

# 2020 Insurance Talent Trends

What insurance industry trends should you prepare for in the coming year?



Insurance Talent

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## 2020 INSURANCE TALENT TRENDS

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## EMPLOYERS ADAPT TO A CANDIDATE-DRIVEN RECRUITING CLIMATE

By David E. Coons, *Senior Vice President*

Total U.S. unemployment dipped to a 50-year low in 2019 and insurance unemployment was nearly non-existent. As we enter a new year, it's vital insurers continue to evolve their hiring strategies to attract top talent in a tremendously competitive market.

Recruiters must actively reach out to candidates, rather than passively waiting for them to reply to job postings. There's also a newfound responsibility for all involved in the interview process to cultivate a candidate's interest and convey why the company and the position are truly the right fit. In fact, with more open jobs than candidates to fill them, it's often the hiring organizations that are being interviewed. Professionals are able to be more selective about companies, roles and responsibilities than ever before. It's common for top talent to receive multiple offers and have the luxury of weighing their options.

At the same time, today's professionals are looking for more than money and savvy employers are responding by providing comprehensive compensation packages. Insurers must be prepared to uncover candidates' motivators and understand what areas to potentially capitalize on when making an offer. Workplace location, flexibility, cultural fit, growth opportunities and upward mobility, among other factors, can all affect a candidate's decision. At the same time, counter offers will remain prevalent and hiring managers must be prepared to make their first offer a strong one.

**2019** saw an average of **258,000 open jobs** in finance and insurance.

Source: Bureau of Labor Statistics



## PROACTIVE D&I EFFORTS STRENGTHEN ORGANIZATIONS

The inflection point on the insurance industry's diversity and inclusion journey is here. Action-oriented initiatives enacted to achieve business mandates are beginning to noticeably move the needle. The talk track has shifted to an action track that is both in the spotlight and measurable. The insurance industry has committed to a more inclusive workforce, focused on issues such as gender balance, equity and justice, and belonging, with more work and progress to come.

Intentionality is crucial to affect change. Forward-thinking organizations are focusing on recognizing and combatting potential unconscious bias within their recruiting activities. Through education and training, individuals can learn to identify when bias impacts their thinking and decision-making efforts. Blind resume screenings are also becoming more common and job postings are evolving to feature streamlined lists of requirements and gender-neutral language to help level the playing field and encourage a multi-dimensional candidate pool. Organizations are beginning to hold themselves vigorously accountable and measuring their progress to further advance and shed light on gaps and weaknesses.

Most importantly, practical and honest communication must continue – specifically, gender-neutral communication focused on building balance. Remove women-specific language from the conversation. Focus on adapting culture to keep the shift moving in the right direction. Balanced and inclusive workforces strengthen teams and must be a business priority in 2020.



Approximately **78%** of insurance companies lack internal targets for **gender diversity**.

Source: Women in Insurance Initiative 2019 Data Study, Million Women Mentors, STEMconnector

## ORGANIZATIONS EVOLVE CORPORATE CULTURE TO MEET BUSINESS AND EMPLOYEE NEEDS

By Gregory P. Jacobson, *Co-Chief Executive Officer*

Culture is a popular topic among today's companies, and its health plays a vital role in recruitment and retention efforts, as well as goal achievement. Corporate culture is much more than offering open office environments, games and free snacks. Organizations are recognizing they must blend the needs of both their employees and their businesses to create corporate cultures that yield successful outcomes.

Corporate culture is continuously evolving and encompasses work environments, employee attitudes, manager expectations, and much more. Often companies may have policies and procedures in place that have not advanced with the current employment or business landscape. For example, organizations may not allow individuals to work from home, work flexible schedules or live outside of a set geographic location because of its perceived impact on corporate culture and collaboration. Yet, the underlying reasoning behind these policies may be related to what is familiar and comfortable for a few people. For instance, if the rule was implemented to ensure face-time and team building, this can still be achieved remotely through tools such as video conferencing and online chats.

An organization thrives when its employees are motivated and have the tools to meet the company's mission and business goals. At the same time, employees desire professional success, while also being able to work for a company that fits into their lifestyles. To achieve a corporate culture that is relevant and embraced by employees, organizations must reevaluate and evolve, based on their business goals and talent needs.



