

COMPASS

AN OVERVIEW OF THE INSURANCE INDUSTRY | Volume 12. Issue 2. April 2019

U.S. APRIL PULSE

The unemployment rate for insurance carriers decreased to 2% in March.

Page 2

DEVELOPING A NEW TYPE OF LEADER

How can you grow leaders who will inspire and propel organizational success in this quickly changing industry?

Page 4

ON THE MOVES ✈

A look at who went where within the industry.

Page 3

Insurance Talent

JACOBSON

PULSE OF THE LABOR MARKET

PULSE provides an overview of the industry's current labor market on a monthly basis.

EXECUTIVES ON THE MOVE

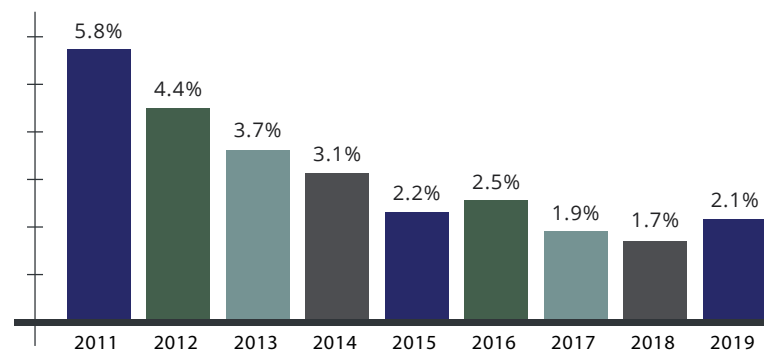
Congratulations and best of luck to the following executives who recently took on new challenges within the industry:

JACOBSON INSIGHTS

The finance and insurance industry is off to a strong start in 2019. The number of job openings continues to grow and preliminary data shows there were 336,000 job openings in January 2019. This is 7 percent more openings than in January 2018 and 33 percent more than in January 2017. Furthermore, the insurance carriers and related activities sector added 7,400 new jobs in March, marking the highest month-to-month increase in more than one year. Expansion of business/new markets and anticipated increases in business volume are reported to be fueling staffing growth in the insurance space. Positions are also staying open longer due to increased difficulty in recruiting, driven by a growing knowledge gap.

While the overall U.S. unemployment rate remains unchanged, the insurance industry unemployment rate decreased from 2.5 to 2 percent in March, following a three-month upward trend. As we shared in our March edition of Pulse, there are likely a few additional factors impacting the industry unemployment rate: a fast-growing labor market, high turnover and the study's small sample size. With the low unemployment rate coupled with the increase in jobs, the candidate's market will persist. [View the full PULSE here.](#)

The average industry unemployment rate for 2019 is currently **2.1 percent.**



AT-A-GLANCE NUMBERS

3.8%

The U.S. unemployment rate was unchanged at 3.8 percent in March with the addition of 196,000 jobs.

2%

Unemployment for the insurance carriers and related activities sector decreased to 2 percent in March.

+7,400

The insurance carriers and related activities sector increased by 7,400 jobs in March.

+24,600

At approximately 2.7 million jobs, industry employment increased by roughly 24,600 jobs compared to March 2018.

- **Beverly Ament**
President
Island Insurance Companies
- **Sandra Callahan**
Senior Vice President and Chief Executive Officer of ReedGroup
The Guardian Life Insurance Company of America
- **Michael J. Castro**
President and Chief Executive Officer
Delta Dental of California
- **Brian Cochran**
Chief Commercial Officer, New Ventures Group
Aon plc
- **Marlene Debel**
Chief Risk Officer
MetLife, Inc.
- **Tony DeSantis**
President and Chief Executive Officer
The General®
- **Casey Dungan**
Chief Financial Officer
BlueCare TennesseeSM
- **Adam Edelstein**
Chief Operating Officer, Specialty Insurance
Munich Re, US
- **M. Ross Fisher**
Property and Casualty Global Chief Underwriting Officer
The Hartford
- **Richard L. Gilbert**
Senior Vice President, Chief Digital Information Officer
Aflac
- **James H. Kawiecki**
President of Surety
The Hanover Insurance Group, Inc.
- **Michel A. Khalaf**
President and Chief Executive Officer
MetLife, Inc.
- **Jeff Kusch**
President, Field Operations
The Main Street America Group
- **Lambros Lambrou**
Global Chief Executive Officer of Commercial Risk Solutions
Aon plc
- **Tami Lamp**
Senior Vice President and Chief Human Resources Officer
Kaiser Permanente
- **Chris Listau**
President, Insurance Operations
The Main Street America Group
- **Paul H. McDonough**
Chief Financial Officer
CNO Financial Group, Inc.
- **Steven M. Mills**
President of Excess and Surplus
The Hanover Insurance Group, Inc.
- **John A. Rowedder**
Vice President and Chief Underwriting Officer of Contact Surety
The Hanover Insurance Group, Inc.
- **William Shrank**
Chief Medical Officer
Humana Inc.
- **Ramy Tadros**
President of U.S. Business
MetLife, Inc.
- **Rocco Tarasi**
Chief Marketing Officer
CNO Financial Group, Inc.
- **Jennifer L. Vance**
General Counsel, Secretary and Chief Legal Officer
COUNTRY Financial
- **Kathleen Zortman**
President and Chief Executive Officer of Private Client Group, General Insurance
AIG



