



emtrain®

# 2026 WORKPLACE CULTURE REPORT

The State of Culture in 2025  
and What it Signals for 2026

# Executive Summary

The modern workplace is undergoing a profound transformation, driven by a mad rush to AI, changing employee expectations amidst job and role uncertainty, and a dynamic economic landscape. As we look towards 2026, organizations face the dual challenge of adapting to these shifts while simultaneously motivating the humans critical to business performance.

This report synthesizes data from our predictive indicators with broader industry trends to provide an analysis of the current state of workplace culture, highlighting critical areas of decline, promising counterpoints, and actionable strategies for 2026 and beyond. 48 million employee sentiment responses were collected and analyzed across annual reporting periods.

Four key themes shaping the workplace in 2025:

**Political Polarization & Empathy Recession**

**Innovation Roadblock: Erosion of Psychological Safety**

**Improved Accountability: Back to Basics**

**Leadership Overload and Skill Gap**

The rapid change demands a proactive approach, one that recognizes the profound impact of leaders, keeps employees engaged and inspired, and builds the new skills required to ensure organizational success. We recommend three actionable strategies people leaders can use to support business outcomes:

- 1 Invest in Leadership Development:** Provide managers with training and measurement of critical skills such as conflict resolution, coaching through change, power awareness, and empathetic leadership.
- 2 Monitor and Manage Organizational Risk:** Implement proactive monitoring of leading indicators to avoid incidents altogether.
- 3 Strengthen Psychological Safety for Innovation:** Implement initiatives that actively encourage idea sharing and feedback. Creating a culture where employees are engaged is paramount for innovation and adapting to change.

By taking decisive action now, we can transform challenges into opportunities for growth, positioning our organizations for resilience and success in an increasingly dynamic economy and business landscape.

# Political Polarization & Empathy Recession

One of the most alarming trends identified in our data is the significant rise in **conflict between co-workers due to differing social and political views**. As we predicted, **political polarization** has infiltrated the workplace, transforming professional environments into battlegrounds for social tensions and fundamentally disrupting harmony and relationships among colleagues. This trend is particularly concerning as it undermines the very fabric of a collaborative culture.

When employees feel their personal beliefs are under attack or that their workplace is not a safe space for respectful discourse, it naturally leads to disengagement and a breakdown in trust.

Across all levels of the organization, a consistent pattern of erosion of empathy, declining reflection and perspective-taking, and lack of concern for others' experiences is evident. This **empathy recession** is manifested in various ways, including a decline in perceived manager empathy and curiosity towards direct reports, individuals making less of an effort to see things from others' points of view, an environment that is less respectful, civil, and inclusive, and an increase in hurtful or offensive jokes.

This decline in interpersonal sensitivity suggests that individuals are becoming more self-protective and less broadly connected, weakening some relationships.





We found two counterpoints in our data. In Group-Out Group dynamics are not (yet) negatively impacting teamwork. And there's a slight increase in employees saying their co-workers are generally pretty good about expressing their personal or political opinions without offending people. At least some people are trying!



**Conflict Over Social & Political Views -9.89%**

**“Workplace conflict tied to differing political and social views has risen sharply — signaling growing polarization among coworkers.”**