## MANAGEMENT TECHNIQUES EVOLVE TO ACCOMMODATE A BLENDED WORKFORCE

By Abbe Sodikoff, *Senior Vice President*

Flexible and gig work arrangements are becoming more common in the volatile business landscape. Many organizations are leveraging alternative work arrangements on an as-needed basis, hiring subject matter experts to lead specific projects and looking to contracted employees for one-off needs. The continuous challenge is seamlessly overseeing this blended workforce of full-time, part-time and contract workers in a way that promotes productivity and accuracy, without negatively impacting employee morale.

To be most effective, leaders need to adjust their management strategies for individuals of varying employment arrangements. No matter the length of employment, tailor onboarding plans and set clear expectations. Short-term goals and objectives may need to be more specific and roll into larger long-term plans. Managers must also be sensitive to the unique needs of temporary workers and respect their hours and responsibilities outside of a particular assignment. At the same time, contract workers typically thrive when they feel they are a valued part of the team. Immerse them in corporate culture, introduce them to their colleagues and invite them to company meetings and social events to provide a sense of belonging and purpose.



**40%** of U.S. workers are in an **alternative work arrangement.**

Source: Deloitte



## EMPLOYERS ADDRESS THE STIGMA AROUND MENTAL HEALTH

By JoJo Harris, *Senior Vice President of Human Resources*

Today's employers are navigating several emerging human resources challenges, including mental health issues in the workplace. One in five adults experienced mental illness in 2018; yet, the majority of employees are concerned that disclosing a mental health issue could negatively affect their job security. Employers have a responsibility to help those that struggle with mental health issues navigate the workplace, while neutralizing the stigma associated with mental illness.

Mental health impacts a number of areas in the workplace, including communication with coworkers, concentration, productivity and even the ability to come into work. Some organizations are offering mental health self-assessments, free or subsidized mental health screenings, and relaxation areas, among other wellness tools. Employers must train supervisors, managers and leaders on how to manage mental health issues in the workplace. While it's important to be supportive, organizations are challenged with finding a balance between accommodating an employee's needs and holding the employee accountable to performance expectations while respecting and maintaining the employee's privacy.



**62%** of Millennials are comfortable talking about their mental health issues, compared to just **32%** of Baby Boomers.

Source: SHRM

## QUALIFIED TALENT POOLS ARE EXPANDED BY RECRUITING FOR SKILLS, NOT EXPERIENCE

By Judy Busby, *Senior Vice President of Executive Search and Corporate Strategy*

