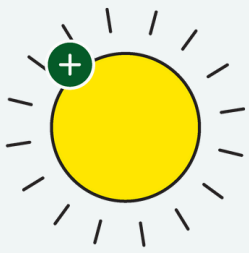


Institute  
of Internal  
Communication

Working  
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INSIGHT • STRATEGY • CHANGE



JANUARY 2026

# IC TRENDS REPORT

Emergent work trends reshaping  
internal communication

# Executive summary

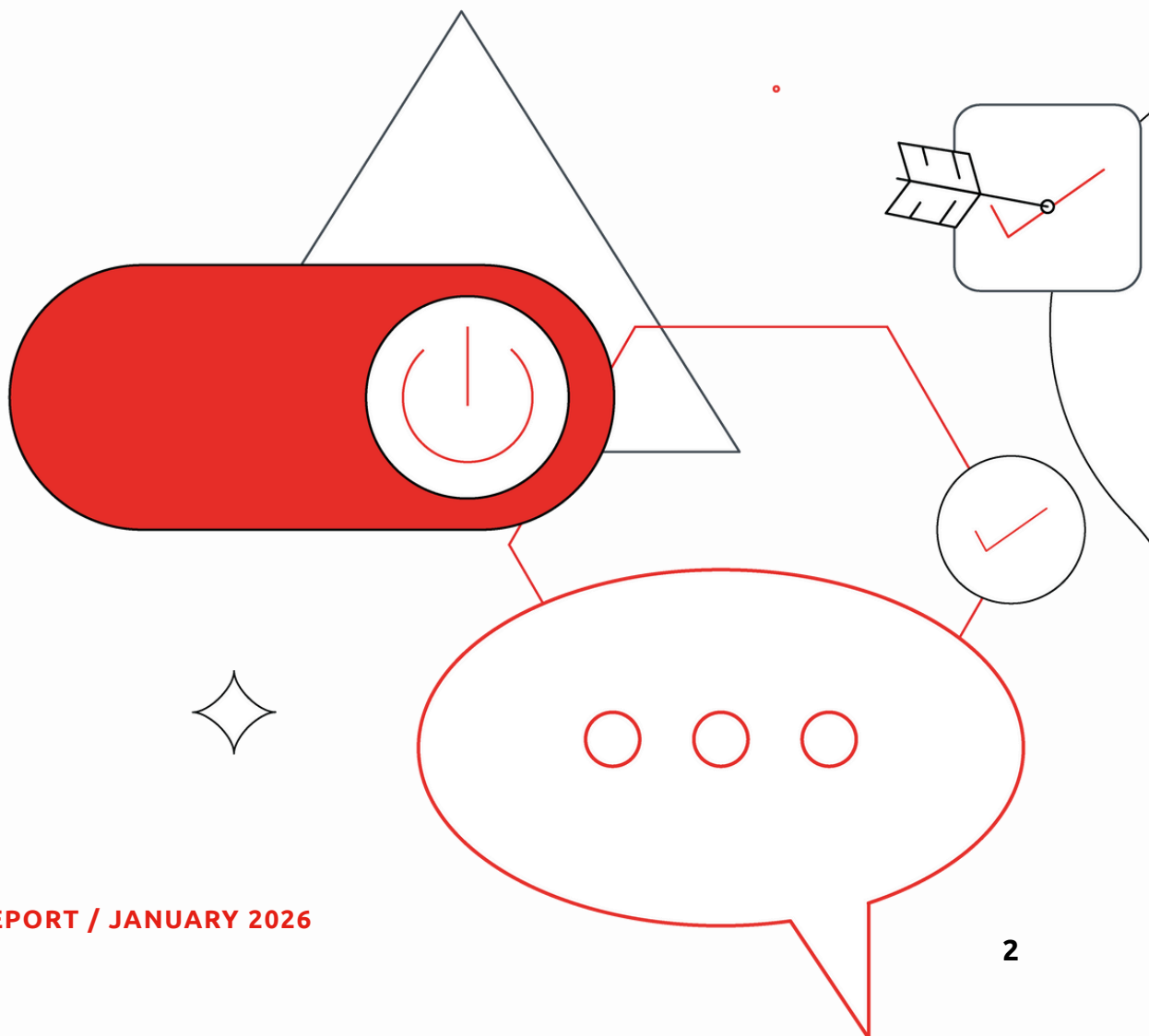
## Internal communicators are the new power players

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the full potential of colleagues across the spectrum**, who are pushing back on top-down, centralised and increasingly outdated, command-and-control management archetypes.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

