IoIC
Future of Work
Trends Report

Working the future

INSIGHT•STRATEGY•CHANGE

CONTENTS

1. FOREWORD

The past two years has seen a profound change in the way we work. Already in flux as a consequence of multiple trends converging under the broad banner of the future of work, the 2020 COVID-19 pandemic and the subsequent Russian invasion of Ukraine poured rocket fuel on an already complex operating landscape.

Enforced working from home during national lockdowns, outrage over the murder of George Floyd and the rise of the #BlackLivesMatter movement, the introduction of hybrid working, global supply chain issues, national skills shortages, the Great Resignation, 'quiet quitting' – there are no end of forces driving ambiguity at work.

In early 2020, the Institute of Internal Communication published its first Future of Work trends report.

At the time, we were aware of a novel virus emerging in China, but of course had no idea of how things would subsequently unfold. Our original report outlined eight key trends driving transformation in the nature of work in the 21st century and emphasised the escalating pace of change.

The turmoil unleashed by COVID-19, Russia's military action, and now in 2022 the unavoidable truth that we're witnessing a climate emergency, have dramatically accelerated key trends and accentuated the requirement for fresh thinking elsewhere.

So much has changed.

Our new 2022 Future of Work trends report provides an updated overview of the multiple drivers transforming work, alongside the implications for the internal communication profession.

While it's increasingly challenging to predict with certainty how global events will unfold, understanding the interconnected forces that underpin market volatility is helpful.

When we have an informed view of the external economic landscape, we're better equipped to deliver value to our organisations and our colleagues.

Staying abreast of the multiple drivers disrupting workplaces is now an imperative for internal communication professionals.

We hope you find this report both insightful and helpful. We hope it enables more open conversations both about organisational change and about the role of work in our daily lives. As always, we welcome your thoughts, feedback and questions.

#wematteratwork

Jen Sproul
Chief Executive

2.
INTRODUCTION

Our work landscapes are in the midst of profound change.

The first two decades of the 21st century saw rapid acceleration in the advancement of digital communications technologies. Most notable developments have been ever-increasing computational power and the fall in cost of technology, the rise of the data-enabled smartphone, the ongoing growth of the Internet and an ever-expanding proliferation of digital platforms and tools.

The ubiquitous availability of information via mobile devices significantly impacts how we behave as humans, as communities, as societies, and as nations. Access to data and information also creates profound shifts in the way we expect our organisations to be led and managed.

In parallel, the make-up of the UK's working demographic is shifting. As older generations leave the workplace and new generations embark on their working lives, attitudes towards work shift. Shaped by the environments they grew up in, by default, younger people at work today are far more digitally dextrous – underscoring an increasingly diverse communication style within our workplaces.

To add further complexity, global political, economic and environmental stability now seems to be in freefall. The 2020 pandemic outbreak triggered worldwide supply chain issues which were exacerbated by the invasion of Ukraine in 2022. The ensuing sanctions imposed on Russia by the international community have placed unprecedented pressure on the availability of oil and gas across Europe, with no clear view on how this will impact households and industry over the longer term.

Add into the mix the impact of extreme weather events now manifesting as an indisputable climate emergency, and its increasingly clear that globally, our social and economic systems urgently require a rethink.

WHAT DOES THIS MEAN FOR THE INTERNAL COMMUNICATION PROFESSION?

Effective internal communication has the power to transform working lives by helping people feel engaged, connected and purposeful – that they *matter* at work – ultimately making for better organisations and, by extension, enhancing society.

At the IOIC, we believe effective internal communication is the lifeblood of an organisation, enabling all stakeholders to know, at any given point in time, what's happening within the organisation, and what's expected of them. In equal

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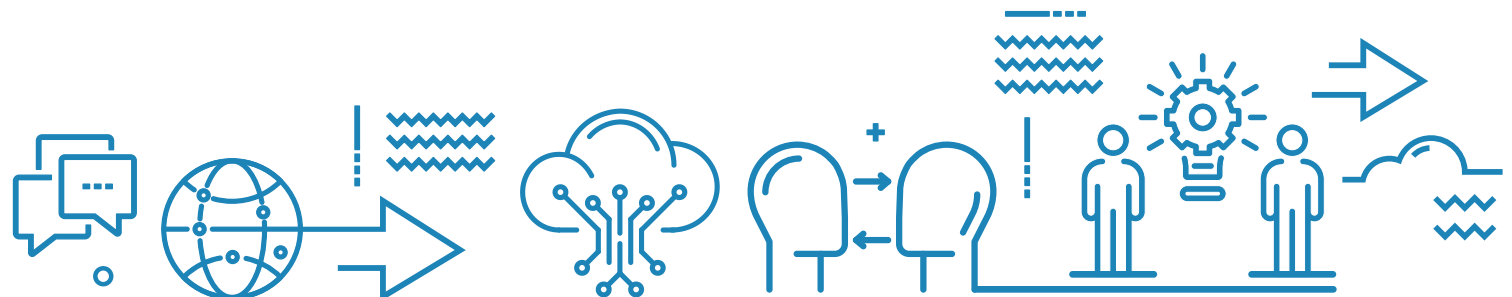
measure, taking the time to listen to the employee's voice increasingly distinguishes between organisational mediocracy and team high-performance. Inclusion matters like never before.

