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The Effect of Insurance Education on Student Attitudes: A Study of the Property and Casualty Insurance Industry

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This study uses a wide sample of college-level principles of insurance courses to determine if the course fundamentally changes student attitudes and/or opinions of the property and casualty insurance industry. We find that these courses do result in more favorable impressions of the industry and those who work in it. Students surveyed also indicated a higher interest in working within the industry, and acknowledge that the industry has more to offer than just sales, as a result of taking the course.

Introduction

We surveyed undergraduate students at six universities to determine if taking a Principles of Insurance class fundamentally changes their attitudes about and opinions of the property and casualty (P&C) insurance industry. As the P&C insurance industry seeks to find solutions to its well-documented talent crisis, we sought

to find out how education about the industry might impact perceptions and opinions of that industry. Our findings have implications for the insurance industry as it seeks to improve

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its overall image with college graduates entering the workforce.

The P&C industry continues to experience a scarcity of new talent entering its workforce and to wrestle with the problem of attracting and retaining the best talent (Cole and McCullough 2012; McKinsey and Company 2010; and Wells 2009). Dr. Rob Drennan, chairman of the Department of Risk, Insurance and Health-Care Management at Temple University, notes, “Despite placement rates (of risk management and insurance students) of nearly 100 percent, the annual yield of graduates from these programs only accounts for 10 percent to 15 percent of industry needs” (Holbrook 2011).

In September 2011, the Griffith Insurance Education Foundation hosted an Insurance Education and Career Summit (hereafter Griffith Summit), gathering more than 100 industry professionals, academics, students, and professional organization representatives intent on (a) identifying the primary barriers to meeting the workforce needs of the insurance industry and (b) developing a strategy to address these barriers.¹ The Griffith Summit identified and

¹See Griffith Insurance Education Foundation, 2011, [Insurance Education and Career Summit](#), Summary Report for details of the main findings and a list of attendees.

focused its efforts on three key obstacles associated with the talent gap, including (1) industry reputation, (2) resources, and (3) recruitment.

Not surprisingly, these three key areas are remarkably similar to the McKinsey and Company (2010) report on building talent in the property and casualty industry. McKinsey interviewed CEOs and other top-level industry executives to gain insight into their opinions on the talent gap question. Results suggest challenges in attracting high-quality talent include (1) a poor reputation, (2) a limited

understanding among students about available career opportunities, and (3) a limited pool of existing talent.

From these two studies and general industry perceptions, it is widely acknowledged that a significant barrier to attracting talent is the generally less than stellar perception individuals have about the insurance industry. While this perception may not necessarily

exist for the young, it does in fact materialize at a later (such as college) stage of development. Cory, Kerr, and Todd (2007) addressed young people’s perceptions of the insurance profession by conducting a Personality Factor Questionnaire targeted to high school students as well as freshman and sophomore college students. The authors measured personality profiles of different professions, including insurance. Their findings support the

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view that young people do not necessarily have either a positive or negative perception of the insurance industry. One possible solution is for the property and casualty (P&C) industry to target its public relations and recruiting efforts at an earlier point in the lives of young people rather than waiting until students are ready to enter the workforce.

On an international basis, in late 2009, the Boston Consulting Group (BCG) conducted a study of consumer perceptions about the insurance industry targeting adults residing in France, Germany, Japan, and the United States.² More than 1,000 individuals in each

country completed questionnaires concerning their industry perceptions, and follow-up sessions were conducted with these individuals in a workshop format. The results support the view that perceptions have improved slightly following the financial crisis.

