The Change Tipping Point

How to win at managing increasing change in the face of extraordinary technology, transformation, and turbulence

What's
Inside

The Rising Stakes of Change

Why the margin for error is thinner than ever

Key Findings

The five insights every business leader and senior communicator needs to know

The Path to Successful Change

Turning pressure into a competitive edge

The Rising Stakes of Change

If there's one thing we've learned after 25 years in business, it's that change is inevitable.

We've helped organizations of all sizes complete major turnarounds, transform to stay on top, and manage through the unthinkable. While no single trait defines lasting organizational success, you can argue that the ability to manage through change successfully time and again rises to the top.

We're fortunate enough to get a look inside a number of organizations each day, and the trend we've picked up over the last few years is that the pace of change seems to be accelerating. Did leaders think employees and organizations could withstand more change because of how they were able to navigate it during COVID? What was the impact of Artificial Intelligence (AI) and technology having? How frequently are shifts in culture and strategy happening? That's what brings us to our inaugural The Grossman Group Enterprise Change Survey, conducted by The Harris Poll.

Our goal: to better quantify the state of change today and offer practical solutions for effectively managing it backed by data. We sought to understand why change succeeds or fails, the types of change that dominate organizations today, and, most importantly, the true threshold that employees can realistically manage as we enter an era marked by extraordinary technology, transformation, and turbulence. The bottom line is clear: change is not only inevitable, it's intensifying. The margin for error is thinner than ever before. The reality is that the pace of change today may be exactly what it takes to win, but it will require a laser focus on balancing change volume with smart sequencing, effective messaging with employee involvement, and turning sentiment into meaningful adjustments in order to succeed. Without this level of rigor, the risk of failure is significant, with major changes far more likely to drive burnout, disengagement, and setbacks in business performance.

We hope that this research equips you with the insights to turn change into opportunity. The organizations that excel in the years ahead won't be those that merely weather change; they'll have an innate ability to navigate and communicate it, giving them a definitive competitive edge.

Who We Surveyed

905 EMPLOYEES (JUNE 2025)
Full-time American employees in a for-profit organization, data was weighted in line with U.S. Census

256 BUSINESS LEADERS (JUNE AND JULY 2025)
VP level and above that manages a team in a for-profit organization

Key Findings

1
Organizations Are at the Change Tipping Point

Employees can realistically absorb only 1-2 major changes a year—yet leaders expect 3-4 in the next two years, pushing organizations past the tipping point.

2
AI: The Change That Changes Everything

Artificial intelligence is now the #1 most frequent type of change and the hardest to implement. It's driving 1/3 of today's strategic and process transformations—making it both the top opportunity and the top challenge.

3
When Change Fails, Everyone Pays

1 out of every 4 major changes fail—with real consequences. Employees point to burnout, dissatisfaction, workload spikes, and turnover, often made worse when feedback channels are missing.

4
Effective Communication Triples Change Success

When employees are brought in at the right time, buy into the change, and trust the communication, success rates climb significantly. Effective change communication triples the likelihood of success; clear, credible messaging alone can double it.

5
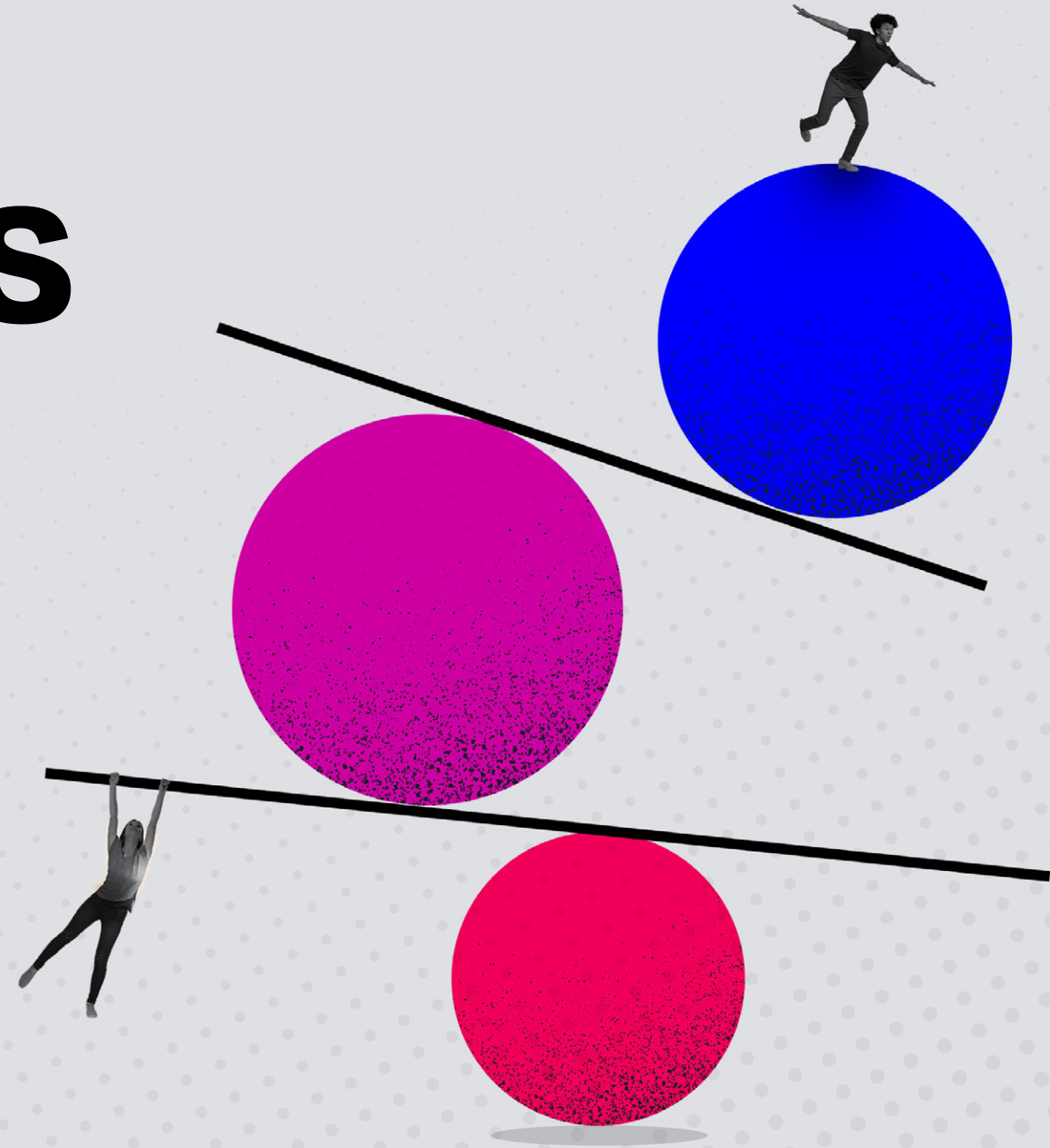### Visible Leadership Is Essential to Success

Change is 5.5x more likely to fail without visible leadership and effective communication. Yet while leaders believe they're doing enough to communicate change, one in four employees isn't convinced—revealing a critical perception gap to close.

