



CALIFORNIA DEPARTMENT OF INSURANCE INSURANCE DIVERSITY INITIATIVE

OVERVIEW

The Insurance Diversity Initiative was established by Insurance Commissioner Dave Jones in 2011 to address diversity issues within California's \$310 billion insurance industry. Specifically, these efforts are meant to increase procurement from California's diverse suppliers, as well as to increase diversity amongst insurer governing boards. To accomplish these goals, the Department conducts outreach, creates partnerships, hosts events, and most importantly, administers surveys to collect and publicly disseminate information about the state of diversity in the insurance industry. In 2012, an Insurance Diversity Task Force was established by the Commissioner to support and further the goals of the Initiative.

SUPPLIER DIVERSITY

Supplier diversity, as seen in other industries, is a win-win for both diverse businesses and insurers. For California's diverse businesses, this Initiative represents an open door to a once seemingly impenetrable market and thus increased business opportunities. For insurers, increased partnerships with diverse suppliers can result in decreased costs and more competition for bids, in addition to enhanced quality, creativity, and innovation from those suppliers – giving insurers the edge they need in a competitive market with rapidly changing demographics.

The Insurer Supplier Diversity (ISD) Survey requires all insurance companies with written premiums of \$100 million or more in California to report their procurement efforts with diverse businesses in California. For the first time ever, information about insurer procurement practices is being collected and made available to the public.

GOVERNING BOARD DIVERSITY

Recent reports demonstrate a strong correlation between the diversity of an organization's leadership and the level of its success in supplier diversity.

The Governing Board Diversity (GBD) Survey examines the state of diversity among insurer governing boards and requires all companies with written premiums of \$100 million or more in California to report on: 1) the demographic composition of the board; 2) the leadership of the board's diverse members; and 3) the company's outreach efforts and strategies to diversifying its board membership.

The GBD Survey is also the first survey of its kind in the nation and is meant to encourage insurance companies to seek diverse leadership and governing boards that are reflective of California and the nation's changing demographics.

CONTACT US

For more information, please visit us at: www.insurance.ca.gov/diversity
Contact us: Diversity@insurance.ca.gov