

**Gordon Institute
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Leadership Dynamics in a VUCA Business World

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ABSTRACT

The aim of this study is to identify the leadership dynamics in financial services within the context of a VUCA environment. The study investigated understandings of VUCA (volatile, uncertain, complex and ambiguous) amongst senior executives in South African financial services organisations from both their own perspectives and in the context of being seasoned leaders in wide-ranging divisions in financial services. Face-to-face in-depth interviews were conducted with a group of 15 respondents. The respondents have worked in financial services for most of their leadership journey and in South African financial services organisations.

An exploratory qualitative study was utilised to gain insights into the extent to which financial services organisations have progressed regarding leadership dynamics in the context of VUCA environment in South Africa.

It was concluded, through the development of a VUCA-enabled framework for organisations, that various factors including VUCA causes, business risks, and challenges, contribute to the VUCA environment. Therefore, leadership dynamics -namely skills, competencies, style and approach need to be tested and calibrated with the view of adopting leadership development techniques that are fitting for their contextual VUCA environment. This approach will enable emerging leaders to be VUCA capable for organisational goals and objectives in the short and long-term.

Keywords

VUCA Environment, Financial Services, Business Challenges, Risks, Leadership, Skills, Competencies, Approach, Style, Coaching, Development.

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Name: Raesibe G Mahlomotja

Signature: 

Date: 7th November 2018

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CHAPTER 1: INTRODUCTION TO THE RESEARCH PROBLEM

1.0 Introduction

VUCA is an acronym for volatility, uncertainty, complexity and ambiguity – a concept that originated from the United States military in description of the post- Cold War power relations (Raghuramapatruni & Kosuri, 2017). Raghuramapatruni and Kosuri (2017) discuss how the end of the Cold War created a political and military order more volatile, less certain, more complex and ambiguous such that Cold War planning mechanisms and systems were challenged.

A similar scenario currently exists in the business world where excessive complexity and dynamism challenges past stabilities and planning processes (Sarkar, 2015). In the business world, the VUCA environment is a function of the rapidity of change within the PEST facets (political, economic, sociological, technological forces). Changes transforming the business environment into a VUCA landscape could also be summarised as being due to “...six mega-trends: globalisation, technology, digitalization, individualisation, demographic change and the environmental crisis” (Van Der Steege, 2017:2).

Changes occur so rapidly, without expectations and in unanticipated directions, and have interconnected consequences that affect businesses and entities that normally would not expect to be affected (Van Der Steege, 2017). In the VUCA environment, the volatility, uncertainty, complexity and ambiguity of business situations and problems doubtlessly challenges for leadership skills that enable organisations to respond accordingly. Sarkar (2015) believes that contemporary leadership skills may not necessarily suffice in the VUCA environment and this calls for the establishment of leadership traits that will enable organisations to attain their objectives under a VUCA dispensation.

The VUCA Prime is a counteractive concept of the VUCA environment which seeks to prescribe how leaders should re-interpret the VUCA environment to maintain organisational and situational stability (O'Shea, 2017: Hillson, 2017). VUCA Prime stands for Vision, Understanding, Clarity and Agility (O'Shea, 2017: Hillson, 2017). Instead of seeing vulnerability in the business environment, agile leaders will utilise their vision to manage this vulnerability according to (O'Shea, 2017: Hillson, 2017). The VUCA Prime is newer than the original VUCA concept, hence there is little discussion of it amongst mainstream scholars. All

the same, it appears to be generating interest in the business world and is contributing towards the debate on how leaders can lead in a VUCA environment.

Thus, a VUCA environment calls for new or unique leadership skills that theoretically must match the unstable scenarios discussed above. An anticipated problem is where management lacks the agility required to respond to this environment due to various factors including lack of understanding of VUCA or general poor skilling. VUCA Prime prescribed as a VUCA solution by O' Shea and Hillson (2014) is also new and not comprehensively covered in literature, calling for further research on it (VUCA Prime) and other concepts and solutions that leaders may apply in managing a VUCA environment.

1.1 Background of the Research Problem and Business Need

In 2008, Lehman Brothers (a United States registered investment bank) filed for bankruptcy after facing liquidity and cashflow challenges emanating from investments in sub-prime mortgages. Lehman Brothers' collapse had an unprecedented effect on the world's economy, including on South Africa's (Cheung, Fatum, & Yamamoto, 2018). The disastrous effect the bank's demise had on seemingly uninvolved and unconnected world economies was officially termed the Global Financial Crisis of 2008. In South Africa, the collapse of an overseas bank with virtually no links to any significant economic entity in the country had surprisingly profound effects on the local banking sector and the economy at large (Rena & Msoni, 2014). Rena and Msoni (2014) state that South Africa went into its first recession since 1989 and close to a million jobs were lost, resulting in unemployment levels above 25%. Financial sector entities witnessed unprecedented rises in default rates of borrowed funds while the prices of financial assets in their balance sheets fell significantly (Jongh, Jongh, Jongh, & Vuuren, 2013). Within a short space of time, the banking sector's risk management strategies found themselves unable to cope with the complexities and dynamics of these adverse changes (Jongh, Jongh, Jongh, & Vuuren, 2013).

The 2008 financial crisis described above is a vivid example of volatility, uncertainty, complex and ambiguous situations at a national level. Banking and finance sector managers must keep up with the demands of such environments or risk business failure. Volatility was noticed on asset prices, particularly listed stocks and money market assets. The scenario was uncertain as governments and financial institutions were unsure of how best to respond to the crises. The situation was made complex by the global contagion risk aspect where foreign transmission mechanisms were found to be influencing South African economic dynamics.

Finally, the situation could be described as ambiguous because of lack of consensus on interpreting its causes in the local market.

This particular financial crisis represents an example of the manifestation of a VUCA environment on a grand scale. The same environment can however be replicated on a smaller corporate scale or even on a departmental scale (Van Der Steege, 2017). Notwithstanding varying scales, leadership skills that address the unplanned and unanticipated will need to be more clearly developed - but first they must be identified.

Within the past twenty-four months South Africa has witnessed marked dynamism in its political, economic, sociological, technological, ecological and legal changes that generally created VUCA situations for the financial sector. The Allianz Risk Barometer is a globally accepted indexing of risks that are expected to impact businesses. For 2018, South Africa's risks generally exhibited an increasing trend. High risk environments are common precursors of VUCA scenarios (Sushil, Dhir, & Sanjay, 2018). Figure 1 below ranks the top ten risks for 2018:

Figure 1: Ten Biggest Risks to Business in South Africa in 2018

Rank		Percent	2017 rank	Trend
1	Cyber incidents (e.g. cyber crime, IT failure, data breaches)	38%	1 (30%)	↔
2	Business interruption (incl. supply chain disruption)	34%	2 (29%)	↔
3	Changes in legislation and regulation (e.g. government change, economic sanctions, protectionism, Brexit, Euro-zone disintegration)	27%	5 (25%)	↗
4	Market developments (e.g. volatility, intensified competition / new entrants, M&A, market stagnation, market fluctuation)	23%	3 (28%)	↘
4	Natural catastrophes (e.g. storm, flood, earthquake)	23%	7 (17%)	↗
6	Fire, explosion	19%	6 (21%)	↔
6	New technologies (e.g. impact of increasing interconnectivity, nanotechnology, artificial intelligence, 3D printing, drones)	19%	10 (14%)	↗
8	Climate change/increasing volatility of weather NEW	16%	-	↗
8	Loss of reputation or brand value NEW	16%	-	↗
10	Macroeconomic developments (e.g. austerity programs, commodity price increase, deflation, inflation)	13%	3 (28%)	↘

Source: (BusinessTech, 2018).

The figure above shows the key trends affecting the stability of the South African business environment, ranking cybercrime first. This stems from breakdown in the integrity of information and communication technology resulting from system failures, and data access

breaches that may endanger business. Van Der Steege (2017) also mentions technology being a major VUCA scenario aspect. The second important trend relates to business interruptions. Interruptions include failure of businesses operating due to disturbances such as strikes, and the third trend is pinned to the negative effects of the local and international regulatory environment. The fourth trend relates to an unstable market environment characterised by volatility, increased competition intensity and a declining or stagnant business. With so much happening in the markets, management needs to be able to react adequately to change, ensuring that corporate objectives are attained (BusinessTech, 2018).

It is possible that conventional strategic management tools and frameworks can be applied to the above risks by taking them as part of the macro environment with which the business needs to adapt to or align itself with (Sushil, Dhir, & Sanjay, 2018). However, when these changes are too rapid and unexpected there is a risk that strategic management flexibility may not readily address them. This is where leaders with an ability to manage a VUCA environment become critical (Elkington, Van Der Steege, Glick-Smith, & Breen; Sushil, Dhir & Sanjay, 2018).

1.2 Rationale for Selecting the Research Problem

Leadership dynamics in the VUCA world was selected as a problem for various reasons. Firstly, as exemplified in the financial crisis illustration, the VUCA environment manifestations can result in consequential damage if not managed effectively – this management requiring adequate leadership capacity. For the purposes of developing the capacity to manage the VUCA environment, it is critical that the leadership dynamics required for such a situation be known and understood. For instance, there is the need to appreciate leadership roles, responsibilities and traits that are necessary for embracing change and uncertainty in a responsible manner within a volatile situation.

Secondly, the study appreciates the view that VUCA is generally a new concept in comparison to traditional leadership-related disciplines such as strategic management (Van Der Steege, 2017). This novelty challenges the need for information that will aid in clarification and better appreciation of this environment. Combining the first two reasons for selecting the problem, the researcher is faced with a highly consequential management phenomenon that is complicated by its newness. Information on VUCA and the leadership dynamics required to manage it is not readily available within the South African context. This poses a challenge of

documenting how leaders may need to react to, and manage, VUCA environments and their manifestations.

A third reason for selecting the VUCA-leadership dynamics problem is the generosity ??? of its divergence with widely accepted strategic management principles. Strategic management calls for setting up of stable, long goals and objectives that enable the organisation to adapt to its environment (Van Der Steege, 2017). VUCA, on the other hand is also concerned with adaptation to the environment albeit at a rapid pace where strategic options are not always clear (Elkington, Van Der Steege, Glick-Smith, & Breen;2018).

1.3 The Scope of the Study (delimitations)

The delimitations illustrate the shortfalls and constraints of the research study and define its scope. The research focuses on leadership capabilities of leaders from financial services industry in Gauteng (Johannesburg), South Africa, namely from First National Bank, FirstRand Group, Ashburton Investments, Motor Finance Corporate-MFC (a subsidiary of Nedbank group), Standard Bank, Absa Bank, Tyme Digital Commonwealth Bank of South Africa and their subsidiary companies. The managerial experience of the targeted leaders will range from five to thirty years. These candidates will be able to respond from a leadership perspective and will also be able to relate to how VUCA has affected them in at least the last five years.

The research is limited to Gauteng, which is the location of the head offices of the respective banks and their subsidiary companies. The scope is limited to banks and their subsidiary companies given the financial services sector is a high contagion area, the industry is classified as a high managerial risk and highly prone to VUCA. Therefore, the financial services sector is one area where adaptation is urgently required (Ernest &Young, 2015).

1.4 Relevance of the Research Topic for Business and Academia

The topic is relevant considering that the South African business environment generally conforms to what the cited scholars (Van Der Steege 2017, Elkington, Van Der Steege, Glick-Smith, & Breen, Sushil, Dhir & Sanjay, 2018) associate with a VUCA-prone environment. In this environment, it becomes important to appreciate the readiness of the business leadership to manage rapidity and dynamism associated with VUCA. For this to be achievable, additional

knowledge on the actual leadership dynamics – roles, responsibilities, traits, abilities and capacities - is required.

a) **Problem Statement**

The problem statement of the proposed study can therefore be summarised as the need to appreciate the leadership-changing aspects that will enable modern financial sector managers to effectively manage volatility, uncertainty, complexity and ambiguity.

1.5 Research Questions

This study pledges to respond to the following three research questions proposed in expectation of finding common themes illustrating the specific roles, responsibilities, traits, abilities and capabilities that leaders need to navigate the VUCA business world.

a) **Research question 1 (RQ 1)**

What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) environment?

b) **Research question 2 (RQ 2)**

What are the business challenges and risks within financial services, in the context of VUCA environment?

c) **Research question 3 (RQ 3)**

What are the skills and competencies critical for leaders within financial services in the context of VUCA environment?

d) **Research question 4 (RQ4)**

What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?

1.6 Conclusion

This segment introduced the concept of the VUCA environment and explained its relevance and importance in the modern-day financial sector and the business world at large. VUCA is relevant because of the noted trends that indicate that the SA business environment is not

very stable and is susceptible to both local and international negative changes. VUCA Prime, a new concept attempting to address how leaders should response in a VUCA environment was summarily discussed. The segment also stated the research objectives of this study and the research questions emanating from these objectives. Because these changes may have a severe effect on both the economy and individual businesses it was found relevant to research the leadership aspects that financial sector leaders must embrace to manage this environment. The next segment reviews various sources from the literature that discuss the VUCA environment and related concepts.

1.7 Layout of the Research Report

The remainder of the research report is outlined as follows:

- a) Chapter 2 covers the literature review focusing on a critical review of leadership, leadership styles, leadership skills and competencies, leadership approach or style, leadership development and coaching, defining VUCA environment and comparing it to other business environments.
- b) Chapter 3 covers the research questions, drawing on themes that arose from the literature review in addition to the rationale and relevance of the study as explained in this chapter.
- c) Chapter 4 describes and provides the rationale for the chosen research methodology while Chapters 5 and 6 present the analysis of the results and discussion of results respectively.
- d) In conclusion, Chapter 7 presents the critical recommendations for organisations and relevant stakeholders, research limitations and lastly recommendations for future research.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

This chapter provides an overview of literature that has been published on leadership within a VUCA (volatility, uncertainty, complexity and ambiguity) environment. It starts by defining leadership and goes on to establish the understanding of a VUCA environment while comparing it to other business environments. The literature additionally discusses business challenges and risks, leadership competencies and skills, leadership approaches and lastly leadership development and coaching within the context of VUCA environment.

2.1 Definition of Leadership

2.1.1 Definitions of Leadership

While Northouse (2018) defines leadership to entail influence that short of which leadership is non-existent, leadership is the ability of an individual or a group of individuals to influence and guide followers or other members of an organization, Kesting, Ulhøi, Song, and Niu (2016) define leadership to entail the interaction between group members to influence individuals' behaviour and attitudes for the sole purpose of achieving set goals. The Merriam-Webster (2018) dictionary defines leadership to mean the ability or power to direct other individuals towards a shared vision or goal while Vicky and Martin (2018) maintain that there are four (4) different methods of defining leadership to include; leadership as a position, leadership as a person, leadership as the result, and leadership as the process.

Ndalamba, Caldwell and Anderson (2018) propose that people must look at the person (character) to define leadership. There are five (5) basic leadership ingredients to include; passion, the directorial vision, curiosity, daring and integrity. Leadership denotes the practice of societal influence that maximizes other people's efforts towards achieving the set goal. This paper defines leadership to mean the process, persons or agents-of-change whose actions affect the rest of the people rather than the acts of these other people affecting them. In the contemporary and changing international environment, leadership has answers to organizations' and peoples' success as well as sectors, nations, and regions progress.

2.1.2 Critical Review of Leadership and the Styles of Leadership

There is a need to understand the key styles of leadership if one is to appreciate the concept of leadership and fully appreciate what virtuous leadership entails. Antonakis and Day (2017)

state that for any person to be held up as an effective leader, they must efficiently manage the availed resources. Leadership calls for certain traits that extend past the usual management responsibilities.

2.1.2.1 Charismatic Leadership

Max Weber developed the concept of Charismatic leadership by suggesting that certain leaders possess charisma, the flair of extraordinary qualities that permits them motivate their cohorts to realize exceptional performance (Grabo, Spisak & Van Vugt, 2017). Joosse (2017) maintains that in any organizational setting, Charisma trait separates true leaders from ordinary managers. In addition, the most important feature of such charisma remains the capacity to animate, inspire, enliven exalt or stimulate emotions. Charismatic leaders create motivation atmospheres based on the emotional identity and commitment they have to the philosophy, style, and vision of their followers (Kesting, Ulhøi, Song & Niu, 2016). Charisma is the exceptional quality which permits a leader to maintain and mobilize organization activity by joining individual characteristics and actions. Charismatic leadership, therefore, is the mixture of individual magnetism and charm to provide the leader capacity to see others endorse the vision of the leader and passionately promote that vision.

Northouse (2018) is of the view that personality features of charismatic leadership entail dominance, self-confidence and the strong craving to inspire the rest. Charismatic leadership also consists of strong ethical values. Energizing, enabling and envisioning are, therefore, the three key behaviours that differentiate charismatic leadership from the rest of leadership. Envisioning comprises of generating a preferred future state of affairs. Energizing denotes to motivating and creating dynamism in the organization members. Energizing entails expressing own individual excitement through undeviating personal interaction with organization members. Enabling comprises of availing emotional backing to an individual in their attempt to accomplish an undertaking. Enabling is achieved through the expression of listening and empathy to people's needs, sharing and understanding their outlooks and conveying confidence in the ability of the individual to effectively perform and meet challenges (Bakir, 2017). Charismatic leadership is insufficient but necessary for actual organizational re-organization or transformation. Therefore, charismatic leadership requires complementing of the rest of leadership abilities.

2.1.2.2 Transactional Leadership

Kark, Van Dijk and Vashdi (2018) describe transactional leadership to mean the social-exchange process between leaders and followers that encompasses reward-centred transactions. The leaders clearly tell the followers all that has to be undertaken to realize the preferred outcomes, as well as ensure the workers have all needed resources for completion

of the work. In this style of transactional leadership, a leader is exceptionally dependent on the contingent rewards, punishments and management. Delegach, Kark, Katz-Navon and Van Dijk (2017) contend that any leadership founded on the transactions amongst the followers and leader amounts to transactional leadership. Transactional leadership suits best the phase of project implementation at the company but is not suitable for new idea stimulation. While transactional leadership is right for the incremental innovations, transformational leadership is suitable for drastic innovation. Transactional leadership has shortcomings such as if the leader loses status and is regarded as ineffective by followers when rewards fail to materialise.

2.1.2.3 Transformational Leadership

In 1978, James MacGregor introduced the transformational leadership concept (Anderson, 2017). Transformational leadership arises when a person or two engage others in a manner such that the followers and leaders elevate each other to advanced morality and motivation levels. Giddens (2018) maintains that the goal of such leadership is literally to convert people and organizations, and to improve insight, understanding and vision. The leadership entails changing the hearts and minds of individuals; crafting behaviour consistent with the principles, values or beliefs; and explaining purposes and cause alterations that are self-generating and permanent. Charismatic leadership forms the foundation to transformational leadership and is thus almost interchangeable (Kesting, Ulhøi, Song, & Niu, 2016). The vision of transformational leaders persuades employees to labour harder and accomplish the envisioned goals.

In the context of innovation, the impact of transformational leaders on followers is quite comparable to the charismatic leadership concept. The justification is that the transformational leader similarly raises inherent motivation; increases self-value and raises followers' expectations on performance and alters their self-perception (Kesting, Ulhøi, Song, & Niu, 2016). Transformational leaders display idealised charisma or influence, inspirational manners, intellectual motivation and individualised reflection. These are distinct features that characterize four basic behavioural apparatuses of transformational leaders (Chow, Salleh & Ismail, 2017).

2.3 Understanding of VUCA Environment

2.3.1 Brief history of VUCA

The acronym VUCA (volatility, uncertainty, complexity and ambiguity) was first employed in 1987 to reflect or describe the complexity, volatility, ambiguity and uncertainty of the general

situations and conditions in Nanus Burt and Warren Bennis' leadership theories (Swanwick, 2017). In 1991, the Army-War College of US introduced the VUCA concept to define the new uncertain, volatile, ambiguous and complex multilateral universe apparent at the close of the Cold War. The frequent discussion and use of VUCA began in 2002 military learning. The military uses VUCA to describe the extreme situations in Iraq and Afghanistan which were entirely new and dramatically altered the nature of warfare (George, 2017). Today's current environment of business has similarly transformed, with continual change now a given. VUCA consequently takes root in developing ideas in leadership and organizations.

Today, authorities and companies operate in such fast-paced environments and, accordingly, must adjust their services and products and their manner of production, promotion or selling. Companies must endeavor to remain preemptive by envisioning the future and continuously develop services and products for that world. Other than services, processes and products, the style of company leadership needs similarly to change fundamentally (Alkhaldi et al., 2017). Different models of business, different company structures, different worker profiles, and new manners of collaboration and leadership need to be developed.

2.3.2 Causes of VUCA

Many change agents have been identified by scholars as being the major cause of VUCA manifestations. Raghuramapatruni and Kosuri, (2017) claim that VUCA-related change occurs on a facade of the PEST model – political, economic, sociological, and technological. Sullivan (2012) concurs with Lawrence (2013) that the increasing instabilities of the global financial systems – including the 2008 global financial crisis - can trigger cross-sectorial and multi-national VUCA instabilities.

The role of technological change in VUCA is also widely discussed with several scholars agreeing that technological manifestations play significant roles in VUCA. Lawrence (2013) cites the advent of the digital world and its need for global connectivity as technological forces that have transformed the modern business environment into a VUCA world. Lahiri, Pérez-Nordtvedt and Renn (2018) also attribute VUCA manifestations to the effects of new technologies. They extend the view that disruptive technology and subsequent technological changes in response to competition had intense effects on how organisations the world over reacted. Lahiri, Pérez-Nordtvedt and Renn (2018) also list globalisation as a factor advancing VUCA scenarios, particularly its competitive effects. Organisations need to react to a wide array of competitors across borders, each applying different competitive methodologies that can upset previously attained and seemingly well-fortified market positions. Simplistically, the inability to predict how the markets will be and how the world will react to technological changes are key parameters in VUCA manifestations (Lahiri, Pérez-Nordtvedt, & Renn, 2008).

2.4 Comparing VUCA Environment to other Business Environments

Rodriguez and Rodriguez (2015) state that the key contrast between VUCA environments and other business environments is the strategic thinking in VUCA environments as opposed to the strategic planning in more traditional business environments. Strategic planning has little or actual tactical thinking, and can, in fact, be reduced to some routine and predictable exercises carried out every few years. The practice includes leaders taking the already decided strategic company direction and deciding on ways to reconfigure the company to align it with such direction. Such strategic planning reveals little contemplation on future reinvention and creates a comfort zone for the business rather than introducing an element of uncertainty about an unknown future. On the other hand, strategic thinking in VUCA environments entails creating procedures to adapt and understand changing situations. It differs from the usual cognitive approaches of the effect of trends, markets and such other exterior aspects on the organisation including ways leaders react to such changes. Strategic thinking also covers different approaches and perspectives to dealing with current and future environments that leaders operate in, as both organisation leaders and as individuals (Kaivo-oja & Lauraeus, 2018).

Unlike other business environments that concern finite moments, specific periods or conditions that can be researched, considered and resolved within established timeframes, VUCA environments are constantly altering. Leaders are challenged to reach conclusions, develop strategies and then execute them on an everyday basis. The concept represents a situation where organisations and leaders analyse existing conditions to anticipate future operations (Yaw, 2018).

Sunnie (2018) maintains that VUCA environments concentrate more on self-organisation than hierarchy in the other business environments. The VUCA environments focus on push pronouncements down to the organization's edge where data, register, line of production, call centres, and the sales representatives are fresh and salient. Unlike other business environments that concentrate on protecting data, VUCA environments focus on data democratization, and make frictionless any communication to enable workers to reach decisions. Unlike traditional business environments where perfection is essential, speed matters more in the VUCA environments. More modest procedures are used to reach quick conclusions rather than the more perfect analysis in traditional corporate environments.

2.5 Business Challenges and Risks under VUCA Environment

2.5.1 Volatility and dealing with the effects of ICTs and other technologies

Du and Chen (2018) maintain that the use, influence and overall ambiguity of technologies have caused a higher prioritisation of the online debate in businesses. While technologies offer openings, opportunities and efficiency, they are very disruptive in nature and pose a virtually continuous threat to conformist businesses. By constantly providing scale and diversification opportunities, the developing technologies in communication form a predominant influence on leadership and development.

2.5.2 The shortages in international skills and uncertainty

While McKinsey (2018) predicts a likely 40-million unavailability in high-skilled personnel by the year 2020, there is an increasing contest to find and retain the best talent. While leadership remains a serious issue in organisations, there is a developing crisis concerning the lack of forthcoming leaders. The ageing population has led to shrinkage in the worker pool and that although professions are shifting, companies do not have the capacity to market and recruit the “complete graduate” with the varied and technical talents required to fill the gap in skills (Mamabolo, 2018). The Leadership and Development and the Human Resource managers have the talent recruitment and retention responsibility – to develop current and fresh workers into talent that fills such voids and leads the company into the future. In the uncertain and fast pace VUCA environment, development of leadership ranks highest in the future projections of prominent companies.

2.5.3 Complexity of the increased laws and regulation

Sharif and Irani (2017) contend that regulation of an industry is a vital driving feature for development and learning because laws trigger commissioning of advanced training. Events, like the current global financial crisis, keeps pressure on safety, risk and augmented regulation that has in turn, influences Leadership and Development. The growing visibility and transparency of international actions also occasions compliance. Global safety and accountability are a fundamental risk to multinational companies while compliance education and training offer a way to standardising the procedure at the international scale. While industry and international regulation never essentially pose as a direct, constant risk to every business area, the regulation certainly impacts on several business initiatives and decisions (Mamabolo, 2018).

2.5.4 The ambiguity of the company-wide style of leadership

Codreanu (2016) maintains that companies must figure out how to explore ways of developing and retaining tomorrow’s leaders while also providing leadership that is of an advanced quality

to the broader audience. Historically, leadership education and training have covered training of leaders; however, a drastic change is needed due to the absence of future leaders currently. With skills becoming important on all company levels, the current leadership skills and messages must spread wider and deeper into the organisation since they do not have top-down filtering capacity (Saleh & Watson, 2017). Essentially, it is all about organising more operational training that brings lasting transformation without causing a massive elevation in the cost of training for each person. Kaivo-oja and Lauraeus (2018) state that regardless the prevailing VUCA environment, an investment in the company leadership bridges the gap in skills, deals with the technological influence and helps take the company into the projected future.

Codreanu (2016) points at traditional organisational structures that can be barriers to agility. Traditional hierarchical bureaucracies prevented leaders from quickly taking decisions and actions that could avert adversity in VUCA situations. Additionally, organisations that prioritised routine behaviour with rigid systems that made risk taking impossible were less likely to be agile. Dartey-Baah (2015), on the other hand, believes that VUCA competent leaders are not necessarily restricted by organisational structures. Rather, they are able to navigate across different organisational structures as well as adapt to immediate organisational structural changes.

2.6 Leadership Skills and Competencies under the VUCA Environment

2.6.1 Resilience

Dartey-Baah (2015) maintains that the resilient leadership theory states that the behaviours of leadership must help the rest of the people (employees) endure catastrophe and rebound or adjust accordingly to adversity. There is a blend of eight traits, skills and behaviours that help leaders construct resilient companies. They must have the capacity to continuously back the strong mission of the organisation to construct a greater acceptance of any uncertainty while also improving worker satisfaction. Under the VUCA environment, leaders must prevail as constructive role models for the strong ethical principles and fundamental values of the company. Integrity and genuine optimism are traits of leadership in this environment.

Leadership under the VUCA environment must have the capacity to handle fears and change. They must try to understand the reasons for any possible resistance, inspire advancement of the organisation's strengths and convince staff to embrace upcoming changes. The other leadership competence required is the capacity to recruit effective members for the team. The

capacity to construct social backing and group unity is also important. Inter-dependent teams are effective worker networks in the organisation and are effective at solving complications and realising coordinated activities. Empowering co-dependent teams assists in increasing capabilities of leadership in the organisation and strengthens worker cohesion (Besley, Persson & Reynal-Querol, 2016).

2.6.2 The Light Footprint Strategy

The Chinese strategy of management and military tactics inspired the Light-Footprint approach the offers seven leadership skills for operating in a VUCA environment. The approach also offers five key leadership competencies for success in the VUCA environment (Cutler, 2017). The first leadership skill is not being a planner but a “Strategus.” The leadership must arm itself with the broader picture to offer a guiding company vision. Leaders must command with strategies as well as consistency towards realising the set vision (Cutler, 2017). The second skill is that leadership must monitor the structure of the organisation, take notice of the knowledge, wisdom and skill areas before mobilising their workers around some shared objective. The leadership must retain constant equilibrium between any conflicting philosophies (Mack & Khare, 2016). Such enlightened leadership is pragmatic rather than idealistic in that it prefers to better things as far as it has the authority to do so (Mannherz, 2017).

