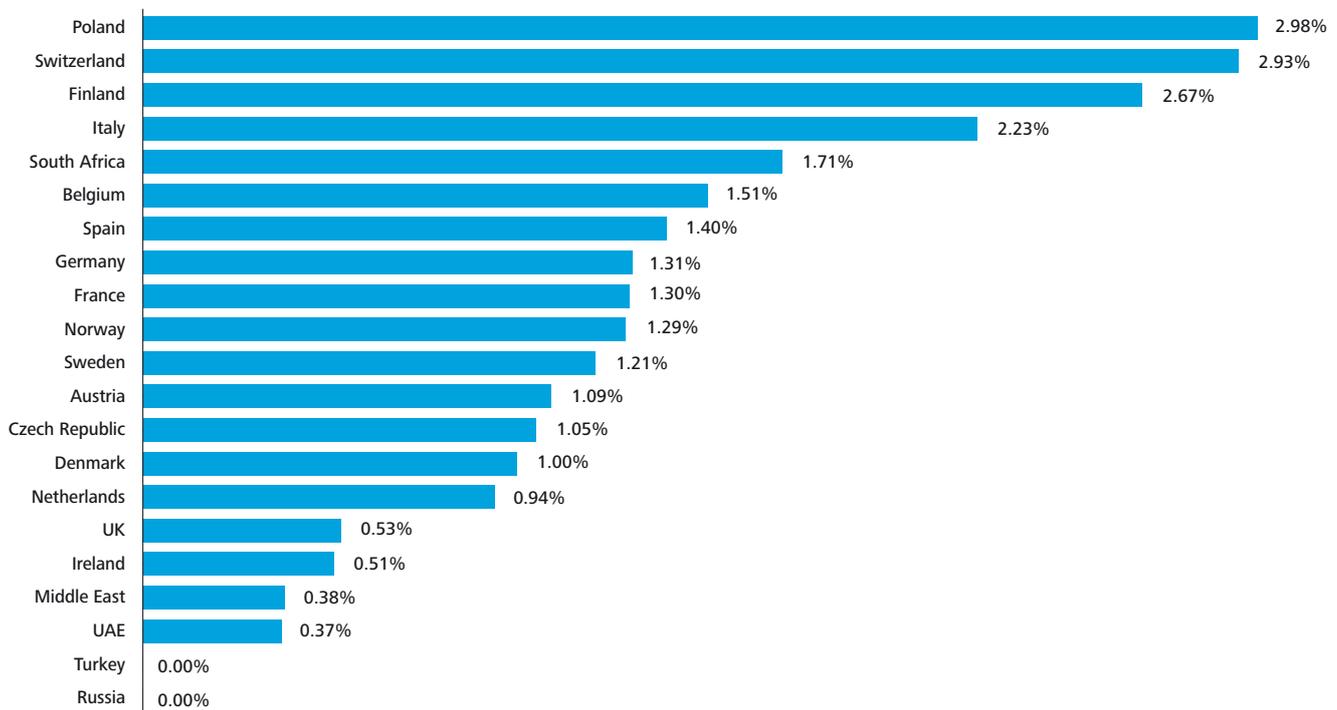


The Deloitte Talent in Insurance Survey 2015 Turkey in Focus

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

Awareness of the insurance industry in general in Turkey is low, as is reflected in the very low figure for insurance penetration (see Figure 13). The society is not sufficiently knowledgeable about the diverse products and services or the different career opportunities offered by insurance companies.

All this is reflected in the findings of the survey. The opinions of 7,751 business students were canvassed, but very few (87) showed an inclination towards insurance. Turkey registers the joint lowest score for insurance popularity among 21 EMEA markets analysed.

