

RECRUITING THE NEXT GENERATION OF INSURANCE PROFESSIONALS

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The insurance industry is facing an employment crisis of major proportions as the baby boomer generation ages and leaves the workforce, and there is a great need to attract the younger generation. In 2020, according to the United States Department of Labor, the insurance industry employed 2.9 million people. A significant percentage - approximately 400,000 - will retire in the next few years. These retirements also mean a loss of their many years of knowledge and experience. Planning for the perpetuation of your company - whether it is an agency or a company - is essential. Times have changed, and so have the expectations of prospective employees. Recruiting the next generation requires a knowledge of what their goals and values are.

Historically, the insurance industry has struggled to attract and retain qualified employees. Competition for workers comes from all sectors of the economy, and it is getting more intense. In March 2021, there were over 15 million job openings in the United States alone (nbcnews.com). Insurance is not a glamorous marquee type job, and is not commonly considered as a career path. In fact, too often insurance companies are seen as the enemy - despite the fact that society could not function without insurance. This is unfortunate because the insurance



industry is essential, providing critical services and protections to society as a whole. A student with virtually any college major can find a career in insurance. In many cases, children of people who work for and even own insurance companies have never talked to their parents about a career in insurance.

Millennials (born from 1981-1996) currently make up the largest segment of the workforce in the United States, or about 35%. Like Gen Z (born from 1997-2015), millennials have grown up in a different world than their parents. Having never known life without the internet, they are used to on demand accessibility of information. Millennials' knowledge of technology is usually more advanced than that of the retirees they are replacing. They are more likely to change jobs for advancement or prefer to work independently (businessinsider.com). Surveys show

that, unlike their parents, this generation prefers urban to suburban living.

There are ways to make a job in insurance more attractive to younger generations. Job shadowing and internship programs are two ways employers can reach out to prospective employees. Maintain an up to date and engaging social media presence. Potential employees will research companies even before they fill out a job application. Millennials are health conscious and attracted to companies that offer programs such as fitness centers, gym memberships and nutrition counseling.

Another option for companies looking to hire millennials and Gen Z employees is to develop a partnership with colleges and universities that offer risk management and insurance programs. Some also offer a chapter of Gamma Iota Sigma (GIS), a fraternity of students in fields of risk



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management, healthcare risk management and actuarial sciences. GIS helps students develop skills and offers networking to promote their success in the business world. In recent years, the Chartered Property Casualty Underwriters (CPCU) Society switched from offering scholarships to internships. The International Association of Insurance Professionals (IAIP) offers a job shadow program in addition to scholarships for college students in the risk management and related fields. Some organizations even offer career centers where employers can post openings and candidates post resumes. Partnering with such organizations may help introduce companies and agencies to prospective employees.

The younger generation is accustomed to instant access to information and each other. This

means they may not want to be tied to a brick and mortar office. The pandemic changed the perception of the workplace – people can literally work from anywhere they have internet access. This opens up opportunities for flexibility in both hours worked and location. Corporate culture is another key area that millennials consider during their job search. Know what your brand is and share your story in your social media presence and job interview process.

Those baby boomers who are parents of millennials have a vested interest in helping find out where the best career opportunities lie. Millennials like the idea of a career that could lead to future business ownership. In this respect, insurance is ideal. The younger generation wants to make an impact and know that what they do matters. Without

insurance, businesses could not operate, people could not own homes. Doctors could not afford to practice without insurance, which increases the cost of healthcare for everyone. The industry is a major supporter of many charitable causes as well.

The insurance industry is facing a significant talent crunch. Seasoned experienced employees are retiring in record numbers. Recruiting the next generation of insurance practitioners can be a daunting prospect. Those employers, who take the time to learn what millennials and Gen Z members are looking for in the workplace, and perhaps tailoring their business accordingly, will have an advantage when it comes time to hiring.

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