

2025 MARKET TRENDS

IN ACTUARIAL
RECRUITING



ABOUT DW SIMPSON

In 2025, DW Simpson celebrates over 35 years of serving the actuarial industry! As the largest recruiting firm devoted to the placement of actuaries, we are experts in retained and contingent searches for property and casualty, life, health, reinsurance, pension, insurtech, and nontraditional roles for actuaries. We represent all levels of candidates, from entry through C-Suite, and we are devoted to the career success of all candidates and to placing top candidates with our clients. Over the last 35 years, our mission has remained the same, and our highly trained staff continues to maintain these standards for candidates and clients.



Our mission is to be the premier executive recruiting firm specializing in the placement of actuaries and analytics professionals; to be recognized for the best service, integrity, and forthrightness that the firm brings to each business relationship; and to be always willing to sacrifice short-term gain for the long-term good and prosperity of our clients, our candidates and, as a result, our organization as well.

2024 Actuarial Recruiting Review

2024 was a challenging year in the actuarial recruiting market. After a slowdown in hiring in the second half of 2023, this trend continued into 2024. Concerns about the economy, combined with a higher demand for returning to the office and a lack of flexibility in hiring remote candidates, continued to contribute to a slower market overall.

As more companies instituted a return to office policy, either hybrid or full-time onsite, many employees who were working remotely faced a decision. Some employers concluded that retention of staff in remote roles was not an option, and those employees would be required to be in the office. For this reason, we had an influx of candidates deciding to seek new opportunities that would allow them to continue a fully remote work option.

As predicted, employment growth remained positive in 2024 but at a slower pace than over the last 2 years. The US labor market continued to normalize following the pandemic volatility, and salaries continued to increase, but with wage growth more in line with pre-pandemic levels.

Economic concerns continued to contribute to a slowdown in hiring, with inflation, housing costs, and interest rates being the top concerns. A leveling out of compensation increases contributed to less incentive for actuaries to move to new roles, and mortgage rates and the challenging housing market were an impediment to relocation for many candidates.

2025 Market Trends for Actuaries

The career outlook for actuaries continues to be strong, with an unemployment rate under 1%. This reflects a continuation of the stable and growing need for actuaries, fueled by increasing demand for risk management expertise in insurance, healthcare, and finance. The U.S. Bureau of Labor Statistics projects 22% growth in the actuarial sector from 2023-2033, in comparison to growth of 4% for all occupations. Many of these actuarial roles will be growth positions, with some replacement roles for actuaries leaving the profession or retiring. The insurance sector continues to add jobs as they enter new markets and additional hiring will be driven by the need to evaluate complex risks, particularly as climate change and global uncertainties intensify their impact on markets.

“The insurance industry is set for a transformative year, with 79% of companies expecting revenue growth and over 50% planning to increase staff in the next 12 months, according to a study by AON. This is further great news for the actuarial community; actuarial positions remain difficult to fill along with analytics’ positions, leading to a robust actuarial hiring environment.”
- Patty Simpson – Chairman, CEO and Founder

Unemployment in the actuarial profession in 2025 is expected to remain exceptionally low, given the specialized nature of the field and the ongoing demand for skilled professionals. Actuaries continue to have one of the highest levels of job security among all professional occupations and, in 2025, the actuarial field is anticipated to remain a highly sought-after career path. Actuaries consistently rank as one of the top business jobs, top STEM jobs, top paying jobs, and one of the top “Best Jobs Overall” per US World and News Report. Industry-specific trends indicate strong opportunities in the areas of health insurance modeling and pension risk management, along with the continued growth of property and casualty insurance roles. Actuaries with expertise in cybersecurity risk and ESG (Environmental, Social, and Governance) assessments, are projected to be particularly in demand.

INDUSTRY TRENDS FOR 2025

The US economy added over 2 million jobs in 2024, an average of 186,000 jobs per month. The US has now added jobs for 48 months in a row, tying the second-longest period of employment expansion on record. In December, the unemployment rate fell to 4.1% ending a year that saw a return to pre-pandemic levels, according to Bureau of Labor Statistics data. While the final jobs report for 2024 shows improvement since the pandemic, uncertainty continues regarding 2025, partially based on the possibility of policy changes involving trade, immigration, taxes and the federal workforce.

We expect the following trends for 2025:

- A continued and increased focus on the use of AI and machine learning to improve accuracy in underwriting and to automate processes.
- More emphasis on understanding customer needs, and utilizing customer data and predictive analytics.
 - There is a continued trend of growth and demand for more individualized, customized, and customer focused products in all areas.
- As inflation rates and unemployment lower, there will be more appetite from consumers to purchase products.
- Lower interest rates should increase life and annuity product sales.
- More emphasis will be placed on the use of behavioral data to predict customer preferences.
- Younger demographics, especially Gen Z, are driving the demand for life, private health, and property insurance.

“In terms of newly created roles, we saw the biggest spike involving MGAs, Specialty, E&S and Program Business due to new entrants and old players entering or expanding their reach in these spaces”
- KC Cho, Partner and 1st VP

LIFE

The life insurance market in 2025 is expected to maintain moderate growth. Advancements in technology, consumer-centric innovations, and an increased focus on ESG factors will be pivotal in shaping the future landscape of the industry. Market conditions are very favorable for the individual life insurance market, with LIMRA predicting 2025 sales growth to improve — increasing between 2% and 6%. Rising interest rates have shifted sales from whole life towards products with longer premium payment periods, which had resulted in a decline in 2024. A return to positive growth is expected in 2025.

Term Life sales saw gains with digital platform expansions and more competitive pricing driving growth in 2024. Higher interest rates and inflation had an impact on whole life and term sales, but both are expecting moderate growth in 2025.

Variable Universal Life is expected to continue its strong growth from 2024 into 2025. A strong stock market has made these products more appealing to consumers and in 2024 we saw more carriers enter the marketplace.



ANNUITIES



Annuity sales are expected to continue to outperform other life products. Higher interest rates have increased the popularity of annuity products, specifically fixed annuities, which have seen record increases. While certain annuity products may face sales declines due to expected lower interest rates, the overall market is projected to remain robust.

HEALTH

The U.S. health insurance sector in 2025 is expected to navigate a complex environment characterized by regulatory changes and rising premiums, with potential opportunities for growth and investment amid these challenges. The increasing concentration of insurance markets among fewer companies may contribute to rising insurance costs, presenting challenges for consumer affordability and market competition. As an example, jumbo health insurers were heavily impacted by the elevated, higher-than-expected costs in both Medicare and Medicaid programs. Product innovation will be a top priority with interactive feedback mechanisms and real-time analytics allowing insurers to offer more personalized solutions.

