

The Future of Workplace Culture

**AUSTRALIA & APAC**  
**CULTURE PULSE**

**2025**



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# WELCOME



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This is the first edition of the Australia & Asia-Pacific Culture Pulse—our deep dive into the state of workplace culture across Australia and parts of South-East Asia.

Drawing on conversations Bernard Thorpe and Julie Alexander-Bingham held with senior executives and People & Culture leaders, this report forms part of the Fearless Culture Global Culture Pulse study, conducted across twelve countries: the United States, Sweden, Finland, Canada, Ireland, Italy, Mexico, Peru, Spain, Switzerland, the United Kingdom, and Australia.

The global findings will culminate in a forthcoming worldwide report.

The study explores how culture shapes organisations today—how it steadies them through global uncertainty, accelerates AI adoption, and anchors them in a post-pandemic world still redefining work.

Our goal is simple: to give boards, CEOs, senior leaders, HR executives, and culture leads a clear snapshot of what's happening and, more importantly, why it matters—so they can turn insight into action.

What makes the Australian and Asia-Pacific results stand out is their defiance of global fatigue. While some markets are scaling back investment in culture, organisations here are doubling down. Regulatory expectations around psychosocial safety, diversity and inclusion, and ESG accountability are reinforcing culture as a strategic lever, not a discretionary cost.

Across the region, leaders are recognising that culture is not a mood—it's a mandate. In volatile conditions, it's what keeps people aligned, grounded, and capable of adapting at speed.

I trust this report will help boards and leaders strengthen the maturity of workplace culture as an essential element of future success.

Let's shape a better future together.

Stay fearless,

**Bernard Thorpe**

Partner – Australia, Fearless Culture



***"The future belongs to those who refuse to let fear dictate their behaviors. Culture is a long game. The companies that thrive are the ones that hold on to their principles when it's hardest to do so." —***  
*Gustavo Razzetti, CEO, Fearless Culture*

# CULTURE IS MORE IMPORTANT THAN EVER



**Culture has never mattered more—and yet, it has never been under greater strain.** Across Australia and Asia-Pacific, leaders acknowledge that culture underpins trust, resilience, and performance. But in practice, it often fights for airtime against commercial pressure, compliance fatigue, and the pace of technological change.

Our interviews revealed a telling contradiction: executives speak passionately about culture’s importance, but many still treat it as a background function—a “nice-to-have” until crisis hits. The gap between intent and implementation has widened, leaving employees questioning whether their organisations truly live their stated values.

Unlike the U.S., where cultural discourse has become polarised, the pressure here is less political and more structural.

The role of culture is under pressure driven by three forces:

## 1. Disruption from Technology and AI

Technology is moving faster than culture can adapt. The acceleration of AI and automation is rewriting job roles, reshaping decision-making, and demanding new skill sets at every level. Many leaders admit their biggest risk isn't technological—it's cultural. Organisations that fail to embed adaptability, psychological safety, and continuous learning risk falling behind, not because they lack tools, but because they lack the cultural agility to embrace them.

*“Leadership and human capabilities, sometimes dismissed as ‘soft skills,’ are increasingly critical in an automated world.”*

— Telco Executive

## 2. Rising Employee Expectations Post-Pandemic

The pandemic permanently changed the employee–employer dynamic. Flexibility, wellbeing, and purpose are now baseline expectations, not perks. Hybrid work is standard. Mental health is openly discussed. Autonomy is assumed. Organisations that resist this evolution—clinging to presenteeism or outdated performance models—are finding it increasingly difficult to sustain engagement and retention, and their employee brand suffers as a result.

*“The pandemic was transformative. It made leaders far more deliberate about care and connection.”*

— Senior Telco Leader

The message from employees is consistent: build a culture where human sustainability sits alongside business sustainability, or risk losing the people who drive your success.

