



The Vuca World in it Industry

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ABSTRACT The volatility, uncertainty, complexity and ambiguity inherent in today's business world is the "new normal", and it is profoundly changing not only how organizations do business but how business leaders lead. The skills and abilities leaders once needed to help their organizations thrive are no longer sufficient. Today, strategic, complex critical-thinking skills are required of business leaders. HR and talent management professionals can help their organizations succeed in today's VUCA environment by developing leaders who can counter volatility, uncertainty, complexity and ambiguity with vision, understanding, clarity and agility.

KEYWORDS

Introduction

Our mind-sets and perceptions hamper our ability to see alternate perspectives necessary to overcome impasses and reach insight solutions. Our capacity to expand the range of possibilities that we are exploring seems to be a critical aspect to the experience of insight.

Although, there is a saying that "Well begun is half done" but no project begins with the expectation that it will fail. Obviously, we all seek as much success as time and circumstances will allow but what is project success and can it really be achieved without defined criteria, shared expectations and tangible consensus?

Unfortunately, there is no easy answer to these questions. The best answer may very well be "It all depends". At the broadest level, success is a measurement of timeliness, budget utilization and the extent to which the primary project needs are met in today's world that is volatile, uncertain, complex and ambiguous.

Over the past few years, complexity in our organization and environment has increased significantly and this will continue. IT'S A VUCA WORLD! "We are moving from a world of problems, to a world of dilemmas."

What is VUCA?

A trendy managerial acronym: VUCA is the short form of volatility, uncertainty, complexity, and ambiguity. It's also misleading: VUCA conflates four distinct types of challenges that demand four distinct types of responses. That makes it difficult to know how to approach a challenging situation and easy to use VUCA as a crutch, a way to throw off the hard work of strategy and planning—after all, you can't prepare for a VUCA world, right?



Where did VUCA come from? US Military started using this term in late 90s and reflects a fast-paced, increasingly unstable and rapidly changing world. To deal with a changing industry trends software business leaders face a similar, challenging, dynamic landscape. We are moving from a world of problems that demand speed, analysis and elimination of un-

certainty to solve, to a world of dilemmas, which demand patience, sense making and an engagement of uncertainty.

Volatility:

The nature, speed, volume, magnitude and dynamics of change.

The "V" in the VUCA acronym stands for volatility. It means the nature, speed, volume, and magnitude of change that is not in a predictable pattern. Volatility is turbulence, a phenomenon that is occurring more frequently now than in the past. A study found that half of the most turbulent financial quarters during the past 30 years have occurred since 2002. The study also concluded that financial turbulence has increased in intensity and persists longer now than in the past. Other drivers of turbulence in business today include digitization, connectivity, trade liberalization, global competition, and business model innovation.

What Clients need from you in this Volatile Situations?

- 1) Communicate clearly
- 2) Ensure your intent is understood
- 3) Be reliable

Uncertainty:

The lack of predictability of issues and events.

The "U" in the VUCA acronym stands for uncertainty, or the lack of predictability in issues and events. These volatile times make it difficult for leaders to use past issues and events as predictors of future outcomes, making forecasting extremely difficult and decision-making challenging. There is a lack of predictability, the prospects for surprise and the sense of awareness and understanding of issues and events.

What Clients need from you in Uncertain Situations?

- 1) Get a fresh perspective
- 2) Be flexible
- 3) Be trustworthy
- 4) Adapt to "stop, look and listen"

Complexity:

The confounding of issues and the chaos that surrounds any organization.

The "C" in the VUCA acronym stands for complexity. The next aspect of uncertainty relates to the points outlined in the previous paragraph. Therefore, the next feature that is discussed

here is complexity, which means that business leaders have to adopt a non-linear approach to solving problems and must think out of the box. Further, they would have to ensure that they not only solve the problems but the business dilemmas brought on due to too much complexity. This means that they would have to choose between several competing alternatives, which seem to be attractive but cannot be actualized.

The world has become so complex even for the nonprofessional that the complexity in the business world is of much higher magnitude and is multi-layered meaning that the landscape is now no longer a simple equation where profits mean success. In other words, the business leaders would have to ensure that they take into account the laws, regulations and policies as well as social and environmental costs of doing business in an increasingly interconnected world where conditions in one region are markedly different from conditions in other regions.

What Clients need from you in Complex Situations?

- 1) Develop collaborative leaders.
- 2) Start seeking permanent solutions.
- 3) Be direct.

Ambiguity:

The haziness of reality and the mixed meanings of conditions.

The "A" in the VUCA acronym stands for ambiguity. The fourth and the final aspect that business leaders must confront is ambiguity. It means that the business landscape presents problems and dilemmas that cannot be reduced to simple yes and no type of solutions and black and white approach to problem solving. Instead, most of the problems that business leaders face now are of the type where the complete information is lacking, where there are no clear solutions in sight, and where the reality of the marketplace is multi-layered and multidimensional meaning that leaders would have to resort to unconventional ways of solving problems and confronting situations. Ambiguity also manifests in conjunction with the other features like uncertainty and complexity and as discussed earlier, each of these features feed into each other creating a melange that is tough to handle for many firms.

Ambiguity is matched by "agility," the ability of a leader to communicate across people and organizations instantly and to move quickly in applying solutions. When confronted by ambiguity, leaders need to listen well, think divergently and set up incremental dividends. This is captured in the concept of "wirearchy," as opposed to "hierarchy" — where social networks that allow you to engage the insights of many trump the brilliance of any one person.