Student demographics

Figure 2. Student demographics, Turkey, 2015

	All business students	Insurance-inclined students
Female	61.7%	63.2%
Male	38.3%	36.8%
Number of students	7,751	87
Average age	21.0	20.9

Source: Universum Talent Survey 2015; Deloitte analysis

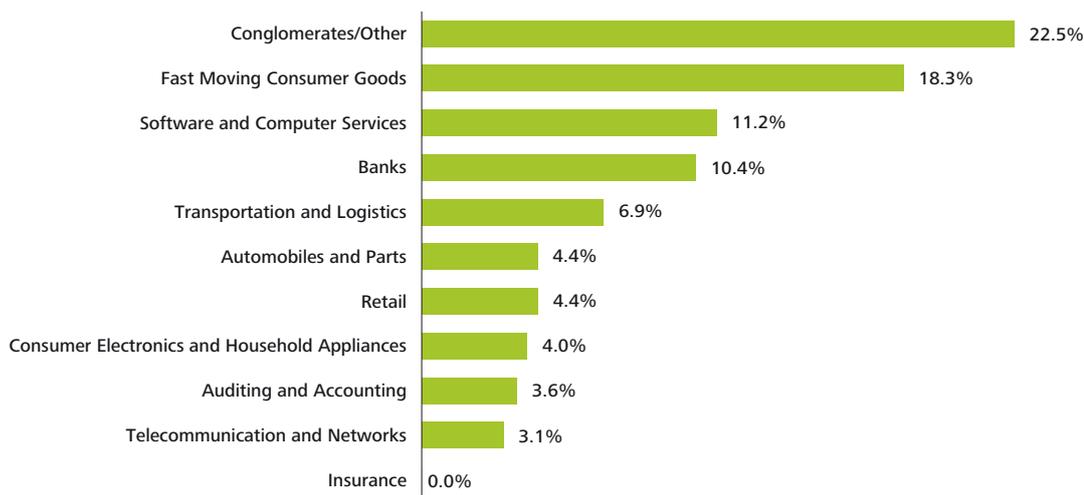
The Turkish insurance sector is ranked behind many other industries and has to compete with them to attract the best talent. The most popular employers are large, family-owned industrial and financial conglomerates, which embrace businesses from a wide range of sectors including financial services, energy, industrial products, fast moving consumer goods (FMCG), retail, IT, tourism, etc.

Aside from such conglomerates, the top three most popular industries among Turkish business students are the same as they are globally; namely, FMCG, software and computer services, and banks.

The number one position of the conglomerates, which were included for the first time in this year’s survey, may reflect their strong, well-established image and the diverse career opportunities they present in various industries. This may explain why some business students are more attracted to these firms than they are to firms active in only one industry.

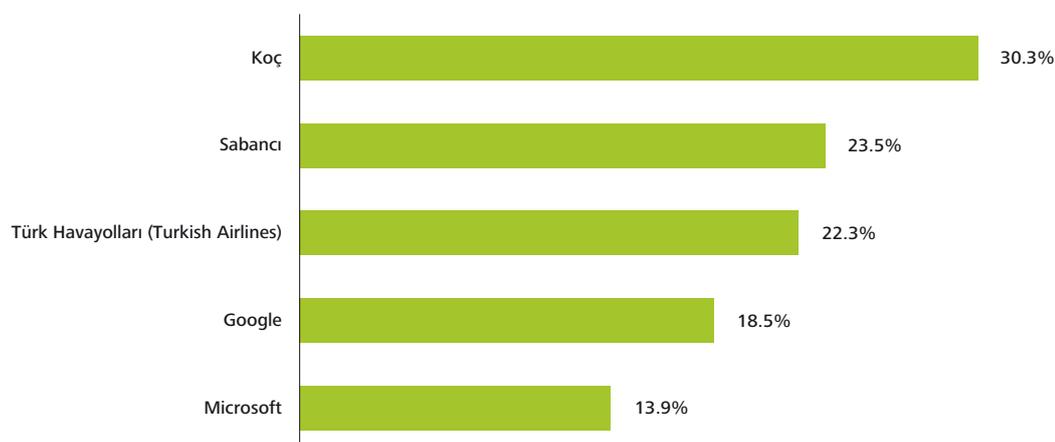
The top two employers of choice among business students (with substantial 30% and 23% support respectively), are Koç and Sabancı Group – Turkey’s industrial and financial conglomerates. Turkish Airlines is third, while significantly, Google and Microsoft (at 4th and 5th) reflect the growing popularity in software and computer services among Turkish business students.

