



# Foreword

A career in insurance has a lot to offer. Having worked in the industry all of my career, I know how rewarding it can be. Yet large numbers of young people remain un-enthused at the prospect of joining the sector.

The success of any industry depends on the talent at its disposal. So it is in the interests of everyone within insurance to ensure that young people view a career in the industry as something to aspire to, and that there is a variety of routes for them to enter the sector. And it isn't just people like me saying this. The need is recognised at the highest levels of government, as evidenced by the Treasury's Insurance Growth Action Plan.

This report, *Bridging the Gap*, produced by the CII with research conducted by ComRes, provides a valuable insight into the perception of insurance in the minds of today's sixth form and university students. The majority of those preparing to enter the job market over the coming years say they would not give jobs in insurance a second thought. In a fiercely competitive marketplace, both at home and globally; this poses a real problem for our sector.

Whilst this is disappointing, it is not insurmountable. Why? Because insurance has a good story to tell. The range of opportunities available is huge for school leavers through to career changers. And the selection of subject areas is pretty much endless – from sports to space, arts to architecture, there is something for everyone.

Our task as an industry is to spread this message and improve awareness, not just amongst young people but also their influencers – family, friends, teachers and careers professionals. Significantly this report shows that when young people do have an understanding of the array of possibilities within insurance attitudes quickly change. The CII's Discover Risk initiative, which promotes insurance in schools, colleges and universities, demonstrates that engaging with students and tailoring the message helps to dispel the 'insurance is boring myth'. Where it is delivered, traction is made and minds are changed.

There are great opportunities and careers to be had within this vibrant and important sector – and we need to make people aware of them. The challenge is to act, working together where possible, to make insurance a career destination of choice.



**Ashwin Mistry OBE ACII**  
President, CII & President, Brokability

# Summary

## Headline findings

### Student destinations

- University remains the destination of choice for sixth form students (82%). Many see it as a fast track to a well-paid job. Student debt does not appear to be deterring people applying.
- Only a fifth (19%) would consider an apprenticeship, though the ‘earn while you learn’ message appears to be getting through.
- There is a high level of career anxiety amongst university and sixth form students. Three-quarters believe they will find it more difficult than their parents to secure a good career.
- Although most students have access to some careers information, only a third say that it is ‘inspiring’. The most valuable means of support is provision of work experience opportunities.

### Insurance careers

- Less than a fifth (18%) of students would consider a career in insurance, meaning employers are only drawing from a small pool of potential.
- Students who have engaged with Discover Risk (CII’s initiative to promote insurance careers) are three times more likely to contemplate working in insurance.
- Insurance continues to be thought of as ‘uninspiring’ by many students. Attitudes are shaped by traditional media, family and friends.
- Young people want better information about the sector and the opportunity to gain first-hand experience through work placements.

## Recommendations

### For the insurance industry

- Careers information should be tailored to the audience – firms cannot approach potential young recruits as they would business customers.
- Internships and work experience opportunities are an important tool for young people when choosing a career. Firms should look to offer more openings.
- Employers should consider reaching out to influencers – parents, teachers, careers advisers.

### Government

- Improve careers advice – young people need to be better served and be made aware of all options (academic and vocational).
- Promotion of apprenticeships as a viable alternative to university needs to continue – targeting young people, parents, careers professionals and employers.
- Encourage/support employers to take part in providing information on careers – including work experience/work shadow/internships and developing local links with schools.

### Actions

- CII to produce guidance for the industry on work experience and building links with local educational establishments.
- Continue with the work of Discover Risk – engaging with schools, colleges and universities and encouraging more firms and members to support the initiative.

# Introduction

*The CII is the world's leading professional body for insurance and financial services with over 110,000 members worldwide. Our Royal Charter remit is to secure and justify the confidence of the public. Part of this work includes attracting and developing the next generation of talent. We provide support and guidance for our members and employers on Apprenticeships and internships, as well as promoting careers in insurance and financial services to students in schools, colleges and universities. In doing so we work closely with employers and so have a clear understanding of what they are looking for from new recruits.*

Generation Z, those born between the late 90s and early 00s, face a host of issues when it comes to their future careers. Not only is there the difficulty of choosing a career path, but also deciding the means of getting there. The situation is not helped by the state of job market for young people. The economic recovery has yet to translate into job prospects for the young.

