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India Culture Sensing Report

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India Culture Sensing Report



Foreword



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Dear reader,

We are delighted to present the results of our India culture study, a comprehensive analysis of cultural drivers and their impact on an organisation's financial performance. This report covers 75 organisations drawn from the Nifty 250 index, evaluating key culture drivers and their impact across the following six major industries:

- Government & public services
- Financial services
- Consumer
- Energy, resources & industrials
- Life sciences & healthcare
- Technology & media & communication

In today's dynamic and complex business environment, culture is a critical enabler of sustainable success. Recognising this, we explored and analysed employee sentiment across five fundamental culture drivers: growth and learning, empowerment and inclusion, performance and results, ethics and sustainability and agility and innovation, and their influence on 10 key financial metrics. This study offers a nuanced understanding of how organisations can align their cultural priorities with business objectives to drive long-term value creation.

Our aim is to provide actionable insights and strategies that empower organisations and industry leaders to cultivate a resilient and high-performing culture. Using this study's findings, leaders can make data-driven decisions to reinforce the cultural dimensions most aligned with their strategic goals, ensuring organisational excellence and stakeholder satisfaction

If you have any questions regarding the information or findings in this report, please feel free to reach out to us.

Analysis framework and scope



Scope of culture study

Data analysed from a range of organisations across various industries in India, focusing on key culture drivers







Fundamental culture drivers



Financial metrics evaluated for culture impact



75 f

Top organisations from Nifty 250 Index analysed



170

thousand reviews from social media platforms

Deloitte's holistic culture assessment framework

The culture assessment is based on Deloitte's proprietary framework encompassing five key culture drivers

Ethics and sustainability

Includes ethics, culture and integrity, along with a focus on economic, environmental and social dimensions

Agility and innovation

Includes comfort with uncertainty, risk appetite, failing and learning fast and collaboration

Empowerment and inclusion

Includes autonomy to act, power sharing, diversity, psychological safety and a people-centric workforce

Growth and learning

Includes learning orientation, commitment to learning, support and career growth opportunities

Performance and results

Includes alignment of beliefs, meritocracy, investments in performance enablers and leadership focus on performance and ambition



Culture framework



Methodology overview

The following Al-driven approach conducts cultural assessments and provides actionable insights to enhance organisational culture

Culture framework



Data collection

Collect employee reviews from social media over the past four years and key financial metrics from public sources.



Driver mapping

Use AI algorithms to map every employee review to the culture drivers and subdrivers.



Sentiment analysis

Conduct Aldriven sentiment modelling to map every employee review to a positive sentiment or a negative sentiment.



Final scoring

Calculate final culture scores using the below formula #of positive reviews-#of negative reviews Total# of reviews. Then, normalise the culture scores on a scale of 0 to 100 to determine the final culture score.



India Culture Index



India Culture Sensing Report

Is culture a key driver of business performance?

We analysed the correlation of culture with multiple financial parameters to assess its impact

1.7X

Organisations with higher culture scores are more likely to experience increased free cash flow over time than those with declining culture scores.

1.6X

Organisations with higher culture scores are more likely to see an **improvement in Net Profit Margin**over time than those with declining culture scores.

1.2X

Organisations with higher culture scores are more likely to experience increased total shareholder returns over time than those with declining culture scores.

Free cash flow Net profit Total Shareholder margin Return (TSR) percentage Return on Return on Equity (ROE) Assets (ROA) High correlation Medium/low correlation Price-to-Earnings Debt-to ratio Equity ratio Earning Before Interest and Revenue Taxes (EBIT)

India Culture Index

Indian organisations exhibit high culture scores, driven by growth opportunities and a growing focus on inclusion



India Culture Index

Growth and learning



- Emphasis on reskilling and employee development
- **Government initiatives** such as Skill India
- Slow, tenure-based career progression
- Lack of tailored training and hands-on opportunities