Health insurance premiums are projected to continue increasing in 2025, influenced by factors such as medical inflation, changes in utilization, and market concentration among fewer insurance companies.

Health insurers are expected to concentrate on government programs, with Medicare Advantage plans incorporating higher utilization rates into their 2025 bids and potentially exiting less profitable markets. Fitch Ratings has assigned a 'neutral' outlook for the U.S. health insurance sector in 2025, indicating expectations of modest improvements in Medicare Advantage margins. Medicare Advantage will continue to create major concerns for insurers for 2025, and with several carriers exiting markets entirely for 2025, millions of people will be required to choose a new plan.

A record 24 million people have enrolled in insurance coverage under the ACA, reaching unprecedented numbers as the program faces an uncertain future with the new administration. Enhanced premium tax credits, which were introduced in 2021 and extended through 2025, have expanded eligibility and increased subsidies, resulting in record enrollment growth. However, these expanded subsidies are set to expire at the end of 2025 unless Congress extends them.

Continued growth of wellness plans and expanded coverage and focus on behavioral/mental health will increase healthcare coverage opportunities. Increased interest and coverage of specialized medications, including drugs which treat obesity, will also be a trend moving forward. Supplemental health insurance sales, which include accident, critical illness, and hospital indemnity, continue to show promise as employers realize the importance of providing competitive and generous insurance benefits.

“We expect to see the healthcare market continue to grow in areas such as specialized pharmacy and personalized care solutions aided by AI and technological advances, while at the same time facing challenges related to increased premiums, concentrated insurance markets, and under (albeit, rising) utilization. Regulatory changes are also expected to impact the market this year and the trend of innovation in tailored and specialized care will continue.” – Marianne Westphal, Partner

The aging population will also drive health-care spending as life expectancy continues to grow, and providers and insurers will face related challenges. In addition, chronic disease is also impacting younger populations, partly due to long term health effects of Covid-19 and the aftermath of patients’ lack of access to preventative healthcare during the pandemic.

Though perhaps not a major driver of cost considerations at this time, climate change will also have an impact on health insurance. More frequent severe climate events can drive up claims, and such events can impact the availability of care and medication, and the infrastructure within provider organizations.

In 2025, insurers are expected to embed AI-driven governance and proactive regulatory compliance to enable carriers to mitigate biases, avoid financial penalty, and reinforce consumer trust. Integration of enhanced security and third-party risk management frameworks will allow organizations to protect sensitive health data and improve resilience against cyber threats. As industry competition and market pressures build, health insurers that prioritize digital transformation and customer centricity will capture the greatest share of the market

PROPERTY & CASUALTY

The property and casualty (P&C) insurance market in 2025 remains dynamic, shaped by increased claims, rising premiums, and evolving market challenges. More frequent natural catastrophes are driving higher claims, creating liquidity needs for some insurers. Meanwhile, others are benefiting from rising property values, which have boosted insured values, premiums, and investment opportunities.

Auto insurance premiums are projected to continue rising, although at a slower pace. The average cost for full coverage is expected to reach \$2,101 annually, a 7.5% increase from 2024. Certain states, including New Jersey, Washington, and California, may see rate hikes exceeding 15%, while Florida is expected to be among the most expensive states, with premiums averaging \$3,264.

Factors driving these increases include higher expenses for repairs, medical treatments, and legal settlements, extreme weather events (particularly in states like Florida and California), and regulatory changes, which will raise minimum liability coverage requirements. Insuring electric vehicles (EVs) is becoming more affordable, but new EVs still cost 23% more to insure than gasoline-powered cars. Potential tariffs on imported goods could reignite premium hikes in 2026 by increasing the cost of replacement parts, 60% of which are imported.

Homeowners insurance premiums are also on the rise, driven by higher claims costs, reinsurance expenses, and regulatory compliance costs. Over the past decade, premiums have increased significantly, reflecting the growing frequency and severity of natural disasters. Events like California's devastating wildfires have caused unprecedented damage, leading to a severe insurance crisis in the state. Insurers are responding to climate-related risks by limiting coverage in high-risk areas, prompting regulatory interventions to maintain market stability.



The P&C insurance market in 2025 is poised for stabilization, with moderate premium growth and improved profitability. However, climate change and regulatory complexities will remain key challenges, shaping the industry's trajectory in the years ahead.

Inflation, construction costs, supply chain disruptions, soaring litigation, and advancements in vehicle technology contributed to increased claims costs in 2024. As homeowners and small business owners struggle, especially in Florida and California, it provided an opportunity for the E&S market to capitalize.

Cyber-attacks keep rising year after year and the cyber insurance market is expected to continue to grow significantly. The insurance sector is reacting to the need to prioritize cybersecurity as technology advances, to protect sensitive information and ensure a secure environment for customers.

REINSURANCE

The reinsurance market in 2025 is poised for continued price increases, particularly in casualty lines, with many experts forecasting double-digit rate hikes during January renewals. These increases are driven by rising loss costs, social inflation, and adverse loss development in sectors like workers' compensation and commercial auto.

While property reinsurance rates show signs of stabilization, capacity constraints in high-risk areas and escalating litigation expenses are creating a tighter market for casualty coverage. Despite concerns that the pricing cycle may be nearing its peak, the outlook for 2025 suggests sustained upward pressure on casualty reinsurance rates.

Life & Annuity companies will continue to use offshore reinsurance as a strategy to manage business economically. This might expose counterparty risks, reduction in capital, transparency and other vulnerabilities. Higher interest rate levels and favorable mortality trends have also led to improved balance sheets for L&A reinsurers, resulting in more competition, mainly from large private equity firms and investment managers.

The role of private capital partnerships in the life insurance sector has grown significantly in recent years. These partnerships, particularly among alternative asset managers and insurers, are expected to support continued growth while presenting new dynamics for capital allocation and risk management.

CATASTROPHE

The catastrophe insurance market in 2025 faces a mix of stabilization and ongoing challenges. While pricing is expected to stabilize after years of sharp increases, modest rate hikes may persist, particularly in high-risk regions. Capacity constraints remain a concern, as some insurers reduce coverage in areas with rising loss costs.

