

Research Article

# Implementing Humanistic Leadership in Engineering Firms: A Structured Framework Based on Kotter's 8-Step Change Model

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### **Abstract**

Over the last decades, the evolution of leadership practice has increasingly centered on a human-oriented paradigm, founded upon the fundamental values of humanistic psychology, including empathy, self-actualization, and moral reflection. Engineering firms, though, have had difficulty adopting these values into their traditional technical and hierarchical leadership frameworks, such that a gap has emerged between the implementation of humanistic leadership in such settings. This study aims to fill this gap by developing a step-by-step plan for the systematic implementation of humanistic leadership in engineering firms using Kotter's 8-Step Change Model. With a qualitative research design, the present research integrates an extensive literature review with case study research on six engineering firms—Panasonic, IKEA, Salesforce, Zappos, Tata, and Google's Project Aristotle—to explore leadership issues and possibilities of change with humanistic leadership. The findings of the study suggest that those organizations that apply humanistic leadership practices will improve employee motivation, innovation, and financial performance. Kotter's model offers a framework method for the successful adoption of these practices, but its success lies in adjustments explicitly crafted for the unique cultural and organizational environments of engineering firms. The proposed framework offers practical guidance to leaders who aspire to create ethical, people-oriented cultures that yield long-term prosperity. Nonetheless, the research is constrained by its qualitative nature, lacking empirical validation through quantitative measures. Quantitative methods should be considered in future research to facilitate generalizability. The current study adds value to leadership literature through the provision of a structured, step-by-step model of adopting humanistic leadership in engineering management, and subsequently improving organizational performance and workers' well-being.

## **Keywords**

Humanistic Leadership, Engineering Leadership, Leadership Transformation, Change Management, Kotter's 8-Step Change Model, Employee Engagement

#### 1. Introduction

In the past two decades, there has been a significant shift in leadership practices towards a more human-centered approach with greater emphasis on empathy, self-actualization, human dignity, positive psychology, and ethical reflection. These core values have their roots in Humanistic psychology, which was originally formulated by Abraham Maslow and

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Carl Rogers in the mid-20th century. Humanistic Leadership is a humanistic philosophy that implements the basic principles of humanistic psychology in an organization, thereby establishing a context conducive to human flourishing, personal development, and contributions to the workplace and society. Humanistic leadership consists of two critical social phenomena: humanism and leadership. The combination of these components ensures the formation of an effective leadership style [1].

Leadership is one of the most significant aspects in the establishment of organizational culture, long-term goal improvement, and decision-making process simplification. Engineering graduates move from the position of being engineering professionals after four to five years, whereby they ascend to the ranks of team leaders as well as managers. The operations of engineering companies can only be successful with the right mix of technical competence, sound leadership qualities, and strategic planning capabilities. Engineers need to be endowed with leadership competencies that are aligned with contemporary workplace culture and the psychological characteristics of different generations. While humanistic leadership is being accorded increasing focus, most engineering firms do not have a consolidated system to impart ethical leadership principles to their practice routines. Since leadership scholarship has investigated transformational, servant, and ethical leadership styles extensively, the literature lacks research on incorporating humanistic leadership in engineering firms in a systemic manner. Currently, in 2024, 39% of employees feel strongly that someone cares about them, a drop from 47% in March 2020 [2]. Additionally, 59% of employees are quiet quitting, meaning they are disengaged and only fulfilling minimal responsibilities, while 18% are actively disengaged, openly expressing dissatisfaction with their work environment [3].

These trends highlight a growing issue related to employee engagement levels and the ability of leadership to foster a positive organizational culture. Realizing this problem, major technology companies like Google, Salesforce, Microsoft, and Tata are increasingly directing their investments towards building humane workplace spaces that are meant to enhance worker retention and job satisfaction. Convinced that a happy and motivated workforce fuels innovation and improves productivity, these companies are committing significant resources towards initiatives that ensure well-being, diversity, and personal growth.

Kotter's eight-stage process for creating a major change is one of the most widely recognized models for change management, and yet there are few case studies in the academic literature that enquire into how this process has been used in practice [4]. This highlights the popularity of Kotter's model while also pointing to the lack of empirical research into its real-world application. My study aims to bridge this gap by systematically applying the model to humanistic leadership in engineering firms.

A rapid pace of change presents an unforeseen and perpetual

competitive challenge for organizations. Despite the existence of numerous change management models, organizational change leaders often encounter obstacles during the implementation phase that limit change effectiveness [5]. This reinforces the growing recognition that leadership must evolve to handle change effectively. Companies such as Google, Salesforce, and Tata are investing in humanistic leadership to ensure sustainable change and higher employee engagement.

