Amplify

2027 Global Culture Report

O.C. Tanner Institute

HOW TO USE THE 2027 GLOBAL CULTURE REPORT

While technology and business priorities continue to evolve, the experience employees have every day remains deeply human. More than ever, people want to feel supported, trusted, and empowered to grow. They want opportunities to contribute their talents and help shape the future of their organizations. Our research shows that even amid uncertainty, those desires remain remarkably consistent. Employees aren't asking their leaders to protect them from change. They are asking them to help amplify their potential.

This idea sits at the heart of this year's report.

Organizations that thrive are intentional about what they amplify. We see this when they create environments where compassion strengthens wellbeing, growth creates opportunity, and trust fuels connection and innovation. Together, these practices elevate what already creates value and foster the conditions that allow your people to thrive.

The findings in this report reveal practical ways leaders can do exactly that. They illustrate how culture becomes a force that magnifies positive employee experience and helps organizations adapt and perform through changing circumstances. They also remind us that great cultures are never finished; they are continually learning, listening, and evolving.

As you explore this research, I encourage you to consider where your organization has the greatest opportunity to create momentum. Small actions, when consistently reinforced, can create a powerful ripple effect that can transform your organization and your people. Lasting change rarely comes from just doing more. It comes from amplifying what matters most.

Thank you for joining us in shaping workplaces where both people and performance can flourish. Together, we can build cultures that amplify the very best of what people are capable of achieving.

Scott

Scott Sperry
President & CEO, O.C. Tanner

Choose the right partner

Work with a recognition provider who will help you build a lasting recognition culture that supports high performance and strengthens compassion, growth, innovation, and trust.

At O.C. Tanner, we are committed to being a true partner through our unique Culture by Design approach. To learn more about the difference we can make together, please contact us at:

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How can organizations amplify the meaningful connections they need to make performance happen at scale? Despite the rapid adoption of advanced technologies, performance and growth in today’s workplace remain rooted in the fundamental connections between people. This year’s report provides an insightful pathway to performance that amplifies care and champions the trust that drives innovation. Of course, challenges persist. Skepticism about the future remains high and in many corners trust in systems, leaders, and institutions is shaky. But the way forward is clear. And it starts with amplifying what already generates value: your people.

Change isn't the exception, the one-off event, or the random result of something new. Continual change is the day-to-day environment in which we now all operate. From advances in AI to shifting employee expectations and increasing economic uncertainty, leaders are constantly navigating disruption. But our research points to a hopeful insight: employees are ready for more. They are not simply bracing for what comes next. They want to make an impact, take their work further, and help their organizations innovate and grow.

This year's report is about what happens when organizations learn to amplify, to make what is already valuable more powerful. You have people with ideas, leaders with purpose, relationships built on trust, and moments that make employees feel appreciated and connected. The challenge is turning those moments into momentum.

Culture is the system that enables amplification. It is the daily practices and programs that actively create the conditions where positive experiences can happen and ripple outward. It is where recognition strengthens belonging, belonging encourages contribution, and contribution ignites performance.

This report examines four areas where organizations can create those multiplier effects: embedding compassion, building growth cultures, practicing active trust, and unlocking innovation. We also consider the essential role of frontline employees in carrying these efforts into the moments that matter most.

Our research makes one thing clear: sustainable success is not about extracting more from your people. It is about investing in the systems, environments, and expectations that amplify the people and practices that already create value. We're excited to share with you a roadmap to help shore up the cultural infrastructure of your organization.

Today's workplace is defined by disruption and change. From the rapid rise of AI and cybersecurity threats to shifting employee expectations, persistent skills gaps, and economic pressures, organizations are navigating unprecedented complexity. Yet amid the uncertainty, employees remain remarkably optimistic. They want to contribute. They want to grow. They want to make a meaningful impact. Our research reveals that employees are not looking for workplaces that simply help them adapt to change. They are looking for workplaces that amplify their ideas, talents, contributions, and potential. The organizations that thrive in this environment will not be those that do the most. They will be those that amplify what matters most.

Our research uncovered something important this year: workplace culture is an amplifier. Every culture amplifies something. Struggling cultures amplify bureaucracy, uncertainty, and burnout. Thriving cultures amplify trust, connection, innovation, purpose, and performance. The question facing leaders is, what is your culture amplifying every day: confidence or fear, possibility or doubt, energy or exhaustion?

Amplification is the intentional practice of increasing the impact and influence of people, experiences, and behaviors that create value. Successful organizations understand that positive workplace experiences do not remain isolated. They spread. They shape decisions, influence relationships, and create ripple effects that strengthen performance across the organization. Indeed, amplification is what happens when culture transforms positive moments into lasting organizational impact.

Historically, organizations have responded to changes by introducing new programs and training initiatives. But our research suggests that sustainable success comes from a different approach. Most organizations already have talented people, strong values, meaningful work, and capable leaders. Too often, those strengths are drowned out by the noise of modern work. The most effective organizations do not focus on doing more. They focus on amplifying what already creates value. They identify the moments, relationships, and experiences that bring out the best in their people and intentionally expand their impact. In these organizations, culture becomes a multiplier of human potential rather than simply another management tool.

Amplification is more than a metaphor. Research shows that the strongest workplace practices produce multiplier effects. A simple moment of recognition can amplify belonging. Belonging amplifies contribution. Contribution amplifies performance. Performance amplifies the outcomes organizations care about most. Small moments can create extraordinary impact when culture is designed to carry them further.

This year, our research begins with organizational compassion. Compassion creates conditions that allow amplification to happen. When employees feel supported and valued as people, they are more willing to contribute their best work. Organizations that provide equitable support create environments where wellbeing and high performance reinforce one another. Achievement becomes sustainable because success is shared rather than extracted.

Growth is another powerful amplifier. Employees want opportunities to build their capabilities, expand their influence, and take on meaningful challenges. When organizations invest in helping people grow, they amplify confidence, contribution, adaptability, and long-term performance. The strongest cultures view growth as a partnership that elevates both the individual and the organization.

With compassion and growth in place, trust becomes a third performance amplifier. Employees are unlikely to adopt new technologies or take smart risks unless they trust their leaders and the systems around them. Trust transforms uncertainty into possibility. When employees believe their leaders are authentic and committed to their success, they become more willing to collaborate across boundaries and contribute new ideas. Trust does not simply improve relationships. It amplifies performance, innovation, and progress.

With compassion, growth, and trust in place, innovation becomes possible at scale. Innovation is no longer an accidental outcome. It becomes a natural result of a culture that encourages experimentation, learning, and shared problem-solving. Organizations that intentionally cultivate these conditions remove barriers and amplify creativity throughout their workforce, transforming individual insights into collective progress.

The future of work is not something organizations should brace for. It is something we can actively shape by deciding today what we will amplify.

TALENT MAGNET AREAS

Each year, we measure changes in the six core elements of workplace culture that determine an employee's decision to join, engage with, and stay at their place of work. We call these the Talent Magnets because of their power to attract and connect people to their teams and organizations.

This year, each of the Talent Magnet scores increased by 1% except for Success. This indicates that while organizations are making improvements to their cultures, there is still opportunity for more growth, especially in the areas of wellbeing, appreciation, and leadership.

The Success Talent Magnet has remained stagnant since last year. As organizations look for ways to drive innovation and performance, connecting business goals and successes to individual employee achievements and success is another opportunity to improve. Employees want to feel they are growing, innovating, and playing on a winning team. Celebrating success is an effective way to build a sense of growth and accomplishment.

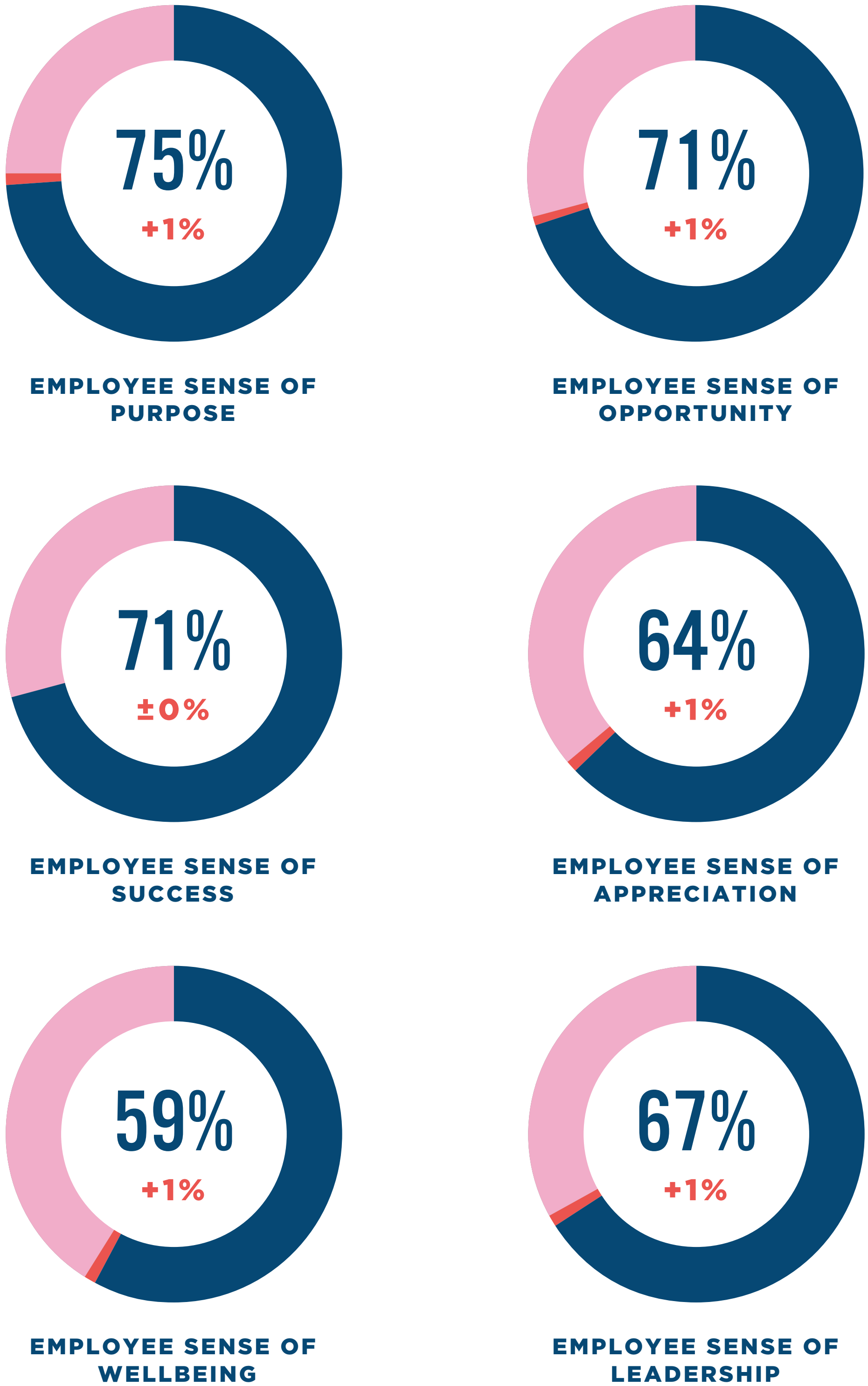


Figure 1. TALENT MAGNET SCORES IMPROVED SLIGHTLY YEAR OVER YEAR
Current state of the six essential elements that define thriving cultures.

YEAR-OVER-YEAR CHANGE

PURPOSE

An organization's reason for being besides profits. The difference it makes in the world, why the company exists. Employees need to feel connected to purpose and understand how their jobs contribute to it. Once they do, their work takes on meaning. Organizations should clearly articulate the connection between work and purpose.

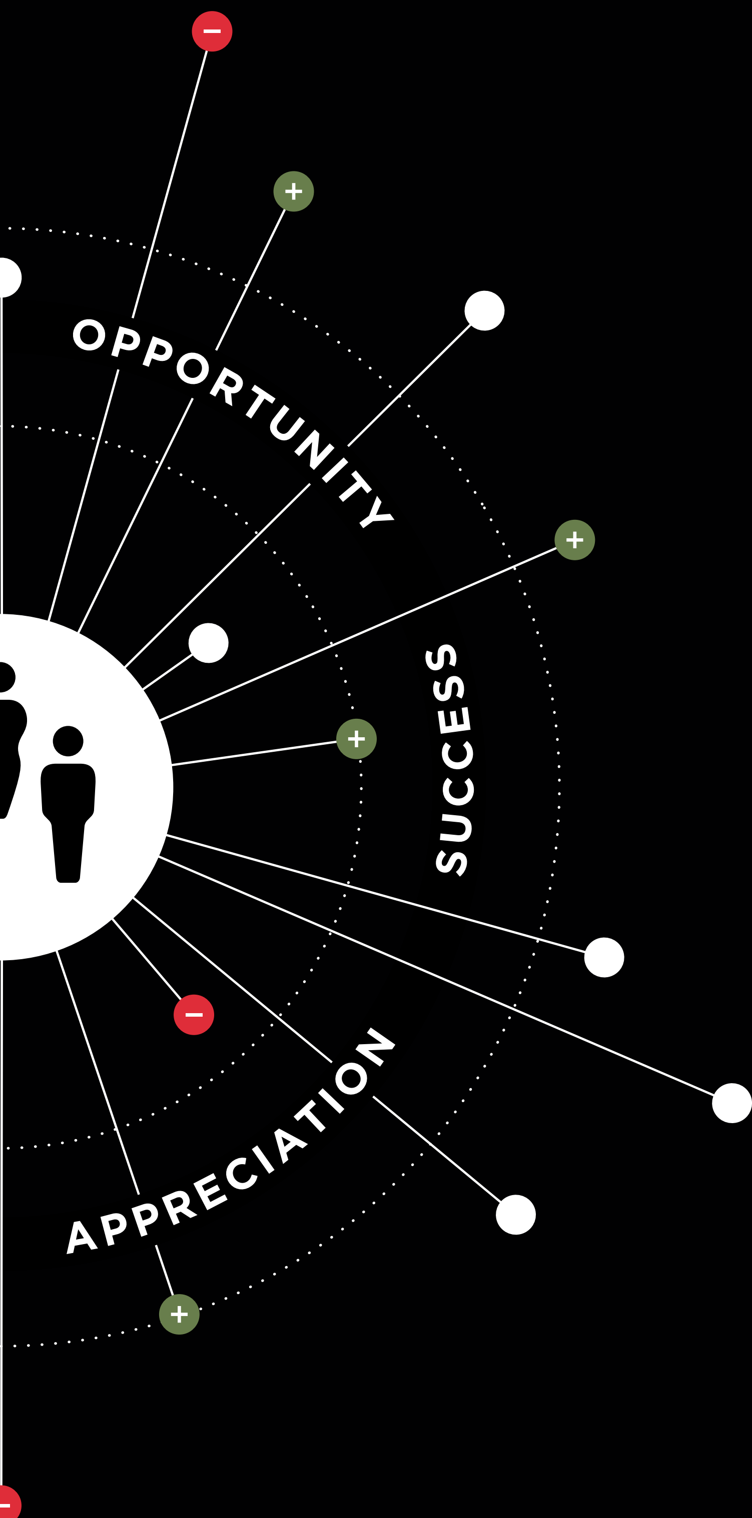
LEADERSHIP

The mentoring, coaching, inspiring, and facilitating that allow individuals, teams, and, ultimately, organizations to thrive. Great leaders co-create a shared purpose for their teams and empower their employees to do great work. As the most influential of the six Talent Magnets, leadership cultivates the other five.

