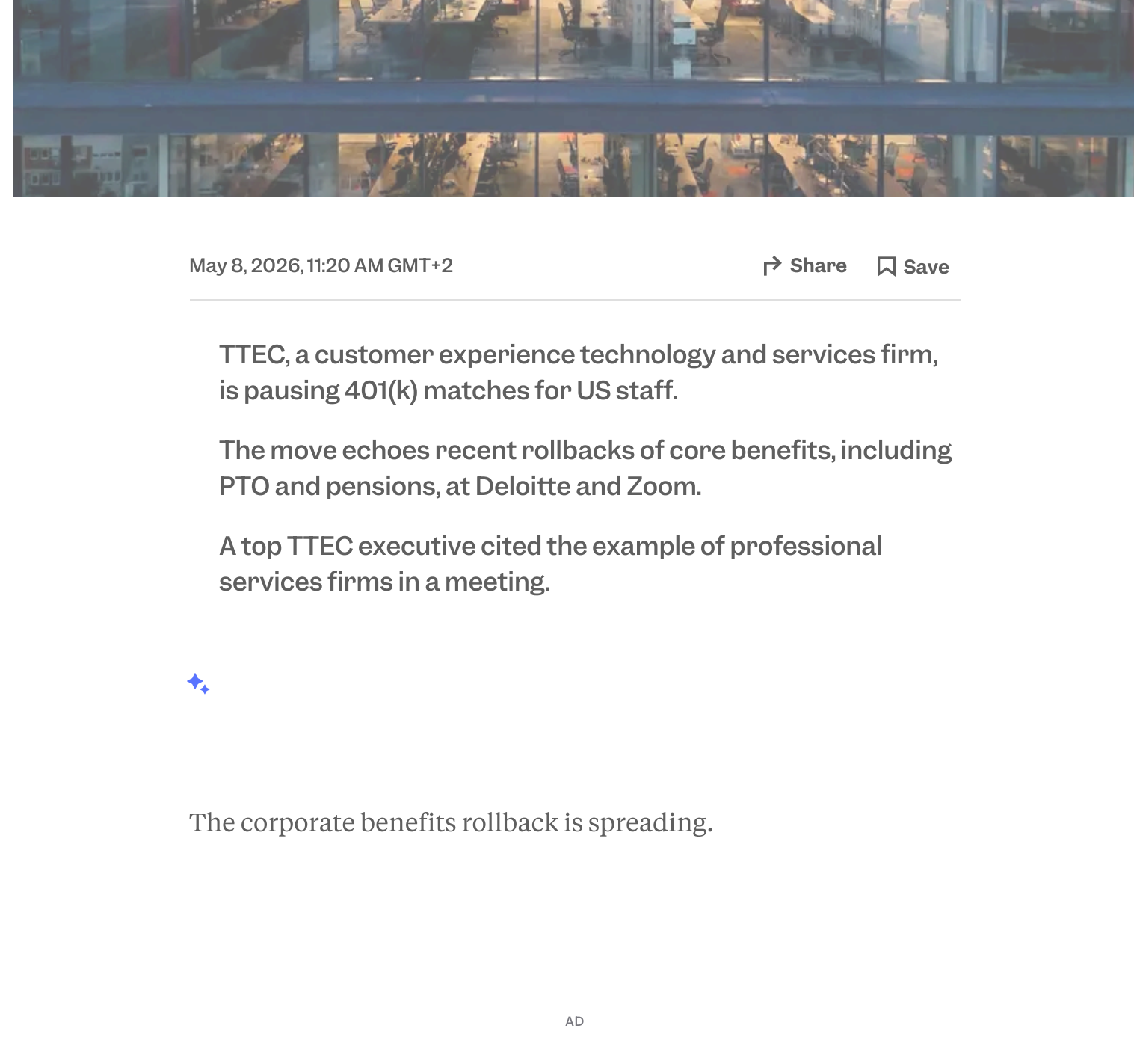


EXCLUSIVE

A \$2 billion tech firm is pausing 401(k) contributions for staff in the latest corporate benefit rollback

By [Polly Thompson](#) [+ Follow](#)



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TTEC, a customer experience technology and services firm, is pausing 401(k) matches for US staff.

The move echoes recent rollbacks of core benefits, including PTO and pensions, at Deloitte and Zoom.

A top TTEC executive cited the example of professional services firms in a meeting.



The corporate benefits rollback is spreading.

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TTEC, a global customer experience outsourcing and technology services provider, has paused its 401(k) matches for US staff through the end of 2026, according to an internal memo seen by Business Insider.