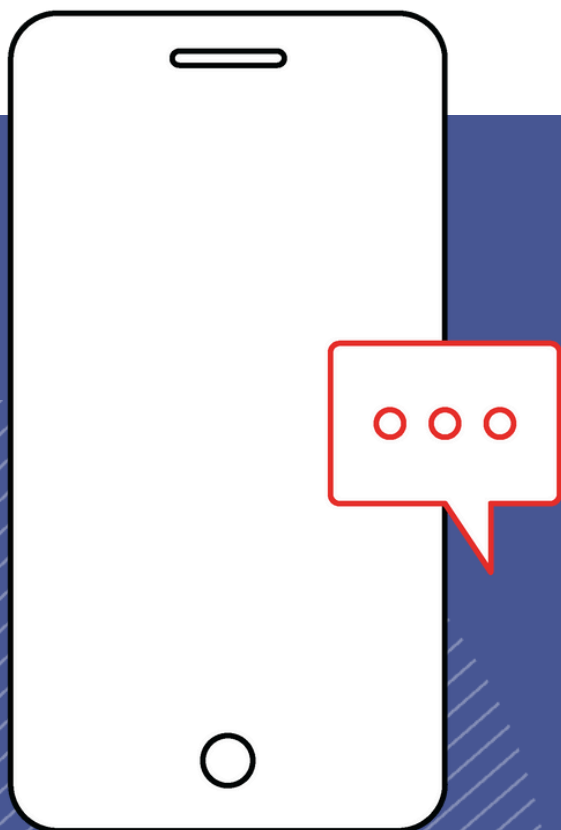
## AI's human revolution: five workplace shifts set to define 2026 and beyond

The workplace is experiencing a fundamental transformation, as AI transitions from productivity tool to collaborative partner. With **80% of colleagues already using or experimenting with GenAI** at work, organisations must focus on harnessing **its potential whilst preserving distinctly human capabilities.**

**Five key trends** will shape this transformation throughout 2026 and beyond.

First, **AI fluency will need to supersede mere adoption**, with system-wide literacy training becoming essential, from the C-suite down.

With **77% of UK workers pretending to know more about AI than they actually do**, the real value will lie in discerning application – **knowing when not to use AI** – as companies witness failures from deployment without the parallel and requisite development of human judgement.



AI fluency will need to supersede mere adoption, with system-wide literacy training becoming essential – including for the C-suite.

Second, **soft skills (increasingly termed 'vital skills') will become crucial differentiators.**

As machines handle the 'what', emotional intelligence, adaptability and critical thinking will define the 'how' and 'why' of organisational success, becoming hiring priorities over technical expertise alone.

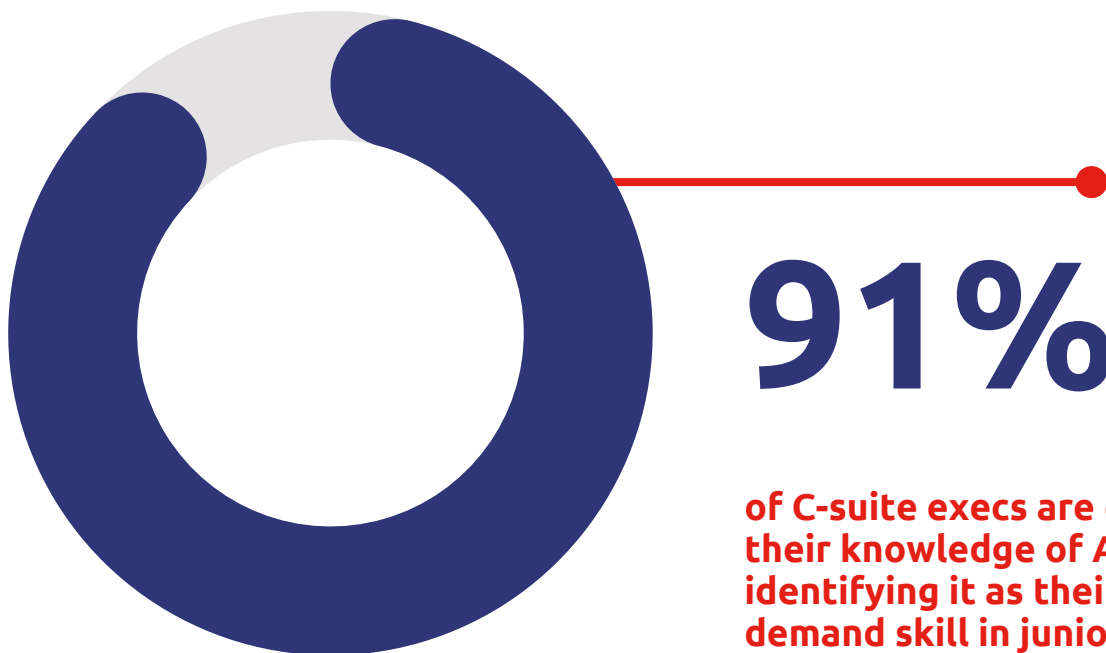
Third, **upskilling has emerged as a new retention strategy.** Building an AI-first workforce from within will determine competitive advantage, with organisations developing their people's capacity to harness AI for

growth setting the pace for the next business era.

Fourth, **AI is evolving from tool to teammate,** augmenting, rather than replacing, human potential through personalised collaboration.

The premium then shifts to leaders navigating complex interpersonal dynamics and driving creative problem-solving that AI cannot replicate.

Finally, **mainstream voice-enabled AI integration is predicted by 2028,** fundamentally changing worker engagement with AI agents.



