Human Resource Management in Volatile, Uncertain, Complex and Ambiguous Environment (HRVUCA)

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Abstract

The purpose of this paper is to examine the ways in which the Human Resources Department can achieve success in Volatile, Uncertain, Complex and ambiguous (VUCA) environment. After the critical analysis of the various journals and articles available in online library databases, it is found that the impact of VUCA environment on Human Resources is missing. For this purpose, a new concept HRVUCA, will be explained in the paper which will lay down the factors for the HR department to succeed in such environment.

1. INTRODUCTION

For running a business in a prosperous way, it requires to deal with a lot of uncertain problems that cause hindrance in the working of a successful business in today's business world which is quite competitive. From a very long time, these challenges have been affecting the businesses and today also along with their speed, power and frequency they are moving forward in nature.

The collaborative challenges have an aggressive and effective nature and generally represented by and acronym popularly known as VUCA. The VUCA acronym was first used by the US ARMY WAR COLLEGE in the year 1998, which is quite recent. The acronym VUCA represents business and organisational environment as: V- volatility, U- uncertainty C- complexity, A- ambiguity. Under this kind of environment, it has become better for leaders and managers to work in an efficient and effective manner with the help of their creativity and innovation techniques in the diversified environment with full potential. SHRM that is the society for human resource management posted structure for directing VUCA situations in the business environment. There is no way that the role of human resource and VUCA can be undermined as in today's environment it is one of the key features. This helps the human resource professionals to have proper plans at place to handle the increasing costs as well as any changing regulations and the drastic reductions in staffing.

There was a time when business was relatively stable as compared to today so the older traditional methods and techniques were enough to achieve success but today to achieve a certain level in business and winning, quality is required along with proper human resource and VUCA knowledge. This has now generated the requirement to know and understand the increased dynamics of VUCA. Today the leaders and managers in this VUCA environment have the knowledge of emotional intelligence by self-aware ness and self-confidence by which they attract people towards them.

Objectives of this study-

1. To understand VUCA in a better way
2. To analyse VUCA business environment
3. To recognize success areas in VUCA world
4. To Study leadership in VUCA world.

5. To study the crucial factors for the success of HR in VUCA environment

2. RESEARCH METHODOLOGY

In the organization, with the growth of VUCA environment it is really very essential for the HR department to make sure that the policies and the practices should be in accordance with the changing needs. HR personnel should make sure that they are not just following he traditional approaches, and have identified the need to cope up with the VUCA environment. For this purpose, we have reviewed around 20 references using the ProQuest and J-Store databases and have identified various factors. We have gone through the stage wise process:

First, the key research terms were identified which was followed by determining all the combinations that would help to narrow down the research result. The search includes journals in English Language only and without any limitations for the time frame. The different combinations between the key search terms in each stage of the literature review are shown in Table.

Second, a two-step screening process was adopted to examine the search results. In the first screening step; the paper's title, abstract and introduction are reviewed to make sure that the paper is relevant to the research focus and then can be moved to the second screening step. In the second step, the entry is reviewed in full text so that there is better understanding for the research topic.

Literature Review Stage	Key Terms	Library Data Basis
Stage 1	VUCA Meaning of VUCA	JStor and ProQuest
Stage 2	HR AND Volatility HR AND Uncertainty HR AND Complexity HR AND Ambiguity HR in VUCA environment	JStor and ProQuest
Stage 3	Role of HR in VUCA environment Human Resource relationship with VCUA HR policies in VUCA world Role of leadership in VUCA world Need for the Human Resource in the VUCA world Relationship of HR and VUCA HR in VUCA environment	JStor and ProQuest

We could identify the references that were not included in the library databases via Four methods which were:

1. to review the references lists of the papers that have been selected.
2. citation to be followed for the papers that have been finally selected using Google Scholar site.
3. to include the various conceptual models developed by the various researchers
4. to look for the conclusion drawn from the papers

Finally, after passing the resulted list of references after the two step screening process and the references that were added via the four methods stated above, we reviewed the full text.