DEVELOPING A NEW TYPE OF LEADER FOR THE EVOLVING INDUSTRY

By JoJo Harris, Senior Vice President, The Jacobson Group

The insurance industry is evolving at a rapid pace. Technology is infiltrating the workplace and redefining roles and processes. Traditional organizational structures are being reevaluated as siloes break down among departments and create a more fluid and interconnected workflow. Employees are looking beyond a paycheck and seeking meaningful work that gives them a sense of purpose.

At the same time, the insurance talent landscape is also shifting. Millennials are poised to quickly become the largest generation in the workforce, members of Generation Z are launching their careers and more seasoned employees are working well past retirement age. Insurers are tasked with engaging and motivating members of five generations while meeting a new set of employee expectations.

In an increasingly complex and uncertain business environment, the definition of what makes an effective leader has vastly evolved, even within the past decade. Those at the helm are charged with more than driving financial success and managing operations. They must continually innovate, drive social responsibility, thrive during uncertainty, champion inclusivity, and inspire and engage a diverse workforce. Insurers that can attract, retain and grow top talent will excel amid a number of challenges and disruptors.



“Leaders must continually innovate, drive social responsibility, thrive during uncertainty, champion inclusivity, and inspire and engage a diverse workforce. Insurers that can attract, retain and grow top talent will excel amid a number of challenges and disruptors.”

DEFINING NEW LEADERSHIP TRAITS

Human talent is more important than ever before. Effective leaders must be able to connect their employees to enterprise values and goals, while bringing meaning and purpose to their positions. A number of traits are necessary for new leaders to guide their organizations in a quickly changing industry.

▪ **Creativity**

The next wave of leadership must be willing to challenge the status quo. By consistently seeking opportunities for improvement and innovation, these individuals will help keep their organizations agile and relevant. It's important they are comfortable asking why certain procedures are in place and that they welcome opportunities to reimagine traditional processes and methods.

▪ **Technological Adeptness**

Technology is rapidly replacing, redefining and creating jobs. Leaders need to not only have a passion for technology, but understand its potential and how it can be leveraged to the advantage of their businesses. This includes being able to delegate projects and processes between humans and technology in a way that optimizes the capabilities of both.

▪ **Emotional Intelligence**

As technology revolutionizes business, human skills will set effective leaders

apart. These individuals should be adept at navigating sensitivities, listening to employees and being open and accepting of feedback. Unlike leaders of the past several decades, today's leaders must be more sensitive to individuals' needs and open and accepting of differences.

▪ **Agility**

The future of work requires leaders who can effectively navigate through the changes brought on by a transforming industry, while inspiring and motivating their employees. They should be flexible and able to make decisions quickly and confidently, while keeping their organization's goals and values at the forefront.

▪ **Courage**

Unlike past leaders who were often judged on maintaining stability, new leaders must embrace risk and be proactive in creating change. This means being comfortable with feeling uncomfortable and being willing to take calculated risks in order to gain a greater reward.

▪ **Transparency and Authenticity**

Employees need leaders who can clearly communicate change and what it means for their specific roles, especially as technology become more prevalent. Ambiguity, unclear direction and undefined purpose cause professionals to become detached and feel undervalued. Transparency and authenticity create trust, motivate employees and build loyalty.

▪ **Humility**

This new generation of successful leaders knows they don't have all the answers. They should encourage their teams to challenge them, remain open-minded and embrace new ideas from all levels, while recognizing that diversity of perspective only makes them better.

IDENTIFYING AND DEVELOPING NEW LEADERS

According to Deloitte's 2019 Global Human Capital Trends study, leadership was rated a high priority by 80 percent of survey respondents, yet only 41 percent said their organizations are developing leaders who are ready to meet today's leadership requirements.¹ Succession planning is

“Leadership is at the heart of an organization, setting the tone for how business operates, modeling organizational values, and inspiring and empowering employees.”

imperative in today's talent climate and attaining this new type of leader must be an intentional and prioritized process. As the workplace evolves, it's vital that insurers recognize the characteristics and aptitudes necessary for success and that they use this information to identify and prepare those who will navigate their organizations through new and unknown territories.

Insurers must be open-minded and less prescriptive in how a successful leader appears on paper. Organizations should look for employees who have consistently high standards and are fully committed to everything they take on. In today's workplace, soft skills, motivation and the natural ability to inspire and empower colleagues can be just as important as an ivy league education, and many of these traits are not taught in typical MBA programs. Effective leaders must be able to connect their employees to enterprise values and goals, while bringing meaning and purpose to their positions.