Organizations Are at the Change Tipping Point

Organizations Are at the Change Tipping Point

Business leaders are experiencing more change than ever, averaging nearly 3 major changes in just the last two years. While most see 1 to 2 major changes as manageable, **more than half expect 3 or more in the years ahead,** putting organizations on the edge of a tipping point where change risks overwhelming employees.

By the Numbers

2.65
major changes that organizations have experienced in the last two years.

83%
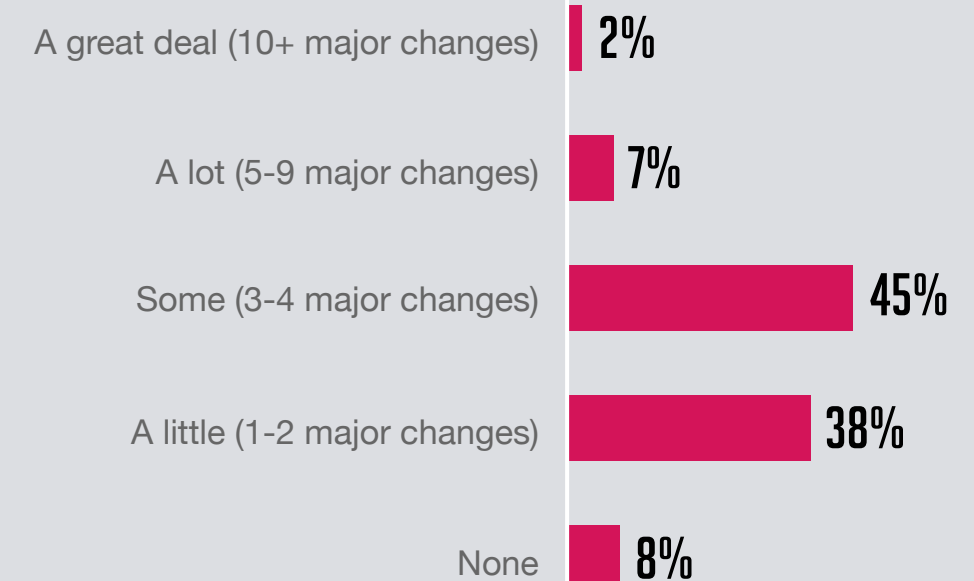of business leaders feel they're experiencing more major changes than in the past.

3.6
changes and above are seen as too much major change for an organization to handle.

OVER 50%
of business leaders anticipate 3+ major changes over the next two years.

Anticipated Number of Major Workplace Changes in the Next 2 Years

Category	Percent
A great deal (10+ major changes)	2%
A lot (5-9 major changes)	7%
Some (3-4 major changes)	45%
A little (1-2 major changes)	38%
None	8%

Q25. How many major changes do you anticipate occurring in your workplace in the next 2 years?

6

Organizations Are at the Change Tipping Point

De-accelerating the pace of change may not be an option for most organizations due to the normal course of change that's already taking place, **combined with a wave of technological transformation led by artificial intelligence.**

The Bottom Line

Even when the pace of change can't be slowed, it can be better supported. In today's environment, success doesn't entirely hinge on reducing the volume of change; it also depends on how leaders manage it.

That means sequencing efforts wisely, planning and communicating with clarity, and ensuring employees have the capacity and support they need to adapt and thrive.
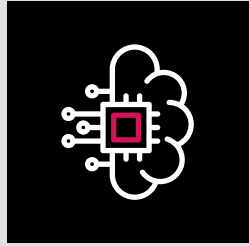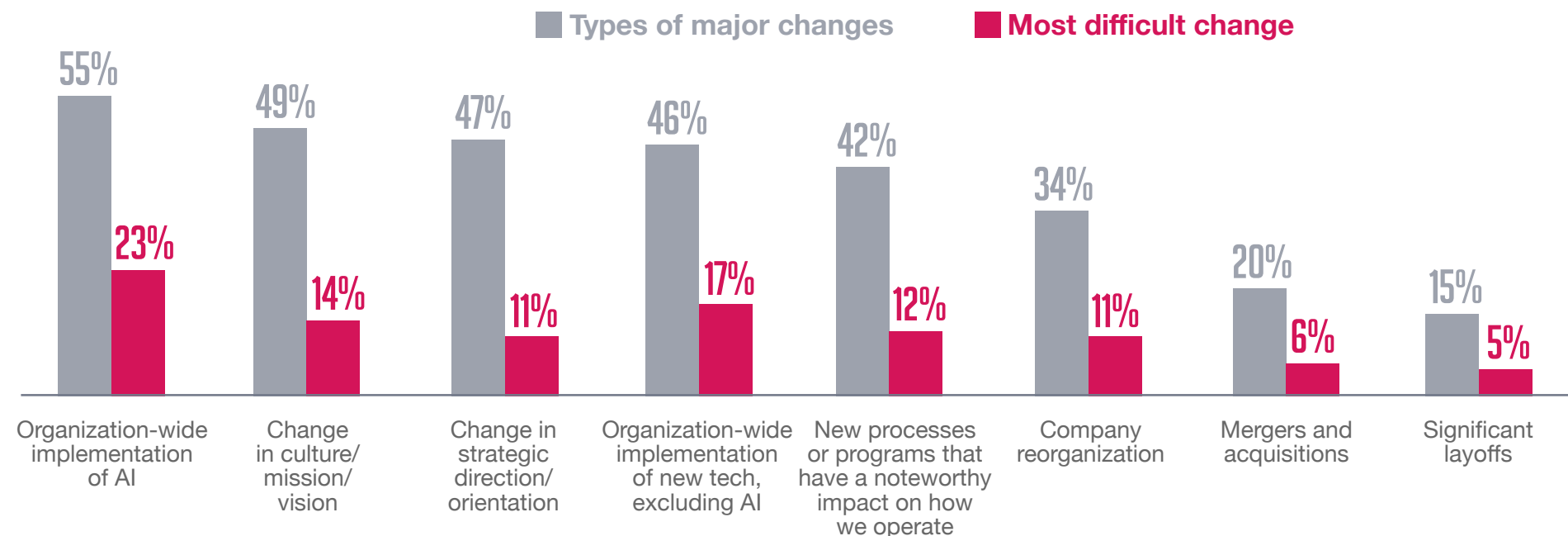
AI: The Change That Changes Everything

AI: The Change That Changes Everything

Over half of business leaders identify organization-wide AI implementation as the most significant—**and most difficult**—major change they have implemented.
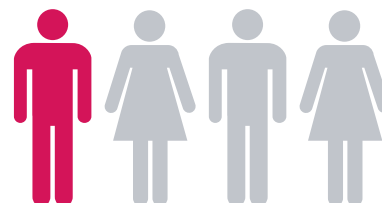
Types of major changes **Most difficult change**

Chart data:

- Organization-wide implementation of AI: 55% / 23%
- Change in culture/mission/vision: 49% / 14%
- Change in strategic direction/orientation: 47% / 11%
- Organization-wide implementation of new tech, excluding AI: 46% / 17%
- New processes or programs that have a noteworthy impact on how we operate: 42% / 12%
- Company reorganization: 34% / 11%
- Mergers and acquisitions: 20% / 6%
- Significant layoffs: 15% / 5%

What's Driving Change

- ✓ **Organization-wide implementation of AI:** Technology advancements and process improvements.
- ✓ **Change in culture/mission/vision:** Strategic shift, AI, and economic conditions.
- ✓ **Change in strategic direction/orientation:** Economic conditions, market dynamics, and AI.
- ✓ **Company reorganization:** Change in leadership, strategic shift, and technology advancements.

