

Strategic Foresight UNDP CO MK 2022 – 2029 – debrief

Objectives of the foresight (and how we accomplished them) - Introduction

The aim of this Strategic Foresight Report is to set the stage for well-designed and future-ready policies and engagements of the CO in the following years. Foresight as a future thinking tool gives organizations an opportunity to explore key trends and weak signals that help understand the future of development challenges, and their implications. Although the future cannot be fully predicted, an extrapolation of current trends and drivers can empower decision-makers with critical insights about potential futures. Moreover, using foresight we can frame a way of thinking that will challenge existing group beliefs, values, mindsets, and behaviors to avoid “business as usual” mentality. By exploring the complexity of the approaching crises through a holistic approach, foresight can validate how relevant might UNDP CO MK be in the forthcoming period. Last but not the least, the ability to be anticipatory—to act in preparation of ‘what could happen’—is a learned skill and is the bedrock of the Secretary-General’s Our Common Agenda [report](#).

Context

Key processes within the UNDP country office, that have embedded foresight elements within them, are future oriented, and contribute towards making the country future ready. Listed below are examples of such processes implemented with key partners in the country.

National Development Strategy. The UNDP North Macedonia office has been providing support to the national institutions in designing, communicating and engaging communities with the ‘National Development Strategy’ #NDS process, a process that would result with a visioning strategic document that should outline the development vision of the country, and act as the ‘north star’ for the vision of the country in the decades ahead.

The NDS is intended to address strategic planning gaps, provide thematic development focus and mobilize institutions and citizens towards achieving those goals. Because this document will set the ‘vision’ of the country, we reasoned that it must be built by including everyone in the process, a true - nation-wide effort that will bring together institutions, organizations and movements, the private sector and academia together to discuss, debate, and find a thin consensus as to how our future should look like.

Throughout the NDS process, we have worked in a co-creation fashion with a variety of stakeholders [experts, CSOs, national institutions and the academic and private community] in proposing a methodology based on which the NDS will be built. We ensured that the proposed methodology embeds innovation as a mean to accelerate the process, incorporate the latest development trends in our planning, as well as make it inclusive and participatory.

The NDS process is now a host to an interactive digital platform that should enable direct citizens feedback in the process and is also welcoming citizens participation in the formulation of the strategy through our Dream Labs, a series of visionary workshops that are aimed at enabling societal wide imagination exercise, looking into the future of our country, and motivating us to work towards that vision.

Future Skills, learning centre. Future Skills center #SkillsNExt opened at the South East European University in North Macedonia, a realization made possible within a project spearheaded by UNDP. This skills centre will act as a platform for bringing together business, industry professionals, academia, the public sector, to support a culture of collaboration through the introduction of modern technologies to achieve transformative change. The skills centre serves as a hub for learning new practical skills that are (and will be) in high demand in various fields. This centre is by default future oriented and aims to use 'insight-hindsight and foresight' to map the skills that are and will be in high demand in the years to come and build those capabilities within our society.

Nationally Determined Contributions. Our UNDP country office used foresight to engage with young people in the strategic planning for climate through the NDC (Nationally Determined Contributions) process. This use of an innovative virtual youth consultation approach ensured that the voices of young people are expressed in the NDCs in a meaningful way.

In their everyday work, UNDP CO MK staff is actively engaging with a variety of key processes and drivers of change, including:

- The EU accession process is the dominant driver of change within the country and society.
- The Open Balkan initiative is proving to be a relevant regional process, that has intersections with the development agenda.
- The multi-dimensional impact of the Ukraine crisis, following societal recovery from the Covid-19 pandemic.
- Smart specialization process. With such a strategy the state wants to build a modern approach to economic development based on knowledge and innovation by linking science and business.

Methodology

The process of foresight was divided into three general stages.

In the first one, called **the divergence stage**, the members of Senior Management and Key Personnel in portfolios and operations were asked seven thematic questions, which helped articulate their various positions on the challenges facing the CO. In the following **emergence stage**, each portfolio team participated in the Three Horizons workshop with an aim to further explore the signals from the first stage and envision three distinct horizons: business as usual, entrepreneurial and visionary. Finally, during the third stage, the whole country office engaged in a process of **convergence**, where through provocations based on collected metadata from the previous two stages, UNDP CO staff evaluated the impact and probability of each provocation and discussed their implications for the future relevance of the country office.

