

## **A STUDY OF HOW VUCA HAS BEEN REPLACED BY BANI**

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### **ABSTRACT**

The global and Indian business landscapes have undergone a structural and psychological transformation over the past decade. This shift has rendered traditional models of strategic management increasingly insufficient. For more than thirty years, organisations relied heavily on the VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) framework to understand and navigate an unpredictable world. Originating in the post-Cold War era, VUCA equipped business leaders with the mindset to handle rapid market changes through agility, foresight, and clear vision. However, unprecedented global and domestic events—such as the COVID-19 pandemic, supply chain shocks, shifting geopolitical alignments, and the explosive integration of artificial intelligence—have introduced a level of systemic chaos that exceeds mere unpredictability. In response to this paradigm shift, anthropologist and futurist Jamais Cascio introduced the BANI (Brittle, Anxious, Non-linear, and Incomprehensible) framework in 2018.

The BANI model suggests that current socioeconomic and technological systems are not just volatile, but fundamentally fragile; not just uncertain, but profoundly anxiety-inducing; not just complex, but completely non-linear; and not just ambiguous, but entirely incomprehensible to human logic. This research paper explores the conceptual transition from VUCA to BANI, critically examining the characteristics of both frameworks in the context of contemporary corporate challenges, with a special focus on the Indian business ecosystem. Through a mixed-methods approach utilising primary data collected via online surveys from 60 respondents across India, alongside an extensive review of existing literature, this study assesses awareness levels and paradigm preferences among modern professionals.

### **KEYWORDS**

VUCA Framework, BANI Framework, Strategic Leadership, Organisational Resilience, Modern Business Environment, Change Management, Indian Corporate Sector, Jamais Cascio.

### **1. INTRODUCTION**

If we look at the business environment of the 21st century, especially in a rapidly growing economy like India, it is characterised by an unprecedented velocity of change. We are living in a time of deep interconnectedness and recurring systemic shocks. To make sense of strategic disruptions, academics, military strategists, and corporate leaders have historically utilised sense-making frameworks. These tools help categorise challenges and formulate appropriate responses. The most prominent and enduring of these has been the VUCA framework, an acronym standing for Volatility, Uncertainty, Complexity, and Ambiguity. For nearly three decades, VUCA served as the definitive lens through which global and Indian organisations viewed market turbulence. It taught businesses to be highly agile, to forecast future scenarios where possible, and to build flexible supply chains capable of adapting to rapid shifts in consumer behaviour or regulatory environments.

However, the reality of the late 2010s and early 2020s demonstrated that the nature of 'change' had fundamentally escalated into a state of 'chaos.' The traditional tools provided by VUCA—foresight, agility, and risk management—proved inadequate when faced with global systems that broke instantly without warning. A global viral pandemic shut down the world economy in a matter of weeks, resulting in mass migrations of labour across Indian states. A single ship blocking the Suez Canal disrupted global trade for months, heavily impacting Indian exporters. Geopolitical conflicts triggered worldwide energy and inflation crises. The underlying assumption of the VUCA framework—that one could manage and overcome challenges by acquiring more data and executing faster—was shattered.

When we observe the Indian market—from the rapid digital adoption driven by UPI to the massive funding winters seen in the start-up ecosystem—the transition from a complicated world to a chaotic one is highly visible. This research paper delves deep into this evolutionary transition in strategic management thinking. It seeks to critically unpack why the VUCA framework is losing its explanatory power and how the BANI framework provides a more accurate, holistic reflection of the current socio-economic, environmental, and technological realities facing modern enterprises.

## **2. RESEARCH OBJECTIVES**

The core objectives guiding this research are as follows:

- 1 To deeply analyse the concept and characteristics of the VUCA framework, tracing its historical origins from military strategy to its eventual widespread adoption in corporate boardrooms, and evaluating its four foundational pillars.
- 2 To study the meaning and structural components of the BANI framework, examining how Brittleness, Anxiety, Non-linearity, and Incomprehensibility manifest in today's modern organisations and global systems.
- 3 To empirically compare the relevance of VUCA and BANI in the context of the modern business environment, utilising primary data collected via surveys from active professionals and students in India to evaluate which framework better encapsulates the lived realities of contemporary business operations.

## **3. LITERATURE REVIEW**

### **3.1 The Origins and Pillars of VUCA**

The acronym VUCA was coined by the U.S. Army War College in 1987 to describe the unpredictable geopolitical environment after the Cold War. By the early 2000s, it was widely adopted by businesses to explain rapidly changing market conditions driven by globalization and technological advancement.

Volatility refers to rapid and unpredictable changes in market conditions such as price and demand fluctuations (e.g., crude oil prices impacting domestic fuel costs). The response is Vision and Agility, enabling organizations to adapt quickly.

Uncertainty occurs when future outcomes cannot be predicted due to lack of precedent. Policies like Goods and Services Tax and Demonetization in India created uncertainty for MSMEs. The response is Understanding and Information Gathering through research and data analysis.

Complexity involves multiple interconnected variables and stakeholders. For example, firms dealing with diverse labor laws across India. The response is Clarity and Restructuring to simplify processes.

Ambiguity refers to unclear situations with no defined cause-effect relationships. The response is Experimentation to identify effective solutions.

While VUCA was revolutionary, it assumed that organizations could manage uncertainty through data, agility, and structured strategies to eventually achieve stability.