By the Numbers

83% of leaders expect AI to play a significant role in major change the next two years.

1-in-4 leaders view AI as the most difficult change to execute.

Q3. Which of the following types of major changes, if any, have you experienced in your organization?
Q7. Out of the changes you have experienced, which was the most difficult to implement in the organization?

AI: The Change That Changes Everything

The amount of discourse and coverage on the impact of AI has been significant, **and frankly, it's warranted.** AI is having a downstream impact on nearly every top major change and will have a substantial effect on enterprise change in the coming years.

The Bottom Line

To gain widespread adoption of AI, the narrative within organizations needs to be compelling and outline the **significant benefits it will bring to employees,** helping to combat external headlines about job loss and the threat of eliminating certain roles. Leaders and middle management must also model the behavior of leveraging AI and champion the way forward.
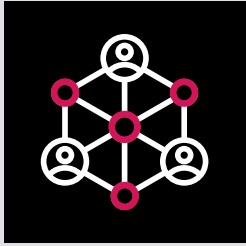
When Change Fails, Everyone Pays

When Change Fails, Everyone Pays

Employees point to the following factors when major changes fail:

- Little to no avenues for employee feedback
- Leadership being out of touch with the on-the-ground needs of the company
- A lack of empathy in communication

Meanwhile, business leaders say contributing factors are:

- Employees not understanding what was in it for them
- Unrealistic expectations of quick results
- Inadequate/poor planning for change implementation

By the Numbers

1-in-4 major changes fail.

78% of employees expressed a desire for improvements in how change is communicated in the future.

Elements That Hindered the Success of Major Changes

Business Leaders		**Employees**
Employees didn't understand what was in it for them	**24%**	There were little to no avenues for employee feedback on change process — **34%**
There were unrealistic expectations of quick results	**23%**	Leadership was out of touch with the on-ground realities of the company — **31%**
There was inadequate/poor planning of how to implement change	**20%**	There was a lack of empathy in the communication for the impacts of the change process — **27%**
There was insufficient training and support	**20%**	There was inadequate communication about the change — **25%**
There was a focus on external stakeholders	**19%**	There was a lack of clear vision or strategy — **22%**
There was a lack of timely communication about the change	**19%**	Employees didn't understand what was in it for them — **20%**

Q5B. Thinking about the aspects of these major changes that were not successful, what were the elements that hindered success?

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When Change Fails, Everyone Pays

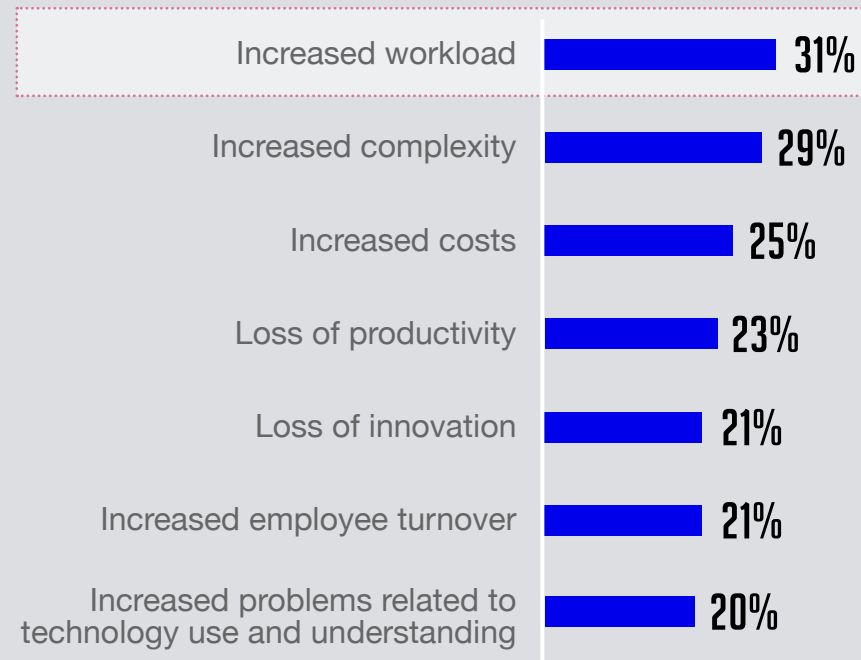When major change fails, employees report:

- Burnout
- Dissatisfaction
- Increased workload
- Turnover

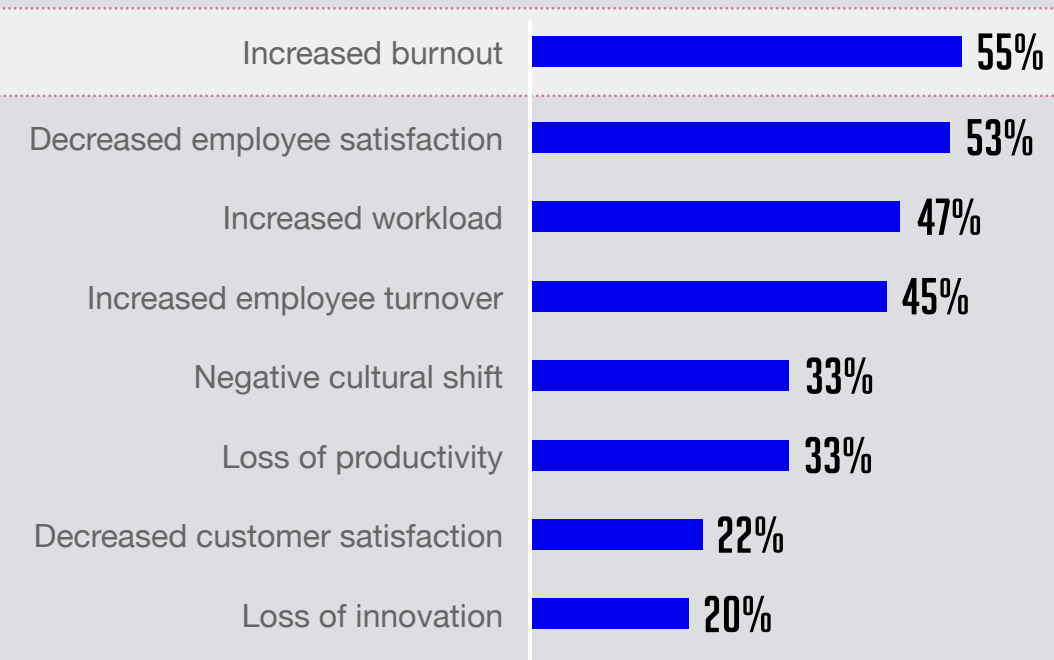While business leaders often point to:

