HR ELEMENTS®

AN HR & EMPLOYEE BENEFITS NEWSLETTER

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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 | Building a Benefits Strategy for Financial Resilience
- Workplace Culture | When Financial Stress Follows Employees to Work
- Dear HR Manager | Employees are Comparing Salaries

Employee Benefits | Building a Benefits Strategy for Financial Resilience

Financial wellbeing benefits have traditionally centered on a long-term goal: retirement. But employees' financial lives don't begin at retirement. Many are balancing immediate priorities, including healthcare expenses, debt, emergency savings, and everyday living costs. PwC's 2026 Employee Financial Wellness Survey found that 59% of employees were currently stressed about their finances.

For many employees, the immediate concern is not how to optimize retirement savings. It's how to absorb the next unexpected expense. More than half of employees surveyed by PwC had less than $5,000 in emergency savings, and 30% had less than $1,000. Nearly half said their compensation was not keeping pace with rising costs.

Employers can't solve every financial challenge employees face. They can, however, consider whether their benefits strategy helps employees create stability today while continuing to prepare for tomorrow. That means looking beyond retirement readiness and considering the financial pressures that can make long-term planning difficult in the first place.

Think Beyond Retirement Readiness

Retirement benefits remain an important foundation of financial wellbeing. In fact, Bank of America's 2026 Workplace Benefits Report found that 73% of employees felt on track for retirement, up 6% from 2025. At the same time, 75% cited the cost of living as a challenge to their financial security. Both realities can exist at once.

An employee can contribute to a retirement plan and still have difficulty handling an unexpected medical bill, car repair, or household expense. PwC found that 44% of employees used credit cards for necessities they otherwise could not afford. These immediate pressures can make it harder to focus on longer-term financial goals.

The opportunity for employers is to view financial wellbeing as a continuum. Emergency savings, healthcare spending, debt management, retirement planning, and financial education don't have to function as separate conversations. Together, they can help employees build a more stable financial foundation.

Build a More Complete Financial Safety Net

A financial resilience strategy will look different for every workforce. Depending on employee needs and available resources, employers might consider:

- Emergency savings support that gives employees a structured way to prepare for unexpected expenses.
- HSAs and FSAs, when available, paired with education that helps employees understand how and when to use them.
- Financial education or coaching that addresses budgeting, debt, savings, credit, and long-term planning.
- Student loan or education assistance for employees balancing debt with other financial priorities.
- Existing vendor resources through retirement providers, EAPs, health plans, or other benefits that employees may not realize are available.

The answer is not necessarily to add more programs. Morgan Stanley's 2026 workplace research found that 79% of employees believed their company needed to do a better job helping them understand how to maximize their financial benefits. Employers may have an opportunity to improve the value of what they already offer before expanding the benefits menu. Information alone may not be enough if employees cannot translate it into action.

Make Resources Easier to Navigate

Financial priorities also change throughout an employee's career. Emergency savings and debt management can be among the leading concerns for early-career employees, while retirement savings become more prominent later in employees' careers. This makes a one-size-fits-all approach to financial education less useful.

Employers can use employee surveys, benefits questions, utilization data, and workforce demographics to identify where employees need the most support. The objective is not to collect unnecessary details about employees' personal finances. It is to understand broad workforce needs well enough to make benefits and communication more relevant.

Communication can also be organized around the problems employees are trying to solve rather than around benefit names. Consider categories such as: *I have an unexpected expense. I need help managing debt. I want to save more. I am concerned about healthcare costs. I am preparing for retirement.* That shift can make a complex benefits package easier to navigate.

Focus on Financial Resilience, Not More Benefits

Financial wellbeing also matters to the employment relationship. Morgan Stanley's 2026 study found that 91% of employees would consider switching jobs for benefits that better help them reach their goals, while 85% said they would feel more invested in staying with an employer that offered financial benefits tailored to their needs.

That doesn't mean employers need to chase every new financial benefit. A stronger strategy begins by understanding employee needs, evaluating existing resources, filling meaningful gaps, and making support easier to understand and use.

Financial resilience grows when employees have practical tools, useful guidance, and a clearer path for managing today's pressures while preparing for tomorrow.

Workplace Culture | When Financial Stress Follows Employees to Work

Employees don't leave financial concerns behind when the workday begins. CAPTRUST's 2026 Financial Wellness Survey found that 62% of employees experienced moderate to severe financial stress, and 74% said financial stress affected their motivation at work. When employees are financially stressed, that strain can lead to drops in productivity and engagement, affect sleep and mental health, and cause longer-term workforce instability.

