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Problematizing international business futures through a ‘critical scenario method’

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# Problematizing international business futures through a ‘critical scenario method’

## Abstract

This paper proposes the need for change in how managers in international business (IB) determine organisational objectives and what criteria they use in addressing complex problems. We propose a move from a largely firm-centric focus; on profit maximization and shareholder value; to a broader societal and environmental view. We see the educational context as the locus for initiating such a shift. However, we see obstacles within the canon of mainstream IB textbooks, with their focus on exposition of normative models of managerial action, illustrated by case studies of successful multinational enterprises (MNEs). Whilst we acknowledge their incorporation of critical issues, we view the lack of substantive critical reflection on the wider implications of IB activity as underpinned by an implicit assumption of the ‘good’ of IB. We posit that the normative structure of mainstream texts militates against students understanding the full range of possible futures for IB practice, and against developing the capability to cope with situations of uncertainty and ambiguity. Seeking to promote a critical pedagogy that accommodates consideration of both mainstream approaches and critical responses to these, we propose one approach to teaching and learning about IB futures that is based upon development of what we term ‘critical scenario method’. This offers a basis for active investigation of complex problems in the ‘real’ world from a range of perspectives, beyond that of profit maximization. We provide a worked, case example of our new method and demonstrate how it will enhance perceptions/understandings of involved and affected actors’ interests and their likely (re)actions as a particular scenario unfolds. The theoretical grounding for this approach is based upon contemporary social science interpretation of the Aristotelian concept of *phronēsis*, or ‘practical wisdom’.

## Keywords

International business, critical pedagogy, *phronēsis*, critical scenario method

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## 1. Introduction

In this paper, we look to the future of international business (IB) and call for a fundamental change in how IB managers determine organisational objectives and what criteria they use in addressing complex organisational issues. Specifically, we see a need for them to consider the consequences of their decision making in the context of broad society and environment, rather than within a narrow firm-centric view. We propose that the foundations of such a fundamental shift must be laid at an early stage in managerial development. As such, we call for challenge to what we see as a normative form of IB education underpinned by the canon of ‘mainstream’<sup>1</sup> IB textbooks. We consider that the content of these texts, even where addressing critical issues, is set within a ‘bounded rationality’ [1] of profit maximization and shareholder value. Here, we present an alternative, discursive model of engagement with extant textbooks through application of scenario method. Scenario method enables an opening up of consideration of multiple possible and plausible futures. Extending the critical and reflective possibilities of the approach, in the context of a critical pedagogy of IB education, we propose interrogation of the consequences of different courses of action that the scenarios might elicit through application of contemporary social science interpretation of the Aristotelian concept of *phronēsis*, or practical wisdom. Specifically, we consider development of a ‘critical scenario method’ informed by phronetic social inquiry, as proposed by Flyvbjerg [2] in his text, *Making Social Science Matter*.

In order to clarify our transition from a normative pedagogy to a critically reflective model that accommodates multiple perspectives, we first elaborate our problematization of the normative model of IB education. Thereafter, we consider both the possibilities for a critical pedagogy of IB, and the limitations and dangers of a purely critical approach in the

classroom context. We then outline how we see the application of scenario method as opening up the possibility of considering multiple futures of IB, which are likely to provide both support for and challenge to the evinced certainties of normative models. Thereafter, we move to discuss application of the principles of *phronēsis* in order to develop a critical analytic framework for interrogation of the scenario storylines from multiple perspectives. Here, we consider the consequences of different courses of action in terms of winners and losers, and of power structures inherent in business and society. We illustrate the potential application of the proposed ‘critical scenario method’ by presentation of an illustrative example based upon a case drawn from one of the mainstream texts [3]. Finally, we offer conclusions on the implications of the proposed approach, both for IB education and for more critical thinking in the contemporary business and social context – the kind of thinking which will enable change of the current paradigm towards building a sustainable model of IB practice in the future.

## 2. Problematizing international business pedagogy

The present model of education underpinned by the canon of IB textbooks presents a world view in which certain ‘factors make the pursuit of international business mandatory’ [4, p.700]. These factors include attaining ‘high profits’, ensuring ‘survival of the firm’ and ‘compet(ing) more successfully with foreign firms’ (p. 700). How business should achieve these ends is by and large explained by reference to examples and case studies of ‘success’ of multinational enterprises (MNEs). Whilst these case studies are accompanied by discussion questions, which may be referred to as ‘critical’ [3], we posit that reflection by the student is likely to be framed by the dominant assumptions outlined above, whereby the questions invite dichotomous choices between ‘right’ and ‘wrong’, or ‘yes’ and ‘no’.

