

## DOES COVID - 19 REDEFINE LEADERSHIP IN VUCA WORLD?

Dr. (Ms.) Subhashree Panda

### ABSTRACT

COVID-19 pandemic is considered as the world's worst global crises and has disrupted the global economy. It has wide spread impact on the various sphere of life such as agriculture, industries, economy, human health, business etc. It has also negative impact on the cognitive responses and emotions of the people. Due to technological changes and global market place, the workplace has changed. VUCA world is common buzzword in the business after COVID-19. The key challenge for the business leader is how to lead the business towards achieving excellence and customer satisfaction. In this regard, the role of the leader is very crucial to focus on the vision with clarity and at same time keeping on the eye for the change. The present paper highlights on the concept of VUCA, its importance, role of the leader in the VUCA world.

**Key words:** Leader, Leadership, VUCA world, Organization.

### 1. Introduction:

We all are living in a highly complex and uncertain environment. It may be business, economy, political turmoil and natural disaster. It's indeed the VUCA world. In 1990's, VUCA (Volatile, Uncertain, Complex and Ambiguous) is a term that was coined by US army. Technology adoption is considered as the fourth industrial revolution, which has altered the labour market and human role in economic activity (Bonciu, 2017). Most of the organizations are operating in a rapidly changing environment. In such a situation employee should embrace this ambiguity and complexity with vision despite the chaos.

### 2. VUCA: Concept

The term VUCA was originated by two leadership scholars Warren Bennis and Burt Nanus. It was used by United States Army war college for the first time in order to describe the conditions arising out of cold war. VUCA can be described as "Fog of War", a chaotic, uncertain situation. The term 'VUCA' is an acronym. It stands for V-Volatile, U - Uncertain, C - Complex, and A - Ambiguous. It's very relevant for business, organization,

Assistant Professor (Management), Parala Maharaja Engg. College, Berhampur, Odisha

profession and also in relation, the world we are living and operating. The emphasis is more on leadership in the present context.

- **Volatile** : refers to the sudden, unexpected change in the business environment. For example, a change in the share market because of change in the prime minister of the country or expose of any internal scam .
- **Uncertain** : Due to lack of information, doubt, inadequate information, information is not known, lack of clarity of the present situation, as well as future outcomes. For example, sudden launch of new product with superior quality by the competitor .
- **Complex** : Chaos is associated with, different variety and interrelated parts, various factors of decision, coordination among diverse stakeholders, and incorporation and adaptation of the new emerging concepts .
- **Ambiguous** : More than one interpretation, relationships are unclear and can be understood in different ways.

### 3. VUCA : Importance

VUCA environment can cause following:

- Destabilize the individual, make them stress and block their career.
- Decision making process has been paralyzed and compel the individuals for indecisive/ bad decision making.
- Take a huge amount of time and effort for trial and hit method to fight for success.
- Standstill of long term projects, innovation, and development.
- Affects the internal culture of the organization.
- Constant need of retraining and reshaping the individual.

### 4. Review of Literature:

- Harish Manwani (2013) – volatility and uncertainty are the standard norms of the ever changing business environment. Companies that are identified with their product categories are no longer existing, but existence of few megatrends shape the future of the company.
- Das & Ara (2014) found that as we are living in a world of complexity, problems and dilemma which require speed, analysis, patience, sense making, engagement with

uncertainty. It requires different orientation and skills which a leader should be equipped with.

- Betof, Lisa M.D. Owens, Sue Todd (2014) found that once the boundaries of marketplace and industries has been identified, then change can be made sometimes slowly, and sometimes quickly. The sustainable future of the organization is possible, If the organization can adapt to change, the role of the leader is very crucial in this context.
- Nick Petrie (2014) – found that even though the managers are facing different types of the problems in their day today business operation, but the methods for solving the problems remain same. In the past, many industries have witnessed and affected by the rapid change of external environment.
- Anita Sarkar (2015) states that the way we have planned, think and conduct the business has been substantially changed in last few years. For managing VUCA environment of the organization, changes are taking place very rapidly in various levels such as social, legal, political, economic and technological.

### **5. Role of Leader in a VUCA World:**

Role of the leader in a VUCA world is all about same as a new software, means a new type of leadership with value laden and purpose driven with the clarity in the role to be played in the changing society. There are two types development such as, vertical development (Developmental stages) and horizontal development (Competencies) but the methods are different. Expert can transmit horizontal development by sharing their knowledge. The vertical development can be acquired by upgrading the knowledge, and skill by oneself. Table -1 describe the role of the leader in a VUCA world.