Change in Healthy Responses from 2024 to 2025



# Innovation Roadblock: Erosion of Psychological Safety

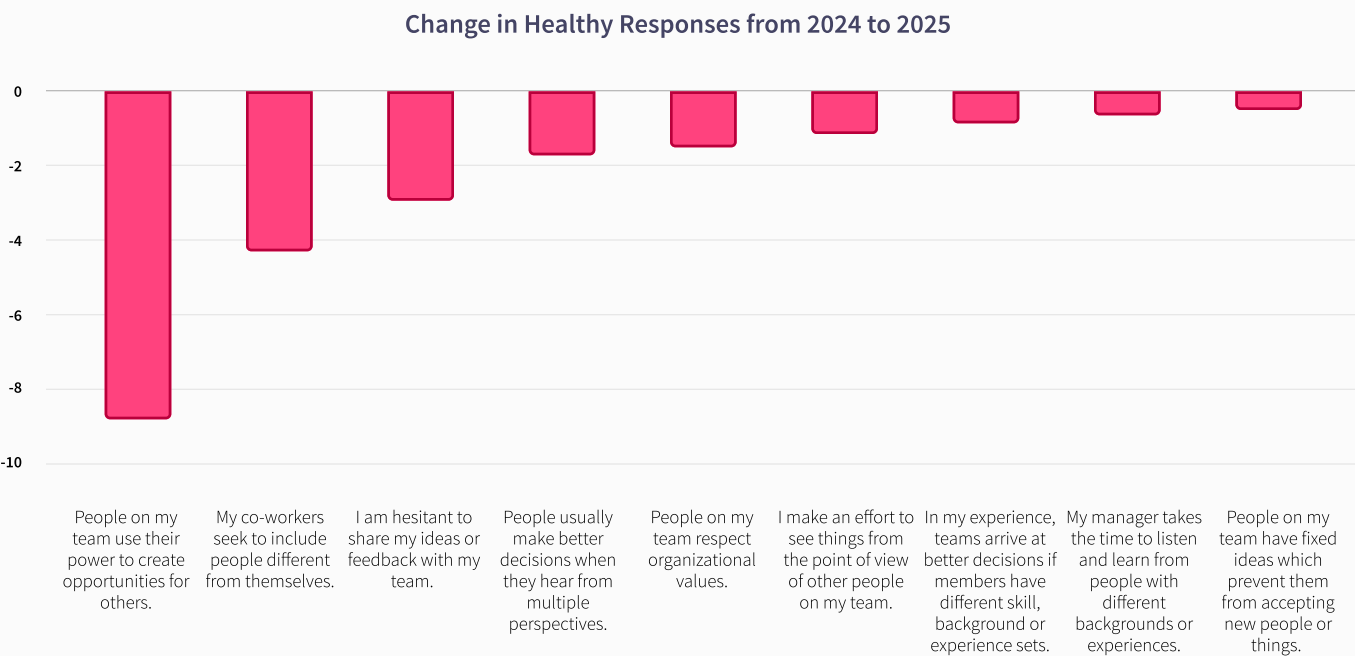
Today’s CEOs are focused on driving **innovation and business transformation**. Success requires stakeholder alignment and decision making efficiency while at the same time thinking systemically about the impact of change. As key functions are converted by AI, it will be critical for employees to have an open mindset, a way to engage and evaluate proposed changes, and psychological safety to share critical feedback and alternate ideas.

Our data reveals a decline in skills related to **psychological safety** which is a risk to **innovation**.

- Employees and managers are:
- Less open to alternate perspectives, more reluctant to see things from another point of view
  - Less likely to seek out people different from themselves, or create opportunities for others
  - More hesitant to share ideas or feedback with their teams
  - Have less respect for organizational values

This shift towards individualistic behavior makes sense given that today’s employees and managers feel more at risk than ever before. AI is predicted to replace jobs in core functions; companies are reducing or eliminating their middle management layer.

Employees and managers who can **“rise above the task,”** see the broader picture, build networks across a diverse set of people, and proactively adapt to change are more likely to have ongoing roles in the workplace.