- Increased workload
- Complexity
- Increased cost
- Lost productivity

The Cost When Major Change Fails

Business Leaders

Category	%
Increased workload	31%
Increased complexity	29%
Increased costs	25%
Loss of productivity	23%
Loss of innovation	21%
Increased employee turnover	21%
Increased problems related to technology use and understanding	20%

Employees

Category	%
Increased burnout	55%
Decreased employee satisfaction	53%
Increased workload	47%
Increased employee turnover	45%
Negative cultural shift	33%
Loss of productivity	33%
Decreased customer satisfaction	22%
Loss of innovation	20%

This reveals a real disconnect between business leaders and employees in how the causes and consequences of major change failures are understood.

Q5B1. When considering the unsuccessful changes at your company, what have some of the results been?

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When Change Fails, Everyone Pays

When it comes to unsuccessful change, business leaders identify **significant layoffs as the least successful major change,** followed by culture change.
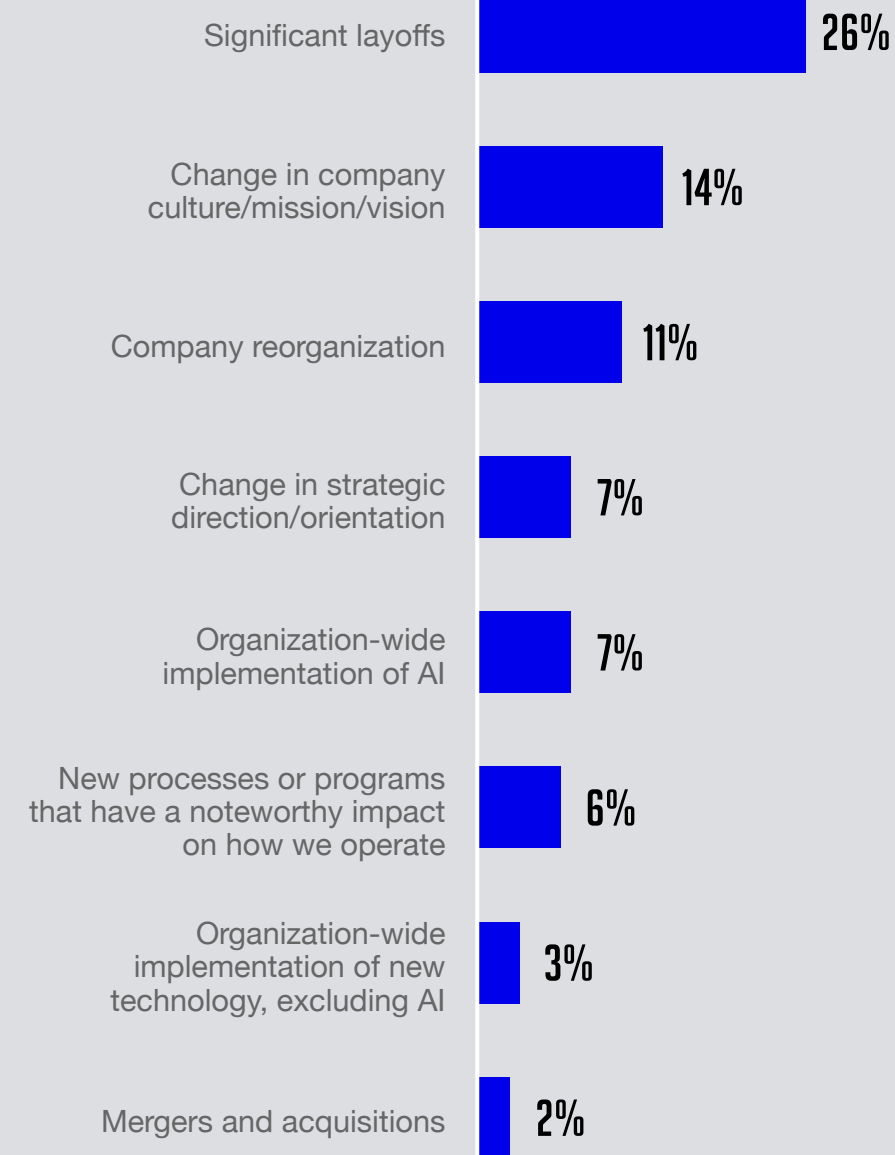
Of the two, **culture change was cited as 22% more likely to fail when leaders are not well-trained** or equipped to communicate the change.

This signals clear communication as **essential to bring employees along the culture change journey** to drive buy-in and behavior change.

Changes That Were Least Successful According to Business Leaders

Change	Percent
Significant layoffs	26%
Change in company culture/mission/vision	14%
Company reorganization	11%
Change in strategic direction/orientation	7%
Organization-wide implementation of AI	7%
New processes or programs that have a noteworthy impact on how we operate	6%
Organization-wide implementation of new technology, excluding AI	3%
Mergers and acquisitions	2%

Q5B1. When considering the unsuccessful changes at your company, what have some of the results been?

When Change Fails, Everyone Pays

Unsuccessful change isn't just about poor planning or unrealistic expectations—**it's about the hidden costs to employees when communication and feedback break down.**

Leaders often miss these people impacts, creating a blind spot that widens the gap in understanding and ultimately, adoption.