WELLBEING

Caring about the employee as a whole—their physical, emotional, social, and financial health. Wellbeing ensures employees can be their strongest, most capable, most authentic selves at work. A comprehensive approach to wellbeing requires leaders to create an environment of inclusivity, life balance, and connection.

Figure 2. THE
Six essential elements that



OPPORTUNITY

The chance to develop new skills, contribute to meaningful work, feel challenged, have a voice, and grow. Opportunity is more than the lure of promotions and pay increases. It's about preparing and empowering employees to make decisions, inviting them to participate, and offering them projects that will expand their skills and relationships.

SUCCESS

The thrill of accomplishment, innovation, breaking barriers, playing on a winning team, and experiencing victories. Employees must find success at the individual, team, and organizational levels, and it should be nurtured and celebrated publicly.

APPRECIATION

Feeling valued for one's contributions and being recognized for one's worth. Appreciation is essential to employees—they need to know their leaders and peers notice and are grateful for their efforts and contributions. Appreciation is most effective when it's delivered in timely, personal, and meaningful ways.

OPPORTUNITIES FOR ORGANIZATIONS IN 2027

This year, organizations should focus on 4 areas to amplify employee and organizational growth:

1. Embed compassion

Compassion that is embedded into an organization's systems and processes is sustainable, equitable, and drives performance. Three pillars of compassion ensure it improves both employee wellbeing and business results.

2. Build growth cultures

Growth is a partnership between employees and their organizations and goes beyond learning and skill building. The six elements that shape growth cultures also create cultural elasticity.

3. Practice active trust

In today's workplace, trust means more than expertise and integrity. It's about fostering a sense of authenticity, security, and reliability during times of uncertainty and the disruptions of technology like AI.

4. Unlock innovation

A process, not a moment, innovation happens when organizations let go of control and employees feel empowered to think creatively, share ideas, and implement change. Innovation occurs in environments that are designed to bring new ideas to life.

We can't forget about our frontline workers—those essential employees who carry forth an organization's mission, purpose, and customer care. As organizations help employees grow through compassion, trust, and innovation, they must include frontline employees in their strategies.

By acting on these opportunities and the specific findings behind them, organizations can awaken improved performance, innovation, and growth in the coming years.

> **"Crises and disruptions represent formidable opportunities to accelerate transformations."**
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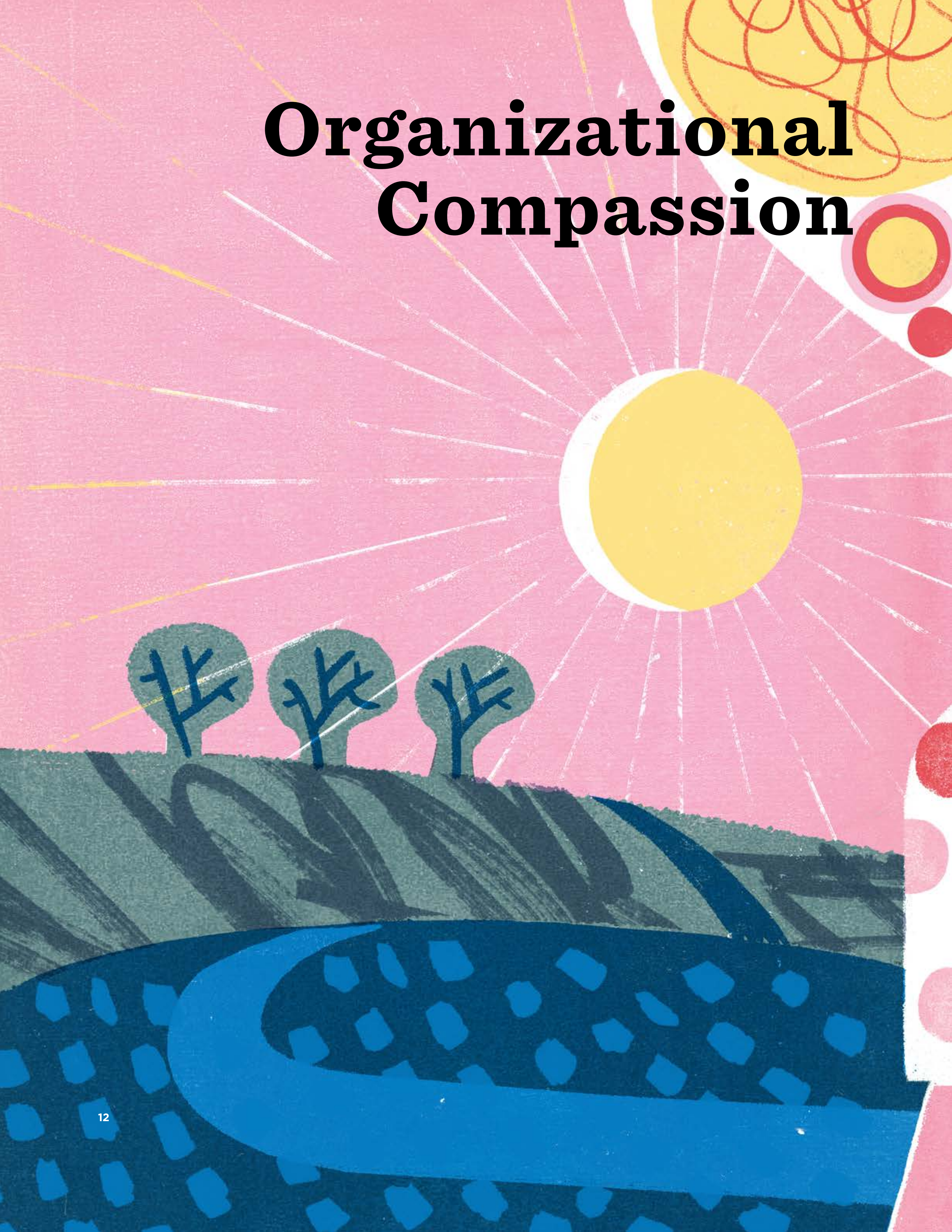
> **—FRÉDÉRIC OUDÉA, FORMER CEO, SOCIÉTÉ GÉNÉRALE**

Organizational Compassion



As change accelerates, compassionate cultures help people thrive while sustaining performance and resilience.

11x

HIGHER ODDS OF COMPANY GROWTH WITH ORGANIZATIONAL COMPASSION

Compassion has long been treated as a personal virtue, something individuals either bring to work or don't. And while a perspective of care is admirable, many leaders worry that too much compassion softens the drive performance demands. Our research tells a different story. While an organization can't feel compassion, it can decide whether compassionate behavior is expected, modeled, and rewarded. And that decision changes everything. Where leaders set the expectation and demonstrate genuine care themselves, trust deepens, burnout declines, and performance strengthens. Winning leaders understand that compassion isn't a concession the business makes to its people. It's the fundamental condition that drives the business forward.

INTRODUCTION

The modern workplace operates on relentless mandates: do more with less, change faster, increase expectations, grow exponentially. Organizations are asking employees and their leaders to adapt to unprecedented levels of complexity and change, yet the systems designed to support them haven't kept pace.

The toll is measurable: employees are burning out and performance is suffering. One study finds more than half of the workforce (55%) is experiencing burnout, with employees saying burnout diminishes their efficiency (72%), hurts their overall job performance (71%), weakens their ability to serve customers (65%), and reduces their ability to innovate (64%).[1] Neuroscience research also finds prolonged stress and burnout result in poorer decision making and cognitive flexibility.[2]

Most employees are not underperforming because of a lack of will. They are struggling because organizational systems—policies, support, resources—were not designed to sustain this level of prolonged pressure. How can organizations navigate this new landscape of work and performance while protecting employees from overload and burnout?

As we saw in last year's Global Culture Report, healthy, sustainable performance cultures combine high levels of expectation with high levels of support.[3] One effective and often overlooked way to provide this support is through systemic, organizational compassion that amplifies the best in people.

Compassion is the capacity to understand the needs of others and take meaningful action to meet those needs. It is an active practice of care. It is proactive, not reactive. Organizational compassion powers sustainable performance by building trust, preserving employees' capacity for work, and preventing burnout. Research shows workplace compassion is a significant predictor of employee retention, especially in high pressure and competitive industries.[4]

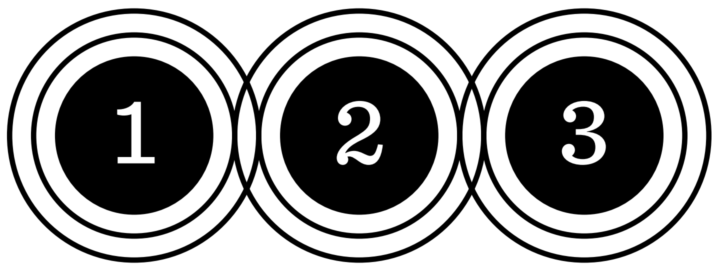
Practicing compassion organization-wide is not a soft skill. It is a strategic approach. When compassion is left to the discretion of individual leaders, it can be inconsistent and inequitable. But when it is embedded into an organization's policies, processes, and everyday experience, compassion becomes easier to practice and more equitable. Having systems in place, defined behaviors, set expectations, and measurement around compassion changes it from an invisible feeling to an organizational practice. Organizational compassion starts with a foundation of care, protects employee capacity, and is guided by clear expectations and boundaries. When compassion becomes part of an organization's operating model, it drives measurable business results.

> **"Instead of striving to be more empathetic, we should all try to cultivate its superior cousin: compassion. Empathy feels noble, but true compassion goes further: it combines understanding, measured feeling, wise action, and the courage to follow through."**

—ARTHUR BROOKS, AUTHOR, PROFESSOR, AND FELLOW AT THE HARVARD BUSINESS SCHOOL

THERE ARE 3 PILLARS TO ORGANIZATIONAL COMPASSION THAT ENSURE IT IS EQUITABLE AND EFFECTIVE

Organizational compassion is an organization's ability to integrate compassion into its policies and processes to support employee performance while reducing the risk of burnout.



Our research identifies three pillars of organizational compassion:

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1. A foundation of care
Compassion and care are built into the organization's cultural architecture, including systems, processes, policies, and decision making. This ensures compassion is an organizational priority rather than dependent on individual leaders' personalities or discretion.

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2. Capacity protection
Organizations must acknowledge and respect employee capacity and treat capacity as an organizational, not an individual, responsibility.

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3. Guidelines and boundaries
Clear expectations and boundaries around compassion protect both leaders and employees from favoritism and compassion fatigue.

PILLAR 1

A foundation of care

A foundation of care is essential to embedding compassion into an organization's culture. This includes:

- **Defining what compassion means at an organizational level and how it should be expressed**
- **Creating decision-making frameworks that empower leaders to consider employee impact alongside business outcomes**
- **Establishing expectations for transparency: why decisions are made, what tradeoffs exist, and what employees can expect next**
- **Holding leaders accountable and following through on commitments to employees**
- **Developing systems to process employee feedback (collecting, acknowledging, responding to, and acting on feedback)**
- **Building recognition experiences that are equitable, meaningful, and intentional**

Organizations demonstrate care[5] for their people when their policies, processes, and Total Rewards offerings reflect the belief that people matter.[6] Responding to employee needs and investing in offerings that support employees even when times are tough, making improvements based on employee feedback, and taking a people-first approach when making decisions all reflect care for employees.

When there is a foundation of care, the odds that employees feel compassion from their organization increase 10x, and the odds employees feel they have the tools and autonomy to succeed improve 20x.

Once a foundation of care is established, organizations sustain compassion by respecting and protecting employee capacity, which is the next pillar.

"I feel like compassion is shown in benefits and services and letting your people know that we put you first. Because if we take care of you, you'll take care of the business. When it comes to organizations, compassion needs to be things that the leaders are talking about, as opposed to just putting it in a mission statement that nobody's ever going to read again."

—ISAIAH, FOCUS GROUP PARTICIPANT

PILLAR 2
Capacity protection

Protecting employee and organizational capacity prevents burnout and ensures sustainable performance.

Capacity is understood in two ways: an employee's ability to accomplish their work sustainably and the ability for the organization to practice compassion without overburdening leaders and teams. This includes:

- **Understanding and acknowledging employee limits and burnout risk**
- **Prioritizing workloads and adjusting scope when needed**
- **Communicating clear expectations around goals and available support**
- **Establishing processes that actively protect capacity**
- **Reframing leader expectations around healthy performance**[7]
- **Creating conditions that enable employees to thrive at work**[8]

Empowering employees to speak up when capacity limits are reached and enabling leaders to adjust, slow down, or re-scope work shows compassion while sustaining high performance. It also removes the emotional burden often placed on leaders by making compassion a shared organizational responsibility. Check in often on employee workloads and create a safe space for them to express concerns or bring up challenges. Remove obstacles that slow employees' work and take action when conflicts arise. Encourage peers to support one another when they see an employee having a difficult day.

20x

When organizations protect employee capacity, the odds employees feel the organization cares about them as a person increase 20x.

