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Is a talent crisis occurring in our industry? Regardless of your opinion, it is hard to deny that human resources and professional development have changed from a decade ago and are key to attracting and retaining a knowledgeable workforce.

Those who question the existence of a talent crisis do so for several reasons:

- There are 72,000 fewer insurance jobs since November 2007
- Baby boomers stay in the workforce longer
- The insurance industry outsources to India and China.

However, as the economy improves, the talent crisis is likely to become more evident. Risk management and insurance professionals over age 55 have increased 74 percent in the past 10 years, compared with 45 percent of the overall workforce over the age of 55. By 2018, one in four risk management and insurance professionals will be nearing retirement, according to McKinsey & Co.

In some firms, the human resources department is a strategic function viewed as making decisions that favorably affect the firm's desired outcomes. Organizations with strategic HR are in a knowledge business, with people making decisions that positively influence business results. Such firms believe the search for talent never stops.

To attract top talent, start at colleges and universities. Insurance is a stable industry that weathered the recession better than others. Offer internships with meaningful projects. Show students that insurance offers good jobs with work and life balance.

Organizations that support professional development attract top talent. In tough times, some consider professional development to be nonessential, while others view it as part of their strategy. Successful firms recognize the need to improve employee skills to better match the competencies necessary to attain company goals.

HR, with senior management's help, can positively affect the bottom line. Require a professional development plan for each employee based on competencies and ensure that professional development is focused on key drivers of the business.

Successful firms use HR and professional development strategically:

- Being clear about the drivers of results
- Identifying the competencies required to get results
- Identifying gaps in employees' competencies Providing professional development to fill the gaps
- Testing to assess learning
- Providing experiences to reinforce knowledge
- Preparing employees for future moves within the organization.

## Talent for the 21<sup>st</sup> Century Bourke

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Be prepared for the talent crisis. Human resources and professional development are strategic tools used to attract and retain a knowledgeable workforce. Professional people with proven knowledge drive powerful results.

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