The literature review process was followed three times for each stage of the literature review, which resulted at systematically reviewing, analysing and synthesizing three knowledge areas to provide the meaning of VUCA and also to analyse critical success factor sets that are needed to be achieved.

During the research, we have made sure that the papers we reviewed are from the last 5 years, and we have only used JStor and ProQuest as our library database. While, we only reviewed the online available journals, for the fact that this concept is very new and the printed materials like books, do not have much reference about our research topic. Overall, we have made utmost use of the reference while adopting our conceptual model.

3. LITERATURE REVIEW

During the research, the literature review was done on the basis of the three stages, each of the stage aimed at finding out the particular reference and to help in the research. In the first stage the term VUCA was used solely in the library databases and the findings were used for the purpose.

In the second stage, the relationship between the HRM was taken in consideration with each individual term. We used HR and Volatility, HR and Uncertainty, HR and Complexity and HR and Ambiguity were able to come up with the references which were really helpful to find out the relationship. To find out the success factors for the HR, third stage was aimed at finding out the integration of Human Resource with the VUCA environment.

In total, we reviewed around 25 articles and we were able to formulate the conceptual models and note down the success factors for the HR management. The articles were reviewed which ranged in different topics related to HR and

While doing the literature reviews, we have tried to exclude various papers like "Leading in Volatile Environment" (HR Reporter, 2016), "Employee Perception" (GBMR, 2017), as they do not focus more on the factors for the better management in HR and have adopted the basic and mundane ways, and as we are focussing on finding the critics factors for the success of Human Resources department.

During the literature review, we were also able to find out the ways for finding the skills requirement by the candidate during the Selection and Recruitment process to help him sustain the VUCA environment. This finding was really helpful to understand the skill requirement for the changing world. According to Rd. Amit (2015), he found out the KESHAVA approach, each referring to the skill required like Knowledge, Skill, Emotional Intelligence, etc. which should be considered while employee selection. The conceptual model was also helpful for the purpose.

Similarly, Trish Maguire (2016) tried to explain about the changing needs of the Volatile business world, and gave few suggestions as to how the HR is required to cope up with the changes for formulating new policies. She noted that factors like leading self, leading the function, leading up and leading across are really important for the HR managers. Also, the reference for the need of change in CHROs were provided by Jiri Roy Lee Kaivo-oja (2017) for using VUCA approach to tackle the problem of the change in business environment.

Aura Condreanu (2016) explained the VUCA action framework and we were able to connect it with respect to the HR department and were able to take few points for conducting on the topics.

Few references were also found connecting the Talent Management with the VUCA environment. According to Prof. Trio Nat (2015), the VUCA environment requires human resources and talent management professionals to change their focus and methods of leadership development. Organizations today need leaders who can adapt, reflect and accept change with confidence. By applying the VUCA model as a tool to change leadership development models that can help HR and talent management professionals find the leaders their organizations may need in the future. The main goal of VUCA Model is to identify the internal and external conditions that affect the organization.

When creating leadership development plans, human resources and talent management professionals can use VUCA as a model of skills and abilities. Similarly, according to Dr. A.Narasima Venkatesh (2016), HR and management need to restructure new leadership development activities to fit the world of VUCA and focus more on thinking skills and complex mindsets. VUCA has not only helped change the way companies operate, but has also inspired leaders to take action to lead them.

Similarly, our major findings are based on the article by Ayat Saleh (2017), which gives clear insight about the ways and have a developed Conceptual Model for the Business Excellence in VUCA world. This paper gives explanation about various critical factors which are required by the business, and one of the key finding is training and development and flexible HR policies for the better management of the business and to help business get successful. Also, the main importance is given to the agility, understanding, clarity and vision and how each has an impact over the VUCA world. The same findings can be found by Dr. Jon Sullivan (2015), which talks about the need of new Workforce Planning and Talent Management in the Volatile world.

