

# Managing Through the Talent Gap



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# Session Agenda



*Labor Market Overview*

*Current Talent Challenges*

*Recruitment in Today's Environment*

*Effective Retention Strategies*

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2023

# Labor Market Overview



# Current Situation: Unemployment at 1.6%



67% of insurers plan to increase headcounts in 2023.



Despite an easing market, 25% of insurers feel hiring has become more difficult in the past year.

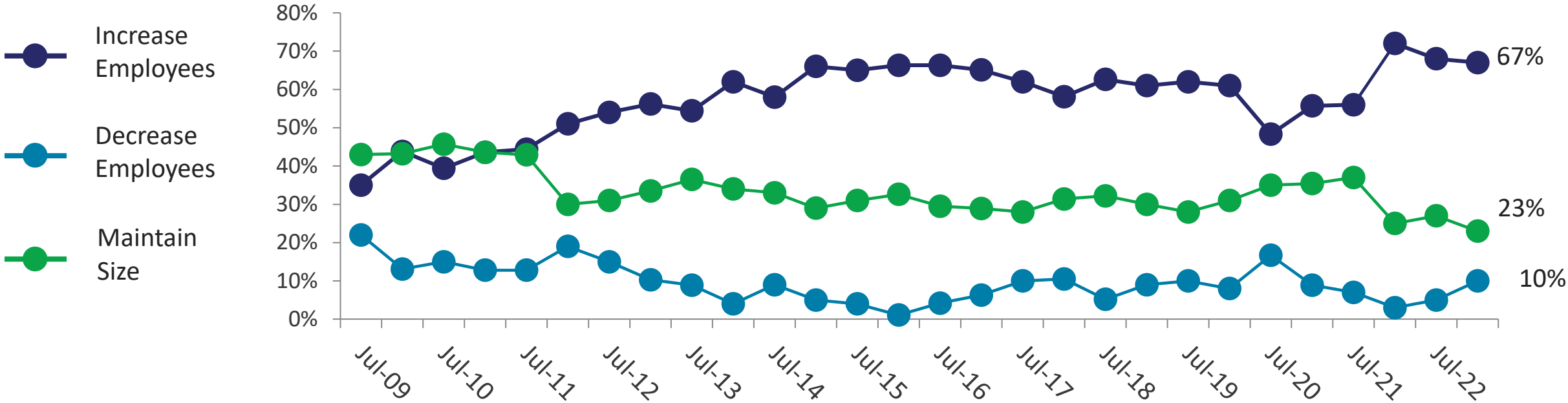


In January, prior 6-month turnover was 11% vs. 15% for 12-month turnover.

