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The Leadership Maturity Gap

A Five-Country View

Why culture strain and scaling challenges start with the leader, and what the data says in Canada, the United States, the United Kingdom, South Africa and Australia.

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A NOTE FROM CHRISTINA

Why we wrote this

For fourteen years, Ignite Purpose has been researching what leaders actually need, across Australia, South Africa, the United Kingdom, Canada and the United States. The leaders our work is built around are good at what they do. They care. They are doing everything right. And yet, more and more of them describe the same thing: a ceiling they cannot name.

It is not a skills gap. It is a maturity gap. Organisational complexity is rising faster than the emotional capacity of the people asked to hold it, and the space that opens between those two lines is where culture drifts, good people leave and leaders quietly burn out.

We built the Leadership Maturity Gap experience with leaders in British Columbia, and as we prepared it, one question kept coming back from clients in other markets: is this a BC story, or is it our story too? So we went to the data. We took the same framework and laid it over the most recent country-level evidence for the five markets where Ignite Purpose works most closely: Canada, the United States, the United Kingdom, South Africa and Australia.

What we found is the reason for this paper. The gap is everywhere. But it does not look the same everywhere. Canada's version is a trust inversion. America's is a confidence collapse inside the world's most engaged workforce. Britain's is a quiet majority that has stopped expecting anything different. South Africa's is a workforce carrying a national load and still ready to believe. Australia's is a prosperity paradox, fifteen years of decline hidden behind numbers that still look good.

Different accents. Same gap.

This paper is written for the leaders we work with: founders, boards, senior executives and the people and culture leaders who carry so much of this on their own shoulders. It is not a verdict. It is a starting line. My hope is that you find your own market in here, recognise something true, and feel a little less alone in it. Then let's talk about what we can do together.

You don't have to be hard to be strong.

Warmly,

Christina E Foxwell

Christina Foxwell

Founder and Global CEO, Ignite Purpose

EXECUTIVE SUMMARY

The five-country picture at a glance

Gallup's State of the Global Workplace 2026 report (which reports 2025 data) gives us a common yardstick across all five countries. On its own, none of these figures is the whole story. Read together, they show a pattern that repeats in every market we serve.

Indicator (2025 data)	Canada	USA	UK	South Africa	Australia	Global
Engaged at work	21%	32%	10%	18%	21%	20%
Not engaged	65%	51%	83%	63%	65%	64%
Actively disengaged	15%	17%	7%	18%	14%	16%
Thriving in life	50%	51%	49%	26%	55%	34%
Daily stress	58%	50%	46%	36%	50%	40%
Daily sadness	23%	22%	22%	22%	21%	23%
Daily anger	20%	18%	15%	17%	15%	22%
Daily loneliness	17%	19%	18%	22%	14%	22%
Good time to find a job	51%	46%	49%	45%	64%	52%
Next generation better off (Edelman 2025)	36%	30%	17%	38%	17%	36%

Sources: Gallup, State of the Global Workplace 2026, country-level data pages (three-year rolling averages, data collected January to December 2025); Edelman Trust Barometer 2025, global and country releases.

Seven things the data tells us

- **The Functional plateau is universal.** In every country, the largest group by far is "not engaged": present, reliable, and quietly stretched. Between 51% and 83% of each workforce sits here. This is the maturity gap, at national scale.
- **Stress is rising where you would least expect it.** Canada (58%), the United States (50%) and Australia (50%) all report daily stress well above the global average of 40%, and in each case it has climbed steadily since 2010. Prosperity has not protected people from pressure.
- **The ceiling is silent.** Only 13% of American workers have told their manager that work is hurting their mental health. Only 42% of Canadians with a diagnosed condition disclose it. Just over half of Australians feel safe raising a concern. Leaders are managing an invisible load.
- **Trust is the hinge.** South Africans trust their employer (78%) even as they doubt almost everything else. Canadians trust business (55) but not the person leading it (37% trust CEOs). Where trust in the leader holds, the gap

can be closed. Where it has gone, competence alone will not bring people back.

- **Forward belief is collapsing.** Only 17% of Britons and 17% of Australians believe the next generation will be better off. Only 30% of Americans do. Leaders cannot lead from the Integrative or Generative levels when their people have stopped believing that growth and contribution lead anywhere.
- **AI is the accelerant.** 88% of organisations now use AI in at least one function, yet only 44% have scaled it and 86% of senior leaders feel unprepared for AI in day-to-day operations. More than half of employees worldwide admit to hiding their AI use. Technology transformation is pushing the complexity line up faster than at any point in the fifteen-year record, and it lands hardest on the manager in the middle.
- **The gap has a P&L.** Gallup puts the cost of low engagement at US$10 trillion a year, 9% of global GDP. Business units in the top engagement quartile are 23% more profitable than the bottom, with 78% less absenteeism and up to 51% lower turnover. Managers explain 70% of the difference. Investment in leader capability returns between £4.70 and A$9.98 for every unit spent. The maturity gap is the most expensive line item nobody reports.

PART ONE

The Leadership Maturity Gap

Every organisation carries two lines. One is organisational complexity: growth, headcount, decisions, conflict, ambiguity, accountability, cultural demands and, increasingly, the pace of AI, data and technology change. This line climbs whether or not you are ready for it. It does not ask permission.

The other is leadership emotional capacity: regulation, identity maturity, conflict fluency, consistency under pressure and the ability to hold complexity without transferring it as pressure. This line grows only when someone does the work to grow it.

As an organisation scales, complexity almost always rises faster than capacity. The space that opens between the two lines is the maturity gap. Leaders describe it as the moment everything started to feel heavier, even though they were working harder than ever.

How the gap is felt

The gap does not announce itself. It is felt in three places, in this order.

01 Emotional capacity

Every leader has a ceiling: the point where pressure exceeds what they can hold. Your jaw tightens. Your patience thins. You go quiet, or you go sharp. When you hit it, you do not announce it. Your team simply starts absorbing it.

02 Scaling strain

Strain does not show up as failure. It shows up as pressure: the sense that everything is happening one step faster than you can stabilise it. You feel stretched. Your team feels unsettled. Decisions feel heavier. Notice the order. It starts in the leader and moves outward.

03 Culture drift

Strain that is not addressed does not stay with the leader. It becomes the weather everyone works in. Meetings get quieter. Standards slip by a degree. Good people start leaving. Nothing breaks, and that is exactly why drift is so dangerous. You usually cannot see it while you are inside it, because you drifted with it.

The Drift Loop

Left open, the gap runs in a self-reinforcing loop. Leadership emotional overload creates inconsistent behaviours. Inconsistency creates team confusion. Confusion creates values misalignment. Misalignment becomes culture drift. And drift puts more pressure back on the leader, which is where the loop began. Every country chapter in this paper maps the national evidence onto these six stages.

Stage	What it looks like
01 Leadership emotional overload	Pressure exceeds what the leader can hold.
02 Inconsistent behaviours	The leader who shows up under strain is not the leader who shows up grounded.
03 Team confusion	People hesitate, avoid or over-correct because they do not know which version of you they are getting.
04 Values misalignment	What is said and what is done begin to separate.
05 Culture drift	A degree at a time, the organisation stops feeling like itself.
06 More pressure on the leader	Turnover, disengagement and rework land back on the person least able to absorb them.

The four levels of leadership maturity

Leadership matures in levels, and each level builds the capacity the next one requires. Read them as a ladder, not a scorecard. Most leaders recognise themselves in two of them, and that is exactly right.

Level	How it leads	Under pressure
01 Reactive	Leads by impulse and firefighting; survives pressure.	Overwhelmed or reactive. Avoids or delays conflict.
02 Functional	Delivers reliably; manages systems and expectations.	Stays functional but tense. Addresses conflict with discomfort.
03 Integrative	Holds complexity; aligns people, values and strategy.	Steady and intentional. Engages conflict with clarity and care.
04 Generative	Grows others; builds culture that scales itself.	Grounded and stabilising. Uses conflict to strengthen alignment.

When we run this diagnostic live, most rooms cluster at Functional: capable and dependable, and leading close to the emotional ceiling whenever pressure climbs. Reliable is not the same as sustainable. That cluster is the maturity gap, live in the room. The chapters that follow ask whether it is also live in the country.

PART TWO

Five countries, one pattern

Before we look at each market on its own terms, it helps to see them side by side. Four comparisons tell most of the story.

The Functional plateau

Engagement is the closest thing we have to a national reading of leadership maturity. Engaged people are led. Actively disengaged people are fighting. The group in the middle, "not engaged", is being managed rather than led: present, functional, and quietly gone. In every one of our five countries it is the majority.

