

BUILDING FORESIGHT AND BREAKING NEW GROUND

PostFinance Project Case Report

Finance is a tricky subject in the present, let alone the future. Can you imagine the future of banking? As a customer, what will it look like? Now as a bank... that's an even bigger ask. The digital age has more than dawned, and thus the financial industries find themselves at a turning point – technology, geopolitics and changing societies are converging to create a unique landscape where standard industry approaches, and indeed traditional extrapolative strategy, are no longer sufficient. The leading banks of the future know they must create new approaches today, and one such bank is PostFinance.

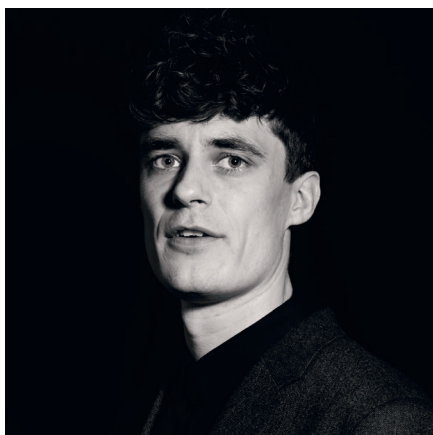
But an initiative for elevating strategic approaches can't always come from within, so in June 2023, Alice Dal Fuoco (the Head of Innovation at VNTR, the Innovation and Ventures unit of PostFinance) reached out to the Copenhagen Institute for Futures Studies. A partnership was initiated that produced not only a complete scenario planning project ('Future of Banking 2035'), but also a series of discussions and workshops. This partnership had the aim of both introducing strategic foresight and futures thinking to the organisation, and for encouraging the integration of this thinking into future operational strategy. PostFinance Ltd is the financial arm of the Swiss Postal service, and currently the fourth-largest financial retail institution in Switzerland. Since 1906, it has been fully owned by the Swiss government, and is a familiar name in the Swiss banking landscape. As a financial institution, it has repeatedly declared a commitment to continued innovation in digital and platform-based services for its 2.5 million+ customers.

Alice spoke to Simon Fuglsang Østergaard and team about her experiences with CIFS' methodologies alongside Olivier Weiss, the Foresight Lead at VNTR. Olivier's role concerns the future itself, working with startups, scientists and academic institutions to innovate organisational strategy. Having both long been infected with the 'virus' of futures thinking (or the 'gospel' as Olivier later refers to it in our interview), they were both more than happy to talk to us about the benefits and legacy that their partnership with CIFS has left, and where the project and workshops ultimately lead for PostFinance.

So first, of course, a few words on the journey/project we've been on together?

Alice: A while before our partnership began, Olivier and I had attended CIFS' 'Strategise Like a Futurist' course, and through that we were introduced to Simon (Senior Advisor and Futurist at CIFS). Later on, PostFinance's Head of Strategy indicated that she'd like to begin a new project to develop scenarios for our 2025-2028 strategy and asked VNTR about organisations we knew we could work with. The Strategy department was fed up with the industry-typical '100+ slides with shallow content' outcome, and very open to trying something new. So we opened up a pitch process. CIFS is an organisation with a very neutral background, and also not a consulting agency that then sells you ten other things on top – who just takes their work with Bank A and applies it to Bank B. Many organisations were invited to pitch for this exercise, but CIFS won, both because of its exceptional track record and foresight expertise.





SIMON FUGLSANG ØSTERGAARD

So, one of the reasons you chose CIFS was our independent approach, but also because you had experienced our people and methodologies. What exactly did we do differently?

Olivier: So, there's also a third reason. During the 'Strategise Like A Futurist' course, we'd noticed a high level of professionalism, specifically when it came to foresight work. Then during the pitch process, when the organisation was introduced more generally, Alice and I knew there was even more behind the professionalism – a whole team. The third reason is the 'global view' that this team brought to the table. We didn't want to go with a Swiss company that only looks at Swiss issues, and what we found during the project was that everyone on the team had such a broad knowledge about what's going on across the entire world, not just in Switzerland.

Alice: And also, banks usually work with these consulting firms whose people are really knowledgeable about banking, who have worked in the banking industry for 10 or 15 years. So, you talk to these people and hear about those industry trends, but you never hear about society as a whole or societal changes in the future.

We were quite inspired by working with you too, because from the beginning it wasn't just about the future of banking, it was also about the role banks play within society. That was a perfect stepping stone.

Who initiated this process at PostFinance? Was it the Strategy department coming to VNTR or the other way around?

