

The Stepping Stone

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**SOCIETY OF
ACTUARIES**

**LEADERSHIP &
DEVELOPMENT
SECTION**



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CHAIRPERSON'S CORNER

Transformation: A Change Would Do You Good¹

By Kelly Hennigan

Welcome to the November 2016 issue of *The Stepping Stone*! In this issue you will find insightful articles on leadership, personal and career development, communication skills, our popular “What Would You Do?” series, and our latest Diversity Spotlight.

Fall 2016 marks the conclusion of my three-year term with the Leadership & Development Section Council, as well as my one-year term as chair. I wanted to take this opportunity to reflect on the evolution of the section during this time.

Over the last few years, the word “transformation” has continually popped up in both my professional and personal life. Hence, I thought it was very appropriate to focus my final installment of the Chairperson’s Corner around this theme.

*“Life is a moving, breathing thing.
We have to be willing to constantly evolve.
Perfection is constant transformation.”*

—Nia Peeples, singer and actress

Transformation—or change—can be a complex topic. It may be physical, or emotional, or intertwine both. It may occur overnight, or take several years. It may be self-induced or externally driven. Some welcome it; some hide from it. Each of us has experienced some type of transformation in our own life, or witnessed someone else’s transformation—professionally or personally.

I underwent my own personal transformations in recent months, based on my New Year’s resolution to run a 5K. With help from the Couch to 5K app (C25K) and some grueling—I mean inspirational—motivation from a personal trainer, I crossed the finish line just last week. This was a physical and emotional transformation, many months in the making. There were some days when I welcomed putting on my headphones and running, and others when I wanted to run from the running! But, I did it ... and I may just have to sign up for another one before the year is over.

Over the last few years, the transformational journey of the Leadership & Development Section included:



- **Name change.** One of the most visible changes was the 2015 name change—from Management & Personal Development (MPD) to Leadership & Development (L&D). This was an outcome of listening to our members and taking into account survey feedback. The renaming inspired the L&D Section to consider and pursue areas of joint partnership with other Society of Actuaries (SOA) sections—which has resulted in co-sponsored SOA meeting session topics and speakers benefiting multiple sections.
- **Face-to-face meeting.** Participating in an L&D face-to-face gathering in April 2016 was transformative for our L&D Section Council leaders. This meeting enabled the group to level-set on priority initiatives and resources—specifically with a focus on *The Stepping Stone*, meeting speakers and networking opportunities for section members.
- **The Stepping Stone’s Diversity Spotlight.** The 2016 addition of the Diversity Spotlight to *The Stepping Stone* originated from the L&D Section’s willingness to support the SOA’s Inclusion & Diversity Committee (IDC). The purpose of the IDC is to determine investments the SOA can make, or programs it can undertake, to achieve the greatest impact on inclusion and diversity in the actuarial profession, long term and short term. Impacts can include the number of diverse candidates and members and increased number and effectiveness of equal opportunities for advancement and leadership.



- **Leadership Inspiration Contest.** In 2015, we held our first Leadership Inspiration Contest that encouraged entrants to tell us what inspired them to be better actuarial leaders based around five different categories: an inspiring leadership quote, book/song, admirable leader/personal mentor, defining moment/event in their career, or any other leadership inspiration. We discovered that our section members are inspired via different channels and have been publishing those entries in *The Stepping Stone* throughout 2016.
- **Meeting speakers.** We continue to engage quality speakers at SOA meetings and symposiums. Over the last few years, the L&D Section has branched out to more frequently offer non-actuarial speaker sessions where the presenters have ranged from executive coaches to career consultants to social media experts. These sessions, along with actuarial-related leadership panel sessions, have received positive feedback and are much appreciated to counterbalance the more technical topics typically offered at SOA meetings.
- **Networking opportunities.** We will continue to facilitate and offer a variety of networking opportunities for actuaries. In addition to the popular Women's Leadership Forum and Luncheon at the SOA Annual Meeting & Exhibit, the L&D Section Council brainstormed on other types of environments that could encourage networking. One outcome was

the “Breakfast with Senior Leaders” held at the SOA Annual Meeting & Exhibit in October, where each breakfast table was hosted by an experienced actuary who has been in a senior leadership, senior management or C-suite role.

- **Podcasts.** During my first year with the L&D Section Council in 2014, we began recording podcasts. We now have 10 available on the SOA's website and iTunes and anticipate regularly adding to this podcast library of articles and interviews. Also, we continue to offer regular webinars, as we have for years, with a variety of speakers and topics—this year we had one webinar that attracted more than 600 participants!
- **getAbstract.** We continue to offer complimentary access to this library of business book summaries to L&D members. In 2016, L&D partnered with other SOA sections to advertise this resource and educate users on its accessibility.
- **LinkedIn.** The section's LinkedIn site, the “SOA Leadership & Development Section,” also is a newer resource available as a forum to further connect our members and encourage the sharing of leadership and developmental topics.

I encourage all of you to consider your professional and personal transformation—particularly as we move into the new calendar year, and New Year's resolutions are upon us. Whether your transformation includes running a 5K, taking on a home renovation project or pursuing a new job opportunity, it's very possible that “a change would do you good.”

I have very much enjoyed being a part of the section council over the last few years and look forward to the continued evolution of the section in the years to come.

In conclusion, I would like to congratulate our new L&D Section Council Chairperson Scott Randles and Vice Chairperson Anne Katcher. And, I would like to thank you for your continued interest in *The Stepping Stone* and the L&D Section. Please do not hesitate to reach out to any of our section members with any suggestions you might have for future issues, or contact *The Stepping Stone* directly at SteppingStone@JHACareers.com. ■



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ENDNOTE

- 1 This phrase is also the title of a song by Sheryl Crow.

Leadership Inspiration: “Wherever You Are, Be All There”

By Brian Hinkle

Editor’s Note: In the Leadership & Development Section’s Leadership Inspiration Contest, entrants were asked to tell us what inspired them to be better actuarial leaders. Here is the winner from the “Leadership Quote” category.

A quote that inspires me is, “Wherever you are, be all there,” by Jim Elliot. It doesn’t necessarily seem like a leadership quote, but I think that’s what makes it good. Oftentimes, when we think of leadership, we think of tasks and strategies to implement or boxes to check that will make us good leaders. I think the best leaders are the people who take the time to be present in the moment: people who are not thinking of the next thing all the time, but give their best in the moment.

No one wants to follow someone whom they believe doesn’t know them, respect them, relate to them, or inspire them. I think that one of the main causes for these issues in aspiring leaders is they are *too* aspiring. Aspiring leaders often have their eyes to the future, to a bigger role, a more exciting project, and fail to lead where they are.

“Wherever you are, be all there” reminds me that there is a lot happening in life, right now, that I don’t want to miss. The people I work with and lead have important issues, projects that matter right now, life events they care about today, and they need me to be present for them. Being all there builds trust and comradery; it allows a leader to see current needs and adapt accordingly; and it inspires others to follow. The future positions, bigger projects and more responsibility may or may not come, but you have today, so make the most of it. ■



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WHAT WOULD YOU DO? Sufficient Preparations

By John West Hadley

Here is our next entry in the “What Would You Do?” series.¹ Write to me at SteppingStone@JHACareers.com to tell me what you would do. In the next issue, I’ll compile the responses received (preserving your anonymity, of course), along with what actually happened in the real-life situation.

Help me craft future case studies. Write to me about your own challenging, surprising or nightmarish situations involving business, leadership, management, or any of the topic areas covered by *The Stepping Stone*, and what lessons you learned from them. I’ll collaborate with you on turning your situation into a simple case study, being careful to ensure no one is identifiable. And share your own thoughts (pro and con) on the series as a whole at SteppingStone@JHACareers.com.

SUFFICIENT PREPARATIONS

Martin was an ASA who had recently rotated into his first financial role, in one of his company’s core financial units. So far, things were going well, and he had good relations with everyone in the operation. He had mastered the work for which he was responsible, and his first year-end financial cycle was several months away.

A year before, there had been both an ASA and a more junior student in the operation, but this year Martin was on his own. Joanne was that junior student who had rotated into another operation, where she failed one too many actuarial exams, and needed to find a new role. Martin’s boss asked his opinion, as he was considering hiring her to be a programming and technical resource for the department. Martin agreed that Joanne had a good reputation, and was well-liked, and she was brought in.

Although Joanne wasn’t hired to assist Martin in his role, she had a year under her belt with the area’s year-end financial processes, so she offered to train Martin on what she and his predecessor had done the prior year-end. There was good documentation, which Martin reviewed thoroughly, and he quickly reached a point where he felt that he was as prepared as he needed to be.