# Improved Accountability: Back to Basics

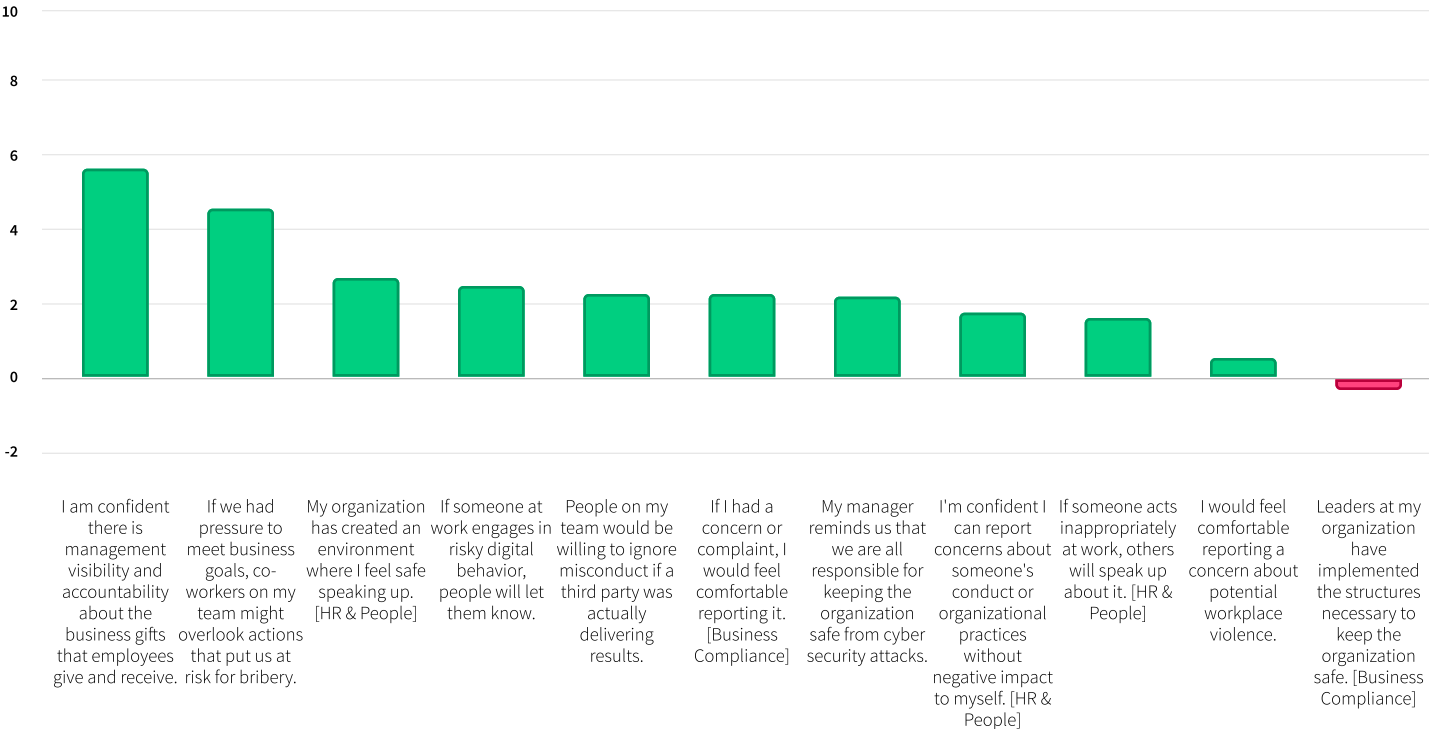
On a positive note, we saw the largest improvement in the skill of **Accountability**, related to both business compliance processes and meeting the expectations of one’s responsibilities. Organizations have jumped the hurdles of cybersecurity, data privacy, and other new regulatory requirements over the last few years, **successfully implementing systems for compliance** through training, reporting, and remediation processes.

We saw a **25%** reduction in unhealthy behaviors in our Accountability measure, with positive improvements in all major areas of business compliance.

This is good news for executives who are laser- focused on driving transformations and can’t afford the time, cost, and distraction of breaches, fines, and investigations.

One counterpoint: there was a slight decline in “Leaders at my organization have implemented the structures necessary to keep the organization safe” indicating that there are still opportunities to refine and improve. Organizations have an opportunity to **proactively monitor leading indicators to avoid incidents altogether**.

