



Leadership Today

Transformational Moment or Future Crisis?

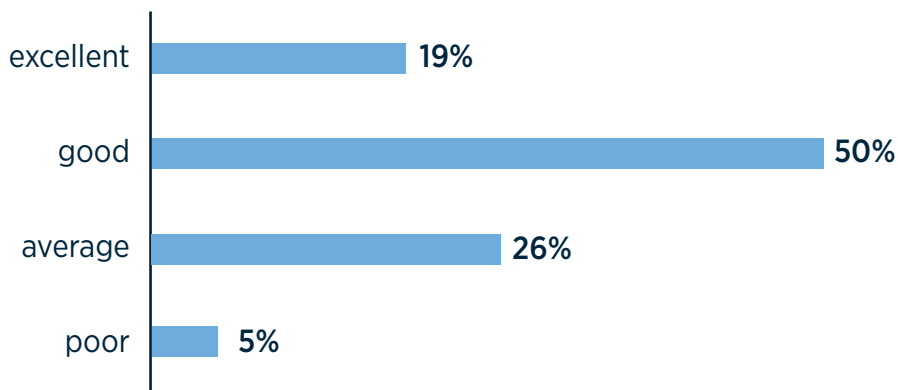
Organizational wellbeing insights from 207 organizations on leadership effectiveness, early career talent, and talent pipeline.

The Leadership Challenge is no Longer About Capability Alone

Leadership today sits at the intersection of **performance, trust, and wellbeing**—and organizations are beginning to feel the strain.

Insights from Gallagher's 2026 Organizational Wellbeing Poll reveal a consistent message: leadership **expectations** are rising faster than leadership **readiness**. While half of respondents rate their organization's leadership effectiveness as "good," only 19% consider it "excellent." In an environment defined by disruption, talent scarcity, and wellbeing risk, "good" leadership increasingly represents exposure—not stability.

How would you rate your organization's current leadership effectiveness?



This gap between the need for effective leadership and the readiness of current leaders is not theoretical. It shows up in **weakened talent pipelines, rising burnout among current leaders, and growing reluctance**—particularly among early-career talent—to step into leadership roles as they exist today.



Is “good” good enough for roles that influence talent recruitment, retention, performance and employee health?

A Fragile Leadership Pipeline is an Organizational Risk

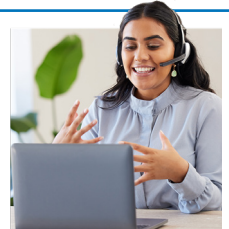


Organizations are operating with limited leadership bench strength.

Only **6%** feel **very confident** in their leadership pipeline for key roles



Just **7%** feel **fully prepared** to fill a critical leadership vacancy



When a single leader's departure can disrupt engagement, productivity, and reputation, leadership readiness becomes a **business continuity issue**, not just a talent development concern.

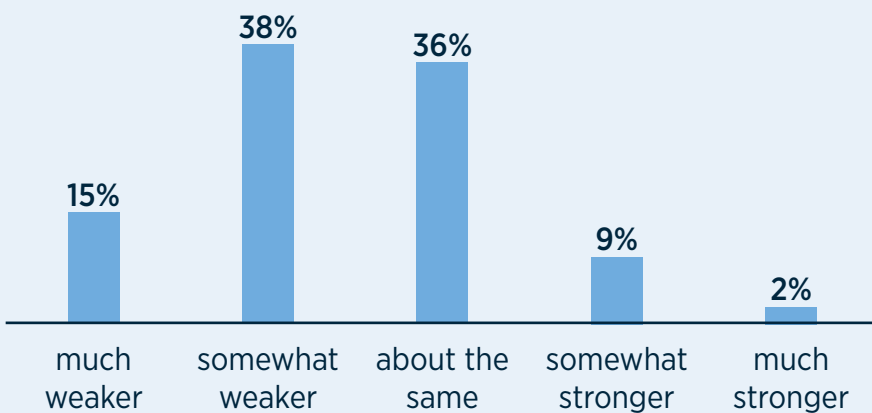


One vacancy can throw everything off

Early-Career Talent isn't Rejecting Leadership—They're Rejecting the Model

Organizations often look to early-career employees to replenish leadership pipelines, yet only 23% of respondents believe their organization actively supports this key group in preparing for leadership roles.