Organizations see the need to change but fail to follow the appropriate sets of steps in undergoing change. Even organizations which were able to follow change steps from many literatures still failed along the process [6]. This aligns with the argument that while companies are implementing elements of Kotter's 8-Step Model, they lack a structured framework. This paper aims to develop a systematized model of applying humanistic leadership in engineering firms using Kotter's 8-Step Model. The specific objectives of the study are:

- Analysing the current leadership problems within engineering firms and their impact on organizational culture.
- 2) Applying Kotter's 8-Step Model as a step-by-step guide to embrace humanistic leadership.
- 3) Testing the proposed framework through case studies of six engineering firms, integrating theoretical framework data into Kotter's model for creating a systematic implementation model.

Achieving these objectives will provide engineering leaders with a systematic and practical approach to fostering a workplace that is more ethical and human-oriented. The research follows a qualitative methodology involving literature review and case study analysis. Initially, an extensive review of leadership theories, humanistic leadership models, and organizational change models will be undertaken. Then, six engineering companies will be studied through case studies based on their leadership issues and application of humanistic leadership models.

Kotter's 8-Step Model will form the basis of the proposed implementation model, combining theoretical framework evidence to create a structured model. Its effectiveness will be evaluated by using organizational performance metrics, staff satisfaction levels, and leadership effectiveness scores, thus keeping the inquiry firmly grounded in both theoretical research and practical application.

## 2. Methodology

This study employs a qualitative research design that integrates an extensive literature review with multiple case study analyses to develop and validate a structured framework for implementing humanistic leadership in engineering firms using Kotter's 8-Step Change Model.

#### 2.1. Research Design

A qualitative approach was selected to capture the nuances of leadership transformation in the context of engineering firms. The study is divided into two primary phases: (a) a comprehensive literature review to develop the theoretical underpinnings of humanistic leadership and its alignment with Kotter's model, and (b) a case study analysis of six engineering firms to validate and refine the proposed framework.

#### 2.2. Primary Phase 1

An extensive review of academic and industry sources was conducted to synthesize leadership theories, humanistic leadership principles, and organizational change models. Key sources included peer-reviewed journal articles, conference proceedings, and reputable online resources. The review focused on identifying recurring themes and best practices related to:

- 1) Humanistic leadership as informed by humanistic psychology.
- 2) Leadership transformation in engineering contexts.
- 3) The applicability of Kotter's 8-Step Change Model to leadership change. Systematic search criteria and thematic analysis were applied to extract and synthesize data, which informed the theoretical framework for integrating humanistic leadership with Kotter's model.

#### 2.3. Primary Phase 2

Six engineering firms were selected based on their documented leadership practices and transformational initiatives. The cases include Panasonic, IKEA, Salesforce, Zappos, Tata, and insights derived from Google's Project Aristotle. The choice of materials was guided by a close reading of peer-reviewed scholarly journal articles, industry-based case studies, and empirical research reports that recorded the leadership restructuring and human-centered management initiatives taken by these organizations [12-17]. The sources offered considerable evidence in favor of their choice as applicable case studies for the interest of this inquiry.

#### 2.4. Framework Development and Validation

The insights derived from the literature review and case study analyses were integrated into a structured framework based on Kotter's 8-Step Change Model.

#### 3. Literature Review

Humanistic leadership is a form of leadership that emphasizes ethical awareness, employees' well-being, and the inherent human dignity of employees in an organization. Humanistic leadership draws from the lessons of humanistic

psychology, which is typified by an evident emphasis on empathy, integrity, justice, and a sense of moral responsibility. Humanistic leaders are interested in creating a free work environment where employees feel valued, empowered, and encouraged to apply their utmost potential performance. Humanistic leadership emphasizes the human condition and is oriented to the development of human virtue, in all its forms, to its fullest extent [7, 8].

Research Gap in Humanistic Leadership within Engineering Firms: Although the transformational, servant, and ethical leadership approaches have been well-researched, there is limited systematic research on the application of humanistic leadership in engineering firms. The majority of leadership studies concentrate on productivity- and technical-oriented approaches, thereby overlooking humanistic leadership as a viable approach in engineering firms. This gap justifies the necessity of a clear structure, such as Kotter's 8-Step Model, to guide the application of humanistic leadership in engineering firms. Engineering firms, historically organized on hierarchical and technical leadership models, tend to prioritize efficiency, compliance with procedures, and performance outcomes over people-centered values. However, the integration of humanistic leadership in engineering firms offers several significant benefits:

