**What is VUCA?**

VUCA is an old acronym that was first used in 1987 and it was based on the leadership theories stated by Warren Bennis and Burt Nanus.  
  
VUCA stands for Volatility, Uncertainty, Complexity, and Ambiguity. It has us a new way of thinking seeing and reacting towards things. This is the era of constant changes and undergoing development. VUCA provides us the basic assumptions for designing any business model and strategic plans. Cost structures, supply chains, customer expectation, availability of information, and various other factors are changing unpredictably for management processes.  
  
A very common saying for the VUCA world is –  
“Every Business is Start-up now; long term planning should be done after considering the complex changes”.  
  
**Let us understand the word VUCA:**  
 **Volatility**: In the present world it is very hard to **find equilibrium** as it **is unstable•**  
changing continuously. The changes are complex and **happening very fast.** These  
**unpredictable changes** have made it very **difficult to determine the cause and effect  
relationship.**

**Volatility**

* Financial Markets: The stock market is always changing because of things like economic indicators, geopolitical events, or investor opinion. This volatility affects **choices** about investments and how to manage a portfolio.
* Rapid changes in technology: The speed with which technology changes shakes up industries and business models. For example, the rise of ride-hailing services like Uber and Lyft changed the way people get around, making standard taxi companies less stable.

**Uncertainty**: It is very **difficult to predict** and unfold changes. Past experiences are **not helping in designing new strategies** and are losing their **relevance.**

**Uncertainty**

* Regulatory Changes: Organizations tackle uncertainty arising from regulatory changes such as tax reforms or data privacy rules. Compliance requirements and business processes will be affected by these changes.
* The competitive scene is a source of uncertainty because it is always changing. Established players in different industries face uncertainty from new competitors, disruptive startups, and changing customer tastes**.**

Choosing the correct path is an issue as blind turns are waiting for us throughout the way.

**Complexity**

Complexity shows how complicated and connected organisations and markets are today. It includes things like globalisation, the different needs of stakeholders, and complicated supply lines. Also, To deal with complexity, you need to know how all the different processes work together. In the car industry, for example, manufacturers have to deal with complicated supply chains with many levels of suppliers, global logistics, and complicated production processes. Leaders need to learn how to analyse complex systems, figure out how they depend on each other, and make choices that are well-informed and take into account the whole ecosystem.

**Complexity**

* **Global Supply Chains:**Businesses that sell to customers all over the world have to deal with complicated supply chain networks with many suppliers, logistics providers, and distribution routes. Also, Managing this level of complexity needs good coordination and ways to reduce risks.
* **Cross-Cultural Communication: I**n a globalised world, organisations often have trouble communicating because of differences in culture, language obstacles, and different ways of working. Further, For collaborations to work, people need to understand these issues and know how to deal with them

**Ambiguity**: Not everything is black neither they are while. The modern demands are challenging the core values of management as grey is also an option now. The•  
willingness to make mistakes, take risks, and then making them appropriate should be the new strategy.

#### Ambiguity

* **Strategic Decision-Making:**When leaders make strategic choices based on incomplete or contradictory information, they face ambiguity. This can happen when a company decides to merge or buy another company, enter a new market, or create a new product.
* **Ethical problems:**Organisations face ambiguity when they are faced with ethical problems that don’t have clear answers. Leaders often struggle to balance conflicting values and make ethical decisions that align with their principles.

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**Every Business is Startup**  
Traditional management strategies have been stretched and they are broken now, a new framework is the need of the time. Startup models are designed considering the high risk and uncertainty of the environment. Established businesses are also supposed to act more like start-ups and continuously discover and experiment with fresh ways to adapt to the changes to scale the business. A startup keeps on amending the plan to ensure their survival in the market even after attaining a perfect business model they always try to check and update it.  
  
Hence it is said that every business should learn and adapt the changes like start-ups. Indian Tech Start-ups and their survival India has seen rapid growth in start-up culture. Some of the Indian Startups are doing extraordinarily well and have created a presence in the international market like OYO, BYJU’s, Paytm, and many more. They have different success stories but there is on similarity among them. They all have taken the meaning of VUCA very seriously and amended the definition of the acronym.   
  
**The new VUCA is:**  
 Vision: Clarity towards future goals will spark motivation and help in designing the business plans effectively.•  
  
 Understanding: Analysis of the results and be ready to work backward, always•  
consider the behaviors and reactions of consumers.  
  
 Clarity: Put your efforts in the right direction and try to maintain transparently•  
relationships and connections.  
  
 Adaptability: Make your management techniques flexible and agile. Promote your•  
values and culture and facilitate innovation.

