

THE POWER OF TRANSFORMATION AND THE LEADERSHIP SUPPORTING IT – INCLUDING MENTAL HEALTH PERSPECTIVE

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SUMMARY

World in which we live in, has been changing so unpredictably in the recent years that has become more than ever volatile, uncertain, complex and ambiguous (VUCA) world. Especially in this post Covid-19 era in which extreme change has become our constant, economies around the world are suffering and today's organizations and institutions are broken. We can agree that our current approach is not working. Leadership in general and leaders of global mental health institutions in particular are failing on their goals and we have desperate need for better leaders and leadership strategies in the future. In this article, authors are going to take a dive on the leadership perspective, transformation of organizations and institutions and try to narrow the gap and support leaders to become the best version of themselves. We are going to present our perspective on what is the future bringing us in terms of leadership and leaders, as well as what would be the desired team dynamic within organizations or institutions.

Key words: VUCA world – change – transformation - leaders and leadership

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INTRODUCTION

In this post Covid-19 Volatile, Uncertain, Complex and Ambiguous (VUCA) world, in which change has become our constant, our reality, we repeatedly state that we live in a new normal, adopting new behaviors, while economies around the world are suffering, today's organizations and institutions are broken and we are not certain anymore how our tomorrow will look like (Shambach 2004). So let us pause, take a moment to look at the change we are living in and the transformations that are inevitable. Let us take a dive on the leadership perspective and transformation. What is transformation bringing to organizations and institutions undertaking them, what is the aim of the process and what kind of leaders do we need to successfully lead & support the transformation in this VUCA world of ours? The purpose of this article would be to discuss about these phenomena in reflection of leadership and organizational, institutional modifications needed in current VUCA and new normal world. Living in fast changing world leaders have the obligation to build agile, transparent, coherent and resilient organizations, institutions that can survive future challenges. Leaders as architects of the future, they have to act in the present moment to be able to prepare organizations, institutions for the challenges in front of them, which they are going to face in next few years. Organizations, institutions of the future are going to be lean, agile, transparent, with clear vision and

shared values, where people willingly collaborate and where are trusted with the decision-making, appreciated for their contribution and fully empowered. Nevertheless, to get there is a process that needs time, vision and individual willingness to transform, as any change in our lives it starts within each and every individual stepping out of their comfort zone and embracing new behaviors that will improve the current statue, including mental health and add value to the society in general.

DEFINITIONS

VUCA world is an acronym (artificial word) and stands for volatility, uncertainty, complexity and ambiguity. The VUCA concept has been firstly introduced by the U.S. military after the Cold War to describe the conditions of a world ever more difficult to predict and rely on, shaped by volatility, uncertainty, complexity and ambiguity (Shambach 2004).

Volatility describes the rate of change (usually rapid) and the pattern of dynamics observed in socio-environmental systems (Schick 2017). We live in a world that is constantly changing, becoming more unpredictable and the change is happening each day faster than the day before.

Uncertainty characterizes lack of predictability and the likely prospects for surprise (Schick 2017). It is becoming more difficult to anticipate events or predict how they will roll out and it is becoming difficult or impossible to plan.

Complexity refers to the intricate and extensive network structure and dynamic pathways existing between the components of a system (Schick 2017).

Ambiguity is the most abstract factor of VUCA. It relates to the haziness of reality, the potential for misreads, the mixed meanings of conditions and mixed outcomes of actions (Schick 2017).

Change is an act or process of replacing something with something new or different (online Oxford Dictionary). Causes of change can be different, for the moment we live in, let us name just a few, for example:

Natural environment

Changes in the natural environment may result from climatic variations, natural disasters, or the spread of disease (Form 2019).

Demographic processes

Population growth and increasing population density represent demographic forms of social change. Population growth possibly leads to geographic expansion of a society, military conflicts, and the intermingling of cultures (Form 2019).

Technological innovations

Several theories of social evolution identify technological innovations as the most important determinants of societal change (Form 2019).

Transformation is a complete change in the appearance or character of something or someone, especially so that thing or person is improved (online Cambridge Dictionary).

Leadership is the art of mobilizing others to want to struggle for the shared aspirations (Kouzes 1995).

