

CAPTIVE INSURANCE COMPANY REPORTS

Making Captive Insurance a Compelling Career for Young Professionals

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Editor's Note: We all recognize that many in the field are aging and the industry needs younger replacements. But from where will they come? **Daniel Towle**, the president of the Captive Insurance Companies Association (CICA), offers us some good ideas on how to find and encourage these younger folks. He can be reached at Dtowle@CICAworld.com.

When I talk with young captive insurance professionals, I am impressed with their passion for our industry. I also hear that, like many of us in the industry today, they did not set out to pursue a career in captive insurance. That is where I believe CICA can play a vital role. CICA has taken a leadership position in rallying the industry to increase our efforts in attracting a robust talent pool and in supporting professional development.

CICA's new NEXTGen Task Force, announced in June of this year, brings the voices of young and new professionals to the planning table. We expect their advice to help CICA provide education and networking, including social networking, that young and

new professionals need to advance their careers. The NEXTGen Task Force will begin meeting this summer with recommendations due to CICA this fall.

I included social networking because it plays an important role for today's insurance young professionals. According to studies of millennials in the insurance industry done by Vertafore, young professionals continue to use social media as a tool to increase brand awareness, build relationships, and more. CICA has actively engaged young professionals in our social media initiatives, and we expect the task force may recommend additional social media strategies to meet their needs.

CICR comment: For many of us aging veterans, this expansion into social media will send us to the beach to sun ourselves. Most of us know that technology is advancing rapidly, and some attempt to keep up. I see, however, the quick development of new ways to communicate, fund, structure, and invent will not only surpass us all but leave many in the dust. Younger captive proponents stand a much better chance of understanding and using these new tools. How

knowledgeable are you about CyberCube, natural-language programming, artificial intelligence, Insurwave, or chatbots? Have you seen/worked with B3i? These may not yet be used in the captive industry, but they are being used by many players in captives and will soon arrive in your face.

Captive insurance is on the cutting-edge of risk management and provides interesting and rewarding careers with the purpose, stability, and creative problem-solving young professionals require. There are always new risks to manage and new opportunities for captives on the horizon. Studies by Vertafore and others cite these as several of the top traits young insurance professionals seek. Further, with new and evolving risks and the growing application of technology to insurance and risk management, the industry needs new skill sets. Approximately 60 percent of all new insurance industry jobs will require skills held by only 20 percent of the existing workforce, according to the US Bureau of Labor statistics.

At the same time, our industry is aging, with many senior-level individuals nearing retirement. We are also hearing that organizations are adding positions. We need to encourage more young professionals to get involved and to help them prepare to become the next generation of captive leaders.

Recruitment into the field makes reaching out to colleges and universities particularly important. I [spoke at Temple University](#) earlier this year and was very impressed with the risk management and actuarial science students there. They were interested and very engaged in learning about captive insurance. However, it became clear to me that currently our industry is ill-equipped when it comes to formalized internships and competing with other insurance career options. Many of these students are securing their jobs today through internship opportunities, which appear to be lacking in captive insurance.

Promoting (paid) internship opportunities is another area in which we need to come together as an industry. If we are to directly compete with risk management majors in college, we need to compile our internship opportunities and directly market them to the students. I am hopeful that we can work as an industry to promote these opportunities through social media and directly to the students through their college career offices and through other organizations such as Gamma Iota Sigma (Gamma Iota Sigma is the insurance industry's premier collegiate talent pipeline, and the Temple chapter is the "risk management and actuarial science fraternity"). We also need to make sure that these opportunities are exciting and fruitful for these students, as they will, in turn, be our best promoters when they have a fulfilling experience. This should pay dividends for future years as rewarding and interesting internships are always in high demand.

CICA's essay contest "Next Generation Captive Insurance Solutions for New Risk Challenges" targeting risk management and insurance students was well received by students and the industry. The contest introduced captive insurance to many students for the first time. Hearing from the students about why they participated in the contest, and what they learned, has been really exciting for us. It reinforces what many in the captive insurance industry see every day—that captive insurance truly is on the leading edge of risk management. We invited the three finalist teams to attend and present at the CICA Conference. This helps students connect with industry leaders and to develop their presentation skills, both of which are important to career development.

I encourage all of my domicile association partners who host conferences to invite interested college students to attend. These opportunities can be significant in raising interest and excitement about careers in captive insurance. Not only has this helped garner interest by the students, our attendees loved

the direct interaction we have with our college attendees. They helped give us new perspectives and added a new element of interest at our annual conference.

We have been fine-tuning the CICA Conference to strengthen our education program and to be more inclusive of professionals at all stages of their careers. We are also creating networking opportunities for students and young professionals to learn from industry leaders and for industry leaders to better connect with young professionals. The sessions in our “Professional Development Track” have been some of our highest-rated sessions. We continue to expand and diversify our speakers and the type of sessions we offer.

As young professionals enter the captive industry, we want to be sure we’re supporting their professional development. We have had a very enthusiastic response to CICA’s Mentorship Program. The program is geared toward young and midcareer professionals in the first 3–5 years of their captive careers. They receive counsel, advice, and support from seasoned industry veterans. We have about 50 people in

the program, but this includes unmatched mentors. Our goal was to have two mentors for every one mentee, which ensures we have plenty of options for our mentees. We hope to continue to grow the program and encourage interested individuals to get involved.

Another way that we are supporting career development is through partnerships. For example, through our partnership with the International Center for Captive Insurance Education, individuals who have earned their Associate in Captive Insurance can receive a complimentary 1-year membership with CICA. This grants them all of our membership benefits, including allowing them to participate in our mentorship program, which can be a key component to career advancement.

CICA has been hearing positive things about all of our new programs from our members and the industry. I have talked with several associations and organizations about how they can start programs to engage and support young professionals, which is very encouraging. We all need to play a role in promoting the captive sector to the next generation.

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