VUCA
TO
EXCEL IN
VUCA ENVIRONMENT

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Introduction

Over the past several decades, the world has almost transformed into a new world where on one hand barriers of dependence, communication, transportation and cultural hesitations have almost disappeared and on the other hand the new difficulties, obstructions, comparisons, competition and scarcities have emerged. The current and emerging environment appears to be chaotic and drawing a clear road map to success appears to be a very challenging task. During the current decade, the business environment is being characterised as Volatile, Uncertain, Complex and Ambiguous (VUCA). This VUCA acronym was used by American Military to describe extreme conditions in Afghanistan and Iraq.

If we think about the metamorphosis that has created new meanings of human life on the earth and has supported human evolution so fast, we will appreciate that as we grow faster in numerous dimensions, we create strong waves of competition simply because human aspirations are growing at an extremely high pace as compared to creation of resources to satisfy them. Moreover the technological revolutions, digital interruptions and vast potential of big data coupled with Artificial Intelligence and Robotics have created unimaginable prospects and possibilities. But neither an equitable distribution of these potential resources can be ensured, nor the pace of learning and assimilation can be regulated. All these developments are fuelling the aspirations of the people and organizations. Actually VUCA is the environment generated from the dynamics of human evolution and growth and rapid changes in the socio-economic and political conditions. It is a by-product of globalizing waves. But there is no reason to be scared or threatened.

This article attempts to offer a conceptual frame which will enable organizations to excel in VUCA environment. Interestingly it is another stronger VUCA, which is inspiring and promising support to strategies and endeavours to stear the growth engine in the organisational journey of excellence.

*V*ISION Infinite

*U*nleashing the Power of People & Planet

*C*hallenging the Change

*A*spiring and Building Agility

Vision Infinite

Researches and deliberations on sustainability issues have made it ample clear that growth prospects in the emerging future of immense complexity, can be created through a conscious process of envisioning with a commitment to ensure continuous strengthening of natural capital.

Business leaders like you are great dreamers and successful ones chase their dreams with passion and commitment. Many times due to the visible and unvisible competition that is assuming fierce proportions, you are foced to think that dreams have nothing to do with reality which is largely an act of destiny. But the facts are different. Your dreams unleash your ambition which sows the seeds of most productive business ideas. To enable your dreams come true, you envison.

Envisioning is certainly not a new concept. The great strategists; Lord Krishna, Chanakya, Abraham Lincoln, Nussarvanji Tata, Adiya Vikram Birla and of course Narayana Murthy, Shiv Nadar, Bill Gates, Steve Jobes, Jack Ma, Jeff Bezos and many other business leaders created institutions and empires through envisioning and you are already in the process.

Envisioning is the process of creating a robust vision out of dreams and self-esteem of the leader, carefully aroused organisational aspirations of people and navigation through individual and collaborative prospects with a commitment to continuous development of natural capital and the eco-system. Many people perceive vision as a mere statement, which it is not. Vission is a very alret, vibrant and energetic driver of pro-active change. It is a dynamic instrument that guides for long-term socio-economic relevance, builds resilient support system for sustainability and enables the organizations succeed even in unpredictable future.
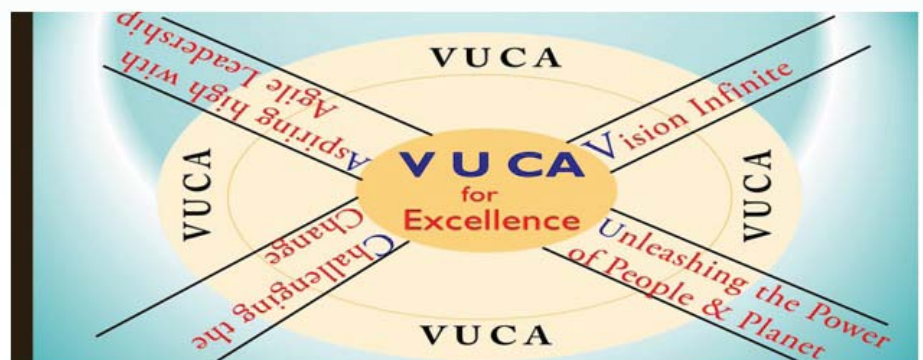
In this era of globalization, diversity and knowledge, the instrument of

Vision needs to be carefully developed and sharpened frequently in response to the metamorphosis in the external environment. Now, when change management has become an unchangeable necessity for organizations, the importance of Vision has assumed greater importance since it-

· enables to craft a mission that creates a great need of the organisation for human society and the mother nature.

