



2026 Voice of the American Workplace

Lost in translation: Where clarity builds trust



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Executive summary

The 2026 American workplace presents a paradox.

Employers are genuinely working harder than ever to support their workforce.

They are investing in flexibility, new technology and expanding benefits. Yet workers still feel stretched thin. They are juggling more responsibilities, watching their retirement dates get pushed further back and increasingly wondering whether all those employer efforts translate into real support.

This disconnect reflects that employers and workers are speaking different languages. While employers think they are being clear, workers think they are not being heard.

At the same time, employers are under their own kind of pressure.

Worker expectations keep climbing, technology keeps evolving faster than they can keep pace and budgets keep getting tighter. Meanwhile, workers are redefining what “success” means. They are no longer chasing advancement at work; they are looking for job stability and financial security. They want to know their retirement is achievable as they see financial mileposts slipping further away.

The good news is that workers are highly consistent in what they value: fair pay, strong benefits and meaningful support—areas where employers are concentrating their efforts, even if the experience gap persists. Yet agreement on priorities has not eliminated friction. Employers and workers continue to interpret and navigate these issues differently, often talking past each other when they should be talking with each other.

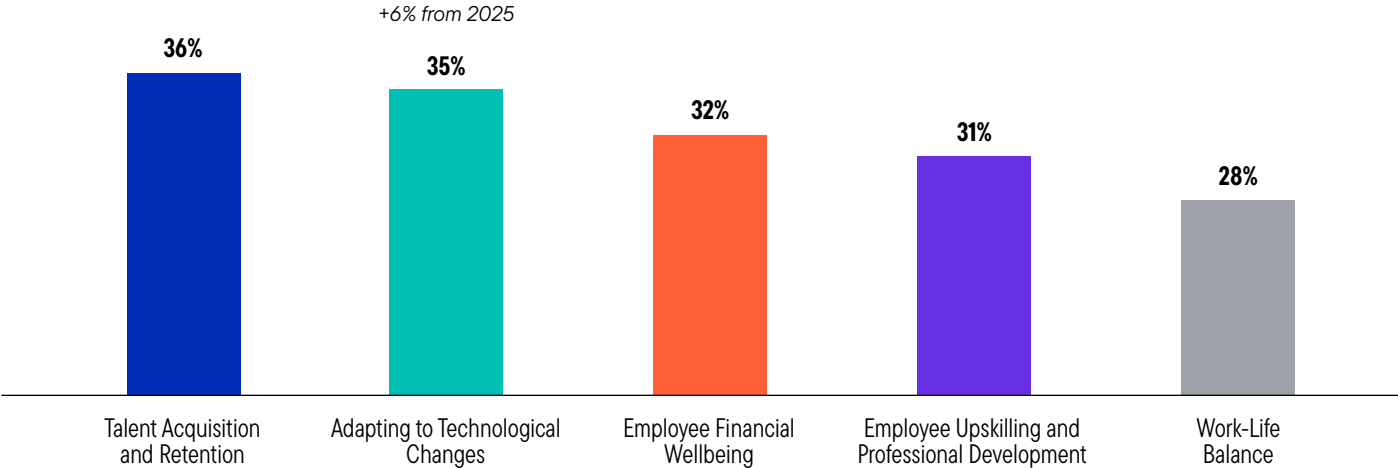
This report examines three critical tensions shaping today’s workplace and explores what it takes to move from managing strain to building trust and cohesion.

Voice of the American Employer: Racing to meet increasing challenges

The competition for talent

For employers in 2026, talent acquisition and retention have become the paramount challenges. The labor market remains extremely competitive and most employers feel it intensely. Two-thirds say that attracting new talent feels harder than keeping the people they already have, and they are scrambling to offer the benefits workers demand just to stay in the conversation.

What Are the Biggest Challenges That You Are Focusing on as an Employer Right Now?



