The State of Internal Communications

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The State of Internal Communications Introduction

- **74% of employees feel like they are missing out on company news and information (Trade Press Service)**

- **The annual cost of poor communication is $37 billion (Holmes Report)**

- **Companies not prepared for crisis can spend millions in mitigation, hundreds of millions in reputation and shareholder value (Fleish Manhillard)**

The stakes for clear, strategic communication at organizations have never been higher.

But often, IC professionals are still left fighting for budget, seats at the table, and enough human resources to make the kind of impact they want. 2020 started to change that, and 2022 could be a huge tipping point.

In 2020…

2/3 **of internal comms professionals said their level of influence increased as a result of the pandemic.**

State of the Sector, Gatehouse

This inflection point comes with challenges that must be addressed.

- Are all of your employees receiving all of the communications you create?
- Are your channels including your entire workforce?
- Are you communicating critical information through the channels your employees use the most?
- Are you creating an employee experience that prioritizess employee wellbeing?
- Are your employees aware of your purpose and business strategy?

The reality is, the majority of deskless workers (who make up 80% of the global workforce) aren't receiving communication directly because they lack access to channels like email and your intranet. They rely on digital signage, their manager, and print communication—each with their own limitations.

8 in 10 digital minutes are spent on mobile devices. And of those mobile minutes, **9 in 10 of them are spent on mobile applications** (Marketing Charts).

It's time to take your communication strategy mobile. Because the ability to communicate directly, rebuild trust, and recover from crisis will come down to *access.* In this whitepaper, we will look at research and best practices for you to elevate your internal communication strategy this year.

The Era of Pandemic Communication

2020 and 2021 were dominated by COVID-19 and other crises like civil unrest and the fight for racial equality. And this has had large effects on the internal communications industry.

A survey we conducted at the midpoint of 2020 gave us key insights into key challenges and opportunities within the industry and for industry professionals.

The Bad News:

- Only 36% of IC professionals had a solid crisis communication plan already in place prior to March 2020. That left 28% without one at all and 36% only somewhat having a strategy in place.
- Email (81.8%), printed communications (100%), and newsletters (54.5%) were still heavily used channels even as employees were furloughed and losing access to these traditional channels.

The Good News:

- Some increased reliance on channels like mobile apps (40.9%) and Texting (77.4%) to disseminate pandemic messages.
- 75% of internal communications professionals reported that their value had increased since the start of the COVID-19 pandemic.

What it Means:

Internal communication professionals finally are feeling valued, but retaining that value after this crisis will come down to continuing to prove our power as strategists. Conduct an Internal Communications Audit to find the audiences that need better channels and how you can improve your content strategy. And back up everything with measurement to continue to prove your impact. And plan for the unplanned by working with key stakeholders across your organization.

ONLY 36%
of internal comms pros had a crisis plan in 2020.

**75% of IC pros**
feel more valued by their organizations.

41%
now use mobile apps as a primary method of communication.

The Importance of Trust

Edelman's annual Trust Barometer has shed much light on the state of trust over the last 20+ years. Each year, they share a key theme of trust:

- **2020: Competence and Ethics.** This was predicted to be the year of competence and ethics—which eerily was more accurate than anyone could have predicted with the start of the COVID-19 pandemic, political tensions, and violence sweeping across the country.
- **2021: Declaring Information Bankruptcy.** Trust shifted to businesses. "My employer" was the most trusted source of information to the public. But with that trust comes responsibility...organizationss need to take a public stand on key social issues.
- **2022: The Cycle of Distrust.** 2022 feels like a palpable shift...and a closing opportunity. As trust declines across all other sources (Government, Media, NGOs, etc.), businesses have the chance to prove themselves worthy of trust. And with employees quitting at record rates, gaining and keeping the trust of your frontline workforce is critical. How you choose to reach and engage your deskless employees is key to winning in the marketplace.
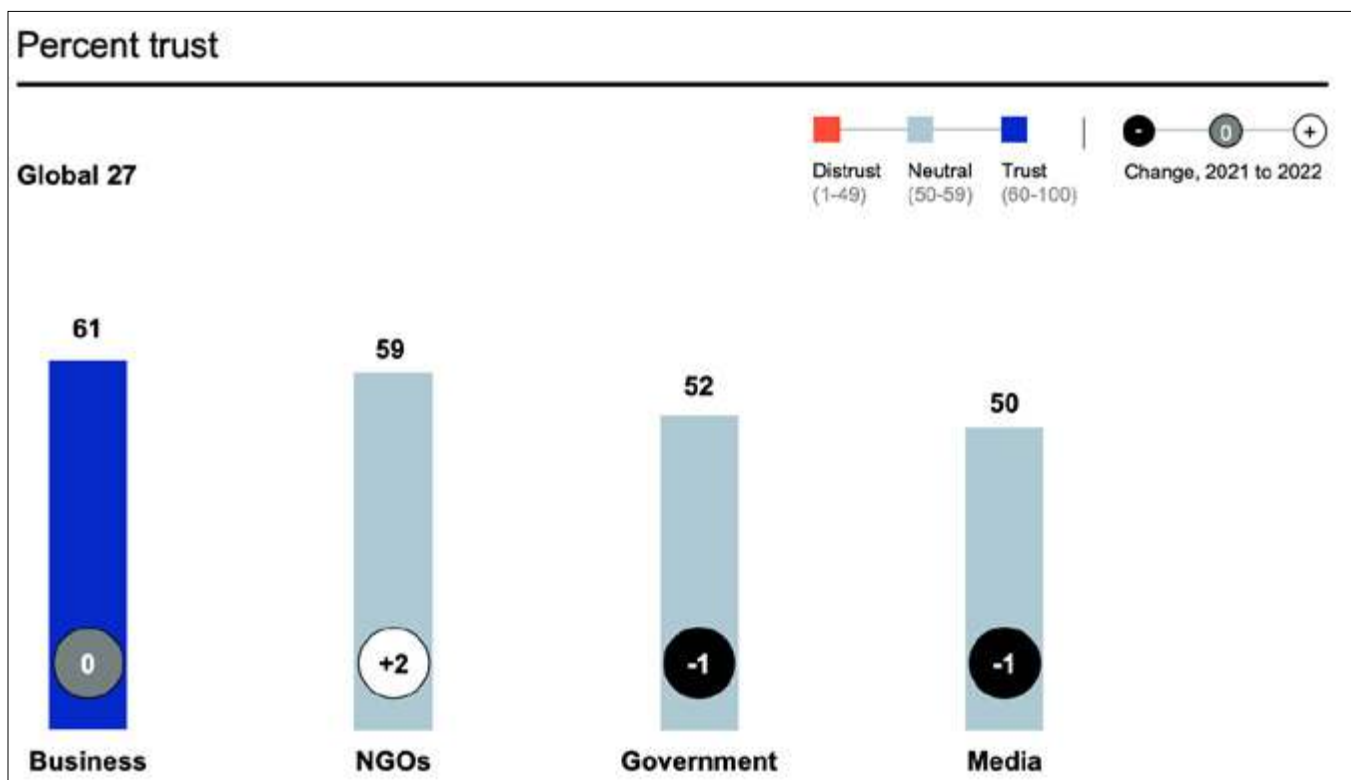
With this shifting dynamic where businesses come out on top and government/media figureheads are seen as "divisive" all eyes are on the CEO. But if your deskless workers don't have access to executive leaders and communication channels, it can be difficult to build trust. But that's exactly what people want: they want to see their CEO publicly speak on issues that matter to them.
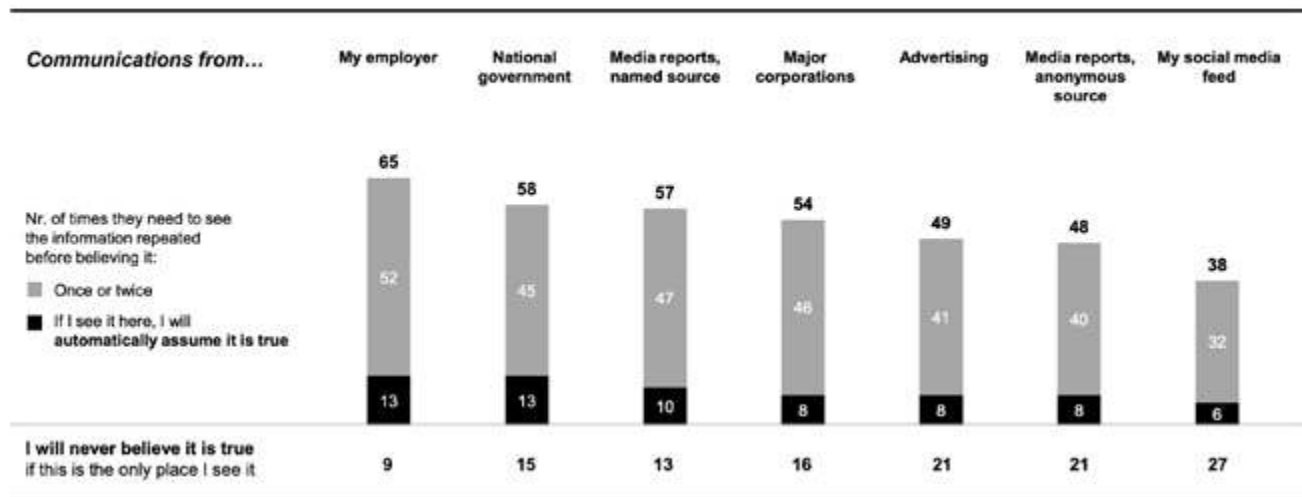
Importance of Trust
CONTINUED

