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Marlin Hawk Industry Pulse

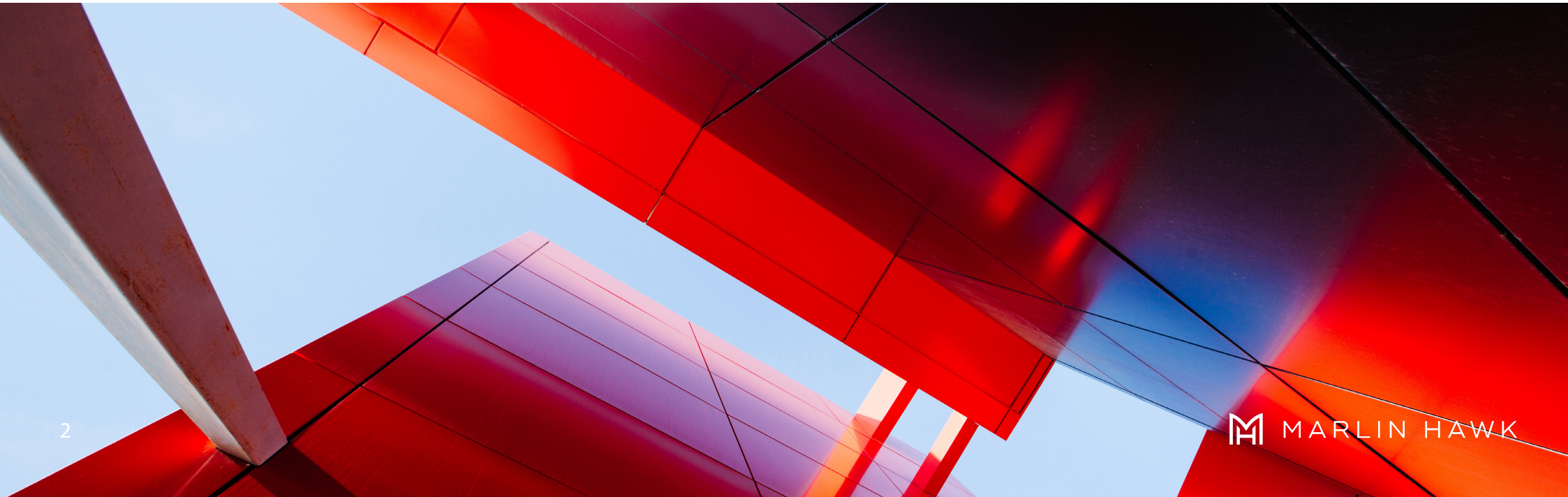
Insuring the Future: Rebuilding the Workforce for Tomorrow

Introduction

Insurance is one of the most critical sectors of the U.S. economy, employing over 2.9 million people across carriers, agencies, and brokerages, with a market size exceeding $1.4 trillion in gross written premiums annually. However, despite its scale and significance, the industry continues to face acute challenges in attracting next-generation leadership talent. While insurers increasingly recognize the need for strategic, digitally fluent, and futuristic executives, they often struggle to bring in and retain the kind of transformative leaders necessary to navigate disruption, drive innovation, and connect with a new generation of customers and employees.

The U.S. Property & Casualty insurance industry currently stands at a workforce reckoning. With an aging workforce, advanced technological demands, and shifting employee expectations, insurers face a significant talent shortage that threatens not only their operational effectiveness, but also their future growth. This Industry Pulse delves into the current state of the industry's workforce, highlighting key challenges and proposing strategic approaches to attract, develop, and retain top talent.

This is a moment of strategic urgency. Individuals who know how to use it will dramatically outperform those who don't. Teams that fail to adopt it will struggle to keep pace with those who do. In that sense, AI is now the new baseline.



The Perfect Storm: Demographic Shifts and Talent Shortages

The U.S. insurance industry is facing a workforce tipping point. By 2026, **nearly 400,000 insurance professionals – more than half of today's workforce – are expected to retire,** taking with them decades of institutional knowledge and leadership experience.

According to The Jacobson Group and the Insurance Information Institute, this exodus represents one of the largest single-industry retirement waves across the U.S. economy. This impending talent drain is not just a staffing issue, but a strategic risk.

The talent crisis extends beyond demographics. Despite insurance being a $1.4 trillion market, **only 4% of millennials report interest in an insurance career,** a figure unchanged since 2015 despite the industry's investment in branding and recruitment campaigns.

