

LEADING IN UNCER TAIN TY

Leadership practices
for the VUCA world

**SANJAY
GUPTA**

SEED
BOOKS

Sanjay Gupta

LEADING IN UNCERTAINTY

Leadership practices for the VUCA world

Volatility
Uncertainty
Complexity
Ambiguity

Agile
Value-oriented
Inspiring
Collaborative
Appreciative

Budapest, 2024

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**For my parents
who gave me life.**

**For my wife
who makes my life complete.**

**For my children
who make my life beautiful.**

Recommendations

Meeting the challenges of the 21st century with 21st century leadership culture. This was the idea that first came to mind when I read this book.

The evolutionary theory that it is not enough to be strong, smart, or beautiful is also applicable for today's leadership practice. It is essential to effectively filter the information flow and then make quick decisions. Today, the most successful leaders are the ones who can adapt to highly dynamic and changing circumstances the best and the fastest way.

Sanjay's excellent, multidisciplinary writing teaches us how to adapt and to what so that we can become responsive, conscious, modern leaders.

Géza Pekárik, CEO of MVM Paks Nuclear Power Plant Zrt.

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I first met Sanjay in 2017 at his workshop on the AVICA leadership method. Already back then I realised how important and relevant this topic was.

The world is still not stable, and we have since experienced first-hand the need for management to adopt and use a new approach and a new set of tools.

This is what Sanjay summarises and presents in a simple, clear, and applicable way. I believe this book is useful reading not only for leaders but for anyone as this topic has not been covered in such a comprehensive way before. Enjoy this useful reading experience!

**Zoltán Les, Member of the Board at AUDI HUNGÁRIA Zrt.
(Car Production)**

“New challenges cannot be tackled with old responses. We have known this for a long time. This is why really good leaders have to reinvent themselves from time to time.

The AVICA concept presented in this book is not a management toolkit, because that would not be sufficient today, in a world fighting a pandemic. Sanjay Gupta holds a very honest mirror to leaders who are willing and able to practice self-reflection.

This book is useful if you are willing to confront the strengths and difficulties arising from your own values, so that you can inspire others. At the same time, it is an intellectual and entertaining read, seasoned with the spirituality that originates from the cultural heritage of the author.

Prof. Dr. Balázs Heidrich, Rector of Budapest Business School

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“This book took me on an exciting and profound journey where the rhythm was dictated by the duality of reflection and reaction, self-awareness, and the ability to change. This dichotomy released a lot of energy and triggered even deeper reflection, reinforcing values that are important to me in my various roles as an HR professional, senior female executive, parent, or friend. The AVICA leadership model is a crystal clear and eye-opening concept that provides a strong pillar for operating in accordance with new standards in any area of life. To use a musical analogy, today the rhythm is faster and full of unpredictable chords to which the conductor must respond during the performance. Whether you are reading this book as a conductor, musician or spectator, the scores will inspire you to take valuable action.

Márta Berzsenyi, HR Director of Avis Budget Group BSC Kft.

Sanjay is himself an example of continuous, positive change, as I was able to witness during the past 25 years.

His 'AVICA' is an excellent and valuable summary of leadership principles. Personally, I would like to emphasise the last 'A': sincere appreciation nurtures trust and thus motivates and energises.

Dale A. Martin, former CEO of Siemens Hungary

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I wholeheartedly recommend Sanjay's book to all those who seek to lead others in our unpredictable world, and to all those who just want to better navigate this changed reality that we live in. The AVICA model provides guidance for today's leaders, and the book itself guides us on the AVICA leadership journey through highly illustrative, gripping examples, structures and descriptions that help us understand and master the AVICA method.

Dr László Eszes, Academic Director, SEED Executive School


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Sanjay's writings and presentations are particularly authentic and fascinating for me because I am privileged to have known him from the time when he was sitting on the other side of the table, as an operational leader.

He did not refer to his method as AVICA back then, he simply lived and fully exhibited this leadership style to the smallest detail. It was never avica or maybe AviCa, he always had all five letters of AVICA, with capital letters, fully present in his everyday life. Even then it was important for him to pass on these values to his colleagues, no matter what position they filled in the company hierarchy.

I recommend this book if you want to become a better leader or just don't want to let your core values get eroded by the VUCA world.