Added to this is the seeming underlying pressure on teenagers to go to university. Despite the drive to improve the standing of vocational education, in particular apprenticeships, the popular view amongst young people and their parents is that the academic route is best. Such thinking means that many could be missing out on early career opportunities.

Our survey, in association with ComRes, of sixth form and university students shines a light on the anxieties young people face when confronted with the world of work, what they value to help make informed career decisions and how many traditional views (especially in relation to vocational education) still prevail.<sup>1</sup>

The research also investigates how this impacts upon attitudes towards insurance as a career destination. In 2005 and 2010 we ran similar surveys as to what students thought of working in insurance. The response was not positive, with our industry considered dull and boring.

The 2005 results led to the creation of an industry-wide initiative, led by the CII, to target graduate talent. This work was extended five years later to cover schools and colleges as well under the guise of 'Discover Risk'. This project has provided the opportunity to measure the impact that such a targeted programme of events and information is having on attitudes.

Attracting new and diverse talent is vital to any industry, particularly one that is a world leader. The Government's Insurance Growth Action Plan<sup>2</sup> recognised the importance of talent development to insurance's competitiveness, devoting a whole section to it. This report sets out the position insurance finds itself in and what it can do to appeal to future generations.

# Career expectations & information

## Headline findings

- 82% of sixth form students plan on going to university. Only 19% would consider an apprenticeship.
- 75% of students believe that their generation will find it more difficult than their parents to find a good career.
- Only 36% of students feel that careers information is inspiring.
- 94% of university students say that their work experience was valuable in understanding career choices. It is unsurprising students want more employers to offer opportunities.

## Destination of choice

For sixth form students, university remains the main draw, post A-levels. 82% plan on going to university, whilst only 7% say they have no intention of doing so<sup>3</sup>. This is perhaps not surprising given the continuing focus on opening up university education to ever greater numbers and society's fixation on obtaining a degree. It is not just students who feel this way. Their main influencers, parents, are of the same opinion. A survey by the Institute of Education found that 96% of mothers want to see their children go to university.<sup>4</sup> It is also, in the days of league tables, in the interests of schools to see their students go on to university. Sometimes university might not necessarily be the best option. A report by Ofsted, the schools inspectorate, found that the promotion of post-16 opportunities not offered by that particular institution to be "particularly weak."<sup>5</sup>

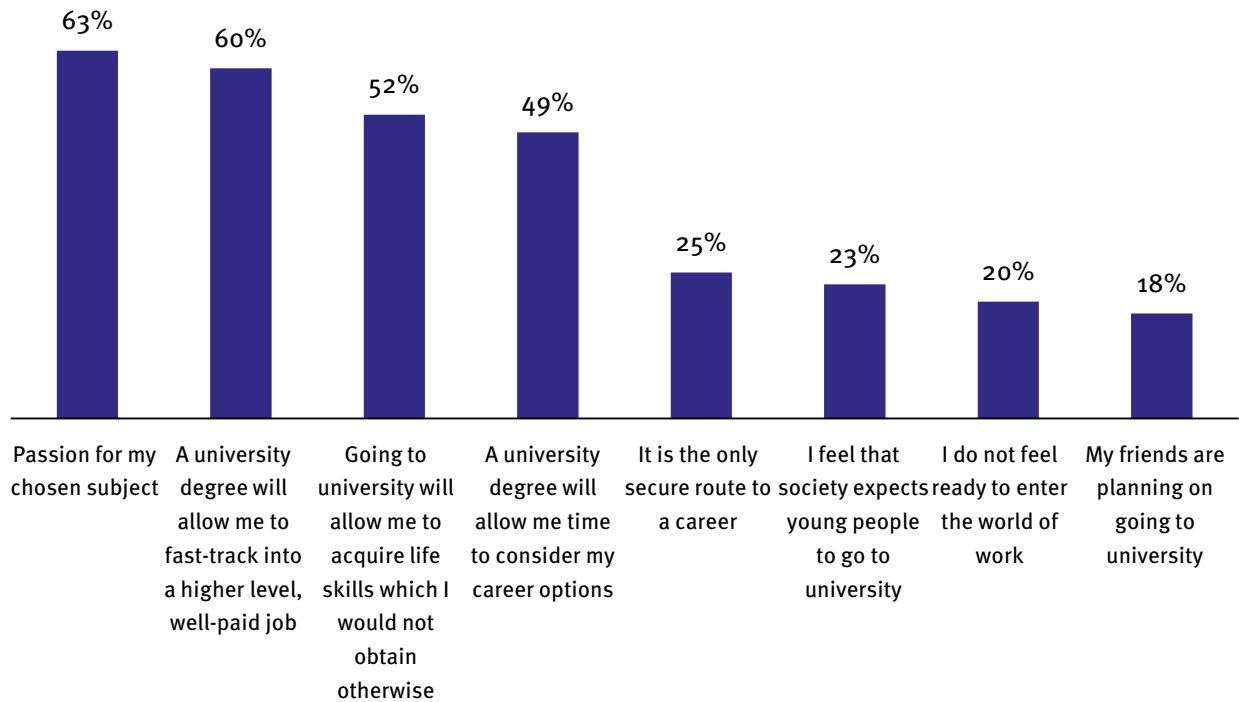
**Proportion of UK sixth form students who plan on going to university (fig.1)**