This stagnation underscores the need for a more fundamental repositioning of the industry's value proposition to next-generation talent.

Equally concerning is the widening digital skills gap. RSM reports that more than half of insurers are hiring analytics leadership roles, yet legacy skillsets remain dominant.

Cybersecurity talent shortages expose firms to operational and regulatory risk, while underdeveloped digital marketing capabilities hinder growth.

Without decisive action, the industry risks falling behind adjacent sectors – such as fintech and healthcare – that are already attracting top data, AI, and digital leadership.

The problem runs deeper than perception. Key frontline roles like claims adjusters and customer service representatives experience constant high turnover, driven by demanding workloads, emotional strain, and limited career progression opportunities. These positions are critical to customer experience and retention, yet they remain among the hardest to fill and keep filled, thus creating a talent vacuum for future executives across these critical functions.

This confluence of aging leadership, lack of generational interest, and operational strain leaves insurers vulnerable at a moment when agility, innovation, and digital transformation are vital.

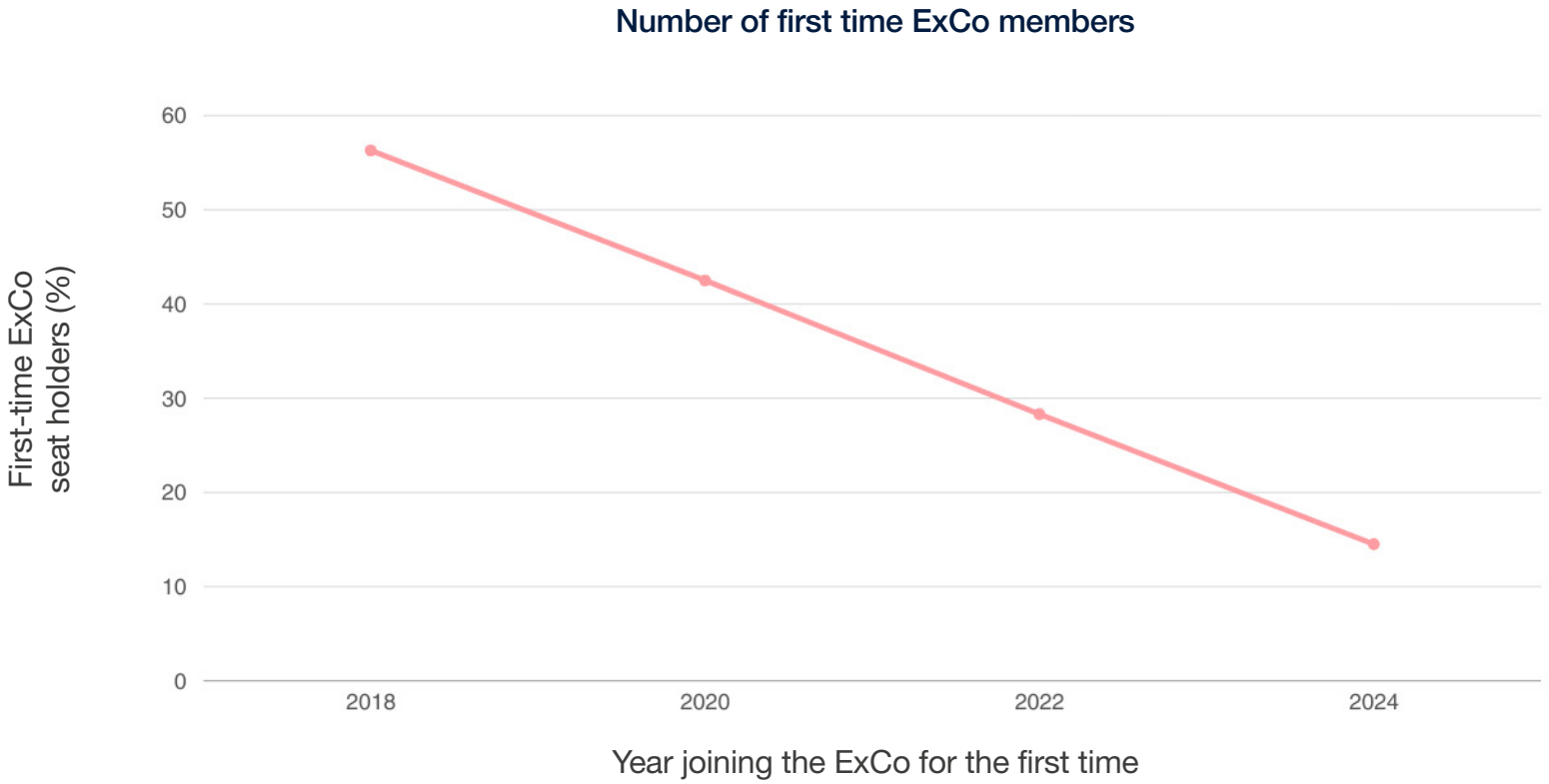
Without intentional investment in career pathways, modernized culture, digital skills, and stronger talent branding, insurers might lose more than headcount. They risk losing relevance. The current industry gulf demands bold, future-thinking action.

