

***CPCU & Risk Management Society
Greater Detroit Chapters Presents***

***"Future-Proofing the Insurance Industry:
Attract, Recruit, Educate the Next
Generation"***

***SPEAKER – Dr. David Allen Brown,
Professor, DBA, ARM, AAM, AIDA***

**Risk Management and Insurance Program
Coordinator**

**Small Business Management and
Entrepreneurship Advisor**

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A glimpse of the future...

**...brought to you by generative artificial
intelligence**

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“Future-proofing” the insurance industry

- Emerging technologies
- Emerging risks
- Attracting and educating young talent
 - Instrumental to addressing emerging technologies & risks

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Emerging Technologies

- Artificial Intelligence
- Blockchain
- Web3
- Quantum computing

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Emerging Risks

- **Autonomous vehicles**
- Drones
- AI
- IoT, Robots
- Cyber risks
- Climate change

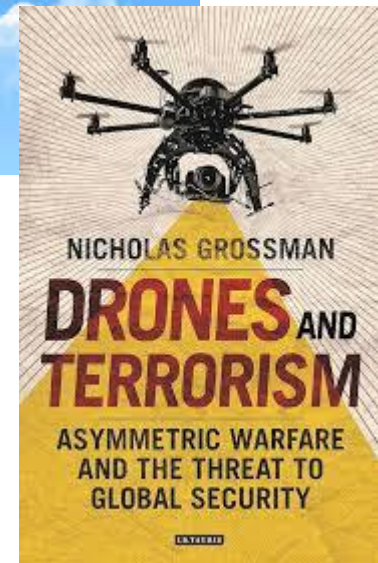


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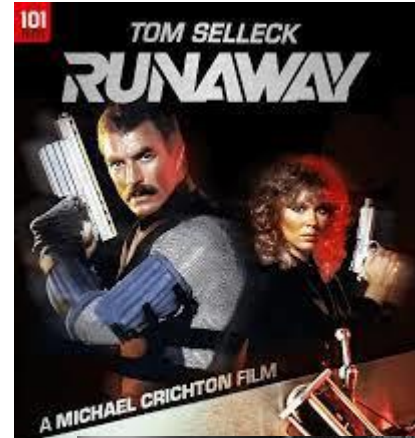


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Attracting, Recruiting, Educating Talent

- Talent crisis looms
- We NEED the young, digital natives
- It's a steep hill to climb...
 - Stigmas
 - Misconceptions
 - Bad PR

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Framing the Insurance Opportunity

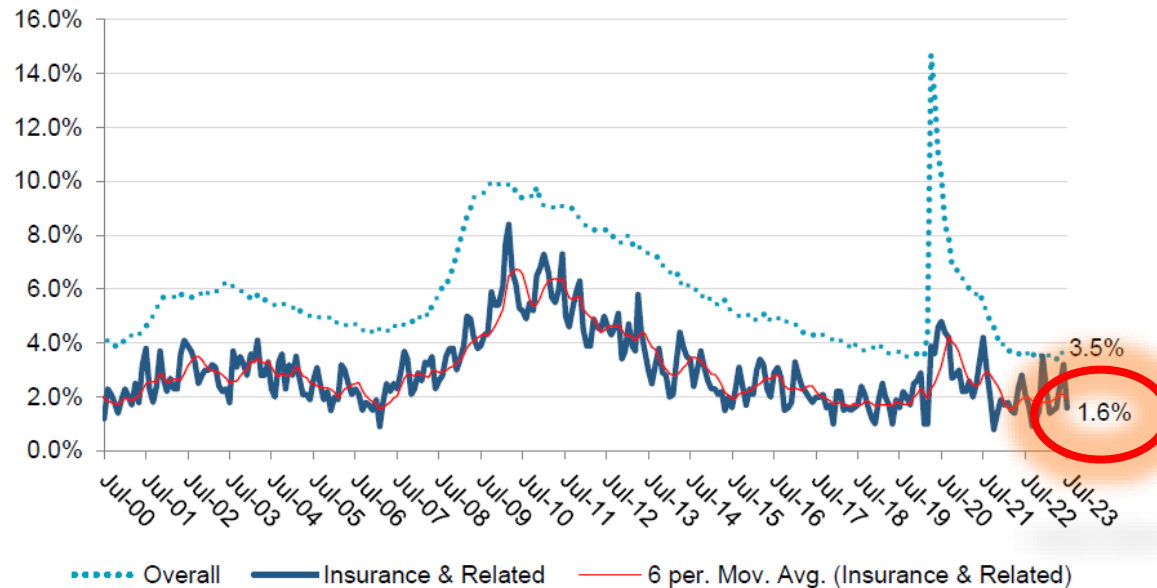
- **Job variety...** not just sales... not boring... helping people
- **Stable industry...** everyone needs the product
- **Lucrative...** some starting salaries in the \$70-80k range
- **Flexible...** WFH, scheduling, office/field
- **Everywhere...** from London to the Michigan U.P.