The IB textbooks are not silent about critical issues, such as environmental pollution or corruption that are the subject of debate in contemporary society. Additionally, there is reference to losers from, and protests against forms of IB and globalization [3, pp. 4-5]. However, we argue that the emphasis of the texts is on how, ‘(f)or business, (globalization/internationalisation) has produced many opportunities. Firms can expand their revenues by selling around the world and/or reduce their costs by producing in nations where key inputs, including labor, are cheap’ (p. 5). Where critical issues are discussed, they are generally seen as ‘ethical dilemmas’ to be addressed in management decision making [5], rather than as challenges to the very nature of IB. As a result, we consider that the mainstream discourse excludes consideration of people as individuals; rather, presenting them as either (aspiring) managers, or as (potential) customers of the international business organization.

The limitations of an approach to management education that seeks to deliver generalized models of managerial action have long been recognized [6, 7], and we concur with those [8] who see the need for more innovative, trans-disciplinary and integrative forms of teaching and learning. We consider that the current predominant model of IB education militates against students’ and aspiring managers’ appreciation and understanding of the full range of extra-organizational, social and environmental impacts of IB, and of the conflicts inherent in pursuing IB practices in accordance with the principles of profit maximisation and shareholder return. To us, the search for a different approach to IB pedagogy is necessitated, above all, by the primary goal of reframing IB as a discipline of knowledge in order to influence the future of IB practice.

At present, across the world, ‘there are many disempowered and marginalised groups who are adversely affected by corporate activity yet unable to participate in any “stakeholder dialogue”’ [9, p.33]. The model of IB education promoted by mainstream textbooks does not aim to equip (aspiring) managers in the ability to recognise the whole range of global and local consequences of IB practices; nor does it develop in them the will to formulate

organisational objectives so that the satisfaction of multiple stakeholder interests, rather than the firm's financial criteria would become the 'ultimate test of corporate performance' [10, p.80]. We see such a shift towards a different paradigm of IB education as necessary in the context of a range of contemporary phenomena in which IB plays an important part, such as: the current global economic crisis, inequality and poverty within and between societies, climate change, resource depletion and military conflicts. As academics and educators working in the field of IB, we consider our role in creating an impact on IB through developing a model of education that will conceptually move away from prioritising profit maximisation and shareholder interests. Such a model will define the essential purpose of the firm based on a preoccupation with the 'social' rather than the 'corporate'. We believe that the emergence of a paradigm of IB practice rooted in the principles of ecological, economic and social sustainability is possible. However, it requires the kind of education that will prepare (aspiring) managers to engage in building an alternative future of IB.

The approach that we propose challenges the validity of both the content and process of a mainstream approach to teaching [11]. Through interrogating the day-to-day practices of firms and managers, it problematizes the taken-for-granted assumptions of the IB canon, surfaces issues of power and ideology, and of race, gender and class. In addition, it permits voice to those who are normally excluded from the discourse of IB education, other than as possible objects of attention in attaining goals of profit maximization and shareholder value. However, it does not set out to deliberately undermine the mainstream and to supplant it with some radical alternative vision. Rather, it facilitates students' own elucidation of multiple perspectives on issues in IB, enabling them to understand their origins and impacts in relation to each other, and to develop awareness of their possible consequences for a range of involved and affected parties over time.

### **3. Applying scenario method as action learning on alternative IB futures**

The canon of IB textbooks draws heavily upon the strategic management approach for analysis of the international business environment [3, 4, 12, 13]. However, as Burt et al. [14] point out, the strategy textbooks themselves, generally, 'are not providing sufficient support and guidance for managers to help them analyze and understand their environment' [14, p.74]. They argue – as we do for IB texts – that most strategy texts are predicated upon a rationality that advocates the application of generic models in order to gain an objective knowledge of the business environment. The authors propose application of scenario method as a mode of strategic thinking that moves the focus from retrospective sense-making, based upon analysis of past success or failure – as in case study analysis – to prospective sense-making through investigating a range of possible and plausible futures.