· drives the strategy formulation process beyond profit and wealth.

· provides the system of looking into future through emerging symptoms.

· enhances environmental scanning abilities.

· shows the direction of change on a dynamic frame.

· facilitates and supports the change process.

· helps create possibilities out of problems and formulate strategies in the crisis situation.

· helps in shaping the expectations of the people affected by the change.

· provides a wider spectrum of alternative decision options.

· leads the organisation towards long-term value creation to all dimensions of human life on the earth.

Envisioning is initiated through the dreams and ambitions of the leaders but internalization of Vision by organizational members is very essential. In fact, most organizations have not cared for this and consequently have not realized the importance and benefits of Vision. Internalization of Vision should be through active involvement of people during the entire envisioning process in such a way that they develop a strong sense of belongingness to the Vision and commit to it. This is a great responsibility of organizational leaders to create an envisioning team at all functional levels. Functional Visions, when orchestrated well by the top managers are meant to contribute to the attainment of organizational Vision.

Vision is the bridge between the dreams and aspirations of the leader and team members and the action plan to make the dreams come true. It should, therefore be stimulating, challenging, credible, clear and as robust as possible. It should also enable all members to see a credible and feasible big picture wherein they are able to appreciate their individual roles in making the tomorrow's world worth happier living.

Unleashing the Power of People and Planet

Visionary and primal leaders appreciate the fact that people have tremendous and inexhaustible power. Today whatever we see on the earth is the result of people's quest to discover, research, invent, explore and innovate. People are such resources which create other resources of material, machine, money and technology. When the world is awestruck with the new possibilities being explored through Astrophysics, Space Research and Artificial Intelligence coupled with Data Analytics and Design Thinking, we cannot forget that the creators of all these possibilities are people. In the organizations, we generally know about the projected and visible potential of the people. Leaders with a mission to create distinguished value through their enterprise, help people dream and explore their invisible potential and channelise it into their roles so that they can grow with the organizational growth. In times of ruthless competition leaders can derive substantial winning potential from:

• the power of Millenials

• Senior enthusiasts and

• Rural women and can ensure sustainable excellence.

Our planet earth is our second mother after the first one who gives us birth. Our lives are totally dependent on the natural resources available on the earth. Business leaders who aim at sustaining business excellence, appreciate that the natural capital needs to be carefully nurtured for sustainability of our lives. Some organizations ignore the significant importance of natural capital due to following reasons:-

(i) Myopic thinking leading to be carried away only by market driven strategy.