2.6.3 Liberal, exuberance and partnership skills

The L.E.A.P model offers four fundamental competences that leaders require to operate in a VUCA environment. The L.E.A.P model is an evaluation or assessment framework for identifying opportunities for development and strengths to turn into a more interpersonally, personally, motivationally, and organizationally agile person (Guthrie & Meriwether, 2018). The indicated traits of leadership include liberalism and leaders must be open to new opinions or behaviours and be prepared to discard or adapt prevailing values when and if necessary to acclimatise with the new world. In the VUCA environment, the leadership must be exuberant and occupied with dynamic energies with some intellect of optimism and passion in the engagement of worker teams and the rest of stakeholders. Mannherz (2017) believes competently changing and evolving the organisation with the next-generational competencies of leadership entails critical-thinking, cognitive willingness, and social and emotional intelligence among other competences. Partnerships are the other skill leaders need - being able to build a trust-centred corporation with the intra and inter teams and also outwardly with the rest of the stakeholders like suppliers and customers.

2.6.4 Visionary leadership

Raymer, Dobbs, Kelley, and Lindsay (2018) maintain that the business leadership of today must possess the capacity to see beyond the prevailing chaos and have some perfect vision of their companies or organisations. They must describe the organisation's direction, values strategy and mission, and create transparency so that every stakeholder finds the true direction in the event of circumstances throwing them off course Raymer, Dobbs, Kelley, and Lindsay (2018).

2.6.5 Understanding

Kaivo-oja and Lauraeus (2018) state that under the VUCA environment, leadership requires in-depth appreciation of the strategies and capabilities of the organisation to assume benefit of rapidly altering circumstances. Leaders must listen to everybody as listening to only the opinions and sources of information of supporters carries the threat of losing out on alternative viewpoints. Direct engagement with company employees and customers is essential and Du and Chen (2018) state that leaders have to spend some time in their markets, factories, retail shops, centres of innovation as well as in the research laboratories and general workplaces chatting with people.

2.6.6 Courage

Hess and Ludwig (2018) claim that leaders must be courageous in reaching daring pronouncements within the VUCA environments. They must dare to take risks and go against the grain. They cannot afford to keep using traditional management techniques while avoiding criticism and risk – in fact, the greatest risk is to avoid risk. This era belongs to the bold, not the meek and timid. Jamil and Humphries-Kil (2017) believe that courage entails selecting to undertake the correct thing in challenging circumstances. When leaders focus more on improvement than on whether it is smart enough, they learn more. Therefore, with courage and a cognizant resolve, the leadership has the capacity, under the VUCA environments, of understanding the working world better.

2.6.7 Adaptability

Bawany (2016) states that leadership needs more flexibility in VUCA environments. Often, the Long-series strategies are outdated by actual implementation time. For fast adaptation to varying external conditions, flexible strategies are required without modifying the tactical course. Leaders must multiply contingency plans while also preserving a strong balance sheet to handle the unforeseen proceedings (Elkington, Pearse, Moss, Van der Steege & Martin, 2017).

2.6.8 Performance

As is expected of today's athletes and sportsmen, the rise of neurosciences and recollection of the many years of wisdom to self-restraint people's minds, leadership in the VUCA environment must be as physically, emotionally and mentally ready to perform. The performance must fuel self-development to continuously expand ability of the employees' brains to generate, discover tenacity, incorporate their many existences and prevail in accordance with the purpose and principles of which they believe they have been recruited (Codreanu, 2016).

2.6.9 Collaboration

Chawla and Lenka (2018) contends that leadership must have collaboration competencies. The collaboration must fuel harmony across ever-changing company boundaries because in this new environment, the authority of a single permanent leader no longer drives the ever-changing digital worker teams as well as shifting lines of operation. Collaboration involves an "all hands-on board" attitude to deliberate new opinions and develop new models together. It consists of new communication forms that transcend from the top downwards. Courage and generosity are essential to inspiring individuals to greater heights, even if they are unwilling. Democratic leadership facilitates collaboration, conflict administration, and teamwork (Chawla & Lenka, 2018).

2.6.10 Innovation

Kaivo-oja and Lauraeus (2018) contend that the innovation of leadership that inspires short-term thinking strategizing is insufficient in the VUCA environment. New notions are needed to counter an ecosphere that is repeatedly disruptive and ever changing. Strategies based on the stagnant 5-to-10 years of product, competitor and market analysis are no longer enough. Leadership must have the capacity to conceive and to energise its workers, while keeping the company profitable and anticipating both success and failure in the world through constant experimenting.

2.6.11 Agility

Alkhaldi et al. (2017) contends that agility which fuels enactment in the new unsettling world empowers people to acquire new implementing approaches. Oddly, the best militaries in the world that offered several years of control and command, teach people what amounts to agility. In creating the company strategy, agility of leadership entails equipping oneself with technologies that use the intelligence in the actual field that the field authority becomes as important as the boldness at the company headquarters (Wilson and Smith, 2016). The strategy must constantly change as the mindfulness of necessities grows. Leadership must then adapt the strategy for effective deployment at all the necessary levels of the company.

As the aptitude flows in every direction, leadership must use influence down, up, diagonally, and across the company (Saleh & Watson, 2017). Leadership must trust their Intuition to avoid being astounded by such data absence or overabundance.

2.7 Leadership Approach and Style under VUCA Environment

2.7.1 Leadership under VUCA Environment

The VUCA environment strains traditional leadership abilities in organisations as scenarios that cannot be easily and urgently managed can suddenly emerge, putting organisational performance at risk (Bennet & Lemoine, 2014b). It also makes previous problem-solving techniques obsolete thereby challenging quickly-crafted yet effective methods of addressing surprise situations (Cockburn & Smith, 2016). Business and operational models are also challenged often resulting in the models and frameworks that were successfully applied in the past, now being rendered obsolete (Raghuramapatruni & Kosuri, 2017). Within this environment, the ability to deploy leaders who have the skill and expertise of crafting effective solutions in a fast changing environment is critical (Raghuramapatruni & Kosuri, 2017). The pair identify a possible set of solutions that can prepare leadership teams for the VUCA environment. These are creating environments that value diversity of thought, experimental learning and openness; searching and identifying learning gaps that affect VUCA adaptation and “strengthening thoughtful decision-making”.

2.7.2 The Resonant Style of Leadership

Chawla and Lenka (2018) claim that resonant style of leadership has a positive and predictive relation with a learning company and will thrive well in a VUCA environment. Leadership that is emotionally intelligent inspires the rest by building cooperation, satisfaction, and trust. Emotional intelligence explains the 86 to 90 % differences in average and outstanding leadership. The concept similarly affects the business climate and culture that occasions the 30 % of company performance. Leadership with constructive emotions and moods influence their followers by perceived efficiency thereby reinforcing positive behaviours. A higher demonstrative climate in the organisation causes creativity, generation of ideas, learning readiness as well as the change and learn adaptability. For that reason, leaders that are extraordinary on expressive intelligence rank as sensible decision makers, back effective group performance and labour in worker teams.

Brendel, W., Hankerson, S., Byun, S., and Cunningham (2016) state that resonant leadership develops the character through compassion, mindfulness, and hope. Mindfulness needs

people to stay vigilant. Hope alludes to the time the person has capacity to structure an appropriate future. The concept of compassion means individuals showing soreness. Under the VUCA Environment, resonant leadership handles the pressure through the control of own emotions to send followers positive communications. Such leadership follows diverse leadership approaches that boost performance and generates resonance. Grunberg, Barry, Kleber, McManigle and Schoomaker (2017) state that the approaches include visionary, affiliative, coaching, and democratic. Visionary leadership sets free its followers to experiment, innovate, and assume possibilities. Coaching assists workers to appreciate their weakness and strengths. Affiliative leadership style promotes friendly collaborations and harmony. Democratic leadership enables collaboration, conflict administration, and teamwork (Chawla & Lenka, 2018).

Caton-Hughes and Hughes (2017) believe that the above approaches similarly aid in conveying fresh viewpoints into the situations facing organisations, individuals, and teams, thereby assisting them in maximising potential opportunities. Resonant leadership has compassion and builds lasting relations with teams, the organisation and people culture. This kind of leadership inspires followers through displaying dedication, commitment, and apprehension for the followers (Smit, 2017). Leaders with great emotional intelligence remain great players and demonstrate an intellect of company commitment. The leaders share power, information, ideas and recognise others' achievement (Lenka & Tiwari, 2016). As a result, resonant leadership become agile and comfortable with the VUCA environment through concentrating on management inconsistencies.

2.7.3 Transformational leadership

The transformational approach to leadership conveys tremendous self-assurance and generates an intellect of shared vision in the followers. Leadership that conforms to the transformational style gets workers to challenge the prevailing status quo.

The style encourages workers to probe their own approaches and develop techniques to further them (Kark, Van Dijk & Vashdi, 2018). Intellectual motivation assists leadership in encouraging its followers to be creative and innovative. VUCA generations possess a higher capacity to handle vast information and display business initiative than previous generations (Chawla & Lenka, 2018).

The role of leaders is to assume strategic activities and interventions to guarantee learning in the company. Leaders and managers manage their process of learning by continuously adjusting and designing various management processes and practices. Supportive and transformational leadership creates necessary conditions for the promotion of learning on all company levels. The leadership must act as the primary agent of change and show

commitment and confidence in the promotion of trust in the company's staff. In the VUCA environment, transformational leadership entails working towards constructing an attitude, mind-set, and behaviour of leading and living. For that reason, leadership focuses on talent and energy to realise learning distinction (Saleh & Watson, 2017).

Kesting, Ulhøi, Song, and Niu (2016) state that extraordinary leaders are transformational and serve to motivate workers through personal, intellectual, consideration, idealized influence, stimulation and inspiring motivation. Personal consideration means the extent to which leaders listen to the needs and concerns of their followers. Intellectual inspiration consists of the leadership encouraging its followers towards creativity and innovation in accomplishing their tasks. Inspirational incentive is the extent to which leaders communicate optimism to encourage followers in achieving company objectives. Idealized inspiration is the extent to which values of leadership are absorbed by company followers.

Chawla and Lenka (2018) contend that in the transformational style of leadership, behaviour is consistently linked to leadership satisfaction that all workers. Through initiatives of Development and Learning, structured efforts train leaders in transformational conduct. Transformational leadership similarly improves the making of decisions and worker development. The behaviours are a good model for dealing with the VUCA multi-generational labour force. Generation Y leadership is deemed ill-prepared to guide the company workforce under the VUCA environment (Chawla & Lenka, 2018). Consequently, companies must capitalise on mentoring, developing and coaching the needed talent (Chow, Salleh & Ismail, 2017).

Dartey-Baah (2015) studied the transformational leadership style and concluded that it resonated excellently with the leadership requirements of a VUCA environment. In Dartey-Baah's definition, transformational leadership involves the application of high moral and ethical standards in leadership practices, using these to inspire followers to embrace the organisation's objectives. According to Dartey-Baah (2015), the style already offered a solution on how leadership should behave under VUCA making it unnecessary for organisations to keep on searching for alternative styles. Important VUCA enabling characteristics under the transformational leadership style were, "strategic thinking, emotional intelligence, adaptation/change orientation, learning, performance orientation and collective leadership".

Sarkar (2016) however believes that the transformational leadership style is only but a part of the theoretical approaches that organisations can apply to navigate the VUCA world. Sarkar points to the servant and the authentic leadership styles as being equally important because

of their combination of ethical and societal concerns with the need for swift responses, networking and business environment knowledge. All the same Dartey-Baah (2015) refutes differences amongst various positive leadership theories, arguing that they are all very similar to the transformational leadership theory, their differences being largely semantic.

In summary, the transformational style of leadership in the VUCA environment is more a personal characteristic than a behaviour characteristic with which people may be instructed. (Northouse, 2018). The leadership builds a shared vision and empowers its followers to labour towards attaining that vision. With such energy and vision, the followers nurture eagerness and the willingness to adopt fresh responsibilities and roles. However, all the above efforts are for the interim orientation; any changes to happen in the VUCA environment require lasting leadership with good structure and discipline beyond the ordinary roles in the transformational style of leadership. It can, therefore, be stated that the resonant style of leadership visualises a happier future for the business and communicates the vision with compassion and resonance. The style paves the way to achieving an everlasting positive mood (Sanjay & Sushil, 2018). These leaders focus on self-awareness, task reflexivity, and learning from past failures. They become resilient critical thinkers who embrace a mind-set of change in the VUCA environment.

2.8 Leadership Development and Coaching under VUCA Environment

2.8.1 Leadership development

Leadership development must focus on developing competencies that enable leaders to achieve in a VUCA world rather than on roles they must play (Hall, 2016). Lawrence (2013) however believes that less focus should be placed on developing “behavioural competencies” as is the current scenario in most organisations. Moore (2014) suggests that focus should be placed on developing strategic thinking capabilities – or the capacity to enhance one’s strategic thinking under VUCA. These, in Moore’s view were still relevant and powerful enough to capacitate a leader in navigating the VUCA environment.

Raymer, Dobbs, Kelley and Lindsay (2018) contend that within the VUCA environment, the perspective of leadership development needs exceptional customised approaches and a transition from the organised learning methods like the worker-training courses towards customised strategies of learning, often termed Customized-Vertical Development (explicit work obligations, directed programmes of mentorship and self-engaged studying). Leaders need to learn how to adequately organise themselves for challenges in future governance

Damiano Silvia and Associates created the i4 Neuroleader as a model of individual leadership with the human brain at the center, four main competencies of agility, collaboration, performance, and innovation. The i4 Methodology ranks as a contemporary leadership well-being and development framework, which permits teams, organisations and individuals to rethink and push their present practices of business and leadership while ascertaining the required inner fundamental abilities for leadership in the global, complex innovation economies. This model covers body and brain processes often overlooked in organisations and leadership skills like intuition, inspiration, integration and imagination of strong brain roles. It measures traits, abilities, attributes and attitudes that can simply be observed, self-evaluated, and appraised by others. Inspiration, Intuition, Integration and Imagination are core i4 pillars that develop to expose 16 competencies of leadership development (Damiano, Cubeiro & Haas, 2014).

2.8.1.1 Individual versus collective leadership development

Rodriguez and Rodrieguez (2015) state that instead of developng leadership skills in each person, leadership should be developed collectively in work teams. They justify this view by stating that leaders within VUCA environments work in teams and networks rather than as individuals, making their ability to network and connect as team members critical. Dartey-Baah (2015), whose arguments have been captured earlier, describes this situation as collective leadership where it is no longer up to every leader to lead independently but rather up to leadership teams working in cohesion with their followers.

2.8.1.2 Vertical versus horizontal leadership development

Raghuramapatruni and Kosuri (2017) suggest that business should focus on the vertical development of leaders rather than their horizontal development. Vertical development empowers leaders to function across varying situations akin to VUCA environments while horizontal development only focuses on equipping leaders with abilities to do their regular jobs and manage standard operations. Raghuramapatruni and Kosuri (2017) also state that organisations need to come up with innovative leader development initiatives, especially those that promote collective rather than personal leadership under VUCA scenarios. White (2011) however disagrees and believes that both the horizontal and vertical developments facets are critical. White further argues that the abilities to integrate the horizontal and vertical aspects of leadership development, with varying complex and dymanic environments under which leaders may lead, create leaders who are ready to conquer the regular instabilities of the business environment.

2.8.2 Leadership Coaching

Carvan (2015) maintains that the core of leadership coaching is to help leadership free itself of predicaments and help them transmit all they have learnt into company results. Executive

coaching entails developmental relations that are vital in assisting the leadership support their learning capacities at a scale and pace required for contemporary workplaces. Traditional coaching involves experienced colleagues backing an extraordinary worker by assisting them circumnavigate the political structures of the organisation. The mentors offer mentees planned assignments with visible achievements and avail ongoing feedback and direction for constant enhanced performance. Wilson and Smith (2016) claim that even though there is a contention that the meanings are easily confused, in today's resource-deprived and fast-moving environment, there is constant integration of coaching and mentoring. For purposes of this research, all generally-accepted, forms and descriptions of mentoring and coaching are accepted.

2.9 The roles of academia in leadership development

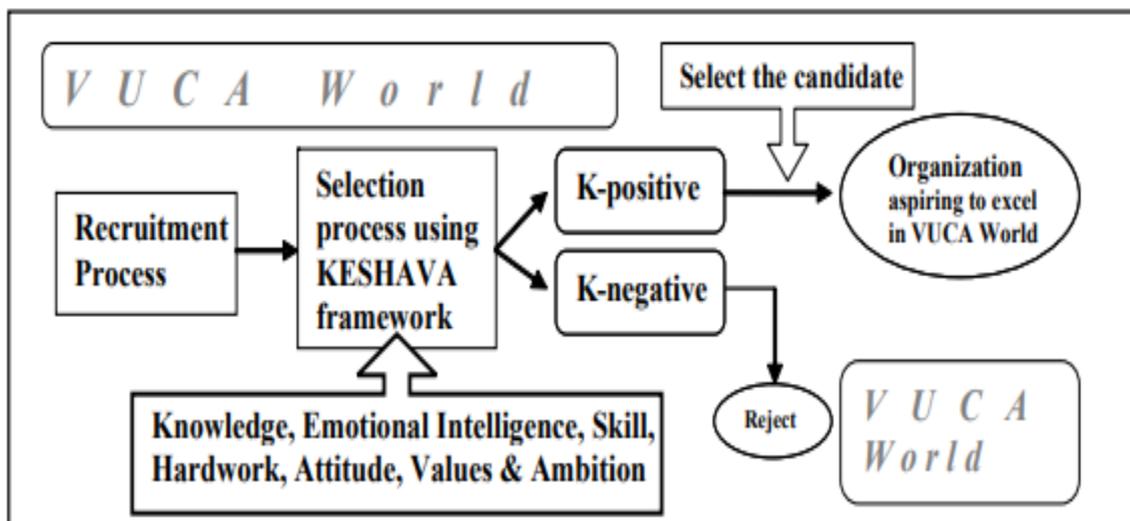
Hall (2016) opines that challenges being faced on developing VUCA-agile leaders stem from the newness of the phenomenon. VUCA's acceptance and familiarity in mainstream academia is still growing. Unfortunately, changes in the real world are occurring at a faster pace than the corresponding academic development, leading to the latter lagging behind (Hall, 2016). Hall further states academic syllabi need to incorporate VUCA as a phenomenal concept to ensure that leaders are aware of VUCA from an early developmental stage. Kumar and Nayarama (2017) also believe that the academic world has a huge role to play in developing VUCA agile leaders though this must be done in collaboration with organisations. This will enable the narrowing of the academic gap that exists currently in academic institutions.

Hall (2016) researched the relevance and practicality of current business training and coaching and concluded that there was a degree of obsolescence in current regimes. Most business training efforts focused on equipping leaders and leaders-to-be with traditional strategic management capacities and abilities that did not always apply in VUCA environments. Other scholars such as Raghuramapatrani and Kosuri (2017), Lawrence (2013), and Moore (2014) also agree that a shift is required in the ways leaders are developed given the manifestations of the VUCA environment.

2.10 The importance of recruitment in VUCA leadership development

Kumar and Nayarana (2017) and Akith (2016) discuss the view that the ability to recruit and train VUCA competent leaders has become an important competitive advantage. Ajith (2016) dwells much on the selection rather than development criteria for VUCA capable leaders. Ajith presents a framework called KESHAVA which represents what organisations should look for when recruiting leadership candidates. KESHAVA stands for knowledge, emotional intelligence, social skills, hard working, attitude values and ambition.

Figure 2: KESHAVA Framework for VUCA Recruitment



Source: (Akith, 2015)

The KESHAVA model challenges organisations to enlist and test candidates for the seven KESHAVA attributes. Candidates who are K-positive, should become part of the leadership training processes as they will be able to adopt the agility required under VUCA. Candidates who do not meet the KESHAVA attributes criteria should be immediately dropped.

2.11 Conclusion

The aim of the chapter was to review prevailing literature to justify this research by providing a foundation to why an understanding of the VUCA environment is essential. The VUCA circumstances cited herein back the new landscape of leadership, yet a mere understanding

of the expected and current future the VUCA environment does not prepare leadership to efficiently meet commercial challenges. This chapter indicates that, for the success of future leadership, it is essential to find openings and adopt new skills of leadership. The next chapter covers the methodology of research, study population and techniques of data collection and analysis.

CHAPTER 3: RESEARCH QUESTIONS

3.0 Introduction

This research will attempt to answer the three research questions presented below. These questions have been derived from the literature review in Chapter 2 together with the research problem definition in Chapter 1. The research questions were designed to extract insights on the leadership dynamics in a VUCA business environment from leaders and executives in the financial services industry, and to better understand their context and understanding of VUCA as leaders, the business challenges and risks they daily, their perceptions of leadership skills and competencies, and lastly leadership coaching and development.

3.1 Research Questions

The three research questions that were developed follow:

3.1.1 Research Question 1: What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) environment?

Research Question 1 aims to identify what is understood by seasoned leaders in financial services as VUCA. Furthermore, VUCA in the context of this study will be subjective and contextual per leader or respondent. The research question therefore seeks to understand if there is a positive or negative correlation to the VUCA environment understanding by academic scholars and seasoned leaders in financial services industry.

3.1.2 Research Question 2: What are the business challenges and risks within financial services, in the context of VUCA environment?

Research Question 2 aims to identify the description of challenges and risks endured by leaders within financial services in the context of a VUCA environment. Additionally, the business challenges and risks are subjective and contextual per leader or respondent. The research question therefore seeks to understand if there is a positive or negative correlation to business challenges and risks descriptions by academic scholars and seasoned leaders in financial services industry, in the context of VUCA environment.

3.1.3 Research Question 3: What are the skills and competencies critical leaders within financial services in the context of VUCA environment?

Research Question 3 aims to identify critical leadership skills and competencies for emerging and current leaders within financial services in the context of VUCA environment. Moreover, the leadership skills and competencies are subjective and contextual per leader or respondent. The research question therefore seeks to understand if there is a positive or negative correlation to leadership skills and competencies by academic scholars and seasoned leaders in financial services industry, in the context of VUCA environment.

3.1.4 Research Question 4: What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?

Research Question 4 aims to identify leadership coaching and development that can adopted by current leaders to groom emerging leaders and refine current leaders into universal leaders in financial services in the context of VUCA environment. Moreover, the leadership coaching and development are subjective and contextual per leader or respondent. The research question therefore seeks to understand if there is a positive or negative correlation to leadership coaching and development by academic scholars and seasoned leaders in financial services industry, in the context of VUCA environment.

3.2 Conclusion

The study will therefore test whether the VUCA environmental context has a positive or negative correlation to leadership dynamics in financial services industry.

CHAPTER 4: RESEARCH METHODOLOGY AND DESIGN

4.0 Introduction

This chapter presents the methodology that was applied in the study. The research made use of an exploratory qualitative methodology, which used semi-structured, face-to-face, in-depth interviews to gather data from executives and senior leaders that worked in financial services on their leadership journey. The insights may assist executives and leaders, current and emerging leaders operating and learning to navigate in a VUCA (volatile, uncertain, complex and ambiguous) environment, in achieving a more likely rate of success (Saunders & Lewis, 2012).

4.1 Research Methodology Used

A qualitative research design was used to conduct the study. Qualitative research is defined as the comprehensive and purposeful initial discovery of a social phenomenon, conducted to define the nature of problem, in a natural setting, using respondents who share observations based on their own experiences (Creswell & Poth, 2013; Saunders & Lewis, 2012; Zikmund, Babin, Carr, & Griffin, 2013). The study was qualitative exploratory in nature with the aim to describe, explain and interpret data that attempted to explain or predict a social phenomenon that had the potential to spread to other people or environments (Saunders & Lewis, 2012; Spiggle, 1994).

As the topic is personal in nature, a qualitative research design gives a deeper understanding regarding the subject of leadership dynamics in a “VUCA” environment. The study’s research questions are exploratory and inductive in nature as they seek to create preliminary, in-depth understanding of perceptions of manager on “VUCA” and leadership dynamics. Allowing room for subjective processes that shape the manager’s perceptions in the data collection, enhances the study’s ability to collect rich data to answer the research questions and effectively reach the desired research objectives (Blaikie & Priest, 2017). Furthermore, this approach is preferred for this study because its “emphasis is on a close understanding of the research context” (Creswell, 2014).

An exploratory study, as hinted earlier, aims to gather insight on a subject matter that is not well-known (Saunders & Lewis, 2012). Within the South African context, judging from the

literature search, little has been written on “VUCA” environment. An exploratory study will therefore be undertaken because the “VUCA” environment phenomenon is not yet fully understood in a local context. It will facilitate the gathering of preliminary information upon which further theories and understandings on “VUCA” and leadership dynamics may be built. The objectives of the study require the collection of information that will help the understanding of the subject matter better within the South African and financial services context. In addition to supporting exploratory and inductive research approaches discussed, a qualitative research design also yields several benefits that improve the study’s quality; namely “searching for meanings and essences of experience rather than measurements and explanations” (Moustakas, 1994, p. 21). Similarly, (Neumann, 2000, p. 124) quantified that qualitative research is nonlinear and cyclical; the researcher constantly moves “backwards and sideways before moving on” and, with each movement, new data and new insights are acquired. The nature of the study was intended to provoke responses that are not quantitative in presentation, as the data gathered is unlikely to be expressive, be ranked, be subtle, or continuous as described by Saunders & Lewis (2012).

The research philosophy that guided this study is interpretivism which clarifies the “social actors” in their natural environment (Saunders & Lewis, 2012). Interpretive research pays attention to meanings within a specific context (Saunders & Lewis, 2012; Zikmund, et al., 2013). Blaike and Priest (2017) define interpretivism as a research paradigm that is based on the philosophical view that information and its interpretation are subjective to the research participants. They postulate that social actors (researchers and their subjects) are influenced by an array of internal and external factors such as age, race, experiences and cultural beliefs in their views of phenomenon under study and all these also affect their understanding of the subject matter.

Qualitative studies, by their openness and acceptance of the fact the reality can be subjective align very well with an interpretivist way of thinking (Manning & Kunkel, 2017; Blaikie & Priest, 2017). In the study, interpretivism is further supported using open-ended, flexible, semi-structured interviews (Blaikie & Priest, 2017). These will capture the divergent and subjective views amongst the research participants effectively allowing for the flexibility required under this philosophy. Interpretivism also relates positively to an exploratory, inductive approach that the study encompasses (Manning & Kunkel, 2017).

Interpretive, empirical research was conducted, and data collected from 15 face-to-face, in-depth interviews. Four research questions were used to collect data, using an inductive analysis which includes the improvement of theory by examining collected data (Saunders & Lewis, 2012). This approach enabled the researcher to deeply engage with the complex

subject of leadership dynamics as recommended by Saunders and Lewis (2012) and Creswell (2014).

4.2 Defence of the Research Methodology

Extensive interest in the “VUCA” environment together with the leadership dynamics required to navigate this environment, has warranted the need for experimental research approaches adopted in most of the studies that make the applicability of the findings in real-life organisations difficult (Hall et al, 2015; Schillemans, 2016). The construct of VUCA is a complex, delicate and acutely engrained phenomenon which is not well understood, thus the adoption of the qualitative research method using face-to-face interviews allows for the intricate construct to be explored in-depth (Creswell, 2014; Saunders & Lewis, 2012; Zikmund et al, 2013).

According to Creswell (2014), qualitative research is especially valuable when the researcher is uncertain of which important variables to inspect or where there is a need to develop a meaning of a phenomenon. Spiggle (1994) also indorses the use of qualitative research when “researchers are interested in understanding and interpreting the meanings and experiences of their informants” (p.492). Additionally, Saunders and Lewis (2012) and Zikmund et al (2013) also pillar the use of qualitative exploratory research as the appropriate research approach to meet the aims of this study and to answer the complex and delicate questions of what leadership dynamics are in a “VUCA” business environment. Lastly, a range of scholars; namely Ritchie, Lewis, McNaughton Nicholls, and Ormston (2014), endorse that qualitative research methods be used if the phenomenon being researched has among others, some of the following characteristics: is vague, not well understood, multifaceted, is intangible, is deeply rooted, or is sensitive.

4.3 Research Design

As suggested by Creswell (2014), Saunders and Lewis (2012) and Spiggle (1994); the research was methodically conducted to collect the perceptions of the respondents as lumps of data which were then processed and analysed. A qualitative research design supports the use of a small, but highly effective sample (Blaikie & Priest, 2017). This works very well for the researcher given the limitations imposed by time and costs. A small, but focused sample

increases reliability of results rather than a large sample, where data collection effort is thinly spread (Boddy, 2016). Secondly, a qualitative research does not require the researcher to have a complete frame for the study population (Saunders & Lewis, 2012).