Joanne wasn’t satisfied that Martin was taking her advice as to how to prepare seriously enough, and worried that at year-end she would be forced to work overtime to assure the deadlines were



met. Martin didn’t expect to ask Joanne to do any of the financial work at year-end, and was fully prepared to put in whatever additional hours might be required of him to meet the deadlines, so he moved on to other work.

What would you do if you were Martin? Joanne? ■



John Hadley is a career counselor working with job seekers frustrated by their search and professionals struggling to increase their visibility and influence. He can be reached at John@JHACareers.com or 908.725.2437. Find his free *Career Tips* newsletter and other resources at www.JHACareers.com.

ENDNOTE

- 1 Past issues in the series have considered whether to demote or fire a difficult employee, performance reviews and their aftermath, interview challenges from both sides of the desk, evaluating job offers, a difficult product decision, how to build connections with the home office, and career decisions. To catch up on the entire series, which started in May 2013, check out back issues of *The Stepping Stone* on the Leadership & Development Section website at www.SOA.org/ld.



SOA Explorer Tool

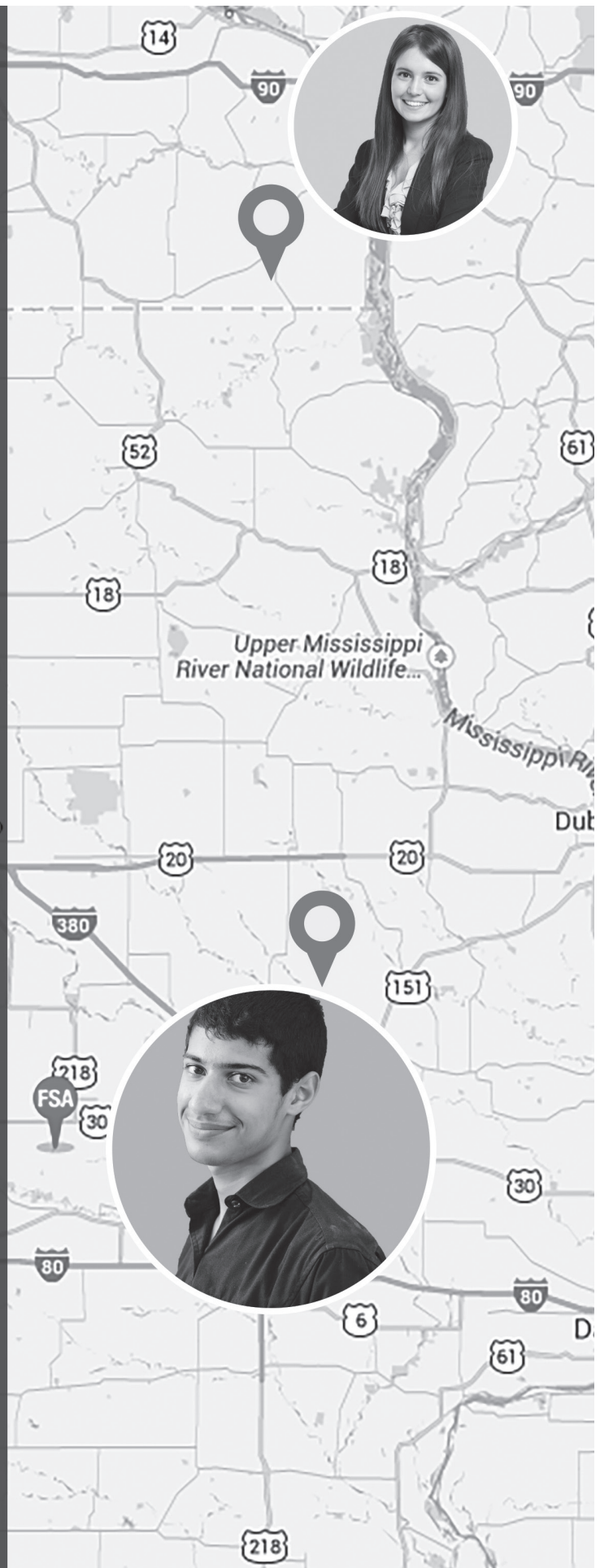
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**SOCIETY OF
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WHAT WOULD YOU DO?

Responses to “Stay or Go?”

By John West Hadley

In the August issue of *The Stepping Stone*, I posed the question “*What would you do?*” to the career decision below. Here are selected responses and excerpts, edited for space and clarity, followed by the real-life conclusion. Send your own ideas for situations to pose in upcoming issues to SteppingStone@JHACareers.com.

STAY OR GO?

Hardy had recently taken over as the product line actuary, a new role in the wake of the merger of his company into its parent. He was located at his company’s remote location, where he had been responsible for the actuarial work for several lines, including that one, for some time, but now it was receiving new scrutiny as the line reported up through a different operation within the parent.

It was quarter-end, and Hardy had arranged (and been approved) to take a few days’ vacation to attend his 20th college reunion on the West Coast, back to back with a three-day trip to the parent for its annual leadership conference. On the final day of the conference, his new boss came to him with questions about the third quarter financial results of his line, which were worse than expected. Hardy called back to the company and did his best to answer them, but would need to do substantial analysis, far beyond what he could accomplish prior to his trip, to fully satisfy his boss.

Hardy had been looking forward to this trip for some time, and had actually done a lot of organizational work for the reunion, so that people were counting on him to be there. His wife was also looking forward to the trip, and was flying out to meet him there. He would only miss two more days of work.

On the other hand, this role was a new one, both for him and for the parent, and he was one of few people being retained in the wake of the merger. The parent company gave quarterly financial result variations much greater scrutiny than his company had, and he was worried that he might not be seen as a team player if he waited until his return to dig into the issue.

WHAT WOULD YOU DO?

Many thanks to all of the respondents to this issue’s case study! The vast majority felt Hardy shouldn’t hesitate to go, with one caveat encapsulated in this response:



The answer to this question requires instinct and it is hard to offer sound advice without a gut feeling about the relationships involved. If Hardy has the trust and confidence of his boss then he should say “this trip is important to me so I would like your support in going and when I return I will give you the detailed analysis to back up my explanations.” If Hardy doesn’t have the trust and confidence of his boss AND he wants to stay in this role long term, then he should consider making the compromises necessary to meet the needs of his boss first.

A second caveat, emphasizing communication to solve the dilemma:

Hardy needs to start by communicating with his new boss and getting some feedback. I’m not saying he has to land on what his new boss suggests, but I always think that open communication is the best starting point. It may be that his boss has no qualms about two more days of waiting. It may be that his boss is worried about his own job and would willingly throw Hardy under the bus. It’s hard to gauge which without more feedback.

A respondent raised good questions about the quality of the communication:

First, what was the nature of Hardy’s communication with his boss when he was asked the questions? Did he communicate the amount of work that was needed and negotiate a deadline to set expectations? Did he assume that the boss knew he had scheduled vacation or did he remind him during their encounter?

How tenuous is Hardy’s employment? Unfortunately, most of us are not good at assessing our own situation.

Two pointed to this as a bellwether moment in determining company attitudes:

This is a great time to find out how the company respects vacation and personal time. If there are negative consequences to Hardy

attending the reunion, it would be indicative that the new company does not respect its employees. That lack of respect will be exhibited in many ways beyond imposing on a planned vacation.

If his parent company, and the higher-ups within, are so driven that they cannot wait two additional days for explanations that 1) cover results in the past, and that, therefore, are not going to change no matter when the analysis is complete, and 2) are not likely to be material enough to force changes to future projections, then it sounds like a place where Hardy should not wish to work in the future. If they fire him for that, he will ultimately be better off.

Many felt that the small number of additional days out of the office tipped the decision in favor of going, captured in these responses:

Judging whether to accommodate urgent requests is always a difficult one. However, there will always be urgent requests at any company, and very few of them will not wait for a few days to complete.

In the grand scheme of things, this is not such a rush issue that it cannot wait for two days. Even if Hardy finds a change that would fix the performance of the line, a two-day delay is minor—even if the change could be implemented immediately.

Hardy could let his new manager know that he did what he could in a short time frame to address his manager's priority questions related to the financials as he reached out to the office while he was at the conference. However, Hardy also should remind his new manager that due to personal plans, he is going to be out of the office for just a couple of days and that he will have to finish his analysis when he returns.

