Wanted: A Diverse Workforce

AN INCREASINGLY DIVERSE NATION MEANS INSURERS MUST MAKE CONCERTED EFFORTS TO ENSURE THE INDUSTRY WORKFORCE REFLECTS AND UNDERSTANDS THE PEOPLE THEY SERVE.

JULIE A. VINCENT

The United States is a diverse nation. Females outnumber males. Millennials outnumber gen Xers. City dwellers outnumber rural ones. And within the next 20 years, minorities are predicted to become the majority. Yet, corporate America, the insurance industry included, continues to struggle with diversity and inclusion within its workplaces, especially in executive leadership roles.

“The insurance industry at the manager-and-above level is a male-dominated industry,” said Richard Poirier, president and CEO of Church Mutual Insurance, says. “The Bureau of Labor Statistics indicates that women and minorities make up most of the workers within the insurance industry. However, the manager-level employees do not reflect this level of gender and ethnic diversity.”

Yet, Margaret Resce Milkint, managing partner of The Jacobson Group, believes this disparity should be viewed as an opportunity to add diversity to organizations. “Active collaboration and inclusion should begin with the board and be weaved into the organization’s DNA,” she says. “It is important to understand that inclusion is much more than gender. It encompasses cultures, generations, geographies, abilities, and thoughts. This broadened view of inclusion is a crucial game changer in promoting diversity. The mandate is now.”

Many NAMIC member companies are proactively putting in place programs and processes to recruit and retain a diverse workforce as well as help younger workers understand the abundant job opportunities available to them in the insurance field.
“Our goal is to continue to attract top talent and create an environment where differing ideas are encouraged and help drive innovation. To reach our goals, we strive to educate hiring managers about the importance of diversity in all aspects prior to making hiring decisions. Inclusion, cultural competence, and understanding are key to attracting and retaining employees from all walks of life.”

Tyler Whipple
Diversity & Inclusion Director
American Family Mutual Insurance Company

Poirier believes one of the biggest challenges is changing the culture within the insurance industry so that employees with diverse backgrounds feel welcomed and appreciated. He says succession planning and mentoring must be top priorities for changes to occur at the leadership level. After an employee is hired, Poirier stresses the importance of establishing formal and informal mentoring relationships with these employees.

Through Poirier’s leadership and support from the Church Mutual board of directors, the company formed a diversity and inclusion department. This department focuses on education and training, supplier diversity, diversity outreach, recruiting and staffing, and increasing the number of minority insurance brokers. Church Mutual also joined the Independent Insurance Agents and Brokers of America’s Diversity Task Force to collaborate with other insurance entities to develop solutions for common industry challenges.

CUNA Mutual Group agrees that one of the biggest barriers is the current lack of diversity in the insurance industry as a whole. “When you don’t see diversity currently represented, it is a hard sell for folks of diverse backgrounds to want to join,” Phil Tschudy, CUNA Mutual’s media and reputation strategist, says. He believes the insurance industry “has not been intentionally working to build our pipeline” and “we need to connect with women and people of color early in their careers to intentionally build a pipeline of ready-now successors.

“The only way forward is to tell our story and continuously work to be more diverse and inclusive,” he continues. “We must better reflect the changing demographics of our current customer base.”

Therefore, those working at CUNA Mutual work across departments, across locations, and with people of different backgrounds, knowledge, ideas, and experiences.

Not having a robust employee pipeline is shaping up to be a significant challenge for the insurance industry. “One of the most critical barriers is a general lack of awareness in regard to the insurance industry and the wide spectrum of career opportunities within it,” Mikint says. “Nearly eighty percent of young professionals surveyed stated they were not at all familiar with the insurance industry and its job offerings. As a result, fewer than one in ten is actually interested in working in the industry.

“Engaging and recruiting an inclusive talent pool must start with parents and schools creating awareness of the insurance industry and the compelling and lucrative careers that are available,” she continues. “There is an increasingly robust demand for talent that the next generation will be key in meeting.”
Shelter Insurance Companies recognizes the challenges diversity and inclusion present the industry, so the company is actively working to attract younger generations and let people know insurance professionals are more than just agents. “Young people just aren’t thinking about us, but there are so many needed skill sets within insurance,” Matt Moore, Shelter’s president and COO, says. “We need to do a better job of educating recent graduates about our opportunities, maybe even earlier than we first thought.

