



SOCIETY OF ACTUARIES

Article from:

The Stepping Stone

July 2004 – Issue No. 15



Leadership Through Mastery of Soft Skills

by Jim Blair

Will greater success follow mastering soft skills? Absolutely! Your current position was earned applying technical expertise. It is crucial, however, to recognize that focusing on improving and broadening your technical skills may actually hinder promotional opportunities, as you may be considered a specialist. Technical skills are expected in your current role, but management is looking to see what leadership and business skills you have.

While technical skills remain essential, actuaries must complement their technical knowledge with social skills to enjoy professional achievement and success. Remember, both are vital; what you do and how you do it. Acquiring command of several soft skills will attract others to help you complete projects. These additional individuals will ease your workload while increasing the quantity of work performed.

“Motivation is the art of getting people to do what you want them to do because they want to do it.”
Dwight Eisenhower

Additional benefits include decreasing employee turnover as team members enjoy their work and seek ways to grow in your department. Recruiting becomes easy, owing to team members recommending internal and external individuals for open positions, resulting in significant savings in time for you and dollars for the department. Results like these will earn you a reputation as an emerging leader. You could be asked to chair project teams or task forces on issues that cross departmental lines, giving you the broader business experience and knowledge demanded for opportunities at the executive level.

“My mother taught me very early to believe I could achieve any accomplishment I wanted to. The first was to walk without braces.”
Wilma Rudolph

Is adroit use of soft skills an elixir to leadership? Can I learn all I need to know? There are hundreds of books, thousands of articles and substantial research espousing the virtues of soft skills. Trouble is, which ones make you most effective at work, with family and friends, at social gatherings, professional meetings and volunteer functions? You delude yourself if you believe your current soft skills are not measured, either consciously or unconsciously, by those present at each opportunity.

Does it have to be this complicated? Many traits are similar and these can be practiced throughout the day. Imagine deliberately practicing listening skills at the office, at home with your family, then at the school board meeting in the evening. You are certain to improve!

“You are what you repeatedly do. Excellence is not an event—it is a habit.”
Aristotle

What Skills Do I Need?

Skills fall into four areas:

- Personal (internal focus)
- Interpersonal (relational focus)
- Leadership (group focus)
- Organizational Awareness (contextual focus)

You'll notice there are many soft skills, but technical skills are only listed once. Why? Because far fewer technical skills are necessary for any position to be done well. Still unconvinced? Draw a line down the center of a page with one side for technical skills and the other soft skills. Now, list the skills required of the executives at your company. Which group has more traits?

Try picking out a few skills you know you need to improve. If you have any doubts, remember how uncomfortable you were the last time you needed to use one of these skills. How about interviewing a person for your



Jim Blair, SPHR, is the actuarial program recruiting manager at Prudential Financial, Newark, N.J.

james.a.blair@prudential.com

Draw a line down the center of a page with one side for technical skills and the other soft skills. Now, list the skills required of the executives at your company. Which group has more traits?

(continued on next page)

Leadership Through Mastery of Soft Skills • continued from prior page —

staff? Does the process go smoothly at praising or disciplinary meetings? Are you comfortable making presentations? More to the point, are you effective? How do you know?

1. Personal Skills (Your Intellect, Education & Experience)

Technical. All positions have specific skills that are an integral part of the job, such as: plumbers sweating pipes, dentists examining teeth, photographers positioning lighting sources or actuaries pricing insurance.

Problem Solving. This is a rose by any other name: critical thinking, common sense. Individuals often prefer a more sophisticated title when ascribing this skill to senior positions. This talent is the crux of most positions, but the key is there are two parts. Many individuals can properly assess a situation, identify resources, analyze the data and recommend options and a course of action. The superior person uses 'soft skills' to secure buy-in from affected parties as to who will be involved, methods to be utilized, deadlines and how results are evaluated.

Perspective. This provides your capacity to view things and situations in their true relationship or relative importance. Most of the dimensions and concepts of how you view the world reside here; from using time wisely to your mental filters for preferences and biases plus creativity and choosing goals and a course of action.