Silicon Valley investor Ben Horowitz has documented the link between communication and trust. He has written: "In any human interaction, the required amount of communication is inversely proportional to the level of trust […] As an organisation grows, communication becomes its biggest challenge."[1]

As external environments continue to confound, the need for robust, clear, cohesive and empathic communication at work has never been more critical.

As the only dedicated professional body for internal communication, we want you to feel empowered to influence change positively, even when sometimes that change feels out of control and overwhelming.

We believe that foresight – the ability to foresee, understand and interpret ongoing developments - is key to helping people navigate change. That's why we've created this report. We believe an enhanced understanding of the convergent forces shifting the very nature of work will ease the way for smoother transitions into new work landscapes.

As the pandemic has already shown, internal communication has a pivotal role to play in helping organisations successfully navigate the future. Staying abreast of the primary forces driving

change in our working worlds is an increasingly critical component of the future of the internal communication profession.

ABOUT THIS REPORT

We've partnered with Working the Future to create this paper. The trends listed are by no means exhaustive. There are many more factors driving change at work than can be listed here.

These are headlines, supported by expert analysis and distillation, of the most relevant insights. The report is designed to give you, as internal communication professionals, an accelerated understanding of the central themes, so that you can further strengthen the positioning of internal communication as the critical partner of transformation, within your organisations.

ABOUT WORKING THE FUTURE

Working the Future is a boutique management consultancy, whose mission is to help UK businesses understand, and successfully prepare for, the convergent workplace trends driving commercial transformation in the 21st century. Its overarching goal is to help SME and mid-tier business owners leverage human potential in parallel with technological advances, for long-term organisational futureproofing.

Working the Future analyses emerging developments in technology innovation, demographic shifts, employment behaviours, and socio-cultural meta-trends – in addition to the other myriad shifts and undercurrents – impacting the ways in which people work.

It uses this analysis to provide future-focused market and business intelligence to business leaders, and to design strategies and solutions to build workforce agility and organisational resilience in the 21st century.

3.

THE PRIMARY TRENDS IMPACTING PEOPLE AT WORK IN THE 2020S

3.1 TECHNOLOGY'S IMPACT ON WORK

"Software is eating the world", claimed US technology investor, Marc Andreessen in 2011.[2] At the time this statement seemed prophetic, yet it's gone on to accurately underscore the prevailing dominance of Silicon Valley and a global obsession with digital disruption.

The pace and scale of technology innovation in our personal and work lives is unprecedented, and only set to amplify as COVID-19 accelerated demand for contactless digital services to replace human-to-human interaction.

Across mainstream media, there's ongoing and fierce debate about the future of work, and indeed whether there will be any work left for humans to do by midway through the 21st century. Software automation, artificial intelligence and robotics all hold the potential to not only seismically simplify work but also to deliver cost-savings and efficiency to organisations – an increasingly attractive proposition when faced with wage inflation, skills shortages and rising staff attrition.

But for now, the end of work is a far-flung notion, and a concept that would need to be very deliberately engineered.

For today, let's agree that technology is radically reshaping the tasks that go to make up a working day. PWC estimates that artificial intelligence has the potential to contribute US$15.7 trillion to the global economy by 2030, with most economic gains taking place in China and North America.[3] Their research suggests that AI will enhance labour productivity and that humans will leverage technology at work to improve performance outcomes.

In the near term, access to increasingly large amounts of data allows computers to learn intelligently and analyse data to present increasingly sophisticated information that can be used to enhance organisational results.

To successfully leverage the insights available however requires a massive investment in workplace learning and development. Humans must reskill and upskill to learn new digital competencies

> **While we will all need to adapt to increasingly digital working environments, in parallel, we must focus on 'human' skills. These are skills that can't easily be automated and that, when leveraged, give our organisations stand-out advantage.**

and capability that complement their existing skillsets and specialisms.

Routine and repetitive tasks are ripe for automation, allowing humans to take on new and different tasks. While we will all need to adapt to increasingly digital working environments, in parallel, we must focus on 'human' skills. These are skills that can't easily be automated, and that, when leveraged, give our organisations stand-out advantage.

There's a strong chance we'll see the emergence of 'hybrid jobs'. As the routine and repetitive elements of two job functions are automated, the less automatable aspects of each job will merge into one role. Individual roles and responsibilities will be prone to continuous shape-shift.

Organisations across all industry sectors must embrace digital if they are to survive the coming decade. This necessity drives the requirement for continuous innovation, as organisations reinvent, and upgrade both core products and services and internal operating systems and

processes. Once again, the requirement for continuous workplace learning sits at the heart of innovation capability.

The World Economic Forum has documented the impact of COVID-19, economic contraction and technology adoption on tasks, jobs and skills by 2025, when it estimates that the time spent on work tasks by human and machine will be equal. It also warns that the window of opportunity for reskilling and upskilling is reducing, and that 50% of all staff will require reskilling in the next few years.

It writes: "On average, employers expect to offer reskilling and upskilling to just over 70% of their employees by 2025. However, employee engagement into those courses is lagging, with only 42% of employees taking up employer-supported reskilling and upskilling opportunities."[4]

As continuous learning fast becomes the norm, the pace of change at work amplifies. With individual roles and responsibilities subject to constant evolution, understanding how the shape and nature of the organisation is shifting is key. Clear, effective, consistent and omnidirectional internal communication is essential for keeping individual members of the internal team connected and united in wider organisational purpose.

