

Workplace Intelligence Forecast for 2026

The 10 Trends Businesses Need to Focus On

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Table of Contents

Executive Summary	2
The Top 10 Workplace Trends for 2026	3
Conclusion	13
Acknowledgements	14
Endnotes	15



Executive Summary

The workplace in 2026 is defined by realignment, consolidation, and disruption. A slowing economy, rising unemployment, and the rapid adoption of artificial intelligence (AI) are reshaping how employers operate and how employees adapt. The assumptions that governed workplace strategy in the early 2020s — that professional jobs were stable, workers had leverage, and offices would remain optional — are being overturned.

One of the starkest developments is the **decline of white-collar roles and the rise of blue-collar opportunities**. AI is eroding entry-level professional positions in finance, law, consulting, and administration. At the same time, infrastructure projects, energy transitions, and skilled trades are booming. Gen Z, once expected to pursue knowledge work, is increasingly drawn to stable, well-paying careers in trades that AI cannot touch.

Meanwhile, many companies are choosing **consolidation over expansion**. After years of growth hiring, 2026 is seeing widespread freezes and restructuring. Headcount stability is now prized more than aggressive recruitment. Employers are trimming redundancies, slowing promotions, and squeezing middle managers to do more with less.

AI remains at the center of this transformation, not just as a productivity tool but as a **source of inequity and disruption**. Workers report feeling AI is being “forced” upon them without adequate training. Early adopters thrive, while others fall behind. At the same time, AI is reshaping learning, expanding the skills gap, and even transforming the hiring process — with some companies moving toward fully automated recruitment pipelines.

Social and political forces are also creating tension. Employers face growing backlash for public stances on divisive issues. Workers continue to resist forced return-to-office mandates, even as companies push harder. Healthcare costs are surging, straining both employees and benefit budgets. And working mothers, once seen as pandemic-era winners in flexibility, are losing ground as rigid schedules return.

Taken together, these trends point to a workplace where **stability, transparency, and adaptability** are paramount. Employers who invest in fair AI adoption, workforce retraining, and genuine trust-building will thrive. Workers who embrace continuous learning and flexibility will navigate uncertainty more effectively. The workplace of 2026 is not just about efficiency — it is about balancing disruption with resilience.

The Top 10 Workplace Trends for 2026

Trend #1:

Blue-collar jobs surge while white-collar roles shrink

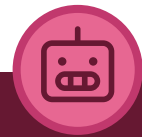
For decades, white-collar jobs were seen as the pinnacle of economic security. But in 2026, those roles are under siege from automation and artificial intelligence. Entry-level analysts, paralegals, customer support staff, and junior consultants are among the hardest hit. A McKinsey analysis estimates that **12 million U.S. workers may need to switch occupations by 2030 due to AI and automation**, with the steepest losses in office support and administrative roles.¹

In contrast, blue-collar work is experiencing a renaissance. According to the National Association of Manufacturers, **600,000 manufacturing jobs were unfilled in 2025**, and shortages could double by the end of the decade.² Infrastructure investment, the clean energy boom, and reshoring of supply chains are fueling this demand. Wages in skilled trades are rising faster than in professional services: construction and extraction roles saw an **8% average pay increase in 2025**, surpassing many white-collar fields.³

Gen Z is responding with pragmatism. Surveys show that **nearly half of Gen Z high school graduates are considering trade schools** instead of four-year colleges.⁴ The reasons are clear: trades offer shorter training times, less debt, and immunity from AI disruption. Electricians, welders, HVAC technicians, and solar installers cannot be replaced by chatbots or algorithms.

