

Deloitte.

Talent in
Insurance 2015
Belgium in
Focus

UK Financial Services Insight



Report contents

Belgium in Focus

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Key findings

Insurers have a lot of work to do if they want to attract the brightest, most innovative talent they need in a challenging environment

- The insurance sector has been struggling in the current economic environment
- The popularity of insurance is falling; fewer business students are considering a role in the sector, despite soaring youth unemployment
- Even among insurance-inclined students, only one insurer can be found in the top five employers, suggesting insurance is a distant second to banks in the minds of FS-inclined students
- Insurance-inclined students are increasingly looking for an international career, a common career goal for Belgian business students
- A “friendly work environment” is the main aspiration for insurance-inclined students, but they do not expect to find this in the Belgian insurance sector
- Innovation is neither aspired to by insurance-inclined students, nor expected from the sector; insurers that better attract innovative talent will be better equipped to digitally transform their organisation

Macroeconomic and industry context

Youth unemployment in Belgium is almost three times the rate of overall unemployment, though it is levelling off

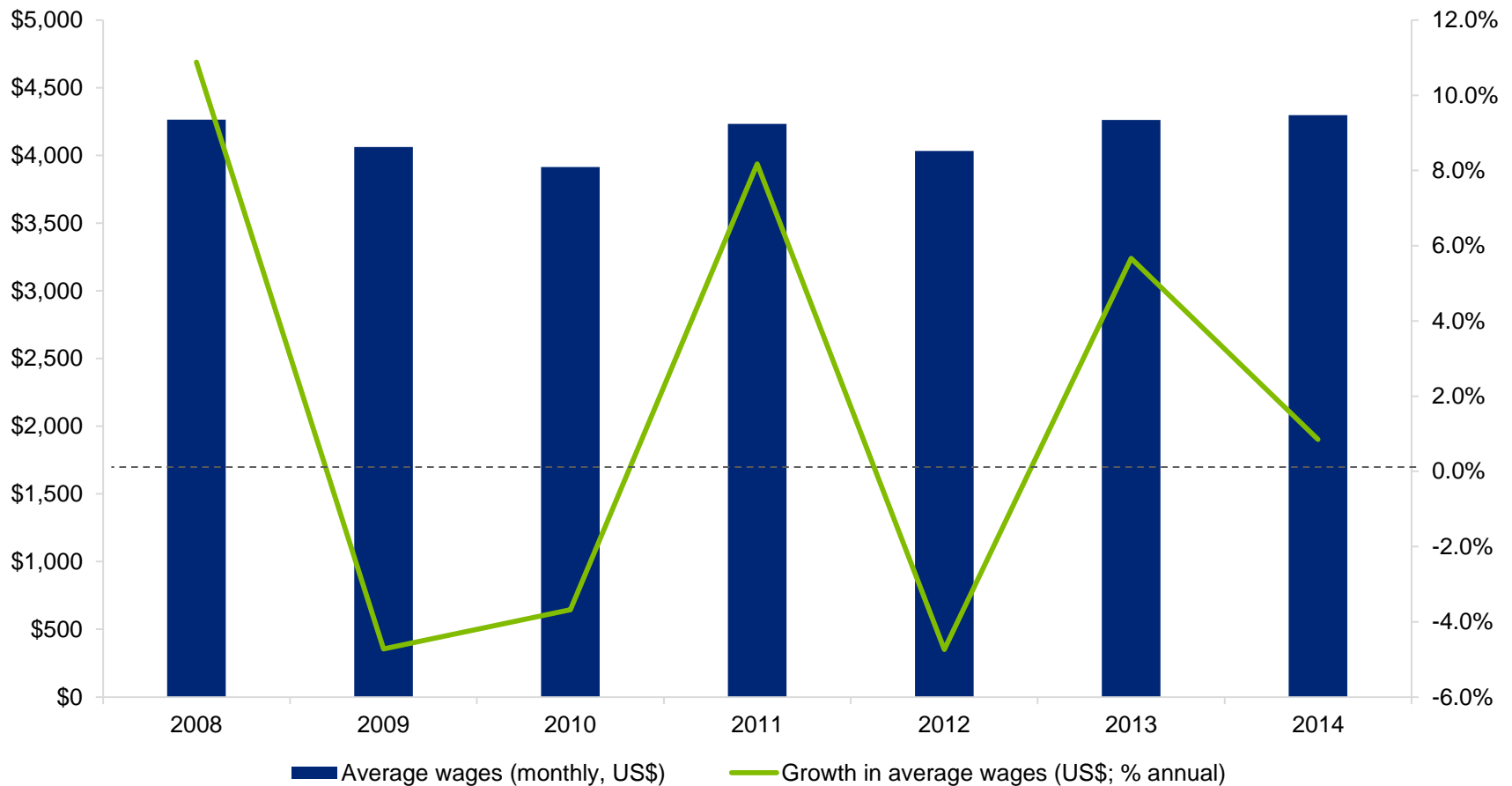
Overall and youth unemployment, Belgium, 2008-2014



