



NOVEMBER 2025

IC TRENDS REPORT

Emergent work trends reshaping
internal communication

Executive summary

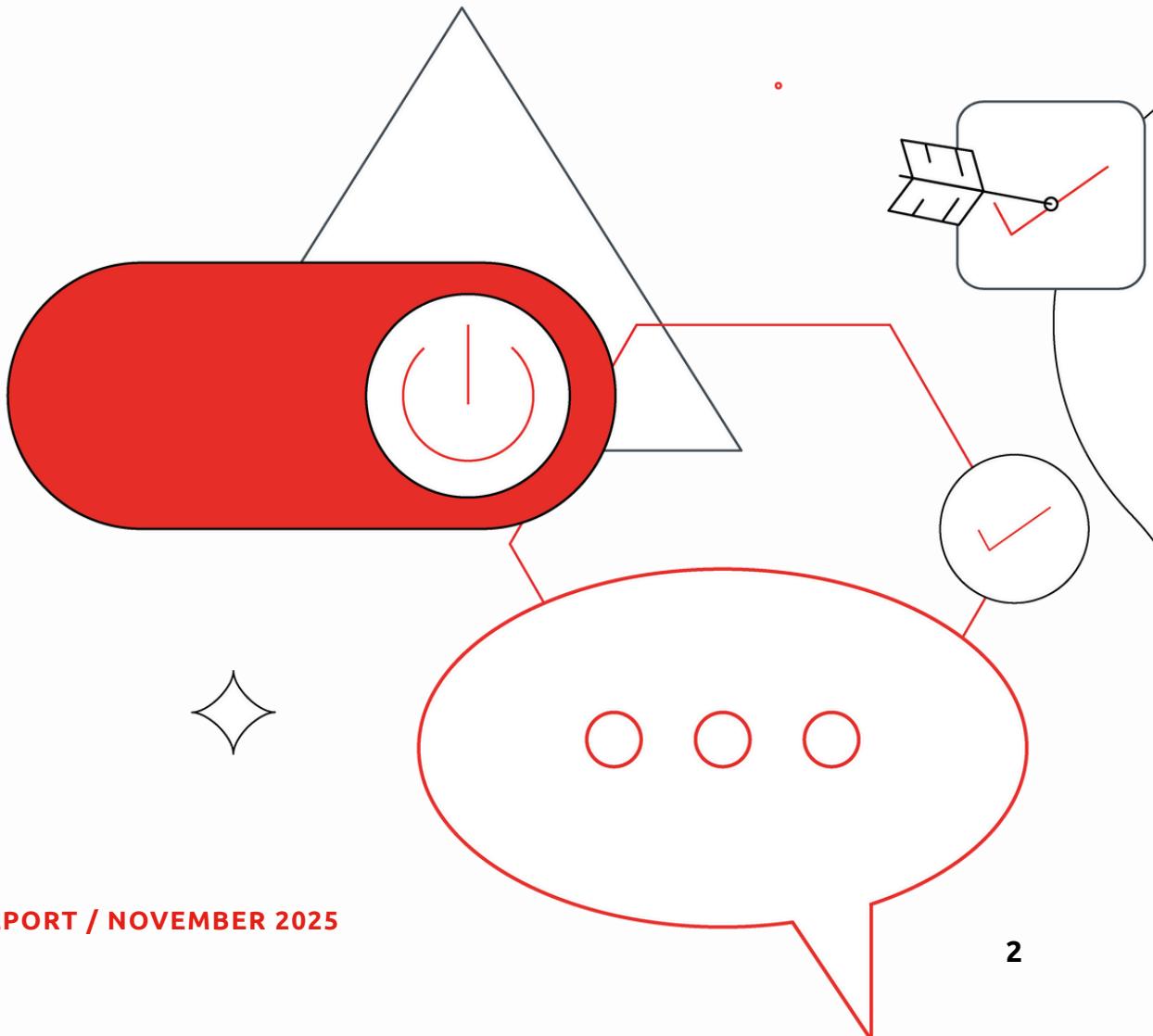
Internal communicators are the new power players

As global stability deteriorates, anxiety is on the rise. Organisations must assimilate the wants, needs and expectations of **increasingly diverse internal stakeholders**.

Only then can they **harness the full potential of colleagues across the spectrum**, who are pushing back on top-down, centralised and increasingly outdated, command-and-control management archetypes.

In this mercurial new landscape, **internal communication is a meta-skill that increasingly underpins organisational success**.

Our monthly trend reports help internal communication professionals **stay informed and think more expansively about ways they can deliver strategic value**.



AI & Tech

There's an emerging AI divide – and navigating it is a strategic imperative

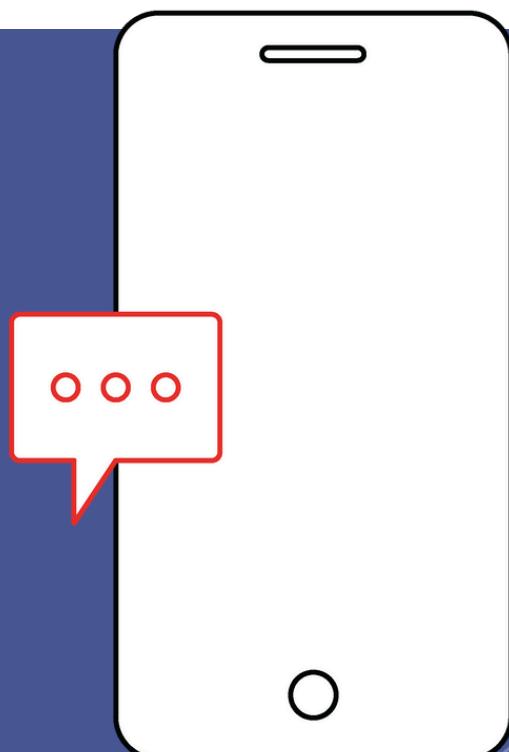
MIT Media Lab founded its **NANDA initiative** to explore distributed AI agents and decentralised systems for collaborative intelligence and autonomous networked operations.