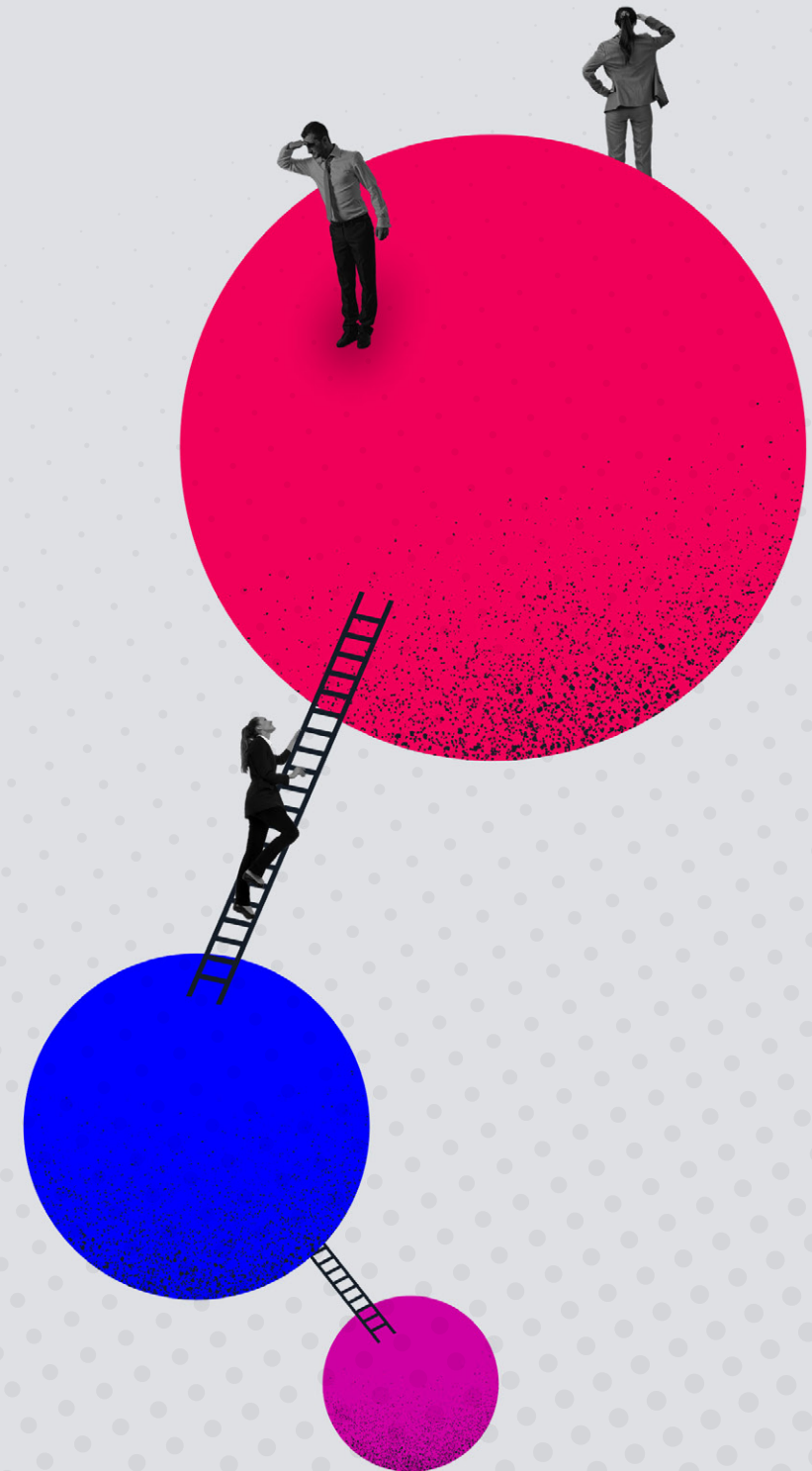To improve change success, leaders need to recognize the employee experience. **Addressing communication gaps** and giving employees a voice will be critical to reducing the toll of failed change.

The Bottom Line

Effective Communication Triples Change Success

Effective Communication Triples Change Success

When major change efforts succeed, communication is almost always at the core. Leaders point to vision, planning, and consistent updates, while employees emphasize empathy, understanding, and the chance to provide feedback.

These perspectives highlight two sides of the same coin: for communication to truly drive success, **it must combine clarity and structure with credibility, connection, and care.**

Elements That Made Major Changes Successful

Business leaders emphasize planning and communication		Employees underscore the importance of empathy and opportunity to provide feedback	
The vision for change was clear and well-communicated	37%	Leadership was committed to the change	31%
Leadership was committed to the change	35%	Employees understood the reasons and motivations for the change	28%
There were clear roles and responsibilities communicated to the employees	33%	Employees had the opportunity to provide feedback on change process	27%
There was a well-thought-out plan on how to implement the change	30%	Leadership showed empathy in their communication throughout change process	25%
There was consistent communication at each stage of the change process	27%	There was training, coaching, and support provided to help employees transition successfully	24%

By the Numbers

2X more likely to succeed with major change when organizations are clear and credible with communications.

3.2X more likely to succeed in major change when organizations have employees who are fully bought in.

Q5A. Thinking about the aspects of the change that were successful at your company, what were the elements that enabled that success?

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Effective Communication Triples Change Success

Communication is often treated as a tactical step in the change process, but in reality, **it's the differentiator between success and failure.** Leaders tend to emphasize planning and vision, which provide necessary direction, yet employees judge success based on whether they feel heard, understood, and supported. Without bridging these priorities, change efforts risk being well-structured but poorly received.
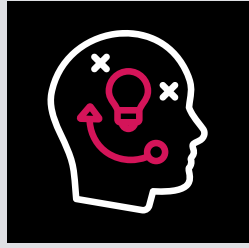
The Bottom Line

