2024
FULL REPORT

LEADERSHIP PERSPECTIVES ON ORGANIZATIONAL CULTURE

/ TABLE OF CONTENTS
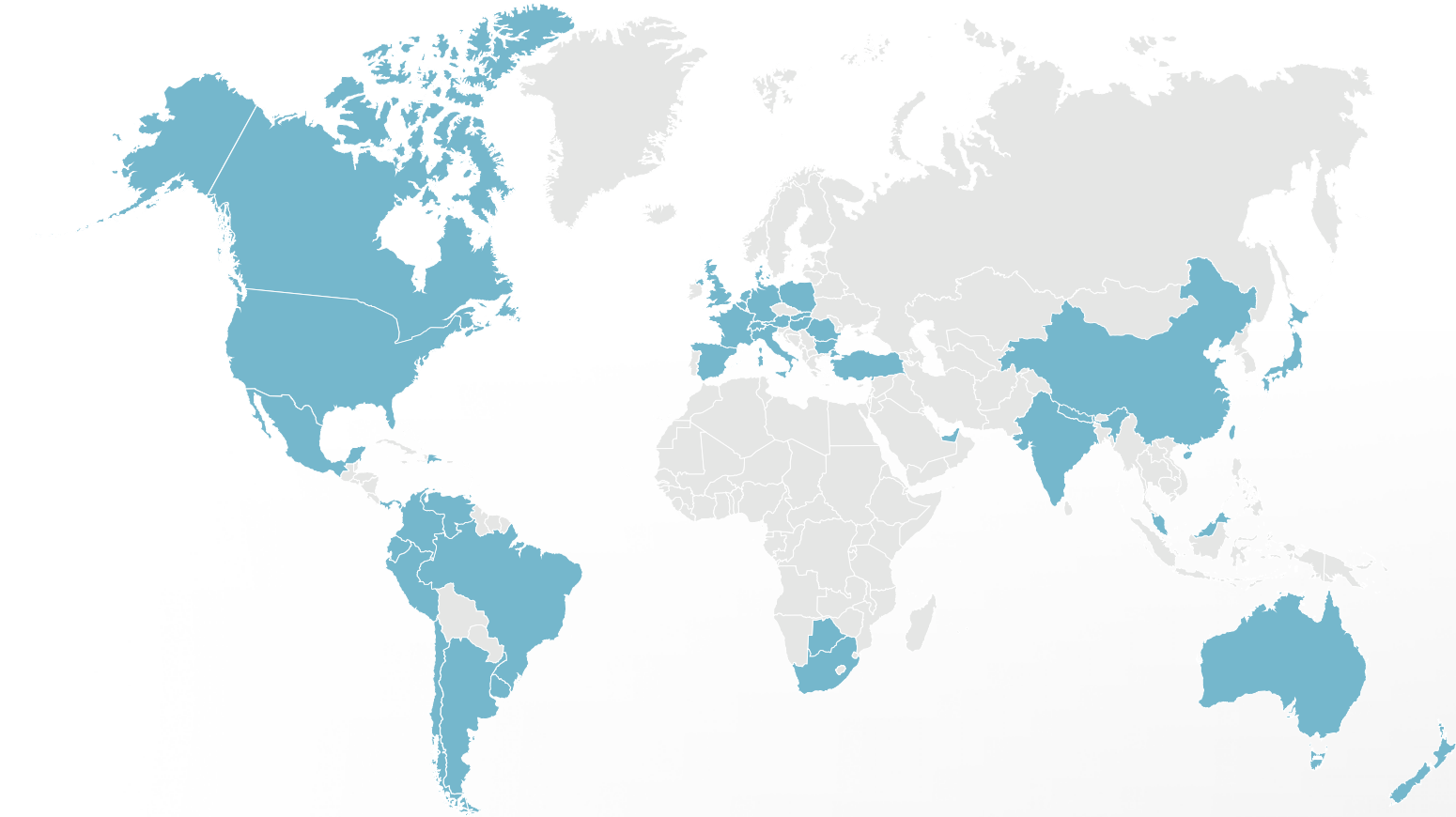
01 / SURVEY METHODOLOGY

QUARTER 4
2024

The 2024 Leadership Perspectives on Organizational Culture Report is based on an online survey of the viewpoints of global leaders conducted in quarter four of 2024.

The survey received **775 responses** from HR professionals across a variety of different industries, ranging from C-Suite Executives to Senior Management, and HR Managers and Directors.

The survey questions focused on the business outlook for 2025, measuring culture and wellbeing, organizational purpose and values, employee engagement, organizational design, and talent acquisition and retention.

The most significant findings are outlined in the pages that follow.
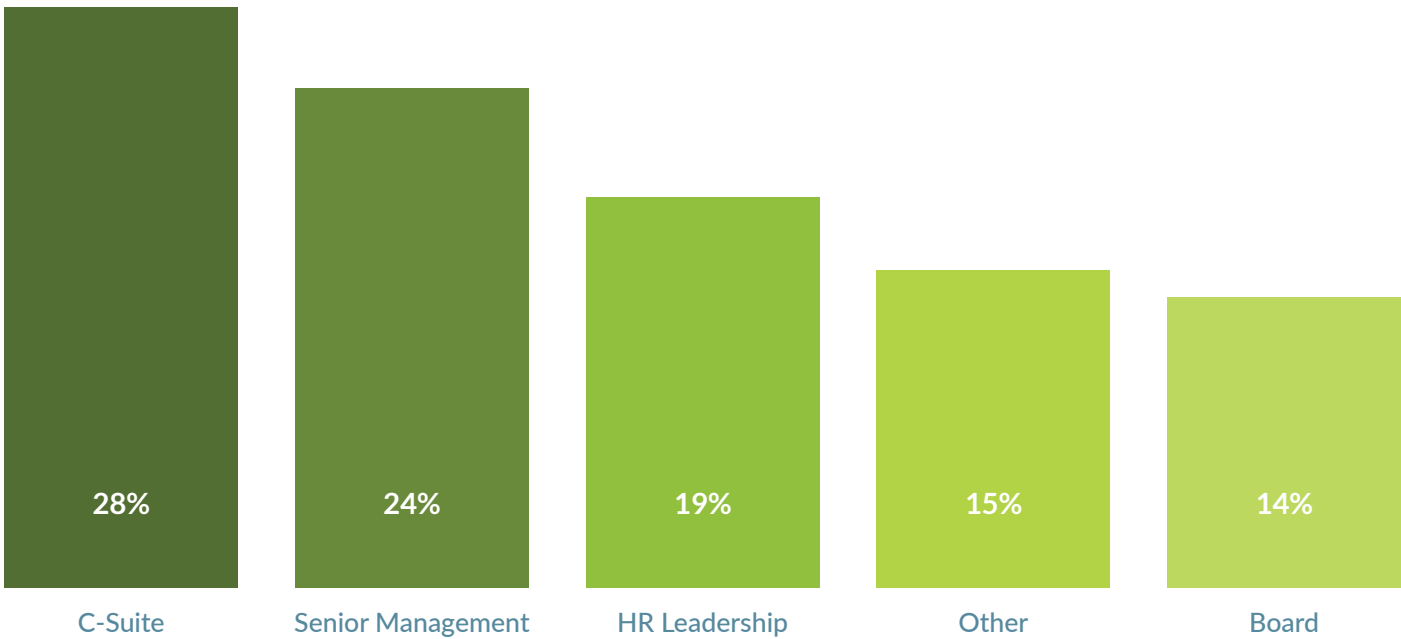
02 / SURVEY RESPONDENTS

/ RESPONDENT INDUSTRY

- Manufacturing and Distribution
- Business and Professional Services
- Other
- Engineering, Energy and Industrial Services and Technology
- Healthcare and Life Sciences
- Consumer Durables and FMCG
- Financial Services
- Not-For-Profit
- Retail
- Transport & Logistics
- Media, Technology and Telecommunications
- Mining and Natural Resources
- Government
- Real Estate
- Legal

/ RESPONDENT JOB ROLE

| C-Suite	Senior Management	HR Leadership	Other	Board
28%	24%	19%	15%	14%

03 / KEY FINDINGS

/ 2025 BUSINESS OUTLOOK

The business outlook for 2025 is mostly positive, with 53% of respondents indicating that they feel positive about 2025.