Empowerment and inclusion



- Enhanced support for women in leadership
- More **autonomy** to the employees
- Inadequate employee recognition by management
- Lack of holistic employee
 well-being



Ethics and sustainability



- Focus on CSR initiatives
 Commitment to transparency
- Commitment to transparency and integrity
- **Dissatisfaction due to** increased layoffs
- **Undue advantage** of policies for self-interest



Agility and innovation



- **Diverse opportunities** and creative freedom
- High cross function collaboration
- Slower decision-making and bureaucratic processes
- Lack of autonomy and higher oversight



Performance and results



- Performance-linked rewards for high performers
- **Effective and clear** leadership communication
- Lack of market competitive salaries and payouts
- Higher instances of favouritism **73**



10

Industry comparative overview

pressure and

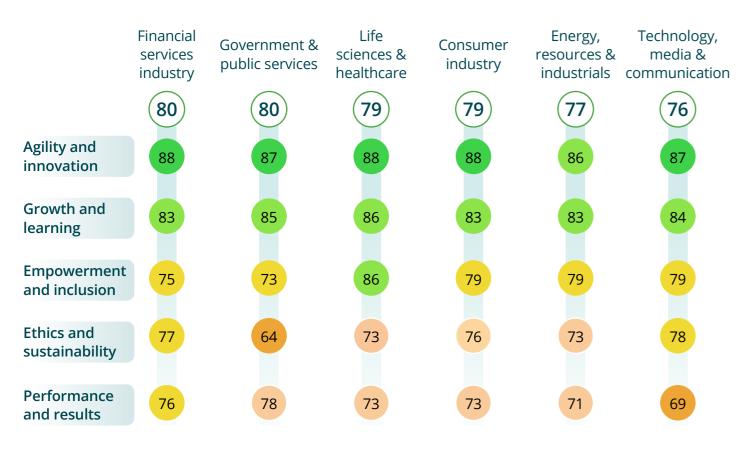
culture

unfavorable work

processes

Key highlights

While culture scores are similar across industries, variations exist in pillars such as agility and innovation and ethics and sustainability.



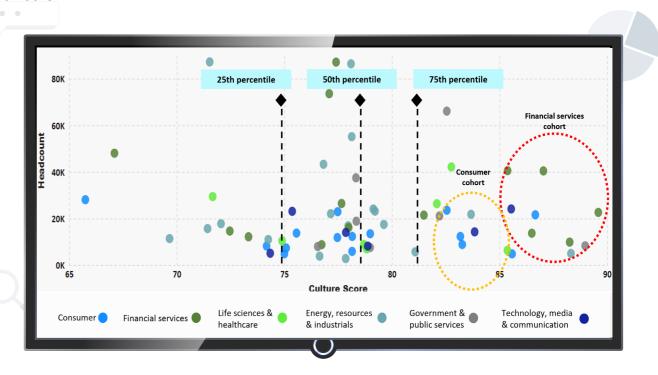
Positive work Ample learning People-centric Collaborative Diverse approach and environment opportunities environment culture and ethical culture low pressure Good work-life Strong learning Clear balance and HR Flexibility and communication Safe work opportunities work-life balance channels support environment Poor Unrealistic · Non- Limited growth Poor goals and lack opportunities management competitive leadership and practices of empathy salary bureaucracy · Limited agility High work · Slow decision- Bureaucratic Low or and innovation

non-existent

increments

Understanding industry and organisation wide distribution

Culture scores span the culture spectrum, reflecting organisations with leading and lagging cultural behaviours



Higher spread of culture scores across the financial **services** industry highlights **significant** cultural differences across firms.

While the consumer **industry** has a high proportion of companies in the top **quartile**, it is equally dispersed across other quartiles.

In the energy, resources and industrials, most organisations have culture scores ranging below the 75th percentile, reflecting similar culture patterns.

