

Insurance Talent

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BREAKING BARRIERS: THE TIME IS NOW FOR WOMEN IN INSURANCE

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Inga Beale, the first ever female CEO of Lloyd's of London, officially takes the reigns January 2014. This historic event and breakthrough has legitimized the change agenda in female leadership in the insurance industry. This is the moment and the opportunity to surge forward. Beyond the rhetoric and the popularity of advancing the female presence and impact, we as an industry are at a critical cross-roads. We have the opportunity to make this real, lasting and substantive or face a hollow victory.

For decades, the insurance industry has operated as a male-dominated entity with limited entry for female leaders. The reality that gender is still diverse in insurance is a "black eye" for the evolution and the impact of the industry as a whole. As we work to amp up the brand of insurance to an emerging generation of female and male Gen Y leaders, the days of an "old boy's club" must cease to exist. Strides are being made but the majority of boards and executive management positions are still being filled by men. The U.S. Bureau of Labor Statistics reports that women are currently earning only 77 cents on every dollar earned by their male counterparts—a number that decreases to just 62 cents when looking at the insurance industry. Only six percent of top insurance industry executive positions in the United States and only seven percent in the UK are held by women according to a study by St. Joseph's University. Globally, women make up only twelve percent of insurance industry board seats.

As more and more statistics make their way to the public forum, the continued gender disparity is receiving increased focus. A poll from the inaugural Women in Insurance Global Conference, hosted by the International Insurance Charitable Foundation in June 2013, reported that 65 percent of attendees believed gender equality remains a workplace issue and 82 percent stated that gender inequality still exists within the insurance industry.

Industry-wide, mindsets are beginning to change and proactive male executive sponsors are lending their active support and resources to the issue. Companies and their boards recognize the benefits of equality in the workplace and are mandating action now. Globally, industry leaders are setting a precedence with the introduction of high profile diversity programs, employment targets and even quotas in some countries. Norway, France and Spain have all mandated that 40 percent of executive management board members must be women. The UK has followed suit, with companies in the FTSE 100 targeting a minimum of 25 percent female board representation by the year 2015.

Globally, networking and industry support groups have become more action oriented, advocating for increased female leadership and appointments. Established groups, including the Women's Insurance Networking Group (WING) and the Insurance Supper Club (ISC), are coordinating with forward-thinking organizations in order to discuss industry issues, collaborate on ongoing projects and build upon the current successes being made throughout the industry. Even industry media, including Insurance Networking News, are focusing on women in insurance leadership, dedicating an entire section of their site to the topic.

Our critical next step is to enlarge and enrich the conversation and broaden it to encompass business impacts, leadership issues and succession planning for the insurance sector to ensure the future leadership and impact of this aging industry.

"The insurance industry has a lot of ground to make up in initiating and developing effective and meaningful mentoring, leadership and support groups for women in the workplace, particularly when compared with other industries of similar size and importance, but it is encouraging now to see so many insurers and brokers accept this challenge and tackle these

Key Statistics

Only **12%** of industry board seats are held by women.

Women make up only **6%** of the top insurance executive positions.

Women in the U.S. insurance industry earn just **62¢** per dollar earned by men.

issues head-on,” stated David Mendelsohn, managing partner at DLA Piper and co-founder of WING.

The industry is ready for change. Now is the time for women and enlightened males to step forward and take action. If we do not come together and use the monumental Lloyd’s announcement as a stepping stone to move forward, we will have lost an irreplaceable opportunity. But where do we go from here? And how?

Perhaps the most glaring disparity in the insurance industry is the lack of women in leadership positions. Whether it is senior and C-level posts within the company, middle management positions or a seat on industry boards, women are unable to break through the hurdles thrown in their way. Not only is this oversight a detriment to women themselves, but it represents a lost opportunity for organizations as well. Women who are constantly coming up against workplace culture barriers and unconscious bias are making the decision to leave their employers or change industries in search of better opportunities, further perpetuating the talent drain within the insurance workforce. According to Angela Peacock, chair of The People Development Team, “The effect of unconscious bias is a constant drip, drip effect. Small intangible things that wear away at self-confidence and self-belief.”

Research has proven that companies that place value on workforce diversity at senior and executive levels as well as within their boards, outperform their competitors. “Ultimately there needs to be an organizational commitment and philosophy surrounding the development and promotion of women in the workforce,” said Kevin Smith, senior vice president and regional branch manager for the Chubb Group of Insurance Companies. “This commitment needs to contain sound business practices including the development of thoughtful career plans, ample exposure to senior leaders within the organization and the existence of meaningful opportunities.”

Female and male insurance professionals need to dedicate themselves to fostering the upcoming generation of women and modern, forward thinking males through mentoring and executive sponsorship. In particular, women need to join the ranks of the enlightened by stepping up their mentoring, executive sponsorship and advancement of other women. Eradicating the “Queen Bee” forever will ensure that the

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Additional Resources

Women's Insurance Networking Group (WING)

www.jacobsononline.com/uploadFiles/WING.pdf

Insurance Supper Club (ISC)

www.theinsurancesupperclub.com

IICF Conference

womensconference.iicf.org

Insurance Networking News' Women in Insurance Leadership

www.insurancenetworking.com/women-in-insurance-leadership

next generation is nurtured and propelled to the next level of leadership. We have spent time cultivating the role and the impact of males in this agenda; but now we must look at ourselves as “enlightened females,” ready to use our voice, impact and lessons learned to jump start the careers and the trajectory of the next iteration of industry leaders—in a gender agnostic manner.

By mentoring future leaders, we are helping them navigate through the pitfalls and difficulties of climbing the corporate ladder. Women who have broken through the gender barriers must use this chance to look back at how they achieved their success, understand the steps they took and determine how they can make it easier for others to follow in their footsteps with an accelerated edge. We must not allow bright, motivated, young women, or for that matter men, to miss out on the opportunity for stretch assignments, promotions and pay raises that often accompany successful sponsorships.

Women in the workplace need to embrace self-promotion and highlight their successes. Very often, women, by nature, choose to share the praise with their teammates rather than rightfully acknowledge their personal contribution to success. This needs to change! Women who highlight their personal achievements advance further and have greater earning growth than those who fail to point out their accomplishments. Apprising managers of job performance, seeking credit for success and asking for deserved promotions are all well-accepted practices in the workplace. Don't be afraid to ask for skill building experiences and training opportunities. Assertiveness is key to finding success.

Women have made great strides in the insurance industry, but if we do not join together and move this agenda forward, we will have lost our opportunity for sweeping change. Companies and organizations within the insurance market must determine what they truly value and build respect for everyone within their company. Insurance organizations must work towards providing role models and meaningful education and training in order to eliminate gender-based barriers and foster diversity and inclusion.

This is the time. This is the moment. ▲

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