Source: OECD

Belgian wages have held up since the crisis, and a high minimum wage is felt by some to contribute to high youth unemployment¹

Growth in average real wages (US\$), Belgium, 2008-2014

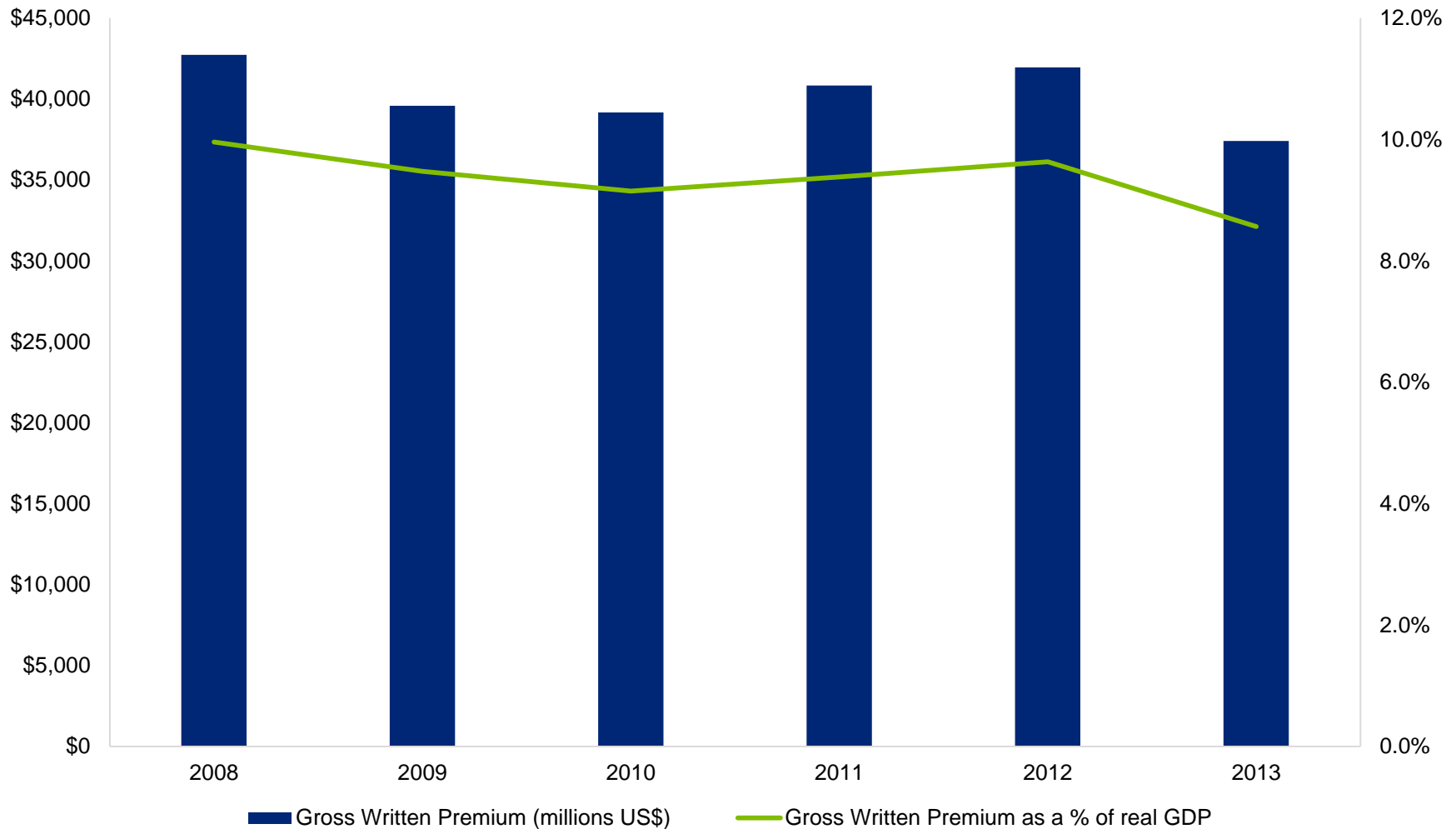


Note: Average wages (monthly): average gross earnings per worker per month
Growth in average wages (annual): percentage change in hourly wages in US\$ over previous period
Figures are converted to US\$ using an average exchange rate

