



# Find your 47% *advantage*

Turning culture into  
strategy in the age of AI



PEAK PERFORMANCE

ENGAGED SKEPTICISM

DISCONNECTED

STRAINED



An eBook for HR leaders looking to  
supercharge culture for business impact

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# A letter from Amy Lavoie

## Culture Amp's VP of People Science

Across the last several years, the world has become fixated on high-performance machines. Millions watch Formula 1 races, laser-focused on the drivers. But the results of each race depend on an orchestra of specialists. Tire strategists, engineers, pit crews, analysts – each person executes a precise role, contributing to the team's success. As Formula 1 winning teams and our research at Culture Amp show, high performance doesn't belong to the individual. It belongs to the system.

Many leaders we work with are trying to build high-performing cultures, but they sometimes wonder how they'll know when they've actually reached that state. High performance often feels more like an aspiration than something companies can identify and sustain. So our research team set out to answer a simple question: Can you actually measure peak organizational performance?

Drawing on years of research into sustainable high performance, we shifted our focus to the organizational level. When we did, something surprising emerged. Peak performance began to show up as a distinct, measurable state.

That was our “aha” moment: Peak Performance culture is real. It's visible in the data. **And, our data shows that companies in Peak Performance had a 47% stock price change advantage over companies not in Peak.**

In other words, we learned how to recognize when the entire system is firing on all cylinders. It's a bit like watching that perfect pit stop in Formula 1, where every movement is coordinated and the car launches back onto the track at speed.

This report shares how we got there and what this discovery might mean for organizations working to build high performance that lasts.



**Amy Lavoie**

VP of People Science at Culture Amp



# The untapped ROI of culture: 4 advantages of Peak Performance

Across 1,800 organizations, we found that 44% achieved what we call “**Peak Performance**,” a unique phenomenon where employees feel both engaged and confident in their organization’s performance. And remarkably, 76% of these organizations maintain that status year over year, proving this culture is a powerful engine for business results that “wow.”

Peak Performance companies have:



#### Stock price advantage

Over two years, Peak companies gained 36% while others fell 11% – a 47% advantage



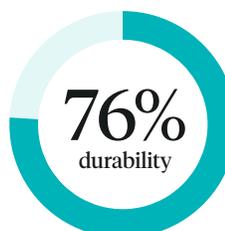
#### More high performers

Peak organizations boast a significantly higher concentration of top-tier talent compared to others.



#### Improved retention rates

Companies in Peak experience the highest retention rates, avoiding the compounding cost of unwanted turnover.



#### Staying in Peak Performance

Reaching the top doesn’t mean you are destined to dip; 76% of companies that reach Peak are still there a year later.

# The world of work is in flux

The world of work is in a profound state of flux. While AI advances the promise of unprecedented productivity, it has also brought about other changes. HR leaders have been charged with managing the downstream impacts of AI on people and culture.

HR leaders are the architects of their organization's resilience. They're uniquely positioned to [bridge human potential with AI-driven change](#) to unlock a new era of performance. In our view, this is a crucial moment to lead a people-centric transformation that drives strategy forward.

To address this market shift and flex, Culture Amp research is changing the landscape with something big and new: a coherent system that turns those cultural signals into strategic certainty.

## Systems outperform individuals

Historically, HR has managed engagement and performance separately. We assumed the key to unlock high performance lived within the individual employee. However, our research revealed a surprising truth: [Individual high performance is rarely sustainable](#).

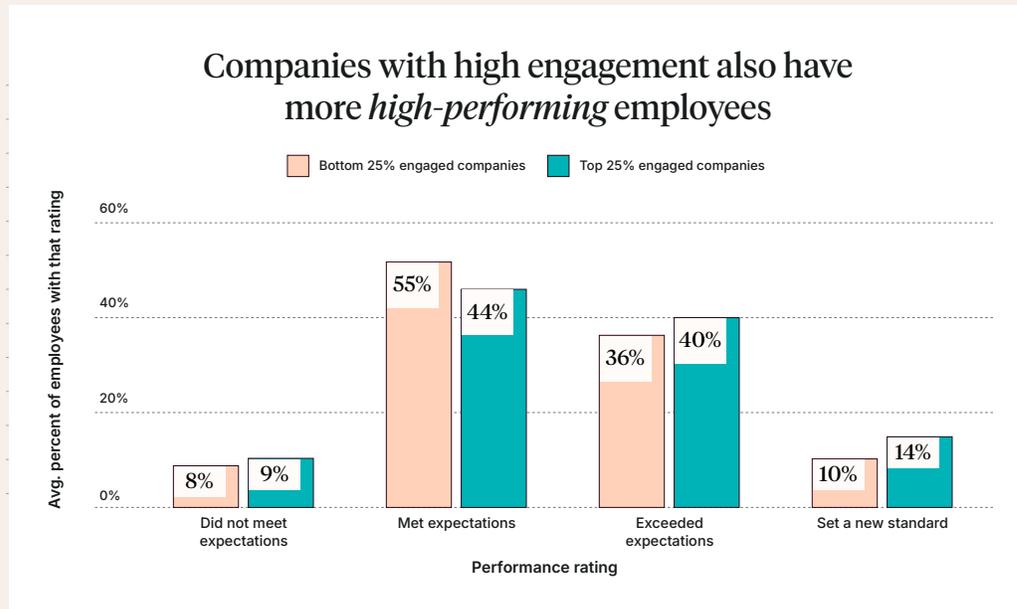
In fact, only 2% of employees globally sustain it across two consecutive high-performance ratings. Instead, sustained high performance is a collective experience. And employees typically perform like their [leaders](#) do, meaning great leaders are likely to elevate organizational performance.



