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The Journey of African-American Insurance Professionals



The Journey of African-American Insurance Professionals

CONTENTS

1	Intro duc tion
2	The Value of Diversity
8	Recruiting African Americans Into the Insurance Industry
10	Mentoring Programs Seen as a Key to Success
12	Recommendations: Taking Action
16	Conclusion
17	Appendix

Introduction

It is generally acknowledged that there is a significant deficiency throughout the insurance industry in African-American leadership and other levels of employment. As the demographics of the US change, becoming more diverse in terms of race, ethnicity, socio-economics, age, and gender, the insurance industry's executive and management ranks — from insurers to agencies and beyond — are not reflective of those emerging trends.

And yet, African Americans have been involved with insurance since the late 17th century. In 1693, Cotton Mather noted in his diary the efforts of “poor Negroes” to provide for the less fortunate among them, including collecting money to ensure decent burials. In the post-colonial period, several mutual aid societies, such as the Free Aid Society, were formed in Philadelphia. These entities were essentially savings and insurance institutions that “paid benefits to widows and to members who had fallen on hard times... [and] stressed moral living and thrift.” As many as 42 large, black-owned insurance companies existed in the 1920's.

Often, assumptions about African Americans' underrepresentation in the insurance industry revolve around issues such as unconscious bias, a lack of C-suite executives who can “pull them up the ladder,” nepotism and favoritism in the hiring process, or a lack of connections. Such assumptions are only pieces of a larger puzzle. A clearer picture of the African American experience in the insurance industry is needed.

The Journey of African-American Insurance Professionals is a groundbreaking study commissioned by Marsh and conducted by Dr. Leroy Nunery III, with participation from the National African American Insurance Association (NAAIA) and numerous others from across the insurance industry. Primary research for the study included 312 online survey responses, 25 interviews, and seven focus groups conducted over a six-month period.

The study seeks to understand why African Americans remain underrepresented in the industry and what insurers, brokers,

other stakeholders, and individuals can do about it. Among the key questions this study considers are:

- Why the low numbers of African-American insurance professionals?
- What have been the primary challenges and successes for African-American insurance professionals?
- Is the career experience of African-American professionals in the commercial insurance industry unique because of race?
- What can companies do to attract and retain African Americans?
- How have diversity and inclusion programs influenced, or otherwise affected, change for African-American insurance professionals?
- Do mentoring and sponsorship matter in career development?
- What steps can individuals take to enhance their career opportunities?

This study is intended as a “living document” that yields context and content for ongoing and future diversity and inclusion initiatives, provides an informed platform for addressing issues of inclusion and exclusion, explores potential lost opportunities for companies that do not actively pursue or retain African-American talent, and finally, provides African-American professionals with tangible information that could improve or solidify their career prospects.

The Value of Diversity

There are compelling, underlying ethical reasons for the insurance industry to build diversity in its ranks. And at the same time, there are compelling business reasons. A lack of visibility and connection to the African-American community adversely affects its ability to encourage diverse perspectives.

And yet, the underrepresentation of African Americans in the insurance industry has been clearly documented and has shown little change in recent years, as demonstrated by the bi-annual Independent Insurance Agents Agency Universe Study (see Figure 1).

The consequences for both African Americans and the industry manifest themselves in several areas, including:

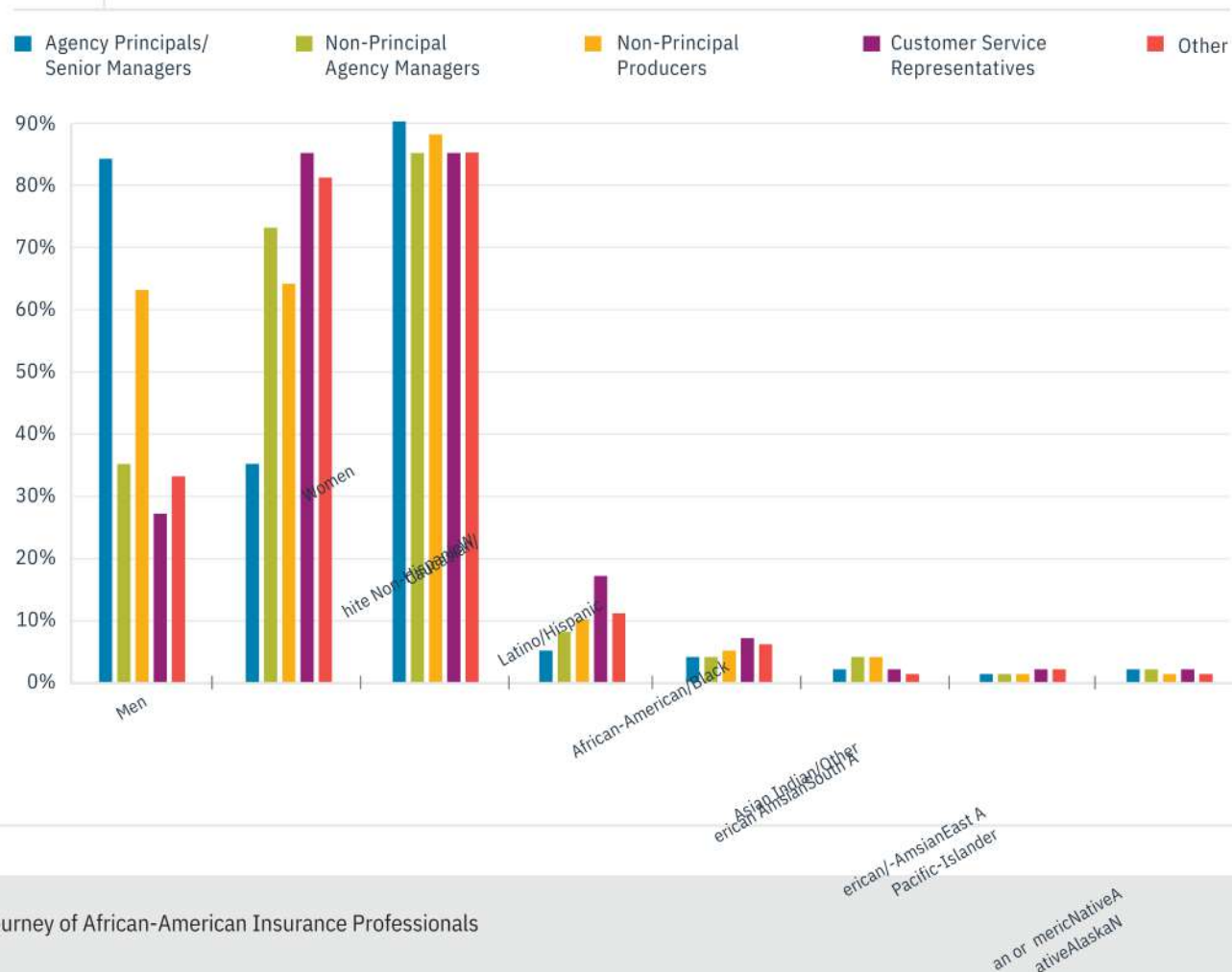
- **Talent acquisition:** Fewer candidates of color will enter the industry if they perceive there is no opportunity to build their careers.
- **Talent development:** If insurance organizations attract only scant numbers of African-American employees, they will struggle to understand, nurture, promote, and retain them — fostering a cycle of underrepresentation.
- **Lack of diversity:** Lack of diversity has been shown to limit organizational innovation and product and service development. In a highly competitive marketplace, the insurance industry cannot afford to decelerate or reduce innovation.
- **Target market growth:** Minority communities and minority-owned businesses are increasing in size. To serve a more diverse customer base and boost market share, the insurance industry itself needs to become more diverse.