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Framing the Insurance Opportunity

Unemployment Rates



**Percentage indicated 6-month trailing average*

Source: U.S. Bureau of Labor Statistics

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Framing the Insurance Opportunity

- Ferris State offers students:
- *Practical education...*
- *Flexible career...*
- *Rewarding life...*
- The Ferris State RMIN degree unlocks the door to...
 - Job security
 - Strong starting salaries
 - Meaningful work

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Reaching High School Students

- Overcoming stigmas
 - Boring
 - Scam
 - Negative image
- Fuel vs. “friction”*
 - Inertia... We stick with what we know
 - Effort... We follow the path of least resistance
 - Emotion... We resist sources of fear
 - Reactance... We resist pressure to change

*From “The Human Element”
by Nordgren and Schonthal

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*15 reasons to pursue a risk
management and insurance
degree and career*

Risk Management & Insurance Studies

1. Job opportunities abound. One-third of insurance producers are between the ages of 55 and 64.¹
2. One million current RMI employees will retire by 2027.² The U.S. Bureau of Labor Statistics projects that 50% of the insurance workforce will retire by 2028.⁸
3. It's rewarding. More than 90 percent of insurance professionals between 19 and 35 years of age say that insurance careers meet important criteria essential for job satisfaction, including work/life balance, career development opportunities and financial stability.³
4. You don't have to sell insurance, although you can make good money doing so! You could be a risk manager, claims adjuster, underwriter, loss control consultant, product developer, business analyst, technology professional, and more. There's a job for your skills and interests!
5. It's a stable and sustainable career. The industry employs more than 2.3 million people in America – more than Google, Facebook, Apple, Twitter and Yahoo combined.⁴
6. The work is not boring. Emerging risks related to driverless cars, drones, 3D printers, wearables, and the internet of things means that each day will bring its own challenges and unique experiences.³
7. The insurance industry is looking to you – the generation of digital natives – to creatively use technology to solve problems and deliver risk solutions.³
8. Many RMI work schedules are flexible. Depending on your position, you may be out in the field conducting business, working from home, and setting your own schedule.
9. Live and work where you want. There are insurance opportunities everywhere. You can work in major American cities or overseas in places like London, Tokyo, and Zurich. If you prefer more serene settings, you can work in Traverse City or even the Upper Peninsula of Michigan.
10. Make a difference for the common good. You will play a role in helping people and restoring property and business after catastrophes. Insurance companies paid a combined \$41 billion to policyholders after Hurricane Katrina, and the industry routinely donates millions to charitable causes.⁴
11. Scholarships can pay for a large portion of your tuition. There are more than 30 scholarships totaling over \$50,000 in tuition assistance listed on the Ferris RMI website alone.³
12. Internships often lead to permanent jobs. Internships provide real-world experience and valuable connections, and they often result in a permanent job after graduation.
13. Experiential and networking opportunities throughout your academic career. Gamma Iota Sigma membership and numerous industry field trips and conferences give you a chance to build your professional network and experience the industry before you graduate.
14. Risk Manager is suddenly a hot job. The 2020 coronavirus pandemic has catapulted the risk management field into prominence almost overnight, and spurred boards to seek risk experts.⁶
15. Lucrative compensation. Insurance professionals' average base salary was \$150,300 with 58% receiving average bonuses of \$35,150, with average industry experience of 23.4 years.⁷

View the Ferris State RMI program spotlight video: <http://bit.ly/FerrisRMISpotlight>

For more information, call 231-591-2427 or email mgmt@ferris.edu or visit <https://business.ferris.edu/program/insurance-management/>

