



Attracting New Employees in the Insurance Industry

Attracting talent is more complex than ever—and the insurance industry isn't immune from today's labor challenges. It's time to figure out ways to keep people engaged in current insurance roles and entice new talent to try the industry. When it comes to talent attraction, the most successful employers will be creative and find ways to make the industry appealing and a great place to start a new career and grow professionally.

This article explores how employers in the insurance industry can attract new employees.

Understanding Today's Challenges

Employee attraction is top of mind for many employers in the insurance industry. According to Zywave's 2023 Employee Benefits Market Pulse Report, attracting, retaining and developing talent remains a top challenge facing brokers in 2023 (50.28%), which aligns with recent years. However, in older surveys, brokers ranked attraction and retention as the third most pressing employee benefits challenge. Attracting, retaining and developing talent moved to the top of the list as organizations struggled to fill a record-high number of job openings in 2022. There was a significant gap between the number of job openings and available workers last year, increasing competition among employers to recruit new hires and retain existing employees. As a result, employees gained the advantage in negotiations, with many feeling confident to leave their jobs to find better opportunities (e.g., higher pay, better benefits). While the labor market has shown signs this may be changing, attraction, retention and talent development remain major concerns for brokers, and these challenges are expected to continue in 2023.

These issues are compounded, as the insurance industry will face some of the most significant labor losses as more baby boomers steadily retire and reduce their participation in the labor force. According to the Bureau of Labor Statistics, the median age of the insurance industry employees is 44.5, compared to 42.2 for the overall U.S. workforce. However, more than a quarter of the insurance workforce is 55 or older. Between layoffs and escalated retirements, insurance companies will need to make a concerted effort to find more talent and appeal to the newest generations of workers as they replace workers and meet growth demands.

With a smaller talent pool to draw from and increased competition, it's becoming harder for brokers to attract, retain and develop key talent. Although attraction and retention struggles are common across all industries, insurance lags behind other industries, such as technology and finance, when competing for talent.

Attracting New Employees

For years, the insurance industry has been trying to reinvent how it attracts, motivates and retains employees to stay relevant to the modern workforce. The industry is often perceived to be limited by elements such as geography, incentives and career paths. Yet, in reality, the insurance industry has a lot of professional growth opportunities to offer workers.

Insurance companies can consider the following strategies for attracting and recruiting new employees:



Focus on employer branding. An essential aspect of an organization's reputation is its employer brand, which refers to how the employment market (including current employees) views an organization and the efforts an employer uses to adapt or shift this perception. A positive employer brand lands especially well with younger workers, which can help with attraction efforts. Branding encompasses a variety of components, including both intangible benefits (e.g., workplace culture, values and mission) and tangible benefits (e.g., salary, benefits and other perks). When building an employer brand, organizations may focus on identifying their employer value proposition (EVP), creating a positive hiring process, fostering a healthy work culture and using digital channels to promote their brand. An EVP is essentially what a company can offer workers in exchange for their talent, skills and experience; it answers why people would want to work there.

Expand talent pools. It's advantageous to discover talent outside the insurance industry, especially for technology, digital, marketing and sales roles. Employers should find people who can deliver and apply their skills in the insurance world by recruiting in places they usually wouldn't and exploring new channels like online, social media or networking. Other recruiting strategies may include targeting university students, nontraditional career paths and remote employees (as insurance license rules allow).

Develop a referral program. People already working for an insurance company and like it often know people just like them. Offer those individuals a referral bonus. Employees can be some of the best brand ambassadors, and they are likely connected to other strong workers. Referrals are a great way to introduce new workers to the insurance industry.

Hire based on skills. It's essential to think outside insurance and focus on transferrable skills or personal traits. Employers and hiring managers can target candidates based on their skills rather than education or experience. The following are ideal skills or traits to consider:



Strong communication skills—Strong communicators are clear, concise and consistent. All workplaces hinge on communication to get the job done both internally and externally.



Interpersonal skills—Regardless of the specific role, insurance workers need strong interpersonal skills. Interpersonal skills include teamwork, influence, negotiation, conflict resolution and emotional intelligence.



Critical thinking skills—Especially if an employee is new to an industry, candidates who can research solutions and resolve issues independently without depending on others for every decision are likely to succeed.



Problem-solving—Although independence is key, employers may also consider candidates who aren't afraid to ask questions, especially to get clarification or understanding about rules and guidelines. If something isn't clear enough for an employee, that fact can help identify communication or education gaps in workflows. A fresh perspective can be good for all workers.



Accountability—It's critical to hire employees who will be on top of their daily tasks while motivating themselves to advance their careers. Successful employees care about work results and do what they say they will do.



Growth mindset—If hiring someone outside the industry, it's critical to focus on candidates with a growth mindset who are ready to learn and develop into a new career. These candidates are likely more open to starting over in a new industry.

Offer learning and development opportunities. Extending from skills-based hiring, employers can offer learning and development opportunities to help those new to the industry get up to speed or even train veteran employees on new trends or topics. Additionally, organizations could establish an internship or management or sales training program to get talent in the door. Today's workers want to be part of an organization that values them and has professional resources and support for its employees.



Summary

Insurance is an industry where workers can grow, develop skills, be flexible and succeed. In the current labor market, implementing strategies to effectively attract talent is essential.

Reach out to us for additional employee attraction and retention resources.