Finally, let's not forget that the continued march of digital technology has a profound impact on communication itself. With so many digital communication channels and platforms now available in enterprise space, it's easy to think that technology is the answer to organisational cohesion. While this is to some extent true, it's also true that the art of human-to-human conversation is the lifeblood of trust, relationship and community building. It's what keeps people connected to a sense of belonging in increasingly distributed and asynchronous work environments.
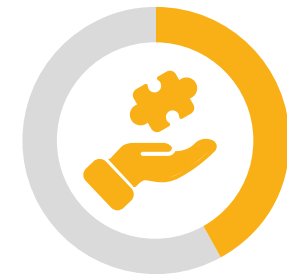
70%

Employers expect to offer reskilling and upskilling to just over 70% of their employees by 2025.
World Economic Forum

42%

Employee engagement into those courses is lagging, with only 42% of employees taking up employer-supported reskilling and upskilling opportunities.
World Economic Forum

3.2 GLOBALISATION AND GLOBAL CONNECTIVITY

Technological progress and globalisation are inextricably linked. The rise of high-speed digital communications technology has accelerated global connectivity, smoothing the way for organisations to expand and spread across international borders.

In tandem, globalisation has facilitated competition, in the vast majority of sectors. The cost of technology itself has fallen dramatically, and continues to fall, fuelled by challenger organisations offering lower prices because they've been able to reduce their operating costs. It remains to be seen whether trading conditions since the 2020 pandemic outbreak will curb this downward spiral.

Digital accessibility, facilitated by mobile Internet means that today, anyone with access to broadband can become a producer. The GSMA, the mobile communications industry body, estimates there will be 5.7 billion unique mobile subscribers and 5 billion mobile Internet users globally by 2025.[5]

Global connectivity and an increasingly digital economy mean we're all operating in a single market that creates complexity. As consumers, we've never had more choice than we have today. For the modern organisation, globalisation means that competitive threat is continuously amplified; it undoubtedly adds fuel to the fire of already uncertain and volatile markets.

Global competition fundamentally changes the economics of business, and indeed the viability of long-term organisational survival. US innovation consulting firm, Innosight, has predicted that the average lifespan of S&P 500® listed organisations will shrink to just 12 years by 2027.[6] Across all industries, businesses and organisations will need to fight to survive.

But again, within this somewhat pessimistic scenario, we know that internal communication is, and will continue to be, an organisation's driving force. Just as robust channels of communication are essential to successful military strategy, so an organisation's ability to facilitate and optimise multi-directional, information-rich, coherent communication is critical.

While multiple new technology options will of course emerge to facilitate internal communication, human interaction will be increasingly key. Human conversation reduces ambiguity and misunderstanding and helps ensure information is contextualised with the right nuance.

5 billion

Mobile internet users by 2025.
GSMA

"As consumers, we've never had more choice than we have today. For the modern organisation, globalisation means that competitive threat is continuously amplified; it's undoubtedly added fuel to the fire of already uncertain and volatile markets."

3.3 THE AGE OF HYBRID WORKING

COVID-19 forced a mass pivot to working from home as countries entered national lockdowns in an effort to reduce transmission of the virus.

When official restrictions later lifted, it was by no means clear if it was safe to return to the workplace. Nor indeed was it clear whether people were willing to do so. Something substantial had changed.

Lockdown working neutralised any objections to working flexibly and remotely for once and for all.

Prior to the pandemic, a key trend informing the future of work was a rising demand for flexible and remote working. In the digital age, when economic value increasingly derives from the creation and trade of intellectual capital and other intangibles, it seems outdated that knowledge workers should be expected to attend an office in order to create that value.

Demand for remote working had been steadily rising throughout the 2010s. 2019 research revealed that 92% of millennials prioritised flexible working when exploring job opportunities. It also found that 30% of UK respondents would prioritise flexible working over a pay rise.[7]

In the knowledge economy, the primary tools of productivity are Internet access and a computer. Open plan offices are often noisy and distracting for those who need a quiet environment for optimal critical thinking and focus.

The type of work we do significantly alters the parameters for how and where we optimally work.

When lockdowns first lifted, there was huge online discourse about the benefits of eliminating the daily commute. Far and wide employees took to social media to report enhanced wellbeing, with more time to spend with loved ones and on personal wellness activities. Some organisations were quick to announce a new policy of 'all-remote', claiming access to a dramatically expanded global talent pool would drive competitive advantage.

But this was quickly followed by the insistence of several high-profile CEOs that all employees should return to the office. The loss of 'water-cooler moments' and other chance encounters were suddenly deemed a key threat to business.

