



## A STUDY ON STRATEGIC CHANGE MANAGEMENT PRACTICES FOR EMPATHETIC LEADERSHIP: A SYNTHETIC REVIEW

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### **Abstract**

*The strategic change grows to be an order of continuation. The study draws attention to “Strategic Change management” practices in performance management, workforce diversity, and workplace wellness programmes through empathetic leadership and ensures organizational success in the emerging challenges of human resource management. In change management performance management focuses on employee accountability, workplace wellness enhances employee engagement in the organization, workforce diversity decreases employee turnover, and enhances employee turnover and boosts the morale of the employees. Besides substantial literature reviews the researcher’s visualization is to explore the linkage with empathetic leadership practices for change management parameters by proper employee adjustment, reduced employee turnover, day-to-day functioning of employees, alteration in employees’ attitude and behaviour, & attending to employees’ readiness. This study concludes the ability of empathy in change management practices.*

**Keywords:** *Empathetic Leadership, Human Resource Management, Strategic Change Management, Workforce Diversity, Workplace Wellness Programs.*

### **1.0 Introduction to Human Resource Management**

Human Resource Management is a strategic management approach that ensures optimum utilization of humans by managing the people physically, mentally, emotionally, socially, and psychologically with the least cost. For example, google moved to the No. 1 position in the market just because of the extraordinary efforts of human resource management. (Biswajeet, 2014) human resource management was introduced in the mid-1980s against the background of works of the famous writer of management Athos. (J.G. Hunt, 1986) opines most of the development of human resource management was through practical experimentation, research in industrial psychology also began to affect practice, particularly concerning issues of fatigue, learning curves, employee selection, job analysis, vocational guidance, and motivation. (Biswajeet, 2014) defines the human resource cycle in four generic functions in the forms of “SARD”, S denotes selection, which means “matching the right person to the right job” A denotes appraisal on the “basis of their performance quality”, R denotes rewarding on the “basis of employees long term and short-term achievement” and last D denotes development “evolving the quality of employees”. Human resource management significantly works on HR practices like hiring, training, performance appraisal, compensation, and human relations ensuring behavioural outcomes like the commitment of employees, performance outcomes like quality of employees, and financial outcomes like job flexibility in the organization environment. Human resource management focuses on employment relationships, the psychological contact this is a two-way exchange of promises and obligations between employer and employee. Modern human resource management increasingly acts as requirements and perceptions are increasing as this function of leadership is now expected to play a central role in building and shaping. Human resource management is a complex concept that is effectively used for strategic emerging trends and all aspects of employee engagement in the form of recruitment, training and development, communication, reward and recognition, employee retention, employee well-being, tools and technology.

## Shifts of Personnel Management to Human Resource Management

(J.G. Hunt, 1986) defines the change in terms of personnel to human resources in managerial functions as well as in textbook titles as more than fad a fashion. It signifies a shift from human relations focus on people as such (although also as employees) to people as resources in an employee organization. Human resource management is the result of the transformation of the organization's administrative to organization strategic approach, employee welfare to employee engagement, cost centre to value centre, and Training and development of employees.

### New Models of Human Resource Management: (Academy to Innovate HR, 2024)

- 1. The Harward framework of HRM:** The Harward model of human resource management was developed in 1984. It is a holistic approach to human resource management established for overcoming human resource problems in organizations. It proves that only a holistic approach can solve personnel problems in the organization. Human resource leader operates that kind of strategy which talks about employees well well-being and growth.
- 2. Dave Ulrich model of HRM:** Dave Ulrich model was established in 1996 he was a successful management leader. He focused on human resource operations in large-scale organizations. He identified 4 key HR roles in organizations. Firstly, a strategic partner who is developed to follow the business growth and development. Secondly, the change agent is concerned with the overall employee experience in the organization. Thirdly administrative experts focus on employees' day to day-to-day functioning and talent management of employees. Last Employee champion which talks about employee safety diversity, inclusion, engagement and so on.
- 3. Paul Boselie 8-box model of HRM:** Paul Boselie's 8-box model defines 8 boxes of factors in an organization. Firstly, a configuration box that includes the company's strategy, culture, and diversity. Secondly, Human resource strategy and practices then the human resource goals box leads to overall goals and impacts on four other boxes of model general market, population market, general institutional, and population institutional market.