And finally, a response that touches on a variety of interesting points:

I would go to my reunion. I would remind my boss that I am traveling and will return to the office on the previously agreed-upon date. I would also advise of my intention to get the analysis started ASAP. A manager gets his work done through others: I would get the ball rolling on the research by instructing my direct reports to start gathering information that pertains to the questions my boss asked me. I would allot a couple of hours each morning to managing the process remotely and answering questions from those I task with doing the preliminary work. If I had an admin, I would keep that person in the loop, and instruct him/her to partner with my second in command, who would leverage down wherever necessary and proper in order to free up time for the team to manage this new priority.

Work-life balance remains an important consideration for all working folk and their employers. Hardy's 20th college reunion will only happen once, and it is clearly important to him, as he assumed quite a bit of responsibility for planning certain aspects

of the event. On the other hand, I also assume that providing detailed analysis regarding happenings in his department will be relatively commonplace.

Hardy sold 40+ hours of his time to the company per his employment contract. His employer granted him paid time off to be used at his discretion pending the company's approval, which he already has. Neither he nor the company anticipated that the results would be worse than expected. They both, however, anticipated his time out of the office. Further, he will need to do "substantial analysis, far beyond what he could accomplish prior to his trip, to fully satisfy his boss." Thus, assuming an eight-hour day, he might achieve a 16+ hour jump-start on his analysis by not going to his 20-year reunion, but it likely won't be enough time to complete the analysis. He may also plant a seed of regret that has the potential to turn into a tree of resentment as time wears on.

It is easy to accept the need to reschedule or cancel a dinner or even a business meeting. It is substantially more difficult and emotionally costly to forgo a personal milestone celebration, i.e., a child's or spouse's birthday, a parent's medical procedure, a 20-year college reunion. Such things impact the quality of an employee's life and may have an impact on that employee's work satisfaction and, ultimately, the company's ability to retain his talent.

Hardy survived the merger, presumably because the parent company saw value in his skill set. I would hope that Hardy makes the decision to keep his commitments outside work as a consideration of self-care. I would hope that his employer makes the decision to keep its commitment to him and not rescind its approval of his time off or find him guilty of not being a team player.

WHAT REALLY HAPPENED?

Hardy knew that his boss (and above) had a "drop everything" attitude toward unexpected financial deviations. In his new role he had no staff to assist him, and felt it would be very difficult to do any in-depth analysis and still participate in the reunion to a meaningful extent. He reluctantly decided to cancel the trip.

Not long after, Hardy's job was eliminated. He realized that had he gone to the reunion, he would have always wondered if that had been the nail in the coffin. Instead, he concluded the job just wasn't a fit to his style, and felt a weight had been lifted from his shoulders.

He never skipped another reunion. ■



John Hadley is a career counselor working with job seekers frustrated by their search and professionals struggling to increase their visibility and influence. He can be reached at John@JHACareers.com or 908.725.2437. Find his free *Career Tips* newsletter and other resources at www.JHACareers.com.

DIVERSITY SPOTLIGHT

Building, Retaining and Growing Diverse Teams

By Mitchell Stephenson and Linda Lankowski

Spend a few moments with this statistic: According to research from McKinsey & Company, gender-diverse companies are 15 percent more likely to outperform their peers, while companies that are ethnically diverse are 35 percent more likely to do the same.¹

Despite being consistently ranked as one of the top careers in the United States, actuarial science remains one of the least diverse professions. This trend also reverberates across the larger insurance industry.² Although African-Americans make up 13 percent of the U.S. workforce, they make up only 2 percent of all actuaries. Hispanics and Native Americans comprise 16 and 1 percent of the workforce, yet account for only 2 percent and less than 1 percent of all actuaries, respectively.³

The contrast between these statistics suggests the need for an effective diversity and inclusion (D&I) strategy to ensure not only the vibrancy of the actuarial profession, but also of the larger insurance industry. Recognizing this, the Society of Actuaries recently formed an Inclusion and Diversity Committee to focus on short- and long-term efforts to increase diversity in the actuarial profession.

Before we look at some best practices to enhance D&I in the workforce, it's important to understand the terms. "Diversity" refers to the appreciation and celebration of those attributes that make us unique, including gender, race, ethnicity, ability and sexual orientation. "Inclusion" refers to the creation of a culture of support and collaboration for individuals of all backgrounds—where every employee feels that they have the opportunity to bring their true, authentic selves to the workplace.

As actuaries and business leaders, it's important to attract and retain a talented and diverse workforce. We've included a few examples from our experiences at Prudential, and we invite readers to submit additional examples for future publication (email your examples to SteppingStone@JHACareers.com).



CENTRALIZED EFFORT TO DEVELOP AND MAINTAIN A D&I STRATEGY

D&I are integral to the strength of our talent, our culture, our business performance and our company identity. At our company, we are very fortunate to have a centralized team called the Office of Diversity and Inclusion (ODI) that develops an enterprise-wide strategy for D&I. ODI aims to create a culture of support and collaboration for people of all backgrounds, which allows every employee to bring their full and authentic selves to work, and where every customer sees a part of themselves in all company communications.

EARLY AWARENESS PROGRAMS

Developing career awareness programs aimed at high school and college students—especially those residing in diverse areas—helps identify high-potential talent at an early age and exposes students to a variety of career opportunities. Prudential's Actuarial Success Awareness Program hosts freshmen and sophomore college students, as well as high school juniors and seniors, from diverse communities for a week-long summer session to introduce them to actuarial science and the actuarial profession. The students meet actuarial executives, receive a mentor, and gain information regarding internship and scholarship opportunities.

ACTIVE PARTICIPATION IN ORGANIZATIONS THAT SUPPORT DIVERSITY

Actuarial communities need to initiate, develop and maintain strong relationships with external groups that support diversity. Our company works with several such organizations, including its long-standing relationship with the International Association of Black Actuaries (IABA). Associates—from new hires to the chief actuary—continuously focus on building relationships with external organizations.

BUSINESS RESOURCE GROUPS

Enterprise-wide business resource groups (BRGs) that are open to all employees serve as networks for promoting individual development while helping the company achieve its business objectives. BRGs help demonstrate the value of D&I. Many of our actuaries are involved in the company's seven BRGs, which include Able & Disabled Associates Partnering Together; the Asian/Pacific Islander American Association; the Black Leadership Forum; the Employee Association of Gay Men, Lesbians, Bisexuals & Transgender; Generations; the Hispanic Heritage Network; and the Prudential Military Veterans Network.

EMPLOYEE REFERRAL PROGRAMS

Building upon the BRGs, Prudential created an employee referral program to actively engage BRGs to assist in attracting top, diverse talent. This is in addition to the standard employee referral bonus for actuaries.

ONGOING D&I SUPPORT

Continuous interaction with strategic partners across the enterprise helps build strategies to ensure D&I are embedded into every aspect of our business. As actuaries, there are a variety of actions we can take to get engaged, including:

- Have a D&I topic as a regular agenda item in staff meetings or town halls
- Attend and participate in company diversity events
- Become a talent ambassador in helping identify diverse talent
- Ensure that diverse individuals are included as part of the hiring process
- Establish an audit process to ensure that your department is considering diverse suppliers

Excellence in D&I takes an organized strategy and dedication. At Prudential, our ongoing commitment to these initiatives was a contributing factor in receiving the 2013 Innovation Excellence Award from the National Association of Colleges and Employers, and being named the "Employer of the Year" in 2015 by the IABA. It is our hope that other companies will establish and foster similar D&I initiatives.

Yet, we shouldn't just focus on D&I because it is the right thing to do, or to comply with government regulations. A D&I strategy also shouldn't be a stand-alone program. Rather, if we get this right, D&I will drive our growth, development and competitive advantage, making a definite impact on the bottom line. ■



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Linda Lankowski, FSA, MAAA, follows emerging actuarial regulatory issues for Prudential Financial. She also chairs Prudential's Actuarial Recruiting Task Force. She can be reached at linda.lankowski@prudential.com.

ENDNOTES

- 1 "Why Diversity Matters," McKinsey & Company, January 2015. <http://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>
- 2 Population Reference Bureau survey, 2008. http://www.prb.org/pdf08/scientistprofiles/occprof08_actuaries.pdf
- 3 Barry McKeown, "Diversity in the Actuarial Profession," *Expanding Horizons*, Society of Actuaries, April 2014. <https://www.soa.org/News-and-Publications/Newsletters/Expanding-Horizons/2014/april/Diversity-in-the-Actuarial-Profession.aspx>

BUSINESS MANAGEMENT

A Tribute to Those Who Do Nothing!