- Enhancing Ethical and Virtue-Based Leadership in Engineering: Engineering education and practice have been traditionally rule-based with a focus on consequentialism and deontology. The inclusion of virtue ethics in leadership encourages civic and moral leadership, and engineers are strongly provided with good ethical reasoning, teamwork and communication abilities, and leadership qualities. Virtue ethics, which is often associated with character education and character development, can guide engineers with professional growth in areas of teamwork, collaboration, leadership, communication, and most certainly ethical reasoning [9].
- 2) Fostering a more Employee-Focused and Inclusive Organizational Culture: Most engineering firms have traditionally been founded upon a techno-economic paradigm, whereby efficiency and cost are prioritized at the expense of human dignity and job satisfaction. Organizations are, nevertheless, now shifting toward more humanistic management approaches that view employees as individuals, not as resources. A variety of theories of management and organizational studies have failed to consider the human being in his or her integrity and, thus, fall short of being humanistic [21].
- 3) Empowering Employee Participation and Commitment in Engineering Companies: Leadership directly affects organizational commitment, employee performance, and involvement. When leaders assume transformational leadership roles, workers are more committed to the firm's purpose and are more likely to perform significantly. Transformational leadership specifically defines and shapes organizational culture. Transforma-

tional leaders are those who shape norms, philosophies, and values in organizational culture [10].

- 4) Facilitating Sustainable Development through Ethical Governance in Engineering: Engineering companies adopting the principles of humanistic leadership are more likely to attain sustainable success, as they combine economic objectives with ethical accountability. Ethics-driven leaders prioritize sustainability, good labour practices, and responsible innovation, which enhance not only the reputation of the company but also foster greater employee dedication and resilience. This study highlights humanistic management as a core value for engineering companies. We present empirical evidence on companies that demonstrate humanistic management principles and offer examples of companies that have used shared sacrifices to retain their employees [11].
- 5) Developing an Integrated Leadership Model that Equilibrates Financial Profit with Human Considerations: The humanistic leadership paradigm aims to balance firms between profit maximization and meeting ethical obligations and thereby enhances workforce resilience, malleability, and social acumen. Humanistic leadership, oriented towards the upliftment of community and society, and not just profit maximization, is critical to creating a more sustainable and peaceful world. (Humanistic leadership, oriented towards upliftment of community and society, and not just profit maximization, is critical to creating a more sustainable and peaceful world [1].

The Relevance of Kotter's 8-Step Change Model in Humanistic Leadership Practice: Kotter's 8-Step Change Model is a step-by-step process for applying humanistic leadership principles in engineering organizations. Unlike other prevailing leadership models, Kotter's model targets sequential cultural change, thereby solidifying leadership change at each organizational level. The model assists organizations in generating a sense of urgency, setting a guiding coalition, developing a vision, and infusing humanistic leadership within organizational culture. Although existing literature addresses Kotter's model as a change management tool in general, there is limited understanding of its use in the humanistic leadership transformation of engineering companies. The present study aims to bridge this knowledge gap by demonstrating how Kotter's model can be modified to initiate and maintain humanistic leadership in technical organizations [4].

#### 4. Case Studies Review

 Panasonic "Mechanism of humanistic leadership for success: lessons from Konosuke Matsushita." In this case study, data was gathered from transcriptions of archived recordings, interviews, and internet documents. Matsushita emphasized the Spirit of Wa in listening to others and collecting wisdom, which has been a traditional Japanese value for more than 1300 years, deeply rooted in Japanese culture. Matsushita is an ideal humanistic leader who demonstrated humanistic leadership behaviors as follows: (1) building a company philosophy aimed at the prosperity of society and the well-being of people, (2) being aware of one's weaknesses, (3) listening to others, (4) improving oneself, (5) developing people, (6) respecting people and (7) making a profit for society [12].

Impact on the company: For Japanese manufacturing companies, the operating margin was just 4.8% on average in 2018, but Matsushita determined a threshold of 10% profit; his company produced a 10% profit on average during his tenure as president and chairman [12]. Practically, this mechanism is encouraging for Japanese leaders, in particular, who have been struggling with low profitability or stuck between Japanese traditional values and Western leadership models [12].

2) IKEA "Internal communication and employer branding within a humanistic model." Each employee is considered a free and responsible person. There is prosocial motivation, and in the actions carried out with internal stakeholders, interdependent and committed talent is fostered. IKEA represents the validity of the traits described in the literature review. Managers conceive of internal communication as co-creation: there is a perfect alignment between the interests of the company and the people because IKEA is an entity that accompanies and helps [13].

Impact Sixty-eight percent of the interviewees stated categorically that the degree of attractiveness of IKEA is high and that they are very satisfied with the company. The cause of this satisfaction is the leadership and its managers, the philosophy and ethics, and the interest in stakeholders. As a result of this culture, trust is inspired, and a positive attitude is generated at work: a good environment and a sense of family. Among those satisfied, exploring other fields in which they were not used to working has accelerated knowledge and development in certain areas, leading to the following statement: We are reinventing ourselves [13].