Key Takeaway 1: "My Employer" is the most believable source—if you aren't reaching everyone in your organization, you're missing a huge opportunity to retain talent and improve morale and engagement.

MY EMPLOYER MEDIA MOST BELIEVABLE

Percent who believe information from each source automatically, or after seeing it twice or less

Communications from...	My employer	National government	Media reports, named source	Major corporations	Advertising	Media reports, anonymous source	My social media feed
Total	65	58	57	54	49	48	38
Once or twice	52	45	47	46	41	40	32
If I see it here, I will automatically assume it is true	13	13	10	8	8	8	6
I will never believe it is true if this is the only place I see it	9	15	13	16	21	21	27

Nr. of times they need to see the information repeated before believing it:
- Once or twice
- If I see it here, I will automatically assume it is true

2022 Edelman Trust Barometer. HEAR_TIME1. When you see a new piece of information or a news story in each of the following information sources, how many times do you need to see it or hear it repeated in that same type of information source before you believe it is really true? Question asked of half of the sample. "Once or twice" is a sum of codes 2 and 3. General population, 27-mkt avg. "Employer communications" only shown to those who are an employee of an organization (Q43/1).

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Key Takeaway 2: CEO's must take action, especially on social issues, or risk losing employee engagement and loyalty.

CEOS EXPECTED TO BE THE FACE OF CHANGE

Percent who say

CEOs should be personally visible when discussing public policy with external stakeholders or work their company has done to benefit society

Global 27

81% (net)

When considering a job, I expect the CEO to speak publicly about **controversial social and political issues that I care about**

Global 25,
Among employees

60%

+5 pts

Change,
2019 to 2022

2022 Edelman Trust Barometer. CEO_VIS. How visible do you think a CEO should personally be in these different types of business situations? 9-point scale; top 4 box, visible. Question asked of half of the sample. General population, 27-mkt avg. Data shown is a net of attributes 2 and 10. EMP_IMP. When considering an organization as a potential place of employment, how important is each of the following to you in deciding whether or not you would accept a job offer there? 5-point scale; top 3 box, important. Question asked of those who are an employee of an organization (Q43/1). General population, 25-mkt avg. *Nigeria is not included in either global average.

