



SOCIETY OF ACTUARIES

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## Letter From The President

# A CLEAR AND CONCISE DIRECTION FOR OUR PROFESSION

BY TONYA B. MANNING

***“SIMPLE CAN BE HARDER THAN COMPLEX: YOU HAVE TO WORK HARD TO GET YOUR THINKING CLEAN TO MAKE IT SIMPLE. BUT IT’S WORTH IT IN THE END BECAUSE ONCE YOU GET THERE, YOU CAN MOVE MOUNTAINS.”—STEVE JOBS***

**AS IMPORTANT** as our actuarial work is, of equal importance is the way in which we communicate that work to our colleagues, clients and other business audiences. These communication skills are of paramount importance to our success, both individually and collectively as the greater community of actuaries.

According to the SOA’s most recent employer survey, actuaries are seen as being trustworthy, detail oriented and superior with regard to applying quantitative skills. The ability to communicate effectively, however, was viewed as an area for improvement. So, what do we do?

Communication has always been important, but today’s business challenges bring about a need to constantly re-evaluate and rethink how we communicate. Should we change our delivery? One could argue that effective communication skills should top our list of priorities, knowing that these skills spill into all areas of our work. Clear, concise communication has become an imperative to many of our clients and an invaluable skill-set to call upon. The need to be concise is driven by the client’s desire to know the bottom line—NOW. The need for clarity is key as we

expand into new areas of practice, where the traditional actuarial report and jargon must be reworked to best serve new audiences and new purposes.

The current business environment has ushered in a new emphasis on transparency with regard to financial matters. Clients want and demand access to all the numbers and can have at their fingertips access to mountains of data via access points that didn’t even exist five to 10 years ago. Thanks to the Web, it takes less than a second to have a plethora of rich, and sometimes conflicting, information brought to our desktops, tablets or mobile phones. Access to this information is terrific; however, it puts the onus on actuaries to foster trust in those very same individual clients, businesses, organizations and consumers. Those audiences should know that we are the ones they can rely on for informed perspective, accurate analysis and the business advice they need to be successful.

Our efforts to be clear and concise begin with clarity—especially on the part of our clients. They want us to get to the heart of their matter. This is often a challenge in these days of market complexity and

volatility. It becomes even more difficult to respond to a stakeholder’s plea, “Just give me the number, please.” Much of what we do requires discussions of scenarios, ranges and possible result variations. It might be better to anchor the initial discussion with one possible scenario and make sure we “finish the conversation,” explaining the “what-ifs” and how that anchor scenario would change if assumptions varied. Finishing the conversation is critical and will lead to better analysis and decisions, but you should first engage them with a scenario that acts as a compelling starting point.

Expanded disclosure requirements have also had an impact on the clarity of our communications. We all need to learn new ways of meeting these requirements without losing the message. Layering our message is a good option. We start with the headline, and follow with the executive summary, analysis, supporting information and additional disclosure. The idea of layering actuarial communications was encouraged by Gabriel Bernardino (chairman of the European Insurance and Occupational Pensions Authority) when speaking at the International Actuarial Association’s meeting this May.



Tonya B. Manning

The second part of the clear and concise equation—concise—is the other quality we as actuaries need to bring to the table. Our clients' ability to access mountains of data and the ability to make critical decisions based on it, are two very different things. It is the latter of these for which our clients truly turn to us. Concise means boiling all that data down to its essence. What does it MEAN to them? They are looking for a recommendation, a solution, not just a fair analysis. Often, while we may deliver a well-thought-out analysis for our clients, we steer clear from making a recommendation because that is not thought of as an actuary's responsibility. For the profession to stay relevant, I think it is time for us to be bold and make that recommendation based on our analyses, and add caveats and considerations as needed. We can't be afraid to take a position. We are solution-oriented professionals and because of our rigorous training, people will respect our recommendations.

Just as important as the right message is choosing the right method of delivering it to your audience. With so many options, this choice can be daunting. Should we send an email? Should key members of a major organization receive the full report or a summary of the key highlights? Maybe distributing a discussion guide would be more effective than a presentation to key clients.

We need to make sure that the messages we are delivering are presented using the most effective communications format appropriate to the audience. One format does not fit all. While tweeting our actuarial report may be a tad extreme, it's not a stretch to say the tolerance for lengthy documents is long gone. Our clients, colleagues and business partners want to receive digestible information faster,

## Sharpen Your Communication Skills

New FSAs benefit from the SOA's Decision Making and Communications course. Visit [www.soa.org/ecourses](http://www.soa.org/ecourses).

Take advantage of SOA online courses to sharpen communication skills. Visit [www.soa.org/pdcalendar.aspx](http://www.soa.org/pdcalendar.aspx) for meetings, webcasts, e-courses and podcasts.

Check out our new Tools for Actuaries website for books and courses on business and communication skills. Go to <http://tools-foractuaries.org/>.

Dan Roam is the best-selling author of *The Back of the Napkin* and *Blah, Blah, Blah: What to Do When Words Don't Work*. Roam will be the opening general session keynote speaker at the SOA 2013 Annual Meeting. Visit <http://www.soa.org/event-calendar/2013-annual-meeting/>.

Susan B. Weiner offers some great tips on writing good emails, report drafts and other business topics. Read her blog at <http://investmentwriting.com/blog/>.

Google "infographics." There are several good sites that explain how to create graphics quickly and easily to help present detailed or complex information in an understandable way.

and, of course, they still want all the supporting details. It can be a lofty balancing act to deliver both, but not impossible.

Effective communication is critical to our professional relevance, as we continue to service our current clients, and especially as we expand into new areas of practice, where we can aspire to impress these new audiences with the clear and concise ways in which we communicate to help them in their financial challenges.

You'll find valuable sources of communication information in the sidebar, "Sharpen Your Communication Skills." The SOA offers e-courses and podcasts, and you will definitely want to check out our new Tools for Actuaries website for resources on business and communication skills. If you know of good seminars, webcasts, infographics or books to recommend on the topic of communications, or ways that you have changed the way you communicate that have proved successful, please share them. Write to [theactuary@soa.org](mailto:theactuary@soa.org). We can all grow and benefit from sharing ideas.

Warm regards! **A**

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