Over the last several years of researching sustainable high performance, our findings revealed that we must evolve. It is time.

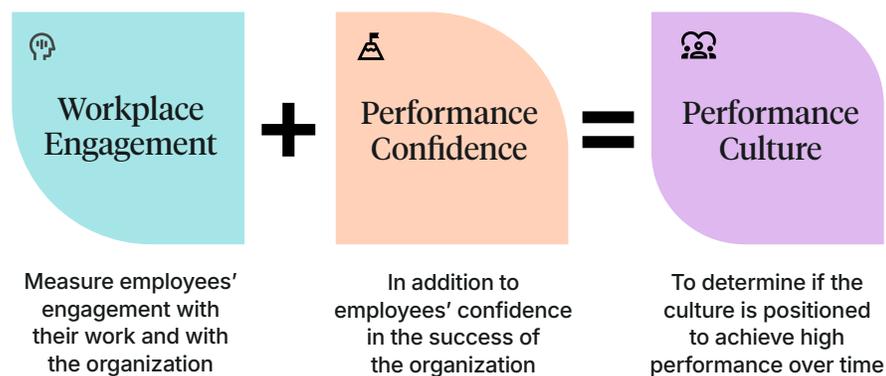
# We've shifted our vantage point

We are leading an evolution to turn once-disparate signals into a unified, science-backed system. For too long, the market has bucketed engagement and performance separately. However, our research shows these outcomes are mutually reinforcing. Companies with higher engagement have a higher proportion of high performers, and vice versa.



So what's next? We're moving to a dual-outcome model that recognizes these two forces as a single, integrative engine.

Engagement and performance are *psychologically linked*, but *systematically disconnected*, until now





A powerful engine is useless if the hands on the wheel are steering in different directions or using an outdated map. That's why we need to measure and act on both employee engagement and confidence in the organization's ability to perform to achieve a Peak Performance Culture.



“CPOs are growing weary of just ‘improving engagement scores.’ What we desperately need is a message that is minted and clearly marks a shift in the conversation to driving peak performance that resonates immediately with the CEO and the executive team.”

 asana

Anna Binder, Former CPO

# Turn culture into strategy with the Performance Culture Quadrant

After finding just how interconnected the Workplace Engagement and Performance Confidence outcomes were, we brought them together in one powerful tool called the [Performance Culture Quadrant \(PCQ\)](#). The PCQ shows exactly where your organization lands based on our performance culture diagnostic survey.

And while the ideal destination is Peak Performance, not all companies land there.

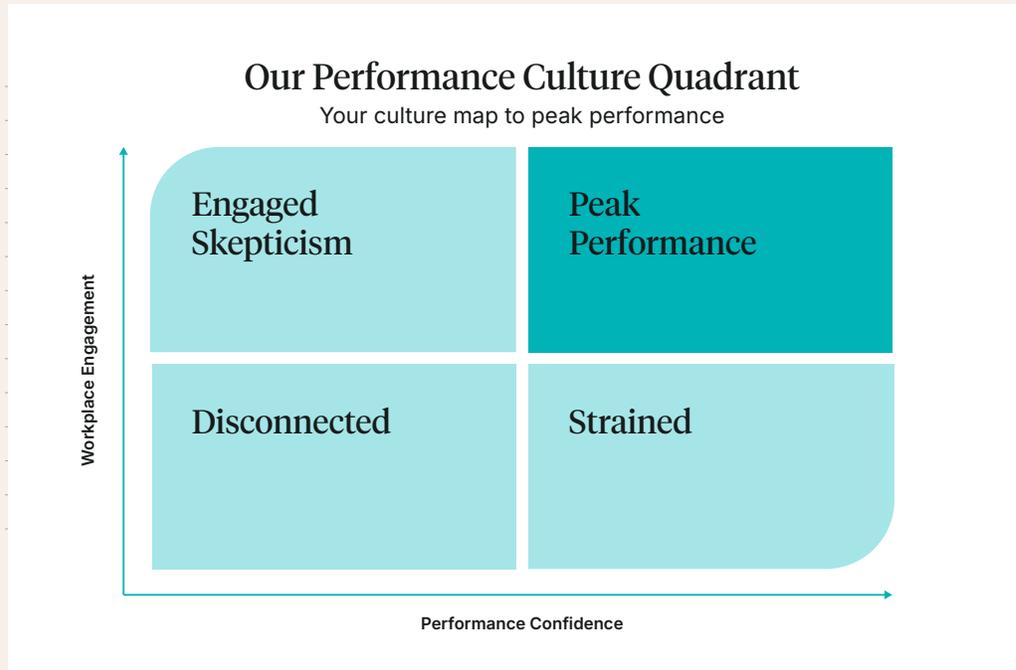
## The four culture types

Through a [proxy analysis](#) across 1,800 organizations, about two in five companies landed in Peak Performance (44%).

