Adaptive leadership responses

Introduction to an emerging classification of zeitgeist enactments, practices and virtues for a VUCA world

Vikram Murthy
Academy for Collaborative Futures, Sydney, Australia, and
Aasha Murthy
Australian Council for Educational Leaders, Sydney, Australia

Abstract

Purpose – The purpose of this paper is to posit a hierarchical classification of enactments, practices and virtues that comprise an emerging adaptive leadership response to the prevailing volatile, uncertain, complex and ambiguous (VUCA) conditions.

Design/methodology/approach – Reports and discusses the findings of two neo-classical grounded theory research studies to theorise augmented leadership repertoires for VUCA worlds. The first study was conducted with eight large regional and multinational organisations in Australia. The second is an on going, longitudinal study undertaken with 18 regional, national and multinational organisations in New Zealand.

Findings – The first neo-classical grounded theory study in Australia identifies a set of emerging leadership practices labelled, "Zeitgeist – Integrating Cognition, Conscience and Collective Spirit", as part of such a repertoire. The preliminary results of the second neo-classical grounded theory research extension in New Zealand, results in the further grounded theorising of the ensemble leadership repertoire (ELR), which is an emerging and hierarchical classification of leadership enactments, practices and virtues for prevailing times. The classification is robust because of its methodological similarities and conceptual congruence with other emerging and well-accepted classifications like, for example, character strengths in positive psychology.

Originality/value – The grounded theorising provides a core category of the ELR which has its origins in substantive context. It lists 93 enactments inducted from leaders' key phrases. These enactments in turn aggregate in relational sets through the process of constant comparison to describe 14 practices, which in sets of dyads and triads describe the five zeitgeist leadership virtues of being present, being good, being in touch, being creative and being global.

Keywords Strategy, Business, Management

Paper type Conceptual paper

Background: business and the challenge of environmental adaptiveness

The body of evidence and available empirical analyses make a compelling case that businesses have limited life spans (Murthy, 2014). While theories of creative destruction, disruption and hypercompetition may position such temporal impermanence as salutary for markets and economies, there is a counterpoint in the significant benefits that business longevity has for all stakeholders (Schumpeter, 1975, p. 82; Christensen *et al.*, 2002, p. 41; D'Aveni, cited in Naff, 1995, p. 29; Hamel and Valikangas, 2003, pp. 56-57). Such longevity is predicated, however, on the productive efficacy of the firm's engagement with its constantly changing task and contextual environment – a significant source of its existential challenges. This engagement requires the overall business to have external fit and alignment with its task and contextual environment and internal congruence and consistency between its organisational subsystems and their internal sub-environments (Morgan, 2006, p. 48).

In essence this need for alignment and fit calls for a business's adaptive, multiple-loop responses to the complex problems of relentless organisational renewal (Argyris, 1998, p. 214; 1999, p. 68). In addition, the prevailing volatile, uncertain, complex and ambiguous (VUCA) environment in the first decade of the new millennium has caused dynamic instability, poor predictability, complex causal connections and multiple plausible interpretations of events (Horney *et al.*, 2010; Kail, 2010; Kinsinger and Walch, 2012; Hiemstra, 2006). These hitherto unforeseen environmental attributes have further exacerbated the already difficult adaptive imperative for businesses.

This paper begins with compelling testimony from regional industry leaders that underline the velocity, intensity and ubiquity of these environmental changes, and foregrounds the complexity of framing successful leadership responses to the ensuing challenges. Significantly, their advisements appear prescient given that they are still germane, notwithstanding the time that has elapsed since they were originally provided.

Leading moment by moment in prevailing times: existentialist arguments for an augmented repertoire

All three statements that follow have been abstracted from senior leaders' interviews conducted in New Zealand between 2009 and 2010 as part of the research into an augmented leadership repertoire for responding to zeitgeist organisational challenges. In highlighting distinct and different aspects of the environmental challenge, these statements bring the imperative for a response into sharp focus.

Underscoring the deep fault-lines emerging in capitalism's institutions as one of the far-reaching impacts of global environment upheaval, the chief executive of a city's local council sounds a grim warning:

> We cannot trust leadership's existing tools and techniques. While we have been through recessions before, this one seems to have challenged some of the real fundamentals of how we have operated and where we get our advice from and what data we might look at to predict the future. More so than ever in the past, all these are up in the air. The big issue for government and for all businesses is getting leadership balance between risk aversion, creativity and courage (LA11, personal communication, 17 August 2009).

In a different vein, the director of a telecommunications company underlines the real and present challenge for leadership in times of unrelenting volatility:

> Managing constant transformation, at an individual, team, community, society, and global level is a big challenge. It means embracing the uncertainty of the forces of the future, and then crafting opportunities for making the best out of that uncertainty in a manner that you don't feel the pain. It is the living of these forces however, that will bring them to life and allow us to make sense of their impact on our lives. Herein are the seeds of the unpredictability we feel. Yes, there are plenty of perils and potential disasters, but there are rich opportunities as well (LA13, personal communication, 24 August 2009).

