

BEYOND BUSINESS AS USUAL

KTH EXECUTIVE SCHOOL

TO LEAD IN A VUCA WORLD

A lecture by Elisabet Lagerstedt May 12, 2020

QUICK BIO

ELISABET LAGERSTEDT

- Executive Consultant & Coach, founder and CEO at Inquentia and Future Navigators. On a mission to guide leaders and organizations beyond business as usual.
- Blogger, writer and speaker:
 - www.elisabetlagerstedt.com (2010-)
 - INSEAD Knowledge (2014-2016)
 - “Navigera in i framtiden” (2018)
- 25 years in business, whereof 15 years on leadership teams within large companies and seven years as a consultant in B2B and B2C
- Master of Social Sciences from Lund University School of Economics and Management. Executive Education from Harvard Business School, Oxford, IMD, INSEAD, Singularity University and more
- Mentor and guest lecturer at Lund University Master program of Entrepreneurship and Innovation since 2011
- Executive Program Coach at IMD Business School and guest lecturer at KTH Executive School since 2019



ON THE AGENDA

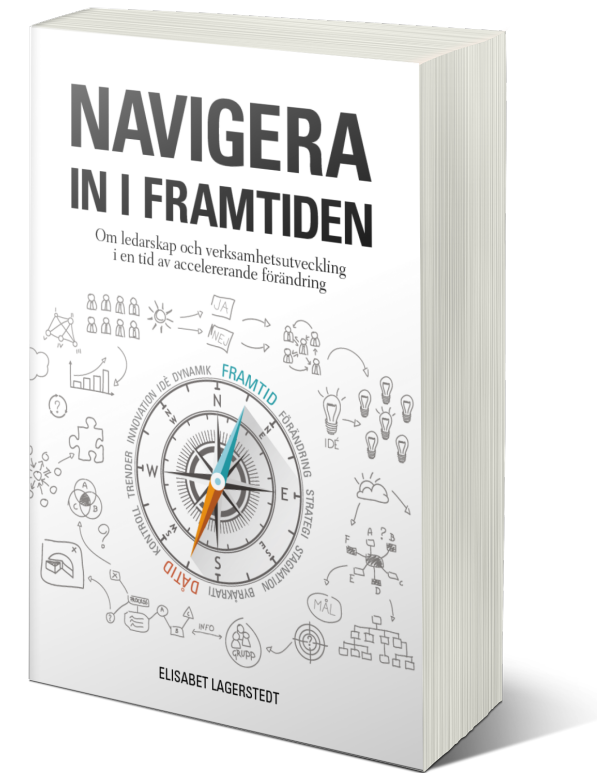
- A VUCA WORLD
- TO LEAD IN A VUCA WORLD
- Q&A

“Companies operate in an increasingly complex world. Business environments are more diverse, dynamic and interconnected than ever – and far less predictable.”

HARVARD BUSINESS REVIEW

INTERESTING ENOUGH TO ASK A FEW QUESTIONS...

- What is going on in the world around us... disruption, accelerating change, mega trends and a VUCA world?
- Why do companies seem to have difficulties coping?
- What can I as a leader do to navigate my organization into the future – and lead in a VUCA world?