The majority of those choosing the university option do so primarily for the love of their chosen subject (63%), though a high proportion feel that a degree will enable them to fast track to a higher level and better pay (60%)<sup>6</sup>. Though this could be seen as the impetuosity of youth, there is a realisation that university is not the only route to a successful career and is perhaps a reflection of the tough state of the graduate job market.

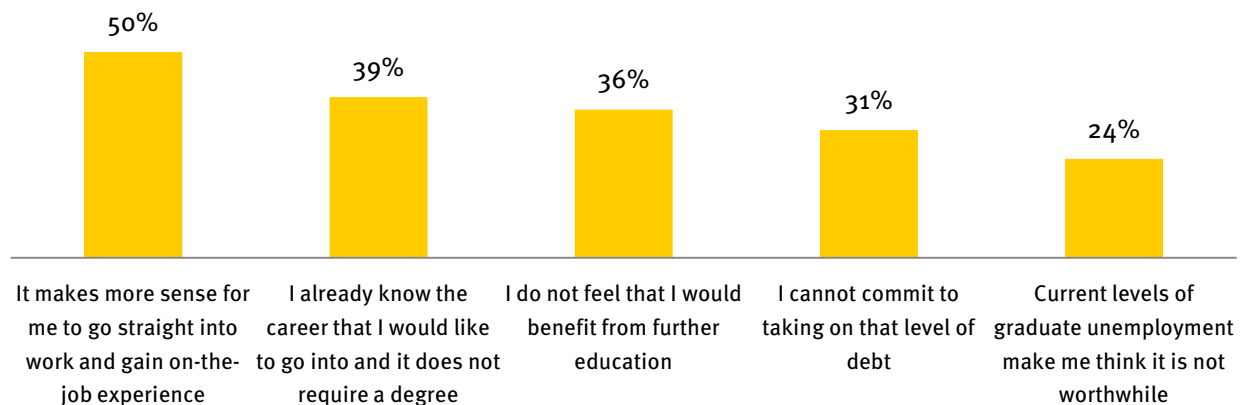
An indicator of the quality of information and advice in schools is the finding that almost half of those planning to go to university say that it provides extra time to decide upon a career path.

**Which, if any, of the following reasons explain why you plan on going to university?  
(fig. 2)**



Much continues to be made of the cost of a university degree. Yet the millstone of thousands of pounds worth of debt is not a primary reason as to why some young people do not want to attend university. Only a third cited cost as a reason. Instead they said it was better to get a job and obtain experience. A good number also already knew what their career path would be<sup>7</sup>.

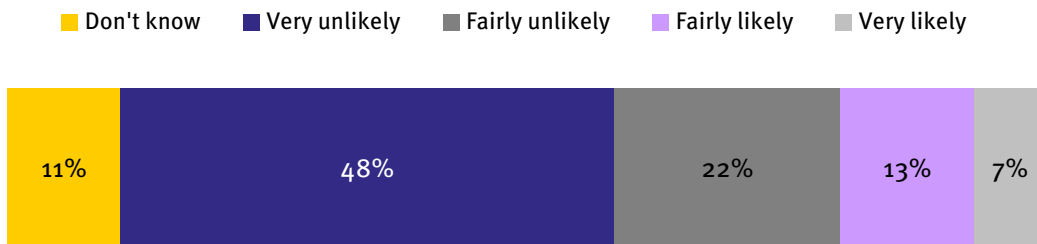
**Barriers to university (fig. 3)**



## The great divide

The government continues to put a lot of time and effort behind the promotion of apprenticeships. At the launch of the new ‘Get in. Go far.’ campaign, skills minister Nick Boles claimed that there has never been a better time to be an apprentice.

