

**THE ROLE OF ARTIFICIAL INTELLIGENCE IN STRATEGIC CHANGE  
MANAGEMENT PRACTICES (SCMP): IMPACTS ON ORGANIZATIONAL  
PERFORMANCE**

**(AI-Driven Change Management: A Synthetic Review)**

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**Abstract:**

**Purpose:** In the modern scenery of rapidly growing markets and distracting technologies (emerging as barriers for Cultural & Structural change) organizations are continuously challenged to adapt and flourish to constant change. This study explores Strategic change management as a stable discipline designed to guide organizations through transitions in strategy providing a solution by connecting it with artificial intelligence in the contemporary landscape of evolving markets.

**Research Methodology:** This study explores the multifaceted role of artificial intelligence in strategic change management through an inclusive review of literature from (books, articles, and journals) it clarifies how Artificial Intelligence tools (machine learning, natural language processing) are reforming traditional change management practices.

**Conclusion:** This study concludes how artificial intelligence-driven strategic change management practices help to maximise organizational performance. This study also concludes how AI in strategic change management enhances decision-making processes by providing data-driven insights, predictive analytics, and automation, leading to more informed and agile strategies.

**Keywords:** Artificial Intelligence, Machine learning, Natural Language Process, Strategic Change Management



<https://medium.com/theproductshop/ai-for-change-management-736671ac27e> (ARTIFICIAL INTELLIGENCE (AI) DRIVES CHANGE MANAGEMENT)

*“AI is not a substitute for Human Intelligence but it’s a tool to amplify human creativity and ingenuity”*  
**The Artificial Intelligence (AI) Driven Transformation: Impacts on Strategic Change Management Practices:**

Strategic change management is the implications of change in response to new market threats and opportunities. Change in environmental forces requires businesses to replace existing strategies and formulate new strategies for the process of action by humans efficiently, the situations have changed now, and the process of implications is to be done in the form of artificial intelligence (SCM, 2023) .

The applications are transformed on a technology basis and have effective impacts on recruitment, selection, training, and development. The role and importance of artificial intelligence have drastically also brought new opportunities for HR to find updated and talented employees in the organizations also it ensures strategic business outcomes in the form of enhancing service quality, employee productivity, cost-effectiveness, return on investment, functioning of employees, customer engagement, employee satisfaction, and reduced operational and capital costs, as well as positive individual-level outcomes (Budhwar & Malik, 2022).

Artificial intelligence generally refers the wide range of technologies that enable computers to perform a task which requires cognitive, affective and psychomotor drives, interdisciplinary science that imitates human capabilities and intellectual behaviour (Suliman, Ulfy, Ali, & Karim, 2021).

AI encompassing machine learning, natural language processing, data analysis is fundamentally altering the utilisation of human resources in the organization, nowadays HRM functions reinforce the Recruitment, talent management, training and development, raises question and convergence through standardised practices or contribute to divergence by accommodating related needs (Vandy, Domawa, & Sheriff, 2024).

AI is a combination of pre-programmed algorithms with the ability to learn and the objectives behind to change the organization to more advanced and comfortable for humans as well as helps the HR manager to find the solutions to organization problems effectively (Hinge, Salunkhe, & Boralkar, 2023).

AI helps to make the decision in large data sets, because leaders have lack of knowledge and skills to adopt technology in the organization (Halmstorm, 2022).

Moreover, AI helps in making the strategies for collecting, analysing, and automating the data. In an organization we are dealing with a comprehensive range of data, artificial intelligence helps in a better way as well it helps to improve human thinking and develops capabilities in employees. Before AI it was difficult for managers to determine the right strategies in the organizations and at every step they wanted strategy-making expertise (Susena, 2023).

The introduction of AI has changed the situation, and AI has emerged as a powerful machine of great transformation in business to make the world economy more prosperous and efficient (Mostafa & Collina, 2023).