Climate change continues to drive increased insured losses due to the frequency and severity of natural disasters. Insurers are emphasizing risk mitigation measures and property adaptations to manage these impacts. Regulatory challenges, such as those seen in California, are adding further complexity to the market.

In 2024, two major hurricanes and numerous severe thunderstorms in the US had a significant impact on global insured losses, which exceeded \$135 billion. It marked the fifth consecutive year in which insured losses from natural catastrophes exceeded the \$100B mark. Elevated interest rates offer a silver lining, improving investment returns and providing financial stability for insurers. Despite challenges, the market remains resilient and adaptive to evolving risks.



INSURTECH

The insurtech market is poised for significant growth and transformation in 2025, mainly driven by technological advancements, with companies increasingly leveraging AI, embracing open insurance, and exploring new business models to stay competitive. The adoption of agentic AI will continue to reshape insurance operations, enhancing efficiency and customer engagement. Embedded insurance will continue to grow by integrating more insurance options into a customer's buying experience at the point of sale.

The movement towards Open Insurance is expected to gain momentum, promoting data sharing and innovation across the industry and allowing insurance providers to gain insights and streamline their products. This is expected to improve customer relationships, leading to more personalized and flexible insurance solutions.

The increased adoption of devices such as fitness trackers, car telematics, smartphones, and medical sensors will contribute new data, which will lead to a more comprehensive understanding of customers and their risk, and more accurate pricing options.

The insurtech industry is expected to see a rise in mergers and acquisitions as companies seek to consolidate resources and expertise, fostering innovation and expanding market reach.

2025 Recruiting Outlook

Candidates

Overall, the actuarial profession in 2025 will be characterized by a deepening reliance on technology, a focus on emerging risks such as climate change and demographic shifts, and an evolving regulatory landscape. Actuaries who combine traditional expertise with cutting-edge technical skills in AI, machine learning, and data analytics will be best positioned to excel.

Looking ahead, the actuarial job market is poised to experience changing job requirements driven by advancements in technology, demographic trends, and evolving industry needs. Automation and artificial intelligence are expected to play an increasingly prominent role in pricing, risk modeling, and claims forecasting as actuaries integrate AI and machine learning into their work to enhance efficiency and accuracy. This will result in a growing demand for expertise in data analytics and technological innovation, alongside traditional actuarial training.


The ongoing impacts of climate change, including more frequent and severe natural disasters, will heighten the need for actuaries to assess and price environmental risks, particularly in property and casualty insurance. Simultaneously, the aging global population will drive increased demand for actuarial expertise in pension planning and healthcare. Companies and governments will seek innovative solutions to manage the financial risks associated with longer lifespans and rising healthcare costs, and actuaries specializing in these areas will find expanding opportunities as these areas evolve.



Regulatory complexity is another key factor influencing the profession. In 2025, the regulatory environment is expected to intensify, with a focus on climate change, data privacy, financial transparency, and healthcare reform. Actuaries will remain indispensable in helping organizations navigate compliance requirements, forecast costs, and ensure financial stability. Professionals who understand these evolving regulations and can provide strategic guidance on adapting to them will be highly sought after, particularly in sectors like health insurance and financial services.

The actuarial profession in 2025 will have an increased focus on the impact of climate change, changes in regulations, and new and evolving technology, including AI. As the profession adapts to these changes, candidates who embrace innovation and align their capabilities with industry needs will find the most promising career prospects.

Clients




The actuarial job market in 2025 remains highly competitive, with an exceptionally low unemployment rate. This, combined with the unprecedented 40% of professionals who changed jobs during or shortly after the pandemic, has created ongoing challenges for hiring. The shift to remote work during the pandemic also reshaped candidate expectations, with over 70% of actuaries expressing a preference for remote or hybrid roles. Back-to-office mandates have intensified these challenges, as candidates are increasingly seeking employers who offer remote flexibility. When employees leave due to rigid workplace policies, filling those positions with hybrid or in-office-only roles becomes even more difficult.

“As the leading actuarial and analytics search firm, DW Simpson has over 35 years of experience navigating insurance industry and employment trends. We believe that by being highly specialized we are able to maintain thorough and current knowledge of the actuarial field and other related analytics professions, allowing us to provide the best service to candidates and clients. Our strength is in the relationships that we build and foster for the long term – with actuaries at all levels of experience, and with hiring managers, talent acquisition and human resources professionals.”

- Ellen Page, Chief Administrative Officer, Partner

Candidates who have proven themselves to be effective in remote settings are reluctant to return to on-site environments. Additionally, the housing market and persistently high mortgage interest rates (hovering around 6-7%) further deter candidates from relocating for new positions. Employers open to remote hires or roles requiring minimal in-office presence (such as quarterly visits) will have a significantly larger pool of top-tier talent.



Work-life balance remains a primary motivator for actuarial candidates, particularly among Millennials and Gen Z professionals, who now comprise nearly 60% of the actuarial workforce. These generations prioritize flexibility, transparency, a sense of community, continuous learning opportunities, and having a voice in decision-making. In contrast, Baby Boomers and Gen X tend to value teamwork, competition, and professional advancement, with Baby Boomers showing a stronger preference for traditional in-office roles.

The newest entrants to the workforce, Generation Alpha (born post-2010 and now reaching internship and early career stages), bring unique characteristics. Having completed much of their education during remote learning periods, they are technologically adept and self-reliant. However, they may require additional support to develop interpersonal and collaborative skills that were underemphasized in their formative years. Understanding these generational differences is critical for organizations aiming to retain a multigenerational actuarial workforce.

Creating an inclusive and diverse workplace is another key factor in retaining actuarial talent. Studies show that organizations with transparent diversity, equity, and inclusion (DEI) initiatives attract more candidates. Employers who foster a culture of inclusion will not only attract a broader spectrum of candidates but also enhance employee engagement and retention.

As the workplace continues to evolve, employers must prioritize adaptability and continuous learning. By addressing the unique needs and motivations of each generation, offering flexibility, and fostering a supportive, inclusive culture, organizations can successfully attract and retain top actuarial talent.

