

**The Conference
Board of Canada**

In partnership with



Navigating the Transition

Identifying Pathways to Careers in the Insurance Industry



The Future Skills Centre – Centre des Compétences futures (FSC-CCF) is a forward-thinking centre for research and collaboration dedicated to preparing Canadians for employment success. We believe Canadians should feel confident about the skills they have to succeed in a changing workforce. As a pan-Canadian community, we are collaborating to rigorously identify, test, measure, and share innovative approaches to assessing and developing the skills Canadians need to thrive in the days and years ahead.

The Future Skills Centre was founded by a consortium whose members are Toronto Metropolitan University, Blueprint, and The Conference Board of Canada.

If you would like to learn more about this report and other skills research from FSC, visit us at fsc-ccf.ca or contact info@fsc-ccf.ca.

fsc-ccf.ca

In partnership
with:



The Conference
Board of Canada

Blueprint

Funded by the
Government of Canada's
Future Skills Program



Contents

4

Key findings

5

**The insurance industry in Canada:
Growth ahead**

6

The study

8

Smooth transition: What does it take?

10

Caution and curiosity

11

Cost: A real barrier to job seekers

12

Recommendations

14

**Appendix A
Methodology**

16

**Appendix B
Bibliography**

Key findings

- Insurance professionals and job seekers agree that a knowledge gap exists between the insurance industry and job seekers about the opportunities available in the industry and the pathways to success. Both groups agree that this is a considerable barrier to attracting talent.
- Job seekers frequently cite the costs associated with transitioning to the sector as a significant barrier. A traditional pathway to working in the insurance industry is through formal training (e.g., two-year college diploma). However, two years without wages, plus tuition costs, would not allow many job seekers to make ends meet.
- Insurance professionals are optimistic about the potential for new entrants into the industry to succeed, citing communication skills, customer service orientation, and a willingness to learn as the top skills that aid this transition.
- Employers and post-secondary institutions can use targeted marketing to raise job seeker awareness about pathways to the industry and focus on recruitment from sectors that have high skills similarities and may be at risk of automation (e.g., collections officers and administrative assistants).
- Creative and innovative approaches to post-secondary programming (e.g., part-time options and hybrid learning) can be especially helpful in supporting people who want to transition to the industry but cannot commit to a full-time two-year program.



The insurance industry in Canada: Growth ahead

Canada's insurance industry is poised for significant growth in the coming years, even with the abundance of job vacancies already existing.

This additional growth will create even more demand for skilled professionals to fill numerous job opportunities.^{1,2} The current workforce of nearly 250,000 employees in the insurance carrier and related sectors is expected to grow by 50,000 new jobs by 2040.³

Staring down these growth prospects, human capital is expected to remain a critical issue for Canadian insurance businesses in the coming years.⁴

1 Deloitte, *2022 Insurance Industry Outlook*.

2 The number of job vacancies grew at an average quarterly year-on-year rate of 17.9 per cent between 2016 and 2022.

3 The Conference Board of Canada, "The Model of Occupation, Skills and Technology (MOST)."

4 Catlin and others, "Transforming the talent model in the insurance industry."





The study

In April 2021, The Conference Board of Canada launched OpportuNext, which is a free-to-use career tool created in partnership with the Future Skills Centre.⁵ Using big data, it matches a person's unique skill set with viable career paths. Mohawk College of Applied Arts and Technology in Hamilton, Ontario, offers an insurance program that prepares students to meet the Registered Insurance Brokers of Ontario License requirements. Given the college's interest in supporting a robust pipeline of talent for the insurance sector and The Conference Board of Canada's expertise in mapping job transitions with OpportuNext, we worked together to investigate this topic.

OpportuNext from The Conference Board of Canada is a free-to-use career tool created in partnership with the Future Skills Centre.

OpportuNext is based on a detailed skill-matching algorithm that serves the needs of multiple user groups including job seekers, workforce placement professionals, recruiters, HR teams, students, and policy-makers. It is designed to help with career selection and transitions, as well as workforce development and longer-term labour market policy-making.

Check [OpportuNext](#) to learn more.

⁵ The Conference Board of Canada, "OpportuNext."

First, OpportuNext was used to identify roles with skill profiles similar to three select insurance industry occupations: (1) insurance underwriters, (2) adjusters and claims examiners, and (3) agents and brokers. Within this list, we identified two occupations that have a high skill similarity to these insurance roles and are also considered high risk and low mobility (HRLM): collections officers and administrative assistants. (See [Appendix A](#) for a detailed methodology.)

