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Actuaries in the C-Suite

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At the 2016 Society of Actuaries (SOA) Life & Annuity Symposium in Nashville, the Entrepreneurial & Innovation, Actuary of the Future, International and Leadership & Development sections co-sponsored the “Actuaries in the C-Suite” interactive forum session, which I had the honor to moderate. A guest panel of actuarial leaders presented the challenges and opportunities associated with managing a company in today’s global marketplace.

In order to move into corporate management roles, actuaries must bridge the gap between day-to-day firm activities to take an overarching view of the corporation. This session included discussion on balancing the needs of internal vs. external stakeholders, as well as responsibilities such as setting company goals, formulating appropriate strategies, and understanding the organization’s presence internationally. Following are highlights from the session.

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PANELISTS

- **Jason Alleyne, FSA, FCIA, FIA:** Co-founder and COO, Besurance Corporation
- **Laura Bennett, FSA, CFA:** Co-founder and CEO, Embrace Pet Insurance
- **Michael Smith, FSA, CFA, MAAA:** CFO, Voya Financial

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ACTUARIAL ROLES

Q: What are the obvious C-suite roles for actuaries? What are the less obvious but still possible roles?

Michael: The obvious roles, many of which actuaries have held, are chief risk officer and chief financial officer. However, I don’t view the actuarial designation as what drives where you might have the potential to go in the C-suite. I think it’s more about what you aspire to achieve. It starts with how you build on your skills as an actuary, and then grow from there.

Q: How frequently do you see actuaries in board and C-suite positions?

Laura: This is the Life & Annuity Symposium and this insurance area is definitely dominated by actuaries in senior positions. In other insurance areas, like property/casualty, there are far fewer actuaries in the C-suite. It’s not, “you’re an actuary; therefore, you can think of yourself as being entitled.” Culture is important and what you bring to the role.

Q: If you have an interest in being on a board, or ultimately getting on a track to be on a board, are there any tips as to how to go about doing so?

Michael: I’d suggest starting with ways you can begin to build the experience of what it’s like to be on a board. There are many opportunities to get that experience, such as a condominium association or a nonprofit board. Many boards are looking for people with experience and skills that can add value to the organization. Think about how and what you can bring to add that value to the board, whether it be your understanding of finance, insurance or other professional skills. From those initial board memberships, you can look for industry and professional opportunities. Not unlike networking to advance your career, think about ways you can leverage your network to learn about and pursue board opportunities. It’s harder to get onto one if you’re just a name on a piece of paper, because there are a hundred names on a list, so networking is really important.

SKILLS AND EXPERIENCES

Q: How do you get leadership experience, especially working in a technical role while going through the exam process?

Jason: Think through what skills you can take from one field, and look at their analogy or application in another field. A lot of leadership training is looking outside of oneself and looking



at lessons learned in other areas. What you'll find is that leaders have a vision of how their team wins.

Q: Do you think the days of being a technical actuary are numbered?

Laura: Gone are the days of the technical person who knows nothing about broader business. I do think that even if someone is very technical, they must have a broader understanding and provide the best work in context.

Q: Are there any additional designations or qualifications that you think make actuaries more attractive?

Jason: Whatever journey you are on, the journey will define what you need to learn. I did a lot of traveling; I have worked in Barbados, Jamaica, Canada, U.S., U.K., and stints in Scotland. The journey is whatever it is. Even if you don't get the designation, but all you did was read the materials and started to speak the language of the communities you were in, that is going to advance how people perceive you. I worked in all these countries that speak English, but they speak English differently, and use technical terms differently. They speak with their own colloquial perspectives. Learning is very community-focused.

Q: During the first decade of your career, where do you draw the line between diversification and specialization in a career?

Laura: I'm a big believer of gathering experiences, which is why I strongly urge people to go international for a bit. There's nothing better than that kind of experience to open your eyes. You learn a lot, but also your reputation is enhanced. At some point you have to decide what direction you are going, and what it is you really want to do. It could be general, such as "I would like to run a company," "I want to be in the C-suite," or "I prefer to leave and work at a consulting firm." Whatever it is, you can take what you have done and start to hone it more directly to what you want to do.

Michael: What Laura says is really true. Figure out what you want to be. What has driven me is the desire to learn new things, so that has led me to a fairly diverse background. I didn't set out to be what I am doing today; I set out to learn new things, and it led me here. The other thing I would say is: Be patient. It doesn't happen overnight. I was in mostly technical roles for the first 12 years of my career, and then I found myself taking on broader leadership roles.

Q: Beyond technical skills, what advice or insights can you share in transitioning from a very technical actuarial role to a more high-level position?

Michael: Everybody's "how" is different. I think people with a technical background reach a plateau and think the only way to make more money or get more responsibility is to become a manager. If you want to be a good manager, then you have to



take the time to invest in it. You'll need to be focused on making sure your people are in the right jobs, that they are growing and developing, and that you are creating a team. Recognize that as you move into a leadership role, all the technical stuff—to a certain extent—kind of goes away. It gave you a strong foundation and will serve you well in the future, but it will no longer be the only thing you are going to be able to rely on as you advance in your career.

Laura: I would just add—with any role—whatever your next step is, to just start doing it so that people see you that way. You have to be perceived as a leader before you can be one.

