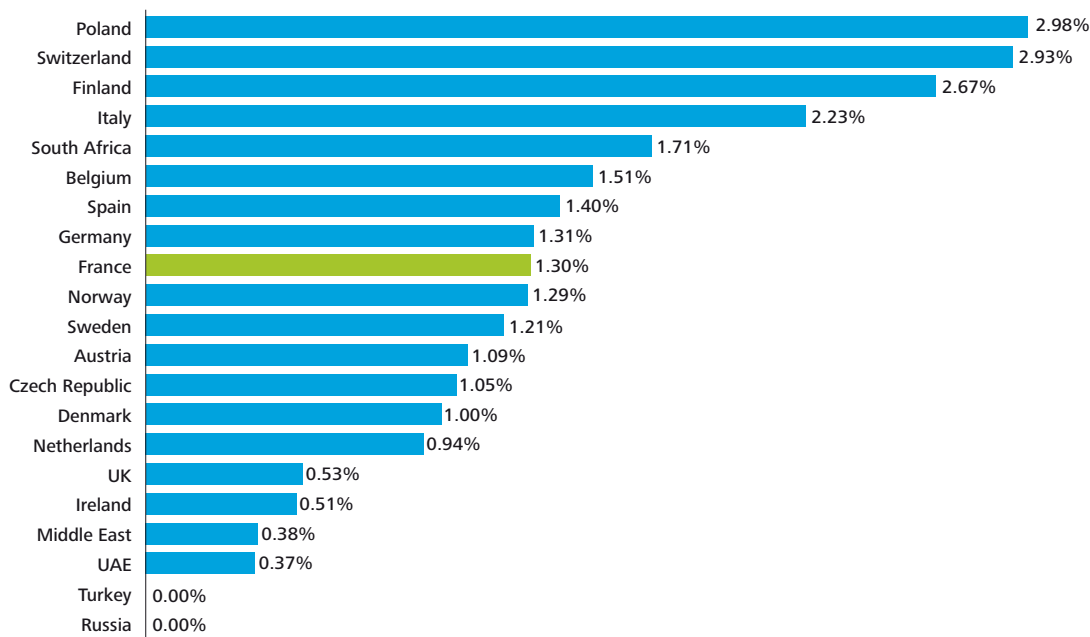


The Deloitte Talent in Insurance Survey 2015

France in Focus

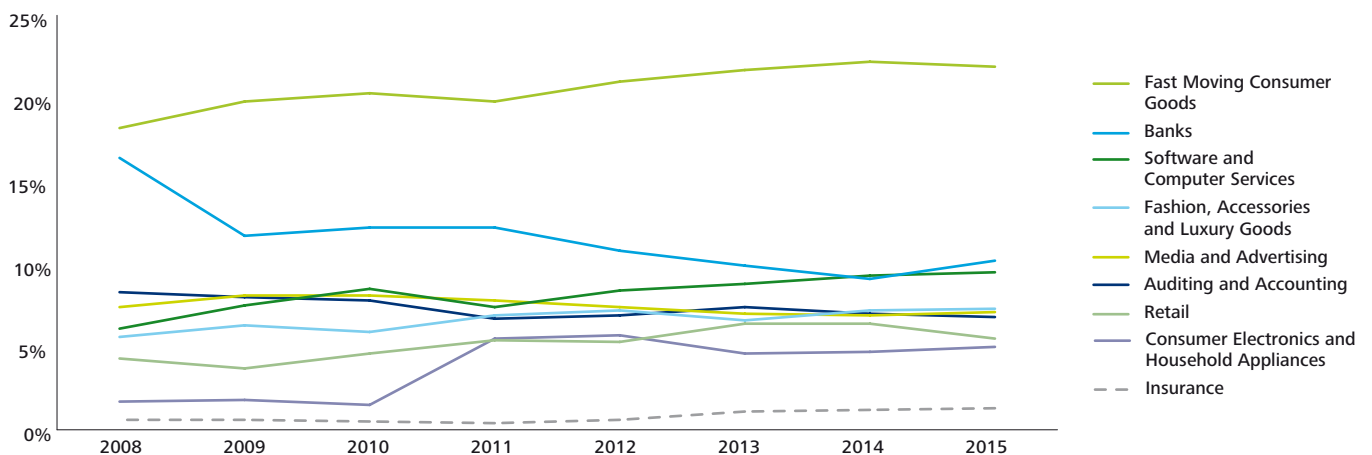
Survey findings

Figure 1. Popularity of insurance as a career choice among business students, EMEA, 2015



Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

Figure 2. Industry popularity among French business students, 2008-2015



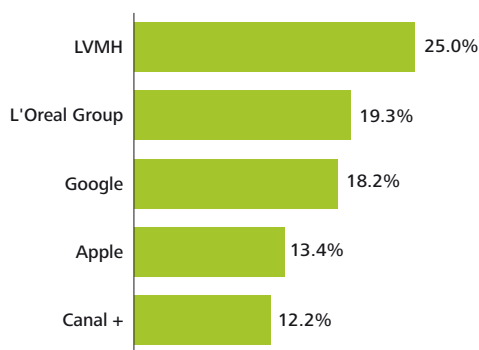
Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

The French insurance sector is in transition. It is moving towards digital platforms and technology but doing so too slowly to retain younger employees or attract the real technophiles. This is causing competency gaps that are becoming hard to fill. Added to the mix is a French system characterised by a highly segmented approach to working. This can discourage younger workers. Millennials would prefer more horizontal knowledge and experience, rather than being compartmentalised into narrow task-based activities.¹ More positively, Deloitte research indicates that French millennials are still attracted to the good salaries they know are paid by French financial services firms.²

This may explain why insurance, while ranking just 15th out of 26 industries in terms of industry popularity among the French business students, is more popular in France than in most EMEA countries surveyed. With the current level of interest, a rise of just 0.3 percentage points would put France into the top five on a European level in terms of interest in insurance. Considering interest fell to a low of 0.4 per cent just four years ago, the tripling of interest in the last few years has been spectacular, and on this trajectory, it seems entirely possible this increase in interest could well be reached.

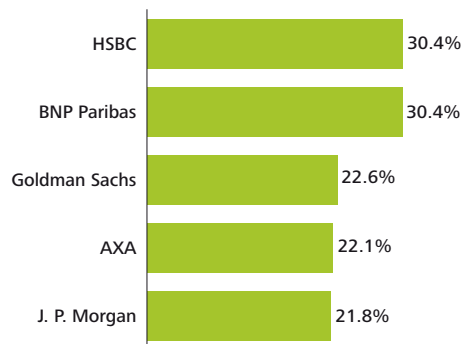
The rising interest in the insurance sector has come as the retail, electronics and even fashion sectors have all been flat or declining. The only other notable increases in popularity in 2015 have been in banking (after a huge slump in 2008-2014) and software and computer services. Behind fast moving consumer goods (FMCG), by far the most popular industry among French business students, several sectors hover around the five-ten per cent popularity level, revealing there is great plurality in the French economy.

Figure 3. Top five most popular employers, French business students, 2015



Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

Figure 4. Top five most popular employers, French insurance-inclined students, 2015

