### Navigating a Fractured Workplace

How Relational Curiosity increases engagement, trust, and productivity

October 2024





#### **Table of Contents**

Welcome from our CEO	2
Methodology	3
Executive Summary	6
Finding 1: Fear is a pervasive and destructive force in the workplace	13
Finding 2: People are struggling with disagreement, discord or disconnection	17
Finding 3: Leaders are experiencing unrelenting expectations from multiple directions	23
Finding 4: There's a dangerous leadership skill gap	28
Finding 5: Leaders and Knowledge workers recognize curiosity - especially Relational Curiosity - as a way to improve the workplace	32
Closing words from our CEO	42

#### Welcome from our CEO

The idea to partner with the Harris Poll on this research came to us in Fall of 2023. For nearly a decade, Box of Crayons has been teaching organizations the skill of Coach-Like Curiosity, and with over 130,000 participants in our learning experiences, we have plenty of anecdotal evidence of its value and it's impact on individual learners and organizational cultures.

But the massive workplace disruptions of the past few years — the unrelenting pressure and ever-changing learning priorities, the increased polarization, the frenzy around AI — made us challenge ourselves. As an organization that is all in on curiosity, we had to ask some hard questions: How important is developing this skill to the organizations we serve? And with so many pressures, is now the right time?

We had to be both curious and incredibly vulnerable because, going into this, we were fully aware that if the answer to either question was No — there isn't space or this isn't a priority — we'd have a big business problem.

But Box of Crayons' purpose is to unleash the power of curiosity and to do so in service of the organizations we have the pleasure of working with. So we played it straight and engaged a world-class research partner to dig into the question of what business leaders really need today.

Now we're excited to share this research with you, research that illustrates the validity and urgency of new, relational ways of being that will improve workplaces for everyone, and strengthen our businesses along the way.

In these increasingly polarized times, we need a way to build bridges between ourselves and other people. To increase our capacity to disagree in ways that are generative rather than destructive. To expect nuance rather than seek to be reductive. Relational Curiosity can help us do that.

Sminfil

Shannon Minifie, PhD

#### Methodology

This study was conducted by The Harris Poll on behalf of Box of Crayons from January 3 to January 8, 2024 among 509 Business leaders and 1,012 Knowledge workers.

This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

#### box of crayons®



### Business Leaders (n=509)

Employees working full-time at corporations with 150 employees or more, at a director level or higher, that have at least some decision-making authority over business strategy/development, customer experience, budgeting, and/or hiring.

### Knowledge Workers (n=1012)

Employees working full-time at corporations with 150 employees or more. Respondents represent a diverse mix of industries and job functions.

#### **Leading on Shaky Ground**

Business leaders are grappling with complex challenges, and while there is a tendency to focus on external pressures like economic uncertainty, technological disruptions, and labor market issues, our research shows the most critical challenges are unfolding within the workplace itself.

As leaders strive to innovate, grow, improve efficiency, and nurture strong company cultures, they're often building on shaky foundations—unseen cracks that are widening and deepening each day. In the rush of external pressures, fundamental internal issues are overlooked and traditional tools and approaches are no longer sufficient to mend what are now entrenched problems.

New data from our partnership with The Harris Poll reveals that powerful forces are disrupting the workplace: pervasive and unrelenting fear, the inability to appreciate and contend with disagreement, and overwhelm caused by the pace of work and lack of skills to navigate these challenges.

These are as or more dangerous to the future of work and to the health of organizations as any external threat. While in many ways less visible, these issues have a high financial and human cost that compounds over time.

Despite all the technological advancements, remarkably businesses are still predominantly human endeavors. Labor is one of the largest costs for most companies. For a typical Fortune 500 company, payroll is \$1 to \$2 billion per year, which averages between 50% to 60% of company spending. The success or failure of the workplace still hinges on the human ability to cooperate, communicate, and collaborate to create value together.

Business leaders are increasingly feeling the impact of weakened workplace relationships. They show up as polarization, infighting, fragility, stress, and deficits in leadership and communication skills. These are the issues that leaders must contend with if they want to see their workplaces thrive.

#### What's Really Breaking the Workplace? It Might Not Be What You Think

Business leaders are contending with a range of people related challenges that impact performance, productivity, and culture



Many people don't understand the value in listening to people they disagree with



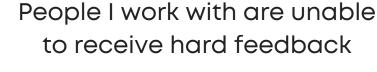
In my company, when projects are derailed, people are too quick to make uninformed assumptions

wrong assumptions about colleagues



55%

53%





Concerns about changing generational values impacting business



61%

63%

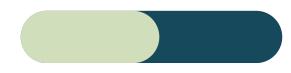
Divisive politics entering the workplace is challenging to navigate



My organization struggles to adapt to the evolving workplace norms



In my company, when problems arise, people tend to focus more on placing blame than on solving the problem



53%

Handling increased fragility in the office is challenging to navigate

### Executive Summary: Five Important Findings

Our research uncovered four significant challenges consuming time and energy in ways that undermine individual and organizational performance. They are the root cause of many of the day to day problems that rob work of its joy and undermine our ability to connect to the people with whom we work.

We also found that there is evidence that leaders and workers alike feel that embracing the skill of Relational Curiosity in the workplace will improve the experience of work and business outcomes.

- Fear is a pervasive and destructive force in the workplace
- People are struggling with disagreement, discord or disconnection
- Leaders are experiencing unrelenting expectations from multiple directions
- There's a dangerous leadership skills gap
- Leaders and Knowledge workers recognize curiosity - especially Relational Curiosity - as a way to improve the workplace

## Finding 1: Fear is a pervasive and destructive force in the workplace

While burnout, disengagement, and productivity complaints have been making near-constant headlines since the pandemic, a common cause for all of these has not been given enough attention: fear.

Fear breeds doubt, prompting individuals to question themselves and others, instigating anxiety, hindering productivity, and promoting blame instead of teamwork. This fear permeates teams, exacerbates procrastination, and stifles creativity, resulting in fatigue and disconnection from others and from the work.

No team member is an island. When fear enters the workplace, it spreads rapidly, embedding itself into the company culture. This phenomenon, known as emotional contagion, occurs when people unconsciously mirror the emotions of those around them (<u>Raypole</u>). What starts with one individual soon escalates to a team, then another, and eventually permeates the entire organization.