#### 1.1 Conceptual framework on Strategic Change management

Organizational change refers to change in strategy, allocation and utilisation of resources and asset disposal along with significant recognition of the structure. Change may be proactive and reactive. Proactive defines the deliberate and intended entity of changes and helps to move from an existing situation, and reactive happens in response to developing the events and new events that have arisen. Strategic management is a skill of a manager of how tasks are completed and how vision and mission are achieved. It involves developing the plan, implementation, and formulation of a strategy that promotes innovation helping to identify the challenges of selecting the best out of the best alternative among variables. Organizational change helps to examine the inventions and innovations in this developing world. Today's environment is more challenging and competitive. Organizational change is a method to examine the internal and external forces of the organization. Change is an inevitable process from the present desired state to the future desired state. (Aaryan Richard) defines that "Change means making things different is thinking of different ways to do something". It is necessary to adapt to the changes timely. Strategic change management is a systematic practice for employee adjustment, employee turnover, employee commitment, employee response, and employee readiness and helps to balance employee resistance. Moreover, change management directly deals with the modification of plans, policies, strategies, vision, and mission of the organization. Change management benefits the organisation in to adapting the vision change, and according to the vision have a well-mannered plan, for

completing the plan managing the required resources, and last implementation and feedback. (Sagar) organizational change is a method to examine the internal and external forces of the organization. An organization may be more affected by external sources which may be seen in the form of “PESTLE” analysis.

- **Political factors:** Political factors include changes in tax policy, political stability, trade policy, government policy, and many other changes in political forces.
- **Economic factors:** Economic factors include new inventions and innovation opportunities of goods and services in the market and they directly raise the inflation rate, exchange rate, changes in gross domestic product, transaction interest rate, etc.
- **Social and cultural factors:** Social and cultural factors include changes in the living standard of people, lifestyle and attitude of people, cultural factors due to high population growth rate, age, health consciousness, and demographical change.
- **Technological factors:** Today is the technological era, where an organization needs technological development continuously. Technological factors include invention, innovation, and diffusion of technology.
- **Legal factors:** Legal factors include employment laws, health and safety rules, consumer safety, discrimination laws, etc.
- **Environmental factors:** Environmental factors include changes in wealth and climate change factors like environmental policy, environmental pollution, and environmental sustainability.

### **Strategic Change Management Models**

(Lay, 2019) Strategic change helps to achieve organizational objectives and make competitive advantages in the market. Strategic change makes changes in business policies, organizational structure, or organizational planning and implementations of actions. Change Management models help to identify how strategic management maintains the balance between needs and completing these goals. Change management models help to make the organization change as per environmental changes, encourage the leaders for necessary changes and maintain a healthy corporate culture. Change models utilising the resources with efficiently identifying needs adopt the changes as per the requirements and ensuring the development and delivering the outcomes.

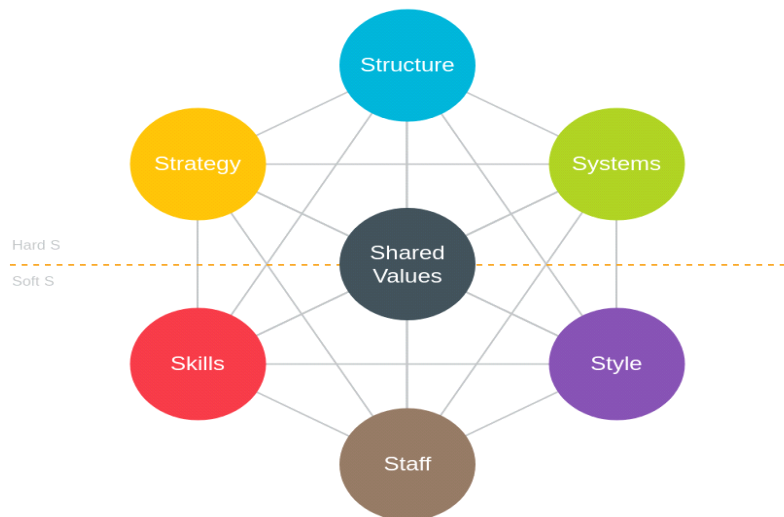
## 1. ADKAR Model-



<https://duthleracademy.com/what-is-the-adkar-model/>

- **A** means **Awareness** of the need for change in the organisation.
- **D** means **Desire** to contribute and maintain the change in the organisation.
- **K** means **Knowledge** of the change which affects the organization.
- **A** means of **Ability** to implement the changes by required skills and behaviours in the organization.
- **R** means **Reinforcement** of the changes in the organisation.