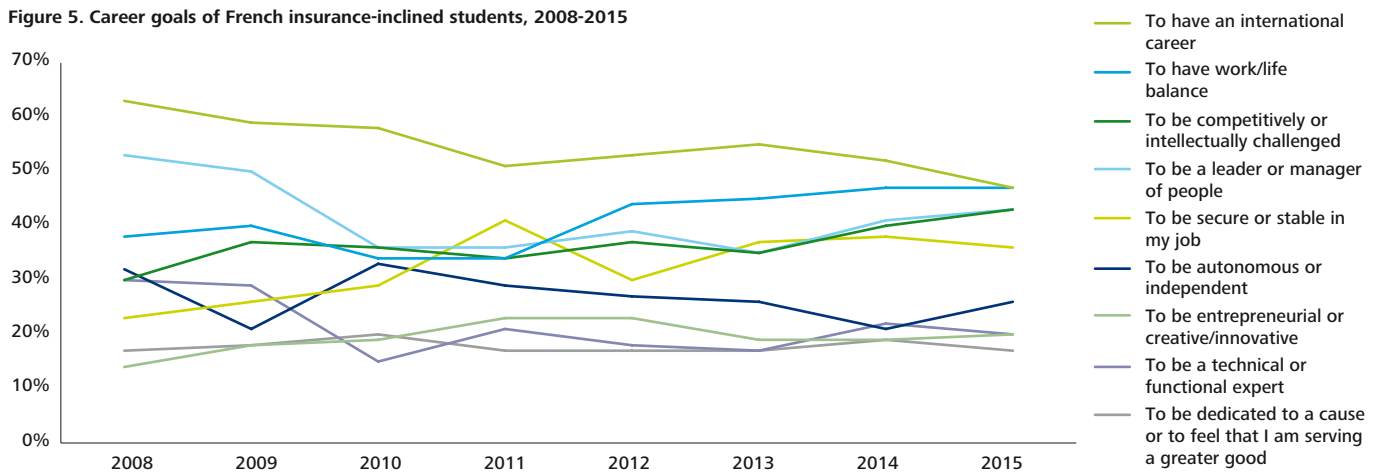


Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

France's status as the home of luxury and fashion is still alive and well. Louis Vuitton Moët Hennessy (LVMH) is the most popular employer among French business students, followed by L'Oreal Group. French TV station Canal + also makes the top five employers list. Significantly, and contributing to the rise seen in computer software/services, Apple and Google both appear in the top five, with Google almost overtaking second-place L'Oreal in 2015.

In terms of the companies insurance-inclined students want to work for, it is banking rather than insurance-specific brands that top their lists. HSBC, BNP Paribas and Goldman Sachs comprise the top three, while JP Morgan is fifth. The only insurer to make the top five list is AXA, in fourth place. This suggests that insurers need to develop an attractive employer brand to close the attractiveness gap with banks.

Figure 5. Career goals of French insurance-inclined students, 2008-2015



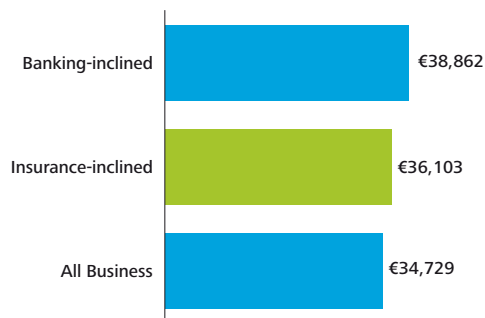
Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

In this survey, French insurance-inclined students were asked to name their three most important career goals out of a list of nine options (see Figure 8).

French insurance-inclined students rank 'to have an international career' as their top career goal, in stark contrast to their global counterparts who rank this goal in fifth place. This suggests that French insurance-inclined students are more aware than most of the global nature of the industry. Other career goals that are important to French insurance-inclined students include 'work/life balance', the top career goal for insurance-inclined students globally, and 'to be a leader or manager of people'.

Almost uniquely, French insurance-inclined students rank 'challenging work' as their top aspiration (see Figure 7). This is also reflected in their top career goals: the proportion of students rating 'to be competitively or intellectually challenged' as one of their top three career goals has increased from 30 per cent in 2008 to 43 per cent in 2015.

Figure 6. Expected annual salary (EUR), France, 2015



Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

Insurance-inclined students expect an average salary in of €36,104, almost 4 percent higher than the €34,729 all business students expect. Banking-inclined students' salary expectations of €38,862 are 12 per cent higher again than those of all business students.