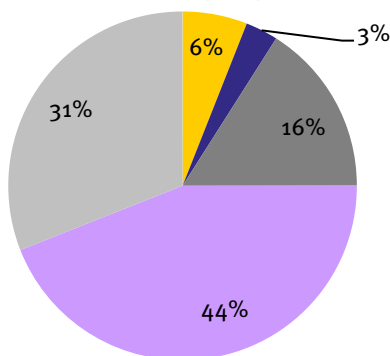
**Likelihood of UK sixth form students undertaking an apprenticeship (fig. 4)**



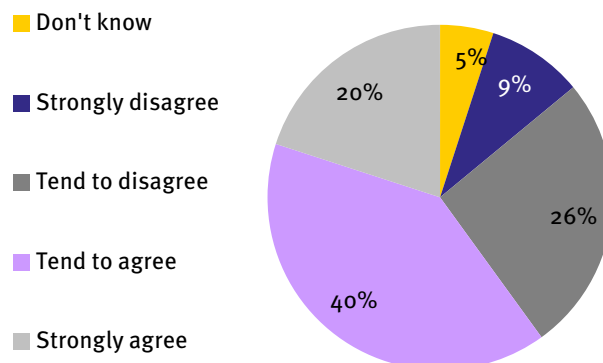
Despite this push, there is a long way to go before vocational education is viewed in the same positive light as university. A recent report by the Edge Foundation found that only a quarter of parents view vocational education as worthwhile<sup>8</sup>. Our research found similar ambivalence as only a fifth of sixth formers (19%) said they would consider an apprenticeship<sup>9</sup>. Many misconceptions still continue to afflict these job based programmes, with 35% of students believing they serve practical industries only and 29% saying they are ‘not for people like me’. This demonstrates the work required to promote the rich variety of careers open via the apprenticeship route, including some of the so-called traditional professions, such as law. On a more positive note the ‘earn whilst you learn’ message is getting through as this was the main factor behind those thinking about applying for an apprenticeship (71%).

## Future-gazing

**Our generation will find it much harder than our parents' generation to have a good career (fig.5)**



**I feel worried about my future career (fig. 6)**



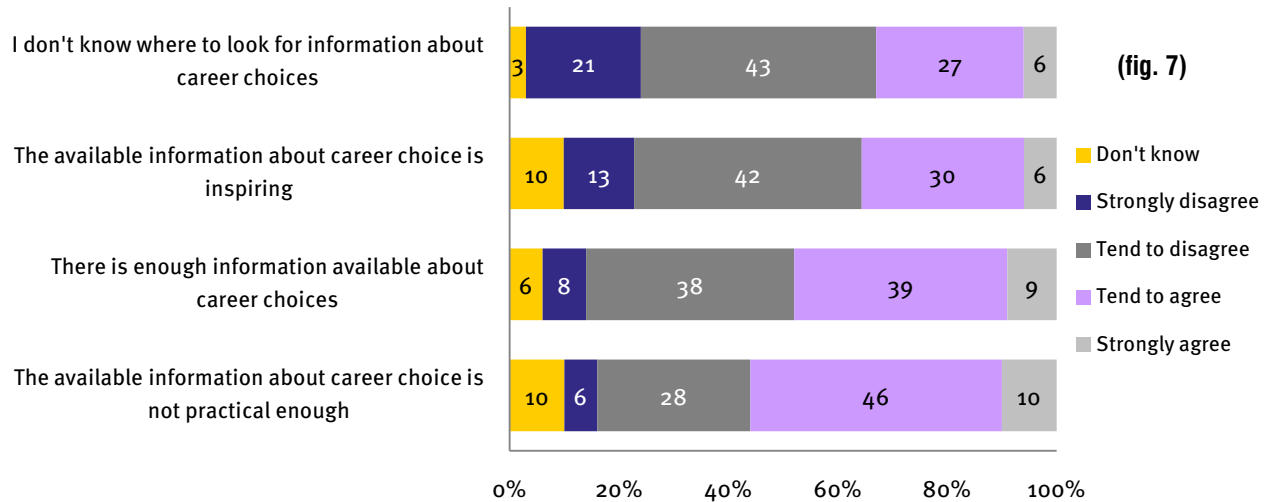
Although four-fifths (79%) of both sixth form and university students were confident of being able to find some kind of job, almost two-thirds (61%) were worried about their future career. There appears to be great anxiety over securing a good career with three-quarters (75%) believing that this generation will find it harder than their parents to attain such<sup>10</sup>.

