



Future World of
Work Research Series

The Loyalty Deficit

Trust, Talent &
the Future Workforce

ABOUT THE RESEARCH

This is the sixth edition of INTOO's Future World of Work research series. Conducted by OnePoll on behalf of INTOO UK & Ireland between 27th March and 9th April 2026, the survey was completed by 1,000 respondents across UK organisations employing 250 or more people.

Sample composition

Respondent group	n	% of sample
HR Leaders / Decision-Makers	250	25%
Managers (any department)	750	75%
Total	1,000	100%

Generational composition of respondents

Generation	Born	n
Gen Z (Postmillennial)	After 1996	126
Millennials	1981–1996	469
Generation X	1965–1980	352
Boomers	1946–1964	51

Where findings differ meaningfully between HR Leaders and Managers, or across generations, these distinctions are highlighted throughout this report. Where responses are consistent across groups, this consensus is noted — as it often amplifies the significance of the finding.

Series Timeline

Year	Edition	Title / Theme
2017	1st	The Future World of Work; Tomorrows Reality Today
2022	2nd	Post-pandemic workforce expectations and career navigation
2023	3rd	Skills gaps, AI emergence and the changing employment deal
2024	4th	Workforce flexibility, wellbeing and hybrid working norms
2025	5th	Career Navigation: Uncharted Waters and Beyond
2026	6th	The Loyalty Deficit: Trust, Talent & the Future Workforce

FOREWORD

Nine years (and 6 editions) into the Future World of Work research series, we find ourselves at an inflection point. The headlines around challenges for both employer and employee around topics such as AI, skills, career progression and workforce transformation remain – and in some cases are louder than ever – but beneath them, a quieter and perhaps more consequential story is emerging: the erosion of trust between employers and employees.

For the first time in this series, we explored the state of the psychological contract – that unwritten set of expectations and obligations that defines how people relate to their employers. Differing from an Employee Value Proposition – which focuses more on tangible promises made by an employer to an employee, the psychological contract can be said to determine whether those promises have actually been met. What we found should concern every HR leader and every manager responsible for a team.

This year's survey captured perspectives from two distinct communities: 250 HR Leaders and Decision-Makers, and 750 UK Managers across all functions and departments. Where their views align, the findings carry particular weight. Where they diverge, the gaps are often as instructive as the headline numbers – and in several cases, more urgent.

We hope this report provides both a benchmark and a prompt for action. Whilst it may seem that some findings perceive HR to be overly optimistic, the reverse might be said of the broader managerial population. Both points of view are valid however how these communities perceive the same issue is telling and should provoke further debate.

As we have seen as our series of research studies has evolved, the world of work is changing fast; the post-Covid working arrangements have largely been settled and have been replaced with alternate topics impacting our society – the far-reaching implications of conflict, notably in Iran, Ukraine and the Palestinian territories, the rise of populist or nationalist governments and as a consequence of these and other similar forces, migration and an increased cost of living.

Role availability, generational expectation, progression and skills remain key, whilst the fundamentals of what people need from work remain remarkably constant: fairness, development, and the confidence that their employer is being straight with them.

Owen Morgan
INTOO UK & Ireland Managing
Director; Global Practice Lead
London, April 2026

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The relationship between employer and employee has never been more consequential — or more fragile. The organisations that will thrive over the next decade are those that treat trust not as a soft metric, but as a strategic asset.

Owen Morgan, Managing Director,
INTOO UK & Ireland; Global Practice Lead

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THEME 1: THE EROSION OF TRUST

For the first time in the Future World of Work series, we explored the state of the psychological contract — the implicit understanding between employer and employee about their mutual obligations. The results reveal a profound tension at the heart of UK working life, and one that plays out differently depending on where you sit in the organisation.

67%

of all respondents agree the traditional employment deal still broadly holds



However...

70%

of all respondents agree employee trust in employers has eroded over the past five years



These two findings, sitting side by side, capture the central paradox of the 2026 workforce. The employment deal — commitment in exchange for security and progression — endures in form. But the trust that underpins it is fracturing. The deal holds; the faith in it does not.

HR Leaders and Managers: A Tale of Two Perspectives

One of the most striking findings in this year's research is the gap between how HR Leaders and Managers assess the current state of trust within their organisations. On the question of whether the traditional employment deal still holds, there is a 15-percentage-point gap between the two groups (Figure 1).

The near-identical agreement on trust erosion (70% HR Leaders vs 69% Managers) is striking — it represents genuine cross-organisational consensus that something has shifted. However, the 23.5-percentage-point gap on whether trust is currently strong reveals a significant perception gap: HR Leaders are considerably more optimistic about the present state of trust than the managers who are living and working within it day-to-day.

This perception gap matters because it shapes response. HR Leaders are also considerably more confident in their organisation's strategy to rebuild loyalty (74% vs 55%) — suggesting that those designing the interventions may be more sanguine about their effectiveness than those closer to the workforce are likely to be.

