

REPORT 1

# Identifying the drivers and implications of change

—  
THE FUTURE OF PLAY,  
ACTIVE RECREATION AND  
SPORT IN NEW ZEALAND

**Tūtawa mai i runga  
Tūtawa mai i raro  
Tūtawa mai i roto  
Tūtawa mai i waho  
Kia tau ai te mauri tū  
Kia tau ai te mauri ora  
Tūturu whakamaua kia tīna, tīna  
Haumi e, hui e, tāiki e!  
Bring together the life forces  
above us  
below us  
within us  
outside of us  
Allow the forces to settle  
within us so we may implement  
what has been settled  
Let us come together to  
reinforce and confirm our  
kaupapa as one**

# Introduction

**“ There are valuable lessons to learn from Covid. It challenged a number of existing structures that affect our wellbeing. How do we push back on that and not require a pandemic to challenge how we want our lifestyle to be? ”**

The pandemic has changed the world and how we live our lives.

However, it has provided an opportunity for us to develop a new organisational “muscle”. One that not only improves agility when responding to unexpected events, but also helps anticipate and plan for future changes both quick and slow. It also prompts us to think about what we really value in our sector and how to improve it.

Even before the pandemic there was considerable concern about the future of play, active recreation and sport in New Zealand. The sector has been struggling to adapt for some time. We are seeing declining or static participation rates, inequalities in access and opportunities, concerns about overly competitive school sport environments and athlete welfare, and the viability of clubs.

We need to ensure that opportunities to be physically active and succeed at elite level are enhanced, and that the

sector is better positioned to influence the future and respond and adapt to ongoing change.

This and subsequent reports are designed to advance conversations about what the future of play, active recreation, and sport in New Zealand might look like, and how we can help shape that future.

They are based on workshops held with representatives from across the play, active recreation and sport sector, and insights from International experts in physical activity.

The workshops used a set of foresight methods. These provide a structured way to challenge assumptions, develop deeper insights into the causes and consequences of change, and identify actions that can improve decision-making even in uncertainty.

This work commenced before the pandemic, but Covid-19 has highlighted the importance of thinking

beyond business as usual, and being better prepared for anticipated and unanticipated changes.

This and subsequent reports aren't predicting the future. Rather they reflect some of the concerns about the current state, aspirations about the future, and the challenges in making real change. They tell a story of how foresight can influence how participants think, and act, to create a better future.

We are sharing some of the insights, uncertainties and lessons from the workshops as we go. This is to illustrate the process and lessons learned along the way, and to provide guidance on how you can introduce futures thinking approaches into your own communities. These reports represent a start rather than a finishing line.

## Two approaches to unpacking the present and opening the future

Two futures thinking approaches have gone into developing this report series. The first is a set of workshops involving representatives from within and outside the play, active recreation and sport sector. They used a variety of foresight techniques to examine assumptions and implications of change, and construct future scenarios.

Parallel conversations with Māori on their perspectives of, and aspirations for, physical activity, the sector, and wellbeing were facilitated by the Te Tuarā and Te Roopu Tūmau groups. This ensured that Te Ao Māori perspectives were not constrained and that mana was respected. Te Tuarā and Te Roopu Tūmau will report on their wānanga separately. However, we hope to weave together the two strands of discussions in later reports.

# The reports

**“ Business as usual is not a viable option, but there is not a single inevitable future. ”**

There are several reports in this series. They document some of the discussions and techniques used to help identify change, and highlight uncertainties, insights and lessons learned along the way. A final report summarises the findings, and reflects on the process as a whole.

Foresight exercises are, by their nature, unsettling at the start. They draw attention to different assumptions, mindsets and world views, and so can be provoking. Therefore, the reports may stimulate more questions than answers.

The process rather than the product is often the most valuable part of the exercise, so for those who weren't involved in the workshops we have tried to show some of the points of contention and discussion along the way, not just the outputs.

The overall intent is to help shift perspectives on the changing needs and demands on the play, active recreation and sport sector, and to stimulate on-going conversations that the sector will need to continue. The techniques described in the reports should help develop confidence in finding ways forward.