Source: Economist Intelligence Unit

Belgian GWP recovered by 2012 to close to 2008 levels, before plunging 11 per cent in 2013, as low interest rates and higher tax on life contracts dented the sector¹

Total gross written premiums in millions US\$ and as % of real GDP, Belgium, 2008-2013



Note: 2014 data is not available

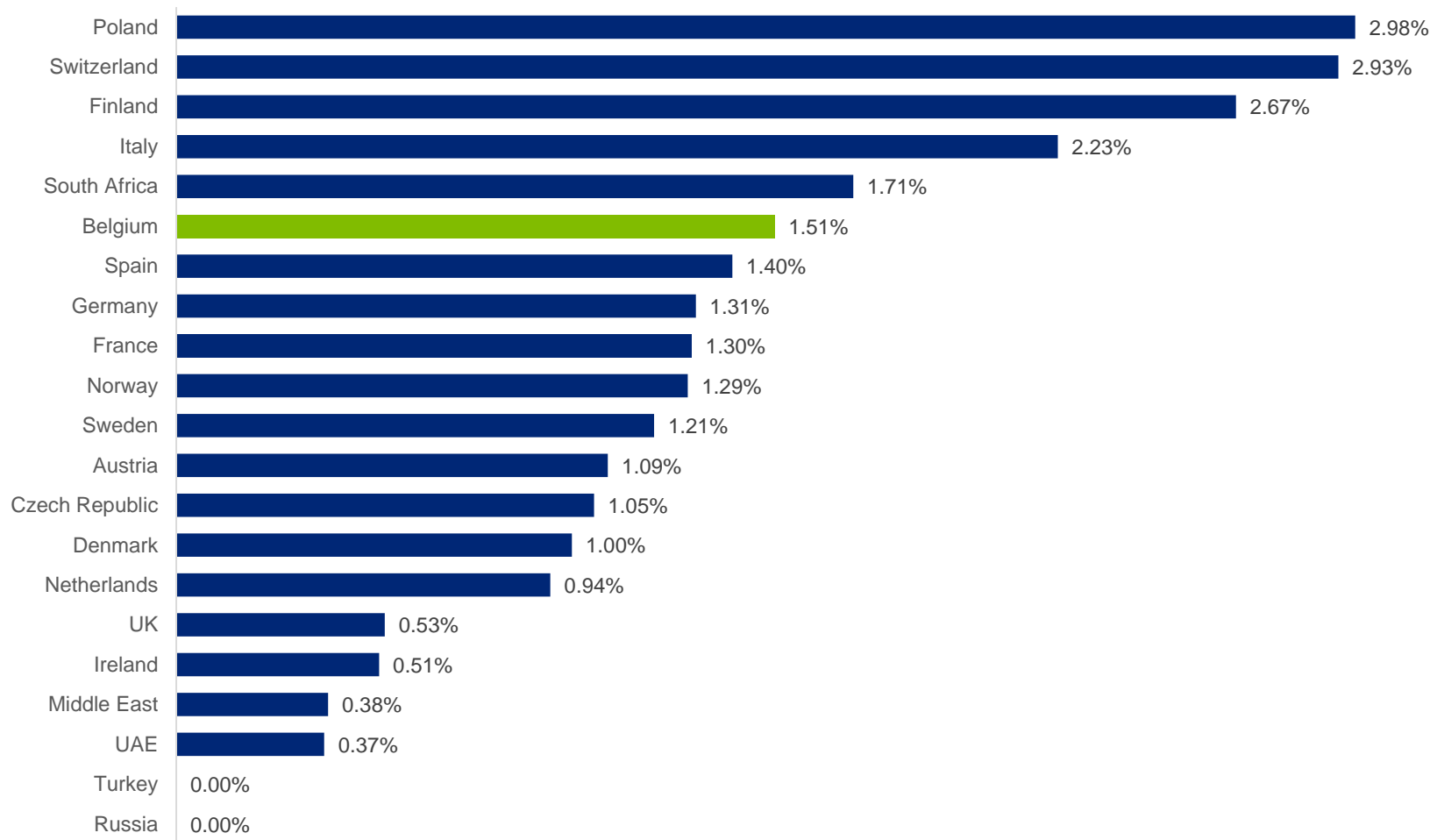
Source: OECD

¹<http://www.oecd.org/daf/fin/insurance/Global-Insurance-Market-Trends-2014.pdf>

Survey findings

The Belgian insurance industry comes 6th out of 21 EMEA markets in popularity among business students

