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# CAREER DEVELOPMENT

## Actuarially Engaged: From Panic to Mastery

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*“If one advances confidently, in the direction of his own dreams and endeavors, to lead the life which he has imagined, he will meet with a success unexpected in common hours.”*

—Henry David Thoreau

*“Once you make a decision, the universe conspires to make it happen.”*

—Ralph Waldo Emerson

Imagine performing your job at 100 percent of your capacity. Imagine rendering the best of you, consistently exceeding your own expectations and those of your clients and colleagues. What does it take to carry this off despite work and life pressures?

When my son Gabriel was 5 years old, he asked me if I was the best actuary in the world. I was not taken aback and immediately replied, “of course not.” Children always have follow-up questions, and I guessed the next one before it was uttered. “Then, who is the best actuary in the world?” I must have replied that most rankings in life are subjective. I was happy to get this second question, though. In fact, I have often come back to it. I have even fantasized about posting it in a blog just to see what people would reply. I have imagined asking it to a group of actuaries in a plenum.

It may be an absurd question, for how can one quantitate a subjective attribute? But subjectivity is often measured. Think tanks and international organizations rank the level of democratic development,<sup>1</sup> or define the best countries in terms of human development.<sup>2</sup> There is even a “ranking of happiness” compiled by three renowned scholars.<sup>3</sup> Regarding the actuarial profession, we are aware that “actuary” ranks consistently as one of the best jobs in the United States. Could we think of a criterion to measure the effectiveness of actuaries?

*The Actuary*, a monthly magazine of the Institute and Faculty of Actuaries (IFoA) in the United Kingdom, once conducted a membership poll with this question: “Who do you think was

the greatest actuary ever?” Frank Redington got the most votes. Redington (1906–1984) was a British actuary best known for his development of the immunization theory. Personally, I would have voted for Hans Bühlmann, a Swiss actuary who contributed greatly to credibility theory and Bayesian statistics. But were Redington or Bühlmann highly regarded professionals, problem solvers and strategic thinkers with a deep understanding of financial systems? Or did they focus on a problem (immunization or credibility) and devote much effort to build bridges between theory and practice in their respective specializations?

The IFoA states on its website<sup>4</sup> that “[b]eing an actuary means having highly valued mathematical skills and expertise.” These skills are used to help measure risk and its financial consequences. We are qualified professionals who have met rigorous educational requirements. But how to measure effectiveness? How to measure greatness?

In a psychological setting, we can extract a continuum on how we respond to challenges, from inertia to mastery. Suppose that, as an actuary, you are tasked with the implementation of a solution for a client. These are the different states of the continuum:

1. **Panic.** Panic strikes you when you are confronted with problems and feel you have no ability to resolve them. You don’t know where to begin, and you start making the wrong assumptions, getting distracted, losing focus, and, ultimately, entering a state of panic by realizing that you have lost precious hours and have not made any progress whatsoever.
2. **Inertia.** Inertia describes a state of being in which you are unable to move yourself, incapable of action. You either lose



mobility or you are pushed by others. Inertia presents itself after a spasm of panic.

3. **Striving.** To strive means to struggle in opposition to someone or something, or to devote serious effort or energy to something. You are trying to do something. Perhaps you look up in your own files to see if you have done something similar. Perhaps you Google a few keywords with the hope to find some useful material, or at least a bit of inspiration.
4. **Coping.** Coping means just getting along, not letting things immobilize you. You may spend some time in panic, inertia or fruitless striving, or you may decide to start coping immediately. You may hear the Nike motto, “just do it,” and work aimlessly, hoping that you may get help along the way to deliver a reasonable solution.
5. **Mastery.** Mastery means possession or display of great skill or technique. Through years of experience, you know how to tackle the problem at hand. You deliver a state-of-the-art, innovative solution in a cost-efficient way. Put simply, you excel.

In the quest for mastery, there is wide availability of tools and techniques, but there are no shortcuts. While engagement in our actuarial vocation may be central to the art of living for most of us, and has led many over the ages to create great works of art, make impressive scientific discoveries, become leading humanitarians, or develop disciplines like immunization and credibility theories, a complete person can engage totally in virtually everything they may do. This is a lot more than passing those actuarial exams.

But putting aside other traits, where to start the search for actuarial excellence?

The Society of Actuaries (SOA) developed a Competency Framework<sup>5</sup> that includes eight areas of development: from technical skills and analytical problem solving to professional values and leadership. Which competencies are most important to you in your present work? What about your future work? Where is there room to grow? The Self-Assessment Tool will provide insights that may allow you to find answers to these questions.

Another idea is how to become more influential. In his book *Key Person of Influence*,<sup>6</sup> Daniel Priestley, a British entrepreneur, advocates a five-step method:

1. **Pitch.** Your ability to communicate your value and uniqueness through your spoken word
2. **Publish.** Your ability to gain credibility through authoring content

3. **Product.** Your ability to scale your value through an elegant product and services ecosystem
4. **Profile.** Your ability to become known, liked and trusted in your industry
5. **Partnership.** The ability to structure and maintain strategic relationships that benefit everyone involved

Priestley suggests working sequentially: You can’t just leap into a lucrative partnership if you have a poor pitch, no credibility, a broken business model, and you are invisible when searched.

Finally, the SOA Leadership and Development (L&D) Section makes available a host of resources for lifelong learners as well as for those who are interested in improving their interpersonal skills and business savvy. The section’s goal is to provide tools for personal and career development; guidance to new and developing managers; educational opportunities that build leadership skills; and opportunities to network. In addition, L&D explores how to use technical knowledge in decision-making.

Greatness may be operating at the mastery level most of the time. It may mean the ability to scale value through our work output. Getting to mastery is the place to be! And as Will Durant, an American philosopher and historian put it, “*We are what we repeatedly do; excellence then, is not an act, but a habit.*”<sup>7</sup> ■



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#### ENDNOTES

- 1 For example, see the Economist Intelligence Unit publication *Democracy Index 2016: Revenge of the Deplorables*, available at [www.eiu.com](http://www.eiu.com).
- 2 The United Nations Development Program publishes the *Human Development Report* annually, which can be downloaded at [www.undp.org](http://www.undp.org).
- 3 The annual *World Happiness Report* is edited by John Helliwell (University of British Columbia), Richard Layard (London School of Economics) and Jeffrey Sachs (Columbia University and Special Advisor to the United Nations Secretary-General). The 2017 report can be downloaded at <http://worldhappiness.report/ed/2017/>.
- 4 [www.actuaries.org.uk](http://www.actuaries.org.uk)
- 5 The SOA Competency Framework is under the “Tools & Resources” tab at [www.SOA.org](http://www.SOA.org). The time required to complete the online Self-Assessment Tool and review results varies by individual. It may take up to 45 minutes to complete the assessment; however, it may be completed in more than one sitting. Upon completion, you will be able to view, print and download your personal results. Then you can use the results to design your personal plan and act.
- 6 Priestley, Daniel. 2014. *Key Person of Influence*. Rethink Press.
- 7 This quote, often misattributed to Aristotle, comes from Will Durant. 1926. *The Story of Philosophy: The Lives and Opinions of the World’s Greatest Philosophers*. New York: Simon & Schuster.