**of C-suite execs are exaggerating their knowledge of AI – while identifying it as their top in-demand skill in junior colleagues**

# The rise of the AI proficiency ultimatum - no longer 'nice-to-have'

The era of AI experimentation is over. Companies are increasingly demanding **immediate proficiency**, and the consequences for those who resist are pretty brutal. Accenture's recent cull of 11,000 employees signals a stark new reality: **AI fluency is no longer optional.**

The shift is happening at breakneck speed. ChatGPT adoption reached 54.6% within three years of launch, dwarfing personal computer (19.7%)

and internet (30.1%) adoption at comparable stages. By Q3 2025, **45% of US workers reported using AI at work**, with **21% stating AI now performs at least some of their job functions.**

Yet organisational integration remains uneven. Whilst **companies pouring resources into AI see three times the revenue per employee** compared to slower adopters, **60% of firms are investing heavily but seeing minimal returns.**

60%



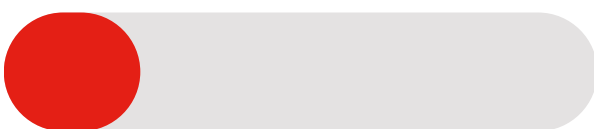
of firms are investing heavily, but seeing minimal returns...

5%

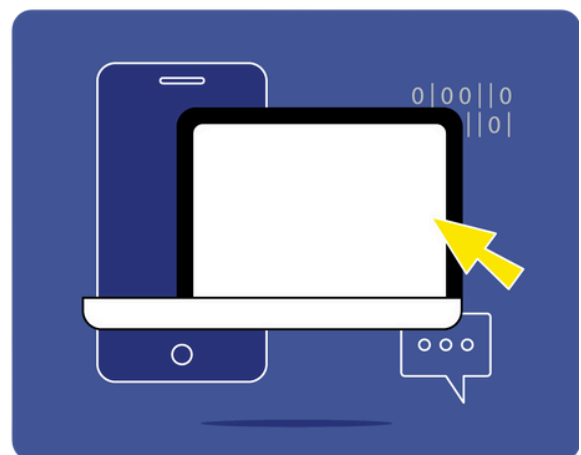


... while few have benefitted from restructuring operations around AI

21%



of workers claim AI now performs at least some of their work tasks



The critical difference? Only **5% have restructured operations around AI**, and these outliers are capturing significant revenue gains.

The **stakes extend beyond productivity**. Major consultancies like PwC and EY now mandate AI competencies in performance reviews, with Meta measuring employees by their "AI-driven impact." PwC predicts **new hires will perform managerial-level roles within three years thanks to AI augmentation**.

What are the key take-aways for our profession? Internal communicators should **frame AI adoption as workforce empowerment rather than replacement**. We can encourage clear learning pathways, celebrate early adopters and create feedback loops that surface both wins and concerns.

Our neutral role will be increasingly critical in translating executive AI mandates into **meaningful capability-building** that colleagues actually embrace and adopt.

## IC challenges

- Approx. 4 in 5 workers exaggerate AI knowledge, hindering adoption
- Uneven AI integration yielding minimal returns for 60%
- AI mandates risk alienating workforce without proper support
- Soft skills increasingly vital, but often undervalued in AI-first strategies

## Strategic responses

- Encourage comprehensive AI literacy programmes across all levels
- Introduce an AI narrative to set clear AI adoption ground rules
- Frame AI as empowerment tool, not replacement threat
- Champion emotional intelligence alongside technical AI capability development

# Sustainability

## Green transition: economic growth finally starts to unshackle from CO<sub>2</sub> emissions

It's no secret that **the AI revolution comes with a hefty environmental price tag**. In 2025 alone, artificial intelligence generated **80 million tonnes of CO<sub>2</sub>** (equivalent to **New York City's entire annual emissions**) and consumed **765 billion litres of water**, exceeding global bottled water demand.

Yet beyond these troubling figures, there lie some far more **encouraging shifts** when it comes to sustainability.

Countries representing **92% of the global economy have now successfully decoupled carbon emissions from GDP growth**. And this isn't just an advanced-economy phenomenon: Brazil, Colombia and Egypt are expanding economically whilst cutting emissions.

Most remarkably, **China's emissions grew just 24% between 2015 and 2023, while its economy expanded by over 50%**, with many analysts believing Chinese emissions have now peaked.



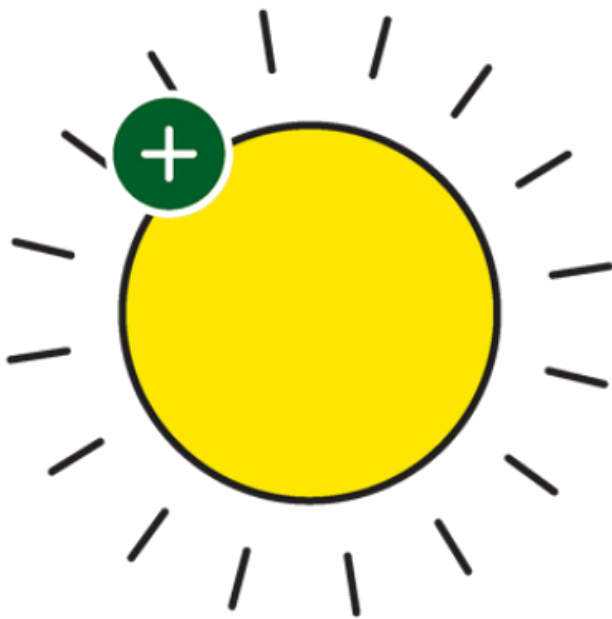
Many analysts believe Chinese CO<sub>2</sub> emissions may now have peaked.