92%

Millennials who place flexible working as high priority when considering job opportunities.
Forbes
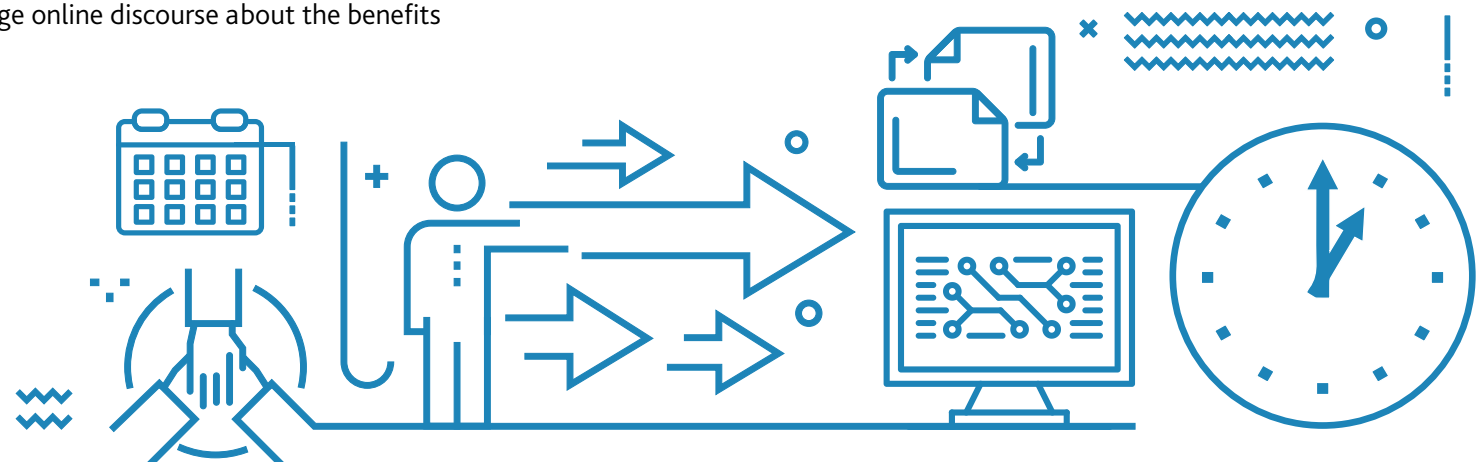
London Business School professor Lynda Gratton coined the phrase 'hybrid work' to describe the optimal mix of office work and working remotely. Hybrid also encompasses the shift away from standardised working hours towards more asynchronous styles of working that accommodate the various challenges of juggling work and modern family life.

The pandemic has presented a once-in-a-lifetime opportunity to redesign work and bring the framework for delivering bottom line outcomes in line with the hyper-connected, always-on society in which we now live.

If knowledge work can be delivered from any location with Internet connectivity, why do we need to be in an office? When we can securely access the digital systems of our employer remotely, why should we spend hours of our lives on the daily commute?

Post-lockdown, the quest for optimal hybrid working has become a deal-breaker for jobseekers exploring their options in the most buoyant labour market for decades.

In markets experiencing acute skills shortages, employers must now work far harder to design hybrid work arrangements that fit individual preferences. We've reached the end of standardised 'one-size-fits-all' working arrangements.

But customising work is no mean feat. Key to achieving optimal hybrid work is internal communication.

To design an optimal hybrid work arrangement, an employer needs a good understanding of both the work an individual does and the drivers influencing his or her preferences. This starts with conversation.

Individual preferences are always contextual and nuanced. They're often tricky to decode without dialogue. Dialogue also enables the sharing of organisational needs, so that common ground can be identified. This intersection of organisational and personal goals is key to reaching an optimal hybrid state of hybrid.

Shared (office) spaces for convening will continue to hold value. With distributed working increasingly the norm, organisations must prioritise the careful curation of where and how they build a sense of community and connection, to ensure continued alignment around core business objectives. Done well, this is emotional work that requires empathy and understanding – an area the internal communication profession is expertly positioned to deliver into.

Hybrid work is increasingly integral to employee experience, upon which authentic employer branding depends. Managers will need inevitably need help to facilitate conversations that

uncover the common ground of optimal hybrid and recruiting teams will require assistance in proactively articulating this new working culture to the wider labour market.

For the internal communication professional, there's a clear-cut opportunity to lead on the delivery of a communication style that both enables optimal hybrid and shares the story of this way of working further afield.

And of course, how organisations manage more flexible and geographically dispersed teams will itself require a whole new style of communication – something business leaders may well need help adapting to.

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3.4 SHIFTING SOCIO-CULTURAL ATTITUDES AND INTERGENERATIONAL WORKING

Every new generation entering the world of work brings with it a new set of attitudes and behaviours, borne of the environment and landscape in which it grew up.

The pandemic has had a profound impact on the shape of the labour market, leading to skills shortages in many areas.

In the 2020s, for the first time, we have four, and occasionally even five, generations of workers co-existing in the workplace. Whereas the pandemic initially led to an unexplained disappearance of more than half a million workers from the UK workforce, current inflationary pressures mean that older workers are coming out of retirement out of financial necessity.

The traditional three stages of life – school, work and retirement – are now being displaced by the reality that retirement is no longer an option for many. It's no longer unheard of for an organisation's workforce to range in age from someone in their seventies to someone in their teens.

Age differences at work are just one aspect of an increasingly diverse workforce. And with a rising demand that employers will meet Diversity, Equity and Inclusion (D,E&I) expectations, most organisations are scrambling to accommodate, and even embrace, difference at work.

Achieving D,E&I at work is now mission critical.