13 12

· Strong work

Good work

promotion and

merit-based

challenge

Bureaucratic

processes

culture

Slow

making

due to risk

averse culture

ethics

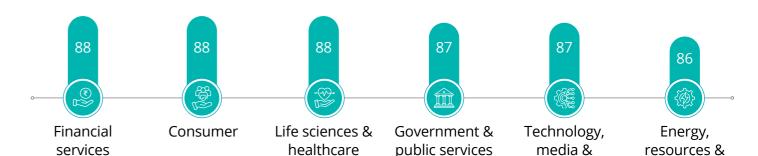
In-depth exploration of culture drivers

Growth and learning

A higher score reflects ample personal and professional development opportunities provided through structured learning programmes, mentorship and continuous feedback

About **92 percent** of the organisations have a high (>= 80) culture index for growth and learning driver







Insights

What is working well?

Continuous learning culture Range of training resources to help employees enhance their skills, stay

updated and advance



Culture of approachability and mentorship, empowering employees to thrive in their roles

Diverse career paths

Opportunities to explore multiple career paths enabling skill enhancement and diverse role exposure



What is Overlooked?

communication

industrials

Stagnant career progression

Limited promotions and slow progression due to management's focus on tenure rather than skills or performance

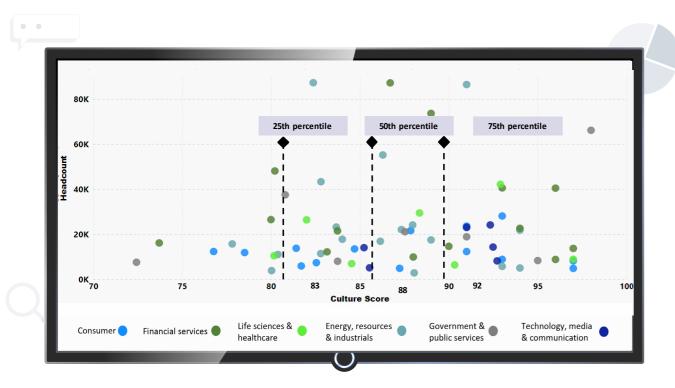
Lack of tailored training programme Less focus on hands-on skill development due to generic training programmes and focus on support tasks



India Culture Sensing Report

Growth and learning

Deep dive across organisational distribution for growth and learning pillar



Energy, resources and industrials

industry has the least proportion of organisations above the 75th percentile, depicting **room to strengthen** the growth and learning strategy.

Organisations in the **consumer** industry show extreme score ranges, indicating **varied** growth and learning

opportunities across

companies.

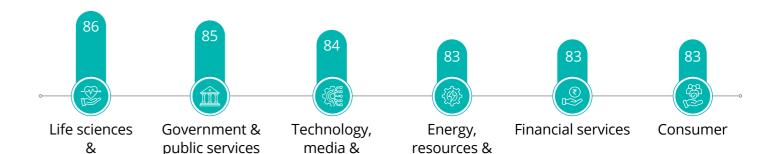
Within the growth and learning pillar, the remaining industries are spread across the spectrum, showcasing varied growth and learning strategies, with scores generally being on the higher side than other pillars.

Empowerment and inclusion

A higher score signals strong, empowered leadership and a culture of collaboration, elevating employee morale

About **76 percent** of the organisations have a high (>= 80) culture index for empowerment and inclusion driver





communication



healthcare

What is working well?

Empowered leadershipLeadership that promotes inclusivity and open dialogue fosters collaboration and innovation.

Equitable access

Equal access to resources ensures a thriving environment and the contribution of every employee.

Collaborative culture

A culture of teamwork amplifies diverse voices, creating an environment that

promotes high-performing teams.

What is Overlooked?

Lack of employee recognition

Unacknowledged contributions hindering morale, innovation and collaboration.

Intrinsic bias

industrials

Biased perceptions and favouritism disrupt inclusivity, limiting equitable access to opportunities.