- **Areas of exploration**

The findings during the divergence stage with Senior Management and Key Personnel in the CO lead the foresight process towards understanding what elements in the internal and external environment impact value creation and helped surface drivers of change for the CO. With this exercise, we were trying to map assumptions about the future among the senior management that were the basis for the future systems that we later tested with colleagues from the portfolios. Data of the observations from the 7Questions interviews can be found [here](#);

In the second stage, or deep dive into portfolios, three distinct horizons were created based on the Three Horizon methodology developed by Bill Sharpe. Horizon 1 - the prevailing system, asked questions about the key characteristics of *business as usual* for us as an organization; follow-up questions in this scenario explored if the system is declining, how fast is it declining and what is worth keeping from that system. With Horizon 3 we collectively envisioned and discussed both viable and preferred futures. Horizon 2 or the transitional horizon explored key trends, drivers, innovations and stakeholders that either contribute to the development of Horizon 3 or the sustenance of Horizon 1. The sessions were structured in that way to provide collective exploration of internal and external drivers of change as well as ways of facilitating critical transitions in CO's modus operandi.

Based on the data and patterns generated thus far, the team designed a series of provocations to help prioritize identified drivers. During the interviews that were conducted separately among the clusters, their heads, as well as the senior management, we were able to draft positive futures, neutral futures, and negative futures. In addition, the horizon scanning and the three horizons provided the perceived thematic postulates that are going to be a factor for UNDP in the future.

As a result, we were able to identify 6 internal UNDP thematic areas that impact the future of the country office and 6 external trends and drivers signaling spaces of relevance for UNDP in North Macedonia in the upcoming years.

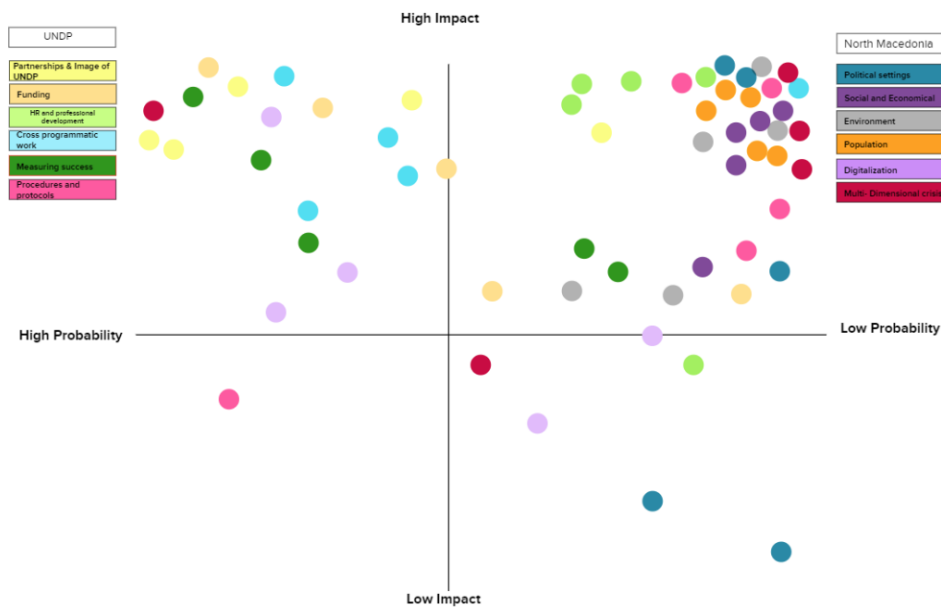
Internal: (1) Partnerships & Image of UNDP, (2) Funding, (3) HR and professional development within UNDP, (4) Cross-programmatic work within UNDP and innovation, (5) Measuring Success within UNDP, (6) Procedures, and protocols of work.

External: (1) Political Setting, (2) Social & Economical, (3) Environment, (4) Population, (5) Digitalization, (6) Multi-dimensional crisis [Covid, Ukraine, Energy/Food/Debt crisis]

In [this](#) document you will be able to find key dimensions of the futures that emerged from the exercise.

The Provocations

In the whole staff country retreat a test of provocations based on positive future scenarios was developed. Participants were asked to work in groups on the scenario and organise the provocations along the probability and impact-axis. The results of the placement are seen below. The full list of the argumentation can be found [here](#).



The majority of the provocations ended up being at the quadrant high impact, and low probability . These include the provocations on the area of environment, political setting, social & economic, as well as Population, Funding for UNDP, HR and professional development within UNDP.

The high impact and high probability areas for our colleagues emerged in the provocations for the partnership and the image of UNDP, as well as cross-programmatic work, Digitalization and Measuring success.