Historical Review

During the past 3 decades, much has been said and written about the future of risk management and insurance programs, especially those at the undergraduate level. From Dorfman (1990), we know that, in the late 1980s, the number of schools offering a risk management and insurance program was around 70. Yet, it was predicted then by Cummins (1987) that such programs were retreating. Some of

²See Franken, Heiko, Freese, Frost, Gard, Kato, Stange, and Stephan, "Leveraging Consumer Insight in Insurance."

this was prompted by the decision of the Association to Advance Collegiate Schools of Business (AACSB) in the 1980s to omit risk management and insurance from its required business “core.” That effect was mitigated in part in the 1990s when the AACSB revised its standards for business schools to be mission based. Thus if a school’s mission was to have a successful risk management program, then it would be evaluated on its attainment of that goal rather than by a set of externally mandated content requirements.

Gardner and Schmit (1995) reported that by the mid-1990s there were “over 60” schools offering risk management and insurance programs. A current and accurate assessment of the number of programs in existence is not available, but, during our careers, we have sadly seen several very fine programs eliminated due to various reasons. Those reasons ranged from a lack of funding to a lack of university administrator understanding of the insurance marketplace and its wide variety of employment opportunities available to graduates. Sometimes the reason was simply the attitude that insurance is “vocational” in nature and thus should not be taught in a collegiate environment.

We believe that a new approach to justifying risk management and insurance program existence may be warranted. This new approach should attempt to measure more of what students actually learn from insurance courses rather than just enrollments and the number of programs in existence. Little work has been done in this area in the scholarly literature.

Bleich, Jin, and Russell (2012) examined the attitudes of undergraduate students toward a career as an insurance agent. They found that

coursework in insurance and personal contact with insurance professionals had the most consistent influence on a college student’s choice to become an insurance agent. Bleich et al. looked at many variables that might explain the agency choice as a career path and found a statistically significant difference between students who have never taken a basic insurance course and those who have. Of the students who took an introductory course on insurance, the percentage who rated agency as a desirable career was significantly higher than that of the students who had not taken such a class. Bleich et al. concluded that expanded insurance course offerings at the collegiate level may prove very beneficial to an industry that is desperate for new and talented employees. Our research expands on that by looking at opinions of the P&C industry as a whole rather than focusing on only career track within the industry.

Methodology

In spring 2012, the authors surveyed students from six different universities: Appalachian State University, California State Northridge, East Carolina University, Florida State University, Indiana State University, and University of Louisiana at Lafayette.³ All students enrolled in the universities’ “Principles” course—an introductory survey course on the fundamentals of insurance and risk management—were surveyed at the very beginning of the semester and at the very end of the semester. A total of 339 initial surveys were conducted, along with 311 end-of-semester surveys.

³The study began with two additional schools that did not send in their end-of-semester survey responses.

By combining student survey results from this many geographically dispersed universities, biases were eliminated that may have otherwise occurred if the survey involved only students at a single school. This approach helped assure the survey did not measure the effect of a single instructor, a single curriculum, or a single geographic region of the country.

On the first day of the semester, the survey was administered. Students were asked to read a series of statements about the P&C insurance industry and indicate to what extent they agreed or disagreed with each statement. The exact same survey was administered on the last day of class (approximately 15 weeks after the first). This approach allowed us to measure how the students' opinions changed between the first day of class and the last, presumably as a result of their new knowledge. The items contained in the survey, as well as the introductory text and the demographic data collected, are shown in Table 1.

Fourteen statements, and the students' assessment of how much they agree or disagree with those statements, measured the students' opinions about the P&C industry. To better

understand the responses, the authors also provided three specific open-ended questions to gauge why respondents might have selected the answers they did and to help provide feedback to the insurance industry on what is most and least appealing in terms of careers.

Additional control variables include past claims experience, parents' perception of the agent, whether or not a relative works in the industry (see Bleich et al., 2012), and demographics (age, gender, and major).

As evident in Table 1, all statements except for numbers 4, 10, and 11 are worded so that agreement indicates a favorable attitude toward the P&C industry. The strongest disagreement is indicated by a higher number choice, up to a maximum of 5. A response of 2, 3, and 4 represents agree, no opinion, and disagree, respectively. Thus, the *lower* the score given, the more the student agrees with the statement and the more positively he or she views the industry. A significant decline in the numerical average score given by the sample from the beginning to the end of the semester would thus indicate that the class generally improved the students' opinions of the industry.