In this study the non-existence of adequate information for the whole study population would otherwise have been a disadvantage that would affect the attainment of research objectives if the study was conducted as a quantitative study. While qualitative studies are criticised for their lack of representativeness, low reliability and sometimes lack of standardisation from one research to the next, they hold a critical benefit of providing a voluminous, subjective data from which further research and theory development can be done (Saunders, Lewis, & Thornhill, 2015). This study aims to fully harness this benefit from a qualitative research design.

The research design facilitated an in-depth understanding of “VUCA” environment, the leadership dynamics experienced in this environment namely business challenges and risks, leadership skills and competencies and lastly leadership coaching and development.

4.4 Unit of Analysis

The unit of analysis for the study was the individuals with whom the interviews were conducted, and their individual perceptions and opinions of their leadership dynamics in a “VUCA” environment i.e. an individual per interview. The participants comprise individuals at various levels of senior leadership, sometimes referred to as executive management or heads of a specific division within the financial services industry in Gauteng, with decision making responsibilities. The rationale behind why an individual is chosen as the unit of analysis rather than a “group of senior leaders collectively” is because of differences or parallels in individual thoughts or observations. The study requires the segregation of the individual to ascertain a clear personal perspective as opposed to a “group of senior leaders collectively” in one location.

4.5 Population

The population as defined by Saunders and Lewis (2012) is a complete set of group participants that is available to the scholar. The population of this study was defined as senior executives or leaders in the financial services industry, with decision making responsibilities.

In this study, the senior executives or leaders were categorised as heads of their respective divisions with one managing executive.

The research will engage senior executives or leaders currently working and residing within the Johannesburg region of South Africa. The managerial experience of the targeted leaders will range from two and a half to forty years. The respondents were able to respond from a leadership perspective and able to relate to how a “VUCA” environment has affected them on their leadership journey.

The above population has been selected for various reasons. Firstly, the financial sector is a high contagion, disruptive area. Negative changes in the financial system can rapidly spread into other economic sectors, often with consequences that include job losses, price increases and economic decline (Onyiriuba, 2016). Secondly, the financial sector is generally classified as a high management risk (in comparison to other sectors) environment where leadership is expected to be in control of risks associated with changing markets and regulation amongst others (Ernst & Young, 2015). The deployment of the right leadership approach in the financial services sector is crucial for the maintenance of individual financial institutions’ stability and economic stability (Onyiriuba, 2016). Thirdly, the financial sector has been described as highly prone to VUCA and is therefore one area where adaptation is urgently required (Ernest & Young, 2015). Studying VUCA from a financial sector perception therefore yields the potential of understanding the concept from a highly involved point of view.

4.6 Sampling Method and Size

A non-probability sampling method was adopted to categorise possible respondents to interview without using a sample frame because a wide-ranging list of all contributors of the total population is not available (Saunders & Lewis, 2012). For the purposes of this study a purposive sampling method was employed as it is a regularly used form of non-probability sampling to collect qualitative data. In this method, the researcher identifies sample units on the basis that they were well positioned to answer the research questions and met the research objectives (Saunders & Lewis, 2012). Furthermore, the chosen individuals had personal experiences to share (Creswell, 2014) due to their extensive experience as leaders in financial services and due to their seniority within their organisations.

The sample was taken from the population of senior executives and leaders from the financial services sector in various divisions within South Africa. Senior executives and leaders from the financial services industry located in Johannesburg, Gauteng, were interviewed. A wide-

ranging technique was used to contact these senior executives and leaders to request interviews with them, such as email and telephone.

The sample method was purposive in nature. Purposive sampling, like most, non-probability sampling methods, is often criticised for its potential for sampling bias (Saunders & Lewis, 2012). In this study its use was justified by the exploratory and qualitative nature of the study. Firstly, the study's core objective is exploration of data on the subject matter and not an analysis of how widely-held or how representative certain views are (relevance as opposed to representativeness) (Saunders, Lewis, & Thornhill, 2015). While this may not necessarily be statistically representative, it supports getting a multiplicity of views from different angles thereby reducing biases associated with non-probability sampling (Green & Thorogood, 2018). Purposive sampling will therefore be expressive and fundamental in addressing the research purpose and objectives.

As such, a sampling method that effectively identifies a sample that can support this exploration is more important than sample representativeness. Nonetheless, the study included respondents from the financial services sector. The researcher sourced a list of all the appropriate senior leaders in financial services industry in Gauteng (Johannesburg), from Absa Bank, Standard Bank, Motor Finance Corporate-MFC (a subsidiary of Nedbank Group), FirstRand Group, First National Bank, Ashburton Investments and Tyme Digital Commonwealth Bank of South Africa. With the available network, the researcher's contacts with co-workers and executives was leveraged to secure interviews with the appropriate organisations.

Fifteen face-to-face interviews were conducted over a period of six weeks. Saunders and Lewis (2012) suggested that the researcher establishes the number of interviews required inductively, and then conducts interviews until data saturation is reached. The researcher selected consistent classes of respondents across the financial services sector in the sample to maintain uniformity thus improving the validity of the research areas. Data saturation was reached at the twelfth respondent.

The number of respondents that represented various organisations in the financial services industry and their hierarchical ranking are presented in Table 1. Each organisation within the financial services sector was not equally represented due to limitations obtaining access to relevant, able and willing respondents.

Table 1: Sample Description of Research Respondents

Number of Respondents	Role	Years as an Executive/Junior Manager in Financial Services
Respondent 1	Executive Manager	6
Respondent 2	Executive Manager	3
Respondent 3	Executive Manager	2.5
Respondent 4	Executive Manager	3
Respondent 5	Junior Manager	6
Respondent 6	Executive Manager	12
Respondent 7	Executive Manager	38
Respondent 8	Executive Manager	10
Respondent 9	Executive Manager	15
Respondent 10	Executive Manager	18
Respondent 11	Executive Manager	10
Respondent 12	Executive Manager	10
Respondent 13	Executive Manager	10
Respondent 14	Executive Manager	32
Respondent 15	Executive Manager	15

4.7 Data Collection

Semi-structured interviews were held with the intention to meet the aim of this study.

4.7.1 Data Collection Tool

For this study, in-depth semi-structured face-to-face interviews were considered the most appropriate method for data collection and one that enabled the researcher to ask about a set of themes using predetermined questions (Saunders & Lewis, 2012). The study conducted 15 semi-structured, in-depth interviews with senior executives and leaders, face-to-face in a geographic location and time that suited each respondent.

It was anticipated that the one-on-one interviews would be conducted for a duration of approximately 60 minutes, but where necessary the time was extended for as long as necessary to avoid compromising the quality of the data. The actual process was efficient and it was found that interviews typically lasted between 25 minutes and 60 minutes as highlighted in Table 2 below. The recorded interview minutes totalled 700.77 minutes and the duration of each interview was determined by the respondents.

Table 2: Interview Duration

Description	Quantity
Number of respondents	15
Total duration of the interview	700.77
Average duration	46.72
Shortest duration	25.45
Longest duration	60.11

The data collection tool used was an interview guide containing four main research questions with sub-questions below each research question (refer to Appendix 1) with the view to ensuring consistency between interviews (Saunders & Lewis, 2012; Zikmund et al, 2013). To lessen the impact of respondents not being adequately trained on the subject topic, the interview guide also contained sub-questions to be used if the respondents had limited knowledge of the concept of “VUCA” and leadership dynamics in a “VUCA” environment (Saunders & Lewis, 2012; Zikmund et al, 2013). The interview guide was not distributed to the respondents prior to the interview appointment; the respondents were expected to provide their views and opinions on all the questions “on their feet”.

Table 3 reflects the 10 interview questions that were formulated as part of the data collection tool that was used to gather data to answer the four research questions stated in Chapter 3.

Table 3: Research Questions and Interview Questions Mapping

Research Questions	Interview Questions
<p>Research Question 1: What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) environment?</p>	<p>Q1A : What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) business environment within financial services organisations?</p>
<p>Research Question 2: What are the business challenges and risks within financial services, in the context of VUCA environment?</p>	<p>Q2A: What would you describe as business challenges in your operating environment and VUCA paradigm as a leader?</p> <p>Q2B: What would you describe as the business risks in your operating environment and VUCA paradigm as a leader?</p> <p>Q2C: What measures or processes are put in place in place to cope with the complexity of operating in a dynamic changing environment called VUCA within financial services organisations?</p>
<p>Research Question 3: What are the skills and competencies critical for leaders within financial services in the context of VUCA environment?</p>	<p>Q3A: In your opinion, What are 6 critical skills and competencies you believe are essential for leaders in financial services organisations in the context of VUCA business world?</p> <p>Q3B: In your opinion, does the South African business environment necessitate a VUCA approach to business?</p> <p>Q3C: In your opinion, does the developed markets business environment necessitate a VUCA approach to business?</p> <p>Q3D: In your opinion, what leadership approach/style can be adopted to manage and cope with the VUCA environment in financial services organisations?</p>
<p>Research Question 4: What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?</p>	<p>Q4A: In your view, what interventions can be adopted to develop universal leaders in financial services organisations and in the context a VUCA paradigm?</p> <p>Q4B: In your view, what are the time horizons to ensure effective coaching and development of leaders in a VUCA paradigm within financial services organisations?</p>

4.7.2 Data Collection Process

All interviews were recorded in digital format after receiving consent from the respondents and were transcribed in preparation for coding during the analysis process (Patton, 2002). Following the collection of raw data, a thematic approach to analyse the data was used. The respondents were identified by title and role in the organisation. The researcher made email contact with each respondent to explain the purpose of the research. A week post the email contact, a follow up telephone call coupled with an email, making use of the invitation to participate in the study (refer to Appendix 3) including a consent letter (refer to Appendix 2), was distributed to each participant inviting them to take part in the interview process.

The informed consent form was structured in such a manner that the respondents acknowledged that they:

- a) Confirmed their understanding of the nature of research and that they had had the opportunity to ask questions

- b) Understood that participation was voluntary and that they could withdraw from the interview at any time without giving a reason
- c) Agreed to take part in the research
- d) Agreed to the interview being recorded
- e) Agreed to the use of anonymised quotations

As advised by Saunders and Lewis (2012, p. 155), vital to the preparation for a semi-structured interview is to find out as much as possible about the respondent being interviewed as well as the organisation they work for. The preparation assisted both the researcher and the respondent ease into the actual interview which encapsulated four main research questions and their sub-questions.

Below is a high-level flow chart summarising the process followed by the researcher for data collection in Figure 3.

Figure 3: High Level Flow Chart illustrating the Process followed by Researcher for Data Collection

Prepare	<ul style="list-style-type: none"> • Prepare an interview guide with topics for discussion and predefined questions (including opening questions) • Setup Inter: Contact respondent , explain purpose of interview, setup location, date and time. • Arrange recording mechanism • Develop consent form • Print consent forms
Pilot	<ul style="list-style-type: none"> • Plan pilot interview: Select respondents setup timetable • Perform pilot and test recording mechanism • Assess pilot results, notes, recording quality outputs • Make changes and updates to interview materials and procedures
Conduct Interview	<ul style="list-style-type: none"> • Setup room and materials • Get consent from respondent –sign consent form • Request permission to record • Conduct the interview • Record interview and take notes • Thank respondent
Transcribe & Record in Analysis Tool	<ul style="list-style-type: none"> • Store signed consent form • Transcribe recording into word processing tool • Record input into qualitative data analysis tool (Microsoft Excel and Word) • Provide respondent with a summary of finding/copy of interview notes (if required by participant)

Source: Adapted from (Saunders & Lewis, 2012) and (Roberts, 2016)

4.8 Data Integrity

To ensure data integrity, the researcher listened courteously, reviewing interpretation of responses and potentially asked further questions (Saunders & Lewis, 2012). Field notes on the key points were taken physically during the interviews, and the audio recordings were transcribed to enable thorough analysis of the data collected. In keeping with the recommendations of Saunders and Lewis (2012) and Creswell and Poth (2013) to attune the research tool, two pilot interviews were conducted under the same conditions as the planned interviews. The results of the pilot interview did not require changes at the time, however two questions were merged later after interview number five in the interview process, highlighted by respondents as the same question asked differently. Lastly, the recorded and transcribed interviews were analysed according to the strategy outlined in Table 4.

To ensure credibility that the study trials what is actually envisioned and, as one of the constructs on a pursuit of trustworthiness for a qualitative study, the researcher used “iterative questioning” to review the comprehensive information. The respondents were engaged on items they raised and linked information through rearticulated questions. Furthermore, follow up emails were sent out to three respondents with their respective transcripts to ensure that their transcripts reflected the true picture that they intended when the interview took place. To ensure transferability of the findings to other contexts (Shenton, 2004), mixed views are embraced by the author stating that a qualitative provides a small sample relative to the population regarding the findings and conclusions of the study being applicable to other situations and populations. Therefore, caution should be exercised regarding the findings and conclusions (Shenton, 2004).

Ensuring dependability is problematic in qualitative studies (Shenton, 2004), hence the importance of enabling future scholars to repeat the study. The researcher’s insights on future studies are highlighted in Chapter 7. Shenton (2004) states that ensuring confirmability for this study demonstrates the researcher’s objectivity and not their own biases. The researcher has highlighted her objectivity for the study to the best of her ability, where biases were observed by the researcher, they are highlighted in Chapter 7.

4.9 Data Analysis and Interpretation

Data analysis means “the application of reasoning to understand and interpret the data that have been collected about a subject” (Zikmund, 2003, p.66)

Green and Thorogood (2018) define thematic analysis – also referred to as thematic content analysis - as a qualitative data analysis method that works by reducing volumes of data into themes and sub=themes that explain or answer the study’s questions. This meant that the researcher needed to define the text data which assisted in extracting common themes from the data gathered during the interviews (Saunders & Lewis, 2012). Thematic analysis subscribes to the qualitative and exploratory nature of the study (Green & Thorogood, 2018). There is no need for predetermined themes under thematic analysis and this supports the free emergence of new ideas as expected in an exploratory study (Galletta, 2013). Themes, including those not currently expected by the researcher, emerged from the collected data thereby providing a clear understanding of the sample’s perceptions on the subject matter (Galletta, 2013).

A step by step guide by Braun and Victoria (2006) using phases of thematic analysis was adopted by the researcher for this study as illustrated in Table 4 below. Furthermore, Saunders and Lewis (2012) recommend that noteworthy categories or codes should be developed to define the data. Accordingly, the three stages of raw data analysis were applied ; namely raw data, consolidated data and salient codes per respondent, and there are discussed next.

Table 4: Phases of Thematic Analysis

Phase	Description of the process
1. Familiarizing yourself with your data:	Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.
2. Generating initial codes:	Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code.
3. Searching for themes:	Collating codes into potential themes, gathering all data relevant to each potential theme.
4. Reviewing themes:	Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic ‘map’ of the analysis.
5. Defining and naming themes:	Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme.
6. Producing the report:	The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis.

Source: Braun and Victoria (2006)

The researcher made use of Microsoft Excel and Word to identify common themes from the responses. As themes recur in the data, unique identifying codes will be utilised to capture them as recommended by Galletta (2013). All data was securely stored on Microsoft OneDrive platform and Google Drive, which was easily accessible and reduced the risk of loss for the researcher.

4.10 Data Validity and Reliability

Owing to the subjective nature of the type of research conducted, and the fact that the process may have been exposed to several biases, it was vital that these risks were mitigated by the researcher as far as possible (Saunders & Lewis, 2012). Interviewer biases, interpreter biases and respondents' biases occur and are factors that negatively impact the validity and reliability of data obtained through qualitative research (Saunders & Lewis, 2012; Zikmund et al, 2013).

The use of an interview guide for the semi-structured in-depth interviews ensured that questions were asked in a standardised manner, recording of the interviews, and transcribing the interviews sufficiently addressed concerns about data reliability and validity. Additionally, to improve data validity and reliability, an appropriate three-layer sampling method was used, two pilot interviews were conducted, and respondents were encouraged to reflect in-depth during the interviews with the use of the "what-if" questioning technique and probe questions (Saunders & Lewis, 2012; Zikmund et al, 2013).

While the participants were encouraged to treat the interview as a discussion, it was important for the interviewer to limit his/her own opinions and experiences and focus more on listening to the participants.

4.11 Research Limitations

As mentioned earlier, qualitative research is subjective in nature and, as such, is at risk of being Influenced by several biases (Saunders & Lewis, 2012). The following aspects were identified as limitations to the study:

- a) The qualitative research is exploratory and inductive in nature and the predictions made may result in researcher bias (Saunders & Lewis, 2012). Therefore, caution should be taken in interpretation of the data.
- b) The use of non-probability sampling means that the sample did not represent the population statistically (Saunders & Lewis, 2012) and so the results cannot be validly generalised to the population.
- c) There is a high risk that translation errors occurred which would affect the validity of the research.

- d) Purposive sampling and the small sample size may undesirably affect the validity of the information (Saunders & Lewis, 2012).The sample was limited to heads of various divisions in the financial services sector and to one managing executive. The views of individuals at the lower levels of the organisations could have contributed to the study by understanding the topic from their perspective.
- e) The sample was limited to senior executives and leaders from organisations in financial services located in Johannesburg (particularly Sandton and Rosebank region), South Africa. On this basis, geographic bias could have influenced the respondents' responses.
- f) The sample was selected mostly from the old-school big banks with minimal representation from the digital new generation banks that have recently emerged in South Africa. In most instances, there was five to six respondents from the big banks which implies bias considering the spread of the sample and the level of subjectivity in the respondents' responses.
- g) Respondents were affected by the length of time required to conduct the interview, which may discourage participation or shorten the interview process. As a result, this will give rise to inadequate or incomplete data being collected.
- h) VUCA is a new formation within the industry. There is a likelihood that although explanations will be provided for each variable of VUCA, contributors may misinterpret the concepts.
- i) The researcher's knowledge of the industry could result in some form of bias during the study. Therefore, caution is advised particularly with the themes that will emerge.

The researcher abided the by research ethics and professionalism to ensure that the effects of any limitation or limitations do not completely result in the study losing its validity and reliability.

4.12 Conclusion

This chapter provided the research design and methodology chosen for the study. The selection of respondents, their organisations and leadership journey or experience was discussed. The rationale for the chosen data collection and methods was explained and finally the method used for data analysis was discussed.

Chapter 5 provides an in-depth description of the findings of the study. The data collected provided insight into the extent to which the financial services sector in South Africa is tackling the “VUCA” environment and into the leadership dynamics at play while navigating the “VUCA” paradigm.

Chapter 5: RESULTS

5.0 Introduction

In Chapter 5 the results of the study are presented. Chapter 5 commences with providing detailed information on the research sample, and the steps followed by the researcher to review and analyse the data insights collected through the fifteen-in-depth face-to-face semi-structured interviews conducted. The questions in the interview guide were articulated with the assistance of a consistency matrix and in line with the objectives of the research as emphasized in Chapter 1.

5.1 Description of the Sample and Interview Method

A purposive sampling method was used and the respondents selected based on their leadership experience and job title in the respective bank or subsidiary companies of the bank. Furthermore, the researcher's judgement on their capacity to successfully contribute their perceptions and experiences to answer the four research questions, came into play.

The questions in the interview guide were articulated with the assistance of a consistency matrix and in line with the objectives of the research as emphasized in Chapter 1. All the interviews with the respective respondents were scheduled and took place over a period of six weeks.

The researcher interviewed 15 respondents using the interview guide attached as Appendix 1. All the respondents were selected based on their leadership experience and ranking with a bias towards financial services industry experience and background. The respondents were selected within proximity to the researcher and from what the researcher observed, the respondents' proximity to each other did not have an undesirable influence on the findings. The 15 respondents were selected using purposive sampling. The researcher believed that the number of respondents peaked at 12 and was enough to provide rich data.

During the interview progression, audio footages and field notes were taken as well as observations made (Saunders & Lewis, 2012). The audio footages were transcribed verbatim as recommended by Saunders and Lewis (2012) with the view to extracting rich and raw data from the respondents. The data collected was analysed using thematic content analysis as described in Chapter 4 as a qualitative data analysis method that works by reducing volumes of data into themes and sub-themes that explain or answer the study questions (Green &

Thorogood, 2018). The vital themes that emerged during the analysis are discussed in detail in this chapter.

5.2 Details of Respondents and Their Context

These individuals were selected based on their leadership experience with the view to elicit their perceptions and experiences to answer the research questions. The number of respondents in their respective categories can be seen in the table below.

Table 1: Sample Description of Research Respondents

Number of Respondents	Role	Years as an Executive/Junior Manager in Financial Services
Respondent 1	Executive Manager	6
Respondent 2	Executive Manager	3
Respondent 3	Executive Manager	2.5
Respondent 4	Executive Manager	3
Respondent 5	Junior Manager	6
Respondent 6	Executive Manager	12
Respondent 7	Executive Manager	38
Respondent 8	Executive Manager	10
Respondent 9	Executive Manager	15
Respondent 10	Executive Manager	18
Respondent 11	Executive Manager	10
Respondent 12	Executive Manager	10
Respondent 13	Executive Manager	10
Respondent 14	Executive Manager	32
Respondent 15	Executive Manager	15

5.3 Presentation of Results

The outlay of the results matches the research questions identified in Chapter 3, making use of the interview questions as mapped out in Table 3 (in Chapter 4).

5.3.1 Summary of Overall Evidence Gathered

The emphasis of the questions asked in the interview set the tone for the proceeding questions by locating the context of the interviewees in relation to two categories. The questions were envisioned to put the interviewees' discerning into the frame of reference of VUCA (volatile, uncertain, complex and ambiguous) and leadership dynamics in their own context. This was

anticipated to put them at ease in talking about themselves and their achievements, setting the scene for the four research questions and sub-questions that followed.

Figure 4: Primary Research Questions



Source: Compiled by Researcher

5.4 Results for Research Question 1

Research Question 1: What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) business environment within financial services organisations?

Research Question 1 was meant to establish the understanding or definition of VUCA (volatile, uncertain, complex and ambiguous) as understood in wide-ranging business environments or contexts within the financial services arena. This question investigated the VUCA business environment as best understood by the respondents, taking into consideration that there is no right or wrong answer in the different definitions given by the respondents.

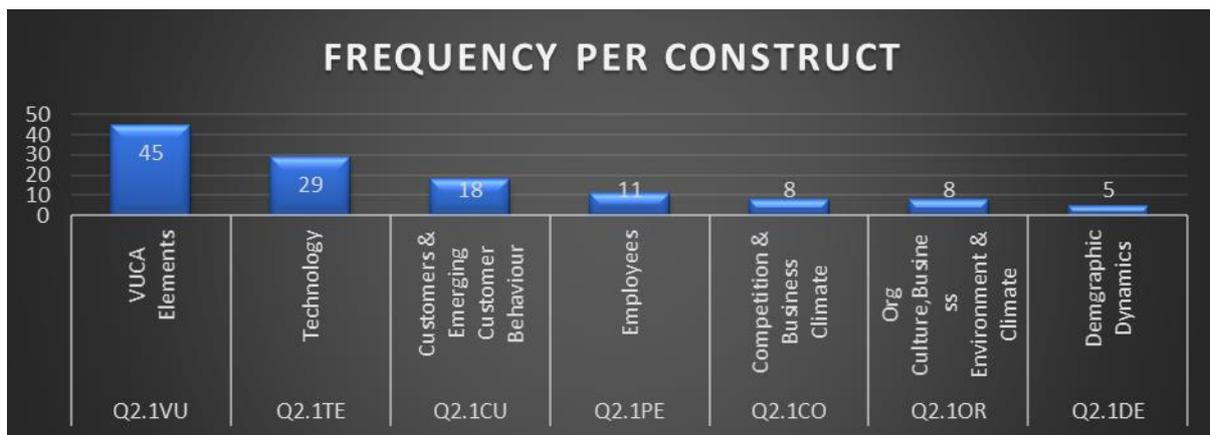
There was one interview question used to gather data to answer Research Question 1. The question posed to the respondents was asked to elicit data around the understanding of VUCA business environment. The question is referred as interview question Q1A in the interview schedule found in Appendix 1.

5.4.1 Understanding of VUCA (volatile, uncertain, complex and ambiguous) business environment

Question 1 of the interview guideline asked respondents to discuss their understanding of the VUCA business environment on their journey as a leader. The question was designed to ease the respondents into the interview process and lay the foundation of VUCA or a dynamic business environment in providing insight into their unique and contextual experiences as leaders.

In replying to Research Question 1, the views of the respondents were mixed, enlightening and thought provoking. As shown in Table 5, a total of seven constructs were developed. The highest ranked construct was VUCA elements which had a frequency score of 45. The lowest ranked construct was demographic dynamics which had a frequency score of 5. The constructs that attained the top three rankings are discussed in this section together with the top three most interesting responses expressed by respondents per construct.

Table 5: Understanding of VUCA (volatile, uncertain, complex and ambiguous) environment



The highest ranked construct was VUCA Elements, which encompassed a wide-ranging view supported by most of the respondents.

Respondent 9 highlights VUCA in the realm of the domino effects it causes to the global economy, as caused by the USA's decision-making as an advanced economy:

"I don't think we have in recent memory seen an advanced economy that is so dominant in the world making such temperamental decisions... a temperamental decision of itself is okay if it's only in a small context but in that big context it has the potential to then cause global shocks..."

Whilst Respondent 13 states that VUCA is a cocktail of all sorts liquids with a fusion of different stakeholders with different needs and requirements:

"...It's actually a melting pot of issues all in one pot, that this VUCA calabash that we have, that's what's driving the change in my world..."

"...You've got a government, a society, our staff members, customers, competition and product, imagine all them as parallel lines running at the same time at different paces, you've got the product running super-fast, competition running in all sorts of directions..."

Respondent 15 summarised their VUCA views as the South African President dancing to the beat of the Far East - China - and muddling along with uncertainty and ambiguity:

"...You've got Cyril today sitting in China trying to open up doors between China and Africa..."

"...Uncertainty comes from socialism and capitalism..."

"...Ambiguity, in the business I'm in (car financing), they say that there will be no more fossil fuel cars in 50 years' time, but then other people say that electric cars are more damaging because you've got to throw the battery away. That's not clear yet..."

During the discussions of VUCA contextual understanding, the other respondents namely respondents 4,7,9, and 12, together with respondents 13 and 15, pointed out "Trump", "Change" and the "Rise of Nationalism" as the common denominator of their contextual understanding of VUCA. These factors are equally echoed by Respondent 9.

The second highest ranked construct was Technology which was understood in different lenses by each respondent.

Respondent 5 articulated VUCA as the complexity of fourth industrial revolution and its effects on business to forecast in the short to medium term as stated below:

"...I think at the moment the biggest thing for me is this fourth industrial revolution, it's so difficult to have to ... it's difficult to plan..."

"...It's not just about people anymore, having to manage people and taking a strategy, but you have to implement this fourth industrial revolution and say how do we change our business to be in line with that and that's volatile on its own..."

Whereas Respondent 11 alluded to VUCA with regards the negative effects of FinTech's to traditional banking and the inability of traditional banking to keep up to pace with the constant change:

"...For us, the traditional revenue streams are disappearing because the Fintech's are going into that and that scares a lot of people..."

"...We are so linked to the entire world...we know that the world is moving digital, the question is how fast? We know that the traditional banking models will not survive..."

"...The biggest threat we're facing is brick and mortar versus digital. The trick is how you phase those, how quickly..."

Respondent 14 articulated their viewpoints on VUCA as constantly changing technology driven by poor response strategies in organisations and a threat to warm-bodied employees:

"...The rate of change of technology. You can easily invest in particular technologies that are sunset technologies..."

"...What you have is a whole new breed of technologies emerging that are absolutely digital, that are capable of very rapid employment, they are modular, the scale of them, they are stackable and at much lower costs..."

What stood out with technology is that all the respondents believed it brought disruption; disruption that is not understood in its pace. An observation made with most respondents was that it sparked discomfort and fear, and this was most noticeable in their body language.

The third highest ranked construct was Customers and Emerging Customer Behaviour which was stimulating in the comments considering each respondent had a different story to tell about their customers and their behaviours.

Respondent 7 mentioned VUCA as being contextually aware of the consumer today, their needs and digital arenas they are so clued up with:

"...The customer is changing..."

"...I need to at all times have a deep understanding of the customer, of the client, in my business because there's some big sweeping changes going on..."

"...They will insist on having a good deal, they will be more promiscuous in that they will move around to find that good deal and the stickiness of that has changed..."

"...You'll instantly put something out on social media and it will be very widely consumed..."

Respondent 9 voiced their VUCA view of the customer being looked at from a different viewpoint and of being cognisant of moving variables around the consumer that will affect their context:

"...We don't just look at the micro picture of our client, we look at the macro context in which they operate, and what is the macro context that impacts the client...capital, risk, opportunity... in that volatility there's opportunity..."

Respondent 13, like Respondent 9, echoed the diverse views and contexts that affect their customers and how they are treated:

"...Within the context of running a Pan African organisation, then you have to look at our customers and how they are thinking about things..."