Leaders from CEO's of the organization to the managers, all play a crucial role. They should respond and contribute to the as per the requirements of the VUCA business environment. Research on the role of the leader in VUCA environment is in the nascent stage. More emphasis has been given on collective rather than individual leadership. The traditional concept of the term leadership has been redefined to spreading leadership quality throughout the members in the organizing as a network to tackle the challenges of the VUCA environment. Instead of using the statement of "I am the leader", "We all are the leader" to create a feeling of "wellness" among the employee. Much innovation should be done by the leader to find out

the hidden talent among all the employees, and motivate them to contribute as per the situation demands

**Table 1: Leadership in a VUCA World**

<b>Current Focus</b>	<b>Future Focus</b>
<b>Leadership</b> - “What”	<b>Development</b> - “What” and “How”
<b>Objective</b> - Horizontal Development	<b>Objective</b> - Horizontal as well as Vertical Development
<b>Development</b> - HR/Training department of the organization	<b>Development</b> – Responsibility of each Person at the individual level
<b>Leadership</b> - Resides within the Individual Managers	<b>Collective Leadership</b> - Spread throughout the Network

(Source : Center for creative leadership)

**Development of Leadership Skills:**

- Language and cultural skills
- Alliance seeker
- Develop and supports different perspectives
- High communication capability
- Provokes questioning
- Intentional learning (seek out for learning opportunities)
- Recognition of human nature and cultural differences
- Enables others to challenge

**5. LEAP: Leading successfully in VUCA World**

In the VUCA world, leaders are facing not only a challenging environment, but it also opens up the avenues of upgrading the competencies as per requirement of the uncertain and complex environment. In order to lead successfully in the VUCA world, leader should possess the following traits.

**Liberal** : Leader should open to new behavior or opinions or ideas . He / She also adapt or discard existing values in order to cope with the new world.

**Exuberant** : Leader should be filled with passion, enthusiasm and optimisms to engage the team and stakeholders.

**Agility** : Adaptability to change with leadership competencies . The leader should develop competencies such as core cognitive readiness, critically thinking about the solution of the problem and emotionally / socially intelligent.

**Partnership** : Building trust and confidence among team members, and stakeholders such as customers, suppliers etc.

**Critical thinking** : refers to the recognizing and understanding assumptions, evaluation of arguments, and drawing conclusions. The various components of critical thinking include problem-solving ability as well as decision-making ability of the individual , strategic thinking, and creative thinking,. The emphasis is laid upon non-logical and non-rational skills.

**Cognitive readiness** : refers to the mental, emotional, and interpersonal readiness of an individual to handle the uncertainty and risk effectively. (The 2016 Trends in Executive Development). According to Executive Development Associates (EDA), the key competencies of cognitive readiness are as follows:

- Awareness about the situation.
- Control of attention
- Meta-cognition (thinking about one's own thinking)
- Sense making (connecting/linking the dots)/Giving meaning
- Learning Agility
- Management of Emotions
- Intuition
- Adaptability/Coping
- Dealing with Ambiguity/complexity

A strong cognitive readiness skill can only enable the leaders to maintain a better self-control/self-management in stressful situations.

**Emotional and social intelligence:** play a significant role for the success of an individual in both life and workplace. The Centre for Executive Education (CEE) has conducted a longitudinal research has found that there is a relation between some elements as social and emotional intelligence with the specific behavior associated with leadership effectiveness and ineffectiveness in developing impactful organizational climate. The supportive employee and customer organizational engagement enhanced positive organizational climate. The organizational climate has also in turn played a significant role for the achieving the goal/desired results of the organization. Organizational climate is influenced by the leadership style of the leader/managers.

**Coaching and Mentoring:** can also enable the leader to develop the vision as well as sharpen the cognitive readiness skill needed to thrive in the VUCA environment. The effectiveness of the coaching has some visible impact when it has been imparted to human resource specialist, mentor, executives, and staff members. The goal of the organization can be achieved when there is a alignment of individual goals and organizational goals.

## 7. Conclusion:

As the technology develops very rapidly and the world is the global market place for the business, so business environment of the organization has to embrace and built the VUCA concept in the system. Change is inevitable. Leaders have to develop VUCA prime behaviours. They have to be creative, find the opportunity in the complexity, build the strategies to manage and reduce the stress, fear, and uncertainty arising out of VUCA. Instead of adhering to one particular strategy for success, leader should adopt flexible approach to motivate himself/herself and the subordinates too. VUCA environment is really challenging and complex. But it's an opportunity for the leader to prove his leadership ability with enthusiasm, zeal and positive spirit. The VUCA environment becomes an opportunity for the growth, development, and collaboration for organizational development. The leader should believe in the statement "Give to the world the best you have and the best will come back to you". Organization and leader can redefine the acronym VUCA (Volatility, Uncertain, Complexity and Ambiguity) in new lens to VUCA (Vision, Understanding, Clarity, and Agility).

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