We have also found out the skills which are required by the CHROs. For example, according to Bernier (2016), The articles discuss about the ways in which the organization can cope up with the changes in the VUCA environment, and have listed some behavioral competencies which are required by the CHROs to help sustain in such difficult environment.

According to the study, some of the competencies required by the CHROs are "thinking strategically", "business knowledge", "driving change" and "influencing others".

Another finding by the study, as mentioned in the article says that, it has been felt by the CHROs that the human strategy and HR strategy that they were working upon, is not successful in the VUCA world.

Dr. Amit Mukherjee (2016) have explained that with the growth of VUCA environment, it is really essential for the recruiters to make sure that the recruitment process is done in accordance with the VUCA world, and that is is the responsibility of the Human Resource to make "leaders" for sustaining in the competitive and difficult world.

This article gives an example of recruitment where the company prefers someone with the same background, and how qualities like the ability to sense, ability to respond and ability to learn rapidly are very essential in an individual for the sustainability in the VUCA world. Hence, it is essential for the Human Resource Management to make sure that the such qualities and skills are available in the organization and how they should promote it amongst each other.

We have also find the connection of Emotional Intelligence with the VUCA environment, according to Jharna Pandya (2014), EVP is a method of talent retention in the VUCA environment. The focus is on a global employee experience through an attractive vice president.

VUCA's business world, the world of work, has challenged organizations to change and modify strategies and adapt the latest if they want to survive in the VUCA environment.

EVP is based on reciprocal relationships between the organization and employees, which encourages employees to stay in the VUCA environment and work for the organization to achieve the organization's goals.

Leadership is also vary essential for the implementation of the policies and frameworks in the VUCA environment. For example, according to Dry Kishore Kumar Das (2013), leaders are required to constantly change people, processes, technology and structure. This requires being flexible and fast in decision making. At present, the VUCA environment requires leaders to possess more complex and adaptive thinking skills. Simulations are considered one of the most powerful learning tools for participants to train and anticipate the development of VUCA leaders.

4. KEY FINDINGS

Some of the key findings about the success factor for the HR Department made after doing the stage wise literature reviews are:

Training and Development: there should be new learning platforms, and not just old methods of traditional learning to cope up with the changing environment like coaching, peers coaching in the organization. (Ayat Saleh, 2016)

Flexible Policies: The policies set by the HR should be flexible with the nature of the changing environment to achieve the success. (Dry Amit, 2016)

Strategic Thinking: HR personnel should have the ability to think strategically and to take decisions accordingly. (Liz Bernier, 2016)

Global Mindset: explains that the mangers should be having the global mindset while coping up in the VUCA environment, and this has been a key skill for the HR personnel (Michael Clark, 2016)

Ability to question: the managers should have the ability to question for every reasonable and relative component, pertaining to the HR department. (Karen Gosling, 2016) This was discusses in the Ayat Saleh (2016) and Richard Watson (2015) as well.

Emotional Intelligence: The leaders should be able to express themselves to the employees firmly and promote positive emotions like laughter, joy, happiness within the organization. (Paninchukunnath, 2008) Emotional intelligence and intellectual growth was also discussed by Mayer Salovey (1997)

Ambition: The manager should the internal motivational to achieve higher responsibly and to grow in the organization, that wood be helpful for the survival in thaw VUCA environment. (Dr. Ajith, 2015)

Attitude: The attitude of the manager really plays a very important role in the survival during the VUCA environment, and the duties being assigned to the manager should be fulfilled by him very judiciously, so as to achieve the tasks to be done. (Paninchukunnath, 2010)

Knowledge: This is one of the self expelling and critical skill, without the proper knowledge and the experience, the HR manager can never be able to cope up with the VUCA environment. (Dr. Ajith, 2015)