(ii) Focus on winning the small battles with the competitors while
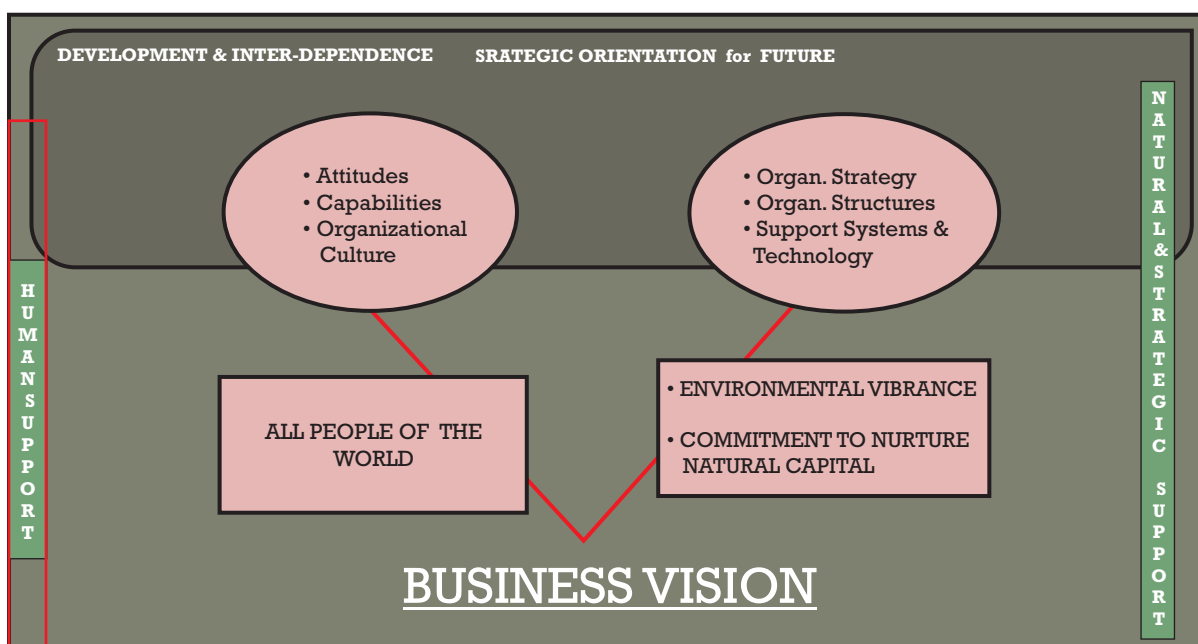
overlooking long-term influencers.

(iii) Forgetting the relationship of integration and interdependence amongst the factors of nature and human endeavours.

(iv) An intellectual bias about the tremendous power of technology.

(v) Growing aspirations of people and organizations about owning wealth instead of creating and supporting the growth and regeneration of resources of human happiness and evolution.

Business no more continues to be a mere profit earning activity. It needs to be defined as a set of enterprising initiatives and actions which aim at creating, recreating, building, nurturing and developing means and resources for human life and its evolution along with a commitment to careful nurturing of natural capital. Through all such activities, business is bound to grow with strong sustainability if it does not deviate its focus on people and environment. The new definition of business, needs following shifts in the thought, strategy and actions: -

Shift from	to
• objective of earning profit	objective of creation and enhancement of value to all people and mother nature.
• business driven by market forces	driven by needs of human life.
• resource utilisation	optimisation of resources while ensuring re-generation.
• survival	long-term sustainability
• cost-benefit analysis	social cost/commitment analysis to be ensured along with cost-benefit analysis.
• indiscriminate consumption and avoidable wastage of natural resources	conservation, wastage control recycling and regeneration
• creation of business propotitions without a study of and futuristic impact on human race and mother nature.	analysis of future impact on natural capital human society to precede the feasibility study
• task orientation with focus on compliance.	productivity orientation with focus of creativity and capability building.

Now the question 'What is your business?' can be addressed as:

- to support life on the planet with a foucs on people and natural capital.

- to create, recreate, generate and build facilities and means of life.

- to facilitate transformation

- to provide support for reconstruction and energy for reproduction.

When we do business like this with necessary economic intelligence, the evolution and development of various dimensions of human life, is

the main source of our reward which facilitates sustainable growth.

Challenging the Change

Change is a natural process and its directions and intensity are the functions of various endeavours aimed at human evolution and development. Change facilitates innovations and progress. Since the innovations and economic progress have been phenomenal during past few decades, speed and directions of change are appearing to be threatening and confusing. To sustain business excellence, leaders need to challenge the change with the powers of vision, learning and agility. The metamorphosis, that is engulfing the entire dynamic universe, has communicated in unequivocal terms that individuals and organisations, if they want to escape stagnation which ultimately results into death, need to develop a positive attitude towards change. But the realisation of this fact is scant and slow and in many cases doesn't happen before a real threat to or loss of health, wealth, reputation or image.