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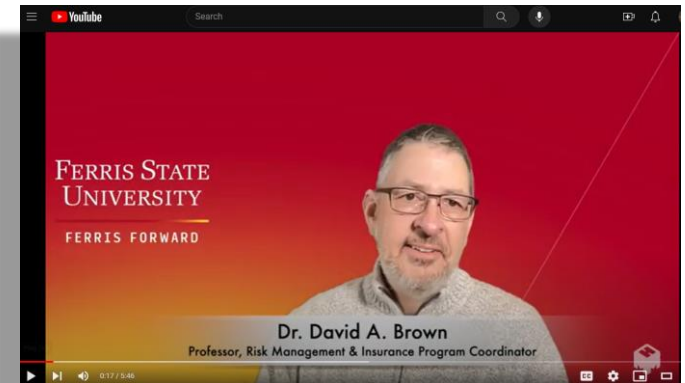
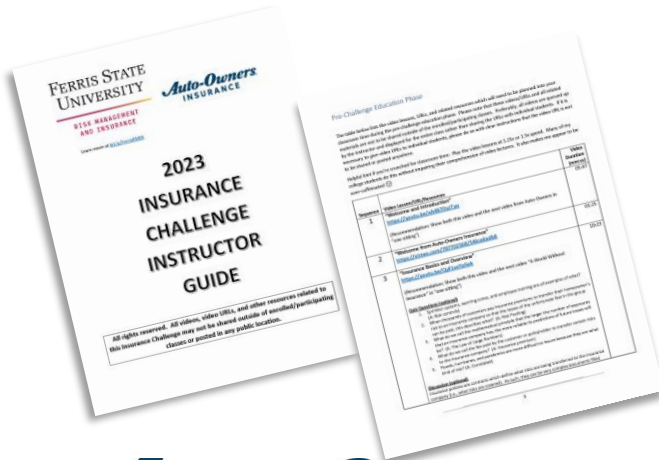
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2024 Ferris State/Auto-Owners Insurance Challenge

- Introduce H.S. students to the insurance business
- Content resources provided FREE of charge
- Insurance company simulation competition
- Classes compete for cash prizes and pizza parties
- 43 classes; 850 students participating in 2024

Reviewing the 2023 Insurance Challenge

- High School Business Classes, February-March 2023
 - Short videos and instructor discussion guides
 - Five competition rounds over a month (Feb. 23rd – Mar. 23rd)
- Insurance company simulation – 20 classes ran their own InsurCo
- Cash prizes and Pizza Parties for the top four classes
 - Attended/hosted by Dr. Brown and A-O representatives



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2023 Ferris State/Auto-Owners Insurance Challenge Photo Gallery



Iosco RESA,
Tawas City



Mio AuSable
H.S., Mio

2023 Ferris State/Auto-Owners Insurance Challenge Photo Gallery



Eaton RESA,
Lansing



Wilson Talent
Center, Mason

2023 Ferris State/Auto-Owners Insurance Challenge Photo Gallery



2023

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LIFE • HOME • CAR • BUSINESS

INSURANCE CHALLENGE

**TOP FIVE
FINISHER**

2023

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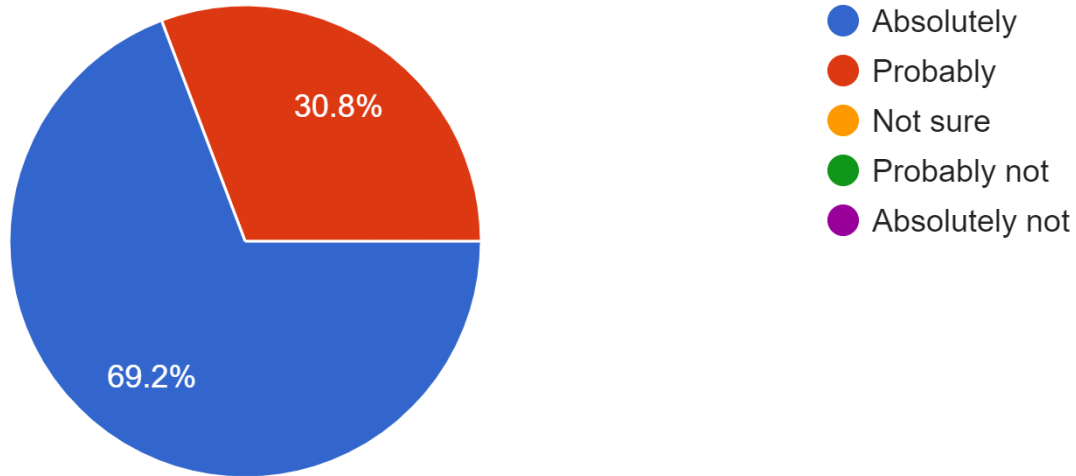
INSURANCE CHALLENGE

PARTICIPANT

2023 Ferris State/Auto-Owners Insurance Challenge – Instructor Feedback

How likely are you to participate in future insurance challenges?

