

Looking back, moving forward: Lessons from a year of continuous change

H/Advisors Annual Change &
Transformation Outlook 2025-2026

Introduction

As we wrap up the year, we take a moment to look back and ahead.

2025 showed that transformation no longer arrives with fanfare. It has become everyday business. What once came with dedicated governance and senior sponsorship now competes with business as usual.

Those who struggled this year did not lack strategy; they lacked the communication discipline to bring their people with them.

As we look to 2026, pressures will not ease, but the direction is clearer.

Within this report, we want to close out the year by sharing what we have observed and offer a preview of how organisations can build the clarity and momentum that permanent transformation will demand in the year ahead.

Looking back, moving forward



2025 in review:

Three shifts that defined the year



1 Transformation became the operating model

Economic uncertainty didn't produce a single wave of change, it produced rolling, concurrent transformation. Organisations ran cost reduction alongside growth initiatives, technology deployment alongside workforce restructuring. The real challenge was helping people make sense of multiple, often competing, priorities.

The lesson: transformations fail less often because of flawed strategy or inadequate technology, and more often because of poor expectation management, unclear prioritisation and weak internal alignment. Professional programme communication with clear storylines, transparent logic and effective visuals became essential for initiatives to succeed.

“Transformations fail less often because of flawed strategy and more often because of poor expectation management.”

Defence, security and resilience moved to the centre of corporate strategy

EU member states' defence spending reached €343 billion in 2024 and is projected to hit €392 billion this year. NATO allies have committed to allocating at least 3.5% of GDP annually to core defence by 2035, over €1 trillion in spending. Across Europe and beyond, companies entered security-adjacent business areas at pace – from defence manufacturing to critical infrastructure investment. Investors who screened out defence are reconsidering.

This isn't just a policy story. It's a change leadership challenge.

Organisations moving into defence or critical infrastructure are asking employees to accept business models and partnerships that may clash with long-held assumptions.

Success requires more than announcements. It demands narrative work that provides context, addresses concerns and builds internal legitimacy for strategic choices that once seemed unthinkable. This is classic change leadership: helping people understand not just *what* is changing, but *why* – and creating space for dialogue.

€392bn

(up to) 5%

Projected EU defence spending in 2025

Of GDP annually will be invested to core defence & security spending

News:

France's Orange has launched a new Defence and Homeland Security division, expanding into secure networks, cyber services and critical communications for government and military clients. [\(Read more\)](#)

Auto supplier Schaeffler is entering defence tech through a new partnership with Helsing to support drone production and supply chains. [\(Read more\)](#)



3

The strategic advisor's role was redefined

Generative AI transformed how organisations create and distribute content. Production that once took days now takes minutes. But as content creation becomes increasingly automated, the value of communications professionals shifts upstream - to judgment, prioritisation, narrative architecture and knowing what not to say. The craft is no longer in the writing alone; it's in the thinking.

Which messages matter? What's the right sequence? Where do we need dialogue, not broadcast? How do we maintain coherence across dozens of concurrent initiatives?

These are the questions that strategic advisors are now paid to answer, and they can't be automated.



**“The craft is no longer in the writing;
it’s in the thinking.”**

2026:

Three forces shaping the agenda

1

The deal cycle returns – and brings transformation with it

After years of caution, [M&A activity is accelerating](#). Private equity deal value hit a record [\\$310 billion](#) in Q3 2025. [Over \\$2 trillion](#) in undeployed PE capital is seeking deployment, and deal volumes are forecast to grow through 2026.

For communicators, this means transaction-related work – Day 1 messaging, integration communications, carve-out narratives – will intensify. But the real opportunity lies beyond the deal. The organisations that extract value from M&A are those that treat communication not as a transaction-support function but as a transformation enabler: aligning cultures, resetting expectations and building shared identity from the start.

Did you know?

