State of the Sector 2021/22

The definitive global survey of the internal communication and employee engagement landscape

Gallagher

A world of possibility...

What do you get when you ask 1,300 passionate people to share their reality of working in internal communication (IC) today?

Don't worry, this isn't a bad joke with an even worse punchline; this is the return of the original — and the best — IC influencer.

Yes, State of the Sector is back... and this time it's bigger than ever!

Our 2022 report is our most insightful one yet, with more responses from more territories than ever before — astonishing, when you consider that we've all had *quite* a lot to do lately.

There have been so many bumps in the road to navigate since the last report, so many questions to answer, so many changes to communicate, so many ways to make a difference; the fact that so many of you have taken the time to have your say is testament to the level of commitment that sits within your professional DNA.

This is knowledge sharing on the grandest of scales — and we're excited to bring you the results that will help your messages continue to sing from the rooftops at a time when clarity counts for everything.

Because that's exactly what State of the Sector stands for.

It's as much about painting a picture of where internal communication is today as it is about anticipating the trends that lie ahead; it's about enabling internal communicators to aspire for better, to reach higher, to shout louder, to stand taller, to step up to the plate and refuse to budge.

It's about helping you understand your level of value through valuing your level of understanding.

But we can't do it without your input. You dictate the outcome here. If you're seeing the same results as last time, that's because you're reporting that nothing has changed; if you're disappointed in some of the numbers, that's because we need to raise a collective call to action to turn that dial.

As communicators, our stock is undeniably on the rise. It's up to us to keep climbing, to keep pushing forward, to take control of our profession and proudly shake our strategic tail feathers till those decision makers take notice — because, when it comes to empowering organisations to deliver a better employee experience,

foster a unique culture and communicate the employee value proposition to their workforce, internal communicators know how to get the job done.

The work you do really matters. It fuels the passion of your people, helps recruit, engage and retain them, and drives the wellbeing of the organisation.

Don't lose sight of that as the scope of your responsibilities expands further, and don't forget why you do what you do — your organisation and its employees will be richer for it.
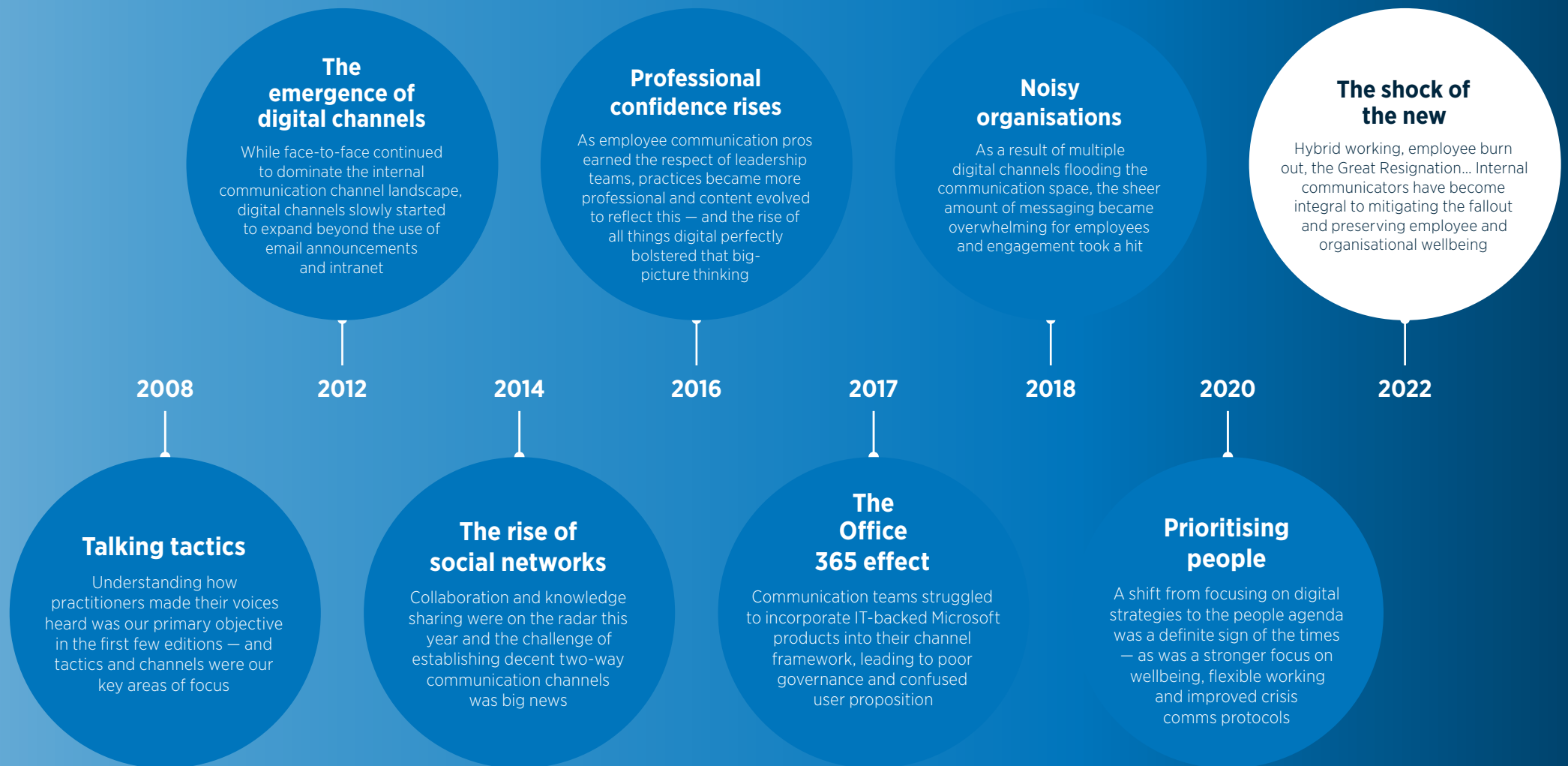
Ben Reynolds
Global Practice Managing Director

Supported by...

More than a decade of insights

Since 2008, State of the Sector has painted a fascinating picture of the evolution of the internal communication and employee engagement landscape.
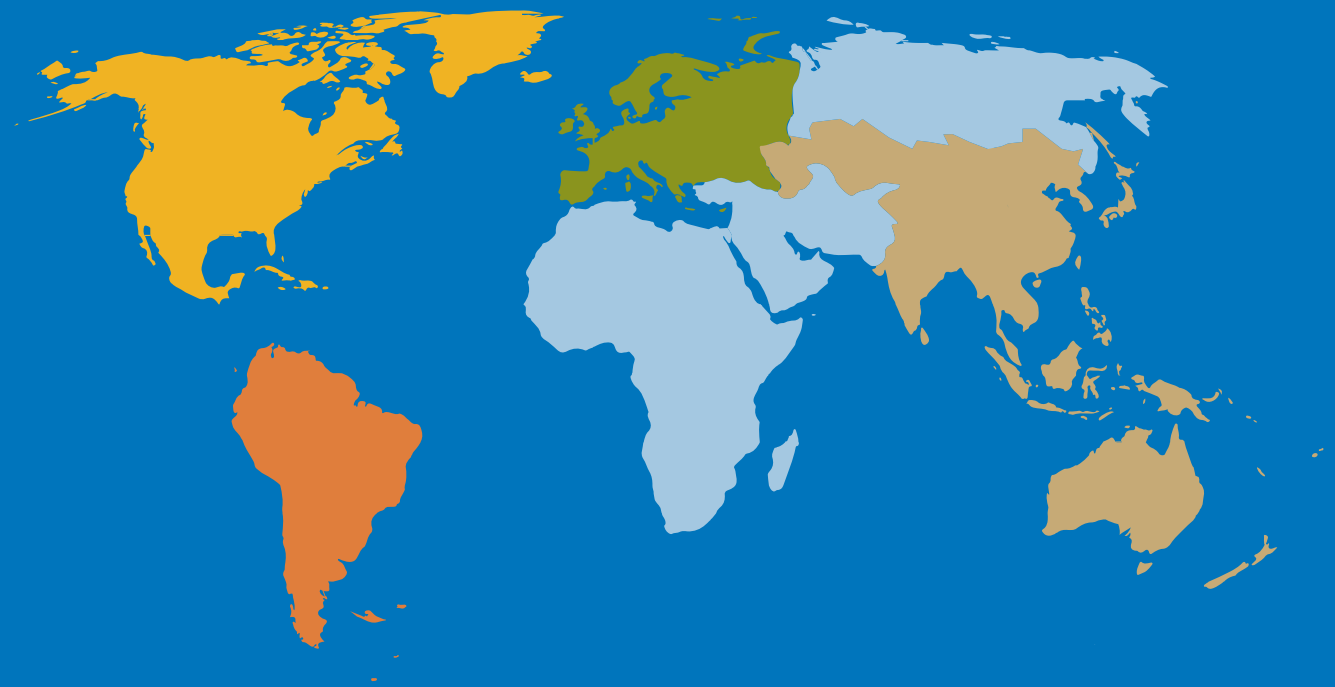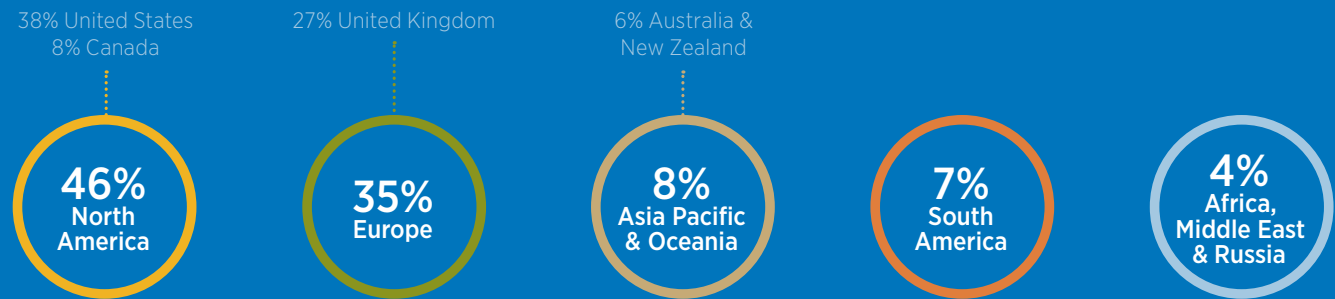
The emergence of digital channels

While face-to-face continued to dominate the internal communication channel landscape, digital channels slowly started to expand beyond the use of email announcements and intranet

Professional confidence rises

As employee communication pros earned the respect of leadership teams, practices became more professional and content evolved to reflect this — and the rise of all things digital perfectly bolstered that big-picture thinking

Noisy organisations

As a result of multiple digital channels flooding the communication space, the sheer amount of messaging became overwhelming for employees and engagement took a hit

The shock of the new

Hybrid working, employee burn out, the Great Resignation... Internal communicators have become integral to mitigating the fallout and preserving employee and organisational wellbeing

2008 **2012** **2014** **2016** **2017** **2018** **2020** **2022**

Talking tactics

Understanding how practitioners made their voices heard was our primary objective in the first few editions — and tactics and channels were our key areas of focus

The rise of social networks

Collaboration and knowledge sharing were on the radar this year and the challenge of establishing decent two-way communication channels was big news

The Office 365 effect

Communication teams struggled to incorporate IT-backed Microsoft products into their channel framework, leading to poor governance and confused user proposition

Prioritising people

A shift from focusing on digital strategies to the people agenda was a definite sign of the times — as was a stronger focus on wellbeing, flexible working and improved crisis comms protocols

Who responded?

We ran the survey from October to November, 2021 — **more than 1,300 organisations from all over the world took part.**

For the first time in the history of the State of the Sector report, North America became the most represented territory when it came to survey respondents — and while participation from internal communicators in Europe remained significant, the number of people having their say from Asia Pacific & Oceania and South America both increased significantly.

This year, we also asked internal communicators to rate their organisation's ability to attract and retain talent. Throughout the report, we've shown how those who rated themselves as 'above peer average' compared with the market.

38% United States
8% Canada

46%
North America

27% United Kingdom

35%
Europe

6% Australia & New Zealand

8%
Asia Pacific & Oceania

7%
South America

4%
Africa, Middle East & Russia

More than 33 industries represented

10%	Banking and Finance (excluding insurance)
10%	Public Entity / Local and Central Government
7%	Technology (excluding hardware)
7%	Healthcare
5%	Professional Services and Consulting

Organisation size

22%	<250 employees
35%	250-2,499 employees
18%	2,500-9,999 employees
25%	10,000+ employees

Resetting the agenda

In the current climate, planning is difficult. Two steps forward, three steps back seems to be the 'new new new' normal these days, with new variants, new priorities — personal and professional — and new levels of existential dread entering our lives on a seemingly daily basis.

Last year, our research showed that two thirds of internal communication professionals believed their level of influence within their organisation had increased throughout the course of 2020. We also found that, against all odds and in spite of the many challenges brought by the pandemic, plenty of organisations had started to capitalise on a few emerging opportunities — a greater focus on key issues such as employee wellbeing (named as an emerging trend by 70% of respondents in the 2020/21 survey) and diversity and inclusion (55%), new ways of working (52%) and increased leadership visibility (47%), a greater investment in digital channels (46%) and more empowerment of people managers (38%) to engage with their teams.

As we started designing this year's survey, a few questions immediately came to mind.

First of all 'Have we lived up to this promise of a brave new world?'; and secondly 'In a world where uncertainty comes as standard and many of us are still struggling to see a light at the end of the tunnel, have we managed to springboard off the momentum we built in the days where employees were still very much invested in the "in-it-together" ethos and an imminent return to work still seemed very much rooted in reality?'
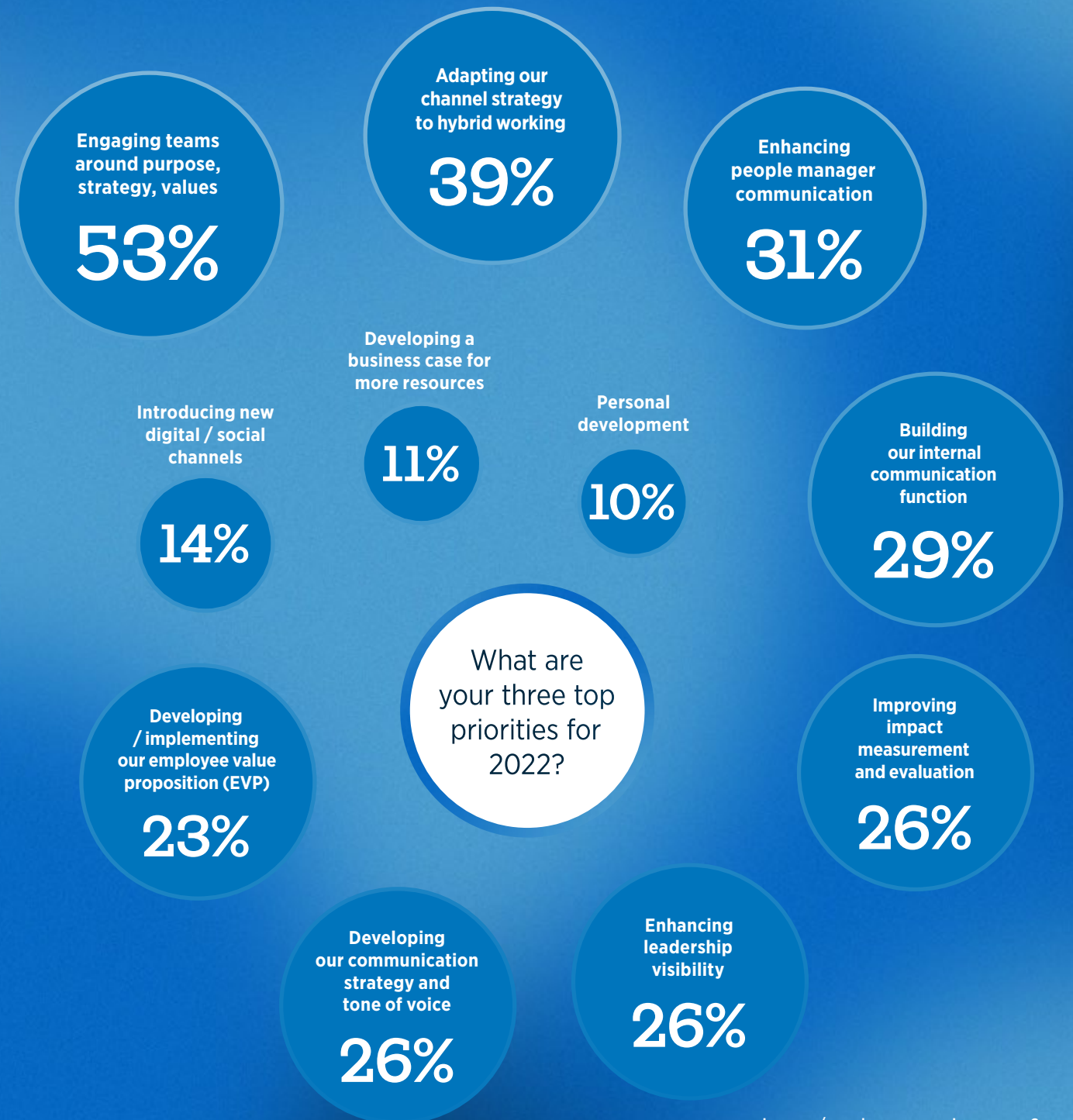
Have we lived up to the promise of a brave new world?