3) Salesforce "Fostering Employee Engagement and Retention through Ohana Culture: A Case Study of Salesforce." Ohana, the Hawaiian term for family, has been embraced by Salesforce to create a supportive and inclusive workplace environment. The culture is formed by these four core values: Trust, Customer Satisfaction, Innovation, and Equality. Amid the COVID-19 pandemic, Salesforce has adapted its Ohana culture to support remote work. The company introduces virtual events and wellness programs to maintain employee engagement and well-being [14].

Impact Salesforce's implementation of the Ohana culture led to several immediate benefits: High Employee Satisfaction, Improved Employee Retention, and Enhanced Collaboration. The positive work environment and strong sense of community contributed to low turnover rates, helping Salesforce retain top talent. The success of Salesforce's Ohana culture has translated into robust financial performance and a strong market position. High levels of employee engagement and retention, driven by the positive work environment, have led to increased productivity and innovation [14].

4) Zappos "Operational Innovation at Zappos: From Hierarchy to Holacracy. It's clear that Zappos has a strong organizational culture that values individuals and their voices and embraces change and creativity. This helps explain some of the reasons the company shifted towards Holacracy. The company strives to take care of its employees through its concept of 'work-life integration [15].

Impact Employees were able to embrace the new structure, and those who did not leave the company; thus, its culture only got stronger, and employees were reviewed on this basis to conserve organizational values. As engagement and motivation increased, the company went on to achieve a 75% year-on-year increase in operating profit in 2015 as a result of those strategic moves [15].

5) Tata "Humanistic leadership in the Tata group: the synergy in personal values, organizational strategy and national cultural ethos", Humanistic leadership, oriented towards upliftment of community and society, and not just profit maximization, is critical to creating a more sustainable and peaceful world. The top leaders of the Tata companies emphasized the following values and leadership experience: (1) Adherence to the founder's philosophy and the basic core values, (2) Leadership with Trust, (3) Community as the key purpose of the enterprise, (4) Senior leaders as mentors and role models, (5) Abiding by the ethical code of conduct, (6) Employee-focus and (7) Tacit alignment with Indian cultural values [16].

Impact Between 1992 and 2020, Tata Group transformed from a \$5.8-billion domestic company to a global player, surpassing \$100 billion in revenue. The Tata brand continues

to be India's most valuable brand, surpassing \$20 billion in brand value in 2020. During the COVID-19 crisis, Tata Group pledged over \$200 million in relief efforts, reinforcing its leadership values [16].

6) Google's Project Aristotle: What interested the researchers most was how teams worked together: They analyzed hundreds of teams and found that what really mattered was less about who was on the team and more about how the team members interacted, structured their work, and viewed their contributions. Psychological safety, more than anything else, was critical to making a team work: members needed to feel safe to take risks and be vulnerable in front of each other [17].

Impact Teams that embraced psychological safety reported higher job satisfaction and engagement. Project Aristotle's findings helped Google improve team productivity, resulting in more efficient collaboration and problem-solving. By reinforcing a work culture that values psychological safety, Google saw improvements in both employee well-being and company performance [17].

# 5. Kotter's 8-step Model for Humanistic Leadership Implementation

Kotter's 8-Step Change Model, developed by Dr. John Kotter of Harvard Business School, is one of the most widely accepted frameworks for organizational transformation. It presents a sequential, action-based methodology for successfully guiding change and embedding it into an organization's cultural fabric. The model emphasizes urgency, vision alignment, empowerment, and sustained momentum, making it particularly useful in complex environments such as engineering firms, where leadership transformation is both technical and cultural. Figure 1 visually depicts these eight steps, which are categorized into three key phases: Creating a Climate for Change, Engaging and Enabling the Organization, and Implementing and Sustaining Change.

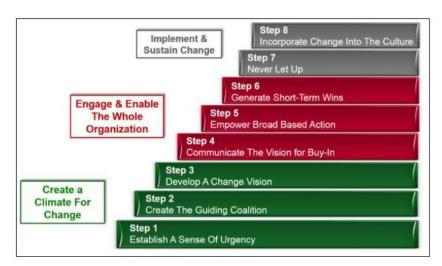


Figure 1. Kotter's 8-Step Change Model.

#### 5.1. Establishing a Sense of Urgency

The first step in Kotter's process is to establish a compelling reason for change. Organizations should communicate the necessity by demonstrating data, market realities, or external forces demanding change.