By Kelly Hennigan

“What I’ve learned is that when I don’t know what to do, do nothing. Sit still and listen for that small voice that will always lead you and guide you. If you’re quiet and listen, you will hear it.”

—Oprah Winfrey

This is the third article in a three-part series¹ focused on the “Do Nothing” leadership approach presented by Professor J. Keith Murnighan, who was a Harold H. Hines Jr. Distinguished Professor of Risk Management at the Kellogg School of Management, Northwestern University. Murnighan was the author of the book *Do Nothing!* and promoted a synonymous leadership approach.²

The book states that all great leaders have passion for their work, have remarkable skill sets, and display determination.

I had the pleasure of both meeting and participating in a session led by Murnighan last year, at an SOA Council of Chairs meeting in Chicago. Over the summer, I was shocked and saddened to learn of Murnighan’s passing. It is only appropriate that I had planned for this final installment of the three-part series to be a tribute to leaders and their characteristics.

Do Nothing!’s last chapter is focused on unexpected leaders—or essentially ordinary people who possessed characteristics that led them to behave in an extraordinary fashion resulting in their becoming leaders. They all listened to that voice inside their head, which guided them to their unforeseen futures. The book states that all great leaders have passion for their work, have remarkable skill sets, and display determination. Each of the individuals Murnighan highlights, along with the professor himself, fit these characteristics.

SOICHIRO HONDA

One of these great leaders is Soichiro Honda, the engineer and industrialist who established Honda Motor Company. As a child growing up in Japan in the early 1900s, Honda was presumably similar to many other children of that era—he spent his time helping his father with his business (bicycle repair—from which the later development of a motorized bike and motorcycle were spawned) and was not overly engaged in traditional schooling. But, even as a toddler, he recalled being awestruck by the first car ever seen in his village. He reflected, “I could not understand how it could move under its own power. And when it had driven past me, without even thinking why, I found myself chasing it down the road, as hard as I could run.”

Honda seriously injured an eye in an automobile race in 1936 and two plants he had founded were destroyed in the 1940s—one by a bomber attack and the other by earthquake. Despite these setbacks, Honda’s passion for vehicles and determination resulted in the development of a billion-dollar multinational firm.

As president of Honda Motor Company, Honda had a unique perspective to hiring: “If you hire only those people you understand, the company will never get better than you are. Always remember that you often find outstanding people among those you don’t particularly like.”

He was true to his word, and thus employed someone he did not understand—Takeo Fujisawa—to oversee the financial side of the company. While the two colleagues were close friends, they possessed very different but complementary skill sets that enabled them to work together effortlessly. This teamwork enabled Honda Motor Company to further expand. In 1959, Honda Motorcycles opened its first dealership in the United States. Not only was Fujisawa an asset to the financial side of the balance sheet, he gained the respect of customers by honestly addressing any issues to ensure the customers’ relationship of trust was preserved. Similarly, Fujisawa maintained this bond of trust with Honda, and upon their retirements, both remained on as “supreme advisers” to the company.

MICHAEL KRASNY

Michael Krasny is referred to throughout *Do Nothing!* Like Honda, Krasny grew up helping at his father’s business—acting as a Toyota car salesman at a car dealership. Unlike Honda, the automotive industry was not Krasny’s passion. At 28 years old, he found himself out of work and needing cash. So, he decided to sell his own computer, placed a \$3 ad in the *Chicago Tribune*, and very quickly sold the computer for a \$200 profit. Thus MPK Computers, the predecessor to CDW Corporation, was born, with Krasny as CEO and chairman.

Seeing the great demand for computers, Krasny steadily grew his computer resale business. He expanded with the goal of be-

ing the most successful reseller of IT products and stated, “We went from area to area of the company looking for our weakest links and turning them into strengths.” Also critical to building the business was his focus on collecting customer information to improve execution. According to *Forbes*, his first caller from 1982 was still a customer 18 years later.

Krasny also recognized that the continued growth and success of CDW required new leadership and an expansion of the management team. After almost 20 years as reigning head of CDW, he named a new CEO and chairman in 2001, and eventually retired from CDW and sold the company for \$7.3 billion. When asked about his success, Krasny remarked, “There is no secret sauce, but there is a recipe. The recipe consists of equal parts of a) great coworkers who care, b) loyal customers and c) execution.”

MAGGIE DOYNE

Breaking away from the business and corporate world, another leader Murnighan highlights is Maggie Doyne, an American philanthropist who has built a children’s home, women’s center and school in Nepal. In 2005, upon her high school graduation from her hometown in New Jersey, Doyne took a year off to travel through an organization called LeapNow. She spent her time in India, volunteering at a children’s home and while there, became friends with a refugee from Nepal and traveled back to Nepal with her.

During this visit, Doyne met a 6-year-old Nepali girl who was barely surviving off of the rupees she received by selling riverbed stones. Doyne was inspired to help this child and others get an education and have a better life. She used what money she had access to, and then phoned her parents to request that they send her the \$5,000 she had saved up from her babysitting jobs. This, plus funds from supporters worldwide, enabled Doyne to purchase land in Nepal and found the nonprofit organization BlinkNow.

BlinkNow—“in the blink of an eye, we can all make a difference”—provides financial support and management oversight to a children’s home, a school, women’s center, health clinic and campus in Surket, Nepal. The Kopila Valley Children’s Home opened in 2008 to care for children who did not have any family—as of 2016, 45 children live there along with Doyne.

“I met children in need of a home and decided to build one for them. I wanted it to be the kind of home and the kind of childhood that I thought every child in the world deserved. It was really as simple as that.” Doyne is also the legal guardian for all of the children. She converted what began as a belief in the future of the children into a way of life.

J. KEITH MURNIGHAN

It is only appropriate that the final leader highlighted in this installment be Murnighan himself.

My initial reaction prior to meeting Murnighan last year was honestly one of disbelief—the notion of leading via doing *nothing at all* truly sounded ludicrous. Was the “Do Nothing” leadership philosophy purely a catchphrase to promote book sales? I very quickly learned that while the title appeals to light-hearted readers, the mantra of “Do Nothing” is directed toward serious-minded leaders!

In addition to his research and teaching, throughout his career Murnighan penned more than 130 academic articles and seven books. His writings on ambition and leadership have had a significant impact on business practices. Murnighan acted as a mentor, consultant and trainer to individuals as well as major corporations. He was recognized with many awards throughout his life—including a doctorate in economic science from the University of London and a Lifetime Achievement Award from the International Association of Conflict Management.

In the brief minutes that Murnighan and I spoke together, I found him to be inspirational and impassioned about his life’s work. He had an indisputable genuine quality, which led to his success both in the classroom and as a professional. Achieving greatness as a leader requires this genuineness, along with diligence, perseverance, the ability to constantly seek out new insights, and to assimilate all of this information to continue to grow. Honda, Krasny and Doyne also exhibited these qualities, and possessed the passion, determination and remarkable skill sets that led them all to be the inspiring, yet unexpected, leaders they were or are today.

In conclusion, Murnighan observed that, “Great leaders do things differently.” And, in tribute to Murnighan, some great leaders “Do Nothing.” ■



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ENDNOTES

- 1 Parts 1 and 2 in the series were published in the May 2016 and August 2016 issues of *The Stepping Stone*, available online at www.SOA.org/ld.
- 2 J. Keith Murnighan. (2012). *Do Nothing! How to Stop Overmanaging and Become a Great Leader*.

BUSINESS MANAGEMENT

Leadership Inspiration: A Guide to Daily Happiness

By Jeffrey Stock

Editor's Note: In the Leadership & Development Section's Leadership Inspiration Contest, entrants were asked to tell us what inspired them to be better actuarial leaders. Here is an entry from the "Book/Song" category.

Have You Filled a Bucket Today? A Guide to Daily Happiness for Kids, written by Carol McCloud and illustrated by David Messing, is a powerfully inspiring book that holds true for all ages. It can be read over and over and helps instill positivity in children and adults.

This essay contains several concepts from the book. The book's premise is that we all have an invisible bucket whose sole purpose is to hold your good thoughts and good feelings about yourself. When your bucket is full, you feel good; when it's empty, you are sad. It's great to have a full bucket, and the way it works is that you need other people to fill your bucket and other people need you to fill theirs.

You fill a bucket when you show love to someone, when you say or do something kind, or even when you give someone a smile. A bucket filler is a loving, caring person who says or does nice things that make others feel special. When you make someone feel special, you are filling a bucket.

You can also dip into a bucket when you make fun of someone, say or do mean things, or even when you ignore someone. Many bucket dippers have an empty bucket. They think they can fill their own buckets by dipping into someone else's, but that will never work. You never fill your own bucket when you dip into someone else's. But the opposite is true. When you fill someone's bucket, you also feel good.

