



Article from

## **Reinsurance News**

March 2016

Issue 84

# Editorial: Why the Clever and Lazy Might Make the Best Leaders

By Ronald Poon-Affat

“Everyone knows the story of the traveler in Naples who saw 12 beggars lying in the sun (it was before the days of Mussolini), and offered a lira to the laziest of them. Eleven of them jumped up to claim it, so he gave it to the 12th. This traveler was on the right lines.”<sup>1</sup>

While this article’s headline may be anathema to this newsletter’s readership, before you take umbrage to the assertion that laziness may be the best road to the C-suite, let he who is with a TV remote control be the first to channel surf manually.

## GROUPS OF PEOPLE

A Business Insider article I read provided the kernel for this piece.<sup>2</sup> The article discussed a concept that suggested people can be divided into groups based on these four characteristics: clever, stupid, lazy, and diligent.

At first glance, it might seem like being clever and diligent might be the best combination one could hope for if one has aspirations to be invited to join the board room. However, clever and diligent workers might be more likely to follow instructions and work hard at what they’re told to do rather than to lead.

The diligent and stupid will work hard and get a lot done, but they need direction, or havoc will ensue. The lazy and stupid

are generally those who do repetitive work requiring little thought—work that can easily be outsourced, or at least, mechanized.

Then we have the so-called clever and lazy. These people often have the following characteristics:

- They desire to make everything simpler and easier.
- They avoid “busywork” (e.g., pointless meetings and teleconference calls).
- They don’t micro-manage and centralize, but are comfortable with delegating in order to get things done.
- They focus on the essentials of what’s really required to move forward, rather than being distracted by unnecessary noise that will have an immaterial effect on the final result.
- Those who are clever but lazy tend to question existing processes and look for ways to streamline their work rather than simply getting it done.

Sound familiar? It should.

These clever and lazy folks, many times, are actually more efficient and productive because of these very traits. Ultimately, they’re usually better leaders than they might have been in more routine, low-level positions.

Here’s a nice matrix that summarizes these categories.

	Diligent	Lazy
Clever	Experts	Leaders
Stupid	Fire	Outsource



2016 SOA

# Life & Annuity Symposium

May 16-17, 2016  
Nashville, TN



SOCIETY OF  
ACTUARIES

The world's most comprehensive event for actuaries in the life industry. Register by April 15 to save \$200.

Visit [SOA.org/LAS](http://SOA.org/LAS) to register.



"I suppose you seldom think. Few people think more than two or three times a year. I have made an international reputation for myself by thinking once or twice a week."

— Bertrand Russell

## THE DEVELOPMENT OF ACTUARIAL MATHEMATICS

Just like Fatboy Slim's best-selling 1998 big beat album grooved, it's safe to say "we've come a long way, baby!" I shudder to imagine the lengthy calculations Equitable Life's UK actuarial students might have had to undertake in 1762.

Since then, the basic work has steadily become more efficient: the development of adding machines in the mid-19<sup>th</sup> century; the development of commutation functions and other approximate calculation methods; moving calculative work from machine, to mainframe, and then to personal computers linked to servers, which facilitated the development of today's spreadsheets and standard computational software.

To whom might we owe the enormous debt for our unshacklement from the misery of number-crunching? It might just be some of our clever actuarial forebears, who developed more and more expeditious ways to free us from toiling like soldier ants.

Some notables in actuarial history include:

- Edmond Halley (1656-1742), who not only discovered the comet that bears his name but also constructed one of the first life tables.
- James Dodson (1705-1751), the British mathematician and actuary who developed statistical mortality tables that built on Halley's work, which subsequently became the basis upon which the Equitable Life Assurance Society was founded.

- Clergyman and mathematician Richard Price (1723-1791), a man deeply involved in the revolutionary causes of his day (the American and French Revolutions), who introduced the concept of values of contingent reversions and devised the proper method for their calculation.
- Benjamin Gompertz (1779-1865), a self-educated mathematician whose Gompertz function, which continues to dependably describe age-dependent mortality, is an integral piece of the Gompertz-Makeham law of mortality.

Could these notable actuaries and thought leaders perhaps have been just a tad lazy? Of course this is not a fair accusation, as they are not around to defend themselves. Bottom line, however, it depends how one wishes to define lazy. In all likelihood, these historical figures were driven to figure out how to do things efficiently, and they took the time to think, which to some might have seemed lazy, but enabled them to accomplish their great deeds.

## A FINAL THOUGHT

Henry Ford once hired an efficiency expert to go through his plant. "Find the non-productive people," Ford said. "Tell me who they are, and I will fire them!"

The expert made the rounds, clipboard in hand. Returning to Mr. Ford's office, he said, "I've found a problem with one of your administrators downstairs. While everyone is busily working, he is sitting with his feet propped up on the desk, twirling a rubber band between his thumbs. I think you should consider getting rid of him!"

Henry Ford shook his head. "I can't fire him," he said. "Last year, that man came up with some ideas that saved the company over a million dollars. And if I'm not mistaken, he was sitting at his desk in that very same position!" ■



Ronald Poon-Affat, FSA, FIA, MAA, CFA, is editor of the Society of Actuaries' *Reinsurance News* newsletter. The views expressed praising laziness are solely his own and does not reflect the views of either his employer or the Society of Actuaries.

## ENDNOTES

- <sup>1</sup> Bertrand Russell, in his essay "In Praise of Idleness."
- <sup>2</sup> A 2012 post by *Business Insider*, titled "Why Clever and Lazy People Make Great Leaders," discusses a concept that originated in 1930s Germany to describe military officers.