Q100: What are the biggest challenges that you are focusing on as an employer right now? Please select up to three responses. (n=1,004 total)

Employers are making a strategic pivot; flexibility is no longer a perk. It's table stakes. The vast majority (89%) are actively adapting to meet diverse workforce needs. It's a meaningful shift in how companies think about work itself.

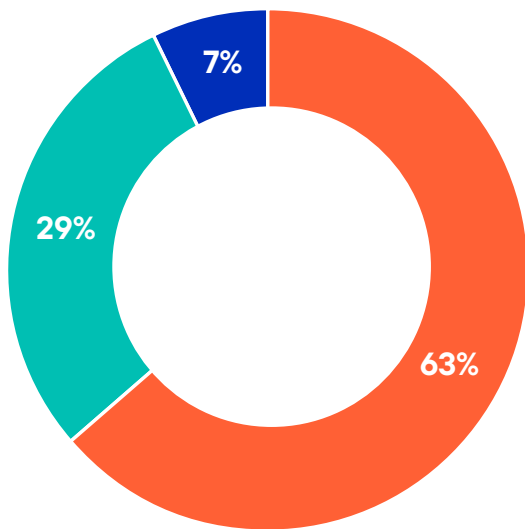
Yet, even as employers focus on flexibility, technology adoption is moving faster than they can handle. About 60% of employers admit that new tools and systems are evolving quicker than they can adapt, creating a constant sense of playing catch-up.

A benefits balancing act

Benefits have become the new competitive battleground. Employers know comprehensive benefits are essential to staying competitive. But they are caught in an impossible squeeze: they need to spend more while budgets shrink and complexity keeps growing faster than they can adapt.

The numbers tell the story: 81% of employers say their benefit budgets will need to increase significantly over the next 12 months, and about two-thirds report being asked to do more with fewer resources. When nearly seven in 10 employers say the benefits landscape has become increasingly complex and difficult to manage, what we see is systemic stress.

How Do You Expect Your Benefit Budget to Compare Next Year to This Year?



Higher Next Year
About the Same
Lower Next Year

81% of employers agree,

“Our benefit budget **will need to significantly increase** in the next 12 months.”

90% Technology

68% of employers agree,

“The benefits landscape has become increasingly complex and difficult to manage efficiently.”

Yet employers aren't backing down. Compromising fundamental health benefits is a non-starter. Most offer employer-purchased health insurance, dental coverage and health savings plans. But increasingly, they are looking at personalization as the next frontier. About 88% report that personalized benefits rank among the top employee requests, and they are acknowledging that workers want offerings built for their specific situations, not one-size-fits-all plans.

Employer's new role: Financial counselor and therapist

Perhaps the most significant change is the role employers are playing. They are now fielding questions about credit card debt, emergency funds and retirement anxiety. For help managing financial stress, 80% of workers turn to their employers. It's an eye-opening vote of confidence that also places a massive new demand on HR teams.

Employers have accepted this responsibility, as 88% say, reducing financial stress is a top priority. And they are seeing tangible proof that things are tense: 79% are noticing spikes in 401(k) loan requests, a clear signal that workers are under genuine financial pressure. Some employers are even re-evaluating their capital preservation strategies as interest rate shifts and economic instability push employees toward safety.

Employers see the real barrier to wellbeing—financial stress

88%

“Reducing employee financial stress is **one of our top priorities.**”

80%

“Employees are **turning to us for help** with their financial worries.”

79%

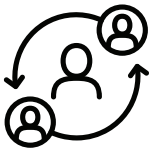
“We are noticing an **increase in employee 401(k) loan requests.**”

Employees are using financial wellness and mental health benefits more actively than before. Nearly half of employees are maximizing their 401(k) matches, suggesting that when employers make options clear and accessible, workers engage. But employers want more from their workers. Most (94%) believe employees need to take greater ownership of their financial futures, viewing retirement planning as something they should navigate together rather than the employer handling alone.

Technology as tool and source of anxiety

AI has become inescapable in the workplace. Most employers are using it in some form, and 77% report that it's helpful for enhancing benefit offerings and communications. Many have already woven AI into their core HR and benefits workflows.