The book encourages the reader to try to fill a bucket and see what happens: Tell someone you love them, smile at others, and give compliments. With practice and conscious focus on filling buckets, we become better at bucket filling. Bucket filling makes everyone feel good. The book recommends that at the start of each day, make it a goal to fill someone's bucket that day, and at the end of the day, ask if you have filled a bucket.

I've observed many leaders put a higher consideration for the work than for the person. Gallup showed that a bucket-filling work environment leads to higher productivity and employee engagement. This book is a reminder that to be an inspiring leader, we need to be bucket fillers. ■



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CAREER DEVELOPMENT

The Three Surprising Ways Becoming a Mentor Helps Your Own Career

By Darcy Eikenberg

If you want to grow your leadership skills, someone will likely give you this piece of career advice: “You need a mentor.”

Sure, mentors are great. Their support, counsel and example can be a foundation for how we change and learn. But that advice is only half-right. Because while **having** a mentor is great, **being** a mentor is an even more important step toward building the leadership credibility and career you want. Here’s why.

MENTORING CREATES CONNECTION

When asked about the most important factor in buying a house, people often say, “location, location, location.” Well, the three most important things in career success today are connection, connection, connection.

No, this doesn’t mean the number of people who we’re connected to on LinkedIn, or who are following us on Twitter or Instagram. You may be connected to them, but how much are you really connecting?

Clicking isn’t connecting. Connection is a sense of deeper understanding and empathy about someone else’s experience and background. Connecting is the sense others have that you really see them and know them.

Connection is the currency of today’s success, and not in a slimy, “scratch my back and I’ll scratch yours” way. In an age where trust is harder and harder to come by, the people who we’re really connected to stand out as ones we trust. Those are the ones we recommend, promote and hire, too. When you become a mentor, you deepen your ability to create connection.

MENTORING HELPS YOU PRACTICE THE ART OF LISTENING

One young professional debating becoming a mentor said to me, “What if I don’t have anything of value to say?” But that’s

looking at mentoring backward, because a good mentor listens more than she talks. A good mentor becomes the literal sounding board for the other person’s ideas or concerns. She shuts up and lets the other person have the floor. She doesn’t have to prove that she’s the smartest person in the room.

As a mentor, you can use your mentoring relationship to practice the art of listening. Exercise your focus muscles on what’s really being said, in addition to the ideas that are staying unsaid. Plus, mentors get to practice one of the most powerful leadership tools—silence. It’s not your job to fill the space in between sentences. It’s not your job to have all the answers.

It’s your job to listen, really hear and care. Being a mentor gives you the rare, safe chance to practice these valuable skills that will benefit you in your leadership journey (and maybe at home, too).

MENTORING REMINDS YOU OF YOUR VALUE

One of my mentors, Marshall Goldsmith, leads an exercise in rooms of hundreds where he asks that you write down one problem or issue you’re struggling with. Then he has you randomly find a partner across the room, and in a tightly timed process, share your problem and hear what your partner has to offer you.

I’ve participated and led this exercise many times. And the element that always fascinates me is that no matter who you randomly partner up with in the room, that person will always have a good idea for you to consider.

It doesn’t matter if you’re in the same industry, at the same peer level, or even in the same company. Human beings are naturally creative, and when we focus on the other person, we can typically figure out ways to be of help.

It’s the same when you are a mentor. No matter what problem the other person brings up, you have something to offer them. You have value. Encouragement has value. Asking more questions to help clarify the problem has value. Providing a safe place for someone to talk and feel they’re being heard has value.

Look around you right now. Who might benefit from having you as a mentor? What formal and informal programs can you get involved with in your company, community or profession? If you’re ready to build your leadership skills, don’t be shy. Raise your hand, because not only can you support someone else, but you’ll grow your own career, too. ■



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CAREER DEVELOPMENT

Leadership Inspiration: Leadership Is Influence

By Juan Arroyo

Editor's Note: In the Leadership & Development Section's Leadership Inspiration Contest, entrants were asked to tell us what inspired them to be better actuarial leaders. Here is an entry from the "Book/Song" category.

An event taught me leadership is influence. A few years ago, I was called to an impromptu meeting with my manager. (I'll call him Jimmy; that isn't his name.) I walked in, sat down across from him, and waited for the news. After a few awkward minutes of trying to deliver bad news softly, I interrupted Jimmy and asked him to just give it to me straight. A few seconds later, Jimmy said the words that changed everything: "I don't think I can work with you anymore."

I didn't listen much after that but I can summarize it in one sentence: I had a few months to find a different team, department or job.

Back then, I thought getting demoted was a failure in itself. Today, I think it is the best thing that has happened to me thus far. Why?

At the time of the meeting with Jimmy, I was leading a team of five. I was at work 60–80 hours a week. Highly stressful environment, lots of pressure and tight deadlines, with high-stakes projects.

In contrast, the new role was as an individual contributor. Standard 40-hour work weeks, seasonal projects, flexible deadlines, and no one to worry about other than myself. To be honest, I was bored! After many years of constant activity, the new role felt slow. I thought, "What in the world do I do with all this free time?"

Other than video games, TV and sports, I started reflecting on my "failure":

- What went wrong with Jimmy?
- What did I miss about that role?
- What was I passionate about?
- What behaviors did I need to change, improve or keep?
- What did I want to do next?
- How could I get better?



Out of everything I learned during this period, there's one item that produced the greatest impact: I learned I needed space to think and process ideas.

Thus, I started a blog and a newsletter. The process of writing helps me digest information while at the same time elicit feedback from others. Not only was I learning, I was also sharing my story.

To my surprise, it was in the process of sharing my story that I built greater influence than before. I had people outside the department asking for my opinion and ideas. Other managers looked for my help with staff issues. And the newer analysts came to me for guidance.

Thus, I went from leading a team of five to zero to influencing dozens.

All this was possible thanks to Jimmy, and the law of reflection: Learning to pause allows growth to catch up with you. ■



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.

COMMUNICATION SKILLS

Four Books to Start My Data Visualization Journey

By Ying Zhao

As an actuary, I have been using tables and charts to communicate data and analysis in my daily work. So when data visualization became a trendy topic, I started to wonder how it was different from what I had been doing for so many years.

To answer this simple question, I picked out four books on the subject.

THE VISUAL DISPLAY OF QUANTITATIVE INFORMATION

Edward Tufte's book has been viewed by many as a classic on the topic, and it is very deserving. The book first introduces a brief history of how data graphics (tables and charts) have been used in publications and reports. Along the way, data graphic design principles started taking form.

The majority of the book focuses on the design of graphics and elaborates the do's and don'ts of data visualization. Tufte opened my eyes about the effectiveness of different graphic presentations in delivering certain types of data. Thinking back on the

years of using data charts, I never put enough thought into what chart type would best deliver the message. Rather, I was making charts following how they had always been made. Tufte's book brought so much awareness of design elements into my usage of data charts and tables.

Some may find the examples a bit outdated. This might be true, but it really didn't affect the effectiveness of Tufte's message. What I especially like is the short conclusion at the end of each chapter. If you're short of time, those takeaways can carry you a long way.

DATA POINTS: VISUALIZATION THAT MEANS SOMETHING

Nathan Yau's book could be seen as the modern version of Tufte's book. The examples look much more modern and relatable (I can recreate them in Excel!). Similar to Tufte, Yau gives a very organized and systematic overview of the usage of data graphics. While Tufte tells readers a lot about "what not to do," Yau emphasizes what to do and how to do it.

Yau also takes a step further to point out that data visualization should not serve a decorative purpose. Instead, it could be the essential means to explore and present data. Yau spends a fair number of words on design psychology and artistic value of data graphics. Visual cues can help guide an audience's attention and enhance content, yet I didn't know about them until reading about them. Although these elements seem distant from actuaries' daily duties, the broader perspective helped open my eyes to more possibilities. Should I always use a line chart to illustrate portfolio yields?



For those who have started to work with big data and data analytics, Yau's book would help in developing graphic tools to explore data and find patterns. From time series to multivariate correlations, Yau shows readers step-by-step how visualization can help or distract from one's work.

All in all I found Yau's book easy to read, engaging, and full of interesting charts. I love how organized it is and how intuitive the examples are. This is the go-to book for me when it comes to data visualization.

