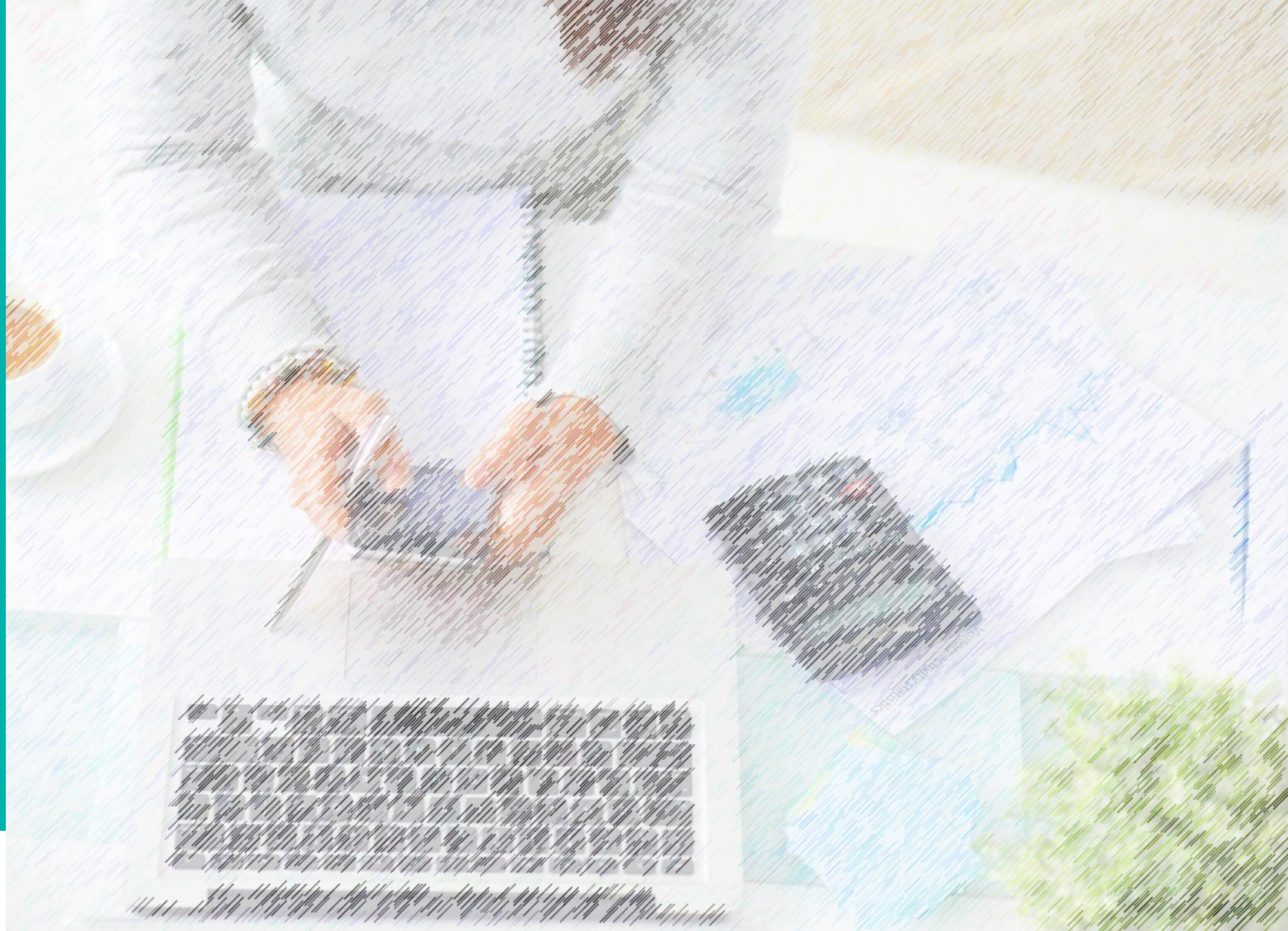


# Diversity & Inclusion Research Initiative Executive Summary

C+R Research

Presented to The Actuarial Foundation, CAS, IABA and SOA



**culturebeat**

The multicultural research division of C+R Research.