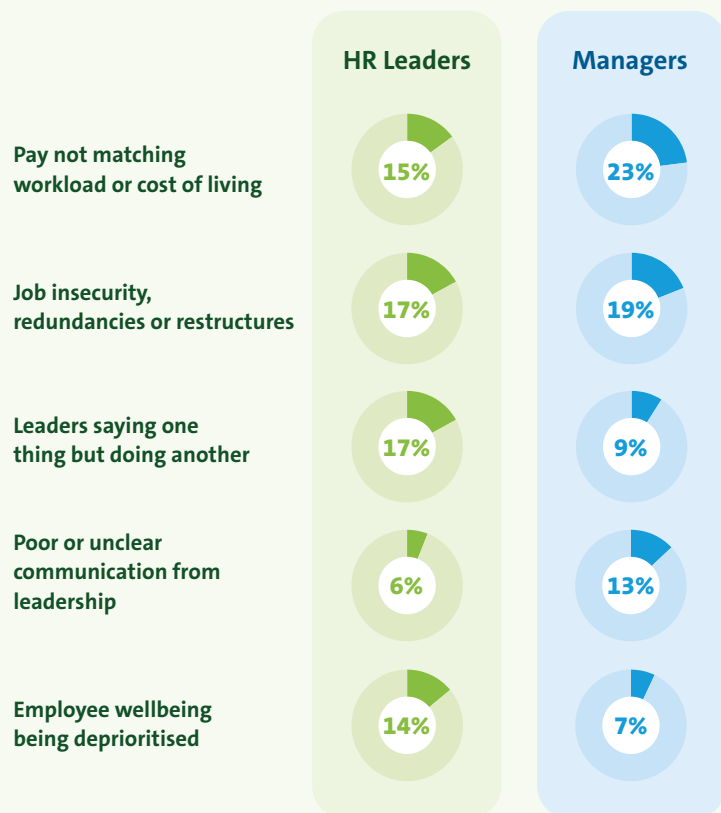
FIGURE 1

A tale of two perspectives



FIGURE 2

Trust erosion driver (among those who agreed trust eroded)



The Drivers of Trust Erosion: HR Leaders and Managers Disagree

Among those who agreed that trust has eroded (696 respondents), the single biggest driver differs meaningfully between the two groups — pointing to a divergence in how they understand the problem (Figure 2).

For Managers, pay and job insecurity (perhaps unsurprisingly) dominate — reflecting the day-to-day financial and security pressures felt by the majority workforce. For HR Leaders whilst these two factors are keenly noted, leadership credibility and wellbeing deprioritisation feature more prominently — perhaps pointing to a more systemic, cultural diagnosis. Both are correct, but neither group's lens fully captures the other's reality. Effective trust-rebuilding strategies will need to address both dimensions simultaneously. As can be seen opacity around restructuring is consistently cited in INTOO's research as one of the primary trust-destroyers — particularly among Managers who are often the first to hear employee concerns but often the last to receive strategic briefings.

Reasons for Leaving

Previous iterations of our research have flagged up the reasons most people give for 'leaving' their current employment — many of which are clearly rooted in the psychological contract. Pay and career advancement are valid motivators as we have seen before — however there are a multiplicity of factors at play here that are often 'glossed over' as part of either 'exit interviews' or attrition reporting more generally. HR face a difficult path as departing employees often choose not to reveal the real reasons for their departure. Indeed in our 2024 survey — only 6% of people claimed that they were 'always honest' during the exit interview with a significant minority (25%) claiming their responses were 'rarely or never accurate'. Some 69% revealed that they were only comfortable revealing 'partial' elements of the truth. 'Free text' commentary in our 2026 research leads us to believe it is logical to assume that — with a potential decrease in trust between employee and employer — these figures will 'at best' have remained unchanged.

Constant change and whilst we are always told it will 'get better', it never seems to happen

I'm fed up with the untruths

I don't want to jeopardise my reputation in my sector so I tell them what they want to hear

Ongoing corporate nonsense – who believes this stuff anymore?

I'm overdue a promotion and pay rise, however whenever I raise the topic it gets kicked into the long grass. Just be honest with me rather than keep raising my hopes only to dash them later

If the Company can't invest in my career then I'll do it myself... elsewhere

I don't trust my organisation or my manager any more. Constant redundancy exercises, increased workloads and pay freezes – I feel the reality of our situation is hidden from us at all times

Trust Across the Generations

The generational breakdown introduces an important nuance to the trust narrative. While Gen X respondents are most likely to believe that trust has eroded over the past five years, younger generations — and particularly Gen Z — are simultaneously more positive about the current state of trust within their own organisations (Figure 3).

Gen Z respondents present a paradox: they are the most likely generation to believe the employment deal still holds, the most positive about current trust levels within their organisations, yet they represent — alongside Millennials — the generation with the most to lose if trust continues to erode. This may reflect the relative recency of their experience in the workforce, the environments they have been recruited into, or a degree of optimism not yet tempered by longer organisational exposure.

Gen X, by contrast, expresses the greatest scepticism — with almost 3 in 4 people agreeing that trust has eroded. This is the generation that has lived through multiple economic cycles, organisational restructurings, and the gradual shift away from defined benefit pensions and long-term career security. Their pessimism — in some cases — can be said to be informed by experience.

Also notable is the confidence gap across generations in their

organisation's ability to rebuild loyalty — with Gen Z (75%) and Millennials (65%) far more confident than Gen X (48%) in their organisation having a credible strategy to rebuild or strengthen employee loyalty.

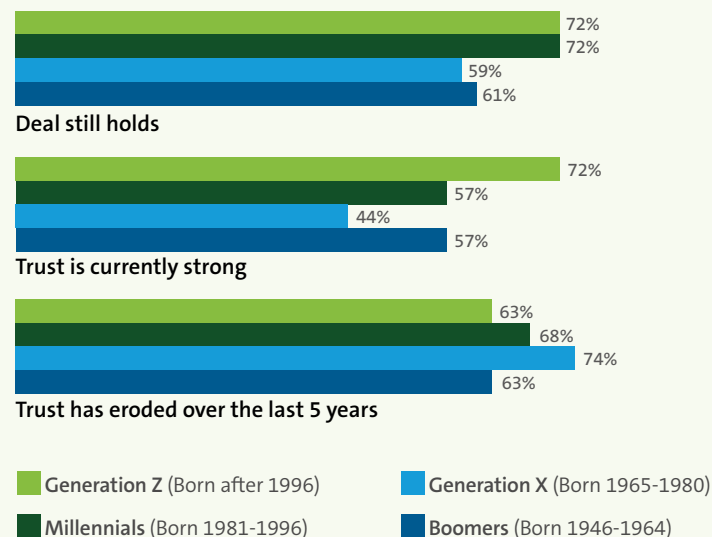
Trust and the Blended Workforce

A significant structural factor shaping trust in 2026 is the ongoing rise of the blended workforce. Over three quarters (77%) of all respondents — consistent across both HR Leaders (79%) and Managers (77%) — report that their organisation now operates with a combination of permanent employees, fixed-term contractors, fractional talent or gig workers, and portfolio professionals working alongside each other.