As anxiety and fear become widespread, they create a nearly inevitable cycle. To break this cycle, it's crucial to address the root causes of fear and build a culture of trust and psychological safety.

14.5%

of the workweek is lost to the fear of making mistakes

# Finding 2: People are struggling with disagreement, discord or disconnection

Communication in today's workplace is increasingly complex, often compounding fear, disconnection, and pressure.

As workplace environments grow more polarized—whether due to differing perspectives, unclear expectations, or broader societal tensions—the ability to bridge these divides becomes critical. Leaders, in particular, face the daunting task of managing conflicts while maintaining unity and trust within their teams. Without the skills to navigate difficult conversations or foster open, honest dialogue, the gap between teams and their leaders widens, exacerbating feelings of disconnection and making it harder to achieve shared goals.

The prevalence of assumptions and avoidance makes it difficult to address these challenges effectively. And the very tools needed to alleviate these pressures—the ability to give and receive constructive feedback, the ability to hear other points of view and constructively disagree, the ability to disagree and still connect - are missing or damaged.



"Many people don't understand the value in listening to people they disagree with."



72% of Business leaders

"There is an increased expectation to do more with less."

# Finding 3: Leaders are experiencing unrelenting expectations from multiple directions

Leaders are under pressure to achieve more with fewer resources, setting a breakneck pace that neither they nor their teams can sustain without losing motivation, clarity, and productivity. At the same time, with significant workplace shifts, including the rise of remote and hybrid work, leaders now face increasing expectations from their teams. They must navigate blurred boundaries between work and home, manage political discord, and address the emotional complexities change brings.

The pressure to always be 'on' can leave leaders feeling stretched thin and isolated, constantly juggling the need to appear strong while quietly facing their own doubts and challenges. In environments where every decision is scrutinized, the fear of making mistakes can be paralyzing, and the pressure to perform never truly lifts. Even moments of success can be fleeting, overshadowed by the next crisis or challenge on the horizon.

Adding to this challenge is the fact that many leaders have limited sources of genuine support. With few outlets to share their burdens, they often internalize their stress, which can result in burnout, anxiety, and an increasing sense of isolation.

#### Finding 4: There's a dangerous leadership skills gap

Business leaders and workers see alarming gaps in skills deemed necessary for navigating today's workplace challenges including communication, leadership, and accountability. However, companies are lagging in developing these skills.

Despite widespread acknowledgment of the need for better training, resources are often cut, leaving leaders and employees without the tools they need to grow. This poses a significant danger to both individual growth and organizational success.

This absence of leadership development also stifles the creation of a strong pipeline for future leaders, leaving organizations vulnerable to sudden shifts or crises.

When companies fail to invest in leadership growth, they risk creating a culture where employees lack role models for effective decision-making, conflict resolution, and team motivation. Over time, this can lead to decreased morale, higher turnover, and a significant decline in organizational agility.



# Finding 5: Leaders and Knowledge workers recognize curiosity - especially Relational Curiosity - as a way to improve the workplace

Curiosity is an essential skill for navigating today's complex workplace challenges. While intellectual curiosity fosters personal growth and innovation, Relational Curiosity—driven by a genuine desire to understand and connect with others—is what truly transforms teams and organizations.

Relational Curiosity encourages leaders and employees to listen more intently, ask thoughtful questions, and engage in meaningful dialogue. This deepened understanding reduces miscommunication, builds trust, and enhances collaboration, creating a more engaged and connected work environment.

Leaders who prioritize Relational Curiosity are better equipped to navigate difficult conversations, manage conflict, and lead with empathy. Employees, in turn, feel more valued and understood, boosting morale and productivity. By seeking to understand different perspectives and experiences, Relational Curiosity bridges gaps and strengthens relationships, making it a critical tool in driving not only team cohesion but also organizational success. In a rapidly evolving workplace, where communication and collaboration are key, developing Relational Curiosity is vital for creating a culture of openness, trust, and long-term growth.

The future of work depends on it.



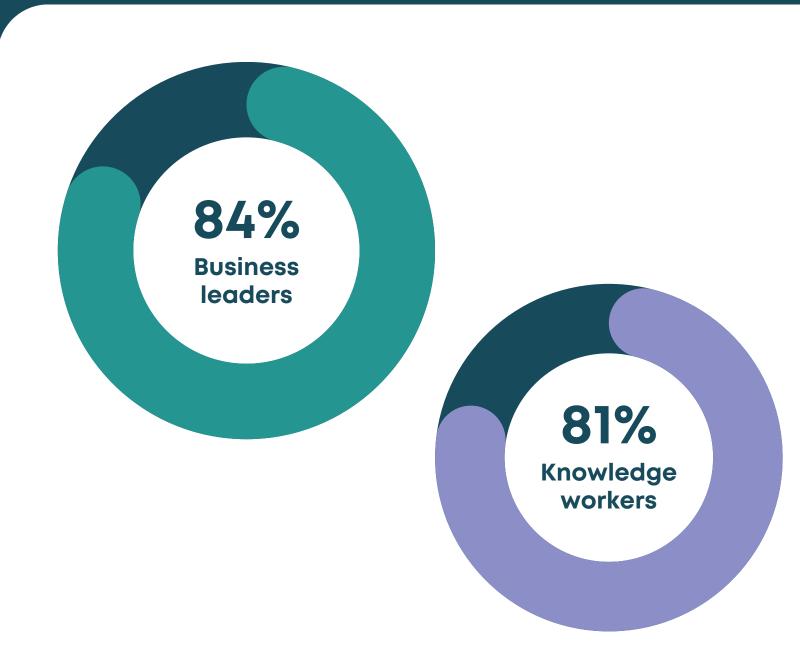
"To be successful in the next era of business, we need to expand beyond just intellectual curiosity."

## Organizations Only Work If People Work

The key to an organization's success isn't a secret—it's rooted in strong workplace relationships. From time management to employee satisfaction and commitment, everything hinges on how effectively we collaborate. The first step in collaborating is understanding.

Companies with strong workplace relationships are 2.5 times more likely to be innovative and see 50% higher total shareholder returns. Employees in these environments are more engaged and productive, and report greater job satisfaction.