Some of its recent research has surfaced a **stark GenAI divide**: whilst **5% of AI pilots achieve rapid revenue growth, 95% of enterprise implementations fail to deliver measurable P&L impact**. Its research also shows purchased AI solutions only succeed 67% of the time versus a paltry one-third for internal builds.

Proseletysers constantly tell us we're riding a wave of AI innovation. Yet, **despite AI's promise, trust in it remains low**: only 8.5% of 48,000 people surveyed by KPMG always trust AI search results.

And the ways in which it is already disrupting workplaces are already manifesting themselves. Harder to detect '**Shadow AI**' – usage of unsanctioned tools like ChatGPT without official approval – remains widespread, **complicating productivity measurement and governance efforts**.

Most organisations are failing to invest in proper training, standardised workflows and responsive governance.

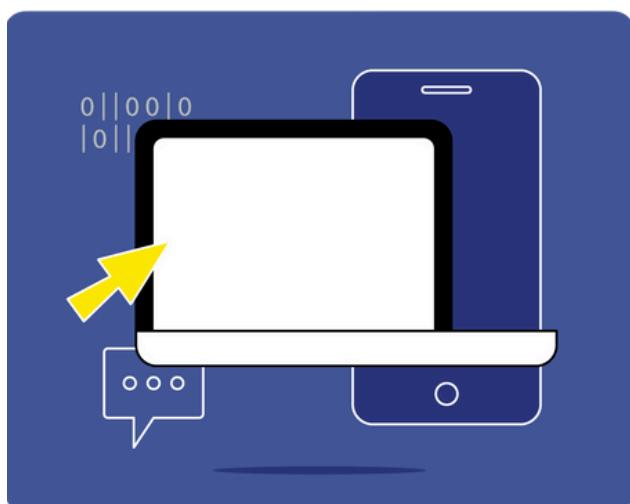


With researchers from the UK government's AI Security Institute having identified **significant flaws in over 440 tests used to evaluate AI safety and effectiveness**, the stakes couldn't be higher.

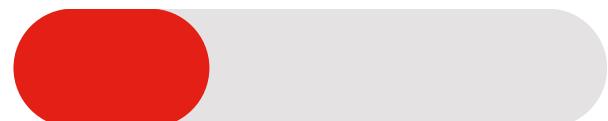
They found **nearly all benchmarks contained weaknesses that undermine their validity**, with only 16% using proper statistical measures. This raises legitimate **concerns about whether AI models are genuinely improving** or merely appearing to do so.

Essentially, **most organisations are failing to invest** in proper training, standardised workflows and responsive governance. Without these foundations, AI risks turning out more and more **workshop rather than genuine productivity** gains.

Organisations increasingly need to **balance AI efficiency with appropriate guardrails**. After all, ultimately the responsibility for any proliferation of workshop will lie squarely with employers, and not with the technology itself.

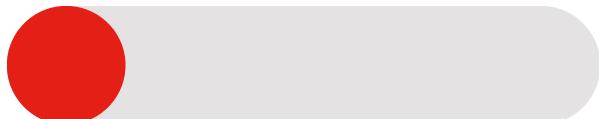


33%



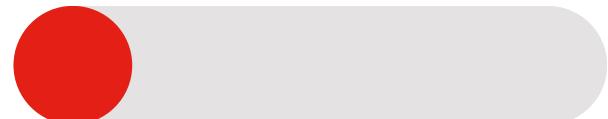
internally-built AI solutions succeed 33% of the time (versus 67% for purchased versions)

8.5%



proportion of people in recent KPMG survey who say they always trust AI search results

16%



percentage of AI benchmarks that use uncertainty estimates or statistical tests for accuracy

The obstacles slowing responsible AI adoption make the case for realism over haste

With such a high proportion of AI projects failing and use often occurring amongst those **lacking the skills to leverage it diligently**, it's time for organisations to **embrace AI realism rather than blind optimism**.

While there might be widespread commitment to the adoption of **responsible AI (RAI)** and its associated principles, research reveals critical obstacles or '**gaps**' that prevent ethical implementation:

- The **accountability gap** – when responsibility for ethical AI is diffused without clear ownership, allowing oversights to slip through unaddressed.
- The **strategy gap** – AI ethics are isolated from core business decisions, with ethical considerations arriving too late in development.
- The **resource gap** – the chasm between aspirations and reality, where organisations lack dedicated personnel, training and tools to operationalise responsible AI.



Bridging these gaps requires **establishing operational infrastructure** – dedicated roles, robust processes and meaningful incentives – that embeds ethical thinking throughout end-to-end AI development and deployment cycles.

Whilst AI presents **genuine opportunities for efficiency and growth**, rushing implementation without proper foundations **breeds reputational damage and erodes trust**.

Companies like Duolingo, Klarna, and Taco Bell have been (very publicly) compelled to u-turn on hastily announced

'AI-first' strategies within weeks – failures stemming from overlooking limitations, poor vendor selection and inadequate user consideration.

AI realism means investing in the fundamentals, rather than racing ahead due to competitive pressure. It also requires a **dose of humility**.

By **establishing proper strategy, tooling and training foundations**, businesses can avoid expensive missteps whilst genuinely benefitting colleagues and customers – **unlocking AI's true enterprise potential**.

