



Proceedings of International Conference on Strategies in Volatile and Uncertain Environment for Emerging Markets
July 14-15, 2017
Indian Institute of Technology Delhi, New Delhi
pp. 127-135

Leadership for a VUCA Landscape: Transforming Indian Higher Educational Institutes into Learning Organizations for Success

Saniya Chawla¹ and Usha Lenka²

Abstract

In changing times, leaders need to create new ideas and engage their teams in new beginnings. There are certain challenges that organizations face in order to help leaders move forward with new possibilities and choices available to them in VUCA world. By embracing volatile, uncertain, complex, and ambiguous environment and still remaining hopeful involves lot of confidence, positivity, courage and creativity. This paper aims to study the two different leadership styles i.e. transformational and resonant leadership style highly suitable for developing private Indian higher educational institutes as learning organizations in order to survive in VUCA world. It shows the way and indicates about the best leadership style as predictor of learning organization in Indian context. Sample for this study consisted of 150 faculty members from 20 Indian higher educational institutes in National Capital Region, India. It has been found that both the leadership styles i.e. transformational and resonant significantly impacted the learning organization in VUCA landscape. However, the impact on resonant leadership is higher than that of transformational leadership style to thrive well in VUCA world. Discussions and implications are further highlighted in the paper.

Keywords: Indian higher educational institutes, Learning organizations, Resonant leadership style, Transformational leadership style, VUCA.

1. Introduction

It is the era of rapid change and dynamic human development. A failure to meet challenges will leave many organizations behind and human capital potential of employee unfulfilled. Thus in changing times, leaders must encourage their followers to bring fresh perspectives, challenge beliefs, create more empowering thoughts, develop flexibility, creativity and confidence in identity. These challenges faced by the organization have shifted our focus in engaging with uncertainty, and bringing higher levels of leadership agility to navigate through volatile, uncertain, complex, and ambiguous (VUCA) landscape. Thus, to overcome such challenges one of the strategies is to transform organizations into learning organizations in the VUCA world. Challenges faced in earlier times by the organizations have shifted our focus to learning organizations. Traditional organizations have faced a lot of problems such as bureaucratic structure, red tapism, and top down approach to name a few thereby creating barriers in effective learning during dynamic times. In contrast, learning organizations are considered to be significant source of competitive advantage. Learning organizations focus on organic structure, open communication, knowledge sharing, and experimentation that fosters learning. Organizational learning theory states that in

-
1. Assistant Professor, Jagannath International Management School, Kalkaji, New Delhi
 2. Associate Professor, Indian Institute of Technology Roorkee, Roorkee, Uttarakhand

a volatile environment, organizations change their actions through continuous learning to reach the desired goal (Argyris and Schon, 1995). A key competence for organizational members is the ability to continuously learn. It is therefore important to facilitate learning practices throughout the organization at all the levels-individual, team, and organizational level. Such organizations would then be termed as learning organizations that are able to survive in VUCA world.

Problem Statement

India is known for its highly skilled and educated workforce and has transformed its higher education sector. The country is recognized to be single largest provider of global talent and is presently in a development stage of becoming a hub of higher education (Chawla and Lenka, 2015). Indian higher education represents third largest in the world, next to USA and China. Today there are more than 35000 affiliated colleges and 700-degree granting institutes in the country enrolling more than 20 million students every year (Choudaha, 2013). Though, the last few years, it has been observed that there is an increase in the total number of higher educational institutes and student output, making it a complex and a large system (Chawla and Lenka, 2015). However, management programmes across the country are losing some of their scintillation. All India Council for Technical Education (AICTE) shows 147 stand alone B-schools and MBA programmes offered by various engineering institutes across the country closed down in the academic year 2014-2015 (Ramya, 2015). Therefore, there is a need to overhaul the scenario of institutes offering management degrees. There are various problems faced by them in terms of lack of uniformity in the curriculum and indiscriminate admission policies. As a result, the institutes are not able to get best out of the students. Though, offer management degree but have a poor placement scenario. The reasons for poor employability skills of graduating students are lack of conceptual clarity and analyzing business problems to take effective decisions. Thus, there is an urgent need to upgrade the existing status quo of higher educational institutes by expanding its learning capacity. Learning organization would be a panacea for the impending problem of higher educational institutes as it makes organizations more meaningful, focused, and purposeful with involvement of every member in the system. There is an urgent need to make fundamental reforms in the status quo of the institutes and the leader of the institute can only make that reform. Conventional leadership practices are no longer adequate. Organizations globally need next generation leaders competencies in order to address the challenges of VUCA business environment (Bawany, 2016). Leading in VUCA not only provide a challenging environment for leaders to operate but also new range of strategies and competences to succeed. Therefore, it is requisite to endow higher educational institutes as learning organizations with emphasis on quality teaching, research, administration, consultancy, and student employability. Thus, learning organization has emerged as an imminent requirement to develop human competence that can help an organization thrive in a VUCA world.

