The Crossroads of Workplace Culture

Reference: Bernard Thorpe 2025, *Australia & Asia-Pacific Culture Pulse*, Fearless Culture Global Culture Pulse, report available at: https://www.cultureincorporated.com.au/

Culture Pulse reports from other countries: Australia and APAC, United States, Sweden, Finland, Ireland, /UK, Spain,

Introduction

The *2025 Australia & Asia-Pacific Culture (APAC) Pulse* study forms part of a global workplace culture survey examining key workforce trends and insights. It is one of twelve "Fearless Culture Global Culture Pulse" studies conducted across countries including the United States, Sweden, Finland, Canada, Ireland, Italy, Mexico, Peru, Spain, Switzerland, the United Kingdom (and Ireland), and Australia.

This digest:

- Summarises the findings of the Australia and APAC study
- Provides high level results from other countries

Although this study does not focus directly on mental health or emergency services, it remains highly relevant to ESF's values and priorities. Its emphasis on workplace culture and the broader forces reshaping it reflects a shared cultural moment that is profoundly influencing the mental health of Australian workers. Shifts in regulation, technology, leadership behaviour, employee expectations, and the future of work are redefining cultural pressures, priorities, and dynamics. These issues have direct implications for employee wellbeing and mental health outcomes.

Methodology

Led by Bernard Thorpe, as the Australian partner of the US-based Global Pulse initiative, the study was undertaken between April and August 2025 and held the assumption that "culture is the fundamental operating system of business".

Confidential and in-depth interviews (the report does not say how many) were carried out with senior executives and people and culture leaders in Australia, Singapore, and Hong Kong. Nineteen organisations from the government, energy, mining, technology, and service sector participated:

- thirteen were based in Australia
- two in Hong Kong and Singapore
- four global businesses also participated (three originated in Australia)

Australian findings

1. *Culture Matters but is not strongly prioritised:* Leaders state and many want to care about workplace culture, but boardrooms rarely invest in it (or measure it) with the same rigour as they do strategy, financial plans etc. Culture is often sidelined when budgets tighten or leadership changes. Organisations that do invest were found to outperform others. A good workplace culture was linked to trust, performance, and innovation.
2. *From Values to Behaviours:* The strongest workplace defined culture through behaviour and rewarded managers and other employees that walked the talk to make sure that the organisation's values were actually lived in daily work life.
3. *Flexibility and Wellbeing as Pillars:* The pandemic has permanently altered employee–employer dynamics. Employees now expect flexibility, wellbeing, and purpose at work. Hybrid work is now standard, mental health is openly discussed, and workers expect autonomy in their roles. Organisations that cling to outdated models of presenteeism or rigid performance measures struggle to maintain engagement and retention and avoid damage their reputations for attracting talent.
4. *Inclusion and Diversity as Core:* In Australia, strong regulatory frameworks and societal expectations have made diversity, equity, and inclusion non-negotiable. Legislative changes around psychosocial safety and ESG obligations demand accountability. Inclusion must be embedded in daily life at work, not confined to policies or slogans. Belonging is increasingly recognised as a driver of innovation and reputation (and not just compliance).
5. *AI and Tech Adoption:* Technology is advancing faster than culture can adapt. Leaders increasingly recognise that their greatest risk is not technological but cultural. Without being adaptable and ensuring psychological safety and a commitment to continuous learning, organisations risk falling behind. The point is, with AI entering workplaces, organisations risk falling behind not because of lack of access to AI but because they lack the agility to make the most of its potential.

Analysis

Culture as Strategy: For decades, workplace culture was treated as an HR project, a compliance checkbox, or a branding exercise. Today Australian leaders were found to be repositioning culture as a driver (and not backdrop) to performance. Culture is, in progressive organisations, seen as something that can respond to disruption, make decisions, and sustain innovation.

From Values to Behaviours: Australian organisations have long promoted values such as integrity, respect, and innovation. But employees now ask: Do we live them? The strongest cultures are closing the gap between words and actions, moving from abstract ideals to observable behaviours that reinforce strategic intent. Leaders are recognising that small, consistent nudges deliver more sustainable results than sweeping programs. When culture becomes behavioural, it becomes measurable and trust grows.