This, the first, report focuses on identifying the drivers of change and their implications for the play, active recreation and sport sector. It highlights current concerns, but also some signs of change. It illustrates how we can challenge some of the assumptions we may make about the future, and identify what we value in a preferred future.

Report two will describe the conversations and questions that emerged from the first Te Tuarā workshops. It challenges current approaches and identifies Māori aspirations for the future of physical activity and wellbeing.

Subsequent reports will delve deeper into understanding the systems that have shaped the present and how they need to change to produce better futures. A set of plausible futures will be developed to illustrate that the sector needs to prepare for a variety of future outcomes rather than the most obvious or expected one.

Techniques will show how to work backwards from these futures to identify both signposts and actions. Signposts that inform us more clearly about how the future is unfolding, so direction becomes clearer. Actions that decision-makers can take to help shape the future and to better position their organisation, and the sector, to respond to anticipated and unanticipated changes.

## What's in this report?

In this report we summarise some of the observations, discussions and outputs from the workshops to identify what is changing and why. It notes tensions associated with moving from the present into the future. The techniques used in the report help prepare for the development of plausible futures, which will be described in a subsequent report.

# Environmental scanning

Sport NZ has produced 12 environmental scans. These scans are used to develop an understanding of the current operating environment, how we arrived at the present, and changes that are underway.

Scanning needs to be done systematically to avoid biases. They look for trends and countertrends; complementary and antagonistic practices, behaviours, ideas and values; and things that confer stability or resistance to change.

They are intended to stimulate discussions on what is driving and slowing change, and what are our assumptions about the stability and trajectories of the sector.

Sport NZ's environmental scans<sup>1</sup> and a commissioned Māori environmental scan identified a range of drivers of change, and some of their potential implications. These were developed by reviewing a range of national and international analyses, reports, and news items, and by discussions with stakeholders. Further explorations of Māori perspectives on the future will be included in the subsequent reports.



1 <https://sportnz.org.nz/resources/the-future-of-play-active-recreation-and-sport/>

# Key trends

Important trends and drivers of change, and some of the broader societal implications resulting from these.



## Social

A range of factors continue to influence society and its values. These include changing demographics, a maturing attitude towards Te Tiriti o Waitangi and addressing the effects of colonisation, new concepts of identity, and increasing support for environmental and social justice issues. Where and how people live will continue to be affected by the changing nature of work. Social inequalities seem likely to continue, exacerbated by the Covid-19 pandemic.



## Technological

Rapid advances in technologies are reshaping how (and where) we live, play and work. Some technologies are changing expectations and behaviours for social interactions, with both positive and negative consequences. Other advances are improving lifespans and the quality of life. But technologies can be double-edged swords, reducing or increasing inequities and inequalities. The pace of change creates challenges for identifying and controlling harmful and unfair uses.



## Economic

Socio-economic inequalities are likely to continue unless there are fundamental changes. The economic consequences of the pandemic will be around for some time. These, along with changes in the nature of work, are reshaping directly or indirectly business models and values. The increasing economic power of Iwi, following Treaty of Waitangi settlements, is also influencing New Zealand's economic, business, and political practices.



## Environmental

The anticipated impacts of climate change are becoming increasingly influential on social, economic and political activities and decision-making. Disturbances of natural environments due to human activities continue to increase. In addition to directly affecting the quality of life, such changes also have the potential to increase risks and/or severity of pandemics, epidemics, and pest outbreaks.



## Political

Ongoing shifts in geopolitical power and global trade influence both international and domestic policies and agreements. Financial pressures at central and local levels are expected to increase. Continued maturation of the Crown-Iwi relationship. Increasing pressure on government to give greater effect to the principles of the Treaty of Waitangi, and to address systemic inequalities and discrimination. There is considerable uncertainty about the ability of government to adapt quickly and develop longer term thinking and planning.

