



SOCIETY OF ACTUARIES

Article from:

# The Stepping Stones

April 2010 – Issue 38

# When Actuaries Hit the Slopes

by Heather Hokamp



Heather Hokamp is an actuarial consultant at Aetna. She can be reached at [hokamph@aetna.com](mailto:hokamph@aetna.com)

**T**o snowboard or not to snowboard?

That is the question I had been asking myself for almost two years. I moved to New England to start my actuarial career and my first winter here was awfully cold. I decided I had to find a way to enjoy the weather. Being an active individual, snow sports was an easy answer. It seemed like people usually ski or snowboard, but not both. And since snowboarding seemed edgier than skiing, I decided that would be my sport of choice. Plus, several of my friends wanted to learn too, so it was a perfect opportunity to practice together.

My first time out, I rented a board and boots and hit the slopes. My attempt was futile. I spent most of the afternoon just trying to stand up. But I was determined! Soon, all of my friends bought equipment and told me how much better it was when you have your own gear, so I jumped on that wagon too.

I had my board, bindings and boots and I thought, “Ok, let’s do this!” I got better instruction my second time at a mountain. I felt like I was starting to understand the physics of the board against the snow and mastered the heelside stance. But the toeside stance still eluded me. How would you feel if you had to slide down a steep slope—*backwards*?

Summer came and went and it was cold again. I said, “I’m going to learn to toeside this winter!” I thought it was time for some professional advice. I took a lesson and my toeside improved. I was gaining more confidence and trying to get over my fear of falling.

So when we went to snowboard in Massachusetts, I was really excited. We got to the top of Mt. Butternut, and I realized that it was a much more menacing mountain than the name would lead you to believe. I fell—hard—several times on the way down and decided to start on the bunny slope. A few shaky bunny runs later, I braved the top again.

It had gotten colder and windier. I hit some ice and fell on my back. I sat there a minute recovering and told myself, “I have to get down to get out of this weather.” A few more painful wipeouts later, I made it to the lodge and told my friends, “I’m done for today.”

I got home, bruised and swollen. Feeling defeated and embarrassed, I pressed my face against my best friend’s fur and whispered, “I think I might not like snowboarding.”

I wasn’t giving up yet, though. I went back to a local mountain. I told myself, “Don’t get scared! Just do it!” I had some killer runs ... and some rough crashes. Afterwards, I talked to my coworker Jason. He said he used to ski but switched to snowboarding.

“Why did you switch?” I asked.

“Cause I want to do tricks!” he replied.

Hmm. I didn’t really care about doing tricks.

Recently, my friend Gaia said she wanted to ski, and I said, “I’ll take a lesson with you.” We went the next weekend. There were lots of people learning to snowboard, and only a few learning to ski. I felt like a dork. All the cool kids were boarding. But once the lesson started, I saw their fallen bodies and tender egos littered across the slope.

I picked up skiing quickly. After one day, I already felt comfortable on skis. I only fell once, and it was a soft, easy landing. No bruises. No pain. I went much faster than I ever did snowboarding, but it wasn’t as scary.

Snowboarding is the popular thing to do right now. It’s new and exciting; everybody is doing it! The payoff oozes status: “She snowboards!” they’ll say with admiration. Sounds enticing, right? I’ve observed, however, that popularity is negatively

correlated with edginess. It's also a lot cooler to be zipping by upright, than struggling on the ground.

I had a decision to make.

My snowboard is so nice—and pretty too! It has pink and coral leaves and birds on it, and it supports breast cancer research! My boots are amazing! I don't even have to tie them, I just twist!

I love my equipment. But I hate snowboarding. I hate falling. I hate not improving. I hate being scared. I am not interested in doing tricks. I don't even like going really fast—in anything! I *always* drive at or below the speed limit. When skiing, I didn't hesitate to “pizza.” I don't think I will ever go back. The learning curve to snowboarding is too steep to be fun. It's only discouraging. On the other hand, skiing is a blast!

How does my decision relate to the insurance industry?

Recently, the economy and proposed government regulation have sent shivers and cheers through the financial community in a manner unseen for decades. As an actuarial consultant for a health insurance company, I hear health reform news on a daily basis. People are quick to assume that the lat-

est rumors coming out of the legislature will become law. The debate has taken many turns over the last year—and health insurance stock prices have reacted at each.

As a citizen of this world, I have witnessed the financial system near collapse after the introduction of trendy new financial instruments. The new derivative markets were poorly regulated and their implications poorly understood. Proposed government intervention in response has sent the market soaring and crashing.

My company has weathered what seems to be the worst of the crisis, and by maintaining our focus on our core values and using sound, tested actuarial practices, we are set to emerge stronger as the economic climate improves. During these turbulent and uncertain times, we focus on keeping our customers at the center of what we do and delivering value to our constituents.

I see winter sports in a similar way. Shortsighted goals—like credit default swaps, subprime mortgages and snowboarding—may seem expedient at the time, but long-term success is not necessarily found by following the crowd. In work and in life, do we ever try to snowboard when we could ski?

**I love my  
equipment.  
But I hate  
snowboarding.**