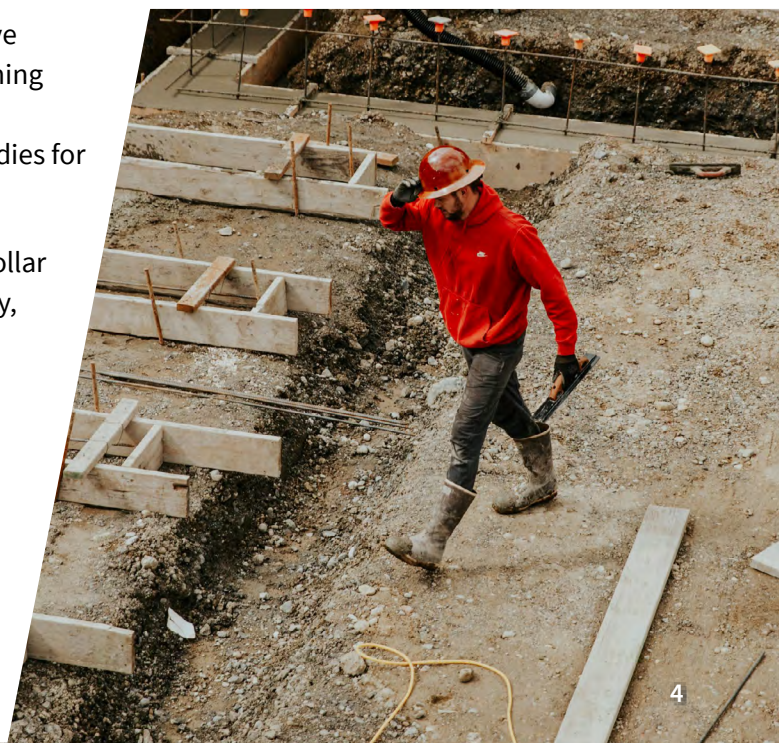
Companies are adapting. Caterpillar, Siemens, and Toyota have expanded apprenticeship pipelines. Amazon has begun retraining warehouse workers for technical maintenance roles. State governments in Ohio, Texas, and Florida are ramping up subsidies for community college programs in logistics and energy trades.

This workforce divergence signals a fundamental shift. White-collar roles are concentrating at higher levels of strategy and creativity, while blue-collar careers are becoming gateways to financial stability and upward mobility. Organizations that fail to invest in vocational partnerships risk missing out on the workforce reshaping America's economy.



**12
million**

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automation**



Trend #2:

Hiring freezes and workforce consolidation intensify

Following several years of aggressive hiring, 2026 is marked by retrenchment. Employers are consolidating, restructuring, and prioritizing efficiency over expansion. Data from Challenger, Gray & Christmas shows that job cuts in 2025 reached their highest level since the pandemic, while hiring freezes became common across industries.⁵

The driver is twofold: economic slowdown and technological disruption. As GDP growth decelerates and unemployment ticks upward, companies are under pressure to protect margins. Simultaneously, AI-driven automation allows them to operate with fewer people. The result is a workforce strategy centered on “do more with less.”

Middle managers feel this acutely. With limited hiring budgets, managers are expected to stretch teams, absorb vacated roles, and take on new responsibilities without additional headcount. This not only increases burnout but also erodes trust. A Gartner survey revealed that 62% of managers’ report higher workloads in 2025 due to freezes or reductions in staff.⁶

Consolidation also reshapes career progression. Fewer openings mean promotions are delayed, and lateral moves are harder to secure. In industries like tech and finance, workers are experiencing “career bottlenecks” as mobility slows. Employees accustomed to rapid advancement during the Great Resignation era are adjusting to a new normal of longer tenures and slower growth.

Employers are experimenting with alternatives to hiring. Internal mobility programs, cross-training, and redeployment are becoming more common. Companies like Microsoft and Accenture have pledged to retrain employees displaced by AI rather than cut them outright. This approach reduces churn while preserving institutional knowledge.

For employees, the message is clear: stability outweighs opportunity in 2026. Building resilience through skill development and patience is essential. For employers, the challenge is balancing efficiency with engagement. Over-reliance on freezes risks undermining morale, while proactive communication and training investments can soften the blow.