In *We Are All Weird*, Seth Godin described the profound impact the Internet has had on society[8]. Before mainstream connectivity, our unique differences may well have been perceived as foibles and even anomalies. The Internet, however, has allowed us to seek out and connect with others who share our hobbies, interests, beliefs and attitudes. And just as we identify our 'tribes', we can also diverge away into ever more splintered, and specific and bespoke groups.

Godin explained the impact of this transformation on marketing. But it has a comparative impact on employers, who must work ever harder to understand, and accommodate, the unique preferences and motivations of their staff.

Compounding this is a growing recognition of social injustice and the many ways in which minority groups are marginalised. This cuts across age, gender, sexuality, race, cultural heritage, disability and more. The murder of George Floyd in 2020 poured fuel on social activism at work with many demanding to know their employer's stance on 'Black Lives Matter.'[9.]

The widening gap between rich and poor, as accentuated by both the pandemic and ensuing cost of living crises, fans the flames still further.
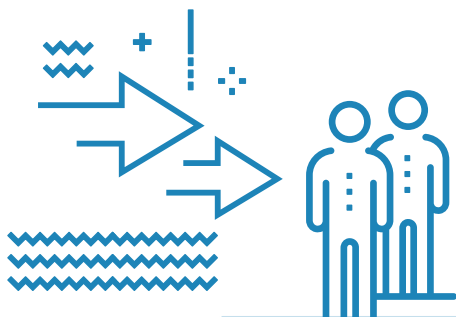
46% of Gen Zs and **45%** of millennials feel burned out due to the intensity/demands of their working environments.

15% of Gen Zs and **14%** of millennials strongly agree that large companies are taking substantive actions to combat climate change.

As the boundaries between work and life blur, everyone brings their difference of opinion and perspective to work, and never more so than in how work should be performed. In a deathblow to hierarchical and conformist command-and-control organisational leadership styles, younger workers in particular bring a more globalised, tolerant and inclusive worldview to their workplaces. Deloitte's Global 2022 Gen Z and Millennial Survey report reveals just how important values and ethics are for these younger generational cohorts.[10]

Successfully integrating all generations into the workplace requires not simply an understanding of digital tool and platform preferences but also an awareness of what matters to people at a personal level.

Purpose, meaning, integrity and impact are hugely important – simply having a job is no longer enough. As the world becomes increasingly fast-paced and unstable, people want to know that what they're doing at work makes a difference somehow, and that their work in some way leaves the world a better place. As the climate emergency escalates, demand rises that employers step up and act to address societal and environmental issues.[11]

Authenticity, transparency and trust at work, or lack thereof, are now deal-breakers.

Those in the C-suite MUST accept this change in market dynamics and lean into an entirely different style of leadership. Demand for accessible and transparent organisational leadership has been highlighted by the research of strategic advisory firm Brunswick[12]. Demand for open and inclusive communication permeates across the organisation and anyone whose work

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requires communicating will inevitably benefit from coaching support from an experienced communication professional.

Just as important of course as clear authentic communication is the capacity for listening well. Creating effective communication feedback loops, that facilitate the smooth flow of knowledge and information throughout the organisation brings the additional benefit that workers feel listened to and included, and that their individual contribution matters.

In the hyper-customised era, the new work of the internal communication professional is to harness communication at work in a way that connects with and includes EVERY member of the team.

Diverse workforces bring diversity of perspective, but only when led and managed in a way that fosters connection and belonging. Internal communication has a pivotal part to play in nurturing a variance of communication styles and channels, to connect and optimise an increasingly divergent workforce.

3.5 CHANGING EMPLOYMENT MODELS

The past two decades have seen the traditional labour market fragment into an increasingly diverse set of employment types. This has in turn dramatically altered attitudes towards work and personal risk.

The 2007 global financial collapse caused substantial and irreversible damage to the notion of job security. Faced with an increasingly unstable job market, many were forced to, or elected to work for themselves. Self-employment, or gig-work as some call it, has steadily crept upwards since then[13] and there are those who believe self-employment could easily be the norm by the end of the 2020s.[14]

87%

of organisations now utilise alternative wrokers to fulfil work objectives.
Deloitte
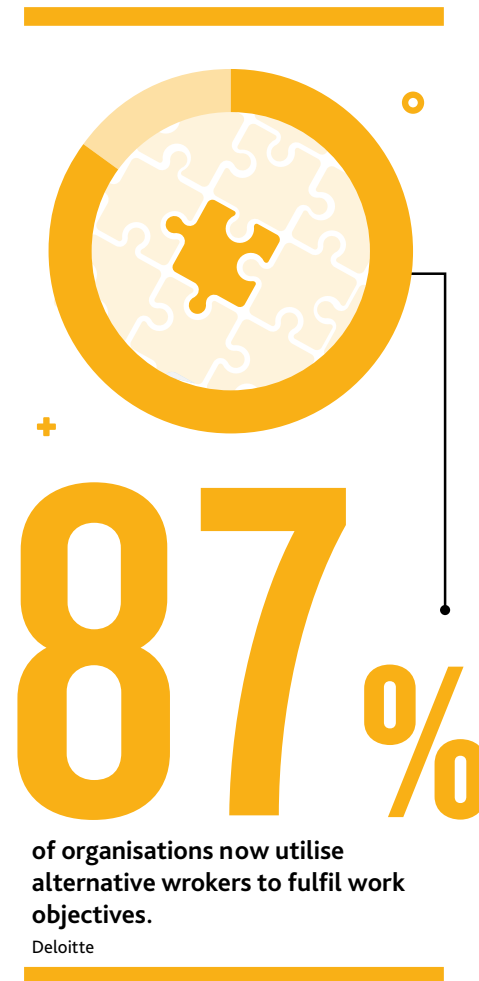
The vast range of non-permanent employment types available within the labour market today has led Deloitte to refer to the 'Alternative Workforce' as a catch all for anyone working in a way that sits outside of traditional permanent employment. It describes alternative work as including:

"Work performed by outsourced teams, contractors, freelancers, gig workers (paid for tasks), and the crowd (outsourced networks)."[15]

When skilled talent increasingly selects to work in a non-permanent capacity, organisations have little choice but to explore alternative employment models, if they want continued access to the competencies needed for bottom line outcomes. As Deloitte says,, "For organizations that want to grow and access critical skills, managing alternative forms of employment has become critical."[16]

The Great Resignation that followed COVID-19 has caused a shockwave of labour market turmoil. A primary challenge for organisations today is talent risk. KPMG defines this as lack of internal candidates for critical roles, an inadequate pipeline of future leaders, staff retention issues and an inability to identify and develop the skills and capabilities of the future.[17]

A 2021 paper published by MIT Sloan Management Review cited research that found a colossal 87% of organisations now utilise alternative workers to fulfil work objectives. The same paper acknowledged a widespread lack of strategy to engage this part of the workforce.[18]

When organisational results increasingly depend on impermanent members of the workforce, there's a clear imperative to build relationship and rapport with this increasingly essential community of workers.

'On-demand' working is here to stay.

Using these alternative groups of workers to plug the skills gap is fast becoming a necessity. Multiple think-tanks have suggested that by 2030, more than half of us will be working under self-employed status. In addition to worker preference, it's also argued that the increasingly fragmented nature of work itself will give rise to far fewer permanent job opportunities. Some business schools have suggested that only those deemed critical to the strategic roadmap of an organisation will be retained on a permanent basis.

All others in the talent ecosystem will be retained on an 'on-demand' basis.

This, of course, has huge implications for organisations and how they facilitate and enable inclusive conversations internally. It requires deep thinking – and action, of course – about how to reach and engage with an increasingly fluid set of people who may not always be working on projects and yet who know the business and how it operates. It requires consideration of the wider talent ecosystem and developing a communication style that optimises organisational agility.

The methods and mediums of internal communication for a business utilising distributed networks of impermanent talent will require continuous nurturing, to ensure the smooth flow of two-way information, and continued alignment around organisation purpose and goals.
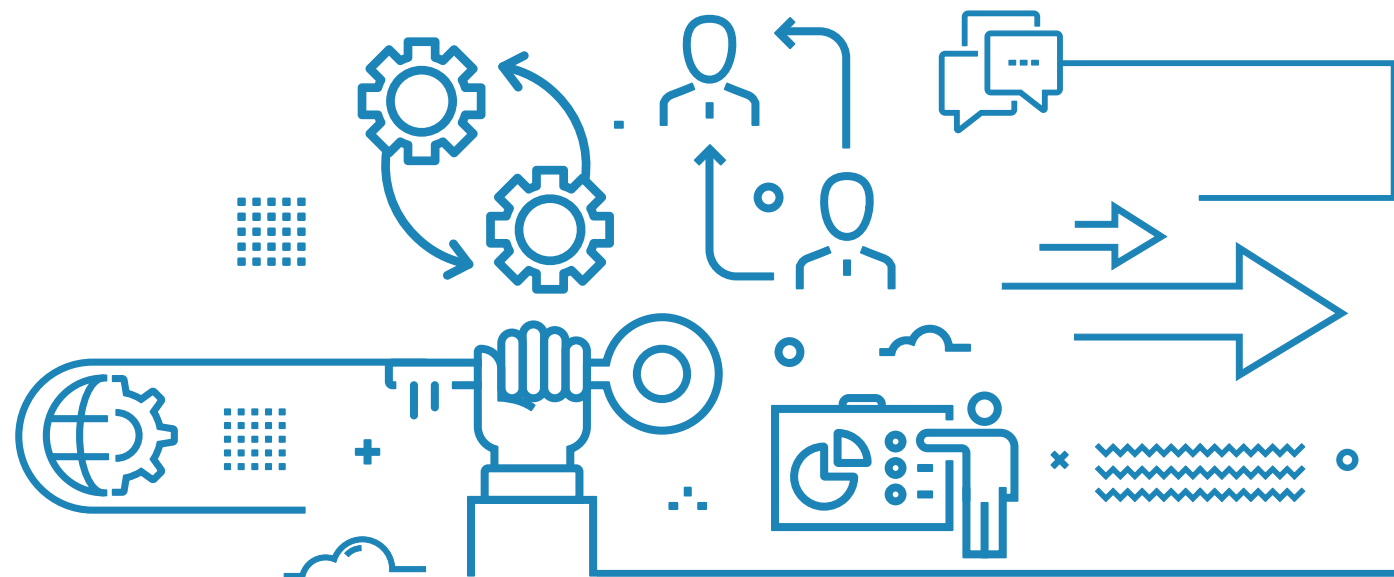
3.6 CHANGING OPERATING AND ORGANISATIONAL MODELS

As markets become increasingly dynamic, uncertain and prone to disruption, the very nature of our organisational structures requires a re-think.