## Information, advice and guidance

Students today have more options than ever before when it comes to accessing job related information. Finding it is not seemingly a problem. This issue is more one of quantity over quality,

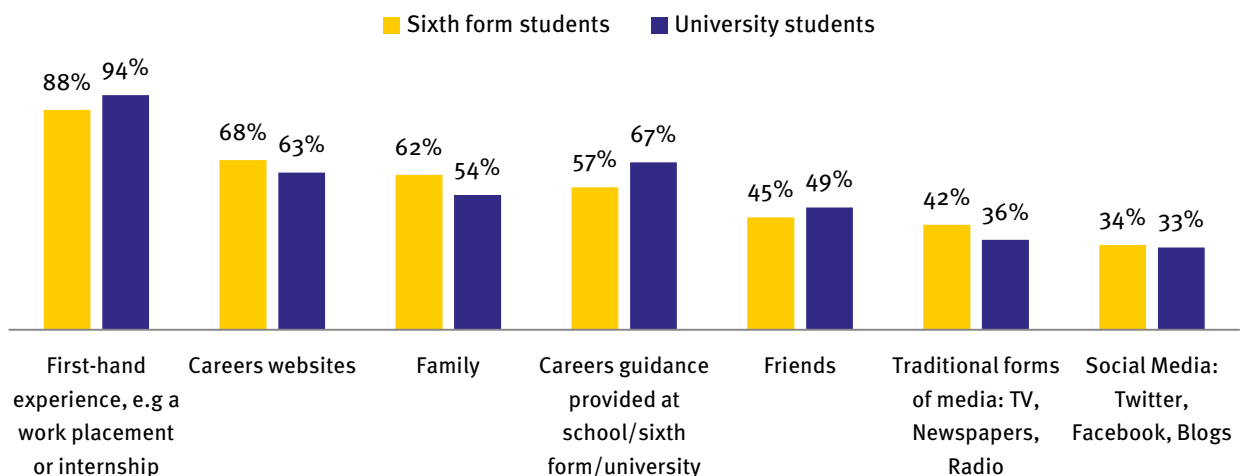
with a dash to the reassurance of more traditional sources of help – namely family and friends. Over half of university students (51%) and almost two-thirds of sixth form students (61%) have consulted their family on career choices.

When it comes to the value of formal careers information and advice, we see a problem of tone and messaging, with only 36% of students saying that the information they receive is inspiring. It is not surprising then that young people turn to their parents for support, and are anxious about making the right choices<sup>11</sup>.



Generation Z is very clear about what it believes is useful and what it wants more of when it comes to ways of understanding a given career, industry or profession. 94% of those at university and 88% of sixth formers said that the work placements they had experienced had been useful<sup>12</sup>. Therefore it is to be expected that when asked how they wanted employers to help prepare young people for the future, more work experience or internship opportunities was the overwhelming favourite. Indeed, given the premium that employers place on work experience, young people have realised that experience is vital to getting ahead.

**Is the advice provided by each of the below helpful in allowing you to understand the career you want to pursue? (fig. 8)**