The senior manager of a telecommunications company triangulates the preceding comments by reflecting on leadership's responsibility to engage with zeitgeist:

> I have realised that the journey never ends. It may meander like a river […] but ultimately the journey continues. You can avoid facing challenges as much as you like but those challenges will continue to confront you until you address them head on (LA30, personal communication, 10 March 2011).

These observations from senior leaders and managers of locally and globally successful organisations arguably form significant experiential markers and themes for some of leadership's preoccupations.

Zeitgeist leadership: an ensemble repertoire that integrates cognition, conscience and collective spirit

The arguments for a variety of augmented leadership practices and enactments are being more fully investigated, developed and classified using the on going findings of two related research studies that have been undertaken in Australia and New Zealand, respectively. Both studies use a neo-classical grounded theory approach (Glaser and Strauss, 1967) to explore enhanced leadership virtues, practices and enactments that comprise strongly emerging and conceptually appropriate leadership responses to the challenges and opportunities of a dynamically changing environment.

The first of these studies involved senior leaders of eight successful Australian-based local, regional and multinational businesses. The outcomes have been detailed in Murthy and McKie's (2009) book *Please Don't Stop the Music: An Ensemble Leadership Repertoire for Productive Sustainability, and Strategic Innovation in Uncertain Times*. Two recurrent themes in Australian organisations wrestling with high-velocity change in 2008, just prior to the global financial crisis, have been described in this book: the first was the environment as a prime driving force in organisations' performance; and the second was its deterministic influence on leadership and management's intentionality and choice. The authors surfaced a set of newly evidenced, and still-developing challenges, which promised to have explicatory power when it came to describing what "environments of high-velocity change" actually meant in practice, to businesses. They also signalled a set of emerging leadership practices relevant to these high-velocity and complex environments.

The grounded theorising thus produced a set of theoretical concepts that collectively defined the core category of "complex environment". It also established that leadership's successful response to this complex environment is an augmented leadership repertoire described by another set of theoretical concepts labelled the ensemble leadership repertoire (ELR). These two core categories of complex environment and ELR that emerged from this grounded research informed and extended theoretical understanding in both areas in new and insightful ways.

When it came to the complex environment, it asserted that there is a definitive and dramatic difference in the current environment making it unique when compared to anything that preceded it. This was strongly evidenced from the fact that each of the three concepts that emerged from the senior leaders' substantive descriptions of the environment, were founded on incidents that were products of post-millennial issues and concerns, not experienced at any time prior. Second, it distilled the amorphous and multiple descriptors of the current and likely future environment into three internally consistent, but mutually differentiated concepts. Third, it added clear dimensions to each of these three concepts by weighting them based on the relative importance assigned to them in leaders' interviews: with 47 per cent of the complexity arising from the internal environment; 29 per cent coming from the industry in which they participate; and 24 per cent resulting from global driving forces (see Figure 1).

The grounded theory research provided a robust and reliable basis for leaders and their organisations to develop practices and frameworks that targeted the environmental complexity detailed in this study.

The research study also generated an augmented leadership repertoire of existing and emergent practices to successfully navigate the current and future challenges of a complex environment. The ELR provided a robust and reliable theory for use in a post-millennial world as it was generated from rich data, densely conceptualised and delineated into three clear categories. Each of the three categories was clearly

dimensionalised based on the relative importance assigned to them in leaders' interviews. The results highlighted "Zeitgeist – integrating cognition, conscience and collective spirit" – as a new and emergent category that existing leaders recognised as highly significant based on the relative importance this category was assigned in leaders' interviews – 66 per cent (see Figure 2).

The Australian research study has been extended to New Zealand where the two themes – of the environment as a prime driving force and leadership's corresponding adaptive repertoire – are continuing to undergird the work of longitudinal exploration with senior organisational leaders (Murthy, 2011, 2013). This stage of the study currently involves the senior leadership of 18 multi-national, regional and local organisations across several sectors (see Table I).

The study has narrowed its focus to just one emerging category of the full ELR inducted from the Australian research that preceded it. This is the category of zeitgeist – integrating cognition, conscience and collective spirit, which it now refers to as the core category of ELR. Initial findings from the New Zealand study suggest a hierarchical classification of a number of enactments (listed in detail in Tables II-VI), the practices that aggregated sets of these enactments define, and ultimately the virtues that dyads and triads, respectively, of these practices go to support (see Table II).

