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PERSONAL DEVELOPMENT

What Actuarial Exams Don't Teach You

By Juan Arroyo

In the previous issue,¹ I talked about some of the lessons actuarial exams can teach us. *What about items that the exam process missed?*

We tend to think exam success is a good indicator of professional prowess, but we all know that guy/gal who is good at taking exams but can't seem to get the job done.

Here are some of the concepts exams forget to emphasize.

IT'S OK TO NOT HAVE AN ANSWER

In the exam-taking world, it is encouraged to never leave a question unanswered. In the business world, sometimes it's better to clearly claim ignorance and set a time for follow-up than to provide a quick answer hoping to get away with it. Making up an answer only adds noise to the conversation and might cause unnecessary distractions.

We must fight fear of the unknown. Not having an answer is not the same as failing. It simply means that we need some time to look into it.

THE RIGHT ANSWER IS NOT THE BEST ANSWER

As exam-takers we are conditioned to always look for the right and most accurate answer. Hence, we get caught up in the discussion of proving to everyone that ours is the best answer. While this approach can work and may be considered the "right way" of solving a problem, it may not be the most effective and efficient approach in the long run.

We must all face the fact that ideas (in this case, the "right answer") can only be successful if they get implemented. Furthermore, we know there's a greater chance of success when the people implementing the idea have bought into the idea itself, especially when they have some part in its creation. This makes it very likely that the idea that gets implemented is not what we started out promoting as the "right answer."

The best idea is the one that everyone on the team can support and execute.

SUCCESS COMES FROM OTHERS

Exams are taken by individuals. Each person puts in the study hours, learns the material, works the practice problems and takes the exam. Everything is done on an individual basis. Hence, it is easy to think that because there is success in taking exams alone, success in the business world will follow suit.

As it turns out, our ideas have to be shared and implemented with the help of others. Our managers need to approve our approach; external customers need to understand the ideas; IT needs to give us resources; others may have to use our models; and so on. Regardless of what we would like to believe, we have to interact with others, and the success of our efforts will come from the approval, aid and support of other people. The Law of Significance states

"One is too small a number to achieve greatness."

—17 *Indisputable Laws of Teamwork*, by John Maxwell

This is one of the main reasons why it's important for actuaries to also learn the "soft skills" of building relationships and networking.

PUTTING IT ALL TOGETHER

As the size of the company and the volume of people we serve grow, we have to create specialized teams to properly analyze data and address the needs of our variety of clients. Thus, there's a greater need for thriving together with other departments, organizations, teams and peers. The work of every team could easily affect many other teams around the company.

Synchronizing all these efforts requires full commitment to collaboration, idea generation and sharing, several levels of peer review and research of the unknown.

In order to be successful we must sacrifice our personal fame for the glory of delivering more than just numbers.

What other lessons would you add to the list? ■



Juan Arroyo, ASA, MAAA, wakes up every day looking for the question that allows an individual to break through a self-limiting belief and become a better version of oneself. He can be reached at juanri31@gmail.com.

ENDNOTE

1 *The Stepping Stone*, November 2016.