Talent in Insurance 2015
Czech Republic in Focus

UK Financial Services Insight
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Czech Republic in Focus

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Macroeconomic and industry context
Youth unemployment almost doubled in the Czech Republic, to reach a post-crisis peak of 19.5 per cent in 2012, but fell to 15.8 per cent in 2014.

Overall and youth unemployment, Czech Republic, 2008-2014

Source: OECD
Average wages in the Czech Republic have fallen every year since 2011, and were almost 10 per cent lower than 2008 levels as late as 2014

Growth in average real wages (US$), Czech Republic, 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
The Czech total GWP remained broadly stable between 2008 and 2013; 2014 saw marginal growth in GWP in Czech koruna\(^1\)

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

Note: 2014 data is not available

Source: OECD

\(^1\)Czech Insurance Association (CAP)
Survey findings
The Czech insurance industry lags most of EMEA 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.”

Source: Universum Talent Survey 2015; Deloitte Analysis
Insurance trails at 17th out of 24 industries, and its popularity more than halved in 2015. It is perceived as being boring and uncreative.

Insurance and the eight most popular industries for business students, Czech Republic, 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.”

Source: Universum Talent Survey 2015; Deloitte Analysis
Czech business students rank Google top, and Microsoft as the fifth, most attractive employers, with local hero Skoda and public service taking 2nd, 3rd and 4th slots.

Most popular employers, Czech business students, 2015

- Google: 27.3%
- Škoda Auto (Volkswagen Group): 15.9%
- Česká národní banka: 15.4%
- Státní správa (ministerstva, úrady): 15.4%
- Microsoft: 12.3%

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.”

Source: Universum Talent Survey 2015; Deloitte Analysis
Generali-owned Česká pojišťovna is the most popular insurer but banks took four of the top five most popular slots among insurance-inclined students.

Most popular employers, Czech insurance-inclined students, 2015

<table>
<thead>
<tr>
<th>Employer</th>
<th>2015 Popularity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Česká národní banka</td>
<td>32.7%</td>
</tr>
<tr>
<td>KBC Group</td>
<td>23.9%</td>
</tr>
<tr>
<td>Société Générale</td>
<td>20.4%</td>
</tr>
<tr>
<td>Erste Bank Group</td>
<td>19.5%</td>
</tr>
<tr>
<td>Česká pojišťovna</td>
<td>19.5%</td>
</tr>
</tbody>
</table>

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.”

Source: Universum Talent Survey 2015; Deloitte Analysis
Worryingly for insurers, the desire to be innovative fell by 12 percentage points in popularity among Czech insurance-inclined students between 2014 and 2015.

Career goals of Czech 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.

Source: Universum Talent Survey 2015; Deloitte Analysis
Czech insurance-inclined students aspire to a ‘friendly work environment’, ‘market success’, and ‘professional development’ and expect to find them in the sector

Czech insurance-inclined students’ top 10 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).
Czech insurance-inclined students’ salary expectations are 8.8 per cent lower than those of all business students, and 7.4 per cent below the banking-inclined.

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

Source: Universum Talent Survey 2015; Deloitte Analysis
Czech insurance is doing a very good job of attracting women, who are considering it in a greater proportion than their share of the business student body.

**Students demographics, globally, 2015**

- All business (Global): 61.1% Female, 38.9% Male
- Insurance-inclined (Global): 54.3% Female, 45.7% Male

**Student demographics, Czech Republic, 2015**

- All business (Czech Republic): 67.5% Female, 32.5% Male
- Insurance-inclined (Czech Republic): 73.5% Female, 26.5% Male

Source: Universum Talent Survey 2015; Deloitte Analysis
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”).