Businesses anticipate a mix of moderate to significant growth, often driven by new clients, technological advancements, cost efficiency, and a focus on sustainability. Despite some global uncertainties, such as geopolitical risks and economic fluctuations, there is widespread optimism about adapting to market changes and capitalizing on emerging opportunities.
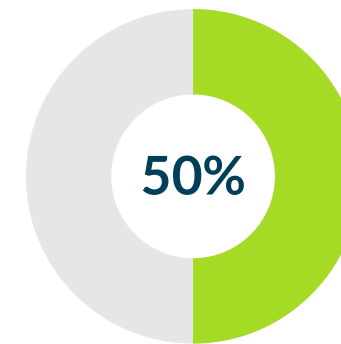
Sentiment of 2025 business outlook

| Sentiment	Value
Positive	53%
Neutral	25%
Negative	22%
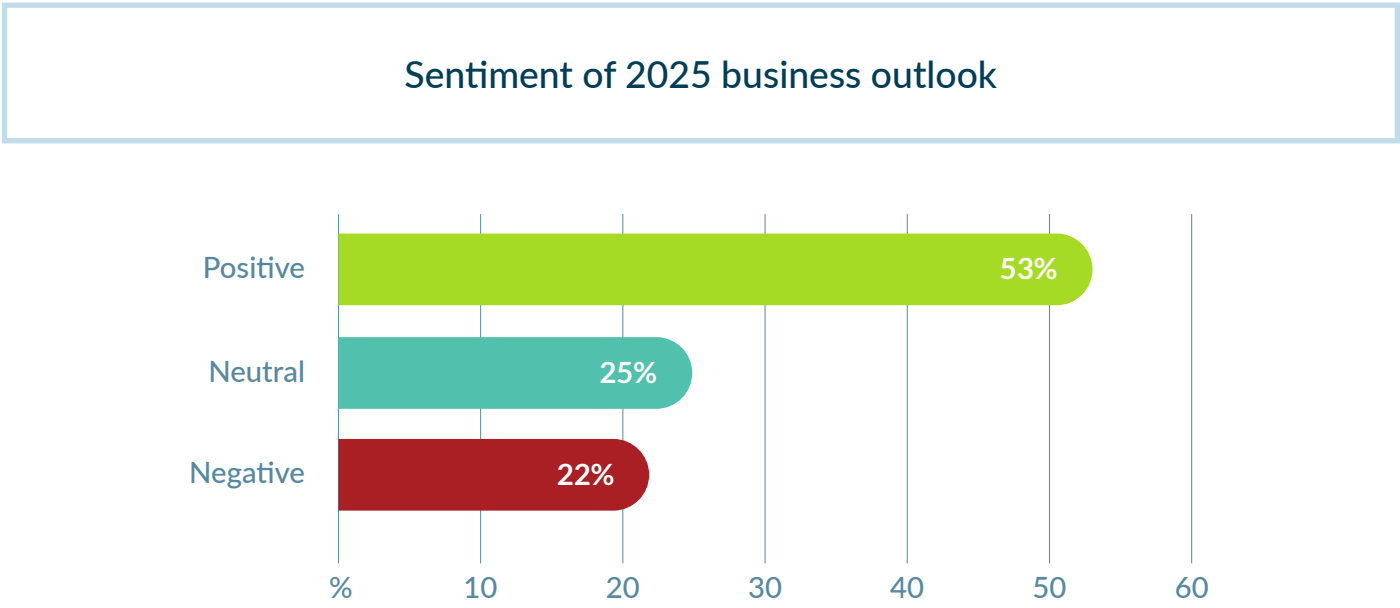
Terms used when describing the outlook for 2025

/ CULTURE & WELLBEING

When it comes to organizational culture and employee wellbeing, half of the survey respondents believe that they have a vibrant and agile culture that gives them a distinct competitive advantage.

50%

We have a vibrant and agile culture that contributes to a distinct competitive advantage.

34%
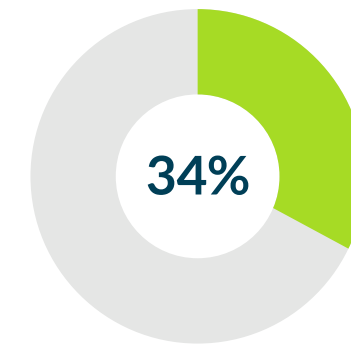
We know our culture has to change, but for various reasons we have not made the necessary investment of time and resources.
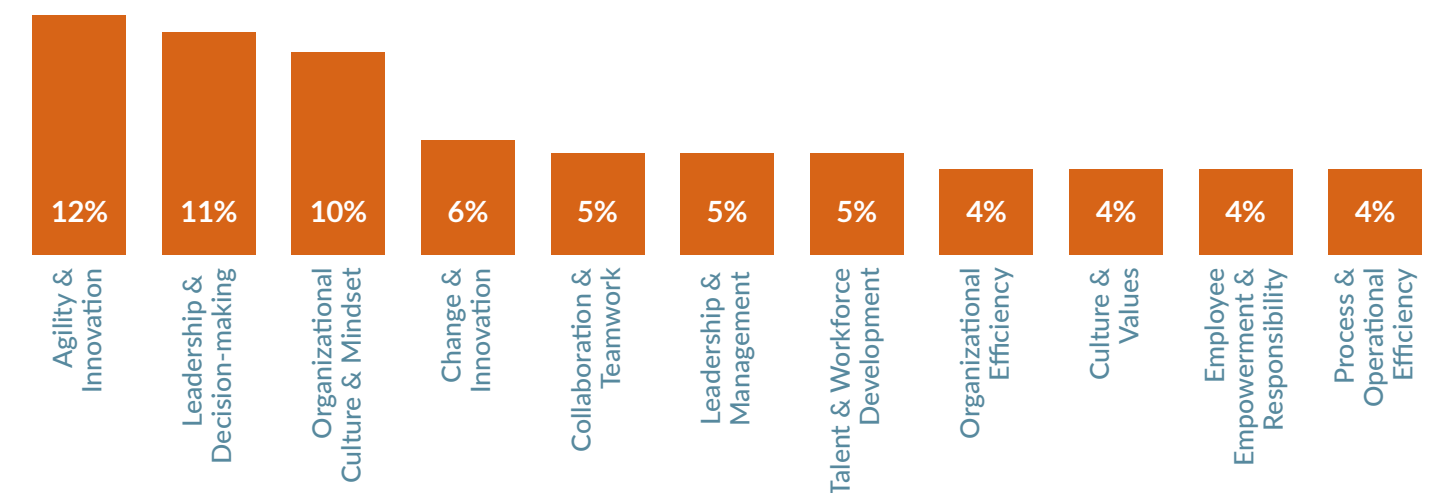
16%
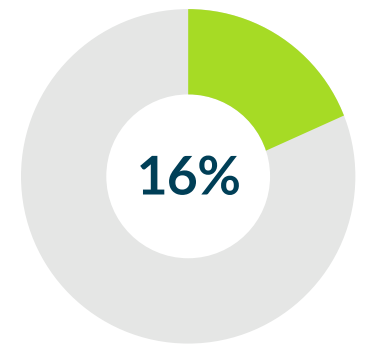
We have a "me too" culture. That is, we think and act similarly to our major competitors.

Despite this, many of the leaders surveyed emphasized the need for greater agility, openness to change, and innovation, with a focus on speeding up decision-making processes, fostering risk-taking, and embracing new technologies such as AI. Improved communication and collaboration across teams and levels are frequently mentioned, as is reducing bureaucracy and fostering transparency to build trust. Leadership development, including promoting empathy, self-awareness, and alignment with organizational values, is seen as critical to setting the tone for a competitive culture.

Additional priorities include investing in talent development and retention, ensuring diverse and inclusive practices, and fostering an entrepreneurial mindset across all levels. Respondents also highlighted the importance of aligning culture with strategic goals, enhancing cross-functional teamwork, and shifting mindsets to prioritize long-term objectives over short-term gains. These shifts, coupled with clear accountability and structured processes, are viewed as vital for building a more resilient and competitive organizational culture.

If one thing were to change that would make your organization's culture significantly more competitive, what would it be?

Category	%
Agility & Innovation	12%
Leadership & Decision-making	11%
Organizational Culture & Mindset	10%
Change & Innovation	6%
Collaboration & Teamwork	5%
Leadership & Management	5%
Talent & Workforce Development	5%
Organizational Efficiency	4%
Culture & Values	4%
Employee Empowerment & Responsibility	4%
Process & Operational Efficiency	4%

Accurate culture measurement seems to be an area in which many organizations fall short, with only **22%** of respondents indicating that they have robust, business-oriented culture measurement in place.

It can be said with some certainty that you can't manage what you don't measure. A meaningful metric would assess your culture at a certain point in time and the culture you need. Of the following statements, which one best describes your approach to measuring culture?

Our approach to culture measurement is limited to the engagement survey (more or less where we are today).

Although not defined and measured in strict business terms, we are comfortable with the approach we currently take - largely intuitive, e.g., based on observation.

We have a robust business-orientated measure that shows how to address all the critical aspects of the culture we need to create / change.

We recognize that formally measuring culture is something we need to aspire to.

33%
26%
22%
19%

Organizations are learning that measuring culture is a complex, ongoing process that requires adaptability, employee involvement, and leadership alignment. Metrics should be regularly updated to remain relevant, and surveys alone are insufficient; real-time feedback and diverse tools provide a more comprehensive view. Successful efforts link culture to tangible outcomes like performance and satisfaction, emphasizing the importance of leadership embodying organizational values and fostering engagement. Without follow-up actions, measurement efforts risk disengagement and distrust among employees.

Challenges include the intangible nature of culture, resistance to change, and the difficulty of aligning subcultures across departments.

What have you learned from your approach to measuring culture?