This paper will now highlight the methodological rationale and conceptual congruence of the ELR's classification with the seminal classification of character strengths in the field of positive psychology. It will argue on this basis that the emerging hierarchical classification of the ELR inducted from neo-classical grounded theory research is robust in and of itself and also because of its alignment with a comparable classification in related domain.
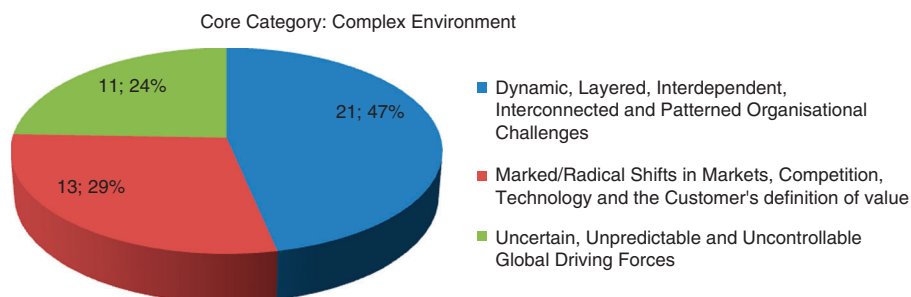

Core Category: Complex Environment

■ Dynamic, Layered, Interdependent, Interconnected and Patterned Organisational Challenges

■ Marked/Radical Shifts in Markets, Competition, Technology and the Customer's definition of value

■ Uncertain, Unpredictable and Uncontrollable Global Driving Forces

Figure 1.
The complex environment and its dimensionalised concepts

Core Category: Ensemble Leadership Repertoire

■ Sharing Fates and Interdependence

■ Exploring Deeper Meaning

■ Integrating Cognition, Conscience and Collective Spirit

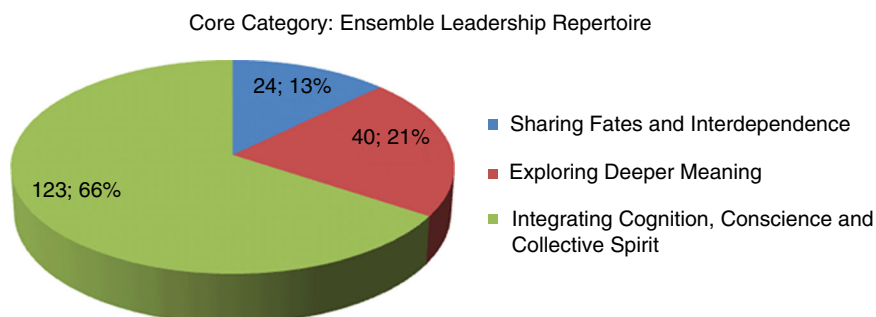**Figure 2.**
The ensemble leadership repertoire and its dimensionalised categories

Industry	Key products services	Position/role
Charity	Disability related services	Director HR
Construction	Marine, civil, mechanical, maintenance services	Managing Director
Construction	Commercial construction	Finance Director
Digital media	Digital marketing tools	Managing Director
Education	Tertiary education	Vice Chancellor
Energy	Electricity distribution services	CEO
Financial services	Banking	General Manger
FMCG	Printing and packaging	Managing Director
Hospitality	Pubs and restaurants	Managing Director
Hospitality	Event management	CEO
Local council	City services	CEO
Manufacturing	Machinery design and manufacturing	CEO
Professional association	Business advisory	CEO
Real estate	Property investment and development	CEO
Recruitment	Executive search and placement services	Managing Director
Telecommunications	Mobile telecommunications	Chief Marketing Officer
Telecommunications	Mobile telecommunications	General Manager
Telecommunications	Mobile telecommunications	Director HR
Telecommunications	Mobile telecommunications	CEO
Tourism	Marketing, tourism and strategy	CEO
Training and development	Management training	Managing Director

Table I.
Demographics of
NZ study

Enactments, practices and virtues: an emerging classification for the ELR

The ELR aspires to a conceptually unified classification of zeitgeist leadership on the basis that people use and prefer categories and classifications to make sense of the world in which they live and a classification would therefore permit a better understanding of the ELR (Rosche *et al.*, 1976). However, the counterpoint to any attempt at classification is that it "will tend to oversimplify the complexities – by minimising the contradictions and differences that inevitably occur in human interactions over time" (Murthy and McKie, 2009, p. 41).

This paper suggests that a resolution to this dialectic, one that facilitates categorisation whilst safeguarding against any errors of aggregation, is available. To this end it looks to Peterson and Seligman's (2004) *Character Strengths and Virtues: A Handbook and Classification* for support and validation, since this seminal work in positive psychology mirrors the ELR's aspirational intent of attempting to classify a new domain. *Character Strengths and Virtues* includes two conceptual strands that have a direct bearing on, and provide considerable validation to the ELR's own classification.

The first strand is their principal premise that any attempt to classify a new domain "must recognise the components [...] as existing at different levels of abstraction" and therefore a classification scheme should be "not only horizontal but also vertical – specifying different conceptual levels in a hierarchy" (p. 12). This methodological stance aligns well with the ELR, which is the product of neo-classical inductive grounded theory and by definition therefore, moves from the "detailed descriptive" to the "more abstract, conceptual level" (Bryant and Charmaz, 2007, p. 15).