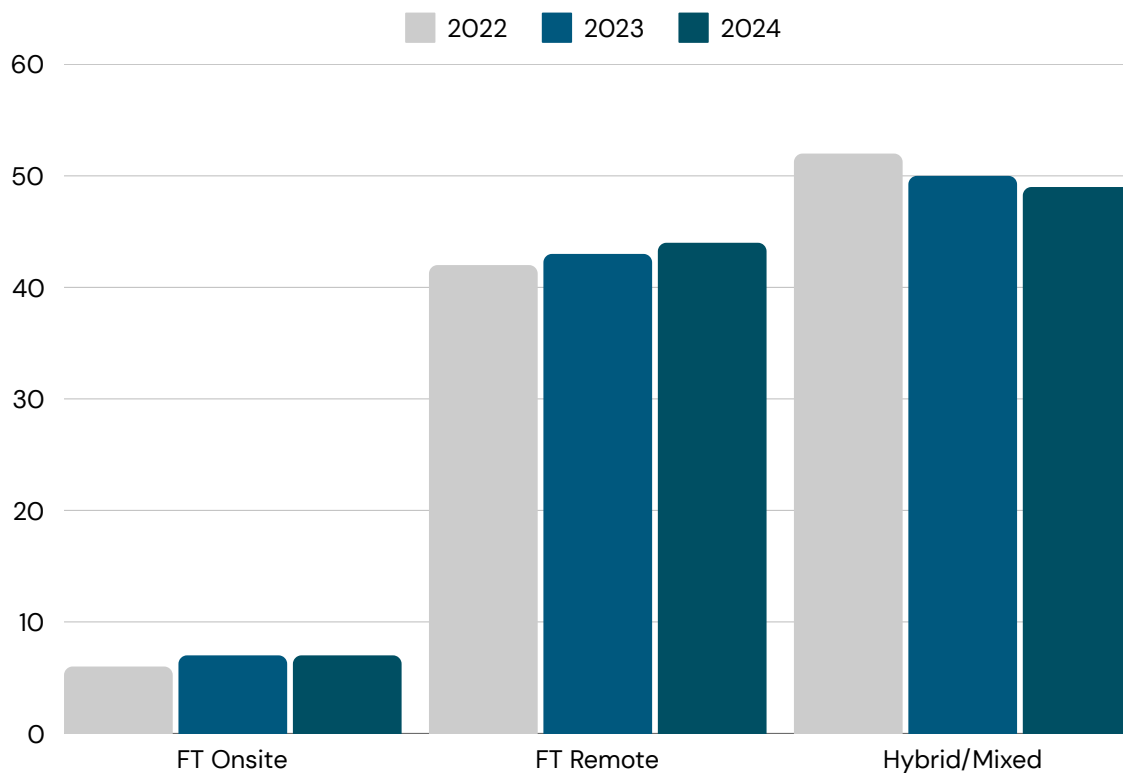
Return To Office

In 2025, return-to-office plans are shifting from rigid in office mandates to more flexible and thoughtful hybrid work setups. Trends for 2025 are pointing to hybrid work models which give employees the flexibility to work from home while still coming in for collaboration and team building. While some companies still allow fully remote work, most have moved forward with mainly hybrid and in office options for new hires.

Employers are aware that rigid policies could lead to turnover, and flexibility has become a requirement for many employees. Companies are also rethinking their office spaces, with better layouts and tools for teamwork. In 2025, the focus will be on creating a better balance between what workers want and what businesses need, proving that the lessons of the remote work era are still shaping the future.



