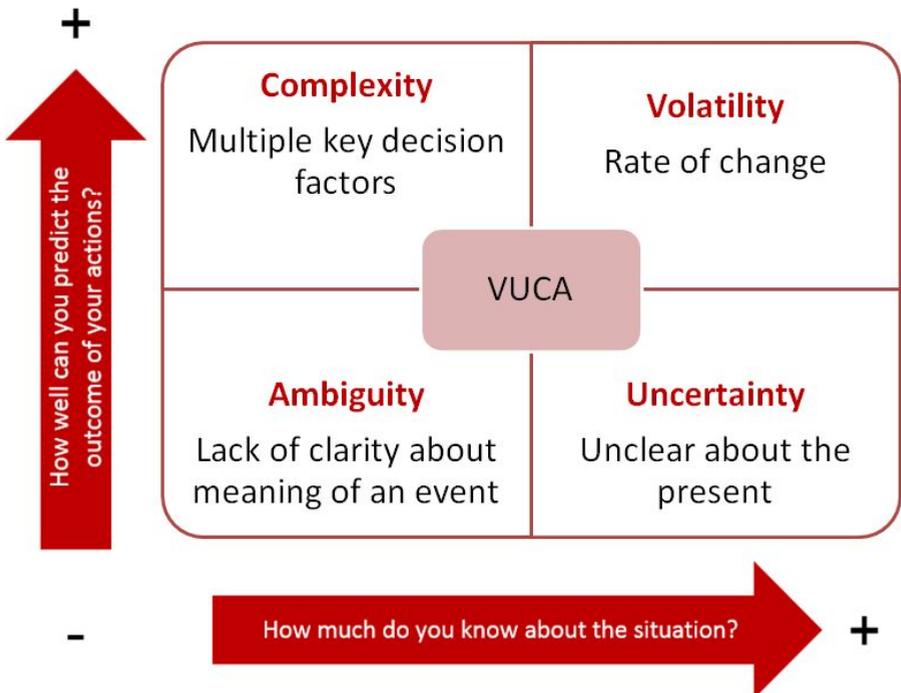# UNDERSTANDING THE CONTEXT - INPUT

INTRODUCTION

Our organizations nowadays deal with global complexity and uncertainty on an unprecedented scale. Radical changes are transforming the world and reshaping our understanding and expectations of leadership. While many of the current trends inspire awe and admiration in the human potential, especially that most of them are still unfolding, others instill a sense of fear and deep concerns. Managing this reality supposes first recognizing the messiness associated to these dilemmas while remaining open to the learning and growth opportunities they carry.

MAIN IDEAS

VUCA the new normal

The VUCA acronym was first coined in the early 90s by the US Army War College. The concept described the post-Cold War world as being more **V**olatile, **U**ncertain, **C**omplex and **A**mbiguous than any earlier time. The term was later on adopted In business contexts following the global financial crisis in 2009.

Recognising the VUCA environment in which leaders operate is the first step in preparing and adapting for it.

You will find below an overview of some of the pressures that contemporary leaders are subject to. There are, of course other elements. Although some of these tensions have been true at various points in our history, the pace, frequency and amplitude of change and its implications seem more pronounced today. Whilst it is impossible to explore everything, here's a quick brief of key challenges and trends:

Demographic shifts and migration	Rapid degradation of natural capital (climate change, declining resources, species extinction…)	Energy revolution
Increasing consumerism	Economic disruptions and failure of financial system	Rise of conscious capitalism and new business models (sharing economy, money reinvented)
New economic powerhouses (shift of activity to emerging markets)	Threats of global pandemics	Scientific progress and smarter medicine
Security crisis, rise in extremism, weapons of mass destruction	Religious divides	Global competition, decreased job security
New generations in the workplace (Gen Y and Z)	Accelerating rate of technological progress and digitalization (Artificial intelligence)	Increase in literacy, extraordinary knowledge access (Knowledge Economy)
Information overload, radical transparency, lack of privacy, data issues and cyber threats	Ethical dilemmas	Technological connectedness 24/7
Scandals and corruptions but also gradual economic and governmental reforms.	Expectations on organizations to operate more responsibly	What else?

Based on the above examples and descriptions, what events/situations in your own regional, organizational and personal context can you add to the list? How do these trends/challenges illustrate each of the four VUCA elements?

Remaining relevant in today's world requires considerable agility and a personal and organizational mindset that willingly embraces change and is comfortable with uncertainty. The challenge for leaders is to move from reactive responses to the changing environment to responsive, well conceived, yet agile interventions.
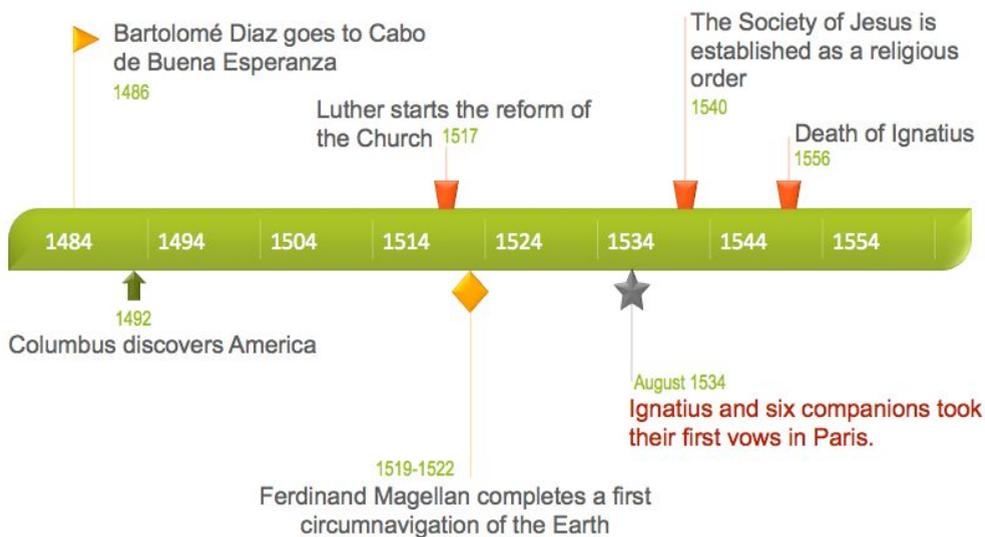
The VUCA prime (developed by Bob Johansen) and **VUCA 2.0** (developed by Bill Georges) are two of many models describing what leadership should be in a VUCA world**.** They suggest a continuum of intertwined skills, namely, **V**ision, **U**nderstanding, **C**larity/**C**ourage, and **A**gility/**A**daptability that leaders are called to develop to navigate turbulence in a VUCA world.