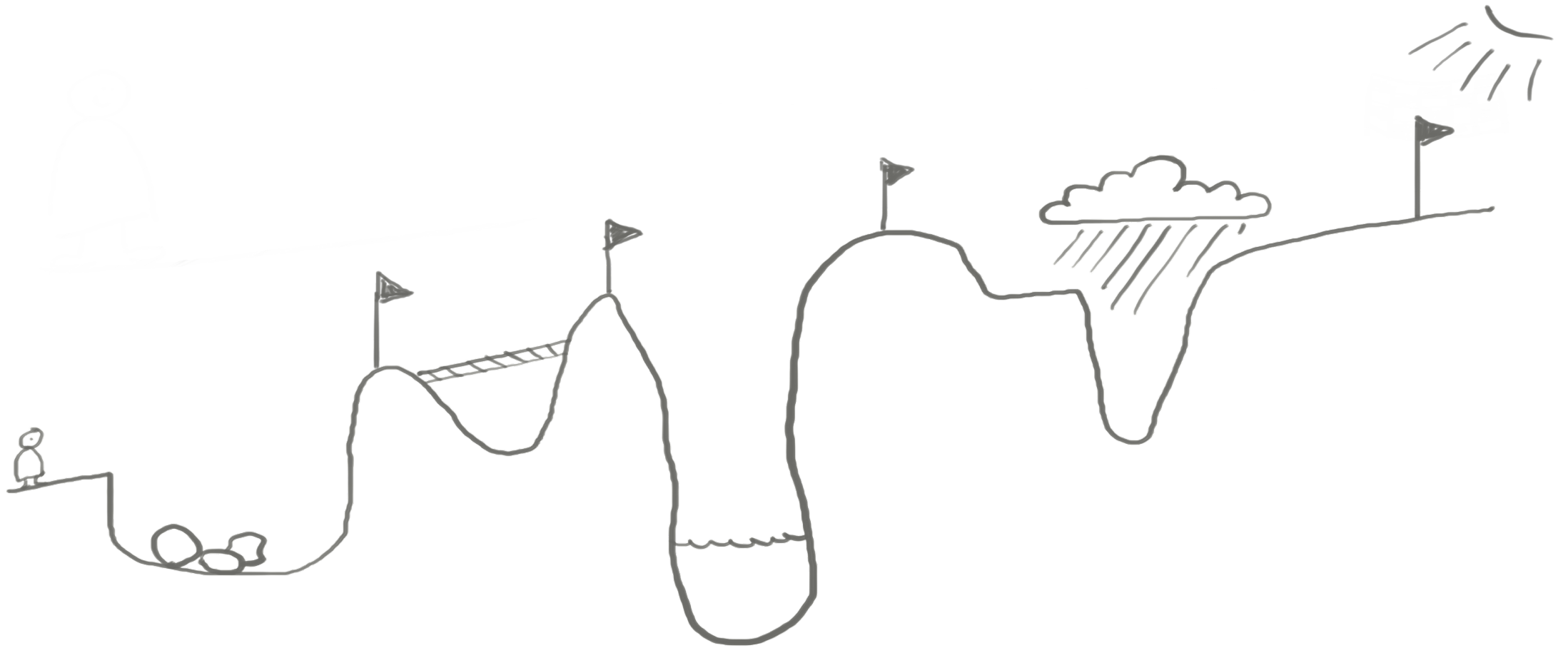


WHAT I FOUND?

THERE IS NOTHING LIKE A STRAIGHT LINE INTO THE FUTURE



**IT'S MORE LIKE AN ADVENTURE TRAIL,
FILLED WITH THE UNEXPECTED...**



LET'S EXPLORE

THE VUCA WORLD CONCEPT

- **V**olatile – change is rapid and unpredictable in its nature and extent.
- **U**ncertain – the present is unclear and the future is uncertain .
- **C**omplex – many different, interconnected factors come into play, with the potential to cause chaos and confusion.
- **A**mbiguous – there is a lack of clarity or awareness about situations.

The US army was one of the first to use the VUCA acronym, following the 9/11 attacks in 2001, as military planners were worried about the radically different