Despite widespread recognition of the importance of workplace relationships, many leaders and teams struggle to make them a priority. This reflects a common human paradox: we understand the value of healthy habits, yet often fail to nurture them. Similarly, while the need for relational skills is clear, organizations fall short in consistently investing in them. This gap between awareness and action weakens relationships, undermines productivity, and erodes employee engagement.



"We must deeply understand the people we work with to be most efficient."

### Finding #1

Fear is a pervasive and destructive force in the workplace



#### 1.1 Fear is pervasive

While workplace initiatives have aimed to address burnout, disengagement, and loneliness, our research points to these being symptoms of a more urgent and pervasive workplace problem: fear. At the heart of so many negative workplace behaviors and feelings is a debilitating fear that has taken root and spread throughout organizations.

55% of Business leaders report that anxiety interferes with their ability to perform. At the same time, employees are spending nearly 6 hours each week re-reading and re-doing tasks—not because they're unsure, but because they're afraid of making mistakes. For every thousand workers, that's 6,000 lost hours EVERY WEEK. Recovering half of that time would add more than 3 million dollars per worker per year to an organization.

These numbers reflect a significant breakdown in workplace relationships—between colleagues, and between leaders and their teams. When people lack the tools to connect and communicate openly, they feel unsafe expressing concerns, seeking support, and collaborating. This fear-driven environment leads to withdrawal, avoidance of communication, and wasted time and energy.

Ultimately, this is a human problem, rooted in our ability—or inability—to connect with one another. The impact extends across engagement, productivity, and every aspect of the workplace. Fear becomes both a driver and a barrier to work. It's costly for people and businesses and increasingly difficult to ignore.

### Anxiety interferes with my ability to perform.





\$7,565
lost to fear of making mistakes per employee, per year



5.8 hours a week consumed by fear of making a mistake

#### 1.2 Fear is unproductive

Persistent fear in the workplace has a cumulative psychological impact, deepening existing challenges and creating new ones. This compounding effect undermines productivity and innovation, trapping employees and organizations in a downward spiral.

Fear often leads to procrastination, as employees avoid or delay tasks to evade potential negative outcomes. On average, employees spend 8.7 hours per week just motivating themselves to be productive, costing \$11,344 per employee annually.

Creativity is another casualty of this compounding fear. Employees grow increasingly hesitant to share ideas or take risks, stifling innovation—a critical driver of competitive advantage. Without a culture that nurtures creativity and intellectual honesty, companies risk falling behind, as leaders consistently rank innovation among their top priorities.

Fear also causes cognitive paralysis, with employees spending about 4.7 hours each week feeling stuck on problems.

The cost of fear is too high for people and for our organizations to bear.

The cost for businesses dollars/year (per employee)*	<b>Hours</b> per week, per employee	Activity
\$11,344	8.7	Motivating myself to be productive
\$6,129	4.7	Stuck on a problem
\$5,868	4.5	Being unproductive or unable to work

<sup>\*</sup>Calculation based on Business leaders' reported average salary for their teams (\$52,157.74 annually).

#### 1.3 Fear is exhausting

Fear drains energy, making it harder to complete tasks and find fulfillment at work. When employees are constantly struggling to catch up or worried about making mistakes, they miss out on the regenerative benefits of work—those moments of accomplishment and purpose that restore our mental reserves.

This ongoing tension not only saps motivation but also stifles creativity and collaboration, leaving employees feeling perpetually on edge rather than inspired and engaged.

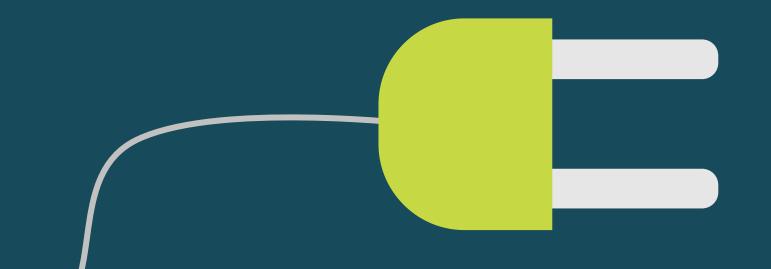
The impact is stark: 24% of workers end their day feeling burnt out, 43% leave work exhausted, and only 15% report feeling connected to their work.

These statistics highlight how fear undermines productivity, job satisfaction, overall well-being, and connection. Tackling fear in the workplace is essential for fostering a healthier, more dynamic, and more fulfilling work environment. A place that energizes instead of exhausts.



### Finding #2

People are struggling with disagreement, discord or disconnection



#### 2.1 People are struggling with each other

Workplace tensions are on the rise, fueled by an increasingly polarized social and political climate. Business leaders are growing concerned about the impact of these tensions on team dynamics.

As workplace diversity grows, so too does the potential for differing opinions, making it more important than ever for leaders to foster a culture of respectful communication and psychological safety.



The ability to effectively manage diverse opinions and foster mutual respect among team members is becoming a critical leadership competency that leaders are not fully prepared for.

Without the necessary skills and strategies, leaders will struggle to create the inclusive work environments that are essential for success in today's global economy.

#### 2.2 Assumptions and blame are on the rise

Assumptions and blame can quickly become toxic elements that undermine team cohesion and productivity. When employees jump to conclusions without all the facts, or when leaders hastily assign blame for mistakes, the consequences can be farreaching.

Assumptions often arise from incomplete information or unconscious biases. They lead to misunderstandings and miscommunications, which can create unnecessary tension among team members. For example, assuming a colleague is uninterested in a project because they haven't spoken up might ignore underlying reasons like a lack of clarity or confidence. This kind of thinking can erode trust and create a culture of suspicion rather than collaboration.

Blame, on the other hand, is often a defensive reaction to problems or failures. When blame becomes the default response, it discourages open communication and accountability. Employees may become more focused on avoiding blame than on finding solutions, leading to a culture of fear rather than innovation.

To combat these issues, leaders must encourage a culture of curiosity and understanding. Instead of assuming, ask questions. Instead of blaming, focus on learning and improving. By fostering an environment where people feel safe to communicate openly, organizations can transform potential conflicts into opportunities for growth and collaboration.

#### **Business leaders say:**

63%

"In my company, when projects are derailed, people are too quick to make uninformed assumptions."

61%

"Issues at work are often escalated by wrong assumptions about colleagues."

57%

"In my company, when problems arise, people tend to focus more on placing blame than on solving the problem."