Change in Healthy Responses from 2024 to 2025



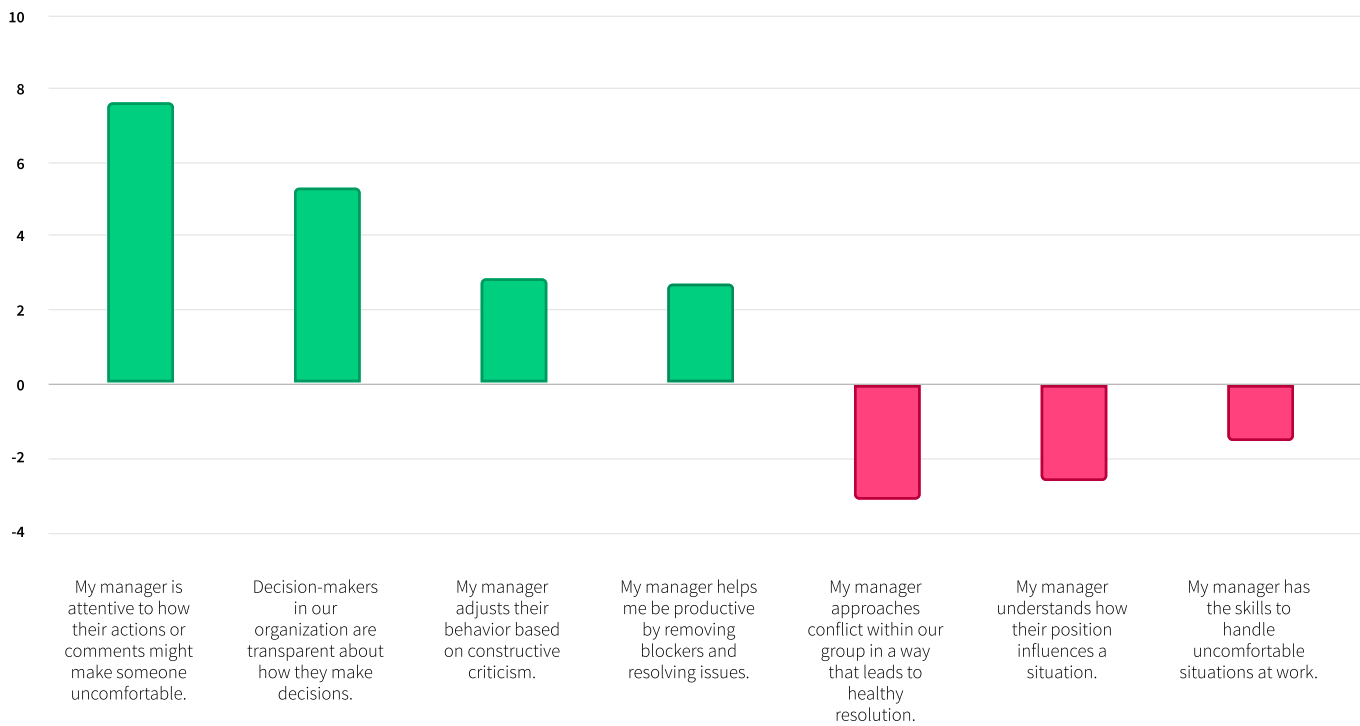
# Leadership Overload and Skill Gap

Leadership plays a pivotal role in shaping workplace culture and driving business outcomes. Our data indicates that **leaders are overloaded and need development in their culture skills and ability to navigate employee conflicts**. Managers are struggling with handling uncomfortable situations at work, and are not adept at conflict resolution. This creates a dangerous mismatch as leadership capacity declines precisely when social tensions, employee uncertainty about the future, and interpersonal challenges are on the rise.

Our data reveals a paradox: managers are more aware and able to **resolve uncomfortable situations they cause, but not able to manage uncomfortable situations that happen between team-members**.

Our data shows that managers are increasingly capable of receiving and adjusting to constructive criticism, and managers have increased their understanding of how their actions might make someone uncomfortable. But while they’re aware of and adjust their own behaviors, **they don’t know how to handle behaviors that impact their team**. This underscores an urgent need for **targeted leadership development** to reduce the skill gap in conflict resolution, coaching through change, power dynamics, and empathetic leadership.

Change in Healthy Responses from 2024 to 2025



# Actions for Improvement

Here are three actionable strategies people leaders can use to support business outcomes:

## Invest in Leadership Development:

Provide managers with training that specifically addresses conflict resolution, coaching through change, power dynamics, and empathetic leadership. A “leadership essentials” course would be extremely helpful to support leaders during this rapid change and business uncertainty. This should include skill-building techniques as well as a measurement device to help leaders quantify their effectiveness in resolving conflicts, managing the influence of their power on people, and fostering a supportive environment where everyone can do their best work.

## Monitor & Manage Organizational Risk:

Implement proactive monitoring of leading indicators to avoid incidents altogether. This involves establishing systems and processes to continuously track key metrics and behaviors that can signal potential issues before they escalate, thereby ensuring ongoing accountability. A back to basics “managing within the law” course is table stakes to empower managers to monitor and manage organizational risk.

