

The Insurance Industry 2010 Employment Outlook



April 2, 2010

According to the Bureau of Labor Statistics (BLS) report in February, the insurance industry lost 5,200 jobs in January and another 7,600 in February. The whole of 2009 saw the insurance industry lose 16% of its claims force. The national unemployment rate in February 2010 was 9.7%. The BLS reports that the unemployment rate for the insurance industry for the same month was 7.7%, up from 6.1% in January. From a comparison standpoint, insurance industry unemployment was 4.6% in 2009 and 3.1% in 2008.

This national Insurance Industry 2010 Employment Outlook Survey is the latest in a series of white papers by GreatInsuranceJobs.com, following the 2009 Insurance Industry Hiring Outlook completed last year, and is posted at greatinsurancejobs.com/whitepaper.

GreatInsuranceJobs.com aims to understand how companies and job seekers alike are coping with rising unemployment in the insurance sector. The main goal of this 2010 survey is to gauge the year's employment outlook by asking insurance companies, agents and brokers, third party administrators and managing general agents the following questions:

- 1. Who is currently hiring in insurance industry?**
- 2. What insurance jobs are currently open?**
- 3. What is each insurance company's hiring forecast for the rest of 2010?**
- 4. What are the biggest hiring challenges for the insurance industry in 2010?**

To find the answers, GreatInsuranceJobs.com surveyed 131 insurance entities from across the United States by phone and asked them these questions and more. Combined, these 131 companies represent 377,321 employees, all of whom are based in the United States. The insurance sector employs 2.2 million people. This survey represents 17% of all insurance sector employees.



Insurance Industry 2010 Employment Outlook Survey

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Insurance Industry 2010 Employment Outlook Survey

Major Findings

- **Ninety seven companies (74%) have current job openings. Thirty-four companies (26%) have no current job openings.** In Greatinsurancejobs.com's previous survey, completed in September 2009 (greatinsurancejobs.com/whitepaper), 83% of companies had job openings while 17% had no job openings..
- **Only twenty companies out of 131 reported they will not hire one single person in 2010.**
- **Nine companies indicated they will hire at least 2,000 employees in 2010.**
- **Twenty-one companies predict they will hire more than 500 employees in 2010.**
- **The top insurance industry positions being hired in 2010 are insurance sales professionals, claims, underwriting, call center and IT.**
- **Insurance employers indicate that qualified and quality candidates are still hard to find.** Employers are getting volumes of resumes for each open job and finding that most applicants are not qualified for the position they have available.
- **Human Resource departments are overworked.** Human resource departments are forced to comb through hundreds of unqualified candidate resumes looking for matches for their job requisitions.
- **Social Media Recruiting is on the radar screen of 31% of the surveyed companies.** Most insurance companies using social media to help recruit are mainly using LinkedIn. Secondly is by Facebook, but most companies do not have a strategy for using either platform to recruit.
- **The unemployment rate in the insurance industry has risen in the last two years from 3.1% in 2008 to 7.7% in February of 2010 (BLS).** Many factors play a role in this dramatic increase in a relatively stable workforce for years and surveyed companies shared their experience. Contributing factors include insurance company's ratings deteriorating, the current state of the battered construction industry and the continuing soft market. With low demand for insurance products, companies cannot charge top dollar for premiums limiting their ability to grow and hire more workers. This survey found that hiring has slowed since last year, however companies are optimistic for the rest of 2010 that the worst is over.



The Methodology

The national Insurance Industry 2010 Employment Outlook Survey was completed by GreatInsuranceJobs.com. We called 131 companies directly, interviewing Human Resource Managers, CEO's, CFO's and Recruiting Managers, to help us understand how this historic recession and the high national unemployment affected their workforce. Our goal was to find out which companies are hiring, what jobs are available and the company's hiring forecast for the rest of 2010.

THE SURVEY

1. Do you have any *current* insurance job openings?

February 2010	September 2009
YES: 74%	YES: 83%
NO: 26%	NO: 17%

This survey revealed more than 6,716 insurance jobs currently available within the 131 companies surveyed. (See open jobs, CHART 1.) In September of 2009, 8,841 jobs were indicated as open from the survey group of 218 companies (GreatInsuranceJobs.com/whitepaper).