"Don't let yesterday use up too much of today."
Cherokee proverb

(Your Heart)

Passion. This gets you excited about your work, provides the energy to initiate something new, resilience after defeat, courage to proceed despite ambiguity and confidence to inspire others to follow you. Popular in management literature is the concept of Emotional Intelligence. Here is the definition directly from its originators. **Emotional Intelligence** "is a type of social intelligence that involves the abil-

ity to monitor one's own and others' emotions, to discriminate among them, and to use the information to guide one's thinking and actions" (Mayer & Salovey, 1993: 433).

(Your Behavior)

Character. You can expect that if you follow the Golden Rule, do what's right when nobody's looking, and live as your family taught you, people will respect and follow your lead. People enjoy consistency of behavior and direction. Knowing what to expect from you is important. Integrity is earned over time, but lost in a second. Would there be Enron, Arthur Andersen, Global Crossing and Parmalat debacles if their leadership possessed impeccable character? Would we need a Sarbanes-Oxley Act? How many politicians, media personalities, entertainment and sports stars have forfeited their lofty position due to inexcusable actions?

"Nearly all men can stand adversity, but if you want to test a man's character, give him power."
Abraham Lincoln

2. Interpersonal Skills

Listening. Treat listening as a challenging mental task and to show you respect the speaker. Active listening demands your full attention to the speaker by maintaining eye contact and focusing on content. It's imperative to acknowledge expressed feelings while avoiding emotional involvement, distractions and jumping to conclusions.

This is not the time for multi-tasking—reading e-mail while on the phone or looking at the speaker and thinking about your appointment schedule. People get feedback that you are listening to them from your expressions, nodding your head and hearing an agreeing word. Speakers are entrusting you with information and may be expecting you to take action.

*"When people talk, listen completely.
Most people never listen."*
Ernest Hemingway

Communications. Communicating is more than language. Successful communicators adjust their style and behavior to meet the

The superior person uses 'soft skills' to secure buy-in from affected parties as to who will be involved, methods to be utilized, deadlines and how results are evaluated.

(continued on next page)

needs of individual situations. If you have been to a Myers-Briggs seminar, you'll recognize the rationale for doing this. You need to acknowledge the emotions and ideas of others by listening and responding with empathy to build trust. You need to communicate with confidence and poise while sounding genuine and sincere. In addition, you have to be careful of your body language and individuals for whom English is a second language. Wow! There is so much to learn. What about your presentation skills? Most surveys say people would rather die than give a presentation to a group. Does this include you?

"It's not what you say, but how you say it!"
Mae West

Negotiation. It's possible to achieve results while fostering relationships among colleagues, clients, vendors, friends and family. Negotiations are often recurring situations, so they produce opportunities to build your integrity and respect with the other party. Most things are negotiated either with or without your consent. In the United States, bargaining is usually reserved for purchasing cars and homes. In many countries haggling is expected and enjoyed as a normal part of business. In this international environment, you need to be a superior negotiator. Changing your style of negotiation changes how individuals perceive and deal with you.

"Insanity: doing the same thing over and over again and expecting different results."
Albert Einstein

Conflict Resolution. Conflict is inevitable and ignoring it only allows the unresolved conflict to escalate. Successfully handling conflict involves knowing how to use words and actions that diffuse the anger, brings out the issues and helps resolve the source of the conflict. You are likely to have a predominate style in handling conflict. Unfortunately, the same style works only some of the time. Conflicts occur within us, between individuals, individuals and groups, plus groups and other groups. It's obvious, one solution doesn't fit all situations.

"They may forget what you said, but they will never forget how you made them feel."
Carl W. Buechner

3. Leadership Skills

Vision. Executives are expected to espouse a vision, an idea that must become a guiding principle for decisions throughout the company. Visions should be sufficiently clear and concise so everyone in the organization understands and can buy into it with passion. A vision has power because actions are expected to support it. Visions can be quite simple: Walt Disney's vision was "to make people happy," or inspirational: "I believe that this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to the Earth."—John F. Kennedy, May 25, 1961.