FIGURE

1

Agency staffing breakouts by gender and ethnicity are generally comparable from 2014 to 2016

SOURCE: 2016 AGENCY UNIVERSE STUDY, FUTURE ONE COOPERATIVE EFFORT BY INDEPENDENT INSURANCE AGENTS & BROKERS OF AMERICA (IIABA) AND INDEPENDENT AGENCY COMPANIES



Fitting In: Career Experiences of African-American Insurance Professionals

Acculturation

Acculturating, or “fitting into” the industry or a specific company, is a driving force for most African-American insurance professionals, regardless of sector or the position they hold. Acculturation, or lack thereof, can be the reason for success or failure. One’s ability to read the environment and understand the intangibles can determine his or her future. Study participants were adamant that at times race, favoritism, or nepotism were the initial determinants for their employment or promotion, hindering them from fitting in. Acculturation may not be a unique issue for African-American insurance professionals, but one’s ability to navigate the organization will often determine one’s longevity in, and career satisfaction with, the industry.

One respondent noted that: “African Americans are judged differently and therefore have fewer opportunities for mistakes. We cannot however, use this

as an excuse not to be excellent.” It is reasonable that if race is a factor, then African Americans feel they are not enabled to take risks, make mistakes, or fail (see Figure 2). And if there are mostly adverse consequences for these actions, then career progress is likely to be suboptimal. It is incumbent upon the individual to simultaneously strive to fit into an organization’s culture while also trying to maintain their integrity and sense of self. Insurers need to recognize the cultural struggle for communities that lie outside the dominant demographic, and work to design an environment that is comfortable for all colleagues to succeed in. Acculturation requires both accountability and an organizational commitment to cultural competency.

Access to Opportunities

Access issues are closely related to acculturation: Any limitations to exposure are likely to stunt individual growth. Leadership assignments, executive

training, and senior leadership positions are predicated upon access, be it to company resources, client meetings and projects, interactions with senior leaders, or peer social gatherings. Gaining access is an iterative exercise: Given opportunities to prove oneself that result in success or failure can lead to more access.

Participants noted that because of the low representation of African Americans in senior positions and the paucity of mentors or sponsors, they did not receive as many opportunities to prove themselves as did their white counterparts. Coupled with underdeveloped or non-existent networks within an organization, many participants viewed their career choices more narrowly. Gaining greater access to decision-makers and sources of influence seems independent of the size of the company or the sector of the industry. Since there is no playbook or “how-to manual,” the solutions to lack of access must be tailored to meet the needs of the individual professional.

FIGURE

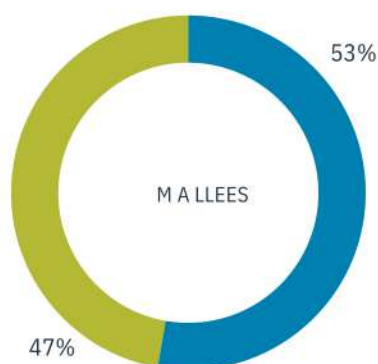
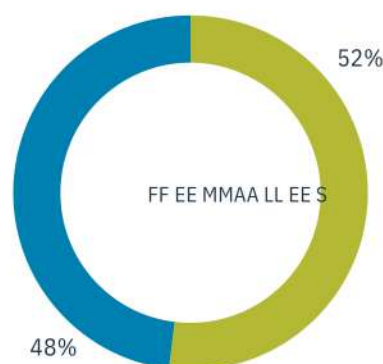
2

African Americans given less room to make mistakes

SOURCE: MARSH

African-American professionals are allowed fewer opportunities to fail or make mistakes.

■ Strongly agree ■ Somewhat agree



DISPROVING MYTHS ABOUT UPWARD MOBILITY

A large majority — 186 participants either “strongly agreed” or “somewhat agreed” — felt that professional development, certifications, and license opportunities were equally accessible to African Americans as to their majority peers. This would seem to disprove a myth in the insurance industry that African Americans were less certified or educated than their peers and therefore hindered in their upward mobility.

Racism and Bias

Participants provided many insightful comments about racism and racial bias, both as the main variable in determining how far African Americans may progress in their insurance careers and as a “moving target” that can be simultaneously overt and subliminal. In short, the factors of racism and/or bias in the industry are complicated and individualistically determinative.

One participant observed: “I believe the level of unconscious bias that exists for African Americans leads more people to react adversely towards this particular race of people. We are often starting from way below benchmark before we even begin to engage with a business partner, client, or colleague, and therefore have to spend a lot of energy disproving their bias before we can even get down to the business of what we came here to do.”

There were wide ranges of opinion on how race affected individual career journeys. Can race be both an asset and a liability? Yes, and depending upon individual circumstances, contexts, and character, career arcs for African Americans in insurance are differently shaped, differently timed, and quite distinctive.

Participants pointed to career events (for example hiring, promotion, and new assignments) when either perceptions or the reality of racial bias became an issue in the outcome. At times, the occurrences were subtle or “unconscious,” and at other times clear and evident, such as being left out of important meetings, social events, or client-facing opportunities.

“Rarely do I encounter overt racism,” said one participant. “Most of the time it’s people’s implied biases that hold African Americans, females, and people of color back. Usually, the top of the house (senior management) says all the right things, but it doesn’t get *practiced* at the middle management level.”

And yet it was also stated by many individuals that even if their race could be perceived as a detrimental factor, they learned how to deal with it, strategize around it, leverage it, and succeed *because* of that perception.

Obstacles

Study participants generally said they face many obstacles in the insurance industry. Many individual contributors adopt “risk averse” postures, possibly inhibiting their chances for advancement and their organizations’ growth. According to one survey respondent, “There is still a stigma that exists that an error or problem by one African American is an indictment on the entire race; a stigma that does not apply to Caucasians when a single individual makes a mistake and it is considered an anomaly, not a representation.”

A strong majority (70%) of survey respondents said they either strongly or somewhat agreed that the obstacles for African American were greater for them than for other minority groups (see Figure 3). How individuals deal with expected limitations seems to be a matter of perseverance and preparation.

FIGURE

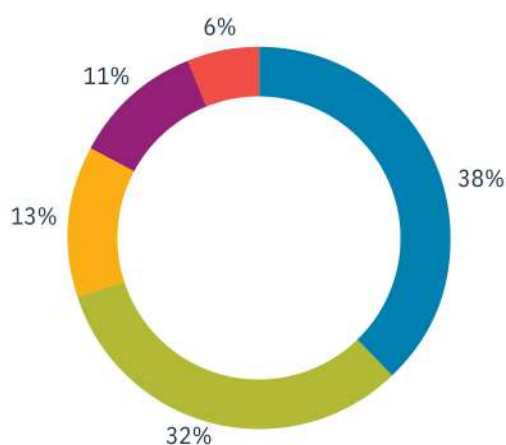
3


Obstacles are seen as greater for African Americans than other minorities

SOURCE: MARSH

There are greater obstacles for African Americans in the insurance industry compared to those for other minorities or under-represented groups.

Strongly agree Strongly disagree Neutral
Somewhat agree Somewhat disagree



A group of diverse people in a meeting, with a woman in the foreground pointing towards the camera. The image is overlaid with a dark blue semi-transparent filter.

“Most of the time
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Americans, females,
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at the middle
management level.”

Primary Barriers to Success

Study participants were asked about the primary barriers to entry into the insurance industry for African Americans (see Figure 4). “Lack of exposure to the industry” and “lack of networks” were the topmost perceived barriers, as compared to racial bias. While race is an important factor in pursuing or being recruited to the insurance industry, more important is the absence of information about career opportunities through formal or informal networks, college career placement offices, or accessibility of African-American insurance professionals.

Successes and Challenges for African-American Insurance Professionals

So how have individuals negotiated and navigated their insurance industry careers (see Figure 5)? More seasoned professionals (with more than 20 years of experience) felt that individuals should be assertive, or aggressive, in pursuing new experiences; continue speaking up; promote their interests in learning more about the business; become visible; and “actively manage” their careers.

