



SOCIETY OF ACTUARIES

Article from:

The Stepping Stone

January 2008 – Issue 29

Communication Skills for Actuaries: “It’s not About Me!”

by Gail Hall

Do any of these situations sound familiar?

A financial reporting actuary was responsible for producing and presenting quarterly financial results to a wide range of people at his company. The actuary was a brilliant technician, which is why he was originally given this job many years ago. The results were always developed with care and precision, and the number of errors that later surfaced was extremely small.

Despite this fact, he had never been offered a more advanced assignment in the organization. Why? Although his performance in preparing the financials was stellar, his presentation of these same results was incomprehensible. He always used PowerPoint, and each slide was loaded with numbers. As he presented the results, he turned his back to the audience in order to point at individual numbers, most of which were too small to be read by the audience. He rarely distributed supplemental materials that gave other employees the data that they needed to do their jobs.

He had been given feedback many times on his presentation skills, but he never gave himself enough time to properly prepare. Thus he never improved.

Senior management valued his technical skills too much to let him go, but there was no way they would consider him for any more advanced position where presentations were routinely required.

A valuation actuary had been doing valuation support for many years. Her assignments included the more mundane tasks of data collection and summarization needed for a valuation, but she never got any exposure or recognition outside her department.

The appointed actuary position had been open several times during her tenure, and she always applied for it. But someone else always got the job. Why?

The interview team for the appointed actuary position included the company CFO and the chief actuary. Both were extremely bright, but very busy. As part of the interview process, each actuary was asked to present a memo describing some technical work. Our valuation actuary presented a 25-page, highly technical paper on some research she had done in her spare time. She didn’t have any sense of the needs of her audience. Neither the CFO nor the chief actuary had the time nor the patience to wade through it. The senior managers would never put her in a position that required the preparation of an actuarial memorandum that might be reviewed by regulators. To make matters worse, this episode became company folklore and she was not chosen for any other higher level position either.



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There was an actuary who was technically proficient. In a meeting, a business issue was being discussed that was clearly in his domain of experience and expertise, yet he was providing no input. It got to where he was asked point-blank for his opinion on the issue. He just stared at the person asking the question and did not respond. His inability to confidently articulate his opinion was viewed as a critical weakness, and his career stagnated. Eventually he was let go.

A product development actuary was likewise technically proficient and was very willing to communicate her ideas. Unfortunately, some of her emotional intelligence skills were deficient. She routinely communicated in a "one-way" direction, i.e., she never actively listened and rarely noticed the many nonverbal cues that her audience was providing to her. She would be asked one question and would answer a completely different question. She was clearly frustrated by this problem, but failed to recognize that it is the responsibility of the communicator to ensure that the listener has heard the intended message. She may have been a smart person with strong modeling skills, but this communication deficiency was a career limiter.

A marketing department of a major life insurance company was planning a national sales meeting. They decided that their producers needed to understand more about asset/liability management options behind fixed annuities. Management decided it would be better to have a marketing person as the speaker rather than any of the investment actuaries. Since it was a prepared speech, this was no problem. The lead investment actuary was invited only to provide back-up during the question-and-answer period. The marketing person was promoted and the investment actuary wasn't.

An actuary was named a department head because of her ultra-competitive nature. Management felt that her desire to win at all costs would be good for department productivity. Her style with subordinates, however, proved to be very confrontational. Her superiors got wind of this and suggested that she needed to develop her people skills. Her response was to set her calendar for once a week at a specific time to remind her to circulate and ask each staff member about the family. Staff quickly sensed the insincerity of the effort, and she eventually lost three-quarters of her staff. She was ultimately removed from her management position.

As always, an actuary had solid technical skills. His communication challenge was maintaining an adequate level of professional maturity. He would frequently provide and seek sophomoric humor to excess. Though his modeling skills were seldom questioned, no one gave much weight to his opinions on strategic matters because his delivery was

(continued on page 16)



Communication Skills for Actuaries ... • from page 15

routinely juvenile, and his habitual comic delivery degraded his credibility as an actuary. He was terminated when the company faced downsizing.

These are all true stories. Names were eliminated to protect the guilty. Do you recognize any of them? Can you personally relate to any of them?

If any of these vignettes sound like something that could have happened to you, it's not too late to work on your communication skills. There are many textbooks that cover specific skills, and some are even geared toward technical professionals like actuaries. Here are a few possibilities:

- For **presentation skills**, *Presentation S.O.S.* by Mark Wiskup
- For **writing skills**, *The Minto Pyramid Principle: Logic in Writing, Thinking, and Problem Solving* by Barbara Minto
- For help with **articulation**, *Crucial Conversations: Tools for Talking When Stakes are High*
- For **listening skills**, *Listening: The Forgotten Skill* by Madelyn Burley-Allen
- For **emotional intelligence**, *Working with Emotional Intelligence* by Daniel Goleman
- For help with **general conversations**, *Art of Talking to Anyone* by Rosalie Maggio

Through coaching, seminars and self-study, business skills training can be a part of your continuing education plan. Don't underestimate its importance. □