

Waging a war for industry talent



By Betsey L. Brewer

As an insurance industry professional, you know that we have a big job to do when it comes to recruiting talented individuals to this business. A career in insurance may not be an obvious choice for college students who may know little or nothing about insurance. What they do know may be tainted by negative press. They may think the only jobs are underwriter, agent or claims examiner. They do not think this is the glamorous picture they had in mind for their future. But, let's face it, the insurance industry is exciting. We do valuable work and serve a great function in today's economy. And most of us do well financially.

If you are thinking of retiring in the coming years, do you know who will replace you? We all need solid succession plans, and I believe that education and recruitment play big roles.

According to a 2004 study by Deloitte Development LLC, titled, "Do You Know Where Your Talent Is? Why Acquisition and Retention Strategies Don't Work," the looming talent crisis is about to become worse because of two emerging trends: the retirement of the Baby Boomers, who begin turning 62 in 2008, and a growing skills gap.

And, the study shows that the demand for insurance talent is growing. In 2004, the insurance industry had 101,000 property/casualty underwriters. By 2014, the demand for property/casualty insurance underwriters is expected to be at 109,000. "Combining this growth trend with an estimated turnover rate of 15 percent over 10 years means 23,000 new hires will be needed to fill this demand," according to the Deloitte research. And that is just for underwriters. Both carriers and agents/brokers will be looking for new talent.

As president of the Chartered Property Casualty Underwriters Society, I feel a great responsibility and a passion for recruiting and developing talented individuals to serve our industry and its customers. The CPCU Society and the American Institute for CPCU, through their many educational programs are striving more each year to align with colleges and universities to help foster a greater interest for younger people to pursue an insurance-related career. We first introduce prospective candidates to the industry and then explain why professional designations can help them achieve greater success.

This is an important initiative because education is essential, especially for those just getting their feet wet in this industry. There is a lot to learn, and having a professional designation is critical for the younger generation. In fact, a recent CPCU Society Task Force reported that people under age 35 are seeking not only graduate degrees, but professional designations as well, to bolster their competitive edge and their industry knowledge. So, as employers, we need to offer those opportunities.

On a recent visit with a carrier, the manager "moaned" to me

that he was paying for MBAs and then employees would leave. I suggested that he modify his thinking and offer the CPCU program first because many components can be applied toward an MBA. Then he would fill his need to have a more knowledgeable employee, as well as fulfilling his employee's desires.

Perhaps we should also look for quality people in other industries who could bring knowledge to enhance our own. Having more diversity in this industry serves employers and customers better. As our cultures grow and evolve, so too should this industry. We need diversity all around.

The Deloitte research supports this: "The search for top-quality senior management continues to expand beyond the borders of the insurance sector, with executives being recruited from the banking and investment management sectors," the report noted. "Some companies have even gone to other industries in their search for the right candidate."

Ours is an amazing industry, but, as we all have witnessed, it has seen some instability in recent years. Like other industries, this instability will ebb and flow. Mergers will occur. Claims will be paid, as well as disputed. And sometimes, companies will become insolvent.

Yet, I have great confidence in this industry because of the work we do and products we bring to people and commerce.

So we need to attract younger folks and go beyond our industry borders, but we also need to develop the talent we now employ. Every time there is budgetary cutback we cut our training budgets. We can't do that anymore. We need to use both internal and external resources to both educate and train our people.

Being a CPCU and an active member of the Society, has been a key component to my surviving the ups and downs of this industry. I have the credentials and a network that continues to serve my employer. I have acquired knowledge, but still have a great willingness to learn.

Our industry is a valuable part of the economy of the world. Goods don't move without insurance, and repairs aren't made. It's as simple as that. We need to attract people to this industry, and we need to make sure they have the tools to succeed. To do this, we need people who can set examples and be willing to lead others.

I wanted to be one of those people, and we need to show today's young people how they may want to be one of those people, too. ▀

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Betsey L. Brewer is the president of Chartered Property Casualty Underwriters Society, and senior vice president and partner of The Rule Co. www.cpcusociety.org