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Table 1
Survey Instrument: Likert Scale Questions

2012 P&C INDUSTRY STUDENT SURVEY

The purpose of this research study is simply to measure how you feel about the property and casualty (P&C) insurance industry both before and after taking a Principles of Insurance class like the one you have just begun.

P&C insurers write insurance to cover auto accidents, fires, hurricanes, malpractice, products liability, and such but not insurance to cover your health care costs or pay an amount in the event of your death or disability (those are life and health insurers, by the way). Here are some facts about the P&C industry that you should know before taking the survey:

- ◆ The P&C insurance industry wrote (sold) about \$425 billion in premiums in 2010.
- ◆ In 2011, there were more than 2,700 P&C insurance companies and nearly 40,000 insurance agencies in the United States.
- ◆ The P&C insurance industry employs approximately 1 million people annually.

Please indicate whether or not you agree with each of these statements. There is no right or wrong answer, so please simply give your honest opinion. Please give only one answer for each question.

1. The P&C insurance industry plays an essential role in enabling business/financial transactions to take place.
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.
3. P&C insurers are good corporate citizens.
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.
5. P&C insurers pay claims in a timely manner.
6. Life in America would be quite different without P&C insurance.
7. A job in the P&C insurance industry would be interesting and rewarding.
8. I would like to work in the P&C insurance industry.
9. P&C insurance companies try to do the right thing for their policyholders.
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.
11. The main factor to consider when shopping for P&C insurance is the price of the policy.
12. Some P&C insurers offer better service than others.
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.

For each statement, students could choose one of these responses:

- Strongly Agree Agree No Opinion Disagree Strongly Disagree

Statements 4, 10, and 11 are just the opposite. We included a few statements that have an “opposite” scale to encourage respondents to read each question and answer it independently of one another (rather than having all the questions have the same scale for agreement/disagreement). Agreement with those three questions indicates a more negative view of the industry, while disagreement would be positive. Thus, a higher numerical average at the end of the semester would indicate that the class improved its opinion of the industry.

Standard t-tests were conducted to compare the results from the beginning and end of the semester. Also, in some cases, subset analysis of the students provides insight into what other factors may be at play in the results.

Results

The results indicate that insurance education provided by a principles of insurance class creates more favorable impressions of the P&C insurance industry. Additionally, they indicate an increase in the likelihood that students will accept employment and be hired in the P&C insurance industry.

Demographics of Sample

The demographic information about the student sample is contained in Table 2. There were more males than females in both samples, with 61 percent male at the beginning of the semester and 60 percent male at the end of the semester. California State Northridge had the largest portion of the sample with 27 percent at the beginning and 33 percent at the end of the semester. The students were most heavily represented by insurance and finance majors. The vast majority of the samples were composed of

students aged 19 to 24 (87 percent at the beginning and at the end of the semester). Most students (88 percent at the beginning, 89 percent at the end) were juniors and seniors.

At the beginning of the semester, 13 percent of the students indicated they had a relative working in the P&C industry, while 71 percent said they did not. And 16 percent left the question blank. The authors take that to mean “don’t know” and, in examined comparisons, those observations were grouped with the “no” answers. But, by the end of the semester, 25 percent of the students left the question blank. It is unclear why so many more students chose not to answer the question at the end of the semester.