Yet only 58% of those in blended workforce organisations agree that non-permanent workers feel a genuine sense of belonging and connection to their organisation's values and mission. HR Leaders are considerably more optimistic on this measure (70%) than Managers (54%) — a 16-percentage-point gap that again suggests those closest to the workforce are experiencing the inclusion challenge more acutely than those designing policy. Whilst it may seem apparent that an individual in a temporary, part-time or fractional role may be less likely to exhibit a high degree of connectivity to an organisation the difference in perception is intriguing.

FIGURE 3

Current state of trust within respondents organisations



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Trust is not rebuilt through communications campaigns. It is rebuilt through action — fairer pay, honest leadership, and visible follow-through on commitments. Our research shows that managers on the ground see this more clearly than the systems designed to address it.

Owen Morgan, Managing Director,
INTOO UK & Ireland; Global Practice Lead

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THEME 2: HUMAN SKILLS IN AN AI WORLD

AI and automation remain the defining transformation of the 2026 workforce. The conversation has matured since earlier editions of this research — moving from existential anxiety about displacement to a more practical question: which distinctly human capabilities do we most need to develop, and are we developing them fast enough?

On this question, HR Leaders and Managers hold notably different views about organisational readiness — a gap that has significant implications for how the skills agenda is communicated and resourced as well as how organisations promote solutions to address these challenges and exploit future opportunities.

Clarity on Human Skills: A Significant Perception Gap

These gaps are substantial (Figure 4). HR Leaders are more than twice as likely as Managers to rate their organisation as 'Excellent' at identifying and developing human skills. On role redesign, HR Leaders are nearly twice as active (53% vs 29%). This suggests either that HR Leaders have significantly better visibility of what is being done, or — more concerningly — that the activity they are aware of is not translating into anything Managers can see or feel on the ground.

Which human capabilities will command the greatest premium in an AI driven world is increasingly how the skills conversation is being framed. Replicable, data driven and binary decision making tasks are all ripe for replacement by AI as we have seen. But what of (currently) irreplaceable human capabilities? Our research shows that organisations are increasingly looking to develop skills around:

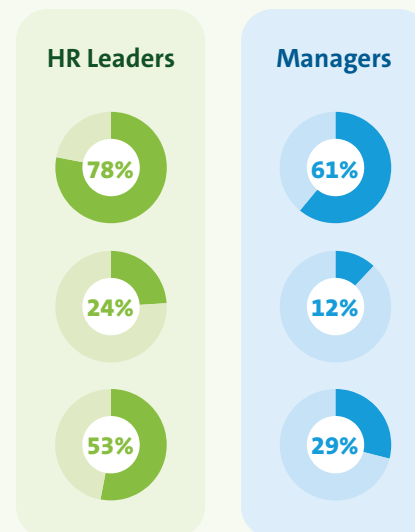
- Judgement
- Empathy
- Influence
- Individual Creativity & Innovation
- Ethical Decision Making
- Social Intelligence

The generational dimension here is notable. Gen Z respondents are significantly more likely to cite ethical decision-making (27%) and creativity & innovation (31%) compared to Gen X (13% and 19% respectively). This reflects a generational shift in what younger workers believe will differentiate human contribution in an AI-augmented workplace — and has implications for how organisations frame the skills development agenda to retain younger talent.

Are we able to avoid unexpected complexities with AI — the ghost in the machine? And if not, do we have suitably skilled people that can identify, critique and propose an alternate approach when faced with seemingly accurate data?

FIGURE 4

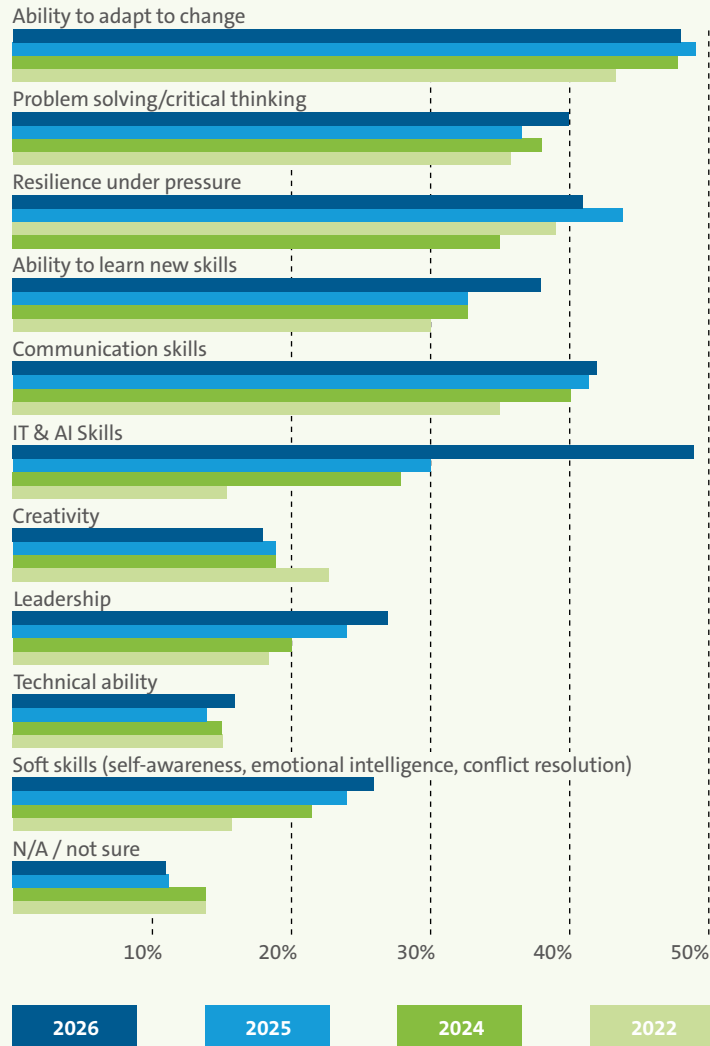
The perception gap



Are we able to avoid unexpected complexities with AI — the ghost in the machine?