- The **Peak Performance** culture sits at the top right. High engagement. High performance confidence. Employees and teams in this culture are excited to be there and fully bought into the company's vision and strategy.

The other 56% of organizations in our analysis landed in the three remaining quadrants and representative culture types:

- The **Engaged Skepticism** culture type sits in the top left. High engagement. Low performance confidence. These teams care deeply about their work. The energy is there, but they question whether the organization has the right approach to win.
- The **Strained** culture type sits in the bottom right. Low engagement. High performance confidence. Employees believe the company will succeed, and they are pushing hard to get there, but their energy is fading. It is the closest cultural proxy to burnout. They see the benefits of executing on strategy, but question how long they can sustain the pace.
- The **Disconnected** culture type sits in the bottom left. Low engagement. Low performance confidence. Employee energy is depleted. Belief that the company will succeed is weak.



Cultural states are not fixed labels, though. They show you where your culture is currently idling so you can decide where you want to take action to accelerate next.



“The PCQ shifted the conversation from ‘how do we fix engagement’ to ‘how do we get to a Peak Performance culture.’ That shift has been powerful, creating stronger focus and engagement among leaders.”

**miro**  
Sam Valentine, Head of Employee Performance & Experience

### Factors to help show you the way

Our internal research archive at Culture Amp is massive. We leveraged insights from across benchmark data studies, prospective studies, product impact research, and a literature review spanning 50+ years of academic research to develop the diagnostic factors that underpin our new dual-outcome model.

We let the data show us which factors would be the most effective levers that leaders can actively influence to drive change and achieve a Peak Performance culture. These factors include:



### Excellence

Setting a high bar and making “better every day” part of your team’s DNA. Employees and leaders alike are always doing their highest quality work.



### Vision

Your strategic North Star gives everyone a clear sense of long-term goals and the values that will get you there. People understand the “why” behind the strategy and have started driving toward your shared destination.



### Ownership

Leaders have clear decision-making power and the autonomy to actually lead. Your organizational structure favors agility over micromanagement, such that everyone takes personal pride in the final result.



### Learning

You treat experimentation and even “smart failure” as essential tools for growth. Your culture fuels a constant cycle of development through honest, high-quality feedback and a commitment to promoting talent from within.



### Voice

Employees can speak up or take a risk without being shut down. Your culture propels two-way communication in a way that ensures the best ideas rise to the surface and risk is mitigated early.



### Energy

Roles are aligned with what actually motivates people, and teams have operationalized time for high-performing employees to recharge.

By measuring these six factors and how they influence workplace engagement and performance confidence, we gain a clear view into the health of your organization’s cultural operating system.

Whether you need to sharpen your vision, improve recognition practices, clarify decision-making, or recharge your team’s energy, uncovering and then fine-tuning these factors ensures your cultural system is intentionally built to drive your strategy and your business forward.



**AI Coach in PCQ:** Our embedded AI Coach helps leaders make sense of their Performance Culture Quadrant results. It interprets their quadrant position in plain language, revealing how their culture is either powering or hindering performance and what to do about it.

# Peak Performance is the ideal

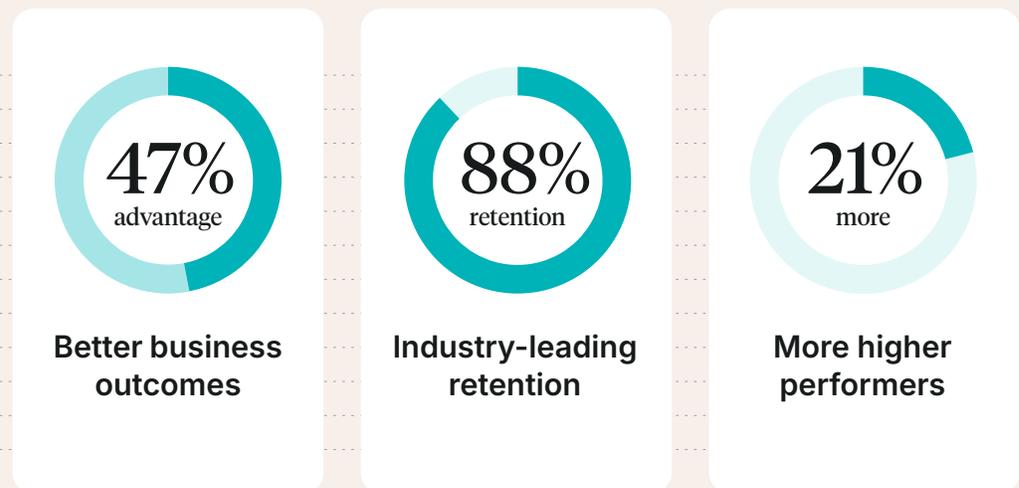
For years, we've searched for the "secret sauce" of high-performing companies, and by coupling engagement with performance confidence, we've finally encapsulated it: the Peak Performance Culture.

This is far more than a metric on a dashboard; it is the collective sum of the norms, beliefs, and behaviors that allow your culture and strategy to move in synchrony.

## Peak Performance companies have better business results

To triangulate our findings and confirm that Peak Performance was indeed the ideal state, we pressure tested it against external data.