Establishing a sense of urgency, Matsushita understood that profitability was necessary due to the fact that he believed it was vital to the success of a company. Matsushita continued to say that the company, as an official institution, must make a profit. He determined a threshold of 10% profit; his company produced a 10% profit on average during his tenure as president and chairman [12]. This sense of urgency provided the basis for long-term success.

Tata Group realized that business practices and values needed to be synchronized so that ethical leadership could be guaranteed. Based on these insights, we propose that Tata, with its synergy in the three realms, can serve as an exemplar case of sustaining and scaling up the humanistic leadership values for persons and organizations in the contemporary business world [16]. Institutional continuity demanded this synchronization.

Salesforce was facing employee retention issues, thus the necessity to cultivate a positive company culture. As the company expanded, it had to face some challenges related to employee satisfaction, and it began to impact retaining employees. To address this challenge, the company introduced the 'Ohana Culture [14]. This move was vital in retaining top talent.

IKEA, amidst the COVID-19 pandemic, recognized the necessity to put workers first. In the context of the COVID-19 crisis, IKEA was the first large company in Spain to 'rescue' its employees. Not only did it cancel the ERTE of its 8,275 employees and reincorporate the entire workforce [18]. At this time, within a few weeks, we turned around aspects that until now seemed impossible to change. We have shown that we are capable of adapting and finding new solutions, and only because of all of them is it possible [13]. This shift ensured stability amidst uncertainty.

Google found that a lack of psychological safety hindered teamwork. The need to understand why some teams succeeded over others sparked urgency for data-driven team improvements [17]. Research-backed solutions became necessary.

Zappos understood that traditional hierarchical structures impaired flexibility. Bureaucracy impinged on agility, and therefore, a new management system was necessary. As we scaled, we noticed that the bureaucracy we were all used to was getting in the way of adaptability and productivity [19]. They needed a new model for agility.

#### 5.2. Creating a Guiding Coalition

Efforts to change require a strong leadership team to guide the change. The guiding coalition should be comprised of influential individuals with credibility, expertise, and authority to make decisions. The group should be from different levels and departments within the organization to ensure broad perspectives.

Matsushita established an employee organization to facilitate cooperation within the company. Just two years after his company was established, he created an institution called 'Hoichi Kai' in 1920 to promote amity among employees, of which he was also a participant. This group organized company athletic meets, excursions, cultural events, and issued a company magazine [12]. This system enabled the active involvement of employees in the decision-making process.

Tata Group relied on senior leaders as role models. Senior leaders as mentors and role models were identified as a key theme in Tata leadership, where top management leaders emphasized their responsibility to guide and inspire employees at all levels [16]. This leadership practice promoted ethical decision-making.

Salesforce promoted inclusivity through the means of trust-based leadership. Salesforce ensured inclusivity through trust-driven leadership. Salesforce promoted an Equality office that included diversity within the company. The office's role was to treat employees equally without any discrimination based on their background, focusing on their skills and abilities [14]. Workers esteemed themselves in an open workplace environment.

IKEA's HR and top management worked together to change towards a humanistic model. Top management and HR worked together to establish humanistic management [13]. Organized implementation was ensured through their coordination.

Google conducted a study of high-performance teams to inform change. Google's People Analytics division, made up of statisticians, researchers, and organizational psychologists, set out to analyse team performance and understand the patterns of success and failure [17]. This study formed the basis for the subsequent interventions.

Zappos was a pioneer in adopting Holacracy, hence breaking down conventional hierarchical structures. In 2013, Tony Hsieh announced that Zappos would pilot Holacracy in its HR department in 2014. By early 2015, they began implementing it company-wide, and about one year later, they gave the option for those who were unhappy to leave with a severance package [15]. This new organizational structure gave employees the freedom to take ownership of their roles.

#### 5.3. Developing a Vision and Strategy

A concise, clear, and compelling vision gives direction and aligns various stakeholders towards shared objectives. A well-formulated strategy defines the realistic actions that will result in the realization of the vision. Employees might be uncertain or confused regarding the change initiative without a solid vision and strategy.

Matsushita's Basic Management Objectives define a long-term vision. Matsushita established the Basic Management Objectives, which stated that the mission of the company was to conduct business activities to contribute to the development of society and the well-being of the people, without considering company profits first [12]. This vision included economic and social aspects.

Tata Group looked for moral leadership and social impact. Focused on community upliftment and ethical leadership, guided by Jamshedji Tata's vision [16]. Social responsibility was tied to business prosperity.

Salesforce introduced the Ohana culture as a philosophy that puts people first. Ohana, meaning family, inspired by Hawaiian culture, was created by Benioff in a very sensible manner to keep the community connected to the company [14]. This framework of thought promoted unity among workers.