To our knowledge, there is paucity of research on the comparative study of different leadership styles i.e. transformational and resonant leadership styles that are best suited for a learning organization in Indian higher educational institutes. Therefore, this paper aims to study these two leadership styles and predicts the best leadership style highly suitable for a learning organization in Indian higher educational institutes.

2. Literature Review

(a) Transformational Leadership Style (TLS)

Education leaders have the capacity to improve the organizations performance by encouraging members to be actively involved in change process, creating a shared vision, learning in interactive networks, personal mastery, and information management system. They are also

trying to make an effort for collaborating the Asian universities with Western Universities to have better availability of resources, faculty development, and support for innovation (Hallinger, 1998). Thus, it is the role of the leader to take strategic actions and make interventions to ensure that learning occurs in the organization. A transformational and supportive leader creates conditions necessary for promoting learning at all levels. It is the leader who acts as a primary change agent and shows confidence and commitment in promoting trust among members. Building a learning organization needs attention and time of the leader. It is working towards building a mindset, attitude, and behavior to live and lead in a VUCA world (Mustafa, 2016). Therefore, leaders should focus on energy and talent to achieve learning excellence (Hiatt-Michael, 2001). Extraordinary leaders are the form of transformational leaders that serve in educational settings (Kirby *et al.*, 1992). Transformational leaders motivate followers through individual consideration, intellectual stimulation, idealized influence, and inspirational motivation (Bass and Avolio, 1995). Individual consideration is the degree to which leaders listen to the followers concerns and needs. Intellectual stimulation is when leaders encourage the followers to be creative and innovative in accomplishing the task. Inspirational motivation is the degree to which leaders communicate the followers to be optimistic towards achieving organizational goals. Idealized influence is the degree to which leaders values have been imbibed in the followers. A study conducted in Taiwanese school found that transformational leadership is a necessary condition for implementing organizational learning in schools because they provide dynamism and support to the members to create a school that learns (Lam *et al.*, 2003). As a transformational, visionary, and inspirational leader, their main responsibilities in promoting a learning culture are collective learning, knowledge sharing, influential networking, and developing learning climate. Thus creating a true learning organization requires powerful leaders at the top level that empowers the organizational members to engage in continuous learning. Therefore we propose,

H₁: Transformational leadership style will have a positive and predictive relationship with learning organization and thrive well in VUCA world.

(b) Resonant Leadership Style (RLS)

Emotionally intelligent leaders inspire others by imbibing trust, cooperation, and satisfaction. Emotional intelligence accounts for 85-90 % of the differences between an outstanding and average leader. It also affects the culture and climate that accounts for 30% of business performance (McKee, 2011). Leaders with positive moods and emotions influence followers through perceived effectiveness thereby spreading positive vibes. Higher emotional climate in an organization results in idea generation, creativity, readiness to learn, and adaptability to learn and change. Therefore, leaders high on emotional intelligence are judicious decision-makers, work in teams, and contribute to effective team performance (Tran, 1998). A leader's primal task is to be emotionally strong for providing a positive direction to people. Primal leaders are of two types: a) resonant and b) dissonant leaders. Resonant leaders develop resonance through mindfulness, hope, and compassion (Boyatzis and McKee, 2005). Mindfulness requires individuals to remain in vigilance. Hope is when individual is able to frame a suitable future. Compassion is when individuals show tenderness. Resonant leaders handle pressure by controlling their emotions that sends positive messages to their followers. Resonant leaders have empathy and build long lasting relationships with people, teams, and organizational culture. They inspire their followers by showing commitment, dedication, and concern for them. Emotions are contagious and leader's emotions are drivers of their employee's moods that will affect their performance. But being a resonant leader is not so easy and sustaining it is even harder (Boyatzis and McKee, 2005). These leaders are in a continuous state of sacrifice while helping out others. They give much time to their followers and not much is spent on cultivating new skills and practices for them.