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## Social Drivers

- Ageing Pākeha and growing younger Māori populations
- Increasing ethnic diversity
- Declining rural communities
- Changing values and senses of identity
- Socio-economic inequalities
- Changing nature of work
- Commitment to giving effect to the principles of the Treaty of Waitangi
- Resurgent Māori culture and values

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## Technological Drivers

- Increasing automation
- Increasingly data-driven processes and services
- Greater accessibility of digital products and services
- Advances in health and medical drugs and devices

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## Economic Drivers

- Changes in business values
- Changes in business models
- Changing financial environment
- Changing nature of work
- Increasing economic strength of Iwi and ways of doing business based on Māori values

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## Environmental Drivers

- Anticipated impacts of climate change
- Quality of the environment
- Risks of new pests and diseases

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## Political Drivers

- Addressing inequalities
  - Increasing financial pressures
  - Evolution of Treaty partner relationship
  - Changes in geopolitical power
  - Short-term planning
  - Institutional inertia
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## Societal Implications

- Overcoming persistent inequalities
- Changing societal structures
- Changing societal norms
- Changing personal and cultural identities

# Implications for the sector

Implications of change for play, active recreation and sport in New Zealand, and some key questions to consider

## Levels of activity and demand

Implications for:

### Pressure on and competition for leisure time



### Levels of physical activity



### Participant expectations and demands



Critical questions for the sector:

**How will play, active recreation and sport be delivered to meet the changing needs of all New Zealanders?**

**Who gets to be involved in those decisions?**

## Honouring Te Tiriti o Waitangi

Implications for:

### Becoming a truly bicultural nation



Critical question for the sector:

**What does genuine partnership look like in practise in the sector?**

Driver Categories:



**Social**



**Technological**



**Economic**



**Environmental**



**Political**

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## Business and funding models

Implications for:

### Viability of some current offerings and business models




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### Costs for building and maintaining facilities




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### Funding for play, active recreation and sports




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## Workforce

Implications for:

### Play, active recreation and sport workforce



Critical questions for the sector:

**What promising new business and funding models are emerging?**

**How can more innovative approaches to developing and supporting new business models and facilities be encouraged?**

**What will partnership look and act like?**

Critical question for the sector:

**What new workforce skills and capabilities may be needed now and in the future?**

## Places and spaces

Implications for:

### Access to places and spaces



Critical questions for the sector:

**What will sustainable, easy and safe access to the spaces and places for play, active recreation and sport look like?**

**What are community expectations for the quality and accessibility of our environments where physical activities happen?**

## Trust and governance

Implications for:

### Expectations of, and trust in, active recreation and sports organisations



Critical questions for the sector:

**What will good governance in the future look like, and how will it be incentivised across the sector?**

**Who gets to be involved in these decisions?**

Driver Categories:



**Social**



**Technological**



**Economic**



**Environmental**



**Political**

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## Social connection and wellbeing

Implications for:

### Impacts on social connections and cohesion



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### Impacts on social wellbeing



Critical question for the sector:

**How can play, active recreation and sport help enhance social connections and wellbeing for all?**

**How do we incorporate different views of wellbeing?**

## Critical questions about drivers of change:

**What key trends or drivers of change have been overlooked?**

**What are other important implications for the sector?**

**What things that aren't changing will also have important implications?**

**What, and whose, values underpin the drivers?**

# Creating a baseline future to help challenge assumptions

Participants in workshops developed a “baseline future” which looked at current trends through till 2035 and identified some of the implications of those trends.

These discussions were influenced by some of the social, economic and political consequences of Covid-19. One of the challenges with foresight is becoming overwhelmed with what’s changing, and struggling to make sense of the implications. It is easy to get misled by extrapolating from obvious trends and developments.

A common approach is to develop scenarios that explore plausible future states. To help participants develop their scenario making skills an initial set of workshops, drawing upon the initial environmental scans, identified a “baseline future.”

This extended some of the current trends and developments out 15 years and imagined the implications. These workshop discussions were also influenced by some of the recent social, economic and political consequences of, and responses to, the pandemic.

The purpose of the “baseline future” was not to predict what the future of play, active recreation and sport would look like in 2035, but to help identify the obvious issues, and stimulate conversations around how the sector could respond.

