

A photograph of a modern office hallway with large windows and a metal railing. In the foreground, a man in a white shirt and blue tie is walking away from the camera, carrying a briefcase. In the background, a woman in a light-colored blazer and a man in a blue suit are walking towards the camera. The scene is brightly lit, suggesting a professional and active work environment.

How to Close the Executive Skills Gap

Insurance Talent

JACOBSON

Overview

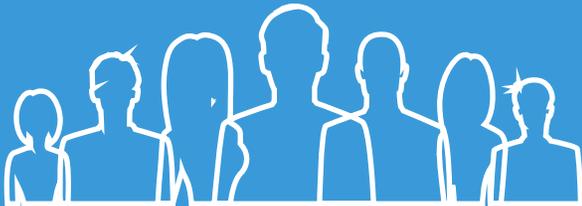
There is a monumental shift affecting the U.S. labor force. Today's generation of professionals is aging, resulting in an impending deficit of qualified, skilled individuals in key leadership and executive positions.

The insurance industry, in particular, will be impacted by this pending mass exodus as the current number of employees aged 55 and older is nearly 30 percent higher than the rest of the economy. In fact, by 2018, nearly 25 percent of the industry's current workforce will be nearing retirement. Faced with this loss of knowledge and skills from senior management levels, insurers are left trying to fill a noticeable gap in the industry's c-suite and management level. The call to action is real and immediate. Insurance organizations must work now to successfully fill the impending executive void.



What is the biggest threat to businesses?

According to a survey conducted by the Economist Intelligence Unit, human capital risk is the most significant threat to businesses.



Rethink Enterprise Risk Management

A strategic business discipline focused on minimizing the impact of risk on an organization's bottom line, enterprise risk management (ERM) is often overlooked in terms of human capital and talent risk. However, with the insurance industry facing an impending loss of skills and experience from its senior management and C-level positions, the loss of human capital is a serious and timely risk that must be addressed.

Today's organizations must shift their ERM focus toward human capital issues lest they come face-to-face with a loss of skills and knowledge as their tenured professionals retire. Organizations must take a look at the risk associated with any future human capital issues and plot a course of action to ensure a smooth transition as senior staff and management personnel leave the workforce and the next generation takes the reins.

Only by utilizing their current ERM system as a talent resource can insurers prepare for the looming executive skills gap.

Reengaging Generation X

Long overlooked in the industry's "war for talent," Generation X is poised to help stem the potential loss of valuable knowledge and skills. These qualified, mid-level professionals are ready to transition into the management and executive roles that the current Baby Boomer generation will be leaving vacant.

Unfortunately, in the industry's ongoing war for talent, Gen X has often become the forgotten generation—becoming overlooked as the industry focused on engaging and attracting Millennials.

Organizations must ramp up their current engagement efforts in order to retain their talented mid-level Gen X professionals. With Gen X employees identifying professional development as their most-desired job perk, education and advancement opportunities will be vital in developing and engaging tomorrow's leaders.

About Gen X



Generation X is currently aged 34 to 49.

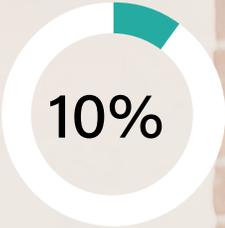


Currently, Gen X accounts for 33 percent of the U.S. labor force, totaling 50 million employees.

Rethink Your Company Culture

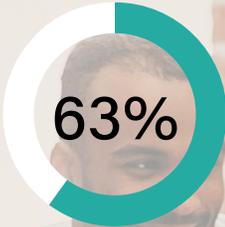
Employee engagement is a vital component of not only building a successful organization, but also in preparing for future talent shifts. The key to creating an engaged workforce lies within an organization's culture. In order to retain their current employees, companies need to rethink and update their current perks and benefit to ensure they are in line with what today's professionals are seeking. From a quick climb up the corporate ladder and career development opportunities to flexible work environments, organizations should be aligning themselves with today's desirable benefits.

By focusing on motivating and cultivating current employees, insurance organizations are turning their current staff into tomorrow's leaders.



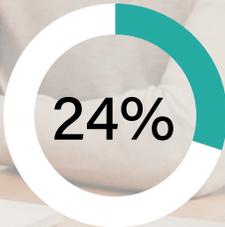
10%

Only one out of 10 workers in the U.S. enjoys his/her job.



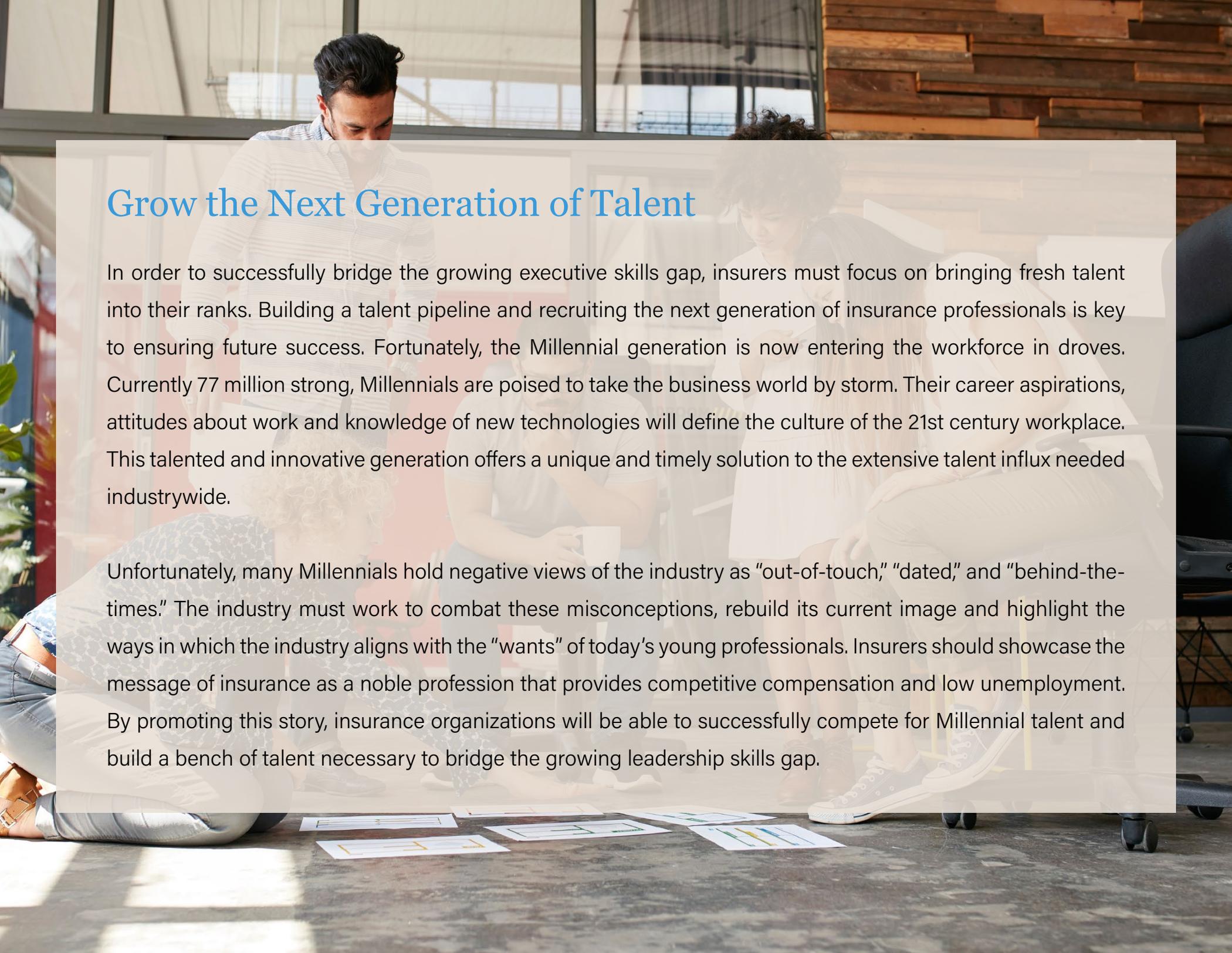
63%

63 percent of employees are unhappy with their jobs.



24%

24 percent of workers actively hate their jobs.



Grow the Next Generation of Talent

In order to successfully bridge the growing executive skills gap, insurers must focus on bringing fresh talent into their ranks. Building a talent pipeline and recruiting the next generation of insurance professionals is key to ensuring future success. Fortunately, the Millennial generation is now entering the workforce in droves. Currently 77 million strong, Millennials are poised to take the business world by storm. Their career aspirations, attitudes about work and knowledge of new technologies will define the culture of the 21st century workplace. This talented and innovative generation offers a unique and timely solution to the extensive talent influx needed industrywide.

Unfortunately, many Millennials hold negative views of the industry as “out-of-touch,” “dated,” and “behind-the-times.” The industry must work to combat these misconceptions, rebuild its current image and highlight the ways in which the industry aligns with the “wants” of today’s young professionals. Insurers should showcase the message of insurance as a noble profession that provides competitive compensation and low unemployment. By promoting this story, insurance organizations will be able to successfully compete for Millennial talent and build a bench of talent necessary to bridge the growing leadership skills gap.

Grow the Next Generation of Talent



Millennials account for **25 percent** of the U.S. workforce and are expected to form **50 percent** of the global workforce by 2020.

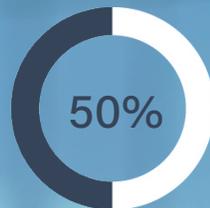
Millennials—those born between 1980 and 2000—are officially the **largest generation** in today's labor force.

Annually, one million Millennials are entering the U.S. workforce. By 2020, the number of Millennials in the workforce is **expected to grow by 30 percent to 72 million total**.



91 percent of Millennial professionals aspire to be a leader.

50 percent of Millennials are already established in leadership positions.



Source: PwC; U.S. Bureau of Labor Statistics; Deloitte

Move Beyond the Traditional Corporate Ladder

The days of the traditional corporate ladder are numbered. Today's professionals are not sure that the standard corporate ladder will provide them with the career balance they desire. Instead, they are more interested in carving out their own unique career paths. They are no longer satisfied with patiently waiting to move up the corporate pyramid. Rather, they are embracing a new model—the career lattice. Within this newly introduced lattice system, ideas and development flow along horizontal, vertical and diagonal paths as needed, creating more collaborative and customizable ways to structure work and build careers. This method also allows for more targeted, personalized development that better fits the needs of individual employees.

In today's business landscape where the traditional, hierarchical career path is a thing of the past, rethinking and updating an organization's development program is key to successfully engaging and building the leaders of tomorrow.

41%

of organizations do not have a leadership development program for their young professionals.

55%

of professionals are unsatisfied with the leadership development opportunities offered by their company.



Source: Workplace Trends

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For more than 45 years, The Jacobson Group has been connecting organizations with insurance professionals from the board room to the back room on a permanent and temporary basis. Regardless of the need or situation, Jacobson is the insurance talent solution.

Want to learn more?

Contact us at info@jacobsononline.com for more information or call us today at +1 (800) 466-1578.

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