Leaders require the exercise of influence and power. With influence and power, comes greater responsibility and thus they experience great deal of stress. In this increasing pressure, leaders come under power stress and get trapped in a sacrifice syndrome. Here, dissonance comes into play that spreads across the organization and damages it. Dissonant leaders create havoc. They have volatile emotions, fear, and are highly frustrated. They are completely unaware of the damage they are doing to the organization. They fuel negative emotions that hamper the team member's motivation, communication, and productivity. Therefore, in order to revive back to resonance position leaders undergo certain renewal steps by being mindful, hopeful, and compassionate. Thus being more compassionate and developing care towards followers, being more creative, experiencing less stress and moving with greater purpose can help thrive in VUCA world.

H₂: Resonant leadership style will have a positive and predictive relationship with learning organization and thrive well in VUCA world.

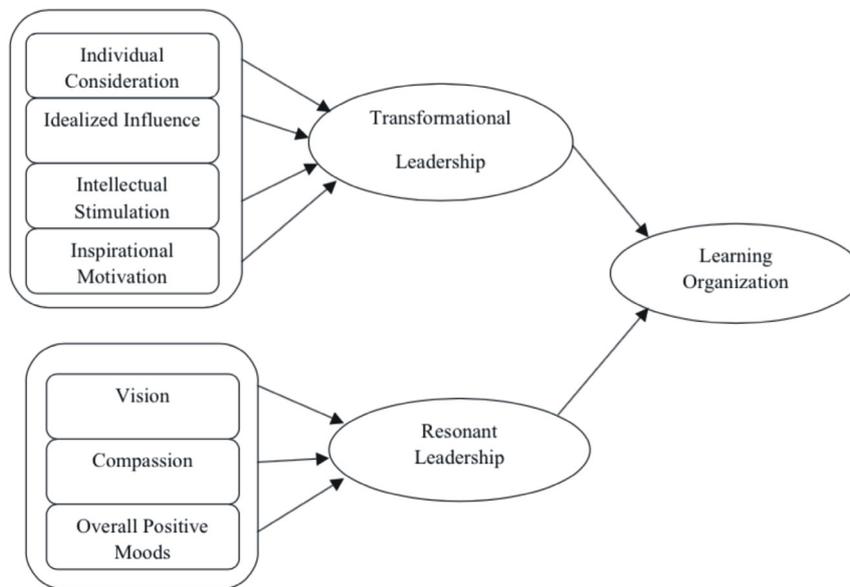


Figure 1: Conceptual Framework

3. Research Methodology

(a) The Sample

Sample for this study consisted of 150 faculty members from 20 private Indian higher educational institutes in National Capital Region, India. The criterion that was kept during the survey was that the institute must have a minimum strength of 8 faculty members and the head of the institute must be holding the leadership position in that respective institute from at least one year.

(b) The Measure

Survey for data collection was done using a self-designed instrument called as “*leadership survey for developing higher educational institutes as learning organizations*”. The survey questions specific to the objectives of this study were chosen to capture the responses on various

parameters of different leadership style. Data is collected during the period of January 2016 to February 2016. The questionnaire was short consisting of 15 questions on transformational leadership style and 8 on resonant leadership style making the total to 23. There was no right or wrong answer to the items. The questionnaire takes approximately 5-7 minutes to complete.

(c) Reliability of the Instrument

The reliability of the questionnaire is reported accurately for the purpose of maintaining integrity of the questionnaire. The reliability coefficients considerably higher than 0.60 thresholds commonly specified as minimally acceptable in the literature and support the internal consistency of the items (Black *et al.*, 2009). The questionnaire used reported the following reliability. Transformational leadership style is grouped into factors like individual consideration (3 items), intellectual stimulation (3 items), idealized influence (6 items), and inspirational motivation (3 items). The Cronbach's alpha of the overall items and factors ranged between 0.69 to 0.82. Resonant leadership style was assessed using 8 items. Total three factors, namely, vision (2 items), compassion (2 items), and overall positive moods (3 items) constitute this variable. The Cronbach's alpha of the overall items and factors ranged between 0.70 to 0.86. This established the reliability of the instrument.