IC challenges

- Ethical AI responsibility is diffused and lacks clear ownership structures
- Shadow AI usage complicates governance and productivity measurement
- Organisations lack personnel, training and tools for responsible AI
- Competitive pressure drives hasty AI adoption without guardrails

Strategic responses

- Establish dedicated roles to embed ethics throughout AI deployment
- Establish transparent AI policies and approved tool frameworks
- Invest in skills development and operational infrastructure properly
- Encourage robust strategy, tooling and training before deployment

Sustainability

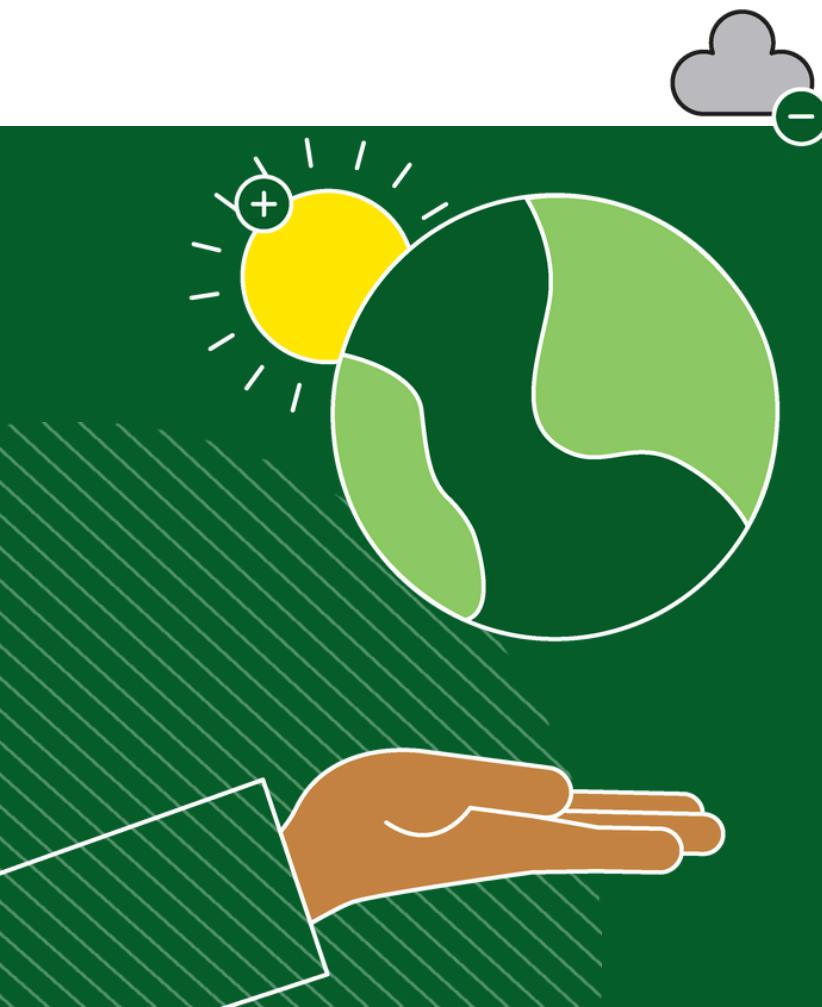
Far from being a 'con job', green investment may be the only growth opportunity of the 21st century

In his new book *The Growth Story of the 21st Century*, leading economist Lord Nicholas Stern contends that **climate investment offers superior long-term returns** compared to fossil fuel-driven growth, which he argues is ultimately self-defeating.

The green sector's economic landscape has shifted dramatically over the past decade. **Solar power and battery costs have plummeted 80%**, with **offshore wind costs falling 73%** and **onshore wind declining 57%**.

Clean technologies now provide better returns than electricity from fossil fuels across most regions – including much of the United States.

The UK's net zero sector is growing three times faster than the broader economy. The Office for Budget Responsibility confirmed in July that **achieving net zero costs far less than inaction**, with renewable energy becoming significantly cheaper quicker than forecast.



"The world desperately needs to increase the rate of growth and low-carbon is the only feasible longer-run growth on offer; high-carbon growth self-destructs."

Lord Nicholas Stern, economist

While Donald Trump might dismiss climate science as a 'con job', the **US withdrawal from global climate leadership might actually present much-needed new opportunities.**

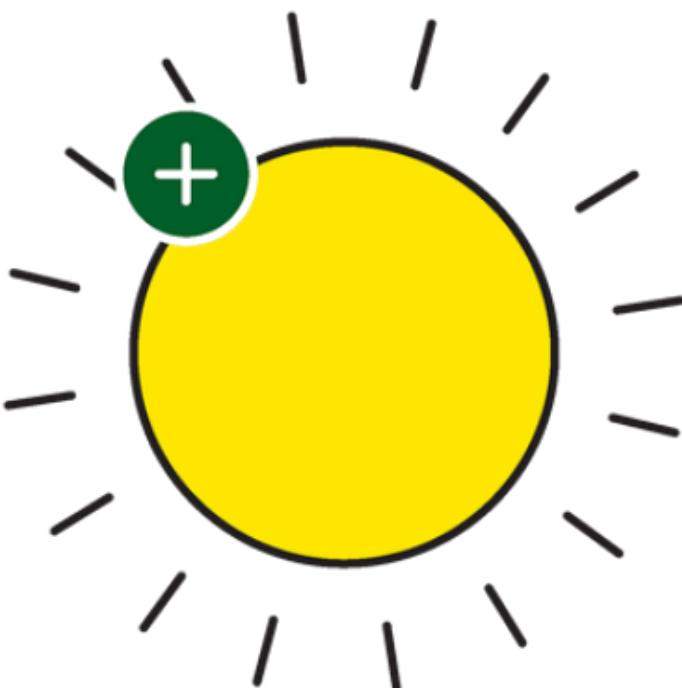
It could facilitate better crisis resolution through international cooperation amongst nations – demonstrating that interaction can function without hegemonic power, and potentially reshaping the world order when it comes to sustainability.