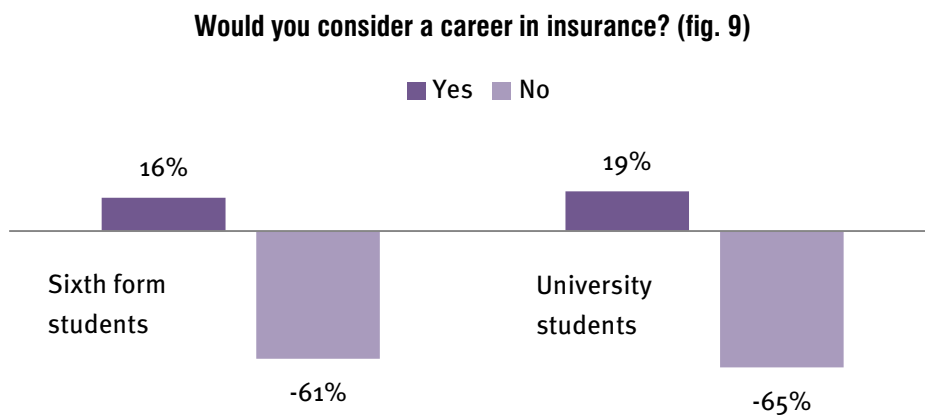
# Young people and insurance

## Headline findings

- Only 18% of students would consider a career in insurance. Those who have played Discover Risk are almost three times more likely to contemplate working in insurance.
- Insurance continues to have an image issue with 53% of students describing it as ‘uninspiring’ and only 12% believing it is welcoming to young people.
- Traditional forms of media, family and friends are the main drivers of perceptions towards insurance.
- Students are hungry for more information and practical experience of the insurance sector.

## The state of play

UK insurance is a world leader and so, on the face of it, has a lot to offer potential recruits. And, as the previous chapter illustrated, young people are keen consumers of relevant career related information and work experience opportunities. Yet, our research shows that insurance remains a mystery to the majority of students thinking about their career options.



When asked whether they would consider a career in insurance, only 18% of students said they would (16% sixth form and 19% university – fig. 9)<sup>13</sup>. This figure remains stubbornly low. In 2005 it was 14% and four years ago it was 17%. The implication for employers is that they continue to draw from a relatively small pool of talent as they miss out on a whole section of the population.

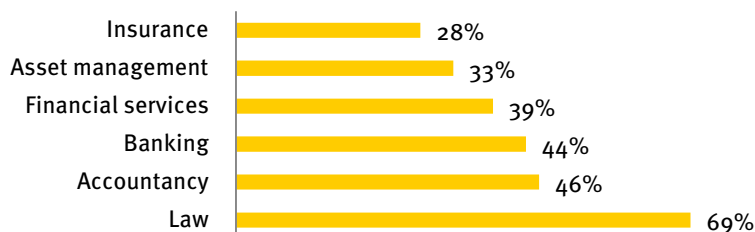
The news is not all bad though. Since 2010 the CII’s Discover Risk initiative has promoted the variety of career paths insurance has to offer to students in schools, colleges and universities, using interactive sessions, supported by firms and practitioners. Our research included a group of students who have participated in a Discover Risk session and found that they were almost three times more likely to seriously look at insurance as a career than those who had not taken part (51% vs 18%).

## Image is everything

When we delve deeper into the views of students a clear pattern emerges – one of image. Despite weathering the financial crisis relatively well, both in terms of blame (which fell on the banking sector) and job losses, insurance continues to rate poorly against the rest of the financial world.

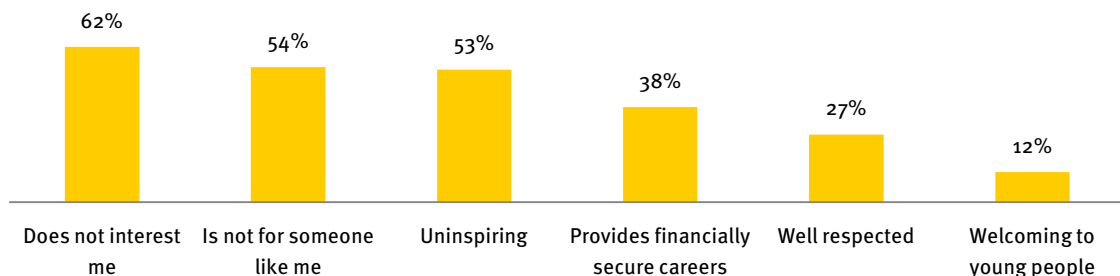
Respondents were asked whether they would be proud to tell their friends they worked in a particular sector<sup>14</sup>. The legal profession polled first, which is not necessarily a surprise as it is often viewed as a career to aspire to. What is perhaps more interesting is the strong performance of banking versus insurance. Although banking has received a lot of bad press and there remains public antipathy towards the sector, in the minds of those preparing to enter the world of work almost half were positive about it. Insurance on the other hand lags behind the rest of financial services (in its wider sense).

**Would you be proud to tell friends you work in the following industries? (fig. 10)**



A major factor behind the insurance sector's poor ratings is that it continues to be viewed as dull in the minds of many young people. Over half of students described it as "uninspiring" and only a quarter said it was "well respected"<sup>15</sup>. Perhaps worst of all when it comes to attracting young blood was the feeling that the industry is not welcoming to young people.

