

# change happens - Business Insider

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Change, like sh\*t, happens – but unlike its inevitable parallel, change doesn't have to be messy and unpleasant. In fact, I recently heard [Joni Doolin](#) of [People Report/Black Box Intelligence](#) make an important distinction that clarified the upside of change: **change is passive, but transformation presents an opportunity for you to play an active role and create a better future.**

Change takes many forms: a competitor introduces a breakthrough innovation, new company leaders replace established ones, new channels emerge, a customer or key strategic partner shuts down, a new technology becomes available. All of these have the potential to significantly disrupt your business and future prospects for growth.

Progressive companies don't just allow these changes to happen. They anticipate change, prepare for it, and channel its transformational power. **Companies that thrive through change seem to have two things:**

**1. Commitment to a clearly articulated purpose.** A lot has been said about how a strong, socially-oriented brand purpose can help a company form valuable bonds with customers, create new business models, and accelerate growth (one of my favorite points of view is [Jim Stengel's](#) as presented in his book [Grow: How Ideals Power Growth and Profit at the World's Greatest Companies](#)) — so I won't pile on here. But it's important to acknowledge **the clarifying and focusing power of purpose amidst great change.**

Because of its commitment to providing the “*freedom to fly*,” [Southwest Airlines](#) has survived the forces of change that have led to its rivals' downfalls – including the economic recession and severe resource limitations. While others responded to these changes by charging customers baggage fees, Southwest stayed focused on its purpose of democratizing the flying experience and decided against a similar move. The airline's continued profitability can be attributed in part to this decision. In fact, [CEO Gary Kelly](#) recently said that company calculates it would lose \$1 billion a year if it started charging for bags. That's how purpose works — it helps keep you focused and makes the right choices clearer.

**2. Strong stakeholder brand alignment.** Thriving in change actually requires **two dimensions of stakeholder brand alignment: horizontal and vertical.**

**Horizontal alignment** applies across your entire stakeholder ecosystem — from internal stakeholders (executives and employees) to external ones (suppliers, distributors, agencies, etc.) All stakeholders need to share one common understanding of your brand and your business.

[IKEA](#) has done an exceptional job of cultivating horizontal stakeholder alignment with methods including “*The IKEA Way*” or IWAY, which sets out a clear list of operating standards for its thousands of global suppliers. IWAY specifies a code of conduct that distinguishes IKEA, from its guiding principles to environmental practices to employee working conditions. The horizontal brand alignment at IKEA produces **agility** (ability to implement changes quickly and with less resistance) and **innovation** (unique products and more efficient processes). The company has used these advantages to counter the changes in customer behavior and e-commerce that have destroyed other big box retailers.

In addition to alignment *across* stakeholders, **vertical brand alignment** *within* each stakeholder is critical. That is, people's heads, hearts, and hands and feet must be aligned and on-brand. People must understand in

their heads what your brand stands for, they must be inspired in their hearts to support and nurture it, and they must be equipped and empowered to take “on-brand” actions with their hands and feet.

[Zappos](#) demonstrates the power of the vertical dimension of brand alignment. I think it’s safe to say that [Zappos](#) employees have the head knowledge of and heart passion for the [Zappos](#) brand, since every new employee goes through extensive customer service training and is offered an incentive to leave the company if they don’t share its values. The company drives that alignment into employees’ hands and feet through policies and procedures including pointing customers to competitive sites if Zappos’ is out of stock and acknowledging special customers with personal messages and gifts. Because every employee is fully engaged, [Zappos](#) delivers a **consistent, cohesive, and compelling customer experience** that serves as a powerful moat of protection from encroachment by new subscription services like JustFab.

**Change is like a high wind on a mountain.** It is unpredictable and inevitable, and often comes on without much warning. Commitment to a clearly articulated purpose and strong brand stakeholder alignment are like the gear and protection an experienced hiker always has on hand. So, yes, change happens – but that shouldn’t stop you from summiting the highest of mountains.

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