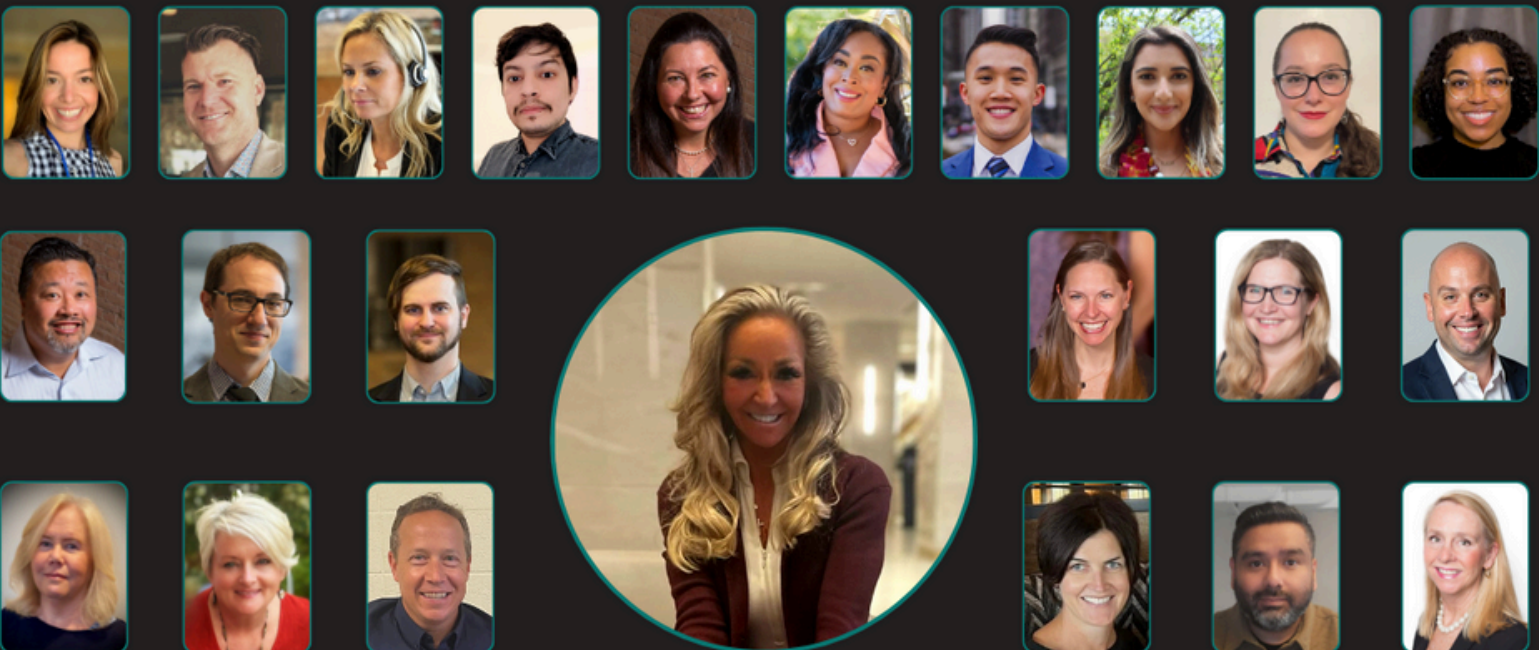
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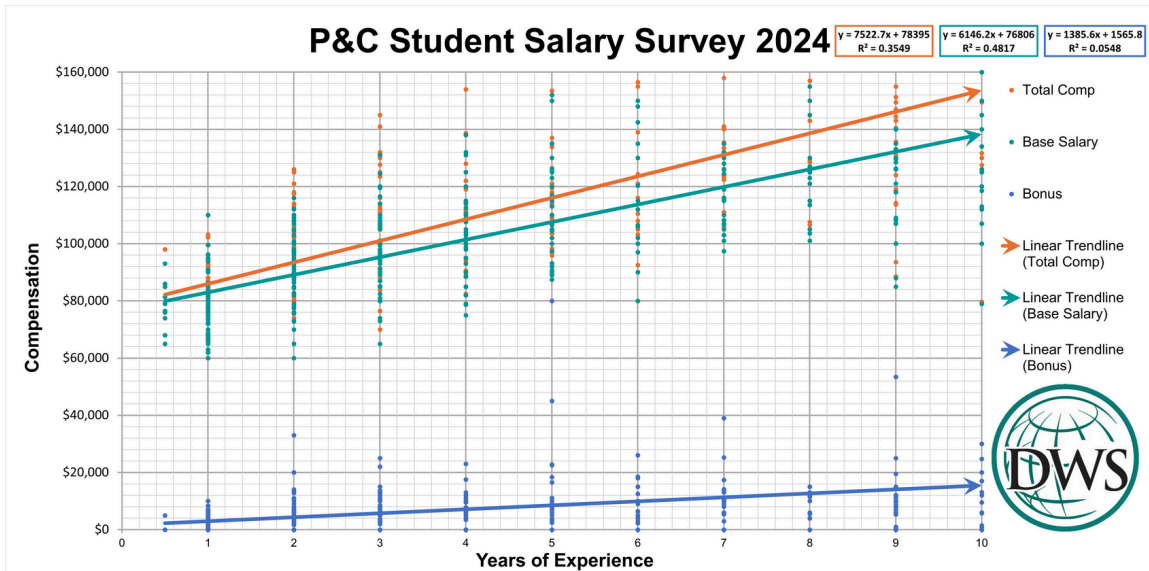
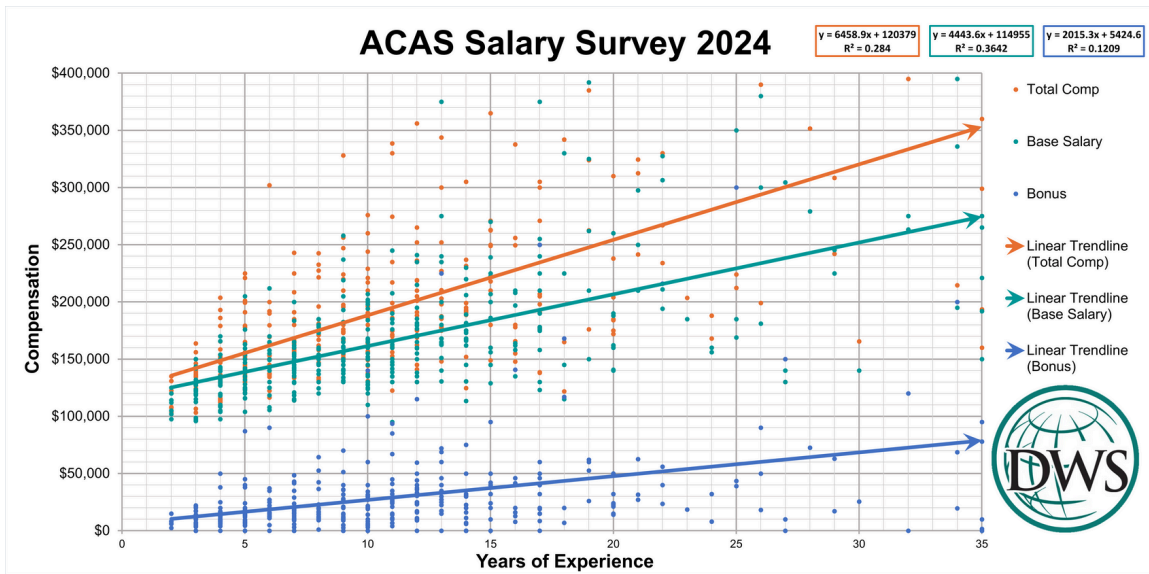
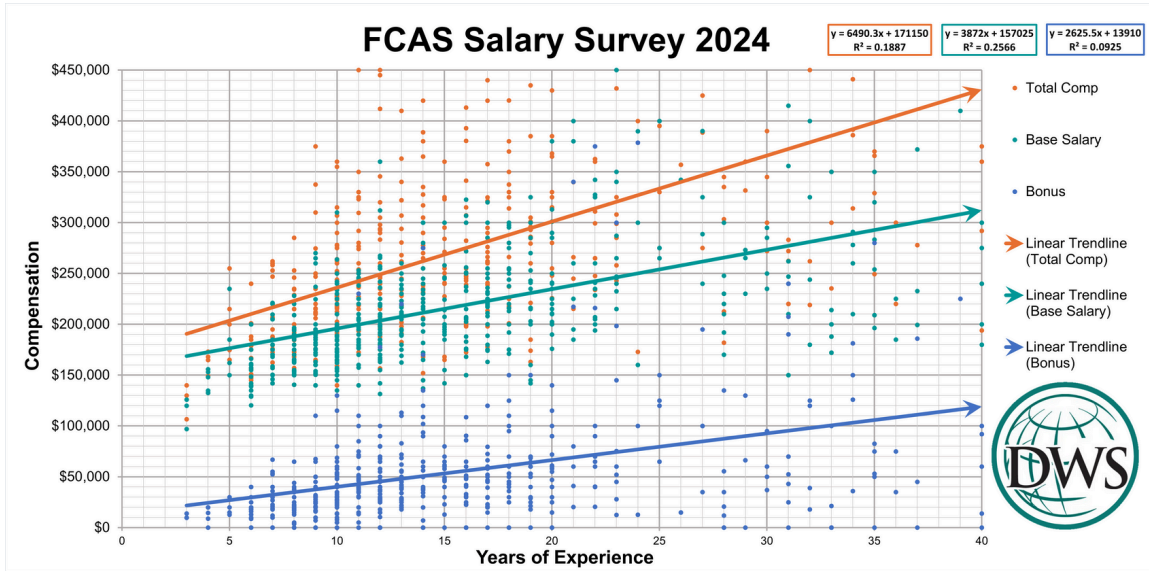
“Flexibility and work life balance continue to be major factors for candidates. As more employers move to in-office or hybrid policies, many highly qualified candidates choose to only work in a remote capacity. This is an ongoing challenge for employers and candidates alike.” – Patty Kennelly, Partner