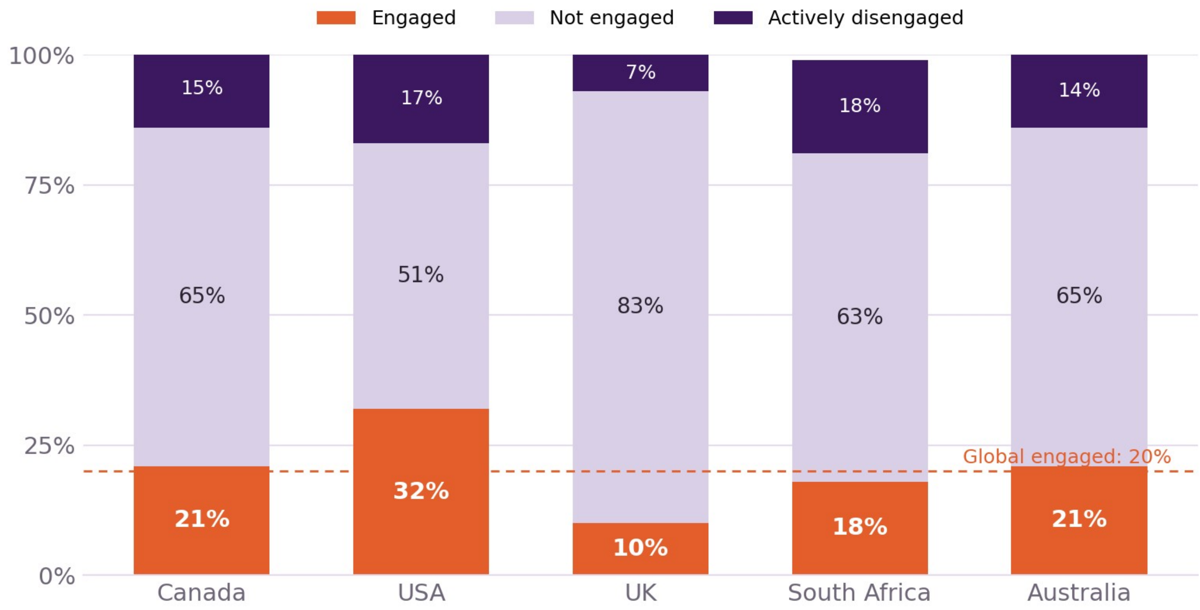

Figure 1. Employee engagement, 2025 data. Gallup, State of the Global Workplace 2026.

Two countries stand out. The United States leads the world at 32% engaged, and yet half its workforce is still not engaged. The United Kingdom sits at 10% engaged with 83% not engaged, the highest of any country in this analysis. Everyone else clusters at the global norm: roughly one in five engaged, two in three not engaged.

Stress is a fifteen-year climb, not a spike

The three wealthiest markets in this study carry the most daily stress. In each case the number has been rising since 2010, which means leaders are not managing through a temporary surge. They are operating at the top of a long structural climb, and their people have normalised it.

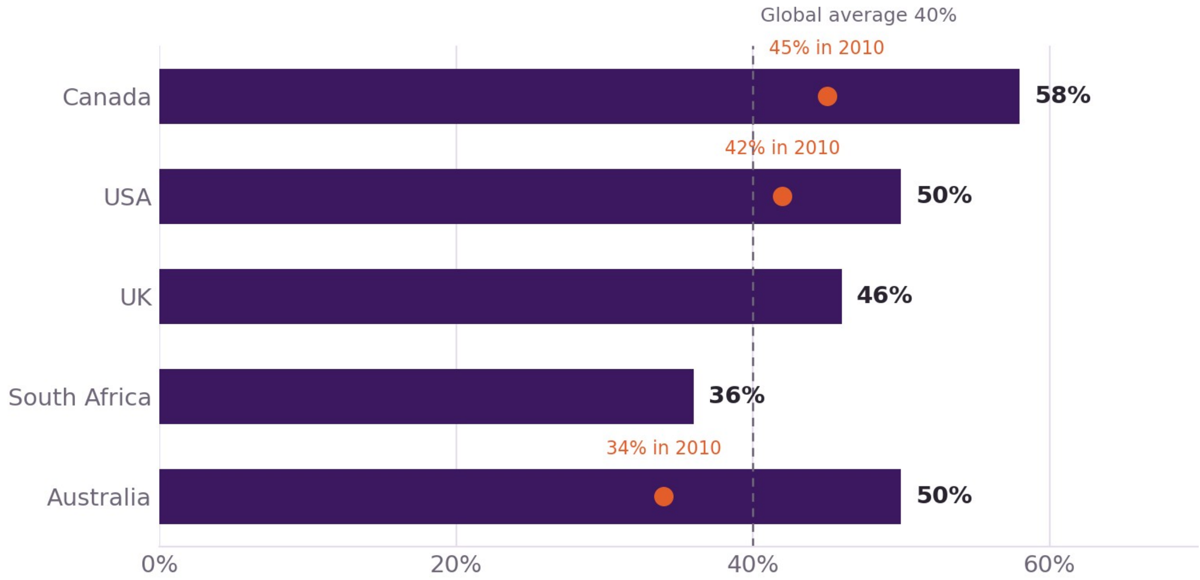

Figure 2. Share of employees who experienced a lot of stress the previous day, 2025 data, with 2010 values where Gallup publishes them.

Thriving and confidence have come apart

Life evaluation ("thriving") tells you how people feel about their lives. Job climate tells you whether they believe there is somewhere else to go. Australia is the outlier in both directions: the highest thriving score and the strongest job market confidence, and the steepest fifteen-year decline in wellbeing of any country here. South Africa is the mirror image: only 26% thriving, well below the global average, and yet the highest trust in employers of any market studied.

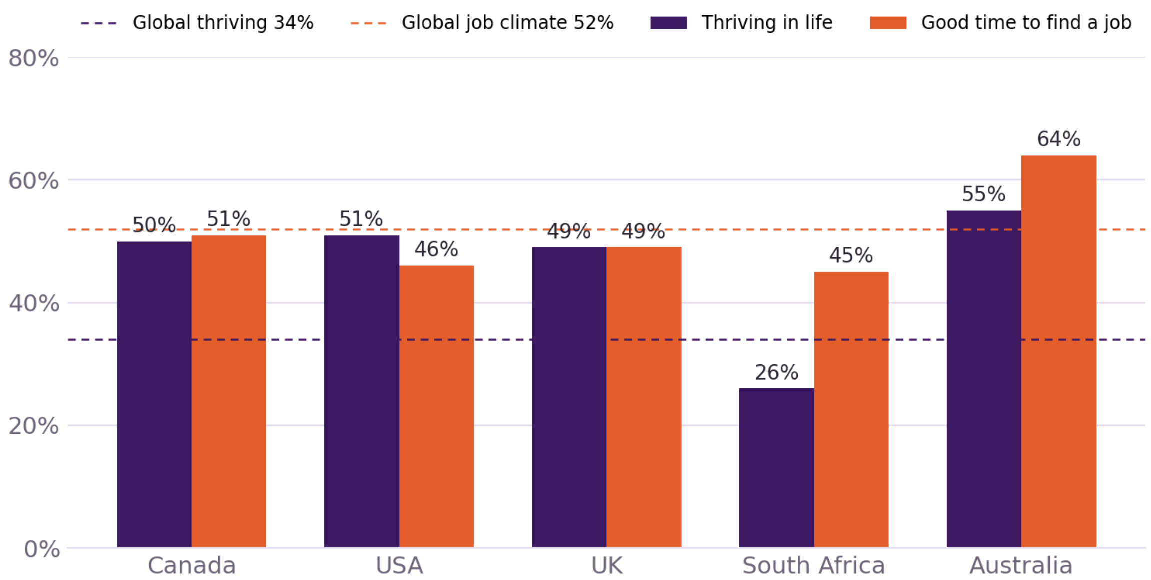

Figure 3. Employees thriving in life evaluation, and share who say it is a good time to find a job, 2025 data. Gallup 2026.

Forward belief

Edelman's Trust Barometer asks a simple question: will the next generation be better off? We think it is one of the most important leadership numbers there is, because Integrative and Generative leadership both depend on people believing that growth and contribution lead somewhere.

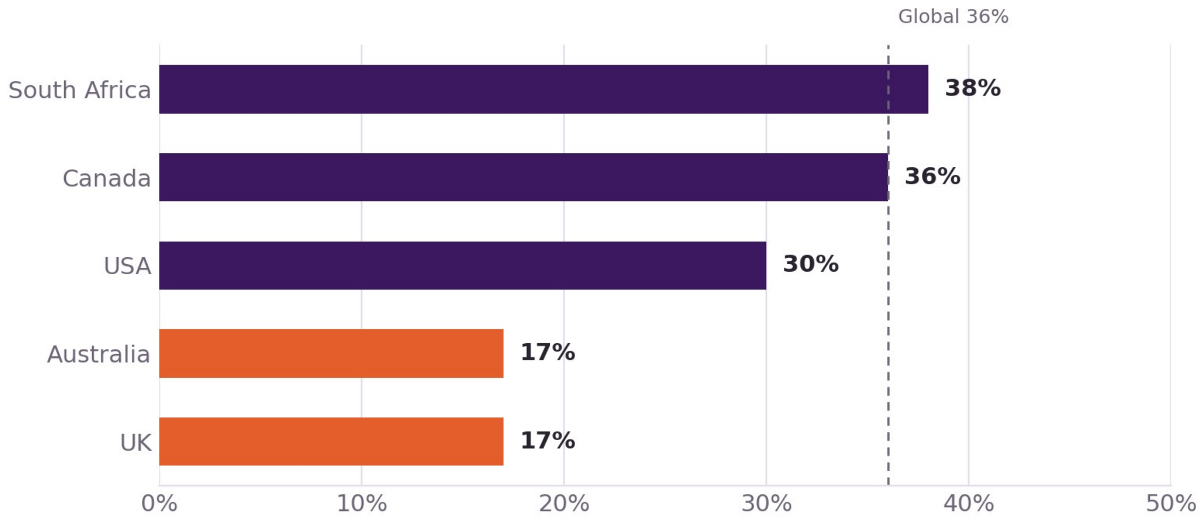

Figure 4. Share who believe the next generation will be better off. Edelman Trust Barometer 2025, global and country releases.

Australia and the United Kingdom sit at 17%, less than half the global figure. South Africa, the country carrying the heaviest objective load, is the most hopeful of the five. This is the paradox that runs through the whole paper: conditions and experience have come apart, and the space between them is where leadership maturity lives.

PART THREE

The accelerant: AI, data and technology transformation

Everything in this paper so far describes a gap that has been widening slowly, over fifteen years. AI, data and technology transformation is different. It does not add a little to the complexity line. It changes the slope.

Every previous wave of workplace technology gave leaders time to adjust. This one is arriving faster than organisations can redesign work, faster than managers can be trained, and faster than people can make sense of what it means for them. That speed is the point. A leadership system already running close to its emotional ceiling is now being asked to absorb the largest change in how work is done in a generation, and to do it while everything else keeps climbing.