The geopolitical environment is set to remain challenging, of course, but we should never lose sight of rational argument. Pursuing **fossil-fuelled growth is futile as the ensuing damage results in economic – and potentially existential – self-destruction.**

Inaction by political leaders is no longer an option, when climate investment is set to simultaneously address faltering growth – and potentially lift millions out of poverty.

Every 3 years

rate at which installed solar capacity is doubling



90%

percentage of new global electricity capacity additions solar and wind account for

99.9%

percentage by which solar PV prices have fallen since 1970s – and by 66% in the last decade

The heat is on: climate extremes will reshape where and how we work

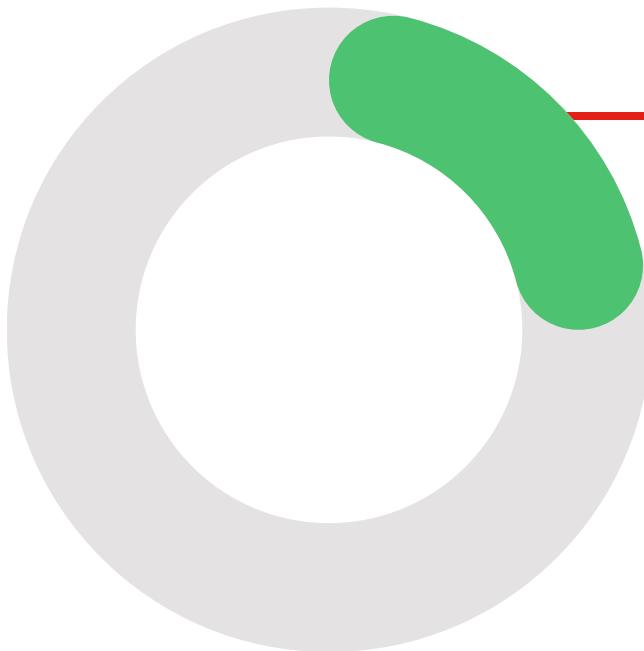
Extreme heat is already threatening people, economic sustainability and, therefore, our collective future. It's becoming a **workplace challenge nobody can ignore**.

Whilst renewable energy is growing exponentially, greenhouse gas emissions continue to rise. **Global coal use reached a record high in 2024.**

So, the picture remains mixed – we're doing some of the right things by the planet, but not cutting back on others fast enough to meet climate targets.

In light of the above, perhaps it's no surprise that the human cost is mounting fast. Major capital cities now experience 25% more extremely hot days annually than in the 1990s. **Madrid now endures 47 days a year above 35°C** versus 25 previously, whilst Rome and Beijing's extreme heat days have doubled.

With extreme weather intensifying, **forward-thinking workplace strategies are no longer a 'nice-to-have'** – it behoves organisations to act pre-emptively.



25%

increase in extremely hot days experienced in major cities since 1990s

Even in the global north, **the poorest workers face disproportionate risks**, particularly in lower-quality housing. This makes workplace adaptation both an equity and productivity imperative.

The UK's Climate Change Committee warns that existing preparations are inadequate. **By 2050, drought is projected to exacerbate heatwaves in four out of five years**, whilst flood risks could surge by 40%.

Buildings and infrastructure will need to withstand at least 2°C above 'normal' temperatures by 2050 –

not the hoped-for 1.5°C limit. **New-builds should prepare for 4°C above pre-industrial levels.**

This demands an urgent organisational response. **Climate-smart work schedules, early-warning systems and cooling centres** are some of the potential solutions, experts say.

Employers cannot simply wait. Maintaining productivity whilst protecting colleague wellbeing demands **investment in insulation, ventilation and adaptive infrastructure** today.

IC challenges

- Navigating polarised climate views amid political leadership dismissals
- Communicating urgent transformation while maintaining employee morale and engagement
- Extreme heat threatening workplace productivity and employee safety
- Inequality risks creating disproportionate workforce impacts

Strategic responses

- Frame climate investment through economic growth and opportunity lens
- Balance crisis messaging with positive vision of sustainable prosperity
- Communicate climate-smart schedules, cooling measures and adaptive infrastructure plans
- Frame workplace adaptation as both equity and productivity imperative