### **3.2 The Emergence of BANI**

In 2018, noting the increasing frequency of global “black swan” events, Jamais Cascio argued that VUCA was becoming obsolete. He proposed BANI as a framework to understand a world shaped by extreme instability and complexity.

**Brittle (Replacing Volatile):** Systems may appear strong but are vulnerable to sudden failure. Over-optimization through practices like just-in-time manufacturing and zero-inventory removed safety buffers. This was evident in the Indian automobile sector during the semiconductor shortage, where supply chains collapsed. Strategic Response: Building Capacity and Resilience, even at the cost of short-term efficiency.

**Anxious (Replacing Uncertain):** The modern environment creates stress, urgency, and decision paralysis due to information overload and high stakes. In India, job insecurity driven by AI, economic pressures, and layoffs reflects this anxiety. Strategic Response: Promoting Empathy, Psychological Safety, and Mindfulness.

**Non-linear (Replacing Complex):** Small events can lead to disproportionate consequences, making outcomes unpredictable. For example, minor digital changes or viral social media incidents can significantly impact businesses. Strategic Response: Enhancing Contextual Awareness and Adaptability.

**Incomprehensible (Replacing Ambiguous):** Some events lack clear explanations despite data availability. AI systems and unpredictable consumer behavior highlight this challenge. Strategic Response: Relying on Transparency, Human Intuition, and Continuous Iteration instead of seeking complete certainty.

### **3.3 Conceptual Synthesis: From Complicated to Chaotic**

Where VUCA addresses a world that is fundamentally Complicated, BANI addresses a world that is Chaotic. VUCA suggests that if you learn enough and work fast enough, you can manage the situation. BANI suggests a more humble approach: you cannot master or control the chaos; you can only build structural systems strong enough to survive it, and cultivate empathetic leadership capable of protecting the human capital navigating through it.

## **4. RESEARCH METHODOLOGY**

To achieve the research objectives, this study employs a descriptive and analytical research design utilising a Mixed-Methods approach. The goal was to capture a genuine snapshot of how modern professionals perceive the environment they work in.

### **4.1 Data Collection**

- **Primary Data:** Primary data was collected systematically through a structured digital questionnaire administered online. The survey was circulated across professional networks, academic groups, and corporate circles in India. The questionnaire was designed to measure

respondents' awareness of both frameworks, their perception of the current macroeconomic environment, and their opinions on modern leadership requirements.

- Secondary Data: Secondary data was sourced from peer-reviewed academic journals, conceptual articles published by futurists (specifically the foundational works of Jamais Cascio), and contemporary management case studies regarding post-pandemic business strategies in India and globally.

#### **4.2 Sample Size and Demographics**

The study successfully gathered responses from 60 individuals. The sampling technique employed was convenience sampling, targeting individuals actively engaged in the current academic and corporate ecosystems. The demographic breakdown included a healthy mix of undergraduate/postgraduate students, early-career professionals, and experienced working professionals. A significant majority of the respondents fell within the 20 to 30 age bracket. This demographic profile is particularly relevant because India has one of the youngest working populations in the world. These individuals represent the current and future core of the workforce that will operate under these strategic frameworks for decades to come.

### **5. DATA ANALYSIS AND FINDINGS**

#### **5.1 Assessment of Awareness Levels**

The first step was to evaluate awareness of both frameworks. Awareness of VUCA: 68.3% of respondents were familiar with VUCA, which is expected as it has been widely used in Indian business education and corporate training for years.

Awareness of BANI: 71.7% of respondents were aware of BANI. Despite being introduced in 2018, it has slightly surpassed VUCA in awareness. This indicates a rapid shift, showing that professionals are actively adopting new ways to understand modern challenges.

#### **5.2 Analyzing the Impact of VUCA Factors**

Respondents were asked which VUCA element impacts organizations the most. Uncertainty (38.3%) and Complexity (35%) emerged as the most significant factors. Ambiguity scored low, suggesting that while professionals understand situations, they struggle to predict outcomes and manage interconnected systems.

#### **5.3 Framework Preference and Future Outlook**

Most respondents (86.7%) believe that VUCA alone is no longer sufficient. There is a strong preference for BANI or a hybrid approach, indicating that the shift is not just theoretical but a practical necessity. Additionally, respondents agreed that organizations require new strategies and leadership styles to effectively deal with modern challenges.

### **6. CONCLUSION**

The overarching purpose of this research paper was to trace the evolutionary path of strategic management theory from the VUCA framework to the newer BANI framework, and to validate this transition using primary data collected from the Indian workforce. Based on the extensive literature review and the robust statistical data collected from 60 respondents via online surveys, it is unequivocally evident that the global and domestic business ecosystem has crossed a threshold. We are no longer navigating a merely complicated world; we are attempting to survive and thrive in a fundamentally chaotic one.

The primary data from this study strongly corroborates this theoretical shift. The fact that the majority of respondents identified high levels of systemic anxiety among modern leaders highlights the most profound and vital difference between the two models: VUCA treats business as a sterile, mechanical, and strategic puzzle, whereas BANI recognises the profound, messy, psychological human element required to endure continuous, incomprehensible crises. The fact that only 13.3% of respondents felt VUCA alone was sufficient to explain today's world serves as a clear mandate for change.

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