FIGURE 5

What 3 skills do you think will be key to a business's success in 2028?



“The skills gap continues to be the most significant barrier to business transformation today.”

Gavin Luke, Operations Director,
INTOO UK & Ireland

Skillset of the Future

Moving from distinctly ‘human capabilities in a specific AI context’, bring us to a recurrent theme running through our research since the outset - that around broader key skills that organisations perceive will be of value in the years ahead. The evolution around the relative importance of these skills are relatively stable – with problem solving, resilience, adaptability all remaining in high demand. Notably – we have seen a significant uptick in how organisations perceive the use of IT & AI – up from 32% in 2025 to 49% in 2026 (Figure 5).

AI Displacement: The Biggest Five-Year Workforce Concern

AI and automation displacement is the single most cited five-year workforce concern across the full sample (34%). HR Leaders (36%) and Managers (33%) are closely aligned on this – one of the few areas where the two groups converge – suggesting a shared awareness of the scale of the challenge regardless of organisational level.

“Uncertainty around AI adoption is already influencing company behaviour – companies are hesitant to hire or expand their workforce until they better understand how AI will impact internal operations and skills requirements.”

ILO Employment & Social Trends January 2026

Notably, Gen Z respondents (29%) are the least concerned about AI displacement, while Millennials (36%) are most concerned. This may reflect Gen Z’s greater comfort with technology, or a degree of confidence – potentially misplaced – that their early-career agility will protect them through the transition.

Our findings underscores the stakes: organisations reducing headcount while simultaneously seeking human skills must communicate with transparency to not only maintain trust but to ensure the those charged with taking the organisation forward are equipped to do so.

“Our work now regularly involves a fundamental realignment of an individual’s skills in order to secure their future career-path. Whilst skills evaluation has always featured in career-transition activities, it is now ‘front and centre’ in respect of aligning career aspiration with reality”

Shirin Vanat, Operations Manager,
INTOO UK & Ireland

INTOO’s global outplacement practice has seen a notable increase in organisations seeking career-transition support for those whose careers have been impacted by AI – a trend we expect to see increase, based on our customer conversations – across the coming years. Supporting those who have lost roles in this context now involves significant career-coaching around skills realignment, career-pivots and a broader reimagination as to how an individual’s career may evolve in our changing world.

THEME 3: WELLBEING, BURNOUT & SUSTAINABLE PERFORMANCE

Burnout has featured in the Future World of Work series since its second edition. In 2026, the picture is not improving — and the divergence between how HR Leaders and Managers assess the problem is one of the most significant findings in this year's research.

HR Leaders vs Managers: Different Experiences of the Same Problem

The attrition impact is felt similarly across both groups — HR Leaders (42%) and Managers (45%) are closely aligned in recognising that burnout is driving people out. But their assessment of the effectiveness of the organisational response diverges sharply. Managers are 15 percentage points more likely to view burnout prevention as ineffective, and only half as likely as HR Leaders to believe burnout is being addressed structurally (characterised as the 'cause' of burnout and exemplified by a long-hours culture, lack of control or a toxic workplace) rather than reactively (Figure 6).

This gap is a red flag. It suggests that HR Leaders may be overestimating the impact of the wellbeing interventions they have put in place — and that the managers responsible for running teams are experiencing the limitations of those interventions in real time. Managers are also less likely (17% vs 20%) to say their senior leadership team 'very much' models sustainable

working behaviours — reinforcing the sense that the culture change required has not yet reached the teams where it is most needed.

The Generational Burnout Gap

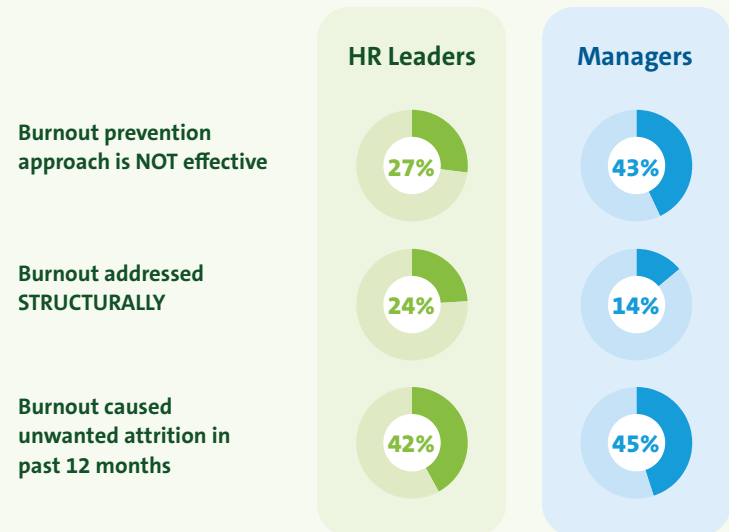
The generational picture on burnout prevention effectiveness is particularly striking and represents one of the most significant generational divergences in the 2026 data (Figure 7).

The inverse relationship between generation and burnout prevention effectiveness is stark. Younger respondents are significantly more likely to view burnout prevention as effective — either because they are experiencing better working environments, perhaps because they have fewer years of accumulated exposure to organisational pressure, or because their threshold of comparison is different. Gen X respondents, nearly half of whom (49%) regard burnout prevention as ineffective, represent the cohort under the greatest sustained pressure — often managing upward complexity, team responsibility, and career plateauing simultaneously.