One participant said, “If you do not have the ability to manage your time, find another industry. If you cannot compartmentalize work and home life, find another industry. If you do not have the ability to follow the letter of the law as it pertains to insurance, find another industry. If you cannot handle scrutiny, find another industry. If you are not committed to doing the best job, find another industry. Your decisions affect multiple facets of your field and the ripples of your success and failure will garner attention.”

Early stage professionals (with less than 10 years of experience) were more likely to feel that some responsibility for getting access or building career paths rested with their employers.

FIGURE

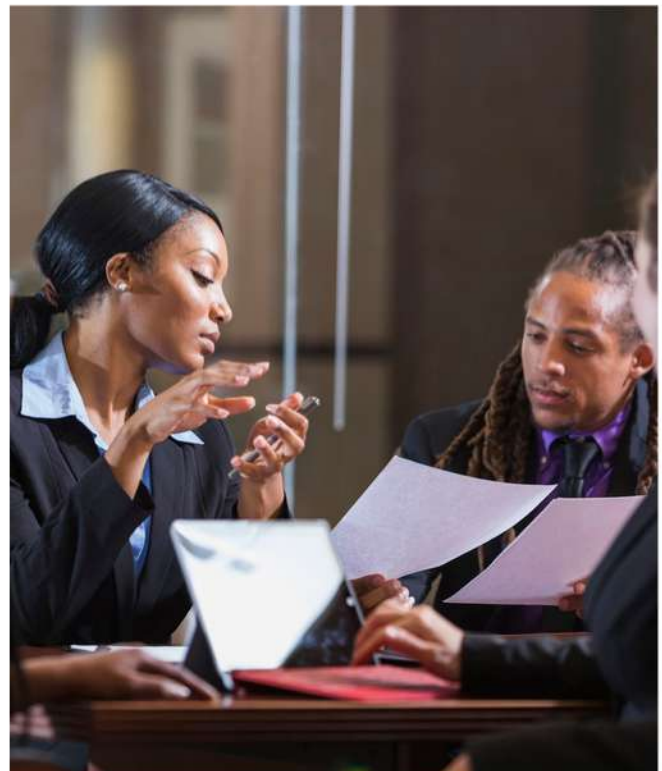
4

Industry exposure is the top barrier to entry into the insurance industry for African Americans

SOURCE: MARSH

What are the primary barriers to entry into the insurance industry for African Americans?

- 1 Lack of exposure to the industry
- 2 Lack of networks
- 3 Lack of experience (e.g., internships, work/study jobs, first jobs)
- 4 Racial bias
- 5 Lack of educational preparation
- 6 Gender bias



FIGURE

5

African-American insurance professionals adopt multiple strategies for career success

SOURCE: MARSH

KEYS TO SUCCESS



Risk-taking: Willingness to take risks, such as new assignments or unfamiliar areas or operations, which lead to greater opportunities.



Cross-training: As noted by one respondent, cross-training — from claims to underwriting to loss control — breeds valued “breadth of experience.”



Persistence: Demonstrating drive and an “I’ll show you” attitude. Maintaining consistency in performance and a pursuit of excellence.



Education: Pursuing professional development opportunities, such as seminars, webinars, formal and informal reading, licenses, and certifications.



Longevity: Staying employed in, and engaged in, the insurance business.



Relationship management: Developing and cultivating relationships within and outside of the insurance industry.



Entrepreneurism: Willingness to create entrepreneurial ventures, such as agencies or spin-off businesses, that capitalize on attained knowledge.



Self-advocacy: Active career management and engagement. Understanding that each individual can be empowered, through investment in their relative and comparative strengths, to self-advocate.

CHALLENGES



Communications

- Not learning the language and culture of the organization, or the “inside game.”
- Low level of regular or meaningful contact with senior management or influential persons inside the organization.



Networks

- Lack of access to informal networks that can provide deep background on key players inside an organization or industry.



Planning

- Reluctance to plan ahead, anticipate changes, and develop contingencies.

Recruiting African Americans into the Insurance Industry

Although there is a propensity for African-American professionals to remain in the industry once a part of it, exposure to the industry seems to be an obstacle and stumbling block against broader entry and greater interest, particularly among African-American college graduates. Consider the example of a recent African-American college graduate who is looking at career options. With few or no contacts in the insurance industry, few African Americans visible in leadership roles, and no prior exposure to industry jobs, there is little likelihood of that graduate seeking employment in the industry.

Study participants suggested several reasons for the industry's low visibility in recruiting on college and university campuses:

- Insurance organizations seek graduates with insurance and/or risk management coursework.
- Risk management and insurance are not taught at most colleges and universities.
- Few, if any, insurance industry organizations target historically black institutions.
- Nepotism and favoritism run rampant in the insurance industry. Insurers seem to prefer to hire friends, relatives, or other contacts over people they do not know as well.

The lack of “mutual accountability” for results in recruiting and hiring compounds the challenges of talent identification. Senior executives (particularly in human resources and talent development) must make recruitment and retention a top priority, measuring the results of on-the-ground efforts. Somehow, the message of enhancing diversity gets lost and there are few consequences for missing objectives. As one individual summarized: “It must be the mindset of decision makers to emphatically ensure that their requirements are invoked in the hiring process, from top to bottom, during the recruitment process.”

The Role of Diversity and Inclusion Programs

Further complicating the issue of race is that multiculturalism and diversity have become the keywords used by many employers to describe how they deal with differences in race or ethnicity, often conflating and obfuscating the focus on race and ethnicity with diversity in gender, socio-economic status, or upbringing. It is uncertain how much the diminishment of race as a primary factor in changing corporate culture affects the status or opportunities of African

Americans, but it appears to influence how African-American insurance professionals feel about how their potential will be realized.

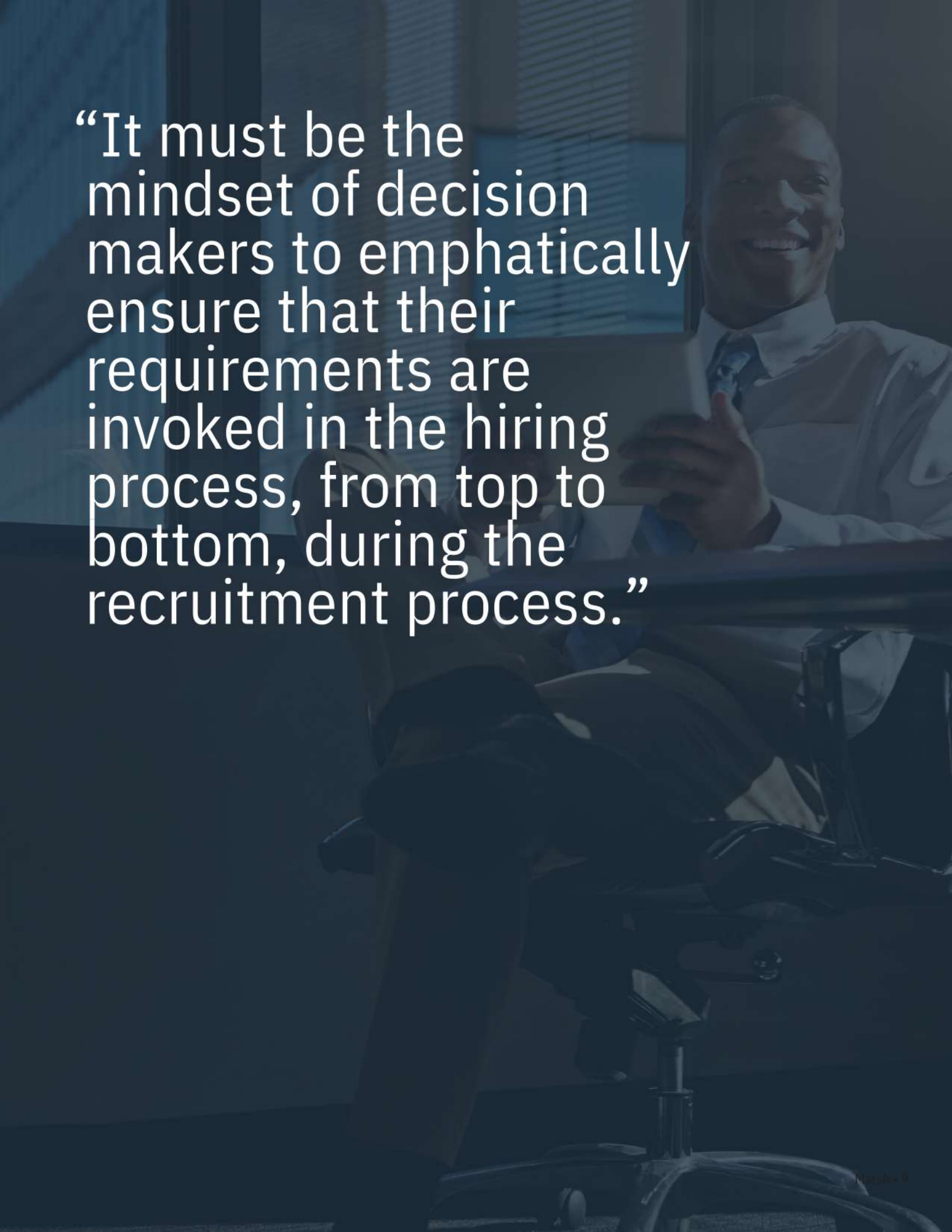
For those who believe that a lack of diversity in the business brings opportunity, being alone or being the only individual of color can have benefits as long as performance on the job is high. The sense of being fortunate to fill a diversity gap was especially reinforced if