We found that the business outcomes of reaching Peak are real and highly commercial. Public companies that have attained a Peak Performance Culture showed a non-market-adjusted median stock price increase of 36% over two years, compared to sharp declines demonstrated by companies in other quadrants (median -11%). Peak Performance organizations also enjoy industry-leading retention (88%) and a 21% higher proportion of high-performing employees.

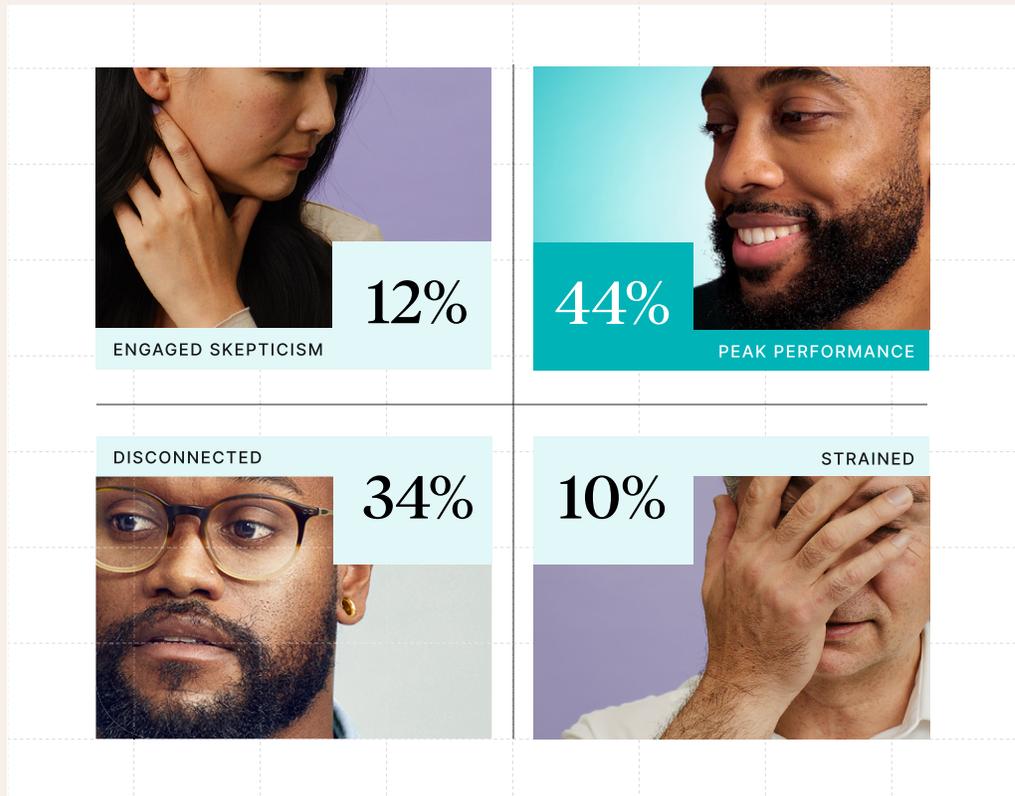


If you want a proven way to propel your business forward, your biggest advantage is your people, specifically addressing the cultural factors that drive their engagement and confidence in the success of your company.



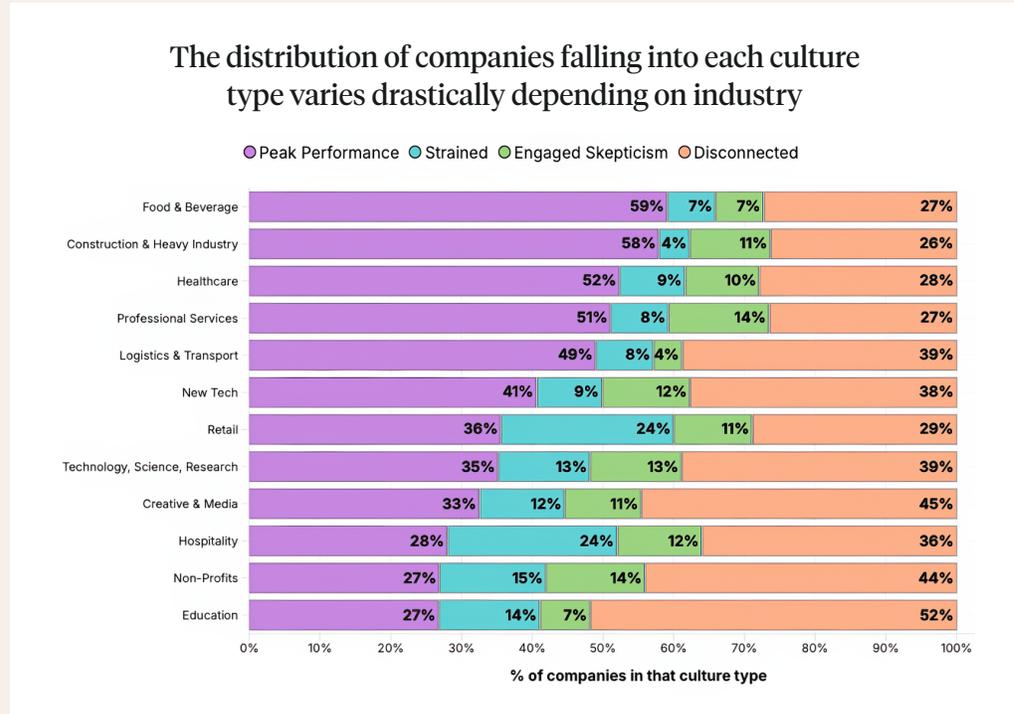
# Where companies map today

A Peak Performance Culture is highly attainable. Of the 1,800 organizations we looked at, 44% are currently operating in Peak Performance. This surprised us, because when we've looked at high performance at the individual level, only 11% of employees globally had achieved it in a six-cycle time frame.