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When employee capacity is protected, the odds employees feel their leader demonstrates compassion increase by 10x, and the odds employees feel compassion is shown by team members increase by 8x. The odds of burnout drop 87%, and the odds that employees feel supported in their work increase 12x.

"Compassion is having grace for someone's situation, understanding that they're going through a rough patch, and not seeing people as robots and expecting them to work and work and work. Having that compassion is important because we're all human."

—AMANDA, FOCUS GROUP PARTICIPANT

PILLAR 3

Guidelines and boundaries

Guidelines and boundaries ensure compassion is applied consistently and equitably. Without them, compassion can unintentionally introduce bias and favoritism, eroding trust faster than lack of compassion.

When organizations establish clear guidelines and processes, leaders are not left to make isolated decisions on their own about when and how to show compassion. Organizational compassion becomes less subjective and more consistent, still giving leaders the autonomy to respond to individual needs without worrying about how much compassion is appropriate or the right way to express it. Organizations should ensure policies, support, and flexibility are applied equitably across the organization regardless of position or tenure, while also holding employees accountable for their work.

Boundaries also protect employees and leaders from feeling overburdened. Compassion fatigue can occur when multiple employees need support at the same time or when additional work shifts to others on the team. Have clear, written boundaries in place to prevent saying yes to every request or providing unlimited flexibility. Standardize leave and escalation policies for when employees need exceptions. Have backup plans and processes to protect work hours, response times, and project scope for team members covering for another employee while they are out. This ensures compassion is sustainable, supporting the needs of an individual while protecting the capacity and wellbeing of the team.

When explicit guidelines are in place, the odds employees feel their leader applies organizational policies with fairness and empathy increase by 24x, and the odds employees believe the organization demonstrates compassion increase 9x. Effective guardrails include:

- **Communicating clear expectations for when and how compassionate policies should be applied**
- **Aligning compassion-related resources with wellbeing initiatives**
- **Providing leaders with processes, resources, and training to practice compassion**
- **Establishing boundaries to prevent compassion fatigue**
- **Measuring compassion in action**

"A compassionate leader not only drives success but also fosters a positive and inclusive workplace culture."

—EDWARD DEANGELIS, ENTREPRENEUR, FORMER CEO OF AMERIFI

ORGANIZATIONAL COMPASSION IMPROVES BUSINESS OUTCOMES

Each of the three pillars of organizational compassion improves culture and business outcomes. When all three pillars are present and compassion becomes embedded in the organization's processes and systems, results soar.

When there is a foundation of care, employees feel more connection and trust, and are more positive about their experience at work.

FOUNDATION OF CARE PILLAR	INCREASED ODDS OF OUTCOME
Likelihood to promote (eNPS)	6x
Overall satisfaction with employee experience	7x
Strong organizational connection	9x
Willing to put in a great deal of effort to help organization succeed	9x
Trust in organization	15x

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When capacity is protected, odds of connection and community improve, as well as great work and innovation.

CAPACITY PROTECTION PILLAR	INCREASED ODDS OF OUTCOME
Strong leader connection	**8x**
Sense of community	**8x**
Employee does great work	**9x**
Organization innovates regularly	**13x**

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When guidelines and boundaries are in place, feelings of belonging and equity increase.

GUIDELINES AND BOUNDARIES PILLAR	INCREASED ODDS OF OUTCOME
Strong sense of belonging	**10x**
Employees feel the organization cares about them as a person	**19x**
Employees treated fairly	**27x**

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When all three pillars are present, organizational compassion leads to employees feeling more connection, trust, and care. They are less likely to burn out and more likely to stay, fueling innovation and growth.

Increased Odds of Positive Culture Outcomes with Compassion

9x	13x
Connection to the organization	**Collaboration**
19x	19x
Trust	**Care for all employees**

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Increased Odds of Positive Business Outcomes with Compassion

11x **Plan to stay another year**	11x **Innovation**
11x **Customer satisfaction**	11x **Organizational growth**
14x **Organization adapts well to change**	–87% **Burnout**

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> "I refuse to believe that you cannot be both compassionate and strong."

—JACINDA ARDERN, FORMER PRIME MINISTER OF NEW ZEALAND

Organizational compassion is even more important and impactful for frontline employees, who don't always have the same flexibility, autonomy, and visibility as office employees, and are often focused solely on surviving at work.[9] Showing compassion helps frontline employees feel supported (14x higher odds), appreciated (15x higher odds), and that the organization cares about them as a person (43x higher odds). It also lowers odds of burnout by 88%.

When compassion is integrated into an organization's architecture, it drastically improves the business and becomes a competitive advantage that sustains high performance.

EMPLOYEE RECOGNITION IS A PRACTICE OF CARE THAT REINFORCES THE THREE PILLARS OF ORGANIZATIONAL COMPASSION

Employee recognition is a practice of care that reinforces core elements of organizational compassion. It is integral to maximizing organizational compassion.

Recognition strengthens the three pillars of organizational compassion:

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1. A foundation of care

Recognition naturally communicates that the organization cares about employees as individuals and their contributions. When recognition is integrated into the organization[10] and part of the everyday employee experience, odds of having a foundation of care improve 21x, and employees have 41x higher odds of feeling their organization consistently demonstrates care for employees through policies and actions.

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2. Capacity protection

Recognition demonstrates the organization sees what employees are doing and cares about their achievements, along with their wellbeing. When recognition is valued and integrated organization-wide, the odds of the organization protecting the capacity of its workers improves 18x. By recognizing employee efforts in addition to accomplishments, along with protecting their capacity, odds employees feel their organization cares about them as a person improve 23x.

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3. Guidelines and boundaries

Equitable recognition supports equitable compassion. When organizations have fair, integrated recognition, they will also likely have fair, integrated compassion. Employees then see their organizations showing care consistently through multiple channels. Odds of having successful guardrails and boundaries increase 18x when recognition is integrated into an organization's culture, and when guidelines and boundaries are in place and recognition is integrated, there are 58x higher odds employees feel the recognition is genuine, fair, and reflective of real contributions.

Because of its power in strengthening the three pillars of organizational compassion, recognition is a crucial part of creating compassionate workplaces that drive sustainable performance.

Organizational compassion and integrated recognition amplify outcomes, leading to substantially higher odds of:

CULTURAL OUTCOMES

eNPS	**10x**
Trust	**29x**
Plan to stay another year	**20x**
Engagement	**31x**
Collaboration	**31x**
Organization cares about employees	**43x**

BUSINESS RESULTS

Customer satisfaction	**22x**
Growth	**22x**
Confidence in company financial stability	**23x**
Innovation regularly happens	**24x**
Organization resilience	**30x**

57x

The odds employees feel the organization cares about them improve 57x when they are recognized within a culture of compassionate practices.

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RECOMMENDATIONS

Organizational compassion thrives when pillars of care are embedded within an organization's policies and processes.

1 Integrate compassion into enterprise systems and processes

Build compassion into company policies and processes so leaders and employees know what resources are available to them and how to access them. Hold leaders accountable for prioritizing employees in business decisions. Hold regular one-to-ones with employees to ensure their feedback is heard and understood. This is especially important for frontline workers who often have less flexibility and autonomy naturally built into their roles, and who often feel unseen and uncared for by leaders.

Teach boundaries around workloads and provide robust support during times of high demand with regular check-ins, resources, and recognition. Establish protocols to reprioritize work when employees are overloaded and empower leaders to pause or reassign work projects as needed. Empower employees to raise capacity concerns without fear of punishment and build an environment of psychological safety. When employee capacity is protected, the odds of connection to the team improve 6x and engagement 11x.

2 Train leaders on compassion resources and best practices

It can be difficult for leaders to know when and how to show compassion without guidelines or tools. Establish clear expectations for compassionate behavior and train leaders on the available guidelines, processes, and resources.

Set boundaries to ensure leaders don't suffer from compassion fatigue. When compassion is an organizational priority rather than solely a leader decision, it becomes sustainable for everyone. With guardrails in place, there are 19x higher odds that employees believe the culture encourages compassion and 27x higher odds of equity.

3 Use recognition as a consistent, organization-wide way to show care and compassion

Regular recognition is critical as recognition reinforces compassion. Ensure recognition is given often and equitably, and publicly shared. Specify what the individual has done, how it connects to what's important, and the impact that individual has made.

Most importantly, recognition should communicate care. When care is communicated, demonstrated, and recognized, odds of satisfaction with overall culture improve 7x, and odds of confidence in leadership improve 19x.

CASE STUDY—CARE COMES FULL CIRCLE

The digital celebration platform Kudoboard was built on a simple belief: when people come together to support one another, even small gestures can have a profound impact. While organizations often use the platform to celebrate milestones such as birthdays, retirements, and new hires, some of its most powerful moments emerge during times of personal hardship.

An administrator at a large healthcare organization received an unexpected cancer diagnosis. After years of supporting caregivers and serving others, she suddenly found herself receiving treatment in the very hospital where she worked.

Her colleagues created a Kudoboard and invited everyone to contribute. Coworkers shared words of encouragement, photos, memories, and stories about the difference she had made in their lives and careers.

When she received the board, she was overwhelmed with emotion. She read stories of the lives she had touched and laughed at shared memories and jokes. There was no mention of work, deadlines, or timelines. The board conveyed a message of genuine care: focus on healing. We've got this. We've got you.

As Aaron Rubens, Co-Founder and CEO of Kudoboard, explains, "When someone experiences a health crisis, it's hard not to worry about the work being left behind. Expressions of support give people permission to focus on what matters most: healing."

Compassion in organizations is often expressed through seemingly small acts, but those acts carry significant meaning. By creating intentional practices that support people during life's most meaningful moments, organizations strengthen connection, reinforce belonging, and build cultures where care is more than a sentiment—it's a foundational value that drives the business.

ORGANIZATIONAL COMPASSION—KEY TAKEAWAYS

Compassion must be built into an organization's policies and processes to be equitable and effective.

A foundation of care, protection of capacity, and clear guidelines are required for organizational compassion.

Organizational compassion has a measurable impact on organizational culture and business results and helps sustain high performance.

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Growth Cultures

People crave meaningful growth, not just training. Great cultures make development personal, continuous, and human.

13X

HIGHER ODDS OF INNOVATION WHEN ORGANIZATIONS HAVE GROWTH CULTURES

As AI reshapes how work gets done, organizations feel new urgency to run lean and upskill their people. The logic seems sound. More capable employees means stronger results. Yet our research finds these initiatives stall when employees sense what's really being asked of them: more output, dressed up as opportunity. It's an extractive model of performance, and AI has made it more tempting than ever. But extraction has a ceiling. Performance that lasts is grown through learning that invests in an employee's sense of community, opportunity, and success along with their capabilities. Organizations that choose growth gain what no technology can extract: healthy, sustained performance, and the elasticity to meet a future no one can predict.

INTRODUCTION

Every organization is chasing innovation and high performance, but AI, intensifying competition, and the accelerating pace of change are making the climb steeper than ever. Leaders are struggling with how to balance the demand for higher performance with employee wellbeing and are turning to skill-building.

The call to upskill has never been louder. The World Economic Forum finds 63% of organizations say skills gaps are the "main barrier to future-proofing their operations."[1] Addressing skills gaps should, in theory, help organizations achieve cultural elasticity (the ability to be agile, change, and build skills in the face of new challenges). Yet despite billions invested in learning and development, many organizations still struggle to build the cultural elasticity they need. Only half (52%) of organizations find their upskilling programs to be successful.[2]

Worse, some employees are actively resisting the push to upskill, viewing it as a thinly veiled strategy to extract more from already overextended teams. This resistance results from a lack of trust. It's a signal that organizations and employees are fundamentally out of alignment regarding what growth is meant to be.

Employees want to grow. In fact, 67% of employees who are considering leaving their jobs cite lack of learning and growth as the main factor.[3] Our qualitative research shows employees view learning and growth as very different endeavors. Most learning initiatives today feel one-directional: the organization sets the agenda, employees are expected to comply by completing some training, and the return on investment flows mostly upward.

In contrast, growth is a holistic, continuous process that is mutual and collaborative, but it only works when employees believe their organization is genuinely invested in them as people, not just producers of work. When organizations focus solely on high-performance, it can feel extractive and one-sided; when they seek to support employee growth, high-performance comes organically.

It's time for organizations to shift from a culture of learning to a culture of growth. A growth culture elevates skill building and career development by embedding learning into a broader framework of mutual investment, shared goals, and equitable opportunity. Employees are willing to invest their best selves in their organizations because they feel their organizations invest in them.

Growth cultures achieve what skill-building programs alone cannot: a true partnership that benefits individuals and organizations alike, delivering the cultural elasticity and healthy performance that every organization is striving for.

Employees who work in organizations with growth cultures are:

7x	14x	31x
more likely to be Promoters	**more likely to do great work**	**more likely to be engaged**

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"I could just do a random training and learn something, but that doesn't mean I've grown professionally or personally. Growth to me feels more like: if you're looking at a resume and you have somebody's narrative—what is the story that's being told and what is the next step on their path? That's growth to me. Learning could just be that you know a lot about a lot, but it's not all cohesive."

—CHRISTINA, FOCUS GROUP PARTICIPANT

EMPLOYEES SEE GROWTH AS MORE THAN JUST LEARNING— IT'S AN ONGOING PARTNERSHIP BETWEEN THEMSELVES AND THE ORGANIZATION

Employees in our focus groups all described learning and growth as two different concepts. Learning new skills, knowledge, or facts is a good start to growth, but does not embody the holistic, ongoing, more collaborative growth that employees crave.

LEARNING	GROWTH
Individual	**Collaborative**
Academic	**Holistic**
Quick	**Ongoing**
Acquire Skills	**Apply Skills**
Metrics-Focused Assessment	**Personalized Assessment**

To sustain a culture of growth over time, organizations must take a broader approach that treats skill-building not as a one-time opportunity, but as an ongoing part of the everyday culture of the organization. When this happens, growth goes beyond learning or training and becomes a partnership between organizations and employees. This partnership supports individual and organizational performance, as well as cultural elasticity and resilience.