Also notable is the structural vs reactive dimension. Gen Z respondents (25%) are three times more likely than Gen X (8%) to say burnout is being addressed structurally in their organisation. This may reflect the organisations that younger workers

FIGURE 6

Different experiences of the same problem



44%

say burnout has contributed to unwanted attrition in the past 12 months

39%

say their organisation's approach to burnout prevention is 'not effective'



FIGURE 7

How effective, do you think your organisation's approach to preventing burnout is?

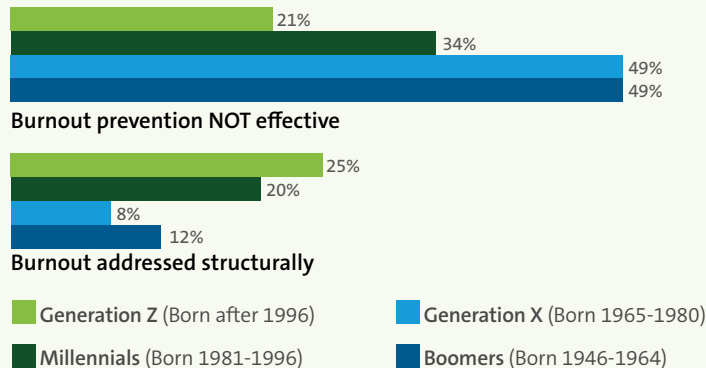


FIGURE 8

What would need to change the most for high performance to be sustainable

Theme	% substantive	Relative volume
Pay, Reward & Recognition	21%	Highest
Workload Management & Resourcing	20%	High
Leadership Behaviour & Trust	19%	High
Staffing Levels & Recruitment	15%	High
Work-Life Balance & Flexible Working	12%	High
Communication & Transparency	10%	Mid
Wellbeing & Burnout Prevention	9%	Mid
Career Development & Growth	9%	Mid
Technology & AI	5%	Low

have been recruited into, or have a different baseline expectation of what 'structural' means — but it also signals a significant gap in the experience of different generational cohorts within the same organisations.

Sustainable Performance

Ongoing and successful accomplishment of an organisations goals is a given. However when resources are tight, uncertainty is a reality and those goals themselves are subject to frequent change, does maintaining 'sustainable performance' become... well... unsustainable?

When asked what, if anything, would need to change the most in your organisation for high performance to be genuinely sustainable our research showed very broad diversity of opinion?

Responses cluster strongly around operational and structural themes — pay, workload, staffing, and leadership collectively account for over half (56%) of all substantive responses. This pattern is consistent with findings elsewhere in our survey and reinforces a further central message of the 2026 research: respondents identify the barriers to sustainable performance as structural, not individual (Figure 8).

It is interesting to note that Technology & AI features as a relatively minor component of improving sustainable performance according to our respondents, where many may say that it is — potentially — one of the most important aspects. In delving deeper into this theme it is clear however that people have responded with deeply personal insight — 'am I treated fairly', 'is my well-being acknowledged' and 'are my leaders supporting me'?

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Burnout is not a personal failing — it is an organisational design problem. The data tells us that managers know this, even if the interventions being deployed don't yet reflect it. The organisations that will retain their best people are those that redesign work itself, not just the support around it.

Matthew Collier, Business Development Director,
INTOO UK & Ireland

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FIGURE 8 DETAILED RESPONSES

1. Pay, Reward & Recognition

21%

The single largest theme. Responses span raw pay demands, pay-inflation linkage, performance-related pay, bonuses, and the sense that effort and results are not adequately rewarded or recognised. A recurring sub-theme is the absence of appreciation from senior leadership — suggesting this category reflects both economic and psychological unmet needs.

- “Pay, the workload and stress is not reflected in my pay (no pay rise in 5 years)”
- “Pay rises every year that keep up with inflation or even outstrip inflation”
- “Stronger links between performance and pay”
- “Appreciation would be a start”
- “Senior management appreciation and recognition for the best performers”

2. Workload Management & Resourcing

20%

Responses focus on the mismatch between organisational ambition and realistic capacity: unrealistic deadlines, unclear priorities, chronic overextension, and the concentration of workload on too few people. Many responses describe a structural problem — too much expected, too little resource — rather than a management style issue.

- “A more realistic alignment between strategic goals, available resources, and realistic timelines”
- “Stop giving one person the work of two”
- “Shift from ‘burnout = productive’ to measuring outcomes, recovery and learning”
- “Realistic workloads”
- “Ensure that we better match deadlines to what teams can genuinely deliver”

3. Leadership Behaviour & Trust

19%

A broad category covering manager capability, empathy, compassion, trust, listening skills, and the credibility of senior leadership. Responses range from frustration with absent or aloof managers to calls for leadership transformation — from a directive to a supportive model. Several responses specifically call for managers to understand the realities of front-line roles and question whether there is a disparity between communication and truthful reality.

- “Leaders need more input from the people actually doing the job before making decisions”
- “Don’t say one thing and do another”
- “A shift toward realistic workloads, clearer priorities, and consistent leadership behaviours that support wellbeing”
- “Culture of trust and employee development”
- “Remove toxic management culture”
- “Management upskilling in relation to compassionate leadership”
- “Appreciation by senior leaders of the realities faced by the workforce”
- “Get management that actually know how to manage”

4. Staffing Levels & Recruitment

15%

Chronic understaffing is the dominant concern — with multiple respondents simply writing ‘more staff’ as their entire answer, a bluntness that is itself instructive. Responses also cover the failure to backfill after departures, over-reliance on lean teams, and the downstream burnout and attrition that results from running below capacity.