Through an analysis on the basis of attitudes towards change, people (and of course organisations) can be classified in following six categories.

1. Change Victims
2. Change Observers
3. Change Adapters
4. Change Managers
5. Change Leaders
6. Change Creators

VUCA environment can be leveraged to phenomenal growth by Change Leaders and Change Creators.

The whole process of change endeavours can be briefly summarized into following phases:

1. Envisioning Change

The primary need is that leaders are able to develop a clear vision about future. Vision should be able to identify and project the prospects for all concerned. It should be made capable to awaken desires and hopes, it should have a compelling force which pulls people towards the concerted actions. In this phase the leaders should never be in a haste to decide and introduce the change. The need of change should be made felt through the questions that emerge during brain-storming sessions aimed at finding out the ways and means to fulfill the desires and hopes. The team's vision about the change process must emerge from the potent questions and not from the beliefs and past experiences of the leaders. The change leaders who are strong at environmental scanning and have the ability to disseminate relevant knowledge and information, create a pro-active momentum which enables people to generate and thrash the thoughts and ideas and identify the vital questions to be addressed.

2. Designing and Organising Change

When the members have seen a big picture of future prospects and are anxious to find answers and solutions to their questions, leaders' role is to help them develop sufficient number of alternatives. This process

can be best facilitated through providing knowledge and helping people see various aspects of the issues involved.

In designing the change process the leaders have a challenge that the change-design must continue showing the future prospects and must provide ample opportunities of celebrating success at various stages of implementations. The leaders, with a strong understanding-of and faith in their people will help to evolve to best suited and most accepted change-design.

While organising change, the initiatives will be lead by the SWOT analysis and the current profile of people. But one should be very careful in redesigning the roles and jobs and assigning these to people with appropriate exhibited potential. Leaders have to ensure that nobody feels that his role is less important or Has bleak future prospects. This challenge calls for, empathy and communication guided by emotional intelligence.

3. Leading and Implementing Change

This phase poses the greatest challenge. But the intensity of leader's involvement coupled with a strong commitment holds the team together and helps it have synergic advantage of pro-active thoughts of the members. Such leaders communicate more through their actions and less through words. Standing at the sea-shore we have observed that some children watch a child engrossed and absorbed with creating a beautiful castle of the wet sand and eventually move to join this child. Creative action by itself generates interest and curiosity and attracts followers.

Implementing change calls for constant monitoring and support by leaders. Special attention is required when people confront hick-ups, problems and the fear of the unknown. Leaders need to help people analyse the causes of such problems and look for alternative ways to tackle each problem. If the leaders can maintain the motivation level, they can "convert the resistance to change into an opportunity to introspect and pick-up new action points.

4. Change during the change

One cannot negate the possibility of finding some processes of the designed change as disastrous for the ultimate objective, and it may be desirable to put a brake and look for better alternatives. Even the resistance to change, when Its causes are analysed, may sometimes help in understanding some factors which were overlooked or were given inadequate attention and the analysis may necessitate complete reversal.

Moreover, what matters is the multidimensional process of change which will lead to envisioned success in the dynamic frame of circumstances. It is therefore important to realise that willingness and flexibility to embrace change in the earlier designed change is one significant key to the success.

5. Celebrating change

At every step, one can expect two outcomes; success and learnings for future. Successes even smaller ones, when celebrated by members, create commitment for further steps. During this celebration-phase, the effective leaders enjoy giving all credit of success to their people

and own themselves the responsibility for shortcomings. This approach creates an' impetus, for next course of action.

Aspiring and Building Agility

With the promising plans and prospects of space research, limitless ambitions of the millenials and untapped potential of digital disruption and artificial intelligence, the new world of tremendous possibilities shall be welcoming the organizations which are flexible and fast to unlearn and learn. Such organizations will have high aspirations to create new-benchmarks. Orthodox and learned leaders may not see the logic in the proportions of aspiration of such leaders. These aspiring leaders will not lead the followers, they'll lead the leaders with their power of quest, design thinking and synergistic approach. Such leaders of tomorrow will expedite the process of formulating the strategy from the aspirations of their people. They will inspire their team members to break all barriers and navigate through the vast hidden potential of the planet.