Insurance in Numbers

Tenure Data

Only **28.3%** of active ExCo seats are occupied by individuals that were appointed to the ExCo for the first time in the **last 3 years.**

This statistic showcases the drastic lack of new talent being brought into leadership teams with the average active ExCo member first appointment to the ExCo being in **Q3 2015.**



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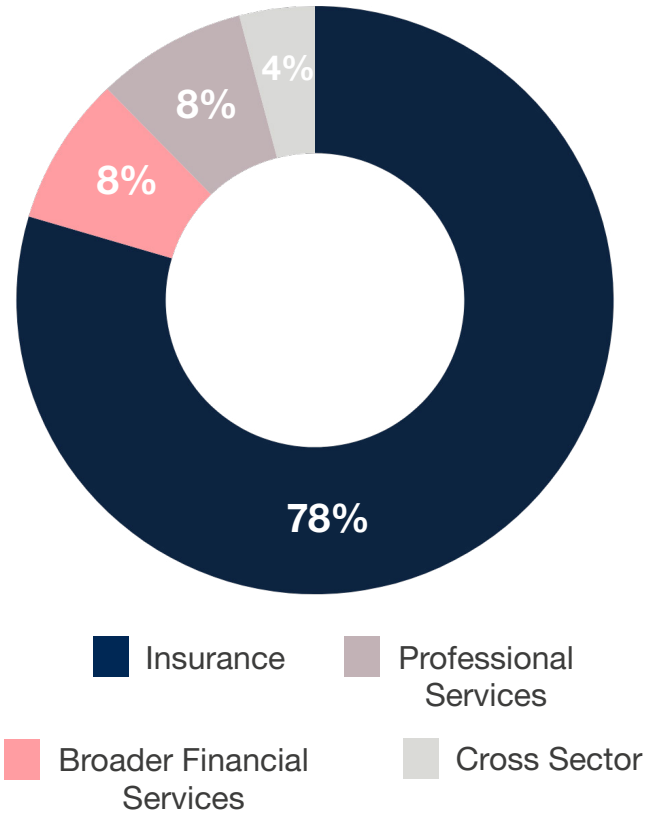
Insurance in Numbers