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Key Takeaway 3: Businesses will play a key role in restoring trust.
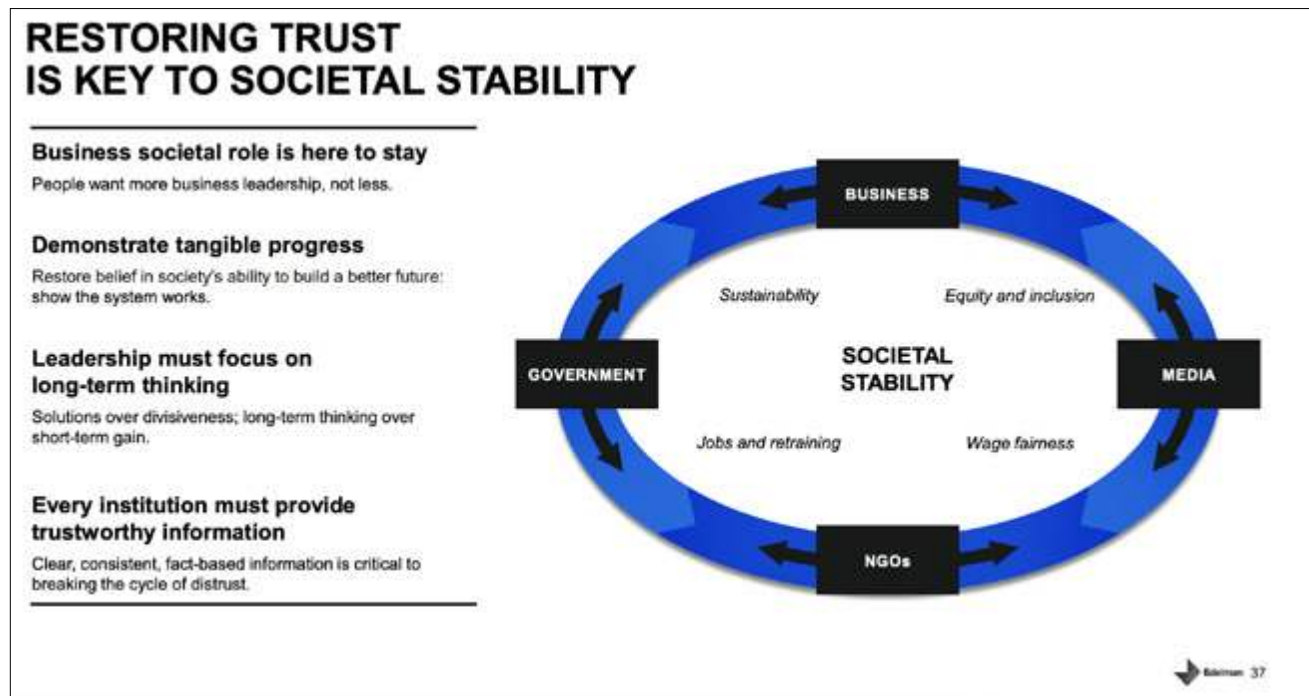
This is a pivotal moment. If we can't restore trust, we risk ongoing social instability. This is likely apparent within your own organization. Ever since the COVID-19 pandemic began—which was a catalyst for so much change and unrest—you've likely experienced issues with:

- Employee engagement
- Turnover
- Unrest and strained employee relations
- Being stuck in the middle of contentious issues (e.g. mask mandates, vaccines, furloughs, staff shortages, etc.)

Where government and policy have failed to give clear direction, organizations have needed to step in and make hard decisions. And that's not about to change any time soon. Edelman predicts that businesses will continue to be expected to take a leadership role in policy and creating solutions to societal issues.

BUT...you'll have to continue to **provide trustworthy information**. This, of course, heavily impacts internal communications teams, and may be an uphill battle. We are juggling the shift towards hybrid and remote work for deskbound staff, while simultaneously trying to improve the employee experience of non-desk workers who have taken the brunt of the pandemic's negative impacts. With employees quitting in droves, it's the organizations that create a great, transparent employee experience that prioritizes the wellbeing of their teams that succeed. It's the organizations that can build trust with the frontline—the backbone of most organizations—who will thrive.

2022 Challenges

Gatehouse's annual State of the Sector report is an invaluable resource for keeping a finger on the pulse of what's happening in the internal communications industry. One metric they report on each year is the top challenges facing IC professionals. In 2022 the top five are:

1. Disengaged employees (37%)
2. Lack of capacity / human resource in my team (32%)
3. Lack of analytics / measurement (27%)
4. Poor people manager communication skills (27%)
5. Internal technology not fit to purpose (22%)

Perhaps frustratingly, the top challenges Internal Communication professionals report year-over-year haven't changed much. Although there are a few key changes worth noting:

- Disengaged employees moved way up the ranks as a top challenge—which makes sense since this comes at a time where Gallup has reported the first drop in employee engagement in a decade.
- This is the first year that "volume of communication too high" wasn't one of the top three challenges (since it was introduced in 2018 as an option).