IKEA incorporated humanistic leadership values in its internal branding process. We verified that EB efficiency is dependent on the implementation of a humanistic model and that IKEA utilizes a business paradigm that involves EB through a humanistic management model [13]. Employees turned into ambassadors of the company's values.

Google placed a value on psychological safety for teamwork. What Project Aristotle has taught people within Google is that psychological safety, more than anything else, was critical to making a team work [17]. Teams functioned more effectively in psychologically safe environments.

Zappos envisioned a decentralized structure with shared leadership. Holacracy's system of self-management allows for small changes to become streamlined within circles, and larger changes to be approved faster because a larger number of employees understand the full picture (transparency) and decisions do not have to be approved by a long line of managers [19]. This structure effectively removed redundant bureaucratic processes.

#### **5.4. Communicating the Vision**

Once the vision is set, it is paramount that it be well communicated and with consistency throughout the organization. Leaders must utilize all types of communication channels to reiterate the message given.

Matsushita cemented the organization's core values by establishing daily rituals. Since then, the company philosophy has been recited at morning or evening meetings. Matsushita invested effort and time to convey this philosophy to all his employees [12]. The rituals facilitated a common corporate identity.

Tata Group formalized values into written policies. These leadership values are conveyed and institutionalized in the organization via strategic initiatives such as the Tata Trusts, Tata Business Excellence Model, and Tata Code of Conduct [16]. Formal policies helped ensure consistent application.

Salesforce created training platforms to instill the culture of Ohana. In 2016, Salesforce developed the Trailhead learning

platform, offering free training and development resources to its employees. This program was initiated to strengthen the core values of Ohana and encourage continuous learning [14]. Lifelong education was provided to the employees.

The IKEA management has actively emphasized employee well-being. IKEA Spain is demonstrating with actions that it truly cares about people. With the workers, their focus on maintaining jobs is admirable. The way in which the ERTES were managed, in a time of uncertainty when many people were left without a job or pay, demonstrated, once again, how IKEA cares for people [13]. During difficult moments, employees felt supported.

Google developed formalized team norms grounded in an empirical study. Once Google's researchers identified psychological safety as the key to team success, they shared their findings with teams across the company [17]. This helped institutionalize best practices.

Zappos openly informed workers of the process of Holacracy. Zappos implemented a structured transition process that included open communication, training sessions, and continuous updates to employees about Holacracy roles and how circles functioned. Workers knew what to expect.

#### 5.5. Empowering Broad-Based Actions

To enable employees to contribute to change, obstacles should be removed. They may be in the form of outdated policies, rigid structures, limited resources, or resistant middle managers.

Matsushita encouraged taking initiative and speaking one's mind. Allowed employees to speak on stage and express their thoughts freely [12]. This enabled a culture of openness and transparency to evolve.

Tata Group gave power to employees by sharing leadership roles. Empowered employees with leadership responsibilities at various levels [16]. Decentralized decision-making reinforced accountability.

Salesforce initiated workplace equality programs. In 2017, Salesforce promoted an Equality office that included diversity within the company [14]. This gave diverse voices to be heard.

IKEA encouraged the values of autonomy and active involvement in its workforce. Fostered autonomy among employees through proactive internal communication [13]. Employees were motivated to take ownership of their jobs.

Google instituted a set of collaborative guidelines. Teams were given the autonomy to establish their own rules of engagement, with an emphasis on creating an environment where everyone felt comfortable contributing [17]. This approach granted teams increased control over their operational processes.

Zappos has completely adopted the Holacracy system. In Holacracy, employees choose between multiple roles and tasks within the business, giving them the opportunity to shape their own careers rather than wait for a promotion [15]. This new system enabled the employees to manage them-

selves efficiently.

#### 5.6. Generating Short-Term Wins

Quick and tangible results are essential to maintain motivation and demonstrate the value of the change initiative. Near-term wins must be unambiguous, significant, and readily measurable.

Matsushita introduced a five-year business strategy to emphasize the company's success. After successfully achieving the company's five-year plan to quadruple total sales in 1961, he stepped down as president and became the chairman [12]. These successes created momentum for further transformation.

Humanistic leadership introduced to Tata enabled it to expand financially and provided it with international recognition. In 2020, the Tata group surpassed the US\$20.0 billion, the first time any Indian brand has reached this brand value marker [16]. This strengthened the values of the organization.

Salesforce's cultural organizational improvements were externally validated. In 2019, Salesforce achieved a significant ranking, being #2 on the Fortune' '100 Best Companies to Work For' list. This achievement had a positive impact on employee satisfaction through Ohana Culture [14]. This validation generated a heightened commitment to cultural initiatives [18].