4. Data Analysis and Results

The analysis was done using SPSS 21.0. The data was first checked for normal distribution and it came out to be normal. The means and standard deviations were obtained to check the averages and variability of the data. Table 1 shows the average values of aggregated responses on each factor and variable. To test the hypothesis, further correlation was performed. Table 1 also reports the results of correlation analysis. The variables transformational and resonant leadership style was found to be significantly correlated ($p < 0.01$) with learning organization. However, transformational leadership was also found to have established a weaker relationship as compared to resonant leadership. The correlation analysis confirmed the relationship between resonant leadership and learning organization and between transformational leadership and learning organization. Therefore, our hypothesis H_1 and H_2 are partially accepted here. To further affirm the hypothesis the predictive ability of independent variables towards the dependent variables was tested using regression analysis. The level of significance was kept at 95 percent (0.05). Regression analysis was performed and the model fit summary in form of percentages of variance explained by independent variable in the dependent variable (R square= 0.30) is reported. The two independent variables, resonant leadership ($B=0.56$, $t=9.1$, $P < 0.05$) and transformational leadership ($B=0.37$, $t=7.4$, $P < 0.05$), significantly predicted learning organization and explained 38% variance and this provided partial acceptance of H_1 and H_2 . Therefore, it can be said that resonant and transformational leadership style has been found to be significant predictors of learning organization in VUCA world.

Table 1: Mean, SD and Inter-Correlations among Variables under Study

	<i>Mean</i>	<i>S.D.</i>	<i>TL</i>	<i>RL</i>	<i>LO</i>
<i>TL</i>	3.29	0.99	1	.214*	.456**
<i>RL</i>	3.90	0.87	.214*	1	.641**
<i>LO</i>	3.85	0.79	.456**	.641**	1

Notes: $P < 0.01$, RL=Resonant leadership, TL= Transformational leadership, LO= Learning organization, * denotes less significant values, ** denotes highly significant values

5. Discussion

The prime aim of this study was to find out the comparative differences that existed between two different styles of leadership and to know if they are significant predictors of learning organization in VUCA world. The results confirmed the aimed relationship and the discussion is as follows:

(a) Transformational Leadership and Learning Organization

Results show that transformational leadership has an important role in developing an institute into a learning organization to face the challenges being imposed by VUCA environment. In this study, the construct transformational leadership consists of individual consideration, intellectual stimulation, idealized influence, and inspirational motivation. Leaders play an apparent role in promoting and nurturing learning in an organization. Transformational leaders stimulate the followers for team spirit, develop enthusiasm for work, and encourage them to be innovative and creative in providing new ways of working, and encouraging experimentation and risk-taking (Chawla and Lenka, 2012). In this study, sample includes faculty members from Indian higher educational institutes who can best indicate about the leadership style of their leader. In a higher educational institute the director ensures that his/her presence makes the faculty feel encouraged. S/he ensures there is a feeling of trust developed within faculty members and they are proud to be associated with their director in every field of their task. However, this can only be achieved when the faculty feels highly motivated in the workplace. The director ensures that everyone in the institute find true meaning of the task they are accomplishing. These leaders provide them with common vision and inspire the faculty for interactive networking and collective learning. Such leaders also encourage the faculty to be innovative in various aspects of teaching and research practices. They focus on creating an atmosphere where creativity and innovation is practiced. S/he ensures faculty rethink their ideas and question on the present ways of working. This ensures them to think of the old problems in newer ways. The head of the institute also motivates the faculty to develop themselves professionally owing to multidisciplinary approach. Those faculties who are less involved in this approach, the director assigns them projects individually and focuses on their competency for developing them. Transformational leaders act as role models for the faculty members so that faculty members can walk on their path towards becoming role models for their own students. Thus, by carrying out their role as transformational leader, they set directions for the department and create policies that support faculty members for life-long learning. However, this demands patience, common sense and trust with uncertainty and complexity.

