

**RWANDA INSURANCE BROKERS
ASSOCIATION (RIBA) ANNUAL
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RECRUITMENT AND RETENTION OF TALENT IN THE INSURANCE SECTOR.

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QUOTES



The late Steve Jobs of Apple summed up talent's importance with this advice: "Go after the cream of the cream. A small team of A+ players can run circles around a giant team of B and C players."

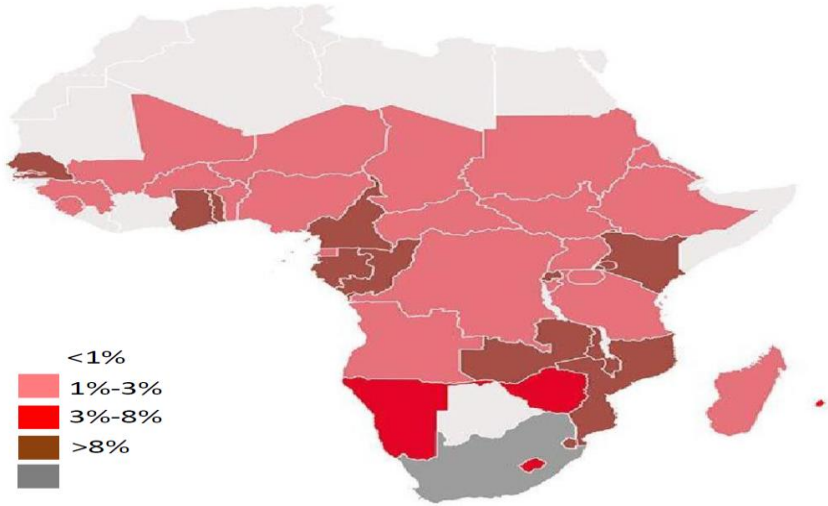


Management guru Jim Collins concurred: "the single biggest constraint on the success of my organization is the ability to get and to hang on to enough of the right people."



The best workers do the best and the most work. But many companies do an awful job of finding and keeping them. Scott Keller, Mckinsey.

A glimpse on the Insurance Industry and the need to recruit and retain the right talent.



Africa

- Continental average of 6.2% with South Africa at 70.2% (USD 61Bn) of Gross written Premium (GWP).
- More Life assurance than general insurance in terms of GWP.

East Africa

- Insurance penetration of between 0.7% and 2.5%
- Highly intermediated market – more intermediaries than insurers.
- East Africa has a larger proportion of general than life Insurance.
- Specialized risks(especially general) are exported overseas.
- More than 40% of the insurers in the region are loss making.

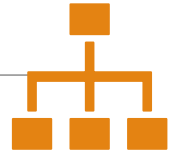
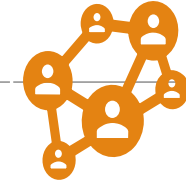
Rwanda



- 1.2M customers have a form of Insurance, driven by mainly medical Insurance.

- Population approx. 14M, equivalent to 1.8% of the World's population. Rwanda continues to record strong economic performance, and in 2023Q1, the economy grew by 9.2 percent. In the first quarter of 2023, GDP at current market prices was estimated at Frw 3, 901 billion, up from Frw 3,021 billion in Q1 2022_NISR.
- The total number of insured people increased by 15 percent by December 2022. The insurance industry's asset base increased by 17% to FRW 824 billion in December 2022 from FRW 701 billion in December 2021.
- As of December 2022, the General Insurance industry continued to be the largest contributor to private insurance premiums, making up 77.1% of private insurer premiums and 43.6% of the sector's total gross written premiums (GWP). Ordinary life and credit protection, on the other hand, dominated with 63% of gross premiums collected by Life assurance as of December 2022.
- Private insurance is composed of 13 insurance companies, of which 9 offer general insurance products, 3 offer life insurance and 1 micro insurance business. In addition to private insurers, the sector also consists of 2 public health insurers (RSSB Medical and MMI) and 1 Captive Insurance. And one health medical organization (HMOs).

Having and retaining the right talent in the Insurance Sector is crucial for the Industry growth.



- In Insurance, the right talent is key to grow business and the sector as people play a crucial role to grow the business.

- The organization's objectives are always achieved through the efforts of talented employees and their movement often causes stagnation and harm to growth.



- Recruitment and retention of employees is currently a big challenge in the modern world and has not spared the Insurance sector.

Some of the Challenges we encounter and why insurance is still seen as a second rate career.

Recruitment and retention of talent in the insurance sector has faced challenges and has somewhat set in a perception of it being seen as a second rate sector, yet it is a great sector to work, grow and belong in.

Recruitment and retention difficulty informs a newer challenge for insurers. There's a mismatch between where the market is going and the skills of the employee base. Below are some of the challenges we encounter.

Limited awareness of the Insurance sector/Industry contributions and the positive impact it creates in an economy, bringing in the aspect of insuring the future that is uncertainty and acknowledging the fact that it is a mode of Financial inclusion.

The difference between the supply of Insurance skilled employees compared to its demand doesn't match. There are few professionals that have built a deliberate career in Insurance and stayed in the Industry. There is a talent shortage in specialized or higher-up positions.

The sector has very few candidates with rare skills (especially technical skills) who are often considering several job offers, within the peers/competitors or outside the Industry. Some roles remain unfilled like actuaries, due to their skills shortage.

The industry is facing a **consumer-driven disruption**, underpinned by customers' changing expectations about how they want to interact with an insurance company, for example, through technology, and with real-time service offerings. The problem for insurers is that we are having trouble attracting digital natives who may better understand the needs of these digitally inclined consumers.