- “More staff”
- “Decrease stress by achieving their own staffing levels — we are running at 80% of nominal for over a year”
- “Hire more people as the teams are too lean — but there is no budget to do this”
- “More staff to cover absence — at the moment there’s a real shortage and the same faces are expected to pick up the slack”
- “Increase in staffing. More resources to deal with workload”

5. Work-Life Balance & Flexible Working

12%

Responses cover flexible and hybrid working arrangements, compressed hours, the four-day week, and the always-on culture that prevents genuine recovery. A subset of responses focuses specifically on the need to protect personal and family time, while others reflect frustration with rigid in-office requirements that are perceived as counterproductive.

- “4 day working weeks”
- “Not being ‘on’ 24/7”
- “Better shifts and more flexibility to eradicate burnout”
- “More flexible working and not needing to be in the office just to mark a register”
- “Much more of a work life balance”

7. Wellbeing & Burnout Prevention

9%

Responses in this category focus specifically on burnout recognition and prevention, mental health support, and the need for structural — rather than reactive — approaches to employee wellbeing. Several responses note that current provision is insufficient or that organisational culture actively works against recovery.

- “For someone high up to have suffered burnout and understand what it takes to come out of that”
- “Structure to deal with burn out”
- “More mental health support”
- “Recognising burnout and when people are struggling rather than client expectations”
- “To integrate more access to mental health services”

6. Communication & Transparency

10%

Responses identify poor communication — particularly from senior leadership downward — as a significant barrier to sustainable performance. Themes include lack of clarity on objectives, inconsistent messaging, and the absence of honest, two-way dialogue. Several responses link communication failure directly to disengagement and mistrust.

- “Better communication from senior management — they are very aloof/absent”
- “Clear transparent communication”
- “Ensuring that all employees hear the same message”
- “Continued honesty and communication”
- “Respond to employee feedback with suitable solutions”

8. Career Development & Growth

9%

The lowest substantive theme — and itself a finding. Career development is rarely cited as the primary barrier to sustainable performance, which may indicate either that respondents have low expectations of organisational support in this area, or that more pressing operational concerns displace it. The responses that do mention development focus on personalised and relevant skills investment and one-to-one support.

- “Need for personalised continued investment in skills development, coaching and monitoring”
- “Way too much banal online ‘training’; whatever happened to classroom learning? Oh yes, it was too expensive”
- “More training and development initiatives”
- “Having time to do one-to-one career reviews”
- “Meaningful employee development – not just ongoing DEI courses masquerading as ‘growth’ opportunities”

9. Technology & AI

5%

A modest but notable cluster of responses identify technology — and specifically AI — as a lever for reducing administrative burden and enabling more sustainable working. Views are not uniformly positive: one respondent explicitly calls for AI to be removed, reflecting the range of attitudes documented in the survey data.

- “AI would need to be employed to reduce administrative burden”
- “Expand the use of AI”
- “Efficiency gains through technology to supplement human input”
- “Integration of AI tools”

THEME 4: CAREER DEVELOPMENT & WORKFORCE PLANNING

Career development has been a central theme across all five editions of the Future World of Work series. In 2026, the ownership question has sharpened — and the difference in how HR Leaders and Managers understand who is responsible for an individual's career reveals an ambiguity that is harming outcomes.

Who Is Responsible for Career Development? HR Leaders and Managers Disagree

When asked who holds primary responsibility for an individual's career development, the two groups give significantly different answers (Figure 9).

HR Leaders are most likely to believe the organisation holds primary responsibility (32%), while Managers — who are often much closer to the individuals in question — are most likely to say it rests with the individual themselves (39%). This divergence is not a minor nuance: it reflects a fundamental disconnect in how career development responsibility is understood and enacted across the organisational hierarchy.

If HR Leaders believe the organisation is responsible but Managers believe it is up to the individual, then neither group is actively stepping in — and the individual is left to navigate

their career with insufficient support from either direction. The finding that 74% of all respondents believe external career support is valuable may in part reflect this vacuum.

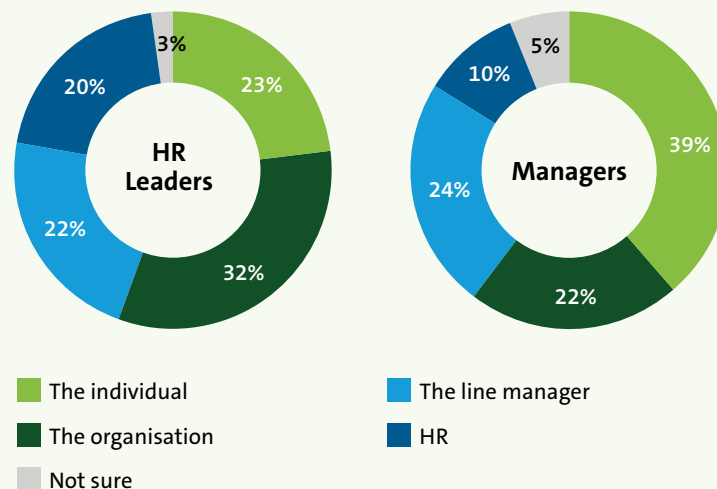
80% of HR Leaders say their organisation creates visible career pathways effectively, 64% of Managers agree... to an extent — a 16-point gap on the same question. This 16-percentage-point gap on visible career pathways is consistent with a pattern running through the 2026 data: HR Leaders are systematically more positive than Managers about the quality and reach of people practices within their organisations. Whether this reflects genuine difference in visibility, a degree of optimism bias, or the limitations of top-down implementation, it signals that HR strategy and management experience are not yet aligned.

Career Development Through a Generational Lens

Generational data adds a further dimension to the career development picture. Younger respondents are more likely to believe that the organisation holds primary responsibility for their development — yet they also report stronger confidence in their organisation's provision. Gen Z respondents are the most likely to believe their organisation provides

FIGURE 9

Who, if anyone, do you believe holds primary responsibility for an individual's career development?