Adoption is outrunning the organisation

The numbers on adoption are extraordinary. McKinsey's 2026 global survey finds 88% of organisations now use AI in at least one business function, and 80% of respondents say it has improved their own productivity. In the United States, Gallup reports the share of employees using AI at work has risen from 21% in 2023 to 52% in 2026, and frequent use among leaders has climbed from 17% to 44% over the same period. Microsoft reports a fifteen-fold rise in active AI agents inside its business platform in a single year.

And yet the organisation itself is not keeping pace. Only 44% of organisations have scaled AI across the enterprise. Only 37% can attribute any profit impact to it, unchanged from the year before, and only 6% qualify as high performers. PwC's 2026 survey of more than 4,400 chief executives finds 56% have yet to see either revenue or cost benefit from AI, while 42% name transforming fast enough to keep pace with technology as a top concern. Gallup found that only 22% of American employees said their organisation had communicated a clear plan for integrating AI, at a moment when 44% of organisations had already begun.

That is the shape of the maturity gap in miniature. The tools are arriving faster than the leadership system can integrate them. Complexity is climbing; capacity is flat; and the space between the two is where people are quietly working it out on their own.

It lands on the leader's ceiling

Technology transformation does not land evenly. It lands on the person in the middle, and the evidence says that person is already full.

- **Leaders feel unprepared.** McKinsey's 2026 survey of more than 10,000 senior executives finds 86% feel unprepared for AI in day-to-day operations and 72% feel unprepared for the changes ahead. DDI reports that only 18% of leaders feel very prepared to manage change, and that HR leaders' confidence in their leaders' ability to anticipate and react to change has fallen from 25% to 13% in five years.
- **Managers are absorbing the load.** Gartner finds 47% of managers are working harder than a year ago and spending around nine hours a week on employees' personal and emotional concerns. 86% say they face challenges driving effective AI use in their teams, and only 45% say AI has lived up to expectations for their team. DDI finds frontline managers are three times more likely than senior leaders to be concerned about AI's impact.
- **The working day has fragmented.** Microsoft's Work Trend Index finds 80% of the global workforce say they lack the time or energy to do their job. Knowledge workers are interrupted every two minutes, around 275 times a day. One in three say the pace of work over the past five years makes it impossible to keep up. Deloitte finds 68% of workers lack sufficient uninterrupted focus time and 41% of daily work goes to tasks that do not create value.
- **Change tolerance has collapsed.** Gartner's research shows employees' willingness to support organisational change fell from 74% to 43% between 2016 and 2022, in a period when the average employee went from experiencing two planned enterprise changes a year to ten. Deloitte's 2026 Human Capital Trends finds one in three workers experienced fifteen or more major changes in a single year, and only 27% of organisations rate their change management as effective.
- **Trust in the leader is falling as stress rises.** DDI's 2025 Global Leadership Forecast finds 71% of leaders report increased stress and 40% of those have considered leaving leadership altogether. Trust in immediate managers has fallen to 29%, a 37% decline since 2022.

Put simply: the emotional capacity line is not just flat. In many organisations it is being consumed, hour by hour, by the very transformation that was meant to create capacity.

The silent gap goes digital

Earlier chapters showed that the emotional ceiling is silent: people do not tell their leaders what they are carrying. AI has added a second silence, this time about how the work itself is being done.

KPMG and the University of Melbourne's 2025 study of more than 48,000 people in 47 countries finds 57% of employees admit to hiding their AI use and presenting AI-generated work as their own. Two-thirds rely on AI output without checking it, and 56% say they have made mistakes at work because of AI. Fewer than half have received any AI training and only 40% have a workplace policy to guide them. Slack's global workforce index found nearly half of desk workers would be uncomfortable admitting AI use to their manager, because it feels like cheating or might make them look less competent.

Underneath the hiding is fear. Microsoft's 2026 research finds 65% of AI users fear falling behind if they do not adapt quickly, 45% say it feels safer to focus on current goals than to redesign their work, and only 26% believe their leadership is clearly aligned on AI. BCG's 2026 study finds 41% of regular AI users report increased cognitive load, and two-thirds get little or no guidance on what to do with the time AI saves. Globally, Edelman finds 58% of employees worry about losing their job to automation, and in its 2026 study more than half of lower-income respondents believe generative AI will leave them behind.

This is the Drift Loop running at digital speed. Inconsistent guidance creates team confusion. Confusion creates hidden behaviour. Hidden behaviour creates mistakes, and mistakes create more pressure on the leader who never knew what was happening.

Five countries, one more accent

The KPMG and University of Melbourne study is the only source that asks the same AI questions in all five of our countries. It shows the same pattern as the rest of this paper: the accent differs, the gap does not.

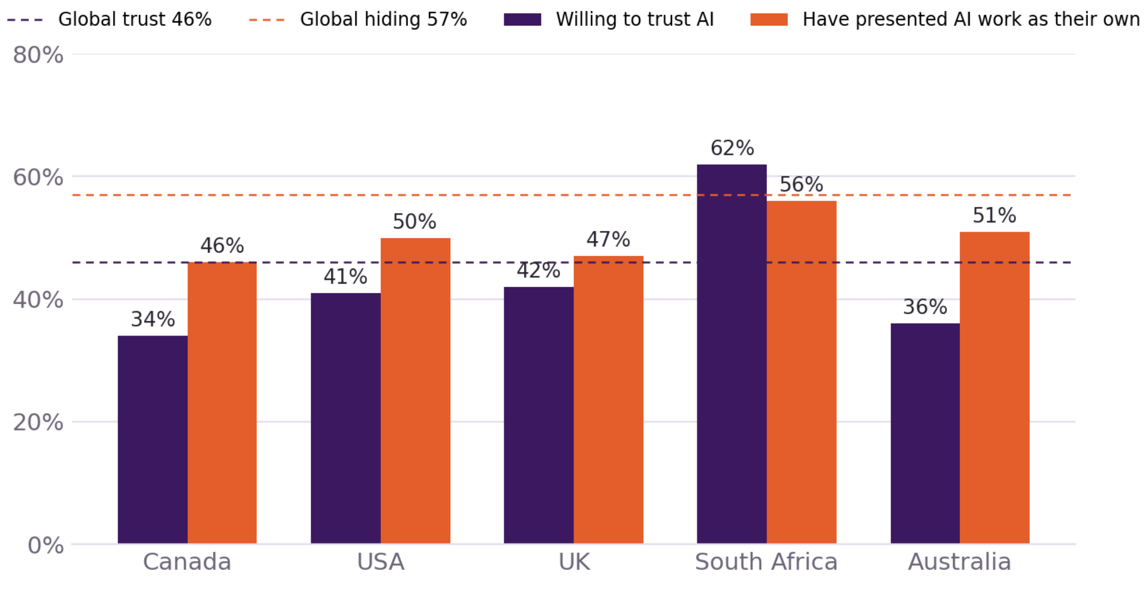

Figure 7. Willingness to trust AI, and share who have presented AI-generated work as their own. KPMG and University of Melbourne, Trust, attitudes and use of AI: a global study 2025, country snapshots.

Country	The AI accent	What the data shows
Canada	Adoption tripling, trust near the bottom	Business use of AI tripled from 6% to 19% between 2024 and 2026 (Statistics Canada), yet only a third of adopting firms train their staff. 34% of Canadians trust AI, among the lowest globally. 46% of employees worry about being replaced by someone more proficient with AI, and more than a third who were offered training never started or stopped because it was too overwhelming (KPMG Canada 2025).
United States	The fastest adoption, the heaviest load	Employee AI use rose from 21% to 52% in three years (Gallup). 69% of American workers say AI has increased their workload, stress and pressure (KPMG 2025). 71% of Americans now believe AI will mean fewer jobs (Pew 2026), and 18% of employees think their own job could be eliminated within five years (Gallup 2026).
United Kingdom	Low confidence in the tools	Only 27% of UK employees feel they can use AI tools effectively and 36% have had any training (KPMG 2025). One in six employers expects AI to shrink their workforce in the next year, rising to one in four large private firms, with junior roles most at risk (CIPD Autumn 2025).
South Africa	The most trusting, and the most exposed	62% of South Africans are willing to trust AI, the highest of the five, and 66% have had training. But 63% rely on AI output without checking it, 56% have made AI-related mistakes and 81% are concerned about negative outcomes (KPMG 2025). High trust without mature leadership around it is its own risk.
Australia	The most sceptical market in the world	Only 36% of Australians trust AI and just 30% believe the benefits outweigh the risks, the lowest of any country studied. 24% have completed AI training against 39% globally (KPMG 2025). Between a fifth and a third of workers use AI without their manager's knowledge (Jobs and Skills Australia 2025; Employment Hero 2026), and only 12% of Australian leaders say generative AI is transforming their business, against 25% globally (Deloitte 2026).

Why this widens the gap

Three things happen at once, and each one pulls the two lines further apart.

The complexity line steepens. Every transformation adds decisions, ambiguity and new expectations. AI adds them at a pace no previous technology has matched, and it keeps adding them, because the tools themselves change every few months. What used to be a project is now a permanent condition.

The capacity line is consumed. Fragmented days, constant interruption, change fatigue and the emotional labour of leading anxious people all draw on the same reserve of regulation and presence that leadership maturity depends on. Leaders are not growing capacity while they transform. Many are spending it.

The silence deepens. People who already hid their stress now hide how they work. Leaders who already lacked visibility of their teams' emotional load now lack visibility of their teams' actual output. The maturity gap has always been hard to see from the inside. AI makes it harder.