Leaders agree that the people they work with are unable to receive hard feedback



Knowledge workers are unsatisfied with how their company is handling creating remote/hybrid work cultures



Leaders agree that employees have expressed desire for more feedback and learning pathways of growth



Knowledge workers are unsatisfied with how their company is helping people hear/receive feedback



Leaders say helping people hear/receive feedback is challenging to navigate

#### 2.3 Feedback is a challenge

Tension between the desire for feedback and the ability to receive it effectively is a growing challenge in the workplace. While 70% of leaders acknowledge that employees are seeking more feedback, 55% report that these same employees struggle to accept constructive criticism. Furthermore, 47% of leaders find it particularly challenging to guide individuals through the feedback process, and 29% of Knowledge workers express dissatisfaction with how their company manages feedback.

Effective feedback requires not just the delivery of information, but also the cultivation of an environment where employees feel safe, supported, and ready to engage in open dialogue.

Constructive feedback is essential for reducing fear within teams and easing the pressure on leadership, yet it remains one of the most underdeveloped areas in many organizations. The reluctance or inability to accept feedback often stems from a lack of the necessary skills to engage in these conversations productively. When employees are unprepared to receive feedback, the opportunity for growth is lost, and the feedback process can become a source of tension rather than a tool for development.

For feedback to truly be effective, organizations must invest in creating a culture that values open communication and continuous learning.

#### 2.4 Toxic managers poison the workplace

Toxic bosses are a significant workplace problem with far-reaching consequences for employee well-being and organizational success. According to research by The Harris Poll, 71% of employees have worked under a toxic boss, with many reporting long-lasting effects on their mental health, job satisfaction, and productivity. Toxic leadership behaviors—such as micromanagement, unfair treatment, and poor communication—can create a hostile work environment, leading to increased stress, burnout, and high turnover rates.

The impact of toxic bosses isn't just limited to individual employees. Research from Harvard Business School found that toxic leaders can cost companies millions in lost productivity, absenteeism, and recruitment expenses due to high employee turnover. Additionally, a Gallup study revealed that 50% of employees leave their jobs to get away from bad managers, highlighting the critical role leadership plays in employee retention.

Addressing toxic leadership is essential for creating a positive workplace culture where employees feel valued and supported. Failing to address toxic behavior can have devastating effects on both employees and the overall success of the business.

62% Business leaders

**Retraining toxic** managers or bad bosses is challenging to navigate

workers

34% Unsatisfied with Knowledge their company's ability to eliminate toxic managers or bad bosses

#### 2.5 Connection is a concern

Workplace connection is more than just small talk and fun Slack channels —it's the foundation of a thriving, engaged, and collaborative team. When people feel connected to their coworkers, they're more likely to communicate openly, support each other, and work effectively toward shared goals. This sense of belonging fosters trust, which fuels innovation and productivity.

90% of Business leaders and 76% of Knowledge workers identified creating more connections with my coworkers as Somewhat or Very Important yet, over one-third of both groups report not having the resources to achieve this goal.

When people feel genuinely connected to their work and each other, their sense of purpose deepens. This can significantly reduce turnover rates, improve job satisfaction, and even lead to better business results. At its core, workplace connection is about creating an environment where people feel valued and engaged—an investment that pays off in collaboration, culture, and long-term success.



Report not having the resources to achieve the goal of creating more connections with coworkers

### Finding #3

Leaders are Experiencing
Unrelenting Expectations from
Multiple Directions



### 3.1 The people setting the pace can't keep up

Leaders are under unprecedented pressure in the workplace, with 72% agreeing that there is an increased expectation to do more with less. Half of these leaders believe the current pace is unsustainable—neither they nor their teams can keep up. Additionally, 36% of Business leaders report feeling often or always overwhelmed at work.

This relentless drive for efficiency creates a cycle of increasing demands and stress. The result is a significant strain on the leaders themselves—nearly 60% report feeling constant pressure to perform.

When leaders are overwhelmed, their decision-making can become reactive rather than proactive, which undermines their effectiveness and negatively impacts team morale and productivity. The continuous strain can also erode their ability to lead effectively, ultimately affecting the overall health and performance of their organizations.



"There is an increased expectation to do more with less."



"I wish I had time to slow down and think."



"The pace I am expected to maintain in my workplace is not sustainable, I can't keep up."



"There's too much pressure on me to constantly produce and perform."



"The more efficient I am, the more pressure I have to perform."



"I'm struggling to spark and maintain inspiration among my employees."



"Businesses have unrealistic expectations of employees to get more efficient every year."

## 3.2 Leadership efficiency comes at the cost of clarity

63% of Business leaders admit that their company's push for efficiency often comes at the cost of clarity, a concern echoed by 54% of Knowledge workers. As a result, employees spend a significant amount of time being ineffective in the workplace, costing businesses thousands per employee per year.

On average, employees spend 3.8 hours per week—equating to about \$4,955 annually—trying to understand unclear feedback. Additionally, they invest another 5.1 hours per week, approximately \$6,650 per year, decoding ambiguous communication from their managers. Misalignment with colleagues or managers adds another 3.7 hours per week, costing \$4,825 annually per employee.

Investing in clearer communication practices could reduce these inefficiencies, aligning efforts and ultimately leading to more effective and productive workplaces.



"My company prioritizes efficiency, but at the cost of clarity."



54% Knowledge workers







**5.1** 

Trying to decode communications from my manager or co-worker

\$6,650

3.8

Understanding unclear feedback

\$4,955

**3.7** 

Misalignment with manager or co-worker

\$4,825

Per employee per week

Per employee per year



Business leaders agree it's increasingly challenging to meet shareholder expectations and employee expectations.



Knowledge workers are unsatisfied with how their company is handling creating remote/hybrid work cultures



Knowledge workers are unsatisfied with how their company is handling improving employee productivity



Knowledge workers are unsatisfied with how their company is handling fostering work/life balance



Knowledge workers are unsatisfied with how their company is being empathic to the stress that happens outside of work

## 3.3 Managers face new challenges and more expectations

Leading people keeps getting harder: 62% of Business leaders say it's increasingly challenging to meet shareholder and employee expectations. The evolving workplace dynamics are expanding leaders' roles and responsibilities.

