Sustainable Leadership in a VUCA Environment

Caribbean Canada Emerging Leaders' Dialogues

Group Yellow

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Introduction

Sustainable leadership[1] is critical for any organisation to survive in the 21st century and beyond. Economical, social and environmental factors which are deeply rooted in the principles of Sustainable Development are integral components of organisational sustainability. Through experiential learning experiences and dialogues had during the Caribbean Canada Emerging Leaders' Dialogue (CCELD) 2019 we considered the extent to which small, medium and large enterprises (SMEs) in Jamaica are sustainable in the context of volatility, uncertainty, complexity and ambiguity (VUCA).

This paper is a synthesis of the strengths, weaknesses, opportunities and threats posed to these enterprises, as applied to the VUCA model[2] and the Triple Bottom Line framework[3] (People, Planet and Profit). Our presentation begins with a report of theoretical frameworks followed by a situational analysis of each organisation, an exposition of the findings, and it concludes with recommendations and implications.

Theoretical Framework

The four VUCA concepts demand four distinct types of responses. Through these core concepts leaders shape their responses and redefine their actions (Harvard Business Review, 2014). VUCA, in borrowing from sociological theory, adopts a more interpretive approach to Sustainable Leadership that calls attention to the influence of norms and identities on the behaviour of the various actors. In so doing, these actors adopt new ways of seeing, thinking and interacting that result in innovative and sustainable solutions. Therefore, sustainable leadership directly impacts the propagation of sustainability in an organization and in society.

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[1] The Cambridge Institute for Sustainable Leadership (2011) defines sustainable leaders as "individuals who are compelled to make a difference by deepening their awareness of themselves in relation to the world around them".

[2] VUCA is an acronym—first used in 1987—to describe or to reflect on the volatility, uncertainty, complexity and ambiguity of general conditions and situations; drawing on the leadership theories of Warren Bennis and Burt Nanus.

[3] The triple bottom line is a sustainability framework that examines a company's social, environment, and economic impact, that is people, planet and profit.

Situational Analysis

Our experiential tours were used to collect qualitative data in focus groups and interviews. The responses were grouped by sector and analysed using a SWOT analysis.

Table 1: SWOT Analysis of Sustainable Leadership for Each Organisational Sector

INDUSTRY	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Agriculture	● equitable distribution of income ● innovation in farming techniques ● PPP	● health and safety of workers ● overuse of chemicals in production	● market expansion outside of hotels ● youth engagement	● climatic conditions ● soil quality ● high attrition rate of farmers
Agro-Processing	● well defined processes ● strong community involvement ● HACCP compliance	● inefficiencies in processing ● disengaged leadership	● improved energy efficiency ● employee engagement initiatives ● expansion to new markets	● high energy costs ● shipping logistic challenges
Military	● geographic locations ● talent acquisition	● obsolete equipment ● governance structure ● long term visioning	● lobby for infrastructure and funding from government ● greater diversity ● energy efficiency through use of hydroponics	● climatic changes - natural disasters
Agro-Tourism	● well defined and positioned brand niche market ● committed and engaging staff	● high liability ● vulnerability to praedial larceny ● limited use of technology ● long term visioning	● Virtual tours	● Climate change ● Praedial larceny ● Competition from external suppliers
Cultural	● valuable	● Limited access	● marketing	● Extinction

Heritage Tourism	intangible and tangible cultural heritage asset ● Strong leadership	to funding ● Limited cohesiveness amongst communities	and promotion of eco-cultural retreat experiences ● government preservation (infrastructure, signage, etc) ● UNESCO World Heritage Designation	of cultural knowledge
Science & Technology	● High value IP ● active Engagement with community ● Consistent research and publication output	● Lack of technology transfer ● Outgrown facilities ● Limited access to specialised resources	● Public and Private sector partnerships	● Lack of continentality ● Brain drain

Discussion

Several important issues emerged from the findings and interviews. We consider three main categories: Sustainable Leadership; The Triple Bottom Line Framework; and VUCA Model which can be found in the foregoing table.

Triple Bottom Line

Triple bottom line organisations make an effort to give back to the community through:

- **People:** There was demonstration of corporate social responsibility, engagement with and education of the communities, and youth involvement strategies.
- **Planet:** Evident were the negative implications of climate change, attempts to minimize waste in the process, and the occasional implementation of green renewable energy in business operations.
- **Profit:** There was the distribution of profits and the utilization of processes that supported the entities' profitability.

VUCA Model

In the military, agriculture and science and technology industries **volatility** was evident in changing technology, market competitiveness and climate change. Consequently, a growth mindset supported by a well defined vision is a prerequisite for sustainability. From a sustainable leadership perspective, opportunities exist to utilise research and development to maximise efficiency and profitability through the use of green technology and artificial intelligence.

Climate change and resulting natural disasters impact all industries. Understanding the drivers and political mitigants is critical to developing sustainable strategies that result in confident forecasting an preparation for eventualities. The agricultural, military and tourism industries could benefit from the development of clear vision statements, and strategic plans to undergird their activities.

Complexity was evident in instances where there were a need for public private sector partnerships and interventions, and heavy reliance on science and technology. An awareness of the interconnectivity between sectors is needed to identify symbiotic opportunities and to encourage durability and viability for the entities.

In cultural heritage tourism, the intangibility of assets present challenges of ambiguity and interpretation of value. To that end, there is impetus for recognising, documenting and attributing value to cultural assets.

Conclusion, Recommendations and Implication

A sustainable organisation has at its core People, Planet and Profit. It is evident in the organisations that we explored that the traditional framework of focusing solely on profit in a VUCA environment is unsustainable. Team Yellow, recognised and became increasing impressed with how important it was for these organisations to include social and environmental pillars to their operation, primarily in the face of climate change and other external threats.

The forms of sustainable leadership observed in practice across the tourism, agricultural, agro-processing, military and science industries were focused on bringing about transformation through improved environmental practices, equitable economic frameworks, and greater emphasis on empowerment of people. Implicitly, the leadership of these organisations are now focused on strategies that will position their organisation towards competitiveness (driving profit) while engaging with stakeholders by using new approaches, access to skills training, and considering a new concept of value (profit).

For leaders to achieve optimal performance within their respective industries the following recommendations are proposed:

- Incorporate innovative technology

- People development
- Community involvement
- Sustainable business operations
- Effective financial management strategies

Reluctance to change business practices is likely to result in stagnation, which would eventually result in the inability of these of the organizations to remain competitive. Social and economic factors are formidable pillars upon which sustainable leadership can be successful.

Alumni Commitment

In support of the continued growth and increased stakeholder benefits of the CCELD programme, we commit to utilising social media platforms to create heightened awareness and increased visibility of the programme.

Our engagement strategy will focus on:

1. Being authentic and positive about our experiences, and lessons learned during the programme;
2. Engaging with potential funding entities in our networks that will support the hosting of future CCELD Programmes and creating greater access for emerging leaders.
3. Volunteering our skills to provide value added support services such as grant writing

We hereby commit to being proud CCELD Alumni Ambassadors taking with us new found knowledge and appreciation for sustainable leadership throughout the Commonwealth.