Employers cannot, and should not try to, manage employees' personal finances. However, they can address workplace practices that may add to financial uncertainty or provide a greater sense of stability.

Look at What the Workplace Can Control

Some financial pressures originate outside of work. Others can be intensified by workplace practices. Unpredictable schedules can make income harder to plan. Unclear compensation practices can leave employees wondering whether they are being paid fairly. Complicated benefits may cause employees to overlook resources that could help.

The need is widespread across income levels. SHRM and Raymond James reported in 2026 that nearly three-quarters of surveyed workers experienced financial stress, even though nearly six in 10 characterized their overall financial wellness as strong. Their research also found that more than half of HR professionals considered their organizations' financial wellness initiatives underdeveloped.

That makes financial wellbeing more than a benefits issue. Employers can look at the everyday practices within their control.

- Are employees given clear information about compensation?
- Are benefit changes explained in understandable terms?
- Do managers know where to direct financial wellbeing questions?
- Are employees able to find resources without navigating multiple systems?

Answers to these questions can give employees more certainty about their ability to manage the cost of groceries, housing, healthcare, or other outside expenses.

Support Employees Without Overstepping

Managers may notice when an employee appears distracted or begins asking about pay, additional hours, or available resources. Their role is not to become a financial counselor. HR can instead give managers a simple roadmap to help employees find appropriate benefits, financial education, EAP resources, or other support.

Privacy matters, too. Employees shouldn't have to disclose personal financial details to a supervisor simply to learn what support is available. Managers can acknowledge a concern, explain available resources, and refer questions to the appropriate HR or benefits contact without trying to diagnose or solve the employee's financial situation.

One-on-one guidance may be particularly valuable. Yet access alone doesn't guarantee engagement, another reminder that employers need to consider how resources are communicated and delivered.

Build Stability Through Everyday Practices

Financial wellbeing programs can support culture, but they cannot operate separately from the rest of the employee experience. Employers can start with fundamentals: communicate compensation practices clearly, make benefits easier to understand, give managers useful referral resources, and listen to recurring employee concerns that may point to a broader workplace issue.

A culture that supports financial wellbeing goes beyond asking employees about their bank accounts. It is built through fair practices, useful resources, clear communication, and everyday decisions employees can trust.

Dear HR Manager | Employees Are Comparing Salaries

Several employees have started openly comparing salaries. Their manager is concerned because some employees have discovered differences in pay. Should we ask them to stop discussing compensation?

– Caught in the Compensation Conversation

Dear Caught,

The salary conversations themselves may not be the problem. The larger issue may be what employees are learning from them.

Before asking employees to stop discussing compensation, consider the legal implications. Employees covered by the National Labor Relations Act generally have protections when acting together around workplace issues such as pay and working conditions. A May 2026 NLRB decision summary addressed a case involving employees who created and shared a salary spreadsheet. A federal appeals court upheld the finding that the employer unlawfully discharged the employee who created and circulated it. In August 2026, the NLRB found in another case that an employer violated federal labor law by maintaining and communicating a rule prohibiting employees from discussing pay with coworkers, among other violations. Because coverage and circumstances can vary, employers should seek appropriate legal guidance before responding to wage discussions.

Coach the manager not to shut down the conversations simply because they are uncomfortable. Instead, examine what employees have discovered. Differences in compensation may reflect legitimate, job-related factors such as responsibilities, experience, performance, or location. They may also expose inconsistencies that deserve attention.

Ask whether the organization can explain those differences using objective factors. Are similar positions evaluated consistently? Are managers applying compensation practices as intended? If the answers are unclear, the organization may have a compensation issue to examine rather than a conversation to suppress.

Managers should also maintain appropriate confidentiality. They should not disclose another employee's private personnel information to explain a pay decision. They can discuss the organization's general compensation philosophy, explain how pay decisions are made, and tell employees where to bring questions about their own compensation.

Pay conversations can be uncomfortable, especially when employees discover differences they didn't expect. But discomfort is not a reason to discourage potentially protected conversations.

Use the moment to examine whether your compensation practices are consistent, explainable, and aligned with your policies. When employees compare pay, HR's role is to make sure the organization can stand behind the decisions employees are talking about.

– HR Manager