Shifting Communication Priorities

Given the top challenges facing communication teams, many of the top priorities in 2022 make sense.

#1	Engage teams on purpose, strategy, values (53%)	
#2	Adapt channel strategy to hybrid working (39%)	
#3	Enhance people manager communication (31%)	
#4	Build out internal communication function (29%)	
#5	Improve impact measurement and evaluation (26%)	
#6	Enhance leadership visibility (26%)	
#7	Develop our communication strategy and tone of voice (26%)	
#8	Develop/implement our employee value proposition (23%)	
#9	Introduce new digital/social channels (14%)	
#10	Develop a business case for more resources (11%)	

Source: State of the Sector, 2022

We agree with that these priorities are key, but we wonder if we're missing the mark a little.

ON TARGET:

- With engagement dropping and the Great Resignation ongoing, it completely makes sense to re-engage employees and rally around purpose.

- Manager communication has long been a challenge and a priority because 70% of the variance in engagement comes down to the manager (Gallup).

- Measurement is EVERYTHING right now and, frankly, is the key to succeeding at our other priorities and areas of focus. We would argue it should be prioritized by way more than 26% of communicators, but it's a start.

MISSING THE MARK:

- We think that enhancing leadership visibility should be higher up on our priority list. With Edelman's 2022 Trust Barometer essentially saying CEO's need to step up…or else, we think this should be a top 3 priority at every company.

- Yes, we need to adapt our channels and comms strategies for hybrid and remote working…that said, frontline workers are a larger percentage of the workforce and still don't have access to most channels. The State of the Sector found that only 31% of companies use mobile apps—arguably the best channel for mobile, non-desk workers. Although this is up from 24% in 2021, it still leaves nearly two thirds of companies without a mobile-first strategy.

- We need to be better advocates for ourselves. Even though lack of human resources is our number two challenge, creating a business case to get more resources is our tenth priority.

The State of Frontline Worker Communication

In 2021, we conducted our own survey of 1,000 frontline workers to learn what they think about the employee communication they receive…or lack thereof. Here are some highlights:

Satisfaction With Amount of Communication

- Just over 50% of all respondents indicated that they are "satisfied" with the amount of communication they receive, with another 16% saying they're "extremely satisfied."
- But when we broke this down, 74.2% of managers were satisfied or extremely satisfied with the amount of comms they get, whereas only 57.8% of non-managers reported that level of satisfaction, which means there's a fairly large discrepancy between how much communication managers and non-managers receive.

Satisfaction With Pandemic-Related Communication

- 62.7% felt satisfied or extremely satisfied with pandemic communication.
- Again though, 70.7% of managers fell into the satisfied or extremely satisfied camp, compared to only 53.2% of nonmanagers.

Preferred Channels

- Only ~55% of non-managers wish to receive communication via email compared to nearly 70% of managers.
- Only 8% of non-managers want to receive communication via intranet compared to 13% of managers.
- The top three channels employees receiving comms on are Email, Face-to-Face, and Text. And the top three channels they want to receive comms on are the same. We question whether these are the most popular channels because they are what's most well-known or because they really are the best channels for communication. We also wonder where this leaves frontline employees who do not have access to a corporate email address, or whose work schedules make face-to-face interactions difficult.

Topics of Interest

- The most popular topics for frontline employees were benefits (60.5%), employee recognition (45.8%), and safety (41.5%)—with training and development (41.2%) and organizational changes (36.6%) not far behind.
- Although recognition is a top topic for both men and women, 7% more women selected it. More women also selected Safety and Just for Fun as options, while men were much more interested in the state of the business and internal job listings.

What Frontline teams Want to See Improved

We asked survey participants to **write in** one thing they thought could be improved about communication from their employer—either from corporate or from their direct manager. Here are the top ten:

27.2%	**Nothing or Unsure**
13.5%	**Increase the Amount of Communication**
7.0%	**More Timely**
5.2%	**More Transparent**
5.1%	**More Face-to-Face Communication (including one-on-ones with manager)**
2.9%	**More Relevant and/or Targeted**
2.5%	**Better Manager Communication (including better management practices)**
2.1%	**More Respectful**
2.0%	**Decrease the Amoount of Communication**
1.7%	**Need a New Channel (majority said an app or mobile/digitally enabled channels)**

Read the Full Report

Strategies for 2022

Although internal comms professionals are feeling burnt out, so are frontline workers who have tirelessly worked through this pandemic without an end in sight. We need to rally and give them the support they need. These five strategies will help you win in the marketplace in 2022.