'Agile' is a term we are all now familiar with. Its origins lie in the early 2000s, when a small group of US-based software industry leaders met to explore ways for software development cycles to run faster, given the accelerating nature of the IT landscape itself. Agile methodology was a means by which to expedite software releases and deployments.

Since then, 'agile' has become big business; its approach appropriated across the multiple functions of business, in the attempt to drive organisational efficiency. But 'agile' is as much a mindset as it is a methodology. For any organisation looking to survive the uncertainty of today's markets, agility is key.

An organisation's ability to align workers around temporary projects to meet transient goals and objectives, before shifting focus to new and emergent projects, is fast becoming pivotal to survival.

Successful organisations of the future will be shapeshifters, continuously morphing in size and shape to adapt to new market opportunities as they arise. While we will, of course, need to maintain the various functions that sit within a typical business (sales, marketing, operations, finance etc.), the size of departments and teams will be infinitely more fluid, and 'on-demand'. Unpredictable marketplaces and demand for sustainable business practices will drive the requirement for lean efficiency and the 'just-in-time' market responsiveness.

As traditional organisational boundaries dissolve, the way people within organisations maintain a sense of connection and community is key. Internal communication will undoubtedly be the glue that holds these increasingly transient structures together.

> For an organisation to survive increased fragmentation and fluidity, it must ensure that each and every participating team-member has access to all the information it needs to fully engage.

How we optimally communicate with one another to meet organisational objectives, will be a continuous work in progress. For an organisation to survive increased fragmentation and fluidity, it must ensure that each and every participating team-member has access to all the information it needs to fully engage and deliver desired outcomes. It will also need the feedback of every team member to contribute to organisational sense-making. The smooth omni-directional flow of knowledge needs curating and nurturing.

COVID-19, the Russian invasion of Ukraine and the climate emergency are already causing business disruption to such an extent that organisations now need communication channels that feed market intelligence to wherever it's needed to optimise market responsiveness.

3.7 IMPACT OF CLIMATE CHANGE AND RESOURCE DEPLETION ON ORGANISATIONS

"It is unequivocal that human influence has warmed the atmosphere, ocean and land. Widespread and rapid changes in the atmosphere, ocean, cryosphere and biosphere have occurred."

This headline statement from the Intergovernmental Panel on Climate Change August 2021 report[19] is stark. And yet it's already been validated by the extreme heat and climatic events that have been witnessed around the world in 2022.

Within the UK, the meteorological office recorded its highest temperature ever. 40.3°C outstripped the most extreme predictions and yet already climate scientists are concerned this could soon become the norm.

As Russia's invasion of Ukraine restricts the supply of oil and gas internationally and causes fuel inflation, in parallel the international business community is under stakeholder pressure to reduce dependency on fossil fuels. Like never before, organisations of all types are under immense pressure to reduce carbon emissions and deliver more sustainable operating practices.

Since the pandemic outbreak, employee activism has been on the rise, focusing on perceived injustices in the fields of social inequality and environmentalism. In May 2022, a Shell consultant resigned after eleven years' service[20], citing her employer's "disregard for climate change risks". Her resignation was accompanied by an open letter to senior executives and a video published on LinkedIn. People are increasingly holding those leading organisations accountable for sustainability targets, and this is another example of disgruntled or concerned employees taking to social media to air their concerns.

According to Deloitte's Millennial and Gen Z 2022 report, 73% of millennials and 75% of Generation Z agree that the global climate is at a tipping point. Only 18% of Gen Z and 16% of millennials feel their employers are doing enough to reduce their carbon footprints.[21] These are concerning data points for anyone with a responsibility for either attracting new talent or enhancing existing employee engagement. Not least because these two demographic cohorts now make up more than half the workforce.

Listening and responding to the climate concerns of employees is now a leadership imperative if organisations want to retain staff over the longer term. For most organisations, addressing sustainability will be an entirely new field of work. But those who are yielding best results are doing so by creating inclusive sustainability teams where employees are invited to problem-solve and co-create solutions that address carbon emission reduction.

In parallel, updated UK Government procurement policy[22] is driving heightened transparency of carbon emission reduction efforts. From October 2021, any organisation tendering for the supply of goods or services to any central government department, executive agency or non-department public body must provide evidence of its carbon reduction plan. This will have far-reaching consequences for the wider business community as organisations are now expected to report also on Scope 3 emissions which are produced by their own suppliers.

And as if any further motivation were required, the global supply chain shortages that stem from the pandemic and Russian invasion are driving up prices and causing inflation at levels unseen in decades. Organisations of all stripes must identify and eliminate waste in their systems.

Most organisations have yet to wake up to the fact that climate change and resource depletion will fundamentally alter their shape, structure, and operating models. To successfully meet carbon emission reduction targets, an entire overhaul of global consumption habits will be required, which will have a significant knock-on impact for goods providers of any denomination. It goes without saying that any organisation operating within a resource-intensive industry sector will need to radically alter its business model.