Figure 7. French insurance-inclined students' aspirations, 2015



Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

Figure 8. French insurance-inclined students' expectations, 2015



Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

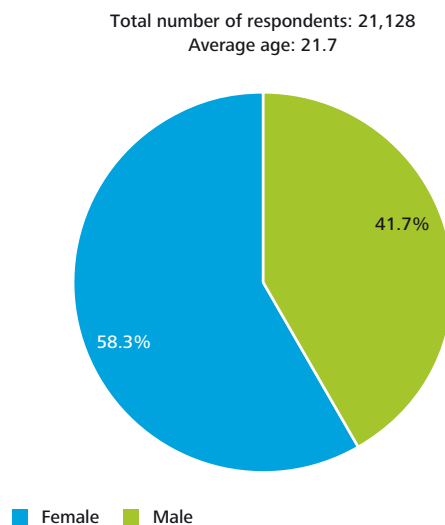
In the survey, Deloitte sought to find out to what extent, and in which areas, the aspirations of insurance-inclined students converge with, or deviate from, what they most expect from a career in insurance. Out of a list of 40 attributes, French insurance-inclined students chose those which they most aspire to in their first job (see Figure 7) and those which they expect to find at insurers they wish to work for (see Figure 8).

It has been identified that French millennials are attracted to the high salaries on offer at financial services firms³ but the data (see Figure 7) reveal that this is not the main driver for insurance-inclined students. The top aspiration for French insurance-inclined students is 'challenging work' – a feature not even close to being repeated in other countries (where 'training and development' and 'leaders who will support my development' are commonly the top two choices). Thereafter, it is having a 'leadership that supports development' that comes next, followed by a sense of 'prestige'.

Also making it into the top ten is 'opportunities for international travel/relocation' in ninth place. This is unsurprising as French insurance-inclined students rate 'an international career' as their top career goal (see Figure 5). Furthermore, 'interaction with international clients and colleagues' is one of the top ten attributes expected from the industry by insurance-inclined students.

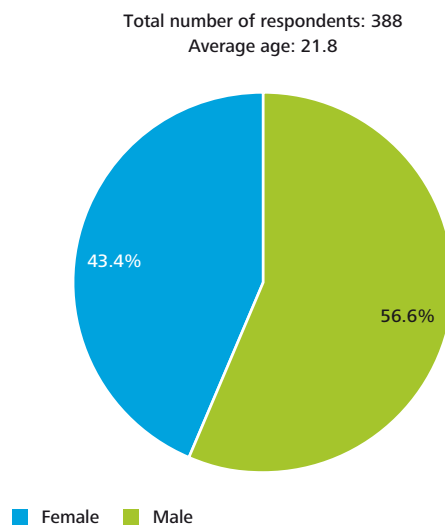
The aspirations and expectations of students are fairly consistent with each other. They are almost identical when it comes to 'challenging work', 'leaders who will support my development' and 'a friendly work environment'. The indication is that what French insurance-inclined students aspire to and what they expect when they join the sector are not a million miles apart.

Figure 9. French business student demographics, 2015



Source: Universum Talent Survey 2015; Deloitte analysis

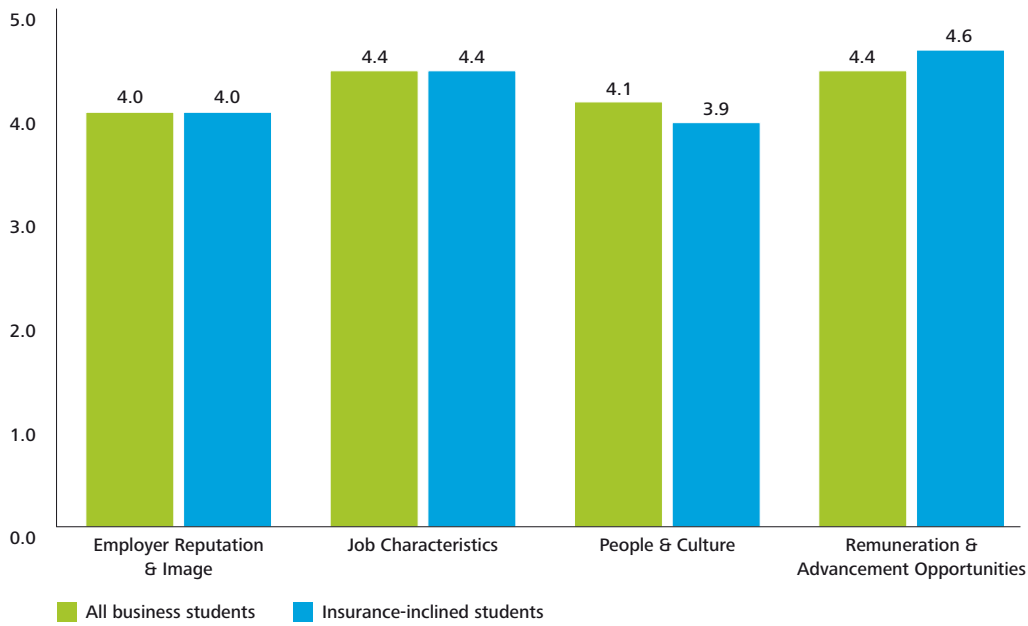
Figure 10. French insurance-inclined student demographics, 2015



