

AUGUST 2022

Advocating for Women in Insurance: A Current State Analysis

Jay D'Aprile

EXECUTIVE VICE PRESIDENT



There is a surprisingly rich history of women in insurance. Organizations like [New York Life](#), [Prudential](#), and [National Life Group](#), are proud of the stories they can tell about their first female agents, hired in the late 1800s and early 1900s—an era when only a tiny fraction of women had jobs outside the home at all. Over a century later, today’s insurance industry has continued to build on that early foundation, boasting a workforce that is [60% women](#).

That’s good news for gender diversity in insurance, but the work isn’t done. Digging beyond surface-level statistics, the [stark reality](#) is that only one in ten C-suite positions in insurance are held by women while just one in five women are sitting on insurance boards. Additionally, the data points to the fact that men continue to out-earn women in insurance roles.

The insurance sector’s customer base is equally divided between the genders, so a diverse leadership and workforce is crucial to serving consumers more effectively. As we discuss below, many insurance institutions have launched ambitious initiatives to support and empower women in the industry. But to achieve true gender equality in insurance, we have to understand the current landscape and what forward-thinking steps have the most impact.

The State of Gender Diversity in Insurance

As of late 2020, and according to [S&P Global Market Intelligence](#), there were just seven female CEOs in the U.S. insurance sector. Of publicly held insurers, about 23% of executives and officers were women.

The glass ceiling is not a new concept, and it is certainly not unique to insurance. A more recent analogy is the “broken rung,” which describes the way women are promoted far less often than men, effectively hindering them from climbing the corporate ladder.

This is an apt image for the insurance workplace, where a majority of entry-level professionals are women, but few are able to grow their career into the C-suite. [Experts reason](#) that the broken rung exists when there is an unconscious bias that women can’t—or shouldn’t have to—cope with the added pressure of leadership on top of their existing responsibilities outside of the office (e.g. dependent care and household labor).

At the current rate of promotion, the insurance gender gap will improve at an excruciatingly slow pace, resolving, perhaps, at least 30 years from now. If, however, female insurance professionals are promoted at the same rate as men, it would take just five years to achieve equality.

Achieving Gender Equality in Insurance

[Claudia Merkle, CEO of NMI Holdings Inc.](#), comments, “every CEO in the insurance industry... should be shuffling their succession plans to make sure that there’s a woman in the mix for every position.” Intentionality, she says, is critical for pursuing gender equality. She also encourages women to take initiative, putting themselves in the running for leadership roles rather than waiting for someone to suggest it or nominate them.

For insurance leaders seeking to achieve gender diversity, [Elixabete Larrea of McKinsey](#) comments that transparency is the first step. What’s the current gender breakdown in the organization? What’s the rate of promotion among all genders? How long will it realistically take to achieve equal representation? Sharing that data within the business will help hold leaders accountable throughout the initiative.

Larrea’s second recommended step is creating an inclusive work environment. Inclusion means nurturing a supportive atmosphere where all employees feel safe, acknowledged, and positioned to achieve their best work. It also dovetails with overall DEI initiatives. It’s important to point out that multiple surveys, studies, and experts reveal that female managers and leaders are overwhelmingly the biggest and most proactive supporters of DEI programs within their organizations. They [have been shown](#) to spend more than double the amount of time on mentorship and sponsorship, and are more than 10% more supportive in regards to their employees’ well-being and workload. Their commitment to DEI efforts, even when it’s not part of their job description, is significantly greater than that of their male counterparts—and it all takes time and energy.

Insurer [Swiss Re recommends](#) a more balanced candidate pipeline in the recruiting process, using measurable gender-focused goals to eliminate bias in hiring. They’re not alone: Many European-based insurance companies have committed to diverse recruitment policies as well as addressing the gender pay gap. These efforts are part of a cohesive strategy, in which they’re also evaluating their work arrangements, remote/hybrid models, career development programs, and mentorship and sponsorship programs.

Insurers Who Are Making a Difference

The insurance industry has a way to go before it achieves true gender diversity and equality. However, there are a number of companies that are inspiring others along the way.

[Allianz](#) is one of them. Over the last seven years, they have successfully promoted and hired women into 30% of their leadership roles, including three women board members. Their actions have included diverse succession planning, sponsorship programs, equal pay, and employee networks—and they aren't done. They have ambitious diversity progress goals and continue to focus on achieving balanced representation across their entire organization and leadership team.

[MetLife](#) is another key player that has been recognized for their gender parity efforts. With the goal of living and breathing a pro-women brand, they have assessed and overhauled their recruiting, compensation, culture, and harassment policies over the last several years. They were also the first U.S.-based insurer to commit to the UN Women Empowerment Principles, pledging to promote gender equality in the workplace.

Finally, [Securian](#) is known for their Securian Women and Allies Network (SWAN), one of their employee resource groups that is focused on embedding DEI into their company culture. The group hosts book clubs, networking events, community sponsorships and volunteer opportunities in an effort to nurture awareness, education, and advocacy for gender equity.

Advocating for Women in Insurance

Achieving true gender equality and equity in insurance, especially in leadership, is not only a strategy for growth and innovation—it's also simply the right thing to do. Overcoming the broken rung and eliminating gender bias in insurance is critical in order to better serve both employees and customers.

What strategies has your insurance firm taken to advocate for women in leadership?