There is one more finding, and it is the hopeful one. The same research that describes the problem points squarely at the answer. Gallup finds that where managers actively support AI use, employee engagement rises from 30% to 48%. Microsoft finds that when managers visibly model AI use, the value people report from it lifts by 17 points and trust in AI agents by 30 points, and that organisational factors explain roughly twice as much of AI's impact as individual ones. Employees whose leaders communicate a clear plan are three times as likely to feel prepared.

> *AI transformation is not a technology problem wearing a leadership costume. It is a leadership maturity problem, and it responds to exactly the capacities this paper is about: regulation, clarity, presence and the courage to name what is happening.*

Reactive leaders resist the tools or chase them. Functional leaders implement them and hope. Integrative leaders hold the human side of the change, so that people can say what they fear and show how they work. Generative leaders redesign work with their people, and build a culture that can keep adapting after the current wave has passed. The move up that ladder is the move that closes the gap, and there has never been a stronger business case for making it.

Sources: McKinsey, The State of AI 2026 and The State of Organizations 2026; PwC, 29th Global CEO Survey (2026) and Global Workforce Hopes and Fears 2025; Gallup, AI at work series 2023 to 2026 and State of the Global Workplace 2026; Microsoft Work Trend Index 2025 and 2026; Gartner HR research 2023 to 2026; DDI, Global Leadership Forecast 2025 and Leading Through Change 2026; Deloitte, Global Human Capital Trends 2025 and 2026; BCG, AI at Work 2025 and 2026; KPMG and University of Melbourne, Trust, attitudes and use of AI 2025; Slack Workforce Index 2024; Edelman Trust Barometer 2025 and 2026; Pew Research Center 2025 and 2026; Statistics Canada 2026; KPMG in Canada 2025; CIPD Labour Market Outlook Autumn 2025; Jobs and Skills Australia 2025; Deloitte Australia, State of AI in the Enterprise 2026. Full references in the appendix.

COUNTRY CHAPTER 1 OF 5

Canada: the trust inversion

Canada's defining tension is not disengagement. It is the collision between the highest daily stress in this study and near-collapsed trust in the people at the top.

58% experience daily stress, 18 points above the global average	**37%** trust CEOs, while business as an institution scores 55	**39%** report burnout (Canada Life / MHRC 2025)	**21%** engaged, unchanged for three years

> *"I can't keep up with the constant change. There's always so much pressure and uncertainty. I'm holding more than I ever have." A BC leader, this year*

Emotional capacity: a fifteen-year climb

Fifty-eight percent of Canadian employees experienced a lot of stress on the previous day. That is 18 points above the global average and 8 points above the US and Canada regional figure. It is also not a pandemic residue. Gallup's Canadian series shows daily stress at 45% in 2010, rising steadily with no plateau in sight.

Canada Life and Mental Health Research Canada put self-reported burnout at 39% in 2025, up on the previous year, at a cost of between $5,500 and $28,500 per person per year depending on role. For a 500-person organisation that is more than $3.4 million a year. Only 36% of employees say their workplace offers real programmes to prevent it, and only 42% of people with a diagnosed mental health condition disclose it at work.

That last figure matters most for leaders. It means the load is largely invisible. Canadian leaders are making decisions every day with incomplete human data.

Scaling strain: leading against the current

Scaling strain in Canada is not primarily about headcount or revenue. It is about leading through economic uncertainty and a generational confidence crisis. The share of Canadians who believe it is a good time to find a job fell 16 points in a single year, from 67% to 51%. Around half worry about job loss from trade conflicts (53%), automation (52%) or offshoring (50%).

Seventy-three percent believe the wealthy do not pay their fair share, a signal of deep systemic grievance that filters directly into how people read their own organisation. Only 36% believe the next generation will be better off. And while the global thriving score improved, Canada's fell three points. The country is moving in the wrong direction while the world recovers.

Culture drift: chronic disconnection

Engagement has held at roughly 21% for three consecutive years. That is not a crisis signal; it is a flatline. The culture was never deeply healthy and it has not moved. Drift in Canada shows up as quiet meetings, unspoken tension and a young workforce feeling alone in the room, rather than as an acute collapse.

The Drift Loop, live in Canadian organisations

Stage of the Drift Loop	What the data shows
Leadership emotional overload	58% daily stress on a fifteen-year rising trend; 39% burnout; a load that is largely undisclosed
Inconsistent behaviours	Only 36% of workplaces offer real burnout prevention; leaders are managing symptoms they cannot see
Team confusion	Half the workforce worried about trade, automation and offshoring; forward planning feels unsafe
Values misalignment	73% grievance over economic fairness; CEO trust at 37% against institutional trust of 55
Culture drift	Engagement flat at 21% for three years; thriving down three points while the world improved
More pressure on the leader	$3.4 million or more in annual burnout cost per 500 employees; stress rising with no plateau

Where Canadian leaders are likely leading from

The following is our reading of the evidence against the four levels. It is a hypothesis to test in your own organisation, not a measurement.

Level	Our reading of the data
Reactive	Present under load. 58% daily stress creates reactive conditions, particularly in founder-led and fast-scaling environments.
Functional	The dominant mode. A 65% not-engaged workforce being managed adequately but not inspired.
Integrative	Uncommon. Integration requires seeing what people carry, and most of it is undisclosed.
Generative	Rare. The three-year engagement flatline suggests Generative leaders exist but have not yet shaped the system.

The one signal to hold onto

> *The organisation is trusted. The leader is not. Business as an institution scores 55 in Canada, the highest of any Canadian institution. The people leading those businesses score 37. Edelman Trust Barometer Canada 2025*

Sixty-two percent of Canadians believe business leaders purposely mislead them. Scientists are trusted by 78%, CEOs by 37%. That 41-point credibility gap sits inside every boardroom, every all-hands and every performance review.

This is not apathy. Canadian workers have not stopped caring about leadership. They have stopped trusting that leaders have both ethics and competence. Edelman frames the answer as "ethical leadership and demonstrable competence at every level". That is not a policy change. That is a maturity shift, and specifically the move from Functional to Integrative to Generative.

Sources: Gallup, State of the Global Workplace 2026, Canada country-level data; Canada Life / Mental Health Research Canada, Mental Health in the Workplace 2025; Edelman Trust Barometer Canada 2025.

COUNTRY CHAPTER 2 OF 5

United States: the confidence collapse

America leads the world in employee engagement. It also shows some of the most acute signs of leadership maturity failure anywhere. That contradiction is the gap.

32% engaged, the highest in the world, yet down from 36% in 2020	**50%** daily stress, plateaued at a chronically high baseline	**13%** have told their manager work is hurting their mental health	**30%** believe the next generation will be better off

> *"People are showing up. They have stopped believing in where they are going."*

Emotional capacity: the danger is the plateau

Half of American workers experienced a lot of stress the previous day, 10 points above the global average. Stress sat at 42% in 2010, peaked at 53% in 2022 and has settled at 50%. When 50% becomes the baseline, leaders lose the felt sense that something is wrong. They adapt to operating in a permanently compressed emotional state, and the ceiling becomes invisible.

The NAMI-Ipsos Workplace Mental Health Poll (2025) shows what sits underneath. Seventy percent of American workers are stressed about the state of the world, not just their job. Forty-two percent worry their career would suffer if they raised a mental health concern, and nearly half fear being judged by colleagues. Only 13% have told their manager that work demands are hurting their mental health. One in four has considered quitting for mental health reasons; 7% did. NAMI's 2026 poll, fielded early this year, finds the picture unchanged, with 53% now reporting burnout.

Scaling strain: meaninglessness at scale

The US job climate, the share who say it is a good time to find a job, has fallen to 46%, down 10 points on the prior three-year average and now 6 points below the global figure. Once the most confident workforce in the world, American workers are now less optimistic about the job market than the global norm.

Only 30% of Americans believe the next generation will be better off, one of the lowest readings among developed nations. Globally, around six in ten workers worry about job loss from trade conflicts, automation or offshoring, and 69% worry that business leaders purposely mislead them, up 11 points since 2021.

This is scaling strain from an unexpected direction. It is not a resource crisis in the world's most resourced economy. It is a confidence crisis. Leaders are being asked to inspire and retain teams whose forward belief is in freefall.

Culture drift: the feedback loops are broken at the source

Gallup's annual US measure put engagement at 31% in both 2024 and 2025, down from a peak of 36% in 2020: roughly eight million fewer engaged employees. The elements that predict engagement have slipped furthest. Clarity of expectations fell from 56% to 46%. Feeling that someone at work cares about you fell from 47% to 39%. Having someone who encourages your development fell from 36% to 30%. Younger workers are disengaging fastest.

Most telling of all, manager engagement is also at 31%, the same rate as the people they lead. Leaders cannot give what they do not have. When managers themselves are disengaged at the same rate as their teams, the culture cannot self-correct.

The Drift Loop, live in US organisations

Stage of the Drift Loop	What the data shows
Leadership emotional overload	50% daily stress, plateaued for three years; 70% stressed about the state of the world
Inconsistent behaviours	Manager engagement at 31%, the same as the front line
Team confusion	Clarity of expectations down 10 points; development support down 6
Values misalignment	69% worry business leaders mislead them; fear of discrimination up 10 points globally since 2021
Culture drift	Engagement down from 36% to 31%; roughly eight million fewer engaged workers since 2020
More pressure on the leader	Job climate at 46%; one in four considering quitting; 13% disclosure rate

Where US leaders are likely leading from

Our reading of the evidence against the four levels.

Level	Our reading of the data
Reactive	Present. A stress plateau at 50%, anger up five points since 2010, and political volatility increasing trigger responses.
Functional	The majority. A 51% not-engaged workforce being managed, not led. The systems work; the humans do not thrive.
Integrative	The exception. Clarity of expectations has collapsed 10 points, and Integrative leadership needs exactly that communication competency.

