ADAPTIVE LEADERSHIP TO REALIZE CREATIVE CITIES TOWARD WEST JAVA CHAMPIONS IN VUCA ERA

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ABSTRACT

Indonesia, especially West Java Province with its multidimensional superiority, has comparative advantages that can be extracted from multi-ethnic culture, social life, and its enchanting natural beauty. West Java Province is one of the great tourism potentials with the integration of cultural appeal that is very popular in foreign countries. This is expected to be able to increase the creative economy sector which is sourced from the nature and culture of the local community. The presence of the VUCA (Volatile, Uncertain, Complex, and Ambiguous) era in the midst of the community is a demand for various parties to be able to run and mobilize organizations better. It is very important, especially during the Covid-19 pandemic in 2020 which has a significant impact on the decline in the national and regional economic growth in West Java. In order to overcome this issue, the government adopted a policy to relocate the national and regional budgets accompanied by the availability and valid data processing for communities affected by the pandemic. In addition, the delivery of information through transformative communication becomes an important aspect, so that existing challenges and threats can be properly identified to produce appropriate policies. To realize these hopes and future goals with the uniqueness owned by West Java Provinces, it requires the presence of a leader who has a visionary spirit, able to take steps, and have adaptive leadership style.

Keywords: Adaptive Leadership, Covid-19 Impacts, VUCA, Economy and Culture

INTRODUCTION

Indonesia is a multicultural country that stretches from west to east and is surrounded by lowlands or coastal areas on each island. Indonesia is also located on the equator and has a tropical climate, a geographical specification that is not found in all countries. This makes Indonesia has its own uniqueness, especially in the aspects of culture and social life of its people. This culture and uniqueness of Indonesia makes it a country that must have strong goals for the future in order to compete with other countries. The comparative advantage that unearthed from multi-ethnic culture, social life, and the enchanting natural beauty of Indonesia is one of the great tourism potentials with integrated cultural appeal that is very popular around the foreign countries (https://travel.kompas.com/read/2019/03/23/084500627/ bi--industri-pariwisata-jadi-sektor-paling-hasilkan-devisa, retrieved July 29, 2020). This is expected to be able to improve the creative economy sector that comes from the nature and culture of the local community, as well as the capability of its human resources (https://ekonomi.kompas.com/read/2018/09/25/202052726/potensi-besar-ini-3-subsektor-utama-ekonomi-kreatif-di-indonesia, retrieved July 29, 2020).

In realizing these hopes and future goals with this uniqueness, it is necessary to have a leader with visionary spirit who is also able to take steps, and have adaptive leadership style. Adaptive leadership becomes crucial when there are rapid and ever-increasing changes that affect the organizations (Yukl & Mashud, 2010; DeRue, 2011). It is indeed an important matter that now the world is in the VUCA (Volatile, Uncertain, Complex, Ambiguous) era
(Potsangbam, 2017), and since early 2020, the world was hit by the Covid-19 pandemic which made the trade and tourism sector have a significant impact on the decline of economic growth, including in Indonesia (Budiyanti, 2020). Therefore, the government adopted a policy to relocate the budget and the regions accompanied by the availability and valid data processing (https://republika.co.id/berita/q9pi55327/kemenkeu-minta-daerah-laporkan-relokasi-anggaran, retrieved July 29, 2020) for communities affected by Covid-19 pandemic. In addition, the delivery of information through transformative communication becomes an important aspect, so that existing challenges and treats can be properly identified to produce appropriate policies. This applies in areas throughout Indonesia, including West Java, as this province is one of the capital’s buffer provinces which have a lot of tourism, culinary, cultural and linguistic potential, as well as trade and manufacturing industries.