“We are active in high school career days. We bring minority students into our building so they can see what goes on here. We have students work here during the summer,” Moore continues. “We aren’t moving the needle as fast as we’d like, but we know diversity and inclusion must be a part of our culture.”

Paul LaRose, Shelter’s vice president of human resources, believes recruitment is the key focus with retention being secondary. “If we get people into the company and they experience our environment and culture, we are not seeing them leave for lack of inclusion,” he says. “But we must think outside the box [in terms of] where we recruit and throw out a net on the other side of the boat.”

Another option for organizations wanting to include more diverse talent is to consider bringing in non-insurance talent. “This can include students, career changers, and military veterans,” Milkint says. “In addition, insurers need to expand their reach beyond risk management and actuarial sciences to include engineering, quantitative analysis, analytics, marketing, finance, and even liberal arts. These individuals have transferable skills that can help fill the industry talent gap and increase diversity throughout insurance.”

State Farm’s D&I efforts have helped the company experience a steady increase in its workforce diversity, according to public affairs specialist Missy Dundov. The organization has done this by keeping four goals top of mind internally: being an employer of choice; having a comprehensive strategy; understanding how D&I efforts support workforce recruiting and retention; and expanding facilities in major hub locations, including Atlanta, Dallas, and Phoenix. State Farm has also implemented an employee resource group program that assists in recruiting, onboarding, and retaining employees.

ERGs, according to State Farm, are groups of employees “who have voluntarily formed around a demographic segment and have a company-approved mission and purpose. ERGs serve as valuable resources for employee growth and development, recruitment, retention, and business ideas and solutions that help us better serve our customers. Many ERGs also offer opportunities to get involved with and give back to local communities.”

“Retaining diverse talent requires an organizational commitment to building a culture of inclusion and developing a workplace community. Valuing diversity has proven to create enhanced performance, increase innovation, and improve employee engagement.”

Margaret Resce Milkint
Managing Partner
The Jacobson Group
“We would like more people to consider insurance as a viable career choice. Many have a misconception that it’s boring; but that is often a stereotype that is not based upon research or facts. In reality, it is a major industry offering progressive career opportunities and competitive wages and benefits.”

Missy Dundov
Public Affairs Specialist
State Farm

“Our ERGs have grown to include more than seventeen thousand members,” Dundov says. These groups include African American/black, Asian, GLBT, Hispanic, military, Native American, men, women, people with disabilities, parents and families, young business professionals, and mid- to late-career professionals. The company’s ERGs are open to employees who support the groups’ business purpose. They don’t need to be members of the demographic segment the ERG is formed around in order to participate. The ERG program is committed to helping State Farm meet current and future needs for a more diverse customer base and employee workforce.

Amica Mutual Insurance Company’s human resources officer Ramona Royal says her company’s D&I efforts start with recruitment but place a significant amount of importance on inclusion. “We work hard to develop a welcoming and supportive culture where diversity and inclusion are celebrated,” she says. “Amica is a place where we believe our differences make us stronger and where every individual can offer unique perspectives and valuable contributions.”

Royal says Amica provides ongoing opportunities for employees to interact and get to know one another while providing cultural knowledge and new experiences that expand understanding. Amica holds employee trainings on topics such as teamwork, history, heritage, and seeing the world through a personal diversity lens. The company runs internal news articles and displays posters on topics of interest. It also offers regular lunchtime presentations that introduce employees to different cultures and gives them opportunities to experience new flavors, sights, and sounds. Royal says these experiences “challenge employees to self-reflect on the way they see the world and to try to understand why others might see things differently.

“A diversified workforce reflects our customer base and allows us to provide exemplary customer service while introducing new ideas to our organization,” Royal says. “We strive to hire employees who are a strong fit for the position and our company, making retention far more likely.”

“It takes strong leadership to drive change. Progress can be slow. Insurers can cast a wider net when looking for candidates. To mitigate bias, identify the kinds of decisions where bias is likely and change the context – look for things you have in common with all of the candidates you’re interviewing. To attract and retain the best talent, insurers have to be inclusive. Listen to the diverse points of view we all bring to the table.”

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