# 12-Month Staffing Plans

## Survey Results

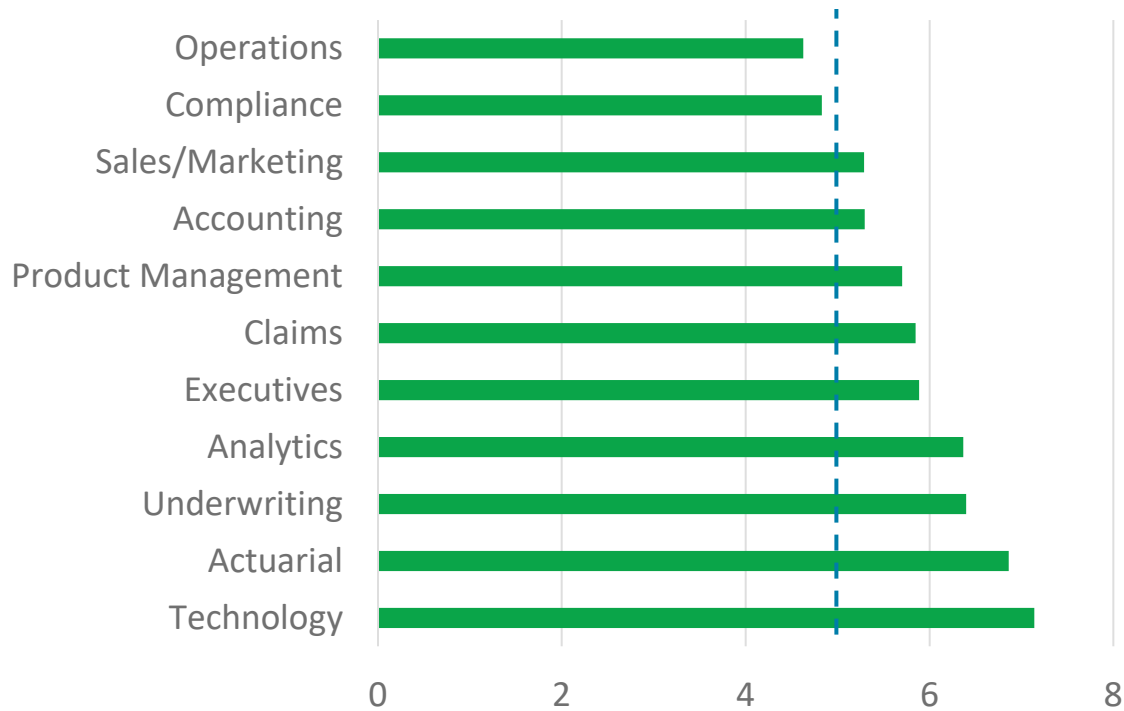
July 2009 – January 2023



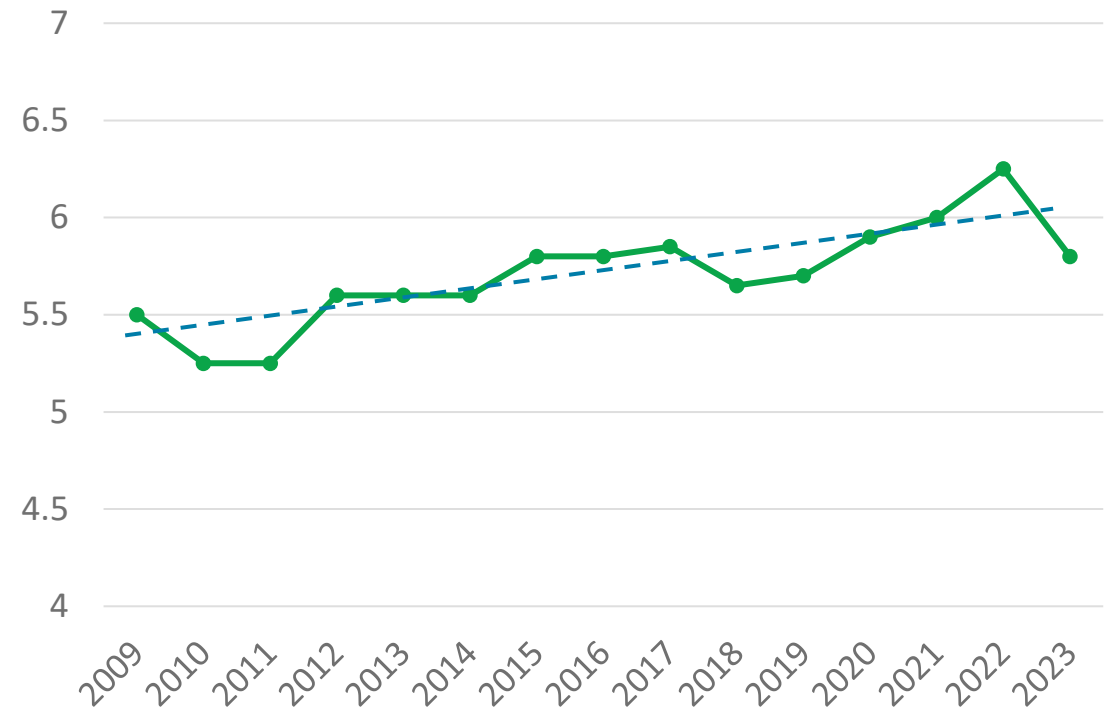
Source: Jacobson and Aon-Ward Q1 2023 Insurance Labor Market Study