From the West Java Government’s official website, jabarprov.go.id (retrieved July 29, 2020), West Java Province has a vision for 2018-2023, namely the realization of West Java Champion (physically and spiritually) with innovation and collaboration (religious values, happiness values, justice values, collaborative values, and innovative values), which is described in five missions, namely: (1) Form a pious human being that holds Pancasila (five foundational principles for people in Indonesia) values; (2) Form a cultured, quality, productive, and innovative human being; (3) Accelerating growth and equitable development of environmental-based development; (4) Increase productivity and economic competitiveness; and (5) Achieve innovative governance and collaborative leadership.

From these five missions, it can be seen that West Java Province launched a collaborative leadership between the center and the regions, in which there are many differences and interests. This will be supported by an adaptive leadership style that can quickly adapt to a variety of circumstances or environments, including modifying existing procedures, adapting to various conditions, and updating knowledge and ability to meet changing demands, especially in VUCA era (Castillo & Trinh, 2019). This will be able to test the organizations’ resilience and shows whether the organization will fail or will it be able to survive with the transfer of resource orientation with selected skills and superior skills as well as leaders who have an adaptive soul to change.

This study will unravel the challenges faced by the government in implementing the realization of the vision and mission of West Java Province with adaptive leadership in the VUCA era. The results of this study are in the form of conclusion and recommendation to realize creative cities into West Java Champion.

LITERATURE REVIEW

Adaptive Leadership

Leadership is defined by Siagian (2010) as the ability and skills of a person when becoming a leader in an organization or company to influence others’ behavior, especially its subordinates to think and act in such a way that can make real contribution in achieving organizational goals. Terry (2009), Bass (2008), and Yukl (2010) stated that leadership is a social process of mutual influence between leaders and subordinates directed to achieve a common goal or organizational goals. On the other hand, DeRue (2011) viewed leadership as a complex and adaptive process.

In general, adaptive leadership according to Yukl and Mahsud (2010), and Castillo & Trinh (2019) is defined as a leadership that involves behavioral changes in the right way as the situation changes. The types of change that increase the need for flexibility, adaptation, and innovation by leaders are: increased globalization and international trade, rapid technological
changes, changes in cultural values, an increasingly diverse workforce, more use of outsourcing, new forms of social networking, increased use of virtual interactions, leader actions that have more visibility, and concern to outcomes other than profits (ethical actions, social responsibility, environmental impact, sustainability) (Burke & Cooper, 2004; Yukl & Mahsud, 2010). In other words, when an organization is faced with future challenges, a leader must have an adaptive capacity for future uncertainties, the ability to organize across cultures and regions, and the ability to create innovative organizations to meet future challenges. In this era, adaptive leadership style is the one that can work to overcome both the current conditions of mitigation and post-pandemic. Heifetz et al. (2009) mentioned several characteristics of adaptive leadership models, namely:

I. Promote and communicate the vision and mission of the organization.
II. Shows that the leader does not always have the answers to all problems.
III. Communication with more listening and asking questions rather than giving directions.
IV. Embrace system actors by raising and understanding more about the aspirations, missions, needs, concerns, and challenges they face.
V. Facilitate the process of collective thinking as well as engaging subordinates and team in the process of thinking and making decisions.
VI. Have the ability to connect and coordinate parts of the organization.
VII. Have a balance in using feelings, thoughts, and intuition.
VIII. Understand environmental consequences that are difficult to be predicted well.
IX. Learn and practice how brands manage conflicts.

Adaptive leadership is the ability of leaders to see and review things from the perspective of a much richer, more informative, and thorough, but at the same time also able to feel the pulse of the latest dynamics that occur in the field, and most importantly, have the awareness to be able to observe themselves during conflicts with on-going tension. Castillo and Trinh (2019) stated that in forming the ability to lead adaptively, leaders must take a number of steps: (1) leaders must be aware of their strengths and weaknesses, have a down-to-earth view of themselves and others, and see their contribution in contexts that are broader than the whole organization or community (Owens et al., 2013; Tangney, 2000; Kallasvuo, 2007; Castillo & Trinh, 2019); (2) leaders need to appreciate the contributions of other parties and learn to empower and delegate (Ou et al., 2014; Owens & Hekman, 2012; Castillo & Trinh, 2019); and (3) leaders need to have a learning agenda for self-development, including by being open and aware of opportunities to learn from experience and continue to seek reciprocity (developmental feedback) (DeRue & Wellman, 2009; Ashford et al., 2013; Castillo & Trinh, 2019).