Courage. This isn't challenging windmills. You are responsible for interpreting and enforcing the social, ethical and legal rules of conduct or moral principles guiding individual or group behavior. Standing tall for what you believe in the face of adversity is tough. Actuaries have a Code of Conduct that is first encountered during the Fellowship Admissions Course for professional guidance, but please ask for assistance from a human resource, ethics or compliance department about dealing with these complex and occasionally conflicting issues.

"Behold the turtle. He only makes progress when he sticks his neck out."
James Bryant Conant, former president of Harvard

Influence. Partnering with employees of other departments is the mantra of today's management. How does your team lead various initiatives with members of other departments over whom they have no formal authority? The skills of persuasion are challenging to master for internal situations and especially so when you are applying them to opportunities with vendors, government and other organizations. There are career influencers—lobbyists.

Motivation. It is up to you to create an environment where employees feel motivated. Motivation originates from within. You can't motivate anyone. Threats and blind obedience are not motivators. Factors such as trust, recognition and challenging work with opportunities for development are key conditions to energize your staff to thrive.

Conflict is inevitable and ignoring it only allows the unresolved conflict to escalate.

(continued on next page)

Leadership Through Mastery of Soft Skills • continued from prior page

Delegation. Through delegation, you have the opportunity to develop your team by becoming the catalyst for transferring responsibility and authority for specific projects and activities. Control is maintained by training your team members to analyze a problem utilizing the same criteria as you would. Successful delegation allows you to increase productivity, motivation and provide professional growth for your staff, while giving yourself time to concentrate on strategic issues.

“Few things help an individual more than to place responsibility upon them and to let them know that you trust them.”

Booker T. Washington

Coaching. Think about the best boss or executive with whom you have worked. What qualities did they have? Most people say the individual had the qualities of a great coach. By assisting your team members to develop critical thinking skills for working through problems and opportunities, you'll improve their effectiveness, raise their morale and increase retention of key people. Bonus: You will have to coach them on their use of soft skills—a fine reason to perfect your own interpersonal skills.

“I hear and I forget. I see and I remember. I do and I understand.”

Confucius

4. Organizational Awareness

Culture. These are unwritten rules, methods, goals, interactions, expectations and values shared by employees which are usually established over time. Often, the larger and older a company is, the more ingrained the culture. For new employees, hearing comments like ‘get with the program’ are suggestions to follow the established culture. Culture can be a guiding force and a source of power when it is aligned with the company strategy. It may be a security blanket for current employees which is torn when intervening forces—government regulation, sale of the company or market changes—significantly alter the company business.

Politics. Inescapable as taxes, every endeavor and organization with a delineation of power has politics. Politics can be a source of power as

can affiliation, knowledge and, of course, position. You may have a senior position at your firm, but your position, and you, can be trumped by politics. Not convinced? Ever hear, “You have to get Bill’s approval on that,” when Bill is not part of the obvious approval process? Think about some executive assistants. Politics can be good, but most see them as a method used for manipulation to get something.

Environment. The typical family business is a great example of one business environment. All rules, power, direction, leadership and opportunity come from the owner. Assuming you are not a business owner, the working environment can affect your team’s work. Contrast the atmosphere in a start-up company with one just declaring Chapter 11. There is likely to be frenetic activity and excitement at the start-up and much frustration, anger and resignation at the bankrupt company. Your firm is probably between these extremes, although the environment within the company affects everyone. It’s how the employee, the supervisor and executive management deal with it that makes the difference.

Soft skills can be learned, improved and some even perfected. The ball is in your court to decide to improve. Speaking of sports, all athletes practice regularly to maintain and improve their ability. How often do you consciously practice a soft skill? I’ve repeatedly said to my children, you’re not going to improve a skill without doing it.

Articles in *The Stepping Stone* have regularly espoused the benefits of ‘soft’ skills. Actuaries are notorious for their perceived lack of soft skills, but so are engineers, scientists, accountants and many doctors. As is often said, perception is reality. Remember those commercials saying “50,000 people can’t be wrong?” Accept that collectively improvement is needed. Take some comfort, though; few individuals in any profession are outstanding in every professional and personal skill. Most importantly, what are you doing about it? □

Successful delegation allows you to increase productivity, motivation and provide professional growth for your staff, while giving yourself time to concentrate on strategic issues.