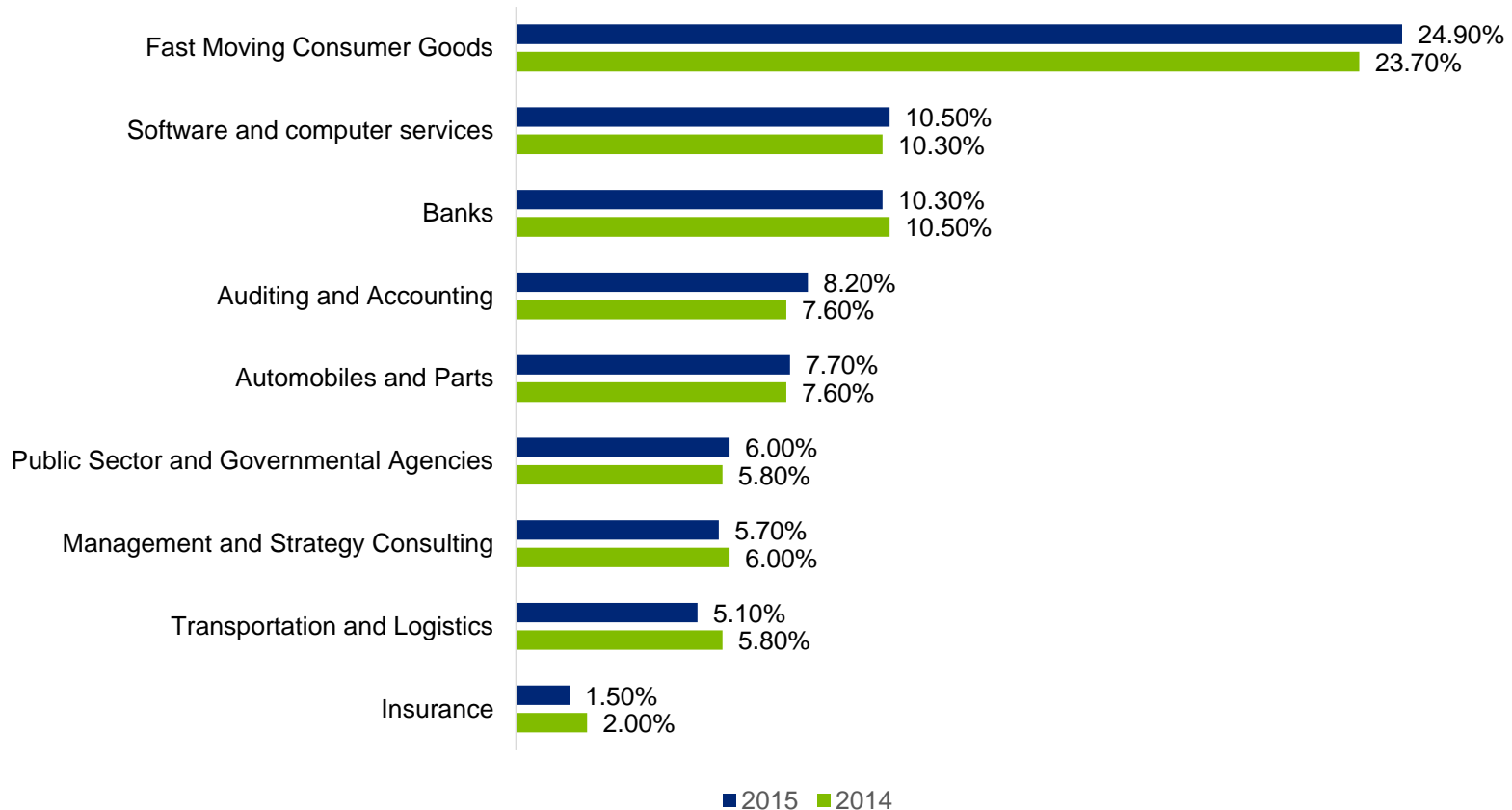
Popularity of insurance as a career choice, EMEA, 2015



Survey question: “Choose the five employers you most want to work for [from the list of employers you would consider working for], your five ideal employers”. Sector popularity is calculated as the number of times individual employers in specific industries are short-listed among the five “ideal employers.”