## 2. Mc. Kinsey 7 S Model:

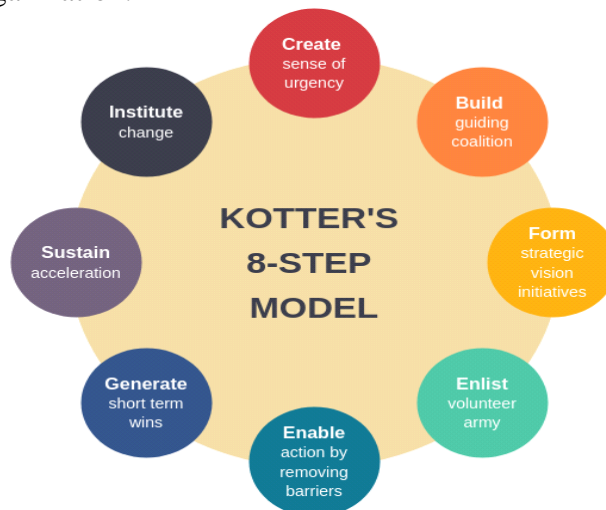


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- **Strategy:** Strategies are well-developed plans that are built according to the competitors and help to make a competitive edge and sustainability in the market, the process for getting the organizational goals in a particular period.
- **Structure:** In an organization, structures are the specific restraint of understanding to remove disorder and confusion in the organization. It simply defines employee's responsibility and accountability in the organization.
- **System:** Systems are the process and procedural steps for the organization's day-to-day activities of the organization. In an organization, it directly affects the organization's productivity and efficiency of the organization.
- **Shared values:** Shared values are the essential values of the organization that help to maintain organizational health and corporate culture in the organization.
- **Style:** In an organization, styles are dominant in a company that determines the level of employee's satisfaction and needs completion.
- **Staff:** In an organization, staff requirement shows the workforce required in the organization, and what kind of mental and physical abilities are required in the organization for completing tasks, duties, and responsibilities.
- **Skills:** These refer to employees' abilities to complete the task.

The goal of the model is to define the deepest understanding of organisational effectiveness in the form of structure, style, strategy, staff, shared values, skills, and systems. All elements are linked with each other and maintain the balance—model affected by the impact of changes in the environment.

**3. Kotter's 8-Step Model:** Kotter's 8-step model defines the change model in the form of creating a sense of urgency, building the vision and mission of the organization removing the barriers, and ensuring to decide in the organization.



<https://templates.visual-paradigm.com/repository/images/2b869f20-6cae-4c95-bca4-627537f2d7bf/kotters-8-step-change-model-design/8-step-change-model>

## 1.2 Why Empathetic Leadership is necessary in this emerging challenge of Human Resource Management

Empathy means active listening, putting yourself in their shoes offering support and communicating effectively. Empathy promotes work-life balance among workers with good relations as well as promotes innovation in the organization. When leaders approach changes from a human-centred, empathetic perspective, they are less likely to experience resistance. Being “empathy literate” is the ability to envision how people will think, feel, act, or speak about a change. This is a powerful tool for leaders to apply during times of uncertainty. (Sharma, 2023) Strategic change management practices straight possessions the leadership development whether it is capable or not depends upon the practices of the human resource manager. (Muhammad Cesare Wicaksana Negoro1, 2021) Leaders when they understand their employees' emotional states so they can express their emotions toward leaders. This is the age where leaders do not only have conceptual skills, communication skills, analytical skills, motivation skills, and decision-making abilities adequate for a successful and efficient organization, this is the era where we are looking for employee growth, potential, devotion towards their job, develop ground-breaking skills, job satisfaction overall efficiency and performance for this human leader is evident in the cultivation of positive and negative environment. Human leadership is crucial for organizational growth. Human relations leaders work diligently to reach strategic goals and objectives by providing sophisticated and innovative leadership. (Theo) defined by HR workplaces are frequently viewed by many employees, sometimes top management only handles employee reimbursement and recruitment while also imposing the federal and state employment laws propagates by Cenzo,2013. In action also aims to maximize the creative talent of its workforce which translates into higher productivity and profit. The human resource manager department's staff interacts with employees differently from other interdepartmental communication, because employees frequently confide confidence in human resource personnel.

