

## LEADERSHIP CHALLENGES IN THE VUCA (VOLATILITY, UNCERTAINTY, COMPLEXITY, AMBIGUITY) ENVIRONMENT

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### Abstract

*Technological advances on various fronts led to a resource-hungry civilization. The need for considerable resources has an impact on the environmental or ecological crisis. This research uses a descriptive qualitative research method where researchers try to describe existing problems from the results of observations. VUCA is not a new concept in the face of change and the ability to adapt in a wide variety of conditions. This concept comes alive and becomes an abbreviation that every leader of the organization must instill when they want to survive and thrive.*

**Keyword:** Challenges, VUCA

### Abstrak

Kemajuan teknologi di berbagai bidang menyebabkan peradaban yang haus sumber daya. Kebutuhan akan sumber daya yang cukup besar berdampak pada krisis lingkungan atau ekologis. Penelitian ini menggunakan metode penelitian kualitatif deskriptif dimana peneliti mencoba mendeskripsikan permasalahan yang ada dari hasil pengamatan. VUCA bukanlah konsep baru dalam menghadapi perubahan dan kemampuan untuk beradaptasi dalam berbagai kondisi. Konsep ini menjadi hidup dan menjadi singkatan yang harus ditanamkan oleh setiap pemimpin organisasi ketika mereka ingin bertahan dan berkembang.

**Kata Kunci:** Tantangan, VUCA



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### INTRODUCTION

*The progress of human civilization is the result of the great role of the development of science and technology. Human activity every day is increasingly inseparable with the products of science and technology in every joint of life and interests. Science and technology as a result of human rational thinking are the highest achievements that have succeeded in making humans the pinnacle beings. Therefore, humans can engineer, manage and at the same time destroy nature (Hidayat, 2016). Technological engineering developed by humans continues to progress even towards perfection. Not only in the field of natural sciences, but the development of social engineering also grew along with the discovery of various technologies. These developments revolutionized human civilization increasingly modern. Marked by the invention of the production machine which later gave birth to industrial civilization (Lucas, 2002).*

*Advances in science and technology have resulted in humans losing control of the technology itself. Life-like technology finds its own way and kills nature. Nature No Longer Nature is a term that aptly describes that more and more days, there is nothing more truly natural in human civilization. Driven by increasingly rampant globalization, creating a narrow and instantaneous world civilization. Global Village is a representation of the conditions caused by advances in communication technology. People are increasingly exposed to the information they need or not. The flood of information definitely dulls the critical analysis ability of the community in sorting out correct and scientific information.*

*According to the environmental sociologist, Prof. Suharko (1997), all the uncertainties that exist in the world today are the result of the accumulation of human knowledge accompanied by the nature of ignorance. Humans have intervened too far into the environment of the physical*

world. Technological advances on various fronts led to a resource-hungry civilization. The need for considerable resources has an impact on the environmental or ecological crisis. The ecological crisis in its time will cause multidimensional problems, such as security and social. This happens because technology policies are not aligned with energy and environmental policies.

The era of uncertainty is known as the era of volatileness, uncertainty, complexity and ambiguity (VUCA). An era that describes a social situation that leads to uncertainty and is volatile, causing anxiety for many parties (Aribowo, and Alexander, 2018). This era is also referred to as the era of disruption because it makes many disturbances to pre-established habits. Many found a shift in manual to automatic professions. In addition, changes to the social and business paradigm have become more flexible and not easy to guess.

Volatility. The world is changing fast, turbulent, unstable, and unpredictable. No one can predict that 2020 will be the worst year for almost all business sectors in the world. Uncertainty. The future is full of uncertainty. Past history and experience are no longer relevant predicting probabilities and something that will happen. Complexity. researchers in all fields should be very careful about this component. Even the results of a controlled environment are beyond expectations and the main reasons that can be attributed are non-linear associations, interdependence and interactions among various parameters and variables (Schick et al., 2017). Ambiguity. The business environment is increasingly confusing, unclear, and elusive. Each situation can give rise to many interpretations and perceptions. One of the keys for all interests to be achieved in the VUCA era is that it depends on the role of the leader. Facing this challenge, leaders need to make various organizational adjustments that can guarantee sustainability (visionary). For strategic leaders, VUCA conditions are a competition to create change and adapt (USAWC, 2019). The ability to manage complex risks as well as present adaptive systems that are not to eliminate risks, but to understand them and reduce them.

Leaders need a strategy so that every individual in the organization is willing to accept the changes that are decided together. Therefore, experts emphasize that leaders need to interpret the VUCA era with more positive connotations (Nathan Bennett and G. James, 2014). Leaders at the strategic level need to see opportunities for acceleration in any challenge of uncertainty. Today's leadership challenges are faced with rapid, dynamic, complex, unpredictable and uncertain conditions of environmental change. This is not only considered beneficial, but can also be potentially detrimental. In facing a situation of uncertainty, high adaptability is needed and can also reorient in various internal and external aspects of the organization. All these fast-paced changes, inevitably hone the leader's ability to adapt.