## The “baseline future” was used to test and challenge:

**How certain we are that some of these trends will continue as we currently think they will**

**What assumptions are we making**

**What has been overlooked**

**What are the greatest uncertainties the sector is facing**

In this report we summarise some key aspects of the baseline rather than reproduce it in full.

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# What the “baseline future” reflected

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The “baseline future” showed a future of a play, active recreation, and sport sector and system that was struggling to cope with multiple changes and uncertain how to meet the challenges it is facing.

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## Diversity is an important issue

A dominant theme in the “baseline future” was one of increasing diversity, across a wide range of areas including:

- Leaders and people designing and delivering activities, particularly Te Ao Māori approaches
- Ethnicity
- Gender diversity and fluidity of participants and providers
- Time available, and timing, for play, active recreation and sport
- Motivations to remain or become active. These include health and wellness, social and community connections, economic, and competitive motivations
- Range of play, active recreation and sport activities
- Types, sources, and channels of funding

# The implications of these changes

Examples of some of the changes, lack of change, and consequences in the baseline future are illustrated below.

## In 2035

### Levels of activity and demand

- Greater competition for leisure time
- Disruption to traditional ways of working
- Virtual sports become more popular
- Welfare support requires commitment to being active

### Honouring Te Tiriti o Waitangi

- No fundamental changes in institutional structures and decision-making

### Business and funding models

- Reduced central and local government funding
- Other sources of funding actively being sought by organisations.
- More local design and delivery of activities

### Workforce

- Volunteer base continues to decline

### Places and spaces

- More physical activity outside
- More frequent disruptions due to weather events.

### Social connections and wellbeing

- Technologies improve some aspects of health but not others
- Technologies continue to improve and undermine social interactions
- Sports struggle to keep pace with illegal performance enhancement

### Trust and governance

- More polarised political environment
- Focus on short-term decision-making

## Consequences

- Continued increase in sedentary lifestyles
- Inequalities of access, participation and representation remain
- Limited improvement in wellbeing
- Loss of many traditional clubs and organisations
- Scaled back non-virtual international sporting events
- Sector struggles to maintain integrity
- Growing distrust in government through fear of becoming a "Nanny State"
- Individual and small group physical activities more popular
- Greater locally-led initiatives

# Baseline future lessons

There are probably no surprises in the “baseline future” scenario.

It reflects what many people and organisations in the sector are contemplating now – how do we compete with virtual sports, how are we going to deal with climate change, how are we going to ensure we have adequate participants and funding levels going forward, how do we address current inequities in the system, and what the long term effects of Covid-19 will be. It also recognises that these issues cannot be solved by one organization.

A “baseline future” is what we generally think will happen if there is no change. It is not radically different from today and is derived from what we see in the world around us.

Creating a “baseline future” is a good way of emptying the mind of the most pressing worries. Only then can we step back and think of alternatives. Getting those concerns and fears out in the open can help identify not only what you want to avoid but some of the characteristics that you want to work towards.

This future highlights the need for bold and courageous leadership to develop new approaches and identify more responsive and sustainable practices that will meet the physical activity and wellbeing needs of New Zealanders.

That is easy to talk about, but how can it be achieved? The Three Horizons method helps explore this.

**A “baseline future” is what we generally hold in our heads. It is not radically different from today, being derived from extrapolations of the world we see around us.**



# The Three Horizons method

The “baseline future” provided a pessimistic view of a future state of play, active recreation and sport. However, many in the sector have more optimistic views.

These were explored using the Three Horizons method. This method looks at what is dominant today, what seeds of the future are already present, and what other changes are occurring, or might occur that will influence the future.