Current leadership is tasked with not only identifying, but also developing individuals who will move the organization forward in an uncertain future. There are a few key ways executives and other organizational leaders can cultivate these qualities within potential future leaders:

▪ **Model Desired Leadership Traits**

Help emerging leaders understand and adapt the mindset necessary for future success by modeling desired leadership traits. For instance, rather than spending a majority of time reacting to problems and requests, proactively explore new ideas and pursue projects with purpose. Explain and discuss these actions, while praising individuals who embrace and demonstrate similar agile behaviors.

▪ **Grant Permission To Fail**

Providing potential future executives with trust and autonomy empowers them to take risks. Challenge them and create opportunities that enable them to learn, regardless of the outcome. This could be through low-risk projects, as long as they have an opportunity to stretch their capabilities and are given permission to fail. By undertaking experiences they may not necessarily be qualified for, individuals are developing vital leadership skills.





▪ **Encourage Longer Term Thinking**

It's common for younger leaders to think in terms of their next one or two steps rather than their entire career journey. Put ideas in their heads about opportunities and learning experiences that may not provide immediate payoff, but result in long-term benefits that help them arrive at their desired destination. This may mean taking on projects that are less glamorous or joining professional associations with future opportunities for involvement.

▪ **Provide Mentorship Programs**

Mentorship programs should be well thought out and goal-driven. Match high performers with mentors who can help develop specific strengths. Look for individuals who are taking initiative to seek out mentorship opportunities and are dedicated to owning the process. In addition to mentorship programs, job

shadowing opportunities can enable future leaders to better understand various areas of the organization. Both of these experiences provide valuable insights that can be implemented within their current roles and guide their future paths.

Leadership is at the heart of an organization, setting the tone for how business operates, modeling organizational values, and inspiring and empowering employees. By identifying future leaders, developing and augmenting their strengths, and remaining open-minded and encouraging throughout the process, organizations will be well positioned to navigate through current and future challenges.

SOURCES

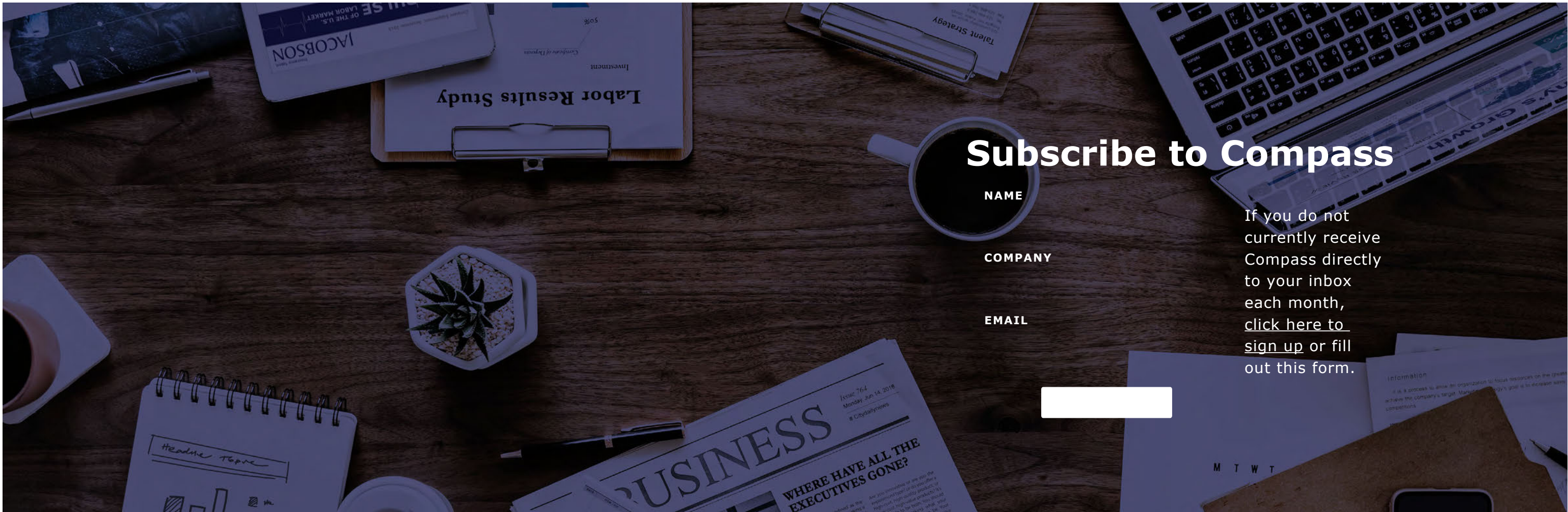
1 2019 Global Human Capital Study (2019). Deloitte.

ABOUT THE AUTHORS



JoJo Harris is Senior Vice President of Human Resources at The Jacobson Group, the leading global provider of talent to the insurance industry. In this role, she is responsible for leadership and management of the firm's human resource functions. This includes formalizing, implementing and overseeing all human resources policies and procedures with a strong focus on internal talent acquisition, retention and development.

To further discuss this topic or if we can serve as a thought leader in your talent-related endeavors, don't hesitate to contact JoJo at +1 (800) 466-1578 or jharris@jacobsononline.com.



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