there was clear C-suite commitment and willingness to make the programs work. This feeling of being an added bonus, however, was limited in appeal: By and large, the lack of diversity was viewed negatively. “Certain areas of insurance firms are harder to get into if you are a person of color,” one participant said.

Several study participants said that many senior African Americans have not been advocates of fellow African Americans through supporting their career advancement and mobility. It is possible that some African Americans inside the industry are perpetuating the lack of diversity, either because they are not able, or are unwilling, to advocate for greater diversity, or there is a sense of isolation that inhibits an individual from being a more forceful advocate.

Most study interviewees (predominantly seasoned, deeply experienced executives) responded that employee resource groups (ERGs) were either inconsequential in their personal career development, or that objectives were not fully realized. Some felt that ERGs helped companies assuage concerns about how corporate cultures dealt with underrepresentation and inequities, but lacked the backing of senior executives to make inclusion an organizational priority.

On the positive side, some participants underscored how ERGs helped them navigate their careers, or create bonds with other employees. One participant noted, “My experience being involved with an ERG has allowed me to expand my network, and develop professionally in terms of presentations and public speaking. I have nothing but great experiences when dealing with ERGs.”

A man in a white shirt and blue tie is sitting in an office chair, smiling and holding a tablet. A woman in a dark suit is standing behind him, also smiling. The background shows office windows with blinds.

“It must be the mindset of decision makers to emphatically ensure that their requirements are invoked in the hiring process, from top to bottom, during the recruitment process.”

Mentoring Programs Seen as a Key to Success

Mentoring and coaching programs should be a key piece of a company's long-term diversity and inclusion plan. Nearly every study participant said such programs have helped their career development, and a majority recommended that such opportunities be pursued by African Americans (see Figure 6). Yet only 38% had an active mentoring relationship.

One thing is clear: To African Americans in insurance, *mentoring matters* (see Figure 7). What does not seem to matter is the race, gender, or other such characteristics of the mentor – mentors and mentees should have compatible personalities, and mentors should ideally be invested in their mentee's progress in the industry. Having a mentor would ideally help more African Americans feel welcome and progress in the insurance world.

FIGURE

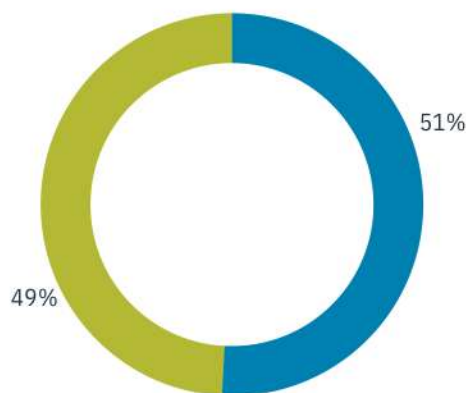
6

Mentoring and coaching programs are important for career advancement

SOURCE: MARSH

Mentoring or coaching programs can provide exposure and access for African-American insurance professionals to senior level executives and greater opportunities for promotion or career advancement.

- Strongly agree
- Somewhat agree



Interestingly, many participants who did not have mentors reported roughly the same levels of career satisfaction as those who had them (see Figure 8). One reason for this may be that some people who currently have mentors are dissatisfied with the relationship.

Further exploration regarding specific mentoring initiatives is necessary to understand where mentoring works and is mutually beneficial, including around questions such as:

- How should individuals best position themselves to obtain a mentor?
- Which type of mentoring (formal vs. informal) is most effective in encouraging African-American insurance professionals to remain in the industry?
- How should insurance industry organizations establish highly effective mentoring programs that enable and foster the most inclusive corporate cultures?
- How can organizations measure the quality of the mentoring relationships?

The perception of mentoring seems to extend beyond race, gender, or ethnicity. The most positive comments came from those who believed that the mentoring was not based on demographics but rather personal interest in the individual. Furthermore, mentoring was most effective when both persons involved were engaged and accessible.

The Importance of Sponsorship

Sponsorship — a higher level of professional relationship between an employee and a senior executive — was also seen as vital to success. As one participant put it: "Sponsorship by a senior executive or seasoned professional greatly increases the probability of an individual, especially an African-American or person of color, being given broader responsibilities and promoted to senior ranks."

Generally, a sponsor (likely white, male, and highly experienced in the industry/company) underwrites and vouches for another person's career, built upon clear feedback, introductions to

FIGURE
7

Sponsorship and mentoring are highly recommended

SOURCE: MARSH

What ways would you recommend to African-American employees to progress from trainee to executive levels?

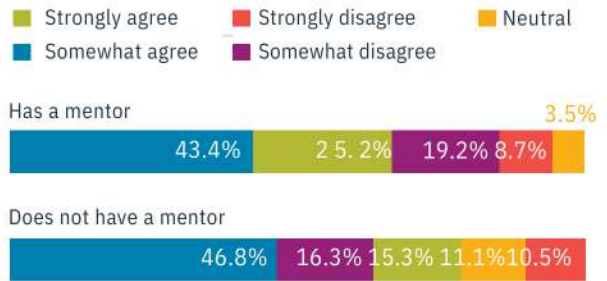


FIGURE
8

Mentorships help with career satisfaction

SOURCE: MARSH

I am satisfied with my insurance industry career.



new and different opportunities, and a durable connection that surpasses a mentoring relationship. There is a mutuality expected from sponsorship, coming from the understanding — implicit or explicit — that both individuals will gain from the relationship, which in turn creates a return on investment that outweighs the risk of supporting another person's career. Sponsorship would work especially well for African Americans with no familial, commercial, or other ties to the industry, helping them progress along their career path.

Regardless of how companies choose to approach mentoring and sponsorship for African Americans and people of color, if their culture is not inclusive and willing to become more diverse at all levels, these programs will founder and cause more harm than good.



Recommendations: Taking Action

Improving the journey of African Americans in the insurance industry is dependent on both employers and employees taking positive actions.