Level	Our reading of the data
Generative	Rare. When manager engagement sits at 31% and only 30% believe in the next generation, the conditions are structurally undermined.

The US distribution is striking because it should be better. Relative to South Africa or Canada, America has more resources, more leadership development infrastructure and stronger engagement. But the direction of travel is worse. A Functional system moving toward Reactive is more dangerous than a Reactive system holding steady.

The one signal to hold onto

> *The United States has the highest employee engagement in the world, and its job market confidence now sits below the global average. Workers are showing up. They have stopped believing.*
> *Gallup, State of the Global Workplace 2026*

Gallup calls this the "Great Detachment". It is not a disengagement story; Americans remain more engaged than almost any other nation. It is a forward belief story. A disengaged team feels broken, and leaders can see it and respond. A detached team performs adequately and silently loses faith, and Functional-level leaders often cannot see it until their best people have already gone.

ARISE and BRAVE work here not because people are broken, but because they are ready to believe again, and waiting for a leader worth following.

Sources: Gallup, State of the Global Workplace 2026, United States country-level data; Gallup, U.S. Employee Engagement Sinks to 10-Year Low (January 2025) and U.S. Employee Engagement Declines From 2020 Peak (January 2026); NAMI-Ipsos Workplace Mental Health Polls 2025 and 2026; Edelman Trust Barometer 2025 global release.

COUNTRY CHAPTER 3 OF 5

United Kingdom: the quiet majority

Britain's gap is not characterised by volatility but by stasis. The system is not failing dramatically. It is failing consistently, quietly, and at scale.

10%	83%	9.4	17%
engaged, the lowest of the five countries and barely moved in a decade	not engaged, the highest of any country studied	days of absence per employee per year, the highest in over 15 years	believe the next generation will be better off

> *"Not angry. Not absent. Not fighting. Just functionally present and quietly gone."*

Emotional capacity: a ceiling breached by accumulation

Forty-six percent of UK employees experienced a lot of stress the previous day, 7 points above the European average and up 5 points on the prior three-year average. Uniquely among its peers, UK stress is rising while most other countries are plateauing.

The CIPD's Health and Wellbeing at Work 2025 report puts average absence at 9.4 days per employee per year, the highest level in more than fifteen years, with mental ill health the leading cause of long-term absence. The Health and Safety Executive estimates 964,000 workers suffered from work-related stress, depression or anxiety in 2024/25. In the CIPD Good Work Index, 23% of employees say they always or often feel exhausted and 21% feel under excessive pressure.

The ceiling in Britain is not being breached through visible crisis. It is being breached through accumulating load, while the signals stay quiet.

Scaling strain: a compound load

Deloitte's 2024 analysis puts the cost of poor mental health to UK employers at £51 billion a year. The UK job climate sits at 49%, 8 points below the European average and 3 points below the global figure, in an economy that has never fully regained its pre-pandemic confidence. Only 17% of Britons believe the next generation will be better off, the second-lowest figure in the world, ahead only of France.

Decisions feel heavier in the UK because organisations are absorbing losses that are largely invisible on the balance sheet, until the talent walks out the door.

Culture drift: from rebellion to silent absence

Engagement has been locked at around 10% since 2017. But the composition of disengagement has shifted profoundly. In 2012, 19% of UK workers were actively disengaged: frustrated enough to act out. By 2025 that had fallen to 7%, while "not engaged" rose from 64% to 83%. The workforce has not become less unhappy. It has become less hopeful.

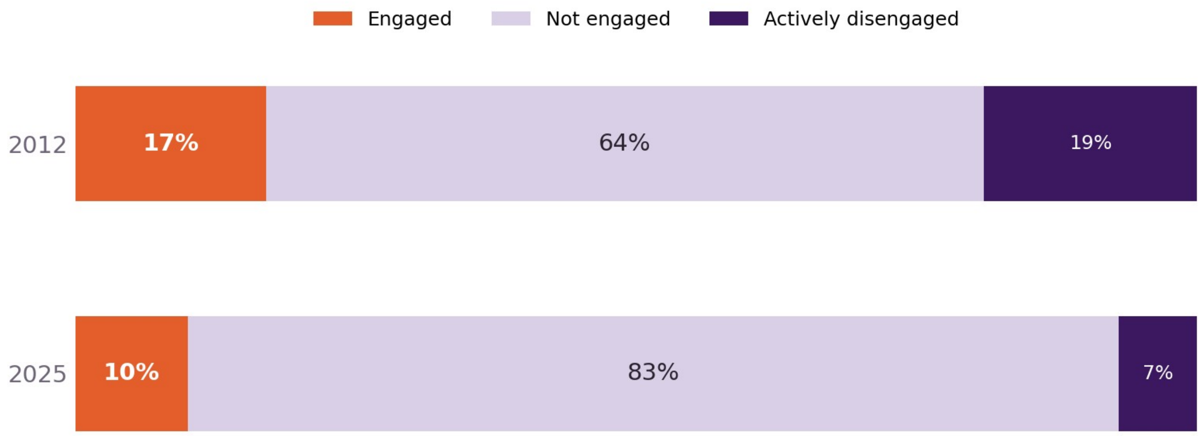

Figure 5. The structural shift in UK engagement, 2012 to 2025. Gallup, State of the Global Workplace 2026, UK country-level data.

The line manager is the primary failure point. Among employees whose line manager does not help them perform, 75% report that work harms their mental health. Yet only 29% of UK organisations train line managers in mental health, even though 73% of those that do report managers becoming confident in sensitive conversations. Sixty-four percent of organisations are taking steps to reduce stress; only half believe those steps are working.

The Drift Loop, live in UK organisations

Stage of the Drift Loop	What the data shows
Leadership emotional overload	46% daily stress, rising while Europe plateaus; 9.4-day absence average, highest in fifteen years
Inconsistent behaviours	Only 29% of organisations train line managers in mental health
Team confusion	83% not engaged; the drivers of engagement (clarity, care, development) structurally absent
Values misalignment	Trust Index 43; 17% next-generation optimism; poor line management the strongest predictor of harm

Stage of the Drift Loop	What the data shows
Culture drift	10% engagement locked in for nearly a decade; £51 billion annual cost
More pressure on the leader	964,000 workers with work-related stress, depression or anxiety; record absence

Where UK leaders are likely leading from

Our reading of the evidence against the four levels.

Level	Our reading of the data
Reactive	Present but less visible. Low anger (15%) suggests reactions are suppressed rather than expressed: avoidance and over-control rather than firefighting.
Functional	The dominant mode. An 83% not-engaged workforce managed through systems and compliance rather than led.
Integrative	Rare. Integration requires the relational capacity most UK managers have never been trained to develop.
Generative	Critically scarce. With 17% forward optimism and a decade at 10% engagement, the conditions are structurally underfunded.

The UK distribution is a deep Functional plateau. Leaders are not crashing; they are maintaining. And because maintaining looks like stability, the urgency to develop further is systematically underestimated. The gap between Functional and Integrative is precisely the gap that costs the UK £51 billion a year.

The one signal to hold onto

> *83% of UK employees are not engaged. Not angry. Not absent. Not fighting. This is not the disengagement of a workforce in crisis. It is the disengagement of a workforce that stopped expecting anything different a long time ago. Gallup, State of the Global Workplace 2026*

Of the five countries in this paper, the United Kingdom carries the most understated signal, and therefore the most dangerous. The fight has gone out. What is left is functional compliance at industrial scale, combined with a country that has largely stopped believing forward.

ARISE and BRAVE matter here not because people are resisting, but because 83% of the UK workforce is waiting for someone to give them a reason to come back.

Sources: Gallup, State of the Global Workplace 2026, United Kingdom country-level data; CIPD / Simplyhealth, Health and Wellbeing at Work 2025; CIPD, Good Work Index 2025; Deloitte, Mental health and employers (May 2024); HSE, Health and safety at work statistics 2024/25; Edelman Trust Barometer 2025.

COUNTRY CHAPTER 4 OF 5

South Africa: ready to believe

South African leaders operate in one of the highest-pressure, lowest-wellbeing environments in the world. And yet, of all five countries, this is where the workforce is most ready to follow.

18% engaged, down 5 points in a single year	**26%** thriving in life, 8 points below the global average	**71%** hold a moderate or high sense of grievance	**78%** trust their employer to do what is right

> *"They are not cynical about the people leading them. They are exhausted by the conditions around them."*

Emotional capacity: absorbing a national load

Thirty-six percent of South African employees experienced a lot of stress the previous day. On its own that sits below the global average. But only 26% of South Africans are thriving in their life evaluation, against 34% globally, and daily loneliness at 22% is the highest of the five countries. Sapien Labs' Mental State of the World report places South Africa among the three lowest-scoring of 71 countries, with 35% of adults classified as distressed or struggling.

Investec has cited health economists' estimates that mental ill health costs the South African economy around R161 billion a year in lost productivity, absenteeism and premature mortality, a figure Stellenbosch Business School's Professor Renata Schoeman has drawn on in her work on the real cost of burnout.

Leaders here are not only holding their own load. They are absorbing a national emotional deficit that their teams carry in every day.

Scaling strain: a triple load

Seventy-three percent of employed South Africans cite a looming recession as the greatest threat to their job security. Seventy-one percent hold a moderate or high sense of grievance, that business and government serve only the few, 10 points above the global figure. Only 45% believe it is a good time to find a job, and unemployment stood at 33.6% in the second quarter of 2026.

South African leaders are scaling under economic instability, social grievance and a fragile labour market at the same time. Decisions feel heavier because they genuinely are. Every call carries the weight of the operating environment.

Culture drift: an accelerating slide

South African engagement dropped 5 points in a single year, from 23% to 18%, and 81% of the workforce is now either not engaged or actively disengaged. Seventy-seven percent of South Africans worry about experiencing prejudice or discrimination, a values-alignment fault line running through most organisations. Professor Schoeman describes the mismatch between personal and organisational values as a primary driver of burnout and disengagement in South African workplaces.

