3. Organizational resilience in a vuca world: The interplay of leadership and personality characteristics

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Relentless technological developments, coupled with volatile and uncertain environments enhance the complexity and ambiguity executives are confronted with. At the same time, disruptive innovation even further enhances these dynamics for executives involved in innovation processes and being exposed to their outcomes. Thus, the question is how leaders can cope effectively with the challenges of the volatile, uncertain, complex and ambiguous (VUCA) world that they are confronted with to ensure organizational resilience, that is understood as the organization’s ability to anticipate, prepare for, respond and adapt to incremental change and sudden disruptions in order to survive and prosper.

In this paper, we argue that organizational resilience in a VUCA world requires resilient leaders; that is, entrepreneurial leaders striving for firm growth by facilitating opportunity- and advantage-seeking behaviors in the long-term interest of the firm. At the same time, VUCA challenges unveil the leader’s core personality characteristics. Given that personality and leadership are inextricably linked, we argue that the VUCA-induced exposure of the leader’s core personality characteristics in terms of humility versus narcissism has the potential to enhance or exacerbate the effectiveness of (entrepreneurial) leadership and thereby organizational resilience in a VUCA world.

Our reflection on the interplay of personality and leadership characteristics against VUCA challenges results in a typology of leadership styles that we discuss regarding their contribution to organizational resilience. Based on this typology we draw implications for leadership-based organizational resilience in a VUCA world that are of practical relevance for executives, recruiters, board members, and investors.