Based on these placements UNDP North Macedonia can explore two possible action points:

- (1) Quadrant High Probability and High Impact – prepare an action plan to make sure that we can lead our work and be ready for that future.
- (2) Quadrant High Impact – Low Probability – discuss what would be the enabling environment and how can UNDP be continuously growing in relevance by transitioning low probability items to the high probability quadrant.

Key insights - Setting the stage of UNDP CO MK of tomorrow

The internal foresight process conducted in the UNDP CO MK thus far shows that a number of key areas should be further explored in order to design processes and strategies ensuring UNDP's impact and relevance in the Republic of North Macedonia. The list below is not exhaustive and does not include external factors explored during the process¹. It outlines, however, several areas of exploration that can contribute to our understanding of the critical next steps and initial ideas thereof (in most cases provided by colleagues during the foresight process).

1. **Systems approach.** System thinking should become the guiding principle across the country office. This indicates both an exploration of how cooperation across portfolio teams is and can

¹ An exploration of external drivers and trends can be continued with external partners who can provide further expertise in specific subject matters. Summary of the initial findings across the 6 areas of exploration will be summarised in the final report to provide grounds for follow-up activities.

be structured as well as who actively contributes to the CO programming. **Potential next steps** (as alternatives, not as a sequence): 1. pilot programming initiative on the local level, designed and orchestrated across all portfolios (by design); 2. Opening the foresight process to donors and key partners (esp. Ministries).

2. **Talent management.** In order for the CO to be the driver of change, it needs to systematically nurture knowledge and capacities inside the organization and protect its institutional memory. This entails an exploration of talent management approaches and staff contracting modalities used by UNDP (which is not a challenge for our CO only). **Potential next steps:** 1. analysis of talent management approaches and modalities available in UNDP that would address key needs of the CO staff (current and prospective); 2. Mapping of existing and new skills and capacities that will grow in relevance in the upcoming decade (especially with relation to building new types of partnerships with business and other sectors).
3. **New partnerships.** The image of UNDP as a transparent and trustworthy organization in the eyes of the government and the general public should be our north star also in working with the private sector and other non-traditional partners. UNDP should be a strategic advisor and catalysts in supporting the private sector in generating green jobs and designing new business models that are both inclusive and future-oriented. **Potential next step:** 1. Exploration of new modalities for engaging with the private sector.
4. **Measuring impact** Longer term projects make a substantial impact on the systems that we are working in. However, projects life cycle are long in the inception phase and short in the implementation stage and rarely the same personnel is involved in both stages, which hinders delivery both on the short and long term. Furthermore, Impact cannot be measured solely (or even primarily) by delivery, which UNDP most of the time does. This has already caused some of the key donors to withdraw their funding from UNDP. **Potential next step:** 1. Creating a shadow MEL (monitoring, evaluation, learning) team that would follow – 1 to 2 initiatives currently implemented by the CO and design an impact measuring and reporting approach that could further be mainstreamed across the CO (in time potentially replacing delivery-based approaches).
5. **Listening.** One of the key findings of the foresight process is that not enough time and attention is devoted to understanding and mapping changes, innovations and key stakeholders in the development sector on both country and international level. This hinders CO's ability to engage in best potential partnerships and generates a risk of *redesigning the wheel*. **Potential next step:** 1. Creating a horizon scanning team (with assigned resources and responsibilities) which includes at least one person from each portfolio and that reports regularly to CO staff and management.
6. **Alignment with the HQ.** Many of the areas of exploration mentioned above cannot be fully addressed on the CO level only. UNDP has outlined the direction of change in its new Strategic Plan and is currently working on the so called Acupuncture Plan. It is critical that UNDP MK is an active participant in these conversations and contributes with examples of change could be implemented on the CO level. **Potential next step:** 1. Selecting a focal point for technical cooperation around the Acupuncture Plan.

Conclusion

UNDP's Strategic Plan embraces working with complex systems and requires us to befriend uncertainty, change, and unpredictability. We aim to engage communities in a deeper cultural dialogue that asks the kind of questions and proposes the kind of provisional answers that drive cultural transformation and continued learning. The organization should embed future thinking and foresight into its everyday work and – as this process exemplifies – think beyond the CPD, which is a strategic data-driven document. The strategic foresight should not stop with this and the final report but be a continuous process that the CO should do over the years in different formats and ways and in dialogues with a variety of usual and unusual suspects.