and unfamiliar security environment that had emerged. Popularized in business after a book in 2009 – [Leaders Make the Future](#), by Bob Johansen.

LET'S EXPLORE

A VUCA WORLD CAN...

- Overwhelm individuals, leaders and organizations
- Create negative stress and fear
- Make people anxious
- Paralyze decision-making
- Jeopardize long-term projects
- ... and more

TEAMS

BREAK OUT SESSION

Q: What trends, forces and uncertainties do you see currently gaining momentum in the world? Short term and long term.

- 20 minutes to discuss in break out session
- Prepare to briefly report back your key findings to the full team

FORCES AT PLAY

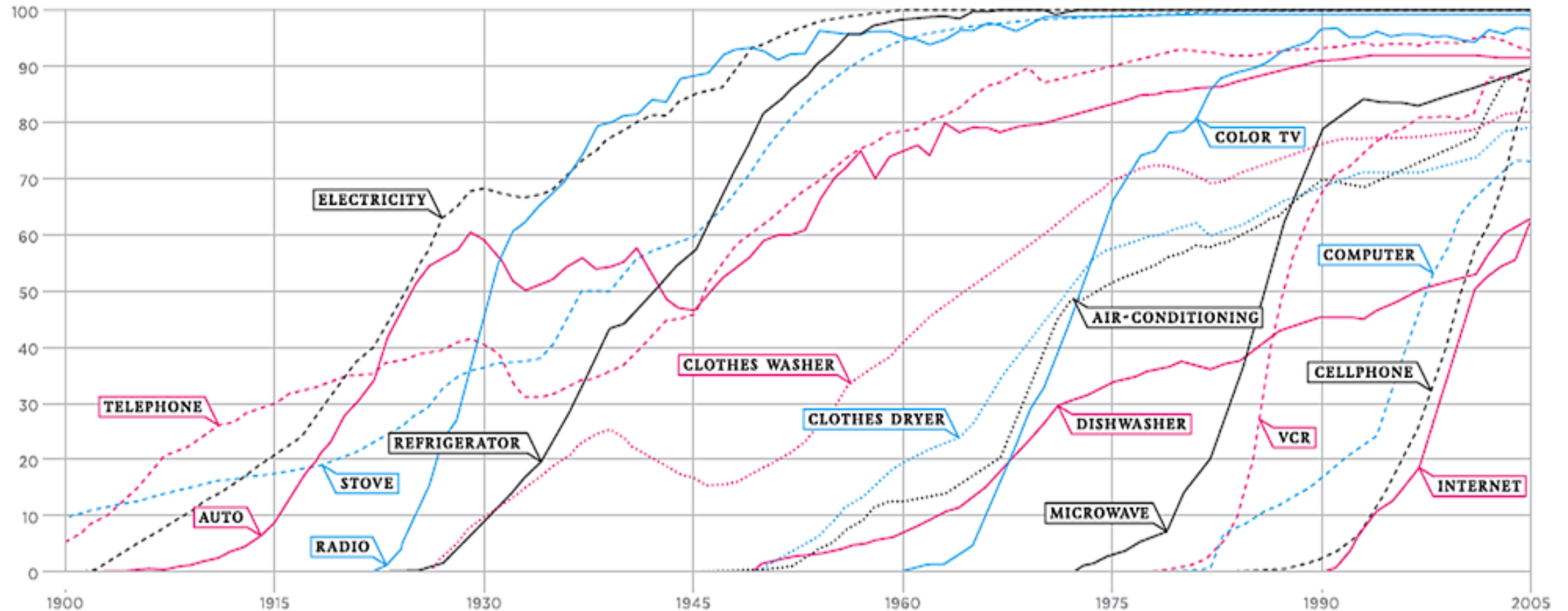
LONG-TERM MEGA TRENDS ARE SHAPING THE WORLD