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**Table 2
Demographic Data**

		Beginning n=339	End n=311
Gender	Male	207	188
	Female	126	122
	Left Blank	6	1
School			
	Appalachian State	71	66
	California State Northridge	97	103
	East Carolina University	37	35
	Florida State University	80	57
	Indiana State University	24	19
	University of Louisiana at Lafayette	30	31
Major*			
	Insurance/Risk Management	23	22
	Finance (with Concentration in RMI)	13	13
	Finance (General)	141	139
	Accounting	19	15
	Management	34	40
	Marketing	19	15
	Actuarial	19	14
	Undecided	4	1
	Other	62	47
	Left Blank	5	4
Age			
	Under 19	2	1
	19–21	175	139
	22–24	120	131
	25–29	27	26
	30–39	7	8
	40+	5	4
	Left Blank	3	2
Class			
	Freshman	3	2
	Sophomore	26	18
	Junior	101	95
	Senior	197	182
	Graduate	5	12
	Left Blank	7	2
Family			
	Have Relative in the P&C Industry	44	36
	No Relative in the P&C Industry	241	197
	Left Blank	54	78

Overall Effect of the Principles Class on Student Views of Industry

Table 3 shows the mean responses for students before and after the semester. In almost

every case, the effect on attitude and the score related to each item indicates an improved opinion of the P&C industry. Only one item had insignificant results, and that pertained to product price preference.

**Table 3
Overall Mean Responses to Each Survey Question**

Survey Item	Beginning of Semester N=339	End of Semester N=311		Significant Improvement in Opinion of Industry?
1. The P&C insurance industry plays an essential role in enabling business/financial transactions to take place.	2.018	1.785	***	Yes
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.422	2.041	***	Yes
3. P&C insurers are good corporate citizens.	2.668	2.332	***	Yes
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	2.871	3.531	***	Yes
5. P&C insurers pay claims in a timely manner.	2.918	2.435	***	Yes
6. Life in America would be quite different without P&C insurance.	1.923	1.627	***	Yes
7. A job in the P&C insurance industry would be interesting and rewarding.	2.574	2.254	***	Yes
8. I would like to work in the P&C insurance industry.	2.944	2.742	**	Yes
9. P&C insurance companies try to do the right thing for their policyholders.	2.516	2.119	***	Yes
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.149	3.347	**	Yes
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.621	3.568		Insignificant
12. Some P&C insurers offer better service than others.	2.080	1.935	**	Yes
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.579	2.320	***	Yes
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.387	2.087	***	Yes

***Significant at p = .01 **Significant at p = .05 * Significant at p = .10

It thus shows that taking an undergraduate principles course causes students to hold more favorable opinions of the P&C insurance industry.

Of particular importance to the industry, responses to three statements (7, 8, and 14) show that the principles course increased the interest of the students in working in the insurance industry. Since only 10.5 percent of the students had previously made the decision to major in risk management or insurance, this demonstrates that university principles courses increase the pool of potential employee candidates for the P&C industry. We conclude that increasing the number of principles courses being taught in the nation's universities should enhance the industry's ability to compete with other industries for talent in the future.

Differences in Declared Major

The analysis was repeated after removing all students who had declared a major in risk management and insurance, finance with a concentration in risk management and insurance and actuarial science. See Table 4. The purpose of this exercise is to see if the principles class has a significant impact on the attitudes and perceptions of nonmajors, and, for all but one item (#11, regarding price shopping), it certainly did.

Responses to three statements (7, 8, and 14) show that the principles course increased the interest of the students in working in the insurance industry. This finding is powerful justification for the P&C industry to continue supporting higher education in the field. Through the basic principles course, the authors found that it is possible to significantly improve attitudes about the industry and to potentially increase the number of students who seek out the industry as a place for employment.

Differences in Students with a Relative in the P&C Industry

Differences in the opinions of students who had a relative in the P&C industry and those who did not also were examined. There were 44 students with a relative in the industry at the beginning of the semester, and 295 without. At the end of the semester, there were 36 with and 275 without. Our prediction was that those with a relative in the industry would tend to view it more favorably.

Table 5 shows the differences in the opinions of the two groups both at the beginning and end of the class. Ten of the 14 items had significant differences, all supportive of the prediction that those with a relative in the industry would view it more favorably than those without. At the end of the semester, only 8 items were significantly different but still supportive of expectations.