Drift in South Africa is not a slow erosion. It is a live signal. When leaders operate above their emotional ceiling, the culture absorbs the cost first and talent exits quietly after.

The Drift Loop, live in South African organisations

Stage of the Drift Loop	What the data shows
Leadership emotional overload	Among the three lowest-scoring countries in the world for mental wellbeing; 26% thriving
Inconsistent behaviours	81% disengaged; values misalignment flagged as a primary burnout driver
Team confusion	22% daily loneliness, the highest of the five countries; 17% daily anger
Values misalignment	77% fear discrimination; 71% hold high grievance against institutions
Culture drift	Engagement down 5 points in one year
More pressure on the leader	R161 billion estimated annual cost; 45% job climate; 33.6% unemployment

Where South African leaders are likely leading from

Our reading of the evidence against the four levels.

Level	Our reading of the data
Reactive	Likely elevated. Economic load and social pressure push reactive responses.
Functional	The majority. A 63% not-engaged workforce being managed, not led.
Integrative	Rare. It requires an emotional capacity that a third of adults say they simply do not have right now.
Generative	Critically scarce. The national skills and leadership pipeline deficit confirms it.

The South African distribution likely skews more Reactive and Functional than the other four countries. The gap is wider here, and the urgency is higher. It is also, we believe, where the work matters most.

The one signal to hold onto

> *78% of South Africans trust their employer to do what is right.*
> *Edelman Trust Barometer South Africa 2025*

Despite everything above, this is the leverage point. South Africans want to believe. They are not cynical about the people leading them; they are exhausted by the conditions around them. That means when a leader closes the maturity gap, the workforce is ready to follow.

ARISE and BRAVE do not just work in South Africa. Here, they may matter more.

Sources: Gallup, State of the Global Workplace 2026, South Africa country-level data; Edelman Trust Barometer South Africa 2025; Sapien Labs, Mental State of the World 2023; Investec, The impact of mental health on South Africa's economy (2023); Stellenbosch Business School, The real costs of burnout in the workplace (Prof Renata Schoeman, 2024); Statistics South Africa, Quarterly Labour Force Survey Q2 2026.

COUNTRY CHAPTER 5 OF 5

Australia: the prosperity paradox

Australia looks successful by almost every global measure. And the internal experience of its workers has been quietly deteriorating for fifteen years.

55% thriving, the highest of the five, yet down 21 points since 2010	**50%** daily stress, up from 34% in 2010	**12%** of serious workers' compensation claims are now mental health conditions, up 161% in a decade	**17%** believe the next generation will be better off

> *"The numbers the world sees still look good. The numbers that show the internal trajectory are uniformly pointing in the wrong direction."*

Emotional capacity: hit by accumulation, not by shock

Half of Australian employees experienced a lot of stress the previous day. In 2010 the figure was 34%. That is a 16-point climb over fifteen years with no year of sustained reversal. Over the same period the share of Australians thriving in their life evaluation fell from 76% to 55%, the largest wellbeing decline of any country in this paper, and daily sadness nearly doubled, from 12% to 21%.

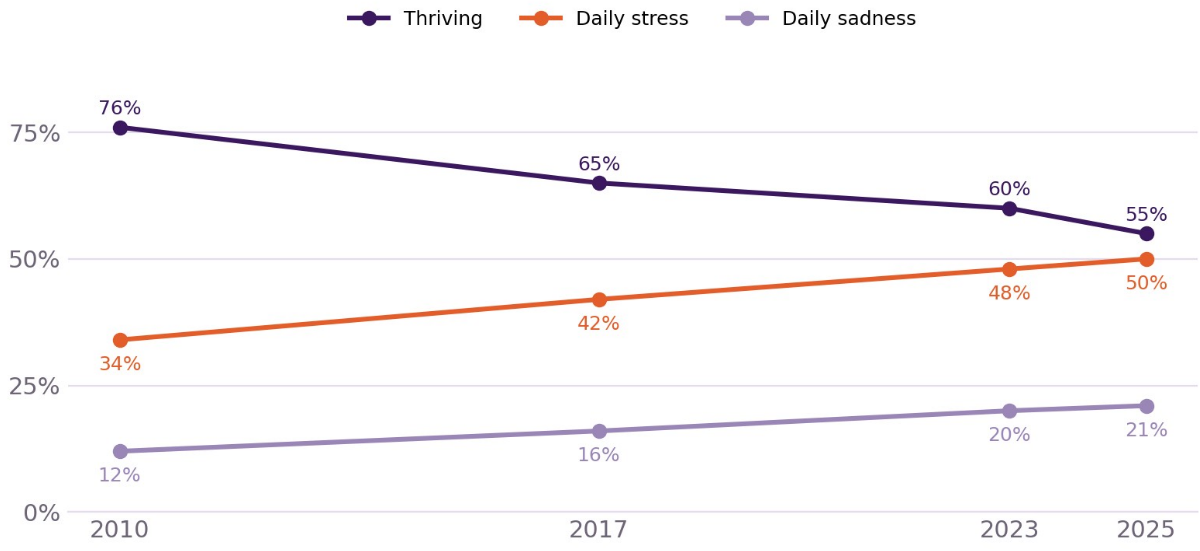

Figure 6. Australia's fifteen-year trend in thriving, daily stress and daily sadness. Gallup, State of the Global Workplace 2026, Australia country-level data.

Burnout surveys tell the same story from inside the workplace. ELMO's Employee Sentiment Index (Q3 2025) finds 40% of Australian employees feel burnt out. The Corporate Mental Health Alliance Australia's 2025 survey of almost 10,000 workers finds 46% experiencing some degree of burnout, with only 51% feeling safe to raise a concern in their organisation. Allianz's 2025 research finds 59% of employees have experienced mental distress from workload pressure, meeting overload or unrealistic deadlines, and 78% of managers cite systemic barriers to reducing burnout.

Safe Work Australia's data shows where this lands. Mental health conditions now account for 12% of all serious workers' compensation claims (17,600 in 2023-24), up 14.7% in a year and 161% over a decade, the largest increase of any injury category. The median time lost per mental health claim is 35.7 weeks, against 7.4 weeks for all serious claims, and median compensation is $67,400 against $16,300.

Australia's ceiling is not being hit by an economic shock or a social crisis. It is being hit by accumulation: fifteen years of slowly rising pressure with no structural response. Leaders who feel they are managing fine are often managing the symptoms while the ceiling lowers, year by year.

Scaling strain: stability on the outside

Australia's job climate remains the strongest in this study at 64%, but it fell 9 points in a year, and Gallup notes the region has slipped from first to second place globally on job-market optimism. Edelman's 2025 Australian data shows the Trust Index down from 51 to 49, 62% of Australians holding a moderate or high sense of grievance, and half now worried about experiencing prejudice or discrimination, up 8 points in a single year. Only 17% believe the next generation will be better off.

Scaling strain in Australia comes packaged in the appearance of stability. The macro numbers still look strong relative to the world, but the workforce's internal experience is decoupling from the external picture. Leaders are making scaling decisions against a backdrop that feels more fragile than the metrics suggest.

Culture drift: functional on the outside

Engagement dropped two points from the prior three-year average, from 23% back to 21%, reversing a small recovery that took years to build. AHRI's Work Outlook for the December quarter of 2025 finds the share of leaders citing stress as a cause of unscheduled absence has risen from 42% in 2023 to 57%, and average turnover sits at 15%.

Drift in Australia is happening inside organisations that look functional from the outside. Leave is being taken, support programmes exist on paper, and burnout has not moved. That is the signature of drift that has become structural: no longer a response to a specific stressor, but the baseline experience of the culture itself.

There is one more dimension here that no other country in this paper shares to the same degree. Since 2022, Australian work health and safety law has placed an express duty on employers to identify, assess and manage psychosocial hazards, with the model Code of Practice adopted across states and territories, Victoria's psychological health regulations commencing in December 2025, and the Respect@Work positive duty enforceable since December 2023. The legislative environment has matured. Leadership practice has not yet caught up.

The Drift Loop, live in Australian organisations

Stage of the Drift Loop	What the data shows
Leadership emotional overload	50% daily stress, up 16 points since 2010; 40% to 46% burnout; 78% of managers report systemic barriers
Inconsistent behaviours	Infinite Potential's burnout study: 68% of managers say their people's wellbeing is the same or better; 45% of employees say it is worse
Team confusion	Only 51% feel safe raising a concern; 44% not comfortable talking about mental health at work (SuperFriend)
Values misalignment	62% hold grievance; discrimination fear up 8 points; employer trust down 2 points to 74%
Culture drift	Engagement back to 21%; thriving down 21 points since 2010
More pressure on the leader	Mental health claims up 161% in a decade at nearly five times the time lost; stress-driven absence cited by 57% of leaders

Where Australian leaders are likely leading from

Our reading of the evidence against the four levels.

Level	Our reading of the data
Reactive	Present under scaling pressure. The 9-point drop in job confidence and the engagement reversal signal reactive coping under uncertainty.
Functional	The dominant mode. Strong institutions and a high-compliance culture produce well-structured, technically proficient leaders managing adequately but not leading deeply.
Integrative	Rare. The fifteen-year wellbeing decline suggests leaders have not developed the capacity to hold complexity without transferring it as pressure. The psychosocial regulations are now forcing that conversation.
Generative	Very rare. A sustained 40% burnout rate and flat engagement are not consistent with Generative leadership at system scale.

Australia's distribution is heavily Functional: competent, compliant, well-resourced leaders running well-structured organisations inside which people have been getting quietly more stressed and less well for fifteen consecutive years. The gap is invisible in performance reviews. It is visible in the claims data.