**Róbert Budafoki, former CEO of CISCO Hungary
and T-Systems Hungary**



After transitioning to Hungary in 2018, it was clear that leading in an unfamiliar culture required a specific type of acclimation process. Sanjay had worked with my team in prior years, but he was quite thoughtful on his approach to my personal goals and how to accelerate and improve my journey. His service as my Executive Coach was the single best professional decision I've made since arriving to this beautiful country. His style of coaching put me in a reflective and relaxed atmosphere, where we worked through multiple scenarios and outcomes. His published AVICA (Agile, Value-Oriented, Inspiring, Collaborative, Appreciative) approach to our VUCA (Volatile, Uncertain, Complex and Ambiguous) world was offered to our senior staff leaders – we took this journey in 2019 and the team has reached new levels of strength, trust, and resilience. Sanjay is a trusted coach, adviser and partner to me and to our leadership team.

Casey Ott, former Executive Site Leader, GE Aviation Hungary

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Transformation is hard work for any leaders. This is especially true when the change at hand requires that we, as leaders, also change. It is all the more true when change becomes an ever-present phenomenon, which means that we as leaders have to change on a continuous basis. As leaders, we all seek to develop not under coercion, trying to catch up with the changes, but to do so ahead of time, based on our own choices. Sanjay's book helps you to do just that. I have seen Sanjay close-up and seen him successfully lead the way through transformation, and while doing so, also perform the related (self)development on a number of occasions. Sanjay is a successful and credible AVICA leader in the VUCA world, and in this book, he summarises his experience and professional understanding of proactive management in the VUCA world. Sanjay provides specific and practical help in turning our own leadership mindset change into a truly proactive developmental journey, rather than it being a forced reaction.

Viktor Lénárt, President of GROW Group

Why is it good to read Sanjay's book? Because its topic is very timely. Many people talk about the VUCA world, but hardly anyone gives us leaders a guide on how to find our way around it. You should read this book, because Sanjay has a story for everything, and I love how he connects ancient truths with dilemmas of our present day. There is no circumlocution in it, and he does not mince his words. Sanjay writes in a very pragmatic and straight to the point way.

**Orsolya Lőrincz, Managing Partner,
Head of Consulting at GROW Group**

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Sanjay's book is the essence of the leadership experience and active organisational development knowledge that he has accumulated over the course of many years. The model he has created prompts you to think in complex ways about how to lead, build or rebuild your team in a VUCA world. Business cases and spiritual stories from different cultures, industries and leadership levels make the content utterly unique and enjoyable. The five Practices and four Tools of an AVICA leader are great guidelines for reflecting on your functioning as a leader in this fast-paced, ever-changing, and turbulent world.

Beáta Máté, Managing Partner, Head of Learning at GROW Group

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A dense text, packed with important information for 21st century leaders. It is an enjoyable and exciting read. If you heed the author's advice, wherever you may be in your leadership journey, this book will take you to the next level, as if you had virtually attended several training sessions. It features many scientific research findings, yet it will deepen your practical knowledge, and most of all, it will inspire you to grow and develop.

Peter Generál, Partner at GROW Group



AVICA is a compass to help navigate the turbulent waters of the VUCA world. It was a privilege to witness the birth of the AVICA Leadership Development Programme, the ‘journey’, in which AVICA served as the guide. I could see first-hand how powerfully the approach and its creator can shape one’s mindset. Sanjay’s inspiring personality will certainly captivate not only the training participants, but also the reader of this book through his anecdotes and personal stories. These stories make the book lively, easy to understand and extremely valuable.

Eszter Sztrányay, organisational development expert

Table of Contents

| | |
|---|-----|
| Recommendations | 7 |
| Introduction | 15 |
| Prologue | 21 |
| Chapter 1: The VUCA world and the AVICA leader | 23 |
| Chapter 2: The agile leader(A for Agile) | 31 |
| Chapter 3: The value-oriented leader(V for Value-oriented)..... | 49 |
| Chapter 4: The inspiring leader(I for Inspiring) | 67 |
| Chapter 5: The collaborative leader (C for Collaborative) | 87 |
| Chapter 6: The appreciative leader(A for Appreciative) | 103 |
| Chapter 7: The future of jobs and the workplace of the future | 123 |
| Chapter 8: The AVICA questionnaire | 133 |
| Final words..... | 138 |
| Acknowledgements | 141 |
| Contact information..... | 143 |
| Annex 1: List of values..... | 144 |
| Annex 2: Notes and bibliography | 146 |

Introduction

Dear Reader,

I am delighted that you are holding this book in your hands and are taking some of your valuable time to learn about my leadership approach to respond to the challenges of our present times. Every new approach invites us to change. So, this book, among others, deals with the topic of paradigm shifts and our attitude to change.