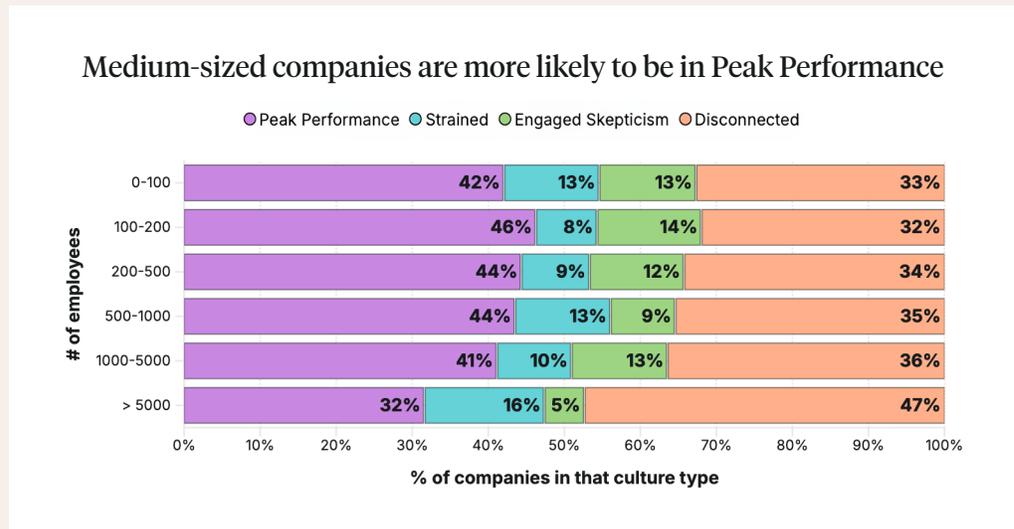


However, ratios of culture types also vary by industry and size, suggesting that broader contextual factors meaningfully shape how employees interpret similar practices, signals, and expectations.

**Differences by industry:** Food & Beverage, Construction, and Healthcare companies are the most likely to operate in Peak Performance Culture. Conversely, Education and Creative & Media have the highest proportions of companies in the Strained culture quadrant.



**Differences by size:** Even after controlling for size, large enterprises (5,000+ employees) are the only group more likely to find themselves in a Disconnected culture than in a Peak Performance Culture.



Seeing variation by company size and industry tells us that Peak Performance is possible at any size and within any industry. It also tells us definitively that environmental and systemic influences, like leadership practices, operational habits, and internal policies, play a big role in an organization reaching Peak.

We also want to take a beat there and acknowledge the performance elephant in the room. Staying at the peak of anything defies human logic. Our past research showed that at the individual level, the natural conclusion to going up was indeed coming down. Humans cannot sprint forever, and as such, performance is cyclical.

But at the org level?

### **At the organizational level, Peak performance is durable**

You read that right. What goes up at the org level doesn't actually have to come down. In fact, we found that the vast majority of companies that reach Peak stay there the following year (76%). Holy smokes, Batman.

Upon finding this insight, we deepened our analysis to understand what Peak Performance companies were doing differently.