The challenges faced by leaders in VUCA conditions where each leader must be able to adapt to all uncertainties, both external and internal changes in the organization. Conventional means are outdated, sluggish, and ineffective already unusable for a turbulent and constantly changing environment. Therefore, organizational leaders need a new agile leadership model to deal with the four VUCA threats. Although VUCA is inevitable, its impact can be reduced and can even be used for organizational gain. Another tough challenge is how to be an ideal leader who can still survive in unpredictable and rapidly changing situations leaders need to make various adjustments that can ensure the sustainability of the organization. Social situations that lead to uncertainty and are volatile, causing anxiety from many parties (Aribowo and Alexander, 2018). This era is also referred to as the era of disruption because it makes a disturbance to pre-established habits. One of the keys for all interests to be achieved in the VUCA era is that it depends on the role of the leader. For strategic leaders, the condition of VUCA is a competition to create change and adaptation (USAWC, 2019). The ability to manage complex risks and present adaptive systems that are not to eliminate risks, but to understand them and overcome them.

## RESEARCH METHOD

*This research uses a descriptive qualitative research method where researchers try to describe existing problems from the results of observations. According to Rukin (2019) Qualitative research is research that is descriptive and tends to use analysis with an inductive approach. Meanwhile, according to Moleong (2007) in Murdiyanto (2020) it is stated that qualitative methodology is a research procedure that produces descriptive data in the form of written and oral words from people and observed behaviors.*

*The presentation of data in the form of a description where the researcher tries to describe the existing problems from the results of observations. (Hasan Muhammad, et al., 2022). The authors used data collection techniques through non-participant observation methods and documentation, where data were taken from journals, books, previous research, scientific articles, literature and news taken from the website. According to Arikunto (2013:3), descriptive research is research conducted to investigate circumstances, conditions, or other things that have been mentioned, and the results are presented in the form of research reports. Meanwhile, Moleong (2011: 6) explained the meaning of qualitative research, namely: Qualitative research is research that intends to understand what phenomena are experienced by the research subject such as behavior, perception, motivation, action, and others holistically, and by means of descriptions in the form of words and language, in a special context that is natural and by utilizing various natural methods. By collecting secondary data in the form of electronic documents and physical documents both sourced from books, accredited journals, and applicable laws and regulations. Furthermore, the collected data is processed by summarizing and choosing things that are considered important and looking for themes and patterns to draw conclusions. So that new findings will be obtained that have never existed before, findings can be in the form of descriptions or images of an object that was previously dimly lit or dark so that after being studied it becomes clear, it can be a causal or interactive relationship, hypothesis or theory (Murdiyanto, 2020)*

## RESULT AND DISCUSSION

### **Leadership in the VUCA environment**

*How to survive in a VUCA situation can be done by breaking down the VUCA into four parts, and identifying volatile, uncertain, complex, or ambiguous situations. Each type of situation has its own causes and solutions, to overcome them can be handled one by one. Leaders Make the Future Bob Johansen (2009), adapted VUCA for the business world in his 2009 book. Proposed frameworks that can be used to respond to VUCA threats, called VUCA Prime, are Vision, Understanding, Clarity, Agility. Johansen (2009) advises organizational leaders to do the following:*

#### **Face Volatility with Vision**

*Face the current of change as part of a constant and unpredictable work environment. Don't fight it. Make a strong and compelling statement about the goals and values of the team, and develop a clear shared vision of the future. Be sure to set flexible goals that can be changed when necessary. It helps to navigate erratic and unfamiliar situations.*

#### **Overcome Uncertainty with Understanding**

*Pause to listen and look around. It helps to understand and develop new ways of thinking and acting in response to the threat of uncertainty. Make investment, business analysis and interpretation, and competitive intelligence (CI) a priority, so as not to be left behind. Stay up to date with industry news, and listen to customers to find out what they want. Review and evaluate performance. Consider carefully the steps that will be taken. Conduct simulations and experiments with the situation, thereby training to react to similar threats in the future.*

### **Solve Complexity with Clarity**

*Communicate clearly with the team. In complex situations, clear communication helps them understand the direction of the team and the organization. Grow your team and encourage collaboration. VUCA situations are often too complicated for a single person to handle. So, build a team that can work effectively in a fast-paced environment.*

### **Fight Ambiguity with Agility**

*Encourage flexibility, adaptability, and agility. Make plans ahead, but be prepared to change them. Hire and promote successful people in the VUCA environment. In general, these people have collaborative abilities and have complex thinking skills. Encourage staff or members of the organization to think and work outside the functional area. Job rotation and cross-training can be the best way to increase a team's agility. Avoid leading by dictating or controlling. Develop a collaborative and consensus environment. Encourage debate, dissent, and participation from everyone.*