The approach of challenging unquestioning acceptance of the content of IB textbooks by facilitating alternative readings of the case studies and invoking critical reflection on their limitations has previously been outlined [15]. Whilst this technique might be appropriate for undergraduate students with limited experience of business, we posit an alternative approach to IB teaching and learning for postgraduate, post-experience students through application of scenario method. This approach will engage students in investigating complex issues in IB, first, through engaging in alternative readings of the case studies as presented, then developing scenarios for a range of possible and plausible futures that might emerge from them. We suggest that development of these scenarios must take account of the full range of 'driving forces' [16] that impact the core business issue, of all involved and affected actors within them, and, most importantly, of their global social and environmental impacts and consequences.

The scenario approach that we adopt as the basis for our methodological development is that proffered by van der Heijden et al. [16, 17, 18], which is widely reported in academic literature, both in terms of its success in provoking organizational change [17] and in relation to the problems that can arise when powerful actors militate against change [18]. In addition, its employment as an educational resource in the MBA classroom has been evaluated [19]. In the latter context, it is shown to be effective in moving the locus of thinking on the nature of the present from the past to the future, and from a search for certainty to an acceptance of uncertainty and ambiguity. It also repositions learning from being primarily an individual activity to being a group activity that can bring together individuals with a range of national, cultural, social and gender identities. Within a group learning context, it presents the opportunity for opening up dialogue between members in order to elicit understanding and interchange between their different world-views as part of the learning process [19].

Application of a scenario based approach to engagement with extant IB cases is likely to lead to development of at least one scenario that represents a continuation of the trajectory from past to present; the scenario that might derive from application of the tools for analysis presented within the IB texts in the classroom, or from ‘business as usual’ thinking in the context of practice. However, it is also likely to produce scenarios that present an ‘organizational jolt’ [20] through indicating possible, plausible and often radical discontinuities to this trajectory. Individual scenarios are not, in themselves, of value as predictions of some future. Rather, as a set, they offer pointers to the directions in which it might unfold, provide tools for testing the robustness of existing strategies and assessing proposed ones, and, most crucially, open up thinking on different ways of understanding the present.

#### **4. The role of phronetic inquiry in critical scenario method**

Originating in Aristotle’s *Nicomachean Ethics* [21], the concept of *phronēsis* has been discussed more recently in the fields of education [22], organization studies [23, 24] and broader social science [2, 25]. Aristotle wrote of *phronēsis* as the ability of ‘man (sic) to be able to deliberate about what is good and advantageous for himself’ and to be ‘capable of action with regard to things that are good or bad for man’ [21, p.150]. Flyvbjerg [2] develops a framework for phronetic social inquiry by interrogating different possible options for action through consideration of four ‘value rational’ questions, namely:

- Where are we going?
- Is this development desirable?
- What, if anything, should we do about it?
- Who gains and who loses, and by which mechanisms of power?

In the context of problem identification and analysis in the world of IB, we argue that the ‘we’ comprises not just the members of the IB firm and its customers, but all involved and affected parties. These include workers in home and host countries, within the MNE and its various sub-contractors and suppliers, families and friends who are dependent upon them for their own existence, and future generations who must bear the social, economic and environmental cost legacy of IB activity in the present. Building upon the philosophical framework of Flyvbjerg’s questions within the classroom context, we offer the possibility of a process by which the voices, values and beliefs of multiple affected parties can be brought to bear on complex and ambiguous IB problems within a democratic conversation, through application of scenario method. Our approach aims to take advantage of the rigour of scenario

thinking and, rather than using it in a seemingly value-free manner, to incorporate an ethical dimension into the scenario method.

By including an ethical dimension and consideration of a range of involved and affected parties, through interrogating our subject area using Flyvbjerg's framework for phronetic inquiry, we see development of the critical scenario method as commensurate with application of critical stakeholder method. Such an approach incorporates a broad view of stakeholders, one that sees them 'as individuals, human beings... moral beings' [26, p.411] and that includes '(a)ny identifiable group or individual who can affect the achievement of an organization's objectives' [27, p.91]. Conveying IB knowledge to students from a phronetic perspective implies that scenario method should be mobilised on critically reflexive rather than on instrumental terms. Such an application of scenario method is one that triggers decisions and actions directed at satisfying the interests of society, understood in the broadest possible sense, both at present and in relation to future generations.