# Recruiting Difficulty Persists

## 2023 Recruiting Difficulty by Function



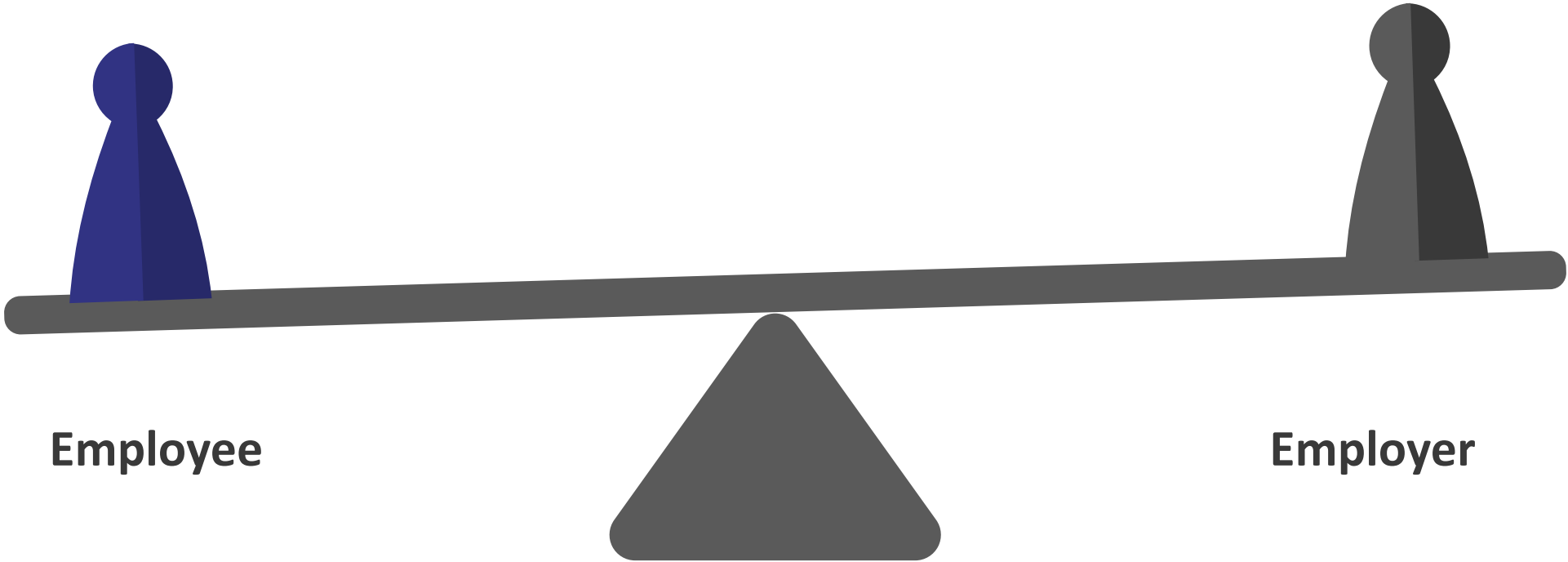
## Average Recruiting Difficulty by Year



# Current Talent Challenges



# Shift in Power Balance





# Changing Employee Expectations

- Flexibility
- Competitive Salary and Benefits
- Professional Development Opportunities
- Meaningful Work
- Clear Career Paths
- Empathetic Leaders



# Aging Workforce



**Less than half of insurers have written succession plans in place.**



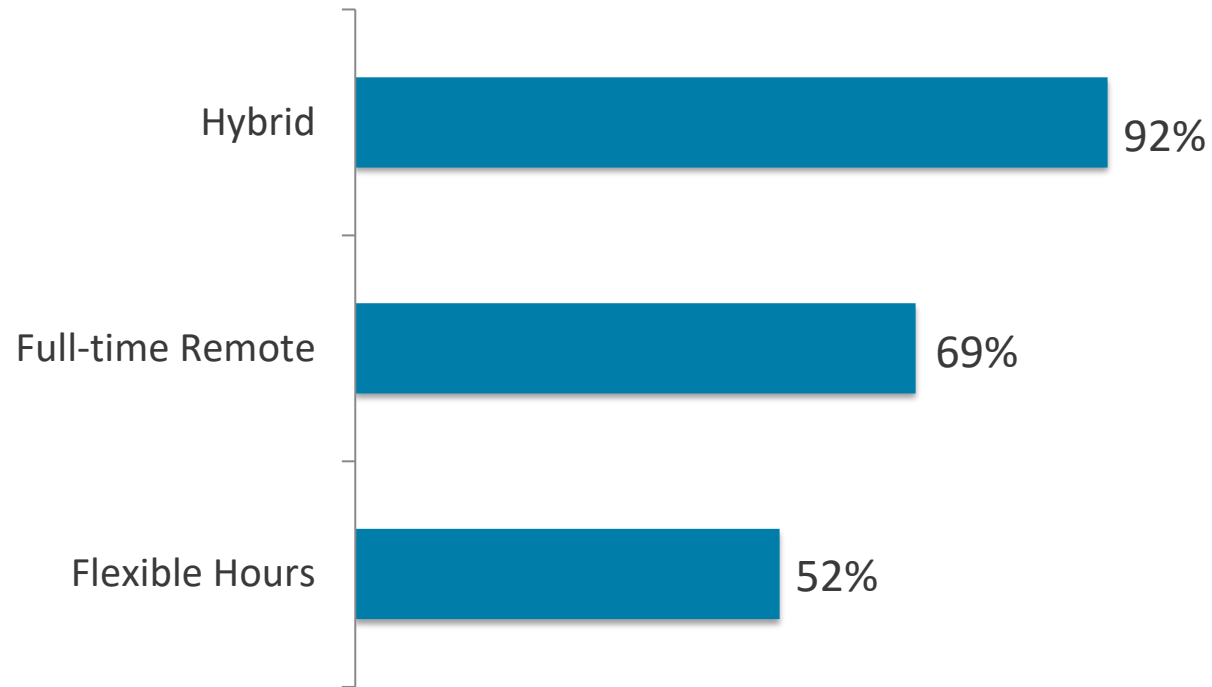
**25% of the insurance workforce is 55+.**



