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Change in the Brave, New VUCA World – How to Build Windmills Instead of Walls!

Yes, a beautiful, new world is what we live in. The only constant is change. This is so rapid that it hardly seems worthwhile to describe the status quo, since it's transformed again to a new state within the blink of an eye.

Nevertheless, I would like to describe 4 megatrends with this article. 4 trends that capture the state of our "brave, new world" as accurately as possible. 4 trends that have emerged in the last few years, but which will certainly have a major impact on our lives over the next 10 years. These 4 trends can be summarized with the memorizing formula "VUCA" and represent the first part of my remarks.

In the second part of my contribution, I describe with the memorizing formula "NOPA" how changes in the VUCA world can and should be shaped proactively and sustainably.

Just a few decades ago, many things in our lives were relatively predictable. As a project manager, you learned that the best way to make a change is to plan it well and then implement the appropriate measures in a stringent and disciplined manner. Exactly this principle of the linearity of planning and execution is, however, massively put to the test today. Today, an iterative approach seems to be more effective. An agile approach with planning and execution cycles is indicated in order to implement the desired changes quickly and effectively.

But first of all, I'm going to describe the 4 megatrends of today's living and working world, which can be summarized with the acronym "VUCA". V stands for volatility, U for uncertainty, C for complexity and A for ambiguity.

4 megatrends in today's living and working environment: "VUCA"

1. Volatility

One or the other reader has certainly experienced the stock market as volatile. Sometimes it goes up, then rapidly down again, like a rollercoaster ride. What is meant by "volatility" is a very rapid, erratic change. These changes, such as those experienced by a market or a single company, are very difficult to predict. You don't know when, how seriously, or in which direction a change will happen. Often, goals change in the middle of a project. This is also referred to as "moving targets". These make classical project management either very difficult or even completely pointless.

2. Uncertainty

This volatility causes many executives and employees at least ambiguity, but often even uncertainty, both intellectually and emotionally. Even a meticulous search for information usually doesn't provide the desired remedy here. On the contrary, both too little and too much information can evoke uncertainty.

3. Complexity

The multiple interactions between some known, and partly unknown parameters, make many topics and issues of our time enormously complex. A flood of new scientific findings and ever more differentiated legal regulations additionally increase the degree of complexity. But our brain is not perfectly constructed for that. It constantly tries to reduce complexity. This partly explains the success of politicians who offer simple, black-and-white solutions, branded "The refugees are to blame for everything!" Or "Only diesel vehicles cause particulate pollution of the air!" to offer. Yes, over-simplifiers seem to be experiencing a veritable boom in politics – precisely because of the de facto complexity of the world, which is driving some citizens mad. In addition, many voters wish to be presented with a simple "scapegoat" for complex issues. Albert Einstein said, "Make things as easy as possible, but not simpler!"

An example where the complexity in the life of every person living today has increased noticeably is the choice of a partner. In the past, the choice was limited by geographical and logistical factors alone. A woman of marriageable age in a remote village with 500 inhabitants "only" had the choice of about 3 men of the same age. Nowadays, choosing a partner is very complex. This already begins with the fact that it is easier to search for one's own sexual orientation and redefine it again and again. And then there are countless ways to

live them out: online dating, Tinder or single vacations are just a few of the options that make the whole thing very complex.

4. Ambiguity

Ambiguity means vagueness. The first three letters "VUC" result in the situation that the individual often doesn't even know how to interpret a current situation. Almost every event (E) allows for multiple possible interpretations (I1, I2, I3, ...). The event that my boss doesn't respond to my E-Mail (E), for example, may mean that he doesn't like me (I1), fully trusts me (I2), couldn't receive my E-Mail (I3) or simply forgot to reply (I4). Or something completely different. How quickly and how realistically we interpret events has a big impact on our life's success. Also, the question of whether it is okay for us in principle to not have a simple explanation for everything immediately (= high ambiguity tolerance) or whether this state causes us stress, is quite essential. The ability to withstand the tension of ambiguity is increasingly used as a selection criterion, especially when selecting managers.

