

## **10 Employer-Worker Disconnects Threatening Progress and Productivity in the Workplace**

*New research examines employer business practices and benefit offerings amid disruption and change*

**LOS ANGELES – May 14, 2026** – Almost eight in 10 employers (78%) are optimistic about their company’s future and more than half (52%) indicate that advanced technologies are positively impacting their overall business and day-to-day operations, according to [Employers, Workers, and the New World of Work](#), a new survey report by nonprofit [Transamerica Institute](#)<sup>®</sup> in collaboration with its Transamerica Center for Retirement Studies<sup>®</sup> (TCRS). But many workers do not share employers’ level of optimism, such as the 49% of workers who often feel exhausted and burned out.

“As AI promises to revolutionize business models, employers are upbeat about the future, but they may be overlooking their most valuable asset – their employees,” said [Catherine Collinson](#), CEO and president of Transamerica Institute and TCRS. “It takes people to implement and operationalize new technologies and, right now, workers are stressed and strained in today’s economy.”

The research identifies 10 areas of employer-worker disconnects which, if left unaddressed, could undermine workers’ productivity and employers’ ability to maximize results:

- #1. AI and its impact on jobs.** Eight in 10 employers (82%) are currently using or planning to use AI to augment their human workforce and, among them, 89% cite workforce implications ranging from job transformation (67%) and new job creation (50%) to job elimination (36%). Yet only one in three employers (34%) cite workforce management as a top concern for their company’s leadership. Moreover, while 44% of workers are worried that AI and robotics will make their job skills no longer needed, just 38% of employers believe their employees are worried.
- #2. Mental health.** Four in 10 workers (42%) often feel anxious and depressed, 42% often feel unmotivated and overwhelmed, and 31% say they are isolated and lonely. While most employers (70%) have concerns about their employees’ mental health, only 27% offer an employee assistance program.
- #3. Financial strain, second jobs, and side hustles.** Forty-three percent of workers say they have trouble making ends meet, and 26% have taken on an additional job or side hustle due to financial strain from inflation in recent years. While 86% of employers recognize that today’s high cost of living is financially straining their employees, more than half (54%) have concerns about employees who take on a second job or side hustle to bring in extra income.
- #4. Professional development.** With the widespread implementation of new technologies, training and development have become more important than ever. Eighty-six percent of employers feel responsible for helping their employees keep their job skills up to date, but only 38% cite talent development as a workforce management priority. Just 49% of workers say they are keeping their job skills up to date.
- #5. Financial literacy.** A strong working knowledge of personal finance can help workers manage their money with greater confidence, and it can be useful in the workplace. Employers may be overestimating their employees’ level of knowledge. Thirty-nine percent of employers believe their employees know “a lot” about personal finance, compared with only 21% of workers who describe their knowledge as such. Only 26% of employers offer a financial wellness program as part of their employee benefit offerings.
- #6. Health, welfare, and retirement benefits.** Workers highly value benefits that can help them build and protect their wealth and health, including health insurance, retirement plans, dental, life, and

vision insurance. However, significantly fewer employers offer these benefits to their employees. For example, 91% of workers consider a 401(k) or similar plan as important, while only 61% of employers offer one.

- #7. **Caregiving responsibilities.** Amid population aging and the skyrocketing cost of long-term care, workers are being called upon to serve as caregivers. Almost four in ten workers (36%) are caregivers, including 16% who are currently caregiving and 22% who have been caregivers in the past. While 93% of employers indicate they are supportive of their caregiving employees, few have programs in place to support them. The most common programs include unpaid leave of absence (36%), paid leave of absence (35%), online resources and/or tools (22%), and a benefit that offers discounts or subsidies for backup care (22%).
- #8. **Flexible work arrangements.** Eighty-six percent of workers feel it is important for their employer to offer flexible work arrangements, and 93% of employers understand this. But few employers have robust options with the most common being flexible work schedules (54%), the ability to adjust work schedules as needed (49%), and hybrid work arrangements (37%).
- #9. **Retirement transitions.** Workers are upending long-standing societal assumptions about retirement. Many want and need to continue working into older age for financial and healthy aging-related reasons. Forty-four percent of workers expect to retire after age 65 or do not plan to retire, and 51% plan to continue working in retirement. While most employers (83%) indicate they are supportive of employees working past age 65, only 68% offer one or more flexible transition options, and just 39% offer a formal phased retirement program.
- #10. **Age-friendliness.** According to the U.S. Bureau of Labor Statistics, the U.S. population is aging and so is its workforce. Almost one in four workers (23%) are now age 55 and older and, from 2024 to 2034, workers aged 65 and older are projected to be the fastest growing segment of the workforce.<sup>1</sup> Almost nine in 10 employers (89%) consider their companies to be “age friendly” by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful. But only 72% of workers consider their employers to be age friendly.