The ELR's grounded theory based, three-tiered hierarchical configuration of enactments, practices and virtues exemplifies this, with practices as the intermediate

Practices		Virtue
Enactments (shown in detail elsewhere)		
Excelling at work	Developing Self	
		Virtue Being present

Practices			Virtue
Enactments (shown in detail elsewhere)			
Strengths-based orientation	Leading full life	Leading ethically	
			Virtue Being good

Practices			Virtue
Enactments (shown in detail elsewhere)			
Making organization learning transformative	Inquiring collaboratively	Understanding the other	
			Virtue Being in touch

Practices			Virtue
Enactments (shown in detail elsewhere)			
Managing mindfully uncertain times	Projecting horizons of future expectations	Re-inventing buyer value	
			Virtue Being creative

Practices			Virtue
Enactments (shown in detail elsewhere)			
Respecting the realities of zeitgeist	Balancing paradox of redirecting attention	Leveraging diversity and multi-culturalism	
			Virtue Being global

Table II.
Hierarchical classification of the ensemble leadership repertoire

level of the classification, between the concrete and foundational enactments and the highest-rung and abstract virtues. Akin to Peterson and Seligman's (2004) hope for their own classification of character strengths, the ELR's hierarchical categorisation is configured to allow for the incorporation of new enactments, practices and virtues that are either inducted from freshly emerging grounded data or signalled by extant theory from related domains, thus improving the ELR's substantive richness and its theoretical explanatory power (p. 13).

The second conceptual strand linking the ELR classification with the categorisation of character strengths is Peterson and Seligman's (2004) caution against confusing scientific classification with taxonomy. This is because taxonomy is "based on a deep theory that explains the domain of concern" (Bailey, cited in Peterson and Seligman, 2004, p. 6). A scientific classification on the other hand fulfils the limited objective of parsing some part of the universe of interest by first, demarcating its domain and second, specifying mutually exclusive and exhaustive categories (p. 6).

In complete consonance with Peterson and Seligman's caveat, the ELR inducted from the grounded theory research is presently at best, a mapping of territory – a preliminary induction of a set of enactments (substantive codes) from senior leadership's key phrases (the incident-to-incident coding of raw data from the leaders' interviews) to arrive at practices (conceptual codes) that suggest a set of zeitgeist leadership virtues (category). The ELR therefore is an emerging classification arising from neo-classical grounded theory, rather than either a settled classification or taxonomy of a zeitgeist leadership repertoire.

Importantly the grounded theory origin of the ELR classification predicates a process of constant comparison. This in turn validates the ELR as the outcome of a process of discovery of important categories and their extension to "higher levels of conceptualisation" (Locke, 2001, p. 54). The process of constant comparison also creates a heightened "awareness of discriminatory detail" (Weick and Sutcliffe, 2007, p. 32) and an ongoing "willingness and capability to invent new categories" (Weick and Sutcliffe, 2001, p. 44) thus ensuring a sufficiently expansive frame for robustness and flexibility. These conceptual antecedents supporting the ELR and the rationale for labelling it as an emerging classification form the background for a short description of the three categories of increasing abstraction – enactments, practices and virtues – that form its substantive constituent parts.

Enactments

The enactments in the ELR are substantive or *in vivo* codes (categories) that have been "created through a bottom up process" and "expressed in the language of the context studied" (Locke, 2001, p. 65). They are at the ELR's lowest level of abstraction, being the preliminary conceptualisation of specific actions that lead people to manifest given ELR practices in specific situations. Enactments are "useful shorthand, which theorists ignore at their peril" (Weick, 2009, p. 193), because they provide coherence and permit making sense of leaders' actions even as these leaders adjust to their environment "by directly acting upon the environment to change it" (Nicholson, 1995, p. 155). This post-constructionist belief that "people create their own fate and organisations enact their own environments" (Weick, 2009, p. 195) underlines the relationship of the substantive code of enactments to the "empirical substance" of the domain. This is why the focus of enactments is leaders' actions and their outcomes (Kelle, 2007, p. 199). Links between enactments can be surfaced by examining their causes, contexts and

consequences, as well as their conditions, contingencies and covariances (Murthy and McKie, 2009, p. 117).

Practices
Practices are theoretical codes that conceptualise these linkages between enactments and underline their relationship to each other and the natural groupings they fall into, thus raising the level of abstraction (Glaser, 1978, p. 4). They have a connotation of "being created through a top down process" because they introduce "an organisational meaning to the data" (Locke, 2001, p. 66). Weick (2009) cautions that the idea of a practice "is a roomy framework in which it is easy to get tripped up by nouns" (p. 193). This paper therefore reiterates that its use of the term practice as a theoretical code that is comprised of natural groupings of leaders' enactments, subsumes three dimensions of meaning inherent in the term: an action orientation; organisational leadership's agency; and a moral and ethical core to all purposeful action (see e.g. Kouzes and Posner, 2002, pp. xxv, 383).

