

Insurance companies plan largest increase in hiring since 2009: Report

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by [Caitlin Bronson](#) | Feb 22, 2016

There are good times in store for the insurance industry, according to the latest report from Aon Hewitt's Ward Group Research Center.

Unemployment in the industry is just 2.1%, and a full 80.4% of firms say they will increase their revenue this year, the Q1 2016 Insurance Labor Market Survey found. On the back of that, more than two-thirds of those in the property/casualty sector plan to increase staff over the next 12 months.

More than half of respondents (57%) say they plan to expand based on an increase of business volume and 54% say they want to increase staff as they expand to new markets. Another 41% want to improve the delivery of their existing services.

It's the most optimistic the industry has been since the Ward Group started tracking insurance employment in 2009. However, researchers who worked on the report warn that – based on previous reports – industry members should not take the numbers at face value.

"Going into this softening market cycle, I think that [these numbers] might be a bit ambitious for many companies," said Jeff Rieder, partner and head of Ward Group. "The survey was filled out largely in early December and end-of-year results will likely temper growth plans, which may have an impact on staffing expectations."

Rieder noted that firms are often optimistic in January and that expectations do not always match results. Last year, for example, the industry grew 0.88% despite an anticipated growth rate of 1.48%. Similarly, 3.3% of

companies decreased staff by 2% to 4% in 2015 while just 1.9% anticipated doing so at the start of the year.

Another reason for the anticipated difficulty in achieving firms' stated goals is competition for talent.

"A big number of companies will be unable to achieve their initiatives because they will not be able to attract the type of talent they're looking for," said Greg Jacobson, CEO of the Jacobson Group. "Industry veterans – 15- to 20-year veterans – are particularly difficult to find.

"And of course a big issue is attracting millennials to the industry. There will be 400,000 jobs to fill in the next few years and half the industry will be gone in the next 15 years."

Reported by participating companies, the most difficult positions to fill are those in actuarial and technological roles, following by roles in analytics and higher executive positions.

Larger companies are also finding recruitment more difficult than smaller companies, and personal lines companies are facing stiffer competition than commercial lines companies in the product management arena.

Rieder and Jacobson said that in order to capture this talent, firms should double-down on efforts to hire employees out of college and to retain the talent they do have through established in-house training programs.