To unlock the full potential of communication, leaders must go beyond clarity and consistency to also deliver credibility, empathy, and dialogue— essentially making change feel personal.
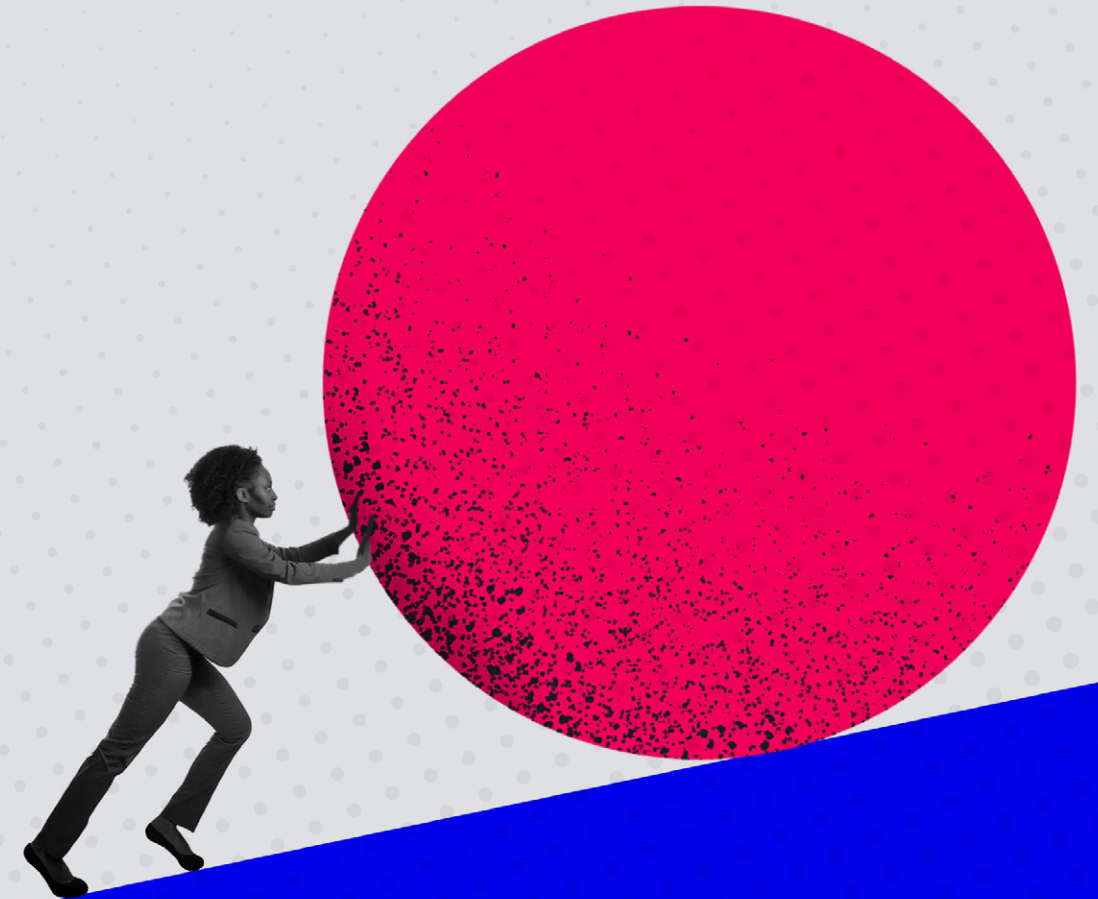
Organizations that strike this balance not only increase the odds of successful change but also strengthen trust and engagement along the way.
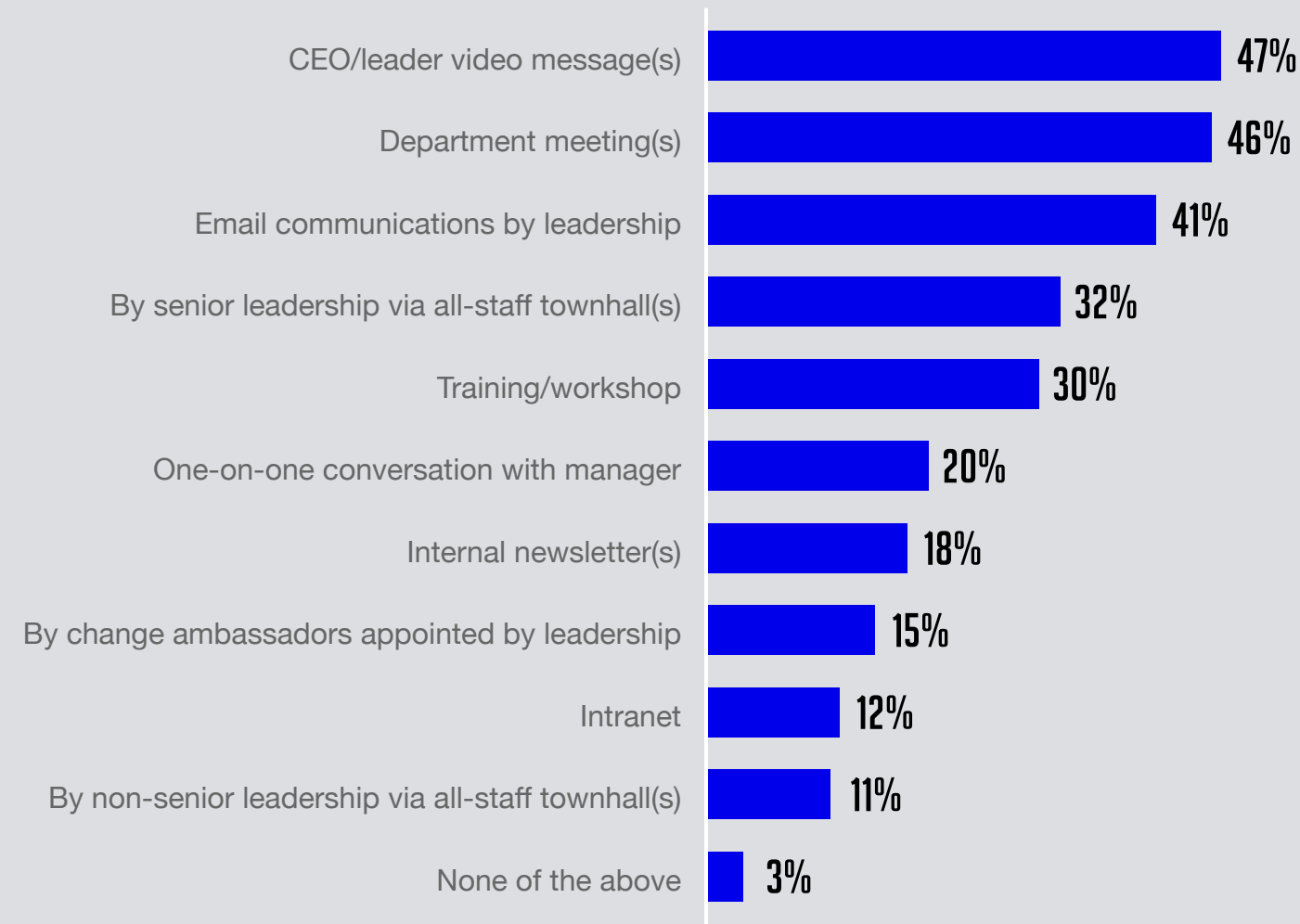
Visible Leadership Is Essential to Success

Visible Leadership Is Essential to Success

Leadership visibility is central to whether major changes succeed or fail. Leaders rely heavily on tools like video messages, town halls, and meetings to drive communication, but employees often experience a gap—**with 1-in-4 unconvinced that leaders communicate change effectively.** This perception gap shows that while leaders see themselves as clear, employees are still left with questions and uncertainty.

Leadership is Central to Delivering Communications for Major Changes

CEO/leader video message(s)	47%
Department meeting(s)	46%
Email communications by leadership	41%
By senior leadership via all-staff townhall(s)	32%
Training/workshop	30%
One-on-one conversation with manager	20%
Internal newsletter(s)	18%
By change ambassadors appointed by leadership	15%
Intranet	12%
By non-senior leadership via all-staff townhall(s)	11%
None of the above	3%

By the Numbers

5.5X greater chance of major change failure without strong leadership communication.

2X more likely to succeed in major change with a clear communication timeline.

87% of business leaders are responsible for communicating major changes to their teams.

1.3X higher change success rate when leaders have strong communication training and tools.

Visible Leadership Is Essential to Success

Nearly All Business Leaders Think They Communicated Change Well, But 1-in-4 Employees Disagree/Not Sure

1%

Business Leaders

99%

PERCEIVED EFFECTIVENESS OF LEADERS COMMUNICATING MAJOR CHANGE

25%

Employees

75%

■ Well   ■ Not Well/Not Sure

Visible Leadership Is Essential to Success

Change communication cannot be delegated or automated away—**employees want to see and hear from their leaders directly.** The credibility of a message often matters as much as its content. Leaders may believe they are showing up consistently, but without closing the perception gap, their efforts risk falling flat.