## 3. Inclusion and Social Accountability

Australia's strong regulatory employment landscape and rising societal expectations have made diversity, equity, and inclusion non-negotiable. Legislative changes around psychosocial safety and ESG obligations are holding leaders to account, while a multigenerational workforce demands authenticity over optics.

*“[We perform] explicit measurement of cultural success through social value scorecards and Indigenous participation targets.”*

— Mining Executive

Inclusion can no longer live in policies or slogans—it must be visible in everyday behaviour. Organisations that embed belonging as a strategic imperative are finding that diversity fuels innovation and resilience; those that don't risk credibility and competitiveness.

The paradox for Australian organisations is clear: culture is celebrated but inconsistently prioritised. The question isn't whether culture matters—everyone agrees it does. The question is whether leaders will treat it with the same rigour they apply to strategy, risk, or financial performance.





# KEY FINDINGS

## 1. Culture Matters – But It’s Still Fighting for Priority

Leaders talk about culture with conviction but rarely fund it or measure it with the same discipline as strategy or performance. Culture is often the first casualty when budgets tighten or leadership changes. Yet, organisations that treat culture as the “how” behind every “what” are pulling ahead—because they understand it’s the invisible operating system driving performance, trust, and innovation.

## 2. From Values to Behaviours – Walking the Talk

Across industries, culture is shifting from words to actions. Aspirational values have given way to behavioural clarity. Organisations are now defining culture through what people do, not what’s printed on posters. Employees have little patience for values that sound noble but ring hollow in practice. The strongest cultures are those that reward consistency over rhetoric.

*“[At its core] it’s the way we talk, the way we behave with each other... and how we think about our customers.”*

— Senior Executive

### **3. Flexibility and Wellbeing – From Perk to Pillar**

Flexibility and wellbeing have moved from being optional extras to the backbone of organisational culture. Employees are choosing employers who demonstrate care, not just claim it. Organisations that hardwire human sustainability into their operating rhythm—through autonomy, flexibility, and psychological safety—are building cultures that retain energy, loyalty, and creativity.

*“[There is an] increased emphasis on mental health and wellbeing.”*

— *Global Mining Business*

### **4. Inclusion and Diversity – From Compliance to Core**

Inclusion has evolved from an HR initiative to a leadership obligation. Psychosocial safety legislation, DEI commitments, and ESG expectations are pushing leaders to turn good intentions into measurable outcomes. The most progressive organisations now treat belonging as a driver of innovation and reputation, not a compliance metric.

*“[My advice would be to] lead with values and inclusion while enabling innovation.”*

— *Energy Sector Leader*

### **5. Preparing for AI and Tech Adoption – The Cultural Frontier**

AI is no longer just a technological challenge—it’s a cultural one. The speed of digital transformation is testing leadership, ethics, and adaptability. Australian organisations are discovering that readiness for AI depends less on infrastructure and more on mindset. Psychological safety, curiosity, and continuous learning are now as vital as coding.

*“We need to evolve our culture to work with AI... I don’t see a huge change, just a gentle evolution.”*

— *Senior Executive*



# FIVE CULTURE SHIFTS

## 1. Culture as a Strategic Enabler – The Beginning of a Long Road

For decades, culture was treated as a side project – an HR initiative, a compliance checkbox, or a branding exercise. It lived on websites and mission statements, rarely in boardrooms. That era is over.

Across Australia and Asia-Pacific, leaders are repositioning culture as a strategic enabler – no longer the backdrop to performance but its driver. From mining to renewables, culture now defines how organisations respond to disruption, shape decisions, and sustain innovation.

**Why this matters:** In volatile markets, culture is the invisible operating system determining whether strategy succeeds. Organisations that embed cultural priorities into governance frameworks and leadership scorecards can pivot faster and maintain trust through uncertainty.

**What's next:** Boards are beginning to demand cultural metrics alongside financial ones – linking behaviours to KPIs, measuring psychological safety, and treating culture as both a risk and performance lever, not a slogan.