Table 4
Overall Mean Responses to Each Survey Question for Non-Insurance Majors Only

Survey Item	Beginning of Semester N=285	End of Semester N=262		Significant Improvement in Opinion of Industry?
1. The P&C insurance industry plays an essential role in enabling business/financial transactions to take place.	2.032	1.817	***	Yes
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.468	2.050	***	Yes
3. P&C insurers are good corporate citizens.	2.709	2.375	***	Yes
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	2.800	3.473	***	Yes
5. P&C insurers pay claims in a timely manner.	2.937	2.479	***	Yes
6. Life in America would be quite different without P&C insurance.	1.975	1.649	***	Yes
7. A job in the P&C insurance industry would be interesting and rewarding.	2.677	2.366	***	Yes
8. I would like to work in the P&C insurance industry.	3.070	2.920	***	Yes
9. P&C insurance companies try to do the right thing for their policyholders.	2.546	2.145	***	Yes
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.096	3.332	***	Yes
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.605	3.513		Insignificant
12. Some P&C insurers offer better service than others.	2.050	1.908	***	Yes
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.562	2.364	***	Yes
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.420	2.146	***	Yes

***Significant at p = .01 **Significant at p = .05 * Significant at p = .10

Table 5
Existence of a Relative in the P&C Industry: Differences between Groups

Survey Item	Beginning of Semester			End of Semester		
	Have Relative in Industry N=44	Do Not Have Relative in Industry N=295		Have Relative in Industry n=36	Do Not Have Relative in Industry N=275	
1. The P&C insurance industry plays an essential role in enabling business/ financial transactions to take place.	1.818	2.051	**	1.694	1.796	
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.114	2.469	**	1.889	2.073	
3. P&C insurers are good corporate citizens.	2.614	2.675		2.250	2.343	
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	3.045	2.841		3.694	3.509	
5. P&C insurers pay claims in a timely manner.	2.886	2.915		2.139	2.474	**
6. Life in America would be quite different without P&C insurance.	1.500	1.973	***	1.444	1.651	*
7. A job in the P&C insurance industry would be interesting and rewarding.	2.159	2.620	***	1.889	2.302	**
8. I would like to work in the P&C insurance industry.	2.591	2.980	**	2.222	2.810	***
9. P&C insurance companies try to do the right thing for their policyholders.	2.409	2.510		2.056	2.127	
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.318	3.100		3.639	3.309	*
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.881	3.558	**	3.543	3.571	
12. Some P&C insurers offer better service than others.	1.773	2.093	***	1.917	1.938	
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.302	2.584	**	2.083	2.350	*
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.159	2.381	*	1.833	2.120	**
15. My parents like and respect their P&C insurance agent.	1.977	2.678	***	2.083	2.458	**

***Significant at p = .01 **Significant at p = .05 *Significant at p = .10

Further analysis was conducted on the impact of the class on each of the two groups: those with and those without a relative in the industry. Table 6 shows these results, and, once again, the differences across the board generally indicate that the principles class had a favorable impact on their impressions of the industry. Those without a relative in the industry experienced significant improvement in their opinions of the industry on all but one of the items (price importance). Again, this is suggestive that knowledge of the industry and education about it improves the industry's image.

Those with a relative in the P&C industry only had significant improvement in their opinions for 5 out of the 14 items. This is not surprising, as perhaps those respondents already knew more about the industry than those without a relative and had already formed an opinion when the class began that was resistant to change.

Impact of Parental Opinion of the Agent

Respondents were asked to agree or disagree with this statement: "My parents like and respect their P&C insurance agent." Responses to this question were sorted into two groups, both at the beginning and end of the semester: Those who answered "strongly agree" or "agree" to the question were collectively

considered to be a group whose parents "like" the agent. All other respondents were placed into a group that is comprised of those who perceive their parents to "dislike" their agent (plus any who left the question blank). At the beginning of the class, there were 140 who perceived their parents to "like" their agent and 160 at the end of the class. Those who perceived their parents to "dislike" their agent totaled 199 at the beginning and 151 at the end.