Source: Universum Talent Survey 2015; Deloitte analysis

A high proportion, (58 per cent), of French business students surveyed are female, but as soon as the statistics are filtered to reveal the breakdown of insurance-inclined students, it becomes clear that insurance is still a masculine sector. Some 57 per cent of insurance-inclined students are men and just 43 per cent women.

Figure 11. Attractiveness of job aspects, all French business students and French insurance-inclined students, 2015

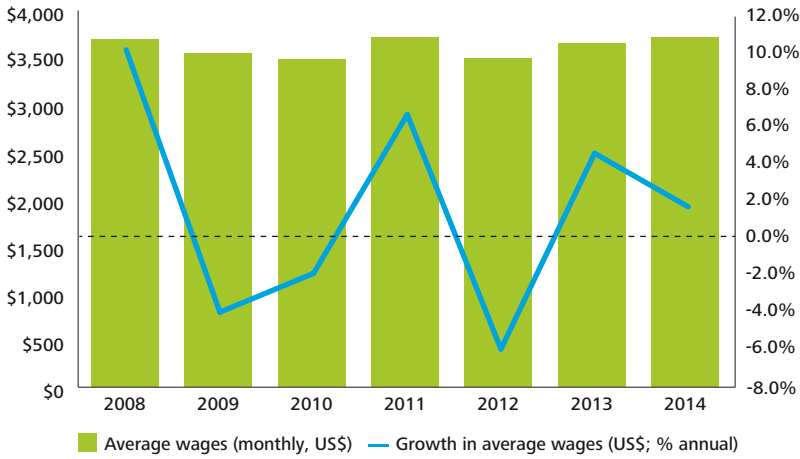


Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

Insurance-inclined students put the same importance on the ‘employer’s reputation and image’ as do their all-business contemporaries (4.0 out of 5.0). The same is true for ‘job characteristics’ (4.4 out of 5.0), suggesting that the basic beliefs about what make a good job and a good company are fairly universal among French students. As in other countries though, the ‘people and culture’ element matters less to the insurance-inclined (3.9 vs 4.1) while ‘remuneration and advancement opportunities’ matter slightly more.

Macroeconomic context

Figure 12. Growth in average real wages (US\$), France, 2008-2014



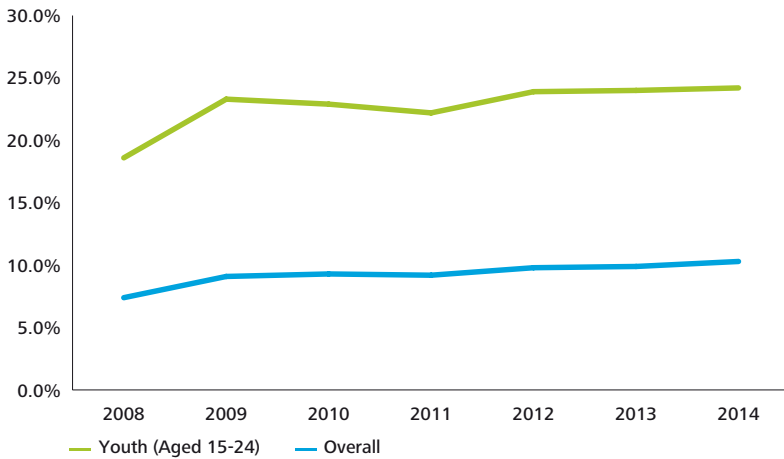
Source: Economist Intelligence Unit
See Appendix for notes