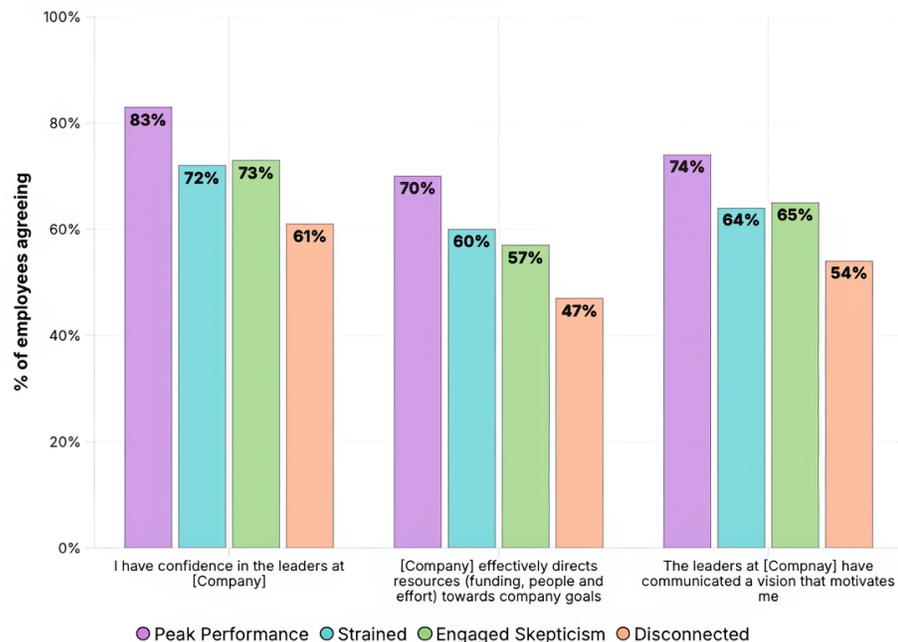


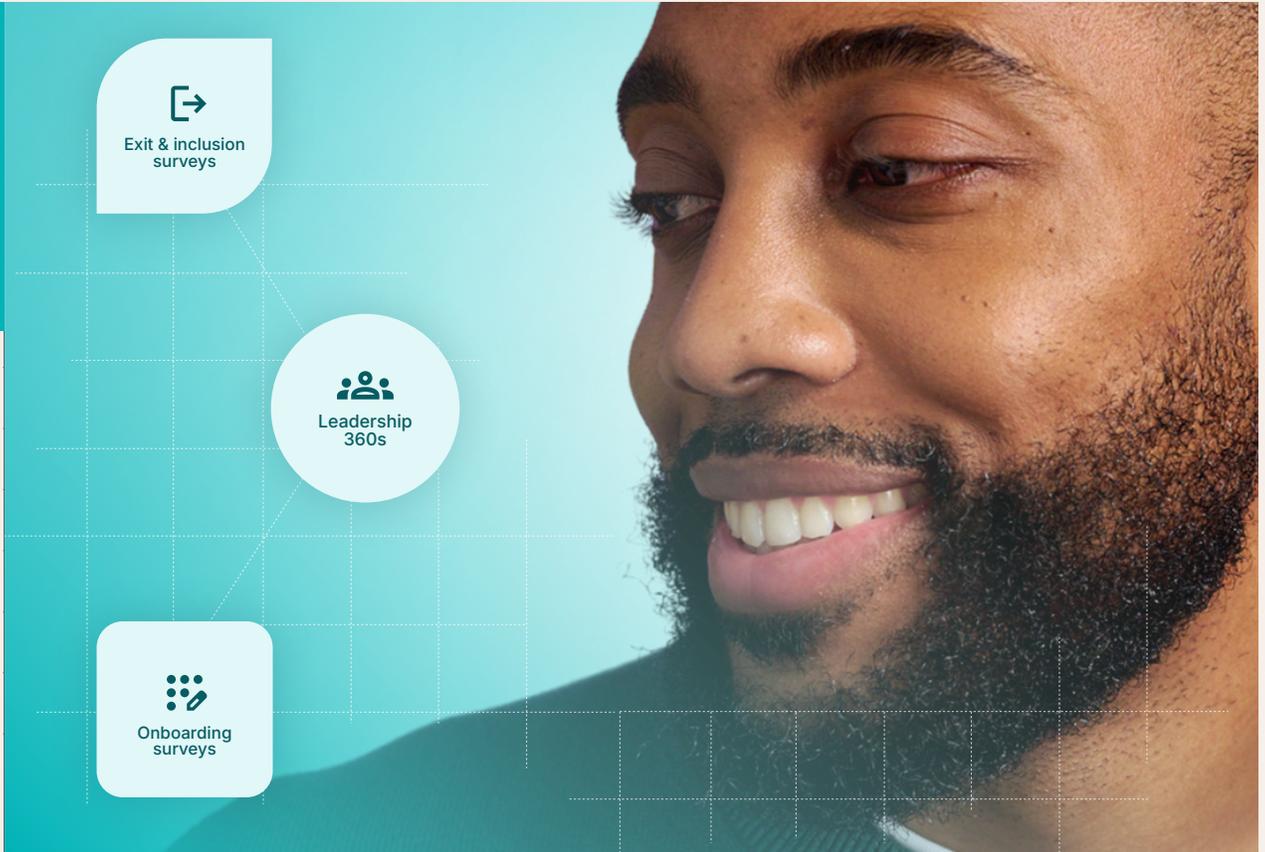
# Companies in Peak Performance do things differently

Our data reveals that Peak Performance companies are excelling in two critical areas:

1. **Strategic resourcing:** They consistently ensure resources are directed and aligned to the company's highest priorities
2. **Inspirational leadership:** Their leaders successfully build employee confidence and cast a clear, motivating vision for where the organization is headed

Companies in Strained and Engaged Skepticism culture states compete for second place, while Disconnected always comes up last