Within the first year of an acquisition, [33% of acquired employees leave](#) – nearly three times the typical annual attrition rate. For key managers, the numbers are starker: [up to 75% depart within three years](#). The highest-risk scenarios are when private equity sells a portfolio company to a trade buyer or another PE firm, triggering uncertainty about strategy and performance expectations. Or when a previously independent company becomes part of a larger group, with employees anticipating cost synergies, redundancies or a clash of cultures. Retention isn't a post-deal problem.

[It's a day 1 communication challenge.](#)

\$310bn

Private equity deal value in Q3 2025

33%

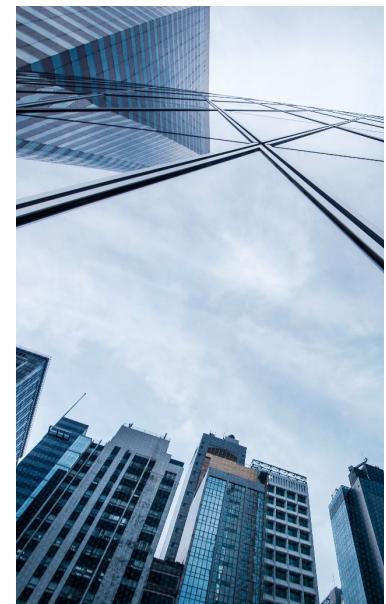
Of acquired employees leave within one year

75%

Of acquired key managers leave within three years

\$2tn+

Undeployed private equity capital



2

The "AI slop" risk: more content, less cut-through

The same tools that made content production faster also made oversaturation inevitable. In 2026, the risk is not under-communication but too much generic communication that loses the audience. When everyone can produce more, the bar for relevance rises. Employees are already filtering aggressively; channels that once commanded attention are now background noise. The challenge shifts from "how do we create enough content?" to "how do we ensure anything cuts through?"

Organisations that don't curate ruthlessly will find their critical messages lost in the noise. The winners will be those who communicate less, with sharper strategic intent.

3

Continued pressure, higher stakes

The macroeconomic environment isn't softening. Organisations will continue to restructure, optimise and adapt. The difference in 2026 is that employees have less patience for poorly executed change. After years of disruption, the expectation is competence: clear rationale, honest communication, and follow-through.

Leaders who communicate well will hold engagement and trust. Those who don't will find discretionary effort – and talent – harder to retain.

Stats you should know:

24%

Of corporate press releases in 2024 were created with AI support

[Read more](#)

20-21%

Trust AI-generated corporate messages

[Read more](#)

80%

Of employees report information overload, increasing daily stress levels

[Read more](#)



Your 2026 to-do list

1

Audit your change narrative

Do your people understand what's changing, why, and what it means for them? If you can't answer confidently, your employees certainly can't.

2

Professionalise programme communication

Major initiatives need dedicated narrative architecture, stakeholder mapping and coordinated delivery – not ad hoc updates bolted onto BAU channels.

3

Prepare for deals

If M&A, divestiture or carve-out is on your radar, get your communication infrastructure ready now. Day 1 readiness isn't built in the week before signing.

4

Treat AI as an accelerant, not a strategy

Use generative tools to speed production, but don't outsource judgment. Strategic clarity still requires human thinking – and the discipline to say less, not more.

5

Address the hard topics directly

Whether it's entering new markets, restructuring teams or shifting business models, employees respect honesty over spin. Provide context, acknowledge concerns, make the case.

Coming in early 2026: The H/Advisors global change study

Exploring senior leaders' approach to change across seven markets

In partnership with YouGov, we're surveying senior decision-makers – CEOs, CFOs, Heads of Communications and HR leaders – across seven markets: UK, US, Germany, France, Portugal, UAE and Singapore.

The study will explore the pace and scale of organisational change, what's driving it, how organisations are resourcing communications and change management, and where leaders are focusing investment.

We'll share the findings in Q2 2026.

[Register your interest](#)

As this report comes to a close, we would like to wish you a peaceful end to the year and a smooth start to 2026.

Thank you for engaging with us on the themes that have shaped this year of ongoing transformation. We look forward to reconnecting with you soon.

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