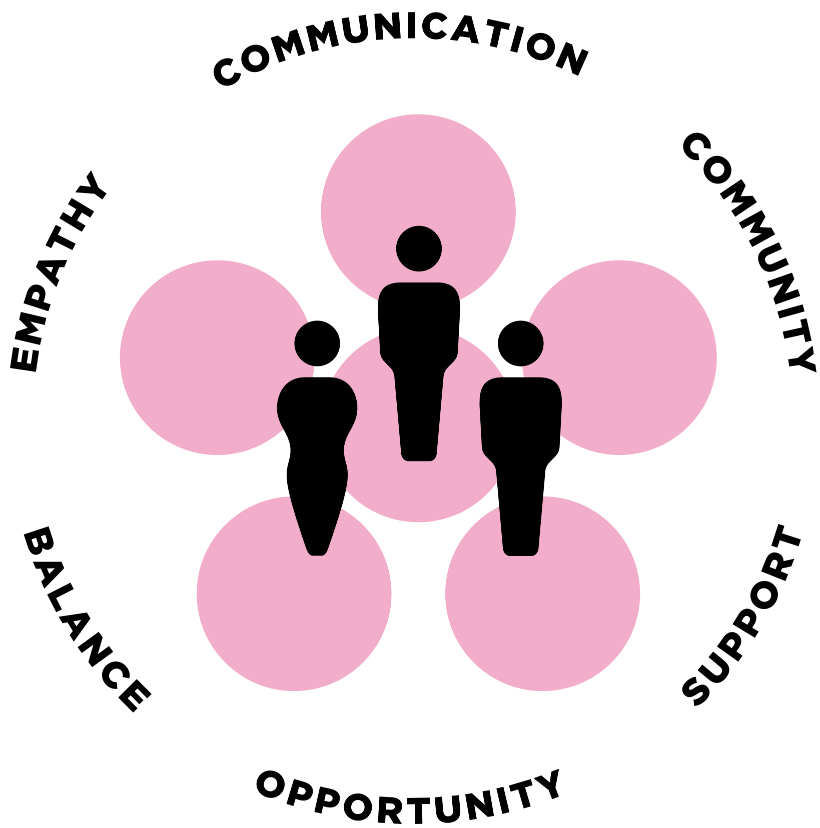

Figure 3. GROWTH CULTURE INDEX
True cultures of growth are made up of six key factors.

Our research identified six elements of growth cultures:

Empathy: Leaders and the organization understand what employees need to grow and develop, and employees feel understood and valued.

Communication: Leaders and employees have clear, open, easy communication, particularly around growth and goals.

Community: Teams experience a sense of camaraderie and shared goals; employees feel that learning from other employees is essential to their growth.

Support: Employees feel supported when it comes to development goals.

Opportunity: Employees have the opportunity to accomplish goals and apply skills at work.

Balance: Employees experience a mix of high expectations and high support, and feel a healthy balance between meeting workplace goals and wellbeing needs.

When all six of these elements are present, employees feel more supported and see growth as a partnership rather than an organization-driven initiative. The strength of growth cultures is the collaboration and community they build, allowing employees to learn from one another and grow together.

This leads to tangible ROI for organizations. Not only does a growth culture support employees' individual growth, but it also has a notable impact on business and cultural outcomes.

PERSONAL GROWTH

In growth cultures, employees are more likely to feel growth is mutual rather than solely for the organization's benefit ▶

29x

Belief their organization is strategic about growth

CULTURE OUTCOMES

When organizations demonstrate their investment in employees through the six elements of growth, employees have increased odds of trust and opportunity ▶

8x

All employees have equal opportunity

17x

Employees are not left behind in their organization's growth goals

BUSINESS OUTCOMES

Growth cultures can drive odds of performance, organizational growth, innovation, and resilience ▶

13x

Innovation

14x

Retention

33x

Belief their organization supports their own personal definition of growth

44x

Belief their organization's approach to growth is "healthy"

18x

Cross-team collaboration

26x

Organization cares about employees

29x

Organizational trust

14x

Organizational growth

15x

Customer satisfaction

17x

Organization adapts well to change

The six elements of growth cultures support employees in ways that not only build their personal growth, but amplify the organization's cultural and financial growth as well. They are fundamental elements that, when built into the everyday employee experience rather than an isolated company training or initiative, lay a foundation for community and connection that helps employees, and their companies, thrive.

Unfortunately, compared to other groups, frontline employees often feel they have fewer opportunities for growth and advancement—only 10% feel they have access to the tools, technology, and opportunities necessary to connect and advance in their workplace. For these employees, being part of an organization with a growth culture increases their sense of opportunity 20x, success 25x, and reduces burnout 90%. Organizations should provide specific growth opportunities for frontline roles, a clear plan for career development, and have regular conversations about growth with frontline workers. It's important to ensure they have physical access to growth tools, help them identify ways to apply new skills in their role and on their teams, and recognize them publicly when they complete growth milestones and use new skills.

For all workers, recognition is a powerful way to reinforce growth. Acknowledging effort and great work along the way shows employees they are on the right path and encourages them to keep going in their growth goals. It signals that the employee is making progress and building skills in a way that is impactful and valuable. Recognition also amplifies the six elements of growth cultures by demonstrating empathy, building community and support, and communicating opportunity and balance.

> **"A lot of opportunities: internal upward mobility, space to learn, space for mistakes and to fix those mistakes, etc. Just so everybody understands, if something goes wrong, we can fix this. It has to be a very teamwork-oriented place. I think that's growth."**

—KELSEY, FOCUS GROUP PARTICIPANT

GROWTH CULTURES CREATE CULTURAL ELASTICITY

Cultural elasticity[4] is an organization's ability to be agile, change, and build skills in the face of new challenges. Organizations that are culturally elastic:

- **Manage change well**
- **Maintain a high level of innovation**
- **Are flexible**
- **Make decisions with employees, rather than above or outside of them**

This is especially crucial as organizations are still learning how to navigate new technologies and workflows around AI. The resulting uncertainty and constant changes require organizations to have higher levels of cultural elasticity to keep pace and adapt.

Growth and learning, when done well, promote cultural elasticity. Employees avoid becoming personally or professionally stagnant when they are actively growing and moving forward in partnership with their organization. They learn how to navigate changes and challenges through strong collaboration and a sense of ownership in the organization's success. Their goals and values are aligned with the organization's.

Cultural elasticity is also a sign of equity. Organizations that are elastic make decisions alongside, not apart from, employees. When all employees are treated as valuable contributors to the organization's success, the culture is truly elastic.

To fully realize cultural elasticity, organizations must shift their approach from implementing siloed learning and skill-building initiatives to creating a growth culture.

Organizations with growth cultures have 48x increased odds of demonstrating cultural elasticity.

Culturally elastic organizations have higher odds of employee wellbeing and improved business results:

Wellbeing	3x
Trust leadership listens to their opinions	5x
Promote the organization	6x
Inclusion	10x
Doing great work	11x
Planning on staying another year	12x
Thriving	17x

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"What's going to make a difference...is not going to be the ability to recite more rote facts. What's largely going to make a difference in going forward, in our increasingly ambiguous era where rote stuff gets increasingly automated, is the ability to make decisions in ambiguous and challenging contexts, [that] is going to be what really makes a difference to the success of the organization."

—CLARK QUINN, PH.D., CO-DIRECTOR, THE LEARNING DEVELOPMENT ACCELERATOR

RECOMMENDATIONS

To transform skill-building and learning into growth cultures, organizations should approach growth from a collaborative, holistic viewpoint and use recognition to amplify growth practices.

1 Approach growth as a collaborative strategy with leader support

Rather than expecting employees or the organization to take a one-sided approach to growth, it must feel collaborative. When employees feel the organization is investing in them, they are willing to invest their time, energy, and efforts back into the organization.

This can't happen without leaders. The support and encouragement of leaders is crucial for a growth culture to take root. They must demonstrate commitment to helping employees grow and provide growth opportunities around the six key areas of growth: empathy, communication, community, support, opportunity, and balance.

Allow employees to learn or try new things outside of their job responsibilities. Provide mentorship and time to connect with other teams. Empower them to have the autonomy and flexibility to try new projects or new ways of doing their work. Through these opportunities, employees grow in ways that build community and adaptability.

When leaders take a collaborative approach and include employees in growth strategies, we see increased odds of inclusion and belonging, and decreased odds of burnout.

	INCLUSION	BELONGING	BURNOUT
Leader communicates well about individual employee growth	**9x**	**8x**	**–87%**
Direct leader provides tools the employee needs to grow	**9x**	**7x**	**–86%**
Direct leader works with employee on development goals	**9x**	**7x**	**–85%**

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2 Consider growth holistically, not just economically

Growth loses its collaborative, community-based impact when it's measured purely by revenue or profits for the organization. When the success of growth is seen solely through the financial benefit to the organization, employees question whether the organization truly cares about them. Organizations that primarily define growth financially or economically have decreased odds of community (-73%), belonging (-75%), and trust (-80%).

To protect employees against burnout, evaluation of growth should include indicators of cultural elasticity in addition to economic indicators. Look at innovation and cross-functional collaboration between teams, along with employee survey ratings for inclusion, trust and wellbeing. Including cultural measures in addition to performance metrics indicates the organization is not only adaptable and resilient but also cares about employees.

> **"You want to feel valued, not just like a number, because everybody plays an important role, no matter how big or small. It's got to go hand in hand. You care about me, I'll care about you."**

—STEPHANIE, FOCUS GROUP PARTICIPANT

3 Use recognition to amplify holistic growth

Employee recognition, particularly recognition that is tied to effort or contributions instead of just results, is an effective way to amplify holistic growth that feels like a partnership. Celebrate small wins along the way, collaboration, new ideas, and mid-project milestones to show growth.

Recognizing behaviors in addition to results (extra effort, going above and beyond, demonstrating company values, teamwork, taking risks, customer service, etc.) shows employee contributions matter even if they aren't directly related to revenue. Building a healthy culture through recognition encourages a mutually beneficial relationship between workers and the organization, a sign of growth. Including frontline workers in recognition efforts is particularly important to help them feel seen and valued.

Organizations that practice integrated recognition[5] have employees who are 6x more likely to feel their organization defines growth holistically and 17x more likely to feel their organization takes a healthy approach to growth. They are also 11x more likely to say employees are not left behind during a growth phase.

When recognition is integrated into growth cultures, employees are:

11x	**more likely to innovate**
15x	**more likely to respect the organization's values**
16x	**more likely to trust the organization**

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CASE STUDY—GROWING CAREERS AND CULTURE

ICF empowers employees to drive career growth through four paths: Advance (moving up in scope or role), Broaden (expanding into new areas or capabilities), Deepen (building mastery in a discipline), and Expand (growing influence and enterprise contribution). At ICF, grounded conversations about employee growth are the norm.

Growth is something employees shape, not something handed to them. Development is tracked through a broad network of mentors, peers, and colleagues throughout the company. Career development tools allow employees to map their own paths, exploring various directions and bringing specific goals to conversations with leaders.

Skill building is woven into the work of each employee: peer learning, on-the-job application, targeted sessions on real scenarios, and simulations that let people practice in a supported setting before applying skills more broadly.

Recognition helps reinforce growth as part of ICF's culture. Recognition messages and internal newsletters recognize employees who complete key learning programs. They also celebrate the coaches, facilitators, and subject matter experts who help make those experiences meaningful.

ICF designs growth experiences that employees own, resulting in stronger engagement, healthier retention, deeper participation in learning, and more durable leadership pipelines. Because growth is visible in the everyday flow of work, it amplifies performance and connection.

"Employees drive their own careers. Growth happens in the work itself—through the experiences people take on and the people they learn from. Our role is to make the paths clear and the tools within reach, so they can move in directions that matter to them."

—LIZ JANSSEN, VP, TALENT & ORGANIZATIONAL DEVELOPMENT, ICF

GROWTH CULTURES—KEY TAKEAWAYS

Growth is more than just learning—it is a collaborative partnership between employees and organizations.

Focusing on the six elements of growth cultures builds cultural elasticity and business outcomes.

Recognition amplifies holistic growth by showing employees they matter beyond business results.

Growth Cultures Sources

1. Future of Jobs Report 2025, World Economic Forum.
2. “Room for Growth: A Survey of Upskilling Approaches,” Haley Glover and Kevin Martin, Upskill America, Aspen Institute, March 2024.
3. PWC 2024 Global Workforce Hopes & Fears Survey, PWC.
4. The term cultural elasticity appears previously in Drejer, Byrge, Lyndgaard, and Lassen (2019), who propose an organizational model for established firms to innovate new business models. Cultural elasticity, as presented in this report, was developed independently and addresses a different capacity: an organization’s measured ability to change, innovate, stay flexible, and make decisions with employees, with growth cultures as its strongest antecedent.
5. Integrated Recognition, 2023 Global Culture Report, O.C. Tanner Institute.

Active Trust

In uncertain times, trust grows when leaders consistently act with transparency, credibility, and employees' interests in mind.

24x

HIGHER ODDS THAT AN
ORGANIZATION WILL ACHIEVE ITS LONG-TERM
GOALS WITH ACTIVE TRUST

Most leaders believe they've earned their employees' trust, and by the old measures of competence and integrity, many have. Here's the problem: those are no longer the only measures that matter. Our research this year finds that trust has evolved. As AI and constant change upend what roles mean and where people fit, employees now extend trust based on what they experience in moments of uncertainty, and withdraw it when those moments go unanswered. An organization can be led by capable, well-intentioned people and still quietly lose trust. Keeping it has become an organizational capability that is built on clarity in ambiguity, accountability in disruption, and support when the work people built their identity on begins to move.

INTRODUCTION

Today's workplace is defined by disruption. Market uncertainty, shifting employee expectations, and the growing integration of AI are no longer unique circumstances, but a regular part of the daily workflow.

Amid these changes, employees are struggling to find security and loyalty in work. Once a place to turn for stability, the workplace now feels destabilizing. As disruption accelerates, employees increasingly look for signals that decisions are reliable, leaders are transparent, and change is being managed with accountability. In this environment, trust becomes one of the most critical—and fragile—foundations of performance.

Organizations can't achieve innovation or long-term performance without establishing a foundation of trust, but many of the changes and transformations happening in organizations to drive high performance unintentionally erode it. While previously trust was confined to personal relationships between employees and leaders, now employees are asked to trust abstract systems like AI and other emerging technologies that they may not fully understand (and often see as perceived threats to their job security or identity). The result is a widening disconnect between organizational ambitions for innovation and employees' confidence in the systems driving that change.