The need for continuous improvement

There's a link between culture & business outcomes

The importance of measurement

That there are specific challenges to measuring culture

There are cultural complexities to be considered

There are limitations to surveys

Measuring culture is dependent on leadership

27%
23%
14%
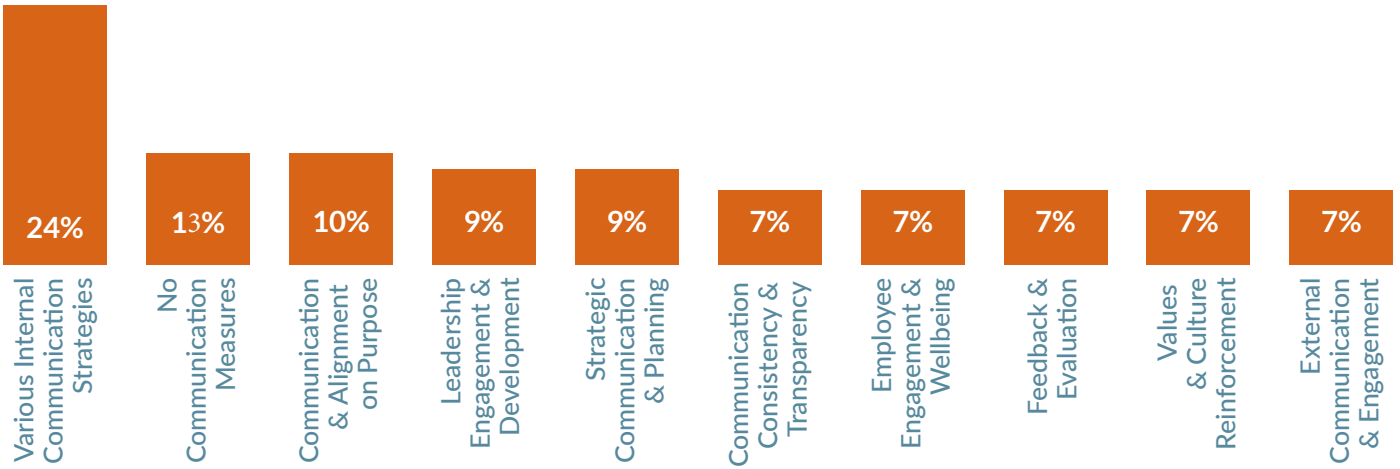12%
11%
10%

/ PURPOSE & VALUES

Employees generally seem to identify with their organization's purpose, with 48% of respondents indicating that employees mostly identify with the organizational purpose, and 20% stating that their employees fully identify with the purpose.

Of the following responses, which one best describes the degree to which your employees identify with the purpose of your organization?

5%	Not known - not measured
1%	Not at all
25%	Somewhat
	Mostly
20%	Fully

Organizations are employing a variety of strategies to communicate and reinforce their purpose internally and externally. Internally, many emphasize regular communication through town hall meetings, newsletters, and intranet platforms to keep employees informed and aligned with organizational goals. Activities like workshops, reflection sessions, leadership updates, and structured appraisals are common, alongside efforts to embed purpose in daily operations through values-driven engagement, training, and feedback systems. Some organizations foster transparency through direct CEO communication, open-door policies, and cross-departmental interactions, while others focus on linking individual contributions to broader goals via frameworks like OKRs or corporate mission statements. However, several respondents noted gaps, with some lacking formal strategies or struggling with inconsistent messaging.
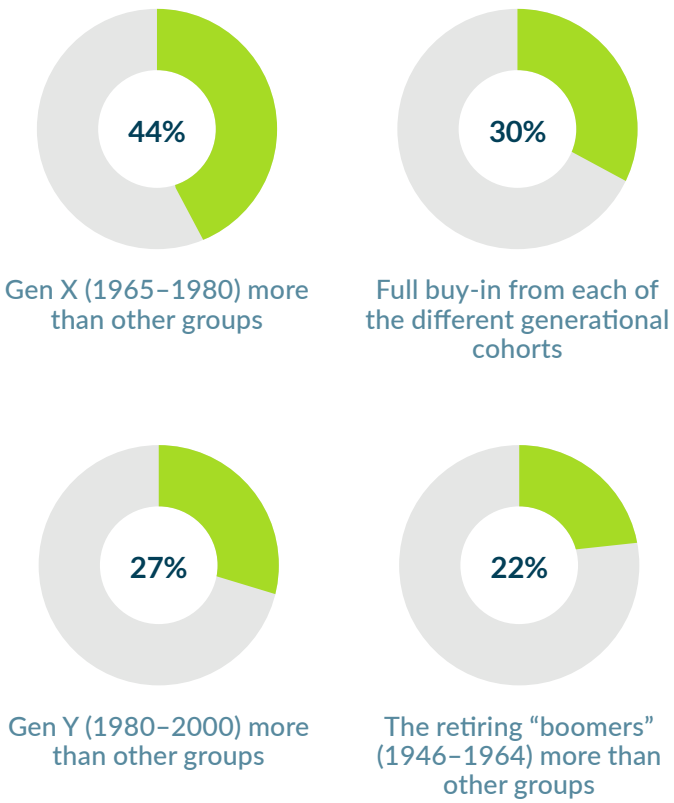
Externally, organizations use social media campaigns, community events, and corporate branding to share their mission. Participation in industry events, sustainability reports, and external partnerships often highlight organizational values. A few actively involve employees in showcasing real-world impacts through project visits or client success stories, strengthening purpose alignment.

What measures does your organization take to communicate and reinforce its purpose, both internally and externally?

24%	13%	10%	9%	9%	7%	7%	7%	7%	7%
Various Internal Communication Strategies	No Communication Measures	Communication & Alignment on Purpose	Leadership Engagement & Development	Strategic Communication & Planning	Communication Consistency & Transparency	Employee Engagement & Wellbeing	Feedback & Evaluation	Values & Culture Reinforcement	External Communication & Engagement

Buy-in to organizational values does differ across generational cohorts: **44%** of respondents indicated that Gen X is more likely to fully buy into organizational values, while only **6%** feel that Gen Z fully buys into organizational values.
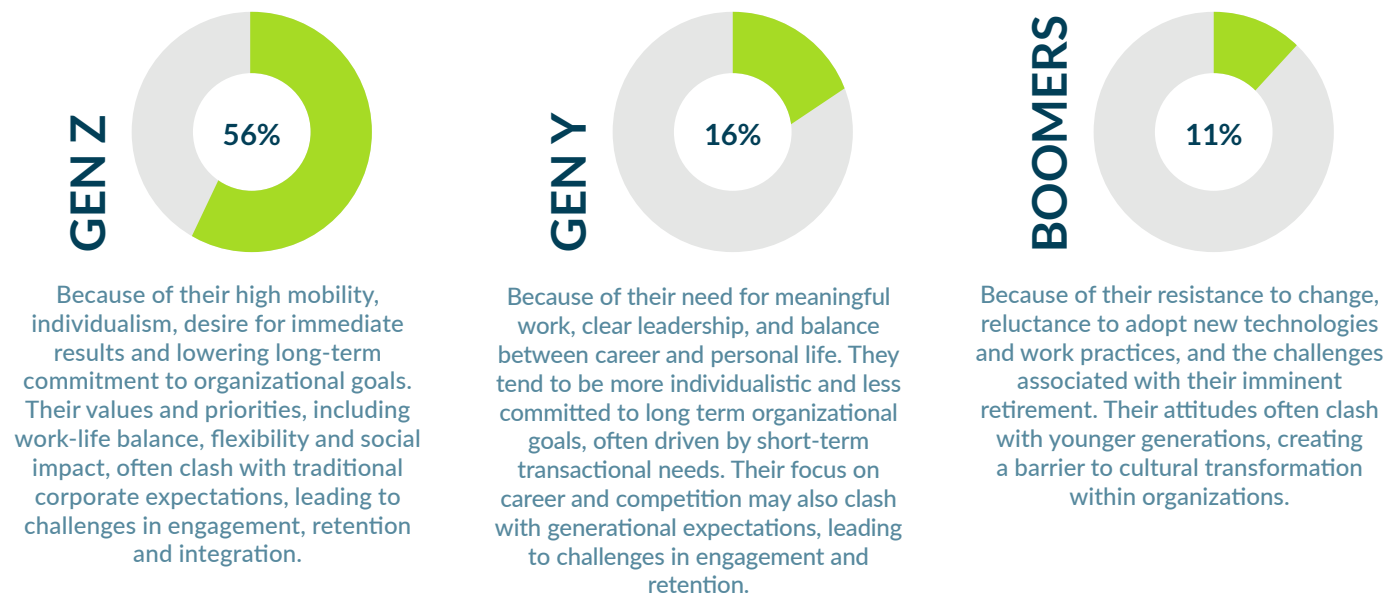
Which one or more of the following generational cohorts fully buy in to the organization's values at present?

44% — Gen X (1965–1980) more than other groups

30% — Full buy-in from each of the different generational cohorts

27% — Gen Y (1980–2000) more than other groups

22% — The retiring "boomers" (1946–1964) more than other groups

Additionally, **56%** of respondents are concerned about Gen Z's commitment to organizational values, with their values and priorities, including work-life balance, flexibility, and social impact, often clashing with traditional corporate expectations, leading to challenges in engagement, retention, and integration.

Which generational cohort concerns you most regarding commitment to the organization's values, and why?
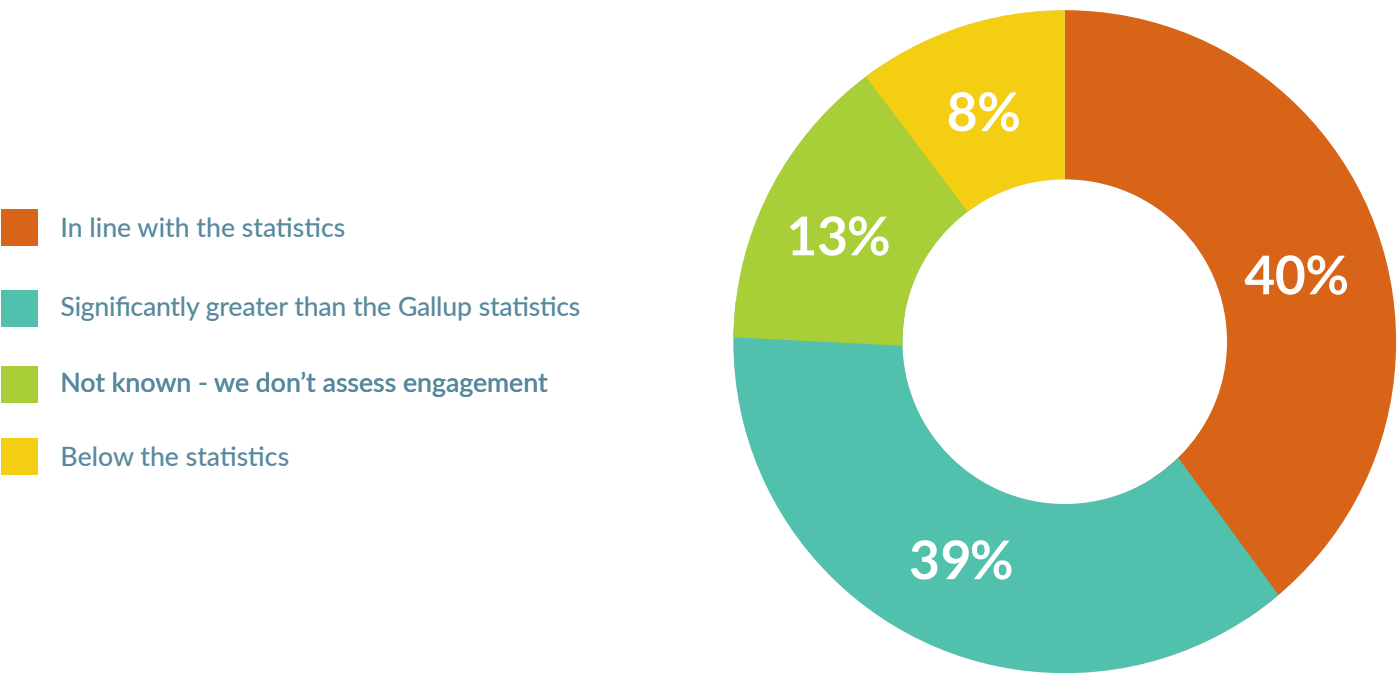
GEN Z
56%

