

Insurers Turn to Fractional Executives to Fill Leadership Gaps

The industry is increasingly hiring fractional executives to address succession gaps and specialized talent needs as veteran leaders retire and demand grows for expertise in areas such as actuarial, finance and technology.

By [Susan Ladika](#) | March 17, 2026

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As more insurance executives retire and others seek to move to part-time status, insurance companies are increasingly hiring these fractional or temporary leaders to help fill gaps.

"Many people don't want to be working a full-time job," said **Lisa Simon**, chief economist at **Revelio Labs**, a company that provides workforce data to corporations. At the same time, organizations "want someone who has been around a long time and knows the industry inside and out."

[Research](#) by Revelio Labs found that the number of fractional executives has soared. In 2018, just five of 1,000 workers starting a new executive position mentioned having fractional roles. In 2024, by comparison, 18 of 1,000 mentioned fractional roles.

Flexibility — on the part of both companies and executives — is driving increased interest and use of fractional executives, according to **Ash Athawale**, senior vice president of global executive search at **Robert Half**.

Nearly 20% of the fractional roles were for chief financial officer, and almost 15% were for chief marketing officer, Revelio found. Almost half of fractional leaders had tech sector

experience, while about 30% had finance backgrounds and about one-quarter came from consulting. More than 20% had backgrounds in healthcare and wellness.

Demand from insurers Jeff Blair, senior vice president at **The Jacobson Group**, said insurance companies are increasingly seeing demand for executives to work either part time or on a contract basis.

"As veteran leaders retire, insurance companies are often using fractional models to bridge leadership and expertise gaps, while maintaining organizational agility as the next cadre of leaders continues to be developed," Blair said in an email.

A report on high-end independent talent by **Business Talent Group**, a division of recruiting firm **Heidrick & Struggles**, found that 75% of organizations turned to independent leaders for specialized expertise they lack in-house, and more than 60% rely on them to accelerate critical initiatives.

"Insurers gain an edge by looking beyond their own industry for leadership talent," said **Sunny Ackerman**, global managing partner of on-demand talent for Heidrick & Struggles, in an email. "Leaders from consumer and technology sectors bring proven playbooks for innovation, commercialization and customer experience transformation that insurers cannot afford to build slowly from within."

In other instances, boards are hiring leaders on an interim basis to help fix a problem, or if a senior executive suddenly leaves, Athawale said.

Because of the Covid-19 pandemic, many executives remained in their roles because no one knew what was ahead. Now leaders are stepping down, and no one might be quite ready to take their place, Athawale said.

As a result, an organization might hire someone on an interim basis to run a department until a new person is hired or an internal candidate is brought up to speed, Athawale said.

The interim leader also can serve as an on-site mentor, preparing the up-and-coming executive to take over in six to 12 months. "There's nothing like having someone to guide them," he said.

Hot jobs Typically, fractional leaders have been hired by insurers to fill actuarial and finance roles, but "over the past two years, we have seen this spread across C-suite and executive roles," Blair said.

That jibes with the latest insurance labor market survey by The Jacobson Group and **Aon**, which found actuarial and executive roles are the hardest to fill.

One company that has leaned into the move toward fractional executives is the **Graeme Group**, which began offering actuaries to insurers and other companies on a temporary basis during the pandemic, according to CEO **Jeremy Levitt**.

Some are people who have retired but want to keep working in the actuarial field part time, Levitt said. These executives are often hired for six- to 12-month stints.

"There just isn't the actuarial expertise to meet all the possible demand," Levitt said.

Levitt said he expects the trend to hire part time and contract actuaries will "become more and more accepted, especially as remote work increases."

At the same time, the rapid rise of artificial intelligence and digital transformation is pushing insurers to bring in executives to fill gaps in these areas, Blair said. There also is increasing demand to fill claims and underwriting roles as leaders retire, he said.

Ackerman said organizations that are "undergoing transformation, modernization or performance pressure" are often the most likely to bring on fractional leaders.

Employee interest Leaders who are most interested in taking on fractional executive roles tend to be people who are quasi-retired. "Their honey-do list is shorter," Athawale said.

In other cases, they are baby boomers who have already retired but are "so used to being busy" that there is "nothing on their calendar, nothing to look forward to," he said. In these instances, taking on a fractional leadership role serves as a good transition so they can "rewire themselves to slow down a bit," he said.

Men aren't the only ones getting into the act. Women are moving into fractional executive roles, which can help provide better balance between personal and professional lives, particularly if they are caregivers, Revelio Labs' Simon said.

For women, work schedules "might align a little bit better with fractional work arrangements," Simon said.

Women hold almost 38% of fractional executive roles compared with 31% of full-time executive roles, according to recent data from Revelio.

Future demand Workforce experts expect demand for fractional executives to continue to grow, especially as more people enter the right demographic.

This year alone more than 4 million people are expected to turn 65 and by 2030, more than 20% of the population — upwards of 73 million Americans — will be age 65 or older, according to the U.S. **Census Bureau**.

And in the insurance industry, more than one-quarter of the 2.97 million employees is 55 or older, according to the **Bureau of Labor Statistics**.

"Given the insurance industry's aging demographic and very low unemployment rate, we expect the demand for fractional executives to continue to increase over the next few years," Blair said.

Ackerman agreed that demand will grow.

"Traditional hiring and talent models do not account for the evolving workforce," she said. "Organizations that embrace this model are better positioned to attract talent, retain full-time leaders and build resilience."