Our research finds that trust in the modern workplace has evolved. Trust must go beyond simple leadership expertise and integrity. Employees are not only asking whether leaders are competent and honest; they need leaders who can provide clarity in ambiguity, accountability in disruption, and support in environments where work is increasingly unstable or morally uncertain.

Trust must be active—demonstrating transparency, reliability, accountability, psychological safety, and reassurance that organizations support employee identity and long-term stability. Trust becomes active when it's treated as an organizational capability that is reinforced through leader behaviors and workplace practices. It must also extend beyond people to include the systems that organizations ask employees to rely on every day.

Active trust results in measurable cultural and business outcomes. Organizations with strong trust environments see dramatic increases in connection, collaboration, innovation, and retention. Trust is not just a cultural attribute; it's the connective tissue that empowers organizations to grow, innovate, and advance in a sustainable way. For HR leaders who want to support the organization's demands for high performance while preserving culture and employee wellbeing, active trust is the foundation for both.

"When leaders are willing to prioritize trust over performance, performance almost always follows."

—SIMON SINEK, AUTHOR AND SPEAKER

BUILDING ACTIVE TRUST INCLUDES SUPPORTING EMPLOYEE IDENTITY AND SECURITY

While traditional definitions of trust center around having expertise and demonstrating integrity in the workplace, modern leaders who build active trust exhibit additional characteristics and behaviors. Our research identifies six core elements that define active trust:

Transparency: Leadership is open about the challenges, constraints, and opportunities facing the organization, and employees understand the reasoning behind organizational changes.

Reliability: Policies and procedures are applied consistently, and leaders follow through on their commitments. Employees can rely on systems and processes to function as intended.

Judgement: Leaders demonstrate sound judgement when making decisions. Employees can rely on people to make the right call when information is incomplete.

Accountability: Mistakes are addressed fairly, and leaders take responsibility for decisions and actions. Problems and failures are acknowledged rather than ignored or minimized.

Safety: Employees can express concerns and raise issues without fear of negative consequences. They can speak honestly about challenges impacting their work, and differing viewpoints are respected.

Care: Employees believe they are valued as people, not just as resources. Both leaders and the organization genuinely care for the well-being of their people.

Figure 4. THE ACTIVE TRUST INDEX
The six core elements that define active trust in the workplace.

When these six elements are present, there is active trust. When organizations have an environment of active trust, employees feel a stronger sense of belonging at work (12x higher odds) and connection to the organization (9x higher odds).

Active trust also influences how employees feel about their organization's growth. Employees with a high sense of active trust have 20x increased odds of believing their organization is strategic about growth and 31x increased odds of believing the approach to growth is healthy.

Active trust also has a significant impact on cultural and business outcomes—odds of respect, care, and high performance all increase.

CULTURAL OUTCOMES	ODDS
Organization achieves long-term goals	**24x**
Respect for company values	**21x**
Culture of honesty	**19x**
Respect for company policies	**17x**
Cross-team collaboration	**14x**
Organization cares about employees	**14x**

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BUSINESS OUTCOMES	ODDS
Organization adapts well to change	**14x**
Desire to stay with company	**13x**
Customer satisfaction	**13x**
Company financial stability	**12x**
Organizational growth	**12x**
Innovation	**10x**

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Active trust is especially critical for frontline workers. Whether it's the nurse on the hospital floor or the barista at a café, frontline workers disproportionately feel overlooked and undervalued in workplaces.[1] Their contributions are essential to organizational success, but if they lack access to lines of communication and opportunities for growth, it profoundly impacts how they perceive their employee experience.

Frontline workers are almost 25% less likely than their corporate counterparts to trust their leader and 24% less likely to feel a strong connection to their organization.[2] Yet when the six elements of active trust are present for these employees, their experience transforms: there is a 9x increase in odds of having a strong connection to the organization, 19x increase in their sense of belonging, and 10x increase in the odds they produce great work. There is also a dramatic 38x increase in the odds they believe their leader supports them through periods of change.

> **“You build that trust with them because you’re in it together, you have a common goal, you’re taking care of things together. That trust is not going to get broken.”**
>
> **—JENNIFER, FOCUS GROUP PARTICIPANT**

EMPLOYEES ARE SKEPTICAL ABOUT SYSTEMS LIKE AI, BUT STILL TRUST PEOPLE

Enterprise AI adoption has reached a new high, with 88% of organizations using AI in at least one business function, a dramatic 33% increase from just two years earlier.[3] This year, that number continues to rise, with organizations across industries racing to embed AI and other advanced automations into their workflows. Yet despite all the organizational energy behind these transformation initiatives, employees aren’t entirely convinced.

Our research found that employees are notably skeptical of abstract systems like AI:

- **Only 31% of employees report trusting AI**
- **Just 30% say they understand how AI arrives at decisions or outputs**
- **Just over half (51%) say they feel AI is over-hyped**
- **More than half (60%) say technology increases their cognitive workload**
- **Only 33% feel their leader understands how tech functions in day-to-day work, making the imperative to "trust the system" feel like a risky bet**

The impact? When employees lack trust, either in people or systems, there is a 68% decrease in the odds they will produce great work, a 44% decrease in odds that they will feel connected to their organization, and a 52% decrease in odds they will want to stay with their company another year.

Fortunately, employees are still willing to place trust in people, as 73% say they trust coworkers and 68% trust leaders. This creates a human backup when systems like AI feel uncertain or unreliable. When trust in systems is low, employees actively look for security in colleagues: 57% say they rely on coworkers to compensate for system limitations, and 62% say when they don't trust systems, they trust the people they work with instead.

This belief in people makes it critical for organizations to build active trust in teams.

REBUILDING TRUST REQUIRES TRANSPARENCY, ACCOUNTABILITY, AND CONSISTENCY

Even organizations with the best of intentions can lose the trust of their people. The rate of change and the speed of innovation in today's workplace mean that mistakes will be made and decisions will be handed down that inadvertently widen divisions and increase uncertainty.

But losing employee trust is more than just compromising interpersonal relationships—it's risking the adoption and acceptance of transformative initiatives that are essential to performance and organizational success. Trust lost can be rebuilt, but it requires a deliberate strategy of transparency, accountability, and consistency.

Our research found that key leader behaviors are essential to increasing active trust. Leaders who take responsibility for lost trust and make real changes have higher odds of active trust.

LEADER BEHAVIORS	IMPACT ON ODDS OF ACTIVE TRUST
Leaders take responsibility for actions and consequences	18x
Organization is consistent about what "doing the right thing" means	9x
When trust is damaged, leaders acknowledge it directly	9x
Employees see meaningful change after raising concerns	8x
Leaders show consistent behavior in making amends	8x
Problems are addressed in a sincere way	7x

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Active trust thrives when leaders take steps to build it. Trust that leads to performance is not passive, but something leaders must practice every day.

To build active trust, organizations should operationalize trust practices, support AI with human care, and recognize frequently.

1 Operationalize active trust

Move beyond treating trust as a vague cultural value and instead operationalize it through the six elements of active trust. Embed the six elements into leader training, performance expectations, and change-management practices, so employees experience trust as a consistent part of their day-to-day work. Include your frontline employees, who are often excluded from interactions that foster connection and trust.

When the elements of trust are operationalized, employees are 6x more likely to be promoters and 23x more likely to be engaged. By making trust a measurable organizational capability rather than an abstract leadership trait, companies can strengthen both employee experience and long-term business performance.

2 Prioritize human-centered AI usage

As organizations accelerate AI adoption, rather than assume employees will automatically trust new systems, organizations should leverage team collaboration, peer learning, and manager accessibility as stabilizing forces during technological change.

When employees trust their leader's judgement about technology implementation, there is a 6x increase in the odds they will perceive systems like AI as reliable. When employees are consulted before major technology systems decisions are made, there is a 4x increase in the odds they will see AI as a useful tool in their work. Building active trust in innovation requires organizations to strengthen the human relations surrounding technology, not just the technology itself.

> **"What we have on our hands is not a technology issue. It's going to be a trust and people issue."**
>
> **—GINNI ROMETTY, FORMER CHAIRMAN, PRESIDENT, AND CEO OF IBM**

3 Leverage recognition to amplify trust

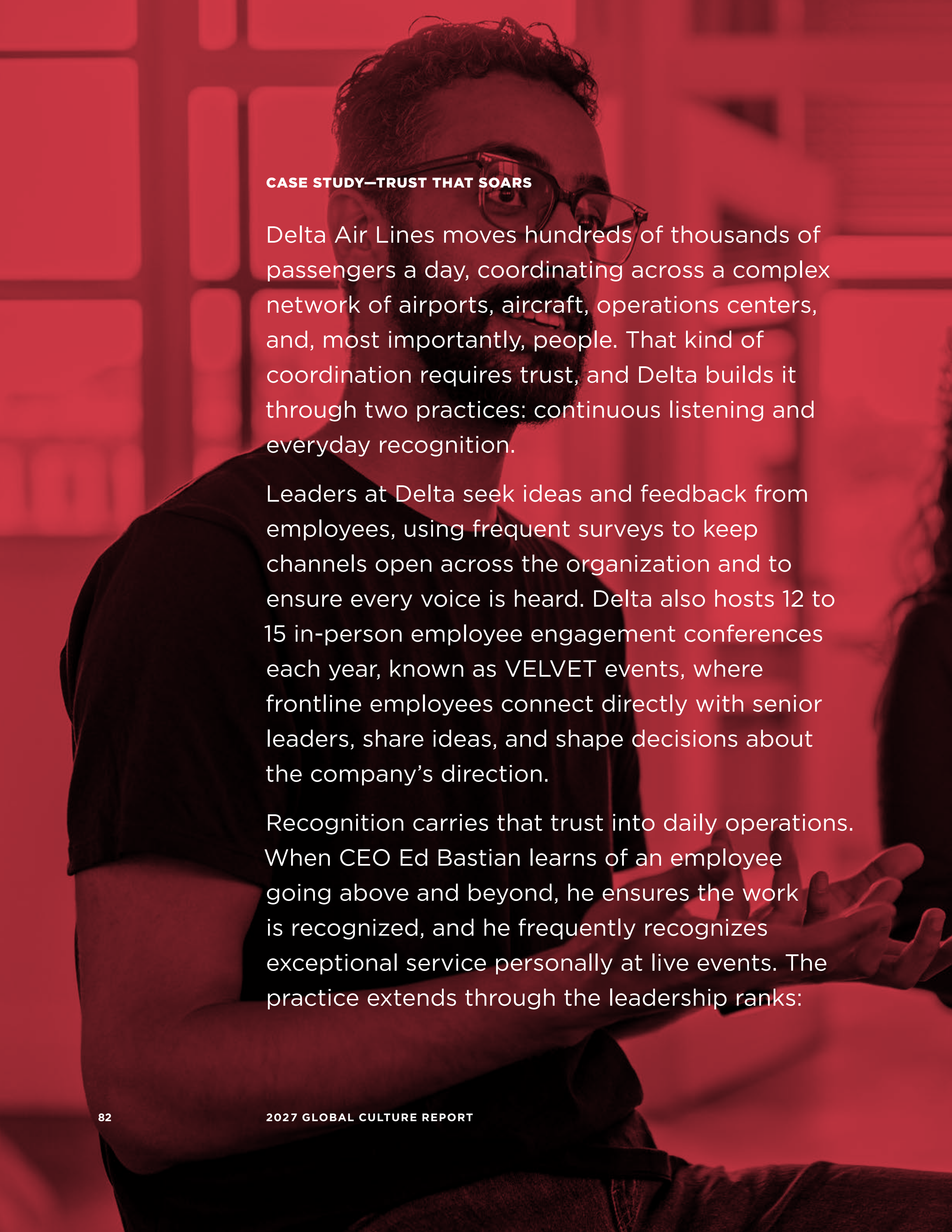
Frequent, meaningful recognition provides the connection and validation employees need and builds (and rebuilds) the trust that is necessary for employees to perform at their best.

When leaders consistently recognize individual efforts and accomplishments, it demonstrates the empathy, awareness, and care that amplifies connection and trust. Organizations with integrated recognition see a 24x increase in the odds their employees will have a strong sense of active trust.

Integrated recognition strengthens not only employee trust in leaders and coworkers, but also their perceptions of systems like AI:

- **I trust my immediate colleagues to use good judgment (10x)**
- **My direct leader acts with integrity, even under pressure (10x)**
- **People in my workplace look out for one another (8x)**
- **The systems I rely on at work are reliable (7x)**
- **Technology at work reduces risk rather than creating new problems (6x)**

At a time when AI can pose a threat to an individual's professional identity, recognition helps reinforce an employee's sense of self in the workplace. Employees have 9x increased odds of feeling like themselves at work, feeling they can speak honestly about problems that affect their work, and believing their work allows them to act in ways that align with their own personal values when they are recognized.



CASE STUDY—TRUST THAT SOARS

Delta Air Lines moves hundreds of thousands of passengers a day, coordinating across a complex network of airports, aircraft, operations centers, and, most importantly, people. That kind of coordination requires trust, and Delta builds it through two practices: continuous listening and everyday recognition.

Leaders at Delta seek ideas and feedback from employees, using frequent surveys to keep channels open across the organization and to ensure every voice is heard. Delta also hosts 12 to 15 in-person employee engagement conferences each year, known as VELVET events, where frontline employees connect directly with senior leaders, share ideas, and shape decisions about the company's direction.

Recognition carries that trust into daily operations. When CEO Ed Bastian learns of an employee going above and beyond, he ensures the work is recognized, and he frequently recognizes exceptional service personally at live events. The practice extends through the leadership ranks:

64% of Delta's top executives regularly use Unstoppable Together, Delta's recognition platform powered by O.C. Tanner, to recognize employees. Stories of excellent work in both large and small moments circulate as a result, building empathy and awareness between employees and the leaders who depend on them.

Employees who feel seen and valued extend the same attention to customers. Passengers experience genuine care, and that care is a meaningful part of why they return to Delta. The trust Delta cultivates inside the organization becomes the experience it is known for outside it.

"Delta's culture is to ensure employees feel loved, respected, heard, seen, and recognized."

