



eBook

# Rising Skills Gaps and Tightening Resources:

## How Can L&D Teams in the Insurance Industry Turn Things Around?





# Introduction

## New Challenges (and Opportunities) for L&D in the Insurance Sector

The insurance industry is undergoing significant changes. With technological advancements, evolving customer expectations, and regulatory updates, insurance companies face an urgent need to adapt. One of the most pressing challenges is the aging workforce. As a huge proportion of experienced professionals retire, companies risk losing valuable institutional knowledge and expertise. Additionally, there is a growing demand for new skills, particularly in data analytics and technology, to keep up with the rapid advancement of task automation and digital transformation.

In this environment, effective Learning & Development (L&D) is more critical than ever. Training programs are essential to upskill employees, transfer knowledge from retiring experts, and ensure that the workforce can meet the changing demands of the industry.

But current L&D approaches in the insurance industry often fall short, leading to inefficiencies and high costs for both talent teams and the business.



# Leadership, Task Automation and Skills:

## Key Challenges for Insurance Companies

### The Aging Workforce

The U.S. Bureau of Labor Statistics expects the insurance industry to lose around 400,000 workers through attrition by 2026.

As experienced professionals retire, companies risk losing valuable institutional knowledge, expertise, and leadership skills. This knowledge gap, if left unaddressed, is likely to produce serious operational inefficiencies and decreased productivity in the near future.

To mitigate this risk, there is a pressing need for comprehensive leadership training programs and effective knowledge transfer strategies. Ensuring that the next generation of employees is well-equipped to take on these roles is crucial for **maintaining business continuity** and competitiveness.

### A Series of Critical Skill Gaps Emerge

As automation continues to reshape the industry, the demand for advanced technological skills like data analytics is increasing.

Research from McKinsey shows that the need for technological skills will rise by 55% through 2030, while basic skills like data input will decline by 15%.

These shifts are largely driven by bot automations sweeping through administrative tasks and digital transformation, combined with higher risk profiles in the market, increasing the demand for data-based skills. In fact, up to 70% of tasks in the industry will experience a significant shift in scope in the near future.

Insurance companies are now faced with a need to prioritize upskilling their workforce to keep pace with these changes and leverage data analytics to improve decision-making and customer service.





# Transforming L&D: Overcoming Key Hurdles in the Insurance Sector

## Operational Inefficiencies and Lack of Strategic Alignment

The current state of learning and development in insurance mirrors challenges experienced by the function across many other industries, too. But with such serious shifts occurring for insurance companies in particular, these challenges are highlighting serious strategic and operational gaps for L&D.

Budget and resource constraints are an ongoing issue. While insurance executives recognize that training is essential, a lack of strategic focus and business alignment means L&D budgets are still at risk. In fact, the L&D function in AIG underwent a 70% cut to its training budget in 2022.

Combine these resourcing challenges with a function that is often operationally underdeveloped, and the ability to create impact by doing more with less becomes nearly unattainable. The result is often a fragmented approach to employee development that cannot fully meet the needs of the evolving industry, and L&D teams that struggle to keep pace and prove their strategic value.

75% of insurance companies have experienced serious issues as a consequence of the **time and cost** needed to train new hires



## Leveraging LearnOps to Transform Business Alignment

Americo, a leading life insurance provider, adopted a LearnOps approach using Cognota to streamline their training intake process.

By centralizing and standardizing requests, they improved alignment with business needs, enabling more efficient resource allocation.

This transformation reduced project turnaround times and enhanced the strategic impact of their L&D initiatives.

With a LearnOps approach through Cognota's platform, Americo gained better visibility into their operations, resulting in significant time savings and more effective training delivery across their organization.

**“Within life insurance, there's a lot of compliance-based elements that we have to work with for all of our associates but specifically our new hires. Our process wouldn't be as good or even as compliant without Cognota.”**



**Maddy Poletis**  
Talent Development

**AMERICO**

## Impact on Business Performance

Faced with resource limitations, and with no underlying operational bedrock to rely on, L&D teams in the industry are finding it challenging to remain productive and impactful—and it's having a noticeable impact on the bottom line.

Recent research found that 75% of insurance companies have experienced serious issues **as a consequence of the time and cost needed to train new hires**. The same reason accounted for nearly one third having had to turn away customers due to internal talent shortages. Meanwhile, 20% said their cash flow has been damaged, while 22% said they have been unable to expand.