Leaders need to evaluate whether he is able to see himself objectively at the defining moment, and reflect whether he uses the old mind set or adopts a new one. Skill on the balcony and in the dance is a major source of expertise from an adaptive leader that needs to be sharpened and developed if it wants to survive and thrive in the VUCA era, especially during the Covid-19 pandemic that spread throughout the world.

**VUCA Era and Adaptive Leadership**

VUCA is an acronym from Volatile, Uncertain, Complex, and Ambiguous. This term was originally coined by the American military to describe the geo-political situation as a result of the Cold War (Kinsinger & Walch, 2012). Over time, the term VUCA is used by strategic business leaders to describe a business environment that is experiencing rapid, turbulent, and chaotic changes (Kinsinger & Walch, 2012; Potsangbam, 2017).
Volatility means a dynamic change that is very fast in various things such as social, economic, and political. Uncertainty means the difficulty of predicting issues and events that are currently happening. Complexity is the disruption and chaos that surrounds every organization. Ambiguity is defined as the heavy burden of reality and meaning, which blends from various existing conditions or a state that feels floating and the clarity that is still questionable (Potsangbam, 2017).

With the existence of VUCA, which is the impact of changes that occur, adaptive leadership becomes important to be applied in the work environment (Potsangbam, 2017). Leaders who have the potential to deal with crises, have the ability to assess information, as well as make decisions under various pressures and requests are a very critical functions in organizations in the VUCA era (Klann, 2003; Kinsinger & Walch, 2012; Lawrence, 2013; Fleming & Millar, 2019).

According to Castillo and Trinh (2019), in VUCA era, adaptive leadership is very important at various levels of the organization. Leaders must pay attention to organizational structures that become more ambiguous and dynamic, as well as employees who become more diverse with differences in demographics, cultural backgrounds, abilities, work styles, and preferences. From this explanation, it can be said that currently organizations or businesses that were previously oriented to tools, capital, and machines must be able to change the paradigm of thinking. This change is intended to make resources that have a high ability and skill, can read the situation, estimate the risks to be faced, and be able to adapt to the changing environment. This is strongly encouraged or supported by a leader who is able to move the organization by adopting an adaptive leadership style.

**RESEARCH METHOD**

This study is conducted by qualitative approach using literature study that is obtained from scientific articles, journals, mass media, and online news. This study uses a single variable so that it can produce statements, conclusions, and recommendations regarding the challenges and implementation of the vision and mission of West Java Province toward West Java Champion in VUCA era.

**RESULTS AND DISCUSSION**

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<thead>
<tr>
<th>No.</th>
<th>Macro Indicator</th>
<th>2019</th>
<th>2018</th>
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<tbody>
<tr>
<td>1.</td>
<td>Human Development Index (HDI)</td>
<td>71,64</td>
<td>71,12</td>
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<tr>
<td>2.</td>
<td>People Purchasing Power</td>
<td>62,10</td>
<td>61,66</td>
</tr>
<tr>
<td>3.</td>
<td>Percentage of Poor Population</td>
<td>11,96</td>
<td>11,99</td>
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<td>4.</td>
<td>Labor Force Participation</td>
<td>62,89</td>
<td>61,78</td>
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<tr>
<td>5.</td>
<td>Gross Regional Domestic Product</td>
<td>2,66</td>
<td>2,59</td>
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<tr>
<td>6.</td>
<td>Economic Growth</td>
<td>6,56</td>
<td>6.0</td>
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From the development of the macro indicators above, it can be seen that there is an increase in supporting indicators of economic growth and a decline of indicators of economic growth inhibitors. As an illustration, in 2018, labor force participation reached 61.78 percent and
increase in 2019 by 62.89 percent which also resulted in the people’s purchasing power increasing from 61.66 percent to 62.10 percent. This indicates that economic growth in West Java is quite good but has not been evenly distributed compared to the growth of supporting economic sector because it is still dominated by real estate and export goods and service products.