The Bottom Line

Visible, credible leadership is one of the most powerful drivers of change success. Leaders must not only communicate frequently and clearly, but also ensure their messages resonate with employees.

Leaders must hold a mirror up to themselves and seek input to understand employee perception so they can **further build trust and deliver major change more effectively.**
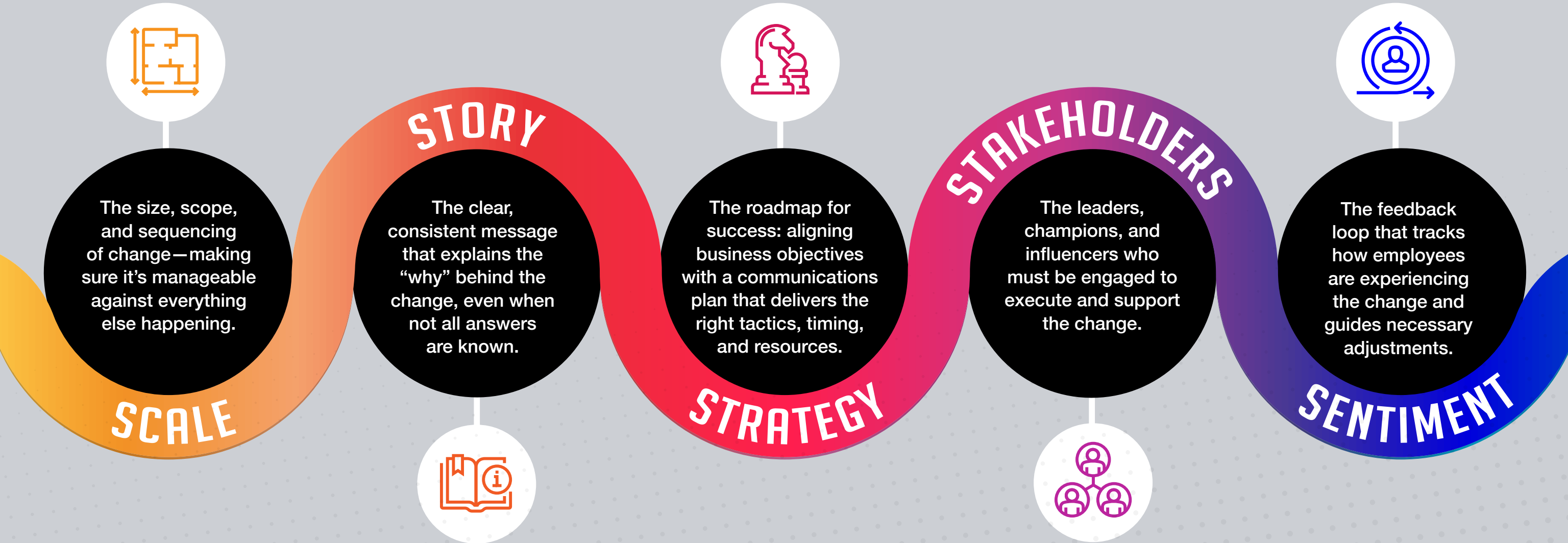
The Path to Successful Change

With the pace and volume of change only expected to increase, managing change effectively in the years ahead won't just be a nice-to-have; it will be essential to avoid overwhelming employees and to deliver on business goals.
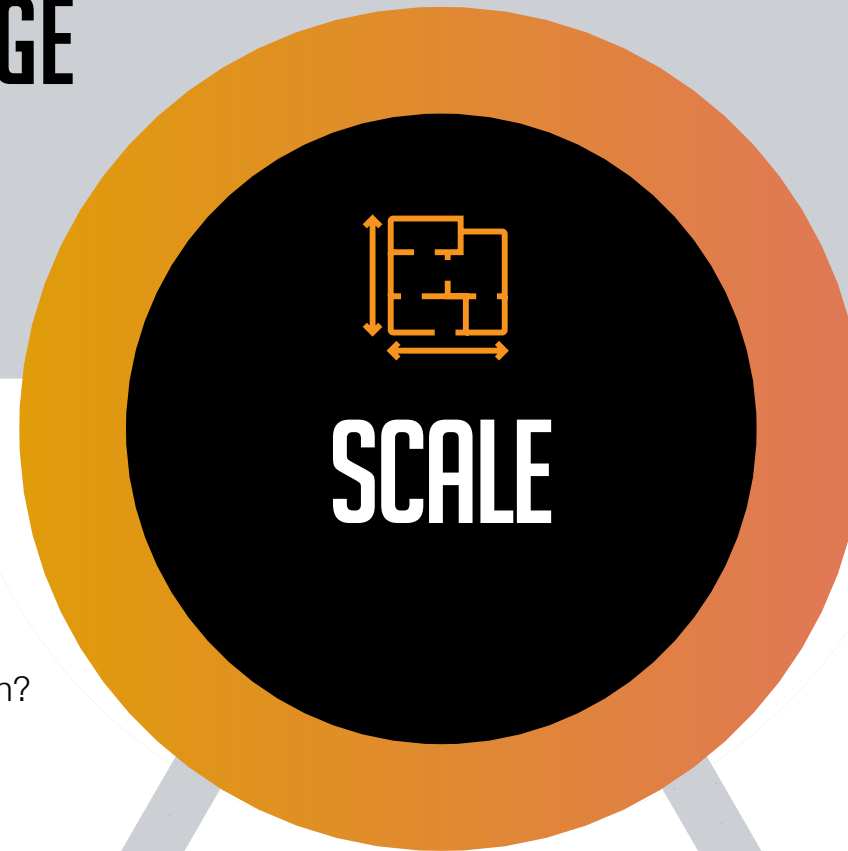
THE 5 Ss OF MANAGING CHANGE

offer a practical framework to help leaders and communicators navigate this reality.

THE 5 Ss OF MANAGING CHANGE

SCALE

The size, scope, and sequencing of change—making sure it's manageable against everything else happening.

STORY

The clear, consistent message that explains the "why" behind the change, even when not all answers are known.

STRATEGY

The roadmap for success: aligning business objectives with a communications plan that delivers the right tactics, timing, and resources.

STAKEHOLDERS

The leaders, champions, and influencers who must be engaged to execute and support the change.

SENTIMENT

The feedback loop that tracks how employees are experiencing the change and guides necessary adjustments.