These results reflect the reality of working within tight budgets, with unprecedented industry changes making themselves known in the workforce, and the lack of a structured approach to learning operations.

But in these same challenges lie a golden opportunity for L&D—armed with the right approach and technology—to align strategically, solve organizational woes, and demonstrate the value they can contribute to the bottom line.

So, resources are scarce and training needs are becoming absolutely business critical. How can L&D bridge the gap?

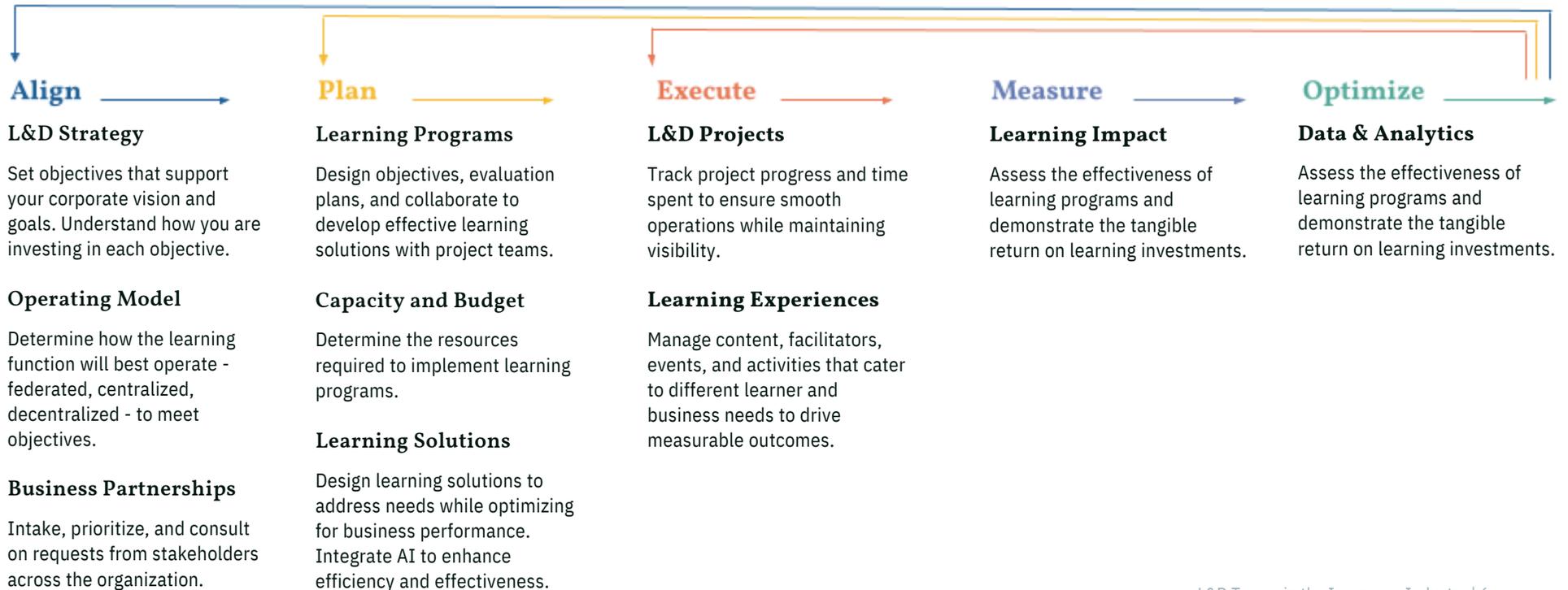


# Bridging the Gap with LearnOps

Insurance companies are undergoing significant transformation. But L&D teams in the industry are typically working with unstructured processes and a multitude of tools for everything from intake through to the development and measurement of their learning programs. To keep pace, it's time for L&D to go through a transformation of its own. LearnOps, or Learning Operations, is an innovative framework that transforms L&D by enabling better visibility, control, and insights into learning operations.

Designed to optimize how learning teams operate, LearnOps empowers organizations to be more agile, data-driven, and aligned with business objectives. With a focus on strategic planning, resource management, and impact measurement, LearnOps enables L&D teams to deliver greater value and drive continuous improvement.