Workers in HRLM jobs are at high risk of displacement due to automation and have few options to transition to lower-risk occupations within their current industry. Matching HRLM workers' skill sets with positions in the insurance industry could lead to more career opportunities for these individuals while also helping to meet the increasing demand for skilled insurance professionals.

But are skill similarities enough? To answer this question, we conducted semi-structured interviews with 17 insurance workers and 17 job seekers to understand the factors that may influence people to transition to a career in insurance from outside the sector as well as the barriers that may deter them from doing so. We find that job seekers and insurance professionals are generally optimistic that people can transfer successfully to a career in insurance from outside the industry, providing they have a foundation of “transferable skills” (e.g., willingness to learn, business communication, and customer service). However, barriers such as a lack of industry knowledge, how to join, and training costs remain significant.

Recommendations

We provide the following recommendations to support employers, post-secondary institutions, and policy-makers that may help in developing a robust talent pipeline for insurance businesses:

- **Promote the sector:** Most job seekers are unfamiliar with opportunities in the insurance industry, and this is a considerable barrier to attracting talent.
- **Provide financial support:** Cost is the most prominent barrier to transitioning into the insurance industry. Access to support can help Canadians navigate this transition.
- **Innovate learning programs:** Many who may want to make a career change into insurance may not be able to meet the cost and time commitments. Creative approaches to programming (e.g., part-time, hybrid, and remote) may better support workers.
- **Expand co-ops:** Work-integrated learning is consistently recognized as an important component of post-secondary education. It supports local employers in getting early access to talent and provides students the opportunity to gain experience and learn on the job.





Smooth transition: What does it take?

Insurance professionals are mostly optimistic when asked whether job seekers from outside the industry can successfully transition into insurance roles.

Graduating with an insurance diploma and a co-op placement in an insurance business is seen as a major benefit since the industry is highly regulated and job requirements can be mandated. For example, one must be a Registered Insurance Broker to sell insurance in Canada.⁶ However, several insurance professionals describe individuals who had come to work in insurance from other jobs and who were doing well. One insurance professional explains that the sector welcomes workers with strong “transferable skills” and that many are successful in transitioning and thriving in the insurance industry.⁷

It is a lot of work for [job seekers without experience in the industry] because they don't have the insurance background and they do have to do the education piece, but that doesn't stop us from hiring them. ... If we feel that they're the right fit and they have that drive, then we will support them through their education requirement to get their certification. ... If you're the right fit and you have a lot of drive, you can sell insurance just as well as somebody who maybe has been in the insurance agency for a decade already. It's been a really great way for us to transition people in who haven't had previous experience.

Insurance Professional

⁶ Canada Revenue Agency, “Insurance agents and brokers.”

⁷ Participant interview.

In terms of “transferable skills,” the following are mentioned most frequently as key for new workers to have when considering a job in the insurance industry:

Willingness to learn: Getting up to speed in a new field can be challenging; being open to learning and making mistakes helps workers adapt to their new role.

Business communication: Verbal and written communication skills are key to everyday insurance tasks, including writing reports and making customer phone calls.

Customer service: As the insurance industry is customer focused, the ability to listen and respond to customer issues and problems in a timely matter is critical.

We truly look for the right culture fit. If somebody ... is really personable [and] they have that drive to learn, they're willing to ask questions and support the team, then we can teach you those [sector-specific] hard skills. But the soft skills, they need to come to us with them.

Insurance Professional

Other skills that insurance professionals describe as important for new entrants include the following:

- attention to detail
- computer proficiency
- general knowledge of mathematics
- time management

If employers in the industry can attract people with many of these transferable skills, the employers can help the recruits acquire the technical and regulated competencies through education and on-the-job training. Employers can also help support workers to complete the necessary courses and accreditations (e.g., Chartered Insurance Professional designation, Registered Insurance Brokers of Ontario licensing) through release time and financial support.

This training helps employees progress in their role and within the organization and ensures that employees are working to industry standard.

Caution and curiosity

Findings from our interviews with insurance professionals confirm that there is a multitude of opportunities in the insurance industry today with a good starting wage, access to training, and the ability to work in a dynamic and growing field. Yet almost all participants stress the need for more workers in the industry. While social media and employee referrals are commonly used to recruit people to the insurance industry, more innovative and deliberate recruitment strategies are required.