VISUALIZE THIS: THE FLOWING DATA GUIDE TO DESIGN, VISUALIZATION, AND STATISTICS

For those actuaries who love the technical aspect of data visualization and want to get their hands dirty right away, this title by Nathan Yau is the perfect companion book. It is an instruction manual to set things in motion. From choosing tools to learning how to visualize different patterns and purposes, Yau shows readers many ways and options. Almost all of the coding is in R, so a newcomer can learn visual exploration and R at the same time. Like many technical books these days, the examples and codes in the book are available at Yau's website www.floodingdata.com.

STORYTELLING WITH DATA: A DATA VISUALIZATION GUIDE FOR BUSINESS PROFESSIONALS

Last but not least of the four books, Cole Nussbaumer Knaflic approaches the topic from a slightly different angle. This book is not very technical, and all examples are produced in Excel. The book emphasizes delivery of messages instead of their production. I see this as a textbook for MBA students, yet I learned so much more than I expected.

The author makes it clear at the very beginning that this book focuses on explanatory rather than exploratory analysis. How can one effectively share results of quantitative analysis, especially to nontechnical personnel? That is the very challenge every actuary often faces.

The nontechnical aspect allows the author to explore various tools and formats:

- A good presentation could combine graphics with explanatory commentaries on the same page.
- A series of the same charts can be shown repeatedly with different highlights to tell a story.
- Shades and patterns can sometimes be more distinctive than colors.
- Scale of a chart can sometimes be removed to make room for clearer messaging.

Some of these ideas can be thought-provoking, especially for actuaries who value precision above all. In practice, I found these tips really made my presentations clearer and more effective. It

did take me more time to compile a report as I took time to think and design, but the result justified the extra time and effort. I would recommend this book to actuaries who produce reports and presentations to management teams and nontechnical audiences alike.

What did I learn from these four books? First of all, even with "data" in its name, data visualization is less a technical topic—rather, it's a new way of communication. To be proficient, one should spend more time considering the key ingredients of an effective communication rather than the technical elements.

- **Understand your audience.** The same lapse experience analysis should look very different when presenting to a peer group of actuaries versus senior management. What would you want the audience to learn from this communication? Would you like them to participate in a discussion or accept your proposal? Would you want them to focus on the process or results? It is important to answer these questions first before diving into making reports.
- **Tailor visualization style to the objective of the communication.** A line chart can give an easy view of time series, while bar charts provide great visual comparisons. Think like a designer rather than a technician.
- **Determine the narrative and key points.** You want to draw the audience's eyes to follow your storyline instead of wandering to distractions that cause unnecessary questions.
- **Keep it simple and direct.** We sometimes like to give the audience a lot of data when we try to explain a complex issue (such as combo charts or multidimensional pivot tables). But results could be opposite to what we hoped. Fancy charts and color variation can sometimes cause more distraction. Try to remove clutter and simplify.
- **Visualization serves better in certain circumstances but not always.** A good old data table can sometimes be your best option.

Data visualization is not just for big data. Learning the theory and method of data visualization improved my practice of applying data graphics in my daily work. I've seen so many actuaries (myself included) reproduce the same reports with the same charts and tables year after year. And these reports were sent to all kinds of audiences. Maybe it is time for us to think outside the box, and start to create more effective data visual communication. ■



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PEOPLE MANAGEMENT

Work-at-Home Works

By Joanne Ryan

As a director in the actuarial department at Horizon Healthcare Services Inc., I have to admit I had a few reservations when we decided to embrace and fully implement a work-at-home program. How would I communicate with those working at home? What if I needed someone that day to go over something? What if I couldn't find someone when an unexpected yet urgent request came in? How would meetings over the phone work? What if someone from another department needed one of my employees that day and they weren't around? How engaged would they really be at home? How would I know if they were working or goofing off? Was this really worth it?

Now looking back three years later, although there have been some growing pains, overall it has been a huge success. Some employees have chosen to be in the office full-time, as the environment at home is simply not conducive to being as productive as they are in the office. Others have chosen to work at home for a majority of the week and are really enjoying and appreciating the flexibility, the savings in time and money, and the better work-life balance.

WORK-AT-HOME BENEFITS FOR EMPLOYEES AND EMPLOYERS

What have I found to be the most important benefits of allowing our employees to work at home? I would narrow them down to four:

- 1. Employee retention.** It seems to me the demand for seasoned health care actuaries is at an all-time high, and the timing of implementing our work-at-home program could not have been better. As most actuaries are aware, once credentialed we're getting calls or emails from recruiters routinely, and I believe our work-at-home program has helped retain a lot of our employees. In fact, I have had employees tell me it is hard to leave Horizon because they don't want to lose the ability to work at home. Employees view this benefit as a huge perk, and some are willing to forgo substantial salary increases from other employers in order to keep the flexibility and convenience they have being able to work at home. Sure we have had our share of employee turnover, but I believe our actuaries are talking to and emailing recruiters less frequently and interviewing with potential employers less often than if this program didn't exist.
- 2. Fewer distractions.** Let's face it. Being around other people can be very distracting. Water cooler conversations, co-workers talking on the phone, a commotion down the hall, or simply people walking by your desk can cause anything from a brief period of losing focus to a two-minute work question turning into a half-hour conversation about last night's sporting event. Our employees have said they are more focused and productive at home because it's quieter and there are fewer distractions. The work-at-home environment is especially helpful during those crunch times, when we have about five days' worth of work due in two days. Working at home allows our employees



to truly focus on the task at hand and make sure whatever needs to get done, gets done.

3. **Save in commuting cost and time.** With our main office in Newark, New Jersey, most of our employees are commuting at least 45 minutes each way, and are buying pricey monthly train passes, filling up their gas tanks routinely, paying for parking at the office or train station, and, of course, dishing out money for those New Jersey tolls. The timesaving aspect of working at home allows employees to take care of both their personal and work responsibilities so much more easily than what would normally be the case if they were commuting each day. Whether it's getting the kids to practice after school, being at home for a delivery or a repairman, or finishing up that work project in the evening, it just makes everything easier. Employees have reported they are less stressed, as there is no need to race home to fulfill an obligation. They have more time to simply spend with their friends and loved ones. What I have also noticed with work-at-home employees is they tend to be online earlier and stay online later than if they came into the office. They leave their computers on overnight, so it's easy for them to respond to emails or get that quick task done off-hours. I am a big believer in employees needing downtime, and we do not expect our work-at-home employees to be on 24-7, but work-at-home gives our employees the choice of whether to knock off something on their to-do list quickly in the evening or wait until the next day.

4. **Happy employees equal productive employees.** Our employees all agree having the option to work at home has improved their quality of life, and in my mind employees with a better quality of life are happier overall. They seem to be more engaged at work and more willing to do whatever it takes to get the job done. They are more supportive, more cooperative, and more willing to help others. They have better attitudes, complain less, and don't infest the area with negativity. And if that isn't enough to convince you to put programs in place that help increase employees' overall happiness, a 2014 study by the University of Warwick showed happier individuals are 12 percent more productive. Take that to the bank!

Although the benefits are clear, having a successful work-at-home program requires it to be set up right. Even though our work-at-home program was fairly successful from the beginning, we definitely had a couple of growing pains and we tweaked what we were doing so everyone working at home was as effective and productive at home as they were in the office. Knowing what worked, what didn't work, and what tweaks we made, here is what I believe contributes to a successful work-at-home program.

TECHNOLOGY IS A MUST

If technology is not up-to-snuff, it is extremely difficult to have a successful work-at-home program. Obviously, laptops and a connection to the network are required. Since actuaries tend to deal with very

large files, the speed with which employees can open files and download data needs to be the same whether in the office or at home. Email, along with instant messaging, helps a ton, although learning how to pick up the phone to communicate again is a must, and quite frankly, an adjustment I had to make. Being able to route the office phone line to an employee's personal phone is crucial so our internal and external customers won't notice a difference. The ability to share screens is critical as it allows us to go over spreadsheets and reports just like we would if we were all in the office. Screen sharing is also great to have for meetings when a WebEx is not set up. By having the presenter simply share his or her screen with all remote attendees, everyone can see the presentation. Speaking of meetings, it is important to have excellent audio equipment so those on the phone can hear everyone at the meeting. If the meeting is large, it is often difficult to hear those attendees who are not close to the speaker. Luckily the equipment today can solve that problem. We

The timesaving aspect of working at home allows employees to take care of both their personal and work responsibilities so much more easily ...

have used video-conferencing minimally, and I can see how that may be useful for some meetings, but I don't believe it is crucial.