2022 priorities

In line with the past five editions of State of the Sector, 'Engaging people around purpose, strategy and values' remains the number-one priority for more than half (53%) of the world's organisations — a result consistent throughout all geographies and organisation sizes, reminding us that this is the very essence of internal communication.

But, because we saw significant changes in all other responses this year, this is where the comparison with what has gone before stops:

- 'Adapting channel strategy to hybrid working' (new to this year's survey) came in as the second highest priority, with around 2 in 5 respondents (39%) saying this will be a priority for their organisation.

- 'Enhancing people manager communication' made it into the top three for the first time ever with 31% — even though it was considered to be a lower priority in organisations with 10,000+ employees.

- By contrast, 'Enhancing leadership visibility' scored a lot lower this year. While it was consistently in the top three priorities between 2016 and 2019, it only made it to sixth place this time around — a notable drop when you consider that our last report named increased leadership visibility as a positive side effect of the pandemic.

Engaging teams around purpose, strategy, values
53%

Adapting our channel strategy to hybrid working
39%

Enhancing people manager communication
31%

Developing a business case for more resources
11%

Personal development
10%

Introducing new digital / social channels
14%

Building our internal communication function
29%

What are your three top priorities for 2022?

Developing / implementing our employee value proposition (EVP)
23%

Improving impact measurement and evaluation
26%

Developing our communication strategy and tone of voice
26%

Enhancing leadership visibility
26%

2022 challenges

As in previous years, we asked respondents what they saw as their biggest challenges. And, while these don't normally vary drastically year on year, there were a number of surprises this time around:

- In an unprecedented move, employee disengagement was seen as the biggest challenge by respondents. Last year we saw it reach third on the list, but with nearly 4 in 10 citing it as a major hurdle this time around (37%) it's probably safe to say that we're far from seeing the wholesale shift in mood that many of us so desperately need.

- With 32%, lack of capacity came in at a close second quite consistently across organisations of all sizes (an increase of +10 points over the past year). And although this answer had been pretty prominent in previous years (2020, 2019), it had never been listed as the second largest challenge globally — ever. Not exactly shocking, though, when you consider how the demands placed on internal communicators have skyrocketed since the start of the pandemic (and are currently showing no signs of abating either).

- It was surprising to see lack of measurement and analytics rank so highly on the list too (in third place with 27%); but the proportion of people who rated this as a challenge was consistent with those saying they wish to improve measurement when it came to their priorities.

- For the first time since we introduced it as an option in 2018, with 22%, 'Volume of communication too high' wasn't one of the top three challenges. It is important to note, however, that it remains in the top three in organisations with more than 10,000 people.

- Similarly, 'Internal technology not fit for purpose' remained in the top five (as per last year) with 22%, but was more likely to be seen as an obstacle in larger organisations.

- On a more positive note, it's worth mentioning how some of the choices that scored highly a few years ago aren't currently seen as significant challenges — 'Lack of involvement in decision making' (12%) or 'Non-wired / deskless employees' (also 12%), for example. Could this be a sign that internal communication professionals have actually managed to overcome these barriers?

What are your top three challenges for 2022?

	Overall
Disengaged employees	37%
Lack of capacity / human resource in my team	32%
Lack of analytics / measurement	27%
Poor people manager communication skills	27%
Internal technology not fit for purpose	22%
Volume of communication too high	22%
Lack of clear direction from the top	20%
Lack of advance notice for corporate announcements	12%
Lack of involvement in decision making	12%
Non-wired / deskless employees	12%
Teleworking / remote employees	11%
Lack of financial resource	11%
Too many internal communication channels	9%
Lack of distinct internal brand	9%
Lack of support from senior leaders	8%
Lack of skills / experience in my team	7%
Lack of structure / organisation in my team	6%

In this report...

1
Purpose and strategy

Is internal communication driving understanding?

2
Employee experience

Can it be a competitive advantage?

3
Hybrid working

Are organisations adjusting their strategies?

4
People managers

What is their role in the new world of work?

5
The new golden age

What can we learn from world-class communicators?

And also...

Reporting lines

Resources

Face-to-face channels

Digital channels

Environmental channels

Content

Plus: What does world-class internal communication look like in 2022?

The big questions

Big Question 1

Purpose and strategy

Is internal communication driving understanding?

Creating clear line of sight is the internal communicator's raison d'être — which is why it's reassuring to see that 'engaging employees around purpose, strategy and vision' remains the profession's number-one priority in all four corners of the globe this year.

But, in the wake of COVID-19, the central force behind what it means to communicate with clarity has gained even more strength. And, as people continue to focus on what works for them while nailing that 'work-life' balance, driving wholesale employee awareness has seemingly transcended the need to make sure individual behaviours align to a greater collective purpose and vision — right now, creating a sense of belonging and a true connection to organisational values that matter is where it's at.

So, following a period marked by uncertainty, short-term planning and reactive communications, just how far have organisations come in the battle to reclaim their corporate narrative? What role are internal communicators actually playing in this? And what impact are the communications we work so hard to perfect really having when it comes to driving employee understanding?

Engaging employees around purpose, strategy and vision remains the profession's number-one priority

Dealing with uncertainty

Let's face it, internal communicators can't be expected to create clarity and alignment where there's no embedded top-down blueprint for this… or can they? To get to the bottom of this, it's important to explore the context in which they operate, the direction in which the organisations they work for are heading, and the state of their organisational wellbeing.

20% of respondents named 'Lack of clarity from the top' as one of their biggest challenges for 2022 (see page 7). While this only makes it the seventh biggest challenge on the list, it offers a good indication of the levels of uncertainty faced by many.

However, when exploring the nature of the transformation that organisations are going through, it's interesting to note that 'Directional change — new purpose and new strategy' was named by just 22% of respondents (down from 28% last year), which suggests that **only 1 in 5 have changed tack and expect to be rolling out a new purpose or strategy (22%).**

Instead, the top three answers were 'Process and ways of working' (56%), 'Culture change' (39%), and 'System and technology change' (36%) — a similar result to what we saw in the 2021 report, but in a slightly different order (culture change topped the list last time).

As we move through 2022, to really nail that crucial clarity and alignment factor, the organisational narrative will need to be holistic and to cover 'how' we do it as much as 'why' and 'what' when it comes to communicating change. And that will certainly need some clear direction from the top.

What, if any, change programmes does your organisation have planned for 2022?

|	Overall
Process / ways of working change — future of work, flexible working, new ways of working	56%
Culture change — values, behaviours and leadership styles	39%
System and technology change — new information and collaboration tools, digital experience	36%
Directional change — new purpose and new strategy	22%
Personnel change — restructure, redundancies, role changes	22%
Brand and offering change — new products / services, customer experience	21%
Leadership change — new executive team, board member(s)	19%
Relocation change — moving or removing office(s) / working locations	12%
Merger and acquisition — being acquired by or acquiring another organisation	11%
No change planned	7%

Broadening scope

Although they've been important components of the organisational narrative across the past decade, themes such as diversity and inclusion (D&I) and environmental, social and governance (ESG) have emerged as the hot topics of the past two years.

But how well are organisations embedding these larger, societal themes into their narrative? And how genuine is this global concern for the future of the planet?
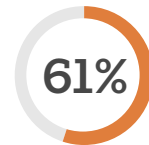
From an employee perspective, very — with an encouraging **77% of respondents saying that their people care about their organisation's commitment to reduce its impact on the environment. What's bound to be disappointing for these employees, though, is the considerably lower proportion of participants (just 50%) telling us that their organisation actually has a compelling ESG narrative in place.** However, this was a lot higher in larger organisations (68% in organisations with more than 10,000 employees), who were also a lot more likely to believe that the sustainability imperative will impact their business model significantly in the next few years.

Respondents were slightly more positive when it came to D&I, with 61% saying that their organisation has a credible narrative in place that they can share internally. Organisation size seemed to come into play here too, suggesting that larger organisations have embraced these themes in a much more structured and systematic way than smaller ones.
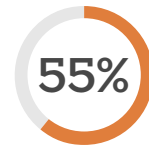
Thinking of your organisation's D&I and ESG strategies, to what extent do you agree with the following statements?
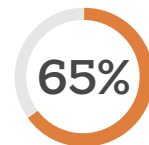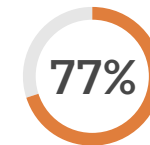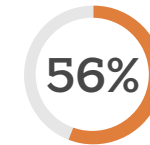
65% We feature diverse voices in our communications

77% Our employees care about our commitments to reduce our impact on the environment

61% My organisation has a credible D&I narrative to share internally

56% The sustainability imperative will change my organisation's operating model significantly in the near future

55% Our leaders talk about D&I regularly

50% My organisation has developed a compelling ESG narrative

*Percentage of respondents who 'Strongly agree' or 'Agree' with the proposition

Reclaiming the narrative

So exactly what role are internal communicators playing when it comes to crafting the corporate narrative around organisational wellbeing, vision, strategy and values?

When asked that question, only 34% of respondents 'strongly agreed' that they are actively involved in this, with half of respondents being more cautiously supportive of the statement — 50% only went as far as to saying that they 'agreed'. While this is an overall positive result at 84%, the fact that 16% state that they don't get involved suggests that there is significant room for improvement here.

A slightly smaller proportion overall (81%) felt that they helped shape the tone of voice in their organisation; and the results were less positive still when it came to providing coaching to the leadership team and helping them find their personal style — just 63% of respondents told us that they are somehow involved in this, which is disappointing when you consider the vital role internal communicators played in humanising the leadership talk track during the height of the pandemic.

Thinking of your relationship with the leadership team specifically, to what extent do you agree with the following?
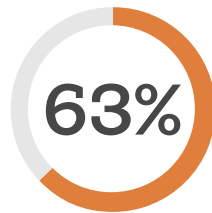
Internal communicators...
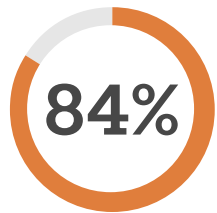
84%	81%	63%
...actively craft the corporate narrative around our vision, strategy and values	...shape our tone of voice and influence how leaders talk to our people	...provide coaching to the leadership team and help them find their personal style
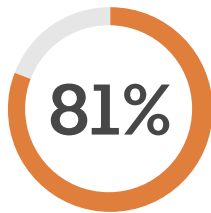
Percentage of respondents who 'Strongly agree' or 'Agree' with the proposition

Employee feedback

The challenges of maintaining a very real connection to employees presented by the heightened attention on the safety, health and wellbeing of employees as a result of the increasing move to hybrid working have been significant, and many leaders have been left wondering how their messages really land with people as a result — after all, it's a lot harder to gauge people's reactions when talking to a screen.

But has the way organisations encourage conversations and capture feedback changed since we started operating in a remote world? And how has the impact manifested itself through the employer-employee relationship?

Let's start with the positives: an overwhelming 88% of respondents agreed that their organisations genuinely value employee feedback — a result consistent across organisations of all sizes. Less impressive though, is the fact that **only around two thirds (64%) feel that their organisations learn and act on it... and less than half (47%) think that they have a solid process in place for capturing this 100% valuable information.**

This needs to change, fast. By their very nature, organisational narratives need to constantly evolve — they're shaped by people stories and they have to be adapted based on employee feedback.

As always, the data is always there if you need it; but very few organisations have cracked how to actually leverage the wealth of insight at their disposal and turn it into action.

Thinking of the way your organisation manages employee feedback, to what extent do you agree with the following?
My organisation...

	Strongly agree	Agree	Disagree	Strongly disagree	Overall	**Total positives***			
						Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Values employee feedback	32%	56%	10%	2%	**88%**	88%	90%	88%	86%
Learns from and acts on employee feedback	13%	51%	31%	5%	**64%**	72%	63%	66%	58%
Has a robust process for capturing employee insights and feedback	12%	35%	43%	10%	**47%**	39%	46%	47%	54%

Percentage of respondents who 'Strongly agree' or 'Agree' with the proposition

Organisational listening

Undoubtedly, we all understand the importance of gathering employee feedback — whether we do it or not. But which communication channels do organisations use to gather employee views? And are we seeing new or different methods of data capture gaining prominence as we continue to embrace the digital landscape?

Although 84% of respondents agree that internal communication plays a critical role in capturing and amplifying employee voice, there is little evidence that it actively does so.

Overall, responses were very consistent with last year here — around three quarters (74%) of respondents told us that they've run an engagement survey in the past 12 months. This was followed by shorter, usually more frequent, pulse surveys with more than half (56%) of respondents saying they've used this method — a slight decrease from last year, although primarily driven by an increased participation from smaller organisations.
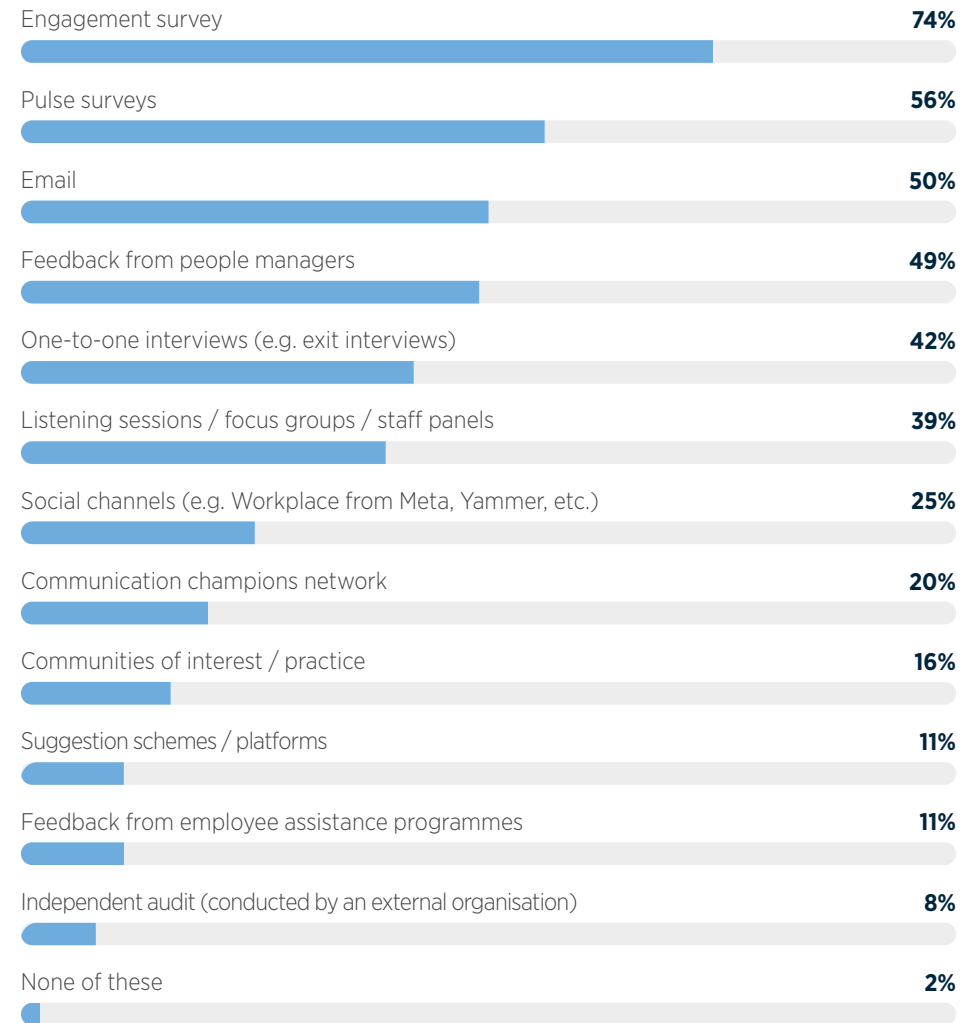
As in previous years, however, qualitative sources were used a lot less. Only 2 in 5 organisations (39%) leverage focus groups and listening sessions, in spite of these channels being a critical resource when it comes to gaining valuable feedback.

The role played by internal influencers was also disappointingly low. Just under half (49%) of respondents said they used feedback from people managers — a surprising result considering the supposedly central role played by people managers in the overall communication cascade (something we'll explore later in this report).

Similarly, **although 31% of organisations say they use internal communication ambassadors or champion networks (see page 49), only 20% actually view them as a feedback channel** — and are, as a result, talking at people instead of actually engaging with them. A missed opportunity, to say the least.

Finally, feedback from social channels was also very low (25%) in comparison to their use in organisations (39% of organisations say they use this — see page 50) — suggesting that internal communication teams use these to push messages, but don't necessarily leverage their two-way channel potential.