—CHARLES WHITE, MANAGING DIRECTOR OF COMPENSATION, RECOGNITION, & MOBILITY, DELTA AIR LINES

ACTIVE TRUST—KEY TAKEAWAYS

Active trust requires behaviors and practices that reinforce not just expertise and integrity, but also employee identity, security, and reliability.

When trust in abstract systems like AI is low, employees look to people (leaders and peers) for guidance, reassurance, and support.

Recognition provides the critical assurance and connection employees need to build and amplify active trust.

Active Trust Sources

1. The 80% Experience, 2024 Global Culture Report, O.C. Tanner Institute.
2. The 80% Experience, 2024 Global Culture Report, O.C. Tanner Institute.
3. The State of AI in 2025: Agents, innovation, and transformation, November 5, 2025, McKinsey.

Unlocking Innovation

Innovation thrives when organizations reward curiosity, experimentation, and learning, even when ideas don’t succeed.

11X

HIGHER ODDS OF INNOVATION WHEN EMPLOYEES THINK CREATIVELY, SHARE IDEAS, AND ACT WITH INTENTION

Leaders managing risk in uncertain times tend to reach for control: tighter policies, more approvals, less room for error. It feels like the safe choice, but our research finds it's often the riskiest one. The controls meant to protect the organization are frequently the very barriers stalling the creative collaboration it needs to grow. This means many leaders are unknowingly paying for safety at the cost of their future. And the reality is, innovation isn't something leaders have to generate: employees want to think creatively, share ideas, and improve how work gets done. Most organizations already employ all the innovation they need. The ones that pull ahead will be those that stop suppressing it.

INTRODUCTION

To grow in today's market, organizations must constantly innovate. Employees need freedom to be creative and explore new ideas, yet organizations crave control.

Many well-intentioned organizational practices actively inhibit innovation. The controls designed to manage risk and maintain resources and consistency can unintentionally slow or stop innovation before it ever takes shape.

At its core, innovation follows a clear, repeatable process. Employees must be able to think critically, share ideas, and act with support. Innovation stalls when time and resources are tightly constrained. It's no surprise that we find only 33% of employees today are innovators, and 64% wish they were doing more.[1]

While organizations tend to hyper-focus on creating strict processes and protocols around innovation to maintain control, employees need the flexibility to be creative and space to innovate. These seemingly opposing forces can shut down innovation completely.

What feels like a trade-off between innovation and control doesn't have to be. Innovation does not require unlimited autonomy, resources, or acting on every idea. However, it does require a culture of trust, support, and acknowledgement. When leaders intentionally create an environment that encourages employees to think, build safe pathways to share ideas, and provide support to act, innovation becomes amplified as part of everyday work, not a rare event.

Innovation isn't a singular moment, but rather a process where employees think, share, and act.

THINK SHARE ACT

When employees are regularly encouraged to think differently, know that they are safe to share ideas, and have assurances that leaders will thoughtfully consider and act on appropriate ideas, they're more likely to innovate. Removing barriers to sharing and enabling thoughtful processes around new ideas can produce innovation and growth at scale, leading to more resilient, high-performing companies.

"An innovative workplace is one that's willing to try things—even if they fail. You keep pushing forward, pivoting, and finding what works. That's what keeps companies alive."

—JACOB, FOCUS GROUP PARTICIPANT

THINK: CREATIVE THINKING IS THE FOUNDATION FOR ALL INNOVATION

Creative thinking (Think) is the first step employees take in the process of innovation. Our research finds there are specific attributes that enable innovative thinking and creative problem-solving—what we call our Think Index. This index includes employees who:

- **Regularly come up with new ideas**
- **Are encouraged to be creative in their roles**
- **Take time during work to think of new ways to get things done**
- **Enjoy thinking about ways to improve their organizations**
- **See creative problem solving as an important step towards organizational success**

When employees are given autonomy and trusted to decide how to do their work, odds of thinking creatively improve 9x.

However, often an organization's efforts to maintain control and standardize processes can unintentionally introduce barriers to innovation and hinder employees' ability to think creatively. Odds of creative thinking drop when employees are discouraged from thinking outside the box (-89%), or are not recognized when they do (-93%).

> **"Creativity is figuring out ways to get out of tradition so everyone can work the way they want and still achieve goals."**

—OLIVIA, FOCUS GROUP PARTICIPANT

Organizations can take simple steps to inspire and foster more creative thinking in the workplace.[2] Ensuring employees have the time, tools, and autonomy to think creatively can significantly improve the odds of it happening:

	INCREASED ODDS OF CREATIVE THINKING
Organization encourages employees to use new technology	**9x**
I have a wide range of tools and resources to do my job	**11x**
I have time built into my role to think creatively about how to get work done, not just execute tasks	**11x**
Employees are rewarded for coming up with new ideas	**11x**
I have autonomy to decide how to get things done	**9x**
My organization allows flexibility in how work is done without requiring excessive approvals	**9x**

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Thinking in new ways is the start of innovation, and organizations must remove barriers and empower employees to think creatively in their daily jobs.

SHARE: GIVE EMPLOYEES A VOICE TO SHARE IDEAS WITH ONE ANOTHER

Employees continue the process of innovation when they feel comfortable sharing their ideas at work. Innovative employees feel empowered to share ideas—which we measure in our Share Index. This index includes employees who:

- **Share ideas with direct leader**
- **Enjoy sharing ideas at work and do so regularly**
- **Have seen the organization improve because of their idea being shared**
- **Work in organizations that have systems in place for employees to share ideas**
- **Feel safe challenging how things are currently done at their organization**

Like thinking creatively, organizations can unintentionally create barriers to giving employees a voice in sharing ideas. Employees have 92% decreased odds of feeling empowered to share ideas at work if there are no clear channels to share ideas. A foundation of trust and safety is also crucial to encouraging employees to speak up: they are less likely to suggest new ideas when trust is lacking (-94%), leaders do not offer feedback on why ideas won't work (-88%), or employees have given ideas in the past and nothing happens (-20%). To enable employee voice, trust, communication, and follow-up must be present.

Organizations can easily empower employees to share ideas by having clear communication and developing formal channels for idea sharing, whether that's team huddles, one-on-one meetings, a specific Slack or Teams channel, physical idea boards and walls, or apps and platforms. Giving feedback on employee ideas improves the odds of sharing ideas 16x. Even if the organization can't move forward with an idea, when leaders are transparent about the reasons, the odds of sharing ideas still increase 9x. To keep innovation flowing, leaders should prioritize listening and responding to employee suggestions.

-96%

When organizations don't appreciate employees who share ideas, odds that employees will want to share ideas decrease by 96%.

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Providing regular opportunities for idea-sharing and specific processes to facilitate sharing ideas, as well as recognizing employees when they do share ideas, will encourage them to do it more often.

	INCREASED ODDS OF SHARING IDEAS
My organization has clear channels for sharing ideas upward	15x
My organization encourages employees to share ideas	16x
When I share ideas to change something at work, my direct leader takes the time to listen to my ideas	13x
I meet with my direct leader regularly one on one and share ideas	11x
My direct leader asks for feedback regularly	11x
I am recognized for sharing my ideas	17x
I am rewarded for sharing my ideas regardless of whether or not the organization uses my idea	11x

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It's not enough to think of new ideas—employees must feel empowered to share those ideas in order to push them forward.

"Companies say they want innovation, but then they stay stagnant because 'it's always worked this way.' You have to take chances—(make) even small changes—to keep up. Employees are the voice because we're living it."

—MATT, FOCUS GROUP PARTICIPANT

ACT: INNOVATION ONLY HAPPENS WHEN EMPLOYEES ARE EMPOWERED TO TAKE RISKS AND TRY

Taking an idea and implementing it is the final step in the process of innovation. Our Act Index measures employees who implement ideas regardless of setbacks. The index includes employees who:

- **Go out of their way to improve processes**
- **Execute ideas that make work more efficient**
- **Enjoy implementing new ideas at work**
- **Have improved their organization as a result of implementing new ideas**
- **Strive to act on good ideas despite obstacles**
- **Are willing to take calculated risks to improve how work gets done**
- **Follow through on ideas, even if implementation is difficult**

As we've seen in previous research, a practice of hope, which includes pathway thinking ("I can see a path to my goal") and agency thinking ("I believe I'm capable of following that path"), drives employees to work towards a goal even if obstacles stand in their way.[3] Organizations can remove common barriers that decrease odds of employees acting on new ideas. This includes not letting employees implement new things at work (-86%), punishing employees when new ideas don't work out (-68%), not recognizing employees when they try something new (-82%), and not supporting employees when they try something new at work (-87%) or not protecting employees when they face setbacks in innovation (-78%). Similar to enabling employee voice, a psychologically safe workplace is imperative to fostering innovation.

Cultural amplifiers like employee recognition and trust are powerful ways to encourage employees to act on new ideas. Whether it's providing support during the process of trying new ideas, focusing on learning and encouraging employees to try again when something doesn't work out, or recognizing employees even if they fail—actions that strengthen trust and relationships can inspire employees to keep innovating.[4]

	INCREASED ODDS OF ACTING ON NEW IDEAS
My leaders are supportive and provide assistance when employees implement new ideas	**11x**
Employees have the resources they need to implement new ideas	**10x**
When something new doesn’t work, the focus is on learning rather than assigning blame	**7x**
Employees in my organization are still rewarded for trying new things even if they fail	**7x**
I have been rewarded when I successfully implemented an idea in the past	**10x**
My organization doesn’t see ideas that don’t work as failure, but as opportunities to improve	**7x**
My direct leader has encouraged me to keep trying to innovate even if I tried something that didn’t work	**9x**

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Taking an idea from thought to implementation requires active encouragement and support from organizations throughout the entire process. Yet often frontline employees don’t have the flexibility or autonomy to think, share, or act creatively.[5] More than one third (35%) say senior leaders minimize or dismiss their ideas.

By empowering frontline workers to think creatively, share their ideas, and act on those ideas, leaders tap into the tremendous potential of their people. Innovative frontline employees see a 15x increased odds of producing great work, 13x increased odds of engagement, and a 12x increase in a desire to stay with the organization. These empowered employees are also 9x more likely to feel a strong sense of connection to their organization and a 14x increase in trust.

Organizations are more adaptable and elastic when employees are innovative—there are increased odds of:

Organization adapts quickly when challenges arise	16x
Employees eager to use new technology in their roles	10x
Organization is prepared for future market changes	15x
When new problems come up, employees feel ready to come up with solutions	17x

Innovation strengthens workplace culture. Odds of trust, connection to company, and inclusion all improve:

High level of trust in the organization	14x
Connection to organization's values	17x
Culture cares for employees of all backgrounds	17x

Organizations see better business results. Retention, customer satisfaction, and growth all improve when employees follow the process of innovation, with increased odds of:

Strong desire to stay another year	10x
Confidence in the financial stability of the organization	11x
Customer satisfaction	11x
Improved processes that saved the company money	14x

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FOSTERING THE PROCESS OF INNOVATION UNLOCKS TANGIBLE BUSINESS RESULTS

Organizations that both remove barriers to innovation and encourage employees to think, share, and act can expect to not only see more innovation, but also positive outcomes in organizational resilience, culture, and business results.

While innovation creates new ideas or products and results in process improvements, it does so much more. Organizations with cultures that regularly encourage, enable, and see innovation happening are stronger and perform better. They are more well-equipped to handle the changes and challenges they face. And they will be more likely to grow over the long-term.

"If you decide that you're going to do only the things you know are going to work, you're going to leave a lot of opportunity on the table."

—JEFF BEZOS, FOUNDER, AMAZON

RECOMMENDATIONS

To unlock innovation, organizations must support employees as they think of, share, and act on new ideas.

1 Intentionally build conditions for creative problem-solving

Employees don't think creatively in a vacuum: organizations must build workplace conditions to foster creative thinking. This includes providing employees with autonomy and flexibility to think of new ways of working, access to resources that inspire thinking outside the box, and encouragement to do so.[6]

Offer employees opportunities and time to interact with leaders and colleagues outside their normal teams so they can be inspired to uncover new ideas. When employees felt their jobs were monotonous, there was 17% decreased odds of creative thinking. But when they regularly collaborate with others, odds of thinking of and sharing new ideas improve 4x.

Organizations must set the stage for, and believe in, employee innovation. When ideas are welcomed in theory but discouraged in practice, odds of employees sharing new ideas drop 16%.

2 Build a workplace with strong trust and psychological safety

Trust is the foundation of employee confidence to share ideas. Organizations can build trust in meaningful ways (see Active Trust), like consistent one-to-ones with leaders.

Create a culture that encourages employees to experiment, try new things, and fail. When organizations punish employees who attempt to innovate and fail, their odds of suggesting new ideas in the future plummet 68%. But when the focus is on learning rather than assigning blame when an idea doesn't work, employees are 7x more likely to suggest new ideas.

Giving feedback and being transparent (especially about employee ideas that won't be acted on) also builds trust and psychological safety. If leaders don't offer feedback on new ideas, odds of employees suggesting more new ideas decrease 86%; odds increase 8x when leaders take the time to provide feedback when an idea doesn't work.

3 Use recognition as a consistent, organization-wide way to show and amplify care and compassion

Few employees will take on the risk of implementing something new if they don't have the support of their leaders and fear punishment for a potential failure. Rather than blaming employees for failed innovation, recognize them for trying.

Show appreciation throughout the process of innovation, not just at the end—when employees come up with a new idea, when they share their ideas with others, and when they take actions to bring that idea to life. Recognizing at each step of the innovation process encourages effort along the way and helps employees overcome obstacles they may run into.

When organizations recognize the steps of innovation publicly, they also encourage other employees to try new things. While there are 84% decreased odds of trying new things when the organization doesn't appreciate employees, there are 14x increased odds of coming up with new ideas when employees have been recognized for innovation before. Meaningful recognition encourages employees to try again and continually think of new ways to do great work.

21x

Employees who are recognized for each of the steps in innovation (think, share, act) are 21x more likely to be innovative.