The majority of insurance jobs open are found at property and casualty carriers, insurance brokers and agencies, third party administrators and managing general agents. The jobs types that have multiple openings include insurance sales professionals, customer service, call center, administration, claims, underwriting and IT. Other jobs currently open include actuaries, data modelers, nurse case managers, product developers, premium auditors and account executives.

Companies with more than 5,000 employees (18% of surveyed companies) are, in total, hiring 67% of the current jobs open or 5,923. Large national companies are looking for talented insurance professionals in many states. The top jobs with large employers include customer service, call center, sales, claims and underwriting.

Small and regional insurance entities are also looking for the same type of insurance professionals, however they usually only have few positions available. Agents and brokers nationwide, large or small, all indicated they are all looking for qualified sales professionals.



CHART 1: Jobs Currently Open In the Insurance Industry (February 2010)

Current Job Openings In the Insurance Industry (P & C, L & H, TPA, MGA, Agents and Brokers)
Customer Service Representatives (call center environment)
Sales Agents (personal and commercial lines)
Call Center Service Professionals
Marketing Representatives
Claims Representatives (commercial)
Financial Services Representatives
IT (all areas)
Underwriters (production)
Administrative
Nurse Case Managers
Product Managers
Policy Service Technicians
Actuaries
Accounting (GAAP, audit, financial analyst)
Account Executives (broker)
Customer Service Representatives (agencies)
Attorney



2. What is your hiring outlook for the rest of 2010?

NO Hires	15.3%
1-5 Hires	31.5%
6-10 Hires	13.5%
11-20 Hires	5.4%
21-50 Hires	12.6%
51-100 Hires	6.3%
101-200 Hires	2.7%
201 or More Hires	12.6%

All but 15% of the insurance entities surveyed plan on hiring at least one person in 2010. Compared to GreatInsuranceJobs.com's last survey from September 2009 (results listed below for comparison), this is a good indication that companies have hiring back on their radar screens in 2010. Also, larger insurance companies are leading the charge in hiring in 2010. Over 12% of the surveyed companies are forecasting to hire over 200 employees in 2010.

What is your hiring outlook for the rest of 2009? (From September 2009 survey)

NO Hires	21.0%
1-5 Hires	36.0%
6-10 Hires	11.3%
11-20 Hires	9.1%
21-50 Hires	8.6%
51-100 Hires	4.3%
101-200 Hires	3.2%
201 or More Hires	8.1%

Employers indicated in this year's survey they are still cautious in their hiring predictions for the rest of 2010. With premium levels flat and a soft insurance market, employers are looking for signs of economic growth which will, in turn, produce additional hiring.

Has the insurance industry hit bottom when it comes to hiring? The results of this survey found that for the first time in 18 months, companies are showing some optimism, but are still cautious.

Greatinsurancejobs.com itself has seen job counts on the website slowly begin to rise in December after declining for almost 14 months straight.



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PROJECTED INSURANCE INDUSTRY JOBS FOR 2010

The insurance company executives interviewed for this survey were much more upbeat than the last time we talked to them in September 2009. While unemployment rates keep going up, more than 80% of these companies are planning on hiring this year. Last year, uncertainty in hiring dominated insurance company's hiring predictions. This year, insurance companies seem to have a more defined hiring plan and an optimism that the worst has past.

Here is the breakdown of jobs that will be available throughout the insurance industry in 2010:

1. **Customer Service Jobs** – All types of insurance companies need customer service specialists. These jobs range from hourly to salary, depending on the company. Larger, national insurance companies have major call centers staffed with customer service representatives and sales professionals. These environments combined with automatic underwriting have created numerous jobs in the insurance industry.
2. **Sales positions** - Most all companies surveyed plan on hiring sales professionals in 2010. These jobs vary dramatically from life and health agents who work on 100% commission, to large line insurance sales professionals for major insurance brokers who have significant compensation packages. Small insurance agencies are always looking for personal lines sales people and our survey confirmed this has not changed.
3. **Agency Jobs** - Companies like State Farm and Allstate are always looking for agents to sell and service their products. In a more entrepreneurial venture (ex. Allstate requires financial investment) many jobs are available with companies that write personal lines and small business insurance policies. A new player on the life and health market that plans to hire more than one thousand new insurance sales representatives is Insphere Insurance Solutions.
4. **Underwriting Jobs** – As the economy picks up, so will the need for qualified underwriters across the board. 38% of the surveyed companies indicated the need to hire underwriters in 2010. Also, as sophisticated insurance products continue to develop, the need for more specialized underwriters increases (e.g., professional liability, cyber crime liability, solar liability).
5. **Claims Jobs** – More than 60% of the surveyed companies will be hiring claims professionals in 2010.
6. **Technology/IT** - Many technical jobs are projected throughout the insurance industry and the vendors who service the insurance industry. This includes but is not limited to programmers, software engineers, website developers, graphic designers, database administrators, java developers, graphic designers and IT directors.