Now to the design of changes in the VUCA world. "When the wind of change blows, some build walls, others windmills!" According to this metaphor from China, it's not about stopping the VUCA trends or even bricking them in. Rather, it is a helpful strategy to "resonate" with the new dynamics of the VUCA world. Here are the success strategies in detail, which are summarized by the word "NOPA". N stands for networking, O for openness, P for participation and A for agility.

"NOPA" as a success strategy

1. Networking

Due to the explosive multiplication in knowledge, a single human being is hardly able to familiarize himself with everything and to penetrate the complete complexity of facts individually. A remedy can be a well-functioning network. If I have only a limited knowledge of my own but know which people in my social environment can give me more knowledge, that is very helpful. "It's not what you know, it's who you know!"
Self-employed people, for example, are optimally networked via virtual social networks. Companies are also trying to push the internal networking of their employees in order to counteract the famous "silo education" or departmental egoism in the company. Bosch, for example, has launched its own "internal Facebook" called "Bosch Connect", which is enjoying growing popularity among employees.

2. Openness

Openness has a lot to do with allowing and letting go. The opposite is the total control. This suffocates and paralyzes. Openness, on the other hand, allows mini-experiments, allows new things, allows mistakes. Especially in terms of error culture, much pioneer work is still needed in the organizations. Many executives still view mistakes as flaws and failures. By contrast, if you look at the German words "lernen" for learning, and "Fehler" for mistake, you'll notice that the first three letters of the word "lernen" are already in the last three letters of the word "Fehler". And that's exactly how mistakes should be considered: as learning feedback. As a chance to do it a little better next time. But this requires an openness regarding mistakes. A first step could be that managers are very transparent about mistakes that have already happened to them. This also encourages employees to talk openly about their own mistakes instead of sweeping them under the carpet.

3. Participation

Participation means systematically involving employees in important decisions. We also speak of "empowerment", i.e. the authorization or granting of power.

The authoritarian model of leadership bundles the power of the CEO and turns the employees into recipients of orders.

As a result, the organization is of course only as intelligent as the boss, who makes all the decisions "from above" alone.

In learning organizations, however, the organizational chart is (mentally) turned on its head. This puts the employees right at the top. You get more power and a certain freedom of choice. This makes use of the intelligence and knowledge of all employees.

As a result, the system is more flexible and faster, and the employees are more motivated and more responsible due to the extended authority.

4. Agility

Agility means the cyclic back and forth between planning and implementation, i.e. between "reflect" and "act". Each mini-test is reflected. Each intermediate result is analyzed, and on this basis the next test balloon or the next step is developed. The agile procedure in iterative loops explicitly includes the possibility that a decision made is revised and a path taken is completely corrected. This permanent readjustment promotes adaptability, self-responsibility and reaction speed of all employees and thus of the entire company. Through high agility,

organizations can adapt to changing circumstances and customer needs more quickly, giving them a massive competitive advantage over their competitors.

You can find an entire post on this as a video here.

If you'd like to know more about the methods we use in organizational development and executive coaching, I recommend you my latest book "Coaching (-er) leben" (German only), which I wrote in 2017, together with Ursula Schmitz and Thomas Menthe.

If you would like to learn how to use the NOPA principle and many other tools professionally as an organizational consultant and as an executive coach, you may be interested in our certified coach training. This training has been existing for 10 years and is led by an experienced instructor team.

About the Author:

Dr. Martin Emrich was born in 1974 and holds a doctorate in Psychology. He completed a three-year training in Clinical Hypnosis at the Milton Erickson Society (MEG). Through his admission as a "non-medical practitioner for psychotherapy" (according to HPG), he has the state authorization to work psychotherapeutically with clients as well. As a writer, he has already published over 50 books and magazine articles. Dr. Emrich is accredited by the International Coaching Association (ICA) as a Systemic Business Coach and a Certified Business Trainer according to EN ISO/IEC 17024. The psychologist works worldwide and in five languages as a keynote speaker, executive coach and trainer, mainly on "leadership" and "organizational development". Martin Emrich has three children and lives in Stuttgart.

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