Practices therefore represent a set of theoretical codes with their formulations. The aim of the research was to "settle on the framework's theoretical components" (Locke, 2001, p. 52), and thereby delimit the theory to understanding the complex relationships, interconnections and cause-effect variances between sets of these leadership practices, which comprise the core category of virtues, the final and highest rung of abstraction in the ELR classification to be discussed next.

Virtues
At the current stage of the research more than 90 enactments have been theorised to coalesce into 14 practices that in turn aggregate into sets of either two or three practices to create a category of five virtues. Hence the ELR is plural and comprised of separate virtues. In a harkening back to Peterson and Seligman's (2004) own speculations when investigating character strengths for positive psychology, this paper further opines on the basis of its preliminary findings that these virtues "must be present at above threshold values" (p. 13) for an individual in an organisation to be deemed a good zeitgeist leader. The five zeitgeist leadership virtues of being present, being good, being in touch, being creative and being global have been theorised from the data provided by leadership participating in the author's research across industry sectors and over time (see Table I).

Significantly, based on their emerging descriptions from the research, each of these virtues appears to be vested with an ethical and/or moral core. The ELR virtues thus appear to mirror Aristotle's description of character virtues in *Nicomachean Ethics, Book II*, Chapter 1, 1130a-1130b. It is reasonable to hypothesise therefore that like Aristotle's character virtues, the five ELR virtues are a leadership disposition to behave in the right manner that can only be learned through constant practice that must begin from the inception of any leadership journey.

ELR: the five virtues, their practices and enactments
A detailed description of each of the ELR's constituent enactments, practices and virtues is beyond the scope of this introduction to the ELR. However, this concluding section of the paper will briefly summarise each of the five virtues, their associated practices and their enactments in tabular form. Further, key *in vivo* phrases from the leaders' interviews will be used to substantiate the contextual roots for each virtue and explicate its grounded meaning.

The first virtue of being present is comprised of two key practices that are in turn conceptualised from a number of important enactments that are based on key phrases coded from the leaders' interviews (see Table III).

The following comment from a senior manager of a telecommunications company is an evocative *in vivo* key phrase that substantiates the contextual roots that anchor this virtue of being present:

> In order to execute the long-term plans you have to be bloody good at the short term. A lot of people paint the picture, but don't deliver. For us it's a question of we set our ambitions, and we execute stuff, but we are flexible enough if its not working we change it. We are going through a cycle. We do a five-year strategic plan and update it every year. Our latest update has moved us 10 to 20 degrees away from where we were. The good news was that our shareholders said we needed to raise our ambitions even more (LA23, personal communication, 14 October 2010)!

The second virtue of being good is comprised of three key practices that are in turn conceptualised from a number of important enactments that are based on key phrases coded from the leaders' interviews (see Table IV).

The following comment from a senior manager of a telecommunications company is a sporting analogy *in vivo* key phrase that underscores the contextual roots that anchor this virtue of being good:

> How do we develop our team members into being authentic leaders, so that they can do what they are capable of doing? (What this question) means is that leadership is a very individual task and not everyone can be captain of a sports team, but every player has a leadership role in what they are doing, in order for the team to be successful. How do we create an environment in New Zealand where everyone understands they have a role to play in that leadership (LA3, personal communication, 11 October 2010)?

The third virtue of being in touch is comprised of three key practices that are in turn conceptualised from a number of important enactments that are based on key phrases coded from the leaders' interviews (see Table V).

The following comment from a senior manager of a major construction company is an *in vivo* key phrase that stresses the power of this virtue of being in touch even as it describes the contextual roots that anchor this virtue:

> Post GFC (Global Financial Crisis) we are finding it increasingly difficult to join the dots; to understand asset owners and client's future commitments and future expenditure. There is

Enactments	Enactments
1. Storytelling	1. Acting authentically
2. Responding wisely and adaptively to the environment	2. Developing self awareness
3. Performing efficaciously	3. Moving forward with energy and purpose
4. Maximising positive inner work-life	4. Constructing extended life narratives
5. Predicating "flow" on signature strengths	5. Growing through adversity
6. Searching for enjoyed absorption and meaning	6. Deploying mature defense mechanisms
7. Using skill and effort for achievement	7. Building self through choice of action
8. Demonstrating "Grit" for high accomplishment	
Practice A Excelling at work	Practice B Developing self
Virtue Being present	

Table III.
The virtue of "being present"