The consolidation era is not temporary. It marks a structural adjustment in how organizations scale — leaner, flatter, and more selective. Those who adapt will navigate the downturn with strength.



Trend #3:

AI widens the skills gap and reshapes learning

AI is both the great equalizer and the great divider in today's workplace. While it enhances productivity, it is also **widening the skills gap** between those who master it and those who do not. A 2025 PwC survey found that **three in four employees feel unprepared to use AI effectively in their roles.**⁷

This divide is fueling inequality. Early adopters of AI tools — particularly younger, digitally fluent workers — are advancing rapidly, while mid-career professionals are at risk of obsolescence. In fields like finance, marketing, and healthcare, the ability to prompt, interpret, and refine AI outputs is becoming a baseline skill. Those without it are sidelined.



Education and training systems are scrambling to catch up. Universities are weaving AI literacy into curricula, while companies are building in-house academies. Accenture, Walmart, and JPMorgan Chase all launched AI reskilling programs in 2025. Yet the scale remains insufficient: the World Economic Forum projects that **by 2030, 1 billion workers worldwide will need reskilling to adapt to AI and automation.**⁸

Learning itself is being reshaped by AI. Personalized training platforms now use algorithms to adapt courses to employee skill levels. Corporate learning management systems are deploying AI tutors to coach workers in real time. This shift promises greater accessibility, but it also risks leaving behind employees who lack digital fluency.

For employers, the stakes are high. Without intervention, the AI skills gap will exacerbate inequality, fuel disengagement, and deepen turnover. Investment in training, mentorship, and transparent adoption policies is critical. For employees, the mandate is clear: continuous learning is no longer optional.

The future of work depends on whether organizations can democratize AI skills. Those who succeed will unlock new productivity and growth. Those who fail will entrench division in their workforces.



Trend #4:

Rising healthcare costs strain employers and workers

Healthcare costs are once again climbing at unsustainable rates. In 2025, U.S. employer healthcare spending grew by 7%, the fastest pace in over a decade.⁹ Projections suggest that costs could rise another 6–8% annually through 2028, outpacing wage growth. The latest Lockton National Benefits Survey reinforces just how pressing this issue has become, finding that controlling healthcare costs now ranks as the number one benefits priority for employers—even surpassing concerns about employee retention and recruitment.¹⁰

For workers, this translates into higher premiums, deductibles, and out-of-pocket expenses. A Kaiser Family Foundation survey found that nearly half of U.S. adults skipped or delayed care in 2025 due to cost concerns.¹¹ This not only harms employee well-being but also increases long-term costs for employers when untreated issues escalate.

For employers, there are tough questions and trade-offs. To manage budgets, many are grappling with whether to cover GLP-1s for weight loss and strategies that could shift costs to employees, narrow provider networks, or reduce coverage. Others are turning to digital health solutions and preventive care programs, and hoping to lower the volume of claims.



35%

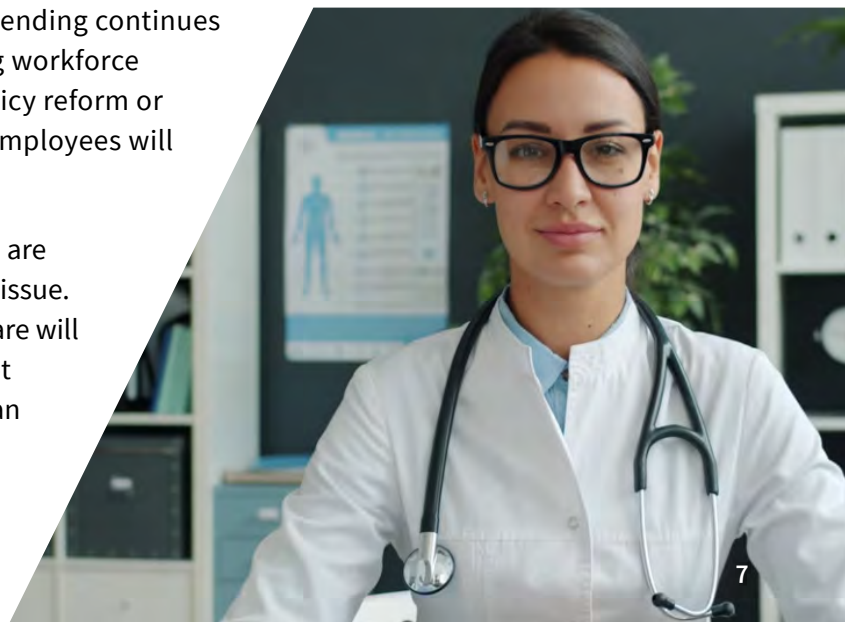
**of employees would
switch employers for
better healthcare benefits**