Whilst Flyvbjerg [2] does not explicitly mention scenario method in his chapter on methodological guidelines for phronetic inquiry, he proffers one possible approach through construction of shared 'narratives (that) provide us a forward glance, helping us to anticipate situations even before we encounter them, allowing us to envisage alternative futures' (p. 137). Scenario method offers just such possibilities. Engaging in a narrative-based deconstruction of the linear case studies in IB textbooks and in reconstruction of multiple scenarios enables consideration of different possible and plausible courses of action and outcomes. Specifically, development of a 'critical scenario method' through incorporation of phronetic inquiry surfaces the range of agendas, rationalities and power relationships of involved and affected actors. It supports critical reflection on the impacts of different courses of action upon different groups in the context of multiple possible futures. We present the possibilities for such analysis through considering one illustrative example that takes as its starting point a representative case study drawn from a major IB text book [3].

## 5. Illustrating possibilities for a critical scenario approach in the classroom context

In his text on *International Business*, Charles W.L. Hill offers as the opening 'case', '*Flat panel televisions and the Global Economy*' [3, pp.2-3]. In summary, the case outlines the nature of this global industry and how one particular MNE, Vizio, has achieved success through 'scour(ing) the globe continually for the cheapest manufacturers of flat panel displays and electronic components', 'tight management of (its) global logistics... turn over of its inventory... (and) cost saving in a business where prices are falling continually' (p.3). This continual fall in price of such televisions 'bring(s) them within the reach of many more consumers' (p. 2). This example of how one MNE can become a 'winner' and achieve success through establishing the most efficient and effective global value chains is, to an extent, balanced by reference to resultant 'losers'. However, only one example is provided by Hill, the 'employees of manufacturers who make traditional cathode ray TVs in high-cost locations' (p. 3).

This case introduces the chapter on '*Globalization*', which covers such topics as: the globalization of markets and production, 'declining trade and investment barriers', 'the role of technological change', and the changing nature of the MNE. In addition to these positive aspects – from the MNE perspective – Hill introduces some critical issues that may negatively impact the firm, such as: 'the changing world order', 'antiglobalization protests' and 'globalization, jobs and income' (p.vii). However, we posit that these topics are addressed at a fairly uncritical level. Specifically, we see that they are viewed, not as challenges to the fundamental nature of IB – profit maximization and shareholder value – but as obstacles to be addressed such that, once students 'complete this book, (they) should have a good grasp of the

issues that managers working within international business have to grapple with on a daily basis, and... should be familiar with the range of strategies and operating policies available to compete more effectively' (p. 34). In relation to the particular case, any critical response that might be invoked in students' minds is likely defused by the statement that, whilst 'the losers in this case are workers in high cost locations who have lost their jobs... most economists argue that the gains outweigh the losses by a wide margin, and that on balance globalization is a very beneficial process' (p.4).

### *5.1 Opening up a critical discourse*

Our starting point in seeking to expand students' thinking might involve asking them to consider issues beyond those of immediate interest to the firm; such as the design, manufacture and distribution of flat panel televisions; and to consider the broader social and environmental impacts of cycles of production, consumption and disposal of consumer electronics. With appropriate guidance, they might then access literature that raises questions about, i) the nature and future environmental impact of the materials used in manufacture of flat panel televisions [28, p.ii] conflict and confusion over the amount of power consumed by them [29, 30], and iii) the health and environmental consequences of the resultant unregulated disposal of outdated cathode ray tube (CRT) screens – both redundant televisions [31] and computer monitors replaced by similar flat panel technology [32].

This discursive engagement with students and direction to further reading may lead them to construct alternative understandings of the nature and impact of the flat panel television industry. Whilst the published case addresses only those involved and affected actors who have a direct link to the company – as subcontractors, suppliers, workers, consumers, competitors, etc. – a broader reading can introduce consideration of those who are indirectly affected – who suffer 'collateral damage'. However, in presenting additional material largely about the present, we may prompt 'so what?' questions in relation to any possible future change of trajectory and, in particular, to how the aspiring IB manager may influence this trajectory. It is in seeking to engage future IB managers in contemplating alternative possibilities, and in considering how they might influence a change in direction, that we invoke the use of a critical scenario method.

