State of the Sector 2020

The definitive global survey of the
internal communication landscape.

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Introduction

For us, State of the Sector is a chance to delve into your world. A world of passion and commitment to communication. We know that communication is consistently shown to improve all areas of an organisation's performance and ultimately contribute to bottom line success.

The challenge is often in finding the data and insights to help you guide and advise leadership teams around the value it can bring. It's a challenge we have been helping communication professionals overcome for years.

At Gallagher, we like to talk about the importance of communication in line with the people agenda with more than just words. We can talk about the risk of not focusing on employees and under-investing in internal communication.

Whether it is employees becoming consumers of an organisation, the need to manage an ever-changing world whilst delivering top and bottom line growth, employee wellbeing or employees spiralling into debt – the risk of not focusing on the people agenda is real. And without internal communicators, it won't go away.

You are the glue inside the organisation — the people who help shape and create the stories that show what the experience is for the employees inside your organisation. You know the risk of not focusing on people and you know you have the power to transform how people feel about work.

For over 90 years, Gallagher has been known as an insurance company. But might not be as familiar is the purpose behind what we do — to help clients face their future with confidence and support them through the challenges that can put their organisation at risk.

But this isn't just about risk management and insurance. It's about the things that make work, work: people.

You can't tackle a risk without truly understanding it and to do that, you need data and insight. This year, we're publishing our biggest ever State of the Sector report, which gives us this data. Thanks to over 1,000 communicators who completed the survey, we cover every aspect of internal communication and employee engagement. From challenges to priorities; from planning to measurement practices; and from resources to channels. Whether you simply draw inspiration from it or pick out key statistics to build a business case for your function, this report will help you understand where those risk factors might be.

This year shows progress in alignment to leadership as well as a shift from focusing on digital strategies to people. As an internal communicator reading this report, I ask you to be proud of the impact you have in the organisations you serve and use this report to help you raise your game this year.

Together, we can make the organisations we work with better.
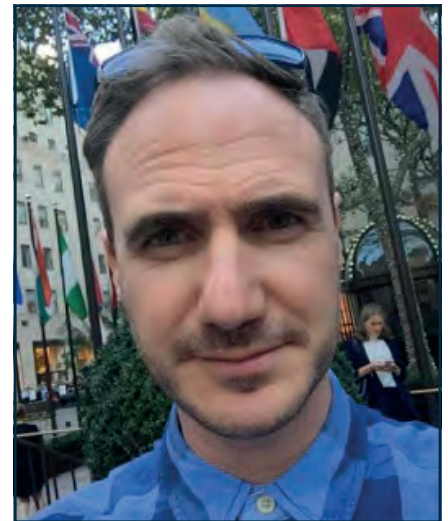
Ben Reynolds
Managing Director
Employee communication practice

Gallagher's expanding employee communication practice is a now a 170 strong team, located in the USA and Australia; working with over 200 clients.

Together, we focus on helping our clients with their people agenda to make their organisations better.

We provide a full range of services; from audits and insights, to creative campaigns; and from strategy development to training and recruitment.

You'll find us discussing creative ways to engage teams on financial benefits, developing AI and chatbots to make the employee experience faster and easier and helping our clients to think about what is really important to their people agenda.

Want to focus on your people agenda this year? Give us a call, we'd love to help.

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Who responded?

1,000+ responses

45 countries represented

United Kingdom **49%**

Continental Europe **21%**

North America **18%**

Asia Pacific and Oceania **9%**

Latin America and the Caribbean **2%**

Middle East and Africa **1%**

33 industries represented including

Local & central government **11%**

Banking & finance **10%** (excluding insurance)
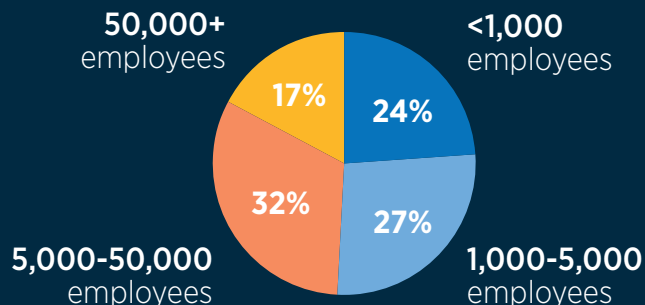
Healthcare **8%**

Technology (excluding hardware) **8%**

Professional services & consulting **8%**

Organisation size

50,000+ employees **17%**

<1,000 employees **24%**

5,000-50,000 employees **32%**

1,000-5,000 employees **27%**

Role

57% say their role is entirely dedicated to internal communication

leaving a significant number who combine their internal communication responsibilities with others.

Positioning of the internal communication team

83% say there is a dedicated internal communication function in their organisation – despite a smaller proportion declaring their remit solely covers inter specifications, and to empower internal communicators to say 'no' to certain requests.

Interestingly, the proportion of survey respondents declaring internal communications report into an integrated corporate communications, PR and corporate affairs team has decreased slightly, from 52% to 48%. Most other reporting lines have stabilised over the years in terms of how common they are.

However, for the first time since launching the State of the Sector, a small proportion of communicators (2%) said they report into a strategy, transformation and innovation team. If this isn't a sign that internal communication is becoming more influential in organisations, we don't know what is!

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Budgets and resources

Another sign internal communicators are cementing their position as highly skilled, trusted specialists with a great amount of influence lies in the fact that, put simply, organisations are hiring more of them! There's no doubt that hiring and training new employees places strain on organisations, both in terms of time and financially – yet in the case of internal communicators, this is increasingly seen as an investment that will pay off.

Indeed, effective internal communications, which keep employees informed but also motivate them and recognise them for their hard work, help to reduce employee turnover across the rest of the organisation. Bearing in mind that replacing a single employee costs around 1.5 times the salary of the person being replaced, there are huge savings to be made by improving employee experiences

and fostering stronger relationships between employers and their people, most notably through strategic internal communications.

Interestingly, many organisations have opted first and foremost to increase headcount within their IC team over the past year. Organisations with fewer than 500 employees, on average, now employ two IC specialists – double the headcount from 2019. And at the opposite end of the spectrum, organisations of 50,000 or more people now benefit from an IC team made up of 16 dedicated internal communicators, up from 15 last year.

This is a clear vote of confidence in IC specialists' skills, most notably people skills, creativity and strategic thinking.

Whilst salary costs have gone up with the headcount, other financial investments into

internal communications have decreased. As such, most organisations now spend a little less on internal communication campaigns, events and activities than they did in 2019. For example, the average high spend for an organisation of over 50,000 people has dropped by nearly a tenth. And the average low spend for an organisation of up to 500 people has gone down a massive 37%!

Overall, once salaries and software subscriptions are added into the mix, it is likely organisations are spending either a similar amount to or a little more than in 2019 on their internal communications – however, the areas benefitting from investment have changed, in favour of human resource. Now it's down to us as communicators to prove that was the right choice!

How many dedicated internal communicators are there in your organisation?

Number of employees	FTE dedicated IC people 2020	FTE dedicated IC people 2019
1-499	2	1
500-2,499	3	2
2,500-9,999	6	5
10,000-49,999	10	7
50,000+	16	15

(Average responses based on employee base)

What budget is currently allocated to internal communication?

Number of employees	Low spend 2020	Low spend 2019	High spend 2020	High spend 2019
1-499	£17,000	£27,000	£49,000	£70,000
500-2,499	£56,000	£43,000	£121,000	£101,000
2,500-9,999	£109,000	£129,500	£209,000	£226,500
10,000-49,999	£199,000	£243,000	£313,000	£317,000
50,000+	£470,000	£497,500	£562,000	£620,500

(Average IC spend based on the size of the organisation)

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Purpose, priorities and challenges

The IC function

Further proof of the burgeoning influence of internal communication came when respondents were asked about leadership perceptions of the function. The proportion of communicators stating that they and senior leaders agree on the purpose of internal communication has been rising year on year, to reach 70% in 2020. Just five years ago, this figure was 53%! When you remember that internal communication was once seen as a glorified internal post office, regardless of what the function itself aspired to, it is astounding to see that leaders and communicators are now

on the same wavelength and working towards the same goals.

The proportion of IC specialists agreeing that leaders understand the value of internal communication and see communicators as trusted advisors has remained stable over the years. Pleasingly, the proportion of people who 'strongly' agree with the statement is on the rise: whilst 17% were utterly convinced leaders viewed them as trusted advisors last year, 20% are of that opinion in 2020.

Two thirds of respondents (66%) believe internal communication is seen as a key driver of the employee experience, and a similar proportion (72%) says the function plays

a critical role in capturing and amplifying employee voice. The slight disparity may be down to other functions within organisations having not realised the extent to which internal communication works to empower employees – so there is perhaps still a little way to go to strengthen the function's reputation among non-leaders. The fact that over two in five (43%) disagree that internal communication is consulted and involved at every stage of communicating change offers further evidence that other functions may not see internal communication as being a crucial piece of the organisational puzzle.

