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A Few Things I Learned While Working in an Actuarial Department

By Andrew Marley

or a little over (((((SQRT((22.5*42/16)))/2)+ (74.5*17))/20)-59.51713)¹ years, I had the opportunity to work in an actuarial department focused on the senior segment of our business. I was a business professional who did not have any actuarial credentials or exams to my credit. My journey took me on a very diverse ride, through ups and downs with my fellow business professionals and actuarial sisters and brothers. Together, we delivered on challenging deadlines and major projects, and endeavored to build a more positive culture.

I held several leadership posts within that actuarial area. My previous background was in IT, which gave me an initial connection to my first role as Servant Leader² for the following teams: Bid Model Development, Cost and Utilization, Reporting, and Tools/Audit Support.

Soon after building this group, we realized that we needed an effective way to get new actuarial analysts up to speed quickly, so we added a Training team. After a couple of years, the Training team moved off to another group, and soon after, I assumed leadership for our market support actuarial staff, our Assumptions team, and our merger/acquisition support.

A few months later, I was afforded yet another opportunity for responsibility growth. The Training team rejoined us, and we added the Project Management Office. I started out as Servant Leader for a staff of 21; when I left the actuarial area, I was responsible for leading a group of 83.

As you can imagine there were many things that I learned along the way; but for now, I thought I would share five of my favorites.

Learning Item #1—There are far too few actuaries in the world.

With as many as 83 boxes on an organization chart, I was able to see first-hand the great need for quality actuaries. I do not remember ever being 100 percent staffed. We came close to closing the gap a couple of times, but always fell a little short. Given the complexity of industries utilizing actuarial/ financial professionals, I do not expect the need for actuaries to ever decline. Quite the contrary ... I expect the need to grow. Fortunately, there are several very good actuarial collegiate programs out there. Best of luck to every university bold enough to embark on educating our bright young minds on this discipline.

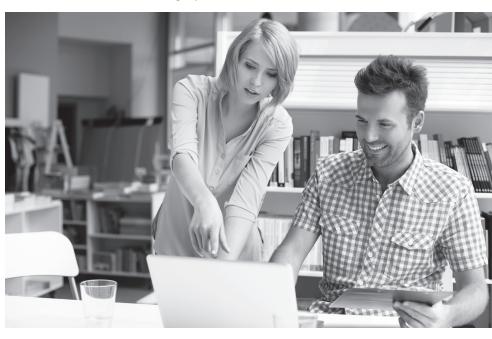
Learning Item #2—Culture is of the utmost importance.

Many of you are aware of the challenging workload required to effectively deliver actuarial analysis within our ever-changing, actuarial-based industries. No matter what salary you provide for exceptional skill and organizational contribution, you will not be able to retain your talent unless you also develop an effective culture.

Culture comes in many shapes, sizes and flavors, so one size definitely does not fit all. Effective leaders must continually recruit to, observe, and adjust the team's culture to ensure that the team can deliver its best results for the company. Also, when



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On several occasions I watched folks with less than a year of experience complete critical deliverables. necessary, a leader may need to "decouple" from a team member who no longer fits the team's culture.

Learning Item #3—Leadership can be taught and a leadership environment can be cultivated.

As I got the opportunity to interact with many actuaries and business professionals within an actuarial department, I consistently found that our innate leadership ability was lacking. It is funny to me: We make a point of developing expertise in many things, including technical skills, mastering of financial and actuarial principles, and even project management, yet somehow we do not often sense a need to focus on developing leadership skills.

Within our department, we chose to resist the notion that most people have natural leadership skills, and encouraged leadership learning/practice within all levels of our organization. My thought process became *Liderazgo Cada Día* (en español) ... or *Leadership Every Day* (for our English-speaking audience). I tried to learn leadership principles and to interject those principles in all components of my daily life, while challenging our entire staff to do the same.

Learning Item #4—"Good is the enemy of great."3

Within analytical organizations, a healthy dose of analysis paralysis is to be expected. Most of my career has been associated with a mindset focused on throughput and delivery, and analysis paralysis is its antithesis. Our department learned to drive past the tendency of waiting until we had every ounce of data in hand and every tool was 100 percent complete. Instead, we focused on the deliverybased journeys ahead of us. This confirmed for me that you can still be very analytical and deliver quality analysis, without being stuck in the overanalysis mud.

Learning Item #5—Remember to think like a rookie.

On several occasions I watched folks with less than a year of experience complete critical deliverables. Each person brought different skills and perspectives to the table. However, the common denominator was that each of them was full of optimism and belief. Each wanted to show what she or he could deliver. Each possessed the focus to complete the task, the desire to impress, and the confidence to "swing for the fences" each time up at bat. In other words, they thought like a rookie.

Perhaps we could deliver more if we were to approach solving problems and completing projects with "rookie" behavior as a backdrop. If supported by their leadership, these so-called rookies consistently deliver results that are nothing less than amazing.

ENDNOTES

- ¹ Note: The answer to the equation at the opening of the article is 4.
- ² Robert K. Greenleaf, author of *The Servant as Leader*.
- ³ Jim Collins, author of Good to Great.