
Connecticut Insurance & Financial Services Cluster

Shared Action for Growth

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IFS Cluster – Industry Collaboration for Economic Vitality

Bank of America

CIGNA

Citizen's Bank

ConnectiCare

Day, Berry & Howard LLP

**Department of Economic &
Community Development**

Farmington Capital Partners

GlobeOp

**The Hartford Financial
Services Group**

**Hartford Steam Boiler Inspection
& Insurance Company/AIG**

IBM Consulting Services

ING Group

Insurity

KPMG

Lincoln Financial

MetLife

MetroHartford Alliance

NewAlliance Bank

Northeast Utilities

People's Bank

Phoenix Wealth Management

PricewaterhouseCoopers

Prudential Retirement

Savings Bank Life Insurance

St. Paul Travelers

Sovereign Bank

State Farm

TD Banknorth

UBS Wealth Management

Uniprise/UnitedHealth Group

Wealth Management Advisors

Webster Bank

XL Insurance

Sponsors

Mission & Focus:

Advancing CT's Insurance & Finance Industry

■ ***Mission:***

- Advance and protect the IFS business climate
- Collaboratively address threats and opportunities

■ ***Goal:***

- A dynamic and expanding IFS industry in Connecticut
- Global recognition as an IFS Center of Excellence

■ ***Strategy:***

- Business-led collaboration with education and government
 - Enhance the competitive strength of IFS companies
 - Develop a cadre of qualified and experienced employees
 - Expand employment opportunities
 - Increase workforce diversity

IFS Cluster Operating Plan: Prioritized Focus Leading to Results

■ Develop our Workforce

- Attend to critical employment gaps
- Enhance academic programs
- ***Goal: Enhance quality, availability, diversity, and productivity of IFS workforce.***

■ Promote the State and Region

- Market Connecticut's assets and value
- Conferences, 'sales' calls, requests & inquiries
- ***Goal: Attract business and foster national reputation as IFS Center of Excellence.***

■ Build Support for Public Policy Issues

- Engage industry & state leaders on IFS strategic needs
- Address strategic tax & regulatory issues
- ***Goal: Create enhanced business climate for IFS enterprise.***

IFS Cluster Accomplishments – Highlights

■ Develop our Workforce

- ❑ *U.S. Department of Labor:* Awarded \$2.748 million in federal training funds to create “IFS University”, a collaborative approach to IFS training and education
- ❑ *University of Connecticut:* Risk Management & Insurance Studies program; Student Managed Fund; Executive Education; Hartford Downtown facility
- ❑ *Central Connecticut State University:* Risk Management & Insurance Studies program
- ❑ *Connecticut Community College System:* IT Education, Customer Service, Best Practices Seminars, Healthcare Curricula, NASD Series Certification

■ Promote the State

- ❑ *Business Recruitment:* North Carolina Mutual Life, Royal Bank of Scotland, Fidelity, ING, Colonial Supplemental, Mellon Financial, Total Bank Solutions
- ❑ *National Conferences:* Risk & Insurance Management Society, LOMA, LIMRA, American Bankers Association, Health Insurance Association of America, Securities Industry Association, CoreNet Global Real Estate

■ Build State Support

- ❑ *IFS Public Policy Platform:* Focus on job growth through advocacy on issues of relevance to IFS companies and employees.

Workforce Development Initiatives: Sample Overview

- **IFS Center for Educational Excellence**
 - Coalescing and expanding statewide IFS academic programs
 - Partnership with U.S. Department of Labor
 - **Colleges & Universities**
 - University of Connecticut:
 - Risk Management & Insurance Program
 - School of Engineering Homeland Security Program, \$15 million grant proposal
 - University of Hartford:
 - Institute for Entrepreneurship and Economic Development
 - Actuarial Studies
 - Leadership Development program
 - Central Connecticut State University:
 - Accreditation
 - Risk Management & Insurance studies expansion
 - Connecticut Community College System:
 - IT Education, Customer Service, Best Practices Seminars, Healthcare Curricula, NASD Series Preparation
 - **IFS Job Fairs**
 - In partnership with Capital Workforce Partners and *Hartford Courant*
 - **Support to Displaced Workers**
 - In partnership with CT Dept of Labor, CT Workforce Board System
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Promotion: Build Awareness of Economic Importance of Connecticut's IFS Industry

- **Execute Strategic Communications**
 - **Provide IFS-specific education and awareness to students, executives, employees, policy makers**
 - **Impact Students, Employees:** Craft supportive, strategic message highlighting attractiveness of IFS careers; counter bias and misinformation encountered among students
 - **Impact Executives Outside of Connecticut:** Craft message of IFS strength in CT, role of IFS Cluster, world renown leaders, innovation and new product development
 - **Impact Policy Makers, State and Federal:** Craft message that CT has expertise not otherwise found; that CT's economy is based firmly on success of IFS; that with certain steps, CT can enjoy stronger economic future.
 - Partnership with “Insure CT's Future”, coalition of insurance companies conducting public relations and lobbying campaign

Case Study: Insurance Promotion through Advertising

- **We're one of the state's largest private employers –**
 - With more than 65,000 employees, and nearly 100,000 jobs in companies that do business with insurance companies.
- **We provide an economic foundation for the entire state –**
 - The insurance sector contributes to Connecticut's economy at a rate three times the national average, spurring growth in other industries.
- **We support efforts to make our state an even better place to live –**
 - We contribute millions of dollars, and thousands of volunteer hours, to health, education, social service and cultural programs every year – our charitable donations make up one-quarter of all corporate giving in Connecticut. And our companies and employees make up one of the largest sources of state and local tax revenue in Connecticut. In fact, our premium taxes added up to almost half (45%) of what all other private companies paid in corporate taxes in 2004 *combined*.