Enactments	Enactments	Enactments
1. Making people's strengths effective and their weaknesses irrelevant	1. Seeking happiness through personal volition	1. Attending to personal values
2. Inquiring into "what works well"	2. Learning respectfully from the past	2. Reassuring followers by providing sense and order
3. Encouraging collaboration and collegial effort	3. Viewing the future with hope and optimism	3. Liberating followers' creativity and spirituality
4. Evolving affirmative images	4. Meaning through generativity	4. Finding fulfillment in helping followers reach their potential
5. Being the change you wish to see	5. Connecting individuals' happiness to the organisation's success	5. Sharing power and authority
6. Flourishing through positivity		6. Making common cause with followers vision tasks and goals
		7. Protecting the welfare of others outside the group
Practice A Taking a strengths based orientation to organisational and personal change	Practice B Leading a full life	Practice C Leading ethically
	Virtue Being good	

increasing uncertainty because there is less confidence than existed prior to the GFC. The business case has to be much more robust. What is essential is that you have as wide a group of people as possible, analysing the information (LA19, personal communication, 17 September 2010).

The fourth virtue of being creative is comprised of three key practices that are in turn conceptualised from a number of important enactments that are based on key phrases coded from the leaders' interviews (see Table VI).

The following comment from a senior manager of a bank is an *in vivo* key phrase that describes the contextual roots that anchor this virtue of being creative:

The big challenge is that the global world is at our doorstep now because of technology, and it is changing pace very quickly, and there is a big paradigm shift. Historically, we've been with the UK, Europe, and the United States. We have been forced through the change in Asia […] we now see India, China, and Indonesia, on our doorstep. (This signals) major cultural changes as well as different ways of manufacturing, entering markets and all those sorts of things. One of the innovations that you are seeing from different companies is how they approach these different markets (LA21, personal communication, 14 October 2010).

The fifth virtue of being global is comprised of three key practices that are in turn conceptualised from a number of important enactments that are based on key phrases coded from the leaders' interviews (see Table VII).

The following comment from a senior administrator of an educational institution is an *in vivo* key phrase that describes the contextual roots that anchor this virtue of being global:

You can't do business based on everything that you knew about your traditional market and its culture. You equally can't do business with a new emerging market unless you start to look

Enactments	Enactments	Enactments
1. Fresh thinking and new learning	1. Leveraging collective wisdom	1. Accurately detecting others' emotions for effective deliberate action
2. Adapting to change on an ongoing basis	2. Learning to act and acting to learn	2. Respecting subjective reality
3. Going beyond the problem solving orientation	3. Matching learning styles with learning opportunities	3. Valuing diverse views and perspectives
4. Boundaryless collaboration	4. Reflecting on action not just on planning	4. Improving the ability to empathise through contemplative practice
5. Acknowledging gaps in knowledge and action	5. Mindset of inquiry not just advocacy	5. Communicating openly
6. Celebrating honorable failure	6. Asking the right questions to spur creative thinking	6. Inquiring into others' thinking and reasoning
7. Harnessing interpersonal conflict for learning	7. Surfacing unasked questions on issues	7. Valuing interdependance
8. Challenging and overcoming organisational defense mechanisms	8. Building group dialogue and cohesiveness through questions	
9. Encouraging individual critical reflection	9. Improving the quality of actions and learning by better questioning	
	10. Challenging the validity of pre-suppositions in prior learning	
Practice A	Practice B	Practice C
Making organisational learning transformative	Inquiring collaboratively	Understanding the other
	Virtue	
	Being in touch	

Table V.
The virtue of "being in touch"

and think like that market. So it does challenge people with issues of equity, and diversity, whether you are running a public service like we are, or whether you are running a trading operation, or some sort of retail, commercial service, or whatever. It is (actually) an opportunity for businesses that weren't once leading, to get the jump and become the first mover (LA4, personal communication, 15 October 2010).

Areas for further investigation: the ELR, extant theory and the search for possible alignments and validation

This paper contends that the ELR (comprised of its five virtues, their practices and enactments described above) is well supported by a growing body of academic and practitioner research and writings. To this end it posits that it should be possible to cite a number of theories, concepts and models from extant and emerging literature that serve to further inform and arguably shape the meaning of these virtues because of the material import they have for any theorising in this substantive area.

It therefore stresses the need for traversing an expansive temporal timeline from circa 350 BC to the present millennium, identifying, examining, learning, and incorporating historical theories, existing concepts and emerging wisdom at the intersection of domains as seemingly diverse as modern neuroscience, cognitive and social psychology,

