VISIONARY LEADERSHIP IN A TURBULENT WORLD

Thriving in the New VUCA Context
As *Visionary Business Leadership in a Turbulent World* genuinely illustrates, there is nothing certain about operating in today’s ever-changing business domain. This book is a refreshing read with practical insights and applications for helping leaders to navigate its rocky terrain.

— Rob Koonce, Founder, Can We Communicate

The nine experts in this book impressively clarify the challenges that leaders face in an increasingly volatile, complex, and ambiguous global environment while at the same time raising critical questions. How can systems-thinking equip leaders to better respond in ambiguous situations? What mindsets transcend relativism and multi-culturalism and how can the gaps in cultural competence be bridged? What capabilities must be developed to successfully guide change? What roles do innovation, collaboration, and resilience play when navigating the twenty-first century landscape? This intriguing book serves as an indispensable guide for leader practitioners as they hone their skills to think strategically and holistically about solutions that are centered on effective leadership practices in a VUCA world.

— Donnette Noble, Ph.D.,
  Associate Professor, Chair — Organizational Leadership Program, Roosevelt University
  (College of Professional Studies)

Visionary Leadership does what so many other books attempt but fail — it captures the dynamic and complex realities of engaging in leadership in a contemporary context. By acknowledging VUCA as inherent in business — and indeed across most disciplines and fields — the authors can offer insights and recommendations that actually make a difference in how we understand and practice leadership.

— John P. Dugan, Associate Professor & Program Chair,
  Higher Education; Co-Program Chair, International Higher Education; Program Director,
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Thriving in the New VUCA Context

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Dedications

Rob Elkington
To the five amazing women who enrich my life every day in the midst of VUCA: Rebecca, my wife. Sarah, Hannah, and Amy, my three amazing daughters, and Aliyana Haddiya, my granddaughter, whose name means “Precious Gift!”

Madeleine van der Steege
To my father, a man ahead of his time, and, my mother, a quiet rebel against the establishment. To Anton and our three creative children, Arianne, Zander and Mariq who make the world even more meaningful. With endearing thanks to Prof. Dianne Bevelander for all her inspiration. To Ruth Dixon for her loyal support. To my dearest family and friends.

Judith Glick-Smith
To Kieki, Jordan, and Hannah.

Jennifer Moss Breen
Leadership is a challenge that helps me to learn and grow, and because I have a passion for learning, I would like to dedicate this work to my children Paige, Jacob, Trevor, and Jacqui and my students. Our collective interest in improving global collaboration teaches us to understand the perspectives of others, and ultimately, our own enlightenment.
Noel Pearse
I dedicate this book to my wife, Tracy, and to my sons, Joshua and Asher, in acknowledgment of their love and support.

Bettina von Stamm
To the networks that sustain me in the VUCA world: family and friends, in particular my husband Rod, two sons Robert and Tobias, my best friend Christine, and my wonderful ILF Wider Community, an amazing collection of innovation enthusiasts from around the globe.

Fred T. Krawchuk
To all the amazing people I have served with who collaborate in a VUCA world in order to alleviate suffering and make a positive impact.

Suzanne Martin
“In la sua voluntade e nostra pace” (In His will is our peace) from Dante’s Paradiso, found above Mary Parker Follett’s bed.

Elizabeth A. Tuleja
To Fath-Allah who balances my VUCA world.
Acknowledgments

In a VUCA world one of the key skillsets and mindsets is that of collaboration. The power and strength of collaboration is modeled in the forming and completion of the book you now hold in your hands. Nine authors from different parts of the world agreed to collaborate on this project, each leveraging their area of strength and expertise, while clearly and carefully synergizing their contribution with the overall theme of the book. The process, though, was not easy. We continually faced VUCA as we attempted to pull this incredible book together for you, the reader.