Limited training centers in Rwanda specifically aligned to Insurance related courses, where it would be easy and more doable for staff to upskill for great career opportunities within the sector even when working.

The Insurance sector is not yet saturated, with not more than 2% penetration in Rwanda, the pool of opportunities for Insurance professionals remains limited, causing some great talent to go to other sectors and Industries in pursuit for growth.

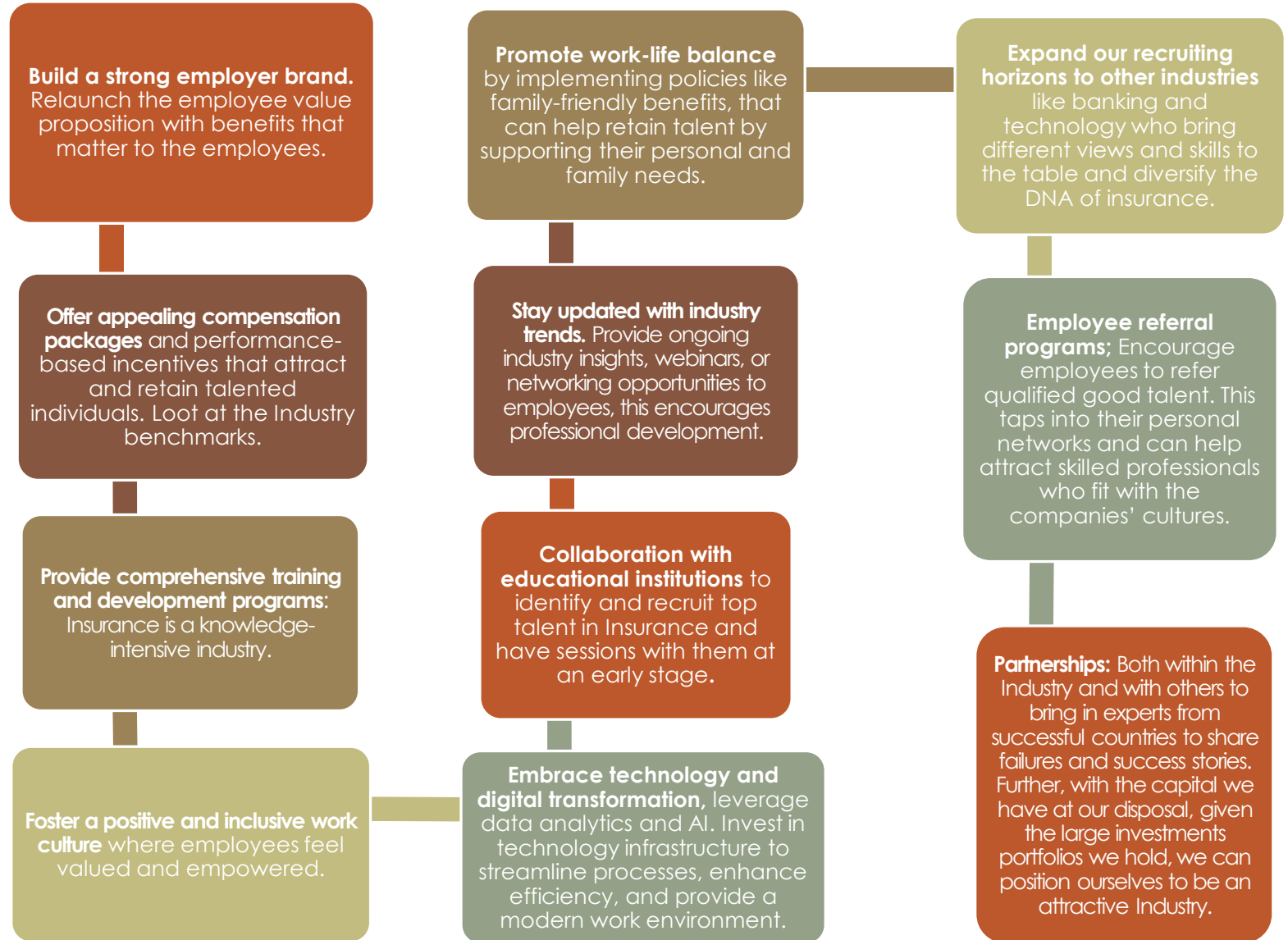
The Industry keeps aging out with a growing number of talented workers retiring or on the road to retirement. Recruiting new talent is a challenge as insurance doesn't top the list of opportunities for young people or college graduates seeking employment.

Most Insurance companies, have **dropped onboarding interns to learn core insurance skills, including underwriting, claims, servicing**, and selling in the name of cost-cutting moves. The industry if not mitigated, will face a wave of retirements as the young talented (baby boomers) leave the workforce, compounding the need for talent.

What can be done in the insurance Sector to recruit and retain the best talent?



Recruitment and retention of talent in the insurance sector can be a competitive challenge due to the industry's dynamic nature and the demand for skilled professionals. Below are some effective strategies to deal with this challenge competitively.





Conclusion

- ❑ The Insurance sector / Industry must move toward developing a workforce that looks like the markets we serve. That means working effortlessly on our brands, bringing on board talented recruits and motivating them enough to stay, hire digital natives who have an intrinsic understanding of what today's customers expect for us to tailor make products that serve their needs and transform the need to have insurance.
- ❑ Our Industry has much good in place so far and much more coming for it in terms of its growth, and recruiting and retaining the right talent is a key pillar to this cause among many others, notwithstanding the level of complexity and financial inclusion needed ahead to increase penetration. While the industry has a big talent job ahead of it, it has the management experience and attractive societal mission needed to succeed.

Thank you