### Roles of Leadership: (Covey)

1. **Modelling:** Modelling is the first and foremost role of a leader in which the leader ensures a good example towards the employee and makes trust in the organization.
2. **Pathfinding:** Each organization has visions and a mission for achieving this objective. The leader ensures that all employees go with unity of objective.
3. **Aligning:** Organizational goals and objectives are only achieved when they are in proper alignment and systematically.
4. **Empowering:** Empowering is the final role of a human leader in which he properly focuses on results and gets out of the way.

### 1.2.1 Why Empathetic Leadership is Necessary for this Emerging Challenge of Human Resource Management

(Tracy Brower, 2021) Nowadays human resource management has become a huge buzzword. The contemporary issues of human resource management are continuously arising. In the organization to deal with these challenges, there is a need for empathetic leaders who can deal with political influences, economic reforms, social movements, technological upgradation, legal compliances, and environmental changes in society, human resource manager plays a foremost role in building the organization in the form of proper employee engagement, workforce diversity, and talent management to explore employee's aptitude, skills, and changing the strategic workforce planning. Empathy is an important

skill of a successful leader. In today's world, we need empathetic leaders who can maintain corporate culture and increase employee trust, and employee engagement. (Wibowo1\*, 2021)The findings of the study suggest managers should develop an empathetic leadership style to better manage the millennials. It is the major challenge for most of the leaders who were born from 1984 to 1999 is a major challenge for most leaders, and it cannot be avoided. Empathy is considered to be an emotional situation of employees and showing a willingness, care about them and action to serve them. Empathetic leadership can be compared to transactional leadership which focuses on specific tasks and uses rewards and punishment to motivate followers or transformational leadership focuses on employee engagement, work-life balances, and motivate the employees. The objective of the study is that empathetic leadership gives job satisfaction through needs satisfaction. Empathy is the ability to relate to employees' thoughts, emotions or experiences they understand their followers' emotional states, so they can express this understanding and support their followers and handling their emotions.

### Findings of empathetic leadership

- Creating a Positive work environment in the organization.
- Increase employee productivity and effectiveness in the organisation.
- Increase employee retention and greater rate of success.
- Builds a healthy and motivating environment in the organisation.
- Ensures demonstrative leadership against authoritative leadership.
- Ensures to promote team productivity and talent management.



<https://www.runn.io/blog/empathetic-leadership>

### 1.3.1 Performance Management:

(Armstrong) Performance management is just like performance measurement of allotted tasks, duties and monitoring the responsibilities of employees that help to organizational objectives regularly". Organizational overall development like financial success, customer satisfaction, efficiency, and effectiveness of employees to ensure capacity maximization depends upon employee performance. (Investpodia.com, 2023) Performance management defines clear communication between supervisors and employees. It shows the ability of the supervisor how they can beautifully maintain the relationship with employees according to their tastes, preferences, culture, tradition, and so on because they know employees' performance directly impacts on organization's goals and objectives.

### Highlighting the practices of performance management:

Monitoring day-to-day activities of employees:
Promoting continuous learning of employees
Helps to make data-driven decision making
Identifying the best communication factors
Maintaining a healthy environment for employees
Creating career growth opportunities
I am setting SMART (Specific Measurable, Actionable, Relevant, and Time-bound) goals.
Performance Rewarding
Grievance Handling
Motivating the employees

### Outcomes of proficient practices of performance management: -

- **Leadership collaboration:** Leadership collaboration demands clear ideas and goals, when we set accurate goals and ideas we can directly communicate with business leaders which helps to ensure collaborative leadership and less chances of employee absenteeism and turnover.
- **Revolutionize management programs:** Human resource managers have to reboot the change management programs continuously. Changes are not toxic situations; they regularly enhance the skills and growth of employees.
- **Rewarding and gratitude of employees according to their performance:** Employees are directly motivated in their organization when their performance should be rewarded and recognized in, the form of salary, bonus, incentives, best employee title, promotion, and so on.