Because of their high mobility, individualism, desire for immediate results and lowering long-term commitment to organizational goals. Their values and priorities, including work-life balance, flexibility and social impact, often clash with traditional corporate expectations, leading to challenges in engagement, retention and integration.

GEN Y
16%

Because of their need for meaningful work, clear leadership, and balance between career and personal life. They tend to be more individualistic and less committed to long term organizational goals, often driven by short-term transactional needs. Their focus on career and competition may also clash with generational expectations, leading to challenges in engagement and retention.

BOOMERS
11%

Because of their resistance to change, reluctance to adopt new technologies and work practices, and the challenges associated with their imminent retirement. Their attitudes often clash with younger generations, creating a barrier to cultural transformation within organizations.

/ EMPLOYEE ENGAGEMENT

A recent study by Gallup indicated that global employee engagement is currently at 23% (reportedly higher at 31% in the US/Canada).

When asked how their organization compares, **40%** of leaders surveyed responded that employee engagement is in line with the reported statistic, while **39%** indicated that their engagement is greater than the Gallup statistic.

Assuming that high engagement refers to those who are highly engaged rather than only somewhat engaged, which one of the following describes the level of engagement in your organization?

- In line with the statistics
- Significantly greater than the Gallup statistics
- Not known - we don't assess engagement
- Below the statistics

8%
13%
40%
39%

Respondents with higher engagement attributed this to several key factors. Central themes include alignment with organizational purpose and values, where employees feel their work contributes to a meaningful mission, fostering a sense of pride and belonging. Many organizations leverage strong leadership and open communication, ensuring employees understand strategic objectives and feel empowered to contribute. A caring and collaborative culture, underpinned by mentorship, trust, and shared decision-making, also plays a significant role, with emphasis on transparency and a flat structure promoting inclusivity. Activities like team-building events, regular feedback, and recognition further enhance engagement by making employees feel valued and connected to the company's success.
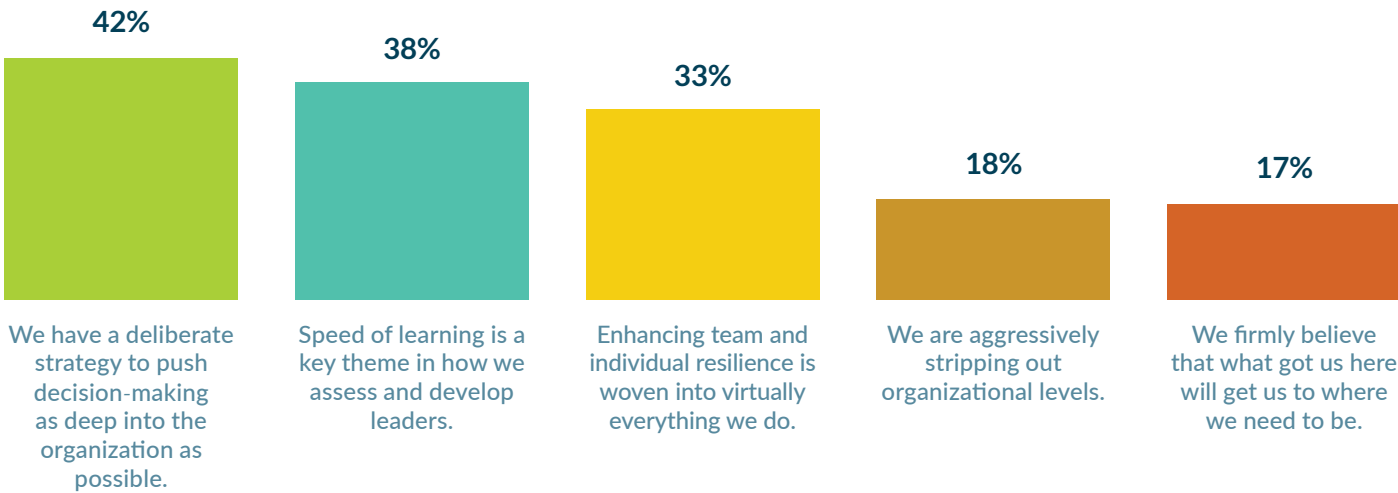
If you selected "Significantly greater than Gallup statistics," to what do you attribute that high level of engagement?

In the majority of engagement surveys, middle managers are the least engaged group of all. And yet, as organizations are flattened, middle managers assume greater importance in addressing issues such as retention and quiet quitting. 51% of leaders surveyed indicated that providing meaningful training and development has proven key to ensure that middle managers are fully aligned and leading by example, while 49% feel that investing in skills, capability, and tools make the most difference.

Of the following actions to ensure that middle managers are fully aligned and leading by example, which one/s have you taken that have made a lasting difference?

51%
Providing meaningful (online / face-to-face) training and development

49%
Investing in the skills, capability and tools for the middle managers to develop great teams

30%
Upgrading mentoring skills across the organization

25%
Significant investment in coaching skills - coaching in how to coach

Survey responses to the question "What else are you committed to that makes a meaningful difference?" reveal a strong focus on developing middle management and fostering leadership capabilities. Many respondents emphasize mentoring, coaching, and training programs aimed at empowering managers to lead effectively, align with organizational values, and address challenges with confidence. There is a recurring emphasis on transparency, continuous feedback, and fostering a culture of trust, where managers are given autonomy and equipped with tools to contribute meaningfully. These efforts often include structured leadership development programs, succession planning, and ensuring alignment between organizational and individual goals.

Several responses highlight the need for role modeling by senior leadership and providing middle management with opportunities for decision-making and professional growth. Some organizations prioritize tailored career plans, recognition programs, and team-building initiatives to strengthen engagement. However, others admit to limited or no action in this area, citing resource constraints or lack of urgency.

What else are you committed to that makes a meaningful difference?

/ ORGANIZATIONAL DESIGN

Business leaders are taking active steps to meaningfully evolve their organization's design, with 42% of respondents indicating that they have a deliberate strategy to push decision-making deeper into the organization, while 38% feel that speed of learning is key to assessing and developing leaders. Nearly 2 in 10 respondents believe in sticking to the organizational design that has worked for them in the past.

Organizations are adopting a diverse range of strategies to address emerging business and societal challenges. Many focus on decentralizing decision-making, flattening hierarchies, and fostering cross-functional collaboration to increase agility and empower employees.

Which one or more of the following steps have you taken or are you taking to meaningfully evolve the organization's design?

42%	38%	33%	18%	17%
We have a deliberate strategy to push decision-making as deep into the organization as possible.	Speed of learning is a key theme in how we assess and develop leaders.	Enhancing team and individual resilience is woven into virtually everything we do.	We are aggressively stripping out organizational levels.	We firmly believe that what got us here will get us to where we need to be.

Survey responses reveal a diverse range of strategies organizations are adopting to address emerging business and societal challenges. Many focus on decentralizing decision-making, flattening hierarchies, and fostering cross-functional collaboration to increase agility and empower employees. A significant number are investing in leadership development, continuous training, and innovation tools to equip teams with the skills needed for modern challenges. Efforts to redefine corporate culture emphasize promoting diversity, inclusion, transparency, and an open feedback culture, alongside fostering resilience and trust within teams.

Structural adjustments are also prominent, with organizations implementing flexible and leaner models, adopting agile concepts, and leveraging digital transformation to streamline operations and reduce non-value-added tasks. Strategies like job crafting, stakeholder engagement, and sustainability initiatives aim to align organizational design with long-term goals. However, challenges such as resistance to change, micromanagement, and analysis paralysis persist in some organizations, highlighting the need for clearer accountability and more inclusive approaches to transformation.

What specifically are you doing to retool the way the organization is designed to meet your emerging business and societal challenges?

