The Changing Workforce: Future Talent Trends Impacting Pooling and the Insurance Industry

Presented by: Margaret Resce Milkint
Managing Partner
AGENDA

- Market Trends
- Changing Dynamics
- Industry Solutions
Market Trends
UNEMPLOYMENT RATE

Overall 4.4%

Insurance 2.0%

Source: Bureau of Labor Statistics, August 2017
Analytics, executives, actuarial, technology and underwriting, are the top five most difficult functions to recruit for.

Source: The Jacobson Group and Ward Group, Mid-Year Insurance Labor Outlook Study – July 2017
STAFFING PLANS

Source: The Jacobson Group and Ward Group, Mid-Year Insurance Labor Outlook Study – July 2017
AGING WORKFORCE

28% of industry workers are under the age of 35 vs. 35% in the general economy.

74% increase in the number of insurance professionals aged 55 and older in the past 10 years.

169,000 professionals aged 65 and older are currently employed in insurance.

GROWING TALENT CRISIS

25% of industry employees will be nearing retirement by 2018.

40% of demand for technical and managerial talent will be met by current supply.

15% of the industry’s staffing needs will be met by insurance graduates.

400,000 insurance positions need to be filled by 2020.

Source: U.S. Bureau of Labor Statistics; PropertyCasualty 360
How are you leveraging your multi-generational workforce?
RECRUITMENT CHALLENGES

Eight out of ten Millennials are unfamiliar with insurance as a career path.

Insurance is tied second to last with the defense industry in terms of overall public image.

Less than one in ten young professionals are interested in working in insurance.

Source: PwC; The Institutes
EMERGING MARKET ISSUES

Technology and the Rise of Analytics

- There is explosive demand for tools and talent.
- Aging technology infrastructures exist and the industry is playing catch up.
- Analytics is a **MUST HAVE** for survival.

Technical Knowledge

- Much of the industry’s technical knowledge is held by older workers.
- Younger workforce may not have or be ready to assume the technical acuity to assume management positions.
EMERGING MARKET ISSUES

Succession Planning
Insurance companies have not been planning for the inevitable loss of their aging staff.

Cost of Knowledge Transfer
Knowledge transfer projects in much of the industry tend to be ad hoc and ineffective as the full cost are not understood or allocated.

Diversity/ Inclusion
- Gender is still diverse in insurance.
- Inclusion initiatives are growing but much work needs to be done.
- Enlightened males and sponsors are crucial.
Changing Dynamics
NEW WORKFORCE ENVIRONMENT

The new workforce is changing—it is becoming more complex and challenging.

✓ Volatile
✓ Uncertain
✓ Complex
✓ Ambiguous
Career redefined as a life journey

84% of organizations are moving to horizontal, vertical and diagonal pathways.

Source: Deloitte; Inspirawork
RISE OF THE COMPLEX LEADER

- Boundary-less
- Collaborative
- Self Aware
- Networked
- Adaptable
THE GIG ECONOMY

20% of the workforce will be contractors or temporary workers by 2022.

Source: PwC
GROWTH OF ANALYTICS

25% of insurers are now investing in **big data** and **analytics**.

**Big data** and **analytics** jobs are forecast to increase **92%**.

New **roles** include:
- Chief Analytics Officer
- Marketing Analytics Team
- Analytics Scientist
- Data Engineer/Data Scientist

Source: Gartner; RCR Wireless News; Strategy Meets Action
What dynamics are having the biggest impact on your organization?
Industry Solutions
ESTABLISH A FLEXIBLE WORKPLACE

Promote work/life balance:

✓ Live where you choose
✓ Work from home
✓ Flex time
✓ Flex PTO
PROVIDE CAREER PATHING

Provide “assignment-based” career trajectories.

Implement personalized development plans.

Offer 12- to 24-month rotational programs.
PROMOTE EMPLOYEE EXPERIENCE

21% of companies believe employee experience plays a vital role in attracting and retaining talent.

- Disrupt leadership.
- Promote diversity and inclusion.
- Define employee experience strategies.
- Undergo a digital transformation.

Source: Deloitte
BUILD YOUR BRAND

A strong talent brand enhances an organization’s reputation and results in faster hires and better recruitment results.

Create a talent brand that engages and provides a collective sense of purpose.

Incorporate video engagement to highlight employee stories.

Utilize first-hand testimonials and brand ambassadors.
PROMOTE CORPORATE CITIZENSHIP

Engage in community service and volunteer opportunities.

61% of Millennials consider community commitment when making a job decision.

64% of young professionals want to make a difference.

Source: Deloitte
EMBRACE TECHNOLOGY

Promote **innovation** to keep up with tech changes.

Participate in technology and analytics events.

Engage with analytic think tanks.
PROVIDE DEVELOPMENT OPPORTUNITIES

Provide personalized development programs, diverse opportunities and numerous career path possibilities.

55% of young professionals are unsatisfied with their organization’s development opportunities.

71% of Fortune 500 companies offer mentoring.

Source: Huffington Post
More than **60 percent** of young professionals desire a job analyzing risk and recommending solutions—a key part of many insurance roles.

Educate young professionals on how their **experiences** and **degrees** **correlate** to a job in insurance.

Build awareness of insurance **employment opportunities**.

Source: The Institutes
Insurers cannot challenge industry stereotypes and educate the next generation on their own.

The Insurance Careers Movement is an industry collaboration dedicated to attracting a more diverse talent pool to the insurance industry.

Insurance offers some of the most gratifying careers. Share the story of insurance as stable, rewarding and limitless. #careertrifecta
What innovative solutions is your organization using to recruit and engage talent?
Questions?

Thank You!

Margaret Resce Milkint
Managing Partner
The Jacobson Group
+1 (312) 884-0410
mmilkint@jacobsononline.com
Jacobsononline.com