

Workforce 2020

Insurance fact sheet: How high-performing companies set themselves apart

Data from our Workforce 2020 research program show a correlation between above-average profit margin and revenue growth and workforce development. Companies with above-average profit margin and revenue growth (high performers) are better prepared for the future workforce than those with below-average growth. Executives who report that their companies have below-average profit margin growth over the past two years (we call them underperformers) indicate that they are struggling to keep up with changing workforce trends. This is especially true when it comes to recruiting employees with both base-level and advanced skills. Perhaps most telling, underperforming companies are significantly less likely to say that HR issues are driving strategy at the board level—which could be a major oversight.

This fact sheet outlines the major differences between high performers and underperformers in the insurance industry. Both face unique challenges and opportunities when preparing for the workforce of the future.

The New Face of Work

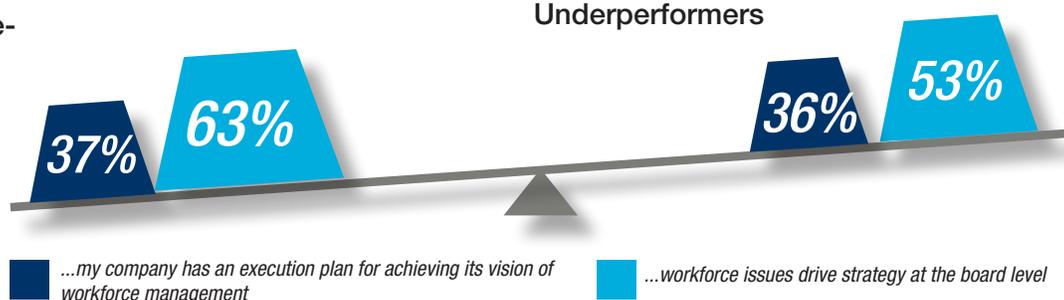
Research shows priorities shifting as economies rebound globally, but companies lag in understanding these changing dynamics.

- 63% of executives at high-revenue-growth companies say workforce issues are already driving strategy at the board level. That number is slightly lower for underperformers—53%—but falls to just 26% in three years.
- Companies with below-average revenue growth are significantly more likely to say they have a strong vision for the workforce they want to build in three years (41% vs. 20% of high performers)
- 38% of below-average-revenue-growth companies expect that HR will not be consulted in business planning in three years (vs. just 14% of high performers).

Executives say...

High-revenue-growth companies

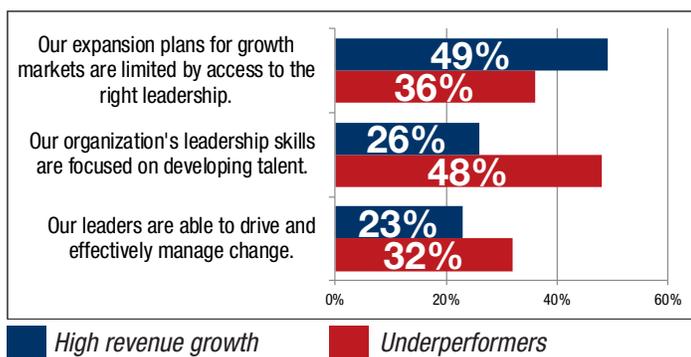
Underperformers



The Leadership Cliff

Executives and employees agree that leadership is lacking—and companies are not focused enough on developing future leaders.

Executives say...



- When it comes to leadership, underperforming insurance companies are outshining their high-performing counterparts in some areas (see left).
- High-revenue-growth company leadership is significantly more likely to consider workforce development a key driver of competitive advantage (46% vs. 38% underperformers).

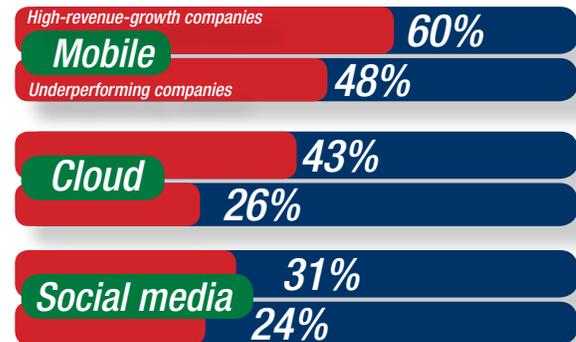
Workforce 2020—High performers

Bridging the Skills Gap—The Learning Mandate

Better training and education opportunities would benefit employees and businesses alike.

- Over one-third of insurance companies with below-average revenue growth say that problems with talent and skills affect their business performance (vs. 14% of high performers).
- Despite those perceived problems, underperforming insurance companies are significantly more likely to say they have well-defined processes and tools for developing talent.

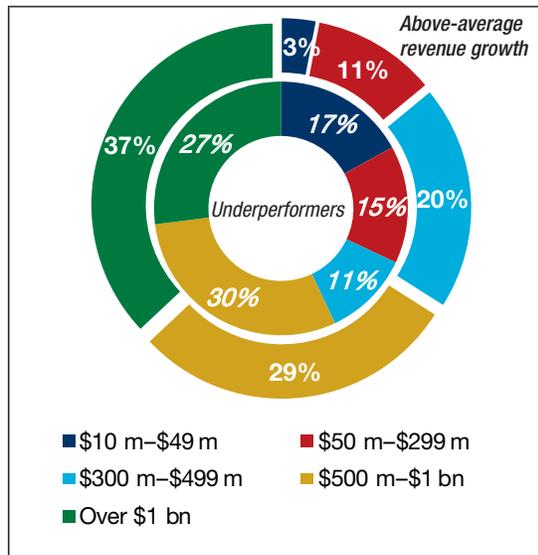
Executives say these technology skills are well represented at their organization:



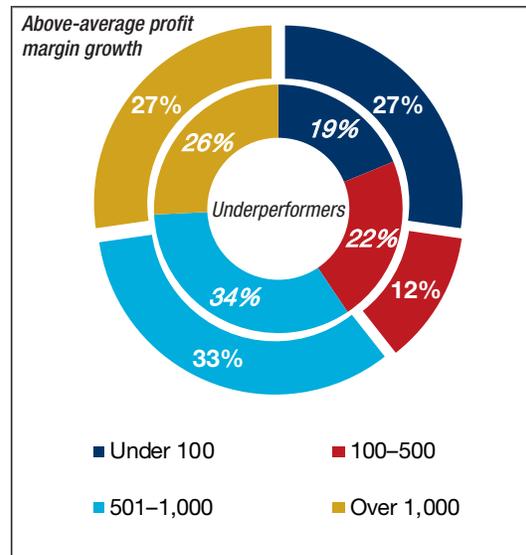
Survey demographics: High performers

- High-revenue-growth executive titles: CEOs (3%); COOs (20%); CFOs (6%); CIOs (9%); CMOs (9%); Chief Human Resources Officers (6%); VPs/Directors of HR (17%); VPs of Learning/Development (14%); VPs Compensation & Benefits (11%); VPs Recruiting or Talent (6%)

Annual revenue



Number of employees



About the research

Workforce 2020 is a large-scale global study to discover best practices and actual progress toward the creation of talent strategies for the future in the global economy. We surveyed more than 2,700 executives and 2,700 employees, and interviewed 28 executives across the following countries: Australia, Brazil, Canada, Chile, China, Colombia, the Czech Republic, Denmark, France, Germany, India, Japan, Kenya, Malaysia, Mexico, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, UAE, UK, US. Survey respondents came from a variety of industries, company sizes, and age groups (49% of employee respondents are Millennials).