### *5.2 Introducing scenario method: identifying 'driving forces' and 'higher level factors'*

Scenario method is a group exercise that involves both broad and deep research on the issue to hand; here, *'The future nature and impact of the flat panel television industry'*; and the application of 'intuitive logics' [33] in making sense of all of the material in relation to each other. The first stage is the identification of the full range of 'driving forces' – those social, technological, economic, ecological, political and legal (STEEPL) factors – that will impact the issue. In relation to the selected topic, these might be surfaced in relation to:

- Social – buying power, consumption patterns, conservation orientation, ethical disposition, First World consumer, Third World worker, self- vs. other- orientation, etc.
- Technological – reliability, redundancy, alternative technologies, recycling and reclamation, materials, etc.
- Economic – global economic (in)stability, costs of production and distribution, buying price, running costs, transport and distribution costs, disposal costs, labour costs, etc.
- Ecological – toxicity, energy consumption, greenhouse gas emissions, etc.
- Political – free market/protectionism, tariff and taxation regimes, employment vs. environment orientation, MNE vs. nation power dominance, environmental activist activity, etc.
- Legal – international law, health and safety, union recognition, employment law, disposal of toxic materials legislation, etc.

Each driving force should be as detailed as possible in relation to subject area and location – described in respect of its impact within a specific social, economic or geographic context. Having set out as many driving forces as possible, students are then asked to contemplate the ‘limits of possibility and plausibility’ for their outcome over the scenario period – say, 5 years – by describing the ‘polar outcomes’ for each – in simplistic terms, the ‘best’ and ‘worst’ outcomes. For example, if a driving force was tabled that read ‘Performance factors impacting consumer choice’ [30], the polar outcomes might be posited as a) ‘Picture quality remains key criterion’, and b) ‘Energy rating becomes key criterion’.

On the basis that the number of driving forces tabled will be substantial – often running into hundreds – the next stage involves ‘clustering’ the driving forces according to linkages of cause/effect or chronology in order to identify a manageable number of ‘higher level factors’ that will be central to the issue at hand over the next 5 years. With regard to the issue of flat panel televisions, such factors might include; ‘Product performance and functionality’, ‘Global economic growth/stagnation’, ‘Levels of environmental awareness/action’, and ‘Convergence/divergence of ICTs’ (information and communications technologies).

### *5.3 ‘Framing’, ‘scoping’ and ‘developing’ the scenario storylines*

Through discussion of the relationships between these factors, the two (termed Factor A and Factor B) that combine the greatest perceived impact on the issue with the highest level of uncertainty as to what that impact might be are selected in order to ‘frame and scope’ four scenarios. The four scenario frames are, again in simplistic terms, constructed around the combination of best/best (A1/B1), best/worst (A1/B2), worst/best (A2/B1), and worst/worst (A2/B2) possible and plausible outcomes from these two high impact/uncertainty factors. In relation to the problem considered here, it might be that the scenarios would be framed around combinations of outcomes of: ‘economic growth (A1)’ – ‘economic stagnation (A2)’; ‘green awareness (B1)’ – ‘lack of sensitivity to green issues (B2)’. Such a choice of scenario ‘frames’ might then lead students to construct one scenario in which there was a combination of best state economic growth in the West (A1) with green awareness (B1) – a scenario of "Rise of the Rich Green". In contrast, within a "Poor Greens" (A2/B1) scenario the less-well-off Western consumer will still be sensitive to green issues but be less able to pay for green technology.

Having defined the broad scope of the four scenarios, the story lines are then developed, bringing in the range of polar outcomes to all identified driving forces as appropriate. The stories together outline the limits of plausibility and possibility for the future, incorporating both ‘known’ events – e.g. there will be a US Presidential election in November 2012 and, barring the unknowable, Barack Obama will be the Democratic candidate – and other speculations, based upon research and analysis, that indicate the logic of cause/effect and/or chronology in order to arrive at the time horizon outcomes.