Recommendations for Employers

Disrupt Recruiting Practices

To recruit top African American talent, companies should build informational pipelines that inform prospective hires of the vast opportunities within the industry. There are obvious gaps in knowledge and awareness about the industry itself and where it is headed in relation to the application of data, analytics, and new technologies, which may constrain insurance from being a top choice. Beyond conventional recruiting on college campuses, employers should establish ongoing relationships with key faculty members, business and community leaders, and other influential persons who can increase awareness of insurance industry career prospects. Employers also should tap into the talent pools in African-American professional groups — for example, the National African American Insurance Association, Executive Leadership Council, National Black MBA Association, and National Association of Black Accountants — to broaden their recruitment efforts.

Smaller businesses should tap into African-American talent pools to enhance their competitiveness and improve their growth potential. With changing minority demographics and an increase in the number of smaller agencies servicing them, there is an opportunity to provide African Americans interested in insurance careers with unique hands-on opportunities to grow, and grow with, the business. Furthermore, those employees

in producer roles may be able to facilitate connections with emerging markets and provide deeper insights into market targets.

Commit Senior Leadership

Senior leadership commitment and engagement are essential to the substance, vitality, and sustainability of diversity and inclusion in the workplace. Recognition of, and respect for, different perspectives must be signaled from the top of an organization and be a strategic priority. Senior management engagement is a crucial element of success, including in such areas as sponsoring and mentoring; rectifying inequities in compensation and promotion; holding others accountable for diversity goals; promoting lines of communication that expose a diversity of ideas, experiences, and personalities; encouraging employees to own their careers; and opening doors for individuals to contribute.

Develop and Sponsor Employee Resource Groups

Employee resource groups (ERGs) should have a positive impact, but must be proactive entities that bring employees together to address real concerns. ERGs should be safe places where overlapping objectives can be met: creating positive social environments where individuals can express themselves and providing training on hard/technical skills (such as certifications and knowledge transfer) and soft/interpersonal skills (such as leadership, presentations, and mobilizing others). Insurance industry organizations that encourage this type of “risk taking” will benefit from heightened employee morale and productivity.

Mentor, Coach, and Sponsor

Formal coaching and mentorship programs and informal mentoring relationships should be explored for what fits best in a company’s organizational structure. Companies in the insurance industry should foster dynamic mentoring and coaching cultures and engage external experts, when necessary, to train mentors on the most effective coaching techniques and to enhance the quality of the relationships. For formally arranged mentoring, senior leadership should be able to measure results, including the frequency and type of interactions, the progress of the mentee in terms of skill set development and technical acumen, and the quality of the work product. If an organization decides to provide sponsorship programs, senior leaders should take ownership and help identify employees with high potential and suggest mutually beneficial matchups.

Diversify Suppliers

Taking a look outside the organization, the challenge of supplier diversity, or economic inclusion, is one that insurance industry companies must also address. For example, insurance industry companies should consider expanding vendor opportunities with African-American companies — for example, third-party administrative services — that can enhance brand image and support organizational diversity efforts.

Listen to Your Employees

When study participants were asked what concrete actions insurance industry companies can take to attract and retain more African Americans, mentorship and sponsorship were at the top of the list, but were not the only recommendations (see Table 1).

TABLE 1: Additional Actions Employers Can Take*

ACCESS AND EXECUTIVE COMMITMENT	<ul style="list-style-type: none">• Executive leadership of the organization needs to engage African Americans and help to attract top African-American talent to the firm.• Make a commitment from the top — the CEO or president. Support or advocacy from anywhere else in the organization, on its own, will be less successful.• Increase senior management awareness of the diversity gaps.• Find ways to build confidence of African-American professionals in the leadership pipeline.• More open communications within organizations about opportunities.• Ensure that there is support for senior level initiatives at lower management levels in order to move people forward.• Encourage advocacy for African-American professionals by discouraging unwarranted criticism of efforts that are supportive of African Americans and other diverse workers.
OPEN CONVERSATION ON RACE	<ul style="list-style-type: none">• Real conversations are needed around tough internal questions, such as: Why does the company have only one African-American executive?• Likewise, discussions should be held regarding how broader societal issues and events impact the working environment for all, especially African Americans.
CORPORATE CULTURE	<ul style="list-style-type: none">• Create a “clean environment” (level playing field) for performance measurement.• Leverage ERGs.• Create structured mentorship and sponsorship programs and hold people accountable.• Be more welcoming to African Americans. Participate in community activities, recruit at schools, and engage African Americans to speak about working in the organization.
APPRECIATION FOR THE PLIGHT OF AFRICAN-AMERICAN PROFESSIONALS	<ul style="list-style-type: none">• Being the “one and only” is very risky: if you fail, there’s no one behind.• Being the diversity candidate at a senior level presents challenges for the candidate and the organization.• Better understanding of the issues of black women.
PIPELINE DEVELOPMENT	<ul style="list-style-type: none">• Build and support a long-term talent pipeline among African Americans.• Recruit in diverse areas.• Hire people with broad skill sets from diverse backgrounds.• Ensure there is a diverse set of candidates presented for key positions.• Innovate and expand on traditional training programs (college recruitment, rotational assignments) to attract and recruit talent.• Create programs that give people who are not in the industry insurance experience.
TALENT/ PROFESSIONAL DEVELOPMENT	<ul style="list-style-type: none">• Provide more training and development opportunities.• Encourage lateral and vertical movement across the organization.• Develop opportunities for networking and meeting senior executives outside immediate areas of responsibility.• Allow people a chance to succeed and a chance to fail — African Americans should be encouraged to take risks.• Use ERGs to develop talent and leadership.• Provide minority training programs.• Ask employees what their development needs are.
MENTORING AND COACHING	<ul style="list-style-type: none">• Establish volunteer mentoring programs.• Encourage more exchanges between senior managers and employees.

**The above list was drawn from comments made by study participants.*

Recommendations for Individual Employees

Study participants noted that African Americans face everyday issues that companies cannot help them immediately resolve. For example, as a minority in a company and industry, some African Americans may feel they cannot truly “be themselves” at work, at least initially. They must work through a process of figuring out how they fit in and engage with their place of employment.

“I believe as industry trends change, we have to adapt, too,” one participant noted. “We have to not be afraid to learn and grow with the industry. My motto is to continue to learn, study, get involved in projects. Do what you can do. There are webinars, courses, and independent programs that can be explored to stay abreast.

If African-American professionals are exposed to the business more, I believe they will make, and can make, the right choices to help themselves. We have to be proactive and two steps ahead in the game. It’s not easy, but achievable.”

Self-Advocate and Self-Mentor

Self-advocacy and self-mentoring are essential parts of career development. While finding broad career support within a company may be difficult for African-American insurance professionals, the ultimate responsibility for managing one’s career and developing the tools for success lies with the individual. Self-directed career management requires an individual to self-improve, self-correct, and prepare. Regularly posing introspective questions such as: “What value am I bringing to the organization?” and “Am I showing that value?” are essential to motivating the individual towards self-advocacy.

Seek Mentorships, Coaching, and Sponsors

Successful mentoring relationships require active mutual engagement with a strong emphasis on the mentored professional being responsive, respectful, and ready to embrace suggestions and recommendations. An individual seeking a mentor should do background research on the mentor’s business/discipline and even look beyond his/her current company to find someone who will be willing to provide reliable and timely advice. Just as important as *seeking* mentoring, African-American insurance professionals should actively engage in *providing* mentorship to other African American employees. Without mentoring for and by African-American insurance professionals, substantial opportunities will be missed for growth, knowledge attainment, and career satisfaction.



Sponsorship requires a deep level of trust and a high level of engagement in order to be productive. A critical element in the sponsorship process are individual attributes such as being someone who gets things done, is visible, takes on new assignments, and exposes himself/herself to experiences outside of their traditional training. African-American insurance professionals can position themselves for sponsorship by broadening their networks inside and outside the company. They should not be afraid to use their singularity — being “the only one” — to demonstrate their capabilities. African-American insurance professionals should be willing to sponsor someone else, setting high expectations for performance. There are African-American senior executives throughout the industry with the perspective, credibility, and know-how to benefit promising younger colleagues. Such leaders should aggressively reach back and pull forward, using ERG’s, informal networks, NAAIA and other professional organizations to sponsor up-and-coming African-American insurance professionals.