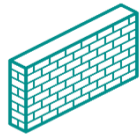


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*Hispanics and African-Americans are underrepresented in STEM occupations, and especially so in the actuarial field. The Foundation, SOA, CAS and IABA seek to address this discrepancy and cultivate a more diverse membership. This research was designed to inform efforts to determine what investments can be made, or programs undertaken, to achieve the greatest impact on inclusion and diversity in the profession.*

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### **Objectives of this research include:**



#### **Identify the barriers**

underrepresented minorities face in pursuing an actuarial career in order to address them



#### **Understand the journey**

in order to ascertain key touchpoints the SOA/CAS could influence throughout the process



#### **Uncover missing resources**

to more effectively support underrepresented minorities pursuing an actuarial career

1

## Qualitative Online Community with HS & College Students

*Explored key barriers Hispanic & African American students may face in pursuing an actuarial career*

- N=33 (30 total completes)
- Mix of Hispanics (20) & African-Americans (13)
  - U.S. born or entered school in the U.S. no later than 9<sup>th</sup> grade
- Mix of High School Juniors/Seniors (19) and College Freshmen/Sophomores (14)
- Aware non-rejecters of STEM fields as career options
- Strong Aptitude in Math (AP courses in STEM fields)

2

## Traditional In-Person Focus Groups with Candidates & Members

*Explored experiences, influences and perceptions that support or hinder progress throughout the actuarial exam processes*

- 6 focus groups among Hispanics & African-Americans
- Took place between February 21<sup>st</sup> and March 1<sup>st</sup>, 2017
- Markets: Chicago & New York
- In each market:
  - 1 group with Credentialed Actuaries,
  - 1 group with Former candidates, and
  - 1 group with Current candidates

3

## Quantitative Online Survey with Members, Candidates, and more

*Validated findings/hypotheses from the qualitative phases and identified opportunities to more effectively recruit/support minorities*

- 10-15 minute online survey fielded July 17<sup>th</sup> – 31<sup>st</sup> 2017 among:
  - ❖ **College Freshmen (n=200)**  
*High aptitude in math; never registered for actuarial exam*
  - ❖ **STEM Professionals (n=100)**  
*Millennials 24 – 35; graduated college with STEM degree; Employed 3+ years*
  - ❖ **Current/Active Candidates (n=919)**  
*Mix of current students, graduates and those employed in actuarial-capacity*
  - ❖ **Lapsed/Former Candidates (n=165)**  
*Ceased taking exams 1+ year ago; haven't earned membership*
  - ❖ **Members/Credentialed Actuaries (n=1,031)**

## Executive Summary:

Barriers at each step of the actuarial career pipeline disproportionately affect minorities

**Awareness**  
(Familiarize)

**Consideration**  
(Attract)

**Preference**  
(Convert)

**Intent**  
(Support)

**Employment**  
(Retain)

### FINDINGS

- **Lack of awareness is the biggest barrier for minorities to enter the field.** Awareness of the profession lags behind other STEM careers in general, but is particularly low among minority students.
- **Late awareness puts candidates at a disadvantage,** and minorities tend to be exposed to the profession (and therefore begin the exam process) later in their education.

### IMPLICATIONS

- **PROMOTE EARLY AWARENESS**  
Raising awareness **early in high school** is believed to have the greatest potential to improve diversity in the field. Consider:
  - ❖ **Awareness initiatives** targeting HS students & those who influence their coursework/career decisions (parents, teachers, counselors, etc.)
  - ❖ Ways to expose students in predominantly minority schools to '**revealers**' (career day school visits, mentorship programs, etc.)
  - ❖ Ways to **engage various stakeholders** in a concerted effort (Actuaries, Employers, Associations, Colleges, etc.)