- Digitalization
- Rapid technological development
- Population growth
- Aging population
- Urbanization
- Power balance moving from West to East
- Climate change and increased focus on sustainability
- Migration



FORCES AT PLAY

SPEED OF INNOVATION HAS INCREASED



Källor: <http://www.nytimes.com/imagepages/2008/02/10/opinion/10op.graphic.ready.html> och <https://hbr.org/2013/11/the-pace-of-technology-adoption-is-speeding-up>



FORCES AT PLAY

NEW BUSINESS MODELS ARE RESHAPING OUR ECONOMY

UBER | FACEBOOK | ALIBABA | AIRBNB

The world's
largest taxi
company
owns **zero**
vehicles

The world's
most popular
media owner
creates **zero**
content

The world's
most valuable
retailer
has **zero**
inventory

The world's largest
accommodation
provider owns
zero real
estate

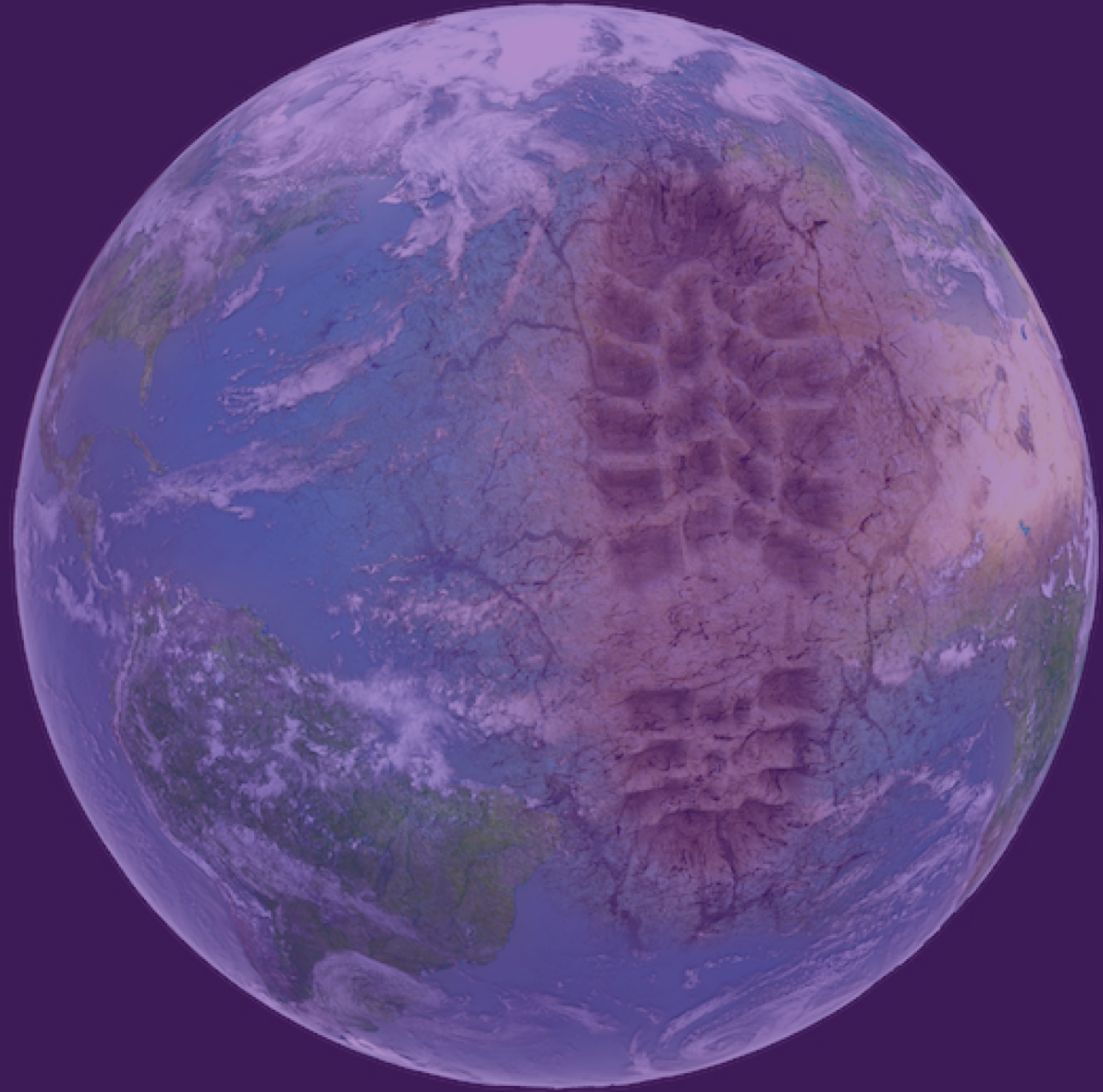


**”THE FUTURE IS ALREADY HERE.
IT’S JUST NOT EVENLY DISTRIBUTED.”**

William Gibson

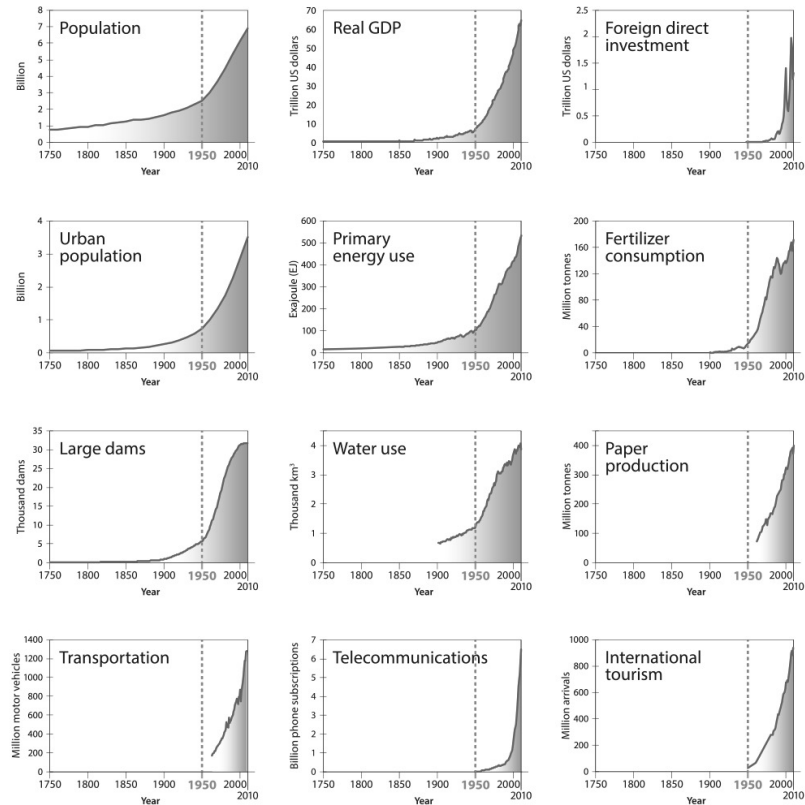
MAJOR UNCERTAINTY

”THE AGE OF THE ANTHROPOCENE”