In our example, within the “Rise of the Rich Green” (A1/B1) scenario, it is plausible that Western consumers will be prompted by growing environmental concerns combined with economic recovery. Here, they become sensitive to the environmental impact of the disposal of redundant consumer electronics and, also, are prepared to pay for safe disposal. At the same time, however, the well-off consumer will buy the latest technology and choose, in part, on the basis of energy-efficiency, environmentally-friendly production and safe future disposal. Within a "Poor Greens" (A2/B1) scenario, however, environmental concerns may be set within a world of continuing economic downturn and stagnation. Here, a concerned consumer will buy green new technology when it can be afforded, but will keep and use older technology in the meantime. In a "Rich Insensitive" (A1/B2) scenario, these Western consumers enjoy a revitalised economy, but with environmental issues by and large ‘off the



agenda'. They will pursue the latest technology and turn a blind eye to the detritus created in this pursuit. In a "Poor Insensitive" (A2/B2) scenario, the blind eye will be more tightly closed as cheap-to-buy-and-operate technology is sought from across the world, in a future of economic stagnation and lack of environmental concern. These vignettes of scenarios are, of course, initial sketches of the outcomes of a real scenario process, but they provide a skeleton for us to engage in consideration of alternative possibilities for the unfolding of the flat panel TV case.

#### *5.4 Developing a critical scenario analysis*

Scenario method, as conventionally practised, does not incorporate explicit consideration of the full range of involved and affected actors, or stakeholders. The method we use as our foundation [16] presents 'stakeholder analysis' as an optional addition to the 'mix' of ingredients; as 'a tool to be used in parallel with the scenario process, as and when members of the scenario team find it useful' (p.219). As such, the values, beliefs, expectations and fears of 'peripheral' actors might be read as being considered and managed instrumentally, as necessary, in order to further the pursuit of shareholder value. In our development of critical scenario method, however, we place such considerations at the centre of analysis. In Hill's analysis of the Vizio case, the actors presented are: (i) American consumers, (ii) South Korean panel manufacturers, (iii) Chinese electronic component manufacturers, (iv) Mexican assemblers, and (v) blue-collar workers in high-cost locations, of which only the last group is classified as a 'loser'.

We contend that a broader analysis, using critical scenario method, would surface further involved and affected actor groupings, such as: (vi) Indian and Chinese citizens who live in village contexts and who process/reclaim imported redundant CRT TVs by burning the plastic covered components on open fires to recover metals – these village-based reclaimers are potentially harmed by the 4-6 lbs of lead per CRT screen that is smashed [34] – (vii) world citizens who are globally warmed by the increased CO<sub>2</sub> output from the increased power generation to light up the plasma screens [35] (viii) governmentally recognised CRT disposal outlets in the US and Singapore, (ix) the governments and regulators in the various countries involved in the manufacture, assembly, and consumption of plasma screens, (x) the governments of countries involved in the scrapping of outdated CRTs, (xi) non-governmental agencies (NGOs) and action groups (e.g. Greenpeace), and (xii) the media who present coverage of related stories [32]. A detailed actor group analysis would, of course, involve a much wider range, with categories such as NGOs and the media being broken down into individual organisations or media outlets, in specific geographical contexts and with particular agendas.

Developing this broader consideration of actor group involvement, we would then have a resource for engaging in critical discussion with students across a broad societal and environmental agenda, rather than within a narrow firm-centric, value-oriented one. We would be able to interrogate the scenario stories from the perspective of the full range of involved and affected actors through application of Flyvbjerg's question framework for phronetic inquiry. We might structure this analysis using a matrix (see Figure 1) that lists our four, fully-developed, scenarios along the top row (*Where are we going?*) and the range of identified actor groups down the left-hand column. Within each box that marks an intersection of a scenario and an actor group, we would consider two issues: (i) impact of the unfolding future on the actor group's interests and values (*Is this development desirable?*) and (ii) likely action/reaction of the group to the particular unfolding future (*What, if anything, should we do about it?* where 'we' is the particular actor group). In a teaching/education context, the students would be required to generate material under each of the two sub-headings for each box. In this way, participants would become sensitised to the plight of each of the groups of

actors and become aware of the degree of power of action that each of them has to preserve or enhance their own interests as a particular scenario unfolds.