Pandemic as a Catalyst for Flexibility and Wellbeing: Before COVID-19, flexibility was seen more as a privilege, but the pandemic made it standard. For those in non-operational roles, hybrid work is now standard, mental health openly discussed, and leaders expected to demonstrate care consistently.

Organisations are broadening wellbeing to include psychosocial safety, neurodiversity, menopause, and other topics once avoided.

Inclusion and Diversity as Non-Negotiable: Diversity and inclusion have shifted from the realm of compliance to part of core organisational strategy. Australian organisations are embedding DEI into identity through Reconciliation Action Plans, "Equal by 30" commitments, Indigenous procurement targets, and ESG transparency etc.

AI and Tech Adoption as a cultural imperative: As AI reshapes work, leaders increasingly recognise that success depends less on infrastructure and more on culture. The critical question is not how fast technology can be implemented, but how ready people are to experiment, fail, and learn. In other words, AI adoption is not just a technical rollout but a cultural reset.

Recommendations and conclusions

Culture as the Engine of Performance: Culture is the system through which everything in organisations is possible and gets done.

Make Culture Operational: Culture must be embedded in decisions, processes, and performance systems and not just confined to posters or mission statements. Linking behaviours to KPIs and leadership scorecards, reinforced through feedback and recognition, makes culture measurable.

Build Human-Centred Resilience: AI and automation are rewriting the rules of work, but success depends on people. Organisations that thrive will embed resilience, adaptability, and learning into their DNA.

*Hardwire Inclusion and Wellbeing***:** Flexibility, wellbeing, and belonging are now baseline expectations. Organisations that treat them as optional initiatives risk losing talent. Embedding DEI and wellbeing into leadership accountability and business planning signals that culture is a leadership choice.

Cross-cultural findings

Each *Global Pulse Study* report contributes to a broader global analysis of workplace culture. A review of findings across countries is listed in the table below.

Country	Key Findings
Australia and APAC	- Rapid technological change and the strain of adapting workplace culture to match it. - Leaders highlight opportunities in accountability and human expectations, with culture seen as a lever for navigating uncertainty. - Cultural challenges are more structural (e.g., regulation, technology, wellbeing).
United States	Leaders feel deflated due to political backlash against DEI, belonging, and psychological safety.

	• Culture is often treated as a liability to manage, though some organizations double down on trust and innovation. • The workplace is heavily influenced by political identity and national debates. • Culture is becoming a battleground for broader societal divisions, making it harder for organisations to maintain neutrality or cohesion.
Sweden, Finland, Ireland	• Findings point to strong social trust traditions, but challenges in embedding culture consistently across global organisations. • Nordic countries often emphasize collaboration and equality yet face tension balancing innovation with tradition.
Ireland/UK, Spain	• Reports show tension between declared values and lived experiences, similar to the U.S. • DEI polarization is present, some organisations are reframing DEI initiatives quietly to avoid backlash

Reports for Canada, Italy, Switzerland, Mexico, Peru are forthcoming

Discussion

Overall, a cross-country comparison shows that the themes identified in the Australian study are universal, yet their intensity and expression vary by region. Common threads include the adoption of AI, the polarisation of diversity and inclusion debates, and the evolution of post-pandemic work models. Differences include:

- In the U.S., culture feels politically charged.
- In APAC, culture is framed around adaptability and accountability.
- In Latin America, culture is mission-driven but fragile.
- In Europe, culture emphasizes trust and equality but struggles with consistency.

It is often said that Australia follows the United States. If that is the case, workplace culture in Australia may increasingly become politically charged, with polarization seeping into daily work life and influencing employee interactions, leadership decisions, and corporate reputations. The U.S. Global Pulse Study found that employees express political identities through conversations, social media, and even workplace signage. More than half of American workers report concern about political discussions at work, with younger employees and racial minorities experiencing the highest levels of anxiety. These dynamic places significant pressure on leaders since CEOs and executives are expected to speak publicly on societal issues. Edelman's Trust Barometer shows that 86% of employees want leaders to weigh in on political or social debates yet doing so risks alienating parts of the workforce (and customer base).