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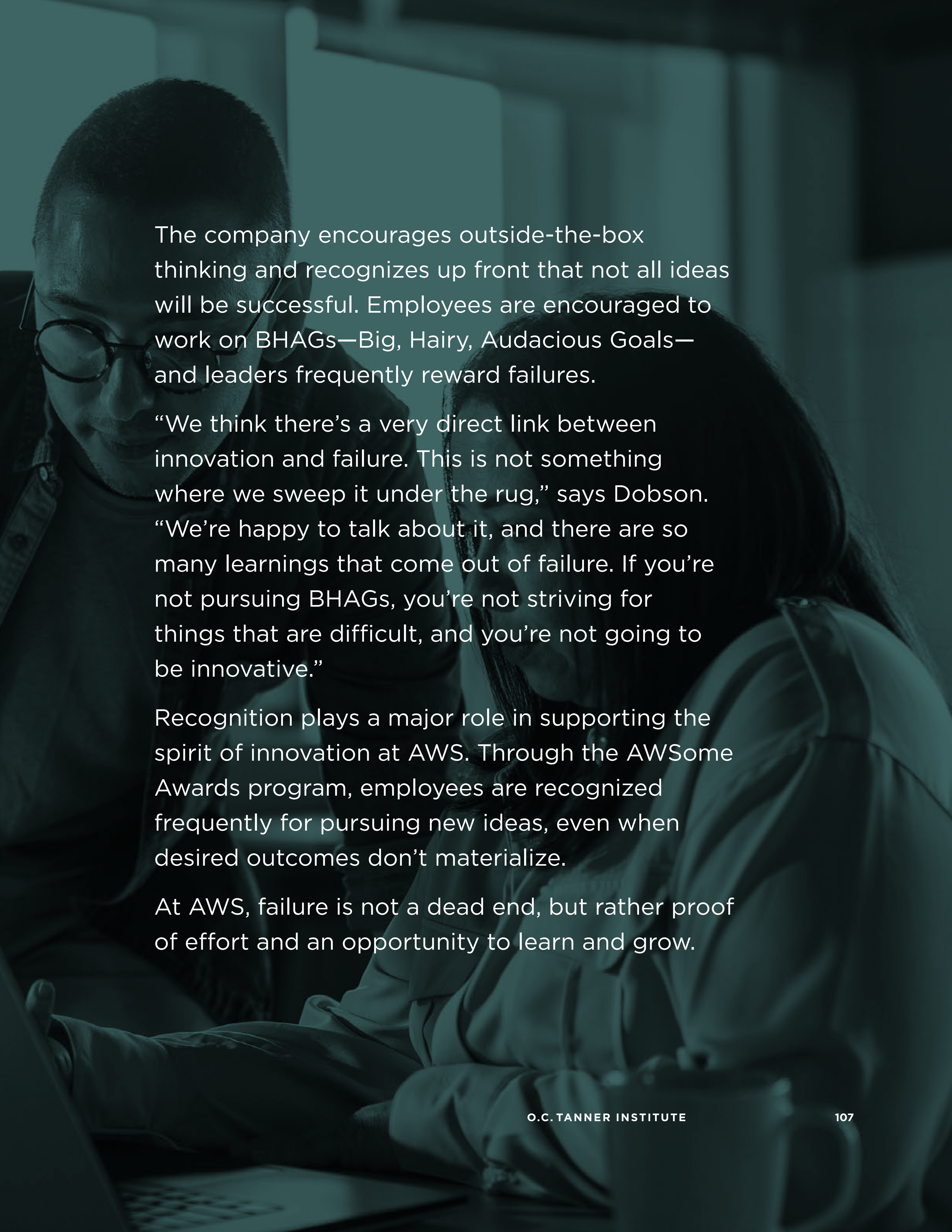
CASE STUDY—EMPOWERING INNOVATION

At Amazon Web Services (AWS), innovation is an integral part of the company’s ecosystem. AWS provides on-demand IT infrastructure, processing power, storage, and security for nearly 5 million businesses worldwide, from small startups to the world’s largest enterprises. And every employee at AWS is expected to innovate.

“We have hired incredibly intelligent, bright people, and our job is to let them do what they do best and remove roadblocks for them, so they can create and build new things,” says Cameron Dobson, Senior Manager, Recognition at AWS.

In fact, all employees at AWS are referred to as “builders,” and many of the best ideas come from those closest to the work and customers, who often have greater visibility into day-to-day issues. Says Dobson: “They are the ones who are best equipped to identify and solve those problems. And the job of leadership is to give them the tools, the technologies, the capabilities, and the freedom to do just that.”



The company encourages outside-the-box thinking and recognizes up front that not all ideas will be successful. Employees are encouraged to work on BHAGs—Big, Hairy, Audacious Goals—and leaders frequently reward failures.

“We think there’s a very direct link between innovation and failure. This is not something where we sweep it under the rug,” says Dobson. “We’re happy to talk about it, and there are so many learnings that come out of failure. If you’re not pursuing BHAGs, you’re not striving for things that are difficult, and you’re not going to be innovative.”

Recognition plays a major role in supporting the spirit of innovation at AWS. Through the AWSome Awards program, employees are recognized frequently for pursuing new ideas, even when desired outcomes don’t materialize.

At AWS, failure is not a dead end, but rather proof of effort and an opportunity to learn and grow.

UNLOCKING INNOVATION—KEY TAKEAWAYS

Innovation is a process, requiring employees to think creatively, share new ideas with others, and implement change.

Organizations may unintentionally suppress innovation with the need for control. Instead, they should provide autonomy, encouragement, and support during each step of innovation.

Recognition can unlock innovation when organizations recognize along each step of the innovation process and not just at the end.

Unlocking Innovation Sources

1. "Leaders Demand Innovation While 41% Of Employees Fear Getting Fired," Caroline Castrillon, Forbes, April 21, 2026.
2. Sparking Inspiration, 2026 Global Culture Report, O.C. Tanner Institute.
3. Hope in Practice, 2026 Global Culture Report, O.C. Tanner Institute.
4. State of Employee Recognition 2026, O.C. Tanner Institute.
5. The 80% Experience, 2024 Global Culture Report, O.C. Tanner Institute.
6. Sparking Inspiration, 2026 Global Culture Report, O.C. Tanner Institute.

One Last Word

People thrive when they're empowered to innovate and grow, supported by compassionate care in an environment of trust.

CONCLUSION

Growth, compassion, trust, and innovation are all achievable and sustainable. High performance happens when organizations support their people as they do great work, day after day, through integrated, personalized, flexible, culture by design.

Employee recognition is a meaningful and effective way to amplify all of the outcomes in this year's report and provide the care and support employees need to thrive. If you're ready to put these insights into practice, here are the capabilities to look for in a recognition partner and platform. O.C. Tanner's Culture Cloud® is built to support each of these strategies.

1. Organizational Compassion

Recognition naturally communicates care and supports the three pillars of compassion that are necessary for sustainable growth. Ensure recognition is frequent, equitable, and tied to a message of care. Provide offline tools and integrations into the systems your frontline employees use every day to recognize deskless workers, who need compassion, too.

2. Growth Cultures

Recognition reinforces growth that is mutually beneficial to the organization and employees. Recognizing effort, behaviors, and contributions over time, in addition to results, is crucial. Celebrating employee anniversaries, life events, and milestones is a meaningful way to show growth beyond revenue.

3. Active Trust

Recognition provides the connection and validation employees need to feel trust and perform at their best. It also reinforces employees' sense of self and authenticity in the workplace. Custom awards provide one-of-a-kind, memorable symbols of each employee's unique contributions and achievements at work.

4. Unlocking Innovation

Recognizing employees for thinking creatively, sharing ideas with others, and acting on ideas is what unlocks innovation. Recognize employees often for trying new things, even if they fail. Public recognition reinforces the importance of the steps of innovation, no matter what the outcome. Team initiatives and everyday recognition ensure each step of innovation is seen and appreciated.

> “Good leaders build products.
> Great leaders build cultures.
>
> Good leaders deliver results.
> Great leaders develop people.
>
> Good leaders have vision.
> Great leaders have values.
>
> Good leaders are role models at work.
> Great leaders are role models in life.”

—ADAM GRANT, AUTHOR, PROFESSOR, WHARTON SCHOOL, UNIVERSITY OF PENNSYLVANIA

Want to share these insights with your leaders? Check out our Leader Toolkit for actionable practices they can use to show compassion, create growth cultures, build active trust, and ignite innovation, so their employees can thrive.

METHODOLOGY

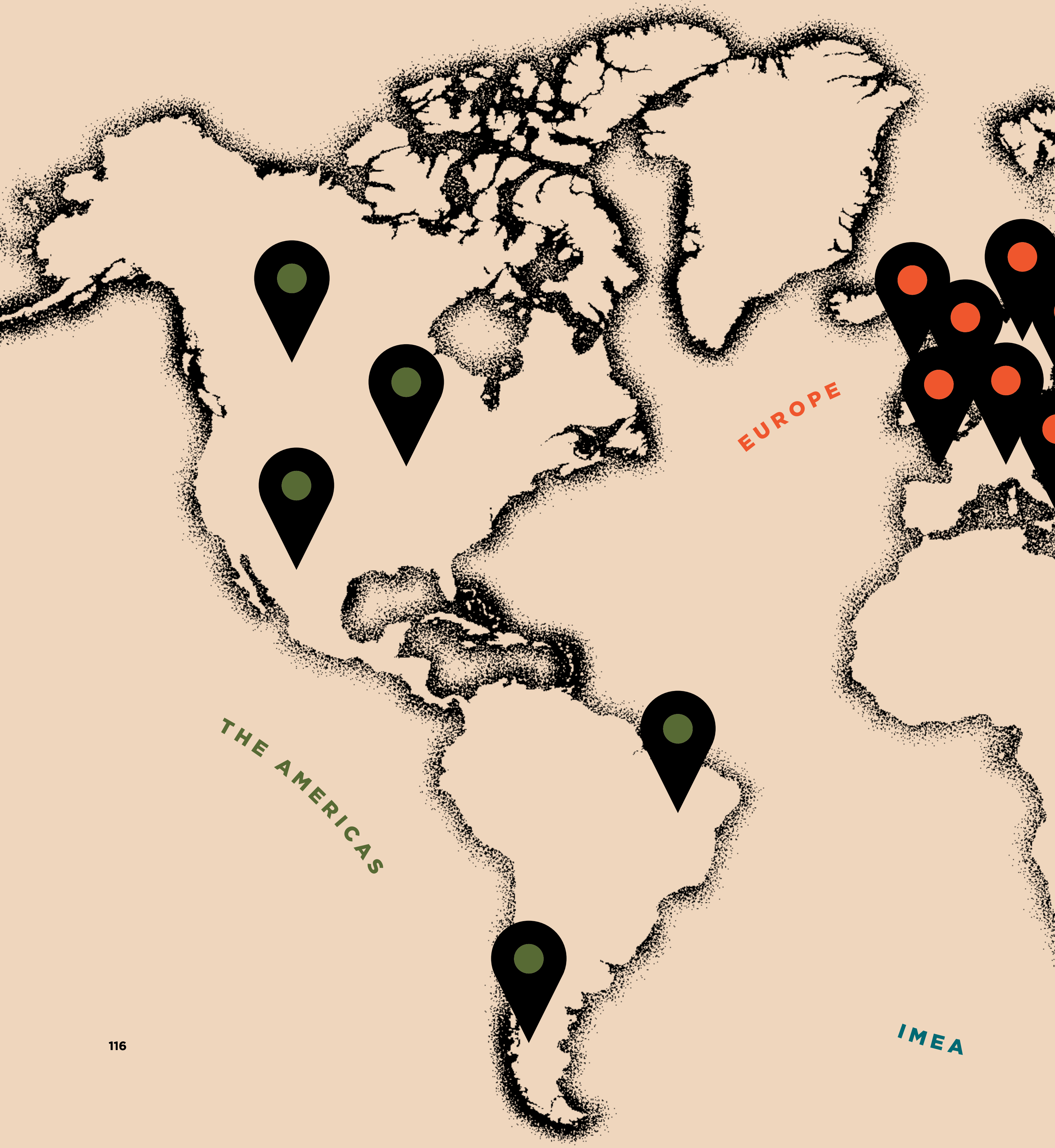
The O.C. Tanner Institute uses multiple research methods to support the Global Culture Report, including interviews, focus groups, cross-sectional surveys, and a longitudinal survey.

Qualitative findings came from 24 focus groups among employees, leaders, and HR practitioners of larger organizations. The focus groups and additional interviews were held throughout 2025 and 2026, each representing various types of employers and industries, and included both private and public entities.

Quantitative findings came from online survey interviews administered to employees across Australia, Belgium, Brazil, Canada, Chile, China, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, the Philippines, Saudi Arabia, Singapore, South Africa, Spain, Sweden, the United Arab Emirates, the United Kingdom, and the United States. The total sample size was 25,832 workers at companies with 500+ employees. The O.C. Tanner Institute collected and analyzed all survey data. This sample is sufficient to generate meaningful conclusions about the cultures of organizations in the included countries. However, because the study does not include population data, results are subject to statistical errors customarily associated with sample-based information.

All figures, unless otherwise stated, are from the O.C. Tanner Institute.

Global Appendix



Talent Magnet index scores and workplace culture outcomes across the world.

THE AMERICAS

The Americas have traditionally excelled at acknowledging the need to support a healthy workplace culture. This relates to strong leader support, strong innovation scores, and a general openness to change across countries in the Americas. However, the need to rethink work in the age of AI has put many workers in the Americas at risk of rising stress and wellbeing issues. At the same time, generational diversity is both a source of friction and a strategic advantage. With four generations working side by side, differences in communication preferences, career expectations, and attitudes toward technology require more intentional leadership. Going forward, organizations should continue to strategically and intentionally invest in culture to keep wellbeing and performance high.