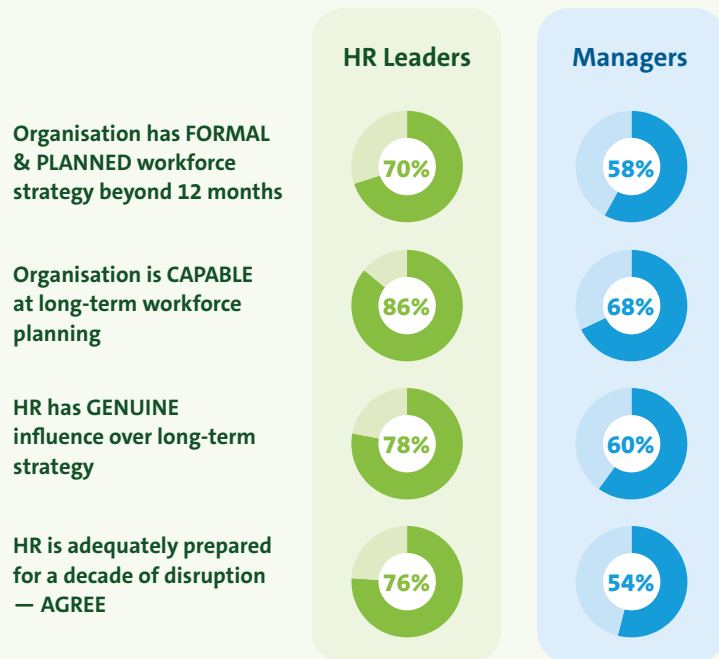
80%
of HR Leaders say their organisation creates visible career pathways effectively

64%
Managers agree... to an extent



FIGURE 10

Long-term workforce planning



74%

of all respondents rate externally provided career support as valuable.



effective tools and conversations for career management (83% confident vs 67% for Gen X), but they are also the most likely to have recently exited roles due to perceived lack of career opportunity.

This apparent contradiction resolves when the nature of their expectations is examined. Younger workers — Gen Z and Millennials — want personalised, relationship-based development: coaching, skills development to support employability protection, honest feedback, and individual career conversations. When these are not provided, they move. The data suggests that organisations are providing more formal - often online - career infrastructure (pathways, tools, frameworks) but less of the relational investment that younger workers value most.

The HR profession's preparedness for this challenge is itself a generational story. HR Leaders within Gen Z (76%) and Millennials (64%) are far more confident that the HR profession is adequately prepared for changes to 'career' than their Gen X colleagues (48%) — who are simultaneously the most sceptical about trust, the most likely to view burnout prevention as ineffective, and the least confident in loyalty-rebuilding strategies.

External Career Support: Valued for the Conversations It Enables

74% of all respondents rate externally provided career support as valuable. The primary reason cited — by both HR Leaders (47%) and Managers (48%) — is that it encourages honest conversations that employees feel unable to have internally. This finding, consistent across the two groups, is a direct commentary on the trust findings in Theme 1: when internal trust is insufficient to support authentic career dialogue, external support fills the gap.

Long-Term Workforce Planning: Confident in Capability, Less So in Strategy

The pattern is consistent: HR Leaders are considerably more optimistic about HR's strategic role and readiness than the managers who report into the structures they oversee (Figure 10). The 22-percentage-point gap on HR preparedness is among the most significant in the entire dataset — and reflects a broader confidence gap that INTOO has tracked across successive FWO editions.

Both AI displacement (HR Leaders 36%, Managers 33%) and Gen Z retention and engagement (HR Leaders 25%, Managers 19%) feature prominently as near-term concerns — with HR Leaders more anxious about Gen Z retention than Managers, which is consistent with the strategic lens they apply to longer-term talent pipeline risk.

THE OPTIMISM GAP: WHEN GOOD INTENTIONS CLOUD ORGANISATIONAL REALITY

Running like a thread through every theme in this year's research is a finding that deserves to be named directly: HR Leaders and Decision-Makers are consistently, significantly, and systematically more positive about the state of their people agenda than the Managers who operate within it.

This is not a small calibration difference. Across six distinct measures — trust, burnout prevention, career pathways, loyalty strategy, workforce planning capability, and HR's own preparedness — HR Leaders rate their organisation's performance materially higher than the managers who are closest to the workforce experience. The gaps range from 15 to 24 percentage points. Taken together, they constitute a pattern, not a coincidence.

The Data in Full

The table (Figure 9) brings together the six most significant HR Leader–Manager perception gaps identified in the 2026 research:

One finding cuts the other way — and is worth noting. On the question of whether employee trust has eroded over the past five years, HR Leaders (70%) and Managers (69%) are in near-perfect agreement.

This matters: it means the optimism gap is not about whether HR

Leaders recognise that trust is a problem in the wider world of work. They do. The gap concerns their assessment of how well their own organisation is responding to it.

Why Does the Optimism Gap Exist?

The optimism gap is not a failure of honesty. It is, in all likelihood, a structural consequence of role and proximity. HR Leaders design and commission people programmes; they see the investment, the intent, and the strategic framework. Managers live with the implementation — its limitations, inconsistencies, and the gap between what is promised and what arrives.

There are three plausible and non-exclusive explanations:

First, selection bias in feedback. HR Leaders are typically more likely to receive curated information about how people programmes are being received — through formal channels such as engagement surveys, steering groups, and senior stakeholder meetings. Managers hear feedback informally, directly, and unfiltered. When a wellbeing initiative is not working, a manager hears it from a team member at 4pm on a Thursday; an HR Leader may see it in an aggregated engagement score months later, if at all.

70% of HR Leaders and 69% of Managers agree employee trust has eroded over the past five years.