The insurance professionals we spoke with frequently attribute the need to hire quickly and recruit individuals with minimal or no insurance training/experience to economic and labour market conditions. They believe competition with other businesses in need of workers affects their ability to recruit and fill vacant positions. One participant mentions hiring inexperienced individuals due to high demand for talent caused by retirements and career transitions.

However, even with reports of ample job opportunities in the insurance industry, job seekers do not appear to be aware of these opportunities or how to access them. When we spoke to job seekers, most of them did develop an interest in the insurance field after learning more about it throughout the interview. Yet they report little knowledge about how to enter the industry, the good pay that can come with an insurance career, and the increasing demand for workers in this field. While they are curious to learn more about the insurance industry and how to make the transition, they are also cautious about the challenges they may face in doing so. Top among these challenges is the perceived cost.

Money is tight, and it's just hard to survive, even the price of food right now. I feel like a lot of people are open to trying new things, but there may be ... a little bit of hesitation or some reservations just based on not having the experience or the training.

Job seeker

Cost: A real barrier to job seekers

Financial barriers remain a significant concern for job seekers

A traditional pathway to working in the insurance industry is through formal training, like the Mohawk College program. This is a two-year full-time college program that not only proves challenging if potential students need to be fully employed while attending the program (given its large time commitment) but also presents the problem of how to fund the tuition. Participants who are mid-career workers emphasize that the idea of pivoting to a new and lucrative career in insurance seems exciting, but they often have families depending on them for support. Two years without wages, plus tuition costs, would not allow them to make ends meet.

While some insurance professionals in our interviews indicate they are willing to hire people without formal insurance training and provide the on-the-job learning and support for them to obtain the necessary credentials (through programs such as the one at Mohawk College), most job seekers are unaware of this potential pathway. Not knowing where to begin to learn about these types of opportunities and which businesses to approach can also act as a significant obstacle.

I definitely would [move into the insurance industry] but I feel like [the financial barrier is] one of the main things that is holding me back right now in regard to getting into that career. ... I'm in my mid-30s, so it's really difficult to ... survive and go back to school or some sort of training.

Job seeker



Recommendations

These recommendations aim to support employers, post-secondary institutions, and policy-makers in making decisions that will support the development of a robust talent pipeline for insurance businesses.

Promote the sector

Both insurance professionals and job seekers agree that a knowledge gap exists between the insurance industry and job seekers in terms of the opportunities available and the pathways to success. Both groups agree that this is a considerable barrier to attracting talent.

To tackle this challenge, employers and post-secondary institutions can collaborate on marketing and communication strategies that disseminate information about the insurance industry and its pathways to prospects outside of the industry who could make strong candidates.

For example, workers in HRLM occupations with similar skill sets, such as administrative assistants or collections officers, may be a particularly good match for the insurance industry and are important targets for recruitment.

Provide financial support

The most significant barrier to transitioning into the insurance industry is cost. To respond to the growing talent shortage, employers, post-secondary institutions, and policy-makers can work together to help more people access training and pathways into the insurance industry.

Access to tuition subsidies and other wrap-around supports (e.g., housing, transportation, child care) can help Canadians, especially mid-career workers, navigate a move into insurance. These types of supports are particularly important for increasing access to training and upskilling programs⁸ for vulnerable populations and promoting diversity in the insurance industry.

Innovate learning programs

The traditional model of training for a career in insurance usually entails a diploma. Due to its structure (two-year duration and full-time), many who may want to make a career change into insurance may not be able to do so, given the cost and time commitment. Mohawk College, for example, has identified the challenges that this format poses for people who need to work while training or need more flexible options to access training.

Developing creative and innovative approaches to programming (e.g., part-time, hybrid, and remote) may better support workers who cannot commit to a full-time two-year break from work.⁹

⁸ Employment and Social Development Canada, "Evaluation of the literacy and essential skills program."

⁹ Kara and others, "Challenges faced by adult learners in online distance education."

Expand co-ops

Work-integrated learning is consistently recognized as an important component of post-secondary education, helping students become job-ready in their chosen field. Co-op placements are an exceptional way to help students build on their skills, network, and learn about what they like and don't like.¹⁰

Many insurance professionals who were interviewed for this study emphasized the immense value of the co-op option in Mohawk College's insurance diploma program. It supports local employers in getting early access to up-and-coming talent and provides students with the opportunity to gain experience and learn on the job. Other insurance programs that do not include a co-op option could benefit immensely from implementing this credential.

¹⁰ Wyonch, *Work-Ready Graduates*.