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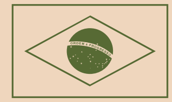
MINDI COX
CHIEF MARKETING & PEOPLE OFFICER
SALT LAKE CITY, UNITED STATES



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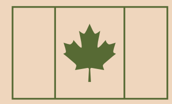

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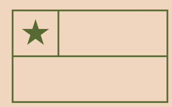

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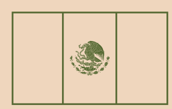

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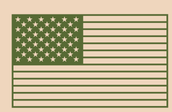
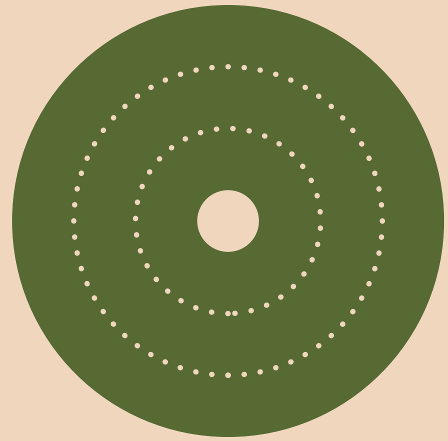


USA

IN THE AMERICAS, COMPASSION REDUCES THE ODDS OF BURNOUT 30%



EMPLOYEES IN THE AMERICAS WITH MODERN LEADERS ARE 3X MORE LIKELY TO THRIVE

17x

EMPLOYEES IN THE AMERICAS WHO HAVE A STRONG SENSE OF TRUST ARE 17X MORE LIKELY TO BE ENGAGED

THE AMERICAS	OVERALL	AGE 22–29	AGE 30–45	AGE 46–61	AGE 62–80
Purpose	77	76	78	75	74
Opportunity	72	74	75	68	65
Success	74	74	76	70	68
Appreciation	65	65	66	62	61
Wellbeing	59	57	59	60	64
Leadership	69	69	71	65	62
Engagement	76	74	77	74	73
Burnout	39	39	39	40	37
Great work	71	72	73	68	63
Compassion	43	39	46	40	32
Growth culture	31	30	34	26	19
Trust	28	27	30	25	16
Innovation	37	32	41	34	24

While purpose and success scores remain strong in THE AMERICAS, innovation, trust, and growth were particularly low across both the region and generations. To elevate these scores and help employees thrive, organizations must recommit to practices and programs that foster a healthy performance culture, one that balances expectations and employee support needs.

BRAZIL	CANADA	CHILE	MEXICO	UNITED STATES
82	72	74	75	80
78	65	69	73	76
79	67	69	75	77
70	60	61	63	68
63	57	57	58	61
74	62	64	67	73
80	70	71	75	79
31	44	40	36	38
75	65	68	72	74
52	30	36	39	51
41	18	20	25	39
40	17	16	18	36
45	25	30	34	46

EUROPE

Historically, the European region has excelled when it comes to supporting employee work-life balance and flexibility. However, socio-economic uncertainties have left many workers in Europe struggling with engagement and burnout at work. The rise of AI has leaders increasingly advocating for upskilling and transformation, yet these often come at the expense of recognition programs. As a result, employees across the region are finding it difficult to establish the kind of trust that provides clarity in times of ambiguity and support when career paths feel unstable. Organizations should adopt strategies aimed at cultivating a culture of growth to support increased trust, innovation, and engagement.

–

ROBERT ORDEVER
MANAGING DIRECTOR, EUROPE
LONDON, ENGLAND

BEL

FRA

DEU

ITA

NLD

POL

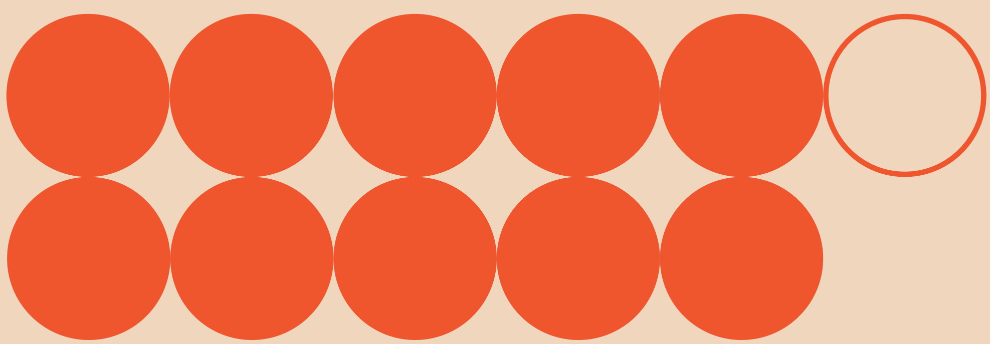
ESP

SWE

GBR

19x

EUROPEAN EMPLOYEES WHO ARE ENGAGED HAVE 19X IMPROVED ODDS OF TRUST AT WORK



EUROPEAN EMPLOYEES WHO ARE THRIVING ARE 11X MORE LIKELY TO INNOVATE AT WORK

EUROPE	OVERALL	AGE 22–29	AGE 30–45	AGE 46–61	AGE 62–80
Purpose	72	71	73	70	71
Opportunity	66	68	69	61	62
Success	66	68	69	62	63
Appreciation	61	61	63	57	58
Wellbeing	59	56	59	58	62
Leadership	63	64	66	58	58
Engagement	70	70	72	67	67
Burnout	41	44	41	42	37
Great work	65	67	68	60	58
Compassion	31	30	36	25	25
Growth culture	19	18	25	12	8
Trust	17	17	21	12	12
Innovation	26	24	31	19	27

Compared to last year, many of EUROPE's scores are either the same or modestly improved. However, compassion, growth, trust, and innovation scores are low compared to other regions. Organizations should focus on further improving culture and the Talent Magnets in order to show improvement in these areas.

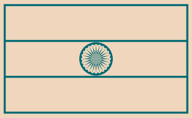
BELGIUM	FRANCE	GERMANY	ITALY	NETHER-LANDS	POLAND	SPAIN	SWEDEN	UNITED KINGDOM
69	67	71	69	71	67	72	70	75
64	60	66	61	68	61	66	64	69
65	60	66	63	66	61	66	62	70
58	57	59	57	60	58	58	59	64
59	56	56	58	60	51	57	59	62
60	58	62	59	64	59	61	60	67
68	65	69	69	69	63	69	68	74
42	43	39	38	41	44	41	42	42
61	59	62	62	63	61	65	62	68
28	22	27	24	18	27	31	20	39
9	10	16	14	15	13	16	12	28
8	7	16	14	12	14	11	11	26
24	18	21	21	22	22	23	17	33

IMEA

Organizations in the IMEA region prioritize learning and growth for their employees, and it shows up in strong growth scores as well as a magnified sense of belonging. However, some of the struggles that this region faces include high attrition rates as well as a simmering tension between reaching ambitious goals and burnout. In order to avoid these issues, organizations in IMEA should be sure to provide leaders with the tools they need to succeed and support their employees.

–

ZUBIN ZACK
MANAGING DIRECTOR, INDIA, MIDDLE EAST, AND AFRICA
MUMBAI, INDIA



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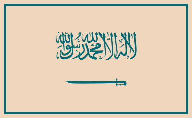

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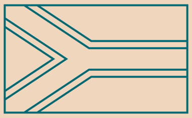

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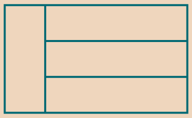

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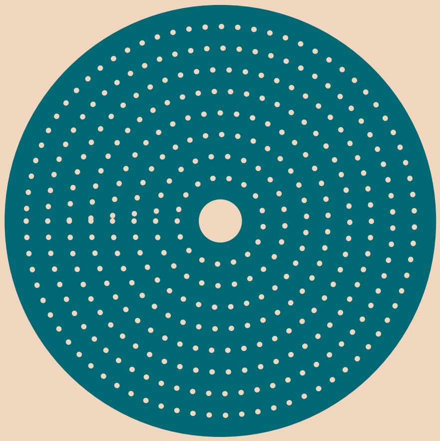
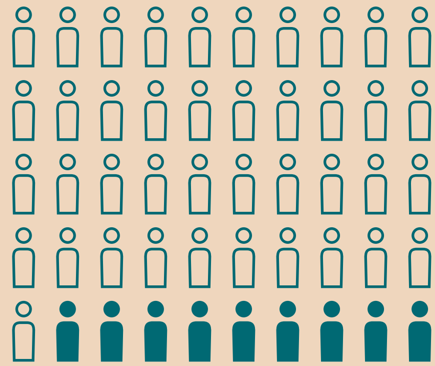
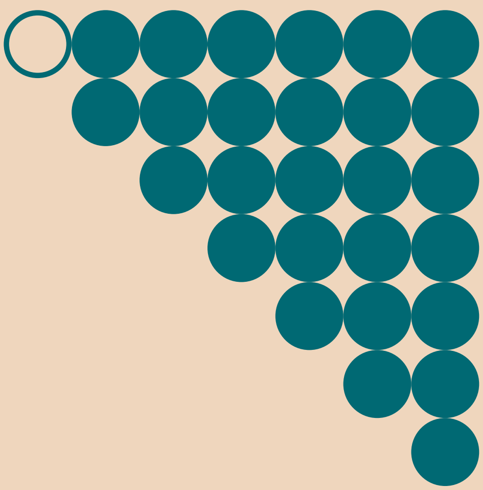


IMEA EMPLOYEES WHO FEEL A SENSE OF COMPASSION SEE 10X INCREASED ODDS OF DOING GREAT WORK



IMEA EMPLOYEES WHO FEEL APPRECIATED SEE 82% DECREASED ODDS OF BURNOUT



FOR IMEA EMPLOYEES, ORGANIZATIONS THAT EXCEL IN ALL THE TALENT MAGNETS SEE 28X IMPROVED ODDS OF EMPLOYEE ENGAGEMENT

2x

IN IMEA, TRUST AMPLIFIES BELONGING 2X

IMEA	OVERALL	AGE 22–29	AGE 30–45	AGE 46–61	AGE 62–80
Purpose	82	80	83	82	83
Opportunity	81	80	82	81	77
Success	81	80	82	81	79
Appreciation	70	69	71	71	68
Wellbeing	59	58	59	60	64
Leadership	76	75	77	75	72
Engagement	83	81	83	83	83
Burnout	37	39	36	37	34
Great work	79	78	79	80	75
Compassion	62	56	64	63	44
Growth culture	44	39	45	47	31
Trust	40	33	41	46	33
Innovation	59	50	62	61	39

While most scores are similar (or improved) compared to last year's results, leaders in IMEA should also be particularly careful about including both younger and older employees in their inclusion and culture-building efforts. For instance, as the table below indicates, "Gen Z" workers often score lower in positive outcomes compared to their older peers (and have increased burnout).

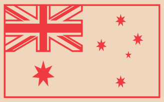
INDIA	SAUDI ARABIA	SOUTH AFRICA	UNITED ARAB EMIRATES
82	84	83	80
82	82	80	79
82	82	82	79
69	71	75	68
57	57	69	57
76	78	76	74
82	83	85	80
41	31	30	36
79	78	81	76
62	65	62	57
43	48	46	39
38	44	46	33
60	58	59	53

APAC

Across the APAC region, human-centric performance goals and increased support for employee recognition programs are helping more and more employees thrive. However, this region still faces its share of challenges, particularly at a time where economic uncertainty and cost management are front of mind. For instance, organizations are grappling with talent and skills gaps in the age of AI while simultaneously adopting new ways of working. In addition, many employees find themselves searching for more meaningful work and connection, even as they worry about job security. Though there is mounting support for more frequent, meaningful recognition, increasing the prevalence of recognition programs even further would have a positive impact on employee wellbeing and support healthy performance cultures.

–

ALAN HEYWARD
MANAGING DIRECTOR, ASIA PACIFIC
MELBOURNE, AUSTRALIA



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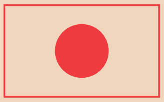

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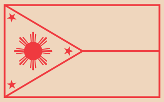


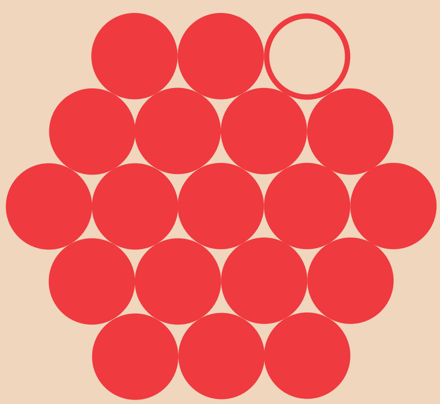
PHL

SGP

33x

EMPLOYEES IN APAC WITH INTEGRATED RECOGNITION HAVE
33X INCREASED ODDS OF THRIVING AT WORK

IN APAC, COMPASSION
REDUCES BURNOUT 73%



EMPLOYEES IN APAC WHO
FEEL A SENSE OF PURPOSE
HAVE 19X INCREASED
ODDS OF ENGAGEMENT

APAC	OVERALL	AGE 22–29	AGE 30–45	AGE 46–61	AGE 62–80
Purpose	71	73	72	69	65
Opportunity	68	71	70	67	57
Success	67	71	70	61	56
Appreciation	63	64	64	59	58
Wellbeing	57	57	57	56	56
Leadership	64	67	66	57	53
Engagement	69	72	71	64	61
Burnout	40	40	39	43	45
Great work	67	70	69	62	60
Compassion	37	43	41	25	15
Growth culture	25	25	29	17	12
Trust	22	24	24	17	14
Innovation	33	37	37	22	16

Most culture measures have stayed relatively consistent compared to last year. However, APAC has lower compassion, growth, trust, and innovation scores compared to some other regions. Organizations and leaders should lean further into recognition best practices in order to improve scores in these areas.

AUSTRALIA	CHINA	JAPAN	PHILIPPINES	SINGAPORE
76	71	61	75	67
73	69	54	74	64
74	69	52	74	64
66	63	56	68	58
59	55	53	61	54
69	66	49	68	61
76	69	55	78	65
39	36	47	38	46
72	68	56	75	66
47	40	10	50	31
31	31	7	31	13
28	26	8	29	13
42	39	9	41	23

The O.C. Tanner Institute is a widely respected research and education team focused on delivering valuable insights that help people thrive at work. Our award-winning and peer-reviewed research on corporate culture, employee recognition, leadership, and wellbeing opens hearts and minds, inspires change, and empowers organizations everywhere to intentionally create healthy, productive workplace cultures by design. Such cultures drive innovation, engage talent, and deliver on corporate goals.

O.C. Tanner is the global leader in software and services that improve workplace culture through a wide variety of personal employee recognition experiences. Our research-led platform helps companies in 180 countries recognize more people, more often, more ways with integrations that improve access, features that reach frontline workers, and tools that help leaders drive performance, inspire innovation, and amplify great work wherever it happens.

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