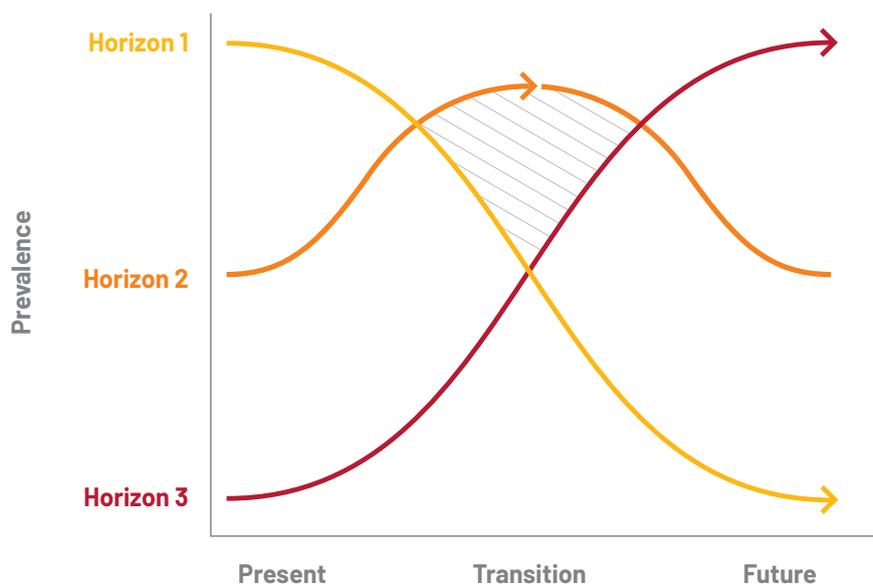
It shows that the future isn't a simple path from today, it is dynamic and has many possibilities. Some of the choices that we make today will influence what that future looks like.

This method is effective because it seeks a number of perspectives on the future. It helps capture different “voices” about the future – those currently managing the here and now, those with different visions of the future, and those interested in trying new things.

Unlike the baseline future it doesn't just extrapolate trends and drivers of change.

The method describes:

Times	Horizons
• Present	• Horizon 1 describes the perceived challenges of the present,
• Transition	• Horizon 3 describes the future we hope to see, and
• Future	• Horizon 2 describes ideas and developments that may help us transition to the new future.



The different horizons exist in all times, but their dominance varies. The method is used to illustrate how well each horizon fits the conditions at a particular point in time. Horizon 1 usually identifies the key challenge(s) of the day. The third horizon usually identifies a set of values, a preferred future, or possible configurations that are waiting to happen. These are a point of tension with Horizon 1. Features of Horizon 1 still carry over into the future. Different conditions can lead to different futures.

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Horizon 2 dominates in the transitional state. This is a period of greater innovation and testing, creating new opportunities, contradictions and risks. Some have likened the transitional state to an entrepreneurial one, where many new ideas and approaches are tried, only some of which may shape a particular future.

The Three Horizons method is used to stimulate discussions about the nature, tensions and directions of change.

It helps structure thinking about what we are changing from and towards. It draws out characteristics of the current and future states, and the values and assumptions that are associated with them.

The method helps identify weak signals of change we already see, identify what else may happen, and lets us consider how they may influence the future. These discussions are subsequently used in the scenario workshops to more explicitly explore plausible future states.