Thinking of the internal communication's function, to what extent do you agree with the following statements regarding your leadership team?
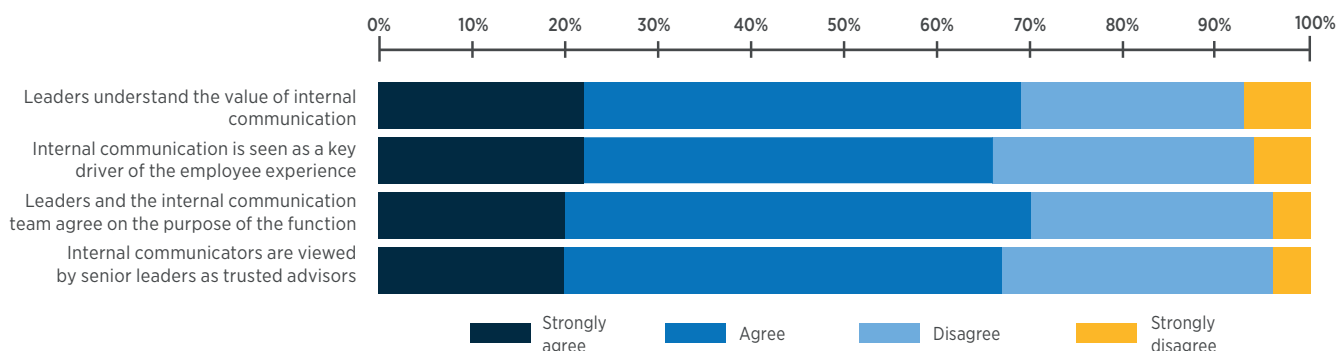
To what extent do you agree with the following statements? Internal communication…

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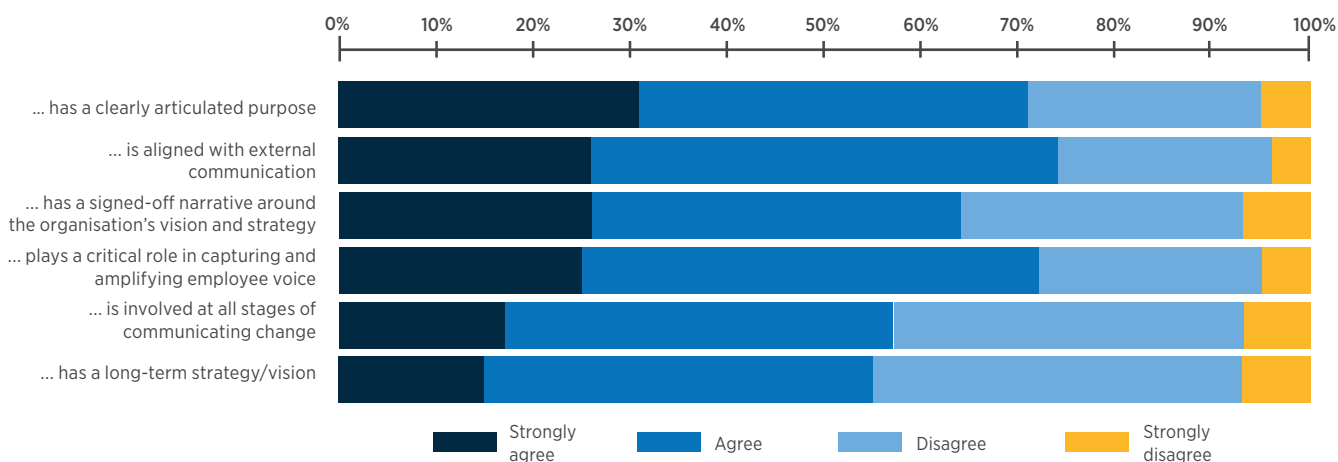
Core activities

The aforementioned variable trust in internal communication may be linked to the level of interaction between IC and other functions. Indeed, internal communicators spend most of their time broadcasting strategic messages (88%) and corporate announcements (87%), typically to their organisation's entire workforce. The third most prevalent activity for internal communicators varies from region to region, but typically the focus remains on employees. Meanwhile, just one in three (37%) are 'very involved' in supporting functional teams' communication activities, and a paltry 16% are 'very involved' in upskilling others in communication, with a higher proportion (20%) opting out of this altogether!

Of course, internal communicators across the globe do take on a number of other responsibilities, and are typically very busy. In fact, IC involvement in every single listed activity (save for two) has remained stable over the past five years – with the remaining two activities seeing their prevalence increase over time. Whilst 69% of communicators played a role in developing and launching
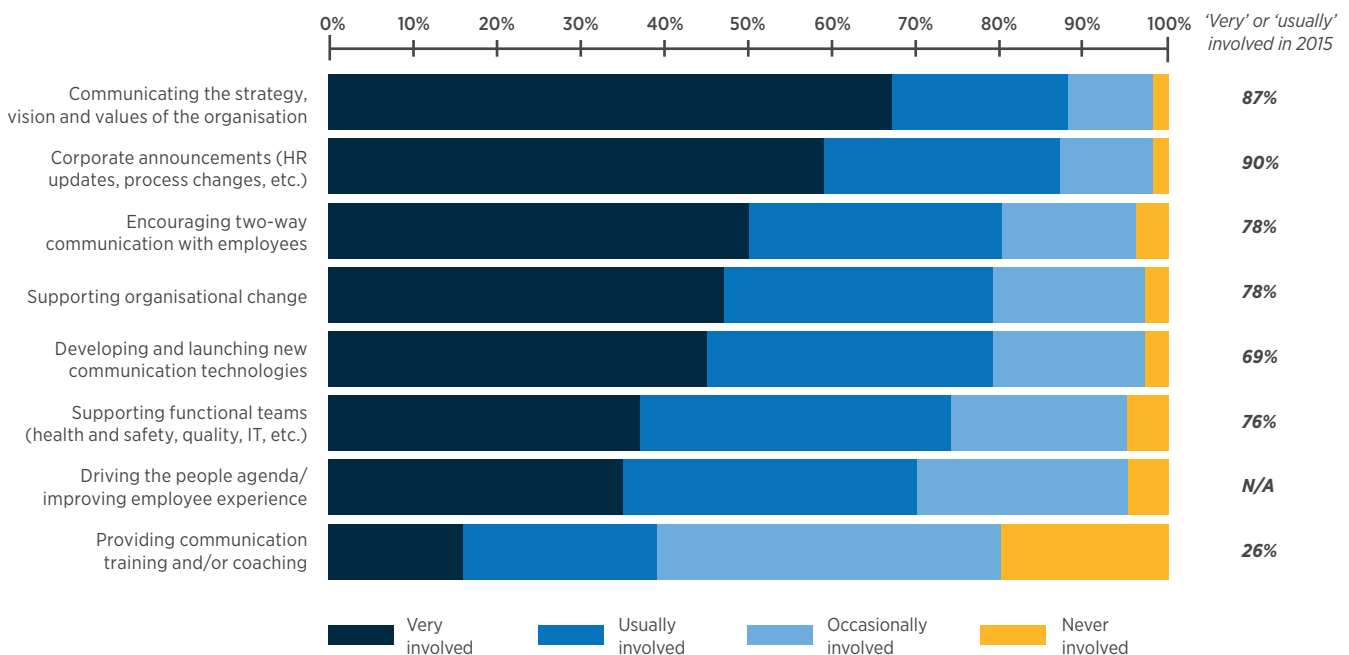
new communication technologies in 2015, 79% do so now (an increase of ten points). And the total proportion of communicators offering training and coaching services has increased by 50% – having reached 39% in 2020 from just 26% in 2015.

As was stated previously, priorities differ across regions. In the UK, there is increasingly a strong focus being put on driving the people agenda and improving the employee experience: nine in ten respondents (88%) said they are involved in this on a regular basis, compared with seven in ten (71%) in North America and just one in two (52%) in continental Europe. Asia Pacific is less focused on the overall employee experience, with 59% citing a regular involvement in it; however, encouraging two-way communications with employees is one of the biggest time-eaters, with 80% including this in their day-to-day remit. In North America, times are changing – 82% of IC specialists say they are 'very' or 'usually' involved in supporting organisational transformation, making this the second most prevalent activity for communicators in the region. Continental Europe is also looking to the future – specifically, IC teams are looking

to develop and launch new and innovative communication technologies.

It is clear from this that, despite people across the globe becoming ever closer (six handshakes rule, anyone?), trends are not universal. Whilst internal communication in the UK is getting stuck into what's traditionally been considered the realm of HR, our European counterparts are working alongside IT to deliver a stronger channel framework, and our colleagues across the pond are continuing to crack senior leaders by demonstrating their ability to influence organisational culture and behaviours. What's interesting is how these correlate with wider trends in the regions. For instance, the UK, in comparison to the US, has much higher average employee turnover rates, around 15%, making talent retention – and as a result, improved employee experiences – a huge priority for many organisations. Meanwhile, in Europe, supra-national organisations are on a mission to promote safe but effective digital solutions – and the European Commission lists turning the continent into a global leader in the digital economy as a key element of its political strategy.

How involved is your team in the following activities?

Activity	'Very' or 'usually' involved in 2015
Communicating the strategy, vision and values of the organisation	87%
Corporate announcements (HR updates, process changes, etc.)	90%
Encouraging two-way communication with employees	78%
Supporting organisational change	78%
Developing and launching new communication technologies	69%
Supporting functional teams (health and safety, quality, IT, etc.)	76%
Driving the people agenda/ improving employee experience	N/A
Providing communication training and/or coaching	26%

Legend: ■ Very involved ■ Usually involved ■ Occasionally involved ■ Never involved

Top 3 activities by region

	UK	Europe	North America	Asia Pacific
1	Communicating the strategy, vision and values	Corporate announcements	Communicating the strategy, vision and values	Corporate announcements
2	Corporate announcements	Communicating the strategy, vision and values	Supporting organisational change	Communicating the strategy, vision and values
3	Driving the people agenda/ improving employee experience	Developing and launching new communication technologies	Corporate announcements	Developing and launching new communication technologies

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Looking forward – priorities for 2020

Internal communication priorities for 2020, broadly speaking, indicate that these trends are not set to change any time soon. Indeed, communicators across all regions are looking to focus their time and energy on communicating the purpose, strategy and values of their organisations in 2020, with many also planning to communicate about an upcoming change. In the UK, the third top priority will be enhancing line manager communication, with the recognition that these are key players in team effectiveness and employee engagement. In Europe,

improving digital channels is, unsurprisingly, a top priority. And in North America, communicators plan to focus on developing or refreshing their internal communication strategies, presumably to better support the overall business plan and strategy within their organisations – again, with increased trust from senior leaders likely to be a beneficial side effect.

Other goals for internal communicators in 2020 include improving impact measurement and evaluation, which is tied for fifth place globally. This aligns with a trend that we are seeing more and more in our work outside of the State of the Sector: increasingly, organisations are hearing about the benefits of being data-driven,

and are aspiring to implement this approach internally. Meanwhile, upskilling the IC team is half as common a pursuit as it was two years ago, with just one in ten set to focus on this in 2020, and only one in five list enhancing leadership communications as a top priority, compared with nearly one in two in 2018.