Public Policy Recommendations: Supporting IFS Job Growth

■ **Development:**

- ❑ Create IFS Business Development Office to attract new IFS companies, retain resident firms

■ **Tax:**

- ❑ Create tax incentives and credits to induce new company formation and investment

■ **Legislative & Governmental:**

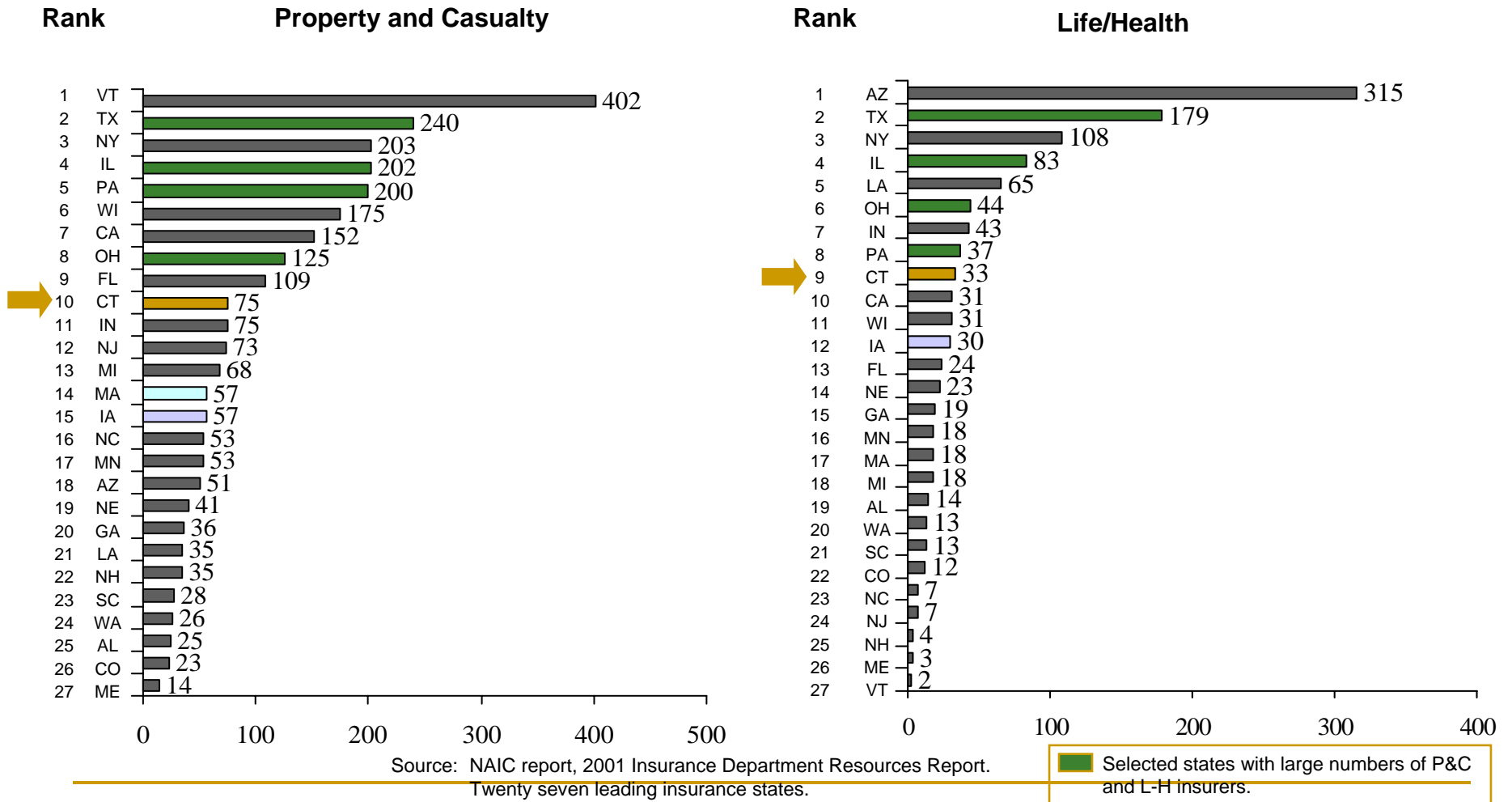
- ❑ Curtail detrimental legislative initiatives
- ❑ Extend Financial Services Export Zone
- ❑ Present healthcare cost containment measures including medical malpractice & reduction of mandates
- ❑ Advocate for extension of Terrorism Risk Insurance Act
- ❑ Advocate for & participate in U.S. DOL grant proposal
- ❑ Address costs