Volatility abounded in the early days of the book when we were striving to reach consensus around the key theme/s of the book, as well as its structure. Volatility ensued when it came to several key editorial decisions and our need to sustain good relationships while protecting the quality and integrity of the book. Volatility also ensued when Rob faced a major health challenge mid-way through the development of the book and had to pull back on giving leadership to the process. It was at this junction that Madeleine, Judy, and Jennifer really stepped up to the plate and took the book to heights that none of us could have imagined! Madeleine’s resilience and acuity as a leader ensured the book emerged as the wonderful artefact you now hold in your hands. It was our combined vision of what the book could become, and the exceptional leadership of Madeleine, Judy, and Jennifer, that ameliorated the threat of volatility at a critical stage.
Uncertainty abounded until the very last days of the project, because we had nothing to offer the authors other than the vision of what might be, and the understanding that this book is needed in the marketplace to assist business leadership in the face of the VUCA world. We didn’t have a publisher committed to publishing the book, but we pressed on together because we had a shared vision, and a shared understanding, of the value of this book.

Complexity arose on many fronts as we each had our own understanding of a VUCA environment, and the best ways to address VUCA. We also had different ideas concerning how best to structure the book, and most of all, how each of our contributions might address VUCA. It was the editorial team, in much conversation with the authors, that brought about clarity to face off the complexity. As Madeleine liked to refer to it, “The Golden Thread,” was the clarity that we all needed amid complexity.

Ambiguity dogged us initially as we tried to coalesce our common understanding of VUCA and the ways in which our individual foci might address the new VUCA context. We attempted to develop mental agility and hoped that this agility in our adaptive approach to writing about VUCA would shine through in the pages of the book and in our reflections on this new VUCA context.

Finally, we wish to acknowledge Randy Cannell of Zingovation for the amazing cover design. We also acknowledge Pete Baker of Emerald Publishers for his tireless assistance in bringing the book to publication.
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Introduction

Madeleine van der Steege

Many unique, personal, and contextual factors contribute to your ability to lead and, while there may also be factors at play that you cannot control, the quality of your leadership has a significant impact on the outcomes of your organization. There are also independent processes, such as your followers and group dynamics, and the larger social systems, that jointly influence company performance. As a result, leadership development that takes account of these intertwined processes, and specifically the volatile, uncertain, complex, and ambiguous (VUCA) context currently prevailing, is of relevance to leaders in any organization.

The Context of Leading in the 21st Century

The way in which organizations are led is largely determined by the social, cultural, and material conditions of their time (Cartoon 1.1).

We are living in the civilized, historical age characterized by Pinker as the “new peace.” Democracy has swept across half the globe and is playing an important role in promoting or sustaining peace, which enables us to conduct business. Even in times of peace, however, business leaders can be drawn into media hype and popular concerns, with emotive content that ignores the statistical and historical context of a news story, causing anxiety and fueling the sense that we live in a “very dangerous” world. Not least in response to dramatic events such as those in Ukraine, the
ongoing carnage in Syria, the brutal, fanatical Charlie Hebdo massacre in Paris, Brexit, the attempted coup in Turkey or the 2016 American election results. The systemic factors enabling peace and promoting a favorable business environment can obviously change. Whatever people may feel, however, the fact is that overall violence, war, and crime have statistically never been lower, while globalization is governed predominantly by democratic regimes. Business leaders perpetuate the state of peace by crossing borders and exchanging ideas and products with each other.

When we refer to leadership in a VUCA context, we are consequently not seeking to incite a feeling that the world is bad, unstable, or “out of control.” Instead, we are referring to the specific dynamics of the 21st century — volatile, uncertain, complex, and ambiguous — that impact on trade and industry. These dynamics are being driven by a marriage of six mega-trends: globalization, technology, digitization, individualization, demographic change, and the environmental crisis. These dynamics are creating disruption while triggering innovation and change at a breakneck pace. In this way, VUCA is becoming the “normal context” for leadership, and requires leaders to adopt appropriate perspectives and skill sets.
In researching this book, which is the result of collaboration by nine authors from four continents, we became deeply aware that the value and influence of leadership differ according to culture, gender, and context. While some cultures romanticize leadership and revere leaders for displaying courage, inspiring the workforce, focusing on a meaningful goal or purpose, and delighting customers, others in less hierarchical cultures, such as the Netherlands, are less inclined to place leaders on a pedestal and endow them with influence or trust. The topics examined and insights given provide perspectives and solutions that are essential for 21st-century leaders seeking to navigate the dynamic forces of a VUCA landscape and to answer the following questions:

- What mindset do I need to be a leader in a VUCA environment?
- What skills are required for VUCA leaders?
- What knowledge is available to VUCA leaders and how can I enable the people who follow me?