26%	24%	18%	15%
Focus on Organizational Structure & Processes	Organizational Development & Strategy	Developing Leadership, Talent & Employees	Promoting Employee Engagement & Well-being
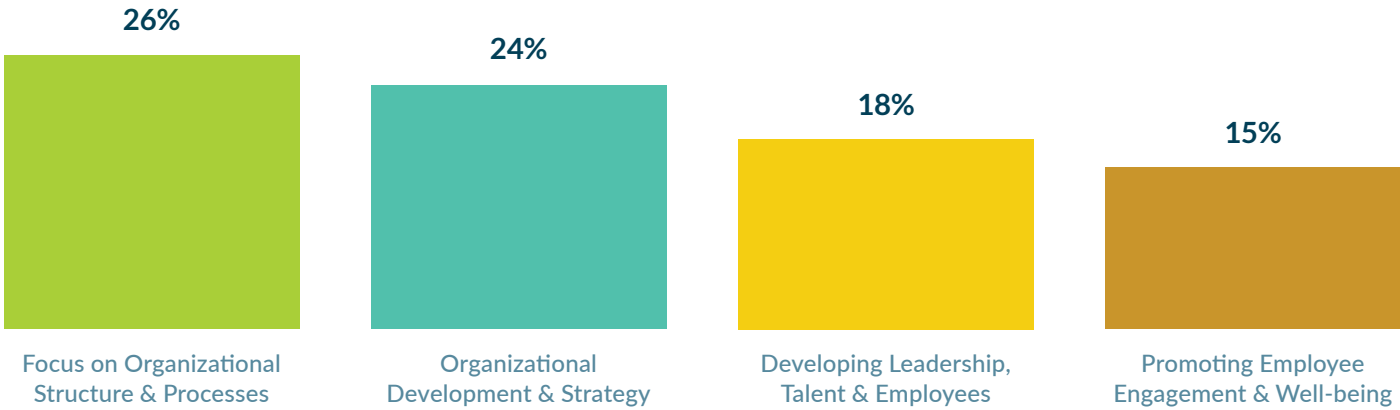
Of the many potential issues facing "tomorrow's organization," one given issue is that such an organization will be a team of teams. Respondents are taking a variety of different actions that have made a lasting difference to make the "team" the building block of future success. 48% of leaders surveyed indicated that collaboration is key to innovation, while 34% recognize that the organization's purpose is at the center of every successful team.

Of the following actions to make the "team" the building block of tomorrow's success, which one or more have you taken that have made a lasting difference?
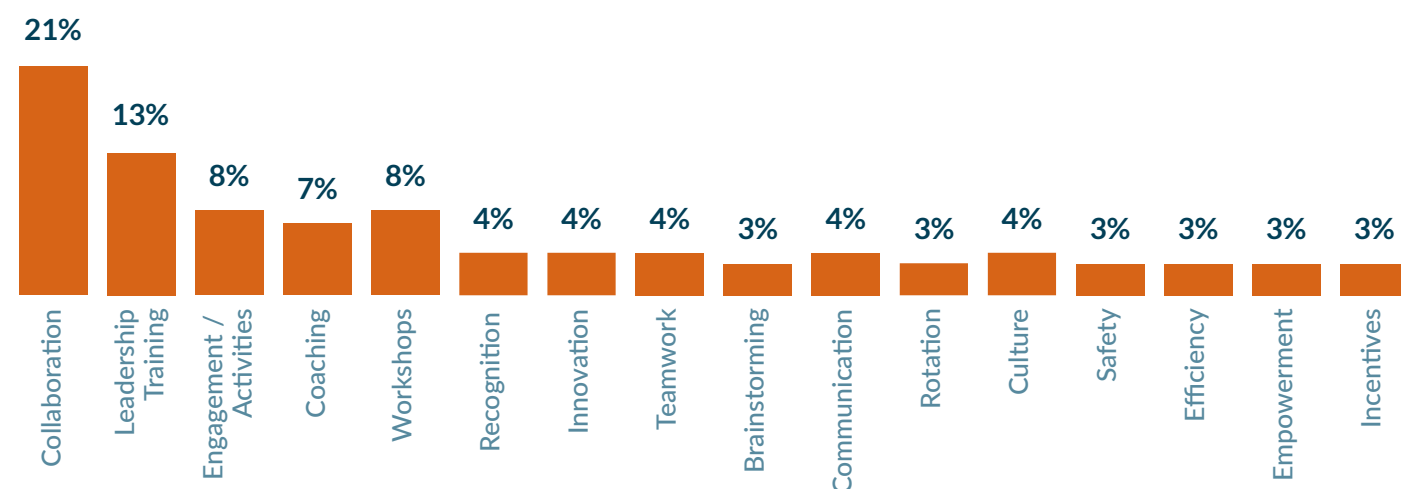
- We view collaboration - and all it implies - as the key to innovation.
- Purpose isn't just an in-vogue term; we recognize that the organization's purpose lies at the center of every successful team.
- The culture that the wider organization must create shapes every decision within the team.
- We regularly measure team success, considering not only results but also how people on the team work together.
- The team never loses sight of what tomorrow's customer want to buy and how they want to buy it.
- We are constantly aware of how changes in society impact what it means to be a team.
- Psychological safety is alive and well in everything we do.
- We work on the belief that those who can't coach, can't lead!

48%
34%
32%
30%
27%
26%
23%
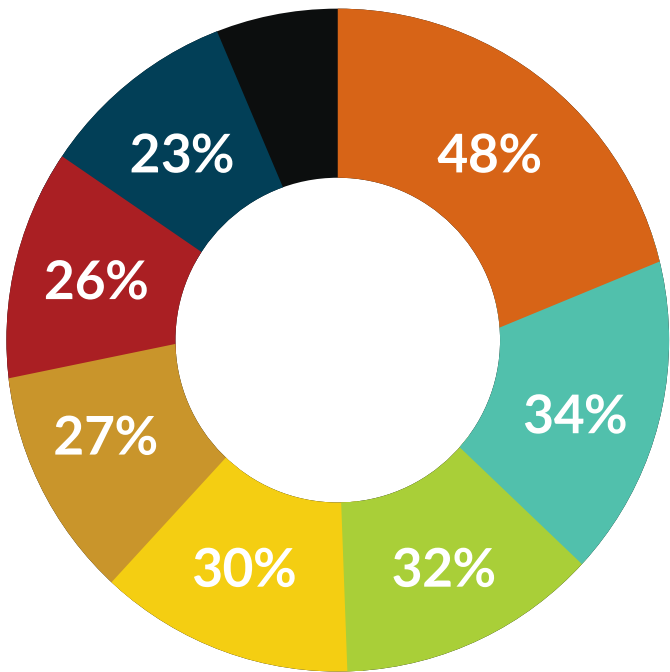
Survey responses highlight that recent successful team initiatives often focus on fostering collaboration, psychological safety, and cross-functional engagement. Activities like leadership training, coaching, team-building events, and feedback workshops have been instrumental in improving team dynamics, enhancing creativity, and aligning goals.
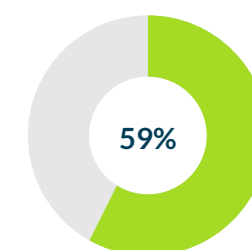
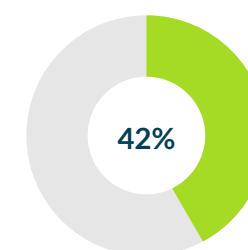## What recent team initiatives have yielded the greatest success?

Bar chart values: Collaboration 21%, Leadership Training 13%, Engagement / Activities 8%, Coaching 7%, Workshops 8%, Recognition 4%, Innovation 4%, Teamwork 4%, Brainstorming 3%, Communication 4%, Rotation 3%, Culture 4%, Safety 3%, Efficiency 3%, Empowerment 3%, Incentives 3%

Word cloud: Succession, Development, Planning, Training, Leaders, Future, Skills, Internal, Company, Successors, Coaching, Management, Potential, Critical, Key, Enough, Positions, Possible, People, Roles, Focus, Approach, Talents, Organization, and others.

/ TALENT ACQUISITION

When asked how they've had success addressing retention and quiet quitting, 59% of respondents indicated that ensuring employees have a sense of belonging was the most effective strategy. In addition, 42% said that values that have meaning for each of the generational cohorts proved successful.
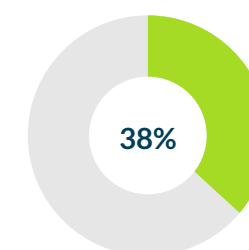
Retention and quiet quitting are indelibly bound together. It could be argued that they represent two sides of the same coin. In which one or more of the following areas have you had success addressing those two key issues?
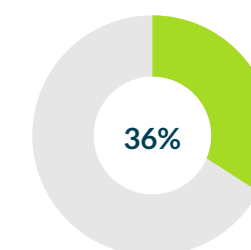

- 59% — Working to ensure that employees at all levels feel a sense of belonging
- 42% — Ensuring that organization's values have real meaning for each of the generational cohorts
- 38% — Working to build great teams
- 36% — Overtly displaying fairness in hiring and promotion practices