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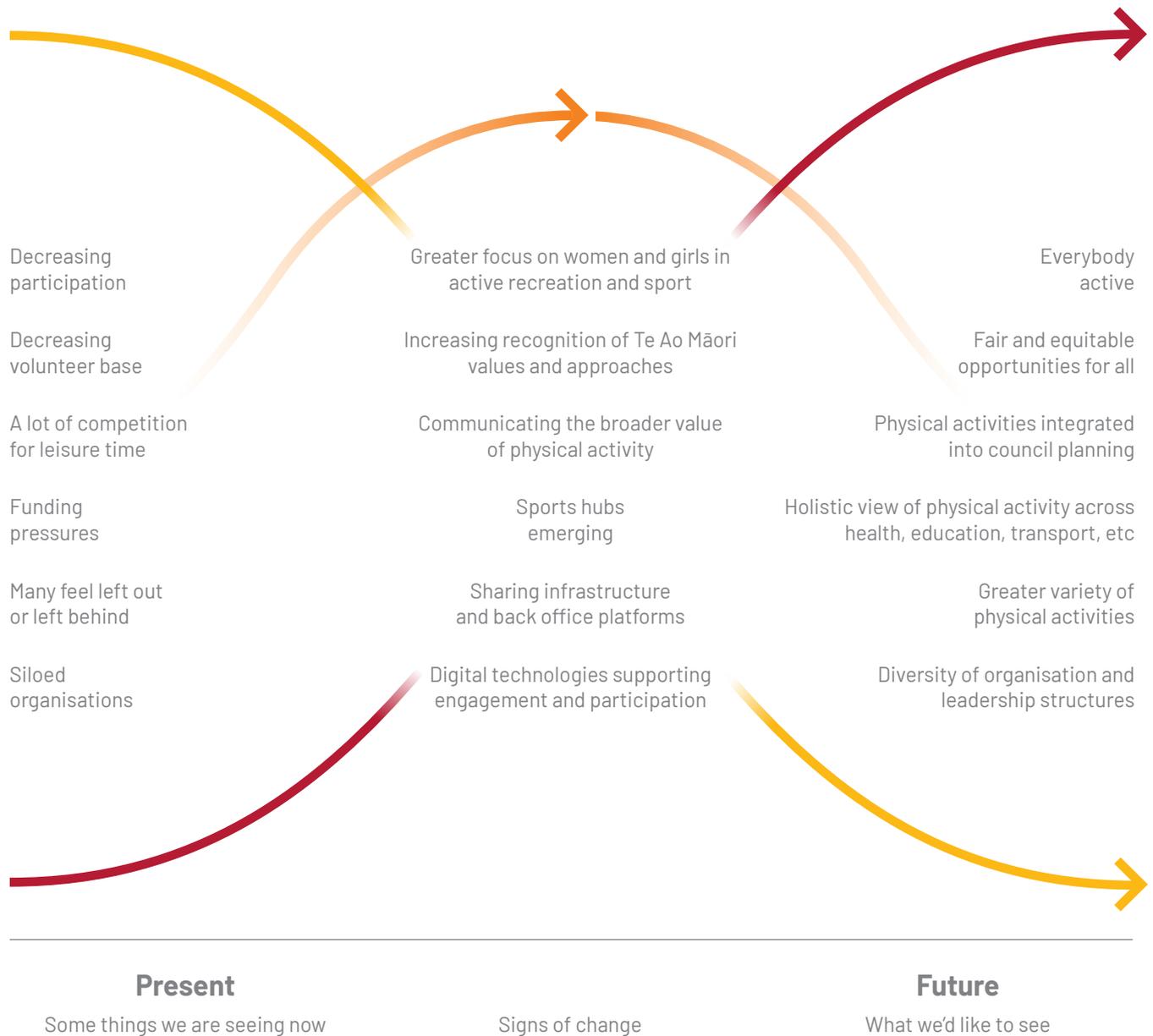
### **Identifying points of contention in the transitional state is critical**

Getting to the future requires passing through a transitional state where there are competing values, ideas and approaches arising from potential interactions between the three horizons.

The contentions emphasise that the transition from one state to another is not simple or easy. Assumptions and beliefs need to be openly acknowledged and discussed. Those who prefer to keep the current system running and those who have a different vision will likely disagree on what are important factors in Horizon 2 and the transitional state. Scenarios can subsequently be developed to reflect these differences.

# Identifying signs of change and preferred outcomes

All the ideas from the five workshops can't be included here, so we touch on just a selection to illustrate the method.





# Lessons from the Three Horizons exercise

**“ I’m now thinking more about how to change the general focus from fitting sport and recreation around our lives to how do we change our existing life to include sport and recreation. ”**

It is essential that the three types of thinking, or perspectives – managerial, entrepreneurial, and visionary – are involved so that all three horizons are well explored. In Three Horizons exercises so that the messiness, or chaos, of transition is explored.

It is often too easy to jump from the current to a future state without examining what types of experimentation and innovation need to be supported, and the tensions (positive and negative) they can create.

Relatively few new ideas appeared in the transitional state, suggesting more entrepreneurial minds may have been needed.

In the workshops there was often agreement about the present and the future. This isn't always the case, and in foresight workshops outside perspectives are essential to help challenge the assumptions and directions identified by those within the system.