(b) Resonant Leadership and Learning Organization

Our results show that resonant leadership has an extensive role in developing an institute into a learning organization since it counters VUCA through vision, compassion, and overall positive moods. Leaders are now adopting to resonant leadership style with more emotional closeness with their subordinates. Resonant leaders are always emotionally available, act with integrity, and understand the concern of their followers through vision, compassion, and overall positive moods (Lenka and Chawla, 2015). In this study, sample includes faculty members from Indian higher educational institutes who can best indicate about the leadership style of their leaders. According to goal setting theory, it is the motivation provided by the leader to derive their subordinates in the direction of high achievement of organizational goals (Locke, 1968). In a higher educational institute, the director provides a vision for teaching, learning, and research excellence. S/he ensures that faculty member's involvement in teaching and research is aligned with institute's overall vision. S/he encourages them to develop action plan to attain the desired

vision. Thus, faculty member's involvement in development and fulfillment of institute's goals is the extent to which the vision seems inspiring, long term, focused, and integrated. Such leaders are themselves hopeful with their vision statement. They are optimistic leaders who believe in their ability to embrace change. They see their future as realistic, feasible, and idealistic. When resonant leaders care about their subordinates and work collaboratively it results in long-term success. The leader ensures that s/he cares about faculty member's professional and personal development thereby generating a positive attitude in them. S/he also ensures that a constructive feedback to them will help them in improving their past experiences. When faculty members fear a degree of insecurity in their job, task, and delivering lectures, resonant leaders provide concern to them by removing their fear and involving them in learning activities so that they become more skillful. Resonant leaders are buoyant in their attitude by developing positive moods and sending positive messages to their followers. They ensure that faculty members promote harmony and friendly interactions. For this, they encourage interdisciplinary research to strengthen their knowledge. S/he praises them during official meetings and delegates administrative responsibilities. Such responsibilities do not act as burden on them instead broaden their task perspective (Chawla and Lenka, 2015). Thus, resonant leaders are highly emotionally intelligent who create resonance by imbibing positive emotions in their followers. Such leaders are benevolent and work with everyone to create a meaningful workplace. Thus, leaders with high emotional intelligence are great performers and display a sense of organizational commitment. They share ideas, information, power, and acknowledge the achievement of others. They create synergy and enhance other's self-admiration and build and sustain trust through regular communication. They emphasize organization building and behavioral processes to create a learning organization. Thus, resonant leaders themselves become comfortable and agile with VUCA environment by focusing on managing inconsistencies.

6. Conclusion

This paper focused on two different leadership styles that would be best suited for a learning organization in a VUCA environment to build institutes as learning organizations. From the findings and discussion it has been found that both the leadership styles i.e. transformational and resonant significantly impacted the transformation of institutes into learning organization during VUCA landscape. However, the impact on resonant leadership is higher than that of transformational leadership style. The main reason that accounts for the same is that in a rapid pace environment, where organizations have to continuously learn, adapt, and change, the leaders have been forced to change their leadership style of working. Transformational leaders recognize the need for change, create common visions, empower employees and raise them to higher levels of motivation by encouraging them to achieve the common goal (Chawla and Lenka, 2012). However, such a leader is found to be bound towards organizational rules and regulations. Transformational leadership can be seen as a personal characteristic rather than a behavior in which people can be instructed. It is stiff and despotic because it gives the impression that the leader is acting independently of the followers (Northouse, 2012). Moreover, a dyadic relationship exists between a leader and a follower. They build common vision and empower their followers to work towards attaining the vision. With this vision and energy, followers develop enthusiasm and are willing to adopt new roles and responsibilities. But this is only a short-term orientation and for any change to occur enquires long term leadership with proper discipline and structure which is beyond the role of transformational leadership. Therefore, it can be said that resonant leaders visualize a brighter future and communicate that vision with resonance and compassion, and pave the way by keeping their mood positive everlastingly (Chawla and Lenka, 2015). These leaders focus on self-awareness, task reflexivity, and learning from past failures. They become resilient critical

thinkers who embrace a mindset of change in the VUCA environment. The main contribution of this work is for the academicians and researchers. Academicians can use this fact and practice the same to achieve higher forms of leadership style. Head of the institute are required to pay attention to resonant leadership style more than the transformational leadership style so as to ensure better learning practices in the institute in order to thrive well in VUCA world. However, the implications are subject to few limitations. The sample collected was only from National Capital Region, India. Also, the study took into account only the faculty members as the respondents. Therefore, further research can be carried out by using significant sample size across the country to generalize the findings of the study. Also, the study can be conducted in schools and corporate sector. Comparative study on public and private Indian higher educational institutes can be done.