One significant change is the shift to remote and hybrid work. What began as a temporary measure during the pandemic has now become a permanent fixture in many organizations. As a result, traditional management methods often fall short in supporting distributed teams, with 50% of Business leaders finding it challenging to create effective remote and hybrid work cultures, which impacts productivity and engagement, and almost a third of Knowledge workers feeling dissatisfied with how its being handled.

In adapting to these new work models, leaders are also grappling with the challenge of blurred boundaries between work and personal life. 54% of leaders report difficulties in maintaining a healthy work/life balance as the distinctions between professional and personal time become increasingly unclear.

### Finding #4

There's a dangerous leadership skills gap in the workplace



#### 4.1 Leadership Development is Crucial

Business leaders see leadership development as crucial to their career goals, team performance, and company success. In today's fast-paced and complex business environment, the demand for strong leadership has never been greater.

Effective leaders drive vision and strategy, which inspires their teams to align with company goals and navigate challenges with resilience. Studies show that companies with effective leadership development programs are 4.4 times more likely to have high-quality leaders compared to those without such programs (source: Harvard Business Review).

This emphasis on leadership becomes even more critical as 2 in 3 Business leaders observe a growing gap in fundamental leadership and communication skills among younger employees. Addressing this gap is essential, as investing in leadership development is not just about enhancing individual capabilities but about building a robust leadership structure that supports long-term business success and organizational resilience.

By cultivating these skills, organizations can ensure they have a strong pipeline of capable leaders ready to meet future challenges and drive sustainable growth.



"My company should prioritize increasing leadership capacity." 95%

Identified being a better manager as an important goal to overall career satisfaction

93%

Identified increasing leadership capacity as an important goal to overall career satisfaction



"Increasingly, I see more young people in my organization who lack fundamental leadership and communication skills."

# 4.2 Leaders want new skills and new kinds of training

Business leaders are increasingly recognizing that the traditional skills once sufficient for leadership are no longer enough. Human-centered leadership is becoming essential, requiring a blend of emotional intelligence, adaptability, curiosity, and a deep understanding of diverse and multi-generational workforces.

A striking 88% of Business leaders agree that "the skillset needed to lead a successful business is constantly evolving." This evolution reflects the growing complexity of managing people in an era where technology and globalization are reshaping the workplace. Leaders are expected not just to manage tasks but to inspire, motivate, and guide their teams through uncertainty and change.

Without effective development programs, teams will struggle to keep pace with new challenges. Notably, 79% of leaders agree that their employees are seeking more feedback and learning opportunities to grow, highlighting a widespread desire for development. To meet these demands, there is a strong push for new kinds of training that focus on leading humans rather than just managing processes or new technologies.

88%

"The skillset needed to lead a successful business is constantly evolving."

87%

"Leaders need new ways of training to successfully adapt to the changes happening in the workplace."

65%

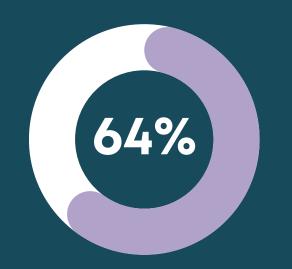
"I would like my workplace to develop more modern leadership capabilities, but we aren't clear where to start."

## 4.3 Leadership cuts endanger both the present and the future

As companies tighten budgets or prioritize short-term gains, leadership training is often among the first areas to be cut. This neglect leaves emerging leaders ill-equipped to manage the increasing complexity of today's workplace, stifling their ability to inspire, guide, and support their teams effectively.

Without ongoing development, even seasoned leaders can struggle to adapt to new challenges, leading to stagnation and burnout. The long-term consequence is a leadership vacuum that can cripple decision-making, innovation, and the overall resilience of the organization.

To safeguard their future, businesses must invest in leadership development as seriously as they do in technological advancements.



"Often, the first thing to get cut during tight economic cycles is training for employees."



"I don't have adequate resources to help my team/ employees grow their capacities as leaders."

51%

Business leaders have not participated in any leadership development program in the last 12 months.

3 in 5

Knowledge workers have not participated in any leadership development program in the last 12 months.



### Finding #5

Leaders and Knowledge workers see curiosity - especially Relational Curiosity - as a way to improve the workplace

#### **5.1 Curiosity is Good for Business**

Curiosity is a core business skill, with two essential dimensions: intellectual curiosity and Relational Curiosity.

Intellectual curiosity is motivated by a desire to accumulate knowledge or fill a gap. It drives us to explore new ideas, continuously learn, and innovate. It's about understanding how things work and pushing boundaries. It is this form of curiosity that has led us to many important discoveries.

Relational Curiosity is motivated by a desire to understand, help, and relate to others. The relationally curious ask questions in service of the other person—building trust, engagement, and better collaboration.

Together, these two forms of curiosity drive both individual growth and collective success. Intellectual curiosity sparks innovation, while Relational Curiosity strengthens teamwork and collaboration. By cultivating both, businesses can create a culture that innovates, adapts, empowers, and connects people.

**Business leaders say...** 

"It's curiosity about each other that will drive business decisions in the future."





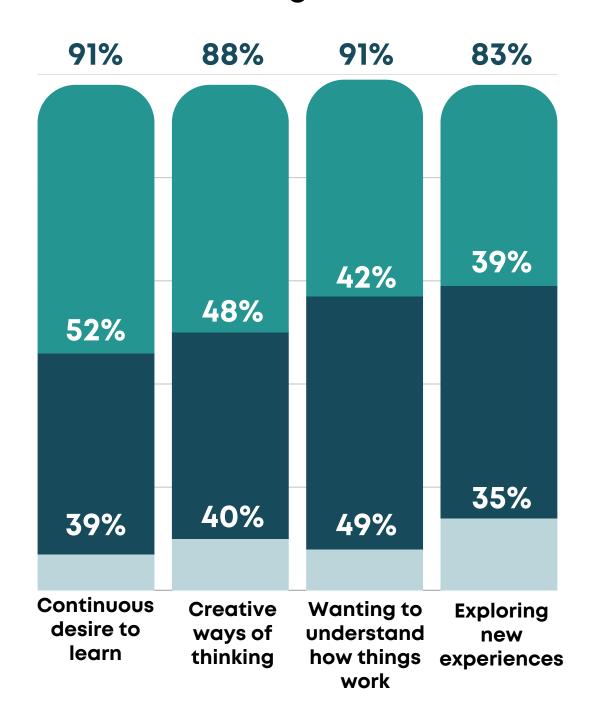
"Relational Curiosity can optimize business outcomes by helping leaders overcome assumptions when making important decisions."