Meanwhile, the UK approved a record 45GW of renewable energy projects in 2025, **nearly double the previous year**. Battery storage approvals jumped from 14.9GW to 28.6GW, whilst offshore wind approvals increased sevenfold to 9.9GW. Planning approvals for renewables have surged over **400% in five years**.

Why does all this matter to our profession? This **decoupling trend** fundamentally reshapes **workplace narratives around sustainability**.

As internal communication professionals, we should highlight how our organisations can **contribute to this positive shift**, translating complex environmental data into **compelling colleague engagement stories**.

**Framing sustainability** not as constraint but as **competitive advantage**, can help demonstrate how **green growth drives innovation** and secures long-term business viability in an **increasingly carbon-conscious marketplace**.



**80 million**  
tonnes of CO<sub>2</sub> emitted by AI in 2025  
– equal to New York’s annual amount

**92%**



of countries making up global economy have decoupled CO<sub>2</sub> emissions from GDP growth

**24%**



percentage by which China's emissions grew between 2015-2023, while its economy expanded over 50%



# Embodied carbon in workplace furniture and buildings set to become a growing organisational priority

Whilst organisations have concentrated on operational carbon through energy efficiency, **office furniture, fixtures and fittings** continue to represent a critical – and overlooked – **sustainability blind-spot**. Salesforce and Brightworks Sustainability research shows **furniture accounts for approximately 37% of a typical workplace's total embodied carbon footprint**. Yet it remains largely unmeasured by most organisations.

Embodied carbon encompasses greenhouse gas emissions from extraction, manufacturing, transport and installation. The numbers involved are substantial: according to the Furniture

Industry Research Association (FIRA), a single **office chair generates 72kg of CO<sub>2</sub> equivalent** over its lifetime, whilst a standard **six-person meeting table carries 228kg**.

A 2011 Waste & Resources Action Programme report found that **1.2 million office desks and 1.8 million office chairs end up in UK landfills annually**, with figures potentially rising as hybrid working reshapes office layouts. Regulatory pressure in this area is intensifying globally.

The UK's Carbon Border Adjustment Mechanism, launching in 2027, will



impose tariffs on high-carbon imports, **directly affecting workplace furniture procurement.** The EU's revised Energy Performance for Buildings Directive will require global warming potential disclosure for **new buildings over 2,000 square metres by 2027.**

Internal communicators have a vital role to play in this area. By creating transparency campaigns, we can **help colleagues understand the carbon footprint of everyday workplace activities.**

Developing **reuse and refurbishment programmes offers an opportunity to celebrate circular economy principles in action.** Partnering with facilities and procurement teams to audit furniture lifecycles ensures a **cross-functional approach to sustainability.**

Through **storytelling that quantifies the carbon savings** achieved through organisational choices, we can **engage colleagues and foster genuine pride** – and that all-important trust – in making a tangible impact.

## IC challenges

- Translating complex or 'dry' environmental information into compelling stories
- Engaging colleagues in organisational sustainability contributions
- Raising awareness of overlooked embodied carbon footprints
- Building cross-functional collaboration on furniture lifecycle management

## Strategic responses

- Frame sustainability as competitive advantage, not constraint
- Highlight innovation driven by green growth opportunities
- Create transparency campaigns about workplace carbon impact
- Partner with facilities teams to encourage circular economy programmes

# Employment

## How the traditional career trajectory is unravelling

Several interconnected trends are fundamentally **reshaping approaches to work** in 2026 and beyond.

'**Microshifting**' is fragmenting the workday itself. Rather than rigid 9-to-5 schedules, **65% of workers now favour working in scattered bursts around personal commitments**. Gen Z and millennials lead this shift, with 70% preferring non-linear schedules. However, Microsoft research identifying the '**triple-peak day**' (workers active before lunch, after lunch and again around 9 or 10 at night)

suggests microshifting may extend rather than compress hours for some.

Simultaneously, the '**hybrid professional**' is emerging, **combining human insight with technological fluency**. Matthew Prater, professor of robotics at Arizona's University of Advancing Technology, believes that "**creativity is currency in the automation workplace**". Roles like **AI prompt designers** and **digital ethicists** now sit at the **intersection of emotional intelligence and technical capability**.