*“Being a customer-centred organisation that exists to connect and serve Australians is deeply ingrained in the company’s DNA.”*

— Telco Executive

*“Our values set the tone for our culture and guide decision-making.”*

— Large Mining Business

Culture is now recognised as the hard edge of strategy – the factor that determines whether companies adapt or falter. The road is long, but the journey has begun.

## 2. From Values to Behaviours – Moving from Words to Action

Australian organisations have long been strong on values – integrity, respect, innovation – principles printed proudly across office walls. But employees now ask a simpler question: Do we live them?

The most successful cultures are closing the gap between words and behaviour. They’re moving from abstract ideals to tangible, observable habits that reinforce strategic intent. Leaders are realising that small, consistent “nudges” drive more sustainable results than sweeping transformation programs.

**Why this matters:** Employees have little patience for rhetoric. When culture becomes behavioural, it becomes measurable – and trust grows. Organisations that reward consistency over slogans are building credibility and engagement.

**What's next:** Expect to see behavioural frameworks embedded into performance systems, leadership development, and recognition programs. Culture will increasingly be defined by what people do, not what they say.

*“Big changes don’t resonate as well... nudging is the main vehicle we use.”*

— *Australian Services Business*

*“Culture change requires transparency, leadership commitment, and relentless focus.”*

— *Mining Giant*

When culture becomes behavioural, employees stop being told what the culture is – they experience it.

### **3. Pandemic as a Catalyst for Flexibility and Wellbeing – From Perk to Pillar**

Before COVID-19, flexibility was seen as a privilege; wellbeing was a secondary conversation. The pandemic rewired both.

Now, flexibility and wellbeing are cultural non-negotiables. Hybrid work is the norm, mental health part of daily conversation, and leaders are expected to care visibly and consistently. Government departments and private-sector giants alike are expanding the definition of wellbeing to include neurodiversity, menopause, and psychosocial factors – topics once considered off-limits.

**Why this matters:** Performance now depends on human sustainability. Organisations that fail to embed wellbeing into their operating rhythm risk losing talent and credibility.



**What's next:** Leading organisations are moving beyond token gestures to systemic change – embedding wellbeing into leadership accountability, designing flexible work models for all roles, and measuring impact through engagement and retention metrics.

*“[The next phase will involve] accelerated adoption of hybrid work and digital collaboration.”*  
— Government Department

*“The pandemic was transformative. It made leaders far more deliberate about care and connection.”*  
— Telco Leader

Flexibility and wellbeing are no longer line items in HR – they are the backbone of the modern psychological contract.

## 4. Inclusion and Diversity as Non-Negotiable – From Compliance to Core

Diversity and inclusion once sat quietly in compliance reports. Today, they sit at the centre of strategy.

Australian organisations are embedding diversity, equity, and inclusion into their identity, not just policy frameworks. Reconciliation Action Plans, “Equal by 30” commitments, Indigenous procurement targets, and ESG transparency measures are linking inclusion directly to national priorities – from the clean-energy transition to future Olympic legacy projects.



**Why this matters:** Inclusion has shifted from moral argument to strategic advantage. Diverse teams fuel innovation, resilience, and reputation. Organisations that fail to act risk credibility and competitiveness.

**What's next:** Inclusion will be hardwired into governance and performance systems. Expect to see social-value scorecards, leadership accountability for DEI outcomes, and transparent reporting become standard practice.

*“[My advice would be to] lead with values and inclusion while enabling innovation.”*

— Energy Sector Leader

*“[We perform] explicit measurement of cultural success through social-value scorecards and Indigenous participation targets.”*

— Mining Executive

In a world retreating from the DEI conversation, Australia and Asia-Pacific are demonstrating that inclusion isn't a fad – it's the foundation of innovation and trust.

## 5. Preparing for AI and Tech Adoption – From Technical Challenge to Cultural Imperative

Technology adoption used to belong to IT. Now, it's everyone's business.