"...Our customers range from a consumer in a small firm in Kalumbila in Zambia all the way to Coca Cola, and their influences and what they see is very different..."

"...You go to your customers and there are in different mind spaces..."

A common feature from the Customers and Emerging Customer Behaviour construct, is that this construct is elusive and complex in nature depending on the context of the client, the country and their behaviour which can be influenced by a host of factors. What is clear is that the constant race to understand clients and their behaviour has become so vital, and that the lifeline of the organisation depends on whether the organisation's focus on the customer is on or off the mark.

5.5 Results for Research Question 2

Research Question 2: What are the business challenges and risks within financial services, in the context of VUCA environment?

Research Question 2 was meant to identify the business challenges and risks endured by leaders in the contexts of the financial services industry and the VUCA paradigm. This

question investigated the nature of leadership dynamics, and the diagnosis of the business environment that warranted the challenges and risks experienced by leaders.

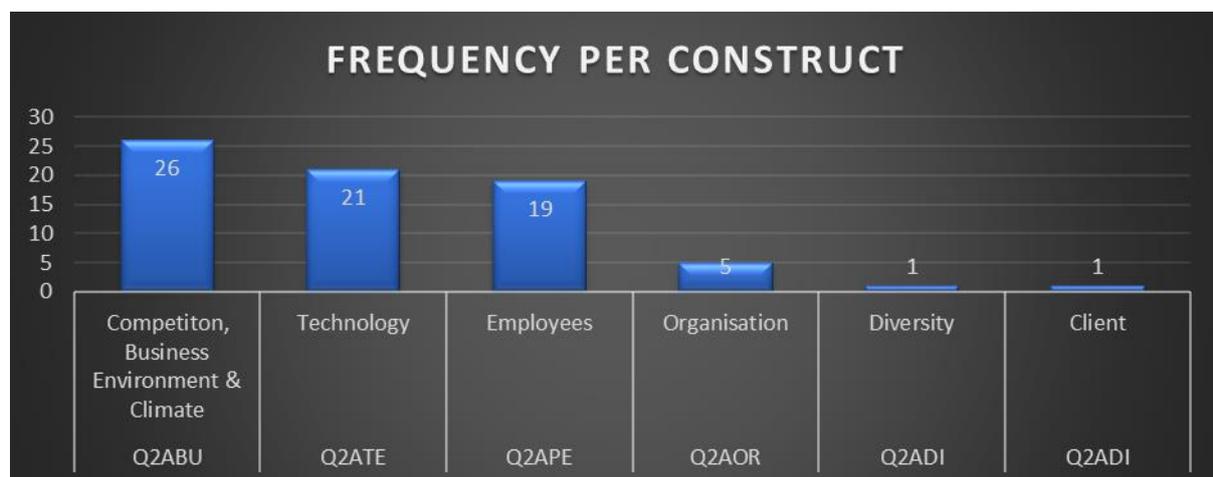
There were three interview questions used to gather data to answer Research Question 2. The questions posed to the respondents in the interviews were asked to elicit data around the type of business challenges, business risks and measures/procedures to cope with complexity of operating in the dynamic environment known as VUCA. The questions are referred as interview questions 2A, 2B and 2C in the interview schedule found in Appendix 1.

5.5.1 Description of Business Challenges

The second interview question, interview question 2A, invited respondents to express their views on what they believed to be the business challenges in their business environment considering the VUCA dynamics at play.

In replying to interview question 2A the views of the respondents were diverse and educational. As shown in Table 6, a total of six constructs were developed. The highest ranked was competition, business environment and climate which had a frequency score of 26. The lowest ranked constructs were diversity and client which had a frequency score of 1. The constructs that attained the top three rankings are discussed in this section together with interesting responses expressed by respondents per construct.

Table 6: A summary of the business challenges that were identified by the respondents interviewed:



The highest ranked construct was Competition, business environment and climate, which included extensive viewpoints supported by most of the respondents.

Respondent 4 expressed their views on business challenges as being on growth of financial asset classes returns making it difficult to forecast tomorrow's asset class returns:

“...The challenges are the growth that we’ve seen in the past in markets is not necessarily panning out into the future, which means money earmarked for, let’s say, equity markets is going back to stuff like cash...”

“...In terms of investment strategies as well, because of volatility, I think you need to be a bit more dynamic than you were in the past...”

Contrary to Respondent 4, Respondent 9 expressed off topic business challenges views on climate change and decision-making in South Africa:

“...What is the impact of the climate change and the need for renewables and does it mean that lots of capital may not come to these clients...”

“...Big decisions that are going to be made in this country in the next 12 to 18 months, whether it’s in relation to how you deal with new assets required of refining, storage, and all of that, and how will those decisions impact on the behaviour of companies...”

Respondent 11 highlighted their business challenges view as being new competitors and the disruption they cause, resulting in the erosion of their bread and butter as traditional banks:

“...The biggest thing is the competition that we’re dealing with, how you react to those, how fast you turn around your business...”

“...We are continuously looking at different industries and we always talk about diversifying revenue streams...”

“...The reality is you can go anywhere, we need to disrupt ourselves, we can’t wait to be disrupted by anyone else and the challenge is how do you get that right...”

“...For me, the biggest challenge is the revenue streams are definitely dwindling as you go into digital...”

The second highest ranked construct was Technology, which included extensive viewpoints supported by most of the respondents.

Respondent 1 focussed their business challenges view on the pace of the digital landscape and the take-on of digitisation by peers both locally and in the offshore markets:

“...Digital. Many of our competitors are embracing digitisation at such a fast pace...”

“...Digital disruption, and remember that digital disruption is not only coming from our country, there’s things happening globally that are affecting the business...”

Respondent 5 highlighted business challenges brought forward by technology usage by banks and their inefficiencies to use the technology cohesively within their organisations:

“...Multiple systems. Every department would have its own system and they don't speak to each other, and if you're working in an environment where everything actually linked, should be linked, so we can't pick up what the last person did...”

“...I think if we can cut down on the system and have one thing that speaks to all the systems, like a plug in, that will be a perfect world, a utopia...”

Similarly, Respondent 8 voiced business challenges as the new dawn faced by the financial services industry in terms of digitisation:

“...The world that we face is the digital age...”

“...The innovation is at a change so when we say staying with a strategy a year too long is a year too late, now we say staying with it a week to long is a week too late...”

“...the constant change is disruptive...”

The third highest ranked construct was Employees, which included extensive viewpoints supported by most of the respondents. Employees were sometimes referred to as people or staff by the respondents interviewed.

Respondent 3 expressed their business challenges views on employees and the changing aspects of diversity for South Africa as a country:

“...Understanding the dynamics that we are actually a diverse people with different standings in life and different economic resources in life...”

“...And being relevant for everybody, that's the business challenge and having to break through that is, for me, a challenge...”

Respondent 10 articulated business challenges as the importance of being intentional about your talent in financial services industry:

“...How do you attract talent that moves between your world and the new world, because again you want to have people that can compete in that world but some of them may not

want to be in a bank, but unless you change the bank they will not stay, so they may go then to the competitors...”

Respondent 12 echoed Respondent 10’s business challenges views by highlighting the type of employees and culture set in an organisation:

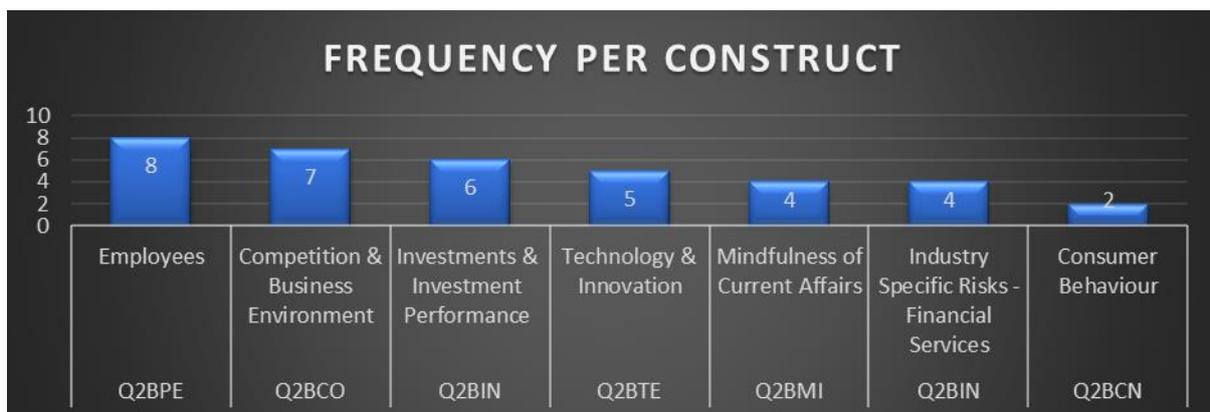
“...Then my people, the types of people we’re attracting...”
“...What culture we’re setting up...”
“...The balance between contractor base and employee base, that’s something we still need to address structurally in organisations, too many layers, so we’re handing off the client too many times...”

During the deliberations of business challenges, respondents 1,8 and10 pointed out “Legislation” and “Regulation” as their common business challenges as leaders in financial services. A stand-out business challenge highlighted by respondent 15 was “land ambiguity”.

5.5.2 Description of Business Risks

The second interview question (interview question 2B) invited respondents to express their views on what they believed to be the biggest business risks in their business environment considering VUCA dynamics at play.

Table 7: An Overview of the Business Risks that were Identified by the Respondents Interviewed:



The highest ranked construct was Employees which included extensive viewpoints supported by most of the respondents.

Respondent 2 articulated their business risks views on Employees' motivation during trying times:

"...I think in maintaining a level of motivation within employees, you do this on the backdrop of a tough environment, but you need key people there to ultimately play your long-term strategy..."

Respondent 3 was very specific regarding the best of class talent required in financial markets as a business risk:

"...In asset management, if you don't have the best investment professionals you won't survive, so that's business risk of having the wrong people, and not having the right strategic goals..."

"...That is general stuff, so you need to have the right leaderships. Lack of leadership is a business risk. Not having the right people is a business risk..."

Respondent 12 spoke about the business risks from a technological context considering the battle of warm-bodied and robotic employees in the VUCA environment:

"...From the technological side..."

"...So, we've seen it a lot of the times, people code a system but when we're asking them to make it very intuitive and self-help, the system still needs a lot of support in the back end..."

"...That carries a lot of costs for us. So that's one of the risks, when you're coding and basically we still have the people risk..."

The second highest ranked construct was Competition and Business Environment which included extensive viewpoints supported by most of the respondents.

Respondent 3 articulated business risks as an issue of relevance from a business point of view and not evolving with the changing demographics and Living Standards Measure (LSM) in South Africa:

"...For me the business risk is not being relevant in the near future. Whether we like it or not, the nation is changing, the population with money is changing, the pool you need to work with is changing. If you don't move with the evolving demographics, then you are not going to be fit for purpose to grow and to succeed..."

“...For me, the business risk is keeping the status quo at the expense of being able to be relevant, to be able to grow. For me, it’s a risk of a not surviving because you’re not relevant for the now or the changes that are not within your control...”

Respondent 11 voiced their business risk views as business environmental changes and the effect of these changes regarding new competition:

“...The risk is we’re going to see a decline in revenue streams as we migrate to digital, what do we do...”

“...In fact, the other risk is that new competitors like Discovery coming into banking, your Time, so all those guys are going to eat into the existing revenue streams...”

“...The risks are that our legitimacy is based on old regulation, the world is changing faster than that regulation. We cannot continue protecting our territory with things that are easily disappearing...”

The third highest ranked construct was Investment and Investment Performance which included extensive viewpoints supported by most of the respondents.

Respondent 1 articulated their business risks views in terms of perceived expectations of investment performance:

“...And that what made for success yesterday will not make success for tomorrow, you have a problem. So that in itself can be a risk...”

Respondent 4 articulated business risks as the trends of margin erosion due to the changing business cycle:

“...Where I think where we would get a lot of outflows from high margin products, which are mostly highly profitable in nature into your low risk, low yielding assets, and as well as ETFs.

“...So, I think that’s the biggest risk, margins in our business, declining outflows in those high margin products, for example...”

Respondent 5 highlighted the calibre of frontline employees and the delivery of advice to clients by frontline employees:

“...But the first risk would be advice and having to manage and ensuring the people on front line know what they’re talking about, they are skilled sufficiently and they’re representing the brand in the best way...”

“...The second risk, I would think, would be how we are providing advice in a more modern way. We even see with the kind of clients who come to the door, they’re quite clued up and switched on, so they would be happy with a system like that, they don’t really need to phone someone every two seconds...”

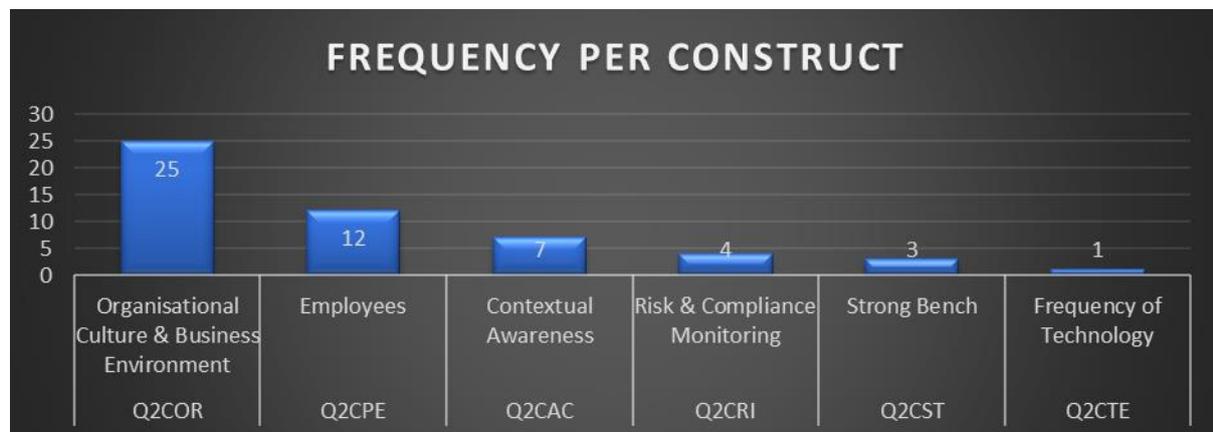
Having strong leadership talent and an organisational culture that develops and retains appropriately skilled leaders was also identified as a cause for extensive reputational risk. Respondents linked skilful leadership with the institution’s ability to adequately and swiftly respond to changes in the business environment.

Respondent 10 highlighted thought-provoking risks which demand attention, namely “terrorism”, “cyber- crime” and “crypto currency”. These risks are a constant concern for banks and can pose serious reputational risks if they are not given the right amount of attention by banks and leadership at hand.

5.5.3 Measures and Processes to Cope with a VUCA Environment

The second interview question, interview question 2C, invited respondents to express their views on what they believed to be measures and processes to cope with the dynamics and VUCA atmosphere.

Table 8: An outline of the measures and processes to cope with a VUCA environment identified by the respondents interviewed:



The highest ranked construct was Organisational culture and Business environment which included extensive viewpoints supported by most of the respondents.

Respondent 6 articulated the importance of planning for tomorrow in terms of succession and to an extent having a strong bench as a measure and a process:

“...One of the main things in my space is around succession planning, but how it’s currently implemented, and I’m seeing it change a little bit...”

“...But there is no developmental plan that is put in place to say if X is the successor, they need the following skills in this VUCA world that we are living in...”

“...So, the measures that I would put in place is proactive succession planning that is done without being a tick box, that has firm developmental processes...”

Respondent 9 highlighted organisational culture undercurrents which can set a positive or negative note with measures and processes in mind:

“...Create a culture where everybody is comfortable in the space of being wrong... you get your people to have as many external conversations as they can, because the outside teaches you a lot...”

“...Don't become insular, speak to the outside, connect, attend conferences where the clients are going, and the other thing you do, because you can engage the conversation, you give free gifts...”

Correspondingly, Respondent 15 expressed their view of a “measure and a process” as the need to be flexible regarding culture subtleties in an organisation:

“...We’ve got a business as usual plan and a business unusual plan. Business as usual is just the normal stuff. Business unusual is your entrepreneurial plan, how can you be disruptive, how can you be innovative...”

“...I think you almost run two businesses, because you have a base business that’s a good solid, stable business, and then you have R&D think tanks and sand boxes, as they call them...”

The second highest ranked construct was Employees, a construct echoed in question 2A and 2B, with extensive viewpoints supported by most of the respondents.

Respondent 3 articulated the right mix of people as a measure and a process:

“...Having the right mix of people is the key thing that you need, so that you have different perspectives that would try and address and put in place those ...”

“...Because unless you have the right person who can identify with what is broken, what needs to be fixed, you can't put the processes and procedures in place. First, you need to have the right people...”

Respondent 7 referred to the importance of rewarding people as a measure and a process in organisations:

“...So, you've got to make sure that you reward people for acting in line...”

“...So, the metrics are financial as well as customer, but the customer is the more paramount of the two because the financials are the result of that...”

Respondent 13 highlighted a similar? perspective to Respondent 7 in terms of employees in financial services, speaking to investing in your employees as a measure and a process:

“...I would invest in the minds of people in order for them to excel in that environment...”

“...You have to have people that are comfortable and confident to hire people smarter than them to solve particular problems and get out of their way, allow them to make decisions and execute quickly...”

The third highest ranked construct was Contextual awareness which included extensive viewpoints supported by most of the respondents.

Respondent 2 articulated contextual awareness as a measure and a process that leaders need to pay attention to:

“...One of the first points to note is that there are certain things you do have control over and those that you don't... “

Respondent 5 expressed a measure and a process as the importance of being alert and vigilant regarding changes in the industry and listening to different opinions as a leader:

“...I suppose it also comes down to keeping your ear on the ground and keep checking in and ensuring that you know what changes and I think feedback from people on the ground is the most important and having to ask what their ideas are...”

“... I think a lot of times leadership decides they want to make solutions all on their own but the people on the ground, sometimes their input ...”

“...Front line, those who are client facing or in client support roles, the ones who deal day to day with the challenges...”

Respondent 12 pronounced a measure and a process as the need to be in tune with futuristic trends from a technology point of view, and to be relevant as an organisation and synthesising telling data:

“...Digital guys in our area are telling us about future trends and what we should look out for...”

“...Information and because there’s so much of it, it’s actually getting the right information. That is still difficult, but you can brief people accordingly, you can direct if the executives are all aligned as digital ease on their agenda, we can direct people’s thinking and how they present...”

During the musings of measures and processes that can be put in place to cope with the VUCA environment, respondent 3 pointed out the “the different perspectives because we live in a diverse country” In a highly-regulated industry like financial services, a factor highlighted by both respondent 10 and 12 was “regulation”.

5.6 Results for Research Question 3

Research Question 3: What are the skills and competencies critical leaders within financial services in the context of VUCA environment?

Research Question 3 was meant to establish the critical skills and competencies vital to navigate a dynamic, evolving VUCA business environment. This question investigated essential skills and competencies for current and emerging leaders as perceived important by the respondents.

There were four interview questions use to gather data to answer Research Question 3. The questions were asked to elicit data around the perceived importance of critical leadership skills

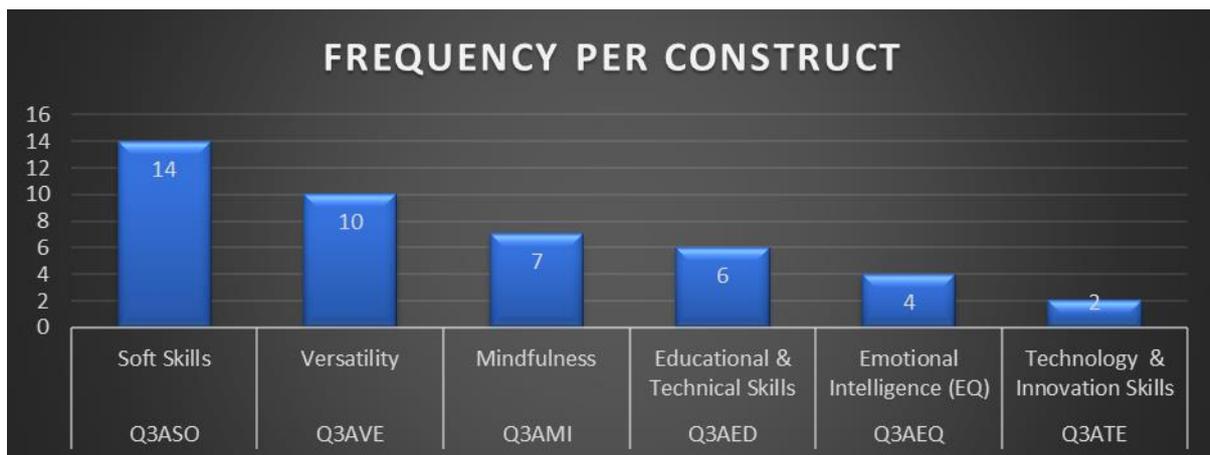
and competencies. The questions are referred as interview questions 3A, 3B, 3C and 3D in the interview schedule found in Appendix 1.

5.7.1 Critical Leadership Skills and Competencies

The third interview question, interview question 3A, invited respondents to express their views on what they believed are critical leadership skills and competencies considering VUCA dynamics at play.

In replying to interview question 3A, the views of the respondents were diverse and educational. As shown in Table 9, a total of six constructs were developed. The highest ranked construct was soft skills which had a frequency score of 14. The lowest ranked constructs were technology and innovation skills which had a frequency score of 2. The constructs that attained the top three rankings are discussed in this section together with interesting responses expressed by respondents per construct.

Table 9: A Summary of the Critical Leadership Skills and Competencies that were Identified by the Respondents Interviewed:



The highest ranked construct was Soft Skills which included extensive viewpoints supported by most of the respondents. Similar soft skills were categorized in one bucket given the wide-ranging yet similar views of the perceived soft skills by respondents.

Respondent 2 articulated a blend of transverse soft skills as being critical skills and competencies as follows:

“...Adaptability because I think that speaks to the level of unexpected change one has to deal with...”

“...Communication, a very transparent approach to things that are affecting business and the more you can effectively communicate...”

“...A very strong dose of drive but in very choppy markets and choppy circumstances in all industries, it’s only those with an unwavering drive to succeed that will come through...”

Respondent 6 expressed the need to be universal with your soft skills and to be progressive as an emerging and current leader:

“...I think the person needs to be able to build relations in a boundaryless environment...”
“...If you don’t have that skill of being able to network not just within your boundaries of South Africa, you’re going to find it difficult to operate and be successful...”

Respondent 9 discussed a soft skill which is often taken for granted and yet crucial for emerging and current leaders:

“...The other key competency is listening which is linked to the sponge. You can be a sponge if you don’t listen, and listening is a very difficult leadership skill...”

The second highest ranked construct was Versatility which included extensive viewpoints supported by most of the respondents. Different variations of versatility were used by respondents namely “dynamic” and “collaborative” and put into the same bucket - versatility.

Respondent 3 described versatility as being structured yet agile as a skill and competency for current and emerging leaders:

“...To be able to be dynamic, you must be able to have a starting point and know that there are different variations...”
“...Somehow, we need to be taught how to think in a particular way, so it’s not necessarily that you need to be an accountant or whatever, but formal education helps you with a certain type of thinking, which allows dynamism...”

Respondent 9 pronounced their view of versatility as being able to converse in different contexts:

“... You also need to have the capability to have different conversations, you also need to actually be able to reduce yourself because you don’t have everything and the other competencies that you need ...”

Respondent 10 voiced across-the-board perspectives regarding team changing aspects and the subject of influence for emerging and current leaders:

“...The ability to collaborate. It’s the biggest but it’s the one that most people fail in, because people grow up in an environment where it’s them, they deliver their results, they get things, and everybody says you’re doing well as an individual...”

“...The ability to lead diverse teams, because you’re going to bring different skill sets to solve the problem...”

“...The issue of influence, because leadership is not a title held... you can’t have only the ability to influence, you have to have the ability to be influenced...”

The third highest ranked construct was Mindfulness, taking into consideration distinctions such as “context”, “agility” and diversity which included extensive viewpoints supported by most of the respondents.

Respondent 1 expressed their view of mindfulness as a skill and a competency for emerging and current leaders as follows:

“...The ability to contextualise your environment because if you don’t it’s so easy to miss key things...”

“...You have millennials and then there’s zillennials and each of those age cohorts require a different approach...”

“...Keeping abreast of what’s happening in the environment. I’m always impressed by leaders who when you put them on the spot can answer questions...”

Respondent 4 articulated mindfulness (with financial markets in mind) as a skill and a competency for emerging and current leaders:

“...So, the process being more agile, I guess being able to implement better risk management processes which will enable the frontline managers to be able to make decisions much quicker, as opposed to calling a meeting...”

“...I think being able to implement those risk management processes that will enable us to make decisions much quicker. The current process, that’s I think the skill set and processes that are lacking at the moment...”

Respondent 10 highlighted mindfulness of demographic factors such as diversity and gender which are relevant for the South African business environment as being critical for emerging and current leaders:

“...You have to have the ability to manage diversity and you have to foster a culture of diversity, because if you only hire people that look like you, sound like you, think like you,

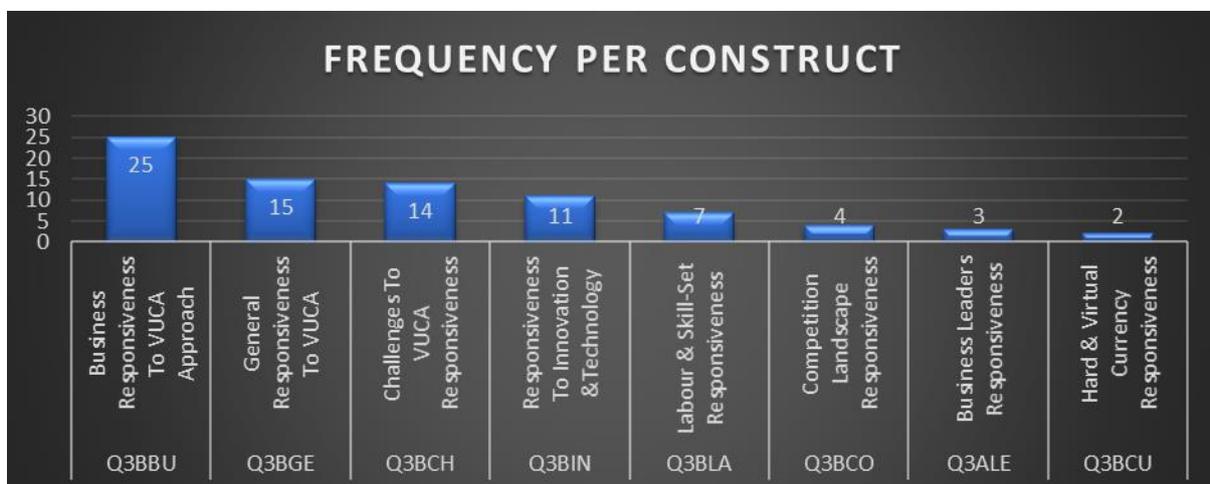
you will only get a part. If you hire a diverse team that brings a diversity of skills, a diversity of religious, cultural and linguistic nuances, and you also have people that think differently, that challenge things, the thing you get at the end is more enriched..."

"...If you have a male dominated team, you will come to male dominated outcomes and thinking. If you have a diverse team, you will get the full breadth of thinking by people who are women in your team, who have a voice, who have different thinking about things, and will bring that to bear in any conversation..."

5.6.2 South African Business Environment Responsiveness to VUCA Approach to Business

The third interview question, interview question 3B, invited respondents to express their views on the South African Business Environment responsiveness to VUCA approach to business.

Table 10: An Overview of South African Business Environment Responsiveness that were Identified by the Respondents Interviewed:



The highest ranked construct Business Responsiveness to VUCA Approach which included extensive viewpoints supported by most of the respondents. Business responsiveness in the context of this study and the responses by respondents means South African corporates (listed and unlisted) companies.

Respondent 7 expressed their views on the progressiveness of South African business environment relative to global peers:

“...We've led on so many things globally, particularly in financial services...”

“...We have been from designing unit trusts, the first unit trust and then endowments and the ATM usage and digital banking...”

“...And all of these things, a lot of these have been pioneered in South Africa, and we've led and are superior to them, and so absolutely, we are dynamic, and I think this comes by living on the tip of Africa and ... so we are dynamic...”

Respondent 8 disagrees claiming that South African business responsiveness and its stickiness regarding demographics and inability to transition is a barrier:

“...When we talk about affirmative action, it's imposed...”

“...Twenty-four years later you would have assumed just by the sheer demographics that we would have had that change, natural attrition. It doesn't seem to have happened. Imposed change doesn't work...”