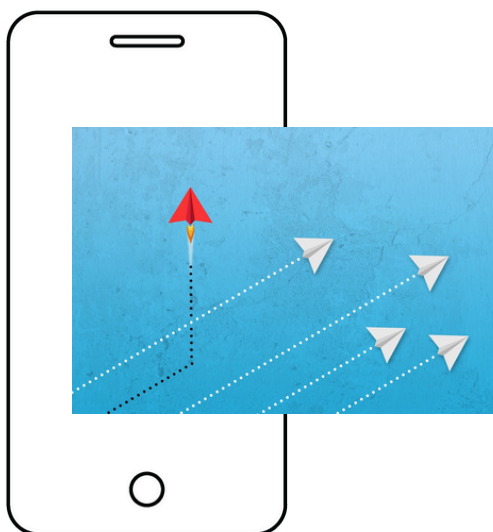
Increasingly, we will need to take account of new expectations around flexible boundaries and career development beyond traditional hierarchies.

Meanwhile, **'career minimalism' is redefining success entirely**. A Glassdoor survey found 68% of Gen Z workers wouldn't pursue management roles for status alone (i.e. without the pay cheque), whilst 57% maintain side hustles compared with 48% of millennials.

This feeds into the **'polygamous worker'** trend, juggling multiple income streams through freelancing, e-commerce and consulting. Rather than chasing promotions, some modern workers also increasingly aim

for **passive income** through investments, affiliate marketing and digital products, **prioritising financial autonomy over traditional career advancement**.

As internal communicators, these shifts demand our attention. Increasingly, we will need to **take account of new expectations around flexible boundaries and communicate career development beyond traditional hierarchies** to retain **talent seeking financial independence and meaningful work**.



65%



of colleagues now favour 'microshifting' over traditional 9-to-5 schedules

68%



of Gen Z workers wouldn't pursue management roles for status alone

57%



percentage of Gen Z workers maintaining side hustles

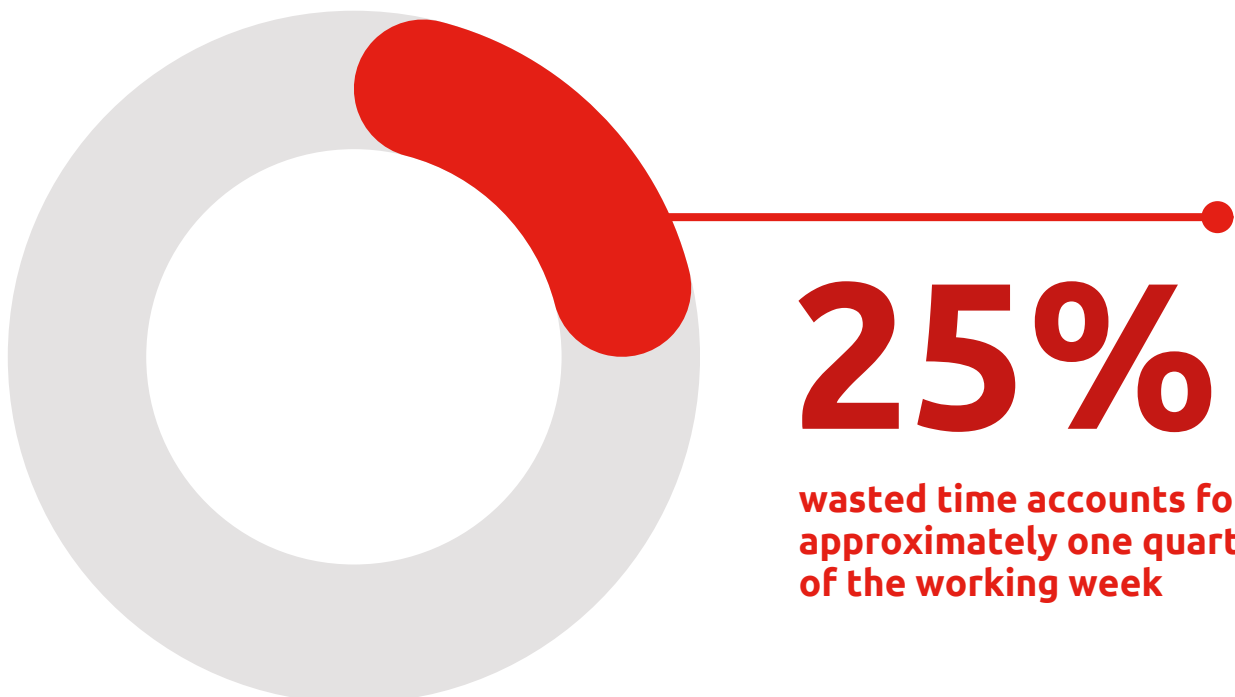
# Why it's time to prioritise 'quiet thriving' over performative productivity

We touched on **'quiet cracking'** – where workers appear present but are withdrawing energy from the work that once enthused them – briefly last year. This trend comes on the heels of 2022's **'quiet quitting'** and Microsoft's **'productivity paranoia'**, forming a trilogy of workplace dysfunction that organisations can no longer ignore.

The statistics are telling. These **colleagues aren't just disengaged** – they're 'cracking' partly because **their attention is under assault**. **Knowledge workers now switch tasks every three minutes**, taking nearly **30 minutes to refocus** after each interruption.

Atlassian estimates wasted time accounts for nearly a quarter of the workweek, whilst a Gallup 2025 survey found **global engagement slipping to 21%**, translating to **£438 billion in lost productivity**. Manager engagement has fallen even lower.