1. Supporting Frontline Managers

The frontline manager is critical to retention, employee engagement, safety, and so much more. But these managers are exhausted. And they could use a little more help than usual right now to share key messages and rally their teams.

You can help them by:

- Drafting clear talking points for their shift meetings / team huddles
- Creating a place where employees can share feedback and ask questions
- Recognize them every chance you get

Use this free guide to improve frontline manager communication this year.

2. Keep the Lines of Communication Open

Now is not the time to take your foot off the gas! Continue to encourage your leaders to keep up a regular cadence of messages to the frontline. And continue to innovate. Start a CEO coffee chat. Accept questions each week and then have your CEO do a rapid-fire answer session. And keep the recognition flowing from the top. One best practice that we saw our clients excel at in 2020 and 2021 was ensuring that their senior execs were consistently communicating and being as transparent as possible. Leading with humanity became a winning strategy, and that's only going to continue into 2022.

3. Move to Mobile Communication

If you haven't already taken this big leap, 2022 is looking like your year. **8 in 10 digital minutes are spent on mobile devices**, and **9 in 10 of those minutes are spent on mobile applications** (Marketing Charts).

We encourage companies to have a variety of channels because diversifying your channel mix helps meet your employees when and where they need access. This will also help you reach your remote, deskbound employees since face-to-face communication is no longer an option. And mobile is the most accessible channel for the frontline workforce. And the reality is, as our personal lives become more mobile and agile, employees are going to expect the same technology at work.

4. Personalize Your Message

Within an organization, a targeted, personalized message is critical. We talk about how disengaged employees might just tune out messages. But it's key to look at *why* that might be happening. Imagine you're a nurse within a hospital system—you're on the front lines and every day you are bombarded with COVID-19 updates on top of the regular updates your hospital system sends out. Now imagine that you get the same email as every other frontline healthcare employee and you have to scroll down to the part for you—the messages for nurses. And now imagine that you don't even have your own email address and you have to access that information on a shared computer.

Would you pay close enough attention? Would you always have time? And would you feel cared about, like your organization understood the needs of your job?

But it's not just about targeting. Many organizations realize it's important to target messages to groups (e.g. doctors vs. nurses vs. non-clinical staff). But are those messages personalized? Are they coming from a place of understanding? Of empathy? Do you understand what their role demands? Do you know what that group of employees thinks, feels, and needs? Or do you address them just like anyone else?

2022 needs to be more about listening to all your employee groups and taking action.

5. Invest in Employee Listening

To accomplish the sometimes daunting task of personalizing your communications to employees (especially when you, yourself, are overwhelmed and burnt out), you'll want to invest in employee listening strategies and technology.

> "Companies have always spent so much money on listening to customers and putting things out through marketing channels to get a sense of how people are feeling, what actions they're taking. I've seen a shift over the course of the last year of organizations going, 'what are employees thinking, feeling, doing, and how do I apply that to what we're doing internally?'"
>
> Amy Jenkins, Director of Client Success and Strategy, theEMPLOYEEapp

We need to continue to push this trend forward throughout 2021. It shouldn't take a crisis for companies to want to understand how their employees are, what they need, and what they think. Some of the best ideas can come when you open up to your frontline teams. And we know that tapping into the employee voice helps IC pros tailor their messages and create content that truly resonates.

About theEMPLOYEEapp

theEMPLOYEEapp was created by communications and HR professionals to address the challenges organizations face communicating with a dispersed and deskless workforce. theEMPLOYEEapp is an internal communication and engagement solution that allows workers to have fast and easy access to the information, documents, and resources they need to succeed in their work.

Our app allows you to target information to your employees when and where they need it on their smartphone, tablet, or computer, and empower leaders and frontline managers to engage and activate employees across the organization. Unlike most traditional communications channels, theEMPLOYEEapp creates a customized, branded experience for employees, encouraging your workforce to join together in a single, centralized channel.

Our Mission is to enable the effortless flow of meaningful information for organizations driven by frontline workers.

Request a Demo

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