A valuable aspect of the Three Horizons method is to stimulate discussion about whether new ideas and signs of change help keep the existing system viable, or whether they will (with a bit more time and support) help the transition toward a desired future state.

This wasn't examined closely during the sessions. However, one participant subsequently reflected "How will change actually happen? There are many consistent themes but most have been around for some time."

The contentions weren't always explored either. For example, if it is better to "blow up the system and start over", what are the benefits and risks of this? There often wasn't time in the workshops to consider this, or other ideas, collectively.

One participant subsequently reflected "We talk about participant-centred a lot, but how far are we prepared to go? Far enough to make real change?"

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# Observations from the workshops to date

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It is easy to describe tools and tangible outputs. These can make the process seem straightforward and the results definitive. The information presented in this report is an incomplete summary, and doesn't represent all of the discussion that went on within groups.

It illustrates some of the issues identified during workshops. But it doesn't go below the surface of them. That will be the focus of subsequent workshops. Many of the issues will probably be familiar to those in the play, active recreation and sport sector, so it's reasonable to ask what value has been added.

Time pressures were one of the challenges in the workshops. Learning new techniques and coming up with new ideas and insights in short time frames is often difficult.

However, foresight is only partly analytical. It is a social and creative activity too. One that requires different perspectives and points of view to be shared and discussed.

Early stages of foresight are dominated by questions, rather than providing answers.

Foresight is often viewed as an exercise in identifying what we are most uncertain about. That is misleading. One leading practitioner noted that foresight is most useful when it identifies what things are already more certain (or pre-determined) but probably not obvious. The next task is then to understand how they affect your sector.

Foresight is also a reflective exercise. Not something that can be done and dusted in a few workshops. Clarity and consistency don't usually emerge quickly. Complete consensus may not emerge at all. Good foresight requires becoming comfortable (for a time at least) with divergent thinking.

Seeds of new ideas and perceptions hopefully, though, are sown. These need to be shared and considered in later sessions.

Having two different groups with different approaches (this group and Te Tuarā) makes it challenging to develop a collective view of the future. But it is essential in foresight exercises that different perspectives are able to be expressed, and participants feel that their mana is respected. This can require different settings and methods.

Consensus isn't a necessary end goal of foresight. As the workshops proceed a common set of values, issues, aspirations, and approaches may emerge. But they also may not, which is also an important development that should stimulate further reflection and discussion in the sector.

# Participant views and themes

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All participants welcomed the opportunity to be involved, hear different perspectives, and to consider the bigger picture. Though, as noted above, time constraints and the need for some virtual sessions prevented fuller discussions.

Two strong themes emerged from participants' observations on the first series of workshops. These were about recognising different mindsets and struggling with how we can break away from business as usual. Discussions often reflected not only a desire to change, but a demand to.

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## Different mindsets

**In the world of play, active recreation and sport ... sport is still king. Should it be?**

**It is easy to fall into predicting. This is really about building the muscles to think and respond differently.**

**Is the way we talk about the sector holding us back? What would this look like in the future?**

**This is about building a new way, not just improving how we currently do things.**

**"Partnership" is more than just inviting someone into your world.**

**How do we get in our own way by how we define and measure participation as success?**

**This is about communities and country, not current ways of organising and working.**

**We may envision a future that is "fitter" than others we can imagine, but it may still be an unlikely future.**

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## How do we do things differently?

**How can this work help us move beyond traditional mindsets and structures?**

**In terms of Te Tiriti o Waitangi commitments, partnership and relationships with Māori there are few, if any, good examples to learn from.**

**Many of the things we have talked about we have known for a long time ... and tried to shift them. Why have they not changed, and what can be different this time?**

# What will be in the next reports?

The next report in this series summarises the discussions facilitated by Te Tuarā about wayfinding to a more inclusive and equitable future for Māori. The third report will show how some of the trends, signs of change and system challenges can be used to create a set of plausible futures for physical activity in Aotearoa New Zealand.



## Futures thinking resources

Additional resources are available on the futures page of Sport NZ's website.

<https://sportnz.org.nz/resources/the-future-of-play-active-recreation-and-sport/>



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