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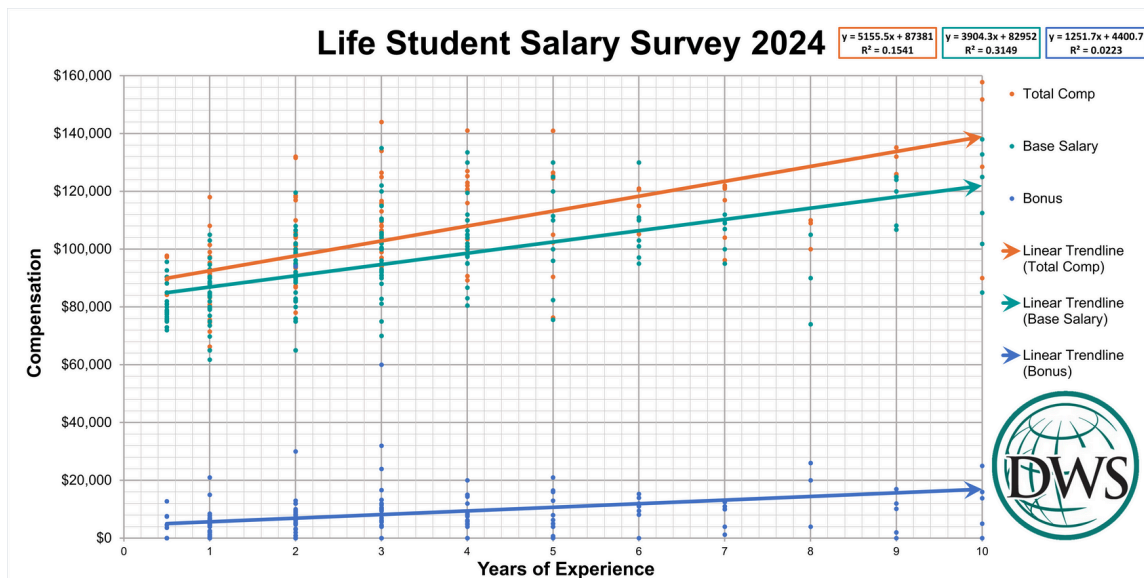
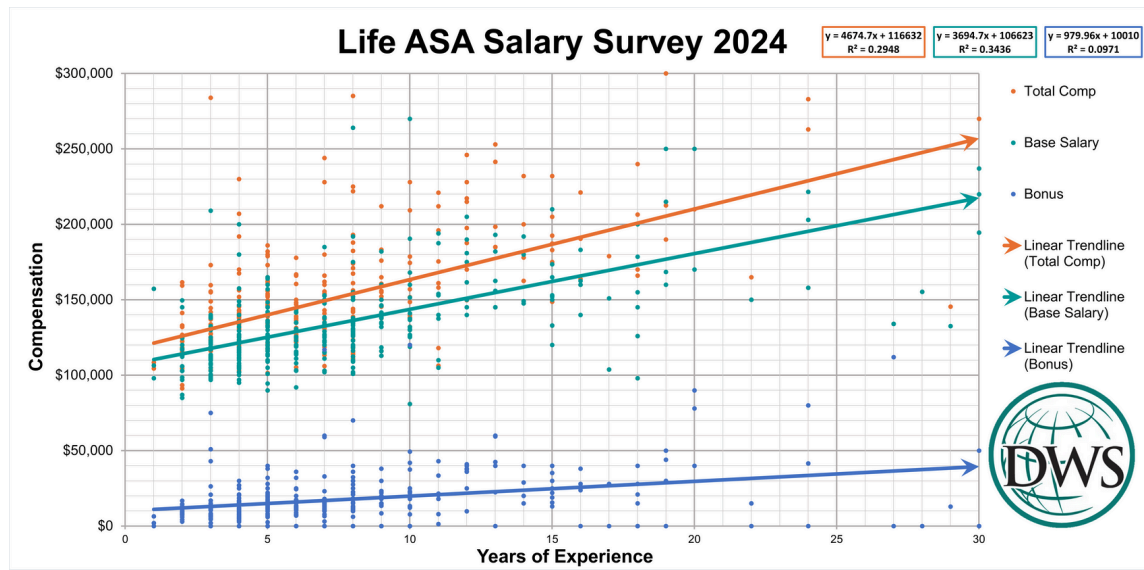
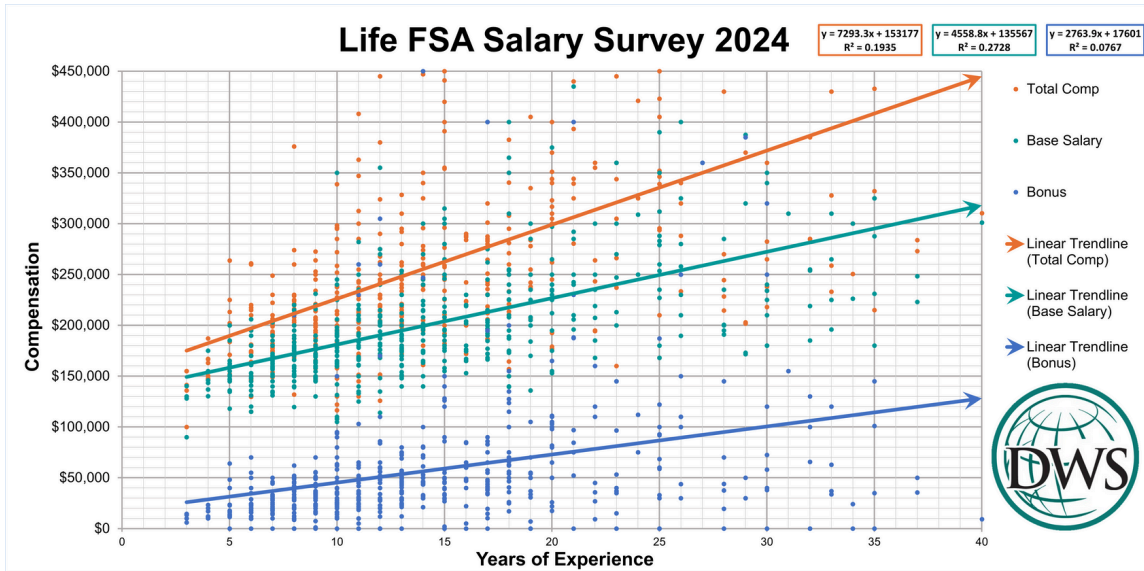
DW Simpson has grown to become the largest actuarial recruitment firm because of our consistent results. We are constantly growing and evolving as recruiters and industry knowledge leaders, with an eye towards becoming more effective, better educated, and continuing to drive success for our clients and candidates. Because DW Simpson is highly specialized, we have the specific expertise required to provide our clients and candidates with the resources, advice and support they need in the actuarial field and other related analytics professions in the insurance industry. The actuarial recruitment and placement process is our specialty, and we do it better, faster, and more thoroughly than any of our competitors.