I have learnt a lot in my career that has taken me to three different countries on two continents. When I started working 30 years ago, I was first sent on a computer course to learn how to use desktop computers, which at that time had quite simple functions and low memory capacity. No explanation is required, just look around and see how IT has developed over the last 30 years – it plays a very important role in every aspect of our lives. This is just one example of the numerous and significant changes our world has undergone during the last three decades.

I am an Indian, born and raised in Delhi. After graduation in 1991, I joined Siemens India as a financial management trainee. In 1996, Siemens sent me on a 1.5-year-long management development programme to Germany. There I met a Hungarian Siemens colleague, fell in love with her and married her. I usually say that I followed her to Hungary, and I have been following her ever since. Thus, I continued my career with Siemens Hungary from 1997, moving from India to Hungary.

I worked at Siemens for 16 years, and after a short break in 2007 I joined a small consultancy firm, as I wanted to try my hand at consulting. I left a secure, prosperous career to test myself in a completely unknown field. Later, this small consultancy was acquired by a much larger organisation, which put me in the top management of T-Systems.

I spent nine years with the company, first as a competence centre manager and then for a long time as a director. In 2016, new changes occurred. I decided to work in the field of coaching, management consulting and motivational talks. Since then, I have realised this dream. At the time of writing this book, I have been the CEO and Managing Partner of the GROW Group for the last four years.

As a coach, I developed the model on which this book is based back in 2017, and first published it in a LinkedIn article.¹ Later, there was an article published about it in the Hungarian Forbes magazine.²

In the book you will often come across the term ‘workshop’. I run these workshops as a leadership consultant for management teams. In the workshops a variety of topics are explored, such as leadership identity, leadership challenges and dilemmas, keeping a leadership team together, agreeing on strategic directions, etc. These group sessions include theoretical information on leadership, but the emphasis is always on experience-based learning. It is a safe environment for participants to have honest and open discussions where they can learn from each other’s experiences. For me, these workshops provide a great opportunity to gain a deeper understanding of the challenges facing today’s leaders.

The book is based on my own experiences in business, leadership, and my personal life. It also includes the thoughts, questions, dilemmas, and challenges of the leaders who participated in the workshops. This collaboration has crystallised my understanding and through it the model presented in the book. Therefore, I am confident in sharing them with you and hope that you will also find the content credible.

Individual and organisational dimension

The message of this book is for leaders and leadership teams. I also share examples of organisations that work in the spirit of AVICA. The reason for this is that I am convinced that an ‘organisation’ as a separate identity exists only on paper. When we talk about organisational culture or approach, we are really talking about the position and beliefs of the organisation’s leadership. Therefore, if leaders collectively demonstrate certain practices and beliefs in their own operations on a regular basis, the rest of the organisation will follow suit. The resulting norms are called ‘organisational values’ or ‘organisational culture’. In my view, studying these organisations also helps us to understand and appreciate the relevance of the AVICA model.

This book is intended to give you ideas and help you to take responsibility as a leader for the development and psychological safety of the team or the organisation you are responsible for, in a rapidly and unpredictably changing world. Each chapter is accompanied by a series of questions. I suggest that you take time to reflect on the questions, and to seek and find your own answers to them. You can even use paper and pencil for this.

About the paradigm shift

There was once a rich man who travelled the world with his young disciple. One night they were in the mountains, and it was getting dark, but they had no place to sleep. Nearby, they spotted an old and shabby house. They walked up to the house, knocked on the door, and asked for lodging and a meal. During dinner, the rich man asked the owner what he did for a living. The farmer replied,

'We have this goat. We make a living by having my wife milking it every day. She makes ricotta, sour cream, and cheese from the milk, and I go to town every day and sell it at the market.'

'Does it provide you with a good a living?', asked the rich man.