At the same time, workers are increasingly dissatisfied, and healthcare affordability has become a top driver of job changes. Mercer found that 35% of employees would switch employers for better healthcare benefits, even at the same pay.¹²

Innovative, forward-thinking employers are adopting transparent pharmacy and health benefit solutions more rapidly than ever before.¹³ Others like Walmart and Amazon are expanding in-house healthcare clinics, and point solutions for everything from telehealth to family planning, mental health, and chronic condition management are expanding their service offerings and partnering with employers to deliver specialized care. These models aim to provide more affordable, accessible, and transparently priced options to plan members without sacrificing service levels.

Still, systemic challenges remain. Prescription drug spending continues to climb, mental health needs are rising, and the aging workforce drives demand for these services. Without broader policy reform or the adoption of innovative solutions, employers and employees will continue to face pressure.

Employee health and wellness, and the associated costs, are more than a benefits issue — they are a competitiveness issue. Employers who can deliver affordable, comprehensive care will stand out in a tightening labor market. Those who cannot risk losing talent and facing declining productivity from an unhealthy workforce.



Trend #5:

Employers face backlash over political and social stances

The line between business and politics continues to blur in 2026, and employers are paying the price. Consumers, employees, and investors expect companies to weigh in on issues ranging from climate change to diversity to global conflicts. But when they do, backlash is often swift. A 2025 Edelman Trust Barometer survey showed that **64% of consumers believe companies should take public stands on social issues, yet 58% said they have boycotted a brand for doing so in a way they disagreed with.**¹⁴

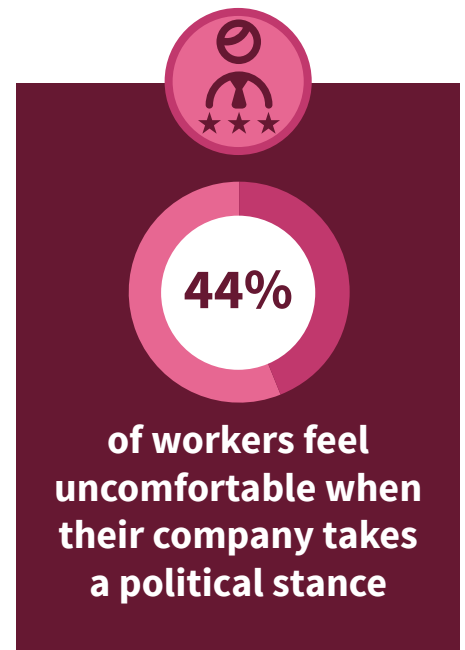
High-profile examples underscore the risk. Disney faced ongoing political battles over its stance on LGBTQ+ rights, while Starbucks encountered pushback from both pro-labor and anti-labor groups during unionization disputes. Even tech giants like Meta and Google have been caught in controversies tied to misinformation policies and global human rights debates.

Inside organizations, polarization is rising. Employees increasingly want their employers to reflect their values — but those values often diverge. A Gartner survey revealed that **44% of workers feel uncomfortable when their company takes a political stance**, while 35% said it improved their engagement.¹⁵ The result is a no-win scenario for many leaders.