Belgian business students are more attracted to FMCG and technology than financial services. Insurance trails at 15th out of 24 industries, and is falling in popularity

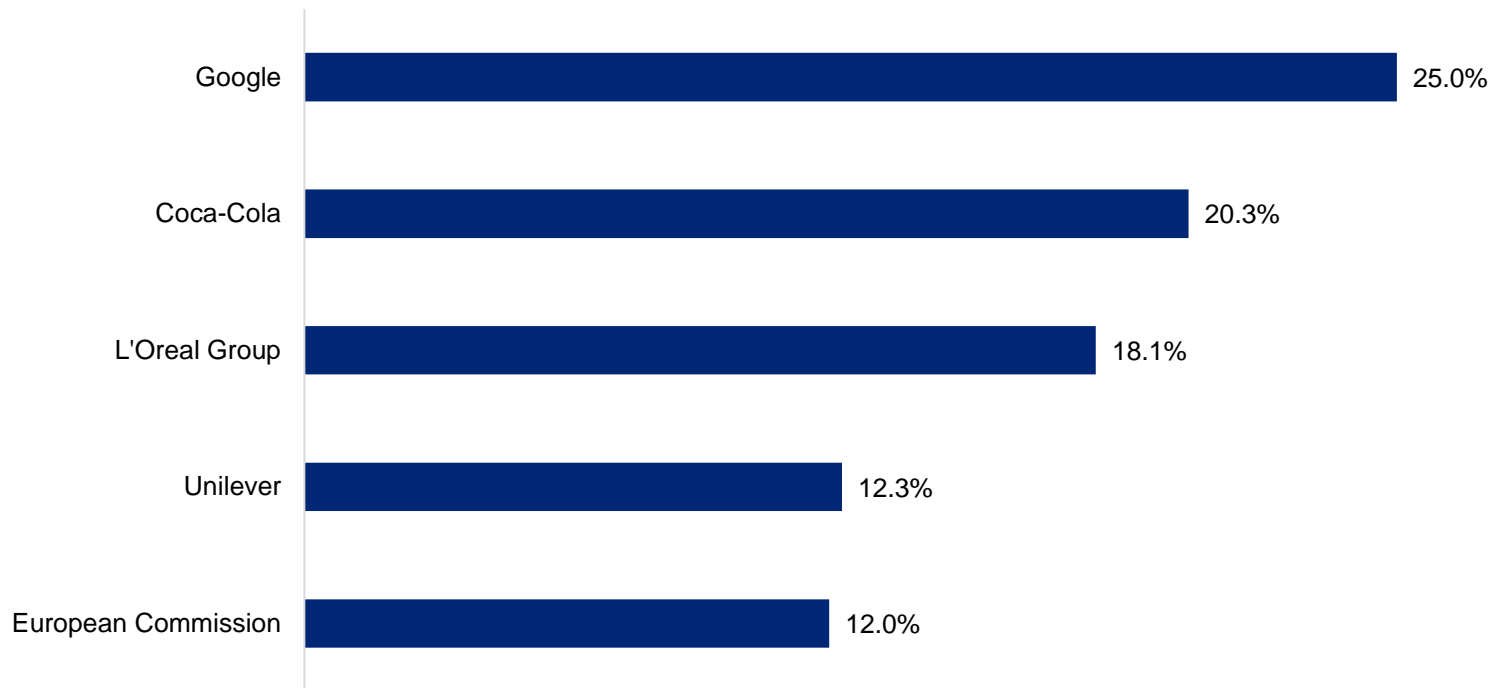
Insurance and the eight most popular industries for business students, Belgium, 2014-2015



Survey question: “Choose the five employers you most want to work for [from the list of employers you would consider working for], your five ideal employers”. Sector popularity is calculated as the number of times individual employers in specific industries are short-listed among the five “ideal employers.”

Belgian business students are attracted to international groups, with Google topping the league table, despite not having extensive operations in the country

Most popular employers, Belgian business students, 2015



Survey question: "Choose the five employers you most want to work for [from the list of employers you would consider working for], your five ideal employers."

Only one insurer, AXA, makes it into the top five employers even for those students contemplating working in the sector, suggesting that insurance is an afterthought