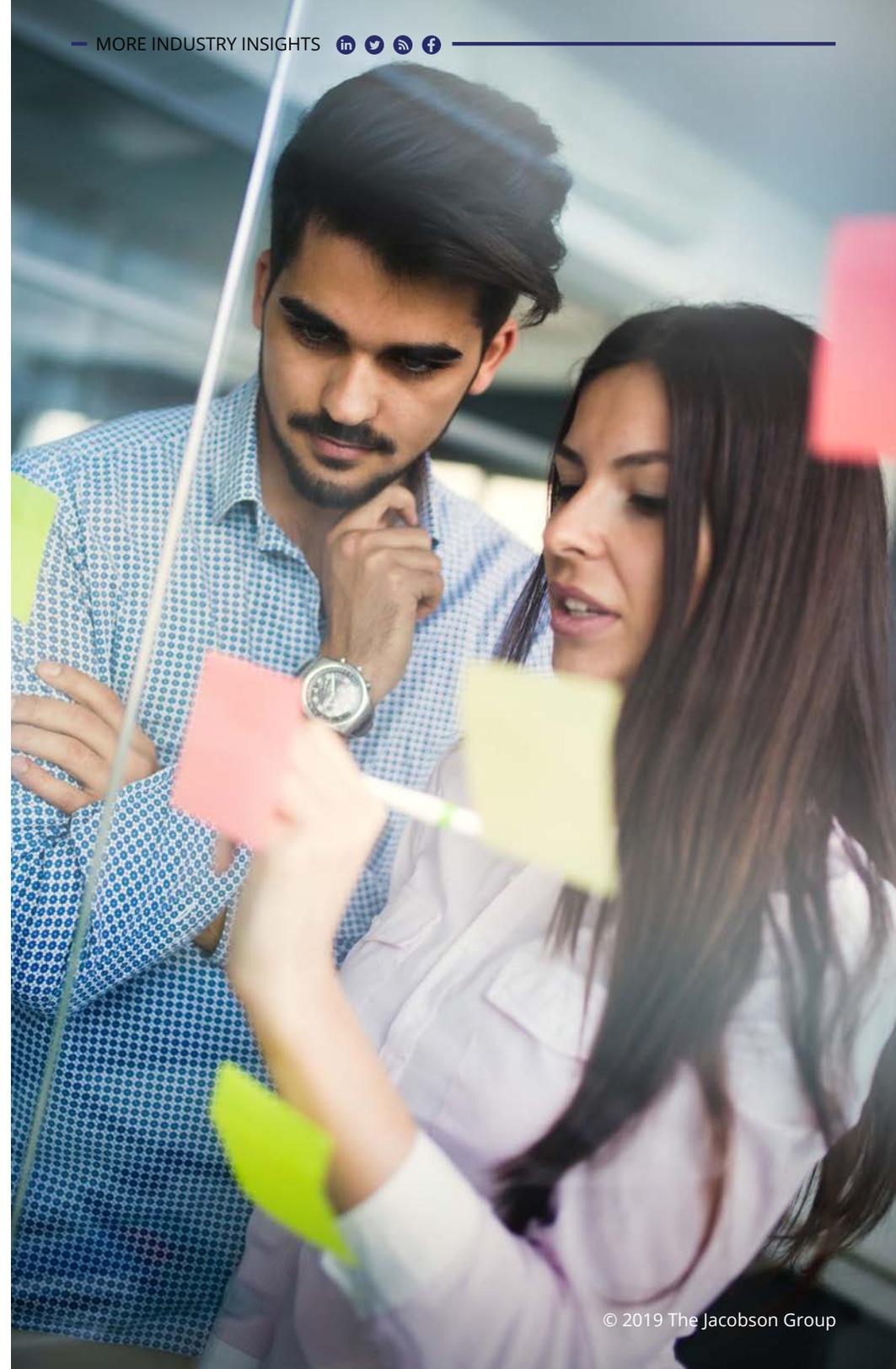
As the labor market tightens, insurers are expanding their candidate pools and looking outside their specific specialties to recruit highly qualified talent with the transferable skills necessary for success. Relevant soft or “human” skills are becoming increasingly important as technology and automation transform the industry. These attributes include accountability, negotiation, communication, problem-solving, coaching, leadership, emotional intelligence and many more; none of which are easily replicated by machines.

To be most effective, employers should translate standard lists of qualifications and experiences to skills and personality traits within position descriptions. Encourage recruiters to understand the attributes necessary for an individual to thrive in a role and then explore other positions and career paths that leverage those traits. It’s likely the right individuals will be able to make up for what they lack in experience through on the job training, supplemental courses and professional development. By reevaluating roles and determining skills that are critical for success, insurers will expand their reach to include well-aligned candidates they may have otherwise overlooked.



**92%** of executives believe soft skills are crucial in improving **leadership, retention rates** and **corporate culture**.

Source: Deloitte





## INSURERS FOCUS ON REMOTE STAFF MANAGEMENT AND ENGAGEMENT

By The Jacobson Group

As talent pools shrink and professionals become less willing to relocate, remote work arrangements enable insurers to access more expansive pools of skilled candidates. Work-at-home programs have become increasingly prevalent and insurers are navigating how to best manage and engage these remote individuals.

Organizations that are considering remote work arrangements commonly have concerns around reduced productivity and a lack of engagement. However, by recognizing best practices for maintaining a strong remote workforce, insurers can build effective programs that enable them to engage and retain workers regardless of their physical locations. This includes developing well-defined work-at-home policies, ensuring home offices meet technological requirements, setting clear expectations around deliverables and communication, and building engagement strategies.