## Culture type shapes the surveys companies run

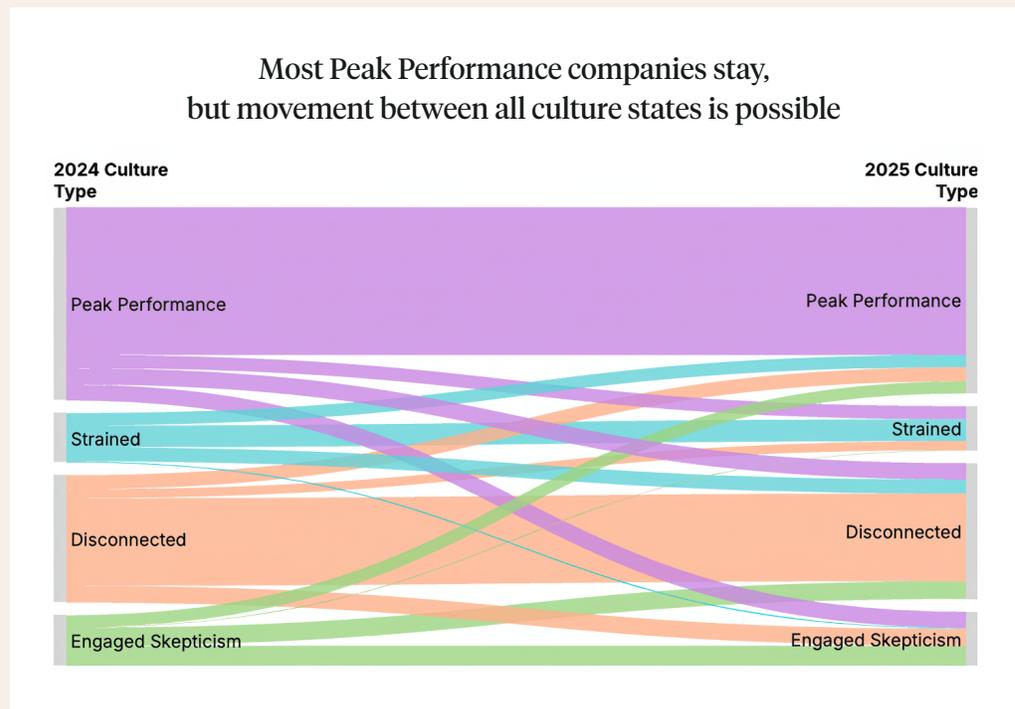
Our research shows that a company's culture type influences the kinds of surveys they prioritize. This reveals where leaders are focusing their efforts:

- **Engaged Skepticism and Disconnected:** Companies in these states send out more Leadership 360s. This suggests they are focusing on improving leadership effectiveness because employees are questioning the company's vision and strategy.
- **Strained:** These companies use the most Onboarding Surveys. This likely indicates they are dealing with higher employee turnover and trying to understand how to get new hires "up and running" and keep them from leaving.
- **Peak Performance:** These companies run the most Exit and Inclusion Surveys. This suggests they are proactively seeking feedback on why people leave and how to continuously iterate and improve their culture.

# What it takes to achieve Peak Performance

If leaders suspect their companies are not yet in Peak Performance, we have great news. No matter where a company starts, we've found that achieving Peak Performance is possible within just one year.

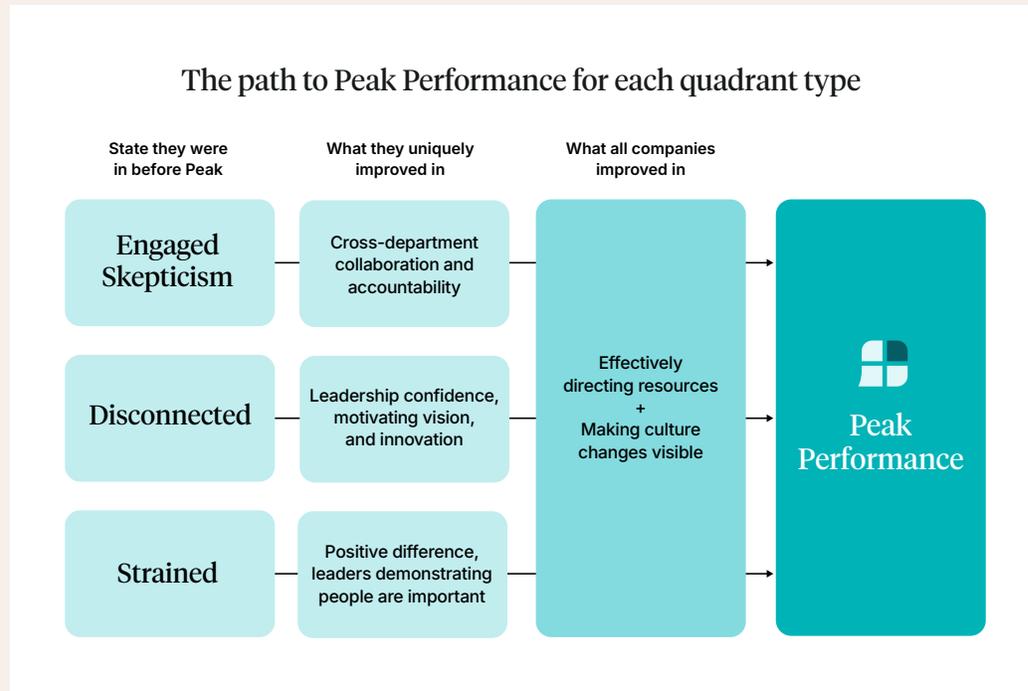
In the sankey chart below, we charted movement from one culture state to another from 2024 to 2025. While it is true that the plurality of companies stayed in the culture state they were in before, movement from every state into every other was proven to be possible.



If your research brain is tingling at this point, we get it. Ours were too. Knowing that companies from each non-Peak state could reach Peak Performance, the natural next question was how did they get there? Going from Disconnected to Peak, for example, must have taken a massive turnaround, right?

It turns out that the exact path to Peak depends heavily on where you start, but some universal truths exist.