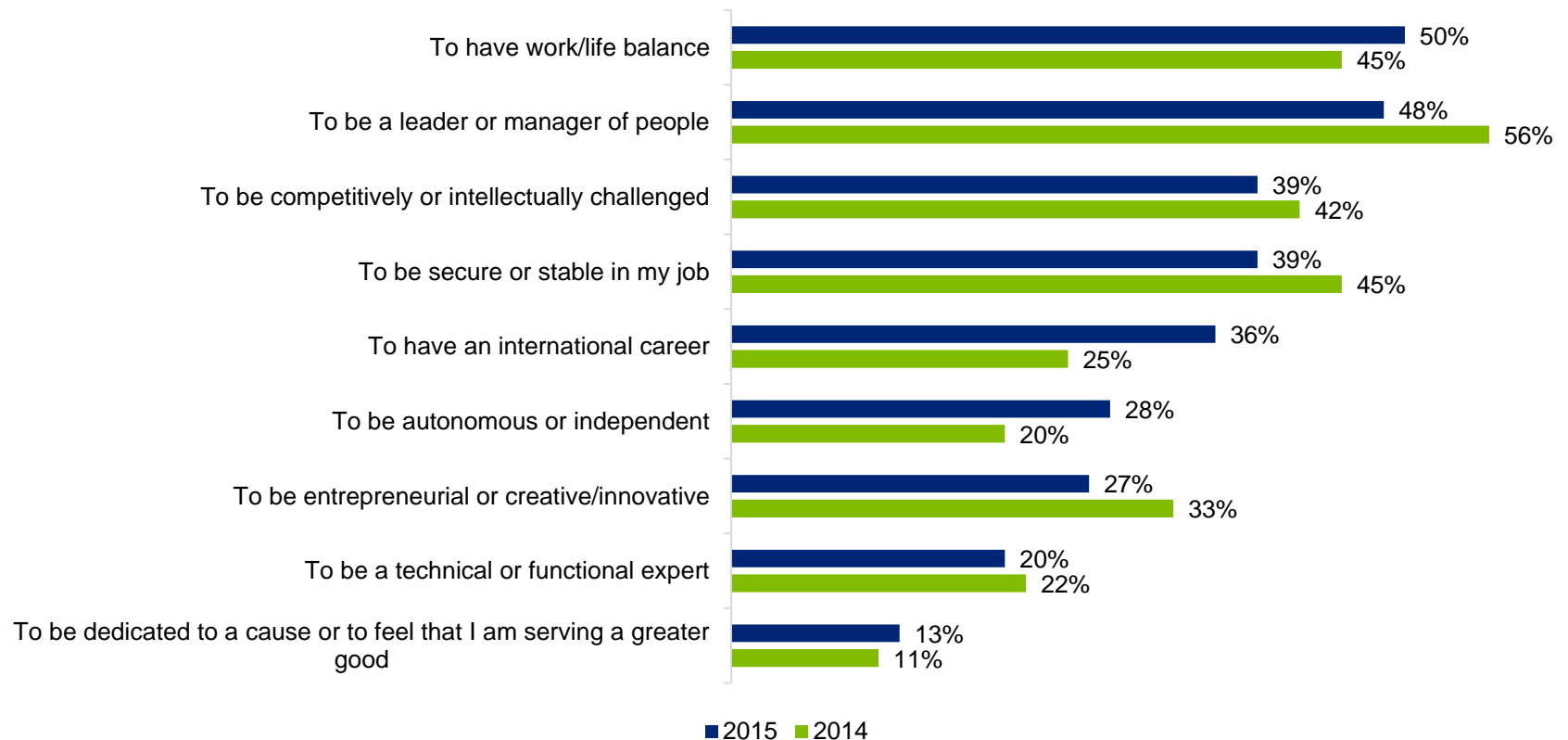
Most popular employers, Belgian insurance-inclined students, 2015



Survey question: “Choose the five employers you most want to work for [from the list of employers you would consider working for], your five ideal employers.”

The desire for 'work/life balance' and international exposure rose among Belgian insurance-inclined students, while that for leadership and 'job security' fell in 2015