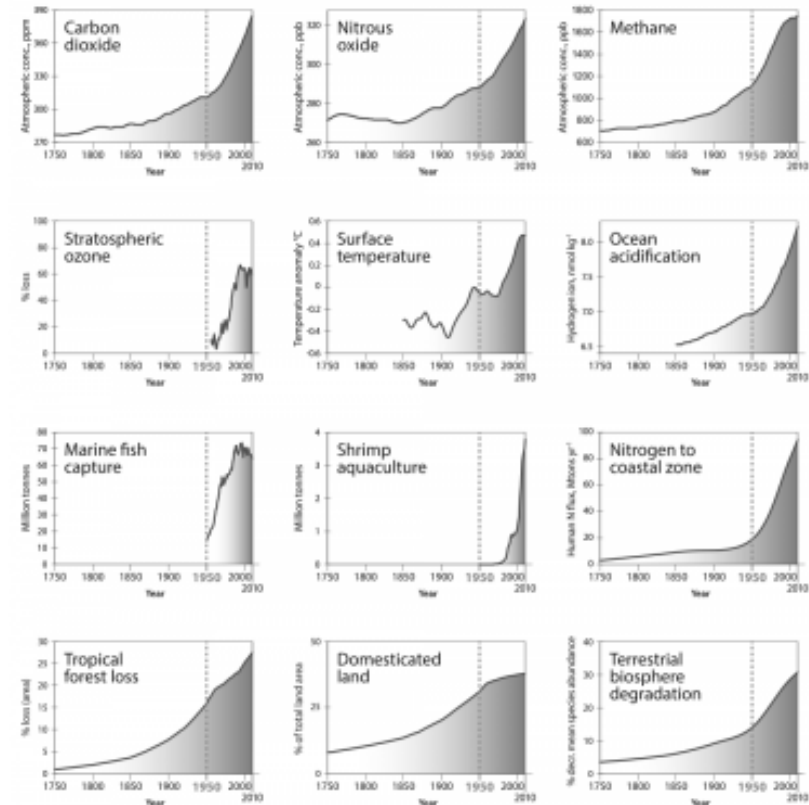


MAJOR UNCERTAINTY "THE GREAT ACCELERATION"

Socio-economic trends



Earth system trends

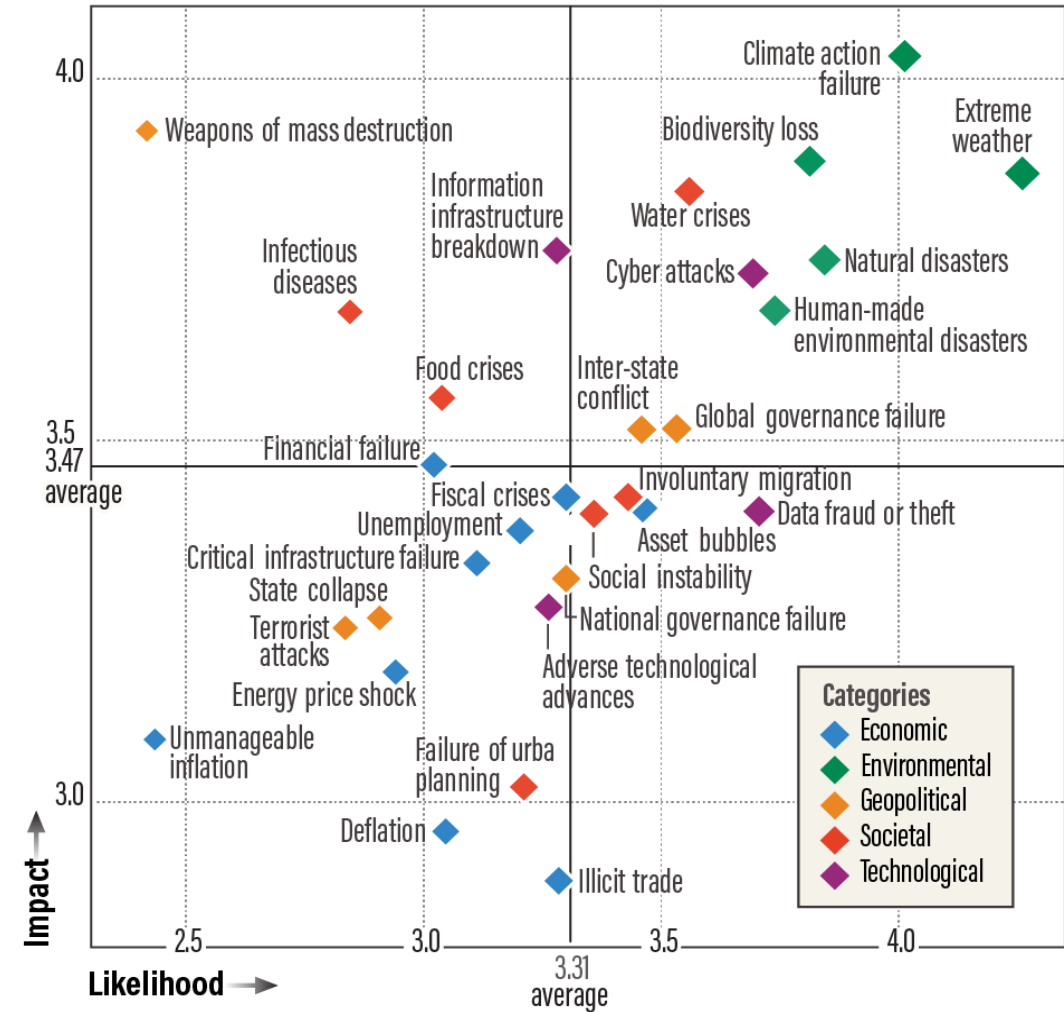


MAJOR UNCERTAINTY

LONG-TERM GLOBAL RISKS LANDSCAPE

- Yearly report by [World Economic Forum](https://www.weforum.org/) assesses the long-term global risks
- Most critical risks right now are linked to climate change and environment

LONG-TERM GLOBAL RISKS LANDSCAPE (2020)



Source: Weforum.org



MAJOR UNCERTAINTY

BLACK SWANS

The **black swan theory** or **theory of black swan events** is a metaphor that describes an event that comes as a surprise, has a major effect, and is often inappropriately rationalised after the fact with the benefit of hindsight.