Appendix A

Methodology

Research questions

- How can the insurance industry respond to its talent shortage?
- What is needed to better support people to transition to the insurance industry?
- What occupations, based on skill profiles, would be the source of strong candidates for transitioning to the insurance industry?
- What are the factors that influence someone to pursue a career in the insurance industry?

Quantitative methodology and analysis

According to the Mohawk College faculty and the National Occupational Classification (NOC) system, the 22 skills listed in Table 1 represent the essential skills needed by students for successful entry into these three occupations in the insurance industry.

We used OpporNext to identify occupations with similar high-need skills as the selected insurance industry jobs (i.e., insurance underwriters, adjusters and claims examiners, and agents and brokers). We then used the Automation Vulnerability Index (AVI) to identify which of these skills-matched occupations are also at high risk of automation with low or limited mobility options.

Table 1
Skills profile for insurance program entrants

High-need skills	Medium-need skills	Low-need skills
Critical thinking	Active learning	Equipment maintenance
Mathematics	Active listening	Equipment selection
Reading comprehension	Complex problem-solving	Installation
Social perceptiveness	Coordination	Instructing
Speaking	Judgment and decision-making	Management of material resources
Time management	Learning strategies	Management of personnel resources
Working with computers	Negotiation	Persuasion
	Troubleshooting	

Source: The Conference Board of Canada.

Interview methodology and analysis

Seventeen insurance professionals and 17 job seekers were interviewed for this research. All participants were in Hamilton, Ontario, and the surrounding area.

The research design and protocols were reviewed and approved by Veritas, a third-party ethics review organization.

We recruited insurance professionals through support from Mohawk College that shared invitations to participate in the study with its industry partners for its co-op program. All participants worked in the insurance industry in varying roles, specifically, as senior executives (7), human resources professionals (3), insurance-specific roles (e.g., broker, underwriter) (5), or insurance manager or director (2).

We recruited job seekers through support from Better Jobs Ontario, a program funded by the province of Ontario that provides people with skills training for in-demand jobs and financial support.¹¹ Better Jobs Ontario shared invitations to participate in our study through its mailing list to people in Hamilton and surrounding area. Participants were at different stages in their job hunt and were unemployed at the time of the interview.

The interviews were semi-structured, conducted over MS Teams or via phone, and were recorded.

Both population groups were asked similar questions. While some questions differed based on population group, interviews for both insurance professionals and job seekers were organized according to four different topics:

1. Knowledge of job pathways to employment in the insurance sector
2. Factors that can influence job pathways to employment in the insurance sector
3. Programs and resources to support job pathways to employment in the insurance sector
4. Other tools to support and facilitate job pathways to employment in the insurance sector

¹¹ Ontario, Jobs and Employment, “Better Jobs Ontario.”

Eighteen hours of interviews were recorded, transcribed, and anonymized, yielding 489 pages (174,007 words).

The text was coded and analyzed using NVivo software. Coding themes were developed based on the research questions and literature review, as well as an exploratory examination of the interview transcripts. Iterative inter-rater reliability tests were run for both sets of interview groups to ensure coding was consistent across researchers. Themes were examined based on how frequently they were noted, as well as the intensity of the observation.

To protect the identity of research participants, we often refer to them in aggregate as “some” or “many”, for example. When 50 per cent of participants in a population group expresses a common theme, we refer to them as “many” or use adverbs such as “frequently.” When less than 50 per cent of participants in any demographic group expresses a common theme, we refer to them as “some.”

Table 2

Terms used to describe respondents

Aggregate terms	Number of participants
Some and sometimes	1 to 8
Many, most, frequently, commonly, consistently, often	9 to 17

Source: The Conference Board of Canada.

Sample interview questions

Insurance professionals:

- Tell me about your thoughts on people transitioning to a career in the insurance industry?
- Are you aware of any supports, programs, or resources at your company or in your community or elsewhere that can help people change jobs to the insurance industry? If yes, can you explain them?
- How does your business identify and recruit new talent?
- What skills do you believe people need to succeed in the insurance business?
- What are the barriers that job seekers who have not engaged in formal training for a career in insurance may face in transitioning to this field?

Job seekers:

- What types of supports or resources do you think people need to help them move to a new job?
- Are you aware of any supports, programs, or resources in your community or elsewhere that can help you to change jobs to the insurance industry? If yes, can you explain them?
- Do you believe that policy changes could help improve successful job transitions for people who would want to enter the insurance industry in Canada? If so, how?
- What are the factors that may motivate you or support you to consider transitioning to a career in insurance?
- What are the barriers that may making it challenging or disincentivize you to be able to transition to a career in insurance?

