

2026: The View from the C-Suite

Optimistic, disciplined, flexible and AI-powered are the watchwords in company boardrooms as leaders contemplate the year ahead, a new study by International Workplace Group reveals.

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Introduction



How are business leaders feeling about 2026?

Despite ongoing economic volatility, the answer is that they view the coming months with optimism and bolstered confidence, per IWG's latest State of the C-Suite Report. A significant majority of leaders expect global conditions to improve in the year ahead, with investment in AI set to bring significant productivity gains.

The C-suite also has a laser focus on clear, disciplined execution. CEOs are unanimous in saying that cost control is essential, while CFOs say they will be trimming budgets by an average of 10%. To achieve reductions in costs, leaders are leveraging the power of AI and flexible work solutions to operate more efficiently, enabling investments in other parts of their business.

The C-suite's priorities demonstrate the ways in which working life is being transformed by technology. While AI automates routine tasks, enabling workers to spend more time on higher-impact work, platform working is redrawing the geography of work, rebalancing where economic value is created.

Business leaders clearly see a brighter horizon in the months ahead. But at the same time, as the direction of the global economy remains uncertain, they will not be relaxing their tight rein on costs – and AI and flexible work solutions will play a key role in keeping them in check.

“Productivity and performance come down to good management of people. As leaders navigate AI, cost savings and staff retention – noting the high costs of attrition – the benefits of flexible work are allowing them to shore up their businesses and prepare for growth.”

Mark Dixon,
 Founder and CEO, International Workplace Group

C-Suite Priorities for the Year Ahead

More than nine-in-ten (95%) CEOs say they are optimistic about the economic outlook for 2026, with nearly half (47%) saying they are very optimistic.

So, where do the C-suite's priorities lie in the year ahead? In one word: profitability. For all CEOs, cutting costs is seen as essential for success, with 84% also focused on increasing productivity. Talent attraction and retention are also key, with almost four-fifths (79%) focusing on this area.

Meanwhile, CFOs, too, are not surprisingly focused on cost-cutting. More than two-thirds (67%) say they are looking at 5-10% cuts, and a third (33%) plan to cut by up to 20%. In terms of company facilities, CFOs say their number one priority to reduce costs is moving to shared offices or workspaces, or giving staff access to coworking centres.

For CHROs, the number one priority is wellbeing (86%), closely followed by improving employee engagement and talent retention, particularly of working mothers and caregivers (both 84%). They are almost unanimous in agreeing that flexible working is one of the most in-demand benefits prospective employees are seeking.

The three main priorities for CTOs are controlling operational costs (41%), providing a strong tech infrastructure to support employee experience (41%) and shoring up security (40%). More than nine-out-of-ten (91%) are investing in tech infrastructure to support hybrid and flexible ways of working.

The C-suite's top five objectives that are most important for business success in 2026:

1. Long-term talent retention (42%)
2. Recruitment of quality candidates (41%)
3. Adopting and understanding technology (40%)
4. Workforce wellbeing (39%)
5. Profitability (39%)



Unleashing the Power of AI

2026 will be the year when AI finally starts to create meaningful ROI for the majority of businesses. Investment in the technology is a priority for more than four-fifths (82%) of the C-suite, and they see it as a way of achieving both cost efficiencies and increased productivity.

“Companies that harness this transformative technology in the year ahead will not only see important savings, they’ll also empower their people to unlock their full potential,” says Dixon.

Reducing costs

According to McKinsey, Generative AI alone is poised to unlock \$4.4 trillion or more in annual value across the global economy. It found that AI-centric organisations are already reporting 20–40% reductions in operating costs.

Boosting productivity

Previous research by IWG found that nearly four-fifths (78%) of workers report that AI saves them time, with an average of 55 minutes gained per day or nearly the equivalent of a full extra day of productivity per week. This time can then be reallocated to higher value activities.

How workers are using the time freed up by AI:

41% Creative or strategic work

41% Learning and development

40% In-person collaboration

35% Networking

Source: IWG Research



The Rapid Rise of Platform Working

2026 is the year of “Work from an Office”, not “the Office”. More than four-fifths (83%) of CEOs have already put policies in place enabling employees to work from more than one location. Across the C-suite as a whole, the main perceived benefits for the business as a result of adopting hybrid or flexible working are increased productivity, an increased talent pool, and cost savings. When it comes to benefits for the workforce, they highlight improved health, happiness and job satisfaction.