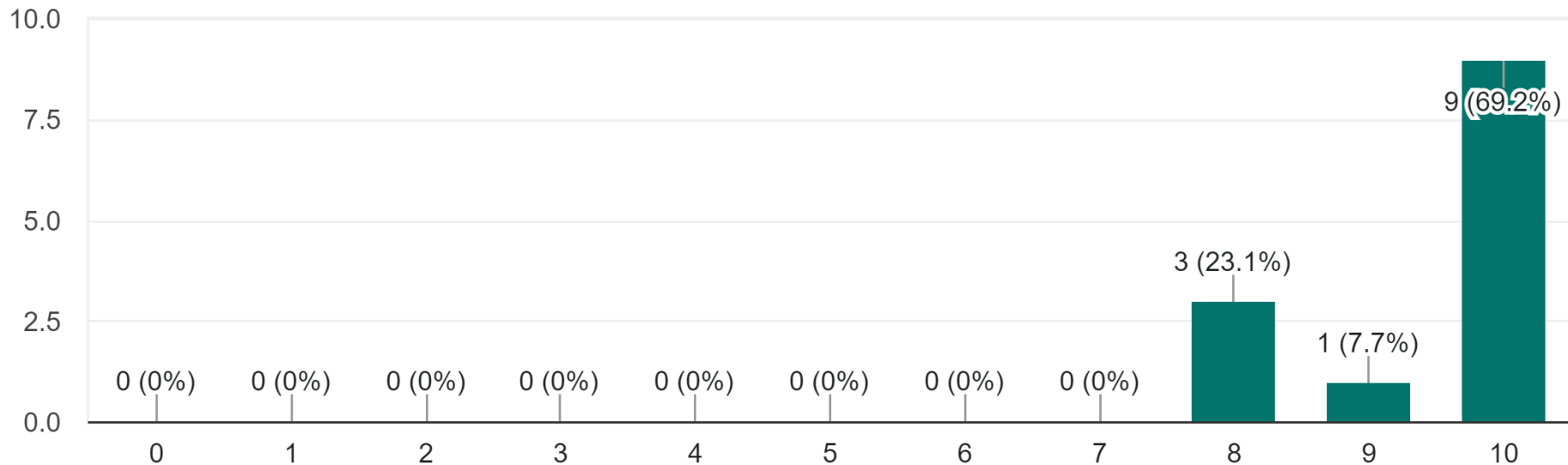
13 responses



2023 Ferris State/Auto-Owners Insurance Challenge – Instructor Feedback

On a scale of 0 to 10, how likely are you to recommend the INSURANCE CHALLENGE to a peer or colleague?

13 responses



Net Promoter Score = 77 (Excellent!)

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2023 Ferris State/Auto-Owners Insurance Challenge – Instructor Feedback

- Reasons given for that score...

Really awesome way to expose students to a field they might not be thinking about

Good teaching tool, student engagement

Unique opportunity that is career track aligned. More critical thinking and math skills required

It is a great experience for the students completing a "real-life" project.

The students loved it!

It was an excellent learning activity for the students to test out the insurance career.

My class had fun, and I'm always looking for new free things to use in my classroom.

Challenging, competitive, more feedback after each round

Enjoyed

students enjoyed it

Fun, interesting, lots of topics to talk about

Students found engaging.



2023 Ferris State/Auto-Owners Insurance Challenge – Instructor Feedback

- What did you and your students like most...

Seeing all the results at the end of the week

Thrill of competition

Meeting you and discussing the insurance industry

We enjoyed going through the results each week and trying to figure out what other groups were doing and what we could do to increase our score.

the anticipation of how they would do

Collaborating in areas that interested them.

Unfortunately the hour I picked to do the challenge in were VERY uninterested.

We liked the weekly insurance news and the comedy in it.