# 5.1 Curiosity skills impact business success

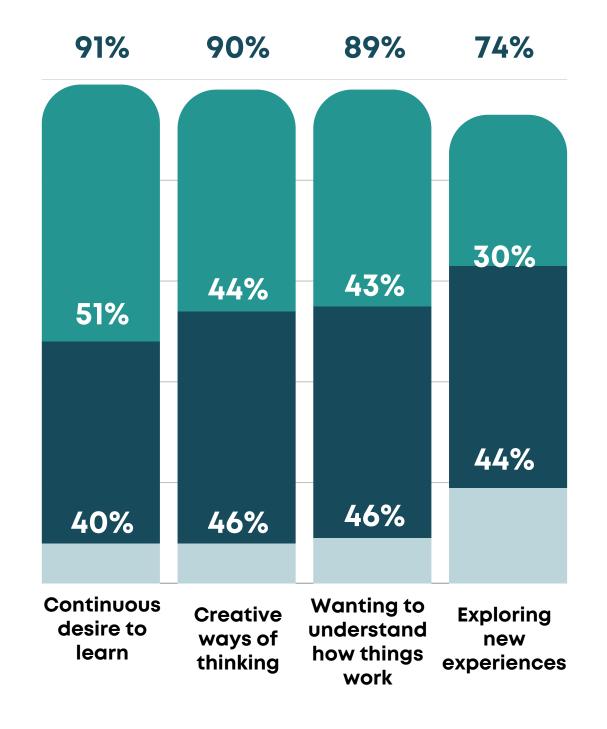
Both Business leaders and Knowledge workers recognize that the skills most impactful on business success are rooted in curiosity.

In addition to cultivating a desire to understand how things work and explore new experiences, curiosity fosters a culture of creative thinking and continuous learning. This kind of curiosity encourages new skill acquisition, staying updated with industry trends, and challenging outdated practices.

### Business leaders combined very & somewhat significant score



### Knowledge workers combined very & somewhat significant score







#### 5.2 It's time to expand beyond intellectual curiosity

Business leaders and Knowledge workers both recognize that to truly thrive in the next era of business, we need to move beyond just intellectual curiosity—the kind that makes us ask "how" and "why" about things.

While intellectual curiosity is important for driving innovation and keeping businesses competitive, it's no longer enough on its own. Today, we also need Relational Curiosity, the kind that makes us curious about people.



Relational Curiosity is about understanding others, asking questions to build trust and make stronger connections. In a world where collaboration and teamwork are key, this kind of curiosity helps us navigate complexity with more ease. It's how we create workplaces that are adaptable and resilient, able to handle change and uncertainty.

In the next era of work, companies that value both types of curiosity will be better prepared to handle the complexities of modern business. They'll not only innovate but also build stronger, more connected teams who are ready to tackle challenges together. This shift is key to creating a workplace where everyone thrives.

# 5.2 Business leaders see Relational Curiosity as an urgent leadership focus

76%

"Intellectual curiosity is the only type of curiosity promoted in the workplace today."

89%

"To be successful in the next era of business, we need to expand beyond just intellectual curiosity." 87%

"There is an urgent need for Relational Curiosity in the workplace to remain relevant."

# 5.3 Business leaders and Knowledge workers recognize the power of Relational Curiosity

Amid significant workplace challenges—fear, overwhelm, disagreement, and disconnection—there's a growing belief that Relational Curiosity is key to making things better. This is more than just a nice idea; it's a strategy backed by both knowledge workers and business leaders.

Prioritizing Relational Curiosity could lead to real, tangible benefits—especially in repairing the cracks in workplace culture. 69% of Knowledge workers and 50% of Business leaders see fostering Relational Curiosity as a way to significantly enhance communication. While 87% of Business leaders and 89% of Knowledge workers think Relational Curiosity gives individuals the space they need to grow and evolve their careers.

When it comes to the things that organizations need most from their employees - openness to change, solving problems efficiently, expressing ideas, and diffusing conflict - more than 50% of both knowledge workers and business leaders believe Relational Curiosity would amplify their abilities.

In environments where Relational Curiosity thrives, employees feel more secure, innovative, and connected—leading to stronger teams and a healthier workplace culture.

87%
of leaders think
Relational Curiosity gives
individuals the space
they need to grow and
evolve their careers

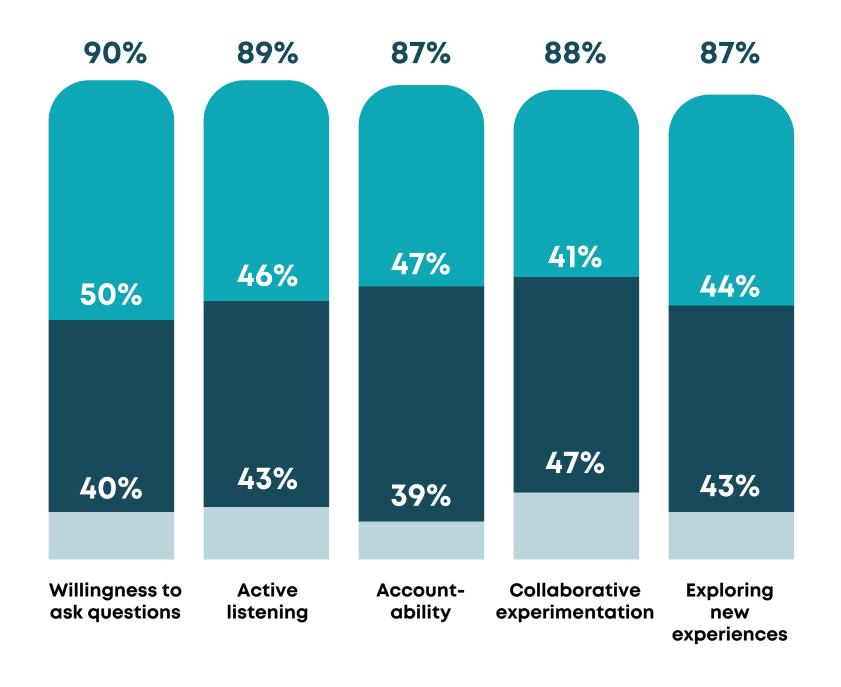
63% of knowledge workers imagine empathy improving within an environment that fosters Relational Curiosity