The term is based on an ancient saying that presumed black swans did not exist.

**TIME FOR A
15 MIN BREAK!**



WELCOME BACK!

It is time to focus in on the role of a leader in a VUCA world!



TEAM

BREAK OUT SESSION

Q: What is the role of a leader in a VUCA world?

- 20 minutes to discuss in break out session
- Prepare to briefly report back your key findings to the full team

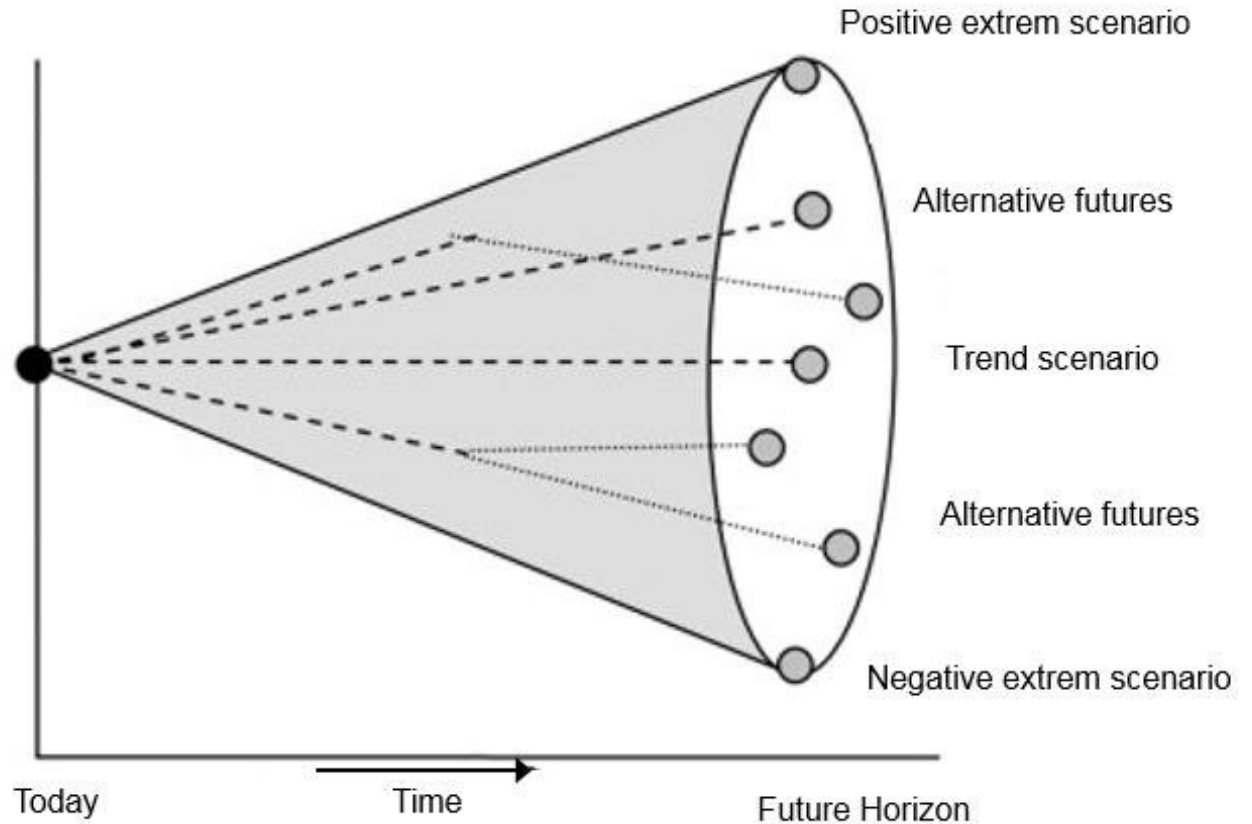
HOW TO LEAD IN A VUCA WORLD?

**LISTEN, BE PROACTIVE
AND REACT IN TIME**



WORK WITH SCENARIOS

All scenarios are possible. But all scenarios are not highly probable.