Silence is no safer. Companies that avoid engagement risk being seen as complicit or indifferent, particularly by younger workers. Gen Z is the most values-driven cohort yet: Deloitte found that **75% of Gen Z employees say they would leave a company that fails to act on climate or social justice issues.**¹⁶

The challenge for employers is navigating this minefield with authenticity. Token gestures or reactive statements often backfire, while consistent, values-driven strategies earn trust over time. Patagonia, for instance, has built credibility by aligning its business model with its environmental mission, while others have been accused of “greenwashing.”

In 2026, neutrality will become increasingly impossible. Companies must prepare for backlash, no matter the path they choose. The best defense is alignment — ensuring that stances match business practices, leadership actions, and employee expectations. Those who achieve this balance will weather polarization; those who don’t may find their reputations and workforces fractured.



Trend #6:

Return-to-office push continues despite worker resistance

The return-to-office (RTO) debate shows no signs of resolution in 2026. After years of experimentation, many employers are hardening their positions. According to Kastle Systems data, **office occupancy in major U.S. cities averaged just 53% in late 2025**, yet companies continue to mandate increased in-office attendance.¹⁷

Executives cite collaboration, culture, and productivity as reasons for RTO. JPMorgan Chase, Amazon, and Meta have all rolled out stricter in-office requirements, with penalties for noncompliance. Yet workers remain resistant. A 2025 Gallup survey found that **70% of remote-capable employees prefer hybrid or fully remote work**, while only 30% want to be mostly in-office.¹⁸

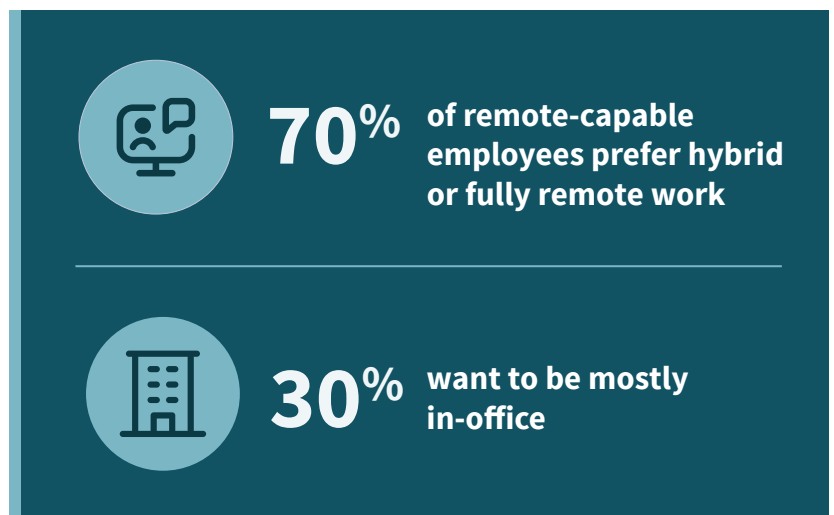
This disconnect breeds tension. Some employees comply but disengage, while others quit. The Society for Human Resource Management (SHRM) reports that **1 in 4 workers who left their jobs in 2025 cited return-to-office mandates as a factor**.¹⁹ For working mothers, caregivers, and those in rural areas, rigid RTO policies are particularly disruptive.

Companies are experimenting with compromises. Some are offering “team-based RTO,” allowing departments to set their own schedules. Others are redesigning offices as collaboration hubs, focusing on brainstorming, training, and social connection rather than daily desk work.

Still, the broader trend is clear: employers are regaining leverage as the job market tightens. Workers have less bargaining power than during the Great Resignation, making it easier for companies to enforce unpopular policies.

The long-term outcome may be uneven. Industries requiring high collaboration or sensitive data security are likely to remain office-heavy, while tech, creative, and knowledge industries could retain more hybrid flexibility. Employees increasingly weigh flexibility in job choices, forcing employers to balance retention with control.

