

# Careers in the Insurance Industry

**Have you ever considered a career in the insurance industry?** Over 26,000 people in South Carolina are employed in the insurance industry.\* The insurance industry offers opportunities for advancement, further education, and competitive salaries. When it comes to a career, you might say that *the insurance industry has something for everyone!*



Jobs require a wide range of skills and educational experiences and are available in many areas. Some positions require college degrees in a specific area, and other positions require that you be willing to train on-the-job and learn the business of insurance while you work.

*Insurance touches every aspect of our lives.* It makes us financially able to provide for our families in times of difficulty and disaster. Wouldn't you enjoy a career which utilizes your skills and education and also contributes an important service to Society? Consider a career in the insurance industry.

\*SC Budget and Control Board Office of Research & Statistics



## FARM BUREAU INSURANCE IN SOUTH CAROLINA

In the 1940's, several state Farm Bureau Federations realized the need for casualty insurance in the high-risk business of farming and created the Southern Farm Bureau Casualty Insurance Company, which SC Farm Bureau joined in 1952. The SC Farm Bureau Mutual Insurance Company was established in 1955 in order to provide property insurance to SC Farm Bureau members. Palmetto Casualty Insurance Company was established in 1991 to provide additional capacity to write insurance policies on coastal properties.





## **SALES**

Every company has agents or salespeople whose job it is to market insurance products and provide service to policyholders. In most cases, they are recruited, trained, and monitored by a Sales Department in the home office of the company.

Companies either contract with already-established agents who represent multiple companies or hire their own agents who are dedicated solely to that one company. Agents usually live in the communities where they work. They participate in community activities and take a personal interest in their customers.

Agents come from a variety of educational backgrounds, but must have excellent communication skills and good grasp of financial concepts.

## **UNDERWRITING**

The Underwriting Department is responsible for determining which applicants for insurance are acceptable. Underwriters also decide how much coverage their insurance company is willing to provide and at what price. The potential risk of loss must be balanced against the amount of premium that can be collected for a particular coverage. Underwriters may work with a particular line of business, such as commercial or homeowners' property, or they may work with all lines of business.



Underwriters spend the majority of their time in front of the computer and consulting policy files in their office. They must be thoughtful decision-makers who consider all aspects of a risk before committing a company's resources to covering it. Field Underwriters spend much of their time inspecting property risks and managing large property and casualty accounts.

## FINANCE



The Finance Department oversees financial and accounting services, usually including employee payroll and benefits and agents' commissions. In addition, the Finance Department manages premium dollars collected from policyholders so that money is available to pay claims and expenses.

The Finance Department also develops and maintains reports to advise management and other departments of the current company financial status. In addition, the department completes all required regulatory reports. Most Finance Department employees have an accounting and finance background and/or education.

## CLAIMS



The Claims Department investigates and settles losses that may be covered by insurance. It is the responsibility of the Claims Department to make determinations of coverage for the benefit of the policyholder making the claim and the company upon which all policyholders rely.

Claims adjusters may work exclusively for a particular company or they may work for a company that specializes in claims handling for many companies.

One particular area of interest in the Claims Department is the Special Investigative Unit (SIU). SIUs are charged with investigating insurance fraud against their company. Because insurance fraud costs all policyholders, it's important for companies to do all they can to combat it. SIU employees work with investigators from other companies and law enforcement agencies to collect information and evidence so the fraud perpetrators can be identified and prosecuted.



No particular area of study is required to be a claims adjuster. However, claims adjusters must be able to understand and explain policy coverages as well as pertinent laws. In addition, claims adjusters must be calm and level-headed, because they deal with policyholders and claimants who are under great stress due to the loss they have suffered, which can be as minor as a fender bender or as tragic as a house fire.



## **ACTUARIAL**

The Actuarial Department performs one of the most important functions in the company. The review and monitoring of loss experience, underwriting success, reinsurance experience and exposures, and production provide a company with information necessary to determine rates, develop policy language, and market insurance products successfully.

The Actuarial Department may also be responsible for filing rates with the state insurance department for review. In addition, research and development activities connected with the Actuarial Department could include market research and policy/product development.

Actuaries must have a background in math, statistics, and other similar disciplines.

## **INFORMATION SYSTEMS**

The Information Systems Department maintains and updates all computer systems - hardware, software, and company programs. In most companies, the Information Systems Department is also in charge of data and voice communications. Computer programmers and equipment technicians are necessary to keep the insurance business going – by constantly working to improve retention of and access to data concerning policy applications and performance and by troubleshooting whenever problems arise. Obviously, those who work in Information Systems have completed computer training and are capable of programming, troubleshooting, hardware and software set-up and maintenance.



## **ADMINISTRATIVE SERVICES**



All insurance companies need employees skilled in administrative services. Tasks range from data entry to filing to handling calls from insureds. Administrative employees must be organized and accurate, because they will handle many important documents on a daily basis.

Administrative services employees may have a high school education or a two- or four-year degree with an emphasis in office occupations courses.