Get Involved in Employee Resource Groups

Vigorous participation in ERGs can be an affirmative way for individual professionals to enhance their careers. While there is clearly room for improvement in ERGs, at their best they provide a forum to share collective experiences, form bonds with other employees, and deliver programming that raises a participant’s level of expertise. The most productive ERGs are organized and coordinated by seasoned individuals, have obvious executive sponsorship, and deliver coherent programs with the core business as part of their regular agendas. Individuals should help form and actively participate in ERGs, and ensure the right balance is struck between socially-oriented activities and knowledge, leadership, and management skill-building activities.

Actively Participate in NAAIA and Other Professional Organizations

Individual professionals should seek membership in NAAIA and/or other professional or affinity organizations — for example the Risk Management Society, National Black MBA Association, and the National Association of Black Accountants — to broaden their local and national networks. These organizations frequently convene members and provide pertinent material through webinars and research papers that each professional can use to fortify their career plan.

“As a younger insurance professional at the time, my employer understood my desire to move into management. I expressed my career path. From there I was assigned to a mentor who helped shaped my growth. He was a VP of marketing. He and I met once a month to go over my educational desires, career progression plans, etc. The main areas for him: (1) Get involved as much as you can with company activities, events, meetings, workshops etc.; (2) Be exposed: attend meetings, volunteer for projects, even if they are not related to your main tasks; (3) Learn: take courses, finish degree, take webinars, read books; (4) Network: meet new people in and outside of the organization; join associations. Today, I continue with these principles. My career has progressed. Now I am in a position where I can make decisions and lead others.”



Conclusion

It's encouraging that survey participants were overwhelmingly positive in their view of the insurance industry as a career choice (see Figure 9).

Building diverse and inclusive organizational cultures will be important for insurance industry organizations in attracting and retaining talent. At the same time, it will help the industry create better solutions, deliver better service, and appeal to a wider customer base. To thrive in a diverse world, the insurance industry will be well served to develop policies that better suit the needs of African Americans and other minority groups. The wealth of talent in the African-American community is waiting to be tapped.

FIGURE

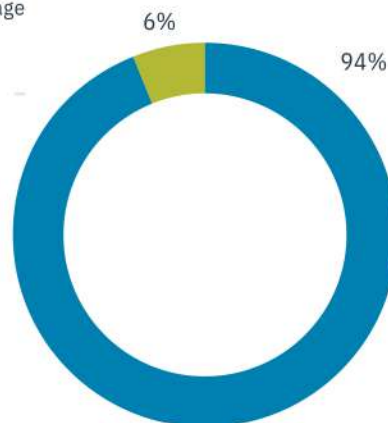
9

Most African-American insurance professionals would encourage others to pursue a career in the industry

SOURCE: MARSH

Would you encourage other African Americans to pursue an insurance industry career?

- Yes, encourage
- No, don't encourage



Appendix

Research Methodology

Development of *The Journey of African-American Insurance Professionals* study used a combination of primary and secondary sources as described below. The variety of sources — online survey, focus groups, and interviews — provided a spectrum of perspectives, voices, and facts around which the study's findings were constructed.

PRIMARY SOURCES

All primary research was conducted from July 2017 through February 2018 as follows:

- 312 customized, anonymous online surveys, from which 155 respondents asked to be contacted for follow-up, indicating a strong interest in the subject matter and willingness to participate in this unique study.
- 25 interviews, either individually or in groups of two to three people.
- 7 focus groups, including at Marsh headquarters in New York City and at the NAAIA National Conference.

SECONDARY RESEARCH

Secondary research efforts provided a historical perspective on the African American experience in the corporate world. Example publications included *Blacks in Corporate America* (Watson and Davis, 1981) and *Cracking the Corporate Code: The Revealing Success Stories of 32 African American Executives* (Cobbs and Turnock, 2003).

Demographic Breakdown of Study Participants

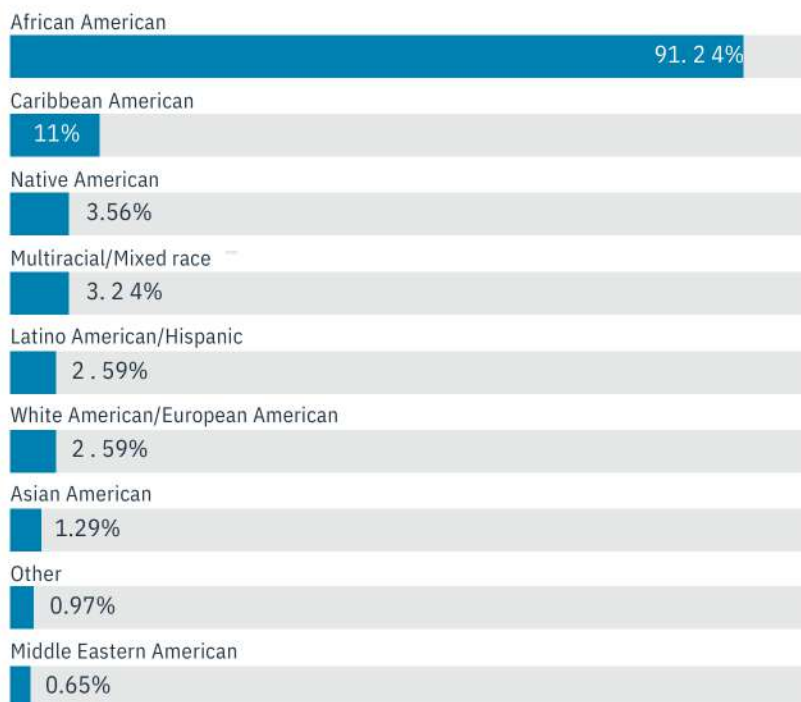
- Approximately 50% of survey takers and 95% of direct interviewees have been in the insurance industry for at least 20 years. This indicates a relatively positive level of work satisfaction, personal persistence, a low propensity for switching industries, and an accumulation of vital skills and experience.
- Most survey respondents worked for large insurance industry companies (revenues over \$100 million), and represented a variety of disciplines, including claims, underwriting, sales/business development, client relationship management, finance, talent development/human resources, strategic planning, technology/IT, marketing, legal, and operations.
- More than 85% of the survey respondents and 100% of focus group and interview participants attained college degrees or graduate degrees.
- 82 respondents reported an array of designations and certified skills, with a predominant percentage being Associates in Risk Management (ARM) or holding a Chartered Property Casualty Underwriter (CPCU) certificate.