Employment

Rise in digital micro-management risks eroding trust and interpersonal dynamics

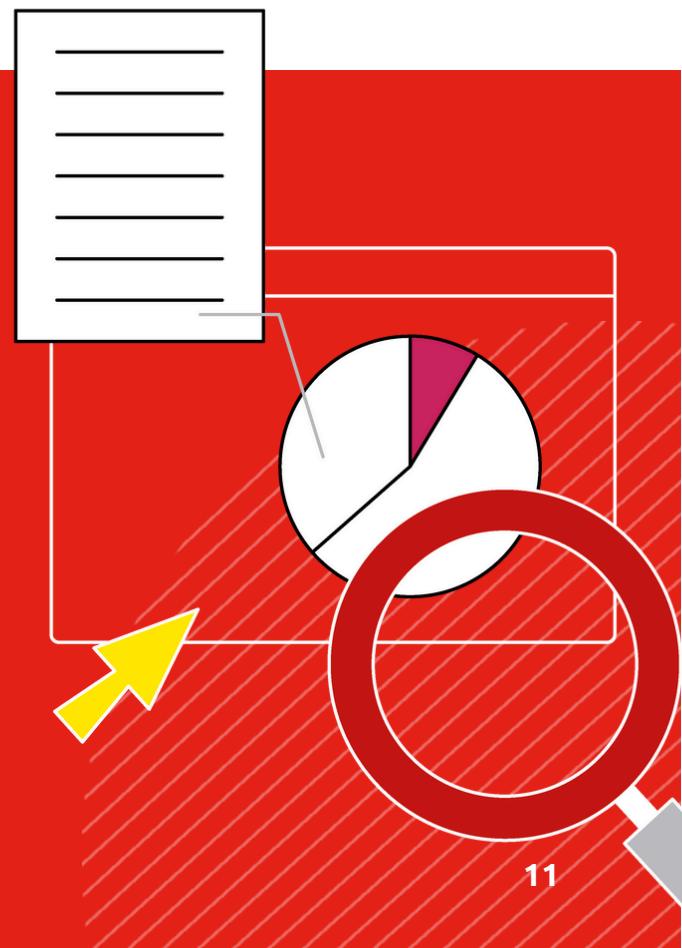
A third of UK employers now deploy **"bossware" technology to monitor their workforces**, with email tracking and web browsing surveillance most prevalent. This represents a **significant leap from 2023**, when less than a fifth of workers believed they were being monitored.

These surveillance systems exemplify a fundamental distrust in employees and a **regression to outdated 'command-and-control' practices**. Tellingly, 42% of managers oppose monitoring, citing erosion of trust and

privacy invasion. One in six would consider resigning if such systems were introduced, and **35% of managers admit they don't know what tracking their own organisations conduct**.

In a further unsettling development, we're also seeing **AI-enabled performance reviews** gaining traction, with JPMorgan, Citi and IBM deploying chatbots to draft employee evaluations. This approach **risks significant damage to colleague trust levels**. Only 2%

As organisations grapple with disengagement, replacing human judgement with digital or algorithmic convenience threatens to further hollow out trust and connection – the very foundations upon which healthy workplace cultures are built.



of CHROs believe their performance-management systems work, with **61% of managers** and 72% of workers **distrusting the processes**.

Factor in the fact that a mere 10% of UK workers feel **motivated at work**, and **these trends signal a worrying trajectory**: automating performance reviews transforms meaningful dialogue into box-ticking exercises. Combined with intrusive surveillance, organisations risk creating environments of suspicion that repel

talent and stifle innovation.

After all, the **future of work demands psychological safety and autonomy**.

Companies clinging to digital micromanagement rather than **authentic interpersonal dynamics** may lose their best people to employers who understand that **genuine productivity stems from empowerment, not surveillance** – and that trust, not algorithmic convenience, builds **healthy workplace cultures**.

36%

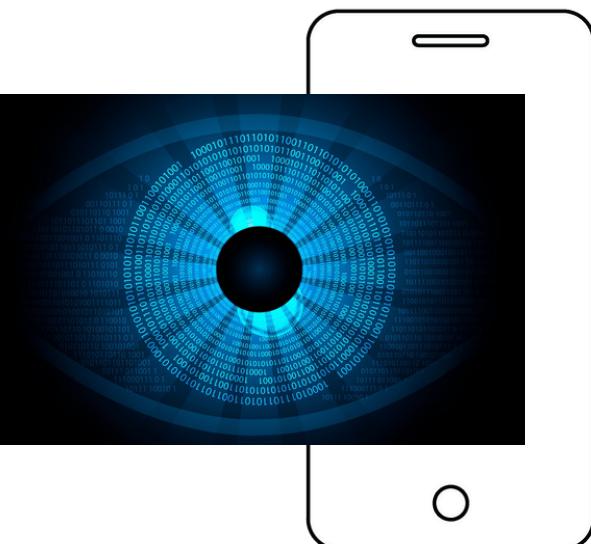


of UK employers using 'bossware' to track colleagues' activity

42%



of managers oppose 'bossware', saying it undermines trust



72%



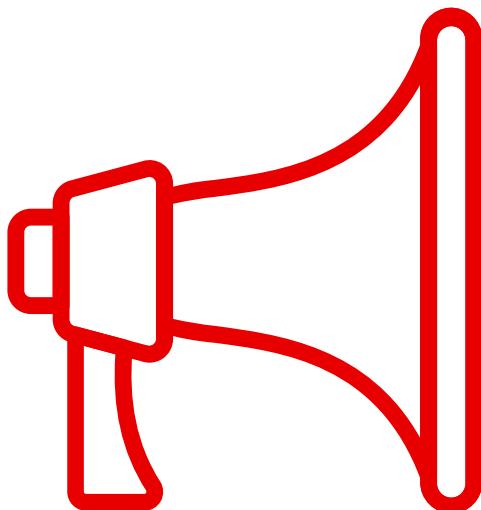
of colleagues distrust AI-assisted performance reviews

As 'speak-up culture' proliferates, might AI help provide the workplace conditions that helps it thrive?

Many organisations are increasingly championing '**speak-up culture**' to encourage employees to raise **concerns** and admit mistakes.

However, all too often these initiatives fail because they **wrongly assume colleagues already feel psychologically safe** and possess adequate communication skills.

Genuine psychological safety emerges from environment, relationships and individual factors across personal, interpersonal, team, collaborative and organisational levels. **When organisations prioritise safe environments over forced participation, the results are transformative.** Colleagues contribute willingly. Ideas flow freely, collaboration deepens and trust flourishes naturally.