One of the culprits? **Survival mode masquerading as productivity**. When organisations mistake constant exposure for contribution, they risk creating **motion without momentum**. The American Dialect Society electing 'lock in' as its most useful term of 2024 reflects our **collective desire for intentional focus amid relentless distraction**.



So, what's the antidote to all of this? **'Quiet thriving', or small, intentional shifts that restore meaning to work.** Research shows that **'job crafting'** (allowing colleagues to modify portions of their roles) **increases engagement and resilience.**

Google's Project Aristotle recently highlighted the **importance of psychological safety when it comes to predicting team effectiveness.**

Our profession can play a key role here, recognising, and pushing back on the amplification of **'productivity theatre'.**

Instead of **broadcasting busyness,** we should encourage and cultivate the **conditions where genuine contribution can flourish.**

This means **championing protected focus time across our organisations.** Perhaps even **shifting the conversation from 'what was completed' to 'what was learned',** and **measuring outcomes rather than visibility.**

'Quiet thriving' might just **create the environments where meaningful work actually happens.**

## IC challenges

- Colleagues leaning into benefits of scattered bursts over fixed schedules
- Career ambitions shifting away from traditional hierarchies
- Constant task-switching fragmenting attention and focus
- 'Productivity theatre' hindering genuine engagement and contribution

## Strategic responses

- Communicate flexibly across multiple daily engagement peaks
- Reframe career development beyond conventional promotion paths
- Champion intentional focus over constant workplace visibility
- Foster psychological safety and meaningful job crafting

# People

## The rise of the 'emotional salary': how non-monetary benefits are increasingly reshaping work

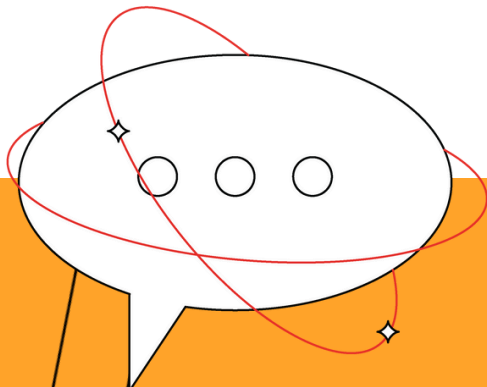
Is the traditional pay-bump losing its crown? Monster's 2025 Work Watch Report found that **95% of workers** it surveyed felt their **wages had not kept up with the rising cost of living**.

Meanwhile, research from the Achievers Workforce Institute reveals that **'emotional salary'** – comprising recognition, flexibility, career development and cultural alignment – now **rivals financial compensation in driving engagement and retention**.

The data speaks for itself.

Colleagues who receive monthly recognition are twice as engaged and productive, and **22% less likely to cite pay as their primary motivation for job hunting**.

Meanwhile, Dayforce research also shows **70% of workers reject job offers due to poor company culture and development opportunities**, with half leaving roles for the same reason.



A combination of recognition, flexibility, career development and cultural alignment now rivals financial compensation in driving engagement and retention.

This shift coincides with data indicating younger cohorts are taking matters into their own hands and leveraging AI to transform their professional development.

Google Workspace's Young Leaders study also found **92% of professionals aged 22–39 report increased confidence through AI tools**, with 72% using them to answer questions they hesitate asking colleagues.

Career coaching, feedback generation and interview preparation now happen

**at scale, removing judgement whilst providing personalised guidance.**

This convergence matters. Internal communicators will increasingly need to **champion the benefits of recognition strategies**, as well as AI literacy programmes.

We will need to **encourage work cultures where emotional investment matches financial reward**, whilst equipping workforces with AI capabilities that enhance confidence and professional development.

95%



of workers feel wages haven't kept up with the cost of living

70%



of workers reject job offers due to poor company culture and development opportunities

72%



of young workers leverage AI tools to answer questions they hesitate asking colleagues





# The human advantage: why the future of work should belong to people, not algorithms

As AI automates routine tasks and generates content at scale, a critical shift is emerging.

Organisations are discovering that whilst AI can write code and generate reports on the fly, it clearly **cannot replicate human discernment, creativity or trust-building.**

Research shows, for instance, that hyper-personalised marketing powered

by AI creates consumer unease when data use feels opaque. This **distrust is driving customers and audiences towards authentic human connection.**

After all, if everyone uses identical AI tools, output converges and competitive advantage starts to erode.

Then the question becomes: if **AI is homogenising output** – and that of our competitors’ – what makes us different?



Might the answer lie in **people-first strategies**? After all, the future of work is not about eliminating people, so **organisations should design for greater human contribution** rather than replacing this input with tech.

When AI strips away the more bureaucratic components – or what has been described as the **‘work around work’** – what remains is thinking, sense-making and the **creative energy that produces genuine stand-out**.

Internal communicators have a pivotal role to play in championing strategies that **prioritise authentic human connection** over automated ‘efficiency’.

We can help leaders recognise that **competitive advantage** in 2026 stems from **enabling people to contribute their unique perspectives**, rather than from deploying more AI agents.

