BLUE SKY

FINANCE & INSURANCE • NAICS 52

Finance and Insurance in the US

Average wage is $121,914, but wages are just 13.5% of revenue and each employee supports $902,058 of it. Headcount is growing 2.9% a year. Comp bands have room.

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IBIS Report
Published April 2026

EXECUTIVE SUMMARY

High Pay, Low Labor Share

- Sector revenue grew at a 4.2% CAGR over 2021-26 to $7.79tr and is forecast to reach $8.64tr by 2031 at a 2.1% CAGR. Profit margin is 28.8% in 2026, up 3.8 points in five years. Demand for financial and insurance services is expanding, not contracting.
- Employment rose from 7,499,197 in 2021 to 8,640,913 in 2026, a 2.9% CAGR and 1,141,716 net jobs. IBISWorld forecasts 9,613,199 by 2031, another 972,286 roles. Requisition volume in this sector is growth-driven rather than replacement-driven.
- The average wage is $121,914, yet wages take only 13.5% of revenue against 12.43% for the wider sector. Wages are the single largest cost line and still leave a 28.8% margin. People here are expensive in absolute terms and cheap in relative ones.
- Revenue per employee is $902,058, so headcount decisions are not primarily cost-driven. Yet the average enterprise employs 7.8 people across 1,110,864 businesses, and only UnitedHealth Group holds more than 5% share. Scale is rare and hiring is local.

INDUSTRY OVERVIEW

What This Industry Does

The sector raises and moves money: deposits and lending, credit cards and mortgages, insurance underwriting, portfolio management and investment advice. Its 8.6 million employees are largely client-facing and analytical, and they sit across 1,110,864 enterprises that average fewer than eight people each.

$7.8tr	8.6m	1.11m	$121,914
REVENUE	EMPLOYEES	BUSINESSES	AVG WAGE

Products & Services Mix

Insurance and related activities	37.5%
Other	32.2%
Credit intermediation and related activities	20.4%
Securities and commodity contracts	9.9%

AT A GLANCE

LIFE CYCLE
Mature

CONCENTRATION
Low

COMPETITION
High (Steady)

BARRIERS TO ENTRY
Moderate (Steady)

REVENUE VOLATILITY
Moderate

REGULATION
High (Steady)

TOTAL WAGES
$1.1tr

KEY WORKFORCE TRENDS

1 Headcount Grew Faster Than the Wage Bill

Employment rose at a 2.9% CAGR over 2021-26, from 7,499,197 to 8,640,913. Total wages grew 1.2% a year over the same window. The sector added people faster than it added payroll dollars.

2 Average Wage Peaked in 2021 and Has Stayed Flat

The average wage hit $132,046 in 2021, fell to $121,295 by 2023 and sits at $121,914 in 2026. IBISWorld holds it near $121,816 through 2031. Benchmarks set at 2021 levels now sit above market.

3 Wages Are the Largest Cost, at Only 13.5% of Revenue

Wages fell from 15.6% of revenue in 2021 to 13.5% in 2026, which the report attributes to AI and financial modeling tools automating back-end processes. Each employee still supports $902,058 of revenue.

4 Skilled Talent Clusters in a Few States

California holds 51,548 establishments, Texas 41,568 and Florida 34,127. The report names California and Washington for technical, actuarial and financial talent, and the Mid-Atlantic for university supply.

INDUSTRY PERFORMANCE

2021-26 Revenue CAGR: +4.2% | Employment CAGR: +2.9%

REVENUE

$7.8tr

▲ '21-'26 +4.2% | '26-'31 +2.1%

EMPLOYEES

8.6m

▲ '21-'26 +2.9% | '26-'31 +2.2%

BUSINESSES

1.11m

▲ '21-'26 +2.0% | '26-'31 +1.9%

TOTAL WAGES

$1.1tr

▲ '21-'26 +1.2% | '26-'31 +2.1%

AVERAGE WAGE

$121,914

▲ Peaked at $132,046 in 2021

PROFIT MARGIN

28.8%

▲ '21-'26 +3.8 pp

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SWOT ANALYSIS

STRENGTHS

- High Profit vs. Sector Average
- Low Customer Class Concentration
- Low Product/Service Concentration
- Low Capital Requirements

WEAKNESSES

- Low Revenue per Employee

OPPORTUNITIES

- High Revenue Growth (2020-2025)
- High Revenue Growth (2025-2030)
- High Performance Drivers
- Per capita disposable income

THREATS

- Low Revenue Growth (2005-2025)
- Low Outlier Growth
- Consumer confidence index

Fragmented — 7.8 Employees per Enterprise

Concentration is rated Low. UnitedHealth Group holds 6.42% of sector revenue and Roark is the only other named player above 2.5%; every other named employer sits in the 0-2.5% band. The remaining revenue is spread across 1,110,864 enterprises and 1,370,476 establishments, averaging 7.8 and 6.3 employees.