Leader is one or more people who selects, equips, trains, and influences followers who have diverse abilities, and skills and focuses them to the organization's mission and objectives causing the followers willingly, enthusiastically and in a coordinated effort achieve the organizational mission and objectives. The leader achieves this influence representing vision of the future in clear terms that resonates with the followers' beliefs and values in a way that the followers can understand and interpret the future into present-time action steps. In this process, the leader communicates clear vision in contrast to the present status and uses critical thinking, insights, intuition, and the use of both persuasive rhetoric and interpersonal communication including both active listening and positive discourse, facilitates and draws forth the opinions and beliefs of the followers. The leader is able to mobilize followers move through ambiguity toward clarity of understanding and accepting the future state of organization as a desirable condition worth committing personal and corporate resources toward its achievement. The leader recognizes the diversity of the followers and achieves unity of common values and directions respecting the individuality. In this process of leading, the leader, supports follower's innovative beha-

avior and allows the followers to learn from her/his/their own, as well as others' successes, mistakes, and failures along the process of completing the organization's objectives. In this way leader builds credibility and trust with the followers through interaction and feedback to and with the followers, which shapes the followers' values, attitudes, and behaviors towards risk, failure, and success. Doing this, the leader builds the peoples sense of self-worth and self-efficacy and all of them are willing and ready to take calculated risks in making decisions to meet the organization's goals (Winston 2006).

WHERE ARE WE TODAY, MOREOVER, WHERE DO WE WANT TO BE TOMORROW?

Today we are still often seeing static organizations with the clear boundaries and hierarchy, where people are bouncing within their cubicles and trying to keep the little wheels turning, according to the will and some vision that their leaders have. Our „old school“ static organizations, institutions and leaders that „know everything the best“, have big egos, driving in each cycle of their ruling bigger and bigger cars, have surrounded themselves with nodding culture and leaders weaker than them self's with easy to control top-down authority. Decision-making has been easy, they were able to make decisions based on their static and top perspective, that if you truly look out to the world is utterly and completely outdated. As they had no willingness to change, during their long time admiration of the same view from the top floor of the building, the world completely changed and took them by surprise. However, organizations and institutions that have not transformed on time, and kept up the pace with the world, have lost the game with the VUCA world and disappeared. Therefore, it is clear, whatever and who ever have brought us here today up to this point, will not bring us further, so it is time to transform ourselves, organizations and institutions. The time has come to start looking at the today's world, as it is, unpredictable, changing and complex. Our perception of organizations, institutions has to change, they are living systems, also role of each individual and perception of our purpose in this VUCA world has to change. We have to perceive, adopt and embrace the environment around us. It is on each and every one of us individually to start with the transformation, to step up, ketch up the pace and enjoy the ride, new challenges and experiences we are facing, that will make us better leaders, persons, empower us with the knowledge and enable us to live in a better society.

The situation has become so complex that you need able people, informal leaders, throughout all organization or institution, which has become so dynamic that only few individuals cannot completely control it, so transformation is on the doorstep. Subsequently we have come to leadership that supports transformation, which is inevitable, like a cycle of life.

LEADER'S CHARACTERISTICS AND THEIR INFLUENCE ON THE GROUPS

In our world, we need the leaders that truly listen and care about the people surrounding them. No leader, no matter how able, can move the organization, institution all alone and get the job done without the people; in full sense of the word, leaders depend on other people. Leaders that are able to respond to the challenges of the VUCA world possess the following:

Vision is the leaders' inspiration and leaders at all levels have to be visionaries.

Leaders set courageous, shared vision with higher purpose for organization, institution as a whole and people within organization advance that vision. For example, in agile organizations, that are more prepared for the challenges of the VUCA world, vision is shared responsibility and people can relate to it; vision is not been forced from the top, it is coming from listening to the people and their needs. Leader provides guidance and co-creates vision that needs to be clear, simple, addressing the need and resonating with the people, as well as all stakeholders involved. We have to keep constantly on top of mind that creating the vision is a process.

Integrity and Transparency are the backbone of leaders practice and "saying what you mean and meaning what you say", it represents the lack of hidden agendas and commitment to honesty.

Courage and Curiosity are essential for leaders to lead in a way that creates genuine positive impact, supports innovation and creativity, enables authenticity and connects with the people.

Humility & Authenticity are fundamentals of every relationship. Leaders have to treat all persons in the organization with respect regardless of their position, role or title. Leaders are aware that trust in all directions is the key of great leadership together with expressing who you really are.