By doing so, we’ll ensure that **vital human element** remains central to **organisational identity, trust and value creation**.

## IC challenges

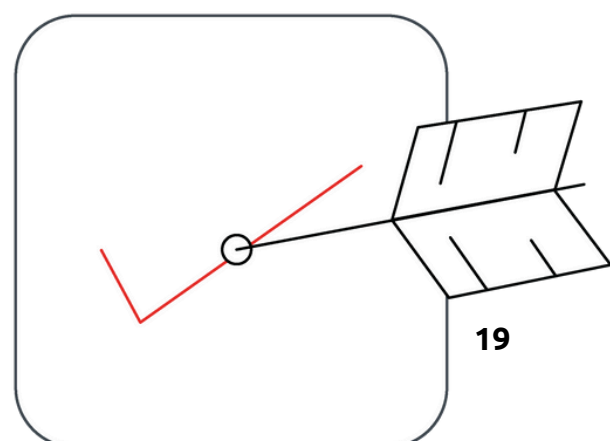
- Traditional remuneration increasingly failing to engage certain cohorts
- Younger colleagues seek AI-driven professional development independently
- AI automation risks eroding authentic human connection
- Competitive differentiation potentially at risk, as AI tools become ubiquitous

## Strategic responses

- Champion recognition programmes and non-monetary reward systems
- Encourage organisational AI literacy and confidence-building programmes
- Design communication strategies prioritising genuine people-first engagement
- Promote unique human perspectives and space for creative thinking

# Key take-aways: actionable recommendations for internal communicators

- 1** Prioritise system-wide AI literacy programmes that emphasise responsible AI leverage, addressing the gap where 77% exaggerate understanding.
- 2** Frame AI adoption as workforce empowerment through clear learning pathways, celebrating early adopters whilst creating feedback loops for concerns.
- 3** Reframe sustainability communications as competitive advantage stories, showcasing how your organisation's green initiatives drive innovation, stand-out and long-term viability.
- 4** Develop engagement campaigns that translate embodied carbon data into relatable terms, helping colleagues understand their everyday workplace choices' environmental impact.
- 5** Communicate career development pathways that include internal skills mobility, project-based roles, skill-building opportunities and flexible advancement options beyond traditional management hierarchies.
- 6** Actively challenge performative productivity in favour of 'quiet thriving', ensuring colleagues get requisite psychological safety that enables focus on work outcomes and deep thinking.
- 7** Champion recognition programmes and AI literacy initiatives that enhance employee confidence whilst demonstrating the organisation's emotional investment in their development.
- 8** Advocate for people-first strategies that position AI as removing the work around work, freeing colleagues to contribute creative thinking and experience greater connection.



# Further recommended reading

## AI & tech

- <https://www.forbes.com/sites/bryanrobinson/2025/12/04/10-ai-predictions-for-2026-top-experts-share-new-trends/>
- <https://www.pluralsight.com/newsroom/press-releases/pluralsight-research-finds-that-79--of-tech-workers-pretend-to-k>
- <https://www.businessinsider.com/pwc-companies-embracing-ai-see-revenue-boosts-2025-12>
- <https://www.stlouisfed.org/on-the-economy/2025/nov/state-generative-ai-adoption-2025>
- [https://www.gallup.com/workplace/699689/ai-use-at-work-rises.aspx?utm\\_source=alert&utm\\_medium=email&utm\\_content=morelink&utm\\_campaign=syndication](https://www.gallup.com/workplace/699689/ai-use-at-work-rises.aspx?utm_source=alert&utm_medium=email&utm_content=morelink&utm_campaign=syndication)
- <https://futurism.com/future-society/accnture-layoffs-ai>

## Sustainability

- <https://rheaply.com/blog/circular-furniture/>
- <https://www.officesale.co.uk/what-is-the-real-carbon-footprint-of-your-office-furniture/>
- <https://businessmoves.com/our-stories/how-to-reduce-the-carbon-footprint-of-your-office-furniture>
- <https://www.architecturalrecord.com/articles/16420-california-adopts-first-in-nation-building-code-revision-to-reduce-embodied-carbon>
- <https://oneclicklca.com/en-be/resources/articles/epbd-a-guide-to-the-energy-performance-of-buildings-directive>
- <https://globalcarbonbudget.org/>
- <https://www.theguardian.com/environment/2025/sep/07/china-fossil-fuel-us-climate-environment-energy>
- <https://eciu.net/analysis/infographics/10-years-post-paris-infographic>
- <https://www.theguardian.com/business/2025/dec/30/renewable-energy-projects-battery-storage-wind-solar-2025-data>

## Employment

- <https://www.independent.co.uk/life-style/passive-income-polygamous-worker-careers-b2886369.html>
- <https://edtimes.in/why-are-gen-z-giving-less-of-themselves-to-work-out-of-choice/>
- <https://www.forbes.com/sites/rhettpower/2025/12/14/hybrid-careers-are-rising-and-entrepreneurs-who-adapt-will-win/>
- <https://medium.com/human-code-engine/microshifting-the-workplace-trend-that-promises-freedom-but-delivers-something-else-b9177f4cb01b>
- <https://atlassianblog.wpengine.com/wp-content/uploads/2025/03/the-state-of-teams-2025.pdf>
- <https://fortune.com/2025/12/09/the-cult-of-productivity-is-killing-is-quiet-quitting-cracking-thriving/>