Table 7 shows the differences in the two groups at the beginning and end of the semester. As might be expected, those who perceived their parents to "like" their agent had consistently and significantly more positive impressions of the P&C industry in 11 out of 14 items. At the end of the semester, the same held true for 11 out of 14 items.

Data are subdivided and analysis is repeated on each of the two subgroups in Table 8. Again, the class resulted in significantly improved perceptions of the P&C industry for both groups on most of the items measured. Our findings are interesting in that, although both groups seemed to improve their opinions of the industry on several of the individual survey items, those students whose parents liked their agent had more factors improve (10 out of 14). Those whose parents dislike the agent only improved in 6 out of 14 items. These results are shown in Table 7.

Table 6
Existence of a Relative in the P&C Industry: Before and After Class

Survey Item	Have Relative in Industry			Do Not Have Relative in Industry		
	Beginning of Semester N=44	End of Semester N=36		Beginning of Semester N=295	End of Semester N=275	
1. The P&C insurance industry plays an essential role in enabling business/ financial transactions to take place.	1.818	1.694		2.051	1.796	***
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.114	1.889		2.469	2.073	***
3. P&C insurers are good corporate citizens.	2.614	2.250	**	2.675	2.343	***
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	3.045	3.694	**	2.841	3.509	***
5. P&C insurers pay claims in a timely manner.	2.886	2.139	***	2.915	2.474	***
6. Life in America would be quite different without P&C insurance.	1.500	1.444		1.973	1.651	***
7. A job in the P&C insurance industry would be interesting and rewarding.	2.159	1.889		2.620	2.302	***
8. I would like to work in the P&C insurance industry.	2.591	2.222		2.980	2.810	**
9. P&C insurance companies try to do the right thing for their policyholders.	2.409	2.056	**	2.510	2.127	***
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.318	3.639		3.100	3.309	**
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.881	3.543		3.558	3.571	
12. Some P&C insurers offer better service than others.	1.773	1.917		2.093	1.938	***
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.302	2.083		2.584	2.350	***
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.159	1.833	*	2.381	2.120	***

***Significant at p = .01 **Significant at p = .05 *Significant at p = .10

Table 7
Parental Opinion of Agent: Likes versus Dislikes

Survey Item	Beginning of Semester			End of Semester		
	Parent Likes Agent N=140	Parent Dislikes Agent N=199		Parent Likes Agent N=160	Parent Dislikes Agent N=151	
1. The P&C insurance industry plays an essential role in enabling business/financial transactions to take place.	1.864	2.131	***	1.688	1.887	**
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.259	2.538	***	2.013	2.093	
3. P&C insurers are good corporate citizens.	2.500	2.784	***	2.1632	2.513	***
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	3.050	2.739	***	3.690	3.364	***
5. P&C insurers pay claims in a timely manner.	2.743	3.030	***	2.277	2.603	***
6. Life in America would be quite different without P&C insurance.	1.721	2.045	***	1.444	1.821	***
7. A job in the P&C insurance industry would be interesting and rewarding.	2.314	2.734	***	2.013	2.510	***
8. I would like to work in the P&C insurance industry.	2.700	3.090	***	2.569	2.927	***
9. P&C insurance companies try to do the right thing for their policyholders.	2.271	2.658	***	1.913	2.338	***
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.207	3.072		3.350	3.344	
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.698	3.528		3.616	3.517	
12. Some P&C insurers offer better service than others.	2.000	2.087		1.806	2.074	***
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.364	2.680	***	2.163	2.487	***
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.221	2.446	***	1.836	2.351	***

***Significant at p = .01 **Significant at p = .05 *Significant at p = .10

The authors also found statistically significant differences at the beginning and end of the semester between the two groups, with those who perceived their parents to dislike their agent always rating the industry more harshly than those who thought their parents liked their agent (see Table 8). This result is not surprising given that we found just the opposite with those who know a relative who works in the industry. The messages heard from influencers such as family members are powerful in forming opinions. As it works toward improving its image, the P&C industry should keep this in mind and consider targeting some educational efforts toward more mature generations that are influencing the opinions of college students.