FIGURE 9

The six most significant HR Leader–Manager perception gaps

Measure	HR Leaders	Managers	Gap
Trust between employees and leadership currently strong	72%	49%	+23pts
Confident organisation has strategy to rebuild loyalty	74%	55%	+19pts
Burnout prevention approach is effective	73%	58%	+15pts
Organisation creates visible career pathways effectively	80%	62%	+18pts
HR has genuine influence over long-term strategy	78%	60%	+18pts
HR profession adequately prepared for disruption	76%	54%	+22pts

Second, proximity to strategy creates optimism about execution. When you have designed an intervention, understand its intent, and believe in its logic, you are naturally inclined to perceive it as more effective than those who are simply on the receiving end. This is not self-deception — it is a well-documented feature of how humans evaluate the impact of their own actions.

Third, organisational incentives may inadvertently reward positive reporting. HR Leaders who communicate upward to boards, ExCos, and CEOs on the state of the people agenda operate in an environment where the expectation is often one of progress and improvement. Acknowledging that a major wellbeing programme is not working, or that trust is weaker than previously reported, requires a degree of institutional courage that the performance and reporting culture does not always support — coincidentally, in itself a ‘trust’ issue.

The Consequences of Unchecked Optimism

None of these explanations are criticisms of individual HR leaders. But collectively, the pattern they produce has real consequences. If HR Leaders consistently and materially overestimate the effectiveness of their people practices, three things follow.

Investment is misdirected. Resources continue to flow toward programmes

whose impact is assumed rather than verified. The burnout prevention finding is the clearest example: HR Leaders believe it is working (73% rate it effective); Managers, who see the consequences of burnout in their teams daily, are far less convinced (58%). If the HR view prevails, investment continues in the same direction — and the attrition that 44% of all respondents link to burnout continues unchecked.

Boards are inadequately briefed. If HR Leaders report upward with the optimism their data reflects, then the people picture reaching board level is systematically more favourable than the reality on the ground. This is not a governance failure in the conventional sense — it does not involve misrepresentation. It is, however, a calibration failure. Boards making decisions about people investment, organisational design, and cultural change deserve to see the Manager’s view alongside the HR Leader’s.

Managers feel unheard. Perhaps the most corrosive consequence of the optimism gap is its effect on the managers themselves. When the people practices they experience as inadequate are described by HR as effective, managers may conclude that raising concerns is futile — that the system is not designed to hear them. This compounds the trust deficit the research already identifies, and risks creating a feedback loop in which HR optimism and management disengagement become mutually reinforcing.

Closing the Gap

The optimism gap is not inevitable. It is a product of how organisations listen — or fail to. The remedies are practical:

- **Triangulate upward reporting.** Any people measure reported to a board or ExCo should include both the HR Leader and Manager view, presented side by side. Where they diverge materially, that divergence should be the starting point for discussion, not a footnote.
- **Create unfiltered feedback channels for managers.** Formal engagement surveys and steering groups are necessary but insufficient. Structured, psychologically safe channels through which managers can share operational reality — without it being smoothed through HR interpretation — are equally important.
- **Evaluate interventions from the manager’s perspective.** When a wellbeing programme, career pathway, or trust-building initiative is assessed, the primary measure of success should be whether managers and employees experience it as effective — not whether HR Leaders believe it to be.
- **Name the gap as a leadership conversation.** The 2026 data gives HR Leaders an evidence base to have an honest conversation with their own function and with senior leadership about the difference between strategic intent and lived experience. That conversation, difficult as it may be, is itself an act of trust-building.

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The most important thing an HR leader can do with this data is resist the temptation to explain away the gaps. The managers in this research are not wrong. They are telling us something our programmes have not yet fixed. That is not a failure — it is an invitation.

Owen Morgan, Managing Director,
INTOO UK & Ireland; Global Practice Lead

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SUMMARY & CONCLUSIONS

The 2026 Future World of Work research paints a picture of a workforce and a profession at an inflection point. The foundational employment deal endures for most — but the trust that underpins it is fracturing. Burnout is driving unwanted attrition. The human skills most valued in the coming decade remain underdeveloped. And long-term strategic thinking continues to yield to short-term operational pressure.

What this year's research adds to the picture is the systemic importance of the HR Leader–Manager gap. Across almost every measure, HR Leaders are more optimistic than Managers about the quality and impact of their people practices. This is not a minor calibration issue — it is a signal that HR strategy and management experience are diverging in ways that will undermine even the best-intentioned interventions.

The organisations that will distinguish themselves over the next decade are those that close the gap between what HR leaders believe is happening and what managers and employees are experiencing. This requires not just better strategy, but better listening — and the courage to act on what the data reveals.

The most important conclusions from 2026 are:

70% of HR Leaders and 69% of Managers see declining trust

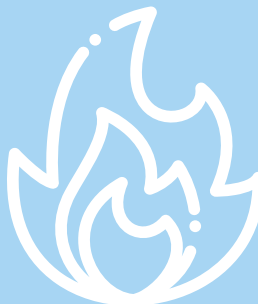
Managers blame pay and job security. HR Leaders point to leadership and culture.



GEN X

is under the most pressure — **lowest trust, least confidence in burnout support, and greatest doubt in HR readiness** — despite being a critical source of leadership and institutional knowledge.

The burnout prevention gap



27% of HR Leaders see it as ineffective

43% of Managers agree

When perception and frontline reality diverge, wellbeing investment is misdirected.

GEN Z

shows **higher trust and optimism** today — but higher expectations for personalised, honest, and meaningful development create a long-term retention risk.

External career support is valued when internal trust limits honest career conversations.

This reflects the wider trust environment — and creates an opportunity to use external support strategically.



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For INTOO, working with HR leaders, managers, and individuals navigating the changing world of work every day, the themes of this research resonate deeply. The demand for support has never been greater — and the opportunity for organisations to demonstrate genuine commitment to their people has never been more consequential. HR leaders are pivotal to future success and many are adept at creating long-term beneficial strategic interventions. Their challenge? To ensure that these key approaches flow through and across the organisation and achieve genuine measurable impact

Owen Morgan, Managing Director,
INTOO UK & Ireland; Global Practice Lead

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