The French insurance industry returned to growth in 2013 after three years of decline. Total gross written premiums (GWP) increased from US\$ 258,748 million in 2012 to US\$ 275,620 million in 2013, with total GWP as a percentage of GDP also increasing, from 10.8 per cent to 11.5 per cent. Total GWP had still not returned to its 2009 peak, however, when the sector's total GWP of US\$ 300,988 million was equal to 13.2 per cent of GDP.

In 2014, average monthly wages finally passed the level of 2011, to reach US\$ 3,715. Unemployment in 2014 was slightly higher than the previous year, at 10.3 per cent, while youth unemployment (among those aged 15 – 25) was ticket up slightly to 24.2 per cent.

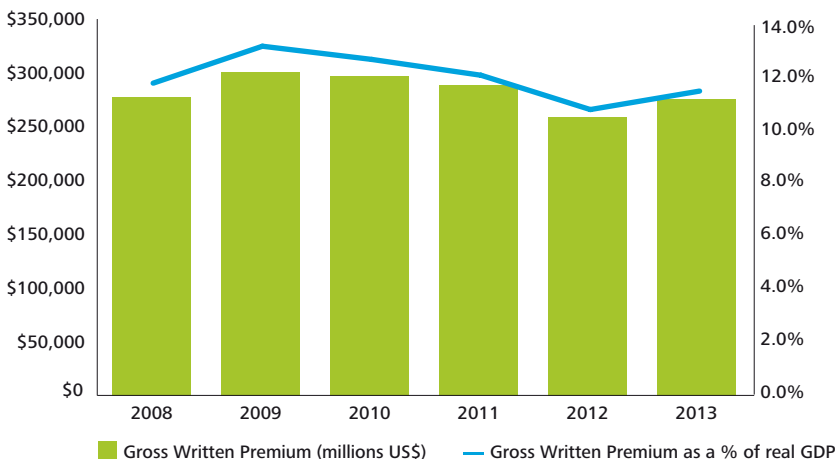
French insurers are currently focusing on digitisation, for example through acquiring start-ups, which is expected to have an impact on future talent strategies.

Figure 13. Overall and youth unemployment, France, 2008-2014



Source: OECD

Figure 14. Total Gross Written Premiums in US\$ mn and as % of real GDP, France, 2008-2013



Source: OECD
See Appendix for notes

Appendix

Terminology

Business students = students studying business-related subjects.

Insurance-inclined students = business students who put at least one insurer in their top five 'ideal employers', when offered a list of potential employers to choose from.

About the Research

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 institutions 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.

Note to Figure 1

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". Insurance popularity by market is calculated as the number of times insurers are short-listed among the five "ideal employers" in each market.

Note to Figure 2

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". Industry popularity by market is calculated as the number of times employers for that industry are short-listed among the five "ideal employers".

Note to Figure 3

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".

Note to Figure 4

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".

Note to Figure 5

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.

Note to Figure 6

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

Note to Figure 7

Survey question: "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]."

Note to Figure 8

Survey question: "Which of the following [40 attributes] do you associate with your chosen employer(s)?"

Note to Figure 11

Survey question: "How important are each of the aspects below to you? Please rate the importance of each aspect on a scale from 1-5."

Note to Figure 12

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.

Fluctuations in average wages could be partially due to changes in the EUR/US\$ exchange rate.

Note to Figure 14

Data for 2014 is not available.

Fluctuations in Total Gross Written Premiums could be partially due to changes in the EUR/US\$ exchange rate.

Endnotes

1. Deloitte analysis
2. "L'entreprise de demain, A quoi ressemble l'idéal des étudiants?", Deloitte, 2014. See also: <http://www2.deloitte.com/fr/fr/pages/talents-et-ressources-humaines/articles/l-entreprise-de-demain-5e-edition.html>
3. See source 2

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