## People

- <https://www.hrmorning.com/articles/emotional-salary/>
- <https://www.hrdiver.com/news/workers-say-paychecks-fail-to-keep-up-with-cost-of-living/737495/>
- <https://theharrispoll.com/briefs/young-leaders-real-impact-how-ai-is-changing-management/>
- <https://techintelpro.com/news/ai/enterprise-ai/google-workspace-young-leaders-demand-personalized-ai>
- <https://www.forbes.com/sites/alejandrarojas/2025/12/22/is-a-people-first-strategy-the-new-key-to-2026-financial-growth/>
- <https://www.forbes.com/sites/niritcohen/2025/12/15/ai-is-automating-the-work-around-work-whats-left-is-human-value/>

# 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.

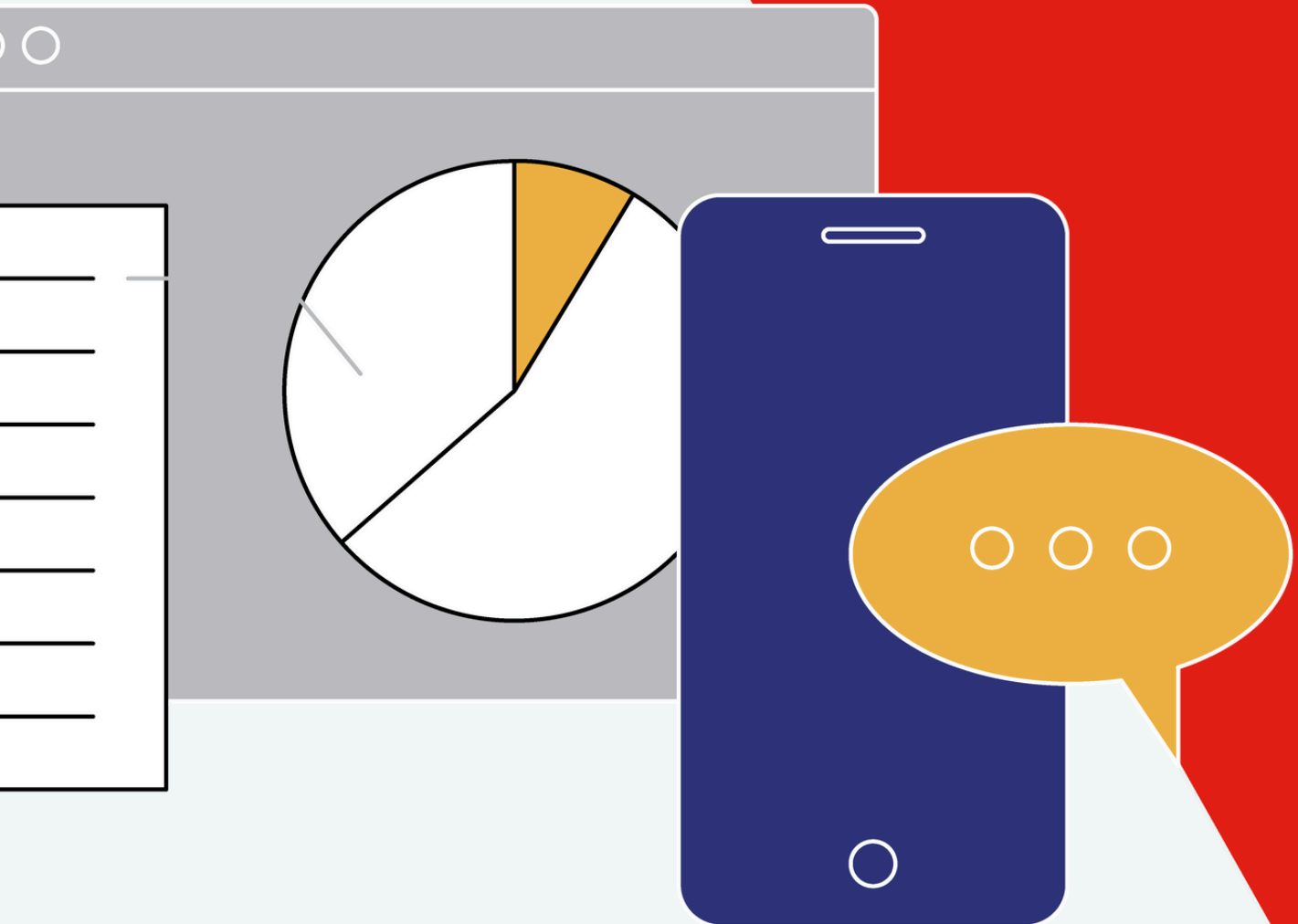
It co-designs progressive strategies to optimise team-performance and organisational agility. Its people-centred approach enhances collective intelligence for improved resilience and long-term organisational sustainability.

### 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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