Which of the following listening channels have you used in the past 12 months to collect employees' views and feedback?

Channel	%
Engagement survey	**74%**
Pulse surveys	**56%**
Email	**50%**
Feedback from people managers	**49%**
One-to-one interviews (e.g. exit interviews)	**42%**
Listening sessions / focus groups / staff panels	**39%**
Social channels (e.g. Workplace from Meta, Yammer, etc.)	**25%**
Communication champions network	**20%**
Communities of interest / practice	**16%**
Suggestion schemes / platforms	**11%**
Feedback from employee assistance programmes	**11%**
Independent audit (conducted by an external organisation)	**8%**
None of these	**2%**

Winning hearts and minds

It doesn't matter if your company comprises of 50 tech wizards in a South London warehouse or 10,000 digital nomads dotted around the world, the first challenge when it comes to effective communication is people. The information you share has to resonate, it has to be clear and it has to drive action. If your employees don't understand what you're saying, they won't waste their time trying to work it out.

But how do you know how well your communications are landing? And how can you make sure the people that matter — the employees — are taking notice?

We'll explore how well organisations are measuring the impact of their communications in depth later in this report, but it's important to note at this point that only 72% of organisations measure their employees' level of understanding 'systematically' or 'sometimes' — suggesting that some of the responses in this section might be based on 'gut feel' rather than actual data.

When asked how well they think their people understand their organisation's purpose and vision, 63% of respondents rated this as either 'excellent' or 'good'. There was a significant drop, however, when it came to the actual business strategy — more than half of respondents (53%) told us that understanding is either 'average' or 'poor' in this area.

Results were more disheartening still when it came to assessing employees' understanding of their personal impact on the organisational purpose or strategy. Only 41% of respondents think their people have a handle on this — which isn't great, when you consider that the primary objective of internal communication is to add clarity here.

When you look at how organisations plan and manage internal communication, things become a little bit more encouraging. Again, we'll go into more detail on this later (see page 41), but — in comparison — it's interesting to see that respondents who said they have an 'overarching internal communication strategy (covering a period of more than one year)' reported much higher levels of employee understanding: with 72% for purpose and vision, 55% for business strategy and 47% for personal impact on organisational purpose and strategy.

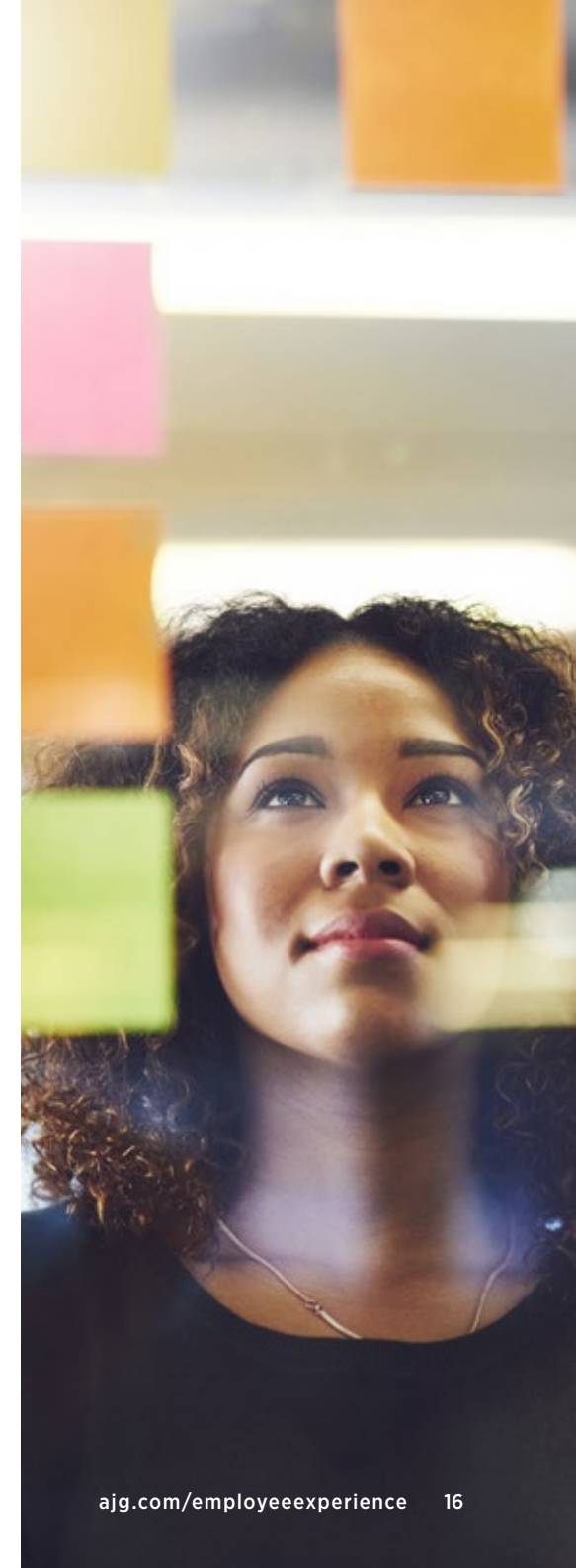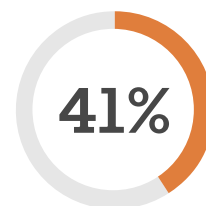## Would you rate your people's understanding of the following as good / excellent?

Purpose and vision	Business strategy	How they contribute to your purpose and strategy
63%	**47%**	**41%**
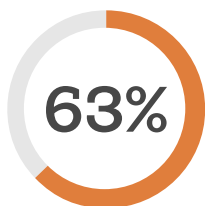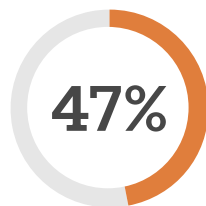
Organisations with higher levels of talent attraction and retention focus on employee feedback and understanding
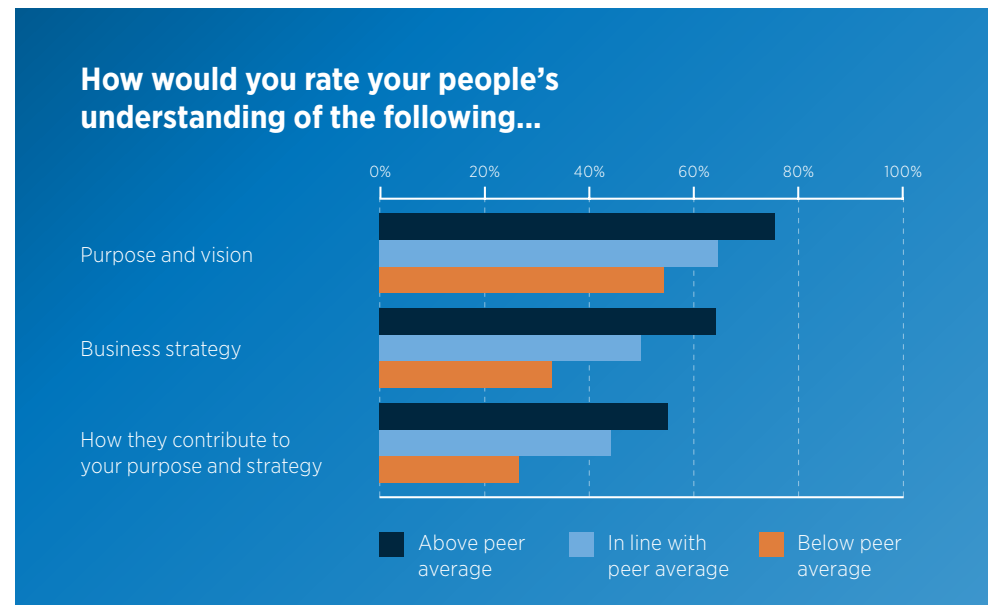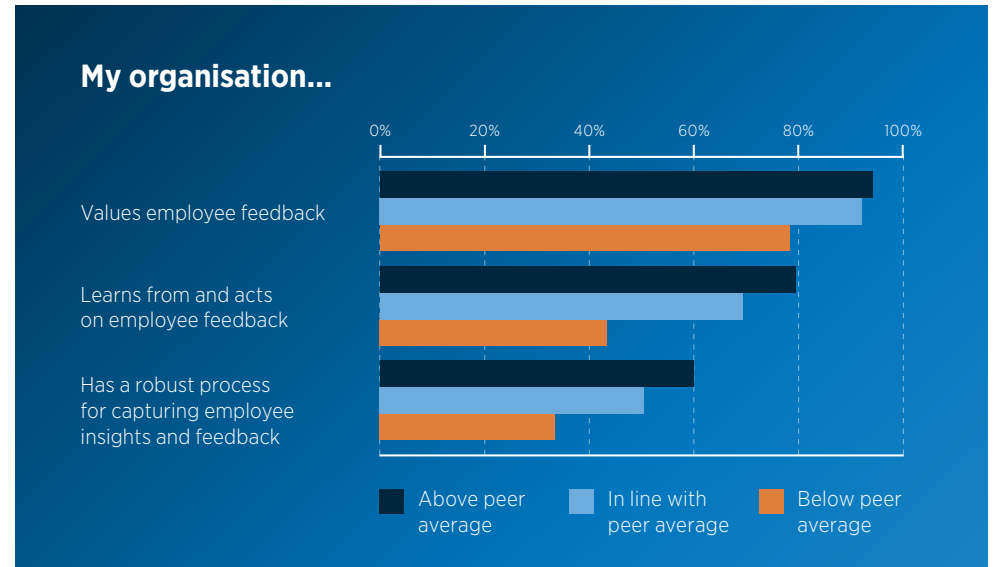
It's all well and good encouraging internal communicators to gather employee insight and use it to determine their strategic approach, but is it actually worth the effort? And are organisations that value employee feedback reaping the rewards?

To investigate this, we compared the questions in this chapter with another question where we asked respondents to rate their organisation's ability to attract and retain talent against their peers.

We then segmented all respondents into three groups: the 'Above' group brings together those who rated their organisations as 'significantly above peer average' or 'above peer average' (17% of all responses); 'In line' refers to those who rated themselves as in line with peer average (49% of all responses); 'Below' merges those who rated themselves as 'below peer average' or 'significantly below peer average' (27% of all responses). The remaining 7% who told us that they 'weren't sure' how their organisations compared were excluded from this exercise.

Some interesting results came up from the comparison between the 'Above' group and the overall sample:

- The 'Above' group rated their organisation's attitude to employee listening more positively across the board — they were more likely to believe that their organisation valued employee listening and had a robust process for capturing employee feedback.

- The biggest gap between the 'Above' and 'Below' groups was around the ability of their organisation to learn and act on employee feedback.

- Respondents in the 'Above' group rated their people's understanding of all topics covered in this section significantly more positively than other groups.

- The biggest disparities were around understanding the business strategy (64% in the 'Above' group reported excellent or good here, compared to only 33% in the 'Below' group), and understanding of employees' individual contribution and impact to the strategy (55% in the 'Above' group reported excellent or good, versus just 27% in the 'Below' group).

My organisation...

- Values employee feedback
- Learns from and acts on employee feedback
- Has a robust process for capturing employee insights and feedback

Legend: Above peer average · In line with peer average · Below peer average

How would you rate your people's understanding of the following...

- Purpose and vision
- Business strategy
- How they contribute to your purpose and strategy

Legend: Above peer average · In line with peer average · Below peer average

The Gallagher view

Is your story pure BS*?

*Business speak

In 2021, employers across the world felt the true force of their employees' views on the issues that matter.

This year, as the tremors of the past two years settle into a 'new new new' normal, the challenges of communicating your organisation's value, brand identity and purpose will fully come to light.

It's no longer possible (or okay) to simply sit on the fence of environmental, cultural, social, and political issues, hiding your opinions behind a 'doing-your-bit' politically generic LinkedIn profile badge update or a virtue-signalling email banner.

That's just not good enough — and everyone (from your employees to your customers) will tell you so, all while demanding that you speak up and make your actual views known.

Why? Because now, more than ever, people need hope.

In 2022 we welcome back a workforce seeking something to believe in — and they need to know that the organisation they give their time and talents to has a vision that aligns with their personal view of this increasingly challenging world.

So whether you're thinking about resetting your corporate, D&I, wellbeing or ESG narrative (or all of the above), the smart employers will make sure they are making meaningful and authentic connections with their people.

What you deliver has to be conscious and full of purpose; it has to be told through real stories of challenge and triumph; it has to connect the why and how behind the what.

If it isn't, it just won't matter. You won't matter.

However, the real challenge here isn't in the crafting of meaningful mission statements; it's in the way you live up to those promises. Because once this is live, it's out there — you will be judged and you will be held accountable.

Remember: this only becomes authentic if your employees have the time, resources and support to truly live your values; it only works if you ignite the spark that gets your people fired up enough to proudly embody those unique experiences you've worked so hard to create.

Which is why it's time to cut the BS and focus on an employee-centric approach to your purpose and brand narrative. It's the best way to stay relevant and authentic, all while building the reputation of life at your organisation — even if (when!) you get it wrong.

Howard Fry
Creative Director

Big Question 2

Employee experience

Can it be a competitive advantage?

There's no denying that the last two years have been difficult for everyone, with employees in particular battling often challenging new ways of working — and many finding themselves isolated from their colleagues, working in less than ideal conditions, and having to negotiate a new work-life balance.

So, as mental health suffered en masse, it isn't exactly surprising that these unprecedented circumstances led to a career rethink for many. And if your organisation is haemorrhaging talent due to an unexpected surge in people jumping ship, it's likely that your business has fallen victim to the dreaded Great Resignation that everyone's talking about. Yes, the employee mass exodus is here — and it's a serious issue.

In last year's report, we asked whether the employee experience (EX) was finally coming of age — and rightly so. With increasing levels of importance being placed on wellbeing, diversity and inclusion, and employee voice, it felt like organisations had *finally* started to prioritise their people.

Happy days, right? Well, not exactly. While many organisations talk a good game here, the vertigo-inducing levels of staff turnover so many businesses are seeing right now seem to tell a different story. And it's a story that's actively encouraging disengaged employees to vote with their feet.

So what's gone wrong? And how come, when we consider everything we've discovered throughout the pandemic (and everything that the customer experience world has been teaching us for the past decade), many of us are still not quite managing to create the employee experience that our people — our most important asset — really deserve?

As organisations start to emerge from an intense period of COVID-19-related crisis management to face unparallelled level of resignations, can a more proactive approach in favour of employee experience give them a competitive edge? And how does communication — and the role of the internal communicator — fit within it?

Organisations that invest in employee experience do better in the war for talent

Taking responsibility

'Employee experience? That's one for HR…' said overworked internal communicators everywhere at one point or another last year. Well, maybe not — but it's safe to say that there has been something of an ownership issue here since the concept started to embed itself into the corporate consciousness.

However, there are some clear signals that this is changing: 58% of respondents named 'broader employee experience themes (recognition, compensation, wellbeing, diversity and inclusion)' as one of the skills that internal communication professionals should look at developing in order to continue their upward trajectory of influence at their organisations () — sandwiched between the more traditional learning areas of 'data analysis and measurement' (61%) and 'changing attitudes to work' (58%).