**What Is VUCA and Why Should I Care?**

Our concept of “who” a leader is has evolved alongside respect for, and the development of, human rights. Today’s leaders do not generally treat their workforce as mere bodies, there only to earn pennies. Instead, humanism, policy changes, and digitization are driving new structures, processes, and forms of influence and control. In many parts of the world, and certainly those with high levels of individualization and less hierarchical power structures, people are also increasingly being regarded as their own leaders. They are attracted to opportunities that allow them the scope to express self-leadership — essentially the leadership we exercise over ourselves and, our jobs and lives — from within the organization. Being your own leader means seeking to take full responsibility for yourself, your motivation, health, happiness, development and efforts to inspire and
motivate yourself (and others) to achieve a meaningful objective or lifestyle.

In pursuing organizational performance, leaders are evolving from being the “hero” placed on a pedestal, to learning how to also be the “host” facilitating self-leadership in other people. Looking to the future, where a collaborative and diverse workforce can be expected to work alongside digitized machines and robots, the need for self-leadership and human judgment is obvious.\(^7\)

The presence of a collaborative and diverse workforce of this nature reflects our collective aspiration for a form of 21st-century leadership involving greater diversity and gender equality. One of the major benefits of this will be improved organizational results.\(^8\) Men and women do not have the same probability of reaching top positions, nor are they paid commensurately according to their attributes. We know that organizations with more women in board- and senior management positions will, on average, outperform their peers,\(^9\) while complementary male and female styles of leadership can also create invaluable synergy.

Embracing equality and diversity, however, goes beyond gender. Leaders with a high diversity IQ\(^10\) can bridge the gap between different cultures and generations to foster corporate citizenship, and manage tensions among all stakeholders locally, globally, and at organizational and customer levels. Being global means being surrounded by people who are, or seem to be, different in that they have different cultural norms, beliefs, and practices. However, someone who grew up in the same town as us may also be very different owing, for example, to their parental or religious backgrounds and experience. In a nutshell, therefore, we have to humble ourselves if we are to know others and to embrace and create synergy from our differences.

Unfortunately, some of these differences may be invisible, and this can make working across cultural, national, and generational lines even more confusing. Many leaders from the baby boomer generation, for example, have risen through the ranks by proving their loyalty and working hard while being adept at hiding their vulnerabilities. They now, however, find themselves working
alongside young “digital natives” who, although lacking experience, are hyper-connected and not intimidated by authority. This new generation likes to be heard and seen. They seek personalized, emotion-based guidance, while also expecting to be recognized and rewarded for their talents, while not perceiving the company as “the center of their universe.” On the other hand, there are also generational or cultural chameleons. In other words, individuals without rigid ties to any particular generation or culture who adopt or internalize the dominant values and behavior more appropriate for the prevailing context or surroundings.

The workforce in many of today’s organizations is more multicultural than in the past. Work practices are changing radically as boundaries fade and technology grants access and greater equality for all. At the design company Wolff Olins, for example, everyone works in the same open-plan office where hierarchy is so inconsequential that the CEO may land up sitting anywhere and the company uses an algorithm to switch the seating plan every six months.

The VUCA context of leadership involves four generations working side-by-side and marshaling a series of interconnecting mega-trends, including digitization, globalization, environmental challenges, customer individualization, and demographic change. As the Wolff Olins 2015, report states:

Employees today are uncorporate individualists. For a CEO, this makes life almost impossible. How do you make an uncorporate culture, yet still meet corporate targets? How do you liberate people, without unleashing chaos? How do you give people a purpose, without imposing an ideology? How do you lead, when everyone’s their own leader?

The value chain, too, has morphed and now places greater emphasis on lean provisioning and maximizing customer satisfaction, while also seeking to minimize waste in the chain. Paul Oh speculates that the next generation’s supply chain will demand real-time and comprehensive monitoring and material handling by
robots. Self-managed teams and high levels of robotic automation are creating new business and leadership models.

In addition, our 21st-century customers are not passive end-users or buyers, but also co-creators who want to be treated as individuals — by name. Being involved in co-creating products and choosing custom solutions enables customers to make satisfying and instant individual choices. And this can create sustainable advantage for any business.

