

## **Finance and Insurance Workforce Summit**

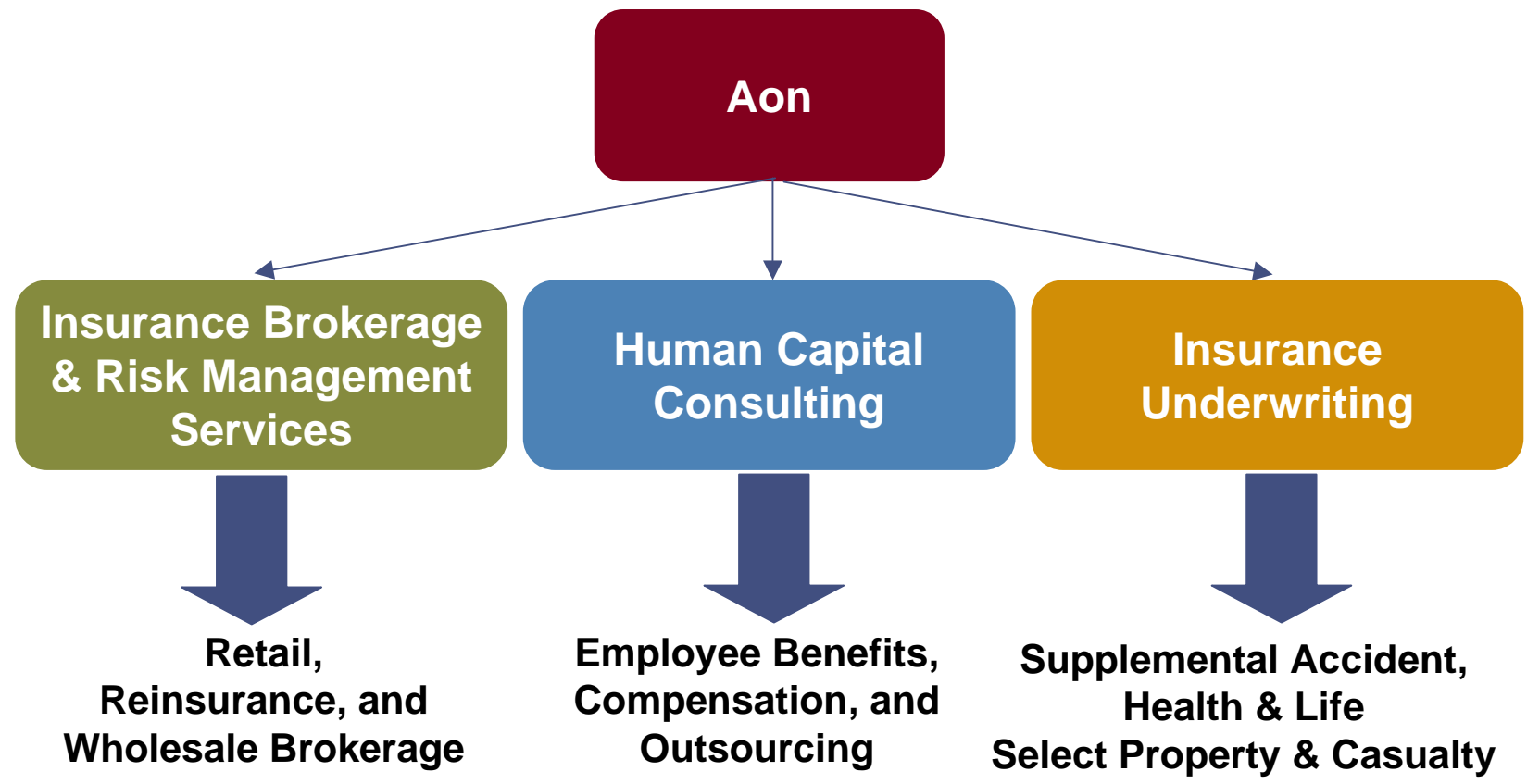
*Linda Leadbitter, VP HR Aon Americas*  
*March 15, 2007*

## Aon Corp Overview

- Headquartered in Chicago, IL
- 500 offices in more than 120 countries
- 46,000 employees
- \$9.0 billion revenue in 2006
- Ranked in the top 250 on the Fortune 500 list
- Partners with 85% of Fortune 500 and Fortune Global 500
- Listed on NYSE: AOC



### Aon's Businesses



← Synergy across Aon Lines of Business →

## Aon's Workforce

- 15,000 US employees
  - 3,800 in Greater Chicago Area
    - 63% Exempt
    - 37% Non-exempt
    - 40% Male
    - 60% Female
- In the US Aon hires ~3,000 employees per year
  - 57% Exempt
  - 43% Non-exempt
- Top 5 sources for talent pipeline
  - 28% Internet Job Boards
  - 27% Employee Referral
  - 20% Internal Promotions/Transfers
  - 10% Direct Sourcing
  - 3% Agency

## Finance and Insurance Industry

- What do financial services and insurance have in common?
  - Taking risk
  - Mitigating risk for individuals and businesses
  - Draw from common talent pool
  - Deep customer knowledge
  - Provide common services: financial advice and solutions

## Finance and Insurance Industry

- Recent trends in the industry:
  - Product convergence across industries
  - Consolidation
  - Expansion to minority and underserved markets
  - Web based businesses are transforming customer demands and business models
  - Globalization of businesses, customers and talent

## Significant Implications for Employment

*3.3 million US jobs, will move offshore in the next 15 years – Deloitte Research*

*Estimates: Potential to shift of 2.3 million jobs in US banking and securities; US\$17.5 billion in operational and technical costs overseas by 2010. – Celent Research*