Investing in **emotional intelligence, everyday interactions, team dynamics and authentic leadership** delivers far greater returns than superficial fixes.

Yet, despite its misuse haemorrhaging trust (see above), might AI, if leveraged sensitively, provide the genuine workplace cultural transformation where contribution becomes instinctive – and performance, creativity and connection thrive? AI expert Tarun Galagalo believes that in order to foment the workplace culture required for this transformation, there are **five key shifts** separating **organisations building for the future** from those clinging to outdated 20th-century models:

First, AI **removes the psychological barriers preventing honest feedback** by eliminating the social threat from human-to-human confrontation.

A 'speak-up culture' is one in which employees are encouraged to share ideas, raise concerns and admit mistakes through hotlines, town halls and reporting tools.

Second, **contextual intelligence** – drawing on integrated data from multiple systems – provides deeper insights than traditional annual assessments.

Third, **continuous development replaces episodic evaluations**, enabling real-time coaching rather than retrospective judgement.

Fourth, organisations are building **smaller, exceptional teams** with greater individual leverage, rather than expanding headcount.

Fifth, AI makes **personalised manager coaching economically viable** at scale,

addressing what executives universally identify as their greatest bottleneck.

These shifts represent a **fundamental reimaging of how organisations develop people**. The distinction between AI augmenting human capability versus replacing it will separate successful adopters from those disrupted by change.

Leaders need to embrace this transformation thoughtfully, maintaining accountability whilst **harnessing AI's potential to strengthen rather than suppress our humanity**.

IC challenges

- Erosion of employee trust through digital monitoring
- AI-automated performance reviews replacing authentic human dialogue and connection
- Speak-up culture fails without psychological safety
- Traditional episodic evaluations inadequate for continuous workplace development

Strategic responses

- Advocate for transparent, consent-based workplace technology
- Champion human-centred feedback cultures that prioritise meaningful conversation over automation
- Foster tech-enabled transparency that removes barriers to honest feedback
- Implement real-time coaching systems replacing retrospective performance judgements

People

The looming retirement gap: why tomorrow's workforce needs action today

The UK's **retirement landscape is undergoing a seismic shift** that is set to fundamentally reshape workplace culture and organisational strategy.

Future retirees are set to be **£800 (8%) worse off annually** than today's. And with state pension ages rising to 67 by 2028 and 68 by 2046, combined with alarmingly **insufficient saving rates** – 40% of workers lack adequate retirement provision – organisations

face unprecedented challenges in managing an ageing, financially vulnerable workforce.

The wider employment picture surfaces some **critical disparities**: more than three million self-employed workers aren't saving into pensions, whilst **low earners tend to save minimally**. Women face a 48% pension wealth gap compared to men, and only one-in-four low earners in the private sector are saving into a pension – despite automatic enrolment boosting workplace participation from 55% (2012) to 88% today.



Forward-thinking organisations should prepare colleagues now – regardless of age – integrating enhanced pension engagement into their people strategies.

Against this backdrop, **older workers face particular vulnerability during cost-cutting exercises**. In turn, organisations lose expensive expertise, valuable mentoring capabilities and core institutional knowledge.

Progressive employers like Aviva, Boots, B&Q, and Sainsbury's are implementing age-inclusive policies. However, success demands broader organisational and governmental action.

Meanwhile, '**micro-retirement**' – **extended, self-funded career breaks** driven by burnout – is emerging amongst younger workers prioritising wellbeing over continuous employment.

This trend **challenges traditional policies around retirement, leave and progression**, requiring organisations to develop structured frameworks that support extended breaks whilst managing disruption.

Organisations must **enhance pension engagement across all age groups**, particularly for vulnerable groups, whilst recognising that increased contributions may affect salary negotiations and wage rises. Navigating this evolving landscape requires evaluating immediate colleague needs with long-term security – a delicate balancing act, but essential for sustainable organisational success.

40%

of workers lack adequate retirement provision

25%

proportion of private sector low earners paying into a pension

48%

pension wealth gap women face compared to men



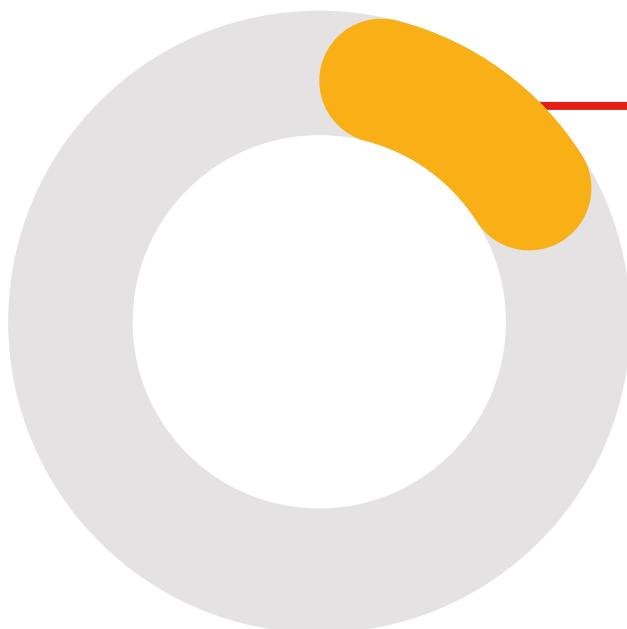
The new reality: Gen Z women out-earning men – and reshaping workplaces

For the first time, **young women in the UK working full-time are earning slightly more than their male counterparts aged 16-24**. This marks a pivotal shift in workforce dynamics. The reversal of the traditional gender pay gap reflects profound changes in educational attainment and employment patterns that will **fundamentally reshape how organisations operate**.