Figure 3. Industry popularity among Turkish business students, 2015



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

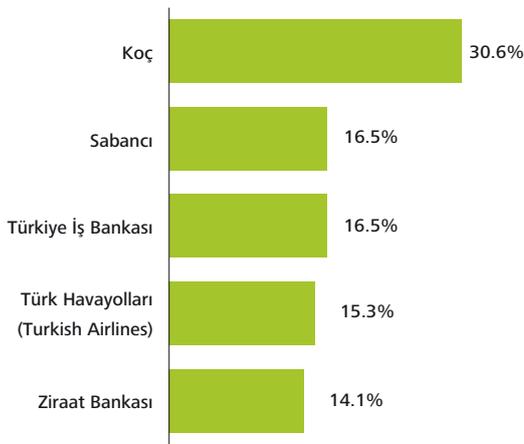
Figure 4. Top five most popular employers, Turkish business students, 2015



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

These conglomerates also have a big impact on the choices of the insurance-inclined sub-group. They too rank Koç and Sabancı Group as the top two ideal employers. After them, it is the banks (Türkiye İş Bankası and Ziraat Bankası) that fill out the top five (with the exception of Turkish Airlines). No insurer makes the top five, even among students considering a career in the sector.

Figure 5. Top five most popular employers, Turkish insurance-inclined students, 2015



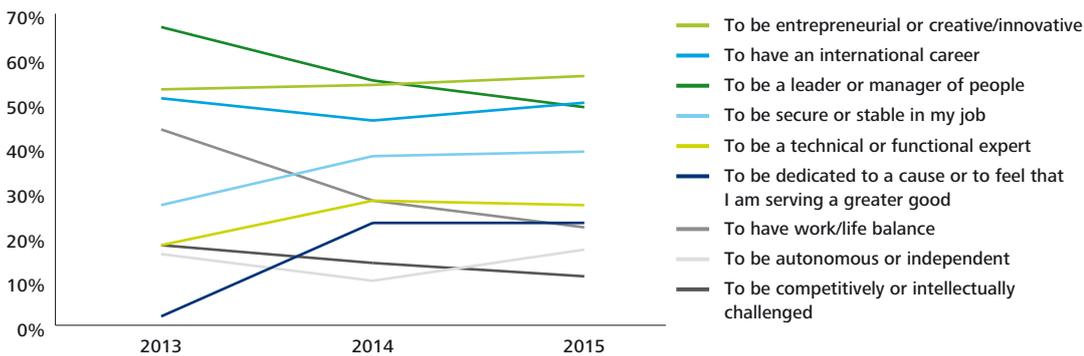
Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

With the increasing trend of global insurance companies investing in the Turkish insurance sector, the sector is in something of a transition period. Insurance companies will need a workforce that possesses strong customer analytics, digital, and technology skills. In a bid to attract graduate talent, Turkish insurance firms are leveraging several certification programmes. However, the industry still needs to raise its profile socially, as well as develop innovative human resources strategies to attract and retain the top talent.

Career goals for Turkish insurance-inclined students have shifted slightly between 2013 and 2015. At a massive 56 per cent (and rising each year for the last three years), being 'entrepreneurial or creative/innovative' is the top career goal. No other country scores so highly for this factor among insurance-inclined students. Globally, the average score for being entrepreneurial is just 26 per cent, meaning Turkish students are more than twice as prepared to think entrepreneurially. They also have the highest score for 'an international career'. At 50 per cent support, it trumps the 32 per cent global average.