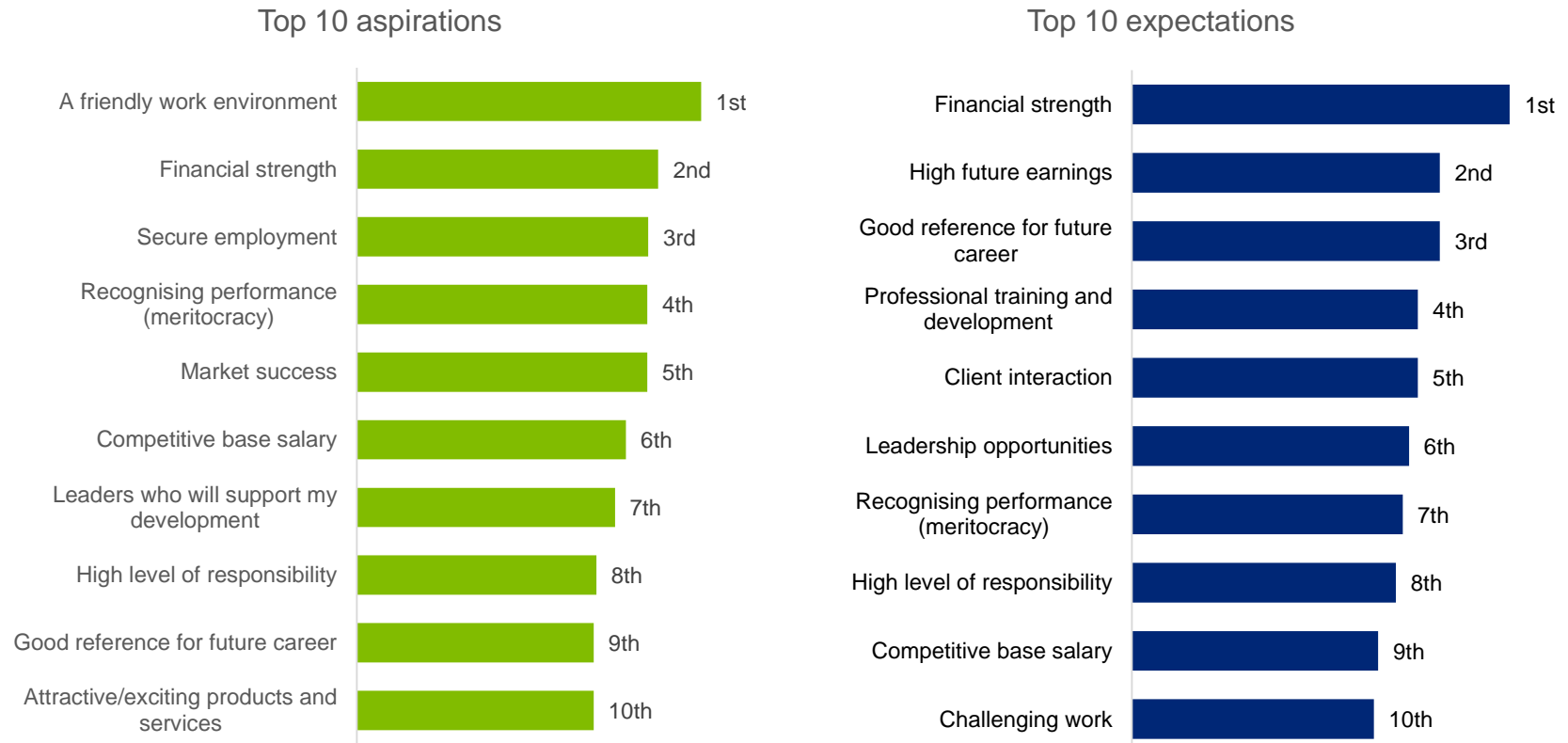
Career goals of Belgian insurance-inclined students, 2014-2015



Survey question: "Below is a list of nine possible career goals. Which are most important to you? Please select a maximum of 3 alternatives." Importance of goals is then calculated as the percentage of students choosing each career goal on their shortlist of top three goals.

Belgian insurance-inclined students aspire to ‘a friendly work environment’ and ‘job security’, but do not expect to find these traits well-represented in insurance

Belgian insurance-inclined students' aspirations and expectations, 2015



Students were asked to choose up to 12 attributes, out of a total of 40, that they most sought for their five shortlisted “ideal employers.” The ten attributes that scored most highly for insurance-inclined students are shown in the green bars – “aspirations”. Deloitte extracted the extent to which insurance-inclined students expected to find each of these top ten aspirations in their shortlisted “ideal” insurers. Each blue bar represents the proportion of insurance-inclined students who expect to find this attribute at the insurer(s) that appears on their shortlist of five “ideal employers”. Please note that because the number of aspirations students can choose is capped at 12, while the expectations are uncapped up to 40, the proportions of students expecting a particular attribute is likely to be higher those recording an aspiration for that attribute. Survey question: Aspirations – which of these are most important to you? Please select a maximum of three alternatives [in each of the following four categories: Employer Reputation and Image; Job Characteristics; People and Culture; and Remuneration and Advancement Opportunities. Expectations – which of the following [40 attributes] do you associate with your chosen employer(s).