## Strengthen Psychological Safety for Innovation:

Implement initiatives that actively encourage idea sharing and feedback. This includes establishing clear channels for reporting concerns, giving feedback, and offering diverse perspectives. Creating a culture where employees are actively engaged and comfortable brainstorming and sharing their ideas is necessary for innovation and adapting to change.



## Conclusion

Social polarization and the erosion of psychological safety made workplace culture less healthy over the past year. There's high potential for innovation to get roadblocked by team conflict, be stifled because great ideas aren't shared, and fail if stakeholders withhold constructive critical feedback. But we can't ignore the fact that employees are struggling with an even greater concern: being replaced by AI. People leaders are crucial to change management and successful transformation; however, managers lack key skills required to effect change. As we look towards 2026, organizations can focus on leadership development, coaching through change, and re-creating psychological safety.

Organizations in our dataset (Emtrain clients) did a good job instilling accountability, showing improvement across all areas of business compliance. This success in managing functional risk will allow leaders more time to focus on their transformation goals. As we approach 2026, we recommend that HR and people leaders continue to manage organizational risk while building leadership skills that will support the workforce through transformational change.

**Today's landscape is changing rapidly, and people leaders need new skills and tools to stay competitive. We're here to help clients communicate expectations, manage risk, and measure predictive indicators for your organization and your leaders. Please don't hesitate to reach out if we can help.**



**Janine Yancey**  
Founder & CEO



**Dr. Leann Pereira**  
VP of Learning Science and Data



**Laraine McKinnon**  
Talent & Culture Strategist



**Colin Sorensen**  
Data Lead



## Workplace Culture: Approach & Methodology

Workplace culture encompasses the attitudes, knowledge, and behaviors that define how people interact daily.

The data in this report originates from Emtrain's online training and data analytics platform. We use research-based concepts and behavioral science techniques to extract authentic employee perspectives, providing leading indicators of risk across core competencies that contribute to a healthy workplace culture.

The data shown in the bar charts in this report is derived from learner responses to questions within our corporate compliance and skill development courses and microlessons. Our dialog-based training pedagogy utilizes situational judgment tests and social polling on 7-point Likert scales. Employees are asked to respond to questions that are placed within training content. As they gain subject matter knowledge, they are considering observed behaviors from co-workers, managers, and leadership.

The "Change in Healthy Responses from 2024 to 2025" identifies improvements or declines in sentiment, based on what we know to be a healthy response, and compares 2025 year-to-date (Sept) results with the average score from 2024 to understand the shift in sentiment during 2025.

**Emtrain clients are able to use our analytics data to measure their own organization and its segments (department, location, etc.) Data is available in report form or via data integration into HRIS, risk management platforms, or other dashboards.**

Please contact [lmckinnon@emtrain.com](mailto:lmckinnon@emtrain.com) for further information.

**Emtrain data is also made available to academic researchers exploring certain phenomena in organizational psychology or employee trends.**

Please contact [lpereira@emtrain.com](mailto:lpereira@emtrain.com) for further information.

# Emtrain's Workplace Culture Skills Framework

Emtrain’s Workplace Social Competency Model uses a unique framework decoding organizational culture. They identify and measure key factors that impact a company’s culture: Respect, Inclusion, Belonging and Ethics.

|                       | Respect                       | Inclusion               | Belonging                  | Ethics                      |                                                                                      |
|-----------------------|-------------------------------|-------------------------|----------------------------|-----------------------------|--------------------------------------------------------------------------------------|
| Managing Ourselves    | ✓ Mitigating Bias             | ✓ Fostering Curiosity   | ✓ Being Well               | ✓ Engaging Morally          |   |
| Building Relationship | ✓ Connecting In- & Out-Groups | ✓ Encouraging Empathy   | ✓ Cultivating Authenticity | ✓ Demonstrating Integrity   |                                                                                      |
| Enabling Teams        | ✓ Managing Power              | ✓ Advancing Allyship    | ✓ Valuing Diversity        | ✓ Nurturing Trust           |                                                                                      |
| Leading Organizations | ✓ Ensuring Equality           | ✓ Thinking Systemically | ✓ Deciding Together        | ✓ Instilling Accountability |  |