Compared to previous years, how would you describe the leadership skills of employees entering the workforce today



More telling is how leadership is perceived:

- **53%** say early-career employees enter with weaker leadership skills than prior generations
- Hesitancy in assuming a leadership role is driven by a desire to maintain work-life balance (**67%**)

Why do you think early-career employees in your organization may be reluctant to pursue leadership roles? (select all that apply)

67%	Desire to maintain work-life balance , even if it means foregoing higher compensation
50%	Perceptions that leaders experience high levels of stress
44%	Concerns about inflexible or restrictive work arrangements
26%	Reluctance to have work become the primary source of personal identity
25%	Perception that managers have limited ability to create positive change
25%	Observations that leaders within the organization do not appear fulfilled or satisfied
17%	Belief that leaders are not adequately supported by the organization

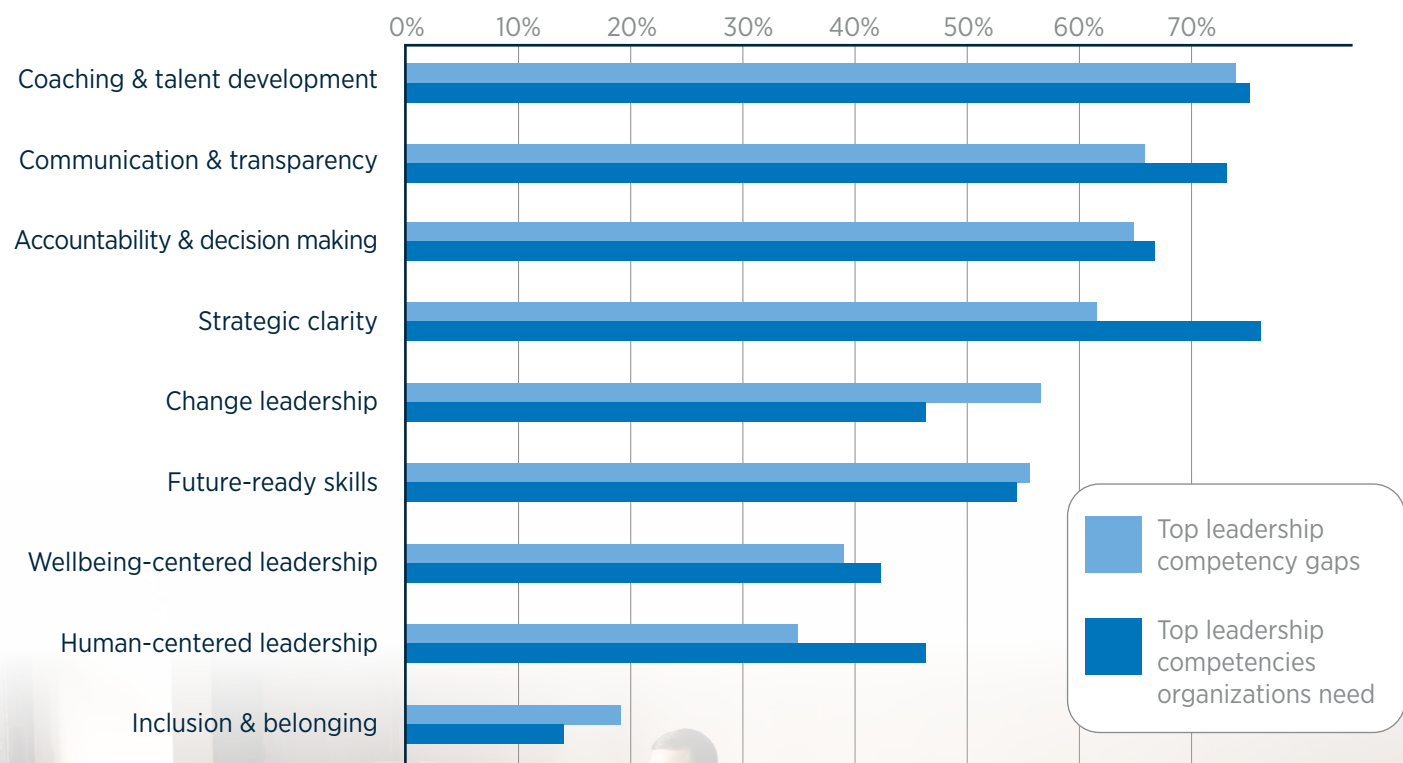


These insights point to a structural and cultural issue. Early-career talent is not rejecting leadership—they're rejecting **unsustainable leadership structures and a demanding culture** that appear misaligned with expectations.