**Covid-19 Pandemic Situation in West Java Province**

Referring to the data collected from pikobar.jabarprov.go.id (as of July 30, 2020), currently, there are still some positive Covid-19 patients in West Java Province. However, the government established a policy named New Customs Adaptation (AKB) and abolished the Large-Scale Social Restrictions (PSBB) policy. Therefore, this shows that the government considers that the economy cannot last longer if the PSBB policy to prevent the spread of Covid-19 is still applied.

**Economic Development Situation in West Java Province**

In March 2020, the global Gross Domestic Product (GDP) is predicted to fall by 2.4%, and national real GDP growth falls to 0.2% which was previously in the range of 5% (https://www.tagar.id/indonesia-dalam-bayang-covid19, retrieved July 30, 2020). West Java Province itself only experienced economic growth by 2.73 percent (https://www.pikiran-rakyat.com/ekonomi/pr-01377030/triwulan-i-2020-ekonomi-jawa-barat-hanya-tumbuh-273-persen, retrieved July 30, 2020). It occurred as a result of the manufacturing and tourism industries which significantly supported the economy of West Java to move and not be paralyzed. This was triggered by a policy issued by the Government, namely Large-Scale Social Restrictions (PSBB) with the aim to prevent the wider spread of Covid-19 in the community.

However, the PSBB policy that has been issued does not apply evenly between regions, and there is no guarantee of adequate livelihoods for the community, especially the fulfillment of basic necessities to reach the households of the community (https://regional.kompas.com/read/2020/05/09/20563101/anggota-dpr-psbb-tak-efektif-ganti-karantina-komunal-saja?page=all, retrieved July 30, 2020). In fact, in Government Regulation No. 21 of 2020, the budget for the implementation for preventing the spread of Covid-19 has been regulated indefinitely. Regulations regarding the use of the village budgets and funds by 30 percent have also been followed up and developed to deal with this pandemic. However, this is still not enough to help the turmoil of declining economic growth, since due to the disruption of the economic cogs, there are many employees who experience Termination of Employment from industries that are closed or have their production operation disrupted.

Disrupted people’s lives are not only caused by layoffs, but MSMEs as a support for the economy in Indonesia and West Java in particular are also disrupted (https://www.antaranews.com/berita/1597614/sebanyak-37119-umkm-di-jabar-terdampak-covid-19, retrieved July 30, 2020), which will certainly have direct impact on the decline in the people’s purchasing power. When purchasing power declines, the industrial and trade sectors will be directly affected. This is the impact of limited movement of people which can result in reduced community income, or even reach zero income.

The government has issued a policy to overcome this problem, especially for fiscal incentives in the form of income tax elimination for the next 6 months for workers and companies as an effort to maintain people’s purchasing power, as well as issued a social assistance policy (https://www.bbc.com/indonesia/indonesia-51830029, retrieved July 30, 2020). However, apparently this policy was not able to work effectively, since it has not been felt that it is
distributed evenly to all segments of the community, especially in West Java, where the majority of the population is non-urban residents such as farmers, fishermen, craftsmen, and others.

It is also affected by the inadequate fulfillment of labor for the industry due to the plague that hit employees. This has an effect on production capacity, which in turn results in a fall in investment and consumption. The real estate sector, trade of goods and services, exports, manufacturing industry, and tourism which are the backbone of the original income of West Java Province have been stagnant since Covid-19 pandemic was declared in Indonesia in early March 2020. This problem affects the regional income and major components of regional expenditure.