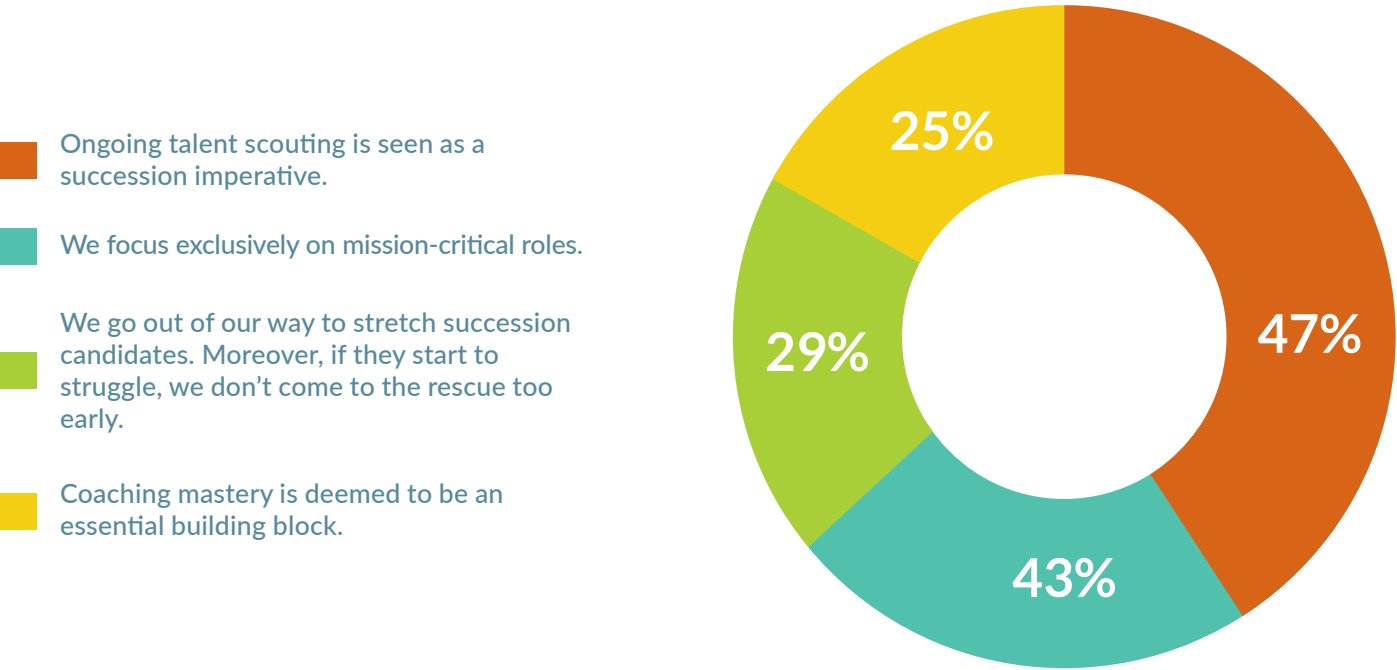| Area	%
Working to ensure that employees at all levels feel a sense of belonging	59%
Ensuring that organization's values have real meaning for each of the generational cohorts	42%
Working to build great teams	38%
Overtly displaying fairness in hiring and promotion practices	36%
Investing time and resources to ensure alignment between opportunity and capability	31%
Making sustainability not what we say but what we actually do	31%
Providing genuine employee choice when it comes to issues such as hybrid employment	29%
Putting renewed energy into the organization's purpose	28%
Establishing different forums for those in descision-making roles to listen to opinions	27%
Making best-in-class training and development an organizational imperative	20%
Going out of our way to understand why our best people stay	18%

Survey responses also highlighted that addressing retention and quiet quitting involves a multifaceted approach centered on communication, career development, and fostering a supportive work environment. Many organizations have implemented regular feedback sessions, open dialogue initiatives, and structured listening practices to ensure employees feel heard and valued. Leadership engagement, transparent career plans, and tailored development opportunities have also been effective in aligning individual aspirations with organizational goals. Efforts such as employee recognition programs, competitive compensation packages, and flexible work arrangements further reinforce a sense of belonging and purpose, which are key to retaining talent.

Some respondents emphasized the importance of middle management in addressing these challenges, noting that strong leadership, active listening, and setting a positive example are critical. Others have tackled retention proactively by creating unique employee experiences, investing in training, and strengthening wellbeing initiatives. Cultural strategies like emphasizing psychological safety, aligning incentives with values, and promoting trust and mutual respect have also proven impactful. While some organizations reported success in reducing turnover and increasing engagement, others acknowledged the need for ongoing efforts to address these complex issues effectively.
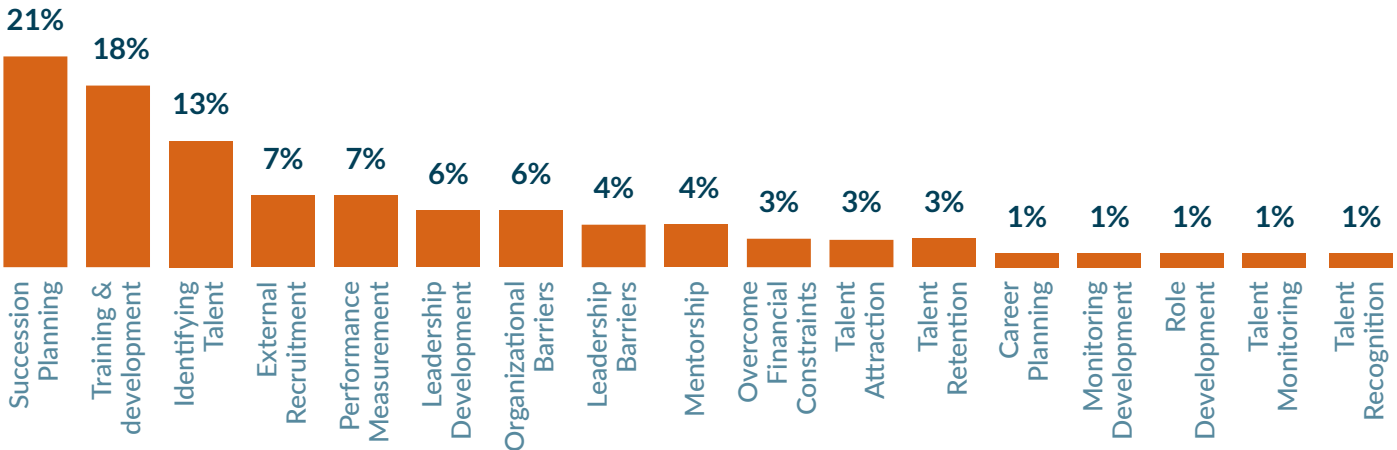
When it comes to succession planning, success depends on the depth and quality of the organization's talent pool, and the engine that drives and renews that talent pool is the succession process. Almost half of respondents indicated that talent scouting is a succession imperative, while 43% focus only on mission-critical succession planning.

The following statements represent the central characteristics of an outstanding succession process. Which one/s best describe where your own organization excels?

- Ongoing talent scouting is seen as a succession imperative.
- We focus exclusively on mission-critical roles.
- We go out of our way to stretch succession candidates. Moreover, if they start to struggle, we don't come to the rescue too early.
- Coaching mastery is deemed to be an essential building block.


47%
43%
29%
25%

Responses reveal a general recognition of the importance of succession planning as a competitive advantage, but also significant gaps in its execution. Common challenges include insufficient focus on structured development for potential successors, lack of transparent and consistent evaluation frameworks, and inadequate investment in training and mentoring. Many respondents noted the need to proactively identify and develop talent for critical roles, with some emphasizing the importance of fostering internal mobility, creating multi-level succession plans, and preparing key positions with multiple backups. Additionally, there is a call for integrating data-driven approaches to better assess potential and align skills with future organizational needs.

What are you not doing today that could ensure that the succession process is a competitive advantage?

Succession Planning — 21%
Training & development — 18%
Identifying Talent — 13%
External Recruitment — 7%
Performance Measurement — 7%
Leadership Development — 6%
Organizational Barriers — 6%
Leadership Barriers — 4%
Mentorship — 4%
Overcome Financial Constraints — 3%
Talent Attraction — 3%
Talent Retention — 3%
Career Planning — 1%
Monitoring Development — 1%
Role Development — 1%
Talent Monitoring — 1%
Talent Recognition — 1%

Sourcing of key leadership seems to come more from existing staff than external hires. 56% of responses to the question "what percentage of key leader appointments have been brought in from the outside" show that less than half of the key leadership has been brought in from the outside, with only 20% of key roles being the most common.
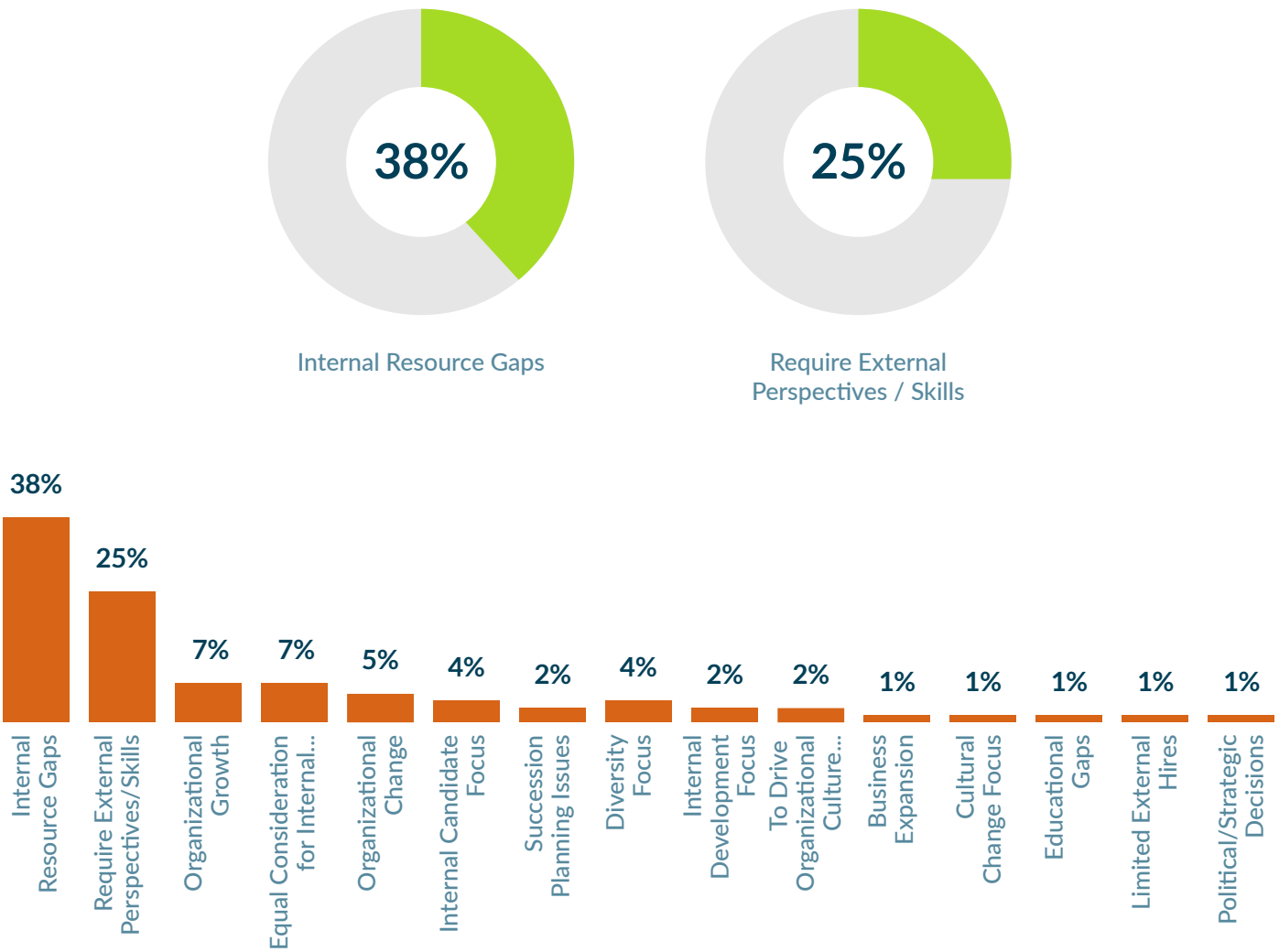
Of the most recent key leaders appointed in your organization, what percentage have been brought in from the outside?

