



SOCIETY OF ACTUARIES

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Managing in the 21st Century

Part 2: The Employee Whisperer

By John Dante

Intro: In the book Built to Last, authors Jim Collins and Jerry Porras relate the story of an acquaintance that once had lunch with Sam Walton (the founder of Wal-Mart) in a local diner. In the story, Sam points to an individual across the room and says, "That is Joe. I admire Joe. He used to drive a truck and now he owns his own business selling chickens." Sam went on to say, "I could learn a lot from Joe." This was a very interesting comment coming from a man who was already one of the most successful retailers in the world having amassed a fortune that made him the richest man in the United States from 1982 to 1988.

This article is the second in a two-part series on managing in the 21st century. The purpose of the two articles is to provide some guidance to those who are relatively new to management positions and desire to understand the behaviors that make one a successful manager. It is also for those experienced supervisors who, like Sam Walton, believe that no matter how successful one is, there is always more to learn. Part II deals with effectively managing employees.

As actuaries, we typically take non-traditional paths into management roles. Early in our career, there is a lot of emphasis on passing exams. Given that we may be out of the office frequently studying for exams, we may not be considered the best candidates for supervisory roles. Many actuaries are typically thrust into management roles upon the completion of exams. Often at that point, we find ourselves scrambling to learn how to be a supervisor. It gets even more complicated when we are asked to supervise employees that have an underlying resentment toward actuaries. All they see is that we are frequently out of the office to study and every time we pass, we get a pay raise. They may feel that we have not pulled our weight within the company.

This becomes the point where we need to start using skills that are not on the exam syllabus such as communication skills. Having an open dialogue with your employees and trying to understand the issues from their viewpoint is critical to be success-



ful at this stage. In many instances, the employees may be more skilled than you at the particular tasks that you oversee because they have been performing these tasks for a long time. Let them know that you value their expertise. While you can ask for their advice when needed, ultimately you are the boss and will have the responsibility for making the final decisions. Acting in this manner will help gain their respect. You might find that it is easier than you think given that most of the employees probably don't want your job. Many are not interested in making the leap from being an expert at a job to then being responsible for overseeing others in that job.

One of the common mistakes that we make on the job whether we are employees or supervisors is to view the company as if it were a person. We may take offense at a specific action that the company takes and look at it very personally as if we were betrayed by a friend. In response to this, I have seen employees plot some form of retribution such as not working more than the normal work hours to help get out a critical project. We don't realize that the company is not a person. It is a collection of individuals making decisions to advance the goals of and make a company successful. Sometimes these



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decisions do not appear to make sense, and it is also possible that some individuals could be trying to advance counterproductive agendas. However, it is important not to take things personally. I am reminded of the line in the movie, *The Godfather*, where they say, “It’s not personal. It’s strictly business.” One needs to keep in mind that there is always the possibility of overturning decisions or policies that don’t make sense. When you suggest a change, you are more likely to succeed if you bring a more logical, common sense alternative than just an emotional response. At the end of the day, we need to remember that the company is not an outside entity, rather it is us and the decisions that we make. It can help your success as well as the company’s if you can also get your employees over to this way of thinking.

I was put into a supervisory role early in my career and had minimal training when I started. Much of what I learned then came from making mistakes while in that role. One of my initial lessons came when I gave my first performance appraisals to two individuals on my team. I was worried about the reaction I was going to get from the first one because he needed to improve. What a relief it was when he agreed with my assessment wholeheartedly. Later the same day, I told the other employee what a great job he was doing and suggested that he make a minor change to improve for the next year.

It came as a real shock to me when he responded by saying that I had a lot of nerve to criticize his performance. It taught me first hand that people can have very different reactions to our communications and you need to understand this when crafting your message.

Another mistake that I learned from was when I was asked to supervise someone who had more experience than I did. Given this person’s experience, I valued his counsel when I was restructuring the department. Even though my gut said otherwise, I implemented a recommendation that this person had made. Before I could undo the action, the recommendation caused another valuable employee to resign. I realized that I was asked to supervise

in this situation because my management believed that I was the best qualified. Unfortunately, it took a mistake of that magnitude before I realized this and followed my instincts going forward.

While learning from my mistakes was important training for me, I would say that the most valuable management training for me was the observation of others. This article is titled, “The Employee Whisperer,” which I borrowed from the movie, *The Horse Whisperer* and the TV series, *The Dog Whisperer*. These individuals have a greater understanding of and can control the behaviors of horses and dogs, respectively. Similarly, I have come across a number of managers in my career that have this innate expertise for dealing with employees. Employees have such a respect for these bosses that they genuinely want to put in their best efforts to make their boss successful.