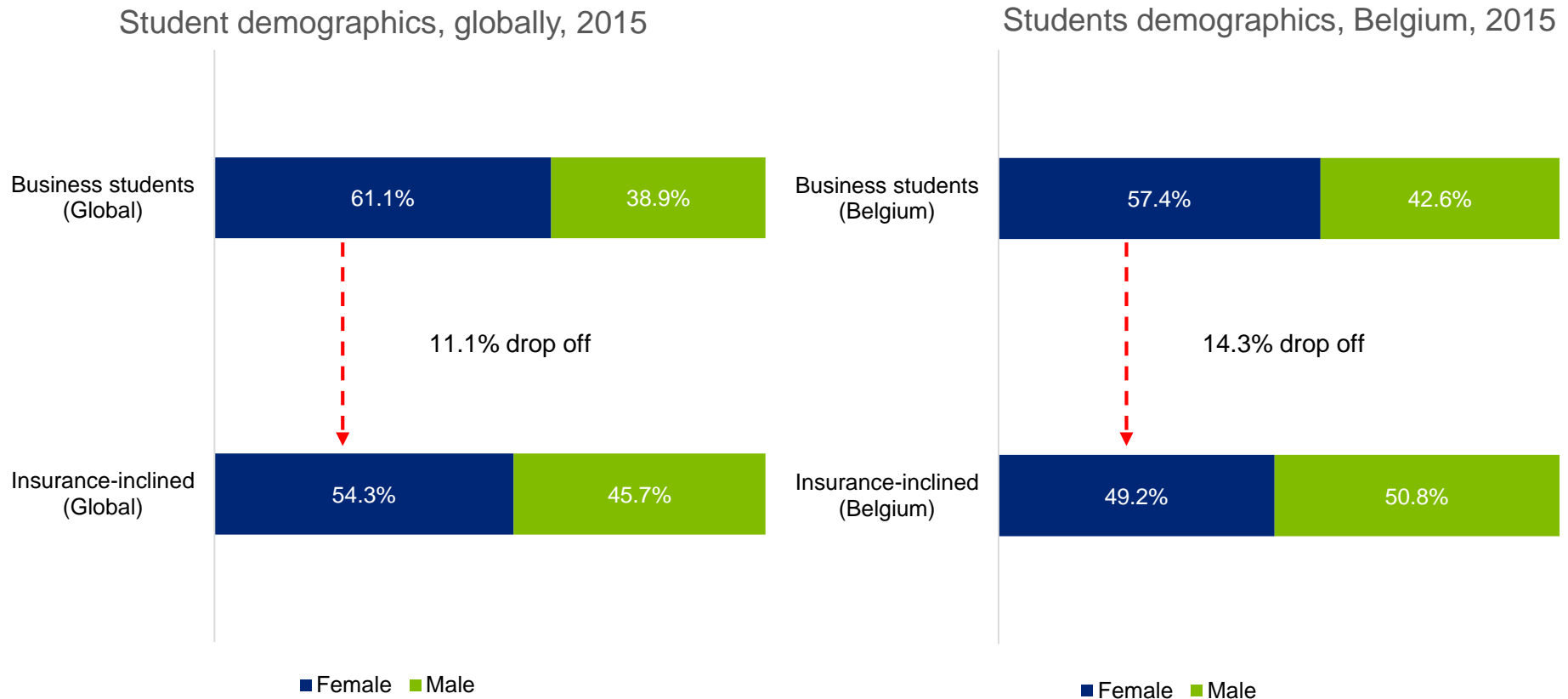
Belgian insurance-inclined students expect pay on a par with that of business students, and 8.7 per cent lower than that of banking-inclined students

Expected annual salary (EUR), Belgian business students, 2015



Survey question: "What is your expected salary before taxes (excluding commission and bonus) at your first employment after graduation?"

Insurance is failing to attract female students in Belgium, to an even greater extent than the industry worldwide



Appendix - methodology

Appendix – Methodology

This report is based on the Universum Talent Survey 2015. Universum has been researching students' career intentions since 1988. In 2014-15, it surveyed about 1.2 million students and professionals drawn from over 2,000 universities and institutes of higher education in 55 countries.

Deloitte examined the survey results from 211,000 business students in 30 markets: in the Americas, Brazil, Canada, Mexico and the US; in APAC, Australia, China, Hong Kong, India and Singapore; and in EMEA, Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, the Middle East (defined by Universum as Egypt, Lebanon, Kuwait, Qatar and Saudi Arabia), the Netherlands, Norway, Poland, Russia, South Africa, Spain, Sweden, Switzerland, Turkey, the UAE and the UK. The number of markets included in global and regional averages varies between 23 and 30.

Business students were presented with a list of employers from a range of industry sectors. Students selected “ideal employers” from the initial list in a three-stage process. First they chose an unlimited list of companies for which they might consider working. Next they narrowed the choice to a maximum of five “ideal employers”. Finally, they were asked to select companies they had applied to or were considering for an application.

Using the rankings by business students of the companies they would most like to work for, their “ideal employers”, Deloitte analysed their preferences across different industries over the eight academic years from 2007-08 to 2014-15. For this survey, business students are defined as students of business-related subjects. “Insurance-inclined students” are a subset who put at least one insurer in their top five “ideal employers”. Using Universum’s detailed questionnaire, Deloitte analysed the motivations, aspirations and expectations of insurance-inclined students in relation to a career in insurance. This analysis includes a comparison of what makes insurers attractive to students (“aspirations”) with what they associate with insurers as employers (“expectations”).



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