46%

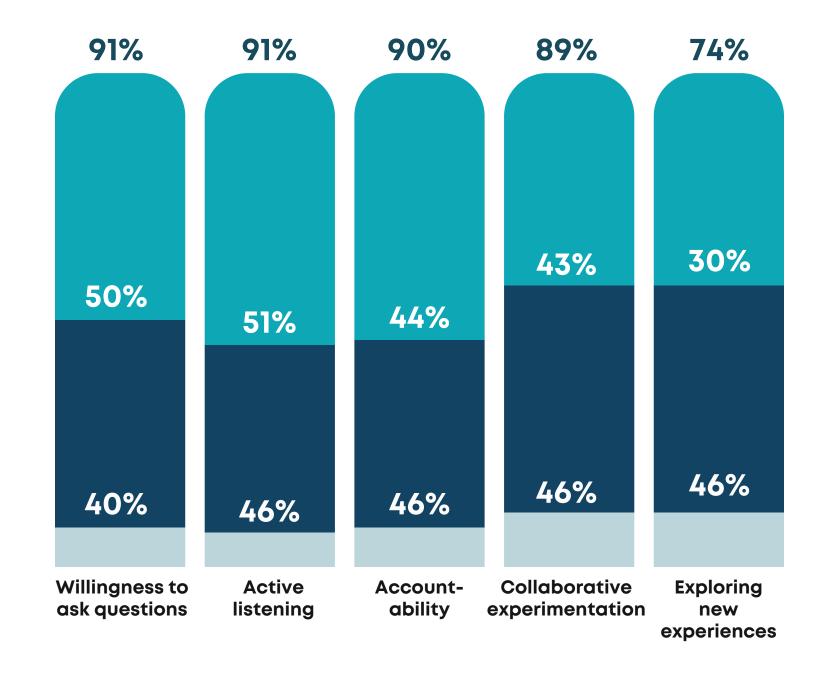
of leaders imagine innovation improving in an environment that fosters Relational Curiosity

#### 5.3 Relational Curiosity workplace impacts

Business leaders combined very & somewhat significant score



Knowledge workers combined very & somewhat significant score

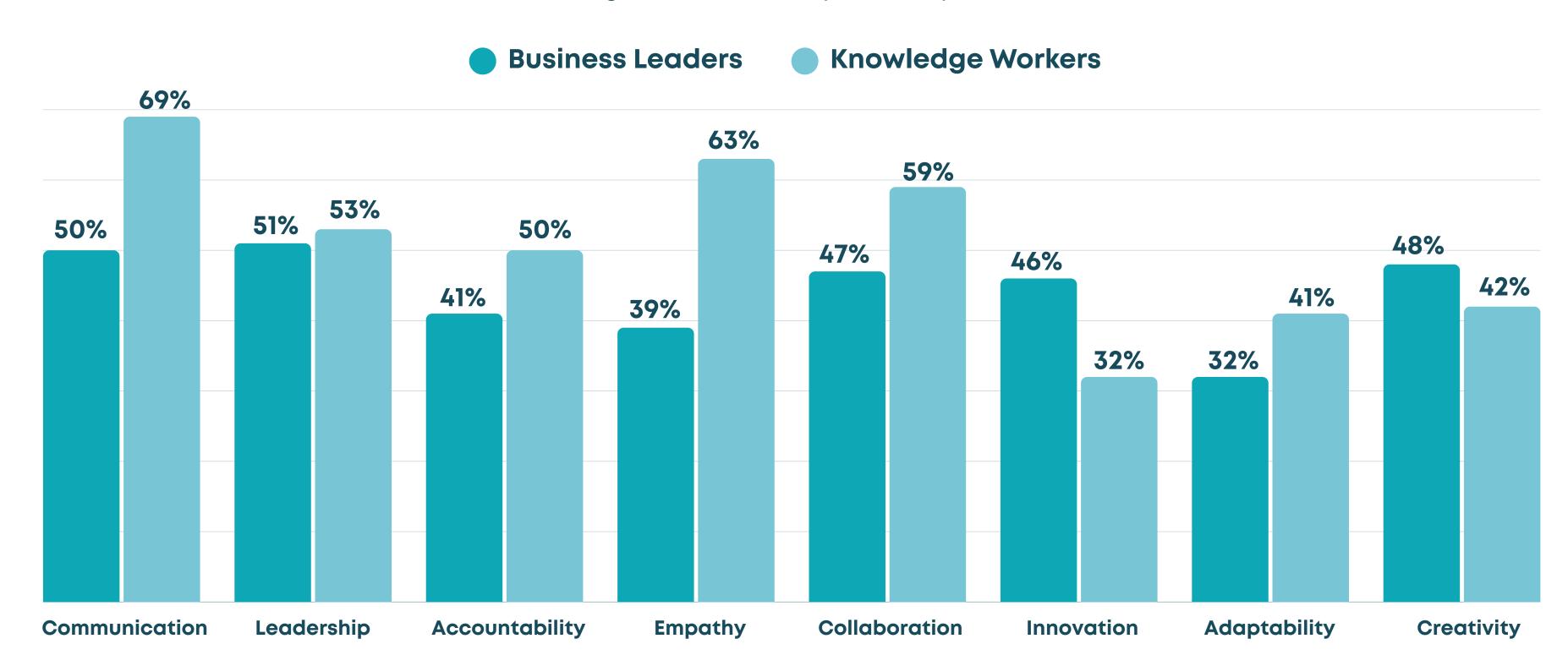






# 5.3 An environment that fosters Relational Curiosity could improve important skills

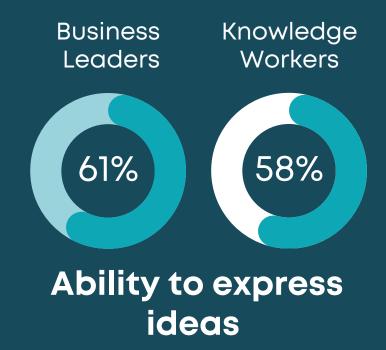
Percentage reflects anticipated improvement



#### 5.3 Fostering Relational Curiosity amplifies positive behaviors

Percentage "more likely to" if their workplace fostered an environment of Relational Curiosity