Digital technology is increasing transparency and a need for cyber security. For example, look at the innovation of medical records in the healthcare sector such as IBM Watson reading 40 million documents in 15 seconds and being able to diagnose certain cancers more effectively than a doctor can.

As a result, the way we market to customers has shifted from emotionally led brand marketing and mass communication to mining big data, connecting product benefits, user experiences, and rational and emotional messaging through new media.

As our natural resources come under more and more strain, the environmental crisis is increasingly becoming an intrinsic part of 21st-century governance. With renewed understanding of the interactions within the triple bottom line (people, planet, and profit), our biggest immediate customer is the planet. The worldwide transition from a linear economy (one in which we make a product, use it, and then throw it away) toward a circular economy in which “waste” is eliminated (through renewable sustainable sources of energy, reduction in the exhaustion of natural resources and CO2 emissions) is a high priority for many countries (e.g., United Kingdom and the Netherlands). In the United States, futuristic companies are proactively addressing environmental issues with similar innovative business models. Elon Musk’s Tesla, for example, produces electric cars, its Gigafactory is revolutionizing the solar energy network, and SpaceX is pursuing the quest for interplanetary mobility. Traditional companies and leaders will unlock new opportunities if they reinvent their linear business models (e.g., by embracing the circular economy) to remain relevant in the future. Therefore, to quote Einstein: “Our task must be
to widen our circle of compassion to embrace all living creatures and the whole of nature in its beauty” (Albert Einstein, n.d.).

Opportunities in the 21st century are almost endless and are extremely exciting. However, they are also disrupting and destabilizing the current way people work. This, in turn, is presenting leaders with new organizational “health” challenges (e.g., flattening structures, self-managed teams, or anticipating job losses and changes due to robotic automation).¹⁹ For start-ups, this is often a non-issue. In established businesses, however, blinded by day-to-day operations, frazzled in strategy and confined by limited resources, or shareholder obligations, many leaders feel thinly spread out and to survive, hold on to the status quo.

Within a context of volatility and uncertainty, it is incredibly helpful to have a clear read of the right direction, even if the path ahead is not altogether clear. In this book, for example, we highlight the central role of a compelling purpose and organizational vision, which serves as a beacon of light in the midst of turbulent times. Purpose is the organizing force of every organization. Purpose is the unique shape of the organization. Vision aligns the organization, inspires each person within the organization, and reminds both the leadership and supportive followers of its significant purpose.

Leadership effectiveness changes as years go by and leaders need to stay relevant to their time and industry. That means creating the conditions in which self-motivated staff can access the potential ingrained in them and their teams to achieve customer-centric success in a VUCA world. This in turn requires leaders to pursue appropriate learning and development.

We hope the following nine chapters make a meaningful contribution to your 21st-century leadership development and add crucial skills for leaders living in turbulent and exciting times.

NOTES

1. Dinh et al. (2014).
6. We use humanism to mean human rights, freedom, and progress.
10. We define “diversity IQ” as the ability to respond to diverse (gender, cultural, generational) settings with acceptance and respect, and to harness the strength and creativity that diversity provides.
15. Guizzo and Ackerman (2016).
16. IBM Watson Health.

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conference, leading across borders and generations (p. 118). Barcelona: ILA.


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Introduction  9
Madeleine van der Steege is a managing editor, award-winning female entrepreneur, business coach, researcher and writer on entrepreneurship, leadership, culture, and gender issues. Madeleine comes from a family of entrepreneurs. She was a pioneer in the field of mediation in South Africa and later moved into general management and management development. In 2004 Madeleine won the BWA Woman of the Year Regional Entrepreneur award. In 2007 she and her family relocated to the Netherlands where she established European operations and virtual warehousing for her sister’s Vancouver-based, organic pet food company Cranimals.com. In 2013 she returned to the organization and human development field and founded Synquity, providing face-to-face and virtual leadership solutions in the EU. She is currently also Adjunct Professor, Business & Management Department, Webster University, Leiden and a member of the management board of The Bijlmer Project which seeks to empower trafficked women (www.thebijlmerproject.com). Madeleine has been involved with Global Leadership Initiatives (GLI) since its inception. Madeleine lives with her husband and three children in a picturesque village in the beautiful flower bulb region of the Netherlands. You can reach her at mads@synquity.com and www.synquity.com