### 1.3.2 Workforce Diversity

(Ahmed) defines “Diversity as a labour force which contains a broad combination of workers from different enriching backgrounds as well as a different age, gender, and different domestic and national cultures”. (Ongori) Extreme diversity means permitting the diverse workforce to perform its full potential in an equitable work environment where no one group has one advantage or disadvantage. The organizations are recruiting employees from diverse backgrounds which include different nationalities, religions, age groups, gender, and ethnicity. Sometimes people would be judged by the content of their nature and spirit, not by the colour of their skin, sexual category, racial background, and competencies. In the organization, employees feel threatened by working with different ages, cultures, sex, and races employees. As well as it's also more difficult to make the balance between organisational goals to diversified people. Diversity demands the cost of training and development in the form of organised seminars, workshops, conferences, lectures etc. (Mujataba) “All individuals would be seated down together at the tables of brotherhood and sisterhood” Diversity would succeed or not depend upon human resource manager efforts in the form of organizational development, Strategic management, change management, psychology, communication measurement, and assessment. (Anuj Kumar) A diverse working environment results in job satisfaction, a conducive working environment effective management, and high employee output. It has also enabled organizations to put more effort into work and has increased their performance. In the last few years the word glass ceiling refers to restraining qualified women from attaining higher-level positions in the workplace through Indian companies are showing concern towards gender diversity problems in the organization. (Ajaya) propagates that diversity is the most substantial part of every organisation because each institute wishes for an extensive





and successful life in the marketplace then in the state of affairs of huge interaction, the subsistence of wealth of an organisation is dominantly dependent upon not only the optimum utilisation of currently available resources but also innovation and diversity. Managing workforce diversity can create mutual respect from employees they all want mutual respect from the organization. Diversity is the result of becoming stronger or more serious and it eventually occurs in the environment, diversity enhances organisational goodwill. Diversity of employees helps promotion, transfer, and selection of an efficient workforce. Maximum diversity means enabling the diverse workforce to perform its full potential in an equitable work environment where no one group has one advantage or disadvantage (Torres and Bruxells1992). Effective diversity can create competitiveness and include better decision-making, creativity, innovation, and efficiency.

### **1.3.2 Workplace Wellness Programs**

(Newberry) Wellness programs help to boost the morale of employees, efficiency, employee engagement, and good mental and physical health, in a straight line to productivity and efficiency. The reasonable care act will enlarge the capability of employees to remuneration of employees who achieve health improvement goals, deprived health habits of employees gradually rising regularly, and the increasing cost of health benefits has created new interest in workplace wellness programs”. Employers have to be worth these programs to reduce absenteeism and employee turnover. The research indicates that wellness programs reduce healthcare costs. An evaluation of 36 peer-reviewed studies of wellness programs in large firms found that the average employer medical cost fell \$3.27 for every dollar spent on wellness programs. To increase the participation of employees in wellness programs, employers follow a “carrot and stick” approach to enhance their interest. A carrot is just like financial rewards and a stick is just like penalties for not participating. Nowadays most organizations are organizing wellness programs with incentives to promote good health and wealth to employees. In the current scenario, this is a good initiative for increasing employee’s efficiency and productivity as well as it directly impacts their participation and dedication towards the organization. (Baiker Kaitherine, 2010)In this article, twenty-two studies reported the impact of wellness programs on employee absenteeism had, on average, smaller treatment groups and slightly larger completion groups and the results average savings was relatively similar in the subset of studies with rigorous control groups(large groups) the average number of absentee saved 1.7 per employee per year, estimated to cost \$274 employee per year.

### **1.4 Conclusion**

The research concludes that empathetic leadership can significantly impact change management parameters of employee performance, wellness, and diversity. Empathy reveals that there is a need for employee growth, potential, devotion towards their job, develop ground-breaking skills, job satisfaction overall efficiency, and effective performance. Nowadays Empathetic leadership is crucial for the cultivation of positive and negative environments. Empathetic leaders can better manage the employee's state, emotions, conflicts, and grievance handling and help to perform better. In an organization, employees are often by a small change in the organization, which is a challenge for the leaders to remove bias and conflicts in the organization world. This research paper helps to explain how Change Management practices help to deal with employee management and help to achieve competitive advantages. Change is constant in today's business environment. change may be in the form of organizational structure, strategies, policies, vision, and mission It is more important to manage it effectively and ensure successful outcomes. Emotional intelligence is the most trending and challenging in this global and competitive world. The research emphasizes the real challenge of change management, the model ensures tools and technologies that are working on change management parameters working on employee performance, workforce diversity, and wellness in the workplace.

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