3. How different will your hiring be in 2010 from 2009?

Worse	8.0%
Same	56.3%
Better	35.7%

With only 10 companies out of 131 indicating hiring will be worse in 2010, the insurance industry may see its unemployment rate start to decrease.

4. What are the challenges for companies that *are* hiring right now?

Companies are experiencing many different hiring challenges. We compiled this list by asking survey participants to share their biggest challenges:

1. **Too many unqualified candidates are applying to open jobs.** This is causing human resource departments to work overtime going through mounds of resumes. With a high unemployment rate, job seekers are applying to multiple positions at the same companies.
2. **Senior level insurance positions are hard to fill if they require relocation.** With the nationwide real estate market at an all time low, executives cannot sell their homes and insurance companies will not include assistance in their compensation packages.
3. **Finding experienced sales professionals that will make a company change in a down economy is next to impossible.**
4. **While many companies have an optimistic outlook, some report they are still unsure of their exact hiring plan for 2010.**
5. **Cutbacks in recruiting budget and recruiting staff.** It's hard to get enough of a recruiting budget dedicated to hiring highly qualified and specialized candidates. Many companies mentioned when employment returns to normal, they may be at a disadvantage.
6. **Outdated applicant tracking systems** have been unable to properly screen the numerous candidates applying to any position companies have open and posted.



Lingering Issues Affecting Hiring in the Insurance Industry

1. **Very Volatile Housing Market** - People cannot sell their homes to relocate for open jobs in other cities.
2. **Extended Soft Market.** The CEOs of top insurance companies predict that with a slow recovering economy the insurance market will remain soft. ([Article Insurer CEOs See Slow Economic Recovery, Long Soft Market National Underwriter PC](#)) Without consumers spending discretionary income, the need for new insurance policies is lagging. The commercial market is seeing many pricing swings and will not stabilize until the economy starts to grow. Without this growth, the insurance industry will have a hard time adding new jobs.
3. **Retiring Has Slowed--** Many people who have retired are considering re-entering the workforce to help make up for pension plans and 401ks that have been drastically reduced. Current employees, who might have otherwise considered retiring, are instead staying to help rebuild lost retirement funds.
4. **Low Lending** – Lending to businesses as of February 2010 is at lowest level since 1942, according to the Federal Deposit Insurance Corporation (FDIC). The banking industry is still struggling and not lending money to small businesses. This is a major issue for growth of insurance companies and businesses that support the insurance industry.. With no money to expand, hiring is at a standstill for some companies.
5. **Construction industry at an all time low.** Commercial insurance has been dependent for the last decade on the construction industry. With the slowdown of construction nationwide, insurance companies have seen premium levels retreat. In many cases, this has caused layoffs in this sector in all disciplines including underwriting, product development and claims.
6. **Businesses are reducing insurance buying.** Many businesses have reduced the amount of insurance purchased for many reasons. Included are loss of major accounts, reduction in staff and bankruptcy.
7. **Federal Stimulus Money.** Stimulus money from the American Recovery and Reinvestment Act of 2009 has been slow to be distributed. Once major projects such as green initiatives and infrastructure projects get moving, this should produce insurance premiums and help stabilize the insurance industry workforce.



Conclusions

Unemployment is moving up in the insurance industry. The current 7.7% unemployment rate for the insurance industry is more than double what it was in 2008 (3.1%). The companies surveyed are concerned, but they are also optimistic that hiring is getting better.

The biggest difference in this survey from Greatinsurancejobs.com's two previous surveys in 2009 is the change we detect in companies' attitudes going forward when it comes to hiring. For the majority of survey participants, it was very clear they feel the economy is getting better and they are optimistic about future hiring. There is still uncertainty, but the optimism in this survey leads us to believe insurance industry hiring may remain flat for a period of time but will gain momentum once the economy gains starts moving forward.

