

The Case for Development

Professional Growth Is Key to Hiring and Keeping Talent



We would be hard-pressed to recall a recent day that did not include headlines covering the talent challenges that permeate our post-pandemic reality. While the world of work has been completely upended over the past two and a half years, the need for — and importance of — the best and brightest workforce has remained constant. Arguably, now it is even more critical to have the best people in place. However, the talent gap only continues to expand, as the number of open U.S. jobs tends to be greater than the number of individuals to fill them.

Taking a closer look at the insurance industry specifically, the sector has plans to focus on talent initiatives in the near future. According to a recent study by The Jacobson Group, 68 percent of responding insurers intend to grow their workforce over the next 12 months.¹ However, it also finds recruiting is more difficult than ever, with almost half of carriers believing “their ability to hire is worse than one year ago.” The industry’s talent landscape is clearly in flux, with many employees being very new to their roles. In fact, LIMRA’s The People Imperative: Culture Survey finds, on average, one quarter of the life insurance company workforces represented have just recently been hired (since March 2020 or later).

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In the face of such challenging dynamics, organizations must do everything possible to engage, support, and motivate prospective hires, new employees, and their current workforce. This is where learning and development comes in. According to research from SHRM and TalentLMS research, it helps organizations “to reskill and upskill current employees to fill business needs, and to recruit and retain talented workers who want to continuously learn.”² Professional development, therefore, emerges as an imperative factor to leverage with each of these stakeholder groups.

Prospective Hires

Organizations must position themselves as an employer of choice when recruiting new candidates — and this means being able to say they offer holistic benefits for employees, including continued growth. According to a Gallup and Amazon study, 65 percent of employees find learning opportunities important when deciding to take a new job.³ Research also shows 48 percent of employees say training opportunities were a factor they considered in choosing their current employer.⁴

From the human resources perspective, 83 percent of HR managers believe “training is beneficial to attract talent.” This is especially important, as more than half of Chief Human Resources Officers surveyed by Gartner believe a shortage of critical talent is the primary issue impacting their organization.⁵

New Employees

Once candidates have been hired, it’s important for them as new employees to quickly understand the industry — which will help them be efficient and productive from the start. Providing professional

¹ “Insurance Labor Market Study Indicates Continued Growth Amid Recruiting Difficulty,” The Jacobson Group press release, August 19, 2022. <https://www.businesswire.com/news/home/20220819005271/en/Insurance-Labor-Market-Study-Indicates-Continued-Growth-Amid-Recruiting-Difficulty>

² “SHRM/TalentLMS Study Gauges Current State of Leadership and Training in America’s Workplaces,” SHRM press release, August 17, 2022. <https://www.shrm.org/about-shrm/press-room/press-releases/pages/shrm-talentlms-study-gauges-current-state-of-leadership-and-training-in-america%20%99s-workplaces.aspx>

³ “New Gallup & Amazon Upskilling Study Finds That 48% of American Workers Would Switch to a New Job if Offered Skills Training Opportunities,” Gallup press release, September 9, 2021. <https://www.prnewswire.com/news-releases/new-gallup-amazon-upskilling-study-finds-that-48-of-american-workers-would-switch-to-a-new-job-if-offered-skills-training-opportunities-301372643.html>

⁴ “SHRM/TalentLMS Study Gauges Current State of Leadership and Training in America’s Workplaces,” SHRM press release, August 17, 2022. <https://www.shrm.org/about-shrm/press-room/press-releases/pages/shrm-talentlms-study-gauges-current-state-of-leadership-and-training-in-america%20%99s-workplaces.aspx>

⁵ “Gartner Survey Finds Only 19% of HR Leaders Are Prepared to Address a Shortage of Critical Talent,” Gartner press release, February 23, 2022. <https://www.gartner.com/en/newsroom/press-releases/2022-02-23-gartner-survey-finds-only-nineteen-percent-of-hr-leaders-are-prepared-to-address-a-shortage-of-critical-talent>

development opportunities right away can improve their speed to proficiency and help them connect with their role and organization. Among early career professionals especially, it can build a sense of excitement and engagement with the industry.

From a practical perspective, they also will gain confidence and competence early on if provided background education on insurance, annuities, and retirement products, as well as other industry-specific topics. This foundational knowledge provides critical insurance sector context and sets them up to develop expertise in their individual role.

It is helpful to consider a launch into learning as an important part of an effective onboarding process itself. When this process is successful, it

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has long-lasting positive impact. According to Sapling, 70 percent of employees who had an exceptional onboarding experience believe they have “the best possible job.”⁶

Also, employees who strongly feel a clear professional development path has been outlined for them are 3.5 times more likely to be satisfied with their onboarding process. For new employees, when they achieve this type of early career accomplishment, it will foster a sense of loyalty. In general, it may take them a while to attain the level of knowledge and productivity existing staff members have — so giving them a “quick win” through learning will go a long way to helping them feel comfortable and capable. By extension, feeling they are valued, valuable, and purposeful at work from the outset is likely to support retention.

Current Workforce

It is no secret that insurers also must do everything they can to keep their best employees, especially in today’s tumultuous talent landscape. Many workers are no longer willing to remain in a job where they feel disconnected, unappreciated, or stagnant. According to McKinsey, 40 percent of employees are “at least somewhat likely” to leave their current role in the next three to six months.⁷ And there are concrete costs — both tangible and intangible — of losing a top performer. In bottom-line dollars, SHRM data shows the cost of replacing an employee who leaves is equal to 33 percent of that person’s salary.⁸

To avoid these costs and prevent employees from leaving, the best organizations continually engage their workforce by helping them continue to grow and develop new knowledge and skills. The price of disengagement is high, as Gallup finds 74 percent of “actively disengaged” workers are seeking new employment or watching for job openings.⁹ The pandemic has motivated many people to re-evaluate their career goals, which often drives them to seek new learning and growth opportunities. Demonstrating an investment in employees through upskilling or other development paths can combat their desire to seek fulfillment elsewhere.

Also, beyond the benefits of increased retention, professional development ensures that organizations have the best possible long-term team in place. A commitment to ongoing education helps companies deepen their leadership bench strength and build transformative leaders who are equipped and prepared to navigate whatever tomorrow may bring.

Ultimately, each of these employee segments will remember how they felt when their organization demonstrated a commitment to learning. This sense of excitement, engagement, motivation, and loyalty is difficult to replicate with other recruiting and retention strategies — and will go a long way to building an outstanding and more satisfied future workforce.

⁶ “Dewar, Jen, “10 Employee Onboarding Statistics You Must Know in 2022,” Sapling article, March 3, 2022. <https://www.saplinghr.com/10-employee-onboarding-statistics-you-must-know-in-2022>

⁷ De Smet, Aaron, Dowling, Bonnie, Mugayar-Baldocchi Marino, and Schaninger, Bill, “‘Great Attrition’ or ‘Great Attraction’? The choice is yours,” McKinsey article, September 8, 2021. <https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/great-attrition-or-great-attraction-the-choice-is-yours>

⁸ Agovino, Theresa, “To Have and to Hold,” Society for Human Resource Management, February 23, 2019. <https://www.shrm.org/hrtoday/news/allthingswork/pages/to-have-and-to-hold.aspx>

⁹ Harter, Jim, “U.S. Employee Engagement Data Hold Steady in First Half of 2021,” Gallup, April 8, 2022. <https://www.gallup.com/workplace/352949/employee-engagement-holds-steady-first-half-2021.aspx>



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