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### FINDINGS

- **Family encouragement is a top driver of career consideration**, and minority students are less likely to have parents that suggest and encourage pursuit of an actuarial career.
- **The people of influence in minority students' lives (parents, teachers, guidance counselors, etc.) are often unfamiliar with the actuarial field**, and have little to no knowledge of the profession as an option for students with high aptitude in math.
- **High-achieving minority students are often encouraged to pursue familiar, reputable and well remunerated careers** that are more familiar to their parents, such as becoming a doctor or engineer.

### IMPLICATIONS

- **INFORM & EQUIP THE INFLUENCERS**  
Careers that are **familiar to and respected by the people of influence** in students' lives are much more likely to make the consideration set. Consider:
  - ❖ **Messaging strategies** to put the actuarial profession on the radars of parents, teachers & school staff by communicating the ways in which it provides prestige/recognition, financial reward and meaningful work
  - ❖ **Ways to equip teachers & school counselors** with knowledge and resources about the actuarial profession to share with students, particularly in underprivileged schools

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### FINDINGS

- **Minority students' personal networks often lack relationships with actuarial professionals**, which can be a significant barrier. Having an actuary mentor/role model is important for minorities to access critical information about the profession and realize that it's an approachable/achievable career.
- **What little they know about the actuarial profession often lacks the appeal & sense of impact of other fields.** Students are looking for a career that will allow them to give back to their parents, make a positive impact in the world, and provide financial security.

### IMPLICATIONS

- **MAKE IT SEXY – FIND A HERO**  
Drawing minority students into the profession requires **positioning the career as meaningful, attainable, rewarding, prestigious, and secure.**  
Consider:
  - ❖ Ways to share the **personal stories** of actuaries who have made a difference in the lives of others, and/or whose career as an actuary has helped them achieve their dreams (e.g., online videos, career day school visits, etc.)
  - ❖ Ways to **connect minority students with actuarial professionals** (e.g., mentorship programs, informational interviews, job shadowing, etc.)

## Executive Summary:

Barriers at each step of the actuarial career pipeline disproportionately affect minorities



### FINDINGS

- **Inadequate academic preparation can leave minority candidates less prepared for exams.**  
The rigor of math courses offered in high schools where populations are primarily minorities can be lacking, making the exam process even harder.
- **Financial support is crucial, but lacking.**  
Scholarships and exam fee support are perceived to be deficient, and financial struggles disproportionately affect minority students.
- **Lack of awareness of available resources**, including exam prep support, financial support & networking/employment opportunities can leave minorities feeling unsupported & isolated in their candidacy.

### IMPLICATIONS

- **EXPAND EXAM RESOURCE AVAILABILITY/AWARENESS**  
Help overcome the academic, financial & resource disadvantages minorities face throughout the exam process by **ensuring awareness and availability of supportive programs/initiatives**. Consider:
  - ❖ Ways to **highlight the financial support available** to candidates in outreach efforts and make the information easier to access
  - ❖ Ways to provide minority candidates with more **networking opportunities** and **employment information/connections**
  - ❖ Improving awareness of various exam prep tools, strategies and resources

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### FINDINGS

- **Minorities acknowledge having experienced or heard about discrimination based on race/ethnicity from employers** through hiring practices such as college-based screening and stereotyping resumes.
- **Minorities often don't see their identities represented** in the field, which can make it feel unwelcoming. They may also face social exclusion from coworkers and/or cultural dissonance.
- **Most Members, regardless of ethnicity, recognize that the profession is not as diverse as it should be** and believe that employers & organizations need to do more to encourage diversity.

### IMPLICATIONS

- **ADDRESS BIASED EMPLOYER PRACTICES**  
Ensure recruitment, hiring, and corporate policies are designed and executed in ways that **minimize bias and promote diversity**. Consider encouraging:
  - ❖ Implementing a résumé-blind policy for interviews
  - ❖ Conducting “unconscious bias” workshops & educating staff to listen, speak & act inclusively
  - ❖ Building up diversity content on website to show prospective employees that they value diversity
  - ❖ Supporting minority communities as a whole through charities, volunteer opportunities, etc., and promoting employee participation to help build empathy and cultural understanding
  - ❖ Partnerships with colleges/universities that serve minority populations (internships, job fairs, etc.)