It is clear from these priorities that internal communicators are looking to take a far more strategic position, with a focus on overarching narratives, fit-for-purpose channel frameworks and long-term data-driven evolutions over short-term tactical actions – perhaps as a result of having more human resource than in previous years to do so?

Where will you be focusing your attention and investing your resources over the next 12 months?

Legend: ■ 2020 ■ 2019 ■ 2018
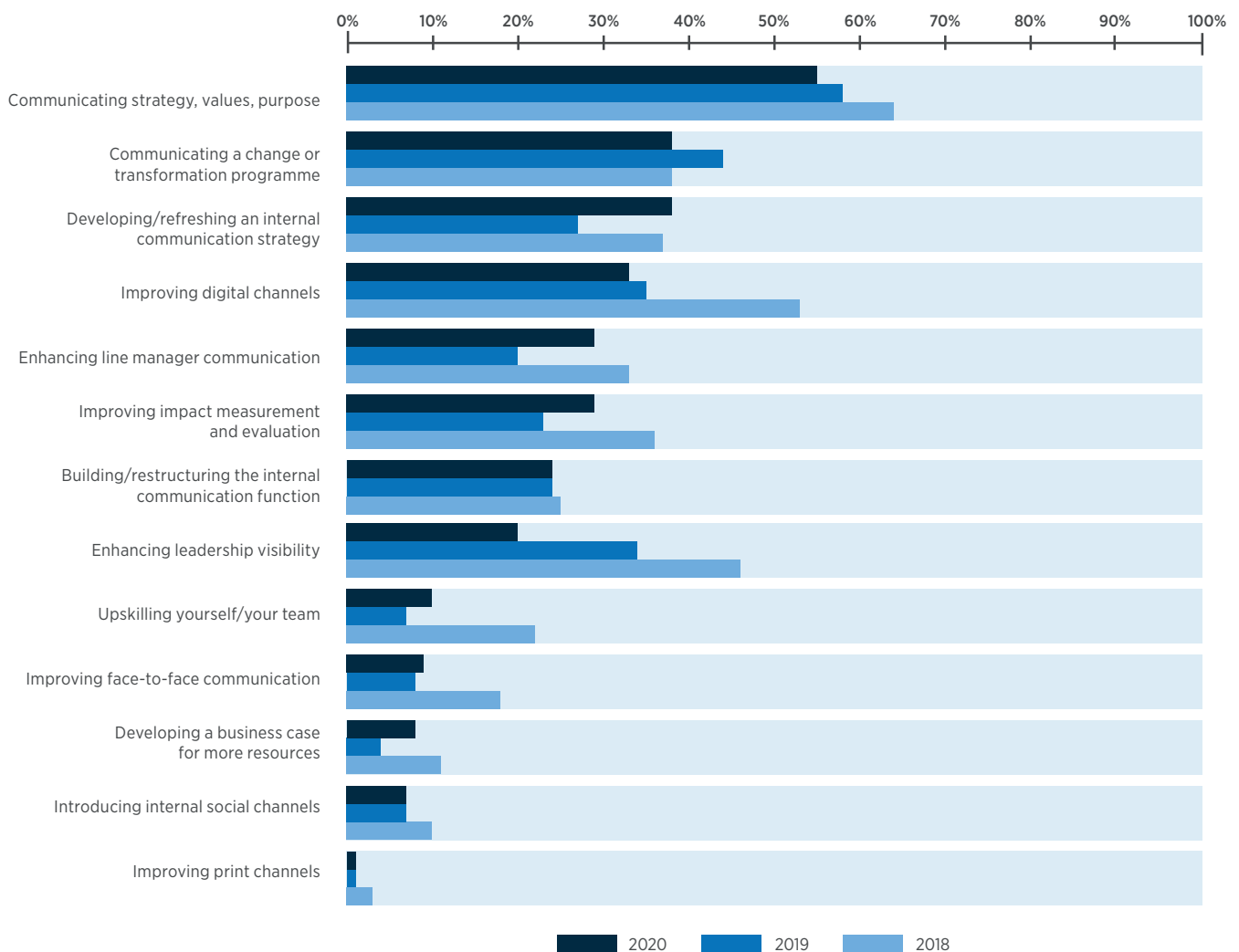
Top 3 priorities by region

	UK	Europe	North America	Asia Pacific
1	Communicating purpose, strategy, values	Communicating purpose, strategy, values	Developing/refreshing an internal communication strategy	Communicating purpose, strategy, values
2	Communicating a change / transformation programme	Communicating a change/ transformation programme	Communicating purpose, strategy, values	Communicating a change/ transformation programme
3	Enhancing line manager communication	Improving digital channels	Improving digital channels	Developing/refreshing an internal communication strategy

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Barriers to success

Unlike top priorities, internal communicators' biggest challenges are not so easy to predict. Indeed, the priorities IC teams have chosen to focus on in 2020 are not always aligned with the challenges that must be overcome. Across all regions, one of the biggest barriers to success is a volume of communications that is deemed excessive, and a resulting difficulty to cut through the noise. It would appear, from survey respondents' dedication to communicating about purpose, strategy and values in 2020, that there is an ambition to a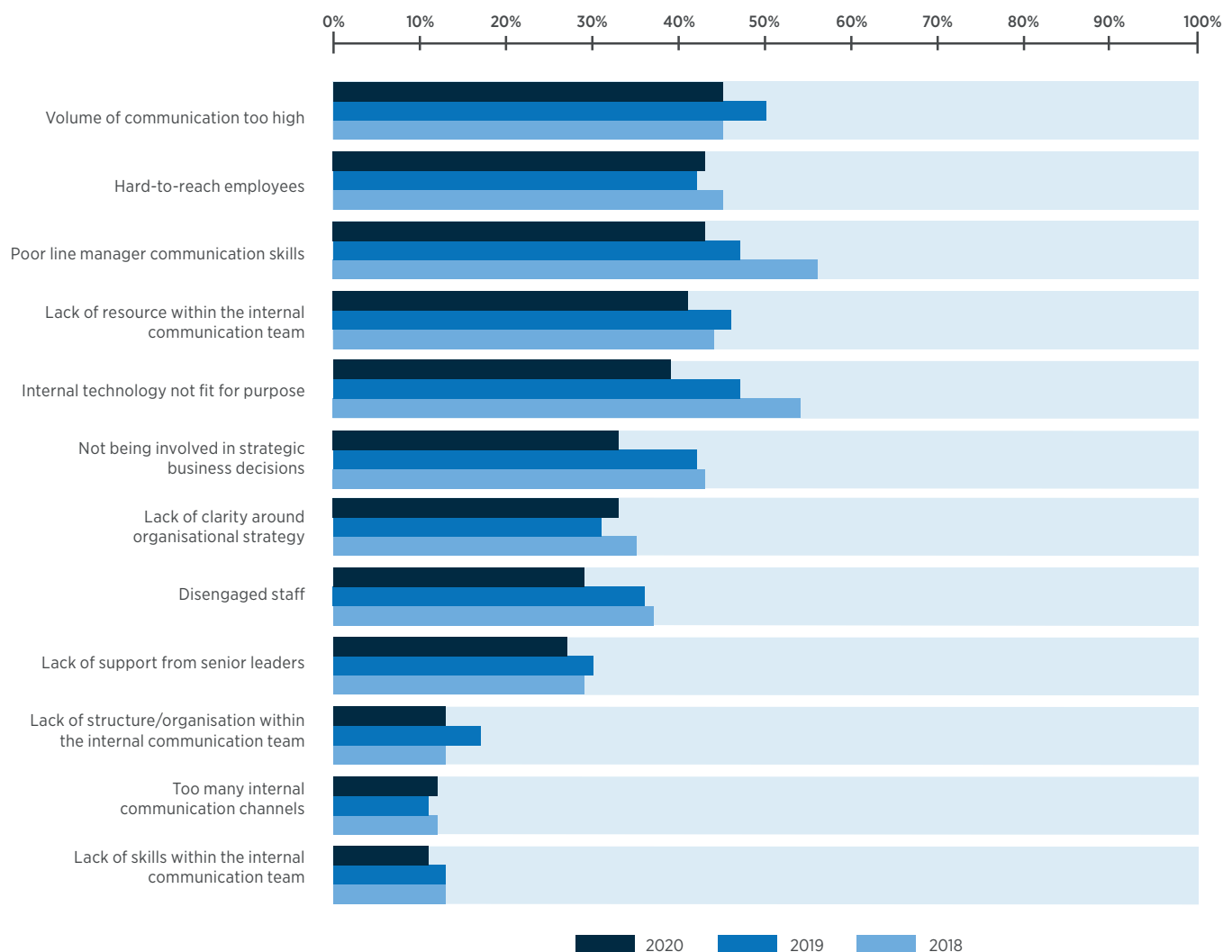chieve success through sustained messaging and perhaps increased creativity – but is more messaging the wisest choice in the long term?

Hard-to-reach employees are another challenge faced across most locations, though respondents are opting for different techniques to overcome it: whilst the UK is placing its bets on enhanced line manager communication extending its reach, North America aims to improve its digital channels. Pleasingly, in this instance, communicators are killing two birds with one stone – the UK is looking to stamp out poor line manager communications, whilst North America is ensuring employees' professional digital experience is smooth and efficient, much like people's digital experience in their personal lives.

Interestingly, the fourth biggest challenge to internal communicators worldwide is a lack of resource within the internal communication team – perhaps a nod to the diminishing financial budget that is dedicated to this activity. Overall, however, there has been little change in what are perceived to be the obstacles in communicators' way since last year, indicating more is yet to be done to overcome these.

What are the main barriers to internal communications being a success?