Overlooked employee well-being

Relatively lesser focus on mental health leads to lower engagement and a sense of belonging.







Empowerment and inclusion

Deep dive across organisational distribution for empowerment and inclusion pillar



Government & public services

industry has multiple organisations above the 75th percentile, showcasing **strong alignment** with empowerment and inclusion practices.

Consumer, financial services and energy, resources & industrials industries dominate the **lower** quartile, exhibiting gaps in fostering empowerment and inclusion culture.

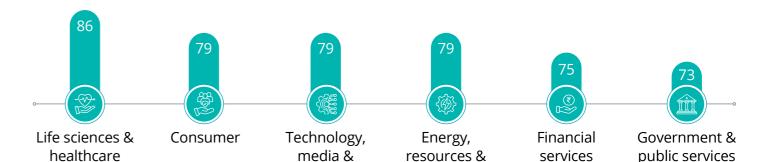
Difference between 25th and **75th percentile** – 0.8 (lowest among the culture pillars) This highlights the concentrated relative positioning of the **companies** across the spectrum.

Ethics and sustainability

A lower score highlights gaps in ethical practices and the need for better sustainability efforts

About **51 percent** of the organisations have a high (>= 80) culture index for ethics and sustainability driver

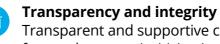




communication



What is working well?



Transparent and supportive culture for employees, prioritising integrity in practices



Corporate social responsibility and community engagement

Commitment to social good and positive community impact

Commitment to sustainability initiativesInvolvement in eco-friendly practices aligning with long term sustainability goals



industrials

What is Overlooked?

Lack of ethical standards

Employee dissatisfaction resulting from

increased layoffs

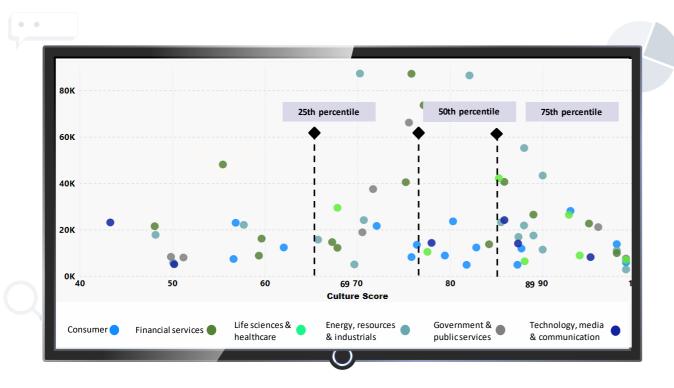


Manipulative strategies

Exploiting policies for self-interest, including posting false reviews on review platforms to project a positive work environment

Ethics and sustainability

Deep dive across organisational distribution for ethics and sustainability pillar



Difference between 25th and 75th percentile -2.0 (highest among the culture pillars) This is almost twice the average distance among other pillars, which highlights very high spread of companies

across the spectrum.

The **financial services** industry forms a high proportion of organisations in the bottom quartile for culture scores, suggesting potential gaps in ethical and sustainability efforts.

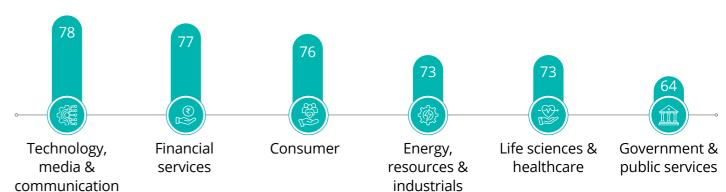
The wider spread of culture scores across the **consumer** industry highlights significant cultural disparities, reflecting diverse approaches to ethics and sustainability within firms.

Agility and innovation

A low score reflects challenges due to micromanagement and bureaucracy, hindering creativity and adaptability

About **23 percent** of the organisations have a high (>= 80) culture index for Agility and Innovation driver







What is working well?