Enactments	Enactments	Enactments
1. Demonstrating new ways of seeing, thinking and acting	1. Understanding the "Long-Fuse, Big Bang" nature of strategic decision making	1. Orienting the organisation to innovation and a willingness to pursue new opportunities
2. Sensing the unexpected in a stable manner	2. Cultivating the long view by using cognitive processes	2. Having an "Outside-In" perspective
3. Dealing with the unexpected in a variable manner	3. Identifying long-term driving forces in the environment	3. Targeting value innovation by reconstructing "buyer value elements"
4. Focusing on the big picture of the future	4. Engaging in scenario thinking to catalyse bold action	4. Shifting competitive boundaries to create new market space
5. Knowing the detailed picture in the moment	5. Using scenarios to engage with uncertainty systematically	
6. Willingness and capability to invent new expectations		
7. Responding uniquely to specific problems and opportunities		
8. Concentrating on ongoing learning and renewal		
9. Rethinking the organisation's structure and hierarchy		
10. Understanding the power of new organisational metaphors for conceptualise change		
Practice A Managing mindfully during uncertain times	Practice B Projecting horizons of future expectations	Practice C Reinventing buyer value
	Virtue Being creative	

Table VI. The virtue of "being creative"

traditional contemplative practice, positive psychology, organisational behaviour and leadership.

While this exploration is beyond the scope of this paper, it is argued that future work in this area can serve to underline the rich and textured scholarly evidence that both validates and extends the grounded enactments, practices and virtues that have so far been inducted from the on-going study.

Conclusion

External and internal fit with its environment calls for a business to have adaptive, multiple-loop responses to the complex problem of renewal in a VUCA world. Prescient statements from business leaders argue for such adaptiveness in prevailing times to be predicated on an augmented leadership repertoire. The findings from an earlier neo-classical grounded theory research study in Australia identify a set of emerging leadership practices labelled, "Zeitgeist – Integrating Cognition, Conscience and Collective Spirit", as part of such a repertoire.

Enactments	Enactments	Enactments
1. Appreciating that organisational circumstances co-relate with its particular responses	1. Understanding trade offs in corporate responsibility	1. Recognising that one person's values maybe different to the next
2. Recognising emergence of a new world order	2. Recognising "Business as Usual" policies will not lead to success	2. Exploring the deeper implications of cultural artefacts
3. Adopting an emergent approach to management practices	3. Balancing world views with regard to environmental sustainability with economic growth and social development	3. Appreciation of the cultural values behind cultural artefacts
4. Valuing individual's contribution to organisational innovation	4. Identifying growth opportunities from sustainable development	4. Integrating world views of different cultures
5. Recognising that strategic performance has been redefined in a globalised world	5. Leveraging the power of natural capitalism	
6. Awareness of sustainable development, BoP and global risk as significant challenges		
Practice A Respecting the realities of prevailing times	Practice B Balancing the paradox of redirecting attention	Practice C Leading diversity and multiculturism
	Virtue Being global	

The preliminary results of the extension of this research to 18 large regional and multinational organisations in New Zealand, results in the further grounded theorising of the ELR. The ELR is an emerging and hierarchical classification of enactments, practices and virtues.

Each of these three components of the ELR exists in relatedness at increasing levels of abstraction. Enactments are preliminary conceptualisations of specific actions. Sets of enactments on the basis of their linkages to and relationships with each other form practices. Finally, dyads and triads of practices form each of the five virtues of being present, being good, being in touch, being creative and being global.

Methodological similarities and conceptual congruence of the ELR with emerging and well-accepted classifications from other domains like, for example, character strengths in positive psychology argue for its robustness. The five tables at the end of the paper summarise the enactments and practices that comprise each of the virtues and the senior leaders' comments that follow each virtue substantiate its contextual roots.

Extant theories, and models and frameworks from a wide variety of domains including for example, neuroscience, contemplative practice, psychology and organisational theory amongst others to validate and extend the ELR.

References

Argyris, C. (1998), "Good communication that blocks learning", in Ulrich, D. (Ed.), *Delivering Results*, Harvard Business School Press, Boston, MA, pp. 213-227.

Argyris, C. (1999), *On Organizational Learning*, 2nd ed., Blackwell Business, Oxford.

Bryant, A. and Charmaz, K. (Eds) (2007), "Introduction grounded theory research: methods and practices", *The Handbook of Grounded Theory*, Sage, Thousand Oaks, CA, pp. 1-28.

Christensen, C.M., Johnson, M. and Dann, J. (2002), "Disrupt and prosper", *Optimise*, November, pp. 41-48.

Glaser, B. (1978), *Theoretical Sensitivity: Advances in the Methodology of Grounded Theory*, The Sociology Press, Mill Valley, CA.

Glaser, B.G. and Strauss, A.L. (1967), *The Discovery of Grounded Theory: Strategies for Qualitative Research*, Aldine, Chicago, IL.

Hamel, G. and Valikangas, L. (2003), "The quest for resilience", *Harvard Business Review*, Vol. 81 No. 9, pp. 52-63.

Hiemstra, G. (2006), *Turning the Future into Revenue: What Businesses and Individuals Need to Know to Shape their Futures*, John Wiley & Sons, Hoboken, NJ.

Horney, N., Passmore, B. and O'Shea, T. (2010), "Leadership agility: a business imperative for a VUCA world", *People & Strategy*, Vol. 33 No. 4, pp. 32-38.

