THE EDGE OF WHAT'S NEXT: IRI'S QUARTERLY TRENDS ANALYZER

2026

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About The Trends Analyzer

The Edge of What's Next examines the strategic environment in which innovation and R&D take place and flags up potential trends that you should factor into your strategic planning. At the end of each quarter, trends are examined by the IRI Foresights Advisory Board and assessed for their potential impact on innovation. In this report, key trends are described and vital questions you should ask yourself as you conduct your strategic planning are listed. In addition, we include some interesting possibilities ('weak signals') at the end of the report that we will keep an eye on to see if they will rise to the level of a bigger, more impactful trend.

Innovation Research Interchange (formerly the Industrial Research Institute) is an inclusive membership organization with hundreds of global members in private-sector companies and federally funded laboratories. Founded in 1938, we lead and advance the field of innovation management by creating contemporary practices. Some of the world's most widely adopted models – such as "open innovation", "front end of innovation", and "stage-gate" – were born from the work of our members. We value strength in cooperation and partner with other organizations at the forefront of developments in innovation management, creating a hub for all to convene and contribute in an experimental, noncompetitive, and noncommercial environment. The IRI is a division of the National Association of Manufacturers.

January 2026 Trends

1 Heightened Immigration Enforcement is Statistically Reshaping the Labor Force

2 Return-to-Office Mandates are the New Glass Ceiling

3 Stemming the Flow of Information

HEIGHTENED IMMIGRATION ENFORCEMENT IS STATISTICALLY RESHAPING THE LABOR FORCE

According to the US Bureau of Labor Statistics, heightened immigration enforcement throughout 2025 coincided with a marked contraction in labor availability, resulting in significant workforce volatility across several labor-intensive sectors. National labor indicators show that more than 1.1 million foreign-born workers exited the U.S. labor force between January and late summer 2025. The immigrant share of total workers dropped from 20% to 19%, representing the steepest decline in more than a decade. If current patterns continue, analysts estimate that an additional 250,000 to 400,000 workers could leave the labor force in the first quarter of 2026, bringing the total decline to 1.35–1.9 million foreign-born workers within a single year. These losses are concentrated in industries that anchor U.S. supply chains, including construction, logistics, food production, and manufacturing. Double-digit workforce reductions have already contributed to production delays, rising substitution costs, and strain on suppliers.

For R&D leaders, the implications extend beyond staffing, as reduced labor availability at manufacturing and supply-chain partners may slow pilot runs, complicate scale-up activities, and introduce bottlenecks in testing, validation, and commercialization timelines. Taken together, these trends point to a structural labor shift rather than a temporary disruption—one that may require organizations to reassess contingency planning, talent pipelines, and long-term strategy.

LEARN MORE

- Trump's Immigration Actions Are Taking a Toll on Local Economies (American Immigration Council)
- Why is ICE So Aggressive Now? (*Politico*)
- Videos Capture ICE Raids Across the Country (*USA Today*)
- The US Immigration Surge Comes to an End (*Oxford Economics*)
- The Immigration Solution that Can Unite America (*The Hill*)

ASK YOURSELF THESE QUESTIONS:

1. Should we conduct a review of our talent ecosystem, including suppliers?

2. Where do we lack visibility into labor risk across suppliers, contract manufacturers, and logistics partners — and which external dependencies would create operational disruption if staffing declines?

3. If labor constraints extend into 2026, which product programs, pilot efforts, or scale-up activities should be slowed, sequenced differently, or deprioritized based on risk?

4. Which roles across our extended workforce ecosystem are least substitutable — due to skills, certification, location, or learning curves — and what would it take to redesign or protect those roles?

5. To what extent are our R&D, manufacturing, and technical capabilities dependent on immigrant labor, global mobility, or visa-based talent — and where are we already seeing early signs of brain drain?

ASK YOURSELF THESE QUESTIONS:

6 How are labor shortages in foundational sectors (food production, construction, logistics, manufacturing) creating second-order risks to our operations, communities, and regional talent ecosystems?

7 What technology solutions can help make us more resilient to labor shifts?

8 Are we treating this as a temporary disruption or a structural shift — and what strategic assumptions would need to change if labor availability does not rebound?