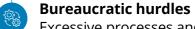


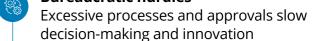
What is Overlooked?



Dynamic project landscape

Diverse opportunities nurturing adaptive thinking and driving transformation







Seamless cross-team momentum

Shared expertise and cross-functional teamwork accelerate productivity



Micromanagement challenges

Excessive oversight limiting autonomy and team productivity

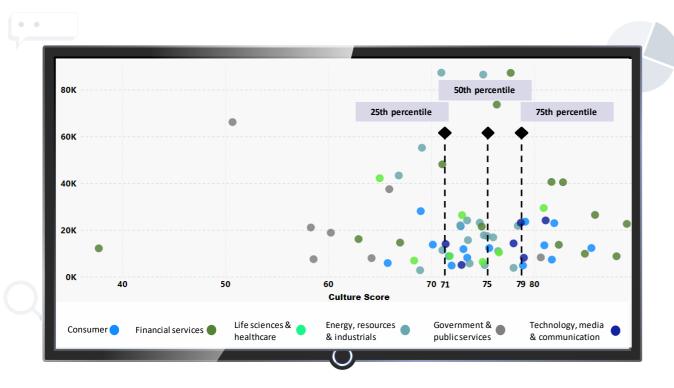


Creative freedom

Fostering innovation through openness to new ideas and adaptability

Agility and innovation

Deep dive across organisational distribution for agility and innovation pillar



The financial **services** industry leads in agility and innovation, with multiple organisations scoring above the 75th percentile.

Government & public services industry has multiple organisations below the 25th percentile, highlighting significant challenges.

Organisations are highly accumulated in a **specific range**, with the majority of organisations having less than a score of eight. This highlights similar behaviours and issues in agility and innovation

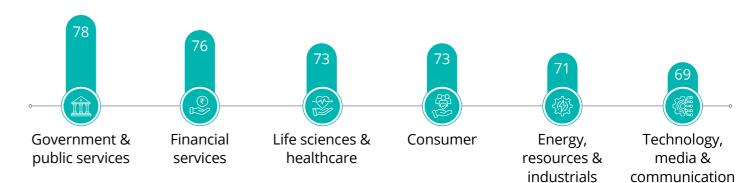
across the companies.

Performance and results

A low score reflects challenges in compensation, culture and leadership affecting employee morale

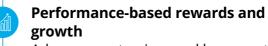
About **16 percent** of the organisations have a high (>= 80) culture index for performance and results driver

Performance and results: **Culture driver Index** Culture driver index across six industries





What is working well?



Advancement, raises and bonuses tied to performance, with high achievers recognised



Transparent and open communication Enable open communication for clear leadership messaging and strong team collaboration



What is Overlooked?



Low compensation compared with the market

Non-competitive salaries, minimal raises and unsatisfactory performance-based bonuses



Bureaucratic and political work culture Bureaucratic environment with politics

and favouritism

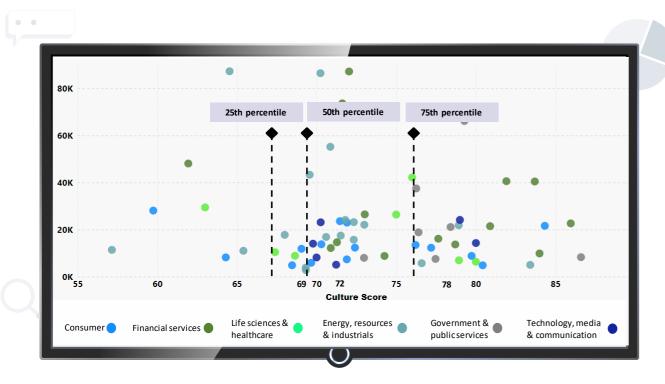


Poor leadership quality Lack of clarity of vision and key skills in people management



Performance and results

Deep dive across organisational distribution for performance and results pillar



The government & public services, financial services and consumer industries show a focus on delivering measurable results and align on performance-driven outcomes.