Legend: 2020, 2019, 2018

Categories (top to bottom):
- Volume of communication too high
- Hard-to-reach employees
- Poor line manager communication skills
- Lack of resource within the internal communication team
- Internal technology not fit for purpose
- Not being involved in strategic business decisions
- Lack of clarity around organisational strategy
- Disengaged staff
- Lack of support from senior leaders
- Lack of structure/organisation within the internal communication team
- Too many internal communication channels
- Lack of skills within the internal communication team

Top 3 challenges by region

	UK	Europe	North America	Asia Pacific
1	Hard-to-reach employees	Poor line manager communication skills	Volume of communication too high	Volume of communication too high
2	Poor line manager communication skills	Volume of communication too high	Hard-to-reach employees	Lack of resource within the internal communication team
3	Volume of communication too high	Lack of resource within the internal communication team	Internal technology not fit for purpose	Internal technology not fit for purpose

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IC planning

Sadly, when it comes to planning documents, there has also been little change year on year. Even going back to 2015, the progress the profession has made has been relatively minor: the proportion of IC teams with a communications plan has risen by six points, and the proportion of teams with a channel framework has gone up by four points. In some instances, we're actually doing worse: IC strategies have become more elusive (though we're willing to put the blame on organisations' own strategies evolving for the 2020s). In fact, most IC teams appear to rely first and foremost on short-term tactical documents, such as communications plans for key campaigns, in place within 65% of organisations.

There is no question that we could be doing better here, but at the very least, it is nice to see that the number of internal communicators operating with no planning documents whatsoever has decreased by a quarter since 2015.

What tools do you currently have in place?

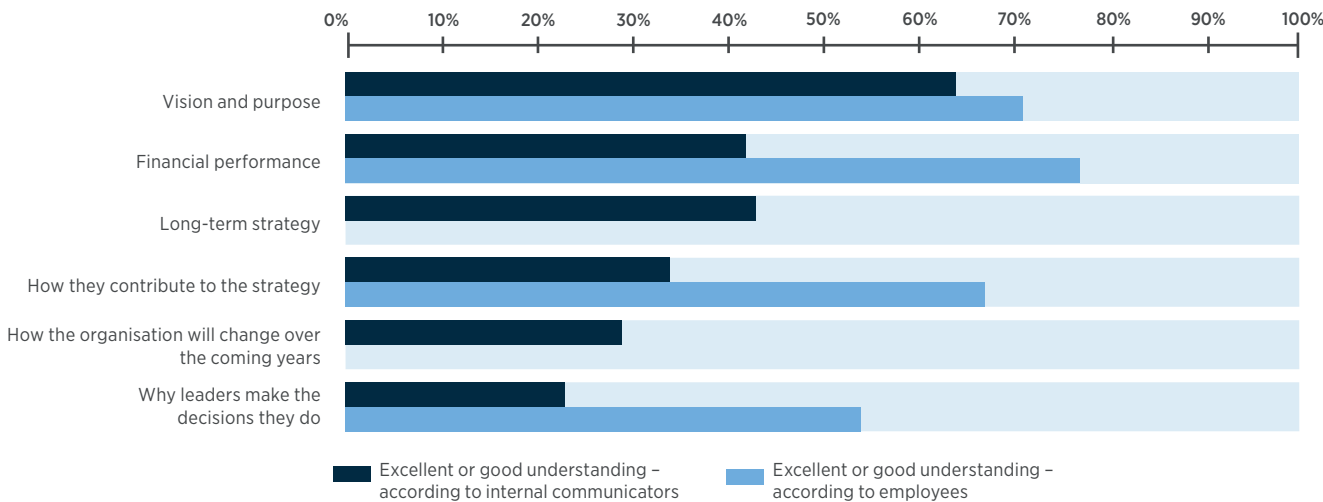|	2020	*2019*	*2015*
Written communications plan/calendar for one or multiple key campaigns	**65%**	*N/A*	*N/A*
Written communications plan/calendar covering the entirety of your internal communications activity over a 12-month period	**55%**	*57%*	*49%*
Channel framework	**46%**	*45%*	*42%*
Written internal communication strategy covering a period of more than one year	**33%**	*38%*	*37%*
Audience profiles/personas	**18%**	*17%*	*17%*
None of these	**15%**	*19%*	*20%*
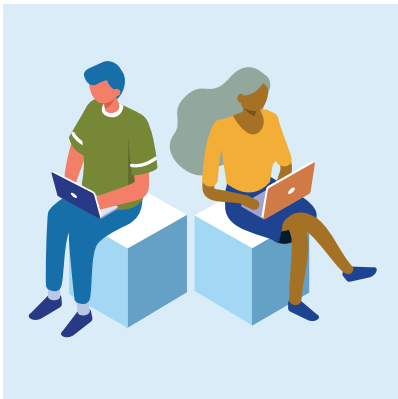
Despite the 'doom and gloom' of the previous few sections, all is not lost for internal communicators. In fact, many underestimate just how well they are doing. This year, we overlaid our State of the Sector responses with benchmarking data from the hundreds of audits we have conducted over the years. This data shows that the majority of employees feel decently well informed of many strategic topics – at the very least, they feel like they understand what's important for them to know. Yet as few as one in five communicators believe this is the case... Whilst 23% of IC professionals believe employees have an excellent or good understanding of the reasons behind leadership decisions, 54% of employees consider themselves knowledgeable on the subject. And whilst a third of communicators (34%) think employees are clear on how they contribute to the strategy, twice as many employees say they understand this (67%). Additionally, whilst 53% of communicators think they're doing a 'good' or 'excellent' job overall, 60% of employees would rate our work positively.

Let this be a lesson to us all not to be so hard on ourselves – and to go out and ask our audiences directly what they think of how we're doing!

How would you rate people's understanding of the following in your organisation?

Legend:
- Excellent or good understanding – according to internal communicators
- Excellent or good understanding – according to employees

Categories:
- Vision and purpose
- Financial performance
- Long-term strategy
- How they contribute to the strategy
- How the organisation will change over the coming years
- Why leaders make the decisions they do

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Listening and impact measurement

Speaking of going out and asking people how they think we're doing, if you've been reading our State of the Sector reports for a while, you know that impact measurement is a sticking point for us. Some of the first pieces of work we completed for our clients were internal communication audits, and these have remained part of our core offering – with the addition of a host of other services! So, we were mildly disappointed to see that, like last year, a fifth of internal communicators don't, or very rarely, measure their internal

communications. A similar proportion (22%) describe their approach to measurement as 'advanced' or 'mature', and ensure they regularly evaluate and report back on the impact of their activity. The remainder, a considerable 58%, say they only 'occasionally' use data or metrics to check how they are performing – but that they struggle to keep up the momentum between campaigns.

This paints a rather bleak picture of the internal communication profession, as one focused on the present – with high hopes for the future but lacking the information to put it on a solid footing.

How would you describe your approach to internal communication measurement?

Novice – we don't, or very rarely, measure our internal communications	**20%**
Evolving – we occasionally use data/metrics to check in on how we're doing but struggle to keep up the momentum between ad hoc campaigns	**58%**
Mature – we regularly measure and report back on how our communications are landing, using mostly quantitative data/metrics	**17%**
Advanced – we regularly measure and track our impact, effectively linking quantitative and qualitative data to strategic outcomes	**5%**

Barriers to measurement

So, what is preventing a fifth of communicators from measuring the impact of their activities? Nearly two thirds say that technological limitations are to blame – that's emailing software that doesn't track open or click-through rates, intranet platforms with convoluted analytics, and so forth. Increasingly, software developers are taking note of this frustration, and creating sophisticated dashboards enabling businesses to evaluate their effectiveness – more evidence of the world increasingly moving towards a data-driven culture – but this comes at a price that not all are prepared to pay. This is a real shame, as metrics, though basic, are an essential part of an internal communication measurement strategy, and

are one of the quickest, easiest ways to prove the IC function's worth.

With that said, it's perhaps unsurprising that businesses are not always willing to invest in software with effective measurement capability – according to 44% of respondents, the organisation simply isn't interested in knowing how well its internal communications are being received!

Other issues were highlighted included a lack of time and/or resource, and a lack of knowledge and/or skills, with the obvious short- to medium-term solution being to outsource measurement to a specialist third party. In the long term, these are certainly barriers it would be helpful to overcome in order to benefit the business, but also individual communicators in the grand scheme of their careers (particularly in light of the growing importance being placed on data and measurement across sectors and professions).

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

Technology and/or lack of metrics available	**63%**
Lack of time and/or resource	**56%**
No interest from the business	**44%**
Lack of knowledge and/or skills in data/analysis	**42%**
Pushback from other functions/individuals in the business	**15%**

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Tactics and outcomes

Happily, when it comes to those internal communicators who actively measure the effectiveness of their communications and listen to their audiences, a wide variety of techniques are being used. Responses show that, for the most part, IC teams are combining multiple measurement methods to paint the most accurate picture possible of their activity and its impact. Organisations are evaluating various facets of internal communications, from their reach, which is most widely measured, to employees' overall satisfaction and engagement with internal messages; and from people's understanding of communications, to the medium-term impact on business outcomes.

And for each of those facets, internal communicators are utilising a few tactics. The one exception is with behaviour change and business outcomes: lower proportions of internal communicators stating they use any of the listed methods show that businesses are sticking to just one or two of these to judge how impactful internal messages are.

Some measurement tools enable communicators to track progress against a few variables: the widely used engagement survey, for instance, used by around two thirds of organisations, gives an insight not only into how happy employees are working where they do, but also how well they actually know the organisation that employs them. And qualitative feedback from communications champions, line managers or directly from employees in listening sessions or focus groups provides valuable information around understanding and just why internal communications are or aren't working.

Sadly, qualitative methods are used far less overall than quantitative methods, which are easier to deploy. Across the board, internal communicators are prioritising surveys and statistics over interviews and focus groups. In an ideal world, organisations would combine the two to maximise the quality of the data and, by extension, the insights it brings.

How do you measure internal communication?