**Five reasons which made the survival of Indian Tech startups**

1. Schedule Business Audits: There should be a proper audit schedule to check the  
   progress and drawbacks of current procedures. In COVID times we have the  
   opportunity to check the completeness, reliability, and validity of the strategies. Try to gather feedback from the team and work upon it.
2. Update business Plans: The business plan should be updated according to the present scenario. Since startups are always experimenting, they knowingly or unknowingly practice these measures to become successful. Cross-training the employees and updating of success plan should be the foremost concern.
3. Workout the Financial issues: Consult people who can guide and help you plan  
   financial strategies. Always consider your personal financial situation while designing the overall picture of the organization.
4. Crisis Management Plan: Be ready and aware of the crisis that may arise in the  
   coming future. Be ready with a crisis management plan for natural and predictable disasters. COVID 19 has already trained and taught us the need for changes and improved strategies.
5. Innovative and Tech-Friendly workstyle: Information systems should be used to maintain and forecast company position. Data Analysis is one of the driving factors for the success of companies. The numbers and data are very valuable these days.
6. VUCA is society-defining. For the uninitiated, VUCA is Volatility, Uncertainty, Complexity, and Ambiguity. Not change, this is about the acceleration of change. We can already relate to this, in the just-here-future in the health domain. Powered by AI and automation, we are globally experiencing significantly higher levels of wellness, a tenfold increase in the productivity of doctors, nurses and medical infrastructure. Taking the guesswork out of medicine and surgery at a fraction of current costs, these changes will disrupt “work” in this sector.
7. Our world is plateauing on literacy, knowledge access is universal, epic demographic shifts and relentless digitalisation are upon us. As impermanence grips commerce models, we will see exponential numbers of business births and deaths, an end of lifelong employment, and the emergence of a gigantic gig workforce.
8. The straws in the wind are unmistakable—the Fourth Industrial Revolution will require the reskilling of a billion jobs in the next 10 years; 40 percent of core skills will undergo redefinition and many millions of jobs will be displaced. Robots, automation, ‘thinking’ machines and AI are the harbingers of massive job disruption. Across sectors, machines are chewing up not just low-skill repetitive jobs, they are even eliminating complex tasks of precision, from medicine and surgery to stock-trading and banking, R&D etc—all very high-level problem-solving and decision-making skills.
9. These work gobblers have shown they can do better than humans across both blue-collar and white-collar roles. Admittedly, (we hope!) they can never replace living, breathing, thinking humans in the workplace, but a tremendous amount of work will get “squeezed out” of the existing workflows. Physical work is not going to evaporate, but the basics of a lot of manual work will be taken over by machines. Instead of muscles, fingertip operations will be the norm.
10. The platform economy is upon us, and the development of new nonstandard work formats will change the very basic concept of work and employment. This will mean far more flexible work, gig work, freelancing, accompanied by a rise of individual worker brands, enabling easy display of past work quality on social media, thus transacting work and commerce with respect.
11. This technology-driven business disruption will also reformat the traditional employer-employee relationship. Secure monthly paychecks will be taken over by contractual engagements. The massive reduction in employee numbers will mean that work will happen remotely by agile disaggregated teams. These megatrends also foretell an implosion, and replacement of the existing education and training structure for delivering human capacity and capability-building. Lastly, more than ever, it now becomes an individual’s responsibility to make himself “employable”.
12. Capitalism anyway has been seeking to reinvent itself for a while now, but we now see significant differentiation emerge in business DNAs. Dramatically, new innovators are racing to create radically new digital business models, and often end up writing the rule book itself. Then there are true-blue capitalist corporates where sheer size and influence determine the best moat around the castle. These will obviously seek to grow in a manner to exert even more power—and whose employees only exist to further corporate goals.
13. Going further, there are the ‘green’ companies, where corporate responsibility is not merely nice-to-have but is a business imperative—the make-good-do-good world. The purpose is paramount. These spaces are marked by social conscience, environmental responsibility, and a focus on diversity and human rights. Employees staffing these are wired uniquely, and have a lot of influence in these organisations.
14. Add to this bewildering variety of business DNAs and the role genetics needed, a generous double dollop of technology disruption, and you have the makings of a seriously complex matrix of what will constitute our world, and what skills might be needed to make an impact.
15. It’s not difficult to imagine the shift in the kind of skills that will be needed for work of the future. On a mass scale, digital skills will be paramount, layered with financial, communication and collaboration skills, all part of how our work-world would be strung together. Since gig workers will abound, add personal marketing skills to the pot. At a generic level, lifelong apprenticeship, unlearning and relearning will be critical skills, but paramount will be emotional and spiritual resilience to be able to navigate an ever-changing mosaic. Managing their own VUCA, all beating unbeaten paths in the dense foliage of work.
16. Now for some glad tidings. While all these seem like daunting challenges to meet, what is undeniable is the steep evolution that our society is going through. When Maslow pictured his hierarchy of human needs model 80-odd years ago, he certainly could not have imagined that his pyramid would become more of a cylinder, where billions had osmotically taken the high road towards self-actualisation.

**Conclusion**  
Success can be achieved by just changing the thinking process and taking advantage of the available opportunities. In simple language, you just have to convert Volatility into vision, uncertainty into understanding, complexity into clarity, and ambiguity into adaptability.