There are two types of employee whisperers that I have met in my career and I have coined a term for each of them. I call them either a “Position Ignorant” or a “Swiss Army knife”.

Shortly after obtaining my FSA designation, I worked at a company where the CEO would hold the celebration for exam passing actuaries in his office every six months. He had a large office that overlooked a part of the New York City skyline. Another actuary relayed the story of a time when he attempted to have his picture taken at this event while seated at the CEO’s desk with the skyline behind him. He waited until the CEO was distracted while saying goodbye to the departing guests outside his office door. However, before this actuary’s friend got a chance to snap the picture, the CEO noticed them and questioned what they were doing. The actuary sheepishly confessed that he was trying to get a picture of himself at the CEO’s desk. Rather than scolding him as the actuary was prepared for, the CEO offered to take the picture.

In the few days prior to Christmas of that same year, I wore a tie to the office that would play Christmas carols when you pressed on it in a certain spot. I was



a little bit nervous later that day when I found that I received a voicemail message from the Chief Legal Counsel of the company. Why was she calling me? What did she want? Did I do something wrong or forget something? When I listened to the message, I found out that she was just calling because she heard about my tie and she happened to be wearing a sweater that day that did the same thing. She ended the message by playing one of the Christmas carols from her sweater.

I was taken aback by the behavior of both the CEO and the Chief Legal Counsel. At the time, we all worked at one of the largest mutual insurance companies in the country. It was like they were saying that no matter what my level is, I am no better than you and I respect you as a person and fellow colleague. It was behavior that I found so inspiring and motivational that it is still remembered over 18 years later. These two were “Position Ignorant” Employee Whisperers. Their behaviors made me want to work hard and do whatever I could to make them successful.

I also had the privilege of observing the other type of Employee Whisperer later in my career when one

of my most talented employees was having trouble communicating with his supervisors. I couldn't quite figure out why such talented people were having trouble getting along with each other. When we shifted this employee to another supervisor, little did I know how well it would work out. The employee was so much happier and productive under this Employee Whisperer. I tried to step back and figure out why this supervisor was so successful. This Employee Whisperer recognized that one could not use a cookie cutter approach to managing people. To quote Abraham Maslow, “If the only tool you have is a hammer, you tend to see every problem as a nail.” He recognized that each employee was a bit like a puzzle. After observing and spending time with them, you learn what motivates each one and can adjust your management style accordingly. That is why I call this Employee Whisperer a “Swiss Army Knife”. He figured out which tool was the right one for the job.

How does one become more successful managing employees? How does one become an Employee Whisperer? The following are attributes that I have observed in Employee Whisperers:

- They show appreciation for their employees – Employee Whisperers realize that appreciation is the best motivator. It means more than money for most employees. As people, all of us desire praise and will react positively to continued praise.
- They don't see themselves any different from their employees – Regardless of their level, they see their employees as equals. This helps to open the lines of communication and garners respect from the employees.
- They seek and value input from their employees – Employee Whisperers realize that the ones who know most about improving the workplace are those who are doing the work—the employees. They also realize that the buck stops with themselves, that they have the final say.
- They manage with logic rather than emotion – Employee Whisperers don't take things per-

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sonally. They continually offer alternatives to make their companies more successful.

- They understand that each employee is an individual and they adapt their management style accordingly – Employee Whisperers know that each employee may have a different communication style. They also know that what motivates one employee may be different for another employee.
- They continually encourage and challenge their employees – Employee Whisperers understand that they need to create the environment that brings out the best in their employees.

Employee Whisperers also make sure that they avoid the following traps:

- Implementing rigorous controls and reporting to manage employees – Employee Whisperers know that micromanaging leads to less productive employees.
- Creating an adversarial environment – Employees can easily become defensive. An Employee Whisperer knows that when he loses that rapport and trust with an employee, it is a no-win situation for all involved.
- Playing the blame game – Employee Whisperers know that creating an environment where

employees fear to take risks does not help in terms of making a company successful. They encourage and challenge their employees to be risk takers. When it works out, they celebrate the employee's success. When it doesn't work out, they teach the employee to learn from the experience.

I believe that companies that groom managers to be Employee Whisperers are the companies that are more successful. An example of this is a supermarket located in my area called Wegmans. Their philosophy is, "Employees first, customers second." They know that when the employees are happy, the customers will be too. Wegmans has placed number three or better on *Fortune Magazine's* list of the "100 Best Companies to Work For" in six out of the past seven years. ●