IKEA made financial moves towards achieving stability. Not only did it cancel the ERTE of its 8,275 employees and reincorporate the entire workforce, but, as published by the Financial Times, it even returned the government aid received during the pandemic to cover the ERTE [20]. The job security assurance served to motivate the employees.

Google experienced an instant boost in team dynamics. Teams that consciously cultivated psychological safety reported increased effectiveness and collaboration, sometimes within just a few weeks [17]. Communication and trust were the elements that significantly improved team efficiency.

Zappos' severance policy streamlined its transition. By the end of 2015, Hsieh said in a memo that they hadn't been moving fast enough and recognized that self-management and self-organization are not for everyone. So, Zappos offered a severance package with three months 'pay to anyone who didn't feel aligned with the new way of working. 29% of employees decided to leave. Zappos' process towards change was a successful operationally, behaviorally, and financially. Employees were able to embrace the new structure, and those who did not leave the company; thus, its culture only got stronger, and employees were reviewed on this basis to conserve organizational values [15]. This cleared out resistance and ensured alignment.

# **5.7 Consolidating Gains and Producing More Change**

The majority of organizations fail due to premature cele-

bration. Successful, sustained change has to be repeatedly reinforced, adapted, and replicated again and again. Leaders have to measure progress, adjust strategies, and respond to new threats to keep improvement on course.

Matsushita put money into the ongoing evolution of leadership competencies. To develop future leaders who could serve Japan and the world, he invested a lot of his own money into establishing foundations, as well as the Matsushita Institute of Government and Management (MIGM), in 1979 [12]. This created a long-term investment in humanistic leadership.

Tata Group persisted with the focus on innovation. Continuous innovation and ethical business practices led to global success [16]. Ethical leadership remained a key driver of success.

Salesforce enhanced its culture initiatives with strategic acquisitions. Salesforce acquires Slack, a leading collaboration platform, to enhance its offerings and further support the Ohana culture by improving communication and collaboration among employees [14]. This further consolidated its collaborative work culture.

IKEA solidified humanistic management post-pandemic. The pandemic has enhanced prosocial management and revealed the need for this model in companies. IKEA represents a paradigm [13]. Long-term approaches guarantee consistent worker engagement.

Google repeatedly adjusted teamwork strategies with groups. To ensure continuous improvement, teams were encouraged to conduct periodic assessments and refine their approaches [17]. Changes kept groups adaptable and very productive.

Zappos furthered its implementation of Holacracy. Since its original transition in 2015, the organizational structure of the company has continued to shift [15]. The impetus to self-management facilitated this evolution.

#### 5.8. Anchoring New Approaches in Culture

For change to be lasting, new behavior must be the norm for conducting business in the firm. This is a matter of integrating the changes into normal work processes, policy, and leadership development programs. Employees must view change as part of the company's identity rather than an occasional program.

Matsushita formalized its leadership style. Despite being drafted over a century ago, the Basic Management Objectives and the Company Creed continue to be recited by all present-day Panasonic employees in early morning or evening meetings [12]. The company's values have become a part of its business system.

Tata Group instilled ethics into management. The Tata Business Excellence Model, Employee-oriented institutional practices, Tata Trusts, and Heritage celebration provide a tight reciprocal link between the behavioral aspects of leadership and the broader company policies and practices [16]. This

established continuity across generations.

Salesforce has gained a long-term commitment to company culture. 2022: Salesforce continues to expand its global presence while maintaining its commitment to the Ohana culture. The company invests in sustainability initiatives and community programs, reinforcing its values of trust and equality [14]. Culture programs have become firmly embedded.

IKEA has based its employer branding model on the foundations of humanistic leadership. We verified that EB efficiency is dependent on the implementation of a humanistic model and that IKEA utilizes a business paradigm that involves EB through a humanistic management model [13]. The company's external image reflected its internal values.

Google established psychological safety as a core value. As a result of Project Aristotle, psychological safety has become a fundamental component of team-building initiatives across Google [17]. The concept expanded as a foundation for team building.

#### HUMANISTIC LEADERSHIP PRINCIPLES

- Empathy
- Self-Actualization
- Human Dignity
- · Ethical Reflection

## KOTTER'S 8-STEP CHANGE MODEL

STEP1 Establish a Sense of Urgency

STEP 2 Create the Guiding Coalition

STEP 3 Develop a Change Vision

STEP 4 Communicate the Vision

STEP 5 Empower Broad-Based Action

STEP 6 Generate Short-Term Wins

STEP 7 Never Let Up

STEP 8 Incorporate Change into the Culture

# Integrated Framework for Humanistic Leadership Implementation

Figure 2. Integrated Framework for Implementing Humanistic Leadership through Kotter's 8-Step Change Model.