Connecticut's Insurance and Finance Industry – Critical to the State

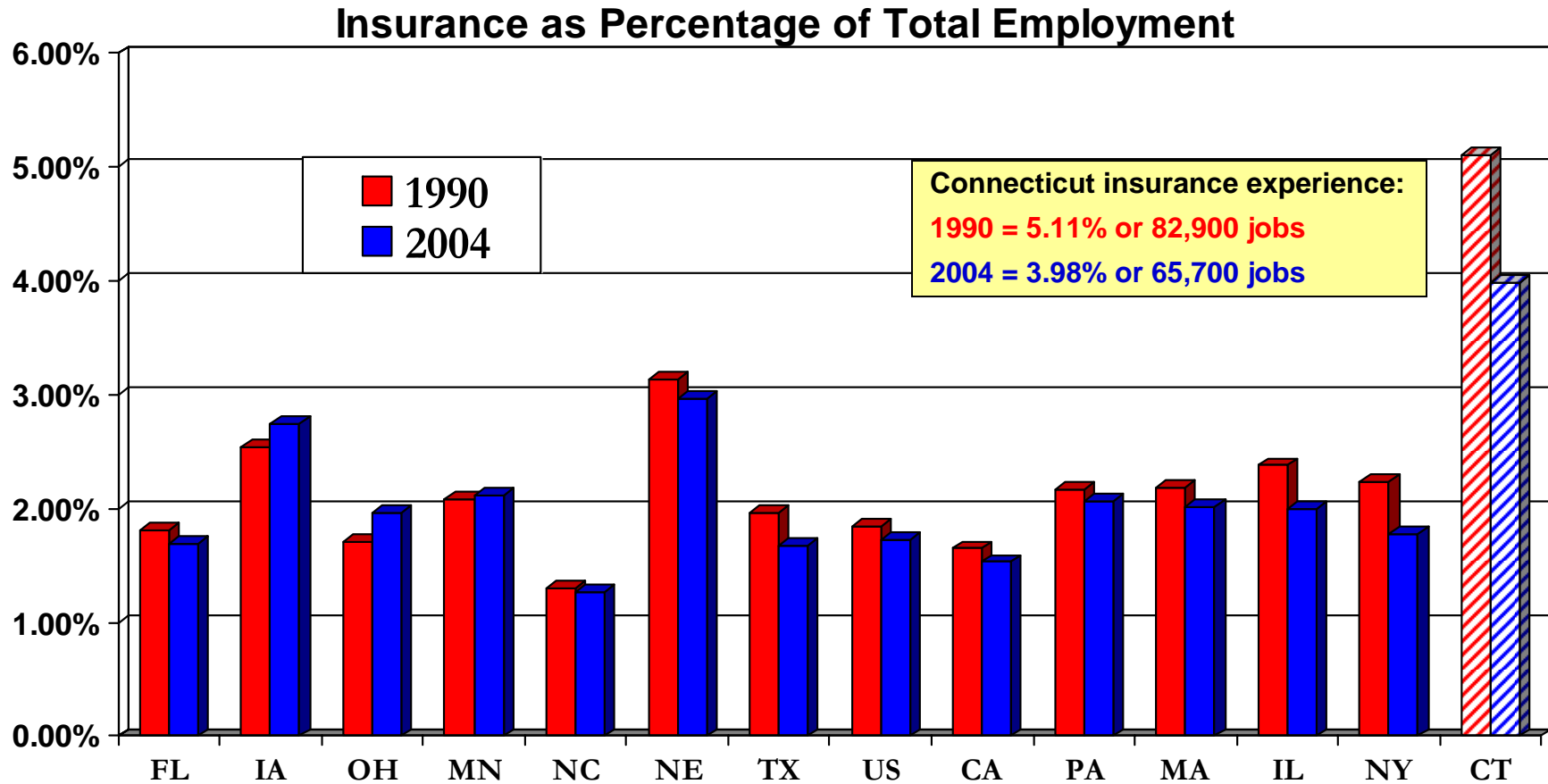
- **Contributes 29.5% to Gross State Product**
- **Total employment of 143,020, in 5,550 establishments, accounting for 8% of total state employment**
 - Insurance 60,780
 - Finance 67,890
 - Real Estate Finance 14,350
- **Connecticut's Insurance Leadership:**
 - **Expertise:** Highest concentration of financial analysts, actuaries, and underwriters in the nation.
 - **Scale and Strength:** Greatest concentration of insurance jobs among the states, with 3.9% of total employment found in this sector.
 - **Productivity:** Ranks 4th in absolute size of insurance output.

Connecticut remains a top 10 state location for insurers.

State Comparison — Number of Insurers (Domestic) 2001



More at Stake – Connecticut is Heavily Vested in IFS



Source: U.S. Bureau of Labor Statistics, 2004 data, *Employment in insurance carriers and related activities compared against non-farm employment by state*. Courtesy of NU.

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