Limitations

Both population groups for the interviews had a small sample. Given this, we cannot generalize to a larger group based on sample size.

Appendix B

Bibliography

Canada Revenue Agency. "Insurance agents and brokers." GST/HST memorandum 17.9. Ottawa: CRA, June 2013. Accessed April 4, 2023. <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/17-9/insurance-agents-brokers.html>.

Catlin, Tanguay, Ari Chester, Julie Goran, Megan McConnell, and Scott Rutherford. "Transforming the talent model in the insurance industry." n.p.: McKinsey & Company, July 6, 2020. <https://www.mckinsey.com/industries/financial-services/our-insights/transforming-the-talent-model-in-the-insurance-industry>.

Conference Board of Canada, The Future Skills Centre. "The Model of Occupation, Skills and Technology (MOST)." Accessed March 6, 2023. <https://www.conferenceboard.ca/future-skills-centre/tools/model-of-occupations-skills-and-technology-most/>.

—. "OpportuNext." The Conference Board of Canada. Accessed March 6, 2023. <https://www.opportunext.ca/>.

Deloitte. 2022 Insurance Industry Outlook: Strong Growth Ahead for Canada. n.p.: Deloitte, 2022. <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/financial-services/ca-fsi-en-insurance-outlook-aoda.pdf>.

Employment and Social Development Canada. "Evaluation of the literacy and essential skills program." Accessed March 31, 2023. <https://www.canada.ca/en/employment-social-development/corporate/reports/evaluations/literacy-essential-skills-program.html>.

Kara, Mehmet, Fatih Erdogan, Mehmet Kokoc, and Kursat Cagiltay. "Challenges faced by adult learners in online distance education: A literature review." *Open Praxis* 11, no. 1 (January 2019): 5–22. <https://search.informit.org/doi/10.3316/informit.234110355704611>.

Ontario, Jobs and Employment. "Better Jobs Ontario." Accessed March 31, 2023. <https://www.ontario.ca/page/better-jobs-ontario>.

Wyonch, Rosalie. *Work-Ready Graduates: The Role of Co-op Programs in Labour Market Success*. Toronto: C.D. Howe Institute, January 14, 2020. <https://www.cdhowe.org/public-policy-research/work-ready-graduates-role-co-opprograms-labour-market-success#:~:text=In%20%E2%80%9CWork%2DReady%20Graduates%3A,women%2C%20visible%20minorities%20and%20immigrants.>

Acknowledgements

This research was prepared with financial support provided through the Future Skills Centre. The Conference Board of Canada is proud to serve as a research partner in the Future Skills Centre consortium. For further information about the Centre, visit the website at fsc-ccf.ca.

Any omissions in fact or interpretation remain the sole responsibility of The Conference Board of Canada. The findings do not necessarily reflect the views of the Future Skills Centre, its funder, or its partners.

The following members of the Conference Board's team contributed to this research: Ardith McGeown Plant, Bryan Gormley, Erin Macpherson, Katrina Campbell, Jeremy Strachan, Jane Hutchison, Heather McIntosh, and Michael Burt.

We also thank the staff and faculty with the Insurance Program at Mohawk College:

- Ryan Anderson, Associate Dean, Business & The Centre for Entrepreneurship
- Mary Martin, Professor, Coordinator of the Insurance Program
- Jason Peng, Manager, Experiential and Work-Integrated Learning

Navigating the Transition: Identifying Pathways to Careers in the Insurance Industry

The Conference Board of Canada

To cite this research: Conference Board of Canada, *The Navigating the Transition: Identifying Pathways to Careers in the Insurance Industry*. Ottawa: The Conference Board of Canada, 2023.

©2023 The Conference Board of Canada*
Published in Canada | All rights reserved |
Agreement No. 40063028 | *Incorporated as AERIC Inc.

An accessible version of this document for the visually impaired is available upon request.

Accessibility Officer, The Conference Board of Canada
Tel.: 613-526-3280 or 1-866-711-2262
Email: accessibility@conferenceboard.ca

®The Conference Board of Canada is a registered trademark of The Conference Board, Inc. Forecasts and research often involve numerous assumptions and data sources, and are subject to inherent risks and uncertainties. This information is not intended as specific investment, accounting, legal, or tax advice. The responsibility for the findings and conclusions of this research rests entirely with The Conference Board of Canada.



Where insights
meet impact