“...In the business world in South Africa we are battling with that, let's call it what it is, race still is a big component of every time you turn on the news, corporate South Africa is not changing enough...”

Respondent 11 articulated a manufacturing industry view of the South African business environment which is not as progressive and the subtleties of how scalable or not scalable South Africa is to the rest of the continent:

“...We don't have any manufacturing or anything that they are producing internally that they consume internally and gives us that revenue. We export and bring back and that's the big issue...”

“...The African markets, we can't export South Africa into the rest of Africa. What worked here won't work in Kenya, and what worked in Kenya won't necessarily work here. I think we've seen that with M-Pesa, we know that...”

“...We used to be the destination for any international market coming into Africa and we are slowly losing that status, that's my worry...”

The second highest ranked construct General Responsiveness to VUCA Approach which included extensive viewpoints supported by most of the respondents. General responsiveness in the context of this study and the responses by respondents is wide-ranging and not intentional for any specific sector.

Respondent 5 voiced their view of South Africa as a nation and our struggles with labour that uses and abuses its constitutional right to have labour unrest.

“...I'm not sure South Africa is as agile and as responsive as it should be...”
“...If we're still having bus strikes, things like labour is also thrown into the mix in the VUCA environment and labour laws...”

Respondent 8 highlighted the responsiveness of the South African business environment as a tale of two cities, namely listed and unlisted companies on the Johannesburg Stock Exchange (JSE):

“...It's imposed...”
“...So, where I do believe that the corporate world needs to look at the change, it's about the compromise, ensuring we retain the right skills to get the right outcome, it's also about training the skills required for the future to take you to the next ...”

Respondent 13 differs from Respondent 8 regarding the South African business environment on listed and unlisted companies on the JSE:

“...So, you don't have a choice in corporate South Africa but to be agile and thinking about this and embracing this change...”
“...Our revenues are not growing the way they used to grow, we're growing single digit, early teens and our shareholders are demanding more and here's Apple saying I'm a trillion-dollar company...”

The third highest ranked construct Challenges to VUCA Responsiveness which included extensive viewpoints supported by most of the respondents. Challenges in this context are perceived challenges that restrict agile responsiveness as understood by the researcher.

Respondent 1 pronounced a diverging view regarding the customer base embracing technology as a challenge to VUCA responsiveness by South African business environment:

“...Consider it's well and good to have a certain customer base who are embracing this technology...”
“...but reality is many more people are still in the real environment where perhaps having access to free data as people in the urban area of is an issue...”
“...So, I would think that business should consider such constraints in being able to embrace any new digital or business approaches...”

Respondent 2 talked about solutions required by South African business environment as a country:

“...I think solutions we require at a management and entrepreneurial level need to be out of the box type of solutions which are unique to South Africa and Africa. Sometimes these haven't been written for us...”

“...Our problems are unique, and I don't think many places have encountered them in the context of us...”

Respondent 15 expressed environmental concerns and the crisis mode that South Africa faces on the basic or constitutional needs of South Africans:

“...We're also in an area of the world which I think is water tight, it's a drought volatile region, so agriculture will always be an import/export game...”

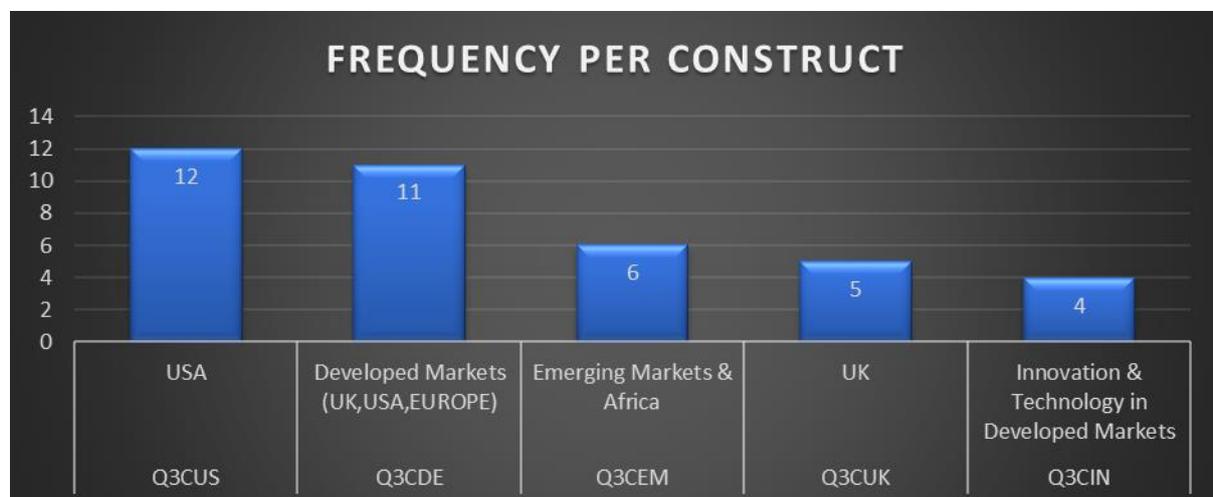
“...We're running at the moment from crisis to crisis. Power is a great example, the fact we have to even think of load shedding means something wasn't managed well...”

“...We had a ministry set up for small business, yet we have the most red tape in the world...”

5.6.3 Developed Markets (USA, Europe & UK) Business Environment Responsiveness to VUCA Approach to Business

The third interview question, interview question 3C, invited respondents to express their views on the Developed Markets Business Environment responsiveness to VUCA approach to business.

Table 11: An Overview of the Developed Markets Business Environment Responsiveness that were Identified by the Respondents Interviewed:



The highest ranked construct was the USA which included extensive viewpoints supported by most of the respondents. The construct USA as understood by the researcher is in the context of the USA as a country and its business environment's responsiveness to VUCA.

Respondent 6 believed the USA was becoming an inward-focused country in the VUCA paradigm which is contrary to global trends by its peers:

"...The developments that are happening with their new president closing off America, making America great again but keeping it insular, you can't compete with anybody else, it makes me wonder what's happening there, if they're not taking steps backwards. However, with the resources that they have there's no reason why they shouldn't..."

Respondent 8 takes the view that the USA is opportunistic and proactive to VUCA dynamics at play, as opposed to being reactive after the fact:

"...The US has been quite specific around how they approach it. I look at things like Facebook, I actually believe that they are government initiatives, as much as Mark Zuckerberg as the face of it, he wouldn't have done that alone. That's how I see the US responding to it. They are disrupting their own economy by keeping their money in there..."

Respondent 15 expressed their view (which is similar to Respondent 6's) on trade barriers in the global arena which is a broader opinion in terms of jurisdiction, so the views are not isolated to the USA alone:

"...I think that protectionism is becoming more and more..."
"...So, we all want to do more with each other, but I think that the VUCA and the rise of Islam in Europe and the US has caused a lot of cross-borders, tightening of border controls..."
"...you've got the USA wanting to build a Mexican wall..."

The second highest ranked construct was Developed Markets (UK, USA & Europe) which included extensive viewpoints supported by most of the respondents. The researcher noted that the respondents spoke of developed markets as a collective and not singularly.

Respondent 1 described their view of Developed Markets as wide-ranging and not necessarily comparable:

"...if one was developed markets, I think they're far ahead of us. We're at different phases of development in terms of emerging markets..."

Respondent 2 highlighted Developed Markets as a changing landscape in terms of trade which speaks to the collective developed markets responsiveness to VUCA:

“...the historic way of doing things is fast changing, alliances are breaking, all these different norms are being challenged and ...”

“...I'm looking from a global macro-economic collaboration point of view, banking is changing, it used to be very traditional and simple and speak to the branch manager and now you don't need to ever walk into a branch to bank and transact globally...”

“...Crypto currency, block chain technologies coming in are also affecting the way that we transact...”

In the same way, Respondent 3 resonated with Respondent 2 by highlighting the innovative ways that business is being executed in developed markets with the view of adapting to cope with VUCA:

“...If you look at the Ubers, if you look at the Amazons, they are very progressive...” I think they are more progressive and they adapt to change very quickly, they are very dynamic, they are very reactive. If something doesn't work, I think it quickly goes into extinction...”

The third highest ranked construct was Emerging Markets and Africa which included extensive viewpoints supported by most of the respondents.

Respondent 5 mentioned the different velocities that each market within developed markets operates in and to an extent they are not like-for-like in comparison:

“...I think every jurisdiction would have different ways of handling their particular business what might be volatile here, another jurisdiction might not see it as volatile...”

“...I think ours is more regulation and legislation whereas somewhere else it could be other means, but I think as the world as a whole there's always room to learn more and to do better...”

Respondent 10 pondered on the geographic components of emerging markets and Africa as a region and how responsive they are relative to developed markets as a collective:

“...African is in our response to the VUCA world...catching up...”

“...If I were to compare, I would say South Africa is faster than Brazil. All of these countries are being dwarfed by China. China’s pace is just mind boggling, the rate of change that they are going through and what they are doing is just amazing...”

“...The scariest thing is that the world can’t see because most people are trapped in a view of China from CNN, so what they see or what they think of China is a group of people who are just poor, they are trying their way, they are oppressive, their government is not working, but they haven’t seen companies like Ali Baba...”

Respondent 15 refers to the complications that Africa endures compared to developed markets in terms of connectivity which makes harder for the region to cope and adapt to VUCA:

“...It’s almost like globally really difficult for Africans to go from Congo or DRC to Zambia, to travel around Africa is difficult whereas you go from France to Italy, you don’t even need to pull out a passport, you just drive your car, there’s no border anymore...”

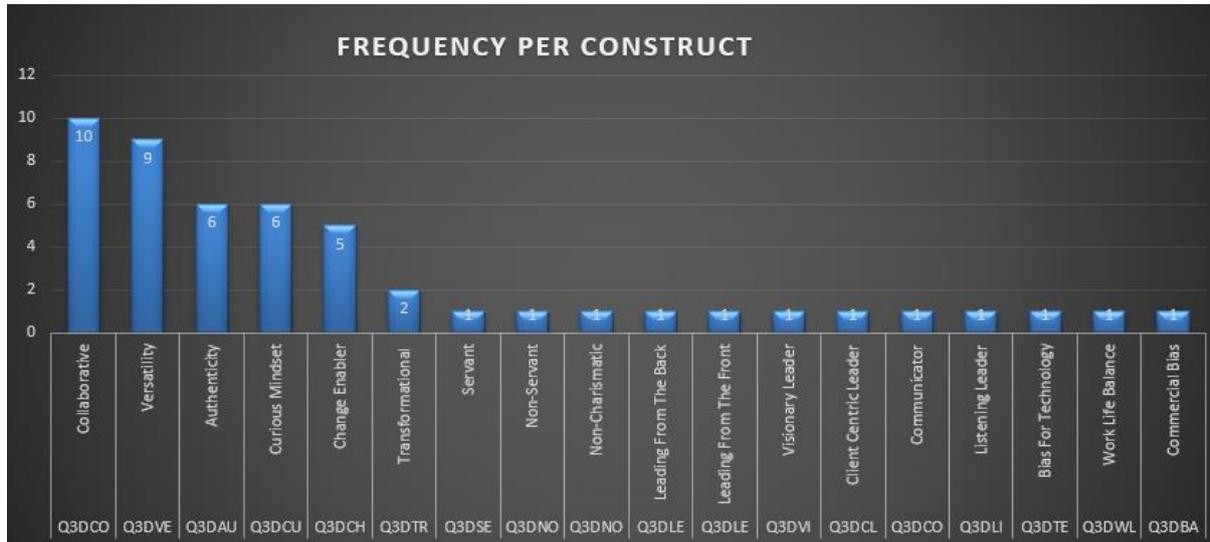
“...That’s where I think the world’s in this balance, in this complex state where Russia and the US are almost in another Cold War again...”

During the reflections of Developed Markets responsiveness to VUCA, some respondents had similar viewpoints, while other respondents compared developed markets to other markets like Emerging Markets, South Africa and Africa to answer the level of VUCA responsiveness in Developed Markets.

5.6.4 Leadership Approach or Style to Cope in a VUCA in a VUCA Environment

The third interview question, interview question 3D, invited respondents to express their views on the Leadership Approach/Style to cope with in a VUCA Environment.

Table 12: An Overview of Leadership Approach/Style to Cope in a VUCA Environment that was Identified by the Respondents Interviewed:



The highest ranked construct was Collaborative. Inclusivity was also used extensively by the respondents hence inclusivity joined the Collaborative bucket due to the similarity in approach.

Respondent 2 believes the collaborative approach is essential because it takes a team, and not an individual, to get work done in any organisation:

“...I believe in a collaborative approach because you can’t do everything every time by yourself, there’s probably many people who are more adept and knowledgeable and more interested in doing certain things which maybe fall under your ambit...”

Like Respondent 2, Respondent 3 articulated their view of inclusivity as being dependent on fellow team members and being okay with the fact that you cannot do everything as a leader on your own:

*“...If you’re not an inclusive leader who relies on multiple people, you’re going to struggle.
 “...So, I think from the type of leadership that survives now, it’s an inclusive leader who understands that that their managing or leading is spread amongst multiple people...”
 “...So, I think, for me, that’s the biggest one, you just need to be an inclusive leader. If you’re not, you won’t survive...”*

Respondent 10 echoed the importance of partnership as an approach by leaders not only in South Africa but also in a global context:

“...the ability to partner with others is important. If Ali Baba walks in here, if I’m going to try and compete with Ali Baba, I’m not going to win, but partnering with Ali Baba I will get something, and he will get something. So how do I make sure that I can get those kinds of deals is important...”

“...The ability to see the new risks before they come is important, and therefore being networked globally is important...”

The second highest ranked construct was Versatile Approach which included extensive viewpoints supported by most of the respondents.

Respondent 4 expressed their versatility sentiments as:

“...I think you have to be more dynamic than what we have seen in the past, be open to new ideas and just realise there are a lot of disruptions...”

Additionally, Respondent 11 articulated views of leaders that are comfortable in their own skin to equally fail or succeed but who still have the character to move forward with heightened wisdom:

“...Leadership style that allows failure to be a reality, a learning reality. You can ask any of the big IT players, they will tell you how many times they have failed for them to get to where they are. They continuously fail...they don’t shut down and fire people, they continue...”
“...The leadership style you’re looking for is understanding that you don’t know it all, it’s a different world. The wisdom of more is better than one...”

Respondent 14 summarised their views of agility as a leader as being essential with VUCA dynamics at play:

“...I think one has to be agile and flexible and be able to pivot quickly, and there are opportunities...”

The third highest ranked construct was Authentic Approach which included extensive viewpoints supported by most of the respondents.

Respondent 7 expressed an approach which is crucial not only in the financial sector but across the board in all sectors:

“...That you guard against arrogance and so on. I think I’ve mainly covered it, it’s the same leadership style I spoke about earlier which are all about remaining grounded, relevant...”

Respondent 8 articulated the importance of leaders taking ownership of their own actions and being proactive not reactive:

“...Be accountable, responsible, communicate, take action...”
“...That’s important because if you say you’re going to do something, I know I can step away from it because I can trust you to do it...”

And lastly, Respondent 15 talked of leaders being principled and able to set an example for the new generation leaders:

“...I always say to people as a business leader in a volatile world, if you remain upfront...”
“...Be upstanding, in other words keep the moral high ground, set a good value base, be authentic...”

5.7 Results for Research Question 4

Research Question 4: What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?

Research Question 4 was meant to establish leadership coaching and development as vital for navigating a dynamic, evolving VUCA business environment. This question investigated leadership coaching and development for current and emerging leaders as perceived important by the respondents.

There were two interview questions used to gather data to answer Research Question 4. The questions posed to the respondents in the interviews were to elicit data around leadership coaching and development in the context of VUCA environment. The questions are referred as interview questions 4A and 4B in the interview schedule found in Appendix 1.

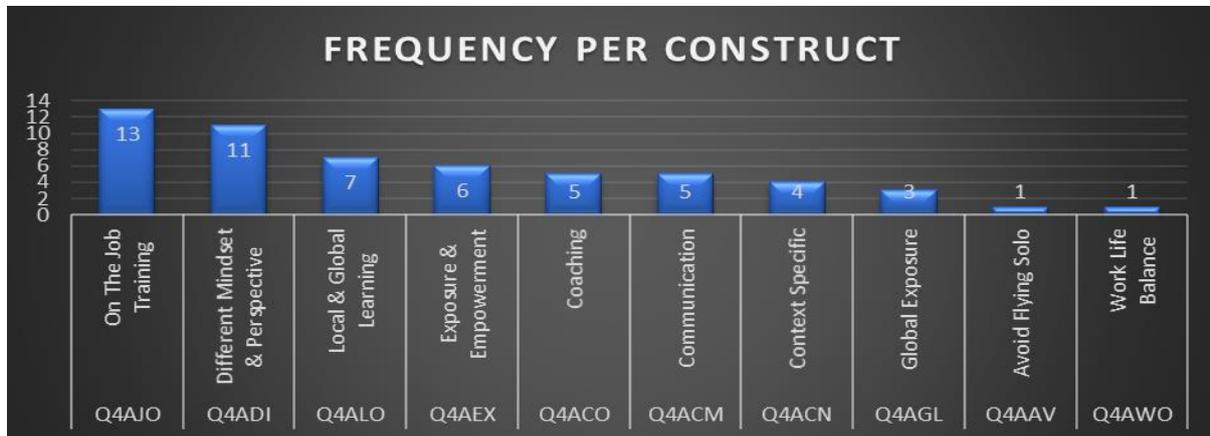
5.7.1 Coaching and Development for Universal Leaders in VUCA Environment

The fourth interview question, interview question 4A, invited respondents to express their views on Coaching and Development for Universal Leaders in a VUCA Environment.

In replying to interview question 4A, the views of the respondents were diverse and educational. As shown in Table 13, a total of 10 constructs were developed. The highest ranked construct was On The Job Training which had a frequency score of 13. The lowest ranked constructs shared by Avoid Flying Solo and Work Life Balance had a frequency score

of 1. The constructs that attained the top three rankings are discussed in this section together with the top three interesting responses expressed by respondents per construct.

Table 13: An Overview of Coaching and Development in a VUCA Environment that was Identified by the Respondents Interviewed:



The highest ranked construct was On the Job Training which included extensive viewpoints supported by most of the respondents.

Respondent 2 voiced their view on leadership coaching and development as transferring knowledge on to the next person:

"...I always say each one teach one or each one ... definitely not each one feed one, each one teach one and you need to have people who you can teach the ropes..."

Respondent 5 articulated their intentional leadership coaching and development views as:

"...So, if someone is identified for leadership there must be deliberate intervention to say we will put you in these different avenues..."

Respondent 12 referred to their varied leadership coaching and development views :

"...So the coaching we do, we're trying to do some on scale now so we have knowledge share, rock the floor type of thing, where we just get guest speakers in who travelled, share knowledge, then we've got lean coffees where people share what's top of mind, check in moments, we're going to do a culture hack now..."

The second highest ranked construct was Different Mindset and Perspectives which included extensive viewpoints supported by most of the respondents.

Respondent 3 articulated their sentiments on leadership coaching and development as being an universal leader and not just to align yourself locally:

“...You need to have world view. So, a programme that forces people outside of their box is critical. I suppose maybe things like what they do in a [indiscernible] where you know you’re going to get people from all over the world, that forces a global point of view...”

“...Even if you’re having debates, you get different perspectives from different types of people with different backgrounds, and that on its own is a powerful tool because it takes you out of your comfort zone...”

Respondent 10 voiced a different perspective which may not be popular with South African leaders who take pride in their hierarchical ranking in an organisation from a leadership coaching and development view:

“...People to know how to work without titles is also so important, because titles are not going to matter. You’re going to be in one team today, I’m going to another meeting and I’m part of another team, sometimes I am in a virtual team...”

“...You want people with spans of influence not spans of control. That’s where the future looks...”

Respondent 11 expressed the view of leadership coaching and development of leaders as being alert and aware of both local and global context:

“...You cannot react to this world if you don’t understand what’s happening outside, meaning you do need international emergence, you need to see what’s happening in the other countries...”

“...You need to learn what’s happening outside of this world and you need to see what other people are doing to address the complex issues we are facing here and the bravery it took them because normally if your context is limited to what you know and what you see now, you will never grow...”

The third highest ranked construct was Local and Global Learning which included extensive viewpoints supported by most of the respondents.

Respondent 7 talked about coaching and development in different forms of formal learning that can be accretive to leaders:

“... CEO heads off to Harvard for a couple of months to the HBS Business School and this is something that we do a lot to take someone out of a work environment and get them to interact with global people there...”

“...Leadership academy facility which is residential where people come for a week and get involved with a host of different courses, interactions with senior executives and learning things, so that’s obviously critical, and we do quite a lot of this with our clients as well...”

“...So, we have academies or the children of our clients, one from fourteen to sixteen, sixteen to eighteen, eighteen to twenty-one where the children will be put in a space for a few days and will meet business leaders, learn about how to manage money...”

Respondent 11 articulated a simplistic leadership development measure:

“...So, interventions for me are more around ... but we also do the basic, like behavioural, technical. The technical are not classroom, the classroom is very limited...”

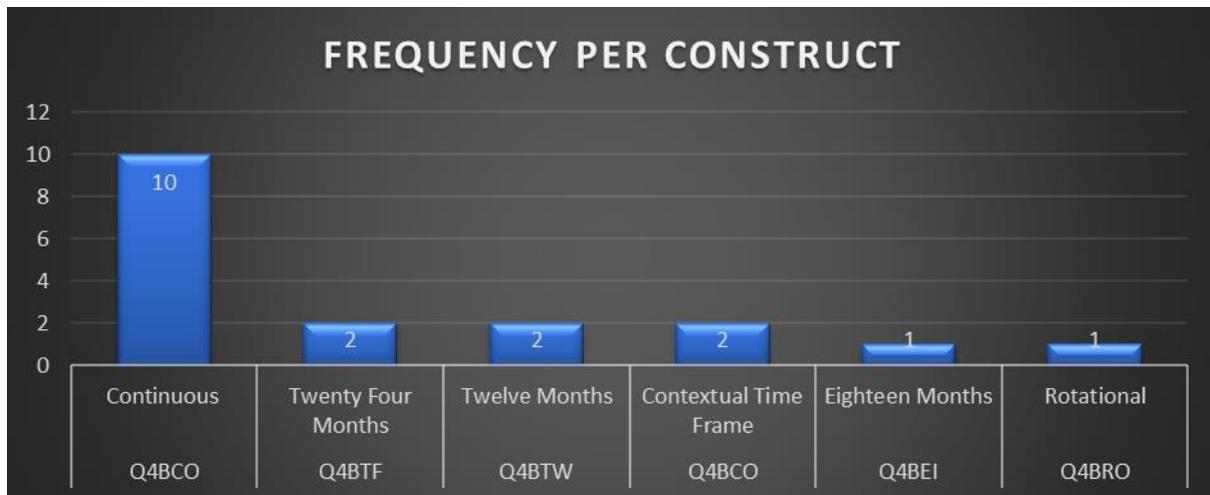
Last of all, Respondent 15 emphasised ongoing leadership coaching and development:

“...I would say if you can instil that continuous learning environment, and I speak about the Leonardo Da Vinci principle of curiosity, if you’re curious about why Discovery Bank might be good, look at their loyalty and rewards programme. Why do some people get really excited about vitality points...”

5.7.1 Recommended Time Horizons to Coach and Develop Leaders in VUCA Environment

The fourth interview question, interview question 4B, invited respondents to express their views on Time Horizons to Coach and Develop Leaders in a VUCA Environment.

Table 14: An Overview of Time Horizons to Coach and Develop Leaders in a VUCA Environment that was Identified by the Respondents Interviewed:



The highest ranked construct was Continuous Time Horizon which included extensive viewpoints supported by most of the respondents.

Respondent 1 voiced their time horizon view with a sense of urgency to coach and develop leaders:

"...But I suppose in terms of putting a timeframe, start now, don't wait for the next wave of change to come, don't think that you're going to change, you will be ready, start now because we see that things are changing..."

"...They talk about pipeline development and there's no timeframe..."

Respondent 4 resonated with Respondent 1 in terms of continuous time horizons to coach and develop leaders despite the pros and cons that are embedded in this approach:

"...It must be an ongoing intervention, if I can call it that, because the environment tomorrow might be on risk, there might be a risk on today, hence my sense that it should be ongoing..."

Respondent 12 came out as the contrarian to Respondent 1 and 4 regarding time horizons and yet was swift in approach:

"We have the scheduled rock the floors...we use that as well for Agile, so we have every two weeks a stand up where people talk through where they are on a project journal..."

The second and third highest ranked construct was shared by Twenty-Four Months, Twelve Months and Contextual Time Horizons and included extensive viewpoints supported by most of the respondents. The twenty-four months and twelve months' time horizon individually are continuous as understood by the researcher from the respondents' perspectives.

Respondent 3 mentioned:

"...So, yes, at the beginning, just so that you can identify when the environment is shifting, that's the starting point. Yes, you can point a timeframe of a year..."

Respondent 5 had a contextual view on time horizon:

"...So, it could be actually sooner than that because people are more astute now and quicker to grasp concepts..."

While Respondent 15 was quite specific about the desired time frame to develop universal leaders:

"...You've got sprints within a marathon and every year or two years you've got to change stuff up a bit. In a VUCA world, you might have a longer-term objective, but you break it down into bite size chunks..."

5.8 Conclusion

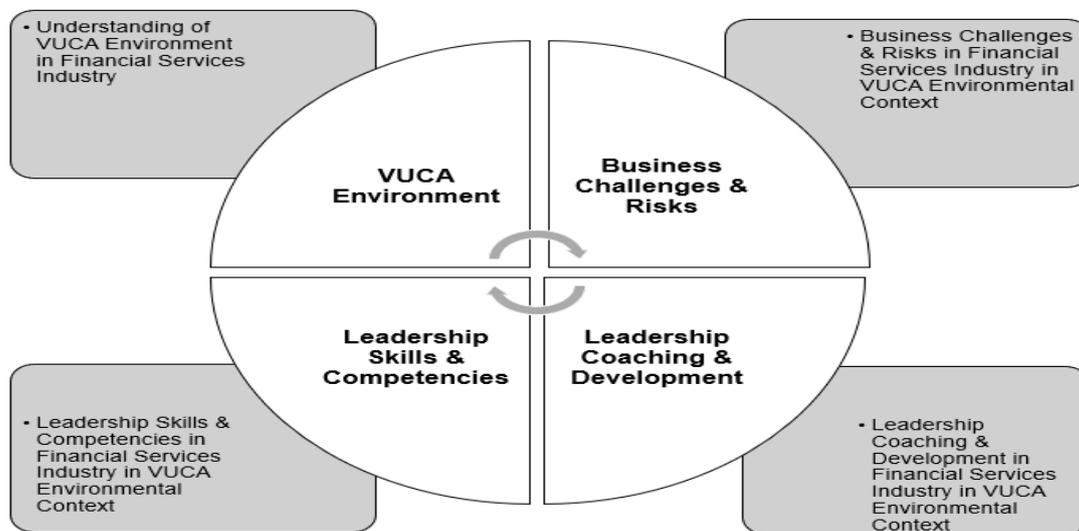
The results from the four interview questions presented in Chapter 5 are supportive of the existing literature. Through the in-depth face-to-face interviews additional knowledge and insights were provided by the respondents regarding leadership dynamics in a VUCA environment. Chapter 6 provides for a detailed discussion of the findings presented in this chapter. Furthermore, recommendations will be proposed to assist leaders and organisations navigate dynamic business environments to ensure their organisations are VUCA-enabled.

CHAPTER 6: DISCUSSION

6.0 Introduction

Chapter 5 presented the data analysis results for the thematic content analysis process that was discussed in Chapter 4. Four research questions were presented in Chapter 3 and these guided the data collection and analysis process as envisaged. To recap, these research questions are illustrated pictorially in Figure 4 and pencilled below as per Chapter 3:

Figure 4: Primary Research Questions



Source: Compiled by Researcher

- 1) What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) environment?
- 2) What are the business challenges and risks within financial services, in the context of VUCA environment?
- 3) What are the skills and competencies critical for leaders within financial services in the context of VUCA environment?
- 4) What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?

In this chapter, as in Chapter 5, the discussions of the data analysis process are presented by research question. The discussions also link the empirical findings in the previous chapter to the views of other scholars and researchers, especially those presented in Chapter 2.