RTO mandates may persist, but organizations that impose them without empathy risk alienating talent. Those that adapt policies to different roles, teams, and worker needs will maintain stronger engagement in a polarized work environment.



Trend #7:

Working mothers lose ground in the labor market

The pandemic years highlighted the challenges faced by working mothers, but also brought gains in flexibility and awareness. In 2026, those gains are eroding. As return-to-office mandates grow stricter and childcare costs continue to climb, working mothers are once again being squeezed out of the workforce.

The U.S. Department of Labor reported that **female labor force participation dipped slightly in 2025**, reversing modest gains from earlier in the decade.²⁰ Mothers of young children were most affected, with many citing inflexible schedules and rising childcare costs. According to Care.com, the **average cost of childcare rose 10% in 2025**, pushing annual expenses above \$15,000 in many states.²¹

Rigid RTO mandates compound the issue. Remote work had been a lifeline for many working mothers, allowing them to balance caregiving with professional demands. With companies like Amazon and Meta enforcing stricter in-office requirements, mothers face stark choices: sacrifice income, accept career stagnation, or pay exorbitant childcare costs.



10% The average cost of childcare increased by 10% in 2025

The consequences are systemic. Employers risk losing talented women in mid-career, undermining diversity and leadership pipelines. Research from McKinsey shows that **women leaders are leaving companies at the highest rate in years**, often citing a lack of flexibility and support.²²

Some organizations are pushing back with family-friendly policies. Patagonia continues to offer on-site childcare, while PwC expanded parental leave and flexible scheduling options. However, these examples remain exceptions rather than the rule.

For policymakers, the challenge is urgent. Without structural support for childcare and family leave, women — especially mothers — will continue to face unequal barriers. For employers, investing in flexibility, childcare stipends, and career re-entry programs is no longer just a benefit but a necessity for retaining female talent.

Unless addressed, the retreat of working mothers from the labor force will exacerbate gender inequality, weaken companies' talent pipelines, and slow economic growth. The “she-cession” of the pandemic may not be fully over — and 2026 risks reversing hard-won progress.



Trend #8:

AI is forced on employees, creating division and inequity

Artificial intelligence is no longer optional in the workplace — it is mandatory. From customer service chatbots to coding assistants, employees are expected to integrate AI into daily workflows. Yet this forced adoption is polarizing.

A PwC study found that **72% of workers in 2025 felt pressured to use AI without sufficient training**, while 52% said AI tools hurt the customer experience.²³

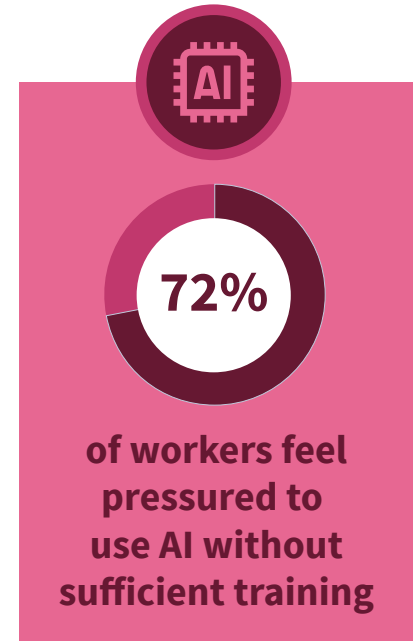
Employees worry about surveillance, job security, and being replaced. The result is a divided workforce: early adopters thrive, while others feel left behind.

Inequity is deepening. Digitally fluent workers, often younger, leverage AI to accelerate output and earn promotions. Mid- and late-career employees, less comfortable with technology, risk marginalization. A MIT Sloan study showed that **two-thirds of workers experienced customer complaints tied to AI frustrations**, highlighting the real-world consequences of uneven adoption.²⁴

Employers face a dilemma: AI boosts efficiency but can damage morale or result in sub-optimal outcomes if poorly implemented. Some organizations are getting it right. Walmart paired AI rollout with structured training for store associates, while Accenture created an AI academy to reskill consultants. These investments reduce resistance and build trust.

