

SALUTING WOMEN IN NEW ENGLAND INSURANCE

Advancing Women as Independent Agency Leaders

By: Doug Coombs

Knowing there are roughly 400,000 insurance professionals at or nearing retirement age, there are more roles, new and old, to be filled across the country. The same is true for independent insurance agencies. As a mature generation moves to a new phase in their lifecycle, the industry is looking for successors and recruiting millennials. The key across all industries is to level the playing field in order to ensure that all qualified and motivated performers have the opportunity to contribute to the success of their organizations.

While women have worked in insurance for decades, there is more opportunity now to aspire to new roles, expand their careers and grow into new and more challenging positions — becoming independent agents and principals. Women have and should continue to make a positive impact on the industry as a whole, especially when current agency principals increase diversity and inclusion efforts and offer potential leadership career tracks.

Where Women Stand Today

While women outnumber men at en-

try-level positions, their representation is significantly smaller at the top of insurance organizations, according to a report by McKinsey & Company. Women represent 56% of entry-level positions, but only 30% of the vice presidents and 18% of the C-suite, the report found.

This glass ceiling is beginning to change, the report found: “More women are being hired at the director level and above than in past years. And senior-level women are being promoted on average at a higher rate than men.” At the same time, women are less likely to be promoted to first-level manager roles, a fact that holds back women from reaching mid- and senior-level insurance positions.

Women who have an interest in insurance and those who have maintained entry-level positions should be encouraged to pursue challenging insurance careers, not just because of the flexibility and professional autonomy it offers, but also the stability of the industry.

Organizations that add more gender diversity will also increase the likeli-

hood of profitability and value creation, according to McKinsey.

Sponsorship and Mentorship Programs

Insurance sponsorship or mentorship programs have proven to be an effective way to increase diversity and inclusion. For example, the McKinsey “2019 Women in the Workplace” research revealed that when senior leaders advised women on career advancement, they were more likely to be promoted.

While independent agencies may be smaller than the carriers they represent, their principals can lead by example and add sponsorship and mentorship programs that include women and help them navigate the next step in their career, whether it is to get more education or take on new roles.

According to an article in EY.com, employers can “foster connections through team-building workshops and other methods that emphasize the importance of sponsoring across differences.” The article emphasized the importance of

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holding “executives accountable for their strong commitment to diversity and inclusion by measuring results, such as the retention levels and career achievements for women.” It’s important to note that the goal should not be to create an environment where any group is excluded, but to ensure that all have opportunity.

EY also pointed out the disadvantages of filling positions with people of the same appearance and backgrounds and encourages employers to take steps to improve gender parity. And once again, management should review the company landscape in order to ensure that opportunities are available without regard to gender.

Career Tracks for Women

According to The Institutes’ website, insuremypath.org, there are plenty of career paths for the future of the industry. “Insurance careers span an incredible range of skills and talents — from actuaries and analysts to data scientists and marketers to drone pilots and engineers

... and the list goes on.”

As insurance is transformed by technology, EY.com suggested proactive steps to recruit more women with backgrounds in science, technology, engineering, the arts and mathematics (STEAM).

Technology will continue to expand and evolve, and women should have a seat at the table to take advantage of the career opportunities. Of course, women with liberal arts degrees and skills for sales, relationship management and creation of business solutions are needed as well.

As agency leaders encourage, mentor and create programs so women have more opportunities to move to the top of their independent agencies, there are many career paths to consider. Independent agency jobs range from client services to marketing to operations management to insurance sales producer or agency principal. Insurance sales agent positions are expected to grow by 48,000 jobs by 2028 with

a median salary of \$50,000, while business operations management is expected to grow by 165,000 jobs in the same period with a median salary of \$100,000, according to “U.S. News Best Job Rankings.” Marketing management and sales management jobs are also on an upward track, increasing by 20,000 jobs in both categories by 2028 with median salaries topping \$120,000.

As the insurance industry continues to spread the word about how women can grow into lucrative careers, independent agents and principals can help women go further by mentoring their new and existing female staff and keeping the diversity and inclusion conversation going throughout their organizations. The opportunities are clearly growing for those women who are open to accept the challenge. ■

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