That said, the optimism is tempered with real anxiety. About 60% of employers feel the pace of technological change is moving faster than they can reasonably adapt. And they are picking up on similar concerns from their workforce, particularly among younger employees. Nearly half (48%) of Gen Z worry that AI might eventually take their jobs.



Key takeaway

Employers are navigating a challenging triangle: Stay flexible to attract talent, expand benefits despite budget constraints and keep pace with technological change. They are trying to be supportive and responsive, but time, budget and complexity make it difficult to evolve at the speed workers expect. What employers need is clarity about which initiatives matter most to their workforce and permission to focus on a few high-impact offerings rather than attempting to be all things to all people.

Voice of the American Worker: Seeking stability in uncertain times

72% of workers agree,

“**Job security matters more** to me right now than earning a higher salary.”

52% of workers agree,

“It’s been **harder to move up or get a raise**, even when I’m performing well.”

60% Gen Z

Redefining success

Something fundamental has shifted for American workers. Success no longer means climbing the ladder or chasing the next raise. For 72% of workers, job security now beats out a higher salary and that’s just the beginning. More than half (52%) are now making emergency savings a priority over work-life balance. Financial insecurity is at the forefront of workers’ minds.

This isn’t a recent occurrence—it’s been steadily building up. Over the last five years, more workers have started viewing financial independence as crucial. Workers saying they need “enough money to live comfortably until the end of my life” has moved from 78% to 83% and prioritizing financial independence itself has moved from 76% to 80%. The trend is unmistakable.

Despite this intense focus, workers feel like they are running in place. More than half (52%) say advancement feels harder now than before, even when they are performing well. Nearly the same number (51%) worry that their financial independence is in jeopardy given current economic conditions. This is especially true for younger workers.

