The pace of change in today’s digital economy puts new demands on executive leadership, but the results of a global research program by Oxford Economics and SAP show that most companies are stuck in the past.

Some companies are more prepared for the digital future. Oxford Economics identified a set of capabilities and practices that define the best-led organizations—we call them Digital Leaders. At most companies, digital transformation is just beginning, but an impressive 47% of respondents to our survey qualify for this elite group in India, compared with 16% of the overall sample.

Our analysis of the data shows organizations that meet our criteria see better financial results and have happier, more engaged employees.

Four themes, outlined on the following pages, emerged from our research. By focusing on any shortfalls in these areas, companies can boost their chances of becoming Digital Leaders.

This fact sheet outlines key findings for India.
Leaders 2020
Fact sheet: India

Lack of leadership slows digital transformation

*Executives and employees at most companies say management lacks critical digital skills.*

- Indian executives are much more confident in mid-management’s digital skills than are their global peers: more than three-quarters say managers use technology for competitive advantage.

- Skills development is a priority in India: 89% of executives and 80% of employees say their companies have strategies for developing talent within the organization.

- Talent-development strategies are strong, but recruitment could use work. Just 44% of executives say they attract highly qualified applicants.

Diversity pays off

*Diversity levels are not where they should be for most companies—but it is higher at those with superior executive leadership and better financial performance.*

- An overwhelming majority (92%) of Indian executives say that diversity has had a positive impact on their company culture; another 48% report a positive impact on financial performance.

- Executives say the general workforce has become more diverse over the past three years (93% vs. 68%), while employees are more likely to say senior leadership has become more diverse (60% vs. 31%).

*Note: Bullet points represent survey results not pictured in the charts.*
Millennial executives are impatient for change

*A new generation is rising up the org chart, and these young executives want more from leadership.*

- 15% of respondents to our survey in India are Millennials, compared with 17% worldwide.
- Overall strong strategies in talent development will help Indian companies bring young executives up to speed in the years ahead.
- Millennial executives are generally unimpressed with their company’s strategies for cultivating leadership; Indian executives overall are more positive (90% report strength in this area).

Digital Leaders have more engaged employees

*Employees who work at companies with better executive leadership are more satisfied and engaged—and less likely to leave for a new position.*

- Just 9% of Indian employees in our survey work for Digital Leader companies.
- Despite decent satisfaction levels among Indian employees, 30% would be likely to take a similar job if offered it—a sign that Indian executives should focus on developing loyalty.
- Roughly two-thirds (67%) say that their company culture places a high value on employee satisfaction.

**Note:** Bullet points represent survey results not pictured in the charts.
Conclusion

Companies in India already exhibit many of the traits of Digital Leaders. Executives and employees report strong strategies for diversity, talent development, and building digital proficiency among managers. But Indian companies could do more to keep employees loyal and engaged. Our research identifies several areas where companies can continue to improve their leadership skills—and their business performance.

- **Communicate a company-wide digital vision.** The best leaders not only have a strategy for going digital—they are sharing it with employees across the organization.
- **Continuously update executive and employee skill sets.** Everyone, from the ground floor to the executive suite, needs digital skills and the ability to learn new ones quickly.
- **Flatten the organization.** Leadership needs to empower managers and workers across the enterprise to make decisions quickly, without bureaucratic bottlenecks.
- **Emphasize diversity.** Companies that cultivate a diverse workforce and take a broad range of employee perspectives into account are better poised to succeed in a global economy—and to keep employees happy and engaged.
- **Listen to young executives.** The growing cohort of Millennial executives has a strong vision for leadership in the digital economy. Taking their advice may be a shortcut to digital transformation.

For more on what it takes to become a Digital Leader, see [www.successfactors.com](http://www.successfactors.com)

### About the research

Oxford Economics and SAP surveyed 2,050 senior executives and 2,050 employees from 21 countries in the second quarter of 2016 about leadership and workforce development for the Digital Economy. Roughly 5% of the overall sample comes from India.

**Location:** United States, Canada, Brazil, Mexico, Colombia, Singapore, Malaysia, Thailand, Philippines, Indonesia, Australia, New Zealand, Japan, Korea, China, India, France, United Kingdom, Germany, Spain, and Russia

**Industries:** The overall sample is split roughly evenly among Financial Services, Retail, Public Sector, Healthcare, Consumer Goods, Professional Services, Manufacturing, and Technology

**Functions:** The overall sample is split evenly among Finance, HR, IT, Sales/Marketing, and Procurement

**Company size:** 25% $250m–$499 m; 25% $500m–$1 bn; 50% more than $1 bn

**Gender:** 50% male, 50% female

**Age:** 50% of employees are Millennials