THE 5 Ss OF MANAGING CHANGE

SCALE

Key Questions to Answer

- How big is the change?
- How should it be sequenced with other changes on the horizon?
- How does this change impact the overall volume of change taking place?
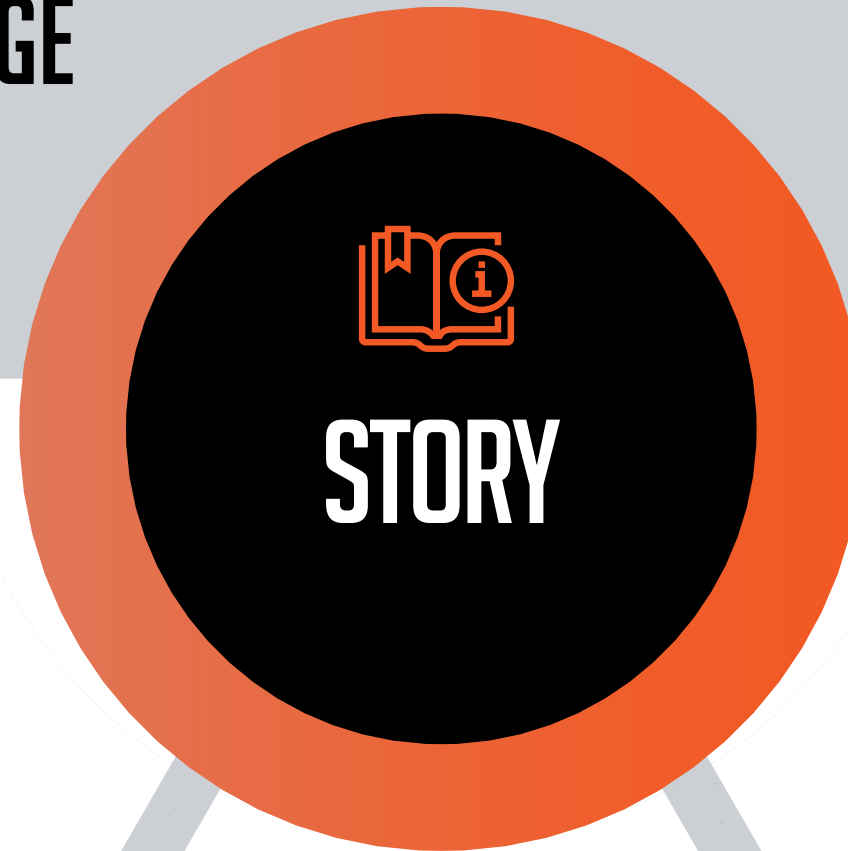
What This Means for Leaders

- Ensuring that enough resources are available to effectively execute the volume of change anticipated in the coming years.

What This Means for Communicators

- Taking a more proactive role in understanding the change landscape and advising leaders on the sequencing of change.

THE 5 Ss OF MANAGING CHANGE

1 **2** 3 4 5

STORY

Key Questions to Answer

- What is the clear, consistent message we're driving?
- How do we communicate without having all the answers?

What This Means for Leaders

- Be comfortable communicating in probabilities with what you know, don't know, what's likely to happen, and what's unlikely to happen.

What This Means for Communicators

- Communicators must craft a compelling narrative that brings change down to the personal level, helping employees see their role clearly and how it links to the broader vision.

THE 5 Ss OF MANAGING CHANGE

1 2 3 4 5

STRATEGY

Key Questions to Answer

- What are we trying to accomplish from a business perspective?
- What are we trying to accomplish from a communications perspective?
- What are the specific tactics we're deploying to ensure a successful change?
- What is the specific timeline needed to effectively communicate and implement the change(s)?

What This Means for Leaders

- Take time to prepare and plan how you'll communicate the change.
- Build in opportunities for two-way dialogue to gather feedback and address concerns.

What This Means for Communicators

- Ensure leaders have the tools and resources they need to easily and consistently communicate change to their teams.
- Build in opportunities for co-creation where possible, seeding ownership of the change with employees and helping bring them along the journey.

THE 5 Ss OF MANAGING CHANGE

1 **2** **3** **4** **5**

STAKEHOLDERS

Key Questions to Answer

- Who are the key people that are critical to executing the change(s)?
- Who is going to help champion the change?
- Who are the important influencers that need to be engaged along the journey?

What This Means for Leaders

- Leaders not only need to be a champion for change but they have to use their ability to influence their peers and other influential team members to drive change at scale.

What This Means for Communicators

- Take a more active role in stakeholder engagement to ensure your leaders are seeding the right messages and looking ahead to what happens next with their stakeholders.

THE 5 Ss OF MANAGING CHANGE

1 2 3 4 5

SENTIMENT

Key Questions to Answer

- What are people saying about the change(s)?
  - From a business and communications perspective, what adjustments do we need to make based on what people are saying?

What This Means for Communicators

- Own sentiment tracking and take both business and communications recommendations to leadership to help make critical adjustments along the change journey.

What This Means for Leaders

- Play an active role in listening to employee feedback to make modifications to major changes where needed to ensure total buy-in and effective implementation.

Change isn't slowing down.

In fact, organizations are already at a tipping point where the volume of change is more than employees can realistically absorb. That makes it essential for leaders and communicators to work in lockstep, planning and sequencing change while communicating in ways that bring employees along. And with technology, transformation, and turbulence certain to continue, the pressure on organizations to get this right will only grow. Looking ahead, the organizations that thrive will be those that treat change as a disciplined capability by planning deliberately, managing proactively, and engaging employees meaningfully. Those that do will not only reduce risk but also unlock stronger performance, higher engagement, and sustained business success.

Change is constant. Success isn't.

READY TO LEAD CHANGE THAT STICKS?

Most transformations fail not because the strategy is wrong, but because employees aren't brought along in the right way. That's where we come in. At The Grossman Group, we help business leaders and senior communicators:

- **Sequence and simplify change** so employees can focus on what matters most.

- **Craft clear, compelling narratives** that connect strategy to meaning.

- **Engage employees in ways that drive ownership and adoption.**

- **Build leadership capability** to lead with empathy, humanity, and authenticity.

For 25 years, we've partnered with Fortune 500 companies to navigate their most complex transformations—helping employees not just manage change, but thrive through it.

If your organization is facing technology disruption / AI rollout, culture shifts, restructuring, or enterprise-wide transformation, let's talk.

Contact us to explore how we can help you reduce risk, drive performance, and make your change a success.

THE GROSSMAN GROUP

TURNS 25

About us

The Grossman Group is an award-winning communications consulting firm that specializes in internal, leadership, culture, and change communications. Led by founder and CEO David Grossman, The Grossman Group is celebrating more than 25 years of driving transformation to deliver results. Its team of senior **thought**partner™ consultants work with companies of diverse sizes and industries to accelerate business through employee engagement and internal and leadership communication.

The Grossman Group is a Certified Diverse Supplier through the National Gay and Lesbian Chamber of Commerce since 2008.

Awarded 2025 Agency of the Year twice—by the Public Relations Society of America (PRSA) and Ragan Communications.

See what sets The Grossman Group apart from other communications agencies.

THE GROSSMAN GROUP DIFFERENCE

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