Zappos adopted Holacracy permanently. Zappos' process towards change was a successful operationally, behaviorally, and financially. Employees were able to embrace the new

structure, and those who did not leave the company; thus, its culture only got stronger, and employees were reviewed on this basis to conserve organizational values [15]. The decentralized system became a hallmark of the organization.

While each of these companies used elements of Kotter's 8-Step Model, no methodical and overt approach to the change itself was evident. The organizations were operating with the essential ideals of urgency, vision, communication, and employee empowerment; however, this was done in an ad hoc and intuitive fashion. The research shows that while all the important elements of change management were present, they were to be used in a cohesively integrated manner within a systematically defined framework. The lack of a clear methodology resulted in varying degrees of effectiveness and sustainability of the practice of humanistic leadership in these organizations.

Figure 2 illustrates how core humanistic leadership principles—such as empathy, self-actualization, human dignity, and ethical reflection—can be embedded into each phase of Kotter's 8-step organizational change model. The framework visually reinforces the synergy between values-based leadership and structured change implementation in engineering organizations.

#### 6. Discussion

The synthesis of humanistic leadership values and Kotter's 8-Step Change Model is a powerful model to apply to leadership issues in engineering firms. An examination of numerous case studies—from corporations such as Panasonic, IKEA, Salesforce, Zappos, Tata, and Google's Project Aristotle—illustrates that companies that adopt humanistic principles not only enhance their organizational culture but also realize quantifiable increases in profitability and innovation.

Across the cases, several key findings emerge:

- Ethical Foundations and Worker Participation: Corporations such as Tata and Panasonic demonstrate that establishing leadership on ethical foundations and concern for the welfare of society can enhance economic outcomes as well as social contributions. These corporations demonstrate that when leaders prioritize human dignity and promote personal development, worker participation and motivation are significantly increased.
- 2) Kotter's Model Role in Guiding Change: Kotter's model, particularly the steps of establishing urgency, creating a guiding coalition, and anchoring new behaviors in the culture, was useful in overcoming resistance and ensuring sustainable change. For instance, Salesforce's success in implementing its Ohana culture highlights the value of a clear, communicated vision and the empowerment of employees at every level.
- 3) Cultural and Contextual Adaptations: While the method prescribes a systematic approach, the range of engineering companies implies that local organizational and cultural characteristics must be considered. The variations

- seen in the case studies reflect that, while the general process is good, modifications must be affected to render it appropriate for particular organizational contexts.
- 4) Limitations and Challenges: Despite the positive findings, there are some limitations. The limited number of case studies restricts the transferability of the findings to other settings. In addition, introducing humanistic principles into predominantly technical milieus may be resisted by entrenched management practices and existing hierarchies.

In summary, the paper realizes the possible advantages of employing a systematic process founded on Kotter's model to assist in a change towards humanistic leadership. It emphasizes the practical advantages—i.e., greater employee motivation, increased innovation, and greater organizational resilience—while simultaneously recognizing challenges to implementation in complex and varied environments.

#### 7. Conclusions

This study makes an important new contribution to the leadership of engineer's literature by describing a structured and actionable method that weds Kotter's 8-Step Change Model to the fundamental principles of humanistic leadership. It fills an important gap in the existing conversation by providing a pragmatic route forward for engineering organizations to transition from conventional, task-focused management to a more ethical and human-oriented order of practice emphasizing employee well-being, trust, and sustainable innovation.

The model presented herein is a guide for change agents and engineering leaders who aim for cultural change. The model prioritizes the creation of psychological safety, the development of collaborative environments, and the infusion of values-based leadership at all levels of the organization. Managers can utilize this model not only to improve employees' morale and retention but also to harmonize leadership practices with the overall organizational objectives, including ESG compliance and innovation-driven growth.

The staged model provides leaders with a step-by-step process, starting with creating urgency and establishing a guiding coalition, and concluding with anchoring humanistic values in the organization's core. Each stage of the model is flexible and promotes leadership practices that are inclusive, ethically sound, and strategically aligned with long-term organizational success. Future research must apply this model to various fields of engineering to further test it for effectiveness and scalability.

#### **Abbreviations**

HR Human Resources
EB Employer Branding

MIGM Matsushita Institute of Government and Management

#### **Author Contributions**

**Anmol Sarao:** Conceptualization, Investigation, Methodology, Resources, Visualization, Writing – original draft **Yesim Sireli:** Conceptualization, Project administration, Supervision

#### **Conflicts of Interest**

The authors declare no conflicts of interest.

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#### **Biography**



Anmol Sarao is currently pursuing a Master of Science in Engineering Management at the University of North Carolina at Charlotte. With a solid foundation in Civil and Structural Engineering, he brings over four years of experience in project management, construction execution, and

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