In addition, 82% agreed that internal communication is seen as a key driver of the employee experience in their organisation (although only 29% 'strongly agree' with this statement) — and when you couple this with the fact that respondents named employee disengagement as their biggest challenge this year, it's safe to say that communication professionals have become increasingly aware of the need to broaden their focus.
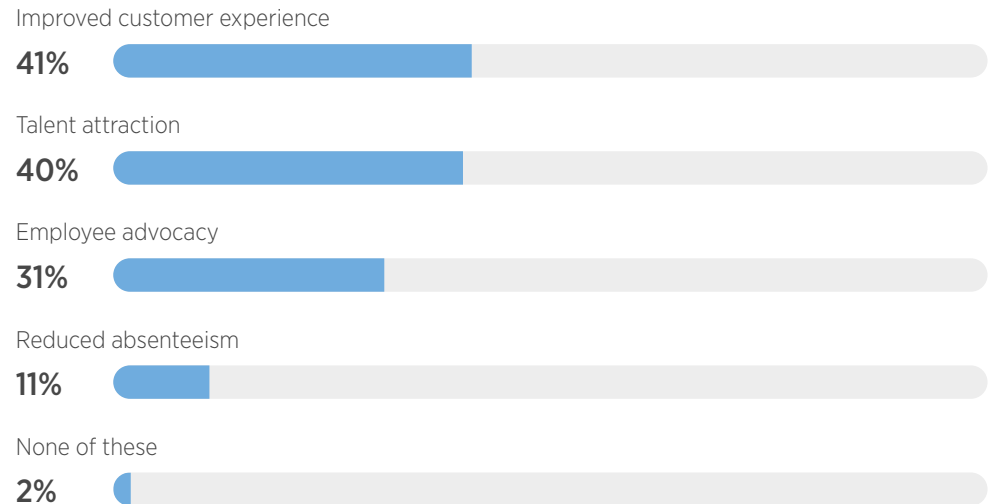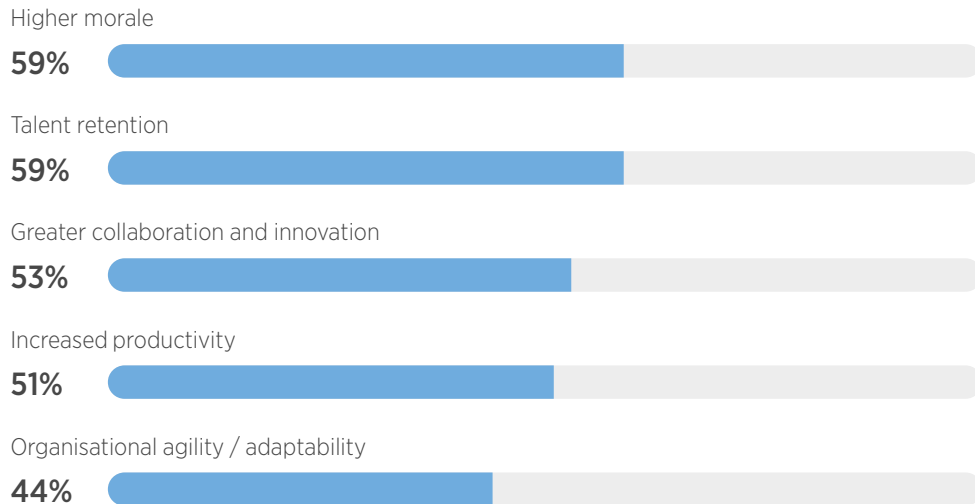
Although still a critical component, **internal communication is no longer 'just' about communicating an organisation's purpose, vision and strategy; it needs to expand to cover a variety of more inward-focused themes and messages.** So how are organisations viewing the benefits of employee experience? And what conversations is it driving with C-suite leaders?

How can internal communication help foster not only employees' wellbeing but the wellbeing of the organisation as a whole?

Asked what resonates most with executives, it's interesting to note that, although the order of answers stayed the same, almost all responses received more votes this year — with talent retention and attraction seeing the largest increases in number of votes (up 8 points at 59% and 9 points at 40%, respectively).

This is an undeniably good sign, as it shows that internal communicators are having broad conversations around a much wider range of business challenges with their leaders. Disappointingly, though, employee advocacy and improved customer experience are not widely seen as reasonable arguments to put forward when having these conversations with executives.

What do you think resonates most with your executives when discussing the benefits of internal communication and EX?

Higher morale
59%

Talent retention
59%

Greater collaboration and innovation
53%

Increased productivity
51%

Organisational agility / adaptability
44%

Improved customer experience
41%

Talent attraction
40%

Employee advocacy
31%

Reduced absenteeism
11%

None of these
2%

View from the top

As the phrase 'employee experience' continues to crop up as a selling point in job descriptions on LinkedIn, it's worth exploring how many organisations are actually implementing dedicated cross-functional teams in order to drive this concept forward.

When asked if employee experience is being discussed at C-suite level in their organisation, an impressive 73% of respondents answered **'yes'** (a small increase from 68% last year) — a result that's remarkably consistent across all regions and organisation sizes.

But, as we're seeing elsewhere, this looks like it could be another case of 'all talk, no action'.

The fact is, **the reality of the situation doesn't quite measure up to the intent here: only 31% say that there is a clear mandate from the top to drive this,** showing little progress against last year; and, for many, this hasn't exactly translated into a structured approach — only 19% of organisations have invested in a cross-departmental team to drive this and just over a third (37%) say that there's a high level of interdepartmental collaboration where they work.

On the plus side, there is at least a realisation that the joined-up approach that's needed here isn't exactly happening. A significant 44% of respondents told us that their approach to employee experience is fairly siloed — again, a result that was pretty consistent across organisations of all size (even if enterprise-level organisations are more likely to have implemented such a team).
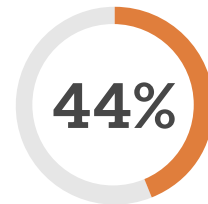
Which of the following best describes your organisation's approach to EX?
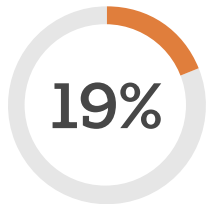
19%
There is a cross-department working group in place to define and embed our EX
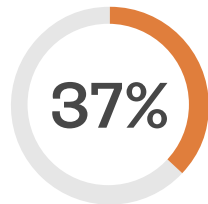
37%
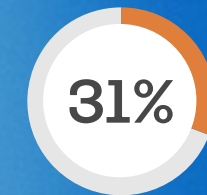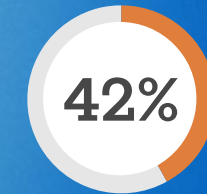There is no formal group, but a high level of collaboration

44%
There is limited collaboration between departments to shape EX

EX in practice
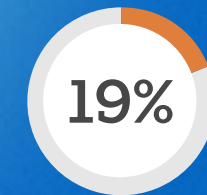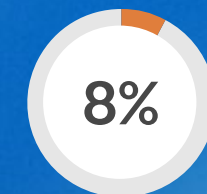
Is EX discussed at C-suite level in your organisation?

31% Yes, there's a clear mandate from the top to drive this

42% Yes, but our EX hasn't been formalised yet

19% No, not really

8% I'm not sure

Strategic thinking

To be an even half-decent internal communicator, you have to see the perpetual bigger picture at all times. You have to stay two steps ahead of the game and you have to think strategically if you want to stay there. If you haven't started to leverage the engagement opportunities placed at your feet by the employee experience, do it now and do it fast.

The organisations that are turning the employee experience concept into actionable and measurable plans are thriving. But how are they doing it?

This year, we asked respondents to rate their organisation's attitude towards a number of components of the employee experience. **In line with last year's results, 'Purpose, culture and vision' and 'Learning and development' ranked highest, with 58% and 56% of organisations saying that they have a clear strategy for this respectively** — and very few respondents saying that they don't!

Two options that are new to this year's survey followed close behind, with 'Wellbeing (mental, physical, financial)' at 55%, and 'Rewards, benefits and recognition' at 54%. Disappointingly, 'Diversity and inclusion' ranked quite low, with less than half of respondents (46%) saying that they have a clear strategy in place for this.
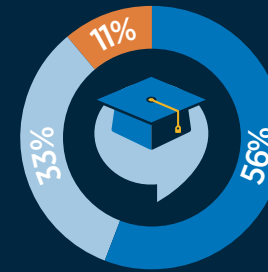
'Ways of working', 'Workplace experience' and 'Digital experience and technology' all rated more poorly, with less than a third of respondents saying that their organisation has a clear strategy for these. It is worth noting that all of these improved against last year, though — in particular 'Workplace experience', which collected 31% of 'yes' responses (up from 24% last year).

What's notable here is that, unlike other components on the list, these are all topics that tend to be driven by departments outside of communication and HR — and, based on the number of respondents saying that these areas are 'in development' in their organisations, it's clear that they are currently wholesale hot topics.

Does your organisation have a clear strategy for each of the following components of EX?
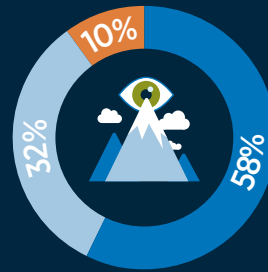
Purpose, culture and vision
58% · 32% · 10%
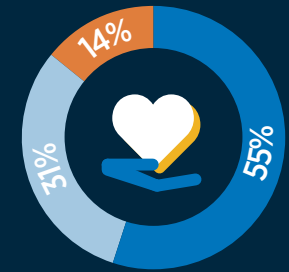
Learning and development
56% · 33% · 11%

Wellbeing (mental, physical, financial)
55% · 31% · 14%

Reward, benefits and recognition
54% · 36% · 10%
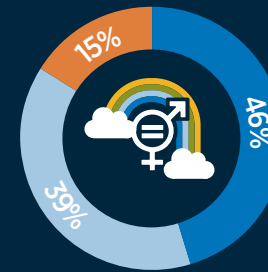
Diversity and inclusion
46% · 39% · 15%
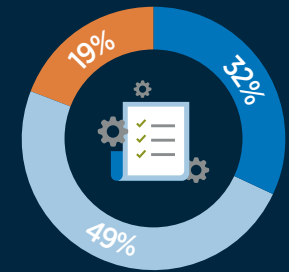
Ways of working (including collaboration and innovation)
32% · 49% · 19%
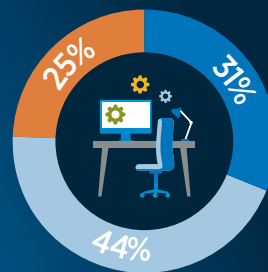
Workplace experience (including for those working from home)
31% · 44% · 25%
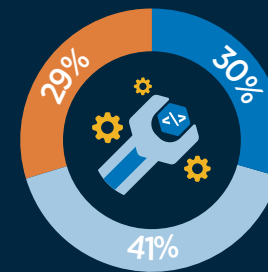
Digital experience and technology
30% · 41% · 29%

Legend:
- Yes
- In development
- No
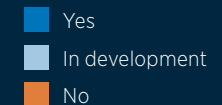
Organisations with higher levels of talent attraction and retention take a proactive approach to employee experience

After all, focusing on employee experience is a significant investment. So it begs the question, is it worth it?

To investigate this, we compared the questions in this chapter with another question where we asked respondents to rate their organisation's ability to attract and retain talent against their peers.

We then segmented all respondents into three groups: the 'Above' group brings together those who rated their organisations as 'significantly above peer average' or 'above peer average' (17% of all responses); 'In line' refers to those who rated themselves as in line with peer average (49% of all responses); 'Below' merges those who rated themselves as 'below peer average' or 'significantly below peer average' (27% of all responses). The remaining 7% who told us that they 'weren't sure' how their organisations compared were excluded from this exercise.

Some interesting results came up from this comparison:

- **The concept of employee experience is a lot more likely to be discussed at C-suite level in organisations that compare favourably to others in terms of talent attraction or retention:** 86% of respondents in the 'Above' group, compared to just 64% in the 'Below' group

- Organisations that outperform their peers are more likely to have implemented a dedicated cross-department team — 29% of the 'Above' group already have this, compared to just 12% of the 'Below' group.

- Unsurprisingly, organisations in the 'Above' group were also more likely to have clearly defined employee experience components. The biggest gaps, however, were around 'Purpose, culture and vision' (71% have a strategy for this in the 'Above' group, compared to '46%' in the 'Below' group), 'Workplace experience (48% in the 'Above' group, and just '28%' in the 'Below' group) and 'Reward, benefits and recognition' (61% in the 'Above' group, against '44%' in the 'Below' group).

Is EX discussed at C-suite level in your organisation?

Below peer average: 20%
In line with peer average: 34%
Above peer average: 44%
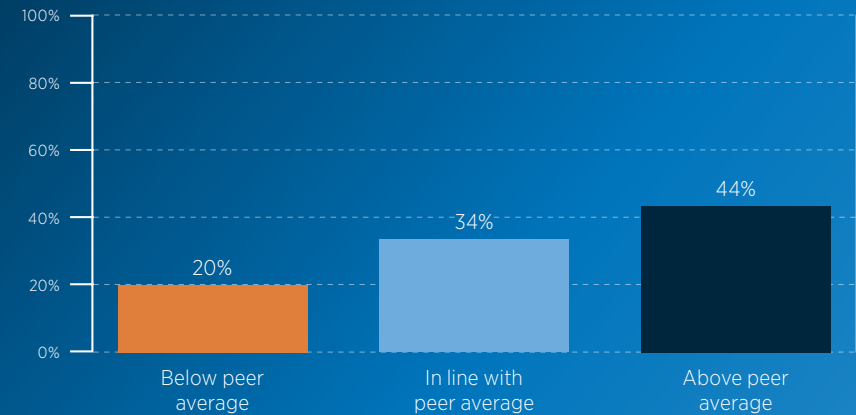
Yes, there's a clear mandate from the top to drive this

Which of the following best describes your organisation's approach to EX?

Below peer average: 57%
In line with peer average: 42%
Above peer average: 23%
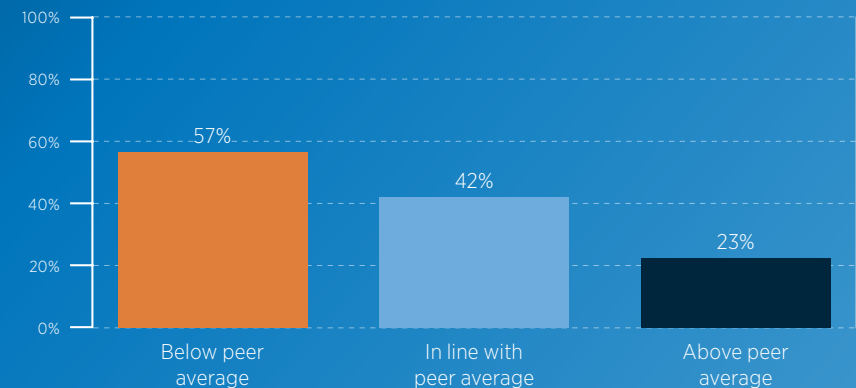
There is limited collaboration between departments to shape EX

The Gallagher view

The missing link

In recent years, the term 'employee engagement' seemed to have been dropped like a hot potato. And while most seemed happy to simply move on and embrace 'employee experience' as the latest buzzword, I felt deeply sad (and angry) about this.

So imagine my delight to see it back in the internal communication lexicon this year.

Because despite it being in focus for 50 years — and despite organisations investing countless billions to solve the workplace crisis — employee engagement at work has, on the whole, been declining year-on-year for some time.

Why? Simple. We've been looking at the problem through the wrong end of the periscope.

For too long we fixated on why people weren't engaged, all the while failing to see that it was because the experiences we were creating were fundamentally flawed.

Mountains of research and lots of clever people later, there's now a broad recognition that how 'engaged' people feel at work is a direct consequence of the experience they have while they are there.

A sharp rise in employee experience apps and technology followed frighteningly fast since the term become mainstream; but, because we're not robots, people's experiences, state of personal wellbeing, and engagement levels fluctuate daily (often hourly) — no out-of-the-box quick-fix product is going to mitigate that.

The real problem here is that businesses have lost their heart and soul. Somewhere along the way they forgot how much they need people to provide their services, to make their things... to keep their wheels turning.

But in order to play their part, those people need to feel supported, encouraged, welcomed and valued. They need to feel... something — anything except confusion, exclusion, irrelevance and frustration.

As communicators, we sit in a privileged position to link the wants and needs of the people to the end goals of the organisation, and vice versa.

We've got a dog in the fight here. We've got an emotional connection to both the people and the business.

We've got an opportunity to influence the people experience; to create a space for cultures to develop, a platform from which leaders can lead, and a mouthpiece through which employees can hold those leaders to account.

Isn't it time we gave ourselves — and everyone else — a chance to get this right?

Matt Frost
Director, Organisational Wellbeing

The six influencers of employee experience

Culture
What you believe in, where you're going and how it 'feels' to work here

Rewards, recognition & benefits
What employees 'get' for their efforts, expertise and loyalty

Communication
How you engage and bring people on the journey

EX touchpoints

Working environment
How your people are equipped to do their work

Career
How you support professional and personal growth

Wellbeing
How you support your people's physical, mental, financial and social wellbeing

Big Question 3

Hybrid working

Are organisations adjusting their strategies?

In 2020, many organisations had to pivot to remote working almost overnight and reacted by rolling out a few quick wins — activating that 'we'll get to it tomorrow' Teams account that was already part of their existing Office 365 package and swallowing the fact that they just had to trust their employees to work unsupervised from home, to name just two.

But, two years on, how is this approach really working? Have organisations started to take a longer-term view on this? And are they now asking themselves if that knee-jerk engagement strategy that got them through the pandemic is still fit for purpose in an almost fully engrained hybrid working world?

Let's face it, for decades internal communication was primarily designed for office-based people working 9-5 — even in organisations with large proportions of deskless employees or shift workers. The pandemic has only accelerated the need for a long overdue review of how organisations interact with *all of* their people.

Despite many attempts to 'return to the office', people's expectations and attitudes to work have changed forever and all the talk about hybrid working shows that organisations are very aware that they can't go back.

But this isn't really about communication any more: it's about reinventing the way people share knowledge and information; it's about rethinking how collaboration and innovation can thrive in an increasingly digital workplace; and it's about reconsidering how best to make two-way communications happen in an engaging way.

But that's not just our opinion — with respondents telling us that 'Process / ways of working' is the single biggest area of change facing organisations right now (see page 11), it's safe to say that this *is* the State of the Sector.