Modern technology can help employees stay connected and feel a sense of camaraderie with their teammates, whether or not they're in the office. Leverage video conferencing programs and online employee communication platforms. In addition to virtual meetings, arrange periodic in-person events where colleagues can get to know each other face-to-face. This could be a holiday party or set in-office work days to help employees grow their professional relationships.

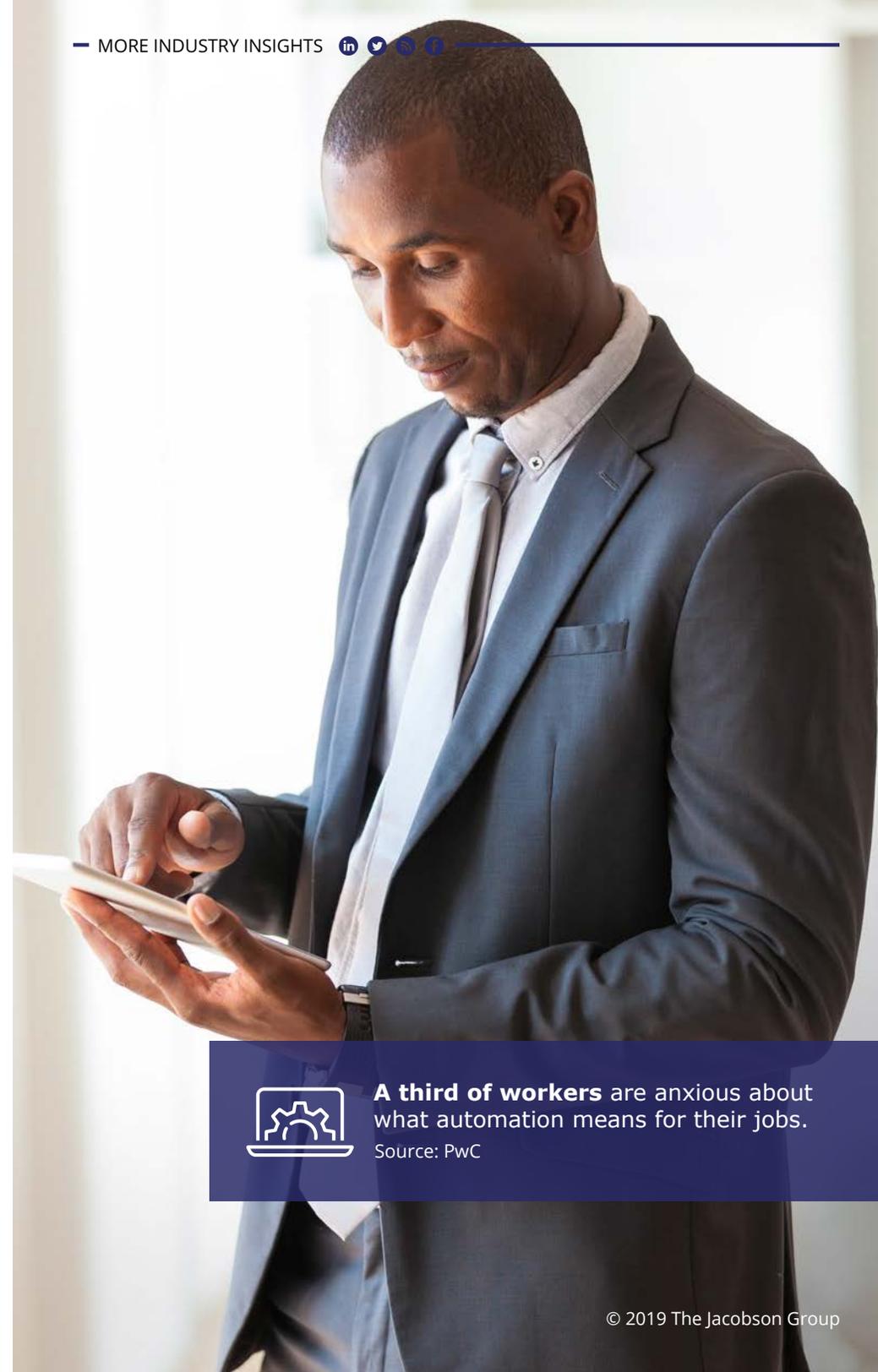
## AUTOMATION REQUIRES A HUMAN TOUCH TO BE MOST EFFECTIVE

By The Jacobson Group

Automation and artificial intelligence offer vast possibilities for insurers, including reduced processing times, increased efficiency and higher service levels. Technological advancements are removing inconsistencies and human error, while enabling more personalized and relevant customer experiences. Yet, in order for these modernization initiatives to be most effective, organizations must understand how to best leverage the unique attributes of both humans and machines.