*Develop a "culture of ideas". It's the kind of culture that's energetic and can transform teams and organizations into more creative and agile. Appreciation of team members who show Vision, Understanding, Clarity, Agility. Leadership is an important part of the management process and is needed in all types of organizations. According to Sutrisno (2014: 213) Leadership is a process of one's activity to move others by leading, guiding, influencing others, to do something in order to achieve the expected results. The leader plans and organizes existing resources by influencing and directing others to achieve optimal performance. The success of the leader is influenced by the applied leadership style and the satisfaction of his subordinates. Being a good leader in the current and future conditions is a dynamic challenge. With the development of the times, many leaders appeared due to the demands and environmental conditions of the time. In the era of the millennial generation, effective governance will be realized if leaders can meet the qualifications as leaders who are credible, have the ability, intellectual, and vision that is far ahead. But a good leader must also have integrity, honesty, and loyalty to the interests of the people.*

*The term VUCA is widely found in geopolitical and business contexts, all of which aim to describe an environment full of turbulence. (Benjamin E. Baran and Haley M. Woznyj 2019). Sunnie Giles in Forbes (2018), an expert in the field of radical innovation, says that uncertainty itself is a hallmark of complexity, so that if leaders relied solely on technical expertise, personal strengths such as charisma and vision and the organization's focus on efficiency through initiatives such as Six Sigma, would not succeed in the VUCA era.*

### **Volatility**

*Volatility is a condition of instability caused by drastic or rapid changes (Kail, 2011). The challenge is unexpected and may be of unknown duration (Bennett & Lemoine, 2014).*

### **Uncertainty**

*Uncertainty is a state in which an event is completely unpredictable, or can be said to be not expected at all. To anticipate this uncertainty, a leader needs a change in attitude and behavior*

### **Complexity**

*Complexity is a condition when a company experiences prolonged and complex problems and is interconnected. To overcome this complexity, every leader is obliged to take some anticipatory steps*



### **Ambiguity**

*Ambiguity is a situation in which nothing is clear. An event is interpreted differently by different people. There are many manifestations on the part of the clarity of an event.*  
*Transforming the Culture of the VUCA Era*

*The transformation process (including digital transformation) requires changes made within the scope of the four quadrants. The success of the transformation process of an organization cannot be intact without a systematic approach that is carried out by four quadrants. There are two aspects of change in the transformation process, namely changes that occur in the External or Internal aspect and in the Individual or Collective aspect. Internal Aspect means the changes that occur inside (can be individual or group). These internal or internal changes include changes in the identity level (who we are or our group), changes in the identity level, changes in the mindset level (values and beliefs), changes in the level of thinking and feelings /emotions (thinking and feeling). External aspects mean changes that occur and can be seen from the outside or externally this includes changes in behavior, actions, attitudes and abilities.*

*Change can also be seen from the individual or collective side. The change on the individual side concerns only one individual. Collective change means change that occurs together in a group or organization. In the principle of transformation, Richard Barrett said that collective change (together) of one organization can occur beginning with changes in one individual at a time. The individual emphasis referred to here is the individual who is in the position of a leader, what is said and done has an influence on the people around him. The circle of influence will be enlarged according to the level of position of the leader in the organization. Collective change will quickly occur if the leader at the top of the organization starts it first. John Kotter (1996), cultural change expert from Harvard Business School states that changes in the organization can only be started (correctly and completely) if the occupants of the organization experience the process of change themselves. With changes within the individual (internally) in the leader, it will allow change at the collective level of the organization (external).*

*Entrepreneurial leadership is needed (Renko, 2017; Cai et al., 2019) who focus on inovativity in the work environment by taking advantage of various opportunities available internally and externally to generate value for the organization.*

### **CONCLUSION**

*VUCA is not a new concept in the face of change and the ability to adapt in a wide variety of conditions. This concept comes alive and becomes an abbreviation that every leader of the organization must instill when they want to survive and thrive. Vuca is part of an unavoidable organizational change but needs to be faced with strategic steps. The success of an organizational leader in the face of VUCA is inseparable from the role of a staff line-up who is able to become a strategic partner of the organization that acts as an agent of change. Professional individuals according to International Marketing Expert, Daniel W. Porcupile (2015) have the following characteristics. First, have a good knowledge of his work. They will always improve their knowledge and look for the latest information to keep their knowledge up to date so that it can be a solution to the latest problems. Second, have competencies that can complete their work well. With the provision of these competencies, a professional does not worry about changes that will complicate his work. This attitude makes them reliable and guarantees the completion of work above expectations.*

*Third, have a very strong attitude of self-regulation or self-control. A professional person is good at putting himself in the right place. Respect and always be polite towards others. Have a*

high emotional intelligence. Listened a lot and observed. This attitude will make it easier for a professional to determine attitudes in the face of change, even if the change occurs suddenly. Fourth, have an accountable nature or always be responsible for what is said and done. When there are new challenges in work, stay calm and not easily resistant.

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