6.1 Discussion - Research Question 1

The first research question of the study was “What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) environment?”. The aim of this question was to appreciate the degree and level of understanding that leaders had regarding the VUCA environment. This understanding was important for three reasons. Firstly, the appreciation of the viewpoints that leaders had on VUCA environment were expected to be important in guiding the understanding of how they behaved in relation to VUCA environment. As argued by Cullen-Lester, Edwards, Casper and Gue (2018), the way in which employees understood a certain change phenomenon, generally controlled how they reacted to it. Using the logic of Cullen-Lester et al’s argument, leaders who perceived a VUCA environment as being similar to any other leadership environment for instance, would not be expected to behave any differently. Another reason behind this research question was it also served as a knowledge tester. It was important to appreciate the degree to which leaders in the sample understood the VUCA environment. The question was thus structured to test whether leaders knew about VUCA environment and if they did, how much they knew. Thirdly, the question also served the purpose of bringing out and exploring the various perceptions that related to VUCA environment to guide the semi-structured interview process. Consequently, several questions emerged from the different points of views given by the sample.

Q1A What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) business environment within financial services organisations?

Most leaders understood VUCA from a global, political and economic relations standpoint. Global political relations including the trade and international policies of the United States, the impact of China on world trade and economics (critical for businesses particularly because they reduced certainty of established global relations) as well as economic policies that leading economies could take and how they will impact South Africa. Global political and economic relations were also identified and associated with VUCA in the literature. For a start, Raghuramapatruni and Kosuri, (2017) associated the VUCA environment with the end of the Cold-War in the early 1980s. In their view, this resulted in a world that was less politically stable in terms of power relations as the previously defined communist-capitalist power divides had been removed. On a global economic scale, Sullivan (2012) and Lawrence (2013) concur that the way that leading economies managed their policies can be associated with the VUCA

environment. In the study, the participants' economic issues of interest were trade relations and regulation especially under U.S. President Donald Trump.

Technology emerged as an important element in the VUCA equation particularly as its rapidly changing nature put organisations at risk of falling behind. This view resonates with the arguments by Van Der Steege (2017) and Lahiri, Pérez- Nordtvedt and Renn (2018) who pinpointed disruptive technology as a VUCA cause. Organisations were no longer certain about technological change because of its rapidity, and the fact that such changes bring about an element of market volatility.

The leaders also viewed VUCA environment from a market perspective with the everchanging market expectations and consumer behaviours representing a source of complexity and ambiguity. Lawrence (2016) cited examples of Proctor and Gamble, and Unilever, two of the world's consumer products giants, aligning their strategies to VUCA because they foresaw changes in consumer behaviour and patterns that they anticipated would disrupt previous conception patterns. The two businesses, like the leaders in this survey, perceived VUCA from a consumer dynamics perspective.

Others understood VUCA from an employment relations perspective and discussed volatile employee-employer relations as a source of VUCA. While employee-related factors are discussed in VUCA leadership model, for instance by Du and Chen (2018), in a global context they are rarely associated with VUCA. This highlights the uniqueness of South African labour relations in comparison to other nations, particularly those with developed economies. Borat, Naidoo and Yu (2014) discuss the unique volatility of SA labour relations from the historical context where severe inequalities and oppressive labour systems of the past have motivated the philosophies behind the formation of militant labour movements – compared with other developed economies.

Other factors that were discussed were the highly-competitive business environment, organisational culture, environmental and climatic change and demographic dynamics. Lawrence (2014), in a case study of Unilever, reveals that Unilever, amongst other companies were also of the view that environmental sustainability was a major VUCA issue, as claimed

by some leaders in this research study. Environmental sustainability was mentioned in the study but in a slightly different context; namely, it created uncertainties regarding energy management assets and projects whose existence might be jeopardised by changing environmental expectations and laws.

6.1.2 Conclusion - Research Question 1

It can be concluded that the leaders in the sample understood the VUCA environment from both similar and different views of the literature. They understood VUCA environment from economic, political global, technological, market perspectives in agreement with the literature. Differences were noted on labour and employment issues, where the leaders associated labour unrest with VUCA environment while mainstream sources did not share the same association.

It can also be concluded from the findings that some of the leaders associated any adverse change in the macroeconomic environment with a VUCA environment. Even factors that resulted in gradual change in the environment, for instance demography, and climatic change were all looked at from a VUCA perspective. This observation points to the conclusion that leaders may to some extent not be very well-versed in the differences between a VUCA environment and other general, dynamic business environments. Additionally, challenges that have existed for ages were also classified as VUCA elements revealing that leaders may view all changes in the environment through a VUCA lens even though some were gradual, foreseeable, understandable and generally less complex to manage.

Another observation is that these South African leaders associated VUCA environment with threats, rather than with opportunities. This perception, as will be seen in the rest of the document, may help explain the defensive approaches leaders displayed, i.e. leaders expected to be disrupted – especially by competition, technology and innovation rather than being the cause of disruption themselves. This kind of thinking, in the views of other writers, reduces the capacity to benefit from opportunities that may come from VUCA environmental change (Raghuramapatruni & Kosuri, 2017).

6.2 Discussion - Research Question 2

Research Question 2 was, “What are the business challenges and risks within financial services, in the context of VUCA environment?”.

Research question Q2A sought to identify and explain the business challenges that managers faced in their daily attempt to drive the organisation towards its goals. Six constructs were identified as themes emanating from the discussions - Competition and the business environment, Technology, Employees, Organisation, Diversity and Client.

Research question Q2B focussed on potential risks that leaders foresaw. Thus, this question intended to assess both present and expected future adversities that leaders could classify as volatile, uncertain, complex or ambiguous. Seven constructs were identified as themes emanating from the discussions - Employees, Competition and the Business Environment, Investments and Investment Performance, Technology and Innovation, Current Affairs, Financial Services Risks and Consumer Behaviour.

The constructs for business challenges and business risks are discussed below per research questions as guided by Appendix 1.

Q2A What would you describe as business challenges in your operating environment and VUCA paradigm as a leader?

Competition and the business environment as a business challenge

Several leaders engaged in the study indicated that competition and the business environment posed both risks and challenges in the operation of financial services organisations. The respondents discussed the effects of the changing investments climate and investment horizons. Firstly, projected growth in investment returns of certain asset classes was turning out to be below expectation. This had negative implications on revenue of units that relied on gains and commissions from such asset classes (i.e. Johannesburg Stock Exchange (JSE) listed equities, bonds and properties). Cash Investments, alternatively called money markets, were increasing, indicating the need for greater liquidity due to risk aversion and finally, it was proving to be a challenge to project market trajectories. These challenges were discussed in relation to the equity-type of asset class although they could apply to many other asset classes (i.e. life-stock, art, wine and farming land). These changes resonate with various discoveries

from previous studies including from Hassan (2013) that dealt with asset prices under volatile environments.

The negative effects of climate change on the business environment came out as one of the constructs in agreement with the findings of Sheng (2016) that mentioned Africa and Middle-East Asian economies as being highly prone to the effects of climatic change including droughts. There was a view that changing climate and its implications on energy firms in South Africa was a serious VUCA environmental cause. This was due to several changes expected to be made in response to climate change trends and regulations, but unfortunately, the type and direction of the changes remained unknown to the market. Additionally, the impact of these changes on energy and oil stocks listed on the JSE (part of the financial services portfolios that clients are invested in) remain uncertain.

Another set of challenges that came out in the findings was that competition intensity was generally presenting itself as a challenge to the financial services industry. Unlike in the past, organisations need to immediately adjust their competitive strategy in response to changing market needs, new industry entry and competitor strategies (Kaivo-oja & Lauraeus, 2018). Even market intelligence was being challenged in keeping up with market and competitive change, resulting in market share loss risks. The above finding is consistent with the views of Murthy and Murthy (2014) who mention that not only was competition intensity changing, the types of competition businesses were being exposed were also changing and included competition from new global players as well as new disruptive platforms. Kaivo-oja and Lauraeus (2018) describe the competition discussed in the findings of this study as hyper competition, i.e. it comes from various global sources, is highly-interconnected to technological change and is rapid. Unlike the leaders in the sample, they however perceive the same type of competition as a major opportunity for businesses to grow and expand into other parts of the globe and other areas by using technological platforms.

Technology as a business challenge

The leaders highlighted how the fast-paced technological environment is a challenge for businesses in the financial services industry. Two factors that came out under this construct were the disruptive element that digitalisation was having on financial services organisations' competitive and business strategies and the technical challenges that it had, particularly with systems integration risks.

On the first matter, technology was rapidly changing and in most cases was disrupting established operational models and strategies. Due to the constant need to keep up, it was no longer possible to develop strategic plans that went beyond two years. It was now important to keep up not only with local competitors but with global competitors who had access to local markets through digital platforms. Kaivo-oja and Lauraeus (2018) discuss how disruptive technology contributed to VUCA. Modern day businesses were finding it challenging to forecast the effects of new technology on their returns and competitiveness. This is against a background of proliferation of various technologies that can quickly upset previous competitive advantages. In addition to disruption, there was also an issue of rapidity of change that challenged businesses to quickly adapt to innovations to satisfy changing market needs. Both issues were highlighted in the findings above.

The second issue related to technical risks that came with digitalisation. One risk that was discussed was the challenges of integrating various cybernetic and digital systems within financial services organisations. It was no longer easy to monitor systems as systems integration always created security and accountability risks. As a background to this study, results from the Allianz Risk Barometer (2017) that assess the risks that transformed or could transform the South African environment into a VUCA environment was consulted. The highest risk identified for SA businesses was related to digitalisation. The report identified failures in ICT systems, cybercrimes and data breaches as determinants of this risk. This finding aligns very well with the risks that digitalisation brings on cyber technology integrity. The same report ranked the disruptive effects of digitalisation, particularly the sudden introduction of unanticipated yet highly defining technologies, as sixth. This risk type conforms with the disruptive nature of technology as discussed above. Whilst differences in ranking are notable between the sample (that ranked digitalisation issues second) and the report (that ranked them first), this shows that the digital world indeed posed both a challenge and a threat to financial services organisations.

Employees as a business challenge

On business risks within financial services industry, in the context of VUCA environment, employee-related matters emerged. One such matter was diversity and the challenge of appealing to a diverse workforce to rally towards common goals. It was challenging for businesses to come up with strategies and policies that appealed to the whole employee body, within a VUCA context, as well as to develop harmonious organisational cultures. Attracting and retaining skills was also identified as a challenge, however this was not widely shared

within the mainstream body of literature that was consulted by the researcher. Like labour unrest which was pointed out to be a unique VUCA element for South Africa (and possibly other emerging African economies), the researcher believes that diversity as a VUCA element is also a unique finding. From the literature, poor diversity management is discussed as potentially inhibitive of organisational goal attainment. Veldsmans (2013) believes that lack of diversity can indeed hamper the attainment of organisational goals as was noted in the findings. Strydom and Erwee (2018) acknowledge the diversity problem in South Africa but do not perceive it as a major risk, based on their findings.

The second aspect of the employees' sub-theme related to general labour unrest and labour mobilisations that are driven by extensively unionised financial services employees. These were briefly discussed under Research Question 1. Labour unionisation was highly disruptive with threats of strikes and disputes being noted as having the capacity to disrupt financial services operations. While employee mobility resulted in uncertainty, labour disputes resulted in volatility. The disruption of operations for example, could result in unprecedented losses in revenues and changes in financial asset prices in panic response. Furthermore, the political dimension of some of the labour-related squabbles created further volatility as situations could change at any time. Other factors identified were the nature of organisational relationships in today's business world, particularly the tall organisational structures and how they may fail to respond swiftly to changing client needs. Diversity was also discussed as a challenge for modern financial services organisations albeit by only one respondent.

Q2B What would you describe as the business risks in your operating environment and VUCA paradigm as a leader?

Employees as a business risk

Employee behaviour, in the views of the managers engaged, was the commonest factor that turned the financial services sector into a VUCA environment. Firstly, employees form a critical intellectual resource within the financial services industry. As a result, they are highly mobile across sectors in the industry. To reinterpret one respondent's views, it is a challenge to maintain strategic certainty in cases where key employees are always on the move or are always in search of better opportunities. High employee mobility thus created uncertainty because financial services organisations cannot predict when operations are going to be disrupted because of loss of skill.

Low employee motivation and the challenges of keeping employees motivated in a harsh economic environment was identified as a major risk in the study. However, under the current

economic state, it was challenging to keep employees motivated in the direction of business strategy and this itself was a risk. Similar findings on how employee motivation relates to VUCA environment were produced by Ahmed (2015). In his study on how leadership influenced employees engaged under VUCA environment, Ahmed (2015) found that it was a challenge to keep employees motivated in a fast-paced environment that generally threatened the stability they were used to. Ahmed, however, mostly associated lack of motivation under VUCA environment to the management style of senior leaders in responding to VUCA environment situations than to general leadership styles. A leadership that was able to respond positively to change under VUCA environment and to immediately stabilise the situation was deemed motivational, insofar as it ensured stability amongst employees. Employees did not like or appreciate the rapidity with which change was occurring in modern day organisations and it was also discussed, in the same study by Ahmed (2015) that this was a factor that resulted in highly-skilled employees leaving for more stable professions.

Several other authors also discussed leadership styles that could appeal to employees' motivation under VUCA environment. Du and Chen (2018) state that the ability to understand employee perceptions is an important aspect for leaders under VUCA environments. The authors encourage leadership models that deeply engage with employees and recommend enhanced formal and informal interaction between leaders and their subordinates. This approach will help to develop a common understanding of how organisational members can work towards the attainment of organisational goals through ensuring that latent issues that could be a risk are identified and addressed. Several other scholars also discussed the importance of leadership style in motivating the workforce towards a common end. Kesting, Ulhøi, Song and Niu (2016) and Giddens (2018) are of the view that motivating employees both within and without VUCA environmental contexts is more attainable under a transformational leadership style. Under this style, leaders can inspire a common vision through interactive and considerate methods that appeal to employees. Thus, it can be noted that transformational leadership styles, in the views of several scholars are quite appealing in leading and managing employees under VUCA environment.

In addition to being concerned about how VUCA environments bring instability to their lives, employees were also discussed as a contributory factor to VUCA environments. Employees contributed to the riskiness of the current operating environment through their potential for human error. Given the high technological dependency of critical information and communication technology systems that run financial services business platforms and

networks, small and simple errors by employees can have devastating consequences on the whole system. Areas of ICT that were discussed as being severely prone to this type of risk were any domains where human involvement was being reduced through use of automatic systems. In these areas, coding errors by humans posed the risk of severely affecting entire financial systems. Abbas, Muzaffar, Mahmood, Ramzan, Sibte and Rizvi (2014) however present a different view. They see ICT as reducing the riskiness associated with human judgement as well as many other human errors in the financial services sector, thus contributing towards a lower-risk and more productive workforce.

Competition and the business environment as a business risk

Respondents stated that there was a risk of financial services organisations becoming irrelevant in the future. The changing demographics of South Africa and the possible failure to match business and marketing strategies to these changes was noted as a risk. The possible decline in revenues due to new market entrants via digitalisation was also noted as another risk. The respondents believed that increasing competition intensity versus a stable market size will result in the declining of revenue bases for most financial services organisations. In an earlier section, competition was discussed as a challenge to South African financial services organisations and in this section, it appears again, this time as a risk. More respondents (26) saw it as a business risk in comparison to seven respondents who saw it as a risk or threat. This shows that to some respondents, the current competitive and business environment was already in VUCA mode whilst others viewed VUCA as a mere risk that had the potential to unfold in the future.

Investments and investment performance as a business risk

Respondents also perceived the movement of investors from high risk and high margin asset classes (JSE listed equities, bonds and properties) into low-risk, low margin asset classes (money market/cash investments) in response to increasing market risks. For financial services organisations, this would translate into loss of operational profits due to the increase in low margin asset classes (money market/cash investments) in their portfolios. Additional financial markets uncertainties would erode the usefulness of past positive performance trends on financial markets and remove any positive performance guarantees in the future. Investment performance risks and technology and innovation risks also came up as a business risk after appearing as a challenge, indicating that some leaders viewed it as a future rather than current VUCA environmental risk.

Supplementary business risks that came out of the semi-structured interview process included leadership dynamics. Lack of capable leaders to steer organisations out of VUCA situations would in future severely affect financial institutions' capacity to realise their strategic goals. Thus, there was the risk that organisations would fail to adapt and positively respond to the changing environment. Leadership development challenges and how they may be disastrous under VUCA environment are also discussed widely in literature with a common view that leadership development was lagging behind the needs of industry coming from Cousins (2018) and Saleh Watson (2017) among others.

Industry Specific Risks- Financial Services (terrorism and money laundering)

Industry specific risks that were expected to increase with the VUCA environmental context included money laundering, terrorism, operational risk and credit risk. The terrorism views shared in the findings were similar to those discussed by Londhe (2016). Londhe views terrorism as a serious global threat. Businesses could become victims of terrorism and its lasting effects of asset and capital losses. Secondly, business interests including clients, suppliers, and investment partners who may be spread globally could also be attacked. This can potentially destabilise local revenue and income streams as foreign investment streams are adversely affected. Londhe (2016) goes on to suggest that businesses needed to assess what he termed T-VUCA, the T representing terrorism. This is developing abilities to survive direct or indirect terrorist attacks through business continuity plans and crisis management processes amongst others. Ntonjini (2015), however, does not place South Africa at the risk of actual terrorist attacks but believes that financial organisations could be compromised as proceeds to fund terrorism could be moved through them, putting them at local and global regulatory risks. In the same document, terrorism and money-laundering are considered as related catastrophes especially as money laundering activities often fund terrorism.

Q2C What measures or processes are put in place to cope with the complexity of operating in a dynamic changing environment called VUCA within financial services organisations?

Organisational culture and business environment

The majority of the respondents pointed at developing organisational cultures that matched with the changes associated with a VUCA environment. Organisations needed to ensure that they had cultures promoting networking and research and accepted that people can make wrong decisions at times. Organisations also required flexibility to respond to change as part of their cultural systems and needed to acknowledge that the business world was no longer

as highly structured and stable as it was previously. In other words, businesses needed to embrace VUCA and accept it as a modern-day business reality. The view that an enabling organisational culture is important in assisting businesses to cope in a VUCA environment is also held by Cousin (2018). Cousin states that an organisational culture that fosters and supports learning and knowledge management enables the development of knowledge and intellectual resources critical under VUCA. Senge et al. (2015) also discuss the positive effects of culture but from a different angle. They are of the view that a culture that builds pro-activity rather than reactivity is more suitable for dynamic environments and empowers organisations to quickly match the strategic requirements of any change.

Employees

Employees were noted to be critical in more than one way in a VUCA environment. Businesses could tap into their human resources to identify skills that were required under the VUCA dispensation. Hiring new skills from outside and training current employees were noted as possible ways of developing VUCA management capacities. In addition, current leaders should aim to transfer their skills in VUCA to the next generation of leaders through succession planning. Rodriguez and Rodriguez (2015) are amongst the many scholars who agree with the above view that skilling employees is one way of coping with VUCA environment. The pair believe that rather than developing individual skills, organisations should aim to develop team skills as networking and co-ordination are important VUCA response requirements. Kumar and Nayarana (2017) and Akith (2016) also talk about imparting teams with the requisite skills to respond to change effectively. Akith (2016) stresses that organisations can also build VUCA capable employees through effective recruitment policies that identify knowledge, attitude, and emotional intelligence in prospective employees.

Contextual awareness

Contextual awareness, in this discussion, refers to the existence of specific consciousness about the business environment on the part of leaders. In the findings, it came out that for leaders to cope with the requirements of a VUCA environment, they need to know and acknowledge a few facts. One such fact was that as leaders, they did not always have total control of everything. Leaders needed to identify factors that were under their control in making decisions and accordingly make judgements on how to treat those that were out of their control. Additionally, leaders needed to acknowledge that their subordinates sometimes had the answers for dealing with certain unfolding VUCA scenarios. Some scholars, among them Dhir and Shusil (2018), discuss the value of knowledge in managing VUCA situations. Dhir and Shusil (2018) view VUCA as a strategic management response way of thinking. As in

traditional strategic management, leaders responding to VUCA environments need to understand the bigger macroenvironmental picture as well as how it affects the microenvironment. Only then will they be able to evaluate the most attractive course of action to take in VUCA situations. Sharma (2016) agrees with the need for broader contextual awareness that enables an immediate understanding of the macroenvironment but states that PESTEL (political, environmental, social, technological, economic and legal), a strategic management tool used for this was no longer effective given the complexity and rapidity of change. Sharma proposes an analysis of all the environmental factors through a method that looks at a multiple of variables as they interact.

Other factors that came out in the study were the need to effectively comply with the demands of the regulatory environment, the need for effective, proactive planning and having very frequent technology change and adoption processes to manage cyber-risks. These suggestions are related to the challenges and risks that were discussed earlier on i.e. changing business and competitive environment as well as disruptive technology and rapid technological change.

6.2.2 Conclusion to Findings for Research Question 2

To conclude, the respondents were able to point out both the challenges and risks prevalent in the S.A. business environment. Including employees, competition and the business environment, investments and investment performance, technology and innovation, current affairs, financial services risks and consumer behaviour, diversity issues, climate change and terrorism. The risks and challenges they identified resonated with the literature. The same factors that were identified as challenges by some respondents were also identified as risks by others, indicating the different perceptions held by the sample. There were views that a suitable organisational culture, management of employees and labour relations, and improving organisational and leadership contextual awareness were possible solutions to coping with VUCA environment.

6.3 Discussion - Research Question 3

Research Question 3: What are the skills and competencies critical leaders within financial services in the context of VUCA environment?

Q3A - In your opinion, what are six critical skills and competencies you believe are essential for leaders in financial services organisations in the context of VUCA business world?

Six skills were identified from the study - soft skills, versatility, mindfulness, educational and technical skills, emotional intelligence and technology and innovation skills.

Soft skills

Soft skills in the findings were basically identified as personal dispositional attributes. The actual soft skills discussed were the ability to communicate effectively with others including having the patience to listen to different viewpoints. Furthermore, one needed social skills to interact and collaborate with different people whose input was important in crafting quick solutions for VUCA scenarios. This included the ability to interact on a global level. Brendel, Hankerson, Byun and Cunningham (2016) discuss the importance of soft skills such as communication as being important in creating a common vision from challenges. Similarly, Raghuramapatruni and Kosuri, (2017) also discuss the importance of communication in remedying a VUCA situation under VUCA prime. Communication was important for ensuring clarity and making sure all team players were up-to-date with the difficult situation, what it consists of and their roles in it.

Versatility

Versatility as a trait enabled leaders to respond to circumstances quickly and efficiently. Versatility was described as a function of adaptability. Leaders needed to appreciate that there were many variables to any scenario and these required equal variability of actions. Versatile leaders accepted the view that they are not only there to influence, but also to be influenced by others. Additionally, leaders with this skill were better able to respond quickly to their environment.

Mindfulness

Mindfulness emerged as the ability to contextualise one's environment and appreciate the differences amongst people (diversity) and situations. Mindful leaders, as gathered from the responses, were more likely to factor the many variables required to come up with solutions

within a VUCA environment. Brendel, Hankerson, Byun and Cunningham (2016) present a similar view on the importance of mindfulness as a trait.

Knowledge and technical skills

Respondents also mentioned that leaders need to be educated sufficiently to respond to some technical situations of a VUCA environment. For example, it required a skilled accountant to respond to VUCA-induced financial and investment challenges due to the technical nature of the required interventions. Akith (2015) emphasized expert knowledge as an important trait required in leaders under VUCA environments. Akith listed knowledge as one of the fundamentals that organisations need to consider when hiring leaders. While Akith discusses knowledge as a trait, Rodriguez and Rodriguez (2015) focus on the ability to transfer knowledge across the organisation as being a skill required in leaders. Leaders with the ability to transfer knowledge using various technologies while taking note of generational differences in people around them had enhanced capacities to manage VUCA situations.

Emotional intelligence

Emotional intelligence (E.I.) also emerged as a skill expected of a VUCA-competent leader despite respondents asserting it is more of a trait than a skill. E.I. was noted as being important in leading diverse teams with different backgrounds, views and beliefs. Leaders with a high E.I. are able to appreciate the variations in expectation associated with such teams and can craft inclusive solutions. Chawla and Lenka (2018) discuss E.I. within the Resonant Style of Leadership context where emotionally intelligent leaders were able to appeal more broadly to team members and networks that were necessary as part of solutions under VUCA. In the KESHAVA model, Akith (2015) asserts that emotional intelligence is one of the six core competencies that organisations should develop in leaders. Dartey-Baah (2015) also claims E.I. to be a fundamental trait within transformational leadership and VUCA leadership. Regardless of the different contexts in which E.I. is looked at, it is notable that the common point of agreement is its impact on other team members who are considered critical input in VUCA situations. It enables leaders to manage and deploy skills and traits that exist in their team and networks.

Technology and Innovation Skills

Respondents also discussed innovation and ICT-related technological skills as important for leaders leading under a VUCA environment. Kaivo-oja and Lauraeus (2018) and Rodriguez and Rodriguez (2015) believe that innovation capabilities are important when leading under VUCA environments. The latter discuss that VUCA environments present opportunities that

arise from change which however may require a certain degree on innovation to harness. Technology-related skills in this study emanated and resonated with the views that technological change is a major risk factor under current circumstances and as such, technological skills were deemed important.

Q3B In your opinion, does the South African business environment necessitate a VUCA approach to business?

There was a consensus that the South African business environment necessitated a VUCA approach. Respondents pointed out the levels of responsiveness in South Africa to VUCA approach as part of their discussion of this question. There were mixed views with some respondents citing technological breakthroughs and business innovations emanating from South Africa as evidence of this. Other sections however argued that South African businesses were not responsive as long-standing VUCA-driving issues such as racial dynamics were still rigidly unchanged. Additionally, South Africa was still very prone to labour unrest scenarios which respondents believed would have been resolved if South Africa was agile enough. Agility was also discussed as being imposed by the situation. Businesses, to survive turbulent economic times characterised by loss of operational revenue, are naturally responsive albeit in varying ways.

Overall, respondents pointed to the risk factors that mimicked those listed and discussed by the Allianz Risk Barometer (2017) as highly existent in their business environments. Similar risks have been discussed by many scholars as the precursors and causes of a VUCA environment. These included globalisation, digitalisation, hyper-competition, global political dynamics, and changing consumer expectations as discussed broadly in this chapter.

Q3C In your opinion, does the developed markets (USA, Europe and UK) business environment necessitate a VUCA approach to business?

Respondents generally identified factors that, in their views, showed how responsive countries were to VUCA environment. There was a general view that developed markets as a collective namely USA, Europe and UK were more responsive to VUCA environment and that their markets' dynamics necessitated such an approach. Respondents believed the USA led the world in terms of responding to VUCA environment. Despite a volatile government, American business seems better able to navigate through the everchanging terrain than other countries.

Additionally, the rate at which the US responded to technological needs and disruptive technologies were all testimony to its agility as a nation.

After the USA, other developed markets, particularly European countries, were viewed as quite agile to global change. They were quick to identify the opportunities and threats that the digital era brought coming up with responsive ventures such as Facebook and Amazon. Respondents cited the USA's trade barriers under current President Donald Trump as a typical example of modern-day uncertainty in global economic relations that required quick adaptivity and agility. African countries and other emerging economies were classified as less agile to change, especially to disruptive technological change. However, some respondents cautioned that the perceptions of VUCA environment may not be as universal as is written. For instance, African economies may see no reason to respond to global changes because what may be classified as volatile in other regions of the world may not be volatile to Africa.

In the literature, there are no direct comparisons on the rate of responsiveness and the degree of effectiveness in VUCA environment by country. Many scholars like Kaivo-oja and Lauraeus (2018) and Rodriguez and Rodriguez (2015) however, in agreement with the findings of the study, point out that VUCA is a global phenomenon. As for the US being the most responsive economy to VUCA environment, this should come as no surprise as the concept originated from that economy (Lawrence, 2012).

Q3D In your opinion, what leadership approach/style can be adopted to manage and cope with the VUCA environment in financial services organisations?

The study also collected data on the leadership approaches that appealed to VUCA environments. The sample discussed both approaches and components of such approaches. The most common approaches were the collaborative, followed by the versatility approach. Curiosity, authenticity and change enablers approaches were commonly perceived as coping leadership approaches and styles under VUCA environment. This was because VUCA environments, in the sample's views, needed leaders who had strong capabilities to network with others. VUCA environment required the integration of various skills, knowledges bases and capacities both within and without the organisation and this was noted to be a challenge if one was not collaborative as a leader.

On leadership style, the sample identified transformational leadership style as enabling in terms of responding to VUCA environment. The above findings confirm Sarkar's (2016) who

believed that VUCA environments required Transformational leadership style integrated with both the Servant leadership and the Authentic leadership styles because of their combination of ethical and societal concerns with the need for swift response, networking and business environment knowledge. This corresponds with the views of Dartey-Baah (2015), who states that the transformational leadership style resonates excellently with the leadership requirements of a VUCA environment. In Dartey-Baah's definition, transformational leadership involves the application of high moral and ethical standards in leadership practices and using these to inspire followers to reach out towards an organisations' objectives. Importantly, while the sample did not speak much of transformational leadership styles – at least in a direct sense - they identified and discussed approaches and styles that could however be classified under the transformational leadership style. These were servant leading from the front, visionary leader, client-centric, communicative and listening leader (Sanjay & Sushil, 2018; Effelsberg Solga & Gurt, 2013). Reclassifying some of the approaches from the perspectives of Effelsberg Solga and Gurt,(2013), collaborative, authentic, listening, leader from the front, communicator and work-life balance all fit into the selfless pro-organisational behavioural (SPB) aspect of transformational leadership.