The move comes as TTEC seeks to invest in AI and deal with its own financial problems. The company's share price, which boomed during the pandemic, has dropped from more than \$110 in late 2021 to just over \$3 at Thursday's close. On Thursday, it reported a 7% fall in Q1 revenue compared to the previous year.

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TTEC explicitly linked the benefits retreat to investments in AI—the implication being savings from retirement spend were being partly reallocated to building the company's AI future.

The areas it intends to invest in include AI certifications, AI-enabled tools and training, performance coaching, automation, and workforce education programs, a TTEC spokesperson told Business Insider.

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"We have made the difficult decision to suspend the discretionary company match to the TTEC 401(k) program, effective Q2 2026," said Laura Butler, TTEC's chief people officer, in the April 30 memo.

Butler said the nine-month suspension would "protect the long-term strength" of the business and give TTEC greater financial flexibility to keep investing in "the tools, training, and capabilities that will define our future."

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The pause will be reassessed early next year, and "if our business performance supports it, we intend to resume contributions," Butler said.

Austin-headquartered TTEC has annual global revenues of over \$2 billion and around 16,000 US employees.

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TTEC previously matched up to 3% of an employee's salary toward their 401(k) if the employee contributed at least 6%, a TTEC employee told Business Insider.

The company did not comment further on the specifics of its previous 401(k) contributions.

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The TTEC spokesperson confirmed to Business Insider that the company had temporarily suspended the discretionary 401(k) company match, saying the move was "part of a broader set of actions to create the financial flexibility needed to accelerate our business transformation."

The spokesperson said TTEC did not take decisions affecting employee benefits lightly, but said: "This was done to invest aggressively in the capabilities that will define our competitiveness and create long-term opportunities for our employees and clients." A tax-deferred retirement plan remains in place, they added.

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Inside TTEC, the message to some staff was that the company was not alone in curtailng benefits.

Chris Brown, the CEO of TTEC Digital, pointed to other professional services firms as he explained the decision to suspend 401(k) contributions in an April 28 meeting for a group of TTEC Digital staff, a recording of which was obtained by Business Insider.

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"This is something that others are doing in this market," Brown said. "You will see it among some of the professional services firms and otherwise. I don't want you to think that we're necessarily unusual in this regard."

TTEC's change shows that the benefits rollback seen at some marquee employers is spreading downmarket. In today's unstable economy, core workplace benefits are on the chopping block.

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As [Business Insider reported](#) in April, Deloitte is planning to reduce or cut parental leave, annual PTO, a pension plan, and IVF funding for a select group of employees. Zoom also confirmed to Business Insider that it has reduced the number of weeks of parental leave it offers this year.

The Big Four firm Deloitte will pare back benefits for a select group of employees, Business Insider exclusively reported. [Getty Images](#)

Deloitte told Business Insider that it made changes to "better align with the marketplace," and the cuts were part of a wider modernization of its talent architecture. Zoom declined to comment.

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Benefit cuts are typically associated with a tougher economic environment, and are a means for employers to trim costs before resorting to layoffs, said Craig Copeland, director of wealth benefits research for the Employee Benefit Research Institute.

"If the economy does start to worsen, I would expect to see more cuts. Right now, it appears to be only a beginning, and we will need to watch what happens," he said.

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Companies in the same industry often pursue similar benefits policies because they are competing for the same workers, he said: "If workers don't have options elsewhere, competing employers don't need to offer as generous benefits."

Investment in an AI future

Alongside economic uncertainty, companies are trying to reposition themselves for an AI-driven future, a shift that requires budget for major training and technology investments.

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TTEC's global annual revenue dropped 3.2% to \$2.1 billion in its latest financial year.

In its 2025 annual report, TTEC's CEO and chairman, Kenneth Tuchman, said the customer experience sector was facing a "seesaw of market sentiment," and added that TTEC was recalibrating the business to be "more agile and more profitable" by 2027.

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During the meeting with a group of TTEC Digital employees, Brown linked the suspension of retirement contributions to TTEC's broader strategy, saying it would help lay the foundation for future growth and investment in "tools, training, capabilities, and frankly, people."

"I think the message is actually positive. It's so we have more flexibility to invest in the growth of the business and make sure that we're on the right path," said Brown.

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One TTEC employee said that connecting their 401(k) to investment in training felt like "a head scratcher."

The news has been met with "confusion, then anger," the person said, adding that they were concerned about how the loss of retirement savings would compound over time.

Exclusive AI

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