As a result, the government must also adjust the regional income and expenditure budget by making changes or re-budgeting in facing Covid-19 pandemic situation. However, seeing the condition until the Large-Scale Social Restriction part three ends, the government indicates to apply the new policy, namely New Customs Adaptation with exceptions in certain regions that still have positive Covid-19 cases. In fact, the ease toward the restrictions on economic activity has been carried out in West Java since Large-Scale Social Restriction part two policy, such as by opening malls, hotels, and restaurant with the conditions for applying the Covid-19 health protocol (https://travel.kompas.com/read/2020/06/16/080500427/hotel-dan-restoran-di-zona-kuning-jabar-bisa-dibuka-apa-syaratnya?page=all, retrieved July 30, 2020). Unfortunately, this has not been able to sharply increase the regional income, because the community still feels the fear of Covid-19 transmission from other regions.

To deal with the current situation with the decline in economic growth due to low purchasing power because of many termination of employment, as well as the trade, tourism, manufacturing, and other sectors which have not been running normally, there is an adaptive and visionary leadership in VUCA design that can be done by:

Create a Felt Need for Change

Leaders are described as being most effective when they are able to adapt to their environment, and that there is a need for interdependence relationship between leaders and their environment DeRue (2011; Houghton & Yoho, 2005; Kriger & Seng, 2005). Adaptive leaders must be able to handle and run the organization in situations of uncertain change by creating a feeling of need to change for the whole organization. The leader must rally and communicate his vision and mission to all members of the organization. In this case, it is necessary to identify the need to change, why it must change, and what consequences or risks will be received if no changes are made, as well as respond to the challenges faced.

In the context of realizing the vision and mission of West Java in 2018-2023 in the VUCA era, it requires quality and self-resilience, especially in facing Covid-19 pandemic. Leaders need to convince the public that the pandemic can be faced together with the discipline of implementing preventive protocols. In general, this pandemic hit the economic sector because most of the original regional income is sourced from the tourism and trade sectors. Short and medium term strategies for recovery need to be conveyed so that the public trust can be increased. The data about the people affected by the virus is very important besides the data of poor families. West Java Province has allocated a budget for handling Covid-19 pandemic in terms of health as well as for social and economic.

On the other hand, this pandemic actually provides an opportunity to do a short retreat to see the improvements in public services that have never been done before. The use of online applications to minimize meetings with consumers, especially in licensing and trimming the
costs of meetings which are then carried out through teleconferences can reflects the expensive costs that can actually be far saved by such means. The use of application and online meeting systems is an absolute necessity at this time. Local traders and MSMEs have change the conventional way of trading to be done by online systems.

Introducing change to members is the duty of the leader, thus visionary leaders must feel the need to open up, be willing to listen and take a stand, as well as accept criticism and input. Castillo and Trinh (2019; Dotlich & Cairo, 2003) implied that organizations with leaders who are not open to receiving feedback or recommendation, and ignore information from subordinates will experience a drastic decline, as experienced by Nokia. Nokia failed because their leaders created a culture of silence and fear in their organization (Castillo & Trinh; Vuori & Huy, 2016).

When leaders have an adaptive and visionary mindset, this makes it easy for the subordinates of adaptive leaders to be open and forthright when expressing their opinions. The attitude that emerges from adaptive leaders will be felt more down-to-earth. Adaptive leaders are modest and do not position themselves to be more knowledgeable or more superior to their team members. Humble leaders will appreciate learning and adaptation as necessary components for success in the workplace that cannot be predicted (Kotter, 2007; Senge, 2006; Castillo & Trinh, 2019). This attitude is important to unlock the growth of creativity and the emergence of team initiatives. To do this, it is necessary to identify the problem. In this case, it can be done through bottom-up process, which is listening to problems from below over the studies that have been done (Castillo & Trinh, 2019; Dotlich & Cairo, 2003).

