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Welcome to the UBA Partner Firm exclusive monthly newsletter, delivering insights into timely human resources and employee benefits topics.

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Employee Benefits | Rethinking Employee Benefits: From Perks to Strategic Workforce Investments

Employee benefits are entering a new phase, defined less by incremental enhancements and more by fundamental redesign. For many employers, 2026 is shaping up to be a pivotal year where rising healthcare costs, shifting workforce expectations, and increased scrutiny on ROI are converging.

The result is a clear shift: employee benefits are no longer just a retention tool; they are a core component of workforce strategy.

Cost Pressure Is Real, and Reshaping Strategy

Healthcare costs continue to dominate the benefits conversation.

[Employers are projecting increases of roughly 9% in 2026, driven by medical inflation, specialty drugs, and higher utilization.](#)

This environment is forcing organizations to move beyond traditional plan design and take a more disciplined, data-driven approach to benefits management.

Common employer responses include:

- Re-evaluating plan funding strategies (self-funded vs. fully insured)
- Increasing focus on pharmacy spend, particularly high-cost specialty medications
- Tightening vendor management and performance guarantees
- Expanding cost-sharing, but with careful attention to employee impact

At the same time, employers recognize that cost control alone is not a sustainable strategy. Benefits that feel increasingly expensive, but less valuable, can quickly erode employee trust and engagement.

Employees Expect More Personalization and Relevance

Today's workforce expects benefits to reflect diverse life stages, financial realities, and wellbeing needs. A one-size-fits-all approach is quickly becoming outdated.

Emerging trends show a growing emphasis on:

- Personalized benefit selection and decision support tools
- Financial wellness programs, including debt management and retirement planning
- Expanded mental health resources and on-demand support
- Family and caregiving benefits, including eldercare and fertility support

[This shift is being driven in part by generational changes in the workforce, with younger employees placing a higher value on flexibility, wellbeing, and career development.](#)

For HR leaders, the implication is clear: benefits must be both flexible and easy to navigate. Complexity is increasingly seen as a barrier to utilization and ultimately, to perceived value.

The Evolution of “Wellbeing” Benefits

Over the past several years, many employers invested heavily in wellness programs—gym stipends, apps, and lifestyle perks. However, in 2026 employers are taking a more critical look at these offerings:

- Are employees actually using these benefits?
- Do they meaningfully impact health outcomes or productivity?
- How do they compare to core benefits like healthcare and paid leave?

In response, many employers are shifting away from broad, underutilized wellness perks and toward more targeted, high-impact solutions such as:

- Mental health services embedded in medical plans
- Preventive care initiatives tied to measurable outcomes
- Condition-specific programs (e.g., diabetes, musculoskeletal care)
- Centralized platforms that improve access and engagement

The focus is moving from “offering more” to “offering what works.”

Flexibility Is Now a Core Benefit

Flexible work is no longer a policy discussion—it's a benefits issue.

Employees increasingly view flexibility as part of their total rewards package, alongside healthcare and compensation. In fact, a majority of organizations now operate in hybrid environments, reinforcing flexibility as a baseline expectation.

Forward-thinking employers are formalizing flexibility through:

- Remote and hybrid work policies with clear guidelines
- Home office stipends and technology support
- Flexible scheduling and asynchronous work options
- Expanded paid time off and leave policies

This evolution highlights a broader trend: benefits are expanding beyond traditional categories to encompass the full employee experience.

Technology Enables Smarter Benefits Delivery

Technology plays a growing role in the way benefits are designed, delivered, and experienced.

Employers are leveraging AI-driven decision support tools to guide employee benefit choices. Advanced analytics help to track utilization and identify cost drivers. Digital platforms consolidate benefits to offer a better user experience.

These tools not only improve employee engagement but also give HR leaders better visibility into what is and isn't working.

In an environment where every dollar matters, this level of insight is essential.

Getting Started: Practical Steps for HR Leaders

For organizations reassessing their benefits strategy, a few practical steps can help create momentum.

Conduct utilization and cost analysis.

Identify the benefits that are driving value and which are not. Uncover unmet needs by analyzing data by employee population segments.

Align benefits with workforce demographics.

Consider generational needs, caregiving responsibilities, and income diversity, with the goal of prioritizing flexibility and choice where possible.

Simplify the employee experience.

Streamline vendors and platforms, and improve communication and decision support during open enrollment.

Integrate wellbeing with core benefits.

Move beyond standalone wellness programs to integrate mental health with preventive care and chronic condition support into health plans.

Treat benefits as a strategic lever.

Align benefits decisions with broader business objectives, not just cost. Measure success through employee retention, engagement, and productivity.

The Strategic Takeaway

The most effective benefits strategies in 2026 will balance two competing pressures: rising costs and rising expectations.

Employers that succeed will be those that focus on quality over quantity of benefits, use data to drive decisions, and integrate benefits into the broader employee experience.

In a labor market where attraction and retention remain ongoing challenges, benefits are no longer just part of the offer—they are part of the employer brand. Organizations that treat them accordingly will be better positioned to compete, engage their workforce, and navigate the years ahead.

Workplace Culture | Turning Workplace Values into Everyday Behaviors

Company culture has always been a defining element of organizational identity, but in today's environment, it is also under greater scrutiny. As hybrid work models persist and employee expectations continue to evolve, many organizations are discovering a disconnect between the culture they promote and the one that employees experience.

In 2026, leading employers are moving beyond defining culture through mission statements and values. Instead, they are focusing on how culture shows up in daily operations—through leadership behavior, management practices, and the consistency of the employee experience.