Technology, media & communication and energy, resources & industrials show underperformance in certain areas, hinting at potential gaps in execution.

Performance and results

have the lowest 25th percentile score of 6.9, compared with other pillars, denoting many companies with very low scores in this pillar.

In-depth industry analysis



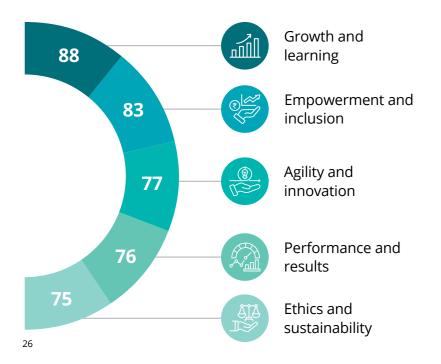
Financial services: Industry deep-dive

The industry has a good culture score, driven by growth and learning, strong collaboration, inclusion and empowerment

About **38 percent** of the organisations have a high (>= 80) culture index for financial services industry

80 Financial services: Industry culture index **Culture index distribution**

The nine Interquartile Range (IQR) highlight key differences between leaders and laggards, leaving room for improvement across key culture behaviours Maximum 75th percentile 50th percentile 25th percentile Minimum





Leaders embrace adaptability and foster a culture of improvement



Leaders foster confidence through mentorship



Initiatives taken to cultivate curiosity and encourage knowledge-sharing



Long hours and excessive workload often lead to burnout

Financial services: Key culture differentiators

A closer look at the most effective practices within the industry and the key challenges driving lower employee perception



Empowered culture

Friendly environment, strong collaboration, flat structure and accessible leaders



Fair and competitive pay

Fair pay, competitive benefits, incentives and employee centric policies



Growth opportunities

Abundance of opportunities, fostering learning and skill development



Effective leadership

Leadership and management support, heightened sense of trust

Key themes across organisations exhibiting higher culture scores

Key themes across organisations exhibiting lower culture scores



Lack of work-life balance

Long work hours, tight deadlines and constant pressure lead to employee burnout



Overwhelming workload

A high volume of tasks, tight deadlines and insufficient resources result in lowered productivity, fatigue



Monotonous work

Repetitive tasks with minimal variety, stifling growth, leading to disengagement



Lack of autonomy

Micromanagement and lack of autonomy restrict productivity and innovation





About **38 percent** of the organisations have a high (>= 80) culture index for the government and public services industry

80
Government & public services: Industry culture index

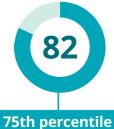
Culture index distribution

"

The narrow IQR of four indicates that the middle 50 percent of the data is tightly clustered, reflecting similar cultural behaviours within the industry

89

Maximum











Minimum

Growth and learning

Empowerment and inclusion

Performance and results

Ethics and sustainability

Agility and innovation



Focus on training initiatives influencing skill-building and adaptation



Leaders foster confidence through mentorship



Limited autonomy, bureaucratic processes and restrictive innovation culture



Lack of competitive pay and extensive benefits for employees

Government and public services: Key culture differentiators

A closer look at the most effective practices within the industry and the key challenges driving lower employee perception



Diverse earning opportunities

Exposure to varied projects promoting a well-rounded experience



Work-life balance

Flexible work hours and job security to ensure psychological safety and work-life harmon



Reasonable medical and retirement benefits

Comprehensive healthcare coverage, secure retirement plans and financial stability



Effective leadership

Leadership and management support, heightened sense of trust

Key themes across organisations exhibiting higher culture scores

Key themes across organisations exhibiting lower culture scores



Lack of digitalisation

Limited technology adoption and increased manual processes hinder operational efficiency



Obsolete HR

policiesOutdated HR and management practices, leading to dissatisfaction among employees



Remote and challenging

locations Inconvenient job locations with poor living standards and hazardous conditions