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Effect of Claims Experience

The survey asked the students if they have ever been a claimant of a P&C insurer by asking for their agreement with this statement: “At least once in my life, I have asked a P&C insurer to pay for damages I suffered as the result of a loss.” At the beginning of the semester 123 students indicated “strongly agree” or “agree” to this question. At the end, 133 indicated they had. All other responses were combined into a group of those who have never been parties to a claim before, and those totaled 216 at the beginning and 178 at the end.

At the beginning of the semester, there were a few significant differences in the groups, one of which was not as one might have expected. Table 9 shows the results. With respect to the impressions about “P&C insurers try to take in as much money as possible, and then try to avoid paying claims,” those who had filed a claim agreed with this statement more so than those who had never filed a claim. Otherwise, the differences that existed were indicative of those who had filed a claim having a more favorable impression of the industry. It seems that perhaps actual experience with the P&C industry—which, of course, increases first-hand knowledge of it—is beneficial in some respects when it comes to student attitudes and opinions.

Table 8
Parental Opinion of Agent: Before and After Class

Survey Item	Parent Likes Agent			Parent Does Not Like Agent		
	Beginning of Semester N=140	End of Semester N=160		Beginning of Semester N=199	End of Semester N=151	
1. The P&C insurance industry plays an essential role in enabling business/ financial transactions to take place.	1.864	1.688	**	2.131	1.887	***
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.259	2.013	**	2.538	2.093	***
3. P&C insurers are good corporate citizens.	2.500	2.163	***	2.784	2.513	***
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	3.050	3.690	***	2.739	3.364	***
5. P&C insurers pay claims in a timely manner.	2.7432	2.277	***	3.030	2.603	***
6. Life in America would be quite different without P&C insurance.	1.721	1.444	***	2.045	1.821	***
7. A job in the P&C insurance industry would be interesting and rewarding.	2.314	2.013	***	2.734	2.510	**
8. I would like to work in the P&C insurance industry.	2.700	2.569		3.090	2.927	
9. P&C insurance companies try to do the right thing for their policyholders.	2.271	1.913	***	2.658	2.338	***
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.207	3.350		3.072	3.344	**
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.698	3.616		3.528	3.517	
12. Some P&C insurers offer better service than others.	2.000	1.806	**	2.087	2.074	
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.364	2.163	**	2.680	2.487	**
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.221	1.836	***	2.446	2.351	

***Significant at p = .01 **Significant at p = .05 *Significant at p = .10

Table 9
Differences between Those Who Have Filed a Claim versus Those Who Have Not

Survey Item	Beginning of Semester			End of Semester		
	Filed a Claim N=123	Never Filed Claim N=216		Filed a Claim N=133	Never Filed a Claim N=178	
1. The P&C insurance industry plays an essential role in enabling business/financial transactions to take place.	1.919	2.079	**	1.722	1.831	
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.187	2.558	***	1.970	2.112	
3. P&C insurers are good corporate citizens.	2.691	2.653		2.293	2.362	
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	2.683	2.972	**	3.550	3.517	
5. P&C insurers pay claims in a timely manner.	2.854	2.944		2.409	2.455	
6. Life in America would be quite different without P&C insurance.	1.779	1.986	**	1.526	1.702	**
7. A job in the P&C insurance industry would be interesting and rewarding.	2.642	2.514		2.218	2.281	
8. I would like to work in the P&C insurance industry.	2.967	2.907		2.729	2.751	
9. P&C insurance companies try to do the right thing for their policyholders.	2.418	2,542		2.060	2.163	
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.156	3.113		3.376	3.326	
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.686	3.549		3.561	3.573	
12. Some P&C insurers offer better service than others.	1.927	2.123	**	1.765	2.062	***
13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.426	2.618	**	2.233	2.384	
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.236	2.420	**	2.045	2.118	