The Leadership Capabilities Organizations Need Most are Where Leaders Struggle Most

Organizations have clarity on what is required from leadership in 2026, yet these same areas—especially around communication and transparency, strategic clarity, and human centered leadership—represent the largest capability gaps, signaling a systemic misalignment between expectations and enablement. Leadership is being asked to deliver outcomes without the structure, development, or support required to succeed.

Top Leadership Competency Needs vs. Gaps



The Wellbeing Paradox

Leaders Are Asked to Give What They Rarely Get

Leaders are central to creating a culture of wellbeing:

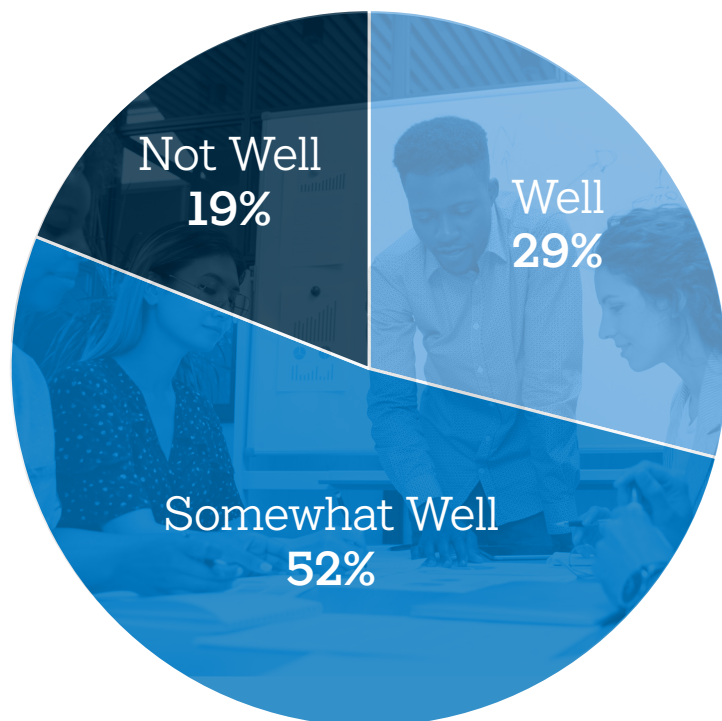
- **54%** say leaders are expected to model positive wellbeing behaviors

However:

- **Only 29%** believe their culture effectively supports the leader's wellbeing
- **19%** say leaders are not supported at all

This imbalance fuels burnout and erodes the appeal of leadership roles—especially for future leaders observing from the sidelines.

How well does your culture support mental health and wellbeing for leaders?



Three Imperatives for HR and Executive Leaders in 2026

1 Redesign Leadership Roles for Sustainability

Leadership roles must evolve to reflect today's realities:

- » Simplify expectations and reduce administrative burden
- » Increase flexibility in how leadership work is done
- » Align leadership accountability to stated organizational values

2 Build Leadership Pipelines Intentionally— Not Optimistically

Future-ready pipelines require:

- » Structured, early-career leadership exposure
- » Ongoing coaching and developmental feedback
- » Leadership and management development programs
- » Clear leadership and technical career pathways
- » Regular career conversations (which 32% say never occur today)

3 Equip Leaders as Culture Carriers and Communicators

With 93% of organizations relying on leaders to reinforce corporate messaging—but only 10% rating them as highly effective—leaders need:

- » Practical communication training and tools
- » Reinforcement of strategic clarity and decision-making
- » Organizational systems that support—not undermine—wellbeing modeling

How Gallagher Helps Organizations Move From Insight to Action

Gallagher's Leadership and Organizational Development team partners with organizations to address leadership effectiveness, pipeline strength, and wellbeing as an interconnected system—not isolated challenges.

By combining data driven insight with practical, human centered solutions, Gallagher helps organizations:

- » Develop emerging and current leaders through engaging and practical leadership development training programs
- » Strengthen leadership pipelines through assessment, succession planning, and early career readiness
- » Enable leaders to perform sustainably by aligning expectations, role design, and wellbeing
- » Provide executive coaching to senior leaders improving their ability to lead the organization and themselves
- » Build cultures able to achieve organizational performance and individual wellbeing



Download our **2026 Course Catalog.**

Organizations that treat leadership strain as an early warning signal, rather than a temporary challenge, are better positioned to build resilience and long term advantage.

To learn more about how Gallagher can support the future of your organization's leadership, connect with your Gallagher representative or visit our **Talent Consulting page** to start the conversation.



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