The one signal to hold onto

> *Australia is one of the best places in the world to work by every objective measure. Thriving at 55%. Job climate at 64%. Loneliness at 14%. And the internal experience has been declining without interruption for fifteen years. Gallup, State of the Global Workplace 2026*

In South Africa, people keep going despite genuine hardship. In Canada, they continue despite collapsed trust in leaders. In Australia, people are quietly diminishing, in their wellbeing, their forward hope and their emotional experience of work, despite conditions that should by every measure support the opposite. That gap between the conditions and the experience is precisely where leadership maturity lives.

The fifteen-year decline is not a market, policy or pay problem. It is a leadership system problem. And because the duty to build psychologically safe workplaces is now law, it can no longer be managed informally. ARISE and BRAVE are not aspirational here. They are overdue.

Sources: Gallup 2026; Edelman 2025 (Australia); Safe Work Australia 2025; ELMO, CMHAA, Allianz and AHRI 2025; SuperFriend 2023; Infinite Potential 2024. Full references in the appendix.

PART FOUR

The cost of the gap: profitability and sustainability

Everything so far has described the maturity gap in human terms, because that is where it is felt first. But the gap has a profit and loss account. It shows up as absence, presenteeism, turnover, claims, safety incidents and lost customers, and it shows up long before anyone names it. This part puts the numbers on it, and on what closing it returns.

What the gap costs

Gallup estimates that low engagement cost the world economy US$10 trillion in lost productivity in 2025, 9% of global GDP. The World Health Organization puts the cost of depression and anxiety alone at twelve billion lost working days and US$1 trillion a year. McKinsey calculates that disengagement and attrition cost a median S&P 500 company between US$228 million and US$355 million a year in lost productivity: at least US$1.1 billion over five years, for one company.

The mechanics are simple. Replacing an employee costs between half and twice their annual salary, and 52% of people who leave voluntarily say their manager or organisation could have done something to keep them. Burned-out employees are 63% more likely to take a sick day and 2.6 times as likely to be actively looking for another job. None of this appears on a dashboard as "leadership maturity". All of it is leadership maturity.

Country	What the gap costs	Source
Canada	Burnout costs C$5,500 to C$28,500 per employee per year; more than C$3.4 million a year for a 500-person organisation. Manager support is one of the two strongest influences on employee mental health.	Canada Life / MHRC 2025
United States	Voluntary turnover costs US businesses around US$1 trillion a year. Roughly eight million fewer engaged employees since 2020; clarity of expectations, the strongest predictor of engagement, down 10 points.	Gallup 2025, 2026
United Kingdom	Poor mental health costs employers £51 billion a year, and presenteeism (£24 billion) is the largest component. Absence at 9.4 days per employee, the highest in more than fifteen years.	Deloitte 2024; CIPD 2025
South Africa	Mental ill health is estimated to cost the economy around R161 billion a year in lost workdays, presenteeism and premature mortality.	Investec 2023
Australia	Mental health claims cost a median A$67,400 against A$16,300 for all serious claims, with 35.7 weeks lost against 7.4. Claims are up 161% in a decade.	Safe Work Australia 2025

What closing it returns

The return side of the ledger is just as well documented, and it points in one direction. Gallup's meta-analysis of 183,806 business units across 347 organisations and 90 countries compares units in the top and bottom quartiles of employee engagement. The differences are not marginal.

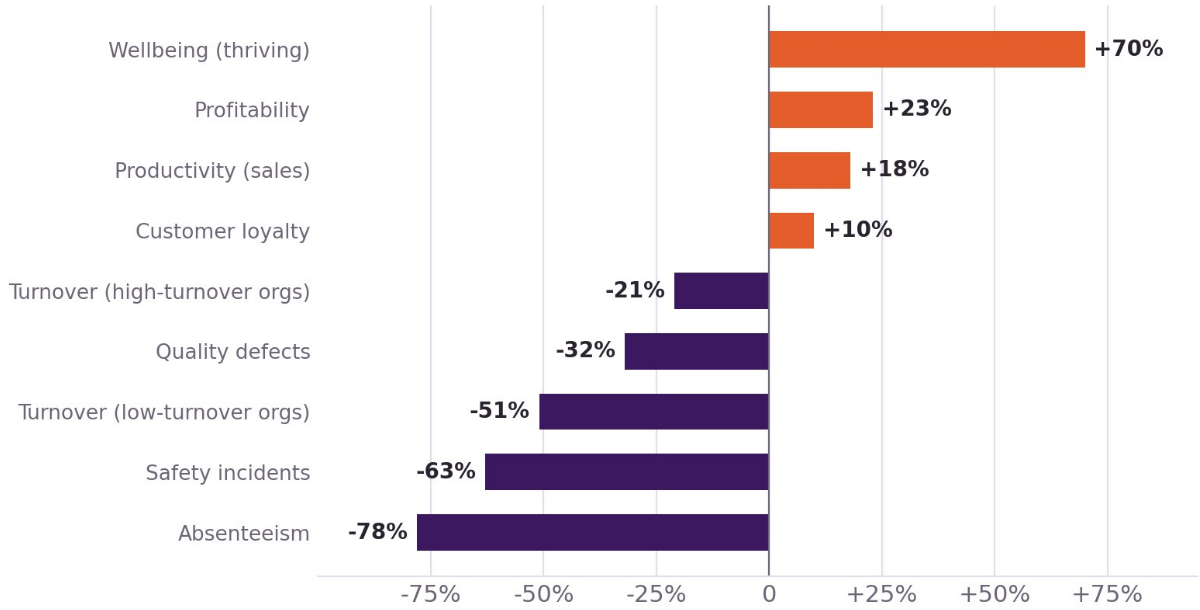

Figure 8. Median difference between top-quartile and bottom-quartile business units on employee engagement. Gallup Q12 Meta-Analysis, 11th edition (2024), 3.35 million employees.

Top-quartile units are 23% more profitable, 18% more productive in sales, and report 78% less absenteeism, 63% fewer safety incidents, 32% fewer quality defects and turnover between 21% and 51% lower. Their people are 70% more likely to be thriving. Engagement, in other words, is not a mood. It is a leading indicator of the numbers boards are paid to care about.

The same pattern holds at the level of the whole organisation. McKinsey's Organizational Health Index, drawn from more than eight million respondents, finds healthy organisations deliver three times the total shareholder returns of unhealthy ones, and that companies which improve their health see an 18% uplift in EBITDA within a year. The Fortune 100 Best Companies to Work For have returned 13.4% a year over twenty-eight years against 9.2% for the Russell 3000.

And the interventions that build leadership capacity pay for themselves quickly:

- **£4.70 for every £1.** Deloitte's 2024 UK analysis finds an average return of £4.70 per £1 invested in workplace mental health, with the highest returns from proactive, organisation-wide culture change rather than reactive support (6:1 against 3:1 in the previous edition).
- **A$9.98 for every A$1.** A four-hour mental health training for managers at Fire and Rescue NSW cut work-related sick leave by 18% in six months

while it rose 10% in the untrained group, a return of A$9.98 for every dollar spent (UNSW and Black Dog Institute, Lancet Psychiatry).

- **C$1.62, rising to C$2.18.** Deloitte Canada finds a median return of C$1.62 per dollar on workplace mental health programmes, rising to C$2.18 once a programme has run for three years, with the highest returns from leadership training and prevention.
- **A$2.30 for every A$1.** PwC's analysis for Beyond Blue puts the average return on creating a mentally healthy workplace at A$2.30 per dollar.

The manager is where the money is

If one finding ties the cost and the return together, it is this: managers account for at least 70% of the variance in team engagement. The manager is the mechanism through which leadership maturity becomes, or fails to become, a business result.

Which is why the most important number in Gallup's 2026 report may be that manager engagement has fallen from 31% in 2022 to 22% in 2025. Managers have lost the engagement premium they once held over the people they lead. They report more stress, anger, sadness and loneliness than individual contributors. DDI finds 71% of leaders report increased stress and 40% of those have considered leaving leadership altogether. The people who explain most of the difference between a profitable unit and an unprofitable one are the people the system is wearing out fastest.

The upside is equally concentrated. Organisations that Gallup identifies as best practice reach 79% manager engagement, almost four times the global figure. Where managers actively support their teams through AI change, engagement rises from 30% to 48%. Clear role expectations alone cut frequent burnout by 47%. Every one of these is a capacity a leader can grow, and none of them requires a new system. They require a more mature leader.

Sustainability: of people, of performance, of the licence to operate

We use the word sustainability deliberately, and in three senses at once.

The sustainability of performance. Thriving employees miss 53% fewer days for health reasons and are 32% less likely to be job-hunting. Engaged people working 45 hours or more a week are far less likely to burn out than disengaged people working the same hours. The question is not how hard people can work this quarter. It is how long they can keep working well. A Functional culture delivers reliably right up until it does not, and the exit interview is usually the first place the cost appears.

The sustainability of leaders. Leaders who spend more of their time managing than interacting are 32% less engaged, 1.5 times more likely to feel used up by the end of the day and twice as likely to leave within twelve months. High-potential talent is 3.7 times more likely to leave within a year without regular growth. A leadership system that consumes its own capacity is not sustainable, however strong its numbers look this year. You don't have to be hard to be strong, and a leader who has to be hard to survive will not survive for long.

The sustainability of the licence to operate. Psychosocial safety is moving from good practice to governed duty. ISO 45003, the first global standard on managing psychosocial risk, was published in 2021. Australia's work health and safety law has required employers to manage psychosocial hazards since 2022, with Victoria's regulations in force from December 2025 and the Respect@Work positive duty enforceable since 2023. The International Sustainability Standards Board has a live human capital project, and its staff have told the board that investors need better disclosure on workforce health, safety and wellbeing. PwC's 2025 directors survey finds 72% of boards now discuss talent at every meeting; 69% of the S&P 100 describe how they monitor culture and engagement in their annual reports, though only 19% disclose turnover. The direction is clear. What a leader can hold, and what a culture absorbs when they cannot, is becoming a reportable, auditable and investable fact.