*Insert Figure 1 here.*

To give an example of such analysis, we can consider the Asian village-based reclaimers. Under the "Rich Greens" scenario they lose out and are powerless, as the work of disposal of redundant technology becomes controlled and directed towards new 'green' plants in developed economies. Under the "Poor Greens" scenario they also lose out, since there are less CRT screens sent for scrapping and, again, they tend to go to regulated disposal sites. By contrast, under the "Rich Insensitive" scenario the villagers do well, as there is a copious supply of old technology and little support for less environmentally damaging disposal. Finally, under the "Poor Insensitive" scenario they get by, as there remains little or no control, but the quantities of material disposed of are reduced.

Next, we might consider the US-based disposal sites. Under the "Rich Green" scenario, the US-government will be sensitive to the need for safe disposal of CRTs and would, likely, keep disposal in the US, or in tightly-regulated Singapore. The US-government would be able to tax new plasma screen purchasers for the disposal of out-dated CRTs. In the "Poor Greens" scenario, the US government would, due to its sensitivity to the green values of the electorate, be likely to support US disposal – which would have the secondary, positive, impact of creating or retaining jobs in the US. By contrast, in both the "Rich Insensitive" and "Poor Insensitive" scenarios, nothing much would change from the current position.

A major point for consideration is that, with only 75 core employees [3] and a business model of flexibility and adaptability, it is likely that Vizio will do well under all scenarios by, (a) being flexible in assembling any type of TV (green, non-green etc), (b) using the most cost-effective location for manufacture and assembly, and (c) having the ability to scale up or down its sourcing of parts for assembly. Whilst it may currently be constrained by a focus of selling its products only in the US, if it sells in markets beyond the US, then it may have market flexibility as well.

Assessment of the overall interaction of all groups of actors can be promoted in relation to the scenarios, individually and as a set, through application of Flyvbjerg's final question – *Who gains and who loses, and by which mechanisms of power?* Consideration of the range of possible 'winners' and 'losers' within the different scenarios, and of the issue of mechanisms of power, should give the students a greater understanding of the nature and impact of IB activity and of the role of different actor groups in determining its direction and impact. They should, for example, emerge from this exercise with a clear understanding of the nature of the health and environmental risks posed to the communities in which unregulated CRT disposal takes place, yet with an equally clear understanding of the lack of power that this group has to affect its own future position within the overall international business of television design, production, distribution, consumption and disposal. Finally, students might be asked to project themselves forward to the role of managers in this international business and to ponder the question *'What, if anything, should we do about it?'*

## 6. Concluding remarks

In this paper, we have posited that managers in IB need to develop a different mindset for the future, moving from a largely firm-centric view – grounded in consideration of profit maximization and shareholder value – to a broader societal and environmental stance. We see the foundations of such a shift as being laid in the education process. Here, we have pointed to

the potential weakness of IB textbooks, in that they rely mainly upon normative models and case study learning. In seeking to challenge the normative model, however, we have acknowledged possible dangers of a purely critical approach, in either being seen as irrelevant by or in alienating students. In proposing an interactive model that engages with the complexities of IB within a broad context, we have turned to scenario method as a vehicle for group learning. In order to provide a framework for critical reflection on different scenarios for IB; in particular, on their consequences for different individuals and groups across social and geographic contexts over time; we have proposed development of a 'critical scenario method'. This incorporates the ethical dimension inferred in Flyvbjerg's 'value rational question' framework for phronetic inquiry, within a critical pedagogy of international business education, moving it beyond serving the needs of the instrumental, means-end oriented management we find advocated in many of the textbooks.

In proposing the application of a critical scenario method; as a form of structured analysis of the range of future possibility and plausibility in respect of how the complex and ambiguous situation presented in the linear narrative of the textbook case might unfold; followed by similarly structured investigation of questions of 'how?', 'why?' and 'with what effect?' through application of Flyvbjerg's phronetic inquiry, we posit that students of IB will gain a greater understanding of the subject. They will be enabled to break free from the context of the interests of IB firms, customers and shareholders, in order to critically reflect upon the impacts and implications of IB activity for the widest range of involved and affected parties, both now and in future.