***Significant at p = .01 **Significant at p = .05 *Significant at p = .10

After taking the class, only two factors were significantly different between those who had and had not filed a claim. This implies that perhaps the education gained from the class for those who had never filed a claim helped to improve any perceptions they might have had at the beginning, thus aligning their opinions with those of the group with claims experience.

Again, data are subdivided in groups to examine their differences (see Table 10). With respect to most items, the groups both improved their perceptions as a result of taking the class.

Summary and Conclusions

The option to take a principles of insurance course is offered at many colleges and universities around the country, and the authors set out to discover what effect, if any, such a class might have on student attitudes toward the P&C insurance industry, including the prospect of employment within the industry. With a sample of students from six schools, the authors found that students improved their opinions of the industry and those who work in it by taking the principles class. The respondents also indicated a higher interest in working within the industry and an acknowledgment that

there are positions in the industry other than sales.

The P&C industry has long been a supporter of insurance education at many of the nation's collegiate risk management and insurance programs. This study reinforces that such support yields great public relations dividends for the industry that could help it manage its talent crisis. Indeed, these results make a case for an industrywide effort to increase the number of universities that offer principles of insurance courses.

The study also controlled for other factors, such as age, gender, etc., and found few significant factors driving the results. However, one that is of particular interest is how the students perceived their parents' opinion of the family's P&C agent. Those students who generally perceived their parents to like their agent had many more positive changes in their opinions of the industry after taking the class than those who perceived their parents to dislike their agent. This reinforces what many individuals have said for years: "Insurance is a relationship business." Agents play a key role in representing the industry not just legally, but this study shows that they also have the ability to seriously color perceptions of the industry as a whole, even with college students who are merely parroting the opinions of their parents.

Table 10
Those Who Have Filed a Claim versus Those Who Have Not: Beginning and End of Semester

Survey Item	Filed a Claim			Never Filed a Claim		
	Beginning of Semester N=123	End of Semester N=133		Beginning of Semester N=216	End of Semester N=178	
1. The P&C insurance industry plays an essential role in enabling business/ financial transactions to take place.	1.919	1.722	**	2.079	1.831	***
2. Without P&C insurance, commerce (the buying of goods and services) would be significantly impeded.	2.187	1.970	**	2.558	2.112	***
3. P&C insurers are good corporate citizens.	2.691	2.293	***	2.653	2.362	***
4. P&C insurers try to take in as much money as possible, and then try to avoid paying claims.	2.683	3.550	***	2.972	3.517	***
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7. A job in the P&C insurance industry would be interesting and rewarding.	2.642	2.218	***	2.514	2.281	***
8. I would like to work in the P&C insurance industry.	2.967	2.729	*	2.907	2.751	*
9. P&C insurance companies try to do the right thing for their policyholders.	2.418	2.060	***	2,542	2.163	***
10. The job of selling P&C insurance is the same as selling any other product, such as cars, clothes, or appliances.	3.156	3.376		3.113	3.326	
11. The main factor to consider when shopping for P&C insurance is the price of the policy.	3.686	3.561		3.549	3.573	
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13. P&C insurance agents provide a valuable service to clients—more than salespeople in most other industries.	2.426	2.233	*	2.618	2.384	*
14. There are many potentially rewarding jobs within the P&C insurance industry other than insurance sales.	2.236	2.045	*	2.420	2.118	**

***Significant at p = .01 **Significant at p = .05 *Significant at p = .10

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