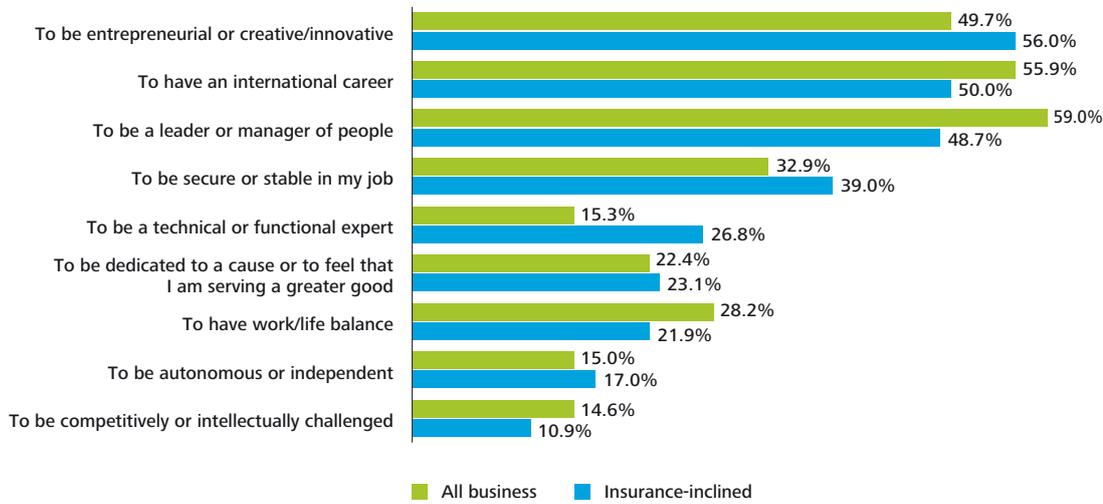
'Work/life balance', the top career goal for insurance-inclined students globally, languishes at seventh place among Turkish insurance-inclined students. Wanting 'to be dedicated to a cause', being 'a functional expert', and having 'job security' are the three areas that have moved virtually in parallel to each other.

Figure 6. Career goals of Turkish insurance-inclined students, 2013-2015



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

Figure 7. Career goals of all Turkish business students and Turkish insurance-inclined students, 2015

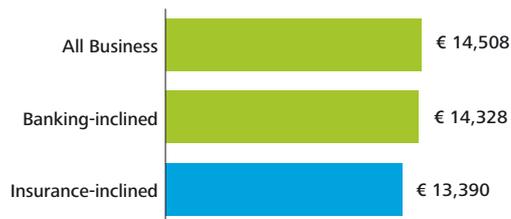


Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

That Turkish insurance-inclined students have a greater desire ‘to be entrepreneurial, creative and innovative’ than their business school peers is good news for a sector requiring strong analytical and digital skills. There are further grounds for optimism in that insurance-inclined students place much more importance on being ‘a technical or functional expert’ than the business student average. While ‘an international career’ and leadership are two of the top three career goals for insurance-inclined students, they are of even greater importance for Turkish business students as a whole.

Insurance-inclined students expect a starting salary of €13,390 (US\$ 14,805), 7.7 per cent lower than the €14,508 (US\$ 16,041) expected by Turkish business students in general and 6.5 per cent below the €14,328 (US\$ 15,842)¹ expected by banking-inclined students.

Figure 8. Expected annual salary (EUR), Turkey, 2015

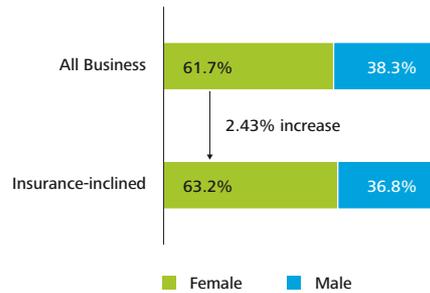


Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

More female students find insurance attractive

While in most markets, the proportion of female insurance-inclined students is lower than that of all business students, and in some cases significantly, the reverse is true in Turkey, where female business students are more likely to be insurance-inclined than males. This suggests that the Turkish insurance sector is succeeding at promoting gender diversity.

Figure 9. Gender demographics, Turkish business students and insurance-inclined students, 2015



Source: Universum Talent Survey 2015; Deloitte analysis

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.