CLARIFY AMBITION AND DIRECTION



**PROVIDE
CONTEXT,
MEANING AND
PURPOSE**

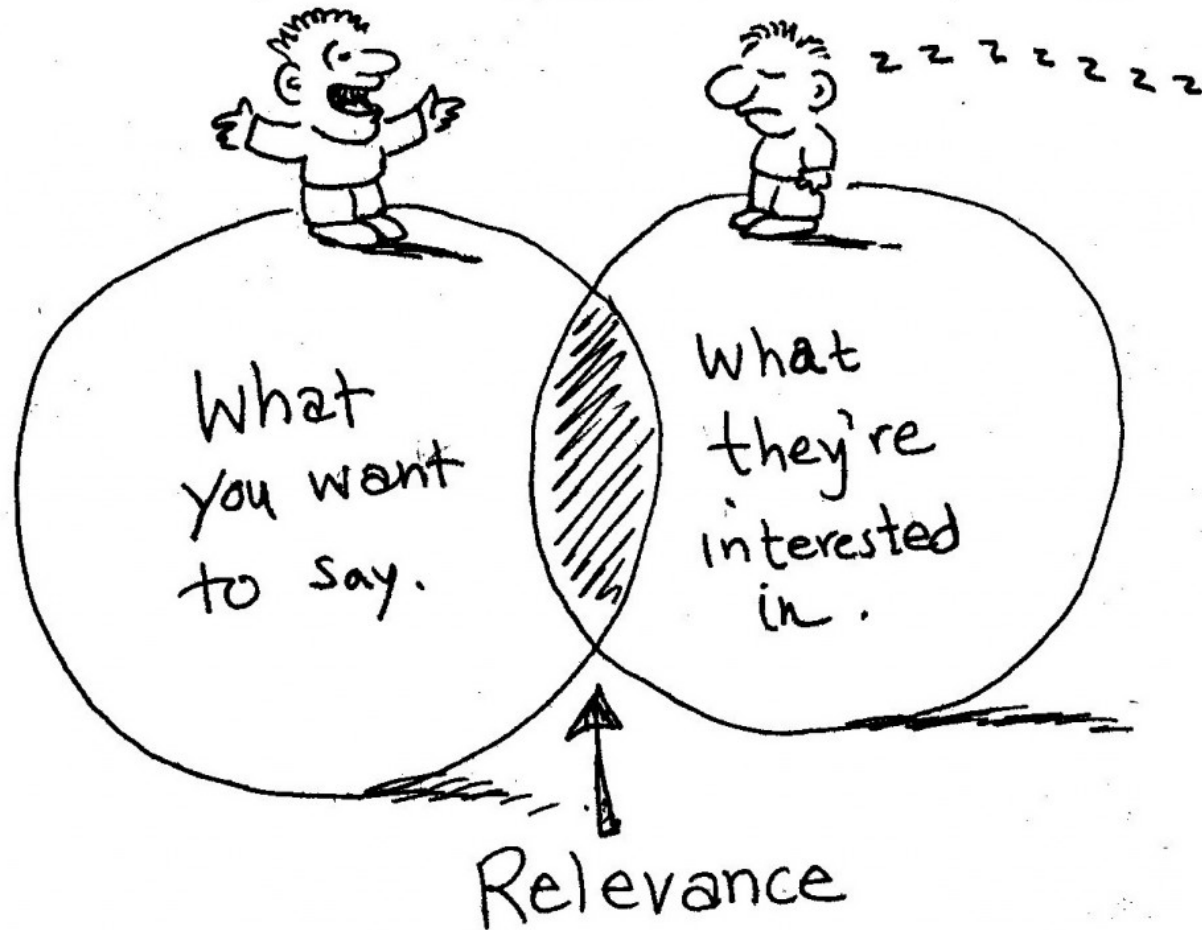


THINK AND WORK IN THREE HORIZONS



The 3 Horizons model was first published in *The Alchemy of Growth* by Merhdad Baghai, Stephen Coley, and David White in 1999.
Made popular by McKinsey

ENSURE LONG-TERM RELEVANCE



- What does our company bring to the world?
- Does it make a difference?
- Are we relevant?
- How do we add value?
- How can we remain relevant and continue to add value in the future?

Cynthia Montgomery

A photograph of three people in a workshop or office environment. In the foreground, a woman with long dark hair is smiling and looking towards the right. Behind her, a man with glasses and a beard is holding up a small white card. To the left, another man is partially visible, looking towards the center. The background is filled with various papers and cards pinned to a wall. The entire image is overlaid with a semi-transparent purple filter. In the bottom right corner, there is white text that reads:

**INVOLVE YOUR TEAM
AND CO-CREATE
THE FUTURE YOU WANT**

**CRISIS WILL APPEAR.
BE AGILE. ADAPT.
AND KEEP AN EYE ON
THE HORIZON.**



SUMMARY

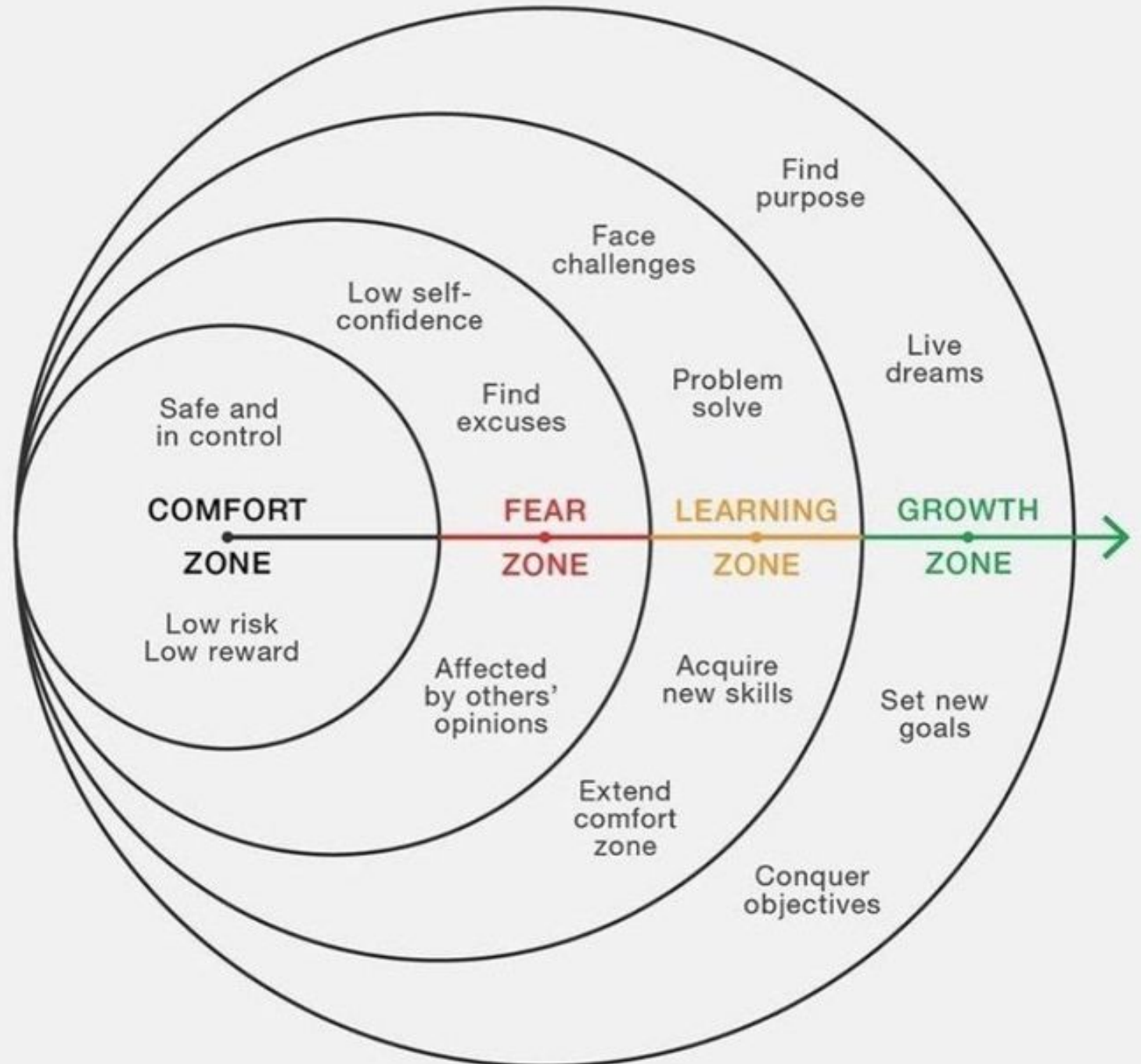
LEADERSHIP IN A VUCA WORLD

- Counter **v**olatility with **v**ision
- Meet **u**ncertainty with insight and **u**nderstanding
- React to **c**omplexity by creating **c**larity
- Fight **a**mbiguity with **a**gility

A large crowd of people, seen from above, forms a heart shape. The people are small figures, mostly in dark clothing, arranged in a dense pattern to create the outline and fill of the heart. The heart is centered on the page. In the center of the heart, the words "REMEMBER YOURSELF!" are written in a bold, white, sans-serif font. The background is a solid, light purple color. Scattered around the heart are several individual people, some standing and some sitting, looking towards the heart.

**REMEMBER
YOURSELF!**

YOU WILL BE PUSHED OUT OF YOUR COMFORT ZONE



STRESS MANAGEMENT IN YOUR LIFE



**“The secret of change is to focus all of your energy,
not on fighting the old, but on building the new.”**

Dan Millman

**“We’ve watched the Covid-19 situation unfold at incredible speed...
The climate crisis is playing out on a much slower time frame.
We know roughly what to expect and when to expect it, and we
should be preparing with the same level of urgency.”**

–Dr. de Menocal

ON THE AGENDA

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Q&A

CONTACT INFORMATION

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www.future-navigators.com coming soon!

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