*25% of all US IT jobs will move offshore by 2010 – Gartner Research*

- Companies are increasingly segmenting business processes and using different delivery models:

### **“Non-Core” / Transactional Processes**

Moved to low or lower cost regions: Labor arbitrage

Focus on most efficient service delivery on global basis

Outsource to expert providers with array of capabilities

### **“Core” / Value-added Services**

Knowledge workers with technical, analytic and business / product specific knowledge

Adaptable, flexible, comfortable with change to meet future demands

## Examples of Work Outsourced / Off-shored

- Technology / Software
  - Program / software development
  - Network administration
- Claims processing
- Finance and accounts payable / premium processing
- Indirect Customer Service
  - Call centers
  - Web helpdesk
  - Reporting
- Calculations and modelling



## Jobs that Will Grow

- Sales
  - Retail banking
  - Insurance
- Client consultants
  - Bring value-added ideas and services
  - Customized solutions
- Complex transactions
  - Actuaries
  - Underwriters
  - Brokers
  - Lenders
- Direct customer service
  - Bank tellers
  - Insurance agency reps
  - Investment advisors

## Strategies for Today's Workforce

- Ensure that we are preparing and creating a workforce with both types of skills needed for the future:

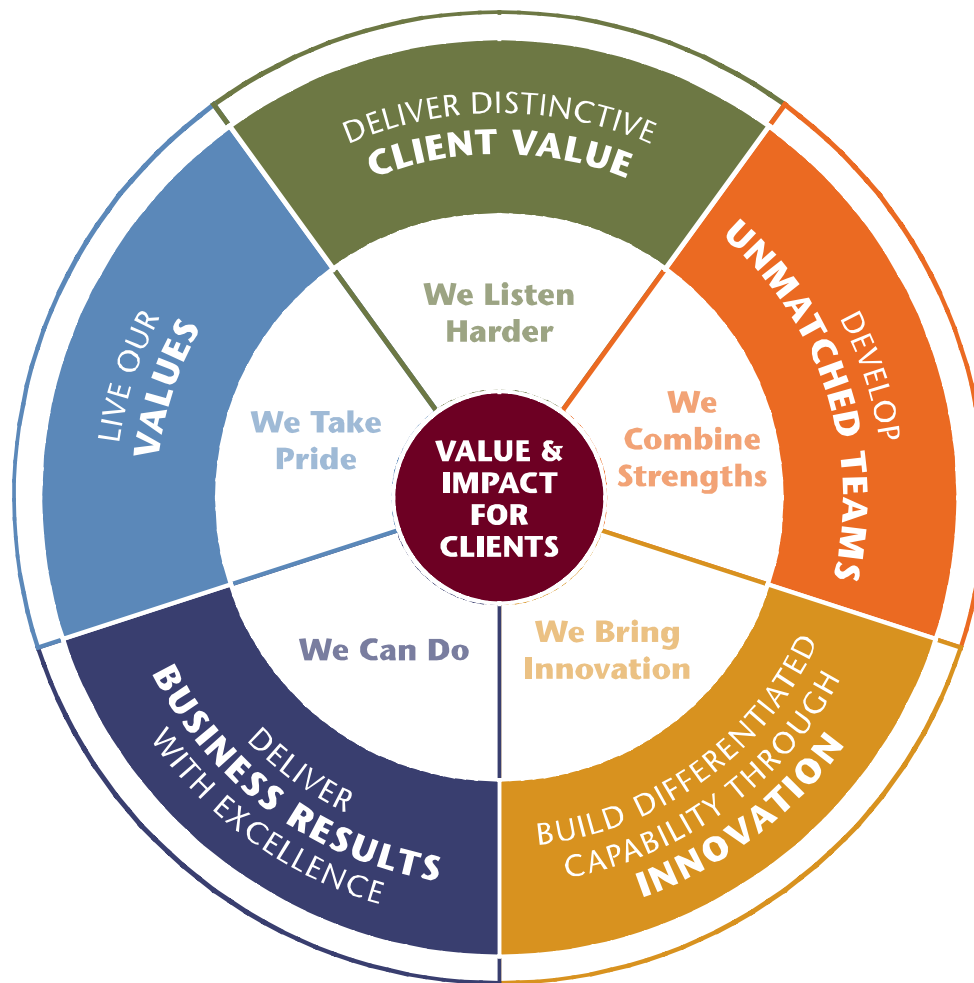
### **“Hard Skills”**

- Technically savvy
- Quantitative and analytic skills
- Specific licensing and credentials
- Broad business and industry knowledge

### **“Soft Skills”**

- Core set of transferable skills that can translate across positions and organizations
- Many large companies will define and articulate these competencies for their employees

# Aon's Leadership Model



## Developing the Knowledge Workers of the Future

- Traditional Training
  - Literacy and education in:
    - Math
    - Analytical skills
    - Technology
    - Product knowledge
    - General business acumen (P&L)
- Experiential Training
  - Experience and application of skills in:
    - Customer service
    - Working with diverse teams
    - Critical thinking
    - Problem solving
    - Decision making
    - Ability to deal with change and ambiguity
    - Teamwork
    - Leadership

## Strategies for Tomorrow's Workforce

- Ensure that we are educating talent about the opportunities in the finance and insurance industry:
  - For example: Employers are developing robust on-campus programs to educate early career talent and provide opportunities that meet their needs
  - Spread the word: It's a “sexy” industry after all ....

### **Aon on the big screen!**

#### *Risk Management when filming on location:*

- Marine insurance
- Intellectual property coverage
- Individual actor policies
- Physical property and equipment coverage
- Risk mitigation strategies for extreme weather

## Question & Answer