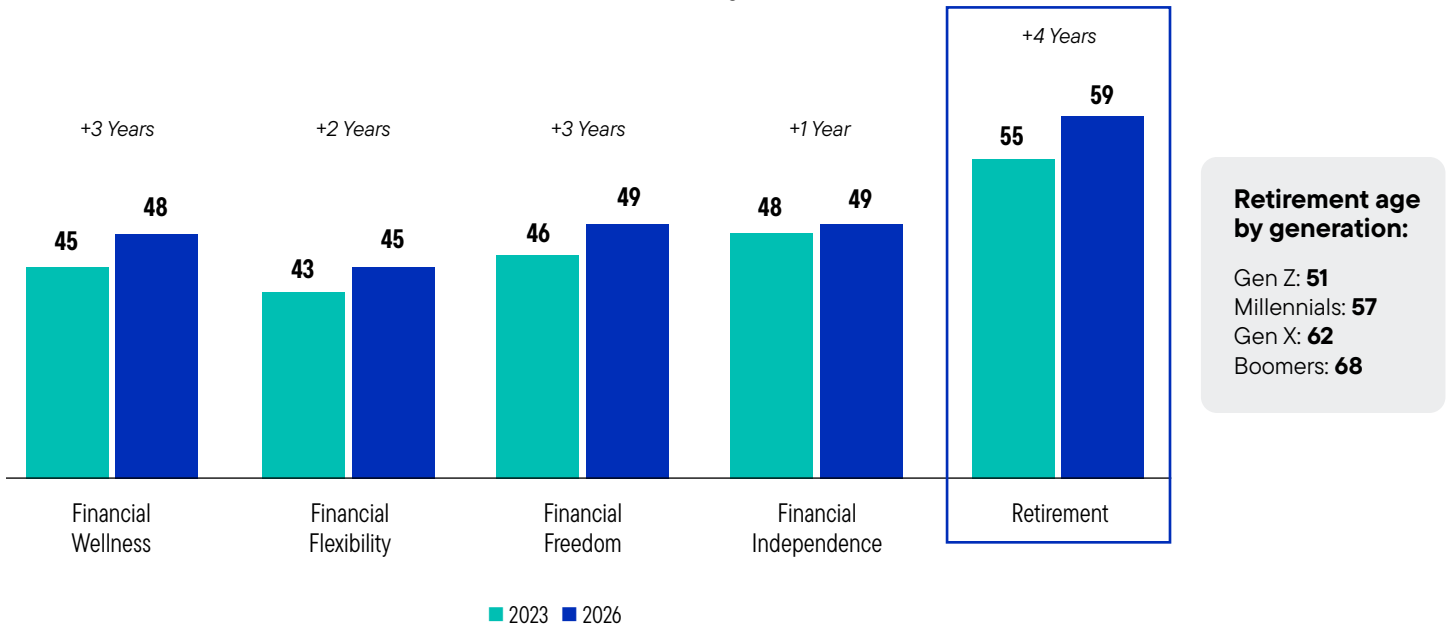


Receding financial milestones

Perhaps more troubling is that workers' timelines for hitting major financial goals have shifted. A few years ago, retirement was expected around age 55, now it is creeping toward 59. Financial independence has shifted from age 48 to 49. These are not huge jumps individually, but taken together, they paint a picture of milestones moving further and further away. Across generations, there is a shared feeling that no matter how hard you work, the finish line just keeps getting pushed back.

Workers' Financial Milestones Keep Moving Farther Out

Please provide an approximate age that you think one should be able to achieve the following:



Q105b: Please provide an approximate age that you think one should be able to achieve the following. (n=2,000 total)

Searching for security, personalization and clarity

Facing this uncertainty, workers aren't just asking for more benefits. They are asking for solutions specifically designed to address their real anxiety about financial security. The vast majority (92%) are interested in guaranteed lifetime income streams as a hedge against the risk of running out of money in retirement.

Workers also show they are willing to engage much more directly with personalized plans. A striking 91% want 401(k) options tailored to their specific situations and 85% would share personal financial data if it meant getting more personalized recommendations. They want their retirement plan to feel built for them and not adapted from a template.

Still workers' most fundamental ask isn't complicated. They just want benefits explained clearly, without all the HR jargon. In fact, 88% explicitly ask for plain-language explanations and 90% appreciate employers who proactively support their financial education. But all this information feels overwhelming. With so many options to consider, workers feel paralyzed instead of feeling empowered.

Benefit affordability has become an issue

This is a problem employers unwittingly created; they've expanded benefits, but workers feel they can't always afford to use them. Two-thirds of workers expect health insurance costs to climb and 76% worry those rising costs will price them out of using their benefits. When workers are stressed about money, the irony is that 'great benefits' become frustrating when workers cannot afford to use them.

The good news is workers haven't checked out. Remarkably, 91% want to understand their financial benefits, that's up 5% from last year. And 77% are eager to participate in stock ownership and retirement planning programs. Workers are ready. Employers just need to make it more accessible.

+5% from 2025

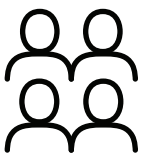
91% of workers agree,

“ I actively want to learn more about my financial benefits.”

84% Millennials

77% of workers agree,

“ I would like more opportunities to invest in my company's success through stock ownership.”



Key takeaway

Workers need stability but feel the path to it is becoming longer and more uncertain. They are willing to engage with their benefits and take responsibility for their financial futures, but they need employers to make it easier by simplifying communication, personalizing options, and being transparent about what benefits cost and why certain choices are made. The foundation for trust is there—workers need to feel that employers' investments translate into tangible support.

Voice of the American Workplace: Finding common ground

94% of employers say,

“**Employee expectations have gone up** in the last 12 months.”

72% of employers agree,

“Employees don’t understand the significant costs we incur to provide competitive benefits.”

Good intentions meeting mixed results

This is where things become more complex. Employers are genuinely trying to connect with workers. About 94% say they are focused on becoming better employers and building real community. Recognizing that workers need new skills to stay competitive, 88% are supporting upskilling and education initiatives.