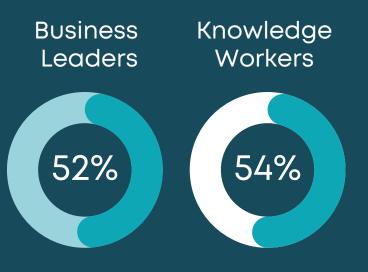






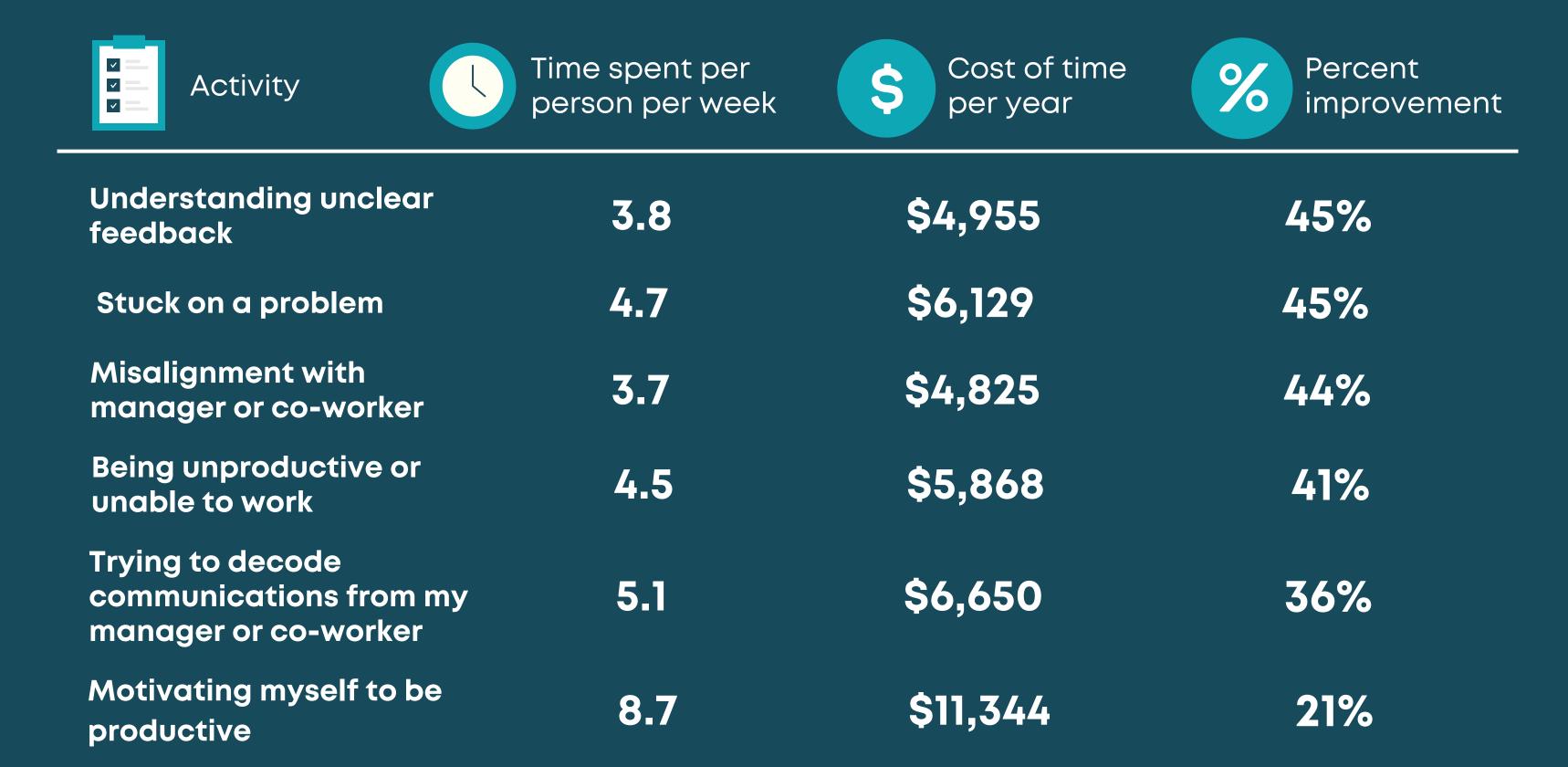






Ability to be open to and embrace organizational change

#### 5.3 Relational Curiosity reduces wasted hours



#### Closing words from our CEO

I have two research degrees, so I know something about "intellectual" curiosity—about the intense, insatiable desire to learn more. What I'd failed to recognize until I started working with clients at Box of Crayons is that there is another form of curiosity and when that form of curiosity is missing, we pay dearly for its absence. One of the most astonishing findings in this research was that one of the biggest challenges leaders face is polarized and conflicted workplaces in which people don't understand the value of listening to people they disagree with.

This isn't a listening problem. This is a curiosity problem. More specifically, it's a Relational Curiosity problem.

Relational Curiosity is motivated by a desire to understand, help, and relate to others. This kind of curiosity is a skill that requires practice. With that practice, there are tangible benefits in the workplace that serve our goals of developing and caring for employees while improving business outcomes.

When people ask questions with the goal of understanding and supporting each other, when they slow down and actively listen, and when they show care for others and temper their own judgements and assumptions, they form stronger connections. These connected teams have more empathy, opening them up to healthier communication and collaboration. They have a new capacity to check assumptions during disagreements and more resilience to hear and act on feedback because they have engaged with the person behind the words. All of this, together, creates a workplace that can adapt to change – because people are equipped with what they need to work together.

In the face of compelling data about the cost of fear, unrelenting pace, skill gaps, and communication challenges, business leaders can choose to make meaningful repairs to their organizations. They can choose to invest in a multi-dimensional skill that will help reduce misalignment and misunderstanding, making their people and business more effective.



#### Thanks for being curious!

Box of Crayons is a Toronto-based learning and development company.

We partner with large, global organizations to offer practical, interactive, and transformative learning experiences.

We are here to unleash the power of curiosity. It's what we love to do because we know how quickly it makes the workplace better for everyone.

### Interested in how Box of Crayons can help your organization?

We'd love to connect. Drop us a note at:

hello@boxofcrayons.com

or visit us at:

boxofcrayons.com