Kail, E.G. (2010), "Leading in a VUCA environment", available at: http://blogs.hbr.org/frontline-leadership/2010/11/leading-in-a-vuca-environment.html (accessed 6 February 2013).

Kelle, U. (2007), "The development of categories: different approaches in grounded theory", in Bryant, A. and Charmaz, K. (Eds), *The Handbook of Grounded Theory*, Sage, Thousand Oaks, CA, pp. 191-213.

Kinsinger, P. and Walch, K. (2012), "Living and leading in a VUCA world", available at: http://knowledgenetwork.thunderbird.edu/research/2012/07/09/kinsinger-walch-vuca/ (accessed 23 April 2013).

Kouzes, J.M. and Posner, B.J. (2002), *The Leadership Challenge*, 3rd ed., John Wiley & Sons, San Francisco, CA.

Locke, K. (2001), *Grounded Theory in Management Research*, Sage, London.

Morgan, G. (2006), *Images of Organisation (Updated Edition)*, Sage Publications, Thousand Oaks, CA.

Murthy, V. (2011), *Managing Businesses in Uncertain Times: Sustainable Development and an Ensemble Leadership Repertoire*, Chapter 9, Edward Elgar Publishing, Cheltenham, GL, pp. 313-342.

Murthy, V. (2013), "Business's challenge: relating corporate sustainability, strategy and leadership", in Hossein, M.H., Sarker, T. and McIntosh, M. (Eds), *Realising Asian Century: Responsible Futures Strategy Matters*, Chapter 11, Edward Elgar Publishing, Cheltenham, GL, pp. 253-274.

Murthy, V. (2014), "Learning from praxis: how high profile winners and losers inform business's extant theories on longevity, environment and adaptation", *World Journal of Entrepreneurship, Management and Sustainable Development*, Vol. 10 No. 1, pp. 33-47.

Murthy, V. and McKie, D. (2009), *Please Don't Stop the Music: An Ensemble Leadership Repertoire for Productive Sustainability, and Strategic Innovation in Uncertain Times*, World Association for Sustainable Development (WASD), Inderscience, London, 189pp.

Naff, K.C. (1995), "Hypercompetition drives business into the 21st century", *Business Credit*, Vol. 97 No. 4, pp. 28-29.

Nicholson, N. (Ed.) (1995), "Enactment", *Blackwell Encyclopaedic Dictionary of Organisational Behaviour*, Blackwell, Cambridge, MA, pp. 155-156.

Peterson, C. and Seligman, M.E.P. (2004), *Character Strengths and Virtues: A Handbook and Classification*, Oxford University Press, New York, NY.

Rosche, E., Mervis, C.B., Gray, W., Johnson, D. and Boyes-Braem, P. (1976), "Basic objects in natural categories", *Cognitive Psychology*, Vol. 8 No. 3, pp. 382-439.

Schumpeter, J.A. (1975), *Capitalism, Socialism and Democracy*, Harper, New York, NY.

Weick, K.E. (Ed.) (2009), "Enacting an environment: the infrastructure of organising", *Making Sense of the Organisation: The Impermanent Organisation*, Vol. 2, John Wiley, Chichester, GL, pp. 193-205.

Weick, K.E. and Sutcliffe, K.M. (2001), *Managing the Unexpected: Assuring High Performance in an Age of Complexity*, Jossey-Bass, San Francisco, CA.

Weick, K.E. and Sutcliffe, K.M. (2007), *Managing the Unexpected: Assuring High Performance in an Age of Complexity*, 2nd ed., Jossey-Bass, San Francisco, CA.

About the authors
Dr Vikram Murthy is the Director of the Academy for Collaborative Futures, Sydney and Auckland, which researches adaptive and anticipatory leadership repertoires for prevailing business challenges. He is on the international Advisory Board of the World Association for Sustainable Development. He has also been an Adjunct Associate Professor of the AUT University, Auckland, and a Senior Fellow of the Waikato University in New Zealand. He has 30 years of ownership, board, senior management and consultancy experience in the hi-tech, retail and not-for-profit community sectors globally. Dr Vikram Murthy is the corresponding author and can be contacted at: vikram@academy-collaborative-futures.org

Aasha Murthy is the CEO of the Australian Council for Educational Leaders (www.acel.org.au and www.acelleadership.org.au). Aasha was most recently the CEO of AFS Intercultural Programs in Australia. Her other senior corporate roles have included amongst others, the Managing Director of the Starbucks Coffee – Australia and New Zealand, the Head of Operations for Weight Watchers Asia Pacific, the Director Meal Solutions for the Woolworths Group NZ and the Marketing Director for Genetco and National Training Institute, in the lower Persian Gulf. She is a Senior Associate of the Academy for Collaborative Futures. She has been the Executive in Residence at the Business School, Auckland University and a Visiting Faculty at the Waikato Management School, Waikato University.