



**This edition covers preventing employee burnout, a proposed DOL rule change on independent contractor classification, and a payroll heads-up about an extra biweekly pay period in 2026. Let's dig in!**

Employee Wellbeing

## Helping Your Team Find Meaning - and Beat Burnout

Burnout has become a defining challenge in today's workplace, showing up across every industry. Employees are feeling exhausted, disconnected, and undervalued – and MetLife reports that half are experiencing exactly this, often leading to disengagement and emotional fatigue. These conditions don't just hurt individuals – they impact your whole organization's performance.

The good news? Fostering a sense of purpose can go a long way to help combat this in your workplace. Here are some practical ways to help your team feel more connected to their work:

- **Connect tasks to the big picture.** Share monthly or quarterly updates that tie team efforts to real, measurable outcomes. People want to see *and feel* the impact of their work.
- **Encourage autonomy and voice.** Allow flexibility in how work gets done and create genuine channels for feedback – something to consider: quarterly sessions where employees can pitch process improvements to help them shape the future of their work.
- **Recognize and celebrate.** Skip the generic “great job” and be intentional – acknowledge exactly what someone did and why it made a difference. It can be incredibly validating.
- **Invest in development.** Training and development aligned with personal interests and career goals deepen engagement and give employees a sense of purpose.
- **Create space for reflection.** Schedule team discussions around your organization's values and mission - not just your OKRs - and how you're making a change in your industry. This helps build connection and a sense of shared purpose.

Small, consistent actions in these areas can shift the employee experience from disconnection to engagement.

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## DOL Proposes New Independent Contractor Classification Rule

The U.S. Department of Labor (DOL) has proposed rolling back its 2024 independent contractor rule and replacing it with an approach closer to the one it used in 2021 – so if you work with contractors, it's worth paying attention to this one.

Under the proposed rule, worker classification under the Fair Labor Standards Act (FLSA) would rely on an “economic reality” test – essentially asking whether a worker is truly in business for themselves or economically dependent on your organization. Two core factors would anchor that analysis:

- The nature and degree of control the employer has over the work,
- The worker's opportunity for profit or loss based on their own initiative or investment.

Additional factors – like the skill required, the permanence of the working relationship, and whether the work is part of your core business services – would also be considered. Importantly, the rule emphasizes that actual practice matters more than what a contract says on paper.

Key Date: The proposed rule was published in the Federal Register on February 27, 2026. The public comment period closes April 28, 2026.

We'll be monitoring for a final rule and any related legal changes.

## Payroll Alert

### Heads Up: 2026 May Have an Extra Biweekly Pay Date

If your organization runs biweekly payroll, 2026 comes with a scheduling quirk worth planning for. Because January 1, 2027 falls on a federal holiday (Friday), many employers who use a Friday pay date will need to bump that last paycheck into 2026 – meaning **Thursday, December 31 becomes the final payday of the year.**

That creates a 27th pay period in 2026 instead of the usual 26. This doesn't happen often – roughly less than once per decade – but when it does, it brings some real questions:

- Do you pro-rate salaries by 27 instead of 26 pay periods in 2026?
- Or do you run a standard 26-period year and add an extra paycheck on Dec. 31 (*effectively a ~3.85% pay bump*)?
- How do benefits deductions factor in? (*most employers still calculate deductions over the first 26 paychecks*)

Beyond compensation, this extra period can affect FLSA compliance, notice requirements, and payroll budget accuracy. It's worth looping in your payroll provider now to see if they've accounted for this – before year-end sneaks up on you.

### Questions about how to handle these in your organization?

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