VUCA	VUCA PRIME	VUCA 2.0
Volatility *refers to turbulence and disturbance in the nature, speed, volume and magnitude of change. (high rate of change)*	**Vision** *clarifying where the organization wants to be in the future, generating alignment and keeping the vision in mind during turbulence*	
Uncertainty *refers to a lack of predictability and clarity about the present and the future (inability to use past events as precursors of future results thus making decision-making very challenging)*	**Understanding** *the ability to pause and listen beyond one's expertise, connecting with other voices at all levels, spending time on the ground, welcoming differing viewpoints to make sense of the volatility and lead with vision*	
Complexity *refers to the confusing nature of problems and the interconnectedness of multiple factors impacting key decisions*	**Clarity** *deliberative process to make sense of chaos, letting go perfect solutions, focusing on what matters and making informed decisions*	**Courage** *audacity to make bold decisions and take risks, going beyond conventional approaches at the risk of being criticized*
Ambiguity *refers to the lack of precision and clarity about the meaning of events (difficulty interpreting surrounding threats and opportunities, existence of multiple meanings for what is happening).*	**Agility** *the ability to develop resiliency, communicate instantly and respond swiftly across the organization and apply relevant solutions*	**Adaptability** *developing flexibility while maintaining strategic course, embracing change, developing multiple contingency plans instead of long-terms plans*

"With the help of the Holy Spirit, it is the task of the entire People of God, especially pastors and theologians, to hear, distinguish and interpret the many voices of our age, and to judge them in the light of the divine word, so that revealed truth can always be more deeply penetrated, better understood and set forth to greater advantage." Gaudium et Spes 44

IGNATIAN NOTE

The description of our world as volatile, uncertain, complex and ambiguous can be somehow compared to the environment that the early Society experienced at the time of its foundation. Here is a simplified timeline showing key events of that moment in history:

Despite this complex environment in which they were operating, the first Jesuits excelled at seizing unexpected opportunities to fulfill their mission. They were able to adapt to this new era in the history of religious orders, they became "less monastic, more active, setting no limits on the place or circumstances of their ministries, so as long as these were ordered to "the greater glory of God". In the first two decades they managed to spread throughout Europe, and expanded into Brazil, India, Ethiopia, and Japan. Membership grew from nine founders to over three thousand members.

"One of the great difficulties Nadal faced as he met with new recruits to the Society throughout Europe was to drill into them that they had joined an active order, not a contemplative and reclusive one. His most potent words to them in this regard were 'The world is our house." [...] a commitment to this house here and now, a commitment to work for the improvement of human society not simply by producing Christians who behaved themselves and performed their religious duties but who were inner-directed to the moral, physical, and civic well-being of the communities in which they lived. See John W. O'Malley, S.J., "To Travel to Any Part of the World: Jeronimo Nadal and the Jesuit Vocation,"

Between difficulties and opportunities: From an organizational perspective, the early Society of Jesus can be viewed as a precursor to the modern agile organization. The Jesuit's early success brings to light general principles that contemporary service firms can put to use to grow their agility in today's complex world.

Difficulties and Opportunities	Several Factors of success in the Early Society
a Jesuit "would often find himself on his own, far removed from his brethren and his superiors, and in new, strange, and difficult situations" (O'Malley) Difficulties - Geographical distribution of early Jesuits - Slow pace of communication in the 16th century (a letter and response from Rome to Jesuit missions in India or Japan could take three years) - Diversity of contexts and novel situations - Difficult and hostile environments Opportunities: - Learning and opportunities to develop judgment in assessing situations - Greater autonomy and latitude - Growing flexibility	- Articulating the profile of ideal candidates (intensity - avoiding recruitment of the "simple and the good", flexibility - ability to adapt to various situations, accommodate specific characteristics of people and learn from one's mistakes - Seeking out promising applicants - Observing them closely through time and recruiting the best from a wide range of backgrounds - Letting go candidates who don't fit - on average, 35% of recruits left or were dismissed (O'Malley) - Putting these candidates to their best use, deploying them against opportunities as they arise - Improving selection processes (despite hiring mistakes) - Maintaining mobility, granting candidates great flexibility in carrying out their responsibilities - Forging a sense of identity to reinforce belonging to a global order (building cohesion through circular letters and reports from around the world) - Allocating most promising recruits to institution building (Nadal and Polanco) - Ability of Ignatius to articulate his ideals and his vision as to how these ideals could be translated into action.

EXPECTED LEARNINGS AND OUTCOMES

1. Understanding the current VUCA context
2. Reflecting on our experience of uncertainty and change
3. Linking with the experience of the early Jesuits

"The fact is that the world has changed; hence, from this point of view, we must change at least at the rhythm of the changing world, if we wish to be of service to others as we should."

Fr. Pedro Arrupe SJ