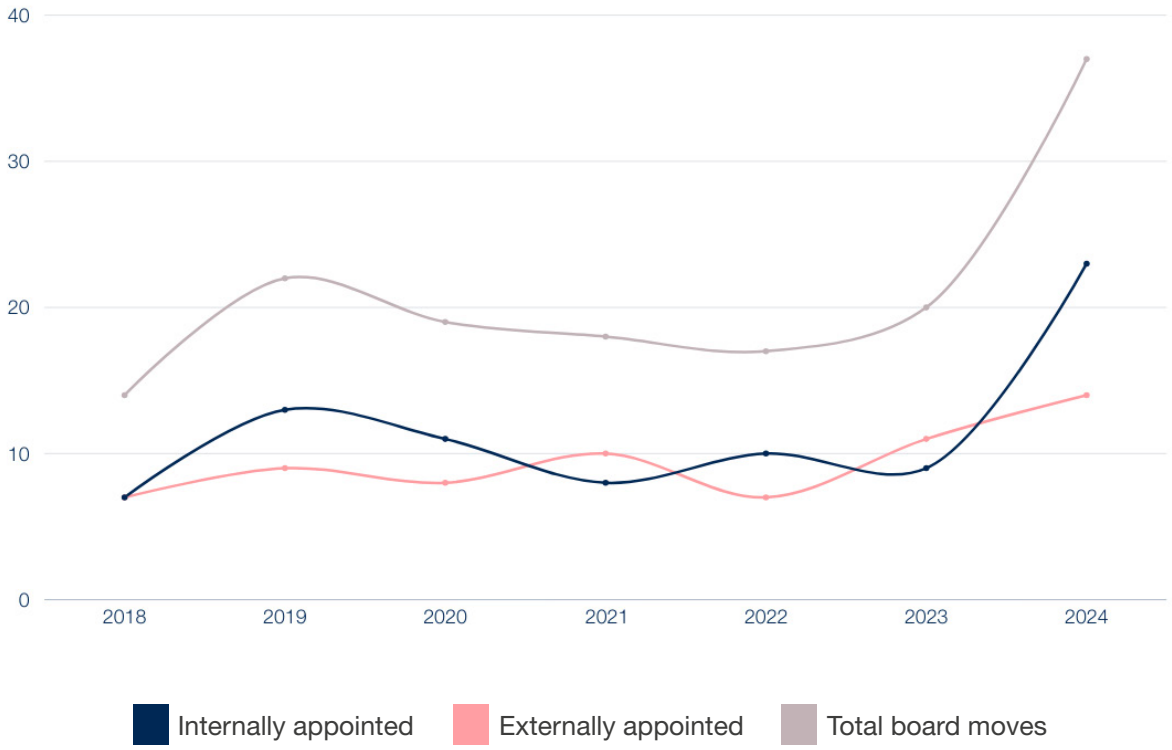
Hiring Data

40.6% of current ExCo appointments have been made in the last 3 years with **53%** of these being brought in externally.

ExCo appointments by industry



Board appointments over time



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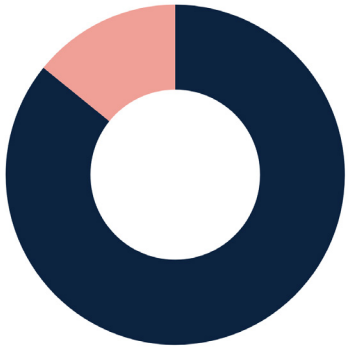
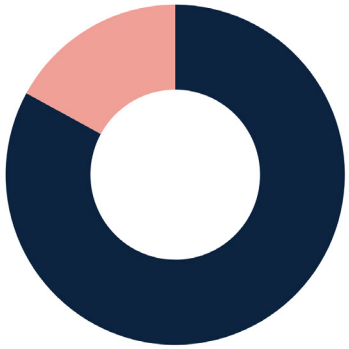
Insurance in Numbers

Diversity Data



Women hold only **14.2%** of CEO positions at the group or subsidiary level, despite comprising **36%** of new executive board appointments between 2020 and 2024.



82.7% of Executive Committee (ExCo) positions are occupied by white individuals.

Leadership diversity in insurance remains limited. Since 2020, women have filled 36% of new board seats but hold only 14.2% of CEO roles. Executive committees are 82.7% white, underscoring minimal progress in racial and ethnic representation.

These gaps stem less from talent scarcity than from narrow succession pipelines and a preference for internal hires – 78% of executives are promoted from within the industry. Without broader recruitment, intentional sponsorship, and structured pathways for underrepresented groups, insurers risk reinforcing homogeneity that diverges from both their workforce and customer base.

Only **31% of front-office executive hires are female**, suggesting that core revenue-generating roles remain predominantly **male-dominated.**

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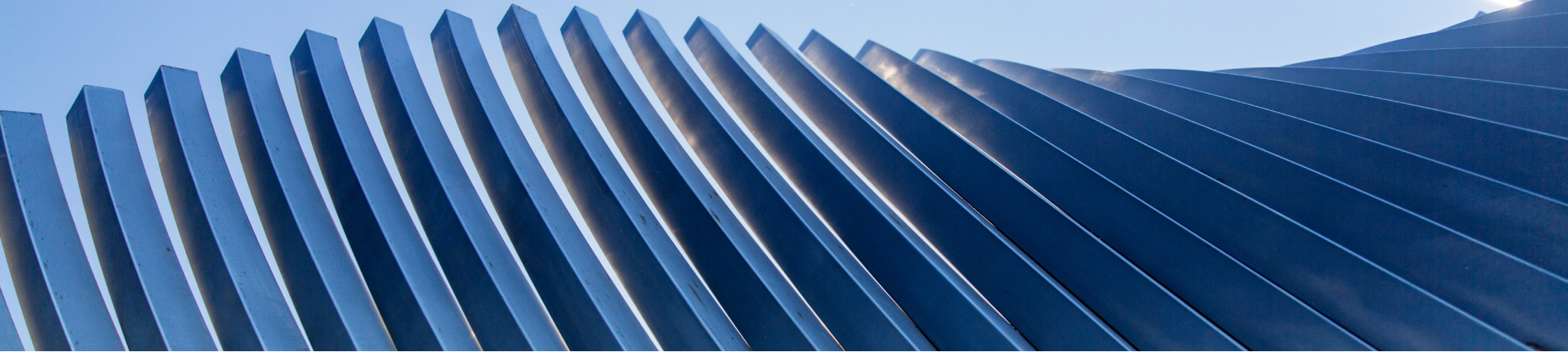