FACE-TO-FACE IS STILL IMPORTANT

Even though there are circumstances where I would support full-time work-at-home, in my opinion, ideally employees would make it into the office at least two days a week. There is a camaradery, a connection, and a sharing of ideas we get with others when we are physically together and it is hard to come close to that when we're not in the same place. Even though it is possible to "attend" meetings by calling in, there is something lost when on the phone versus physically being there in the room. Having said that, one of the advantages of implementing a work-at-home program is all meetings are set up with dial-in numbers. We all know there are those meetings when we're better off being on the phone, such as when we're only needed for about five minutes of that two-hour meeting. In those cases, dialing in makes so much more sense as we can get other work done during the time when our participation in the meeting is minimal.

HOME ENVIRONMENT EQUALS

OFFICE ENVIRONMENT

If there are a ton of distractions at home, work-at-home simply will not work. We require our employees to have a dedicated



workspace when they work at home. Being on a couch with a coffee table won't cut it. It has to be quiet so they can concentrate and can also be on phone calls. Work-at-home employees need to have somebody watching their kids and need to make sure their kids are not a distraction during the workday. The employees are responsible for a high-speed internet connection and an available phone. To me, work-at-home is a perk for employees, so it shouldn't cost the company any extra money. Whether the employee is in the office or working at home, there should be no difference as far as availability and productivity. Bottom line, an employee should never say, "I can't do this task or participate in this activity because I am working at home that day."

HAVE A ROUTINE, BUT ASK FOR FLEXIBILITY

When we started this program, each employee was asked to pick the days they were going to work at home and the employee was supposed to adhere to that schedule. What I have found works better is having the employee work at home when it is conducive to work at home, and be in the office when it is better to be in the office. Although it didn't start out like this, what has happened is most of my employees are in the office on Tuesdays and Thursdays, but are flexible with their schedules and will come into the office for meetings and activities when it is beneficial to be in the office. This works out great. Managers are in the office most of the time when their employees are in the office, which I believe is very beneficial. At the same time, employees are not coming into the office just to come in because it is their day to come in. Employees are at meetings in person much more routinely now than when we first started the program and had that fixed schedule. This flexibility with a bit of routine allows the comradery, connection and idea sharing I mentioned earlier,

along with a physical presence at meetings and other activities when being there in person makes the most sense.

BRINGING IT BACK TO THE WORK

When I talk to other people managers about work-at-home programs, one of the biggest concerns I hear is, "How do I know my employees are productive at home?" My question back to them is, "How do you know your employees are productive in the office?" It's the same issue. An employee can physically be in the office and be completely unproductive that day playing on the computer, chit-chatting with colleagues, talking to friends on the phone, or posting on Facebook all day. What I have found is when employees are at home, I can actually find them more easily because they are more conscious of being around and available. Bottom line, if you bring it back to the work and what they are getting done, that is how you know they are productive. This is true whether the employee is working in the office or at home. I have found a productive employee is going to be productive in the office and at home. A nonproductive employee is going to be nonproductive in the office and at home. Therefore, work-at-home works for productive employees. For nonproductive employees, work-at-home or in the office doesn't work. Instead of struggling with whether a nonproductive employee should be allowed to work at home, take care of the situation. It's not the environment; it's the employee, so take care of the employee.

BOTTOM LINE: IT'S ABOUT TRUST

I often see people managing their work-at-home employees differently from the ones in the office. Because of the belief that they have less control over work-at-home employees, they start micromanaging them and requiring more check-ins or status reports from the work-at-home employees. Trust your employees that they will give you the same effort working at home as working in the office. What I have experienced is employees appreciate the ability to work at home so much, they are more conscious about the time they are putting in and they make sure they get the work done. Trust your employees and they will reward you. They will respect you more and actually work harder for you because they appreciate the flexibility.

There are a lot of benefits to a work-at-home program. Figure out what works best for you and your organization and then trust that work-at-home works.

The opinions expressed in this article are my own and do not necessarily represent those of my employer. ■



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PEOPLE MANAGEMENT

How Great Leaders Provide Leadership

By Marcel Schwantes

Editor's Note: In the November 2015 through August 2016 issues of The Stepping Stone,¹ executive coach Marcel Schwantes outlined how great leaders display authenticity, value and develop people, and share leadership—four of the foundations of effective servant leadership. Now Schwantes returns for Part 5 of a six-part series, discussing how to reconcile leading and serving.

As we build on the principles presented in this series on servant leadership, we get to a core idea that raises an obvious question. The core principle: Servant leaders provide leadership. The question: “How can I be a servant and lead?” Or restated: “How can I lead and be a servant?”

Providing leadership is a necessary side of the servant leader—the traits that we are more familiar (and comfortable) with that

Every leader should be asking the question: Do my team members know what is expected of them?

speak to the “hard” people side of the leadership equation: drive, results, urgency, goals and metrics. Yet, in context, the practice of a servant leader remains a paradox: You cannot lead without serving if you want to get the best out of your people.

While there are countless ways to provide leadership, the most influential leaders consistently act on these four things.

THEY ENVISION THE FUTURE AND GET OTHERS TO DO THE SAME

We hear so much about how leaders need to “motivate their teams.” And that’s certainly true. However, no motivation in the world will stick if the person you’re trying to pound it into doesn’t buy into your vision. So how do you get people to hop on the wagon?

Inspiration.

Inspiration in its most authentic form appeals on an emotional level. To truly get your people to buy into your vision, first pump the fear out of the room and then play on the heartstrings of what motivates them by hearing their collective voices.

True and honest servant leaders will put great importance on their tribe and inspire each person to see the vision like they do. Doing so shows you value your tribe and care enough about them to grant them a VIP pass into your long-term strategy—a field-level seat right behind the home dugout.

Metaphorically speaking (unless you’re in construction), you want to give them shovels and pickaxes to work alongside you in making that vision you communicated a working reality. That’s empowerment, and you have inspired them on an emotional level.

THEY TAKE INITIATIVE AND ACT

The best leaders won’t sit on decisions waiting for urgency to come knocking. They take risks and create urgency with intent and purpose, driving the bus closer toward the goal.

Don’t confuse this with the controlling and impulsive leader (or leadership team) that steamrolls ahead without soliciting varied perspectives or receiving enough feedback before making a decision that may hurt the team or company.

And unlike some detached and disengaged leaders with their own personal agendas, leaders who lead and serve take initiative with *fierce resolve and humility* (the qualities of “Level 5 leaders”). They are driven and want results, but not at the expense of people. They balance personal will and commitment with the best interest of their tribe members in mind.

THEY CLARIFY GOALS AND EXPECTATIONS

Great leaders provide leadership by communicating consistently about where the bus is headed. A Gallup research study³ that I have mentioned in previous articles measured the top reasons employees are disengaged, leading to turnover. One of the top five reasons is not having clear goals and expectations.

Every leader should be asking the question: Do my team members know what is expected of them?

Gallup’s research shows that many great workplaces have defined the right outcomes; leaders/managers will set goals for their people or work with them to set their own goals. They do not just define the job but define success on the job.

THEY COMMUNICATE WITH THEIR MOUTHS AND EARS

The best way to strengthen relationships at work is through more communication. Intentionally spend time with your tribe members to learn more about them—their personal lives, what



they're working on—and to discover their strengths and interests. You do so by listening intently, with the other person's needs in mind. The upside for you? You may identify opportunities where they could contribute more to other projects.

The best form of communication is still done the old-fashioned way: through one-on-one meetings. But before you push back with the complaint that there's no time on your schedule, know that one-on-one meetings actually become time savers when used on a recurring basis. First, you need to know how to structure them so that they work to your advantage. This is going to test your servant leadership skills.

Follow these five tips for getting started:

1. **Make one-on-one meetings short.** They don't have to be any longer than 15 minutes; the shorter, the better.
2. **It is you, the boss, that sets the meeting date and time.** That shows you have an interest in them and it tests your follow-through and commitment. And please be prompt. If they request a meeting and you respond two weeks later, your credibility goes out the window.
3. **It is the employee that provides the agenda.** That puts the focus on them and pushes the responsibility on them to tell you what they need to address and what they want to talk about. So let them drive that meeting by giving you an agenda.

4. **Meet at least once every two weeks.** If possible, depending on the level of responsibility for that employee, meet weekly. Use your best judgment and situational leadership skills.
5. **Focus on what the employee wants to talk about.** Ask if there's anything else that needs to be addressed and if they have everything they need. Then you can communicate your part: new expectations and direction that need to be handed down, good news, bad news, praise.

Please show your employees that these meetings are valued and important by treating them as a priority. And it goes without saying, if a meeting has to be postponed, reschedule promptly.