Transactional leadership approaches as elucidated by Kark, Van Dijk and Vashdi (2018) in the literature are notable in non-servant, non-charismatic, leading from the back approaches that are mainly concerned with the achievement of particular goals for reward. Interestingly, these less collaborative leadership approaches were also discussed as enabling leaders to cope within VUCA environments. These included non-servant and non-charismatic approaches. These were however discussed by at most one respondent, suggesting they are not commonly held views. In one study, Hyland, Reeves and Caputo (2018) found that both transactional and transformational leadership styles appeared to have a positive effect in leading under VUCA environments. They attributed this to demographic diversities in workforces where older workers and females were more appreciative of transactional approaches while millennials reacted more positively to transformational approaches. Other leadership approaches that were identified were leaders with a bias for technology, leaders work life balance concerns and leaders with a strong commercial bias.

6.3.1 Conclusion to Findings for Research Question 3

Six skills were identified from the study, these being soft skills, versatility, mindfulness, educational and technical skills, emotional intelligence, and technology and innovation skills. These skills were not new to the literature despite variances in the terms and wording used to

discuss them by the sample. There was a consensus that the South African business environment necessitated a VUCA approach owing to the challenges and risks that respondents discussed under Research Question 2. There was a view that developed markets were more responsive to VUCA environment and that their markets' dynamics necessitated such an approach while South Africa and other African economies were not as responsive. On leadership style, the sample identified transformational leadership style as enabling in terms of responding to VUCA environment. Transactional leadership styles and other less collaborative leadership approaches were also discussed as enabling leaders to cope within VUCA environments under certain circumstances.

6.4.1 Discussion of Results for Research Question 4

Research Question 4 read, “What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?”.

The purpose of this question was to determine the leadership development processes that can be applied to current and emerging leaders.

Q4A In your view, what interventions can be adopted to develop universal leaders in financial services organisations and in the context a VUCA paradigm?

The leadership development interventions mainly discussed were on-the-job training and coaching. The learning, training and development content identified included local and global learning, exposure and empowerment and coaching. Other important learning, training and development areas were communication, context-specific knowledge and collaboration, work-life balance. Several scholars have pointed towards the need for training content such that it suits VUCA environmental needs. These include Raghuramapatruni and Kosuri (2017), Lawrence (2013), and Moore (2014). In the research findings, the sample pinpointed seemingly new training areas such as local and global learning, developing a different mindset and perceptive and work-life balance as possible new areas of learning. This shows that the respondents to some extent shared the view that current training content was not adequate for the VUCA environment. While the training needs indicated by the sample are not in agreement with Moore's (2014) views that VUCA training should be more on strategic courses, it resonates well with the views of Hall (2016) that training should develop competences rather than emphasizing the roles that leaders must play. In the study, it can be noted that communication, work life balances and mindset issues are behavioural competences rather than role competences as recommended by Hall.

Of the training regimes deemed suitable for VUCA environment, on-the job training and coaching, which are practical methods of learning, was rated highly and this supports the need for enhanced practical training as stated by Hall (2016). Raymer, Dobbs, Kelley and Lindsay (2018) contend that within the VUCA environment, the perspective of leadership development needs exceptional customised approaches and a transition from the organised learning methods (such as the worker-training courses) towards customised strategies of learning, often termed Customised-Vertical Development (explicit work obligations, directed programmes of mentorship and self-engaged studying). Such customised training approaches are not discussed in the sample indicating non-agreement with this view.

Q4B In your view, what are the time horizons to ensure effective coaching and development of leaders in a VUCA paradigm within financial services organisations?

The study also found that most respondents were of the view that the coaching and related training and development interventions aimed at making leaders more VUCA capable should be continuous. Other less-shared time frame views were 24 months, 18 months, and 12 months. The frequency could also depend on the context of study and could be rotational. There were no views emerging from the literature that discussed the best training durations. However, Raymer, Dobbs, Kelley and Lindsay (2018) raised the need for customisation of training and development processes including time frames.

6.4.1 Conclusion to Research Question 4

In conclusion, respondents believed that the traditional leadership and skills development processes currently in use were still applicable for equipping leaders with VUCA capabilities. However, what needed to change was the content that leaders were exposed to in their training. On the skills development timeframes, there was no actual consensus on how long the training processes should be.

6.5 Conclusion

This chapter discussed the findings from the data analysis presented in the previous chapter. The discussions centred on the four research questions that guided that study and revealed

various perceptions of what leaders understood about VUCA environment and the risks and challenges that abound in the South African business environment. The leaders also identified skills, competencies and traits that they believed were critical in leading under VUCA environment as well as the approaches to developing these skills.

The research rationale, as posed by the four research questions in Chapter 3, has been met and contributes to, and enhances, the current literature of leadership and VUCA environment.

The next chapter concludes the project and research process and presents recommendations for businesses and academia based on the discussions above.

CHAPTER 7: CONCLUSION

7.0 Introduction

In this chapter, the VUCA Enabled Framework for organisations is presented based on the insights gathered from the interviewed respondents as discussed in Chapters 5 and 6. From these findings, recommendations for stakeholders are presented. Lastly research limitations together with recommendations for future research are highlighted.

7.1 Synthesis Research Findings

The study pulls together the base literature that has preceded it and integrates the research findings with new knowledge gathered through the interview process. Respondents provided rich insights that were directly linked to the four research questions presented in Chapter 3.

The research findings presented in Chapter 6 are consistent with existing literature. The study does however contribute to the broader theory around the leadership dynamics in a VUCA environment with senior leaders in mind.

The first contribution of this study relates to the understanding of VUCA environment. As respondents stated, VUCA environment is influenced by economic, political global, technological, and market perspectives in alignment with the literature. Differences were noted on labour and employment issues, where leaders associated labour unrest with VUCA while the authors mentioned did not share the same association. Surprisingly leaders, to a certain degree, are not well-versed in the differences between VUCA environment and other general, dynamic business environments. Interestingly, South African leaders that participated did not associate VUCA with opportunities at all, but rather with threats. This perception, as will be seen in the rest of the document, may help to explain the defensive leadership approaches that leaders anticipated i.e. leaders expected to be disrupted - especially by competition, technology and innovation rather than these being the cause of disruption themselves. This kind of thinking, in the view of quoted authors, reduces the capacity to benefit from opportunities that may come from VUCA environmental change (Raghuramapatruni & Kosuri, 2017).

The second contribution of this study relates to the description of business challenges and business risks within financial services in the context of VUCA environment. The business challenges and risks collectively include employees, competition and the business

environment, investments and investment performance, technology and innovation, current affairs, financial services risks and consumer behaviour, diversity issues, and finally, climate change and terrorism. These risks and challenges resonated with the literature. The same factors that were identified as challenges by some respondents were also identified as risks by others, indicating the different perceptions held by leaders. There were views that a suitable organisational culture, management of employees and labour relations, and improving organisational and leadership contextual awareness were possible solutions to cope with VUCA environment.

The third contribution relates to the skills and competencies critical within financial services in the context of VUCA environment. Six skills were identified from the study; these being soft skills, versatility, mindfulness, educational and technical skills, emotional intelligence and technology and innovation skills. These skills cropped up too in the literature despite variances in the terms and wording used by the sample. There was consensus that the South African business environment necessitated a VUCA approach owing to the challenges and risks that were discussed under Research Question 2. There was a view that developed markets were more responsive to VUCA environment and that their markets' dynamics necessitated this approach, while South Africa and other African economies were not as responsive. On leadership style, the sample identified transformational leadership style as enabling in term of responding to VUCA environment. Transactional leadership styles and other less collaborative leadership approaches were also discussed as enabling leaders to cope within VUCA environments under certain circumstances.

The fourth contribution of this study relates to the belief that the traditional leadership and leadership development processes currently in use, were still applicable in equipping leaders with VUCA capabilities. However, what needed to change was the content that leaders were exposed to in their training. On the skills development timeframes, there was no actual consensus on how long the training processes should be.

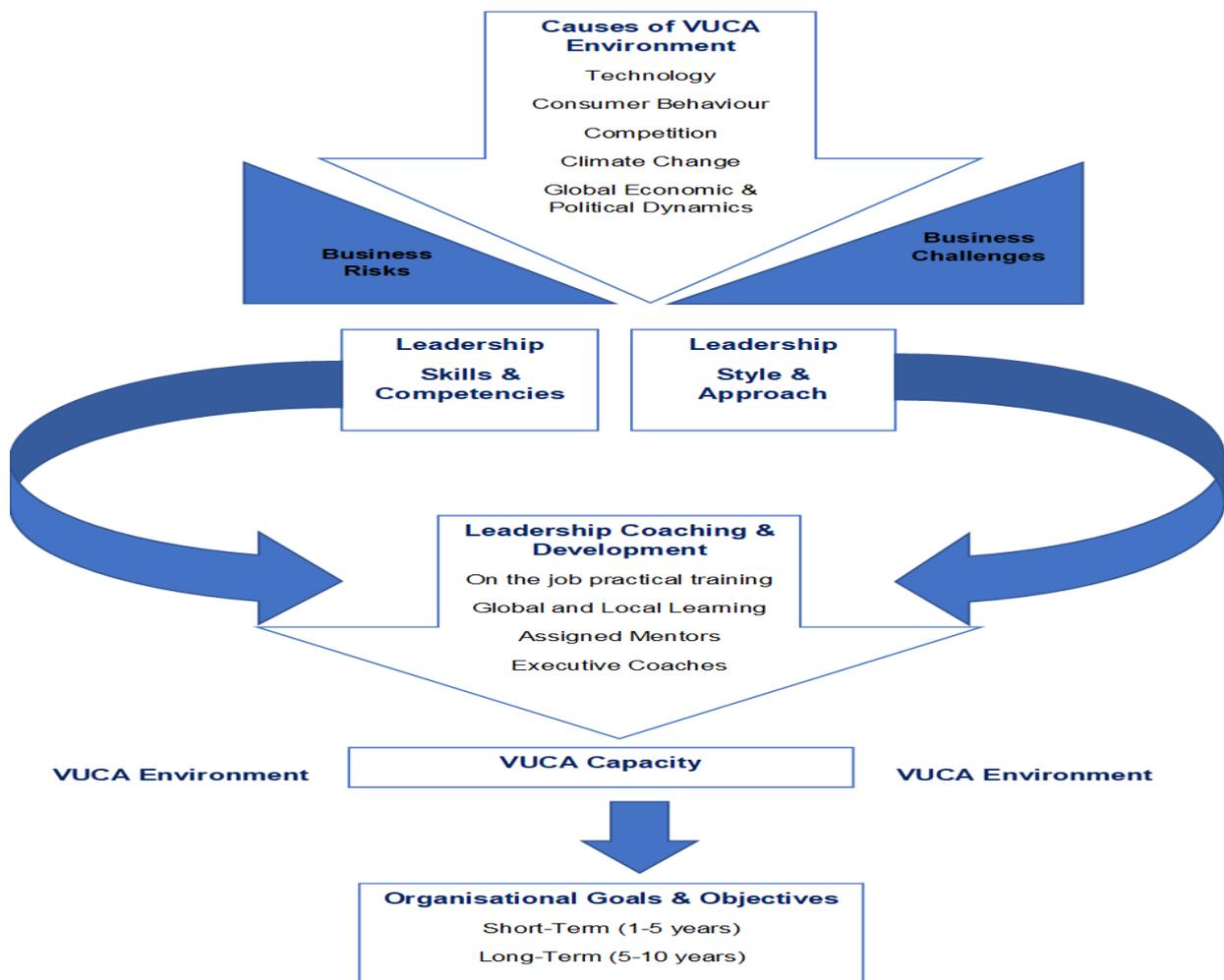
7.2 The VUCA Enabled Framework for Organisations

7.2.1 How the VUCA Enabled Framework for Organisations was developed

The VUCA enabled framework for organisations was carefully put together through the integration of themes and constructs identified in Chapter 5 and further explored in Chapter 6. The core of the framework shows that the VUCA environment comes as a result of various causes, business challenges and risks that organisations endure daily. The resulting VUCA

environment tests leadership skills, competencies, style and approach for the current and emerging leaders in organisations. Leadership development and coaching, as argued by various scholars in Chapter 2, has become critical in redeveloping current leaders as well as grooming new leaders who have the skills, competencies, style and approach that effectively match the requirements of the VUCA environment. Once leaders are armed with the contextual leadership development and coaching, they are equipped with VUCA capability that provides them with practical and tangible tools that will enable them to implement organisational goals and objectives in a phased approach, namely short and long term to ensure accountability, pace and continuity.

Figure 5: The VUCA Enabled Framework for Organisations



Source: Compiled by Researcher

7.3 Recommendations for Stakeholders

The findings of this study will provide stakeholders with recommendations which they can apply in their organisations to navigate the VUCA environment, and the leadership dynamics to be deployed in financial services industry. The recommendations below should be calibrated with the VUCA enabled framework in Figure 5 to ensure mindfulness of the VUCA environment and the different attributes that need be considered by leaders as they pencil down organisational goals and objectives in their respective silos.

The recommendations to stakeholders regarding leadership dynamics in a VUCA environment are two-fold, firstly, from an organisation's outlook and secondly, from a leadership outlook.

7.3.1 Organisational outlook

In a VUCA environment organisations need to be alert and agile given that their operating environment is constantly evolving at a pace and rate that is complex to fathom, compared to how organisations used to operate historically. There is an atmosphere of a new normal that organisations somehow need to adapt to in the manner that they operate as a going concern. To be VUCA-enabled, current operating models of organisations need to be questioned, stripped and validated for the new wave of VUCA environmental impact together with FinTechs that are eroding revenues of organisations by simply being more agile.

Organisational cultures need to be enabling its employees to interact more dynamically – through an open-door policy / platform that empowers blue collar to white collar communication and the freedom to speak and challenge the status quo without fear of being victimised. Additionally, flexibility in working hours for frontline employees and employees with children or those that travel extraordinary distance to work daily, should be examined. Equally an organisational culture that tolerates employees failing and being allowed to learn from such failures, is important. An organisation that takes pride in learning and empowers its employees with knowledge through formal and informal learning, with a balance between local and international learning, is to be emulated.

Exposure for employees' keen to learn and be disrupted, driven at an organisational level, goes a long way in stimulating employees' keen to tackle scenario-based challenges for the organisation. Investing in the mindset of employees as an organisation helps puts an organisation in a VUCA-enabled stature. Organisations that are biased towards digitisation, innovation and entrepreneurial flair will go a long way in being VUCA-enabled and will have

better tools to navigate the uncharted waters of VUCA going forward. Lastly, organisations that promote an atmosphere of networking, collaboration, research and development, will be better prepared for the future, as they challenge themselves before waiting for external factors to do the challenging. In other words, organisations need to embrace VUCA environment and accept it as a modern-day business reality.

7.3.2 Leadership outlook

Critical for a leader to navigate the VUCA environment are the leader's skills and competencies and leadership approach/style to situations faced the organisation. From a skills and competency point of view, current and emerging leaders need to have emotional intelligence considering the VUCA dynamics that face them daily. Furthermore, emotional intelligence becomes a vital competency when leading diverse teams in both local and global setting with different backgrounds, opinions and beliefs, religions and cultures, all vying for attention. Leaders with high emotional intelligence can calibrate and appreciate wide-ranging expectations associated with diverse teams and craft inclusive solutions that are contextual for different VUCA scenarios.

Soft skills are essential for communicating effectively with peers and employees. They enable a leader to listen to different viewpoints with objectivity and patience, and to interact and collaborate with different people who do not necessarily always agree on ideas and viewpoints in crafting solutions for VUCA scenarios. A leader that can interact and communicate not only at their country or organisation's level, but also at a global level, is already VUCA-enabled and transversal. This type of leader is best placed to tackle VUCA scenarios and ensure all employees know and understand their role in the puzzle of navigating a VUCA environment.

The style or approach that a leader needs to consciously work on in a VUCA environment is transformational leadership which inspires change, is open to ideas, is able to take risks and is adaptable. Dartey-Baah (2015) highlights that this type of approach is critical for leadership requirements in a VUCA environment. A blended approach is equally fitting in a VUCA environment with the transactional leadership in mind. To be a VUCA-enabled leader involves valuing both order and structure, which together can often deliver results during difficult times.

7.4 Academia Relevance

Chapter 1 highlighted the calls from scholars such as Raghuramapatruni and Kosuri (2017), Sarkar (2015), Van Der Steege (2017), O'Shea (2017) and Hillson (2017), Cheung, Fatum and Yamamoto (2018), Rena and Msoni (2014), Jongh, Jongh, Jongh and Vuuren (2013) and Sushil, Dhir and Sanjay (2018) for there to be empirical research conducted to understand how leadership dynamics are applied in the context of VUCA environment. This study has attempted to answer this complex question, finding the answer to be embedded within the context a leader operates in.

This study has contributed to the current academic literature in three important ways:

1. It has provided an in-depth understanding of VUCA environment to leaders, organisations and the evolving financial services industry. The mindfulness of VUCA environment that leaders need to apply in any scenario that they face daily in their business units and organisations
2. It suggested that South Africa and developed markets are VUCA-enabled markets although the VUCA-enablement is varied and is at different velocities and intra-country contexts.
3. It highlighted the importance and the need for current and emerging leaders to be mindful of their contextual operating environment to better navigate the VUCA environment with tools and crafted solutions to assist them in VUCA-enabling their organisations.
4. The insights provided by seasoned leaders confirm that the South African education curriculum is neither dynamic nor VUCA-enabled i.e. from primary school right through to high school and tertiary education. This results in scholars graduating from their respective fields of study not being VUCA-ready entrepreneurs or potential employees of SA corporates. Yet it provides an urgent opportunity for an evaluation of the South African education curriculum by government , SA corporates , community and business leaders as a collective.

7.5 Recommendations for Future Research

During this study, several perspectives lent themselves for future research, while the majority of these arose from the inductive analysis executed:

- Due to the unintended biased representation of the big four banks in the sample, the researcher believes that a different sample from the new generation banks will bring forth interesting insights for the VUCA environmental study with Leadership Dynamics in mind in the financial services industry. The new generation banks as described by the researcher are Capitec Bank, Bank Zero, Discovery Bank and more leaders from Tyme Digital CommonWealth Bank of South Africa should be included in the next sample.
- Further research can also focus on other industries that tend to disrupt themselves (for example FinTechs), or alternatively industries that organically fail to adapt to changes in general or to VUCA environmental changes.
- There is a need to conduct future research on VUCA environment with the intentional objective of having a balanced (50/50) sample based on gender (female and male) to explore diverse insights without this research's imbalance in gender representation.
- Leaders were the only respondents interviewed during this study, meaning there is an opportunity to conduct interviews with blue-collar, gold-collar and white-collar employees and possibly consultants within the VUCA environment. The interpretation of the results obtained, would either enhance, validate or contradict the discoveries further, allowing for a triangulation method to be requested.
- Further studies, using a case study per organisation, can explore leadership dynamics in a VUCA environment, and this could bring forth greater understandings on the organisational and leadership nimbleness in a VUCA context.
- The study looked at four constructs which have the potential to become research areas individually. A qualitative study on each of the constructs is recommended. The aim is to explore each construct in the context of VUCA environment.

7.5 Research Limitations

Chapter 4 highlights the subjective nature of qualitative research, leaving the interpretation of the findings to the discretion of the researcher. This interpretation may have resulted in the introduction of certain biases (Sanders & Lewis, 2012; Zikmund, 2003; Zikmund et al.,2010). In lieu of this, the following limitations have been identified:

It is recognized that this study did not try to create definitive theories but rather was exploratory in nature. Notwithstanding the limitations, presented below, the researcher undertook all efforts to stay truthful and to extract as much pertinent data as possible from the interviews.

The following inadequacies were identified and recognized within the study:

- The respondents were from only financial services organisations located in Sandton and Rosebank in Johannesburg, Gauteng, South Africa. On this basis, geographical bias could have influenced the respondents, therefore providing a narrow view which excludes international respondents. This therefore limits the assumptions that can be made across border and demographics.
- The study had an unintended sample bias towards the big four banks; namely FNB, Absa Bank, Standard Bank and Nedbank, as well as Tyme Digital CommonWealth Bank of South Africa. The researcher argues that the biased representation of the big four banks could have an impact on the findings, limiting the assumptions that can be made across the broader financial services industry and other industries.
- The study had an unintended sample bias towards male respondents - largely driven by the researcher's financial services network of seasoned leaders and given the time constraints to conduct the study. Three female and twelve male leaders were interviewed by the researcher out of a pool of fifteen who participated in the study, which may impact on the findings of the research.
- The sample was deliberately targeted at senior leaders categorised as executive managers mostly with only one junior manager interviewed as highlighted in Table 1. The views of individuals at junior and middle levels of organisations could have contributed to the study by exploring the topic from their perspectives.
- The researcher acknowledges that due to the demographic profile of the respondents with 12 males and three females participating in the interview process, gender bias may have an impact on the responses (Zikmund et al., 2010).
- The researcher was not formally trained to conduct expert interviews, which could potentially have impacted the interpretation of the results as analysis remains debatable because of its enquirer-dependent nature (Patton,2002).

- The interview questions from the interview guideline (refer to Appendix 1) were established from the literature review, presenting respondents with precisely themed questions, as is the nature of a qualitative study. During the interviews, new themes arose inductively from the open discussions that took place. These introduced not only new areas to research, but also could not be successfully checked and verified, such as in a triangulation approach.
- The researcher may have been subjected to bias as the respondents shared their personal experiences which may not always be viewed objectively (Zikmund et al., 2010).
- Biases may also have occurred from either the side of the researcher or of the respondent. The bias of the researcher may be owing to personal interpretation which may have differed from that of an independent observer, resulting in a different conclusion having been drawn from the same interview (Zikmund et al.,2010).

7.7 Conclusion to research project

In Chapter 1, the researcher laid out the rationale for the research problem which the study sought to solve - the understanding of leadership dynamics in a VUCA environment.

1. Firstly, as exemplified in the financial crisis illustration, the VUCA environment manifestations can result in consequential damage if not managed effectively – this management requires adequate leadership capacity. For the purposes of developing the capacity to manage the VUCA environment, it is critical that the leadership dynamics that match up to this situation be known and understood. For instance, there is the need to appreciate the leadership roles, responsibilities and traits that are necessary for embracing change and uncertainty in a responsible manner within a volatile situation.
2. Secondly, the study appreciates the view that VUCA is generally a new concept in comparison to traditional leadership-related disciplines such as strategic management (Van Der Steege, 2017). This newness challenges the need for information to aid in clarifying and better appreciating this environment. Combining the first two reasons for selecting the problem, the researcher is faced with a highly consequential management phenomenon that is complicated by its newness. Information on VUCA and the leadership dynamics required to manage it is not readily available within the

South African context. This poses a challenge of documenting how leaders may need to react to and manage VUCA environments and their manifestations.

3. A third reason for selecting the VUCA-leadership dynamics problem is the magnanimity of its divergence with widely accepted strategic management principles. Strategic management calls for setting up of stable, long-term goals and objectives that enable the organisation to adapt to its environment (Van Der Steege, 2017). VUCA, on the other hand is also concerned with adaptation to the environment albeit at a rapid pace where strategic options are not always clear (Elkington, Van Der Steege, Glick-Smith, & Breen;2018).

The rationale for the research problem were all met and, in certain instances, exceeded. The findings of this research project, as discussed in Chapter 6, resulted from a vigilant journey undertaken by the researcher, based on the above.

The discoveries from this exploratory research distributed recommendations serving as guidelines that can be applied practically by a wide-range of stakeholders to the leadership dynamics in the financial services industry. It has emphasised the importance of context while manoeuvring a VUCA environment and how, through the application of these recommendations, leaders will be able to enhance their competitive advantage and remain pertinent.

CHAPTER 8: REFERENCES

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CHAPTER 9: APPENDICES

Appendix 1: Interview Guideline

Semi Structured Interview Questions

Demographic Information (5 minutes)

Purpose: to set the context of the respondent in terms of two categories: (1) general demography and experience and (2) their specific context information such as leadership. These questions are intended to put the respondent at ease and frame their thinking to that of leadership and volatile, uncertain, ambiguous and complex (VUCA) business world.

I would like to get some "context" as to who you are. Please tell me a little bit about yourself, such as where you work, your education, what you do and what you value the most in being a leader? (Probing: company's leadership role, little about each role, anything poignant from these experiences).

Confirm:

- Gender
- Age
- Time in an executive management position (months or years)
- Current position

1. (RQ 1) Research Question 1 (5 minutes) – Understanding VUCA Environment

Purpose: to establish the leader's understanding or definition of a VUCA environment within financial services organisations.

Q1A What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) business environment within financial services organisations? (Probing: Or what best articulates a VUCA paradigm in your business context or context as a leader?)

2. (RQ 2) Research Question 2 (15 minutes) –Business Challenges and Risks

Purpose: to establish the leader's understanding and awareness of challenges and risks in their working environment (financial services organisation) and in a VUCA paradigm.

Q2A What would you describe as business challenges in your operating environment and VUCA paradigm as a leader?

(Probing: Could the business challenges have been avoided? Or What mitigation strategies could you have deployed to reduce the business challenges?)

Q2B What would you describe as the business risks in your operating environment and VUCA paradigm as a leader?

(Probing: Could the business risks have been avoided? What mitigation strategies could you have deployed to reduce the business challenges?)

Q2C What measures or processes are put in place in place to cope with the complexity of operating in a dynamic changing environment called VUCA within financial services organisations?

(Probing: "Checks and balances in place in your business environment". How would you measure the impact of the measures and processes put in place to assess their impact?)

3. (RQ3) Research Question 3 (30 minutes) – Leadership Skills and Competencies

Purpose: to establish the leader's awareness and mindfulness of skills and competencies essential for emerging and current leaders in a dynamic and evolving environment called VUCA and in financial services organisations.

Q3A In your opinion, What are 6 critical skills and competencies you believe are essential for leaders in financial services organisations in the context of VUCA business world?

(Probing: why these skills and competencies important in your view?)

Q3B In your opinion, does the South African business environment necessitate a VUCA approach to business?

(Probing: Meaning the type of responsiveness to volatile, uncertain, ambiguous and complex? Compare South Africa to BRICS and Sub-Saharan Africa in terms of responsiveness to VUCA, how are we faring compared to other countries regarding our responsiveness to VUCA?)

Q3C In your opinion, does the developed markets business environment necessitate a VUCA approach to business?

(Probing: Meaning the type of responsiveness to volatile, uncertain, ambiguous and complex? Compare USA to Europe and UK in terms of responsiveness to VUCA. How are they faring compared continentally/geographically regarding our responsiveness to VUCA?)

Q3D In your opinion, what leadership approach/style can be adopted to manage and cope with the VUCA environment in financial services organisations?

(Probing: Unpack the chosen leadership approach and what is your approach as a leader?)

4. (RQ4) Research question 4 (10 minutes) – Leadership Coaching and Development

Purpose: to establish the leader's awareness and mindfulness of coaching and development essential for emerging and current leaders in a dynamic and evolving environment called VUCA and in financial services organisations.

Q4A In your view, what interventions can be adopted to develop universal leaders in financial services organisations and in the context a VUCA paradigm?

Q4B In your view, what are the time horizons to ensure effective coaching and development of leaders in a VUCA paradigm within financial services organisations? *(Probing: Would these interventions be once-off or phased in approach? What is your reasoning for the selected time-horizon as a leader? And Why?)*

Appendix 2: Informed Consent Letter

Attention:

RE: Grace Mahlomotja Thesis General Consent to Participate

Leadership Dynamics in a VUCA Business World

Dear Sir/ Madam

I am conducting research titled "Leadership dynamics in a volatile, uncertain, ambiguous and complex (VUCA) business world" and am trying to find out more about the leadership competencies and skills that will help current and future leaders to navigate their operating business environment.

Our interview is expected to last an hour and ten minutes, and will be semi structured in terms of the questions asked. You have been identified as a leader in a VUCA business environment and are invited to share your personal experiences and observations in your personal capacity.

Your participation in this research is voluntary and you can withdraw at any time without any explanation and without any penalty. All data will be reported without identifiers.

If you have any queries, please contact my supervisor or me. Our contact details are provided below:

Researcher Name: Grace Mahlomotja

Email: gmahlomotja@gmail.com

Research Supervisor: Andre Vermaak

Email: adrepv@mweb.co.za

Name of Participant:.....