Strengthening the Executive Talent Pipeline

To address the leadership vacuum in insurance, organizations must rethink how they identify, develop, and attract executive talent, especially as nearly three-quarters of current ExCo members have been in place for over five years, and only a small fraction of new appointments are first-time executive committee members. So what is our advice to help strengthen the executive pipeline in U.S. insurance?

01. Think Outside-of-the-Box and Go Beyond Traditional Pools

With nearly four in five ExCo appointments sourced internally, insurers risk insularity. Fintech, healthcare, and consumer digital platforms have shown how bringing in external executives can accelerate transformation and customer engagement. Carriers should embed talent pipelining strategies that educate external leaders on the insurance value chain early, ensuring faster and more relevant appointments when vacancies arise.

Talent pipelining is a strategic tool that involves initiating early conversations with potential candidates, even before specific roles become available. By educating the market about an organization's brand and career opportunities, they create a network of engaged leaders. This proactive approach enables insurers to reduce time-to-hire and ensures better skills-based hiring when positions need to be filled.

02. Redesign ExCo Succession Planning

Traditional "like-for-like" replacements are no longer sufficient. Best-in-class organizations in banking have introduced performance-based succession plans that elevate leaders from technology, operations, and data – functions increasingly critical to the future of insurance. Adopting similar models would reassure boards and regulators that insurers are prepared for sudden leadership changes.

By maintaining ongoing relationships with potential internal and external successors, succession planning helps organizations mitigate the risks associated with sudden leadership changes and industry challenges. This method provides boards and regulators with confidence in the organization's future leadership structure.

03. Invest in Future-Ready Leadership Capabilities

Executive academies focused on digital, ESG, and data analytics can help accelerate readiness. For example, leading global banks have created internal academies that fast-track high-potential leaders with non-traditional backgrounds into board-ready roles. A similar approach in insurance would reduce overreliance on traditional actuarial or underwriting pedigrees.

04. Create Strategic Advisory and Innovation Councils

Councils can function as “low-risk incubators” where insurers test-drive leaders in non-fiduciary roles. Tech firms and consumer platforms have successfully used advisory councils to de-risk senior hires, while also strengthening their market brand. For insurers, this creates a ready-made shortlist of leaders familiar with their business who can step into critical roles seamlessly.

Exposure to outside operators flags the next capabilities you need (digital distribution, data/AI, cyber). Members already know your business, so hires are faster with smoother onboarding.

05. Accelerate Diverse Leadership Development

Only 14.2% of CEO roles are held by women, and 82.7% of ExCo seats are held by white professionals. Intentional sponsorship and inclusive culture-building are critical.

Structured programs – such as rotational leadership for underrepresented talent — have helped professional services firms meaningfully shift their senior demographics. Insurers should apply similar rigor, ensuring diversity is not a standalone initiative but a core part of long-term succession planning.

Our talent solutions help leaders respond to the rapid transformations taking place across global industries.

01 Executive Search

Build sustainable and diverse leadership teams for long-term success

4 - 6 Weeks

02 Strategic Intelligence

Advise on the organizational strategies and structures to help bring next generation talent on board

Compensation Analysis

4 - 6 Weeks

Structural Analysis

8 - 10 Weeks

Talent Analysis

Up to 18 Months

03 Interim Management

Catalyze transformation with temporary hires to fill immediate talent gaps

2 - 3 Weeks

About Marlin Hawk

Marlin Hawk is a global leadership advisory firm specializing in executive search, strategic intelligence, and interim management. For over 20 years, we've empowered our clients with data and insights to make diverse, inclusive and impactful leadership decisions. One globally connected team, we are headquartered in London with offices in New York, Denver, Toronto, Chicago, Amsterdam, Dubai, Singapore and Hong Kong. Unconstrained by a one-size-fits-all approach to both clients and candidates, we build relationships with care and attention to detail, while delivering at pace.

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