The climate crisis will also further disrupt the way in which organisations structure themselves internally. Professors at London Business School have predicted that climate change will dramatically restrict the viability of commuting and business travel, accelerating the rise of remote and virtual working.

How teams communicate effectively with one another when distributed geographically, will take significant planning and continuous review. How organisations rise to both the challenge of reducing carbon footprint, and the transparency in these activities that's expected by modern consumers and workers, will require thoughtful attention. Internal communication will, of course, hold a key role in delivering both timely information and facilitating conversations to bring wider internal cohesion.

Those organisations that can successfully position themselves as agents of positive change are infinitely more likely to thrive in the 2020s. Internal communication professionals have a centre-stage opportunity in this regard.

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3.8 HUMANE ORGANISATIONS

As the pace of disruption accelerates, above all else, people want to see, hear and feel clear, coherent and calm communication and action at the helm of their organisations. As strategic advisory firm Brunswick has written, "Authentic and accessible leadership has never been more important."[23]

Yet in the digital age, workplace tools, technologies and platforms are increasingly inhibiting our ability and confidence to communicate and connect with one another as humans. We fail to build meaningful connection when we over-rely on transactional communication channels.

Sherry Turkle is a professor at MIT in the USA, and her specialist area of interest is the relationship that humans have with technology. Her 2015 book, *Reclaiming Conversation*, explores the extent to which our increased reliance on digital devices inhibits our ability to socialise as humans.[24] As social creatures, we depend on our human support networks, and despite modern societal narratives skewing towards rugged individualism, we're genetically designed to live in community

with one another. Research shows the extent to which loneliness endangers our physical and mental wellbeing.[25]

As digital technology continues to automate and drive efficiency, the most sought-after skills are increasingly human skills. These include key attributes such as emotional intelligence, curiosity, creativity, the ability to communicate well, think critically and solve complex problems. We also need to leverage collaboration, facilitation and community building skills as the challenges we face are systemic and require diversity of thinking. We're dependent on the feedback loops within our human networks to hone and nurture all of these skills.

In equal measure, as consumers become increasingly overwhelmed by choice, evidence is emerging that customised, human-centric, wrap-around experiences drive loyalty. Customer-centricity will increasingly feature as a key component of organisational success stories in the 21st century. The 'Experience Economy' is thriving; Deloitte's 2019 report on the UK's leisure economy underscores this.[26] We can

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deploy all the technology we like, but for the foreseeable future, only human skills can provide a competitive edge in this area.

As consumer expectations shift so too do those of the workforce. There's an increasing demand to deliver an optimal 'employee experience', and the Great Resignation is evidence that people are no longer willing to tolerate lacklustre workplaces. Leaders and managers alike need to upskill in order to develop their communication skills for enhanced empathy and understanding.

The external global landscape is stressful and mental health issues are at an all-time high. As the economic backdrop becomes

ever more precarious, workers across the board are shouldering more responsibility to keep their organisations on-track.

As we adapt to more distributed ways of working and embrace increasingly diverse colleagues and teams, our organisations must commit to building emotionally intelligent workplaces for optimal organisational success.

Internal communication professionals recognise the power and potential of conversation to foster connection and understanding. The opportunity lies in supporting organisations to develop enhanced end-to-end communication skills that enable high-performance.

4.

SUMMARY

How we work is now evolving at lightning speed. The pace of change will never again be as 'slow' as it is today. While many business leaders have woken up to the criticality of digital transformation for organisational survival, too few leaders are considering the parallel challenge of workforce transformation.

We know from McKinsey that 70% of "complex, large-scale change programs don't reach their stated goals".[27] The most commonly cited reasons for transformation failure are a lack of engagement and poor, or non-existent, intra-company collaboration. Change communication is all too often ignored and only considered with hindsight.

Levels of workforce engagement are stagnating, according to Gallup's most recent State of the Global Workplace report.[28] Worse, deteriorating social, economic, political and environmental conditions are causing huge anxiety and stress the world over.

Effective internal communication is one of the four enablers of engagement, according to UK movement Engage for Success.[29] 'Employee voice' is essential for staff to feel connected and included, and more importantly, able to make a difference and work with purpose. It's also critical for organisations of any type to listen carefully to the views of their teams, to gain a sense of what matters, both internally and externally in the wider market operating environment.

For organisations to survive the convergent challenges of the 21st century, leaders must prioritise world-class internal communication at the epicentre of transformation. Those that don't will simply fail.

We hope this report successfully provides an overview of the central themes of change that are disrupting the work landscape. We haven't sought to 'scare the horses' or paint a doom-laden picture of a dystopian world we're all careening towards! Moreover, our aim is to provide

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'Employee voice' is essential for staff to feel connected and included, and more importantly, able to make a difference and work with purpose.

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79%

Employees worldwide who are not engaged or are actively disengaged in their job.
Gallup

a succinct snapshot of how and why things are changing, and to demonstrate both the opportunity for the internal communication professional, and the criticality of the profession itself.

Reflective of the wider world, work trends in the 2020s are continuously shifting. By focusing on the main themes, we hope you will start your own future-proofing efforts within your organisation, if you haven't already. And this is just the start of an exciting journey – we have many other reports, guides, workshops and events to help you on your way.

5.
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FOOTNOTES/REFERENCES

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