“Our research findings illustrate opportunities for employers to reevaluate their workforce management priorities, including training and development, mental health resources, flexible work arrangements, caregiving support, phased retirement options, and benefit offerings. By doing so, they can create win-win solutions for themselves and their employees,” said Collinson.

“From a societal perspective, we have entered a new era that is reshaping nearly every aspect of our lives. As employers are transforming their organizations with advanced technologies, they must maintain focus on their human workforce. At the same time, workers must be resilient and seek out new ways to contribute – and those who are slow to adapt will inevitably fall behind,” said Collinson. “The future of how we live, work, and retire is at stake. Everyone must play a role in pursuing possibilities while preserving vital social constructs and values in our new world of work.”

[Employers, Workers, and the New World of Work](#) is based on a survey of 1,900 for-profit U.S. employers conducted in late 2025, and it features comparisons with a survey of more than 6,100 workers of for-profit companies. The report provides an in-depth view of employers’ organizational concerns, best practices, and health, welfare, and retirement benefit offerings. It also provides detailed comparisons of employer perceptions versus worker realities, and it offers comparisons by company size. To download the report and other research, visit [www.transamericainstitute.org](http://www.transamericainstitute.org). Follow on [LinkedIn](#), [Facebook](#), and [X](#).

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<sup>1</sup> Source: United States Bureau of Labor Statistics, Employment Projections, Civilian Labor Force by Age, Sex, Race, and Ethnicity, <https://www.bls.gov/emp/tables/civilian-labor-force-summary.htm>

## About Transamerica Institute

Transamerica Institute® is a nonprofit, private operating foundation dedicated to identifying, researching, and educating the public about retirement security and the intersections of health and financial well-being. Transamerica Center for Retirement Studies® (TCRS), a division of Transamerica Institute, conducts one of the largest and longest-running annual retirement surveys of its kind. The information provided here is for educational purposes only and should not be construed as insurance, securities, ERISA, tax, investment, legal, medical, or financial advice or guidance. Please consult independent professionals for answers to your specific questions. [www.transamericainstitute.org](http://www.transamericainstitute.org)

## About the Survey

The analysis contained in [Employers, Workers, and the New World of Work](#) was prepared internally by the research team at Transamerica Institute.

*Employer survey:* A 20-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between September 18 and October 4, 2025, among a nationally representative sample of 1,900 employed adults age 18+ who are decision makers for employee benefits at their for-profit company and employ one or more employees across all locations (“employers”). Data was weighted where necessary by the number of employees, revenue, industry, and state to align them with actual proportions in the population. Respondents were selected from those who agreed to participate in Harris surveys. The sampling precision of Harris online polls is measured using a Bayesian credible interval, and the employer sample data is accurate within  $\pm 3.3$  percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest. Percentages are rounded to the nearest whole percent.

*Worker survey:* As part of the 26<sup>th</sup> Annual Transamerica Retirement Survey, this 26-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between September 16 and October 17, 2025, among a nationally representative sample of 10,015 adults plus an oversample of 2,008 workers at a for-profit company that employs one or more employees. The data in this press release is shown for a subsample of 6,153 workers in a for-profit company employing one or more employees. Data is weighted where necessary for age by gender, race/ethnicity, region, education, marital status, household size, household income, and smoking status. Respondents were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval and the worker sample data is accurate to within  $\pm 1.8$  percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest. Percentages are rounded to the nearest whole percent.

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