In the context of the current Covid-19 pandemic, refocusing and reallocating budgets to all civil servants and regional apparatuses is very important, because all of the Covid-19 handling budgets come from the reallocation and refocusing of the regional apparatus budgets. The government is faced with a difficult choice between cutting the spending on activities or cutting employee benefits, and there is no other choices besides these two things. However, the majority of the civil servants votes to ask for a cut from spending on activities. The role of the community at the lowest level also needs to be priorities, as the people who are highly dependent on daily income and do not have savings are the people that is affected the most by the Covid-19 pandemic. The regional government budget are certainly not enough, therefore communication between the leader and other parties who can help is very important. The role of CSR and other religious institutions is very crucial at this time.

**Revise and Finalize the Change Plan**

Adaptive leaders revise and refine suggestions, and listen to ideas both from within and outside the organization to support the process of change (Kotter, 2007; Senge, 2006; Castillo & Trinh, 2019). Humble leaders will support the learning orientation for the team (Owens, 2013), so that it can help make changes when needed, and finalize changes in plans. Adaptive leaders will help organizational members identify hidden opportunities, define future forms of change based on the requirements/viewpoints of their members, and create creative and innovative solutions. Beyond that, strategy and planning are the main tasks of the adaptive leader in revising and finalize the process of plan change.

In the context of realizing the regional vision and mission in the VUCA era, adaptive leaders need to be aware of the position of West Java that is located in strategic area bordering the capital, so that the human resource (HDI) is far more advanced than the other provinces. Comprehensive accommodation (hotels and restaurants), good accessibility to all areas of the city, support of communication and information networks, urban infrastructure (trade, health,
and education facilities) are the main advantages. Regarding the Covid-19 pandemic, the restructuring of the 2021 planning and the policy direction up to 2023 must be carried out while looking at the situational development of the pandemic. The scenario needs to be made as a choice of strategic steps in realizing West Java Champion. There are two scenarios, whether the pandemic is done in 2020 and not done in 2020. If it is done in 2020, then the planning process that has been established in June 2020 can be carried out according to the document, and if it is not completed in 2020, then the government needs to refocus and reallocate the budget. In this case, the budget allocation for unexpected expenditure needs to be added as an anticipation of these steps.

**Stabilize and Sustain the Change**

When organizational changes have occurred and are considered to be able to adjust to the circumstances and situations of environmental ambiguity, the role of adaptive leader is then to stabilize and maintain the sustainability of these changes in accordance with the times. This can be done by developing action steps to make changes, developing performance measures to evaluate changes, making adjustments to changes in vision and strategies to reflect/bring up new thoughts and insights, and challenge organizational members to be open to new challenges that will be faced. In maintaining the stability and sustainability of change, these four steps are very important for the organization’s leaders. Periodic monitoring and evaluation of planned programs and activities need to be carried out to obtain recommendation to make the next decision.

**CONCLUSION**

The VUCA era make organizations inevitably adapt to the changes that occurred. The ability to predict what happens and the risks that will be faced is one of the characteristics of the ability of an adaptive leader in dealing with uncertainty. In the modern era, globalization and loss of organizational boundaries have pushed the organizational environment to become more complex and have more diverse cultures. This requires leaders to make adjustments, which means change and attitude to be ready to learn continuously in order to realize the vision of West Java Champions with creative cities.

The foundation in facing this challenge lies in human resource, so the role of leaders to be able to implement adaptive leadership becomes very important, especially in making appropriate policies. Policies produced by leaders who are learners will be able to bring the culture of learners into the organization. At the very least, adaptive leadership is able to know something important in the organization and the turns it into something that has bargaining value. Leaders should focus not only on the output but also on the impact and benefits. This makes it possible for members of the organization to face reality which will increase opportunities for the organization to achieve the desired results.

In general, the ability to respond and recognize current situation as well as the potential of threats and opportunities in the future becomes the material for taking effective and adaptive actions in the beginning. This is commonly known as sense making ability (read: Karl Weick “Sense Making in Organization”). In this case, the use of information and communication systems becomes very important in policy, managerial, and operational decision making in government organizations. Leaders need to understand that the old ways to make direct contact need to be minimalized to speeding up time as well as to save available resources.
REFERENCES