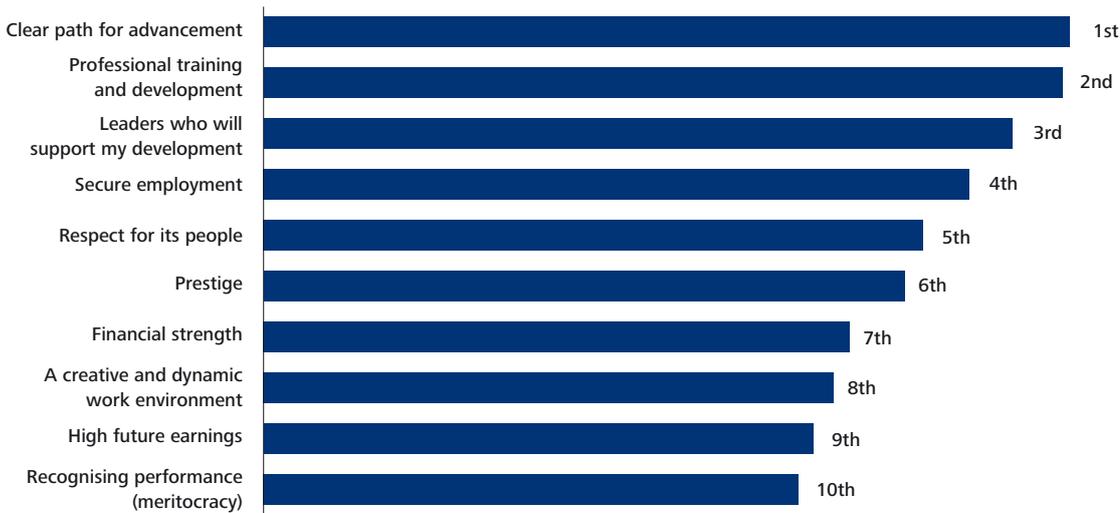
Turkish insurance-inclined students do want to be repaid, not financially (high future earnings comes ninth), but in training and development. These elements are second and third in their list of aspirations, behind top-placed 'clear path for advancement'. Employers should try to meet the clear ambitions of Turkish students by facilitating the advancement they seek. A desire for 'job security' is the fourth-placed aspiration, and the desire to be entrepreneurial is evident in the fact that 'a creative and dynamic work environment' is in the top ten (at eighth position).

The fact that Turkish insurance-inclined students are so willing to be trained and developed can only be a good thing in a sector demanding a wide range of skills and competencies. The high ranking for 'a creative and dynamic work environment' also breeds optimism, as insurers increasingly look for their talent to analyse customer needs and respond with innovative products and services.

However, the fact that attributes such as 'innovation', 'attractive/exciting products and services' and 'client interaction' do not make the top ten list could be cause for concern in an increasingly digital and customer-centric industry.

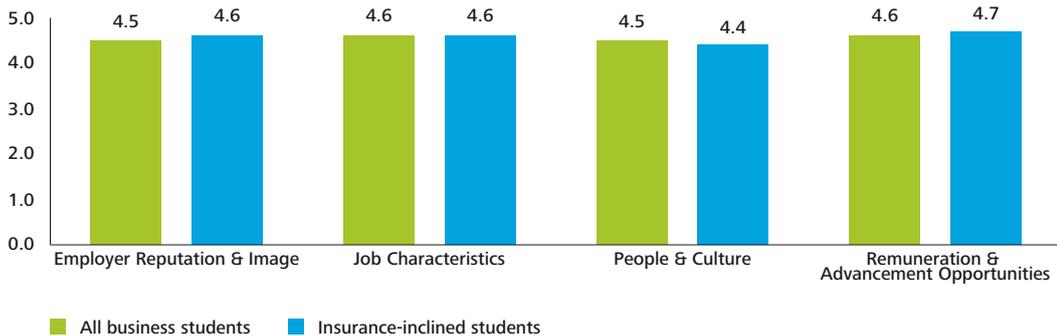
A strong desire for 'remuneration and advancement' is clearly reflected in the job aspects data – where the insurance-inclined rate this at 4.7 out of five, and higher than the all-business student cohort. It would appear from the aspirations data, however, that it is advancement rather than remuneration which most appeals to insurance-inclined students. All scores for job aspects are very high, with insurance-inclined students equal or edging out in front in three of the four main categories. Only 'people and culture' drops below the all-business group score – perhaps because the insurance-inclined see this as less important compared to career advancement.