Signature:.....

Date:.....

Researcher Name:.....

Signature:.....

Date:.....

Appendix 3: Interview Invitation Letter

INVITATION TO PARTICIPATE IN A RESEARCH STUDY

I, Grace Mahlomotja, a graduate student at the University of Pretoria's Gordon Institute of Business Science (GIBS). As part of my master's degree thesis, I am conducting research titled "Leadership dynamics in a volatile, uncertain, ambiguous and complex (VUCA) business world".

The aim of the research is to ascertain leadership behaviours, skills and competencies required to navigate the VUCA business world. This research will assist current and future leaders to more effectively establish leadership competencies in their organisations.

The aim of the research is to answer the following key themes:

1. Theme 1 : Leadership challenges and risks in a VUCA business world
2. Theme 2 : Leadership skills and competencies required in a VUCA business world
3. Theme 3: Leadership development and coaching in a VUCA business world

To that end, you are asked to avail yourself for an in-person, semi-structured interview which will take an hour and ten minutes of your time. Please note that your participation in this study is voluntary and you can withdraw at any time without penalty. Enclosed is a copy of the Informed Letter of Consent which you will be required to sign during the interview.

If you have any queries, please contact my supervisor or me. Our contact details are provided below:

Researcher Name: Grace Mahlomotja

Email: gmahlomotja@gmail.com

Research Supervisor: Andre Vermaak

Email: adrepv@mweb.co.za

Appendix 4: Consistency Matrix

Title: Leadership Dynamics in a VUCA Business World

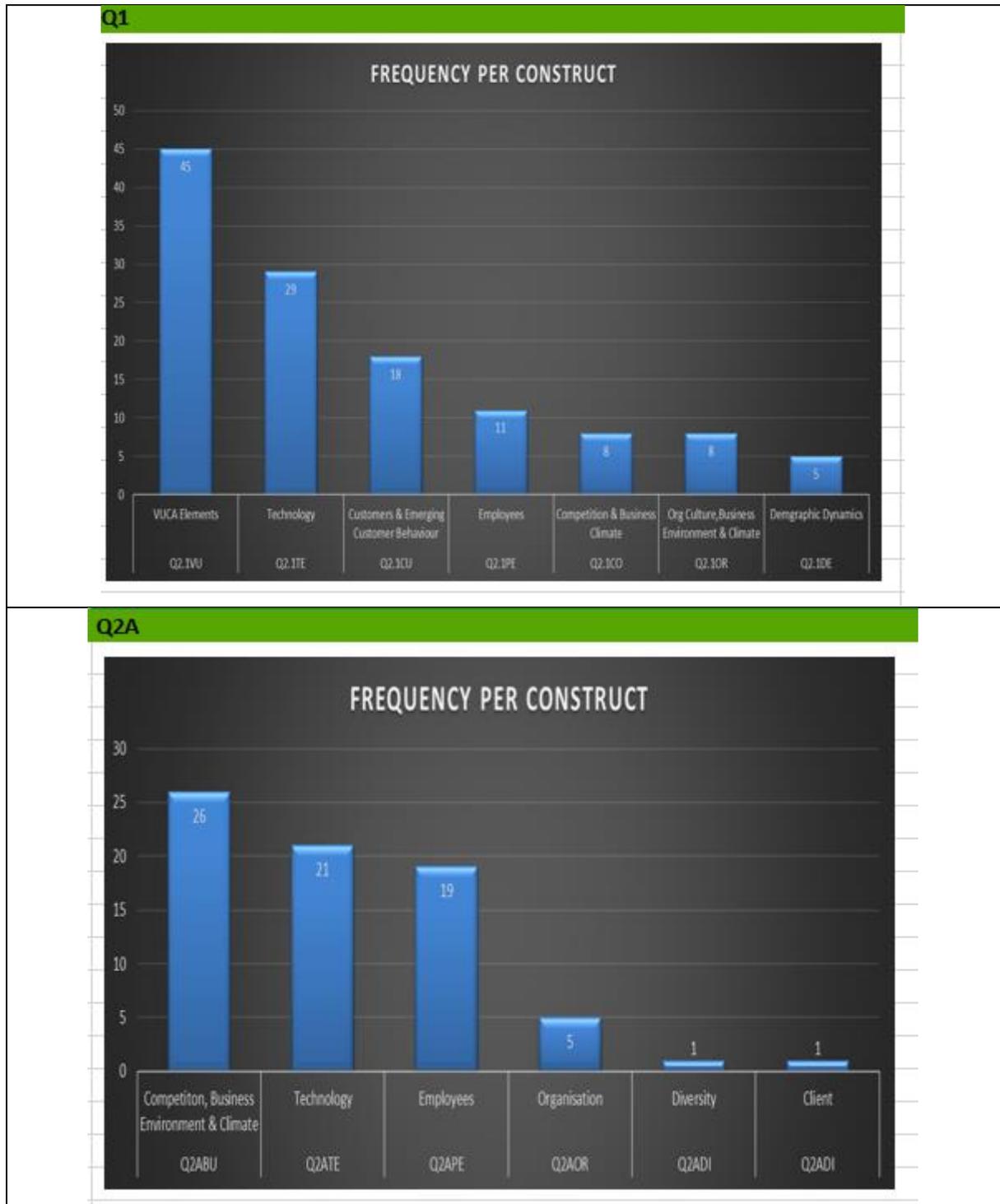
Research Questions	Literature Review	Data Collection Tool	Analysis
<p>Research Question 1:</p> <p>What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) environment?</p>	<p>(Alkhaldi, MD et al., 2017)</p> <p>(George, 2017)</p> <p>(Kaivo-oja & Lauraeus, 2018)</p> <p>(Lahiri et al., 2008)</p> <p>(Lawrence, 2013)</p> <p>(Raghuramapatruni & Kosuri, 2017)</p> <p>(Rodriguez & Rodriguez, 2015)</p> <p>(Sullivan, 2012)</p> <p>(Sunnie, 2018)</p> <p>(Swanwick, 2017)</p>	<p>Q1A</p> <p>What is your understanding of a volatile, uncertain, ambiguous and complex (VUCA) business environment within financial services organisations?</p>	<p>Thematic Coding</p>
<p>Research Question 2:</p> <p>What are the business challenges and risks within financial services, in the context of VUCA environment?</p>	<p>(Codreanu, 2016)</p> <p>(Dartey-Baah, 2015)</p> <p>(Du & Chen, 2018)</p> <p>(Kaivo-oja & Lauraeus, 2018)</p> <p>(Mamabolo, 2018)</p> <p>(McKinsey, 2018)</p> <p>(Saleh & Watson, 2017)</p> <p>(Sharif & Irani, 2017)</p>	<p>Q2A</p> <p>What would you describe as business challenges in your operating environment and VUCA paradigm as a leader?</p>	<p>Thematic Coding</p>

		<p>Q2B</p> <p>What would you describe as the business risks in your operating environment and VUCA paradigm as a leader?</p> <p>Q2C</p> <p>What measures or processes are put in place in place to cope with the complexity of operating in a dynamic changing environment called VUCA within financial services organisations?</p>	
<p>Research Question 3:</p> <p>What are the skills and competencies critical leaders within financial services in the context of VUCA environment?</p>	<p>(Alkhalidi, MD et al., 2017)</p> <p>(Bawany, 2016)</p> <p>(Besley, Persson, & Reynal-Querol, 2016)</p> <p>(Chawla, Saniya; Lenka, 2018)</p> <p>(Codreanu, 2016)</p> <p>(Cutler, 2017)</p>	<p>Q3A</p> <p>In your opinion, what are 6 critical skills and competencies you believe are essential for leaders in financial services</p>	<p>Thematic Coding</p>

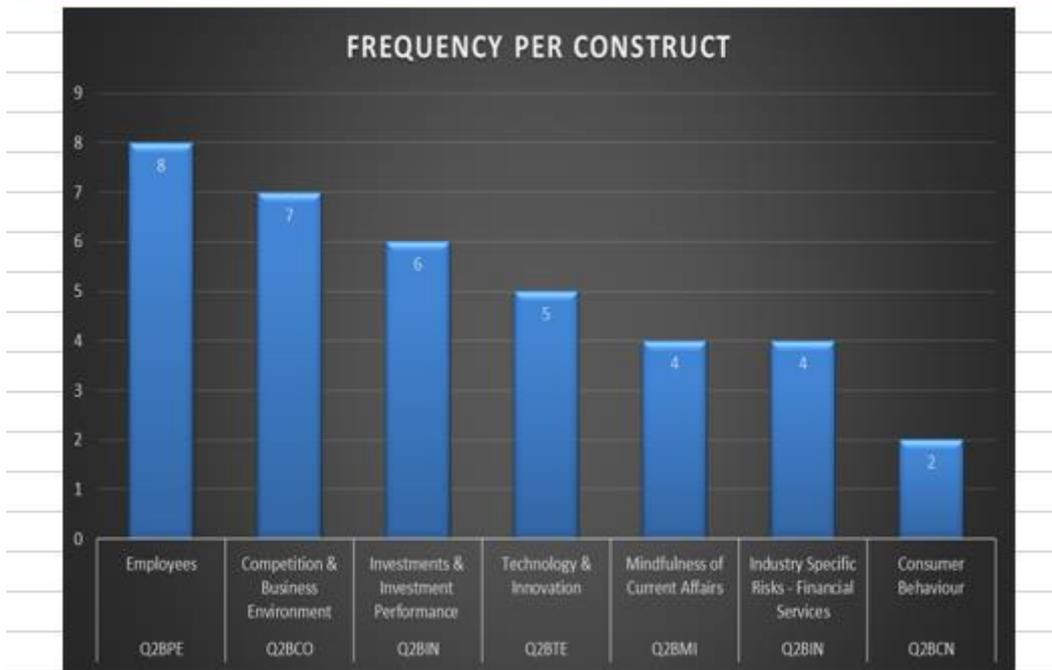
	<p>(Dartey-Baah, 2015) (Elkington, Rob ; Pearse, Noel J ; Moss, Jennifer; Van der Steege. Madeleine; Martin, 2017) (Guthrie & Meriwether, 2018) (Hess & Ludwig, 2018) (Raymer, Steven;Dobbs, Col ;Kelley, Christopher;Lindsay, 2018) (Kaivo-oja & Lauraeus, 2018) (Mannherz, 2017) (Saleh & Watson, 2017)</p>	<p>organisations in the context of VUCA business world?</p> <p>Q3B In your opinion, does the South African business environment necessitate a VUCA approach to business?</p> <p>Q3C In your opinion, does the developed markets business environment necessitate a VUCA approach to business?</p> <p>Q3D In your opinion, what leadership approach/style can be adopted to manage and cope with the VUCA environment in financial services organisations?</p>	
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<p>Research Question 4:</p> <p>What coaching and development can be adopted to develop universal leaders in financial services in the context of VUCA environment?</p>	<p>(Carvan, 2015) (Dartey-Baah, 2015) (Hall & Rowland, 2016) (Kumar & Narayana, 2017) (Lawrence, 2013) (Moore, 2014) (Raghuramapatruni & Kosuri, 2017) (Rodriguez & Rodriguez, 2015) (White, 2011)</p>	<p>Q4A</p> <p>In your view, what interventions can be adopted to develop universal leaders in financial services organisations and in the context a VUCA paradigm?</p> <p>Q4B</p> <p>In your view, what are the time horizons to ensure effective coaching and development of leaders in a VUCA paradigm within financial services organisations?</p>	<p>Thematic Coding</p>
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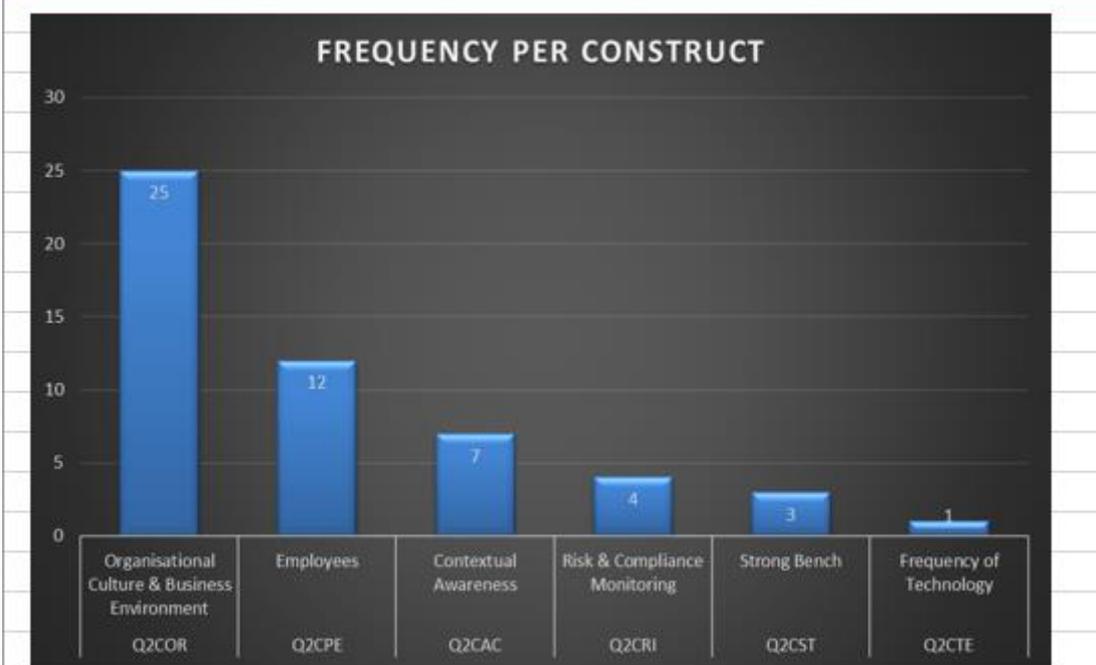
Appendix 5: Final Codes Used Per Interview Question



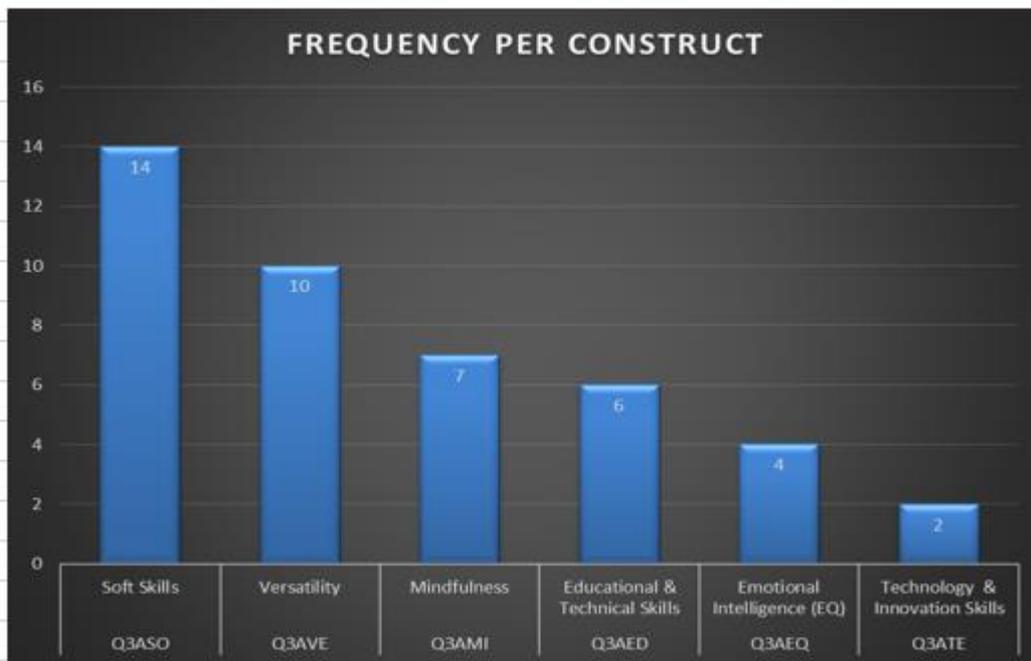
Q2B



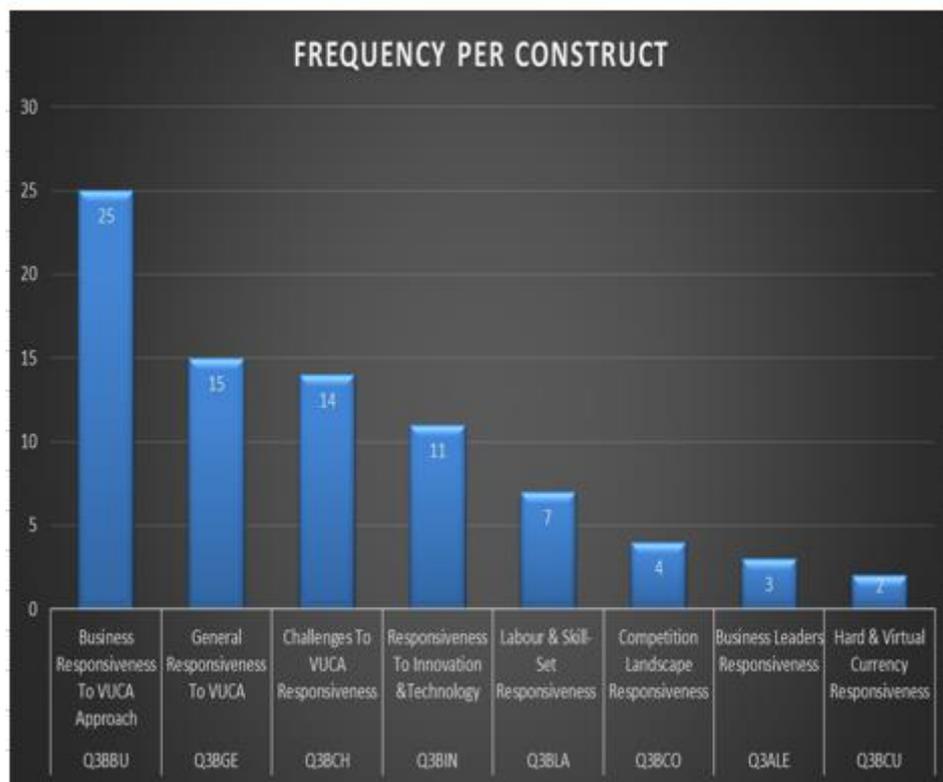
Q2C



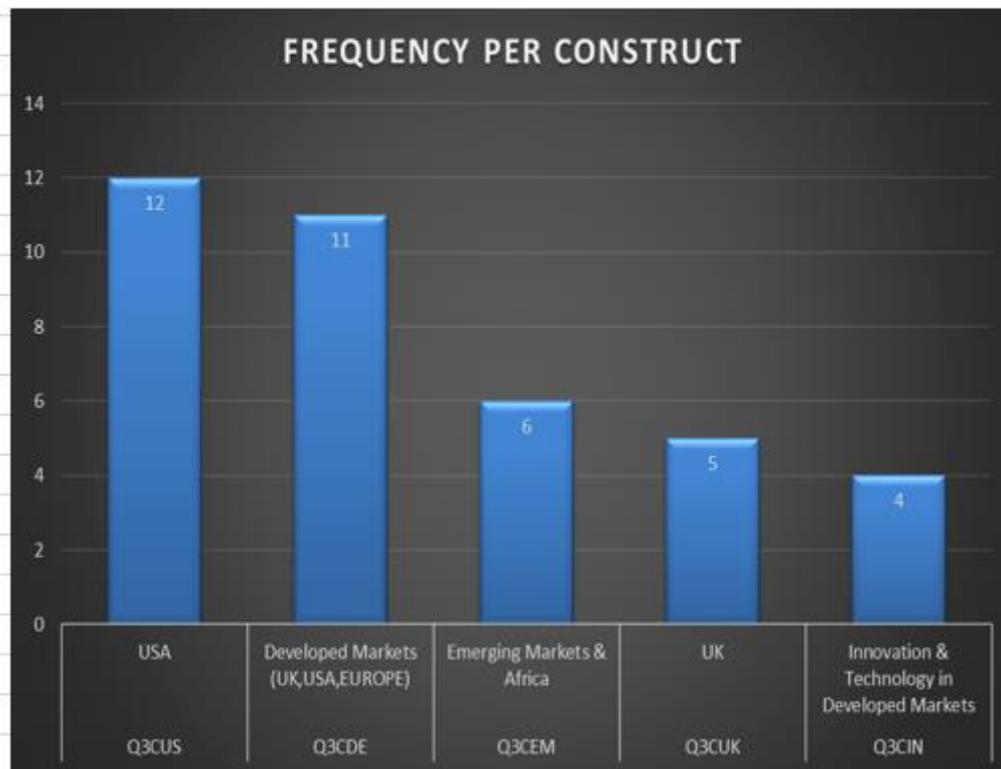
3A



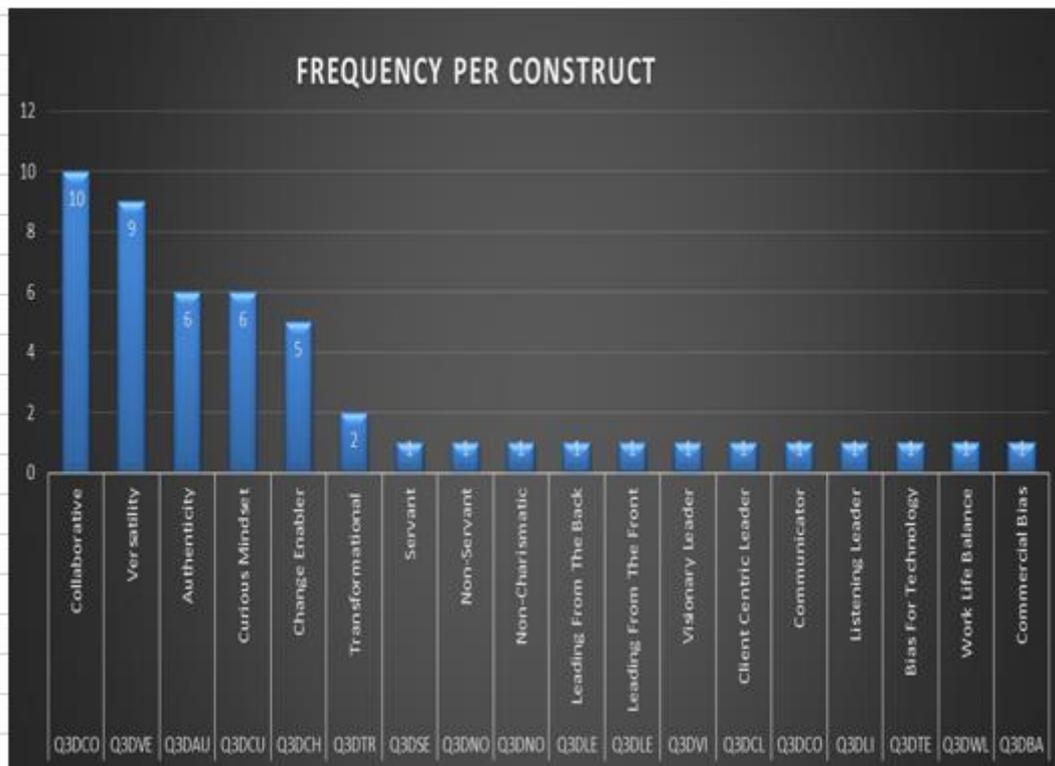
Q3B



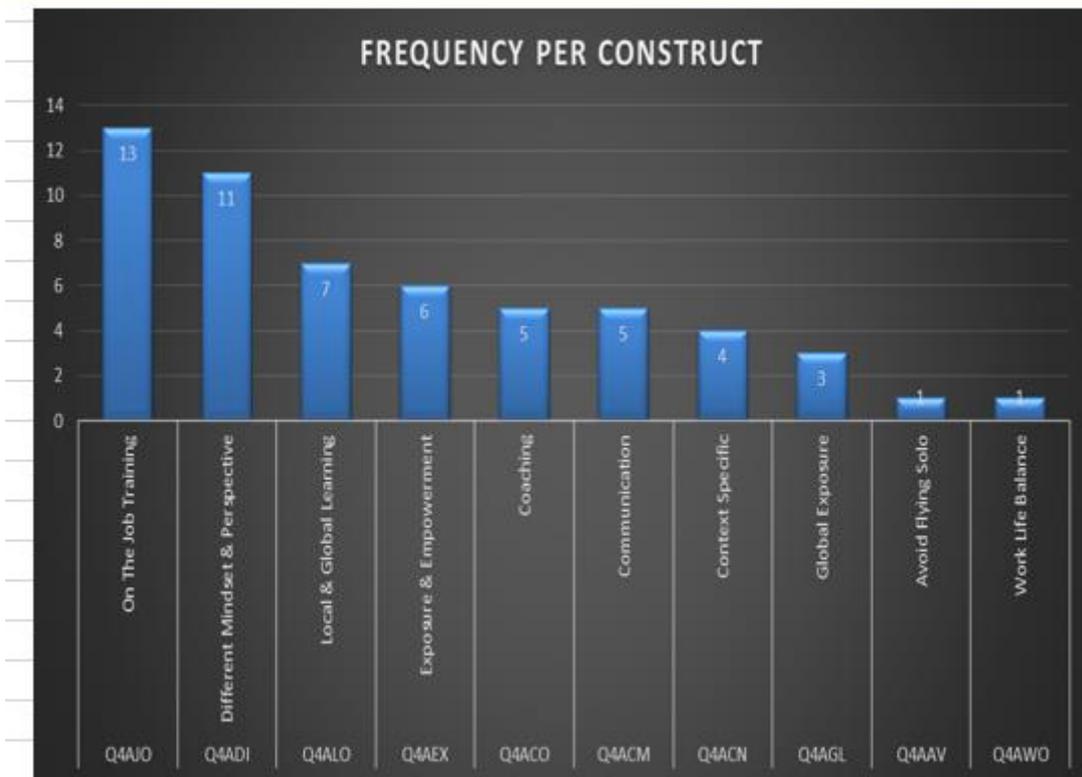
Q3C



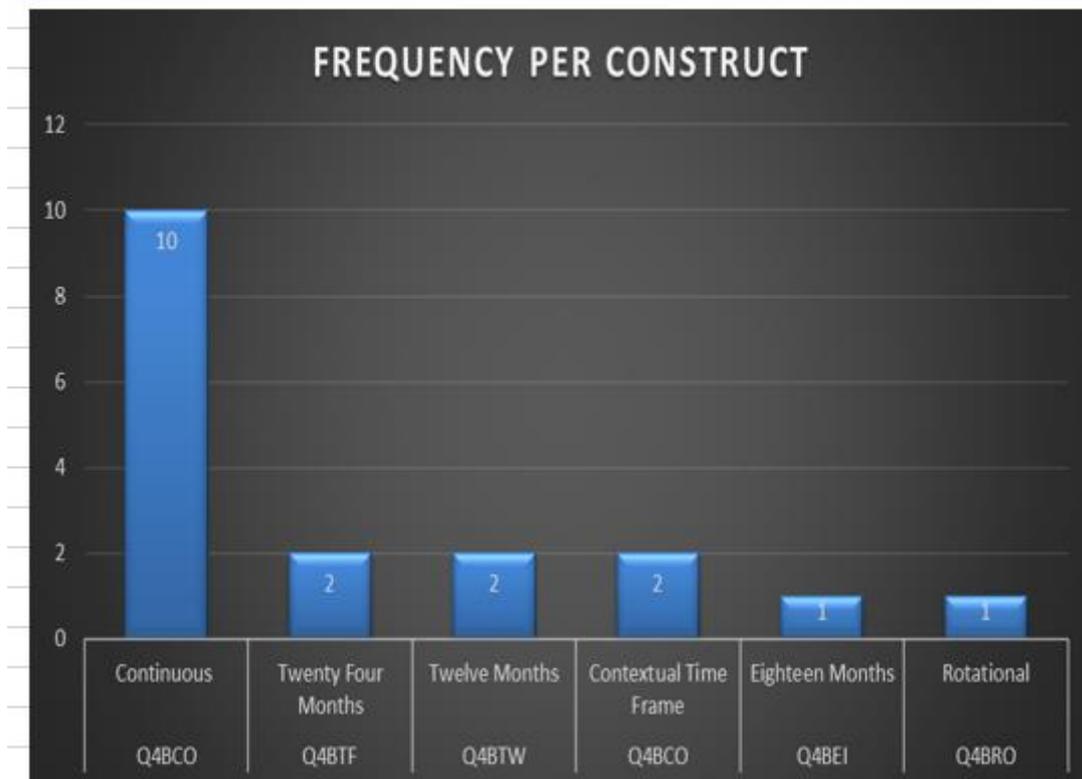
Q3D



Q4A



Q4B



Appendix 6: Ethical Clearance Approval Letter



26 September 2018

Mahlomotja Grace

Dear Grace

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee