

Briefing

## Insurance Jobs

U.S. insurance payrolls shed 6,200 positions in February, as total unemployment surged to its highest rate since 1983, according to seasonally adjusted data released March 6 by the U.S. Bureau of Labor Statistics. For the month, the industry's payrolls fell to 2.282 million from 2.288 million in January, as the number of insurance jobs now has contracted in six of the past seven months. The agency's revised figures for January showed the industry had 1,000 fewer positions than the 2.289 million previously reported.

### Jobs by Sector

The U.S. Bureau of Labor Statistics also provided detailed data by industry segment on an unadjusted basis for January 2009.

Sector	# Employees	% Change From a Year Ago
Agents and Brokers	658,500	↓ 1.7
Property/Casualty Insurers	482,400	↓ 1.5
Health Insurers	457,300	↑ 4.5
Life Insurers	354,700	↑ 0.3
Third-Party Administrators	125,500	↓ 3.8
Title Insurers	67,300	↓ 19.4
Claims Adjusters	52,300	↓ 2.6
Reinsurers	29,100	↑ 2.5
Other Segments	53,200	↑ 0.8

### Average Earnings

Average weekly earnings for the industry's nonsupervisory positions rose 5.7% from January 2008 to January 2009, from \$828.07 to \$875.45, with wages rising in all but one of the eight industry categories.

Sector Employees	Average Weekly Earnings	% Change From a Year Ago
Property/Casualty	\$987.62	↑ 4.3
Life Insurers	964.03	↑ 9.7
Health Insurers	943.24	↑ 9.0
Claims Adjusters	868.25	↑ 1.8
Title Insurers	800.36	↑ 5.1
Third-Party Administrators	745.38	↓ 3.2
Reinsurers	796.32	↑ 6.1
Agents and Brokers	728.18	↑ 1.8

Source: U.S. Bureau of Labor Statistics



## Career Wise

By Gregory P. Jacobson

**Question:** How is the turbulent economy affecting the insurance labor market?

All industries are feeling the crunch of the difficult economy. However, the insurance industry's employment outlook remains relatively competitive. According to the U.S. Bureau of Labor Statistics' February report, the unemployment rate for insurance carriers and related activities is 3.9% compared to the general unemployment rate of 8.1%. Despite several high-profile situations in the business world, the actual impact on insurance employment has been minimal. In fact, in some market segments—such as property/casualty specialty lines—there is still significant competition for talented executives.

Yet, in this economy, professionals are less willing to leave the comfort of an adequate job for something new. "Last one in, first one out" is a common apprehension. Unknown corporate stability discourages passive job seekers, who would rather stay with their current employers than risk being laid off at a new company.

External circumstances also are affecting employees' willingness to accept new roles. The state of the housing market has largely impacted potential employees' abilities and desires to relocate. Many are not willing to accept current market value for their homes or risk the financial impact of not being able to sell their homes.

Additionally, there is often a disconnect between employer expectations and the realities of the industry's job market. Due to publicized mass layoffs, many hiring managers expect the candidate pool to be overflowing with quality candidates. These inflated expectations, along with a heightened view that any new hire is a critical financial decision, raise the standards of recruiting.

Insurance companies should focus on retaining quality employees. As openings arise, hiring managers should maintain realistic expectations and empathize with candidate concerns. When the economy turns, the organizations that will come out ahead are those that stayed true to their long-term human capital plans.

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