



LEARNING TO WELCOME & EMBRACE EVOLUTION

Today, business leaders face unprecedented innovation and change across markets and sectors. Every day, companies harness new technologies or repurpose old business models to dismantle previously strong and stable markets. It is no longer sufficient to offer a superior product or service. To succeed and survive, businesses need to innovate. But sometimes innovation presents a challenge to market veterans, who often depend on practices that have served them well in the past, but are no longer viable.

Many companies are unable to recognize the threat posed by start-up competitors. Think of Airbnb in the hotel industry, Uber and taxis, and Netflix and cable television. While many people still stay in hotels, ride in cabs, and watch the local news at six, what has changed is the world's appetite for the new and for a business climate that promotes constant reinvention. In this new business environment, companies can no longer reinvent their wheel; they must put forth alternatives that scrap preconceived ideas of what we thought was possible. Just look at Google's self-driving cars or Amazon's proposed use of delivery drones. These companies are disrupting their industry and producing breakthroughs that will power the economy of tomorrow.

Change can threaten the key features of an organization, including the business model and culture. With incremental improvements no longer an option in many industries, leaders are forced to drive transformational change within their organization and rethink their approach to leadership. As Darwin posed, "It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change." Here are some ways businesses can not only react and adapt, but also thrive in today's complex, dynamic, and turbulent marketplace.

EMBRACE CHANGE

Evolution is difficult for any organization, particularly when it comes unexpectedly. Stress and negativity can reverberate throughout a business, shaking the confidence of employees and creating a culture of distrust and fear. While not all business decisions can be discussed openly, maintaining a level of honesty about how the business is doing and the struggles presented will keep staff morale elevated. Open discussions and group problem solving will help to provide context and solutions to a changing market and other external parameters.

INNOVATE FROM WITHIN

Surviving in an evolving market requires leaders to build a culture that is conducive to change. Faced with immediate disruption, many companies implement intrapreneurship strategies and host hack-a-thons to spur idea generation. Creating a climate of constant improvement and innovation means companies must be open to progressive alternatives when making critical decisions, even if they go against longstanding practices. Cultivating a workforce that aims to challenge the status quo daily can help your organization to forge its own path and preempt external change.

ALLOW FOR, AND LEARN FROM, FAILURE

Innovation is often a result of failure and reinvention. Failing does not have to be final. Instead, it should allow for learning, iteration, and the building of new concepts. Occasional failure is the



inevitable reality of any firm committed to innovation. Nurturing a culture that accepts well-intentioned failure and allows for constant experimentation will enable your organization to adapt to, capitalize on, and gain from changes in the marketplace.

SHOW THE DESTINATION

Rather than telling your team what they should do, pose a problem and describe the desired outcome. Empowering your team to design its own solution will boost morale and encourage them to embrace change. Letting go of the reins and providing guidance rather than delegating responsibility will also generate a sense of ownership and demonstrate how staff can have a direct impact on the success of the company. Focusing on outcomes rather than micro-managing the process frees up leaders to foster innovation and dynamism across their firm.

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