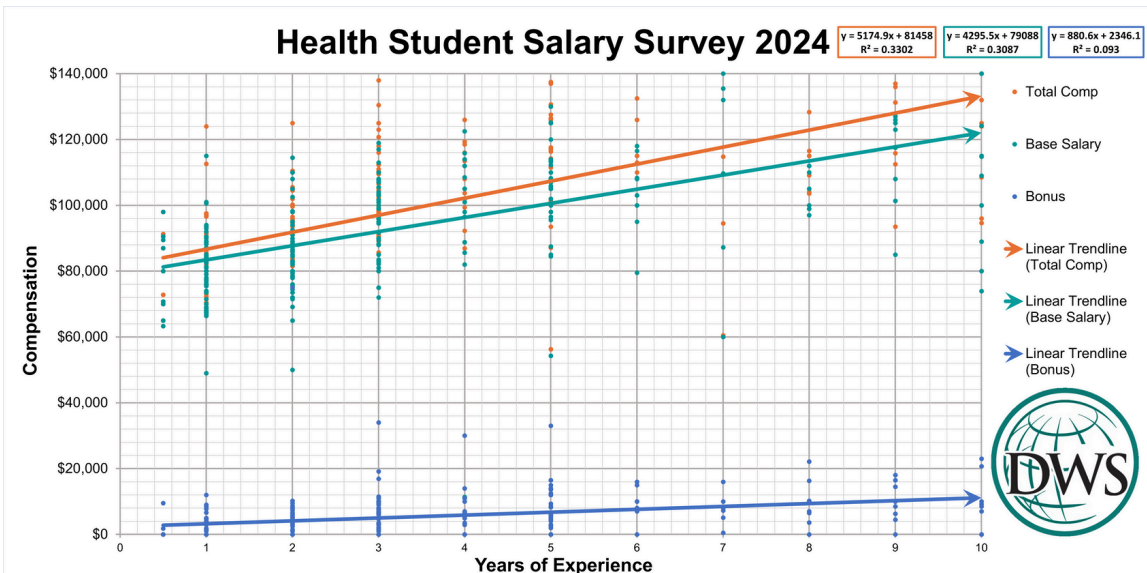
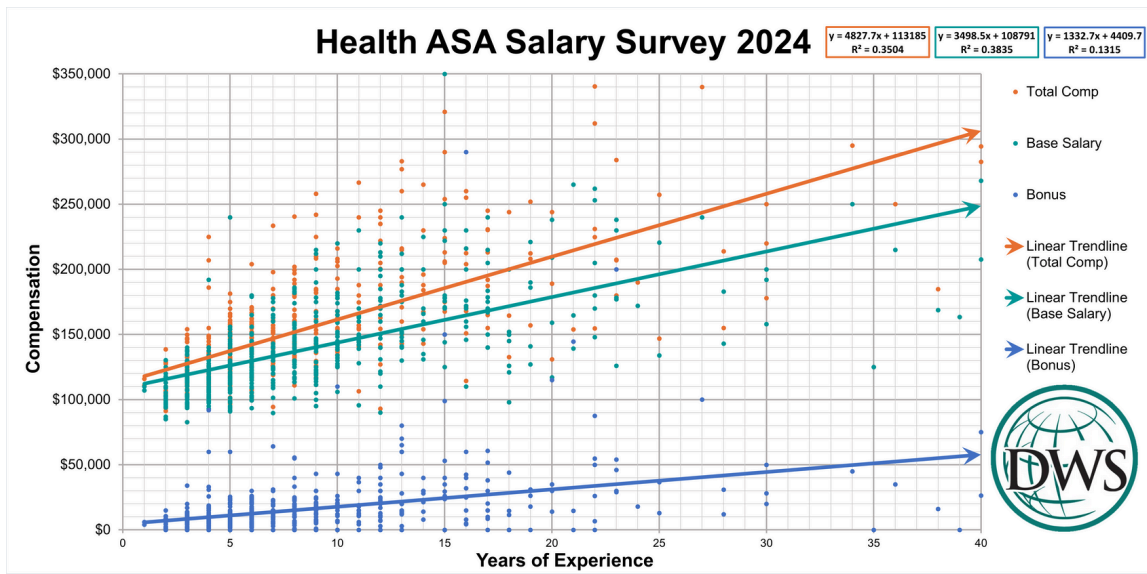
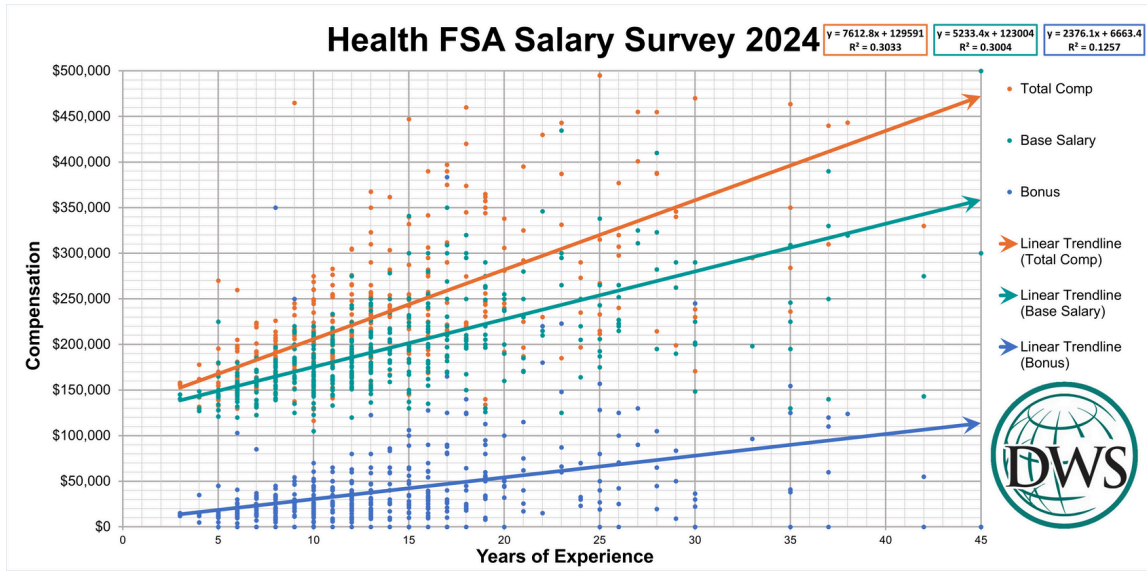
Salary Surveys