NAMED PLAYERS — HQ, HEADCOUNT BAND AND MARKET SHARE

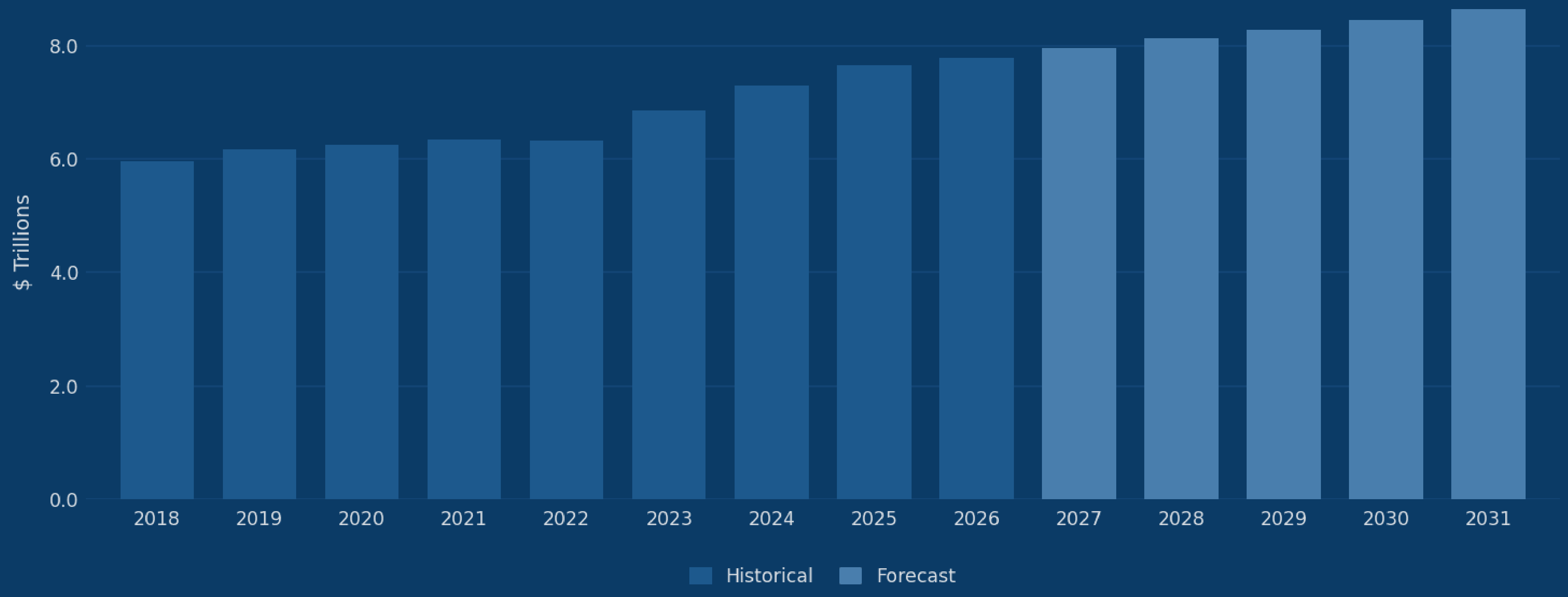
UnitedHealth Group	Minneapolis, Minnesota	10,000+ (6.42% share)
Roark	Atlanta, Georgia	10,000+ (2.5-5% share)
Elevance Health	Indianapolis, Indiana	10,000+ (0-2.5% share)
Berkshire Hathaway	Omaha, Nebraska	10,000+ (0-2.5% share)
Fannie Mae	Washington, DC	5,001-10,000 (0-2.5%)

WHAT THIS MEANS FOR HIRING

- Most headcount sits outside the named players. With 1,110,864 enterprises averaging 7.8 employees, volume hiring means working many small employers rather than a handful of large accounts.
- UnitedHealth Group is the only named company above 5% share, at 6.42%. Roark is the only other above 2.5%. The other 18 named employers are all in the 0-2.5% band.
- Eighteen of the twenty named companies report 10,000+ employees. Where scale exists it is very large, but it still covers a small share of sector revenue.
- Establishments per enterprise is 1.2, so most employers run from a single site. The branch-heavy exceptions are visible: Chase lists 4,721 locations and CVS Health 9,000.