While technology has unlimited potential, there is a very real impact on employees that needs to be recognized and addressed. Many professionals wonder how their roles and responsibilities will be affected by modernization efforts and whether they're part of an organization's future plans. To ease employees' fears and maintain engagement throughout modernization projects, leaders must commit to ongoing communication and be empathetic to their concerns.

This includes sharing the benefits of modernization with employees, including how automation will enable them to spend more time acting on the insights and data provided by technology. Human skills such as a strategic mindset, problem-solving and storytelling will become more valuable and set top performers apart. By being empathetic and transparent, leaders can prepare their teams for change and embrace technological transformations.



**A third of workers** are anxious about what automation means for their jobs.

Source: PwC



## TRAINING AND DEVELOPMENT BECOMES A TOP PRIORITY

By Catherine Prete, *Senior Vice President of Operations*

As automation and artificial intelligence infiltrate the industry, roles and responsibilities are shifting among employees. Organizations must create plans for keeping staff trained on new processes and technology, while reskilling individuals for changing business needs. Training and development opportunities are expected and now play a vital role in employee retention and satisfaction. In fact, more than a quarter of Millennials who plan to leave their organizations within the next two years say it's due to lack of these opportunities.

Outside of training individuals for specific day-to-day responsibilities, organizations should create robust employee development plans and align those plans to larger business goals. Strategic employee development enables employers to achieve goals and build skillsets that add organizational value and move the business forward. Additionally, training and development impacts employee engagement and retention; today's professionals are seeking ongoing professional development opportunities and look to their employers for assistance and guidance. By keeping career development at the forefront of conversations, managers can encourage employees to advance their skills, while helping them feel motivated, valued and equipped for the future of work.



In a three-year period, employees who move laterally have a **62%** chance of remaining loyal to the company.