The competition, naming the company, collaboration, creativity

Feedback and decision making

changes each week

The competitive nature of it

Financial Statement Analysis - how tweaking decisions impacted rank



2023 Ferris State/Auto-Owners Insurance Challenge – Instructor Feedback

- “Testimonials” offered...
 - The insurance challenge is a great vehicle for students to critically apply classroom information to a live situation.
 - Great introduction to the programs Ferris offers in Risk Management. Our students were eager to learn more as this exposure was eye opening to various careers and studies.
 - The insurance challenge was a great opportunity for my Accounting students to engage in financial analysis. Even if students aren't interested in a career in risk management, they learned a lot about the insurance industry in general and can use this knowledge in the real world.
 - Fun for the students to feel like a part of a company
 - The Ferris State insurance challenge was a fantastic learning experience for my students. They enjoyed deciphering balance sheets to make the best choices for their sections. We will definitely be doing this again!
 - The excitement to see our place in the weekly and overall challenge was intense!
 - The insurance challenge offered my students a great opportunity that was fun, free, and educational.
 - It was a great experience not only for learning but for team building, leadership experience an eye opening opportunity for building a business.
- Great learning opportunity for high school students to analyze financial information and make informed decision.
- This college-level simulation is one that high school advanced Accounting or Finance students can handle because the insurance company sells one product. Students enjoy the financial statement analysis and team discussions. The sim doesn't take the teacher significant time set up, launch or comprehend. Students witness how their pricing, risk, marketing and liquidity decisions impact their company's ability to compete. For CTE Business or Finance programs, this sim is an ideal worked-based initiative as interaction with an adult facilitator occurs.



The 2024 Ferris State/Auto-Owners Insurance Challenge

- Introduce students to various functional areas (i.e., jobs)
- Provide insight into how insurance companies function
- Sharpen business acumen, strategic thinking skills
- Overcome stigmas and “frictions” in young minds
- *40-ish classes/teams; 800+ students; Two divisions*
- Compete! Have fun! Prizes!
 - 1st place: \$250 and pizza party*
 - 2nd place: \$125 and pizza party*
 - 3rd place: \$75 and pizza party*
 - Certificates for all participating students

(* Scheduled as convenient and attended by Dr. Brown & Auto-Owners representative)

[A word from our lead sponsor...](#)

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- Our “Silver” sponsor is...

FB **MICHIGAN FARM BUREAU**
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- Our “Bronze sponsors are...



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The 2024 Ferris State/Auto-Owners Insurance Challenge

- Students run their own fictional insurance company
- Organize as you see fit... CEO and VPs? Consensus?
- 2 weeks of short daily lessons/activities on functional areas
- 6 simulation rounds with later rounds given more weight. Students will decide and submit via online form...

- | | |
|-----------------------------------|---------------------------|
| ✓ Advertising spend | ✓ Underwriting discipline |
| ✓ Sales promotion spend | ✓ Policy price |
| ✓ Investment portfolio allocation | ✓ Commission levels |
| ✓ Investment portfolio risk | ✓ Reinsurance use |

The 2024 Ferris State/Auto-Owners Insurance Challenge

Daily video lessons, discussion guide in class	Jan. 29- Feb. 14, 2024
<i>NEW! Optional “practice round” decisions due</i>	<i>Feb. 12</i>
First round decisions due	Feb. 15
First round results released	Feb. 19
Second round decisions due	Feb. 22
Second round results released	Feb. 26
Third round decisions due	Feb. 29
Fourth round decisions due	Mar. 7
Fifth round decisions due	Mar. 14
Sixth/final round decisions due	Mar. 21
Final results/winners released	Mar. 25
Prize awards/pizza parties scheduled...	During April



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Help us to attract, retain, and educate...

Help us to create more “Risk Bulldogs”!

- Spread the word; Tell your story!
- Engage with local high schools
- Offer internships, job-shadowing
- Host a field trip (high school or college)
- Be a guest speaker in H.S. business classes
- Provide/support scholarships
- Provide fiscal support for collegiate programs
 - Facilitates experiential learning
- In all your encounters with the young’uns’
 - RMI work is meaningful, variable/non-boring, rewarding, secure
 - Illustrate with stories, whenever possible

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Ferris State RMIN Program

- Big Rapids or fully online
 - Rich history of successful RMI alumni
 - Numerous scholarships available to RMI students
 - Learn more at <https://bit.ly/FerrisRMIN> or scan QR code
 - DavidBrown@ferris.edu, 231-591-2430
-
- Encourage young people you know to prepare for RMI with us!
-
- Thank you! Questions?



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