References

- Antonoaie, N., and Antonoaie, C. (2010) The Learning Organization, *Bulletin of the Transilvania, University of Brasov. Series V: Economic Sciences*, 3.
- Argyris, C., and Schön, D. (1995) *Organizational Learning: A Theory of Action Perspective, 1978*, Addison-Wesley Publishing Company: Massachusetts.
- Avolio, B. J., and Bass, B. M. (1995) Individual Consideration Viewed at Multiple Levels of Analysis: A Multi-Level Framework for Examining the Diffusion of Transformational Leadership, *The Leadership Quarterly*, 6(2), 199-218.
- Bawany, S. (2016) NextGen Leaders for A VUCA World.
- Boyatzis, R., and McKee, A. (2005) *Resonant Leadership: Renewing Yourself and Connecting with Others through Mindfulness, Hope, and Compassion*, Harvard Business School Press: Boston, MA.
- Chawla, S., and Lenka, U. (2012) Role of Transformational Leaders in Developing Higher Educational Institutes as Learning Organizations- An Indian Perspective, *Global Journal of Finance and Management*, 5 (10), 30-33.
- Chawla, S., and Lenka, U. (2015) A Study on Learning Organizations in Indian Higher Educational Institutions, *Journal of Workplace Learning*, 27 (2).
- Garvin, D. A., Edmondson, A. C., and Gino, F. (2008) Is Yours a Learning Organization?, *Harvard Business Review*, 86(3), 109.
- Goleman, D., Boyatzis, R., and McKee, A. (2002) *Primal Leadership: Realizing the Power of Emotional Intelligence*, Harvard Business School Press: USA.
- Goleman, D., Boyatzis, R. E., and McKee, A. (2004) *Essere Leader*, Bur.
- Hair, J. F., Black, W. C., Babin, J. B., Anderson, R. E., and Tatham, R. L. (2009) Segmentation Analysis, *Multivariate Data Analysis, 6th ed.*, Prentice-Hall: Upper Saddle River, 427-81.
- Hallinger, P. (1998) Educational Change in Southeast Asia: The Challenge of Creating Learning Systems, *Journal of Educational Administration*, 36(5), 492-509.
- Hiatt-Michael, D. B. (2001) Schools as Learning Communities: A Vision for Organic School Reform, *School Community Journal*, 11(2), 113-127.
- Kirby, P. C., Paradise, L. V., and King, M. I. (1992) Extraordinary Leaders in Education: Understanding Transformational Leadership, *The Journal of Educational Research*, 85(5), 303-311.
- Lam, Y. J., Chan, C. M., Pan, H. L. W., and Wei, H. C. P. (2003) Differential Developments of Taiwanese Schools in Organizational Learning: Exploration of Critical Factors, *International Journal of Educational Management*, 17(6), 262-271.
- Lenka, U., and Chawla, S. (2015) Higher Educational Institutes as Learning Organizations for Employer Branding, *Industrial and Commercial Training*, 47 (5).



Leadership for a VUCA Landscape: Transforming Indian Higher Educational Institutes into Learning Organizations for Success

- Locke, E. A. (1968) Toward a Theory of Task Motivation and Incentives, *Organizational Behavior and Human Performance*, 3(2), 157-189.
- McKee, A (2011) *Management: A Focus on Leaders*, Pearson Prentice Hall: London.
- Mustafa, S. (2016) Leadership in VUCA World. What do you Need to Thrive?.
- Northouse, P. G. (2012) *Leadership: Theory and Practice*, Sage Publications.
- Tran, V. (1998) The Role of the Emotional Climate in Learning Organizations, *Learning Organization, The*, 5(2), 99-103.
- Senge, P. (1990) *The Fifth Discipline: The Art and Science of the Learning Organization*, Currency Doubleday: New York.