Reach	Intranet and/or online analytics (page views...)	82%
	Event/webcall/webinar attendance	65%
	Email statistics	59%
	Social media metrics (number of comments, 'likes'...)	55%
	We don't measure how many people internal messages reach	6%
Understanding	Employee engagement surveys	69%
	Feedback from face-to-face events	52%
	Questions and comments on the intranet/social media	47%
	Pulse surveys	43%
	Listening sessions/focus groups/staff panels	35%
	Feedback from line managers	35%
	Feedback from communication champions	28%
	We don't measure employees' understanding of internal messages	13%
Behaviour change and business outcomes	Business metrics (adoption rates, absenteeism, staff turnover...)	36%
	Behaviour-focused feedback from line managers	35%
	Listening sessions/focus groups/staff panels	28%
	Behaviour-focused feedback from communication champions	25%
	We don't measure behaviour change and business outcomes	39%
Employee satisfaction	Employee engagement surveys	64%
	Pulse surveys	43%
	Internal communication audit/survey (run in house within the past three years)	43%
	Listening sessions/Focus groups/Staff panels	40%
	Internal communication audit/survey (run by an external agency within the past three years)	19%
	One-to-one interviews (exit interviews...)	17%
	Sentiment analysis	9%
	We haven't measured employees' overall satisfaction with internal communication in the past three years	11%

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Of course, data only truly provides insights when it is analysed and subsequently used. For the majority of IC teams (72%), this is done first and foremost in a closed environment: the IC team, alone, will brainstorm future improvements to its activity. Just under half of IC teams then go on to share the insights with senior leaders, in an effort to prove the value they bring to the business. Two in five (39%) also plan to try to secure investment for future initiatives.

Surprisingly enough, just a third of internal communicators (32%) go on to share the output of their measurement activities with the workforce they collected the data from! This is despite the fact that 72% believe a key part of their role is to capture, but also to amplify, the employee voice. Interestingly, there are some slight regional differences here, with communicators in North America far more likely to share insights with close colleagues, including leaders (56%, compared with 47% globally) and other support functions (51%, compared with 38% globally) – but less likely to play the data back to employees (28%, compared with 32% globally). This shows once again that priorities and primary audiences for IC teams vary across the globe.

Disappointingly, a noteworthy 17% (nearly one in five) say they review the data they collect but rarely use it afterwards. So, whilst external observation tells us that organisations are keen and willing to implement a data-driven culture in their organisation, they're not quite there yet.

What do you do with the output of your internal communication measurement?

We use it within the IC team to brainstorm future improvements	72%
We produce reports to prove our value to senior leaders	47%
We use it to build business cases for future initiatives	39%
We share the output with other support functions that may benefit from the information	38%
We share the output with the general workforce to show they're being listened to	32%
We review the data but rarely use it afterwards	17%

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Channels

Face to face

When it comes to face-to-face channels that are used within organisations, relatively little is changing year on year.
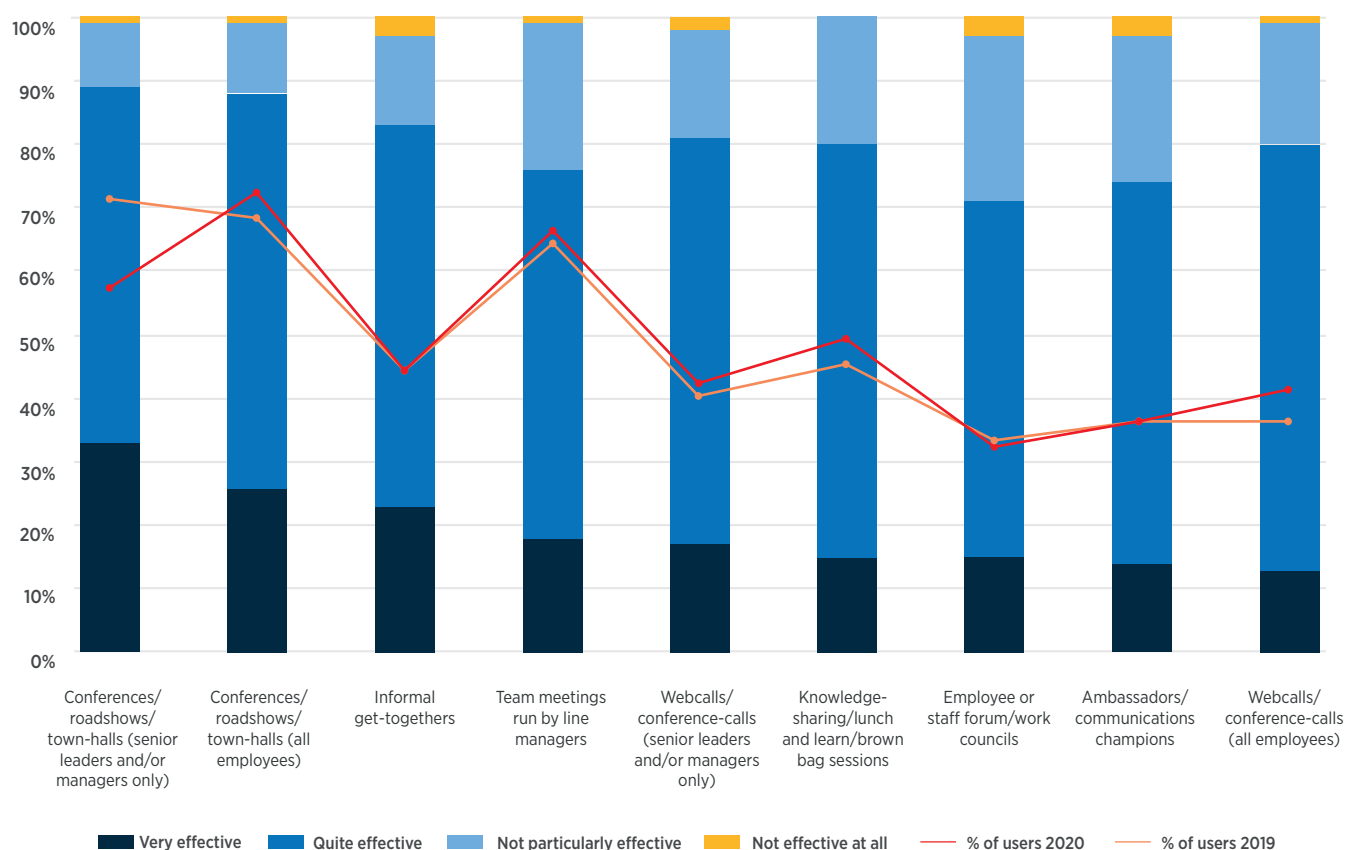
There has been a trend for opening channels up to wider audiences, for instance in the case of webcalls, conference calls, conferences, roadshows and town halls, with the prevalence of all-employee calls and events rising, whilst those restricted to leaders and managers have stagnated or declined. This is unsurprising, given many communicators are facing a challenge around hard-to-reach and unengaged employees. That said, audience-specific channels remain slightly more effective than their all-hands counterparts: a third of communicators (33%) say conferences and roadshows for leaders and managers are 'very' effective, whilst just a quarter (26%) say the same of all-employee events.

Knowledge-sharing sessions have also seen a slight resurgence, with usage rising from 47% to 51% in the year from 2019 to 2020.

Based on our experience, this is a good thing – employees are often crying out for more professional development opportunities and to share best practice, and these sessions fit the bill nicely. This also offers additional proof that internal communicators are spreading their wings and trying to better the overall employee experience – by venturing into traditionally HR-related topics and enabling people to learn how to make the most of what the organisation has to offer.

How effective would you say the following face-to-face channels are within your organisation?

Legend: **Very effective** · **Quite effective** · Not particularly effective · Not effective at all · — % of users 2020 · — % of users 2019
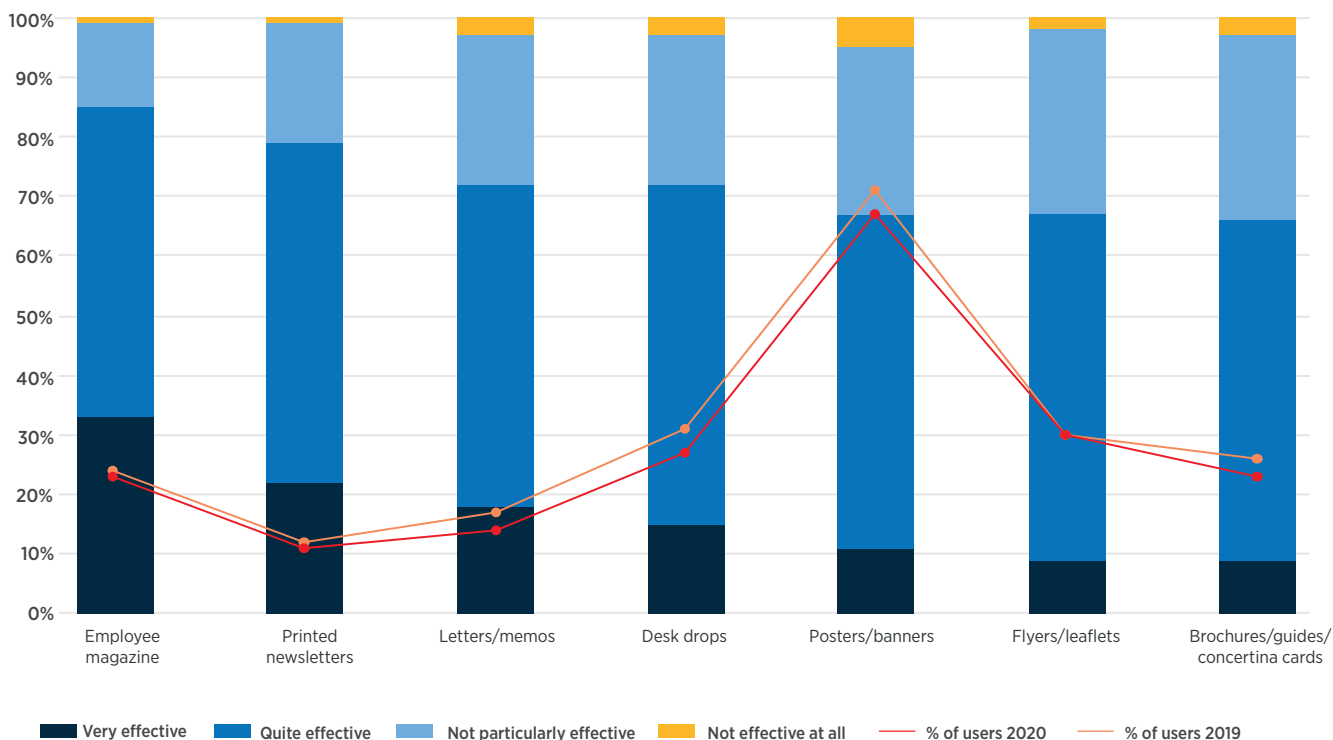
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Print

Unlike face-to-face channels, print channels have been steadily declining in popularity for years – and the trend has continued leading into 2020. Just one channel did not see its usage decrease: flyers and leaflets, available within three in ten organisations.