As AI reshapes work, leaders increasingly recognise that success depends less on infrastructure and more on culture. The question isn't how fast we can implement technology – it's how ready our people are to experiment, fail, and learn.



**Why this matters:** AI adoption is not just a technical rollout – it’s a cultural reset. Organisations that build psychological safety and curiosity into their DNA will lead the next wave of innovation.

**What’s next:** Progressive organisations are investing in continuous learning, ethical frameworks, and leadership capability to navigate uncertainty. They’re treating adaptability and trust as mission-critical skills.

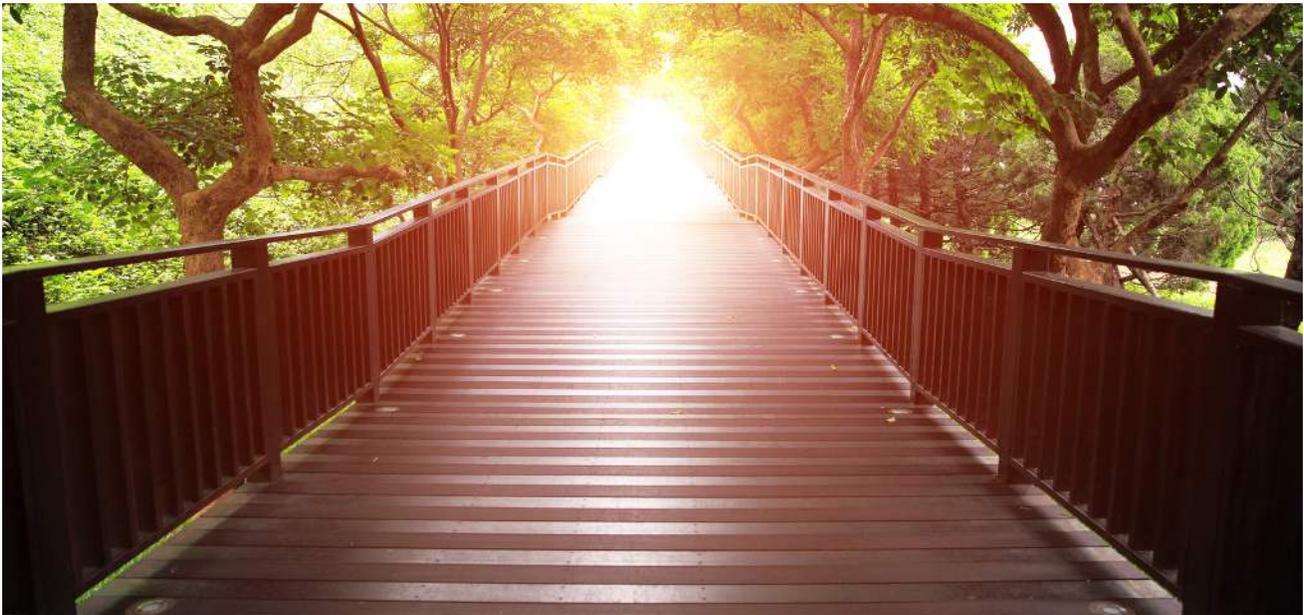
*“Leadership and human capabilities, sometimes dismissed as ‘soft skills,’ are increasingly critical in an automated world.”*

— Telco Executive

*“[You should] invest in continuous learning and innovation – create a culture that embraces change.”*

— Technology Leader

Those who treat AI purely as an efficiency tool will miss the deeper transformation underway.



# THE PATH FORWARD

Culture is not a side project — it’s the system through which everything gets done. Yet too many organisations still treat it as an intangible, reacting to culture issues rather than designing for them. The most progressive leaders are moving past slogans and surface gestures, treating culture as the practical engine of performance.

