÷	Create	•	Define	•	Work	•	Develop
	timeframe		information		multiple		preferred		backward		action plans
•	Identify	•	Identify		scenarios		future		from future	•	Create
	stakeholder		drivers of	•	Explore	•	Align with	•	Identify		implementati
•	Set key		change, weak		alternative		aspirations		necessary		on roadmap
	questions		signals, and		futures:	•	Create		steps	•	Monitor
			emerging		- Baseline		compelling	•	Мар		progress
			trends		- Alternative		vision		transition		indicators
		•	Assess		- Preferred				pathway		
			developments								

Scenarios - examples

Scenario 1: In 2050. societies are highly divided, unequal and suppressed. Most of the Earth's ecosystems are on a clearly chartered recovery plan.



Post Anthropocene

2050 Scenarios: Four Plausible **Futures**

Arup created these scenarios to visualize alternative futures to challenge assumptions, identify desirable outcomes, and inform critical decisions about our built environment.

Humans Inc.



Scenario 4: The world in 2050 is shaped by three decades of gradual societal improvement, coupled with half-hearted environmental stewardship.

Scenario 2: The world of 2050 boasts a balanced biosphere: humanity and 'spaceship Earth' are thriving in harmony.

Greentocracy



Scenario 3: The mid-21st century is marked by the extensive degradation of planetary and human conditions.

Extinction Express



Source: Arup, (2019), "2050 Scenarios: Four Plausible Futures"

Scenarios - examples



These scenarios developed in 2012 explore how internal capacity and external economic conditions interact to shape development paths for a small island nation.

Strategic Foresight and SDG Implementation



The SDGs require long-term vision and adaptability to changing global trends.



Scenario planning reveals future barriers and accelerators, helping prioritize SDG investments.



Long-term SDG success requires anticipating disruptions - for example, climate policies must consider future energy transitions, as countries investing in coal today risk stranded assets when carbon pricing becomes widespread.



Cross-sector SDG collaboration improves when stakeholders share a common vision of future challenges.



Adaptive governance models informed by foresight enable rapid policy adjustments to maintain SDG progress.

Systems Thinking and Strategic Foresight for Public Sector Innovation

Governments must **embed ST and SF** as **ongoing, adaptive processes** to enhance **resilience, sustainability, and policy coherence**.

Anticipatory Governance ensures policies remain future-ready, adaptive, and integrated across sectors.

Why Innovation in Governance?

- > Rapid changes demand adaptive, forward-thinking policies
- > Traditional approaches struggle with emerging technologies and climate vulnerabilities

Benefits

- > Anticipating Disruptions: Detects emerging trends early (climate change, digital transformation)
- Breaking Silos: Promotes cross-sector collaboration for integrated solutions
- > Agile Policy Development: Enables experimental approaches (regulatory sandboxes, policy labs)
- Resilient Decision-Making: Shifts from reactive to proactive governance

Challenges

- > Institutional Resistance: Prioritizing short-term stability
- Siloed Decision-Making: Limited cross-sector collaboration
- Capacity Gaps: Insufficient tools and expertise

Embedding Strategic Foresight & Systems Thinking drives experimentation, adaptability, and long-term resilience.

DESA's capacity building in SIDS on Systems Thinking and Strategic Foresight

Seychelles

- Trained 20 government officials, CEOs, and financial analysts in foresight tools for future-ready policymaking.
- Enhanced inter-ministerial coordination, aligning strategies for SDG 16 & SDG 17.

🜱 Mauritius

- Strengthened strategic foresight capacity for climate change scenario planning.
- Integrated foresight into national sustainability strategies to improve long-term resilience.

P Impact:

- Supports forward-looking, adaptive policymaking in SIDS.
- DESA helps countries apply ST and SF to national planning and implementation—and across a range of development priorities.



DESA's capacity building in SIDS on Systems Thinking and Strategic Foresight

Learning Opportunities

- Free introductory online course on Systems Thinking by DESA (Digital Learning Centre)
 - <u>https://capacity.desa.un.org/digital-learning-</u>
 <u>centre</u>
- DESA and UNITAR are developing a comprehensive course on Systems Thinking and Strategic Foresight with a special focus on SIDS – coming soon.

UNDESA stands ready to support countries in applying ST and SF through training, practical tools, and in-country advisory support—helping SIDS design and deliver resilient, future-ready national development plans.