Michael: I would really echo that. As someone who tries to evaluate talent now and assess who is going to be able to take on new roles, that is a big part of it. If I look at someone and can't see them standing in front of a room of 400 people leading

them through a business situation, then I'm not going to promote them. If leading large teams is something you aspire to achieve, look for the opportunity to build that experience and seize the opportunity when it comes, because it isn't going to be just given to you.

Jason: Just to pick up on some of that, I like the idea that you start at the beginning, start small, start where people are willing to give you a bit of a forum. Accept that things are not black and white, and bring insight. The personal journey is what makes the insight.

Q: Are there any particular experiences you would recommend actuaries seek out?

Laura: We [actuaries] are very strong in what we know, and not so strong in the things we don't know. But I don't know if we know what we don't know. You have to stretch yourself. I think that is one of the best things you can do, and then you realize what you don't know. Taking an international posting is a bit more of an extreme version of that, but it keeps you on your toes; you have to think about things differently.

Michael: Learn to distinguish the general, nice feedback from real, genuine feedback, and cultivate the latter. Take it to heart. It is hard to get people to give honest, direct feedback. Find people who will give you that, find companies that cultivate a culture like that, and use it to better yourself. That is really important as you go forward.

Laura: When I qualified as an actuary, I was petrified of speaking in public. You wouldn't think it now, but I really was. I had no experience at it and avoided it like the plague. So I ended up taking a class at a local high school, actually in Ireland, where no one would know me. Public speaking will help you in speaking to anyone who causes you nerves and anxiety. Whether it be presenting to the senior management or in front of a board, just being able to speak is very helpful, and I would do it sooner than later.

NETWORKING

Q: In smaller companies, certain roles and responsibilities may come faster than in larger organizations. How does one balance level of responsibility vs. years of experience?

Jason: You have to reach out to your network. When I took this role three years ago, I literally met as many CEOs as I could. You need to look to other people and look for those other people—the experts who are going to help you be a better you.

Laura: Find a variety of people, because each one will have their own value. Just ask. People are very generous when you say, "This is what I'm trying to do, and I would love to take you for coffee and talk about it."

Q: Laura mentioned people are willing to network and volunteer their time to talk to others. How does one best prepare for those conversations?

Jason: Michael made a good point earlier—first start with what you want, a vision of the next five years, or even the next three years first and then the next five years. I prepared my map by writing and reading, then I started to ask people in my own network, “I want to speak to someone like this. Do you know this type of person?” or “Would this type of person be willing to speak to me?” What I found, to Laura’s point, when you put those feelers out, people actually respond. I met with at least five CEOs in a short period of time just by asking them.

CAREER PATH

Q: We have talked here about developing skills when taking on new roles. To what extent have you needed to de-emphasize your actuarial credential?

Jason: As you work through different communities, whether leadership communities or executive boards, or whatever management team that you are in, there is a language of that group. It is not about de-emphasizing; it is more about speaking the language of the community.

Michael: I happen to have an actuarial background, but my professional path has taken me to a different place. So I agree completely with Jason: Don’t worry about it as de-emphasizing or avoiding. You are the culmination of everything you have done up to that point. Take advantage of what you have.

Q: Can you share with us a difficult challenge or choice that you made?

Laura: Starting a company from scratch while raising a family; I can’t think of anything more challenging. I think as actuaries our skills are very well-suited to new ventures: You have to work with very little information.

Michael: Careers take any number of paths and are influenced by not hundreds but thousands of things. My degrees are in Russian studies and economics, and the path I took was certainly not linear, but it began by pursuing what I was passionate about and what I liked to do. Learn what makes you tick, then make your career a part of that. If being in the C-suite is something that makes you tick, great, but think about it as a journey.

INDUSTRY

Q: How do you stay on top of your competitors? How do you keep track of current news and current events?

Jason: Whenever we see a new startup, or a new competitor, or even an incumbent, we map ourselves against them as a differentiator, being very clear on how our vision and execution connect. That is what we think and talk about a lot every day.

Laura: We came into our industry when there were seven other companies doing pet insurance, even though it was not very well-known. We designed our product and service to be valuable, where people have an amazing experience, and a very personal and not transactional relationship. We have these conversations as a company, because everybody at every level of our organization is hearing the comments about what competitors are doing and what their products are.

Q: Any thoughts or comments on technology, social media and external forces, and how they impact your business view? How do you adapt to them?

Michael: Technology has unquestionably impacted our industry. Some may find this disruption uncomfortable, but it can add value to the work we do and to the customers we serve. We are here to help people navigate through really difficult situations. Technology gives us an opportunity to expand how we think about the consumer of insurance, the person helping that customer and what would make their experiences better. If we continue to view technology as something that can enable how, where and when we help our customers, then we can take advantage of the disruption.

Laura: Technology in general has just changed the world so much, even just the ease of doing business. People want things to be very easy, to control their experience, the products they buy, and to personalize it. That changes everything. People are much more likely to believe a review site than anything a company has to say, whether or not it is an actual portrayal. So, we spend a lot of time managing our online presence.

The Entrepreneurial & Innovation, Actuary of the Future, International and Leadership & Development sections thank Jason, Laura and Michael for joining us at the 2016 SOA Life & Annuity Symposium for the “Actuaries in the C-Suite” session. We look forward to sponsoring similar future sessions at SOA meetings in 2017 and beyond. ■