Organisations which want to sustain their excellence must, therefore build agility. As the new world order is producing non-traditional competitors who are creating an eco-system in which customers' imaginations, expectations and value propositions are taking fascinating shapes. Unless the organizations build agility and differentiating value, it would be impossible to sustain their lead and excellence for long. In the emerging disruptive environment, the agile leaders will be able to see through the volatility, uncertainty, complexity and ambiguity. Their agility will help them scan the complex environment and relate their self-exploration to the productive action, that can serve the aspiring people. They can simplify the environmental communication for grabbing the opportunities out of the seemingly problem situations.

Agile leaders are super sensitive to what is happening around. While their senses are fast to receive signals about emerging factors, they are calm, flexible and proactive. According to a recent research by Prof. Michael R. Wade, Andrew Tarling and Remy El Assir, published at INSIGHT@IMD, May 2017, agile leaders have following characteristics:

- **Humble**
- **Adaptable**
- **Visionary and**
- **Engaged**

Humble leaders have a quest to learn. They build learning organisations. They appreciate that to move forward in the volatile and fast changing environment it is highly valuable to know what you don't know. While confronting the uncertainties and complexities, they keep exploring their personal selves and keep relating their unique strengths to the actionable factors of the environment. They believe in the inexhaustible power of the people and they can orchestrate the team effort to create differentiating value.

Agile leaders are adaptable. Actually they know that all change starts from self-change. They believe that focused adaptability based on new learnings is key to build competence. As leaders they are willing to change their thought process and leverage the environmental factors

to their advantage. They are open and never hesitate to accept their mistakes and make pro-active decisions. They are ready to quickly commit to a new course of action which, as per latest information and evidence, is imperative for success.

Agile leaders are visionary. They have a clear sense of direction for sustainable growth. Their vision is not distorted by short term turbulence and volatility. In the words of Russel Quirk, CEO, eMoov; 'You have to wear your Vision on your sleeves'. Even in the circumstances when they do not have exact path and the best means to cover their journey of excellence, they have a well defined idea of where to go and keep making their own path with a courage of conviction.

Agile leaders always engage with their stake holders. Interactions and discussions help them see the critical factors of their situation which enables them to fine tune their action agenda. They are analytical while listening and prompt in initiating the action. Their desire to discover and learn inspires them to strengthen their intellect to design vision driven activities.

Agile leaders' behavior of hyper-awareness, informed decision making and fast execution are best explained by Prof. Michael R. Wade and others at INSIGHT@IMD, May 2017.
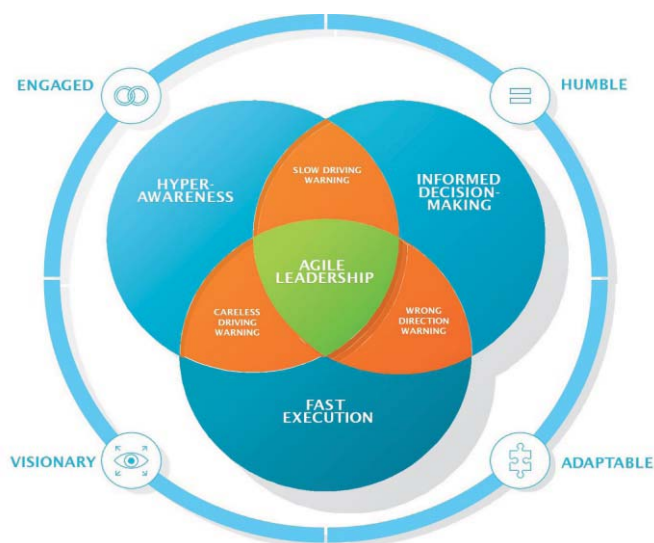
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