Coaching and building capabilities is leader's everyday work in the organization.

Organization is a living organism and you need to translate the vision in results that matter and resonate with people. Leaders need constant interaction with people, listening, coaching, and creating opportunities so they can develop a growing mind set.

Focus and "Big picture" perspective are the leader's internal compass. Role of a leader is evaluating ecosystem as a whole, how parts of the ecosystem (internal and external) interact with one another. Leaders create clarity and remove all obstacles getting in the way of their teams.

Empowering people and supporting diversity are the strengths of the organization.

Leader supports teams to self-organize, prioritize, and make great decisions, always taking themselves out of command.

Leaders can lead and influence a group in different ways and there are few styles how to do that. First, of the leadership styles is Laissez Fair or hands off approach works well in highly motivated, skilled and efficient environment. Second style, is Democratic with shared decision-making among group members, not exercised by one individual. In order for this to be effective, group members must spend considerable time sharing and listening to various positions and weighing the effects of each. Groups organized in this fashion may be more committed to the outcomes, creative, and participatory. Third style is the Autocratic leader who keeps maximum control over a group and makes unilateral decisions without any consultations.

To be able to address needs of the VUCA world we need more democratic leaders that are able to transform organization in laissez- fair ones so they can withdraw from everyday decision-making, their job is to make them scarce. Are true leaders at the end unselfish givers and supporters? Do true leaders need a title to behave as a leaders, or leaders of the future are ones that are more informal? However, definitely, leaders are people that listen to organizational and people's needs, make other people grow, and organizations, institutions to prosper to the benefit of all involved in the process. Leaders of the future have to be visionaries, move away from reactive behaviors, away from places of fear, have to see the bigger picture and think of others and less about themselves.

TYPE OF LEADERSHIP FOR THE FUTURE AND ORGANIZATIONAL OR INSTITUTIONAL STRUCTURE

The force that moves great leaders is a deep sense of personal purpose. When we see great leadership, we see someone standing for something that is vital and of extreme importance to them and it becomes their life purpose. They dedicate their lives to create what matter the most to them and that is their only driver. That said, brings us to creative leadership. Creative leadership means leading people through a common process or method of finding and defining problems, solving them, and implementing the new solutions. Creative leaders are skilled in managing other people and teams in a fluid but orderly fashion through the creative process. A creative leader induces others to focus the process and process skills on meeting their challenges. They become consultants or facilitators in the process of solving the challenge rather than giving orders or doing the work themselves. Having transferred ownership, they then help others to achieve their own goals and at the same time, involving people in using their creativity is itself motivating. By inducing people to think creatively, the leader creates intrinsic motivation at the same time (Basadur 2004). Creative leadership grows the organization with constant ties between status at present time and the vision.

Another type of leadership that in our point of view is a leadership of the future would be Servant leadership. Servant leadership gives accent on individuals and a decentralized organizational structure that focuses on employee empowerment and encourages innovation.

This means having the upper management share key decision-making powers with employees who work directly with clients and customers; they are arguably better aware of what is needed to remain competitive because of their knowledge of what is occurring on the "front lines" of the business. Servant leadership has a holistic view of organizations and individuals in them and it protects and encourages their well-being (Fuhrmann 2020). Research suggests that when leaders, as servant leaders, focus on their followers' needs, this can have a positive effect on organizational functioning (Lee 2020).

With servant and creative leadership in organizations, what kind of structure do we want to see in the organizations? According to book *Reinventing Organizations* (Laloux 2016), we have four organization models that exist today:

- Red, impulsive organizations that characteristics are: division of labor, top-down
- authority, glue is the loyalty, rule of fear, unstable, highly entrepreneurial and reactive
- in chaos. Examples of red, impulsive organizations are Mafia and drug cartels and small enterprises with founder-bosses.
- Amber, conformist organizations that characteristics are: Live in a world of stability
- and certainty, replicable processes and stable organization charts. Guilt and shame are the glue of the society and people spend their lives trying to fit in (wearing the right clothes, thinking the right thoughts and doing what is expected). Examples of amber are conformist and traditional organizations are religious institutions and the army, government agencies, public school systems and universities.
- Orange, achievement organizations that characteristics are: Innovation, accountability
- and meritocracy, organizations that are ruthlessly innovative and efficient machines in the pursuit of profits. Examples of orange organizations are Wall Street banks and big corporations (Nike, Coca-Cola, GE, Walmart, MBA programs and majority of management practices).
- Green, pluralistic organizations that characteristics are: Empowerment, values-driven
- culture and stakeholder value, "soft" aspect of management, organizations as families. Examples of green organizations are non-profits, NGOs, social ventures and today increasingly in corporate world (Southwest Airlines, Ben & Jerry's)

