

Israel Innovation Authority Publishes High-Tech Survey Amidst the War

Nearly half of companies report significant human capital shortages, while business and development activity continues across most firms

JERUSALEM, ISRAEL, March 30, 2026 /EINPresswire.com/ -- The Israel Innovation Authority today published the findings of a comprehensive High-Tech sector survey conducted during the third week of the conflict, between March 18–23, 2026. The survey, which included responses from 637 CEOs, founders, and executives, provides an up-to-date status report on the impact of the security situation on Israel's High-Tech industry.

The findings point to a dual reality: while most companies continue to operate and advance development efforts, the sector is facing notable short-term disruptions. Nearly half of companies report widespread human capital absences, 71% indicate impact on capital raising processes, and 42% report substantial delays in development timelines.

The survey reflects both the resilience of Israel's High-Tech ecosystem and the growing operational challenges affecting companies across workforce availability, development, manufacturing, and global supply chains. The majority of respondents are startups and growth-stage companies, with strong representation from deep tech firms.

Dror Bin, CEO of the Israel Innovation Authority, said: "Israeli High-Tech continues to demonstrate its resilience and its ability to operate even under challenging conditions. At present, the sector is facing a range of challenges related to human capital, supply chains, product development, and access to capital. Experience from recent years shows that the sector



Dror Bin, CEO of The Israel Innovation Authority

has proven its ability to recover quickly. The current challenge is to enable companies to navigate this period and return to a growth trajectory once the conflict subsides. All survey responses are currently being analyzed in depth, alongside the examination of various policy tools and potential measures, with the goal of ensuring a tailored response to the needs of the industry. Should the security situation continue, the Israel Innovation Authority will act to formulate measures and examine support mechanisms to ensure the sector's stability and its ability to continue growing and leading on the global stage."

The survey further indicates that the High-Tech sector continues to operate under uncertainty, with most companies avoiding sharp cost-cutting measures; only about 10% have placed employees on unpaid leave. However, the impact on human capital is broad and significant: approximately 48% of companies report that more than a quarter of their workforce is absent, due to a combination of reserve duty, lack of educational frameworks, and security restrictions. Only about 11% report no absenteeism.

Alongside workforce disruptions, there is significant disruption to operational and global activity: approximately 75% of companies report that restrictions on international flights are affecting operations, with about 35% indicating a significant impact due to difficulties in holding business meetings, attending conferences, conducting sales, forming partnerships, and raising investment.

In manufacturing and supply, the data also indicates impact: approximately 41% of responding companies are manufacturing companies, of which 76% report some level of impact on production capabilities. Around 24% report significant impact, while approximately 6% report a complete halt in manufacturing. In parallel, about 20% report significant delays in importing raw materials, and around 8% report partial supply stoppages, reflecting disruption in both global and local supply chains.

These temporary operational disruptions are translating into delays in company activity, product development, and time-to-market. Approximately 87% of companies report delays in meeting development targets or product launches, with 42% indicating significant delays. In addition, about 67% have already postponed product launches or milestones, including 22% reporting major delays. The impact is particularly pronounced among smaller companies, whose delay and postponement rates are higher.

One of the central findings is the impact on capital raising processes, a key growth engine of High-Tech. Approximately 71% of companies report that the security situation has affected capital raising or investment processes. Among them, 37% report delays, 23% report that investors have postponed investment decisions, and 11% report complete cancellation of processes. The impact is more significant among smaller companies and those located in northern and southern regions.

Looking ahead, respondents express concern regarding prolonged instability. Only about 13%

estimate no change in activity if the situation continues. In contrast, 34% anticipate a slowdown, 22% expect project delays, and 18% foresee reductions in activity or human capital. Approximately 12% estimate that prolonged conditions may lead to company closure, with higher rates among early-stage companies.

For the full report, please press [here](#).

The survey also highlights a trend of considering alternatives outside Israel: approximately 31% of companies report considering relocating activity abroad, while an additional 9% considered it but decided against it. A direct correlation was found between the level of impact on company's activity and the likelihood of considering relocation.

Raoul Wootliff
N10S
+972 54-692-1720
[email us here](#)

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