> The pandemic has accelerated a review of how organisations interact with their people
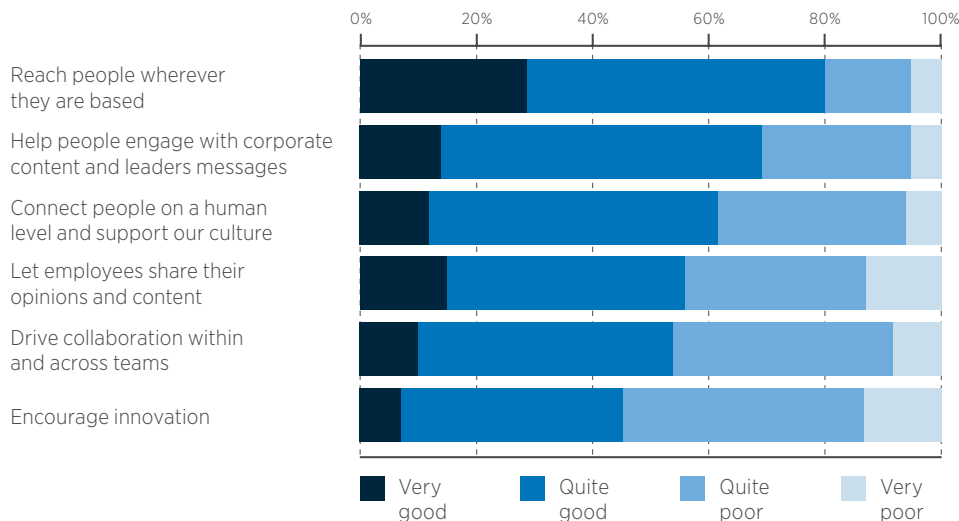
The hybrid effect

We've already showed that adapting channel strategy to hybrid working was named as a top priority by around 2 in 5 respondents (39% — see page 7). So what is driving this (almost) wholesale channel review?

When asked about the ability of their current channels, **80% of respondents told us that they enable them to reach their people wherever they are based (unsurprisingly, this number drops to 69% in organisations with levels of deskless employees over 50%).**

The fact that, in the age of digital, a significant 1 in 5 respondents (20%) ticked the 'quite poor' or 'very poor' box in this category simply isn't good enough.

Elsewhere, while nearly 70% of respondents felt their channels helped their people engage with corporate content and leadership messages, support for all other statements was much lower — **just over half of respondents (56%) told us that their channels are good for empowering people to share their opinions;** slightly less (54%) said that they help drive collaboration within and across teams; and the fact that just 45% told us that their channels encourage innovation seems to support the widespread leadership belief that this only 'really' happens when people are together in a room (which could explain the less-than-voracious appetite for embedding content sharing platforms).

How would you rate your current channels' ability to do the following?

Reach people wherever they are based
Help people engage with corporate content and leaders messages
Connect people on a human level and support our culture
Let employees share their opinions and content
Drive collaboration within and across teams
Encourage innovation

■ Very good ■ Quite good ■ Quite poor ■ Very poor

Sign of the times

We know the wheels are definitely in motion here, but exactly how far down the line are organisations with their channel review right now? Quite far, on the whole.

When it came to looking at the way organisations have reacted to the shift to hybrid working and future of work trends, just 5% of respondents didn't know how to sum up their organisation's response, suggesting that (on the whole) this topic has been a universal concern for internal communicators.

Regardless, we found that **1 in 5 internal communication teams have already completed an in-depth review of their channel strategy, and around one third (34%) are currently in the process of doing so.** Pretty encouraging, when you group the proactive organisations together.

A fifth of organisations (20%) felt that their channel mix was fit for purpose and didn't need specific adjustments. When looking closer at the data, it looks like this group was more likely to have higher proportion of desk-based employees and that they operate in the public sector, banking and finance, insurance or technology.

Globally, even though around 12% of respondents know that they should be getting a handle on this, it isn't seen as an organisational priority at the moment; while the rest are waiting to see how the situation evolves before they adapt their strategy to fit the task at hand.

Which of the following best describes your organisation's response to the pandemic and the shift to hybrid working?

We have conducted an in-depth review of our channels and employee engagement strategy	19%
We are still in the process of reviewing our channels and engagement strategy	34%
We are waiting to see how the situation evolves and will adapt our strategy accordingly	10%
Our channels and engagement strategy are broadly fit for purpose, so we won't be introducing any significant changes	20%
We should be reviewing our channels and engagement strategy, but this is not a top priority at the moment	12%
I'm not sure	5%

Organisations with higher levels of talent attraction and retention adapt their strategies more quickly

Whether you call it the Great Attrition or Great Resignation, the impact of people re-evaluating their priorities has had a significant impact on all organisations. And so it's worth asking whether those adjusting faster are getting a competitive edge in the war for talent.

To investigate this, we compared the questions in this chapter with another question where we asked respondents to rate their organisation's ability to attract and retain talent against their peers.

We then segmented all respondents into three groups: the 'Above' group brings together those who rated their organisations as 'significantly above peer average' or 'above peer average' (17% of all responses); 'In line' refers to those who rated themselves as in line with peer average (49% of all responses); 'Below' merges those who rated themselves as 'below peer average' or 'significantly below peer average' (27% of all responses). The remaining 7% who told us that they 'weren't sure' how their organisations compared were excluded from this exercise.

Some interesting results came up from this comparison:

- **Although organisations 'Above' peer average rated their channels slightly more positively than the two other groups ('In line' or 'Below') in terms of their ability to reach people, and drive collaboration and a sense of human connection, they were still more likely to have completed or taken steps toward an in-depth review of their channel and engagement strategy** (59%, compared to 46% in the 'Below' group).

- The 'Above' group were, however, a lot less likely to say that: 'We should be reviewing our channels and engagement strategy, but this is not a top priority at the moment' (only 5%, compared to 18% in the 'Below' group). This suggests that the organisations that have done better in the face of the Great Resignation tend to take a more proactive approach and look at adapting to change more rapidly.

Which of the following best describes your organisation's response to the pandemic and the shift to hybrid working?

Above   In line   Below
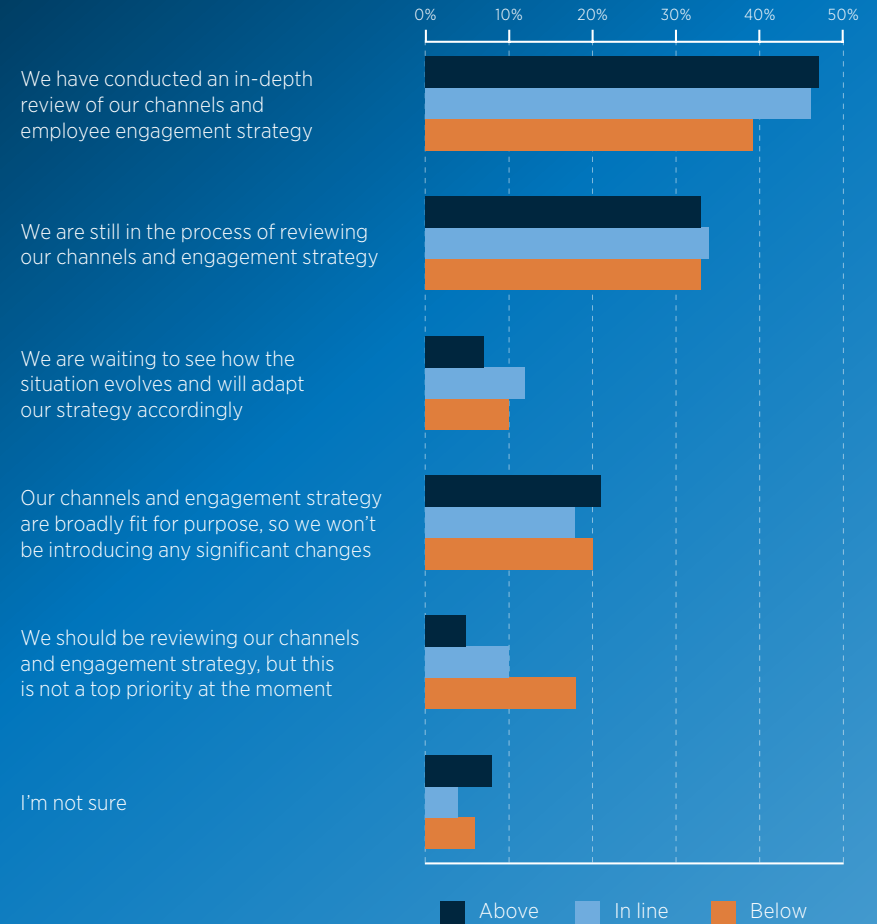
Changing channels?

Have we noticed any significant channel changes over the past year? In a word, no.

When asked about the ability of their current channels, 80% of respondents told us that they enable them to reach their people wherever they are based (unsurprisingly, this number drops to 69% in organisations with levels of deskless employees over 50%).

The channel review that organisations say they have conducted doesn't translate into significant shifts when it comes to methods of delivery in communications.

There are, of course, a few notable exceptions — especially when you look how trends have developed over a longer period of time (we examine this in much greater detail in a separate section):

- The use of mobile apps is up to 31% (from 24% in 2021) — a number that rises to 45% in organisations with over 10,000 employees.

- Environmental channels such as posters, banners and noticeboards are down to 44% (from 63% in 2021). Although this shift is partly due to the change in demographics this year (the use of environmental channels remains higher in larger organisations — 50% in those with 2,500 to 9,999 people and 59% where there are more than 10,000 people), this is definitely a drop from the 70%+ we observed prior to 2020.

- Employee magazines are down to 16%, even if still used in greater numbers in larger organisations of more than 10,000 people (26%). Again, here we're seeing a drop from pre-pandemic levels when it was ranging between 35% and 45%.

- Informal get-togethers and social events (either in person or virtual) are up to 57% (from 35% in 2021 and 46% in 2020).

All of this suggests that **the channel review 19% of organisations say they have completed has not necessarily resulted in the introduction of new channels or the decommissioning of existing ones.** And it's also worth noting that only 14% of overall respondents told us that introducing new digital or social channels would be a priority for them in 2022 — suggesting that we may not see radical changes next year either.

Of course, a change in channel strategy can take many forms, and this finding suggests that some organisations may have preferred to make the most of what they've already got — adjusting the timings, frequency, functionality or content on their existing channels instead and leading to improved effectiveness and greater inclusivity.

The big question here really is: 'After the exponential growth of digital channels between 2014 and 2019, have we reached a tipping point where we've got the technology we need in place and we just need to work out how to use it best?'

⇨ For a more detailed overview of Channel use, go to see pages 49-52
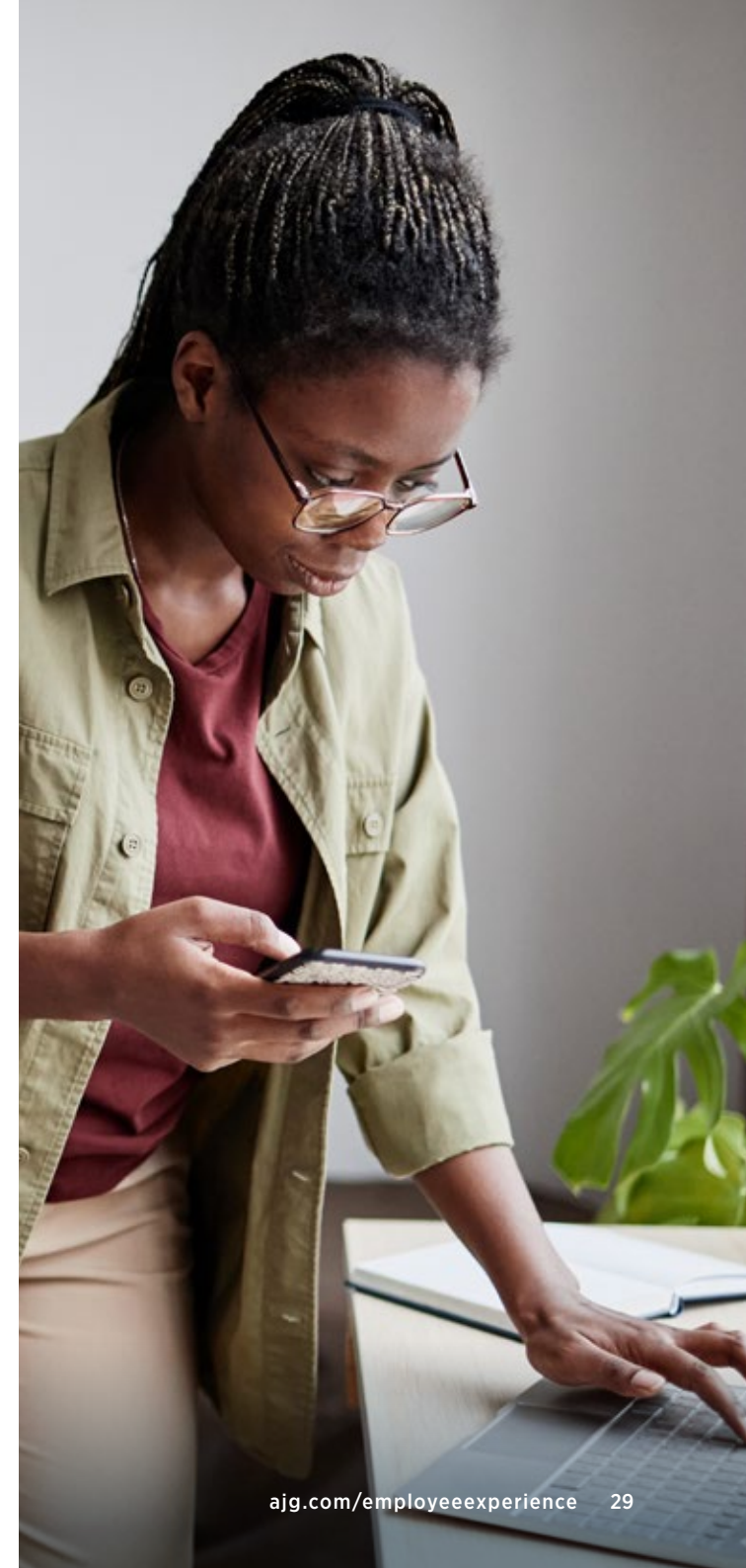
Technical hitch

When asked what broader themes internal communication professionals should be looking to explore further, 56% of respondents named the impact of digital and technology on internal communication — suggesting a real awareness of the need to factor this into the function and its practices.

Yet, **there's still only limited evidence that organisations are fully embracing the potential of digital.** For example, asked if employees have the option to choose how they want to receive communications, only a quarter of respondents (25%) told us that this is available in some capacity at their organisation.

What's a little more encouraging, though, is that 28% said that they were considering this. **Larger organisations with more than 10,000 people, where the volume of communications is considered as one of the main barriers to success (see page 7), are only doing marginally better in this area** — despite no doubt having significantly more budget to invest into this.

Maybe the whole tailored content thing is just a slow burner, perhaps people aren't really aware of the technology that's available to them within their organisation, or possibly it just feels too much like hard work. Whatever the reason, when you look at the fact that 1 in 5 respondents (20%) say that their existing channels don't actually enable them to reach their people, it's hardly surprising that implementing more advanced levels of personalisation isn't exactly a priority for many.

Is it possible for employees in your organisation to choose how they receive communications?

	Overall	By organisation size			
		Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Yes, this is widely available	**3%**	4%	4%	2%	1%
Yes, to an extent	**22%**	28%	16%	16%	29%
No, but we are considering this	**28%**	17%	28%	41%	28%
No, and we don't have any plans to implement this	**47%**	51%	52%	41%	42%

The Gallagher view

Think about the future — and do it now

The shift to 'traditional' communication methods back at the start of the pandemic proved to be the quick-fix key to successful survival many organisations needed at a time when reactive responses won the day.

And it worked — when we thought (naively, in hindsight) that we'd be locked down for a short period while the pandemic simply went away of its own accord.

But as that 'short' period developed into a longer-term thing, then that 'longer-term thing' became a shift change to permanent homeworking for many and hybrid solutions for others, the challenges of working together while working apart increased, along with the impact this was having on our people — most notably when it came to their mental health.

The pressure of living and working in the same space has led to many employees feeling like they always need to be 'on': available more than ever, compelled to respond more quickly and fight more fires on a daily basis — all while experiencing a serious lack of essential face-to-face time with managers and mentors.

This isn't sustainable in the long term. We need to develop people-first communication strategies to combat this; and we need to foster forward-looking behaviours to ensure the wellbeing and work-life blend of employees is being considered as a priority.

We're at a pivotal moment in internal communication — organisations need to make decisions on how they will engage their people in the next decade, and those who want to stay ahead will need to adjust fast.

Traditionally, internal communication audits focused on channel performance; measuring understanding, engagement and alignment against overall business objectives.

But there's more to think about these days — a lot more.

Sam Healey
Senior Principal Consultant

Empower your people; power your business

Your employee experience (like your brand) needs a powerful reason to exist in all the places you interact with employees. And as hybrid teams find their own space in which to exist outside of traditional channels, the lines between physical and virtual presence can start to blur.