The Growing Gap Between Stated and Lived Culture

For years, organizations invested heavily in articulating purpose, values, and employee value propositions. While these elements remain important, employees increasingly judge culture based on day-to-day interactions rather than formal messaging.

This gap often becomes visible in moments that matter most: how decisions are communicated, how workloads are managed, and how fairly policies are applied across teams. In hybrid and distributed environments, these inconsistencies are even more pronounced. Without regular in-person reinforcement, culture must be intentionally embedded into workflows and communication norms.

Culture is less about what is written and more about what is consistently practiced.

The Central Role of Frontline Managers

One of the most significant shifts in culture strategy is the growing emphasis on the role of managers. While executive leadership may define cultural priorities, frontline managers translate those priorities into the employee experience.

[Employees tend to interpret culture through their immediate environment—how their manager provides feedback, supports flexibility, and reinforces expectations. When manager approaches vary widely, culture becomes fragmented, even within the same organization.](#)

To address this, many employers are investing more intentionally in manager development. This includes building capabilities around communication, coaching, and inclusive leadership, as well as setting clearer expectations for how policies should be applied. The goal is not to standardize personality, but to create consistency in how employees are supported and managed.

Balancing Flexibility with Accountability

Flexibility has become a permanent fixture of workplace culture, but it has also introduced new complexities. Employees increasingly expect autonomy in how and where work gets done, while organizations still need to maintain standards for performance, collaboration, and fairness.

Rather than treating flexibility as a standalone benefit, employers are integrating it into broader cultural norms. This often means shifting toward outcome-based performance, where success is measured by results rather than time spent.

Striking this balance is critical. When done well, it builds trust and engagement; when done poorly, it can create perceptions of inequity and erode culture.

Culture as a Driver of Wellbeing and Retention

Culture is increasingly recognized as a key driver of both employee wellbeing and retention. Organizations with strong, aligned cultures tend to see higher engagement and lower turnover, while those with inconsistent or unclear cultures often struggle with burnout and disengagement.

This has prompted many employers to more closely connect culture with wellbeing strategies. Rather than relying solely on standalone wellness programs, organizations are examining how everyday practices such as workload expectations, communication norms, and recognition impact employee experience.

In this context, culture becomes a continuous signal to employees about what is valued. When employees see alignment between stated priorities and actual behaviors, trust tends to increase. When that alignment is missing, even well-intentioned initiatives can fall short.

Measuring What Matters

Another notable shift is the way organizations assess culture. Traditional annual engagement surveys are being supplemented with more frequent and targeted feedback mechanisms, allowing employers to identify issues earlier and respond more effectively.

In addition to survey data, organizations are looking at operational indicators such as turnover patterns, internal mobility, and participation in development programs to provide a more nuanced view of how culture is functioning across different parts of the business.

Advances in HR technology are also making it easier to connect culture-related insights to business outcomes, reinforcing the idea that culture is not just an abstract concept, but a measurable and manageable aspect of performance.

Moving from Intent to Execution

For organizations looking to strengthen their culture, the focus is increasingly on execution. This begins with translating values into clear, observable behaviors and ensuring that those behaviors are reflected in management practices and decision-making.

Equally important is aligning policies with cultural goals. Flexibility, performance management, and recognition programs should reinforce the same set of priorities rather than sending mixed signals. Ongoing communication and transparency also play a critical role, particularly in helping employees understand the reasoning behind decisions.

Finally, organizations that make progress in this area tend to treat culture as an evolving priority. They regularly assess what is working, make adjustments based on feedback, and hold leaders accountable for maintaining alignment.

The Strategic Takeaway

Culture in 2026 is no longer defined by aspiration—it is defined by consistency. Employees are paying close attention to how organizations operate in practice, and those experiences ultimately shape engagement, trust, and retention.

Employers that approach culture as an operational discipline rather than a branding exercise will be better positioned to create a cohesive and sustainable employee experience. In a labor market where expectations continue to rise, that consistency may be one of the most important differentiators.

Dear HR Manager | Navigating Flexibility Without Creating Inequity

Dear HR Manager,

We've embraced a flexible, hybrid work model over the past few years, but we're starting to see inconsistencies across teams. Some managers allow significant flexibility, while others require more in-office time. Employees are raising concerns about fairness. How can we maintain flexibility while ensuring consistency and equity across the organization?

– *Flexible Manager*

Dear Flexible Manager,

This is a common and complex challenge. Flexibility has become a core expectation, but without clear guardrails, it can create perceptions of inequity and erode trust.

In most cases, the issue isn't flexibility itself. It's inconsistency in the way it's applied. Many organizations introduced hybrid work with broad guidelines and manager discretion, which often leads to uneven experiences across teams.

The first step is to clarify your organization's philosophy. What is flexibility meant to achieve—productivity, engagement, retention? Defining the “why” creates a consistent foundation for decision-making.

Next, establish clearer parameters. This might include core collaboration hours, role-based expectations for in-office presence, and general availability guidelines. The goal is not to eliminate flexibility, but to reduce ambiguity.

Manager alignment is equally important. Managers ultimately shape the way policies are experienced, so providing guidance and in managing expectations across teams can help create greater consistency.

Communication also matters. Employees are more likely to accept differences if they understand the reasoning, particularly when tied to role requirements or business needs. Transparency helps reinforce fairness, even when policies are not identical.

Finally, focus on outcomes rather than time or location. Clear, consistent performance expectations allow flexibility to work effectively without compromising accountability.

Flexibility is now a core part of the employee experience. Organizations that pair it with structure and transparency are better positioned to maintain trust and consistency across their workforce.

– HR Manager

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