Others, however, are mandating AI use without transparency or guardrails. In these workplaces, employees perceive AI not as a tool but as a threat. Combined with ongoing layoffs, this feeds disengagement and distrust.

The long-term outcome depends on balance. Organizations that frame AI as augmentation, not replacement, will retain loyalty. Those that impose it without support risk alienation and attrition.



Trend #9:

Middle managers get squeezed harder than ever

Middle managers have always been the backbone of organizations — translating strategy into execution. In 2026, they are also the most overburdened. Hiring freezes, layoffs, and new technology adoption are converging to squeeze managers from all sides.

A Gartner report revealed that **62% of managers reported increased workloads in 2025**, often absorbing responsibilities from eliminated roles.²⁵ At the same time, they are tasked with enforcing unpopular RTO mandates and managing teams through AI disruption. The result: burnout. Deloitte found that **half of middle managers report feeling “frequently overwhelmed”**, up sharply from pre-pandemic levels.²⁶



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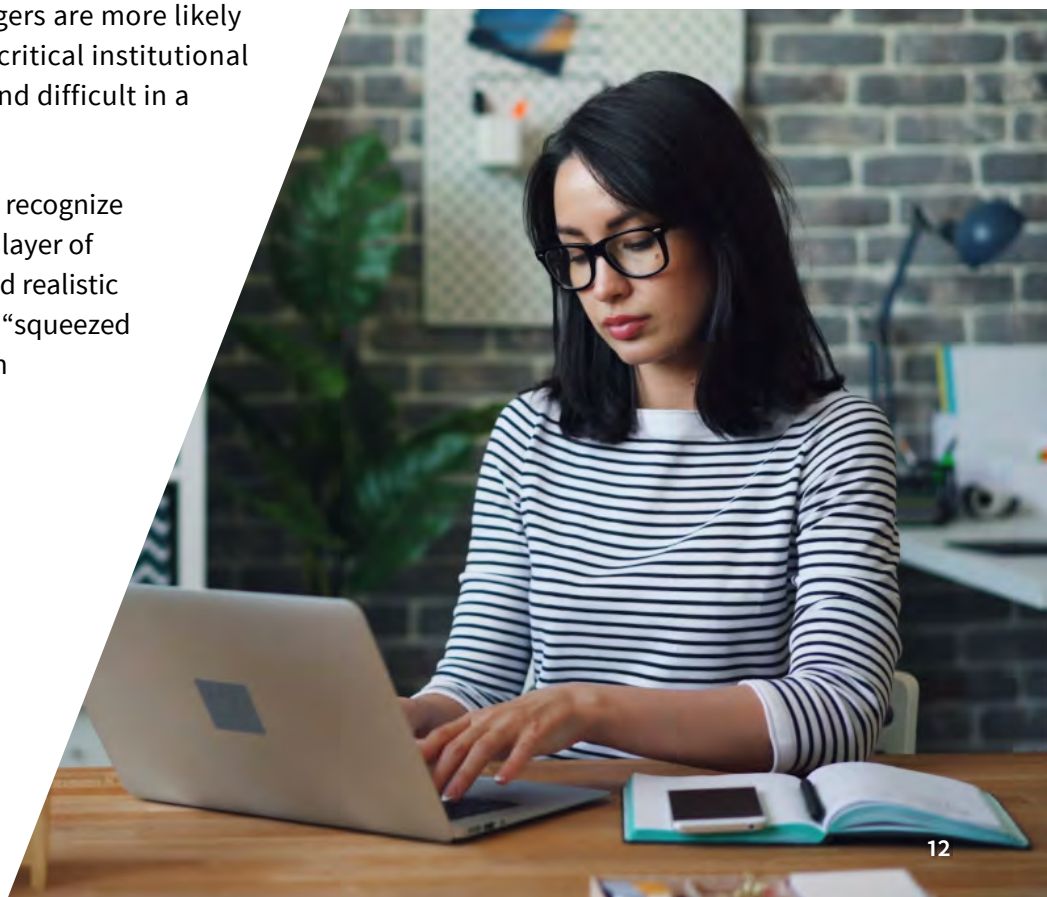
The squeeze is not just workload but structural. Flattened organizations reduce the need for layers of management, leaving fewer advancement opportunities. Career progression stalls, and managers feel stuck between disengaged employees and cost-conscious executives.