RETURN-TO-OFFICE MANDATES ARE THE NEW GLASS CEILING

A significant shift toward return-to-office mandates has emerged across major companies, reversing hybrid and remote-work policies adopted during the pandemic. Data indicate that over half of Fortune 100 companies now require employees to return to the office multiple days per week, with the average in-office expectation increasing to approximately 3–4 days weekly. This trend has disproportionately affected women, particularly those balancing caregiving responsibilities, as stricter in-office requirements make it harder to maintain flexible work arrangements. Beyond caregiving, rigid return-to-office policies may limit women's visibility, access to informal networks, and advancement opportunities by reducing flexibility to attend in-person meetings, after-hours interactions, and informal decision-making spaces where influence and sponsorship often form.

For R&D organizations, these dynamics carry important implications: recruitment and retention of highly skilled female talent may be challenged and potentially reduce diversity of perspectives in innovation teams. R&D leaders should be aware of how these shifts could impact team productivity, talent mobility, and long-term innovation capacity.

LEARN MORE

- Return-To-Office Mandates Are the New Glass Ceiling (*Forbes*)
- Women Are Taking Pay-Cuts as Companies Mandate Return-to-Office (National Women's Law Center)
- The New American Workplace Crisis: The Exodus of the Working Mom (*Fortune*)
- Women's Pay is Falling Behind- is Return to Office to Blame? (JobAdvisor)

ASK YOURSELF THESE QUESTIONS:

1. Which groups in our organization have real choice under these mandates — and which do not — and how is that disparity affecting gender equity, career progression, and retention?

2. Are in-office requirements unintentionally creating a new glass ceiling by limiting flexibility, visibility, or access to informal networks for women and caregivers?

3. How much “overhead” does returning to the office impose (time, cost, energy) on staff, and are we accounting for that lost capacity in how we evaluate performance and engagement?

4. To what extent are our return-to-office policies being driven by leadership preference or cultural norms rather than the actual nature of how work gets done?

5. Are we missing an opportunity to use remote and hybrid work to expand our talent pool and relieve skills shortages, especially in highly specialized or hard-to-hire R&D roles?

STEMMING THE FLOW OF INFORMATION

In 2025, government restrictions and bans on major digital platforms increasingly reflected a broader tightening of cross-border data flows, digital access, and online communication infrastructure. While these actions are often described as social-media restrictions, they more accurately signal growing regulatory control over how information is shared, stored, and transmitted across borders- driven by concerns over data privacy and cybersecurity. Restrictions range from limits on platform access in specific regions to requirements around data localization, content governance, and user verification.

For R&D organizations, the relevance lies in the reliability of the digital ecosystems that enable distributed research, external collaboration, and rapid knowledge exchange. As access becomes uneven or unpredictable across regions, R&D workflows may face friction, delays, or complex compliance. R&D leaders should view this trend as both a risk and a forcing function—requiring greater resilience in digital collaboration models while reinforcing the importance of secure, compliant knowledge-sharing systems that can operate across increasingly fragmented regulatory environments.

LEARN MORE

- America's Social Media Ban May Be Closer Than You Think (*Newsweek*)
- Banning Social Media (*The New York Times*)
- TikTok, Instagram, Ban for Australian Kids Heralds Global Crisis (*Bloomberg*)
- Countries that Banned X, Tiktok, and Facebook for Security (Analytics Insight)
- Australia Begins Enforcing Teen Social Media Ban (Reuters)

ASK YOURSELF THESE QUESTIONS:

1. Where are our innovation, people analytics, and R&D workflows structurally dependent on cross-border data flows and which decisions or activities are most at risk under potential new regulations?

2. Do we have a single, enterprise-wide understanding of data ownership, data residency, and permissible questions by region, or are compliance decisions being made as needed?

3. How much additional cost, time, and operational friction are data localization, security reviews, and compliance requirements introducing and are these fully reflected in our timelines and ROI expectations?

4. Where do information restrictions require us to redesign collaboration, beta testing, or collective research models? What tradeoffs are we making between speed, trust, and creativity?

ASK YOURSELF THESE QUESTIONS:

5 How are surveillance concerns, visa-related data scrutiny, and platform restrictions shaping the willingness of global talent and partners to work with us?

6 As generative AI and automated content proliferate, what mechanisms ensure that critical decisions are based on trusted, human-validated insight rather than compromised or synthetic information?

ADDITIONAL TRENDS TO WATCH:

- Why this is China's Golden Age of Hacking (NPR*)*
- Trump Says US Could Reimburse Oil Companies for Venezuela Expenses *(The Hill)*
- Trump's First Year Could Have Lasting Economic Consequences *(The New York Times)*
- Chinese EVs Blow Past Tesla and Tariffs en Route to Global Reign *(The Wall Street Journal)*
- CEOs Say AI Is Making Work More Efficient. Employees Tell A Different Story *(The Wall Street Journal)*

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