'Not really. We are terribly poor. We have nothing but the goat and this one-room shack with the barn.'

After dinner everyone went to sleep. The rich man and his young disciple slept in the barn, next to the goat. The rich man woke his disciple at dawn and said to him,

'Get up quickly and push the goat down into the abyss!'

'But Master! Why would I push that poor animal over the cliff? It's all they have, it's their whole livelihood.'

'Don't argue with me! When you became my disciple, you promised to always do what I tell you.'

There was nothing else he could do; the young man got up, led the goat out of the barn and pushed it into the abyss. Afterwards they quietly left the place.

Many years passed. Thanks to the rich man's teachings, the young disciple became a wealthy man, but all his life he felt guilty for having secretly pushed the goat over the cliff.

All of a sudden, he had an idea and took a big cart. He loaded it with all kinds of goods, food, and gifts, and hitched two beautiful horses to the cart. Then he rode it up into the mountains to find the poor man whose goat he had pushed over the cliff. He thought he could make up for what he had done with this cartload of gifts.

He scarcely recognised the place, because where the poor man's hut used to stand there was now a large house with a beautiful estate, a well-kept garden, and stables. He was very surprised. On the steps of the house stood the farmer, the same man whose goat he had pushed

into the abyss. He was ashamed and surprised when he addressed the man.

'Probably, you do not remember me. I visited you with my master many years ago. We asked for and received dinner and lodging from you.'

'Of course, I remember,' said the farmer, 'when you were here, the next morning our goat was gone.'

'At my master's command, I pushed the animal into the abyss. I have been terribly ashamed of it ever since. I brought you this cart to make up for your loss.'

'Don't be ashamed. I am eternally grateful to you.'

'But why?'

'Without the goat, I had to look for another way to make a living. And this was much better than the goat. Thanks to you, I became a rich man, because I realised that my goat used to occupy all my thoughts, time, and energy. Because of that goat, I was content with misery, hunger, and poverty.'

Source: Gyula Piroska

The challenges of today's world affect not only your organisation, but also the people you work with in the market or within your team. Customers, partners, investors, and employees have all experienced a paradigm shift. They expect different things in different ways, better services, more awareness, more care, and even these expectations are changing continuously. If you feel that you need some new guidance on the heightened expectations and changing attitudes of stakeholders inside and outside your organisation, this book is for you. If you feel that the context, interaction and interrelationships amongst the defining aspects and factors of the world around you have changed, I wholeheartedly recommend this book.

Even if you don't feel tremendous changes as mentioned above, I hope that the book will help you to gain a deeper understanding of today's context, to fine-tune your own leadership style or to reassess certain beliefs. I ask you to open this book with an open mind. If you feel that a 'belief-goat' is standing in your way, don't hesitate to push it over the precipice.

Prologue

The leader was standing on the top of the hill. She arrived in the mountains a day before the others came for the team building, so she had time to walk to the top of the nearby mountain before sunrise.

There were mountain peaks scattered before her, but the valley at her feet was covered with mist in the early lights of dawn. The billowing mist obscured her view of the landscape, obscured everyday problems, disputes, enemies and allies alike.

Her team had been plagued by change for some time, both internally and externally. Sudden market changes, uncertainty, complex market dependencies and interdependencies had created conflicting situations. The organisation was under pressure from changing customer demands and differing expectations from partners and investors. Meanwhile, it would have been nice if the company had been more attentive to its employees and had also done something for society.

It was a rare moment when there was no one around her, when she finally had time to step back in thought, even though her thoughts were as foggy as the valley. She felt that the constant changes made it seem as if she was always having to give directions to others while she herself was enveloped in the fog.

Although it was quiet, she felt she was not alone in her brooding. She remembered her grey-bearded mentor, Sakshi³, the sage who remembered everything. She remembered the pen Sakshi had given her. Her mentor's voice rang in her head,

'If you get stuck, pull out your pen.'

She felt the pocket of her jacket. The pen could be felt in the bottom of the pocket. She took out the precious gift and the first rays of the rising sun glittered on the gold-plated pen, which was decorated with five tiny gems. Reflected on the side of the pen, she saw her own face.

The wise voice continued,

'Do you see the five jewels of the pen? Remember the five blessings that have always helped you when you couldn't see the way forward...'