Some companies are rethinking the manager role. Tech firms are experimenting with “player-coach” models, reducing managerial responsibilities and shifting focus to technical contribution. Others are investing in leadership training and peer support networks to buffer stress.

But these efforts remain uneven. In many organizations, middle managers are expected to carry the burden of culture, performance, and change management without additional resources. They are both enforcers and scapegoats.

The risk is attrition. Burned-out managers are more likely to quit, leaving organizations without critical institutional knowledge. Replacing them is costly and difficult in a tightening labor market.

For organizations, the path forward is to recognize managers as a strategic asset, not just a layer of hierarchy. Investing in tools, training, and realistic workloads is essential. Without this, the “squeezed middle” may become a breaking point in the workforce.



Trend #10:

The fully AI-driven hiring process emerges

Recruitment is entering a new era: the AI-driven hiring process. By 2026, many companies are using artificial intelligence at every stage of hiring — from sourcing to screening to interviewing.

LinkedIn and Indeed have integrated AI matching tools that automatically filter candidates. Chatbots handle initial outreach and scheduling. AI-driven assessments evaluate skills, personality, and even video interview performance. Some companies are experimenting with fully automated pipelines where human recruiters intervene only at the final decision stage.

The appeal is efficiency. AI reduces time-to-hire, lowers costs, and claims to reduce bias. A 2025 SHRM study found that **62% of large employers use AI in at least one stage of recruitment**, up from 24% in 2020.²⁷

But risks are significant. Algorithms can replicate or amplify bias if not designed carefully. Candidates often feel dehumanized, raising concerns about fairness and transparency. Regulators are taking notice: New York and California now require audits of AI hiring tools to ensure compliance with anti-discrimination laws.

For employers, the challenge is balancing efficiency with trust. Over-reliance on automation risks alienating talent. A Glassdoor survey showed that **48% of job seekers distrust AI-driven hiring**, fearing it overlooks nuance.²⁸

Some companies are finding middle ground. Unilever uses AI to streamline early-stage screening but ensures final interviews are human-led. IBM combines AI assessments with structured interviews to maintain fairness.

The future of hiring will likely be hybrid: AI for efficiency, humans for judgment. Employers that communicate transparently about AI's role and maintain human touchpoints will attract talent. Those that don't risk reputational damage in an already skeptical labor market.



48%
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Conclusion

The workplace of 2026 is being reshaped by forces both technological and economic. Artificial intelligence sits at the center, driving disruption in hiring, learning, and daily workflows. At the same time, structural pressures — from rising healthcare costs to return-to-office mandates — are reshaping employee expectations and employer strategies.

What unites these trends is a growing sense of **division and consolidation**. White-collar jobs shrink while blue-collar opportunities grow. Employers freeze hiring and stretch managers thin. AI adoption divides workers into early adopters and laggards. Political polarization pits organizations against factions of their own workforce. And rising costs squeeze both employers and employees.

Yet within this turbulence lies opportunity. Companies that invest in skills training, transparent communication, and employee well-being will not only weather disruption but also emerge stronger. Workers who embrace continuous learning and flexibility will carve out resilient career paths.

The next phase of work will not be defined by growth at all costs but by **balance, adaptability, and trust**. In this new era, success will come to those who can navigate complexity while staying anchored in human values.



Acknowledgements

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Dan Schawbel is a New York Times bestselling author and the Managing Partner of Workplace Intelligence; a thought leadership and research agency focused on the world of work.

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