Source: LinkedIn

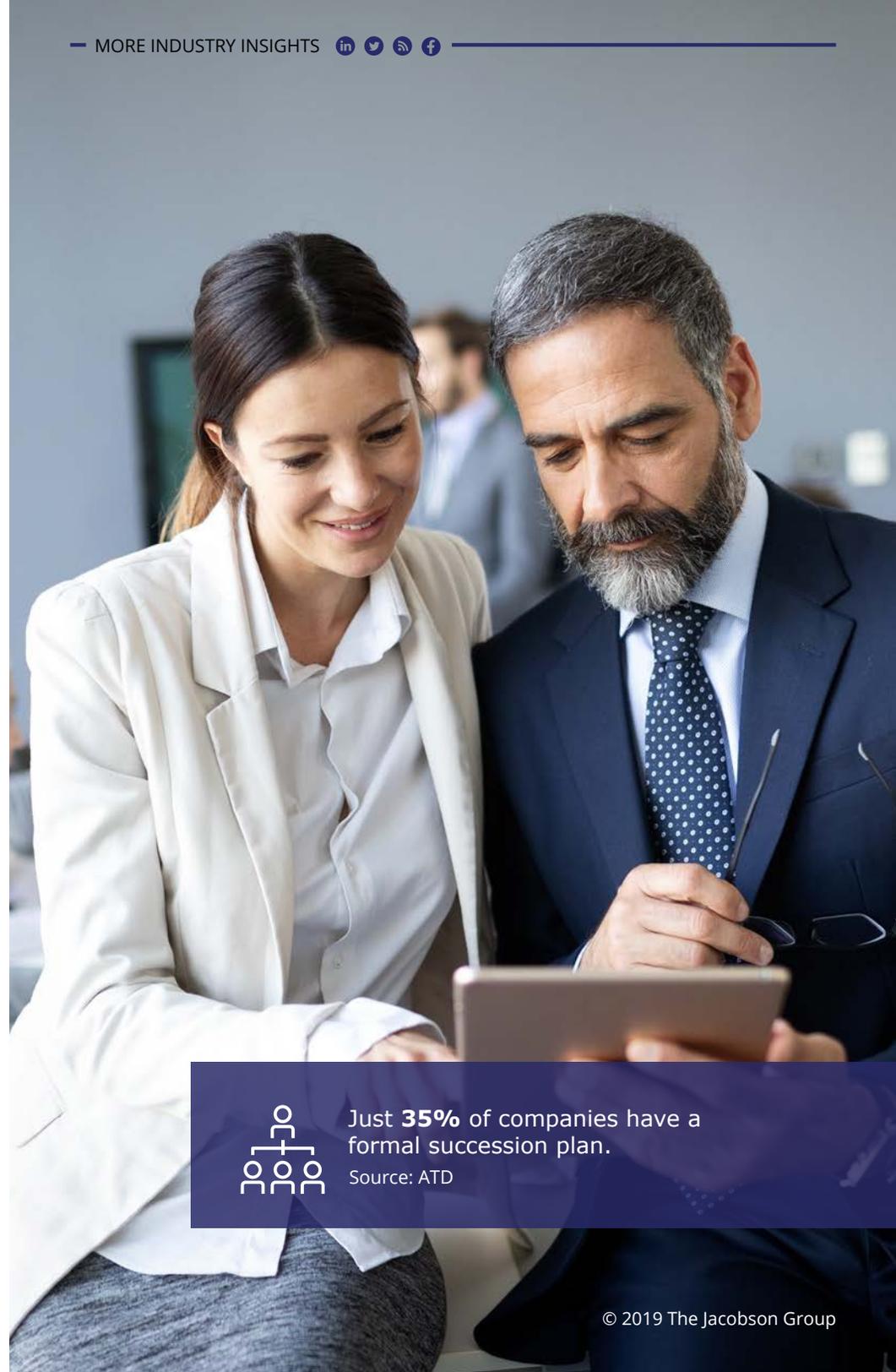
## ORGANIZATIONS REALIZE THE IMPACT OF STRONG SUCCESSION PLANNING

By Richard L. Jacobson, *Co-Chief Executive Officer*

Executive turnover has accelerated throughout the past few years and the insurance industry is experiencing a growing talent gap at the leadership level. Insurers must proactively create and implement comprehensive succession plans to ensure seamless transitions and continued organizational success.

In addition to planning for executive turnover, organizations should consider individuals at other levels within the organization. The candidate's market makes it increasingly important that companies focus on retaining and growing top talent. Prepare high potential individuals to move into leadership positions, even outside of the C-suite, through individualized development plans and mentorships. By being intentional about succession planning, organizations can create a bench of qualified talent, ready to fill future needs at the mid and senior levels.

Often succession planning gets deprioritized, as organizations have a false sense of human capital stability, or choose to focus on more immediate needs. However, prepared organizations are continually identifying high performers and reevaluating their succession plans to ensure the company's future strength. Succession planning should be engrained into organizational and departmental culture to create teams that are prepared to thrive in an evolving market.



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of

Just **35%** of companies have a formal succession plan.

Source: ATD



## ABOUT US

The Jacobson Group is the leading provider of talent to the insurance industry. For nearly 50 years, Jacobson has been connecting organizations with insurance professionals at all levels across all industry verticals. We provide an array of services including executive search, professional recruiting, temporary staffing and subject matter experts. Regardless of the need or situation, Jacobson is the insurance talent solution.

### EXECUTIVE SEARCH



Jacobson provides executive search and selection consulting for insurance leadership positions in all disciplines. We offer a highly-methodical, performance-driven approach and a network of marketplace relationships necessary for a successful executive search.

### PROFESSIONAL RECRUITING



Jacobson provides professional recruiting services for a wide range of insurance positions on a direct-hire basis. Our solution is designed to source, recruit, screen and present insurance candidates, who closely align with client requirements.

### TEMPORARY STAFFING



Jacobson offers temporary support for virtually any staffing need across all functional areas and for all levels. Additionally, we provide access to insurance-specific subject matter experts with the expertise to address consulting-level, business-critical needs.

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