REVENUE GROWTH

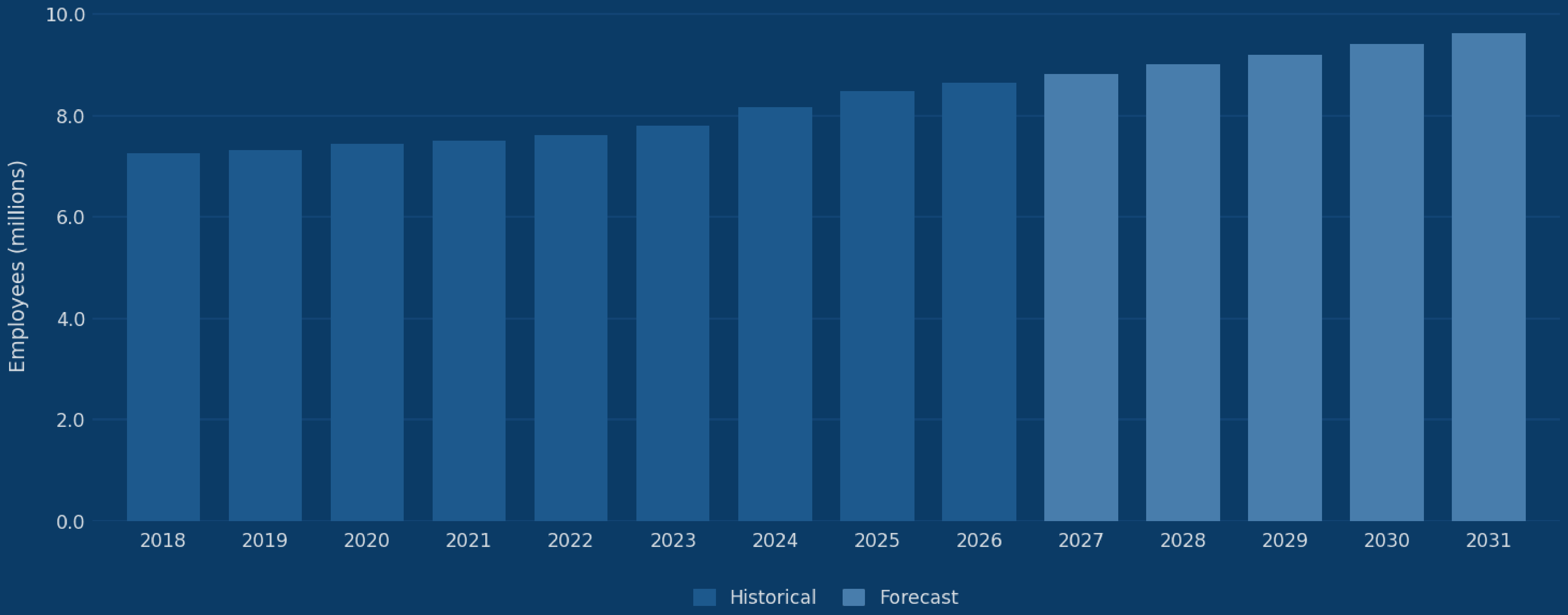
Annual industry revenue ($ trillions), 2018–2031 (forecast from 2027)



Revenue rose from $5.96tr in 2018 to $7.79tr in 2026, a 4.2% CAGR since 2021. Growth slows to 2.1% through 2031. Hiring demand tracks a rising but decelerating line.

WORKFORCE GROWTH

Industry employment (millions), 2018–2031 (forecast from 2027)



Employment added 1,141,716 net jobs from 2021 to 2026 (+2.9% CAGR) and adds a forecast 972,286 by 2031. Req volume is steady and weighted to growth over backfill.

Insurance and Credit Carry the Headcount

Insurance and related activities is the largest segment at 37.5% of revenue ($2.9tr), ahead of credit intermediation at 20.4% ($1.6tr) and securities and commodity contracts at 9.9% ($771.7bn). IBISWorld ties staffing to customer service, risk management, client advisory and underwriting work.