Here’s the issue: Workers experience a huge gap between what employers intend and what happens. 89% of workers agree that a supportive environment is as important as job security. Yet about two-thirds feel their feedback gets heard but not listened to. When employers make big decisions about benefits or policies, 75% of workers feel they are kept in the dark about why, which breeds confusion.

This mismatch frustrates everyone. Employers feel that their efforts are not landing with their employees, due to a variety of potential reasons. In fact, 94% of employers say worker expectations have climbed in the last 12 months, and 72% feel workers don’t grasp how expensive providing comprehensive benefits is. For employers, it feels like a no-win situation.

Workers, though, aren’t asking for perfection. They are asking for honesty and follow-through. A concerning 69% feel loyalty is one-sided, and 65% think employee wellbeing is more of a talking point than something that’s acted on. Some even report that despite all the talk about work-life balance, there’s no real support to make it happen.

The communication paradox

This disconnect becomes starkest with communication about benefits. Employees generally feel communication is strong—81% say their company communicates benefit offerings well and 77% say they are offered regular opportunities to learn more.

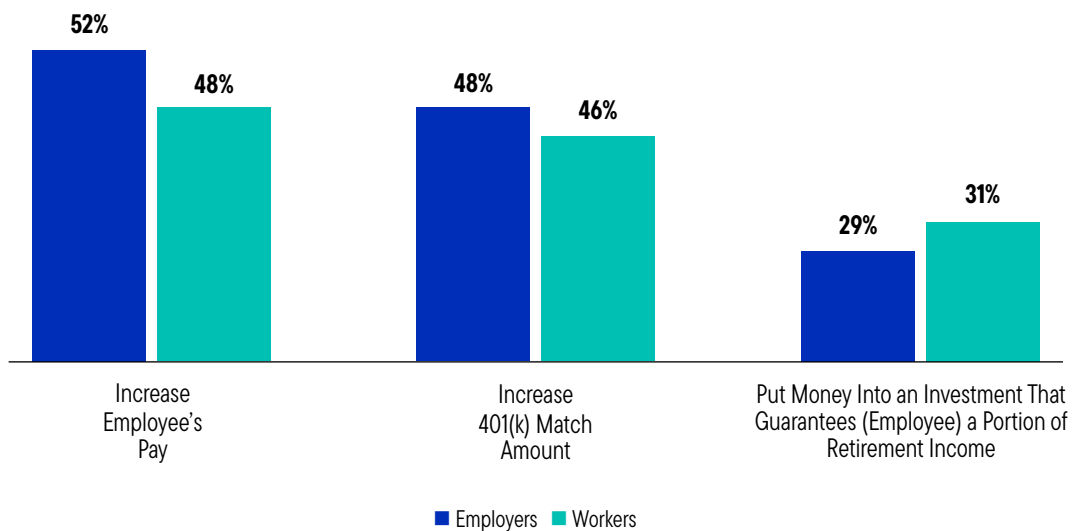
It's a situation in which everyone is making an effort, yet no one feels heard. Among employers, 73% report that workers ask the same questions despite consistent communications while 53% of workers admit they feel completely overwhelmed by their benefits and 51% confess they don't do enough to learn about them.

The issue isn't that people aren't trying. Employers are sending reminders and hosting sessions. Workers want to understand. But there's a fundamental mismatch—employers are explaining the technical details of plans. Workers are trying to figure out how those plans impact their daily lives. One side is teaching and the other side is asking for meaning. Both sides end up frustrated. No one is wrong. They are just speaking different languages.

Alignment exists

Despite all these strains, employers and workers agree on financial resources. When you ask both groups where benefit dollars should go, they pick the same top three: more pay, higher 401(k) matches and investments in retirement income. This alignment matters. It means both sides fundamentally understand what security looks like.

Assuming You Have a Set Amount of Money (\$1,000, for example) to Spend on Salary and/or Benefits for Each Employee Which of These Would You Choose?