Here’s what the next stage of cultural maturity demands:

## 1. Make Culture Operational, Not Aspirational

Culture can’t live in posters or strategy decks. It has to be embedded in decisions, processes, and performance systems. That means linking expected behaviours directly to KPIs and leadership scorecards, and reinforcing them through feedback and recognition loops.

When culture becomes operational, it stops being “soft.” It becomes a measurable lever of execution — shaping how priorities are set, how risks are managed, and how innovation happens.

*“Culture change requires transparency, leadership commitment, and relentless focus.”*  
— Mining Giant

Culture must be something people experience daily, not something they read about annually.

## 2. Build Human-Centred Resilience for a Tech-Driven Future

AI and automation are rewriting the rules of work, but success won't hinge on the technology — it will hinge on people. Organisations that will thrive are those that build resilience, adaptability, and learning into their DNA.

Leaders need to invest in what are still often called “soft skills” but are now mission-critical: curiosity, collaboration, empathy, and trust. These aren't just leadership traits; they are the cultural scaffolding for innovation.

*“[You should] invest in continuous learning and innovation — create a culture that embraces change.”*

— *Technology Leader*

Companies that treat AI as a human challenge, not just a technical one, will move faster, smarter, and with far less fear.

## 3. Hardwire Inclusion and Wellbeing into the DNA of the Organisation

Flexibility, wellbeing, and belonging are now baseline expectations. Organisations that still treat them as “initiatives” are already losing the war for talent. Inclusion must be built into how work gets done — not bolted on afterwards.

Embedding DEI and wellbeing into leadership accountability and business planning sends a powerful signal: this isn't HR's problem, it's a leadership choice. Measuring social value, tracking psychosocial factors, and holding leaders to account for inclusion outcomes transforms culture from words into systems.

*“Embed inclusivity and sustainability into your culture — empower teams to innovate and adapt to the clean energy future.”*

— *Renewable Energy Leader*

The future belongs to organisations that understand human sustainability is the foundation of business sustainability.

# ABOUT THE STUDY

The 2025 Australia & Asia-Pacific Culture Pulse study was conducted through confidential, in-depth interviews with senior executives and People & Culture leaders across Australia, Singapore, and Hong Kong between April and August 2025.

Of the nineteen organisations that took part, thirteen were Australian, two were based in Hong Kong and Singapore, and four were global businesses — three of which originated in Australia.

The interviews explored how workplace culture is understood, prioritised, and embedded across different sectors, from government to energy, mining, technology, and services. Participants were encouraged to speak candidly about the forces shaping their culture — from regulation and technology to leadership behaviour and employee expectation.

The study was led by Bernard Thorpe, Partner – Australia, and Julie Alexander-Bingham, CEO of Culture Incorporated by CCI.



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# CLOSING WORDS

Culture is never static, flawless, or free of contradiction. It lives in tension — between what we say and what we do, what we reward and what we tolerate. This report reflects those tensions and the possibilities they create.

In Australia and across Asia-Pacific, culture is evolving under pressure — shaped by technology, regulation, and rising human expectations. The organisations that will thrive are those that treat culture not as a mirror of the past but as a design challenge for the future.

Culture's complexity isn't a weakness; it's where transformation begins. The real work is not chasing a perfect culture, but committing to progress — one deliberate choice at a time. If your organisation is ready to navigate this complexity, embrace the pressures of technology and social change, and build a culture that is fearless, adaptive, and human-centred — let's start the conversation.





# ABOUT FEARLESS CULTURE

We are a human-centric culture design firm that helps teams do their best work. Founded by best-selling author Gustavo Razzetti, we provide workshops and culture design consulting to improve alignment, belonging, and collaboration.

Based in the USA with partners in Europe, Latin America, and APAC, we strive to intentionally design the culture your organization deserves.

Our signature framework, the Culture Design Canvas, has been adopted by over 500,000 leaders and consultants in more than 50 countries to effectively map, assess, and design both team and company culture.

# CONTACT US



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