Fixed career trajectory

Linear progression limiting agility and slowing career advancement





-

Life sciences & healthcare: Industry deep-dive

Lack of employee recognition in the industry leads to employees feeling undervalued, with limited incentives or rewards

About **43 percent** of the organisations have a high (>= 80) culture index for life sciences & healthcare industry

79
Life sciences & healthcare: Industry culture index

Culture index distribution

A limited difference (13) in the minimum and maximum culture values indicates similar cultural behaviours within the industry

85

82

75th percentile

50th percentile

25th percentile

Minimum





Emphasis on the opportunity to develop new skills, expand knowledge and advance professionally



Low salary and poor compensation, with wages below industry standards and slow increases

Life sciences & healthcare: Key culture differentiators

A closer look at the most effective practices within the industry and the key challenges driving lower employee perception



Good work-life balance

Healthy work-life balance with flexibility and remote work options



Inclusive culture

Inclusive, respectful and collaborative work culture



Learning opportunities

Abundant opportunities for skill development and career growth



Strong work culture and ethics

Strong work culture, ethical practices and employee-friendly environment

Key themes across organisations exhibiting higher culture scores

Key themes across organisations exhibiting lower culture scores



Lack of employee recognition

Employees undervalued, with little recognition and few incentives or rewards



Poor compensation

Low pay, no bonuses and poor salary growth



Internal politics

Favouritism and groupism impacting work culture



Leadership instability

Frequent changes in leadership and lack of long-term vision



Consumer: Industry deep-dive

Resistance to new ideas and internal politics are the major factors in the consumer industry leading to poor performance and results

About **33 percent** of the organisations have a high (>= 80) culture index for the consumer industry

79 Consumer: Industry culture index

Culture index distribution

66

Maximum

83

79

88

A significant difference (21) in the minimum and maximum culture values for the consumer industry indicates varied cultural behaviour within the industry

75th percentile

78

75

66 Minimum

50th percentile

Empowerment and

Growth and

learning

inclusion

Ethics and

Agility and

sustainability

rcentile 25th percentile

Learning and growth opportunities, with support for career advancement



People-focused and inclusive cultures, with an emphasis on empowerment



Lack of innovation, with resistance to new ideas and outdated procedures



Lack of transparency in the promotion process

Consumer: Key culture differentiators

A closer look at the most effective practices within the industry and the key challenges driving lower employee perception



Global exposure and autonomy

Opportunities for global experiences and high responsibility in their roles



Strong brand

Considered reputable market leaders providing good career prospects



Competitive pay

Attractive salaries, benefits and perks compared with Indian standards



Job security and career mobility

Clear career progression paths and internal job postings for long-term stability

Key themes across organisations exhibiting higher culture scores

Key themes across organisations exhibiting lower culture scores



Bureaucratic barriers

Old-school, bureaucratic mechanisms hindering timely and effective decisions



Ineffective HR policies

Issues in recruitment, lack of transparency and unsupportive managemen



Poor work-life balance

Long hours and rotational shifts lead to employee fatigue



Biased work environment

Internal politics, favouritism and biased promotions







About **17 percent** of the organisations have a high (>= 80) culture index for energy, resources & industrials industry

Energy, resources & industrials: Industry culture index **Culture index distribution**

The narrow IQR of 4 indicates that the middle 50 percent of the data is tightly clustered, reflecting similar cultural behaviours within the industry while different behaviours at extremes Maximum 75th percentile 50th percentile 25th percentile Maximum





Exposure to new technologies and marketleading projects, enhancing technical expertise



Focus on diversity and inclusivity to create an equitable work environment



Slow and hierarchical structures delay innovation and agility



Inconsistent performance evaluations leading to high turnover

Energy, resources & industrials: Key culture differentiators

A closer look at the most effective practices within the industry and the key challenges driving lower employee perception