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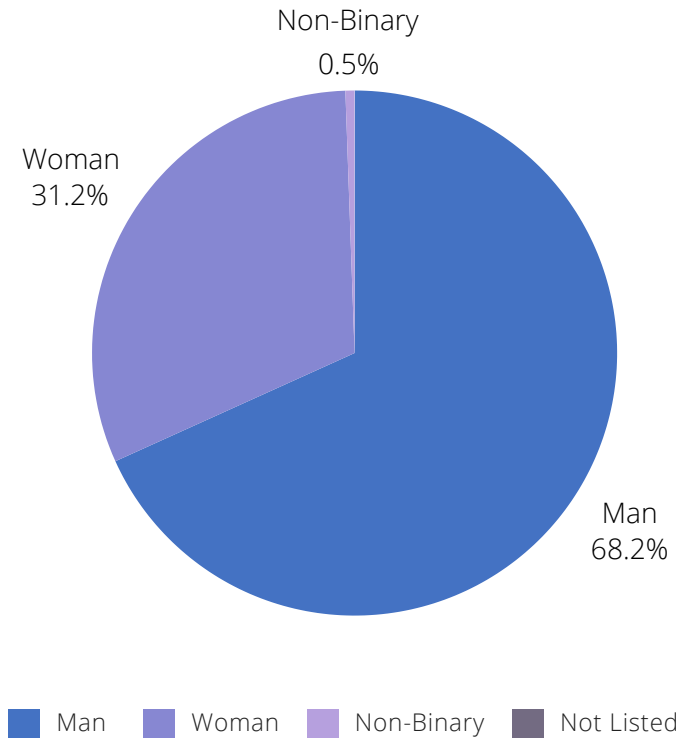


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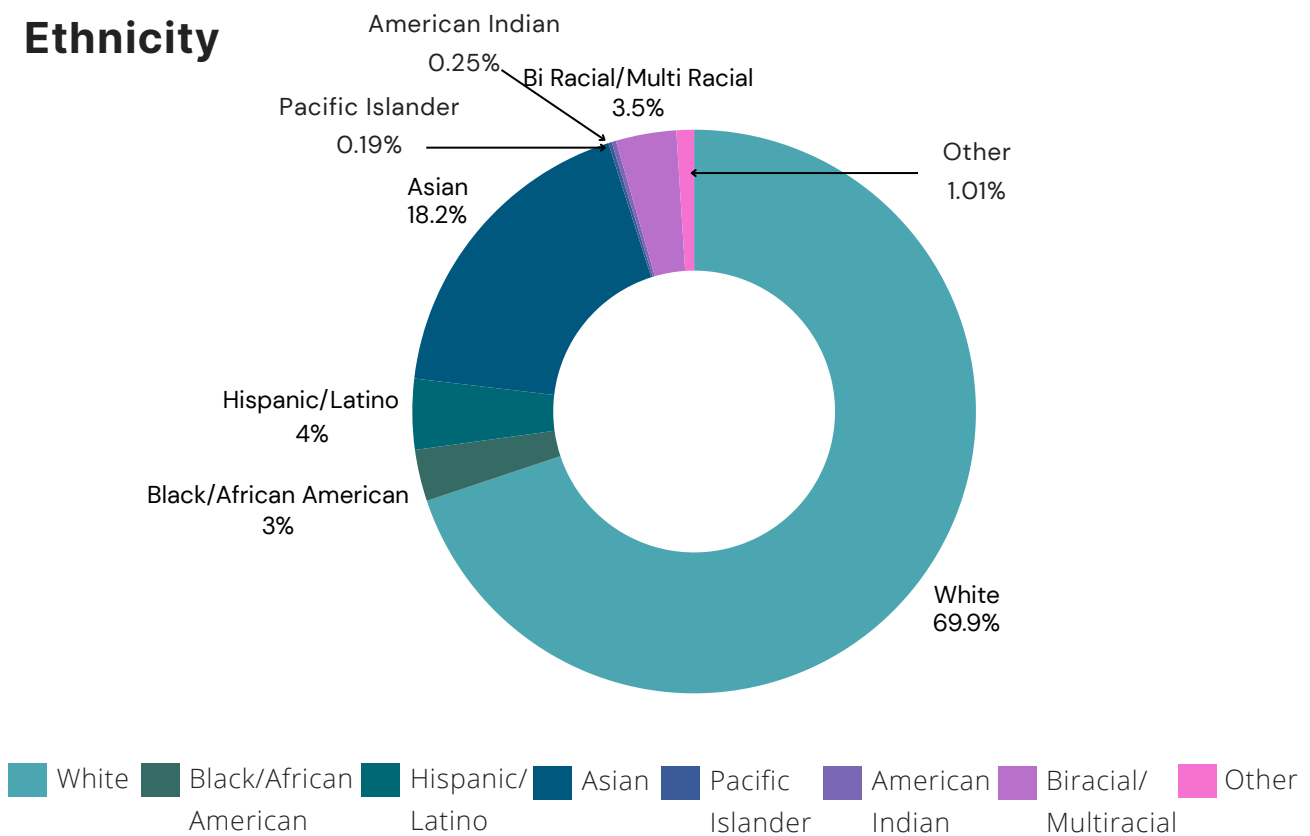


Actuary Demographics

Gender



Ethnicity



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