Revisiting scenario method through application of phronetic inquiry sensitises scenario participants to issues of power, and promotes thinking on winner and loser perspectives arising from different possible courses of action. Development of a 'critical scenario method' prompts consideration of a wider range of options than those that might be promoted by a normative framework. Flyvbjerg's first question – *Where are we going?* – offers the potential for students to make explicit their own preconceptions and their acculturation to a particular way of thinking. Thereafter, consideration of the range of possible impacts of IB activities upon the widest range of involved and affected parties, both now and in future, provides a vehicle for addressing Flyvbjerg's second question – *Is this development desirable?*. Within the iterative and multiple perspective framework of scenario thinking, the third question – *What if anything should we do about it?* – is addressed through development of alternative options for action, beyond those shown or implied in the cases. Finally, reflection on the degree to which different groups and individuals hold, or are excluded from, power over decision making leads us to consider the final question – *Who gains and who loses, and by which mechanisms of power?* – in relation to the trajectory predicated upon the normative approach.

As we propose it here, critical scenario method can be used as a vehicle for incorporation of both mainstream and alternative discourses, in support of a critical pedagogy that enables discussion of ethical and moral issues in IB with thoughtful, postgraduate, post-experience students. We also see the value of our approach in offering the potential for realigning the application of scenario method in the realm of IB practice, in order to make salient a broader range of issues than profit maximization and shareholder return. We recognise that sceptics might doubt the possibilities of a move away from the current model of IB and might argue that the realities of business life make it unlikely that those dealing with the day-to-day pressures of business-as-usual would be willing and able to engage in such in-depth critical analysis. However, we believe that the occurrence of such phenomena as the current global financial crisis, economic recession and climate change creates an imperative for building a different future of IB, whereby IB firms redefine their goals through putting the interests of the 'social' before those of the 'corporate'.

Primarily, we feel that critical scenario method, applied as outlined here, provides a means for allowing students to consider and reflect upon issues of resource depletion, environmental degradation, human exploitation and socio-economic fragmentation, through their own initiative and by and large in their own terms. It is in this approach that we see the seeds of future change in the practices of IB and international management. We hope that, like us, the readers of this paper – and of the whole Special Issue – are convinced that ‘another world [of IB] is possible’ and that we, as academics, can shape the future of IB through our educational and research practice.

## Note

1. Here, we clarify that we define ‘mainstream’ IB text books as those that are offered internationally by major publishing houses, that are in their ‘nth’ edition, that are claimed to be ‘leading’ or ‘best selling’, and that are supported by Internet learning resources.

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| <b>Involved/Affected Actors</b>                  | <b>Scenario</b> | <b>Rich Green (A1/B1)</b> | <b>Poor Green (A2/B1)</b> | <b>Rich Insensitive (A2/B1)</b> | <b>Poor Insensitive (A2/B2)</b> |
|--|-----------------|---------------------------|---------------------------|---------------------------------|---------------------------------|
| American consumers                               |                 | i) impact<br>ii) response | i) impact<br>ii) response | i) impact<br>ii) response       | i) impact<br>ii) response       |
| South Korean panel manufacturers                 |                 | i) impact<br>ii) response | i) impact<br>ii) response | i) impact<br>ii) response       | i)<br>ii)                       |
| Chinese component manufacturers                  |                 | i) impact<br>ii) response | i) impact<br>ii) response | i)<br>ii)                       | i)<br>ii)                       |
| Mexican assemblers                               |                 | i) impact<br>ii) response | i)<br>ii)                 | Etc.                            |                                 |
| High-cost blue-collar workers                    |                 |                           |                           |                                 |                                 |
| Indian/Chinese CRT reclaimers                    |                 |                           |                           |                                 |                                 |
| World citizens affected by global warming        |                 |                           |                           |                                 |                                 |
| US/Singapore CRT disposal operators              |                 |                           |                           |                                 |                                 |
| Governments and regulators – manufacturing sites |                 |                           |                           |                                 |                                 |
| Governments – CRT disposal sites                 |                 |                           |                           |                                 |                                 |
| Non-governmental agencies and action groups      |                 |                           |                           |                                 |                                 |
| Media – across multiple geographic contexts      |                 |                           |                           |                                 |                                 |
| <i>Who are major winners?</i>                    |                 | ??                        | ??                        | ??                              | ??                              |
| <i>Who loses out?</i>                            |                 | ??                        | ??                        | ??                              | ??                              |
| <i>Who holds key power?</i>                      |                 | ??                        | ??                        | ??                              | ??                              |

Figure 1. *Critical scenario analysis – application of phronetic inquiry*