The numbers tell a compelling story. Women **increasingly dominate higher-earning professions like law, medicine and dentistry**, whilst outnumbering men in university degree attainment. Meanwhile, boys

significantly underperform girls throughout the education system – from GCSEs through to university – with **women securing around three times more first-class degrees**. Simultaneously, **men's labour market participation has declined**, partly due to skills mismatches and concentration in slower-growing industries like manufacturing.

Geographical nuances matter considerably, of course. Women in major metropolitan areas out-earn men by up to 20% in some US regions. However, these advantages diminish in other locations – data also indicates that, on average, women still earn less



20%

percentage by which women out-earn men in some high-income metropolitan regions

than men. In addition, the **pay gap tends to widen later in women's careers due to factors like the 'motherhood penalty'**.

That said, future generations of women may continue to out-earn men, because they're navigating a world that **increasingly values the paths they're choosing**.

Smart organisations will need to provide **flexible environments that leverage these talents and skillsets**.

If they don't already, employers must recognise that **young women increasingly bring higher qualifications and earning potential**, potentially reshaping workplace hierarchies. This means **rethinking traditional career progression models** to accommodate women occupying senior positions earlier, and ensuring **equitable opportunities regardless of gender** – while also paying attention to the systemic factors leaving some young men behind.

IC challenges

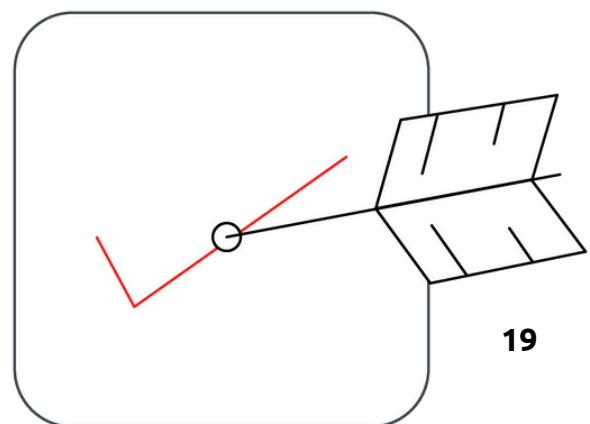
- Addressing widespread retirement savings gap across diverse workforce segments
- Supporting emerging micro-retirement trend while maintaining organisational productivity levels
- Adapting workplace communications to Gen Z women's career expectations
- Addressing evolving gender dynamics and potential male workforce disengagement

Strategic responses

- Develop targeted pension engagement campaigns for vulnerable employee groups
- Create structured communication frameworks enabling extended career break policies
- Emphasise flexible working arrangements and career advancement opportunities
- Promote inclusive messaging celebrating diverse contributions and equitable opportunities

Key take-aways: actionable recommendations for internal communicators

- 1 Embed AI ethics into core strategy early, establish clear accountability structures, and invest in proper training and resources before rushing implementation to avoid costly failures.
- 2 AI adoption faces trust issues and poor implementation. Communicate AI governance policies clearly; ensure proper training and guardrails in place; build employee trust through transparency.
- 3 Climate investment offers unprecedented growth potential, unlike fossil fuels, making the transition to clean energy both an economic imperative and an opportunity for future organisational sustainability.
- 4 Convey climate adaptation as an immediate workplace imperative, emphasising investments in proactive heat protection rather than reactive measures.
- 5 IC uniquely positioned to champion transparent dialogue about surveillance technologies, emphasising trust-building over monitoring whilst advocating for employee autonomy to prevent talent loss and organisational stagnation.
- 6 Genuine psychological safety requires environmental trust, not forced participation. Champion authentic dialogue, EQ and continuous feedback mechanisms that enable natural collaboration rather than superficial speak-up initiatives.
- 7 Educate employees about pension gaps and retirement planning whilst supporting organisational strategies that balance workforce retention with sustainable financial security measures.
- 8 Gen Z women are outpacing men in education and earnings, so encourage leadership to adopt flexible, progressive career models that recognise this whilst addressing systemic barriers.



Further recommended reading

AI & tech

- <https://fortune.com/2025/08/18/mit-report-95-percent-generative-ai-pilots-at-companies-failing-cfo/>
- <https://www.forbes.com/sites/lindsayphillips/2025/10/25/what-excel-can-teach-us-about-ai-and-the-future-of-work/>
- https://mlq.ai/media/quarterly_decks/v0.1_State_of_AI_in_Business_2025_Report.pdf
- <https://www.theguardian.com/business/2025/oct/12/ai-workslop-us-employees>
- <https://nanda.media.mit.edu/> <https://oxrml.com/measuring-what-matters/>
- <https://sloanreview.mit.edu/article/the-three-obstacles-slowing-responsible-ai/>
- <https://www.raconteur.net/technology/sceptics-lead-ai-strategy>

Sustainability

- <https://press.lse.ac.uk/books/m/10.31389/lsepresstgs>
- <https://www.theguardian.com/commentisfree/2025/oct/13/donald-trump-withdrawal-paris-agreement-tackling-climate-crisis-easier>
- <https://eciu.net/analysis/infographics/10-years-post-paris-infographic>
- <https://www.iied.org/hot-cities-researching-extreme-heat-worlds-biggest-capital-cities>
- <https://systemschangelab.org/state-climate-action-2025>
- <https://sustainabilitymag.com/news/britains-buildings-cannot-withstand-2-c-rise-experts-warn>