Moreover, in the book the author describes the next level organizations, the evolutionary Teal that support

authenticity, disidentification of ego, letting go of control and not trying to fit in. In Teal organizations, we can also see increase of trust in teams and the people and that is completely ok to make mistakes. Decision making in teal is coming from inner rightness as compass. In teal people yearn for wholeness, reunite with themselves as a whole, with others, all forms of life and nature. Characteristics: self-management, wholeness, evolutionary purpose and organizations are living systems. In teal, not everybody is equal but everyone is fully powerful. Examples of teal organizations: manufacturing, healthcare, retail, for profit, non-profit (Buurtzorf, AES, Patagonia).

The complexity in our world is rapidly increasing so hierarchy and pyramids of power cannot cope with it any more so accordingly we are looking in many smaller natural hierarchies. Looking at all types of organizations or institutions and the perspective for the future, we can conclude that we are looking at green and teal organizational future, where creative and servant leadership will steer us in more effective, agile and more successful organizations with high employee engagement.

DISCUSSION

We have presented an extensive change in leadership and structure of organizations or institutions, but why do we need a new leadership approach in the world? Leaders of organizations and institutions are falling short on what we as society need. It is fairly easy to reach agreement that world needs better leaders. However, what change is required in leadership and how are we going to prepare better leaders for the future? We can agree that our current approach is not working. This article tries to narrow the gap and support leaders to become the best version of themselves. That said the assumption behind is that leaders around the world are able to detect the desired direction of transformation, embed the visions and support the processes for which they need time, change of mind set and behaviors to be able to execute transformation of this extent. Some company or institutional cultures are naturally strong and others are toxic to leaders and those who they serve. Successful leaders create conditions for people to perform their best work and have deep connection with their purpose. Great leaders learn to lead in a way that delivers great purpose, alignment and performance. Nothing can change without the willingness for transformation and nothing will change if leaders just keep saying to the people involved transform, transform and transform. Transformation, and the leadership supporting it, starts from the day "zero" and the first interaction with people, and it is a never stopping process, because organizations are living organisms, that need to adapt to the new environments and leaders have the task to support that process. Leadership and the transformation have to be aligned, one without the other

do not make sense and will not produce any positive result. In this case, leadership and transformation have to align to mobilize people with vision and values they want to share in the future. If we think how creative and servant leaders are viewed in our world? Creative and servant leadership are still perceived as leadership styles for mediocre performance, self-centered leadership is reserved for high performance organizations, and that is our current culture norm. However, this perception has no justification, because we are colossally failing as a society and have desperate need for better leaders. If we look at the people involved in transformations there are always ones that cannot connect to desired vision and values, and eventually they leave the organizations willingly and find other organizations where they align with vision and values. Having diverse people with growing mind set with shared values and vision is the key of the success as well as having a pace in the transformation, transparent phasing and communication of the progress of transformation. Organizations that are lacking alignment in leadership and the desired transformation will not succeed in this critical and very demanding process for organizations. Future articles on creative and servant leadership will possibly show us how long will these leaderships fully address the needs of VUCA world we live in.

CONCLUSIONS

A predictive and stable world as well as top-down, self-centered leadership is completely outdated, and, more importantly, counterproductive, these are the terms of the past and historical research. As contemporary leaders, we are preparing organizations or institutions and the people within them for the future challenges in next periods ahead of us, and we are acting now to secure the future in the VUCA world of ours. Leaders of today are embodying their visions and subsequently bring better tomorrow for their organization or institution and all the members involved in their ecosystems, always having in mind a larger perspective, where mental health has a leading and substantial role in the wellbeing and the impact on the society as a whole. The trend, which has been shaping the future of leadership, is inclining toward creative and servant leadership and from the organizational or institutional perspective, we are looking to transparent, agile, diverse and self-organizing teams and fully empowered for decision-making. Future organizations or institutions will be able

to reorganize fast enough depending on the environment they are performing in, but faster than before and represent resilient, diverse, transparent organizations, with shared values and vision.

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