Skills: The managers should have the required skills, to make sure that he is able to manage the problems arising in the VUCA environment. Skills plays a very important role. (Dr. Ajith, 2015)
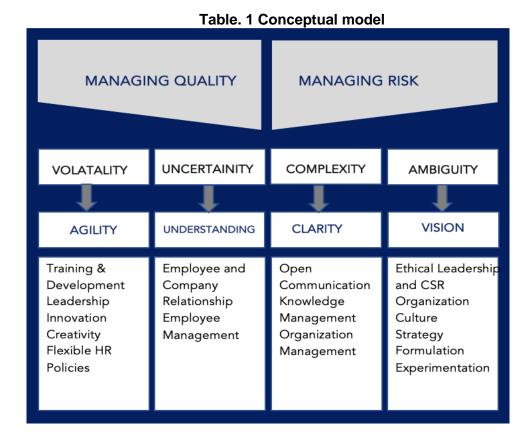
5. LIMITATIONS

1. The data collection method used for the purpose of study is from secondary source and not primary source.
2. The study is limited to specific time duration
3. The study focuses on large scale organizations and not small scale.

6. CONCEPTUAL MODEL

The following is the proposed conceptual model that will help in deciding the success of Human Resource Management in VUCA environment.

1. In the VUCA environment, with the increase of "Volatile" nature, it is really essential for the HR managers that they use the concept of "Agility". 5 crucial success factors were recognized under the agility category which are training and development, leadership, innovation, creativity and adaptability.
2. When firms have the chances of being open to the "Uncertain" environment, it is essential for the managers to keep the "Understanding" amongst each other very high, which can be achieved by Employee management and having better employee and Company relationship.
3. When the business environment is getting affected by "Complexity" which hinders in possible connectivity, then establishing enhanced "Clarity" will give efficient ways to reduce the chances of not coping up with the complex environment. The crucial factors are open communication, knowledge management and organisational structure.

4. During the "Ambiguous" situations, it is the duty of Human Resource Personnel that they have a strong "Vision" with them, and which could be achieved by environmental scanning, strategy formulation, employee value proposition, ethical leadership and CSR.

Table. 1 Conceptual model

MANAGING QUALITY		MANAGING RISK	
VOLATALITY	UNCERTAINITY	COMPLEXITY	AMBIGUITY
AGILITY	UNDERSTANDING	CLARITY	VISION
Training & Development Leadership Innovation Creativity Flexible HR Policies	Employee and Company Relationship Employee Management	Open Communication Knowledge Management Organization Management	Ethical Leadership and CSR Organization Culture Strategy Formulation Experimentation

7. CONCLUSION

This research was aimed at finding out the ways for the Human Resource Personnel to cope up in the VUCA environment. Systematic literature review was done which had a three stage methodology to derive and review the factors essential for the success of the Human Resource Department in the Volatile, Uncertain, Complex and Ambiguous environment. The reviews thus helped in formulating a conceptual model called as HRVUCA: Human Resources in Volatile, Uncertain, Complex and Ambiguous environment, which gives around 12 success factors for the HR Management to cope up in the VUCA environment.

The literature review also pointed out that is really essential for the organisations to start thinking on this context, as this poses a great threat and hence, they should start adopting various changes in the policy formation and in the working of the organisation, so that they do not get obsolete in the future. As well, different ways should be adopted by the Human Resources, as they act as the critical department.

Thus, now it's time for the HR department to look for the methods, and HRVUCA provides with such factors which would eventually help the department succeed and excel in any kind of environment.

8. FUTURE SCOPE

The following research has been carried out to formulate the conceptual model of the relationship of Human Resources with the VUCA environment, the data gathered was very

limited and totally based on the systematic literature review. After reviewing the different journals and articles from online library databases like ProQuest and JStor, various connections and relationships were identified. But it was seen that, this topic of discussion is not much famous, and this research would give opportunities to bring out discussions and further research in this field, to build strong relationship between the Human Resource and the VUCA environment. Further research can also help in adding the skills in the HRVUCA concept.

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