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Editorial

TO COMMUNICATE OR NOT COMMUNICATE?

BY ROD BUBKE

IN HER LETTER FROM THE PRESIDENT in the August/September 2013 issue of *The Actuary*, Tonya Manning discusses the importance of actuaries being able to communicate clearly and concisely. "These communication skills are of paramount importance to our success, both individually and collectively as the greater community of actuaries," she wrote.

In October 2012, the Society of Actuaries' Board of Directors approved a strategic plan for 2013–2016. The plan contains the statements, "The SOA's career-long learning programs develop actuaries as technical experts, **business professionals and leaders**" and "foster career-long learning focused on technical excellence and **business acumen**" (bold added for emphasis).

In 2008, the SOA developed the Competency Framework, a set of eight competencies actuaries should possess to be successful. Two of those competencies are communication and leadership.

We all know it is important for us to be able to explain our work to others. At Ameriprise, part of our summer intern program is for the interns to spend time with actuaries in various levels and areas in the company. This helps them get a better picture of the profession and the company. When I meet with the interns, I always stress the importance of being able to communicate. I tell them it's not good enough to crunch numbers and be technically strong if you can't communicate results and their implications to your leaders and ultimately management.

So why am I talking so much about communication? As of Jan. 1, 2008, the American Academy of Actuaries implemented a continuing education component in the U.S. Qualification Standards. This applies to all actuaries who make statements of actuarial opinions. The standard requires 30 hours each calendar year to be qualified. That's not too bad; I think that makes sense. But in reading further you find there is a **maximum** of three hours that can be spent on general business courses and education materials. Doesn't this seem inconsistent with the need to be able to communicate?

Doors Are Open—Check Out BizLibrary

RESOURCES ON BUSINESS AND COMMUNICATION SKILLS NOW AVAILABLE

The Society of Actuaries has contracted with BizLibrary to offer members and candidates online video/audio business courses in the areas of communication, leadership, relationship management and strategic insight. Delivered via the SOA's new Learning Management System, those interested can select five courses for a one-year period at a discounted cost.

BizLibrary was launched in October in response to member requests asking for courses that can help them finesse their communication and management skills. Twenty-six courses developed by Skillsoft, a leading provider of online business skills training, are available. Check out BizLibrary on the SOA website. Go to Professional Development, E-Courses. Make sure you have the E-Courses tab open and click the first item, BizLibrary Business Skills: Courses on Professionalism, Leadership and Communication.

In June 2008, the SOA board approved a continuing education requirement for SOA members, effective Jan. 1, 2009. The SOA's requirement is somewhat different from the Academy's, with one of the differences being completing 60 credits over a two-year period, which doesn't have to be 30 each year. One area where they are partially the same is imposing a limit on the number of hours on business and management skills. The SOA's limit is 15 credits each two-year cycle or, on average, 7.5 credits per year. Again I ask, doesn't this seem inconsistent with the need to be able to communicate?

If being able to communicate is so critical to our profession's future, why do our continuing education requirements place maximums on the number of credits you can earn for education in this area? To be fair, I'm sure there are reasons for not wanting actuaries to get all or a large portion of their professional development credits in the so-called "soft skills." Our profession has been and continues to be highly technical in nature. However, in any given year if an actuary really wants to develop communication or leadership skills, they will likely come in bigger time chunks than the maximum allowed. A three-day course would exceed the limits of both the Academy and the SOA.

One could argue there is nothing stopping an actuary from getting more development in these skills; they just would not be able to apply them to their continuing education requirement. This is true; however, in these days of tight controls on expenses, how much is an employer willing to spend on professional development? This could limit the opportunities unless actuaries pay the cost on their own.

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Then there are the questions of who should provide this type of education and what should it look like. I can safely say a session or two at an SOA meeting isn't what is needed. When I was on the Professional Development Committee, we struggled with this. Should the SOA be the provider or should we partner with an outside organization that already has a curriculum in this area, such as a business school? From a business school perspective, are there enough potential students to make it worth the time and effort?

So where do we go from here? First and foremost, I would encourage both the Academy and SOA to eliminate or significantly increase the maximum number of credits in communication and business skills actuaries can use to meet their continuing education requirements. Accompanying Manning's letter in *The Actuary* is a sidebar with current opportunities available for actuaries to sharpen their communication skills, some through the SOA and others that are not. Efforts need to continue to provide quality and relevant professional development opportunities in this area.

"**Effective communication is critical to our professional relevance**, as we continue to service our 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," Manning also wrote (bold added for emphasis).


Rod Bubke

So what is the answer to the question, "To communicate or not communicate?" The answer is most definitely to communicate; now we need to provide our members with the skill set to do so. A

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