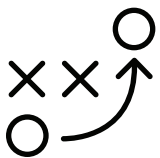
Both groups also understand that employee wellbeing isn't just about money. Employers are increasingly doubling down on mental health and fertility benefits with 84% emphasizing mental health and 69% emphasizing fertility benefits. Workers, especially Gen Z, are saying that both matter to them.

Most importantly, a foundation of trust exists. A substantial majority of workers say they trust their employers to make sound financial decisions and believe in the value of their employers' financial programs. An even larger share say they trust their employers' intentions. This trust is fragile, but it's real and it represents an untapped resource for building stronger relationships.

Keeping benefits simple

When employers simplify decisions, participation rises. Auto-enrollment into retirement plans is a clear example: By removing the need for workers to take the first step, more people begin saving. About 58% of workers say that without automatic enrollment, they likely wouldn't have started saving at all. And younger workers (74%) value employer financial programs that make saving feel automatic and accessible, without requiring constant decision-making.

Workers aren't asking for more options, they're asking employers to make the right choices easy, intuitive and built in.



Key takeaway

Workers are remarkably consistent in what they value: fair pay, strong benefits and genuine support. The challenge is not misaligned priorities, but misaligned perceptions. Employers think they are communicating clearly while workers are drowning in jargon; employers think they are offering choice while workers feel paralyzed by too many options. The positive news is that workers still trust their employers, amidst all the confusion. For employers, the fix isn't more options, it's clearer communication, real follow-through on feedback, honest conversations about what benefits cost and why certain decisions get made. Listening to each other is the key.

Conclusion: From navigating strain to building trust

The 2026 American workplace is under pressure from many directions.

Employers are squeezed by tightening budgets, mounting complexity and a workforce that wants more support, more personalization, more clarity. Meanwhile, workers are under the real pressures of financial strain, more responsibilities and the sinking feeling that their retirement is getting pushed further away. The result is an employer-employee relationship under real strain, with both sides working hard but feeling like their efforts just aren't landing.

But this doesn't have to end in gridlock. The data shows something genuinely hopeful: employers and workers are converging on shared priorities. Both want higher pay and retirement security they can count on. Both understand mental health and work-life balance matter. Both say they want honesty and transparency. Most workers still trust their employers. Most employers want to support their workforce.

Each side needs to meet the other halfway

Employers need to stop trying to be everything to everyone. Choose a focused set of benefits that move the needle for your workforce. Communicate about them in plain language. And when workers give you feedback, follow through. Make it crystal clear how their input shaped your decisions. Stop assuming you know what workers value; listen to them.

Workers need to step up, too. They need to engage with what's available. Ask focused questions. Take responsibility for their own financial future. And recognize that employers are working within real constraints and seeking realistic solutions.

If employers and employees can combine transparency and clear communication with genuine engagement and willingness to learn, the workplace by this time next year can move past just managing strain and build something solid based on trust.

Research methodology

Quantitative research was conducted by The Harris Poll on behalf of Franklin Templeton from November 7–20, 2025, consisting of two separate surveys: one among 1,004 employers fielded November 7–20, 2025, and one among 2,000 US employed adults fielded November 7–19, 2025.

The employer survey sample included 83 Gen Z respondents (ages 18–28), 618 Millennials (ages 29–44), 273 Gen X (ages 45–60), and 30 Boomers (ages 61 and older). For analytical purposes, these groups were aggregated into Younger Employers (ages 18–44; n=701) and Older Employers (ages 45+; n=303).

The US worker survey sample included 312 Gen Z respondents (ages 18–28), 751 Millennials (ages 29–44), 646 Gen X (ages 45–60), and 281 Boomers (ages 61 and older). These respondents were similarly aggregated into Younger Employees (ages 18–44; n=1,063) and Older Employees (ages 45+; n=927).

Throughout the report, results are labeled to distinguish whether the findings represent employers or workers. The report also incorporates select quotes drawn from a qualitative study conducted by The Harris Poll on behalf of Franklin Templeton from September 3–11, 2025, among 15 American employers.

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