Which is why it's time to get real: you simply can't control the whole narrative across every channel any more, so don't do a bad job of everything — focus on doing a great job where it matters and think clarity first instead.

You 100% need to meet employees where *they* are, which means focusing on *their* priorities. Don't force them to take on tools just because they work for you, find the channels that work for them.

More than anything, remember that innovation takes time. The metaverse might not be quite there yet, but it will eventually shape the way we work and collaborate. The iPhone didn't come from nowhere — and it took another 14 years to get to where it is today. This is a long game, so make sure you play it well.

Drew Munn
Future Impact Advisor

Big Question 4

People managers

What is their role in the new world of work?

"People join organisations and quit managers" — whoever said this originally certainly made a point that resonates with a LOT of employees. Whether that is still true in the context of the Great Resignation is anyone's guess, but it's hard to argue with the fact that people managers are one of the most significant influencers of the employee experience in any organisation.

There's been a lot of debate around the role of the people manager as a communicator in today's increasingly hybrid workplace — and, now that our communication channels have the capabilities to (apparently) reach everyone at all times, do we still need them?
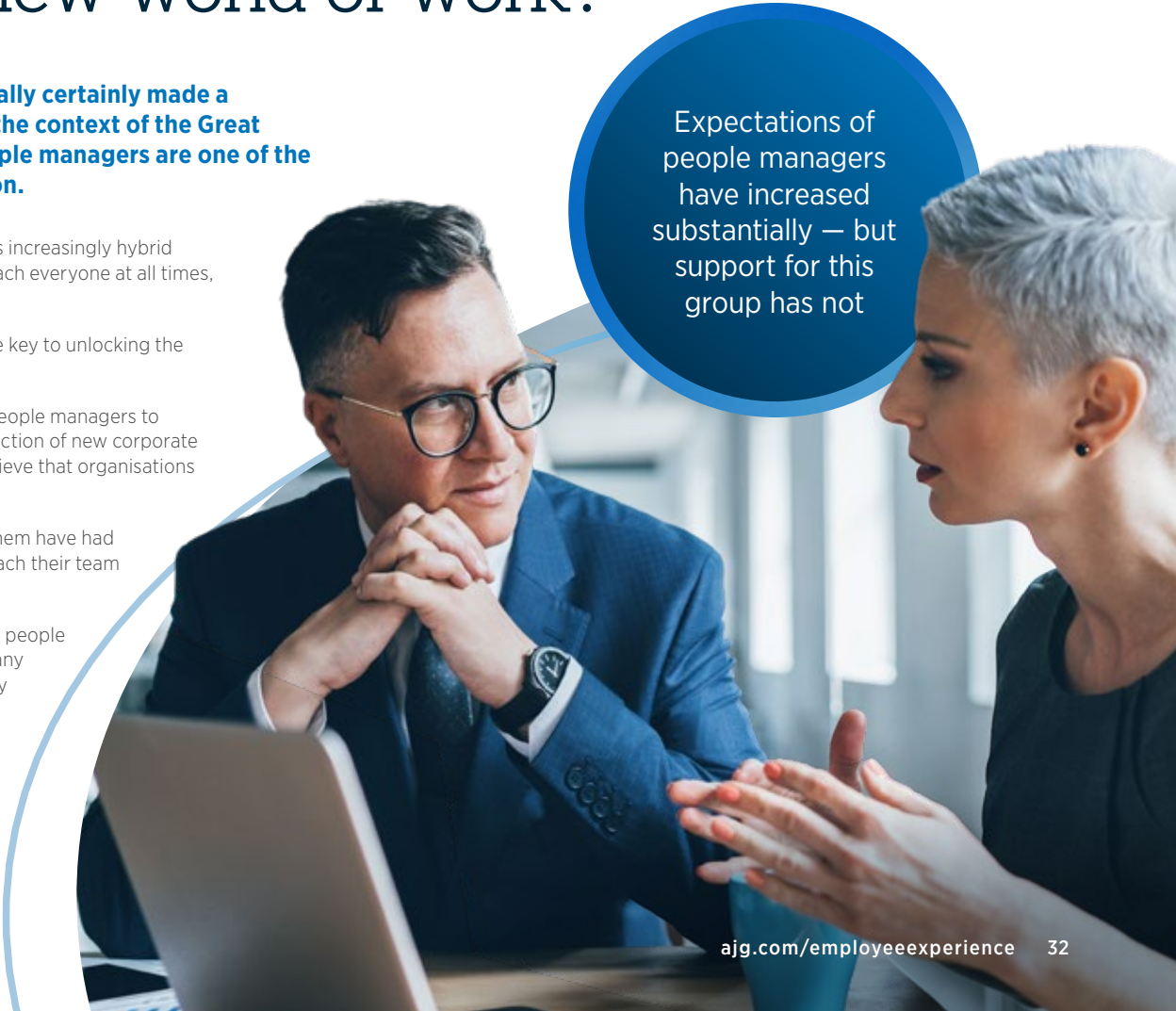
Of course we do. In fact, figuring out how communicators can leverage this essential group is the key to unlocking the future of hybrid working — 100%, without doubt.

Last year, 38% of respondents reported that the COVID-19 pandemic had actually empowered people managers to communicate and engage with their teams more — and, let's face it, in a world where the introduction of new corporate culture and ways of working seems to make up the majority of the daily to-do list, it's hard to believe that organisations can afford not to have people managers on their side.

But it seems to be easy to overlook the fact that people managers are employees too. Many of them have had to adjust to hybrid working like everyone else — learning to build trust, develop relationships, coach their team and ensure that knowledge sharing happens in a virtual environment.

And while the shift to remote working may have changed very little for those managing deskless people when it comes to their ability to communicate with their teams, the rise of digital has enabled many organisations to reach their people directly, potentially relegating people managers from primary sources of information to very secondary communication channels.

This year, we wanted to explore how organisations view the role their people managers play as communicators; what they expect of them; how their role has changed as a result of the pandemic and how much attention and support they are receiving in order to ensure their success in their rapidly-changing manager role.

Expectations of people managers have increased substantially — but support for this group has not

Increasing expectations

For the first time ever, enhancing people manager communications was placed in the year's top three priorities (at 31%) — sitting surprisingly higher up the pecking order than traditional big hitters like increasing leadership visibility and improving digital channels.

Over all, **the vast majority of respondents (81%) reported an increase in expectations of leaders and people managers as communicators,** including 37% who told us that expectations have increased 'significantly'. This was fairly consistent across organisations of all sizes — even if those with fewer than 250 people were slightly more likely to report that expectations had remained the same.

Yes, we might have become reliant on increasing digital capabilities to help us do our jobs, but there is still a very clear need for human interaction — particularly when it comes to leading from the front and guiding people through periods of challenge and change (something we've all become well versed in during recent years).

Have your organisation's expectations of leaders and people managers as communicators changed in the past 12 months?

	Overall	By organisation size			
		Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Yes, it's increased significantly	**37%**	27%	36%	45%	40%
Yes, it's increased a little	**44%**	44%	48%	40%	43%
No, it's stayed the same	**15%**	25%	14%	11%	12%
I'm not sure	**4%**	4%	2%	4%	5%

Evolving roles

With the rise of digital — and mobile apps in particular, which have seen use continuously increase from 17% to 31% in the past five years — it's become much easier for communication teams to reach more people directly.

So just how important is the people manager when it comes to the good old message cascade?

Well, pretty crucial for a decent chunk of organisations — **a third (35%) of respondents said that people managers were the primary communication channel for many of their employees; a figure that rises to 45% in organisations where more than half of the workers are deskless.**

More than half (54%) of respondents told us that they were an important channel, even though that was generally when it came to reinforcing important messages rather than relaying them; while fewer than 1 in 10 (8%) said that their approach was to treat everyone equally and distribute messages to everyone regardless of role — suggesting that **there's still a widespread consensus in organisations around the role of people managers as communicators and influencers.**

We thought it would be interesting to take a closer look at the data, and check if these responses vary depending on the proportion of deskless workers in organisations. We found that organisations that have larger proportions of deskless workers are indeed more reliant on people managers being the primary communication channel for their people. However, a significant 31% of organisations with less than 10% of deskless workers stated that people managers are seen as the primary communication channel for their people — a surprising result considering the numbers of other channels probably available to them.

It's also worth noting that there are some regional variations here too: organisations in Europe are less likely to treat people managers as a primarily channel, while those in North America are more likely to consider them as the main channel.

To what extent do you rely on people managers to share and reinforce corporate information with their teams?

	By organisation size					By proportion of deskless workers			
	Overall	Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)	0-10%	11-30%	31-50%	More than 50%
Extensively — they are the primary communication channel for many of our people	**35%**	45%	32%	29%	35%	31%	35%	28%	45%
A little — people managers are expected to reinforce corporate messages and to make them relevant to their teams	**54%**	38%	59%	63%	54%	57%	53%	64%	49%
Very little — we prefer our people to have direct access to corporate information with no intermediary	**8%**	10%	8%	6%	9%	9%	9%	5%	4%
I'm not sure	**3%**	7%	1%	2%	2%	3%	3%	3%	2%

Out of favour?

If what we're seeing stacks up, and people managers are playing a central role when it comes to sharing corporate information, exactly what are internal communication professionals doing to support them and their career wellbeing?

Well, it's a bit of a mixed bag really. When we asked specific questions about people managers as communicators, we found that only 63% of respondents thought that this group was treated as a proper communication channel in their organisations — a number significantly low in comparison to the overwhelming 89% of respondents who felt that people managers had a communication role to play in their organisations in the previous question. And this result varied very little depending on the proportion of deskless workers in organisations.

Overall, the effort invested in supporting people managers seemed very low. An underwhelming 68% of respondents said that they equipped people managers with corporate messages — a percentage that increased slightly in organisations with larger proportions of deskless workers.

But this is where the comparison between organisations with a majority of desk-based workers and those with larger proportions of deskless people stops: there are surprisingly few differences between these two groups when it comes to equipping people managers with communication training (a tiny 34% across all respondents) or making it easy for them to pass on any feedback from their team (46%).

This last result — 46% of organisations believe they make it easy for people managers to share feedback — is consistent with the answers provided to the question around organisational listening, where 49% say they use people managers as a feedback channels ().

This still appears as a significant missed opportunity, suggesting that people managers are mostly seen as a top-down, cascade mechanism as opposed to a group of influencers who can help shape the narrative.

We cover communication channels in depth later in this report, but it's worth mentioning that **the 'investment' in face-to-face time with this group seems to have gone down in the past 12 months, with the use of in-person or virtual conferences for people managers specifically reducing** to 60% (down from 66% in 2021) and regular conference calls for people managers at 49% (down from 57% in 2021) — .

And that's not the only place where people managers seem to be getting a somewhat raw deal. Just over a third (37%) of organisations provide dedicated communication training for people managers — even though 31% of respondents told us said that enhancing people manager communication will be one of their top priorities for 2022; and 27% of respondents named poor people manager communications as their fourth biggest challenge — a significant decline compared to previous years, where it was named the biggest challenge with 43% to 56% of the votes.

So, are our once vital people managers — key communicators and influencers in areas of career wellbeing in your organisation — in danger of falling off the radar altogether as we move further into the world of hybrid working? And, if so, what's next for this key group of employees?

Thinking of people managers, to what extend do you agree with the following statements?

		By proportion of deskless workers			
	Overall	0-10%	11-30%	31-50%	More than 50%
People managers are equipped with corporate messages to share with their teams	**68%**	63%	62%	74%	73%
People managers are treated as a proper communication channel	**63%**	62%	60%	66%	65%
We make it easy for people managers to share team members' feedback with the organisation	**46%**	48%	43%	38%	52%
People managers have access to communication training	**34%**	34%	30%	32%	37%

The Gallagher view

Power to the people managers!

We've said it once and we'll say it again and again... and again: people managers are one of the most critical communication channels in any organisation.

They are an agent of change and have substantial influence on their team's commitment, productivity, engagement and performance — and good communications play a significant role in achieving that.

Whilst we all recognise this (and this year's results continue to support that), there is often a disconnect when it comes to making sure this group is equipped to have quality conversations around important topics — perfectly illustrated by the fact that, while our expectations of people managers has increased substantially, only a third of respondents' organisations offer them tailored communication training.

A first step here would be to look at clarifying expectations of people managers as communicators. Properly defining this part of their role takes away the ambiguity factor, which is often what first sparks anxiety — so get specific about what you need them to do as part of the broader communication process, including the role face-to-face plays within your channel mix.

But while putting pen to paper and defining expectations around communication is all well and good, we can't just leave our people managers to fend for themselves. As with all communications, content provided should be as clear and succinct as possible, so

keep it simple — this is an audience that is typically bombarded with information and myriad requests. They need to know what to prioritise.

At the end of the day, leaders at all levels are just like us. They want information that is well structured and provided in easy-to-digest formats, with uncomplicated guidelines for use when needed.

But, while crucial, it's not just great content we need here. What about channels just for people managers too? A safe space where they can go to get what they need, when they need it? A tool that proves the business they work for values the role they play and supports them in it?

Whatever makes sense for your organisation, do yourself a favour: invest in your people managers' career wellbeing; make sure they feel equipped and are ready to lead. Managers committed to your organisation's purpose will set your culture apart.

Investing in managers' career wellbeing; it's what they — and the people they are there to inspire — truly deserve.

Amanda Sheps

Principal Consultant

Big Question 5

The new golden age

What can we learn from world–class communicators?

Last year, we found that — in spite of the huge challenges brought by the COVID-19 pandemic — 2020 had created significant opportunities for internal communicators. In fact, many respondents reported that they'd seen their influence over leadership teams actually increase.

But has this trend continued? Well, the ever-expanding scope of themes and business challenges that internal communicators are now expected to get involved with (ways of working, culture, diversity and inclusion, ESG… to name just a few) shows no sign of slowing any time soon — and the demands on the often limited time and resource in internal communication teams continues to increase too.

But it's not all 'doom and gloom' — if, indeed, it's even seen that way. Beyond the bulging inboxes, the growing to-do lists, and the potential risks of adding even more volume to already noisy organisations, this new-found reliance on corporate storytellers also presents a great opportunity.

But how does this impact the enhanced skill set internal communicators need to develop to keep up? And how comfortable are they with some of these new themes?

For many, there has been two very different sides to the COVID-19 story — the 'before' and the 'after'.

So exactly what are those who report these higher levels of influence with leadership doing?

To try and answer this question, we take a closer look at what 'world-class communicators' (the 11% of survey respondents who reported that their influence had increased and 'strongly agreed' that they are viewed as trusted advisors) actually do to keep their seat firmly positioned at that table.

World-class communicators outperform their peers in planning, change and measurement
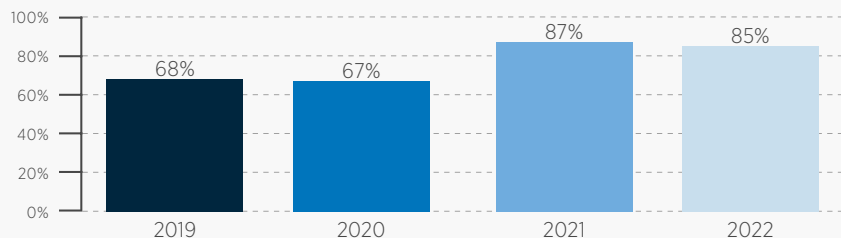
Staying influential

Pleasingly, many internal communicators seem to have capitalised on the COVID-19 momentum: a significant 62% thought that their influence had continued to increase in the past 12 months, with just 7% of respondents believing that they may have gone backwards.

To add to that, 85% of respondents agreed or strongly agreed that they are viewed as trusted advisors by leaders — a significant increase to pre-pandemic levels (64% in 2019).

Has your ability to influence leaders' decisions changed over the past 12 months?

- 7%
- 31%
- 62%

- ■ Yes, it has increased
- ■ No, it has remained the same
- ■ Yes, it has decreased
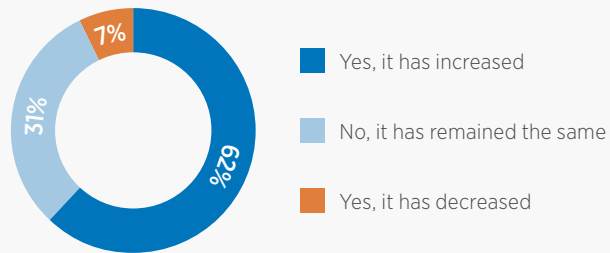
Internal communicators are viewed by senior leaders as trusted advisors

Year	Value
2019	68%
2020	67%
2021	87%
2022	85%

Raising your game

So, what new strings should internal communicators consider adding to what is an already impressive bow?

When asked 'What broader themes and skills internal communicators should look to explore and develop', the top top answers were: 'Data analysis and measurement' (61%), 'Broader employee experience themes' (58%), 'Changing attitudes to work' (58%), 'Change management; (57%) and 'The impact of digital and technology' (56%).