None — 8%
20% — 25%
40% + — 15%
50% + — 18%
60% + — 12%
80% + — 15%
100% — 6%
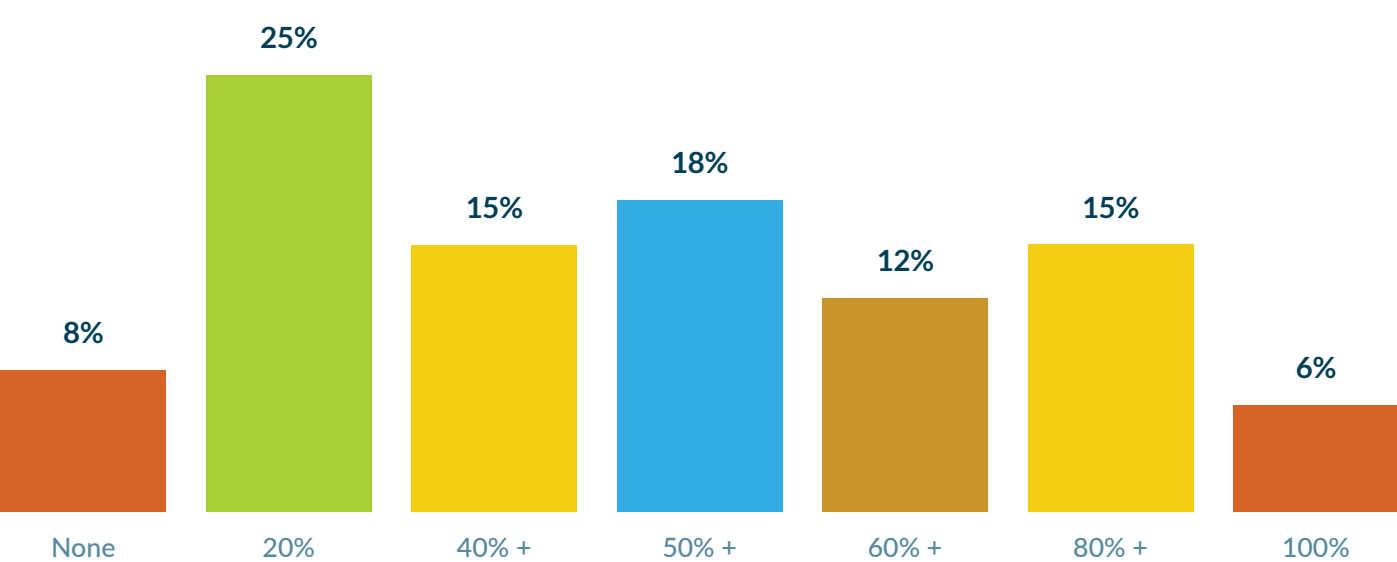
Responses reflect a mix of reasons for choosing external recruitment, with many organizations facing challenges in finding suitable internal candidates. External candidates were often recruited to bring new skills, perspectives, and expertise not readily available within the existing workforce. Common factors driving this decision included the need for specialized knowledge, a lack of internal talent with the necessary experience or qualifications, and the desire for a fresh cultural or strategic perspective. Several organizations also highlighted that rapid growth, business transformation, or a shift in focus required expertise that could not be developed internally in the short term.
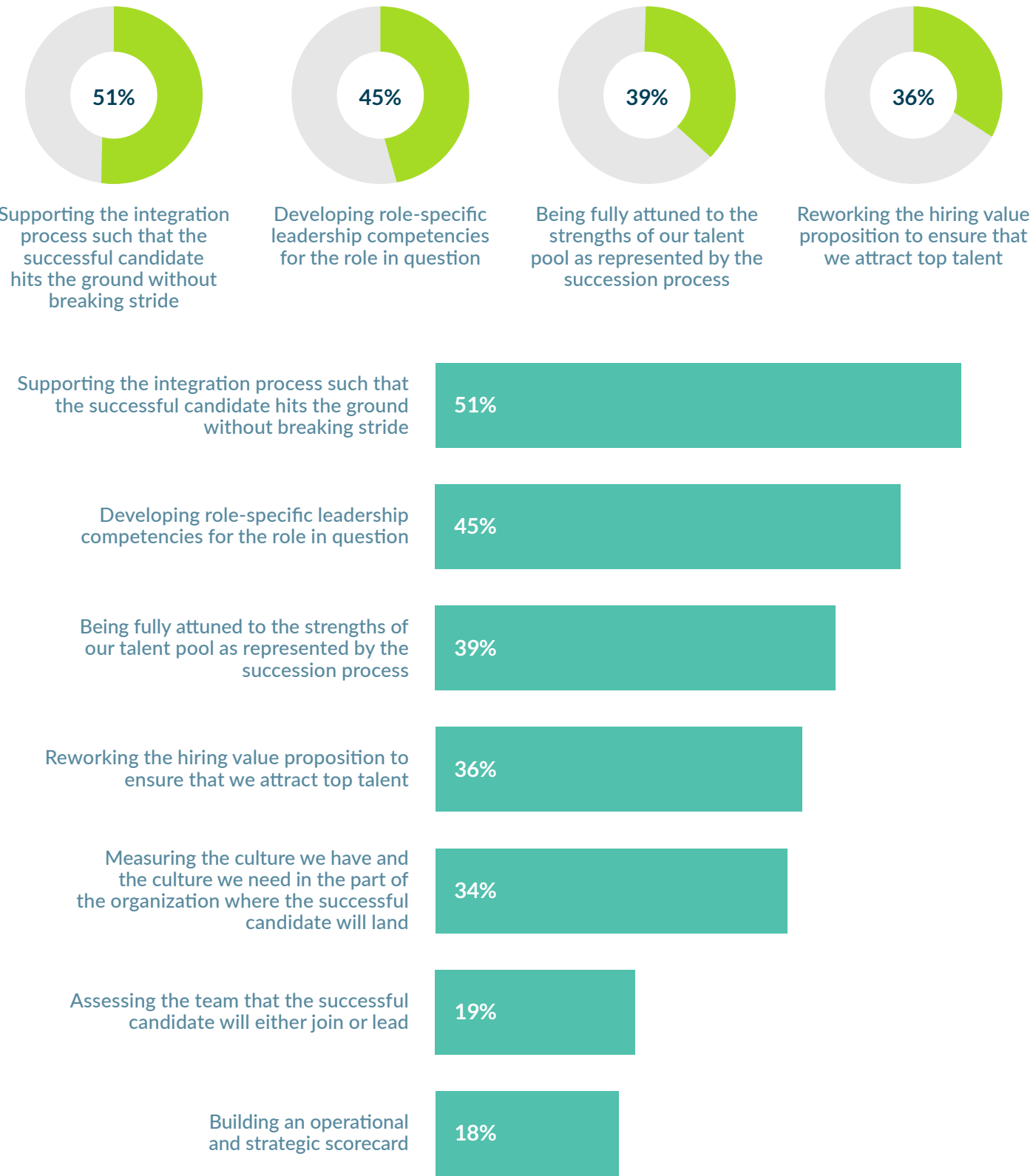
Despite these challenges, most organizations emphasized that internal candidates were still considered as part of the recruitment process, with many prioritizing internal promotions when suitable candidates were available. However, in many cases, internal candidates were not deemed ready or did not meet the specific requirements for the roles. Companies also noted that external recruitment was necessary to introduce diversity, fill critical gaps, and accelerate transformation, particularly in leadership roles or new business areas. While there was a strong preference for internal talent development, the reality of organizational needs often led to a balance between promoting from within and hiring externally.

Why did you choose to recruit externally? Were internal candidates considered as part of the process?