Posters and banners remain the most popular print channel: two thirds of organisations (67%) use these. They are widely assumed to be one of the best ways to reach non-desk-based workers; however, in practice, just one in ten say they are 'very' effective, with one in three (33%) declaring them 'not particularly' or 'not at all' effective.

In contrast, a third of communicators say employee magazines are 'very' effective, with only 1% stating they are 'not at all' effective. Yet, just 23% of organisations publish one.

How effective are the following print channels in your organisation?

Legend: Very effective | Quite effective | Not particularly effective | Not effective at all | % of users 2020 | % of users 2019

Categories: Employee magazine | Printed newsletters | Letters/memos | Desk drops | Posters/banners | Flyers/leaflets | Brochures/guides/concertina cards

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Digital

Generally speaking, digital channels have become more and more prevalent from one year to the next, as they gradually replace traditional print channels. This is down to a few things, including perceived ease of access, flexibility and, of course, ecological reasons, with glossy magazines increasingly seen as unsustainable. Luckily, most digital channels are seen to be on par with print channels when it comes to effectiveness.

The most personable, interactive digital channels, such as mobile messaging platforms, allowing employees to connect with one another, and videos, showing a more human side of leaders and colleagues, are leading the way, with around 85% of internal communicators describing them as 'very' or 'quite' effective. On the flipside, one-dimensional channels like written blogs and audio podcasts are deemed less effective,

with up to 50% of users stating they are 'not particularly' or 'not at all' effective.

There is evidently a lot of variation when it comes to the effectiveness of digital channels, and much of this depends on the target audience, hence the need for sophisticated measurement techniques. These techniques must take into account the fact that employees sometimes have different preferences in and outside of work. We can see that communicators this year have taken heed of the growth of podcasts and artificial intelligence outside of the workplace, and have tried to emulate this success within the workplace: the proportion of organisations offering a chatbot or other AI channel has more than doubled (going from 2% to 5%), and podcasts have seen a seven-point rise in their prevalence. It remains to be seen whether, in the long term, these bets will pay off, or whether, like mobile apps, they will be dropped in years to come.

Interestingly, whilst these evolutions in terms of channels point to a desire to replicate

people's personal digital experiences in the professional environment, the data around technology use says otherwise. Indeed, organisations are slowing down when it comes to adopting more mobile-friendly channels and accessibility rules. This is in spite of the popularity of mobile devices in employees' personal lives and the increasingly loud calls for more flexibility in working practices, including remote working. Just under two thirds of employers offer employees the chance to work from a desktop or laptop computer at home, compared with 98% who state employees access digital channels from a desktop or laptop at the office. This is actually fewer than said the same last year, which may be down to increased security concerns. Use of business-owned mobile devices is stabilising at around the two thirds mark (64%), and BYOD policies are supported in just two in five organisations, despite the perceived effectiveness of mobile messaging platforms.

How effective would you say the following digital channels are currently within your organisation?
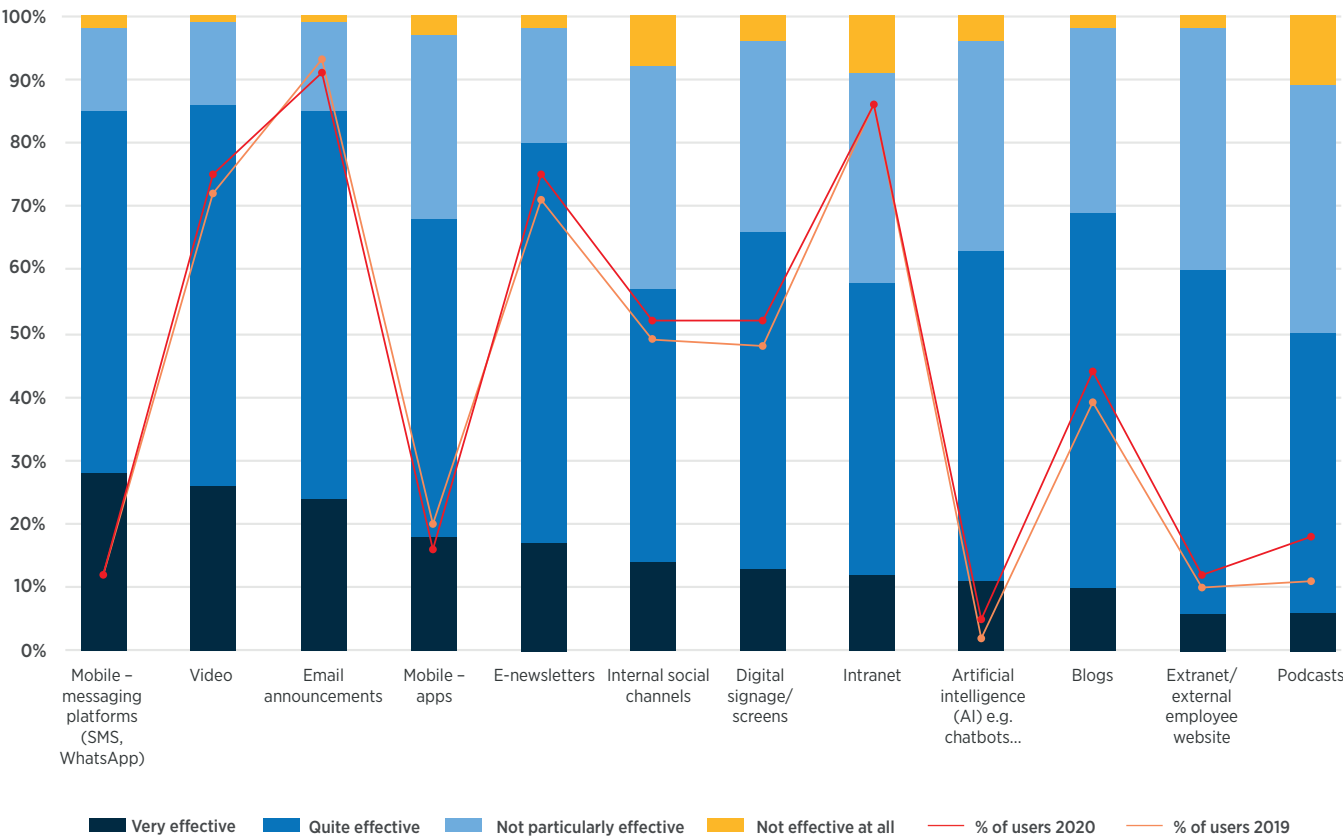
How do employees currently access your internal digital channels?

	2020	2019	2015
Desktop or laptop at the office	98%	99%	97%
Business-owned mobile devices	64%	62%	69%
Desktop or laptop at home	63%	72%	69%
Personal mobile devices	41%	46%	43%

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Social channels

One in two organisations (52%) currently use social channels as part of their channel mix. Most common are Microsoft-powered social channels, with all of the top three social channels owned by the software magnate. SharePoint leads by far: almost two thirds of organisations (62%) with social channels have it in place. Microsoft Teams follows closely, at 47%, and Yammer takes third place, with 39% of organisations using it. Considering that 68% of organisations now utilise Office 365, with another 18% planning to implement it, this is perhaps not surprising.
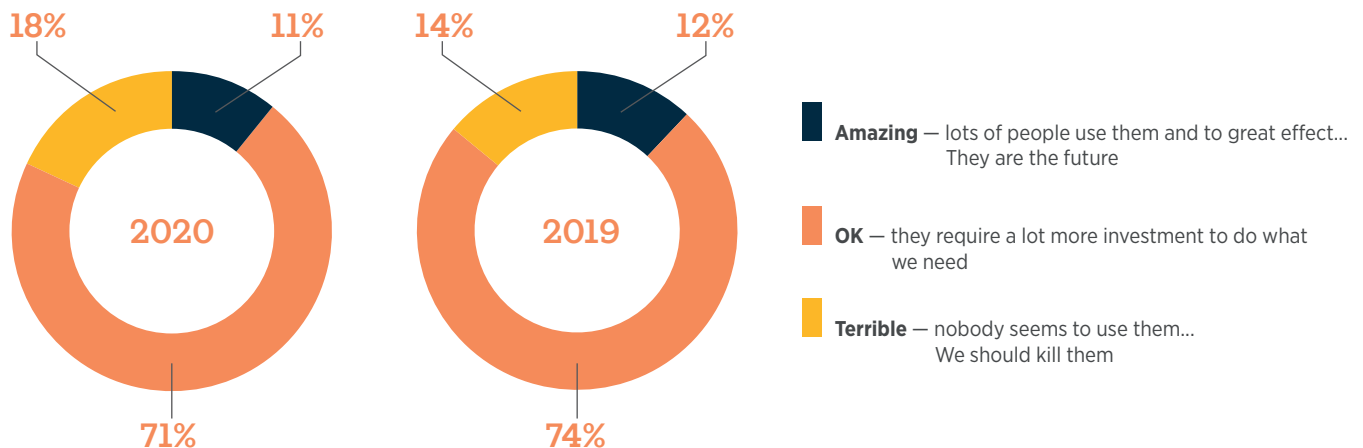
But whilst social channels are slowly continuing to grow, they have still not won employees over. 43% of internal communicators say these channels are 'not particularly' or 'not at all' effective, and 52% disagree that social channels form an integral part of their channel framework. 18% call them 'terrible' and say they should be killed – nearly twice as many as say they are 'amazing' and 'the future' (11%). There is a sizeable proportion of communicators who sit on the fence, acknowledging that social channels could be great – but that they require far more investment, which, unfortunately, does not look set to increase much in 2020 or beyond.