What Clients need from you in Ambiguous Situations?

- 1) Listen well.
- 2) Think divergently.
- 3) Set up incremental dividends.
- 4) Be understandable.

Skills required in a VUCA world

There is one secret for success; it is called Learning Agility. Knowing what to do when you do not know what to do. There is a growing belief among senior leaders that the more traditional leadership development methods such as on-the-job training, job assignments, coaching and mentoring, are falling short in helping them develop the capabilities they need to succeed in a VUCA environment. These methods are often at odds with the leadership demands in a VUCA world, where knowledge across the organization and the speed of learning outpace these slower and more job-specific learning methods.

To be well suited in VUCA World we need to:

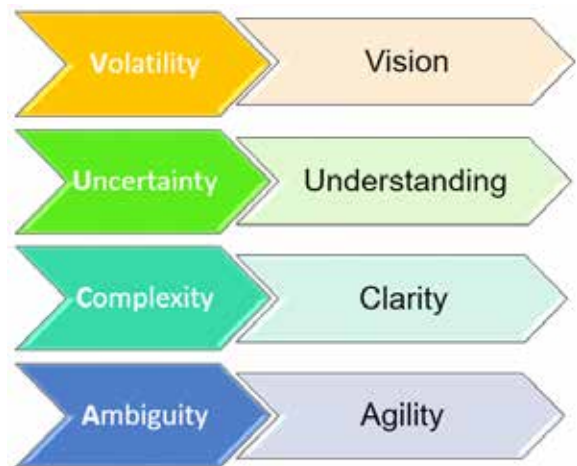
1. Hire Agile Leaders.
2. Develop Existing Leaders to Be Agile Leaders.

3. Foster an Organizational Culture that Rewards VUCA Prime Behaviours and Retains Agile Employees.

VUCA Prime Model:

Skill of leading in VUCA world

- Volatility is replaced with - Vision - an intent that seeks to create a future with new mind-sets.
- Uncertainty is replaced with Understanding - the ability to stop, look and listen. New attributes, approaches/practices.
- Complexity is replaced with Clarity - the ability to help make sense of the chaos.
- Ambiguity is replaced with Agility - organizations where "wirearchy" is rewarded over hierarchy. New ways of doing things.



Keys to Lead in a VUCA World:

As the world has become more complex and turbulent, research in human potential and neuroscience at the same time is increasingly revealing practical ways for leaders to develop the mind-set and capabilities to lead in it. This paper shows that the keys to leading in a VUCA world include possessing the knowledge, mindfulness and ability for:

- **Managing and introducing change** - Unsurprisingly, this was the strongest predictor of a leader's confidence in the phase of VUCA.
- **Building consensus and commitment** - This skill is critical for eliminating discord and misunderstanding.
- **Inspiring others toward a challenging future vision** - To induce others to act, leaders first must be inspired themselves.
- **Leading across generations** - This skill is a key to forging a shared purpose despite diverse employee viewpoints and motivations.
- **Disruption Self-Expression** - The leader acts in a way that others will notice and that reflects the values or behaviours that he wishes to instil in followers. Disruptive self-expression quietly unsettles others' expectations and routines—e.g., the leader wears casual pants and sweaters when others wear suits.
- **Verbal Swipe** - A leader turns an opponent's negative attitudes, expressions, or behaviours into opportunities for change that others in the organization will notice.
- **Variable-Term Opportunism** - A more public approach is for leaders to look for, create and capitalize on opportunities for motivating others to change.
- **Strategic Alliance Building** - The leader works closely with others to move issues to the forefront more quickly and directly than it would have been possible by working alone.

Below are few points synthesized from above

1. Create a vision and "make sense of the world." Sense-making is perhaps more important now than at any time in mod-

ern history for many companies, as we are not too many years away from the time when the global economy will actually be truly “global,” encompassing every country and in which competitors will be emanating from everywhere.

2. Understand one’s own and others’ values and intentions. This speaks to having a core ability to know what you want to be and where you want to go at all times, even while being open to multiple ways to get there.

3. Seek clarity regarding yourself and seek sustainable relationships and solutions. Leading in turbulence demands the ability to utilize all facets of the human mind. Even the most impressive cognitive minds will fall short in the VUCA world — it will take equal parts cognitive, social, emotional, spiritual and physical intelligence to prevail.

4. Practice agility, adaptability and buoyancy. This means the responsive and resilient ability to balance adroitly and right you to ride out those turbulent forces that cannot be avoided and to pivot quickly to seize advantage of those that can be harnessed.

5. Develop and engage social networks. The ability to recognize that the days of the single “great leader” are gone. In the VUCA world, the best leaders are the ones who harness leadership from everyone.

Conclusion

Change is inevitable in organizations and the increased pace of change in today’s global environment has created even greater problems for leaders struggling to help their organizations adapt. A major factor in the failure of organizations to adapt to changes in the global environment is the lack of effective change leadership. Leaders who can successfully accomplish change, typically, define themselves as change leaders; describe a vision for the future in vivid terms and articulate values that promote change and adaptability.

Most leaders contemplating change know that people matter and results count. It is all too tempting, however, to dwell on the plans and processes, which do not talk back and do not respond emotionally, rather than face up to the more difficult and more critical human issues. However, mastering the “soft” side of change management need not be a mystery.

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