Inclusive culture

A supportive, inclusive and open culture where employees feel valued



Innovation and technology

Exposure to cutting-edge technologies and opportunities to work on innovative projects



Employee well-being

Comprehensive wellness programmes, including health insurance and mental well-being



Career development and growth

Opportunities for skill improvement and career advancement

Key themes across organisations exhibiting higher culture scores

Key themes across organisations exhibiting lower culture scores



Poor management

Poor leadership, unclear vision and unprofessional management



Lack of structure

Poorly communicated policies, particularly in relation to performance appraisals



Overwork without reward

Extended hours with no overtime pay or recognition



Inadequate compensation

Stagnant salaries, low market competitiveness and minimal pay growth





Technology, media & communication: Industry deep-dive

Higher focus on continuous learning, autonomy and employee empowerment while challenges in comp and management practices

Only **18 percent** of the organisations have a high (>= 80) culture index for technology, media & communication industry

76

Technology, media & communication: Industry culture index

Culture index distribution

An almost negligible difference between the 25th percentile and 50th percentile for this industry showcases higher accumulation and similar behaviours of the laggards

86

Maximum

78









Minimum

Growth and learning

Empowerment and



Performance and results

innovation



Skill development for freshers through programmes, certifications and new technologies



Freedom to make decisions, experiment and manage their tasks independently



Slow decision-making and excessive bureaucracy



Low salary levels and salary raises, and a lack of financial benefits

Technology, media & communication: Key culture differentiators

A closer look at the most effective practices within the industry and the key challenges driving lower employee perception



Adaptive work culture

Hybrid work options, flexible hours and a balanced workplace culture



Exposure and mentorship

Rapid growth through new technologies, challenging roles and mentorship



Employee empowerment and autonomy

Freedom to take ownership, make decisions and grow in a supportive environment



Diverse project opportunities

Diverse projects, on-site opportunities, challenging roles and extensive exposure

Key themes across organisations exhibiting higher culture scores

Key themes across organisations exhibiting lower culture scores



Bureaucracy and slow decisionmaking

Slow, hierarchical decisionmaking processes, rigid policies and lack of autonomy



Limited career growth

Slow career progression and lack of opportunities for advancement



Unfavorable work environment

Internal politics, micromanagement and no management support



Low compensation and salary hikes

Non-competitive pay and minimal salary increases





69

Medium/Low correlation

Influence on financial metrics



Assess impact of culture on financial performance

Organisation culture has significant impact on some of the key financial metrics, resulting in improved business outcomes

Does an organisation's culture influence its financial performance?

Return on Equity (ROE)

Return on Assets (ROA)

Net Profit Margin %

Free Cash Flow

Earnings Before Interest and Taxes (EBIT)

Revenue

Price-to-Earnings Ratio

Debt-to-Equity Ratio

Analytical insights*

A strong positive correlation exists between culture and TSR, as organisations with a positive culture enhance employee productivity and morale, foster continuous innovation and create a differentiated market position, ultimately increasing shareholder returns.

A strong positive correlation exists between culture and Free Cash Flow, as firms with positive cultures benefit from improved access to external financing. Supported by studies, this reduced reliance on internal funds for investments allows for greater financial flexibility and increased free cash flow.

A strong positive correlation exists between culture and net profit margin percentage, as organisations with good culture can achieve higher productivity, lower costs and higher customer satisfaction.

Conclusion and way forward



Conclusion and way forward

Focusing on the aspects below can help improve employee perception and satisfaction across organisations and industries



Revamp employee rewards and benefits structure to maximise employee perceived value and minimise disparities



Redesign complex processes, keeping employee experience and organisation agility at the core



Build microcultures of autonomy and trust within teams to promote talent productivity and engagement



Even though there is an inherent focus on skill development, it can be enhanced with hyper-personalised skilling along with on-the-job application opportunities



Identify and eliminate unconscious bias across different layers in the organisation to promote transparent and unbiased talent processes and decision-making

India Culture Sensing Report

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