Alice: VNTR talked to the Head of Corporate Development and told her about some previous scenario work we had done, mostly internally, a few years before. She was enthusiastic about following up on it, to work with new scenarios more closely with the Strategy team. This was experimental – because we had always previously done it with consultancies, and it was our first time working with a non-Swiss think tank to create a project in English. This was the first time we'd gone out of this comfort zone. It felt like the perfect time to take scenario work a step further.

Olivier, what's your understanding of the attitude towards foresight around the time you started this project – how does it compare to today?

Olivier: I would say, not well known, so they [the PostFinance colleagues involved] got to know the whole topic over the course of the project. Before that, they were working with trends, but not how we [VNTR] do, or how CIFS does. I don't want to say it was completely unknown, we had previously worked with a company on scenarios, but that was for VNTR only. I have the feeling that since CIFS' project, now they've heard of foresight, they're more open to it, they're more familiar with it. It's contributed to wider organisational learning – even this year, we're trying to make the jump to spread foresight knowledge.

Were there times when you felt friction/tension in the project process? Because we know from experience that foresight is often not frictionless.

Alice: No, usually it's not. But in this case, the friction during the project only came in the beginning. We had to convince upper management about CIFS, who to them were not Swiss, or specialists in the history and climate of the Swiss market... because they were so concerned about our industry specifically. Everything else was not important. But that changed throughout the project, especially during the workshop with the C-level.



Olivier: Yes, I can say I was surprised by the enthusiasm, because for some, it was like ‘it’s a *Danish think tank*, talking about the *future* - probably won’t become part of strategy’. But I was so surprised by how well they all worked in the project, not just the C-level, but everyone in the workshop. They were like *OK, here’s the future, I can see it, I can feel it, there’s a reason why we’re doing this* and genuinely, they got excited by this feeling.

Simon Østergaard: *I had a wonderful experience with your CFO, the way he changed over the course of that workshop and the conversations we had towards the end were amazing, and I think that really tells a story. Even if it was just one workshop with the C-suite, I hope it changed a few things.*

Do you wish that we at CIFS had been more helpful in getting the scenarios applied at PostFinance? Could we have done more to help you leverage this work?

Olivier: (laughs) You’ve definitely done your job. After the project and its presentation was over, you’d done the scenarios and exposed decision makers to foresight, which was perfect. And PostFinance took it and worked with it for their strategy. In the context of our partnership [with CIFS], it would be interesting to know, perhaps in future, how we could work specifically as a foresight and innovation department.

As an organisation, we want our results to keep living and growing, so we’re not just satisfied by the end of a project. But that’s the nature of doing foresight, right? Foresight is only successful if it helps people think and act differently about things.



Olivier: Right, and I think that really happened in the workshop with the C-suite – there was a sustainable mindset shift, you know. For Alice and I, we want to make sure that these scenarios are taken beyond just informing decisions made by Strategy.

Our continued partnership doesn't have an end date, so we can explore how we can use that leverage in future. We had discussions leading up to this, how can this work have a life beyond the strategy process? Anything to share on that?

Alice: For us, it's important to make those scenarios actionable. Because we have scenarios that show us possible visions of the future, but it's about how we take actions from them, the implications, and so on. How can we implement them in our innovation framework? When we find new opportunities, to which scenarios do these opportunities apply? We want to integrate them fully into our strategic and innovation processes. There are a few little pieces missing and we want to make it so that everything fits together.

And – last question – taking into account strategy, and the spheres you work in – do you feel that foresight has grown in your professional network? Are people starting to talk about it, or is it still niche? Has there been development in the marketplace?

Alice: Still niche – but recently Swiss Post, our parent company, has built a foresight-specific department, after they became inspired by us and our reports. And they're doing foresight activities – they're people who are super motivated to bring these ideas into the company. But on the other hand, you have these foresight teams who are built up and then shut down. So there are definitely people out there who are aware of its power, its benefits, but when it comes time to cut costs, those teams are first up.

Olivier: We talked about it this morning – I really do have the feeling that it's growing, and again Alice and I may be in a semantic bubble, but the sentiment from my side is growing, slowly but steady.

Simon: *We know that foresight as a formal organisational activity can take different forms and there's many pathways to its implementation. What we're seeing on our end, at least, is that more and more organisations acknowledge that foresight is of fundamental relevance to strategy. So, we also see that foresight is given more agency, wherever it is anchored in an organisation, while at the same time organisations are pushing to build foresight capabilities that are linked closer to strategic purpose, rather than just being fringe stuff that is done in Innovation or Insights departments.*

Olivier: I think that's the reason we're trying to cross the border – from just the VNTR team to Strategy, and beyond. We've had a lot of discussions about conducting internal classes, to change mindsets, making people more futures literate. We'll find the best way to do that, eventually.

With CIFS, of course. (laughs)