**Which of the phrases do you associate with insurance? (fig.11)**



When we consider how some of these attitudes are formed, it appears that the traditional media (TV and print) is the biggest driver, closely followed by family and friends. This follows a similar pattern to our 2010 research and once again highlights the importance of a positive image in the media. Even when the industry has a high profile, good story to tell, such as supporting communities following flooding, this often does not make it into the public eye.

The social value of insurance is a much more positive image than that which is often found in the media. Advertisements focusing on price appear to be the main representation of the industry. Though viewing habits are changing away from traditional television, it seems that such advertisements still have resonance. As well as shaping the views of students they also impact those of influencers, primarily parents.

And so this, allied with most people's interaction with the industry either as a grudge purchase or making a claim when something goes wrong, goes a long way in explaining why people do not hold insurance in high regard and as a result see it as a career turn off.

Therefore efforts to promote insurance career paths should not solely focus on young people. Parents, career professionals and other influencers need to be considered when producing information or holding events. The wider effect of doing this is that there is greater awareness of the insurance industry and of what it does. General attitudes then begin to soften.

A good way of achieving this is through the development of links with local schools and colleges – which could ultimately lead to the development of a local talent pipeline.

## **Information, information, information**

It is clear from our findings that better information, and more of it, on what insurance has to offer is what is required. The success of Discover Risk is testament to this. We know that young people are open to exploring different career options – they just need access to the means to help them make up their minds (and in the case of insurance, banish some of the myths and preconceptions that abound).

Materials have to be tailored to this particular audience in respect of tone, design and media utilised. Taking the same approach as with business customers will just not work.

Once again, work placements figured highly on what students are looking for – serving the dual purpose of providing the inside track on the industry and helping them gain valuable work experience valued by employers. The want for experience was also matched by an appetite for information on career paths, required skills and potential earnings.

Firms need to offer more opportunities to allow students to sample the world of insurance. The process need not be onerous and could help identify future talent. Following the positive response to our employer guides to internships and apprenticeships, the CII will be producing one for firms on getting the most out of work experience.

One of the successes of Discover Risk has been the engagement of practitioners. People from insurance have provided events with first-hand accounts of what it is really like to work in the sector. Having such advocates is valuable in being able to shatter some of misconceptions surrounding insurance.

Although people might not choose to join the insurance world (as evidenced by the above results), once they are working within it they find it fulfilling. The CII's 2013 Skills Survey of our members found that 84% would recommend a career in insurance. If we can harness that enthusiasm we will make inroads towards ending the notion that insurance is boring.

# Discover Risk

The CII's Discover Risk campaign is an award-winning programme revealing the opportunities in, and the diversity of, the insurance and risk profession to school, college and university students.

Supported by employers of all sizes, the campaign blends an interactive website, featuring employer profiles, case studies and employment opportunities, with UK-focused events delivered into schools, colleges and universities.

Since the launch of Discover Risk in 2010, over 11,000 students have attended events and the website has received over a million page views.

To find out more visit: [www.discoverrisk.co.uk](http://www.discoverrisk.co.uk)



**The employer's perspective:**

*“It is clear that students are starting to see the benefits of the industry and that the perception of insurance is changing.”*

**The student's perspective:**

*“I learnt a lot about the sector and the game was great fun!”*



**The teacher's perspective:**

*“This was a real 'eye-opener' for all our Year 12 – they have now been exposed to the diverse world of risk. It was a definite highlight of our enrichment calendar.”*

# Recommendations

The findings of this research, as in 2005 and 2010, throw down a challenge to the insurance industry. The challenge is not insurmountable as the success of Discover Risk shows. Provide clear, tailored messaging in a suitable format and young people will listen. There is a want for good quality information and so if we can provide it then we are well on our way to accessing a greater proportion of the future workforce.

There are also a number of messages for government. Work needs to continue to promote the value of vocational education. University remains the default option for many young people. The quality of careers information, advice and guidance needs to improve. This is just one of a number of surveys and reports that highlights issues with the current offering.

## For the insurance industry

- Evidence that tailored messaging works – Discover Risk. Need to ensure that engage with young people in a way that appeals – cannot approach them as would customers.
- Internships and work experience opportunities are key to getting young people to consider insurance as a career destination. Firms should look to offering more openings, potentially developing links with local schools etc.
- Need to also reach out to influencers – parents, teachers, careers advisers. Still very influential. Insurance has a good story to tell but it has to be told in the correct way.