## The LearnOps Framework





## Here's how LearnOps can help insurance companies overcome their L&D challenges:

### Aligning L&D with Business Goals

LearnOps places a strong emphasis on aligning L&D initiatives with overall business goals. Through strategic planning and careful resource allocation, L&D teams can ensure that their efforts directly support the company's objectives. Objective setting and prioritizing alongside stakeholders as partners, rather than order takers, is key to gaining executive support and securing higher funding.

### Enhancing Efficiency and Effectiveness

One of the primary advantages of LearnOps is its ability to streamline processes and improve resource management. By consolidating various tools and systems into a cohesive workflow, LearnOps enables L&D teams to operate more efficiently. This results in a faster response to training needs and more effective program delivery. Improved efficiency also means that L&D teams can achieve better outcomes with the same or fewer resources, addressing the challenge of budget constraints.

### Measuring Impact and Demonstrating ROI

Another critical component of LearnOps is the ability to measure the impact of training initiatives and demonstrate their return on investment (ROI). By linking program objectives to training outcomes and, therefore, to business performance, L&D teams can provide tangible evidence of the value they bring to the organization. This capability is crucial for justifying investments in training and for the continuous improvement of L&D practices.



With LearnOps, financial services companies can roll out reskilling programs faster and on a larger scale.

# Conclusion



The insurance industry faces significant challenges: an aging workforce, a growing skills gap, and recruitment and retention issues. Budget constraints lead to inefficiencies in training programs, resulting in a fragmented approach to employee development. Despite the best efforts of L&D professionals, the lack of strategic focus and operational frameworks limits their effectiveness.

LearnOps provides a structured framework that enhances L&D efficiency and effectiveness. By streamlining processes, improving resource management, and aligning training with business goals, LearnOps helps overcome traditional L&D limitations.

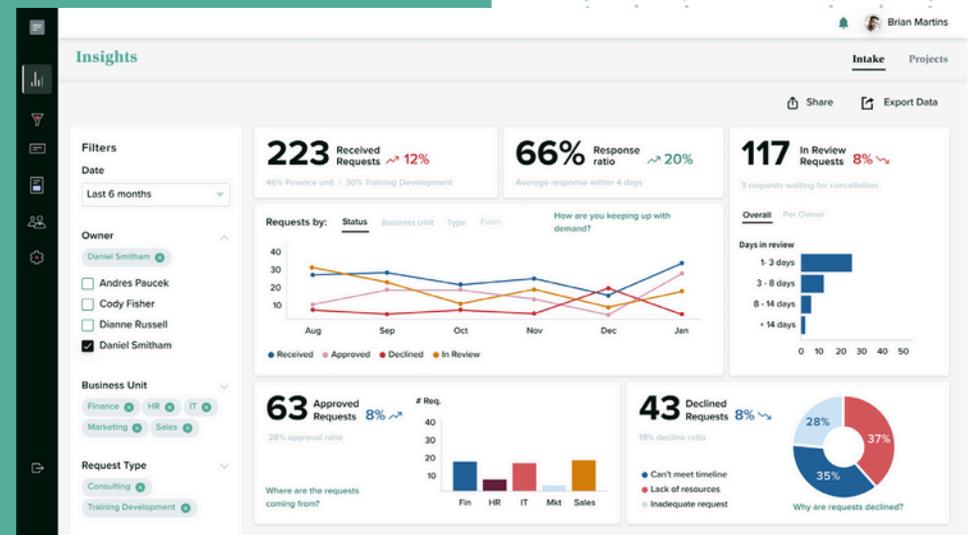
It emphasizes measuring impact and demonstrating ROI, ensuring training programs are effective and justifiable, providing a faster response to training needs and better outcomes with limited resources.

As the insurance industry evolves, L&D's role becomes ever more critical. Adopting LearnOps positions insurance companies to navigate changes successfully, ensuring a skilled, knowledgeable, and adaptable workforce. LearnOps transforms L&D operations, making them more agile and aligned with business objectives, enabling insurance companies to maintain a competitive edge and drive business growth.

## Drive Business Performance with Learning Operations

Align learning with business strategy to close skill gaps faster. Cognota empowers you to plan better, invest smarter, pivot faster, and execute confidently—keeping your L&D team focused on what matters most.

[Book a Demo](#)





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