REVENUE MIX — PRODUCT SEGMENTS AND LARGEST CLIENT MARKET

Insurance and related activities	37.5% ($2.9tr)	Largest segment
Other products and services	32.2% ($2.5tr)	Unallocated in source
Credit intermediation	20.4% ($1.6tr)	Loan volume up on rate cuts
Securities, commodity contracts	9.9% ($771.7bn)	Alternative assets growing
Individuals — largest end market	36.2% ($2.8tr)	Retail advisory and service

TALENT SUPPLY SIGNALS

- Skilled labor availability is one of IBISWorld's listed Key Success Factors. The report calls most industries in the sector labor-intensive, requiring advanced knowledge in finance or technology.
- Talent depth is geographic. The report names California and Washington for technical, actuarial and financial talent, and the Mid-Atlantic for graduates from its universities.
- Contingent labor is marginal. Temporary employees account for 1.7% of Other Costs, the report's only reference to contingent staffing. Permanent hiring is the channel.
- Automation targets process work, not client work. Innovation is concentrated on back-end processes such as underwriting, claims and fraud scoring, while skilled staff retain clients.

KEY EXTERNAL DRIVERS

Per capita disposable income	Positive
Corporate profit	Positive
Consumer confidence index	Positive
Regulation for the Banking sector	Negative

REGULATION & POLICY

- Regulation & Policy is rated High (Steady). The 2010 Dodd-Frank Act still actively restricts sector activity, so compliance staffing is a standing cost rather than a cyclical one.
- Basel III set uniform liquidity and capital requirements for banks operating globally, aimed at higher reserves on hand and greater financial stability across the sector.
- IBISWorld expects regulation to increase as the retail investor share grows, following the response to meme stocks and cryptocurrency. New product lines arrive with new oversight.
- Assistance is Low (Steady): direct government support arrives only in crises, last through TARP in 2008. The report's sole workplace-policy note is ESG-driven inclusion and diversity.

KEY TAKEAWAYS FOR TALENT LEADERS

- Pay at the top of the band. The average wage is $121,914 and wages consume 13.5% of revenue against 12.43% for the wider sector, while each employee supports $902,058 in revenue and a 28.8% margin. Comp is not the binding constraint here.

- Benchmark to 2026, not 2021. The average wage peaked at $132,046 in 2021 and has settled at $121,914, with IBISWorld holding it at $121,816 through 2031. Offers anchored on peak-year data will overshoot the current market by roughly $10,000.

- Plan for growth reqs, not backfills. Employment added 1,141,716 people between 2021 and 2026, a 2.9% CAGR, and is forecast to add another 972,286 by 2031. Headcount rises in every year of the 2018-2031 window the deck charts.

- Build a small-employer sourcing motion. There are 1,110,864 enterprises averaging 7.8 employees and 1,370,476 establishments averaging 6.3. California alone holds 51,548 establishments, Texas 41,568 and Florida 34,127.

- Track automation on the back end. Wages fell from 15.6% of revenue in 2021 to 13.5% in 2026, which the report attributes to AI and financial modeling tools automating underwriting, claims and other back-end processes.

TALENT & COMP BENCHMARKS

Cost Structure — Industry vs. Sector (% of Revenue, 2026)

COST LINE	INDUSTRY	SECTOR
Wages	**13.5%**	12.43%
Profit	**28.8%**	24.46%
Purchases	**2.4%**	3.36%
Marketing	**1.9%**	2.14%
Rent	**1.9%**	1.99%
Depreciation	**1%**	2.16%
Other Costs	**50.4%**	53.10%
Temporary staff (% of Other Costs)	**1.7%**	n/a

BENCHMARK RATIOS

AVERAGE WAGE

$121,914

2026; peak $132,046 in '21

WAGES % OF REVENUE

13.5%

Sector 12.43%; 15.6% in '21

REVENUE PER EMPLOYEE

$902,058

2026; +1.3% CAGR '21-'26

EMPLOYEES PER BUSINESS

7.8

Per enterprise; 6.3 per estab.

SOURCES & CITATIONS

Source Report

IBISWorld, "Finance and Insurance in the US" (NAICS-US 52), by Demetrios Berdousis, published April 2026. © 2026 IBISWorld. All Rights Reserved. www.ibisworld.com

Additional Resources Cited in the Report

- The United States Federal Reserve System
- Insurance Information Institute
- National Assn. of Insurance Commissioners
- American Council of Life Insurers

PREPARED FOR

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