The scenario of transformation of AI has changed day by day. According to a survey Google, helps the developers for making services which are based on digital and AI technologies. This in turn, helps Google developers for using AI-based automation broadly in their operations to create and provide solutions for developers with Google Cloud's AI. This provides solutions for the users about research, and marketing. Google has the extraordinary power to remove all the limitations of traditional aspects and can quickly expand the business through market opportunities, It also helps for continuous learning, allowing the company and customers who use the technology in the market (Susena, 2023).

According to a study of (Starmind, 2023) Gartner assess that 85% of performance are the results of technology change and the change is approximately done in the form of technology. In the scenario of organizational change, Gartner's study defines the willingness of employees as declining over the years. In 2016 around 74% of employees were ready for the change but in 2022 only 38% agreed. In an Organization Transformational challenges are important and complex tasks, that require proper planning, coordination, and execution of initiatives in today's world. AI plays a comprehensive role directly impacts on organizational performance. In today's rapidly evolving marketplace, AI is not just a technological innovation but a pivotal force in business transformation organisations are harnessing AI to optimise processes, enhance decision-making and create innovative products and services. The adoption of AI in business is accelerating with 58% of organisations embedding AI capabilities into a process or product. Integrating AI holistically across an organization has seen widespread adoption of AI linked with research on how AI can support specific challenges related to innovative management (Yams, Richardson, Shubina, Sandor, & Daniel, 2020).

#### **Conclusion:**

This study helps to understand how artificial Intelligence (AI)-driven strategic change management practices have profound impacts on organizational performance.

- ❖ The incorporation of AI in strategic change management enhances decision-making processes by providing data-driven insights, predictive analytics, and automation, leading to more informed and agile strategies.
- ❖ This technological advancement era authorises organizations to anticipate market trends, optimize operations, and personalize customer experiences, thereby achieving a competitive edge.
- ❖ This study opines that AI-driven practices facilitate a dynamic approach to change management, enabling organizations to swiftly adapt to external and internal shifts.
- ❖ AI has transformed recruitment, selection, training, and development, enhancing service quality, employee productivity, cost-effectiveness, return on investment, employee satisfaction, and reduced operational and capital costs.
- ❖ AI automation of routine tasks frees up human resources to focus on high-value strategic activities.
- ❖ AI enhances collaboration and communication within organizations by providing advanced tools for project management and stakeholder engagement. This leads to a more consistent and aligned workforce, driving collective efforts towards organizational goals.
- ❖ AI ability to collect vast amounts of data supports continuous improvement, allows organizations to upgrade their strategies effectively.
- ❖ AI helps to assist and ensure efficient, effective and timely HR functions as well as it minimizes the logistical burden of HR practitioners and helps them make decisions based on data analysis rather than self-decision.
- ❖ AI is crucial for digital transformation to have cognitive abilities like knowing, perceiving, sensing, learning, acting communicating, and reasoning.
- ❖ AI-powered tools can help organizations reduce disruptions, maximise efficiency and stay competitive in a rapidly changing environment in the form of proper planning, employee engagement, communication, resistance analysis and mitigation.
- ❖ AI helps streamline routine tasks and activities associated with change management freeing up valuable human resources to focus on strategic decision-making and stakeholder engagement. automating repetitive processes such as data collection, communication and feedback analysis organizations can achieve greater efficiency and agility in managing change initiatives.
- ❖ The adoption of AI tools in strategic change management represents a paradigm shift in organisational transformational efforts.

Summing up that the successful execution of AI-driven strategic change management practices requires strong technological infrastructure, skilled personnel, and a culture that embraces innovation and change. Organizations must invest in training and development to prepare the workforce with the necessary skills to harness AI effectively. Additionally, ethical considerations and data privacy must be prioritized to build trust and ensure compliance with regulatory standards.

AI-driven strategic change management practices significantly enhance organizational performance by enabling more agile, informed, and efficient decision-making processes. While challenges exist, the benefits of AI in fostering innovation, improving operational efficiency, and enhancing competitive advantage are substantial. Organizations that strategically implement AI-driven practices are better positioned to navigate the complexities of the modern business landscape and achieve sustained success.

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