It's interesting to note that respondents from 'pure' internal communication roles (45% of participants in this survey overall) were more likely to prioritise data analysis and measurement (65% in this group), the impact of digital and technology (60%) and change management (58%), compared to those who split their time with other responsibilities (usually HR or external communication).

What broader themes / skills should internal communicators look to explore and develop?

Theme	%
Data analysis and measurement	61%
Broader employee experience themes (recognition, compensation, wellbeing, D&I)	58%
Changing attitude to work / expectations of employees	58%
Change management	57%
The impact of digital and technology on internal communication	56%
The role internal influencers have in their organisations	47%
Creative content and copywriting	33%
Trends affecting the industry their organisation operates in	33%
Reskilling needs of the workforce	22%
Changing employment models / gig economy	16%
Cybersecurity	13%

Are you keeping up?

The recent focus on all things D&I and ESG hasn't just subjected us all to acronym overload, it's also demanded that internal communicators widen their subject matter expertise to cover current affairs, human rights and environmental science, which is no mean feat.

But how do internal communicators really feel about working with these topics in 2022? Not too bad, on the whole. In fact, **66% of respondents told us that they feel knowledgeable about diversity and inclusion and comfortable when communicating it.**

This proportion is slightly higher in organisations with 2,500 to 9,999 employees (73%) and those with more than 10,000 employees (69%) suggesting that larger organisations have embraced this challenge more than others.

A similar proportion of respondents (66%) said that they felt knowledgeable about climate change and sustainability too — and this number was higher in organisations with more than 10,000 employees (75%), where respondents were more likely to think that sustainability will have a significant impact on their operating model.

While these numbers are positive overall, there is still a third of professionals who feel that they haven't quite got to grips with these themes — and that's a group you can't afford to be part of in today's climate, whether you're an internal communicator or not.

How knowledgeable do you feel about diversity and inclusion?

- Strongly agree
- Agree
- Disagree
- Strongly disagree

22% — 44% — 27% — 7%
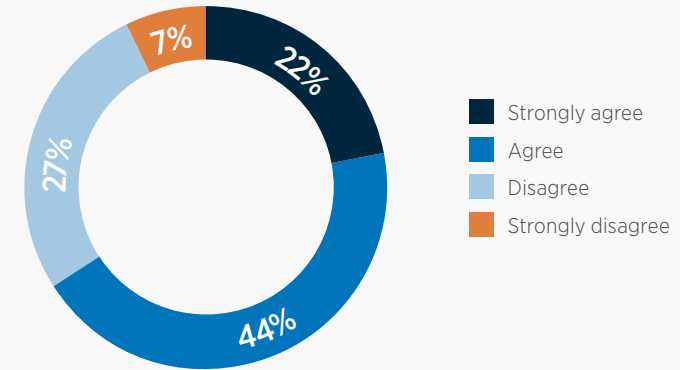
How knowledgeable do you feel about climate change and sustainability?

- Strongly agree
- Agree
- Disagree
- Strongly disagree

18% — 48% — 29% — 5%
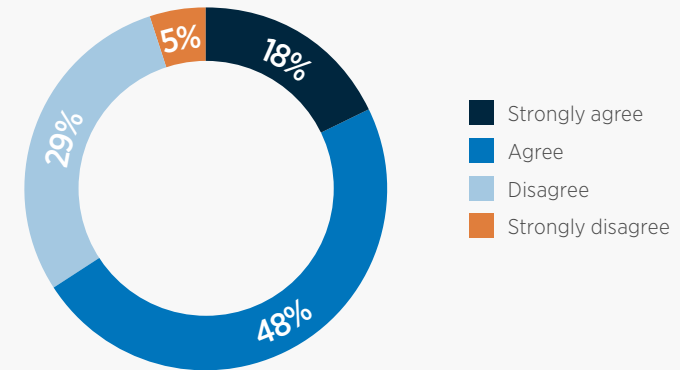
Better together

So now that internal communicators are clearly expected to be the organisational 'Jack of all trades, master of all', have levels of cross-department collaboration increased to reflect this?

The results of the survey would certainly suggest as much, albeit with a lot of disparities.

We know that in organisations with more than 2,500 employees, the internal communication function is more likely to sit under Corporate Communications/Affairs, while in organisations with 250 to 2,500 employees it tends to sit under HR (see 'Reporting lines' for more details).

Human Resources is the function that internal communicators said they are increasing their collaboration with — hardly surprising, considering the multitude of people-related themes that organisations are having to communicate. It's also worth noting that, outside of this, half of respondents (50%) said that collaboration with IT and External Communication and Marketing has remained the same.

Has your collaboration with the following teams increased over the past 12 months?

Legend: Increased | Stayed the same | Decreased

Categories: Human Resources / People / Talent; IT; Marketing / PR / External Communications
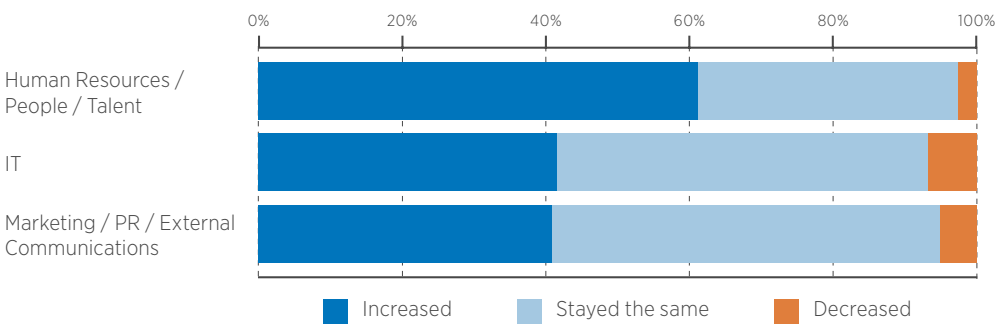
Fail to prepare, prepare to fail

Let's face it, constant firefighting and managing last-minute requests with often limited resources didn't just plonk themselves on the internal communication radar when COVID-19 reared its ugly head — many teams were already being pulled in multiple directions before the world changed forever back in January 2020 (they're probably a bit more organised now, though).

But how much extra time and attention is being dedicated to planning and strategy post pandemic? And, if it's there, is this increased focus delivering when it comes to real results?

Surprisingly, respondents this year reported even fewer established planning practices than last year. However, the decrease seems to be partly due to the larger proportions of respondents from smaller organisations, while those from larger organisations (with more than 2,500 employees) seem to demonstrate a much more robust and professional approach to internal communication.

Overall, the focus seems to be on planning on a campaign-by-campaign basis — and, **disappointingly, only 31% of respondents say they have an overarching internal communication strategy in place** (this does rise to 40-42% in larger organisations though). Even simpler tools, such as channel frameworks or channel-specific editorial calendars (whether for magazines, newsletters or the intranet), are not used by more than half of respondents. **World-class communicators were much more likely to have established these documents, even if a surprising 8% said they didn't have any of this.**

The biggest gaps between this group and the rest, however, were having an 'Internal communication "master" plan' and 'Overarching internal communication strategy (covering a period of more than one year)', which suggests that the ability of world-class communicators to focus on the longer-term and articulate goals enables them to have better conversations with leaders.

Which of the following documents do you currently have in place?

	Overall	By organisation size				World-class communicators*
		Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)	
Internal communication plan for one or multiple campaigns / initiatives	**65%**	29%	67%	81%	75%	**76%**
Channel-specific editorial calendar(s)	**44%**	20%	44%	50%	54%	**55%**
Channel framework	**42%**	15%	42%	48%	53%	**55%**
Internal communication "master" plan (covering the course of the year)	**41%**	20%	41%	53%	46%	**59%**
Employer brand and strategic narrative	**38%**	39%	32%	37%	49%	**43%**
Overarching internal communication strategy (covering a period of more than one year)	**31%**	11%	27%	42%	40%	**43%**
Audience profiles or personas	**17%**	12%	14%	19%	24%	**24%**
None of these	**16%**	34%	16%	7%	11%	**8%**

*'World-class communicators' refers to the 11% of survey respondents who reported that their influence had increased in the past 12 months and 'strongly agreed' that they are viewed as trusted advisors.
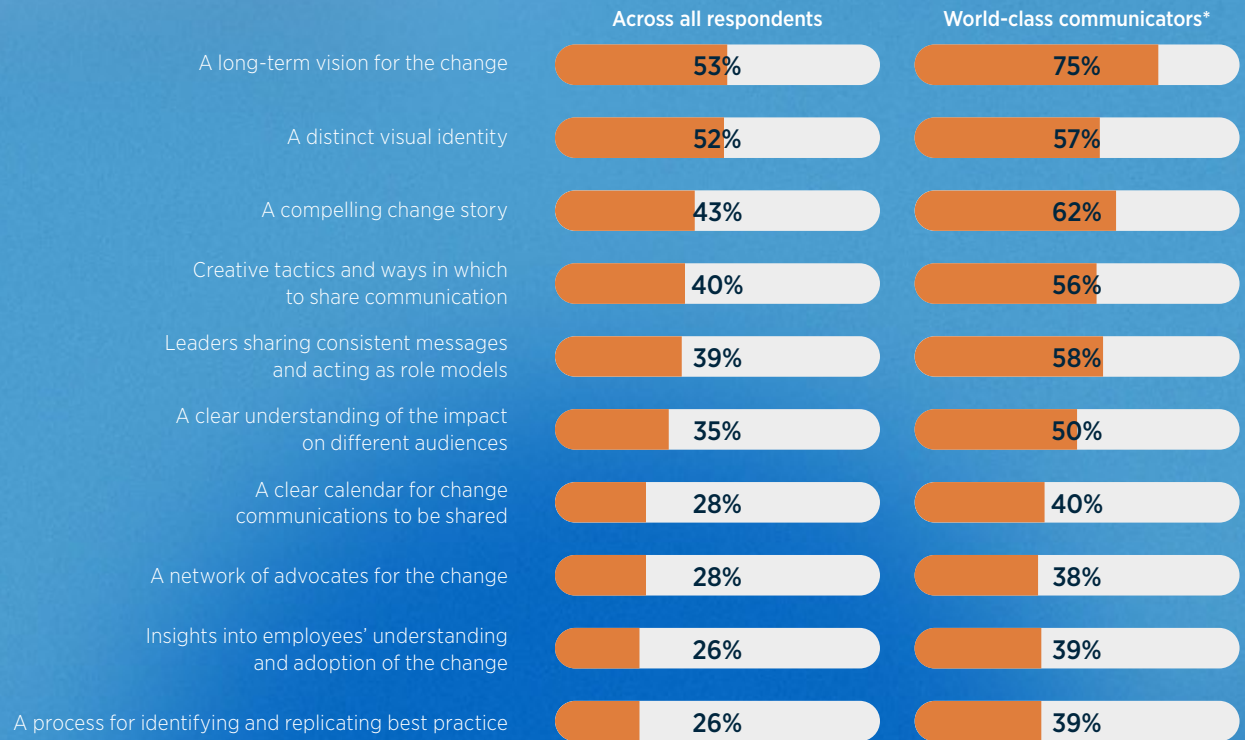
Change management

As organisations continue to go through tremendous amounts of transformation, change management scored very highly in the list of skills that respondents felt internal communicators should be looking at developing (57% —) — and, indeed, communicators rated their organisation's ability (as much as their own) quite poorly across all components of good change communications.

Unsurprisingly, world-class internal communicators rated all components more positively. The biggest gaps, however, were: 'A long-term vision for the change' (75%), 'A compelling change story' (62%) and 'Leaders sharing consistent messages and acting as role models' (58%), where they all rated themselves 15 points or more higher than the rest of the group.

This can, perhaps, be a sign of the importance that internal communicators can play in connecting the dots in the change narrative from leadership to people managers to cross-discipline teams to frontline employees.

Internal communicators embed the narrative into their organisation, and influence the employee experience, workplace culture and organisational wellbeing.

When it comes to communication change, how would you rate your organisation's ability to implement the following?
(Total of 'Excellent' or 'Good')

	Across all respondents	World-class communicators*
A long-term vision for the change	53%	75%
A distinct visual identity	52%	57%
A compelling change story	43%	62%
Creative tactics and ways in which to share communication	40%	56%
Leaders sharing consistent messages and acting as role models	39%	58%
A clear understanding of the impact on different audiences	35%	50%
A clear calendar for change communications to be shared	28%	40%
A network of advocates for the change	28%	38%
Insights into employees' understanding and adoption of the change	26%	39%
A process for identifying and replicating best practice	26%	39%

*'World-class communicators' refers to the 11% of survey respondents who reported that their influence had increased in the past 12 months and 'strongly agreed' that they are viewed as trusted advisors.

From measurement...

If data analysis and measurement is the number-one skill that communicators believe they need to improve to influence their organisations, how are they currently doing in this area?

Measurement has traditionally been a weakness of internal communicators, and 'lack of analytics and measurement' scored as the third biggest challenge for 2022 (27% — see page 7). Improving this was, however, not considered a priority for around three quarters of respondents (even this was a much higher priority for organisations with more than 10,000 people).
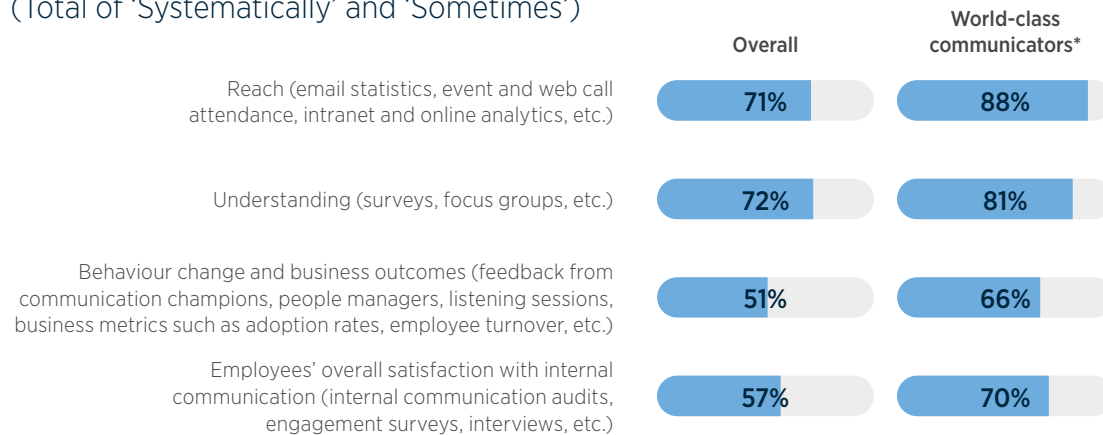
And, indeed, this year's results seem to indicate that measurement continues to be very hit and miss. Most efforts concentrate on measuring whether or not communications reach their target audience (with 71% saying they measure this — although only 36% systematically) or what understanding it creates (with 72% saying they measure this — although only 31% systematically). Employee satisfaction with internal communication is measured at 57% (a number consistent with the 53% of organisations that declared they had conducted a review of their channels, or were still in the process of doing so).

Behaviour change scored more poorly, with just over half of respondents (51%) saying that they measure this 'systematically' or 'sometimes'. However, it's worth noting that we know these are a lot harder to measure because they tend to involve more qualitative forms of measurement (which organisations tend to embrace less).

Here again, world-class internal communicators reported measuring all four components significantly more frequently, with around 8 in 10 saying they measure understanding (81%), and two thirds saying they measure behaviour change (66%).

How often do you measure the following?
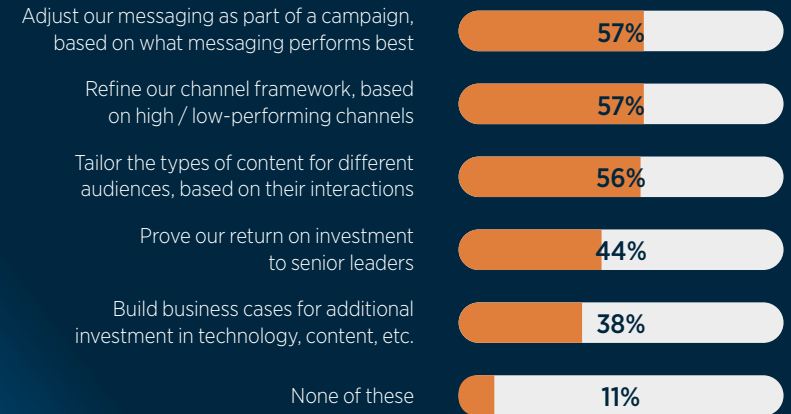(Total of 'Systematically' and 'Sometimes')

	Overall	World-class communicators*
Reach (email statistics, event and web call attendance, intranet and online analytics, etc.)	71%	88%
Understanding (surveys, focus groups, etc.)	72%	81%
Behaviour change and business outcomes (feedback from communication champions, people managers, listening sessions, business metrics such as adoption rates, employee turnover, etc.)	51%	66%
Employees' overall satisfaction with internal communication (internal communication audits, engagement surveys, interviews, etc.)	57%	70%

'World-class communicators' refers to the 11% of survey respondents who reported that their influence had increased in the past 12 months and 'strongly agreed' that they are viewed as trusted advisors.