FIGURE

A

Race and Ethnicity of Survey Participants

SOURCE: MARSH



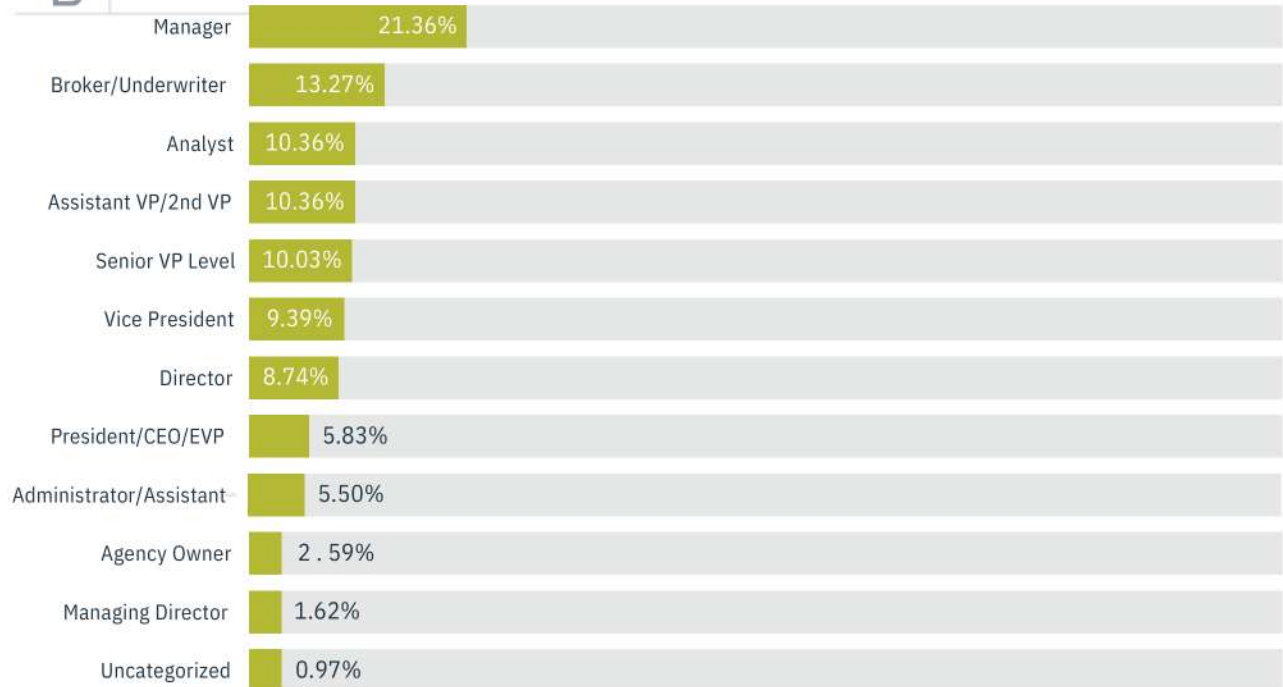
NOTE: Respondents could check as many categories as they normally use to describe themselves.

FIGURE

B

Title Categories for Survey Participants

SOURCE: MARSH



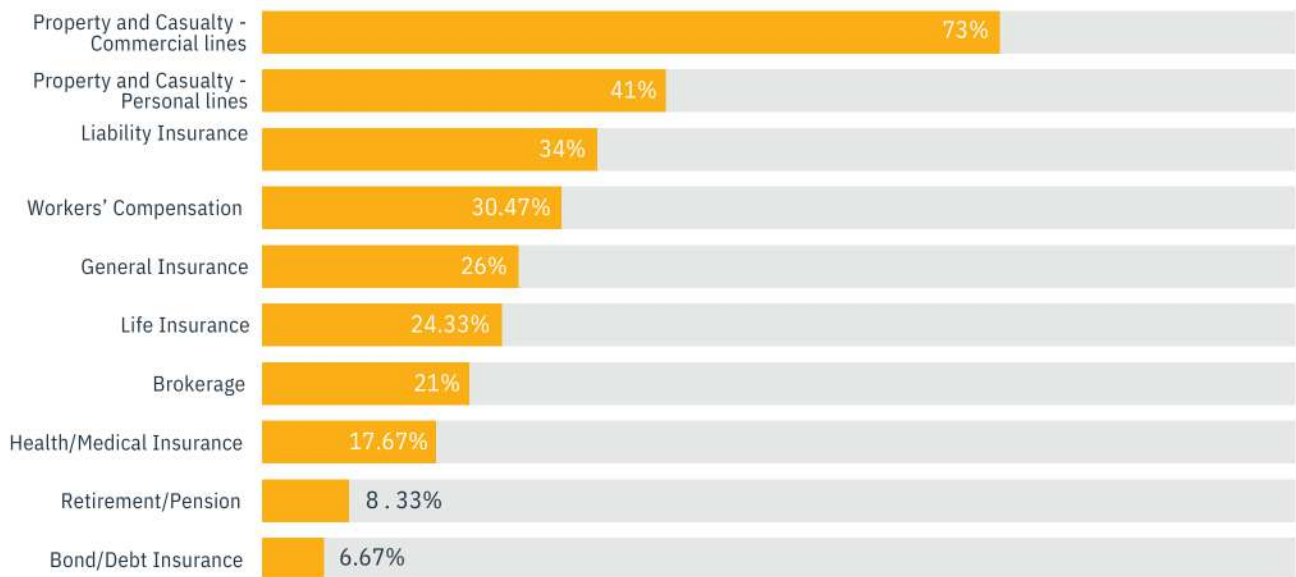
NOTE: Titles were self-reported and in some cases multiple titles were reported.

FIGURE

C

Insurance Industry Segments of Survey Participants

SOURCE: MARSH



NOTE: Respondents were able to select multiple industry segments.

FIGURE D Highest Level of Education for Survey Participants

SOURCE: MARSH

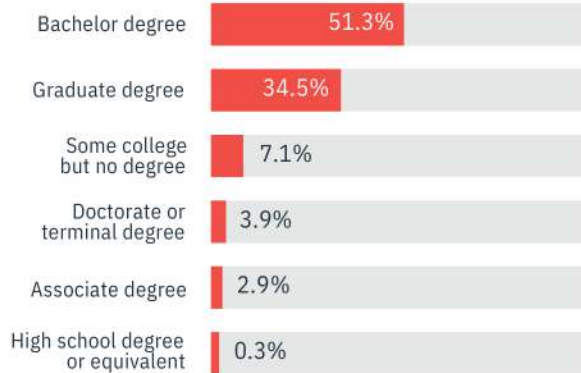
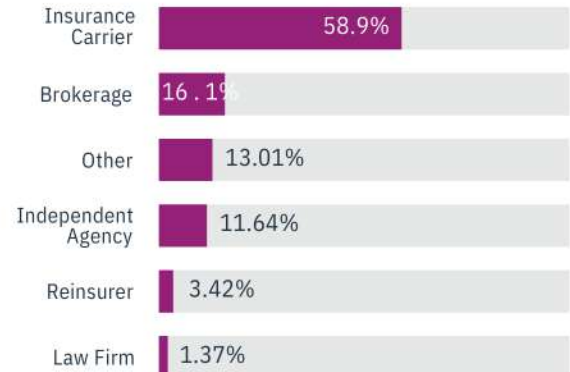