Figure 10. Turkish insurance-inclined students' aspirations, 2015



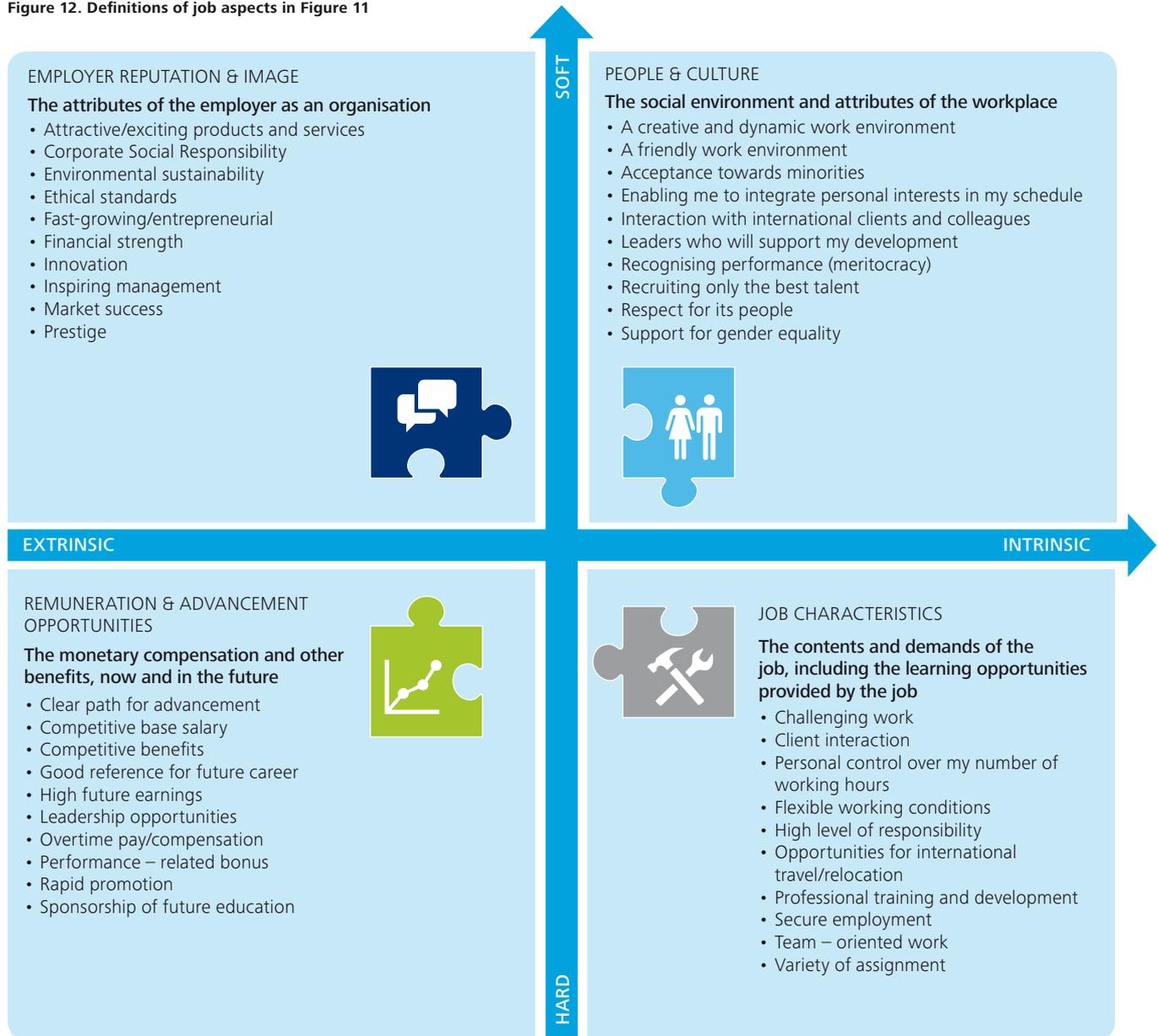
Source: Universum Talent Survey 2015; Deloitte analysis
See Appendix for survey questions