## Government

- Continued promotion of apprenticeships as a viable alternative to university – highlight benefits and career paths available. Not just about young people, apprenticeships are for all ages.
- Improve careers advice in schools – so that young people are aware of all options (academic and vocational) and what should be studied to achieve those goals.
- Encourage/support employers to take part in providing information on careers – including work experience/work shadow/internships and developing local links with schools etc.

## CII actions

- CII to produce guidance on work experience and building links with local educational establishments.
- Continue with the work of Discover Risk – engaging with schools, colleges and universities and encouraging more firms and members to support the initiative.
- Continue to work with ABI, AON & BIBA on promoting apprenticeships as a route into the profession.

# Contact

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## The CII: Promoting Skills Development

**Discover Risk** is an award-winning campaign that reveals the breadth of opportunity in the insurance profession to those still in education. Integral to this are interactive sessions in schools and colleges that introduce young people to the concepts of risk and how they are applied in practice around the world. These sessions are supported by local employers.



**Discover Fortunes** is a school, college and university activity that provides students with an understanding of the role of financial planning in life. These sessions are supported by local employers.



**For more information visit:** [www.discoverrisk.co.uk](http://www.discoverrisk.co.uk) or email [discover@cii.co.uk](mailto:discover@cii.co.uk)

**Publications** The Chartered Insurance Institute is a committed supporter of skills development. We regularly publish research, guidance and position papers on the issue of skills, both in terms of our profession and UK plc.



**For more information visit:** [www.cii.co.uk/skills](http://www.cii.co.uk/skills)

# Endnotes

<sup>1</sup> ComRes online questionnaire of 1778 students. Sixth form students: 1278 University students: 499. Weighted by gender and region to be nationally representative of all UK sixth form and university students. Full data tables are available on request.

<sup>2</sup> <https://www.gov.uk/government/publications/the-uk-insurance-growth-action-plan>

<sup>3</sup> Figure 1. Q. Do you plan on going to university? Base: all sixth form students (n=1278)

<sup>4</sup> <http://www.ioe.ac.uk/45855.html>

<sup>5</sup> <http://www.ofsted.gov.uk/news/careers-guidance-schools-not-working-well-enough?news=21607>

<sup>6</sup> Figure 2. Q. Which, if any, of the following reasons explain why you plan on going to university? Base: all sixth form students who plan on going to university (n=1,066)

<sup>7</sup> Figure 3. Q. Which, if any, of the following reasons explain why you are not planning on going to university? Base: all sixth form students who are not planning on going to university (n=85)\* *Please note the small base size for this sample – results are indicative, rather than representative of this audience.*

<sup>8</sup> <http://www.edge.co.uk/news/2014/february/children-labelled-too-clever-for-vocational-education>

<sup>9</sup> Figure 4. Q. How likely or otherwise are you to consider enrolling onto an apprenticeship after school / sixth form? Base: all sixth form students (n=1278)

<sup>10</sup> Figure 5 & 6. Q. To what extent, if at all, do you agree or disagree with the following statements about your future career? Base: all respondents (n=1,500)

<sup>11</sup> Figure 7. Q. To what extent, if at all, do you agree or disagree with the following statements about your future career? Base: all respondents (n=1,500)

<sup>12</sup> Figure 8. Q. On a scale of 0 to 10, to what extent, if at all, is the advice provided by each of the below helpful in allowing you to understand the career you want to pursue? Base: all respondents who have consulted each of the sources tested. Base sizes range from n=99 to n=1130). This chart show NET: helpful (those who select 7 – 10 on a scale of 0 – 10 where 0 = not at all helpful, and 10 = very helpful)

<sup>13</sup> Figure 9 Q. Would you consider a career in insurance? Base: All respondents (n=1,500)

<sup>14</sup> Figure 10. Q. Would you be proud to tell friends you work in the following industries? Base: All respondents (n=1,500)

<sup>15</sup> Figure 11. Q. Which of the phrases do you associate with insurance? Base: All respondents (n=1,500)

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Our Charter remit is to protect the public by guiding the profession. We are committed to maintaining the highest standards of technical expertise and ethical conduct in the profession through research, education and accreditation.



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