... to actions

When it came to reporting on how data is used, 57% of respondents told us that it came into play when adjusting their messaging — an absolute best practice — or refining their channel framework. A similar proportion (56%) said they used it to tailor the types of content they deliver to their audience.

Fewer respondents felt the need to use their data to secure additional resources or demonstrate the return on investment of their communications to senior leaders (44%); while around 1 in 10 respondents (that's 11% too many!) admitted not doing much with it at all.

What do you use the data for?

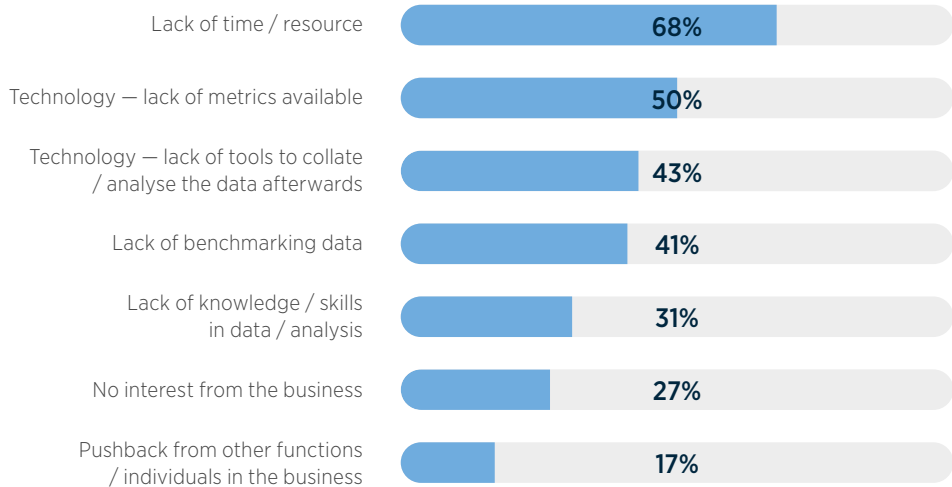|	
Adjust our messaging as part of a campaign, based on what messaging performs best	57%
Refine our channel framework, based on high / low-performing channels	57%
Tailor the types of content for different audiences, based on their interactions	56%
Prove our return on investment to senior leaders	44%
Build business cases for additional investment in technology, content, etc.	38%
None of these	11%

Barriers to measurement

When asked about the barriers to measurement, respondents named lack of time and resource as the single biggest obstacle (68%) — not exactly surprising considering that lack of capacity was the second biggest overall challenge listed by respondents this year.

Technology came second, with respectively 50% and 43% of respondents blaming the lack of metrics or lack of tools to analyse the data afterwards — perhaps a little worrying, considering the many other forms of qualitative and quantitative research available to us that don't require complex technology investments (influencer feedback, focus groups, surveys etc).

Similarly, it's surprising that **over a quarter of respondents complained about a lack of interest from the business — it's our job to make it interesting, and turn the data into stories that leaders want to hear!**

What are the main challenges you face in measuring your impact?

Challenge	Percentage
Lack of time / resource	68%
Technology — lack of metrics available	50%
Technology — lack of tools to collate / analyse the data afterwards	43%
Lack of benchmarking data	41%
Lack of knowledge / skills in data / analysis	31%
No interest from the business	27%
Pushback from other functions / individuals in the business	17%

The Gallagher view

Trust me, I'm a communication pro!

These days, as responsibilities widen and coping with crisis after crisis becomes our bread and butter, it seems like internal communicators have carte blanche to embrace pretty much any topic right now.

So does this mean we're finally 'in' with the decision makers? Are we finally in a position to influence the big conversations taking place in today's boardrooms around the globe?

Not quite, but we're closer than we've ever been — and with disengagement and talent attrition topping the many challenges facing organisations at the moment, leaders are currently more prepared than ever to listen to those with a direct link to the people that matter.

For years, we've talked about what is seen by many as the employee communication holy grail: trusted adviser status.

Our desire to get that coveted (seemingly mythical) 'seat at the table' has eluded us for too long. But the way we responded to the COVID-19 pandemic, leading from the front when it really mattered, has placed this within touching distance for many of us.

Yes, our reputations are built on our ability to make things happen; but being a trusted adviser is about so much more than delivering a great solution — it's not necessarily about what you do, rather how you do it.

Because no matter how good an internal communicator you are, that expertise alone will do little to build your reputation as a go-to adviser.

You've got to be able to 'do the do': this isn't about ditching all things tactical in order to get strategic, it's about being clear on why your role exists. It's about understanding how internal communication can help drive, support and empower the wellbeing of your entire organisation — and its people.

It's less about sharing your professional knowledge, more about building relationships to a point where you're able to ask the right questions — then letting those senior leaders make the important decisions for themselves.

But this isn't exactly a new concept for us, is it? After all, we're already trusted advisers to the thousands of people we communicate with every day.

World-class internal communicators are able to deliver the goods while supporting the teams they work with. That shouldn't change because the team in question has been previously out of reach — should it?
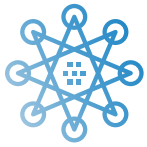
Chris Lee
VP Employee Experience and Communication

Key learnings

Focus 1

Reporting lines

As the internal communication remit continues to widen, so does the level of cross-departmental interaction needed in order to get the job done — and, naturally, the chain of command shifts as a result too.

So have we noticed a move towards internal communication functions reporting into HR departments as organisations move forward with their shiny new employee experience strategies?

Kind of. While overall it may seem so (33% of respondents told us that internal communication sits under HR, compared to only 32% in corporate communications), this is probably due to the broader participation of respondents from small and medium-sized businesses in this year's survey.

The larger the organisation, the more likely internal communication is to sit under it's corporate counterpart; and, by opposition, small- and medium-sized organisations may not even have a dedicated internal communication team in place, as suggested by the lower proportions of respondents in 'pure' internal communication roles (25% and 41% respectively).

What department does internal communication report into in your organisation?

	Overall	By organisation size			
		Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Corporate Communications / PR / Corporate Affairs	**32%**	11%	30%	39%	48%
Human Resources / People / Talent	**33%**	35%	36%	36%	25%
Marketing	**10%**	8%	14%	7%	9%
CEO / Executive Team	**12%**	30%	10%	7%	4%
Strategy / Transformation	**2%**	0%	2%	2%	3%
As part of a business unit	**4%**	6%	1%	3%	6%
Other	**7%**	10%	7%	6%	5%

Focus 2
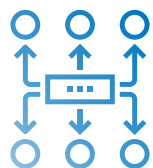
Resources

The subject of resource is a key talking point when internal communicators get together — and it's a conversation that has a common theme across all organisation sizes, types and locations: we're all expected to do more with less, and we all work hard to make that happen.

But have we seen much change when it comes to the resources at our disposal since our last report? Not really.

In fact, when we look at team size, the number of dedicated internal communicators within organisations is pretty much the same — apart from a slight decrease in enterprise-level businesses.

How many dedicated internal communicators are there in your organisation?

Number of employees	FTE dedicated IC people 2022	FTE dedicated IC people 2021
1-499	2	2
500-2,499	3	3
2,500-9,999	6	7
10,000-49,999	10	10
50,000+	12	15

It's a slightly different story when it comes to budgets though, with organisations of all sizes going back to pre-pandemic figures. This has been positive for pretty much everyone — apart from small organisations, where already tight budgets have been reduced further.

What is the budget currently allocated to internal communication campaigns, excluding salaries and platform subscriptions?
(Average IC spend based on the size of the organisation)

Number of employees	In British pounds (GBP)			
	Low spend 2022	Low spend 2021	High spend 2022	High spend 2021
1-499	£18,800	£27,200	£43,200	£56,600
500-2,499	£53,900	£41,300	£91,500	£82,400
2,500-9,999	£137,000	£82,600	£235,000	£140,300
10,000-49,999	£243,700	£148,200	£321,200	£227,600
50,000+	£490,800	£340,300	£579,000	£402,300

Number of employees	In U.S. dollars (USD)			
	Low spend 2022	Low spend 2021	High spend 2022	High spend 2021
1-499	$28,000	$35,550	$60,000	$74,100
500-2,499	$76,500	$54,100	$126,300	$107,500
2,500-9,999	$200,200	$107,700	$326,400	$182,800
10,000-49,999	$342,000	$192,650	$440,900	$295,500
50,000+	$660,800	$442,300	$779,800	$522,600

Focus 3

Face–to–face channels

Whether in person or virtually, face-to-face channels are still considered the most impactful, with more than 90% of respondents rating most of these as 'very' or 'quite' effective. Their use, however, remains lower than many digital channels, although most of them are used in higher proportions in larger organisations.

Compared to the pre-pandemic period (2017-19), it's worth noting that the use of virtual conferences and town halls for all employees (76%) is higher than that of virtual conferences and town halls for people managers (60%); as is the use of web calls for all employees (52%), when compared to that of web calls for people managers only (49%). Pre-2020, these channels were always used to reach people managers in much higher proportions.

Interestingly — and **in spite of their high levels of effectiveness — the use of work councils and communication champions is very low** across the board (35% and 31% respectively).

	Use	Effectiveness	Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Team meetings run by people managers	**82%**	**89%**	79%	80%	80%	87%
Face-to-face or virtual conferences / Roadshows / Town halls (all employees)	**76%**	**94%**	76%	73%	77%	80%
One-to-ones run by people managers	**66%**	**92%**	56%	66%	71%	70%
Face-to-face or virtual conferences / Roadshows / Town halls (senior leaders and/or people managers only)	**60%**	**92%**	38%	52%	74%	75%
Informal get-togethers and social events (In person or virtual)	**57%**	**91%**	58%	62%	54%	49%
Web calls / Conference calls (all employees)	**52%**	**90%**	44%	44%	61%	62%
Web calls / Conference calls (senior leaders and/or people managers only)	**49%**	**90%**	32%	41%	61%	62%
Knowledge-sharing / Lunch and learn / Brown bag sessions	**46%**	**85%**	32%	46%	50%	53%
Employee or staff forum / Work councils	**35%**	**78%**	21%	39%	36%	40%
Ambassadors / Communications champions	**31%**	**77%**	11%	26%	40%	45%

Focus 4

Digital channels

There's no denying that we are now fully engrained in the digital age — so how is that manifesting itself when it comes to the way internal communicators reach employees with the messages that count?

Email announcements have reached near-universal levels of use (94%) and are considered 'effective' by around 4 in 5 of respondents (78%). Intranets and various employee portals are the second (83%) and third (77%) most commonly used digital channels overall, although with expected vast disparities across organisation sizes.

Enterprise organisations (From 10,000 employees) are a lot more likely to use a multitude of digital platforms (intranets, enterprise social networks, chat tools, mobile apps) — **which could explain why 'volume of communication' is considered as one of the top three overall challenges in that group (see page 7).**

Across the board, the effectiveness of digital channels is pretty hit and miss — surprisingly, some of the platforms that are rated as most effective (enterprise chat tools, messaging platforms, employee portals) are not necessarily managed by internal communicators or used to cascade corporate messages.

As we've seen before, the use of mobile apps has increased and — at 70% — effectiveness is considered to be quite high here.

	Use	Effectiveness	Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Email announcements	94%	78%	84%	95%	96%	97%
Intranet	83%	60%	53%	85%	94%	94%
Employee portal(s) e.g. for benefits, wellbeing, learning and development	77%	75%	62%	78%	76%	85%
Enterprise chat tools (Microsoft Teams, Cisco Jabber, etc.)	72%	91%	60%	68%	78%	83%
E-newsletters	64%	64%	35%	63%	76%	78%
Enterprise social networks (Workplace from Meta, Yammer, etc.)	39%	59%	19%	32%	52%	51%
Mobile app(s)	31%	70%	26%	24%	31%	45%
Online peer-to-peer recognition platforms	30%	68%	14%	31%	27%	43%
Messaging apps (text, WhatsApp, etc.)	24%	87%	20%	21%	26%	30%
Artificial Intelligence (AI) e.g. chatbots, etc.	10%	52%	4%	5%	9%	22%
Extranet	8%	62%	8%	7%	6%	10%

Focus 5

Environmental channels

So what about old-school environmental channels — those larger-scale physical methods of content delivery? With the number of homeworkers on the rise, do posters and pinboards still have a place in today's increasingly hybrid workplace?

To some extent, yes. The use of environmental channels increases with organisation size — even though the use of posters, banners and noticeboards seem to have decreased a little (44%) compared to pre-pandemic levels. They do, however, remain important channels in organisations with higher proportions of deskless workers (49% in organisations with more than 50%).

Use of digital signage is lower still at 39% — but, again, enterprise-level organisations seem to favour this often costly medium (59%) over smaller businesses (18%).

	Use	Effectiveness	Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Posters, banners, noticeboards	**44%**	**46%**	24%	41%	50%	59%
Digital signage	**39%**	**53%**	18%	38%	44%	53%

Focus 6

Content

What about different types of content?

The use of the employee magazine seems to be in decline compared to pre-pandemic levels (16%, compared to 35-49% between 2017 and 2019) — although they are still used by 26% of enterprise organisations (over 10,000 employees) and they still score quite well in terms of effectiveness (70%).

Used by around 4 in 5 larger organisations (over 2,500 employees), video ranks as the most effective medium (74%). Surprisingly, the use of podcasts is quite low at 18% — hasn't everyone got one these days? — and materials sent home remains pretty marginal (15%), with lower reported levels of effectiveness (59%).

	Use	Effectiveness	Small (1-249)	Medium (250-2,499)	Large (2,500-9,999)	Enterprise (10,000+)
Video	**63%**	**74%**	22%	61%	79%	83%
Podcasts	**18%**	**43%**	2%	17%	21%	29%
Employee magazine (print or digital)	**16%**	**70%**	6%	13%	18%	26%
Letters / print sent to employees' homes	**15%**	**59%**	11%	15%	18%	17%

Striving for better

What does world-class internal communication look like?

As you've seen from this report, the landscape of our profession is changing rapidly — along with our role and purpose.

There are so many more things that internal communicators need to look at these days, and it's a challenge to tackle everything — but it's always useful to remind ourselves of what we should be aspiring for.

Here's our North Star...

1 **Have a defined purpose and strategy** — and make sure you're clear on this. Think about how your function supports your organisation, what it's there for and what your value proposition to business leaders is.

2 **Construct a clear narrative**. This will not only ensure that every single communication you output is clearly aligned, it'll help you to make best use of your budget and support your strategic narrative too.

3 Remember, it's YOU that drives change, not the platform(s) on which you share your ideas. So **manage your channels effectively** — make sure they are fit for purpose and review them regularly.

4 The core purpose of any internal communication team is to support its leaders to become ace communicators, so **build a robust communication capability** that helps them maximise employee buy-in.

5 **Promote open dialogue and collaboration** with a focus on listening. Your ability to keep your finger on the pulse and see things through a human lens is what will keep that employee voice at the top table — don't lose sight of this!

6 Being able to demonstrate your value is key to building your influence where it counts. So **focus on insight, measurement, and evaluation** to prove your concept by concentrating on impact.

7 Become the experts that people go to when it comes to driving new behaviours. This is all about your ability to **influence change and transformation** — so work with those in the know to keep things people-focused.

8 As a communicator, you have an opportunity to shape your organisation's EX and change the way people feel about work. So **champion the importance of your people's wellbeing** — physical, emotional and career — which fosters a better company culture and overall organisational wellbeing.

9 There's nothing wrong with wanting a seat at the table when the decisions are made — it's the end game, after all. So **become a trusted adviser** and make your presence felt where it counts.

Better. It's something many companies strive for.

The pursuit of "better" is ongoing. And the process involved requires recognising and acting on unforeseen risks, while keeping a mindset that turns the toughest challenges into opportunities.

People are an organisation's greatest asset in any challenge. And the connection between employee wellbeing and organisational wellbeing has never been more apparent — or more important.

Employees have multifaceted needs that extend beyond their work commitments. That's why their wellbeing is at the centre of Gallagher Better Works℠, a comprehensive approach that engages them in their work and drives your organisation's success. By strategically investing in benefits, compensation, retirement and employee communication, you're able to support the health, financial security and career growth of your people at the right cost structures.

From evaluating the demographics of your workforce to surveying and analysing competitor trends, Gallagher helps you gather new insights and apply best practices that promote productivity and growth. A data-driven focus allows you to continually improve and make changes for better outcomes.

As you develop new business operating models, support employees working remotely, and ensure equity and inclusion within a diverse workplace culture, your people can perform at a higher level. When this happens, you optimize your annual talent investment and mitigate organisational risk to maximise your profitability.

A strategy rooted in the wellbeing of your people is one that allows organisational wellbeing to thrive — even in times of uncertainty.

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