Central to the problem with social channels seems to be a lack of understanding as to what they should be used for: just 6% of IC professionals strongly agree that employees are clear on the purpose of social channels. Meanwhile, the lack of investment can be justified by the fact that just 29% of senior leaders support and are active on social channels. Proving to senior leaders the value social channels could bring to the channel mix, and getting them to lead by example, could be key to getting social channels to work as well as they can – but evidently lots of different stakeholders will need convincing.
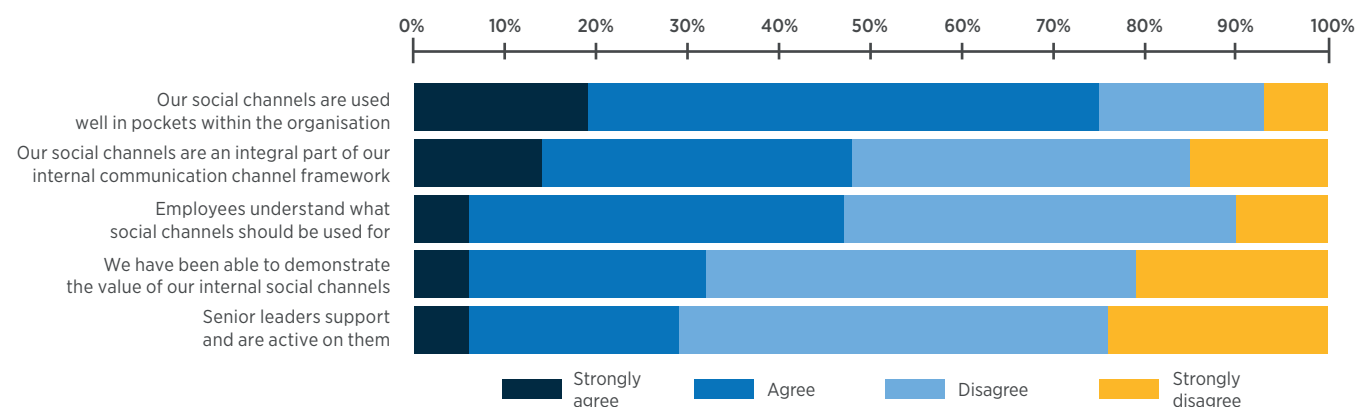
Which social channel(s) have been implemented in your organisation?

SharePoint	62%	**Twitter**	11%
Microsoft Teams	47%	**Workplace by Facebook**	7%
Yammer	39%	**Chatter (Salesforce)**	5%
Internally branded/purpose-built social platform or social intranet	18%	**Google+**	4%
Slack	11%	**Jive**	4%

Which of the following best describes social channels in your organisation?

2020: 11% / 71% / 18%
2019: 12% / 74% / 14%

Amazing — lots of people use them and to great effect… They are the future

OK — they require a lot more investment to do what we need

Terrible — nobody seems to use them… We should kill them

To what extent do you agree with the following statements regarding your social channels?

- Our social channels are used well in pockets within the organisation
- Our social channels are an integral part of our internal communication channel framework
- Employees understand what social channels should be used for
- We have been able to demonstrate the value of our internal social channels
- Senior leaders support and are active on them

Strongly agree · Agree · Disagree · Strongly disagree

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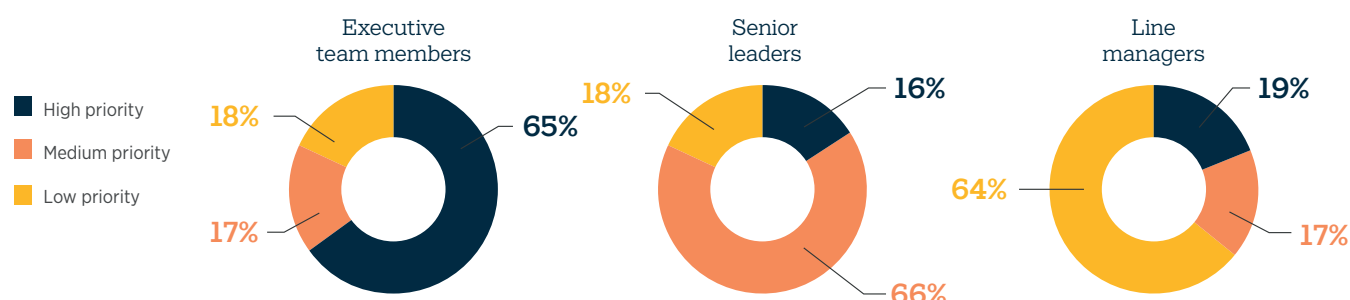# Leadership and management communication

Leaders and line managers are, in many ways, a channel in and of themselves, as well as an audience. For this reason, they are particularly challenging to engage with. Internal communicators have overwhelmingly decided which group they are willing to invest the most time in: two thirds of survey respondents said they attribute the highest priority to executive team members (65%),

medium priority to other senior leaders (66%) and low priority to line managers (64%). This is despite the fact that line managers are far and wide the most visible of the three groups, interacting with teams and employees across the globe on a near-daily basis.

In fact, line managers are less likely than senior leaders to benefit from face-to-face and/or interactive content to better equip

them to communicate, with many relying instead on ad hoc email announcements (72%), toolkits and cascade packs (52%), e-newsletters (46%) and conference calls or webinars (45%). Meanwhile, senior leaders are 57% more likely to benefit from one-to-one coaching sessions and 28% more likely to be invited to face-to-face briefings.

How do you prioritise the support you give to these groups?

■ High priority
■ Medium priority
■ Low priority

Executive team members: 65%, 17%, 18%
Senior leaders: 16%, 66%, 18%
Line managers: 19%, 17%, 64%

What specific channels are targeted at senior leaders and line managers?

Leaders (2020)	Leaders (2019)		Line managers (2020)	Line managers (2019)
85%	90%	Ad hoc email announcements	72%	61%
55%	56%	Conference calls/webinars	45%	41%
46%	39%	Toolkits/cascade packs	52%	48%
43%	39%	Regular e-newsletters	46%	38%
41%	45%	Regular face-to-face briefings to share content to cascade	32%	40%
40%	42%	Ad hoc forums/conferences/seminars	30%	29%
27%	26%	Learning and development/communication training	31%	33%
26%	24%	Online hub with dedicated resources	28%	23%
22%	22%	One-to-one coaching sessions	14%	17%
12%	8%	None – we don't have any channels specific to this audience	13%	10%

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All of this is despite the fact that executive team members are already considered to be effective communicators by three in five communicators (59%), and line managers are said to be 'poor' (24%) or just 'adequate' (52%) communicators.

It may be that this strategy is partly designed to allow organisations to bypass line managers where necessary. It has already been noted that videos are being used more and more widely within organisations, and that conferences and roadshows are being extended to all employees, giving everybody the opportunity to hear about the business strategy directly from the horses' (leaders') mouths. 56% are also utilising floor walks and site visits to increase leadership visibility, and 41% have introduced round table listening sessions with senior leaders, enabling them to position themselves as advocates for the employee voice at the same time. Podcasts, which have seen a substantial increase in popularity this year, are another channel that is squarely positioned to increase leadership visibility – although opinions are split when it comes to effectiveness.

In our view, much is already done to support senior leaders within organisations. There is no doubt that this has been beneficial to the overall perception of internal communication, and the influence afforded to the function – but in order to really drive a better employee experience and improved business outcomes, perhaps it is time to shine a light on line managers and other business functions.

Communication skills...
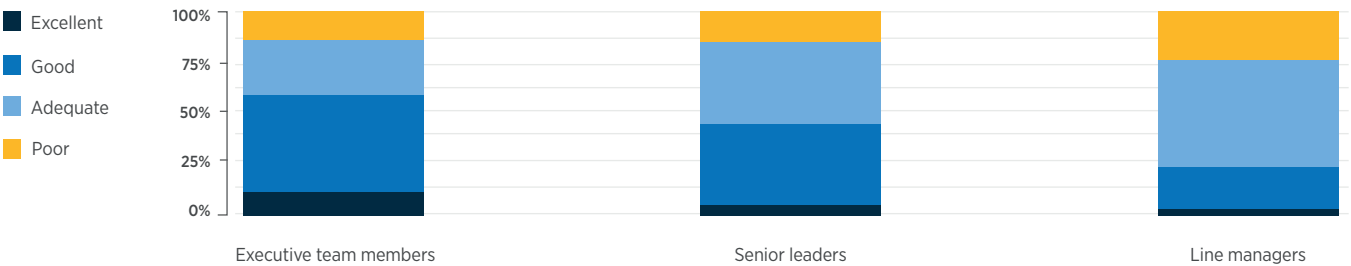
What tactics do you use to increase leadership visibility?

