



SOCIETY OF ACTUARIES

Article from:

The Actuary

October/November 2011 – Volume 8 Issue 5

Editorial

WHAT'S YOUR WHY?

BY PETER HAYES

"IT DOESN'T MATTER WHAT YOU DO, IT MATTERS WHY YOU DO IT."

I had the pleasure of seeing Simon Sinek speak at a luncheon last year. He's the author of *Start with Why*, and his main theme is captured in the quote above: those that are most successful in inspiring others—in showing leadership that others will follow—understand the why. According to Sinek, most of us understand how we do things and what those things accomplish, but we never get to the question of why we do them.

I've thought about that message a lot since I heard it, particularly as it pertains to the work I do for clients. I have become amazed at how often management communicates change to staff by simply announcing "this is what we need to do," without ever articulating why they need to do it. Sometimes it's outright survival, but the reality is that changing something is the how to survival's why. How often have we all experienced difficulty in our business lives implementing change and striving to overcome frustrating resistance—all

because those on the other end never understood why?

We can look at other examples from, say, government, when they (unintentionally) communicate paternalism as a primary motivation for doing something: "we're doing this because (somehow) it's good for you." Think of how the U.S. health care debate might have evolved if the advocates for reform had started with an unassailable why, to which creating a healthier America was the how and health care reform the what. Here's a challenge for you: try to articulate that question of why and see how truly difficult it is to do.

I'll give you an example from Sinek: America is the richest country in the world, but its infant mortality rate remains embarrassingly high. So here's a why: let's work to let our kids live so that they can have the chance to embrace all that America, as a country, has to offer. Let's keep kids alive! How? By devoting (fill in the blank) resources to improving infant mortality. Enabled with what? Health care reform. All of a sudden the debate changes: you're not debating health

care reform, you're debating whether to keep children alive long enough to survive on their own two feet and erasing a national embarrassment. There's no debate—who argues with striving for excellence when it comes to the health of infant children?

I've also considered the why question in the context of the SOA, I think at two levels: one, as a detached observer watching change take place, and thinking about how that change is communicated to the membership; and two, at a very personal level, wondering why so many of us have such an affinity to the SOA and the work that it does.

As an example of the former, think about how many changes have taken place in the administration of the exam system over the years. I started in the (now ancient) 10-exam system, that got blown up into several pieces in the late '80s, only to be reassembled, only to be disassembled—well, you get the idea. The path may not always have been smooth, but it is these series of changes that have allowed us to evolve to the excellent education and



Peter Hayes

examination system we, as a profession, have today.

What I find interesting is the level of resistance that these changes were often met with, and I wonder if it's because we sometimes don't do a terrific job of communicating why. The end result of improvements to education is that we produce better actuaries, but is this why we make changes to our system from time to time—to produce better actuaries? I'm not so sure.

Consider for a moment the race to occupy the intellectual and business opportunity space created by the heightened awareness around managing risk. It has, I believe, opened our eyes as a profession: we hold ourselves out as being uniquely trained in aspects of risk management, yet we observe others marching into what we consider our territory. Could it be that enhancing our relevance as a profession is the compelling reason to want to build a better actuary, and the means for doing so is better delivery of an actuarial education?

Think of e-learning and Fundamentals of Actuarial Practice (FAP): some still consider this a watering down of the educational opportunity, yet the evidence shows improved learning outcomes as they relate to the material covered. We're advancing the relevance of the actuarial profession (the why) by building better actuaries (the how) through the introduction of e-learning and FAP (the what), yet the criticism from some within the profession is so focused on the what that the why gets completely lost—and the long-term damage we inflict upon ourselves could very well be our ultimate

demise. That's not to say that there doesn't need to be a circling back—a validation, if you will—to ensure that change, in fact, accomplishes what it is intended to do. On that note, the evidence thus far is that FAP is helping build better actuaries.

Professions are also embracing life-long learning through continuous skill improvement, and continuing professional development (CPD) initiatives by the SOA and by the CIA in Canada are examples specific to the actuarial profession. Relative to the pre-qualification education system, CPD is in its infancy, but the SOA has taken a quantum leap in developing the Competency Framework as a tool to analyze gaps and help actuaries set a personal path to ongoing education. It is very innovative.

Building better actuaries in order to continually enhance the pre-eminence of our profession represents leadership. This is much different than building better actuaries simply to try, as a profession, to survive and maintain our relevance. We will broaden our horizons as a profession—and be recognized as we do so—through continuous innovation. The means by which an actuarial education is delivered is but one small example of how this innovation can occur.

Maintaining and enhancing our education system, and developing and implementing a new CPD framework, is a ton of work, much of it done through the use of volunteers. Do you ever wonder why we do it? I have long maintained that the 20-odd years I spent as a volunteer in the exam system was, itself, the most fulfilling CPD you could ever want to get, and I suspect that many section volunteers

could make a similar claim. Does that mean we volunteer because “there's something in it for me”? Or by becoming actuaries, do we develop a sense of belonging, an affinity or a tie that draws us together and makes us want to work for what we have in common—the SOA being the catalyst?

If I'm selling people on volunteering, I'm selling the “what's in it for you” as the why—“*Here are the benefits you get ... how? By volunteering. At what? For Education and Exams or a section or whatever.*” It's not “you should join a section,” it's “you should derive such-and-such a benefit for yourself.” The how and the what are automatic followers.

Many of us, however, give back as a means of nurturing a profession that has provided us with our livelihood. I have a hard time pegging the why, despite having thought about it. Perhaps a sense of belonging to the greatest profession in the world, and sharing that sense of belonging with some very incredible people, provides an insight into why. Perhaps, deep down, it's wanting to play some small role in advancing the greatest profession, and to make it even greater. **A**

Peter Hayes, FSA, FCIA, is principal for Eckler Ltd. He can be contacted at phayes@eckler.ca.