IWG’s research shows that a profound shift in working life is taking place, made possible by new technology. ‘The office’ no longer describes a single place but is now defined by a network of locations, empowering people to work wherever is most convenient for them and where they feel most productive and content.

“The traditional idea of a long, costly daily commute to a faraway office is being consigned to history,” says Dixon. “Today’s workers are increasingly dividing their working hours between local flex space and home, with occasional visits to a central office for brainstorming, meeting clients, training, catching up with developments or simply socialising.”

To meet the significant demand, IWG is expanding its network at the fastest rate in its history, bringing high-quality flexible workspaces to the heart of communities around the world.

When cross-checked against the C-suite’s priorities and objectives for the year ahead, it is clear that hybrid and more flexible working policies can play a major role in meeting several of them: cost-cutting, productivity, talent acquisition and retention, and workforce wellbeing.

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Mark Dixon



The top five reasons given by CEOs for enabling their employees to work from more than one office location:

1. Shorter commute times for employees (43%)
2. Having access to a wider pool of talent (37%)
3. Employee happiness / employee preference (37%)
4. Workforce productivity (37%)
5. Cost-savings of being able to focus our footprint in regions with more attractive / less expensive leases (37%)

Reducing costs

Research by IWG has found that flexible working can reduce organisations' real estate costs by as much as 55%. More than a third (36%) of CEOs say the cost-savings enabled by more flexible real estate options is a main driver of their decision to allow their employees to work from more than one office location. In 2026, more than half of CEOs will seek shorter-term leases (56%) or opt for co-working solutions or membership to a network of flexible workspaces (54%).

The three main cost savings associated with hybrid or flexible working, according to CEOs:

- 1 Ability to have more flexible leases in more attractive regions (38%)
- 2 Less spent on in-office amenities such as food (25%)
- 3 Lower costs of a shared office space (20%)

Boosting productivity

Previous research by IWG and Arup found that hybrid and flexible working can deliver a boost to productivity by as much as 11%. Nearly eight-in-ten C-suite executives say flexible work has improved business productivity (78%), enables them to build a productive, profitable workforce (77%), and allows them to navigate economic pressures (75%) and headwinds like tariffs and policy changes (76%).

Driving talent acquisition and retention

Hybrid and flexible working policies have been shown to drive talent acquisition and retention, and almost four-out-of-five (79%) business leaders believe that hybrid or flexible working has helped them to hire and retain the best employees. More than three-quarters (77%) believe that if they abandoned hybrid or flexible working, they would risk losing their best staff to competitors.

Flexible working is also a powerful attraction for mothers and others with care-giving responsibilities, and retaining them is a leading priority for CHROs in 2026. French company Convers Télémarketing successfully implemented flexible working options specifically to attract and retain women aged 25-40 with children. Not only did employee gender diversity increase as a result, but staff turnover also dropped dramatically, while revenue increased by 30%.

Supporting employee wellness

Multiple studies by IWG have shown the benefits to both physical and mental wellbeing that come from hybrid and flexible ways of working. More than four-fifths (81%) of CEOs and even more

CHROs (86%) say they will prioritise supporting employee wellbeing in 2026.

By cutting down on long, daily commutes to a central HQ, workers have more time to prioritise both their physical and mental wellbeing. This includes more opportunities for physical exercise and healthy eating, more sleep hours, and more time spent with friends and family. IWG's research shows that this results in a happier, healthier workforce, with reduced symptoms of burnout and fewer days lost to sickness.



The top three benefits business leaders have seen in their workforce as a result of adopting hybrid or flexible working:

- 1 Happier employees (49%)
- 2 Healthier employees (48%)
- 3 More satisfied employees (47%)

Conclusion

In 2026, C-suite executives are looking ahead with optimism and embracing the advantages that new technology and workplace flexibility can bring in driving productivity and profitability.

Although the economic landscape remains volatile and challenging, leaders are confident about the coming year. At the same time, they are committed to reining in costs and bolstering productivity wherever they can.

For that reason, they are looking to deploy AI solutions, which enable both greater efficiencies and higher productivity. And they are also maximising the many benefits of platform working, which boosts productivity as well as driving many other benefits, including increased staff retention.

No one can be sure what the future holds, but for now, sentiment in the boardroom is positive and optimistic.

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