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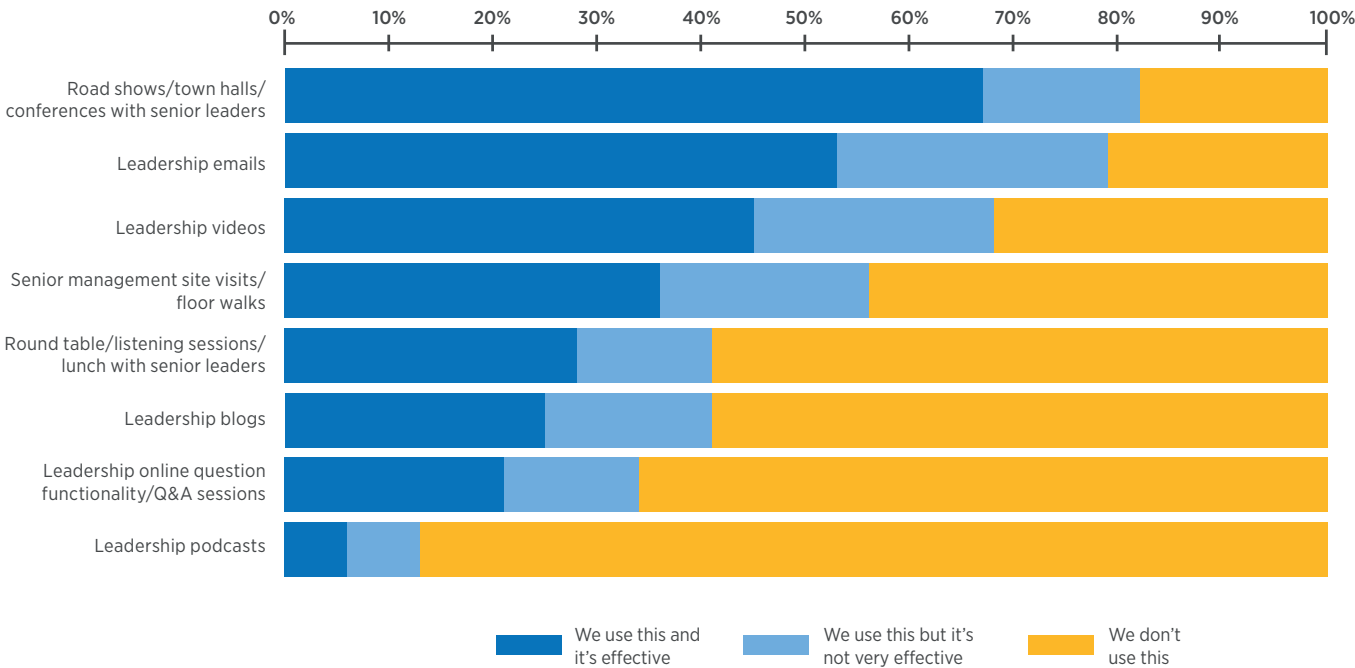
What next?

Well, that was intense! Luckily, we've wrapped up the key themes you need to keep top of mind this year and next in a neat little package.

What to do next:

Three projects to increase engagement with your communications

Far from giving you tunnel vision, these three projects enable you and your team to remain focused on overcoming specific obstacles and ultimately increasing engagement with the communications you produce and/or influence. Whilst the returns are far-reaching and touch many areas of organisations, the root cause can actually be clearly identified and killed at a relatively low cost. If you'd like to know more about how we can help you deliver these projects, don't hesitate to reach out.

Address the content overload

It was just two years ago, in 2018, that we began asking internal communicators how big a barrier the volume of internal communication in their organisation is. We didn't know it at the time, but this would have considerable consequences on the list of the biggest challenges to internal communication success. Indeed, ever since we introduced this answer option, it has featured towards the top of the list, with close to half of IC practitioners (45-50%) speaking of a battle to constrain the amount of internal messaging going out. Both this year and last year, it was singled out as the biggest obstacle to internal communicators! And this isn't all – it very frequently features in the internal communication research we produce for clients. Across the board, employees are struggling to see the wood for the trees – they're finding it hard to prioritise the important content due to the overload of irrelevant stuff.

Given how big a barrier this is to internal communicators – and that this has been confirmed by employee-focused research, too – it is imperative that we, as IC specialists, get a handle on the messages being sent across our organisations as soon as possible.

Upskill line managers

And now, another barrier that has been felt by internal communication professionals for years! Line managers are denounced as detrimental to internal communications every single year – yet, across the profession, we're still blatantly ignoring them in order to get on with other stuff. Senior leaders are prioritised over line managers when it comes to support – in fact, two thirds of internal communicators attribute the lowest level of priority to line managers, and fewer than one in five consider them the highest priority group to support! And looking beyond that hands-on support, just 39% of IC professionals provide internal communication coaching and training – arguably a one-off investment that could make things easier for everybody.

It's time now, as we kick off the new decade, to overcome the line manager obstacle once and for all.

Craft a channel framework

Planning has long been a thorn in internal communicators' sides – but in today's fast-paced world, in which channels tend to proliferate, overlap and overtake one another in recurring cycles, it is increasingly difficult to define what messages we'll send out, with what purpose, when and on what channel. Currently, fewer than one in two IC teams (46%) use a formal channel framework document – but this is a crucial piece of the puzzle, which, frankly, should be far more widespread than it is.

We can't simply just keep up with the trends in the channel world. We need to make sure we're using the tools that are right for our organisations, and that we are clearly defining their purpose and value-add. Podcasts have seen a large increase in usage this year – but only one in two communicators are finding them to be effective, so are these a channel we should continue to invest in? We also need to make a long-term commitment to actively feeding content into and maintaining those official channels – which means we need to pick and choose a manageable number of channels to promote internally, taking into account how much resource we, as an organisation, have to hand. It's great that so many communicators are aiming to improve their digital channels (this is a priority for 33% and has consistently featured towards the top of the priority list), but too often this has translated into introducing more and more resource-heavy channels and functionality, such as video, podcasts and artificial intelligence – which is not sustainable for all IC teams.

In 2020, let's stop investing time and effort in channels that aren't working for us, and focus instead on the channels our audiences engage with most.

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Got your sights set on bigger things? Here's how you can start redefining the role internal communication has to play in your organisation!

What to do next:
Three multi-faceted transformations that will reposition your IC function

We've been keeping an eye on the industry and having discussions with leading IC practitioners, and have identified two big trends that we expect to see dominate discussions in the first half of this decade. They're ambitious projects that have a lot of moving parts – but if you start small this year, you can keep building on them in years to come. And, of course, we're on hand to help where needed.

We strongly recommend starting out the process with some in-depth research into internal communications, but also the wider employee experience and employer value proposition – get in touch if you'd like to know more about how we can help!

Create a data-driven culture

You've probably already heard the term 'data-driven culture'. It's been creating a buzz across the business world – from the more technical functions like IT and operations to the people-driven ones, like HR and internal communication. And it's not surprising – there's data about everything nowadays, and huge amounts of data are being created (multiple quintillion bytes of data every 24 hours!) and fuelling the fire even more. But just as employees are suffering from an overload of information, it can be daunting for organisations, faced with this much data, to develop a strategy to reap the benefits of it all.

Many seem to have determined that the number one thing that is needed is more data – IC professionals have diversified the channels that they're using to capture data, incorporating a mix of traditional surveys, online analytics and qualitative feedback from managers and communication champions. And that's great, but at the root of the 'data-driven culture' is, in fact, the 'culture' part. Taking data and doing something with it is not embedded into people's day-to-day behaviours at work. Why is this? For some, they feel they lack the skills to do anything with the data. For others, they don't believe data analysis is recognised and valued as an important piece of work – in fact, the majority of internal communicators keep their data to themselves, instead of sharing it with senior leaders, colleagues from other functions, or the rest of the workforce. Another issue is, of course, lack of time and resource – although the insights that can be brought to light through the analysis of data are worth the investment, in our view.

The solution to the problem has to be multi-faceted and implemented over time. The first step is for an organisation to define what it wants to know – this will have the immediate effect of reducing the pool of data considered relevant, and making the task of analysing easier. Next comes resource, ensuring the correct channels are in place to collect the relevant feedback, and that there is skilled human resource on the team to analyse said feedback. With these in place, there must be a process to ensure measurement and analysis happen on a regular basis – those charged with this responsibility must be held accountable. And at the end of the day, the insights can't just go into a black hole, as is common in so many organisations. Talk through what it means for IC, but make sure you also share it with others: show it to leaders to prove the IC function's value-add; share it with HR and begin to build an employee experience-led alliance; and send out the key themes to your people so they know they're being listened to. Of course, there are many more things that can be done to develop a true data-driven culture, but these initial steps should give you enough to get your teeth into over the next few years!

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Shift from a focus on channels and content to one on overall employee experience

A consistent theme across the State of the Sector reports of recent years has been around the broadening scope of the internal communication function. IC has shifted from the internal post office to being much more of an influential entity, involved in receiving messages as well as sending them out; in driving the changes rather than just describing them; and in improving other functions' communications on top of those coming from the top down. Importantly, 70% of internal communicators say they are now involved in propelling the people agenda and employee experience, with two thirds stating they are seen as a key driver of the employee experience by others in their organisation.

With all that said, many IC functions are still setting fairly limited objectives for the future – asked what their priorities for 2020 are, many responded that they're aiming to continue spreading the strategic message, communicate change and carry on improving channels. Whilst these are all very useful and necessary activities, it's a shame that we, as communicators, aren't seeing these as the 'bits on the side' that we do in addition to truly influencing our organisations and workforces.

There are two core areas we can improve in. First, tying in with the previous recommendation, we should be measuring more, developing a better understanding

of our people's wants and needs so as to deliver a tailored communication experience to them. In addition, we should be building stronger relationships with other functions, collaborating with them far more than we do now. This would enable IC to have a say on traditionally HR-related topics, like inductions and benefits communications, or on typically IT-related projects, like the introduction of new digital tools. As a function, we're not an island, and we need to prove this by working with and for our colleagues to deliver a better employee experience, which motivates everybody to come to work in the morning.

Develop an all-encompassing IC strategy

Taking a broader perspective, every obstacle that is faced by internal communicators could be, at the very least, minimised if we took a more proactive approach to our activity. In a word, what we need to be doing more of is planning. Specifically, long-term planning is the biggest area of opportunity for us as a profession. We're OK at campaign plans, and most of us have a yearly comms calendar, but multi-year IC strategies are actually on the decline – and they were never prevalent to begin with! Only a third of internal communication functions have developed a formal IC strategy.

It's not just internal communicators who are missing out… We've spoken to plenty of executives over the years who have expressed frustration at their 'reactive' rather than 'proactive' IC functions – and then those same leaders have declined to give IC a seat at the table when making decisions. IC is brought in late in the game, with little opportunity to influence the action at hand. Then, when everything is actually implemented, IC's late and limited involvement translates into a poor employee experience. This may sound like a conspiracy, but trust us – it's real. And it's time for this to stop.

If we want to be taken seriously as specialists in our field by our stakeholders, and maximise our chances of delivering effective messages to our target audiences, we need to do some forward-thinking. This will change our reputations in our organisations – positioning us as consistent, purposeful and goal-driven. It will increase trust in our function and what we have to offer – and lead to us being invited to sit at the decision-making table. We're already seeing evidence of this happening, with 2% of internal communicators worldwide reporting into a strategy, transformation and innovation team.

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