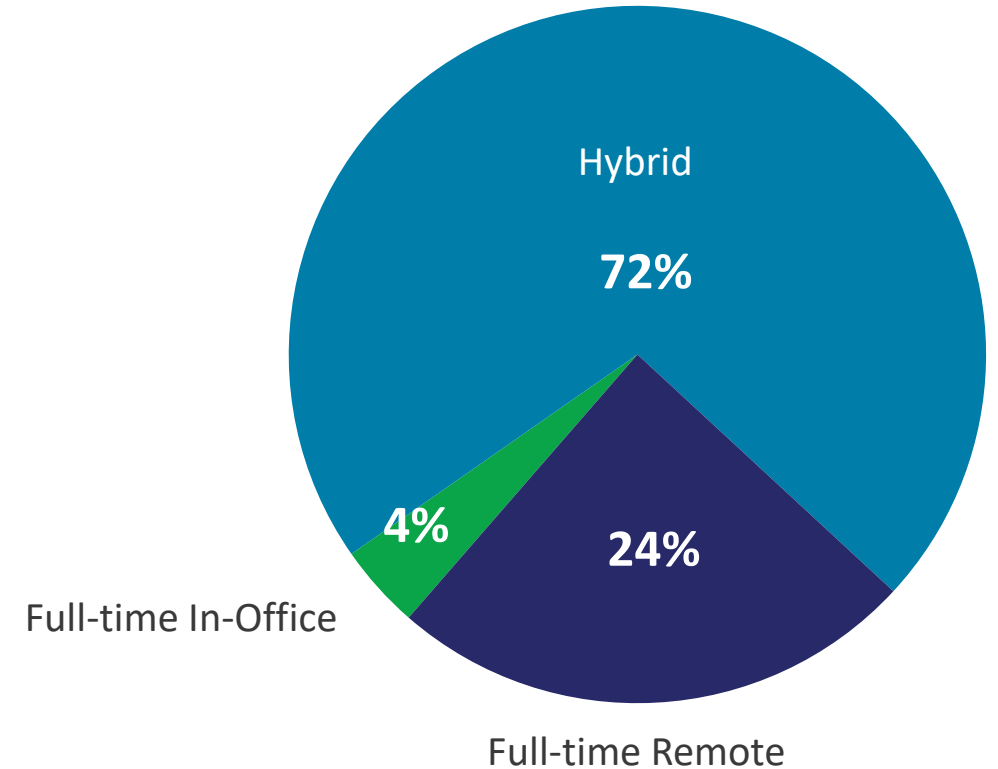
**Average industry tenure has dropped by one full year.**

# Current Workplace Flexibility

## Flexible Work Options Offered to Employees



## Expectations for Majority of Employees for Next 6 Months



# The Need for Agility and Resiliency



Skills Convergence



Digital Convergence



Macro-Economic Climate/Labor Market



Social and Work Life Convergence



Geo-Political Convergence



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# Recruitment in Today's Environment



# Effectively Marketing Open Roles

## Rethink how you're approaching position descriptions.

- Focus on the role's value and impact.
- Make it enticing.

## Remain inclusive.

- Focus on skills.
- Consider the true in-office needs of a role.
- Avoid lengthy lists of requirements.



# Improving Diverse Recruiting

## Business Practices Adopted by Insurers

- 89%** Use sourcing methods that contain diverse candidate pipelines.
- 76%** Offer workplace policies that appeal to diverse candidates.
- 65%** Establish diversity strategies for intern recruitment and pipeline development.
- 57%** Have partnerships and strategies to recruit from HBCUs and HSIs.
- 57%** Write job postings to attract more diverse candidates.

# Hiring with Intentionality

## Tailor your approach.

- Include the right people.
- Focus on what matters to the specific individual.

## Maintain momentum.

- Shorten the interview process.
- Increase the frequency of touchpoints.





# Effective Retention Strategies



# Engaging Talent in a Hybrid Environment

- Recreate natural connections and maintain a sense of camaraderie.
- Focus on both the current workforce and future of the workplace.
- Create tangible reasons to be in the office.
- Train managers to lead virtually.



# Current Employees as Candidates

Replacing an exiting worker can cost up to 2x the employee's salary.

Leverage stay interviews.

- What is their “why”?
- What do they consider a valuable reward (title, salary, flexibility, recognition)?
- What will it take to keep them at your company?



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**THANK  
YOU**