



SOCIETY OF ACTUARIES

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Critical Influencing Skills for Advancing Professionals (Part 1)

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Beyond technical skills, actuaries must be outstanding communicators and influencers in order to maintain the critical roles they play within insurance organizations. Early career development is focused on building a strong technical and industry foundation. Once this foundation is in place, however, actuaries must quickly adapt to being submerged in a fast-paced, results-oriented business environment that requires the ability to communicate effectively and, more importantly, influence those around you.

It's not enough to have the right answers; actuaries must be able to present compelling arguments to win over their audience. For the first time in your career you may be managing a staff that is looking for direction, recommending a course of action to senior leaders, or trying to persuade non-actuarial colleagues who may see the world differently. This series of articles is intended to educate young actuarial professionals on key business influencing skills that will be beneficial in the near term as well as throughout their careers.

The actuarial profession is made up of very bright individuals who pride themselves on accuracy—on being “right.” In business, however, being right isn't always enough ... it isn't always even possible. That can be hard for a young actuary to understand—“*I've shown you the right answer; why aren't you accepting it?*” The reason is because success finds those who are not just right, but those who can convince others which path to take.

Getting to the right answer or result is only the first step ... after that, you must go about influencing others that your right answer is also the best answer. The ability to influence is a very powerful tool, and we have the opportunity to influence all the time, in almost every business (and personal) interaction. So, you must understand the power of influencing, build influencing skills, and apply them to make the most of your careers.

Throughout a business career you will have the opportunity to influence many different constituents—your team, your peers, and your leaders. In this issue we will focus on influencing a team. In future issues we will focus on influencing peers and leaders.

LEADING (INFLUENCING) A TEAM

Whether you are managing a team of 100 diverse employees or you have your first-ever direct report, in order to get the most out of your team you must influence them to perform at the highest level. Well-known leadership guru John Maxwell had the following to say in his book *The 21 Irrefutable Laws of Leadership* (1998 and 2007).

“Leadership is influence—nothing more, nothing less.”

“...leadership is about influencing people to follow...”

“To move people in a new direction, you need to influence.”

“You're a leader only if you have followers, and that always requires the development of relationships...”

Your goal as a team leader is to get your team to perform at the highest possible level. No longer an individual contributor, it is often difficult for any advancing professional to get comfortable with the idea of not actually doing all the work but, rather, getting the work done through others. This trips up a lot of rising technical stars. What's critical right from the start is to create a team vision to ensure everyone on the team understands precisely where you want the team to go.

You have to paint a picture of the ideal state—and it needs to be a vivid picture that they can really see. A vague idea, such as “*to be the best team possible*” gives your staff no idea of what they are shooting for and no idea of when or how they will achieve the vision. So, strive for details and precision. For example, a team of product development actuaries could have a vision that looks something like this:



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“Our vision is to be the team the company relies upon to deliver profitable, market-competitive insurance products with ever-increasing speed to market.” With that vision, you can further fill in the details of how you define profitable, market-competitive, and speed to market.

... you must focus on the most important role of a leader ... coaching and mentoring your staff.

With a strong, clear vision in place, you must begin to energize the team around what steps are needed to achieve the vision. Again, it's critical to make the path as clear as you can. So if you define your vision as I have above, you need to take stock of where you are currently in relation to the vision—how profitable are the products you have recently developed? How competitive are they? And how quickly did you develop them? Once you understand where you are and where you want to get to, be clear with the team about what you need from them in order to close the gaps—what they each need to do, how long it should take, etc.

Now that the vision is clear, and the path to achieve the vision has been laid out, you must focus on the most important role of a leader ... **coaching and mentoring your staff.**

This is another area where technical stars may struggle. Why? Because most stars who ascend to the management ranks quickly are accustomed to

getting feedback (usually positive), not giving it. In addition, it's often fairly straightforward to provide positive reinforcement in an annual or semi-annual review. The tough part, however, is providing critical feedback. It is essential to building the best team possible to provide feedback that is timely, candid and clear. The way to influence your team to perform at higher and higher levels over time is to make sure they understand how and when they are performing up to the standard you expect, and how and when they are not.

So, let's cover each component of good feedback individually. And remember, these concepts apply whether the feedback is positive or critical.

First, the best feedback is provided as close as possible to the observed behavior/performance. Waiting until the next review does not provide the right reinforcement. If a team member does something great, tell them immediately. If appropriate, recognize them publicly. On the flip side, having a critical discussion about performance that happened months ago will lead to surprise and disillusionment. Now they are left wondering what else you haven't told them yet. And I can assure you that providing critical feedback does not get easier if you wait longer.

Second, the feedback should be candid—honest and straightforward. It's much easier to deliver critical feedback that is simply an honest, objective assessment of someone's performance. Too much time spent trying to “sugar-coat” a tough message can often lead to misunderstanding. They're confused and you're confused, reducing the likelihood of improved performance.

Third, the feedback should be clear. Much like the team vision, you need to make sure the recipient understands exactly what the issue is. So, critical feedback such as: “*you're not doing a good job*” is not going to be helpful. However, something like: “*in the presentation you gave, you didn't pay attention to the audience's reaction and adapt*” is not only clear, but gives you more opportunity to discuss the situation, and together figure out what your employee should do to improve.

An implicit idea throughout the feedback section above was setting high standards. Without

continuing to challenge your team, they will not ascend to higher levels and you will not achieve your team vision. Remember, if the vision is aspirational in nature, then achieving it requires everyone to continue to improve his or her performance and capabilities over time. So, challenge your team members to do more than they've done before—certainly it's appropriate to raise the bar each year. If expectations don't rise, and quantifiable goals and objectives don't rise, then neither will performance. There's something in it for everyone here—your team continues to progress to higher levels of professionalism and you achieve your vision as the team leader.

With that in mind, I have one final thought on influencing your team. One thing you may have never thought about before if you are still in the early years of your career is the idea of what your *legacy* will be.

If you think a legacy is only for U.S. presidents and company CEOs, think again. Every leader (everyone for that matter) creates a legacy over time—both professionally and personally. All the people you work for, work with, and those who work for you, will ultimately draw a conclusion on what sort of legacy you have left behind once you have moved on. So I think it's critical that you think about your legacy before others do. As a leader, your legacy can be of someone who kept things going and didn't screw up something that wasn't broken. Or, your legacy can be of someone who brought your team to a level of performance that no one could have ever imagined. What do you want your legacy to be?

*Editor's Note: Watch for Part 2 of this series, **Influencing Your Peers**, in the November 2013 issue of **The Stepping Stone**. •*

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