38%
Internal Resource Gaps

25%
Require External Perspectives / Skills

38%	Internal Resource Gaps
25%	Require External Perspectives/Skills
7%	Organizational Growth
7%	Equal Consideration for Internal...
5%	Organizational Change
4%	Internal Candidate Focus
2%	Succession Planning Issues
4%	Diversity Focus
2%	Internal Development Focus
2%	To Drive Organizational Culture...
1%	Business Expansion
1%	Cultural Change Focus
1%	Educational Gaps
1%	Limited External Hires
1%	Political/Strategic Decisions

Over both the short and long term, the individuals you appoint as leaders will dictate what is possible. In this regard, culture is a pivotal issue in the hiring process. Leaders surveyed indicated that the most important steps that should form the basis of hires include supporting the integration process (**51%**), developing specific competencies for the role (45%), and being attuned to the strengths of the talent pool (**39%**).

Which one or more of the following steps do you feel should form the basis for who you appoint or hire?

51%
Supporting the integration process such that the successful candidate hits the ground without breaking stride

45%
Developing role-specific leadership competencies for the role in question

39%
Being fully attuned to the strengths of our talent pool as represented by the succession process

36%
Reworking the hiring value proposition to ensure that we attract top talent

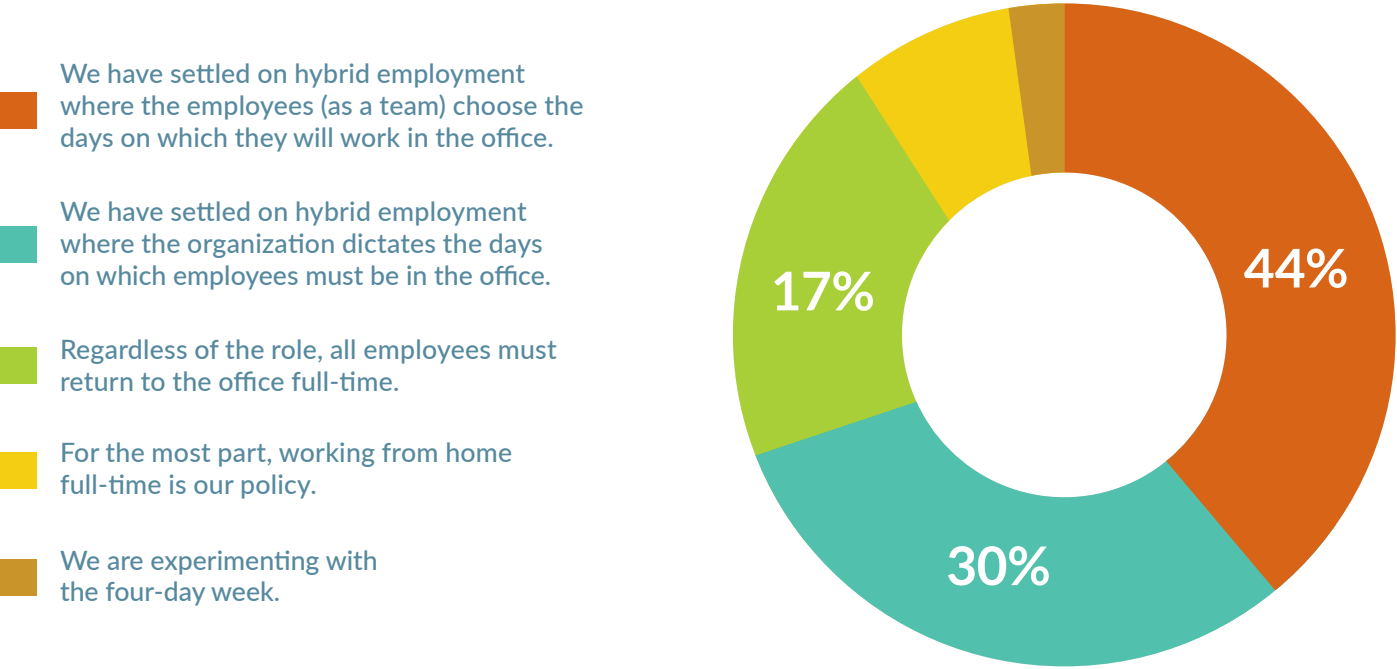|	
Supporting the integration process such that the successful candidate hits the ground without breaking stride	51%
Developing role-specific leadership competencies for the role in question	45%
Being fully attuned to the strengths of our talent pool as represented by the succession process	39%
Reworking the hiring value proposition to ensure that we attract top talent	36%
Measuring the culture we have and the culture we need in the part of the organization where the successful candidate will land	34%
Assessing the team that the successful candidate will either join or lead	19%
Building an operational and strategic scorecard	18%

To elevate their talent acquisition processes, respondents identified several key areas to improve, including employer branding, candidate fit, and speed of recruitment. Many respondents emphasized the importance of enhancing their organization's visibility, culture, and values to attract top talent, particularly through better communication, refined onboarding, and updated value propositions. There is also a push to utilize advanced tools for assessing cultural alignment and leadership potential to ensure better long-term performance and integration. Creating an attractive and supportive environment, improving candidate evaluation methods, and speeding up the recruitment process while maintaining quality are other critical priorities. Additionally, investing in leadership development, training, and internal coaching to ensure smooth transitions and long-term success was often cited as essential.

The survey responses also reflect the need for a more systematic, data-driven approach to recruitment. This includes creating clear career paths, assessing candidates' potential more thoroughly, and refining recruitment strategies to be more proactive and long-term rather than reactive. Some respondents noted the importance of using diverse recruitment committees to promote fairness and transparency, while others highlighted the need for faster but still high-quality recruitment, often with a focus on attracting candidates from universities or specific industries. Furthermore, organizations are looking to better understand and respond to market dynamics, refine internal processes, and establish more strategic, continuous talent pipelines that align with future organizational needs.
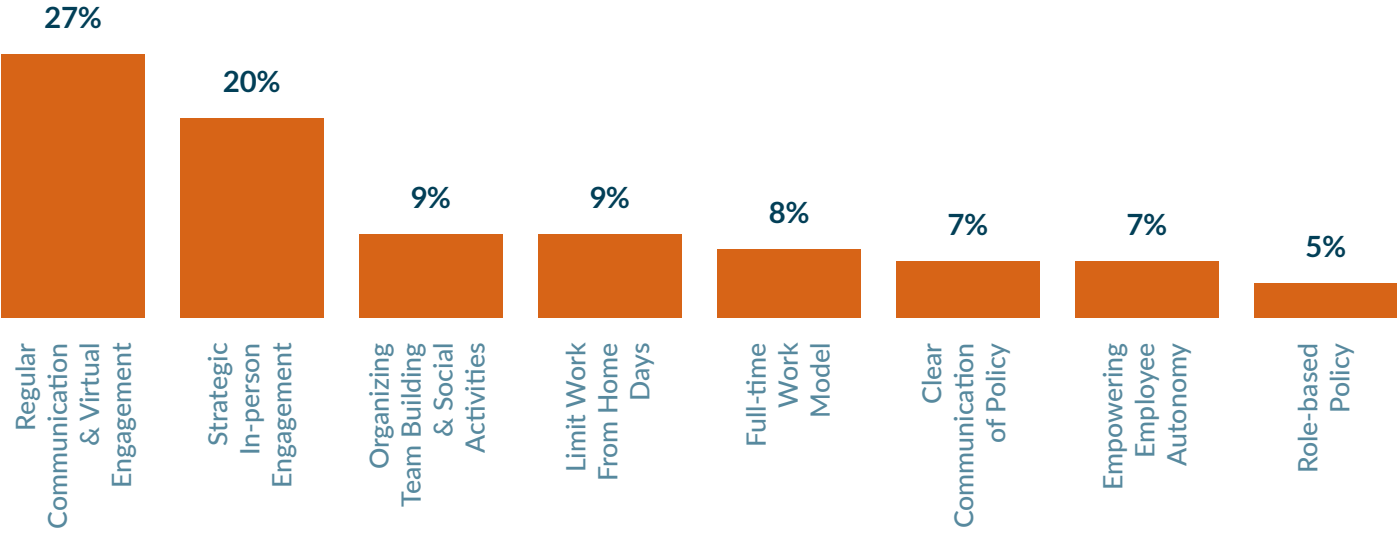
/ THE WAY WE WORK

With the rise of the work-from-home phenomenon, three quarters of respondents have settled on a hybrid model, which skews towards having employees choose when they'll be in office – as opposed to this being dictated by the organization. Only 17% of organizations have returned to full time in office.

Which one of the following best describes your current practice?

- We have settled on hybrid employment where the employees (as a team) choose the days on which they will work in the office.
- We have settled on hybrid employment where the organization dictates the days on which employees must be in the office.
- Regardless of the role, all employees must return to the office full-time.
- For the most part, working from home full-time is our policy.
- We are experimenting with the four-day week.

44%
30%
17%

To foster a sense of belonging among hybrid and full-time remote employees, companies are employing a variety of strategies focused on communication, inclusion, and recognition. Regular virtual check-ins, team huddles, and town halls are commonly used to keep everyone informed, celebrate achievements, and maintain a sense of connection, regardless of location. In addition, many companies hold in-person team-building events, such as annual offsites, monthly gatherings, or occasional in-office meetings, to reinforce the company's culture and strengthen interpersonal bonds.

What successful leadership actions do you employ to give hybrid and full-time work-from-home employees a sense of belonging?

Category	%
Regular Communication & Virtual Engagement	27%
Strategic In-person Engagement	20%
Organizing Team Building & Social Activities	9%
Limit Work From Home Days	9%
Full-time Work Model	8%
Clear Communication of Policy	7%
Empowering Employee Autonomy	7%
Role-based Policy	5%

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