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



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

Figure 12. Definitions of job aspects in Figure 11



Source: Universum Talent Survey 2015

Macroeconomic context

The Turkish insurance sector exhibited steady growth between 2008 and 2013, except for a slight fall in 2009 in the aftermath of the global financial crisis. Total gross premiums increased from US\$ 8,900 million (TRY 13,528 million), or 1.20% of GDP, to US\$ 12,500 million (TRY 26,729 million), or 1.52% of GDP, during this time.

Total gross premiums fell in US\$ terms in 2014 to US\$ 11,600 million, this was primarily caused by a devaluation in the local currency; in TRY, total GWP increased slightly to TRY 26,929 million between 2013 and 2014. Total GWP as a proportion of GDP fell from 1.52% in 2013 to 1.45% in 2014. At the same time, GDP growth also slowed, from 4.2% in 2013 to 2.9% in 2014.²

Total GWP as a percentage of GDP is low in Turkey (see Figure 13), offering significant opportunity for growth. According to Swiss Re, this figure is much lower for Turkey than it is in other European markets such as France (9.1 per cent), Germany (6.5 per cent), Czech Republic (3.5 per cent) and Poland (3.1 per cent).³ The market has been characterised by an increased trend of global insurance companies investing in Turkish insurers and the Turkish market, as international players look to take advantage of the opportunity present in the market. Approximately 72 per cent of the capital and 64 per cent of the total premiums in the insurance sector are contributed by companies with international shareholders.⁴

Figure 13. Total Gross Written Premiums in US\$ mn and as % of GDP, Turkey, 2008-2014



Source: Gross Written Premiums, Swiss Re Sigma Insurance Reports⁵; GDP, Turkish Treasury
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 1998. 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.

Currency conversions

Currency conversions into local currency use exchange rate data from OANDA. Rates are correct as of the 31st December of the relevant year unless otherwise stated.

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 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".

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 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: "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 6

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 7

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 8

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

Note to Figure 10

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 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 13

GDP at current prices.

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

Endnotes

1. Exchange rate correct at 19 August 2015
2. Turkish Undersecretariat of Treasury, local currency, constant prices
3. "World Insurance in 2015: Back To Life", Swiss Re Sigma, 2015. See also: http://media.swissre.com/documents/sigma4_2015_en.pdf
4. Deloitte analysis; "2014 Annual Report", Insurance Association of Turkey, Table 62, 9 July 2015. See also: <https://www.hazine.gov.tr/File/?path=ROOT%2f1%2fDocuments%2fSigortac%4%b1%4%b1k+ve+%3%96zel+Emeklilik+Raporlar%4%b1%2f2014+Faaliyet+Raporu+2.+B%3%b6l%3%bcm+Tablolar+-+2014+Annual+Report+Second+Chapter+Tables.xls>
5. "World Insurance in 2014: Back to Life", Swiss Re Sigma, 2015;
"World Insurance in 2013: Steering Towards Recovery", Swiss Re Sigma, 2014;
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"World Insurance in 2011", Swiss Re Sigma, 2012;
"World Insurance in 2010", Swiss Re Sigma, 2011;
"World Insurance in 2009", Swiss Re Sigma, 2010;
"World Insurance in 2008", Swiss Re Sigma, 2009.
See also: <http://www.swissre.com/sigma/?year=2014#inline>

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