FIGURE E Current Insurance Organization of Survey Participants

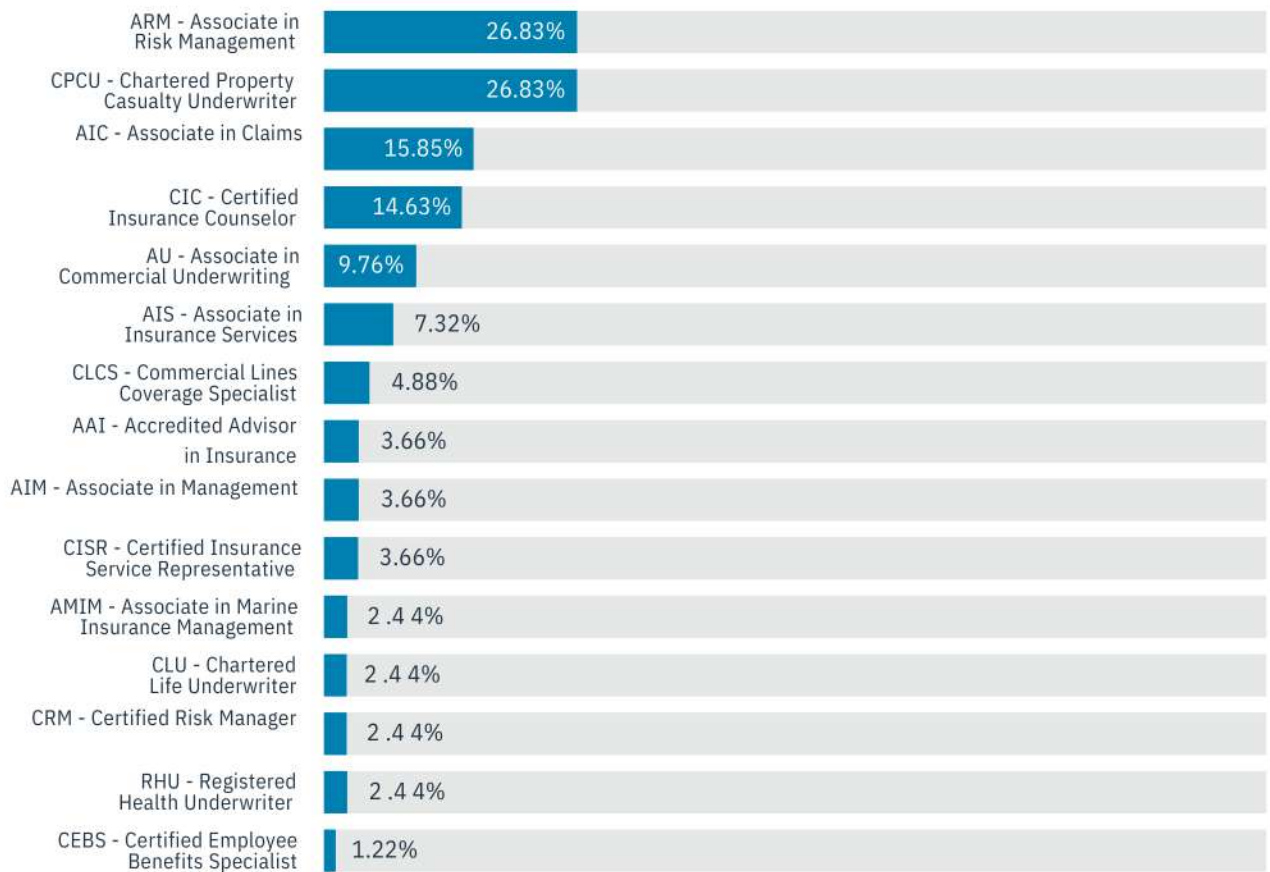
SOURCE: MARSH



NOTE: Respondents were able to select multiple organization types.

FIGURE F Certifications and Licenses of Survey Participants

SOURCE: MARSH



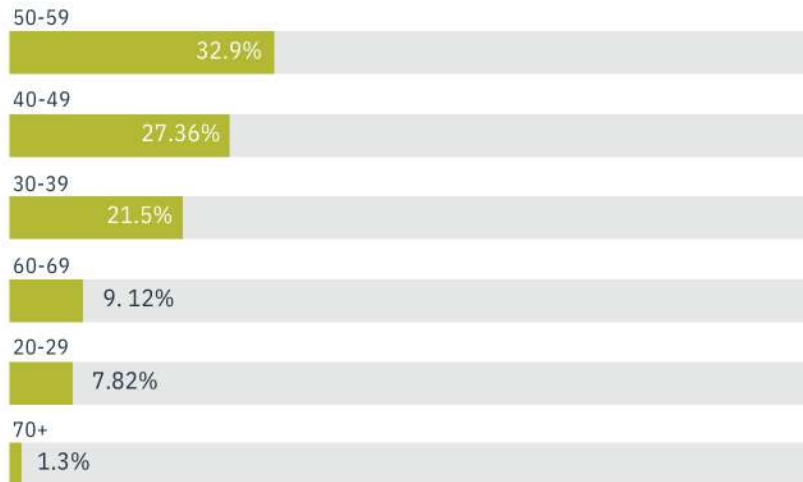
NOTE: Respondents were able to select multiple certifications and licenses.

FIGURE

G

Age Range of Survey Participants

SOURCE: MARSH

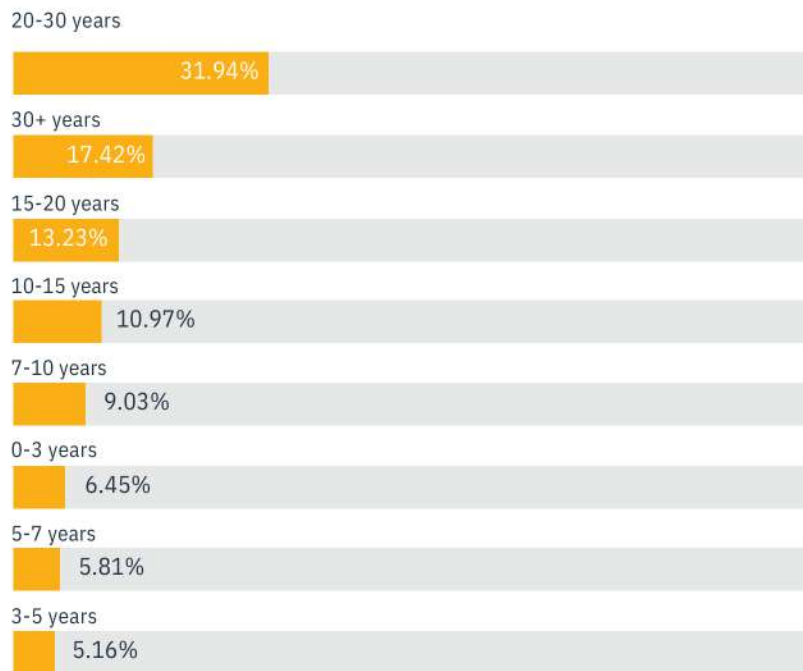


FIGURE

H

Survey Participants' Number of Years in Insurance

SOURCE: MARSH



ABOUT MARSH

A global leader in insurance broking and innovative risk management solutions, Marsh's 30,000 colleagues advise individual and commercial clients of all sizes in over 130 countries. Marsh is a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), the leading global professional services firm in the areas of risk, strategy, and people. With annual revenue over US\$14 billion and nearly 65,000 colleagues worldwide, MMC helps clients navigate an increasingly dynamic and complex environment through four market-leading firms. In addition to Marsh, MMC is the parent company of Guy Carpenter, Mercer, and Oliver Wyman. Follow Marsh on Twitter @MarshGlobal; LinkedIn; Facebook; and YouTube, or subscribe to *BRINK*.

As the world's leading insurance broker and risk advisor, our commitment to diversity is critical for attracting talented people, serving clients, and generating creative business solutions. Marsh works together with our sister companies to embed diversity as a key part of our business strategy. As such, we are dedicated to finding innovative ways to strengthen our ability to recruit, retain, and support a diversity of culture globally. We seek to provide a workplace where colleagues feel valued and are embraced for their differences, uniqueness, and individuality. Our Colleague Resource Groups (CRGs) help make big companies like ours feel smaller by providing more than support and a bigger voice. They have become potent professional development networks, connecting colleagues to opportunities for our company and themselves.

ABOUT THE NATIONAL AFRICAN AMERICAN INSURANCE ASSOCIATION

The National African American Insurance Association (NAAIA) was founded in 1997 by Jerald L. Tillman and is a networking resource for African-American insurance employees. It is the only professional organization that provides an ongoing platform for African-American professionals; as such, it partners with insurance carriers to provide benchmarks for African Americans' progress in the insurance industry. NAAIA engages in serious discussions with partners and helps guide dialogue on a layered diversity and inclusion strategy. It works with partners to rethink their recruiting and retention practices, while simultaneously connecting sponsors and mentors with rising professional stars. There is no other currently available, comparable platform like NAAIA that convenes African-American insurance professionals.

To learn more about Marsh's diversity and inclusion initiatives and thought leadership, please visit www.marsh.com.

MARTIN SOUTH
President, United States & Canada Division
Marsh
+1 212 345 6410
martin.south@marsh.com

ALEX AMONETT
Global Diversity and Inclusion Leader
Marsh
+1 281 546 2299
alexander.amonett@marsh.com