# What companies in each quadrant did to get to Peak Performance



Peak performance emerged through different paths depending on the starting condition.

- Skeptical cultures needed collaboration and accountability
- Disconnected cultures needed vision and drive toward it through innovation
- Strained cultures needed people-centric leadership and connection to social good

On top of improving in a unique area, all companies that got to peak also had to improve in:

- Effective re-directing of resources toward company goals plus making cultural change clearly visible

It was momentum on intentional culture change that carried organizations to the top.



## 5 ways HR leaders can rise to Peak Performance

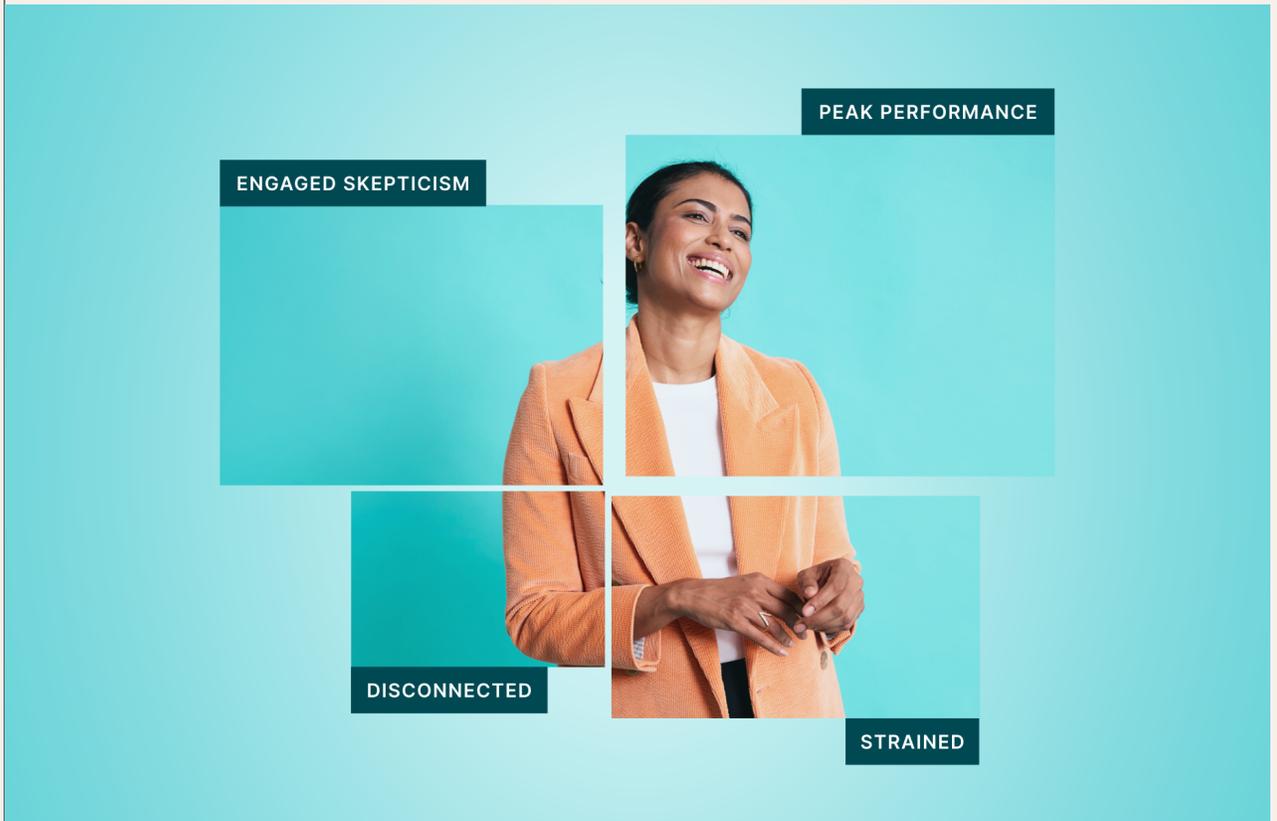
1. **Unify your people signals:** Break down the silos between engagement and performance measurement, connecting them through a single intelligence layer. This unified view allows you to see how engagement directly fuels performance, turning disparate “people data” into a cohesive strategic map.
2. **Focus on the collective:** Shift your strategy away from relying on unsustainable individual heroics and focus on the collective conditions that drive organizational belief.
3. **Relentlessly direct your resources:** Ensure funding, people, and effort are clearly directed toward company goals so employees see how their work creates an impact. Use their feedback to accelerate or course-correct on strategic bets.
4. **Make culture changes visible:** Prove to your people that you are listening by closing the action communication gap. Sharing and taking visible action on survey results is a universal requirement for reaching Peak.
5. **Deploy AI as a force multiplier:** Give your leaders the Culture Amp AI Coach to interpret complex signals and provide practical, in-the-moment guidance on how to lead and prioritize.

You no longer have to chase high performance without a clear map. The PCQ gives you coordinates, allowing you to supercharge your culture to power business strategy and prove that Peak Performance is attainable for your organization.

This research spanned talent groups at Culture Amp, bringing together expertise from our people science, research, marketing, and product teams. It integrates insights spanning 15+ years of in-house research and workplace trend tracking using global employee benchmark data paired with external datasets.

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