Employment

- <https://www.peoplemanagement.co.uk/article/1932701/third-uk-firms-deploy-bossware-track-staff-activity-survey-reveals>
- <https://www.raconteur.net/future-of-work/ai-performance-reviews>
- <https://www.forbes.com/sites/tarungalagali/2025/10/14/the-future-of-work-has-arrived-how-ai-is-rebuilding-workplace-culture/>
- <https://www.raconteur.net/talent-culture/forcing-staff-to-speak-up-wont-fix-your-workplace-culture>

People

- <https://www.bbc.com/news/articles/ckgj84ejd9wo>
- <https://www.raconteur.net/talent-culture/three-minute-explainer-on-micro-retirement>
- <https://www.msn.com/en-ca/money/topstories/voices-an-unemployment-tsunami-is-heading-for-older-workers/ar-AA1OrYxu>
- <https://www.independent.co.uk/life-style/the-gen-z-gender-pay-gap-has-reversed-so-what-s-up-with-boys-b2761997.html>
- <https://www.investopedia.com/women-could-be-poised-to-outearn-men-11747995>

About Working the Future

Foresight specialists helping organisations harness opportunity in the future of work

Established in 2016, Working the Future is a boutique consulting and advisory firm helping businesses adapt to the future of work.

It provides executive education to help business leaders, managers and decision-makers develop their understanding of the rapidly changing world of work, allowing them to prepare and mitigate risk accordingly.

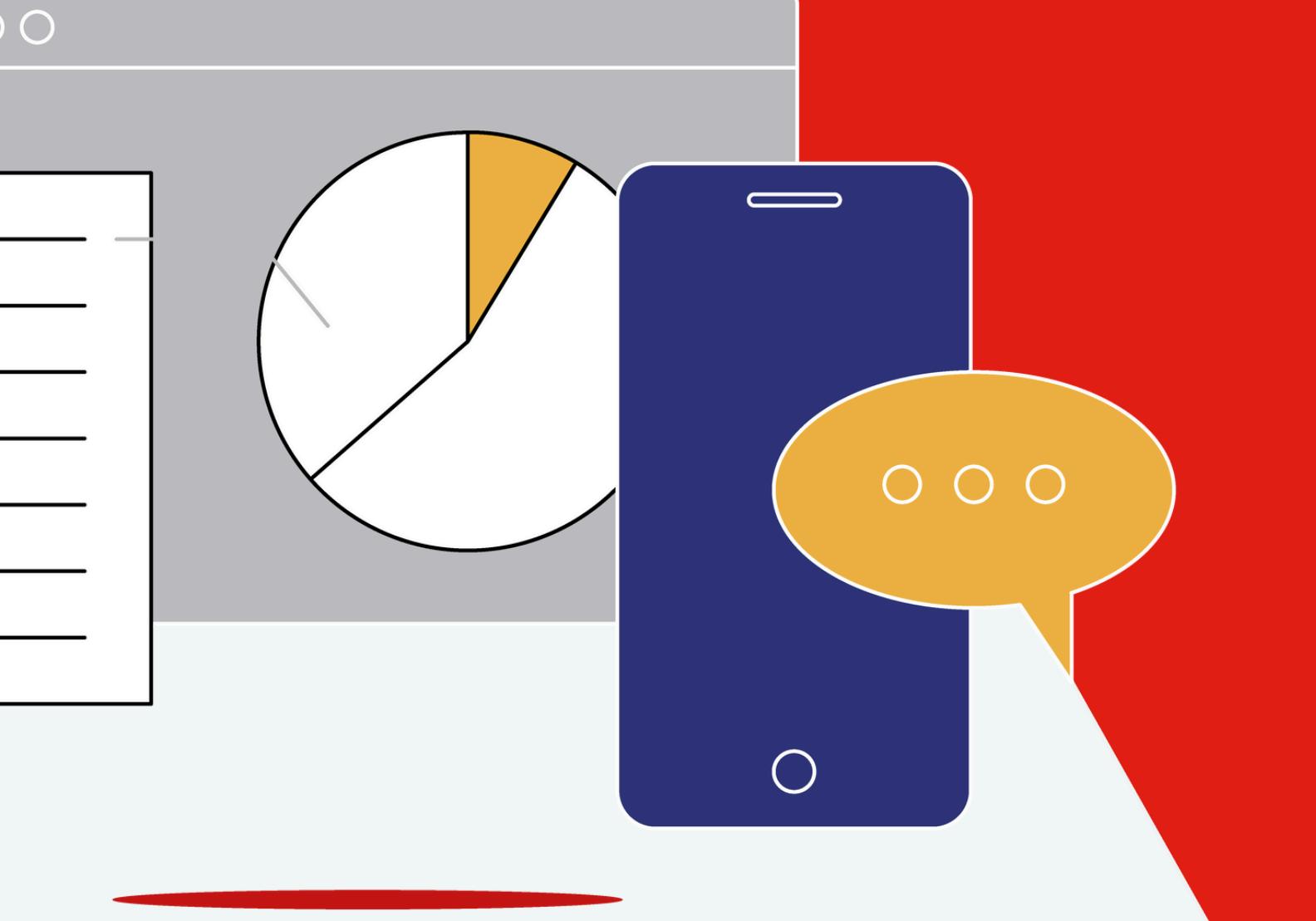
It co-designs progressive strategies to optimise team-performance and organisational agility. Its people-centred approach enhances collective intelligence for improved resilience and long-term organisational sustainability.

About the founders

Cathryn Barnard has a long background in building and nurturing high-performing teams. Her interest in human dynamics has transferred across into her expert analysis of the future of work, and her insights help business leaders future-proof their commercial activities.

Patrick Lodge is a futurist and emerging trends expert, with 20 years' experience in horizon-scanning. He has a particular interest in generating and demystifying business intelligence applicable to all forms of upstream future-planning activity.





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