For jobseekers, the finding a job will still be challenging. The jobs that are open need specific experience, training and education. Companies are being very picky and have large pool of candidates from which to select. Insurance jobseekers are re-evaluating their insurance skills to make sure they have the proper training and education to qualify for open jobs.

After coming through a historic recession, the insurance industry has been able to keep unemployment levels well below the national unemployment rate (7.7% vs. 9.7%, February 2010,BLS), however, it is clear from all the companies surveyed that there is a sense of cautious optimism that better times are ahead. In the meantime, they will be hiring qualified candidates on an as needed basis, and watching the rest of the economic indicators for positive movement.



10 TIPS FOR INSURANCE INDUSTRY JOBSEEKERS

How do you find a great insurance job in a post recession marketplace?

Unemployment in the insurance industry has risen to 7.7% (2/10). Our latest survey (4/10) indicates that companies are starting to hire again. However, not all jobs are posted on sites like GreatInsuranceJobs.com. If you are looking for a job in the insurance industry, here are ten tips to help you find a great job. Yes, you must do more than just apply to jobs on the internet.

1. Post your resume on niche sites like GreatInsuranceJobs.com. Make sure your resume is clean, well-written and keyword strong for your background. If you are a property claims adjuster in Georgia, make sure your resume is filled with keywords like: homeowners, exactimate, CAT team, catastrophic, Atlanta, and Georgia. Think of your resume like a Google search result. If an employer types in the search term “property claims adjuster,” you want to be sure your resume will make the first page of the search results.
2. **Network.** Word of mouth is the number one way companies are hiring employees; if you are not talking to anyone, you are not networking. Find insurance oriented network groups in your city. Use a site like MeetUp.com to locate a group in your area or industry. Network groups in any employment marketplace are one of the top ways to meet people who will lead you directly to hidden jobs.
3. Companies are often only **posting jobs in-house** these days. Identify insurance companies that you want to work for and go directly to their website career section to look for jobs. This is a lot of work, but you will find jobs that are only posted there and nowhere else.
4. Use numerous resources to identify companies in the insurance industry that you do not know anything. Resources like Hoovers and Dun & Bradstreet can also help you identify these companies. Also, look through insurance publications like the [*National Underwriter*](#) to indentify all types of insurance companies.



5. Use LinkedIn.com, the professional social network. Once you identify companies you want to work for, use this site to find potential managers and human resource professionals you can call. LinkedIn.com won't work overnight, but once you build your network, you will be able to view the backgrounds of key people. Use your social networks (MySpace, Facebook, and LinkedIn.com) to let your friends know that you are in the job market. Be very specific about the type of job you are looking for with this group. Do you twitter? Companies are tweeting their jobs. Search for jobs on Twitter using TwitterJobSearch.com. Also, check out twitter.com/insurancejobs1.
6. Clean up your online image. Employers are checking your Facebook account the same way you can check them out at Hoovers and LinkedIn.com.
7. Set up search agents at job boards to automatically deliver a list of jobs that match your interests to your email or phone. Get notified immediately when jobs in your insurance discipline are posted.
8. Use local resources in your town or city. Local colleges, libraries and county or state sponsored career agencies have a lot of information that can help your career. Seek out these organizations and spend time using their resources.
9. Make a list of every insurance professional that you know and send them a hand written card letting them know about your situation and what you are looking for in your next job. Send this card to their home. It is VERY powerful to receive a hand written card in the mail. It will not go into a spam filter.
10. Don't rely just on the internet. Your next great insurance job will come from utilizing numerous resources. The key to a great job in the insurance industry is learning about as many opportunities as you can during your job search so you can make sure your future is going to be fulfilled.





About GreatInsuranceJobs.com

GreatInsuranceJobs.com, LLC. is the premier online employment website for the Insurance Industry. Over 1,800 employers utilize GreatInsuranceJobs.com to connect with monthly traffic over 150,000 insurance professionals throughout the country. GreatInsuranceJobs.com delivers a highly targeted candidate audience with our #1 position for Insurance Jobs in all major search engines (Google, Yahoo, and Bing). GreatInsuranceJobs.com is the official partner of Summit Business Media, which produces 9 Industry publications through the National Underwriter Companies.

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