> *The maturity gap is the most expensive line item nobody reports. It is paid in absence, presenteeism, turnover, claims and lost customers, and it compounds. The organisations that close it are more profitable, more productive, safer and more likely to be here in ten years. That is not a wellbeing argument. That is the business case.*

Sources: Gallup, State of the Global Workplace 2026; Gallup Q12 Meta-Analysis, 11th edition (2024); Gallup, This Fixable Problem Costs U.S. Businesses $1 Trillion (2025) and Why Employee Wellbeing Is Required for Sustainable Workplace Productivity (2026); WHO, Mental health at work (2024); McKinsey, Some employees are destroying value (2023) and Organizational health is (still) the key to long-term performance (2024); Great Place To Work (2026); Deloitte UK, Mental health and employers (2024, 2020); Deloitte Canada (2019); UNSW / Black Dog Institute, Lancet Psychiatry (2017); PwC for Beyond Blue (2014); DDI, Global Leadership Forecast 2025 and 2021; Canada Life / MHRC 2025; CIPD 2025; Investec 2023; Safe Work Australia 2025; ISO 45003:2021; IFRS Foundation, ISSB human capital project (2025); PwC Annual Corporate Directors Survey 2025; Gibson Dunn, Form 10-K human capital disclosures (2025). Full references in the appendix.

PART FIVE

Same gap, different accent: what it means for leaders

Five countries, five very different stories, and one pattern underneath. When we step back from the chapters, six truths hold everywhere we looked.

1. The centre of gravity is Functional

In every market the largest group is not engaged: reliable, capable, and stretched. This is not a few individuals struggling. As a group, complexity is outpacing capacity. Functional leadership looks like stability, and because it looks like stability, the urgency to grow is systematically underestimated. Reliable is not the same as sustainable.

2. The ceiling is silent

Thirteen percent of Americans have told their manager. Forty-two percent of Canadians disclose a diagnosed condition. Half of Australians feel safe raising a concern. Sixty-eight percent of Australian managers think their people are fine while nearly half of those people say they are worse. Silence is the rational choice in most workplaces, which means leaders are managing invisible load with no visibility into it. Presence, the practised ability to notice what is not being said, is no longer a soft skill. It is the leadership skill.

3. The manager is the hinge

In the United Kingdom, a line manager who does not help you perform is the single strongest predictor that work will harm your mental health. In the United States, managers are disengaged at exactly the same rate as their teams. Only 29% of UK organisations train line managers in mental health; where they do, 73% see managers become confident in hard conversations. The single highest-leverage investment in every one of these countries is the emotional capacity of the people in the middle.

4. Trust decides whether the gap can be closed

Where trust in the leader holds, as it does in South Africa, people are ready to follow the moment a leader grows. Where the organisation is trusted but the leader is not, as in Canada, competence on its own will not bring people back. Ethical leadership and demonstrable competence, at every level, is a maturity shift, not a communications plan.

5. Forward belief is the missing ingredient

Integrative and Generative leadership depend on people believing that growth and contribution lead somewhere. In two of our five countries fewer than one in five believe the next generation will be better off. You cannot build a culture that scales itself on a workforce that has stopped believing forward. Leaders have to supply that belief, and they can only supply what they have.

6. Prosperity does not protect people

The three wealthiest markets in this study carry the highest daily stress and the steepest fifteen-year climbs. Conditions and experience have come apart. The gap between what the dashboard shows and what people carry is where leadership maturity lives, and it is where the next generation of leaders will be judged.

7. AI has raised the stakes

Technology transformation is arriving faster than leadership systems can mature, and it is consuming the very capacity leaders need to lead it. The organisations that get value from AI are the ones whose managers are present, clear and trusted. In other words, AI does not change what leadership maturity is. It changes how much it costs to be without it.

8. The gap is a business case, not a wellbeing programme

Top-quartile engagement is worth 23% in profitability and up to 51% in turnover, managers explain 70% of the difference, and every dollar invested in their capacity returns between two and ten. Boards, regulators and standard-setters are starting to ask for the numbers. The leaders who can show them will be the ones who did the work early.

PART SIX

Closing the gap: ARISE + BRAVE as the bridge

The same two lines run through every chapter of this paper. Complexity climbing. Capacity flat. And the widening space between them where every hard thing described above lives. There are two ways to close that space. One expands what the leader can hold. One steadies the culture around them. Together, they are the bridge.

ARISE expands emotional capacity

ARISE is the upward force. It is the work on you: regulation, identity maturity and conflict fluency, so that you can hold more before you tighten. It raises the bottom line on the chart. ARISE begins with an honest diagnostic of where a leader operates when pressure rises, and builds from there through small, repeatable practices designed for a real week, not a retreat. It is the difference between surviving pressure and holding it, and between coping and leading.

We deliberately frame this work as sustainability rather than toughness. The goal is not a leader who can absorb more punishment. It is a leader who can stay present, steady and themselves for the long haul, and who helps the people around them do the same. You don't have to be hard to be strong.

BRAVE stabilises culture

BRAVE is the steadying force. It is the work on the system around you, so that when you do reach your ceiling, the culture does not absorb the cost. It gives teams shared language for what is happening, a one-page check that shows where drift is starting, and the courage to name it before it becomes the weather. BRAVE is how a values-driven organisation stays values-driven while it scales.

Together, they close the maturity gap

ARISE lifts capacity toward complexity. BRAVE holds complexity steady while capacity catches up. When both are in place the gap closes, scaling strain eases and the Drift Loop stops feeding itself. That is true of the fifteen-year pressures in every chapter, and it is true of AI: the leader who can stay regulated, name what is happening and hold a team through uncertainty is the leader whose people will use the new tools well, and say so. In every one of the five countries in this paper, the specific accent of the gap tells us where to start.

Country	Where the gap shows first	Where we would start
Canada	Trust in the leader; undisclosed load	ARISE for the senior team; BRAVE culture check to rebuild credibility from the inside out

Country	Where the gap shows first	Where we would start
United States	Forward belief; manager disengagement	ARISE for the manager layer first; BRAVE to restore clarity of expectations and care
United Kingdom	The silent majority; line manager capability	ARISE diagnostic and micro-practices for line managers; BRAVE to give the 83% a reason to come back
South Africa	National load; values misalignment	BRAVE to align values under pressure; ARISE to protect the leaders carrying the most
Australia	Fifteen-year decline hidden by prosperity; new legal duties	SocioSafety diagnostic to meet the psychosocial duty; ARISE and BRAVE to turn compliance into culture

The way forward

You have read where your market sits. The more useful question is where you sit, and where your leadership team sits, on a hard day. Here is how we would suggest turning this paper into momentum, because momentum fades, usually by Thursday.

- **Map your own maturity.** The ARISE assessment locates where you lead from when pressure rises. It takes minutes, and there are no grades. The only wrong answer is the flattering one.
- **Read your room as one signal.** Run the four-level diagnostic with your leadership team and look at the shape of the distribution, not the individual scores. That shape is your maturity gap.
- **Check for drift.** The BRAVE culture check is a one-page look at where standards have slipped by a degree. It is fastest to fix while it is still small.
- **Talk to us.** We would love to walk you and your team through what the data means for your organisation. Thirty minutes, no pitch, just what your result means and the plan you can lead from. We will happily work around you.

Maturity is built. And it is built starting now.

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APPENDIX

About the data

This paper draws on published, publicly available research. Wherever possible we have used the most recent edition of each source and checked figures against the primary publication rather than secondary summaries.

Gallup's State of the Global Workplace 2026 report was published in April 2026 and reports data collected between January and December 2025. Country-level figures are three-year rolling averages unless Gallup states otherwise, and "change" figures are measured against the prior three-year average. Gallup's separate annual US employee engagement series is a single-year measure and is cited as such.

The Edelman Trust Barometer 2025 was fielded in late 2024 and published in January 2025, with country releases through the first half of 2025. Where a figure is a global (28-country) average rather than a country figure, we say so.

Country-specific workplace surveys (CIPD, HSE, Deloitte, Canada Life and Mental Health Research Canada, NAMI-Ipsos, Safe Work Australia, ELMO, CMHAA, Allianz, AHRI, SuperFriend, Infinite Potential, Sapien Labs, Investec and Stellenbosch Business School) use their own definitions and samples and are not directly comparable with one another or with Gallup. We use them to illustrate the lived experience behind the Gallup pattern, not to rank countries.

The profitability and sustainability section draws on Gallup's Q12 meta-analysis (median differences between top- and bottom-quartile business units, which describe association rather than proof of cause), McKinsey's Organizational Health Index, and published return-on-investment studies. ROI figures are specific to the programmes studied and the years they were studied (Deloitte UK 2024 and 2020, Deloitte Canada 2019, UNSW 2017, PwC 2014); we cite them as evidence of direction and order of magnitude, not as a promise for any particular organisation.

The AI and technology section draws on global surveys by McKinsey, PwC, Gallup, Microsoft, Gartner, DDI, Deloitte, BCG, Edelman and Pew, and on the KPMG and University of Melbourne study, which is the only source that asks identical AI questions in all five countries. Global surveys report global figures unless a country cut is named. A small number of widely cited figures (Gartner's change-willingness series, BCG's digital transformation success rate, Slack's AI guilt figure) are from 2020 to 2024 fieldwork and are presented as such.

The four-level maturity readings in each chapter are Ignite Purpose's interpretation of the evidence against our framework. They are hypotheses to test in your own organisation, not measurements of it. The live diagnostic we run with leadership teams is how we test them.

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