Editor's Note: This six-part article series will conclude in our next issue with a final article about how great leaders build community. ■



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ENDNOTES

- 1 Available online at www.SOA.org/ld.
- 2 Level 5 leaders are described in Jim Collins' popular leadership book, *Good to Great: Why Some Companies Make the Leap ... and Others Don't*.
- 3 <https://q12.gallup.com/Public/en-us/Features>

PEOPLE MANAGEMENT

Leadership Inspiration: Nature Abhors a Vacuum

By Gregory Fann

Editor's Note: In the Leadership & Development Section's Leadership Inspiration Contest, entrants were asked to tell us what inspired them to be better actuarial leaders. Here is an entry from the "Defining Moment/Event" category.

Aristotle taught us that "nature abhors a vacuum." It's a common refrain we remember from our childhood days in science class, perhaps with various degrees of specification. The simple postulate is that every space will be filled with something, even if it is nothing more than colorless, odorless air.

This principle is also true in the leadership realm and is distinctively true for thought leadership. We have witnessed the result of general leadership gaps as the space is filled with rumors, disruption and mistrust. With thought leadership, there can be a short-term void in an area as significant events bring about new opportunities of exploration. For example, expertise regarding peculiarities of the Affordable Care Act (ACA) risk corridor formula did not exist when the regulation was finalized. Eventually, a few actuaries worked through the complex calculations and presented some non-intuitive results that provided a beginning framework.

Actuarial leadership often involves pioneering new territory. This is sometimes voluntary and sometimes necessitated by job requirements; either way, it is uncomfortable and requires sustained courage. "New territory" is not a natural inclination in our daily routines.

Think about it. When assigned a project, it is common practice to first ask if a similar undertaking has been done before and then try to repeat prior tasks to the largest degree possible. Naturally, it makes sense to start with similar report templates and models that have been thoroughly vetted and properly reviewed. That will make you an efficient actuary and may allow you to be home for dinner; that will not make you a leader.

A defining moment in my career occurred soon after the passage of the ACA. With some stimulus from work responsibilities but spurred by intellectual curiosity, I began to independently study the implications of new federal subsidies in the individual market, an exercise that I thought was lacking in actuarial attention. As I was developing a detailed understanding of how the me-



chanics of the subsidy calculation worked, I could not help but notice that many public statements regarding the implications were oversimplified and generally misleading. My research led to strategic planning expertise and a detailed, transparent article in *Health Watch*. This opened the door to invitations to write more articles, participate in featured sessions at Society of Actuaries (SOA) meetings, join a thought leadership committee, and lead Health Section podcasts.

This is an example that is indicative of a larger pattern. It is the pioneering endeavors that require original thought, and not routine repeatable projects, that have been the most rewarding for my career and leadership growth. In your work, I would humbly advise you to look for areas where there is a void of actuarial thought and leadership. Your desire to be an actuary and your career success are likely due to strong critical thinking skills. If you have thought diligently about something and you recognize a unique clarity of understanding, this is not an accident. That may be rightfully your space; claim it while there is still a vacancy. ■



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PERSONAL DEVELOPMENT

What Actuarial Exams Teach You

By Juan Arroyo

Anyone that's part of or knows about the actuarial profession understands that actuarial certifications and exams are a big deal. Colleges focus their courses on preparing actuaries to pass exams with the hope of great job opportunities. Aside from passing grades and job applications, what do actuarial exams teach those who decide to finish them?

It's well known that we only retain a small amount of the information we memorize for a test. Ask me about time series and I won't be able to tell you much about it. That said, there are three lessons I got from going through the actuarial exam process.

1. **Perseverance and discipline.** Yes ... there are some who were so smart they barely studied and put in little effort to pass exams. But for most of us, discipline and perseverance were needed to achieve success. With 30 to 40 percent passing rates, most actuaries end up taking at least one exam twice; some even take them three or more times. The possibility of experiencing failure several times requires the individual to be resilient in the quest. There's no better way to keep moving forward than to create discipline in our study habits and endless search for improvement.

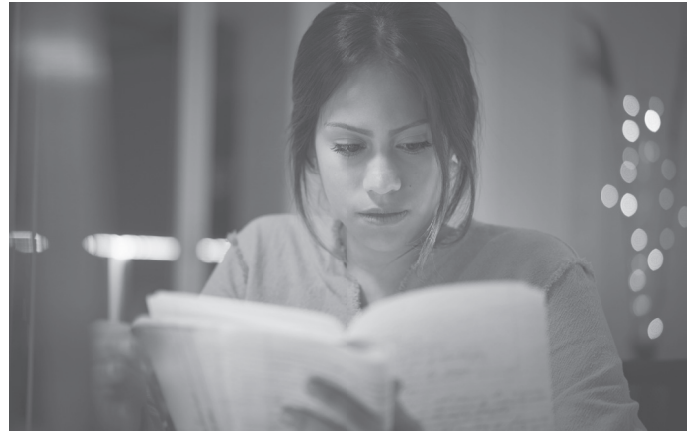
Like John Maxwell states¹ in his Law of Consistency, "Motivation gets you going but discipline keeps you growing." *Greatness is the result of ordinary things done daily.*

2. **Priorities and sacrifice.** The exam process takes time. For most it takes at least seven years. Throughout the journey, there are plenty of social events left behind in exchange for a chance to pass an exam.

Actuarial exams force us to choose what matters most and sacrifice instant gratification for long-term success. The family gathering, the Friday night movie, a trip to Vegas and your favorite TV show are examples of sacrifices. One thing is certain: For the ones who finish, the sacrifices are all worth it.

"He who would accomplish little must sacrifice little; he who would achieve much must sacrifice much; he who would attain highly must sacrifice greatly"

—James Allen, *As a Man Thinketh*



3. **Quick thinking and problem-solving.** Given the limited time to finish an exam, actuaries get conditioned to be quick to figure out how to tackle and solve a problem. In the ever-changing business environment this can be a very useful skill. The time constraint also simulates the sense of working under pressure.

Actuaries are always under the gun to provide guidance with quick turnaround. Actuarial exams give actuaries the opportunity to learn about their style under stress and their ability to handle the pressure and rapidly come up with sensible solutions to the problems at hand.

So how do perseverance, discipline, priorities, sacrifice, quick thinking and problem solving relate to the business world?

As actuaries, we strive to be innovators. In our quest to "deliver more than just numbers" we are always looking for ways to change the way the game is played. This approach leads to constant change, many failures and plenty of hard work. This requires us to be able to adapt quickly, think on our feet, be creative, prioritize and persevere.

Change is not an enemy. Change is opportunity. And taking advantage of opportunities requires the lessons actuarial exams can give.

What life lessons have you gotten from taking exams? ■



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 From *The 15 Invaluable Laws of Growth: Live Them and Reach Your Potential* by John C. Maxwell.

PERSONAL DEVELOPMENT

The Zen Actuary

Installment 10: “Breaking Down the Practice”

By Rich Lauria

Author’s Note: This is the continuation of a series¹ adapted from the book Awake at Work by Michael Carroll, covering the application of Buddhist teachings to situations encountered in a modern corporate workplace setting. This series addresses challenges frequently encountered by practicing actuaries.

Let me begin with a bit of an apology. I will return to the “Awake at Work” theme as promised at the end of Installment 9, just not yet. My recent experience in yoga teacher training encompassed so many Buddhist lessons—some of which my ego thought (mistakenly) I had already sufficiently learned—that I felt I would be doing readers a disservice unless I first shared this humbling and mind-opening odyssey.

This installment is my perspective on yoga teacher training, and parallels to aspects of actuarial practice. It covers how the training encouraged me to re-evaluate my yoga practice and essentially “break it down.”

At the end of last year, I felt my yoga practice had plateaued. I still found joy from doing it, but it had started to become routine. And I was overemphasizing the asana² portion, sometimes spending two hours working to master ever-more-challenging physical postures. This in part led to the physical problems I’ve been dealing with in 2016 that I described in Installment 9.

I discussed with several instructors alternatives to deepen and enrich my practice. They all pointed me to teacher training, saying that I was ready for it and would benefit in ways well beyond the physical practice. I resisted because I had zero interest in teaching yoga. I’ve always had a passion for teaching academics, but I could not see myself demonstrating and cueing challenging physical postures, leading meditations and chanting Sanskrit mantras. I viewed myself as the perpetual yoga student. Nevertheless, I trusted the instructors and signed up.

Then I got hurt and was focusing all of my efforts on healing. My practice had taken a back seat to physical therapy for my elbow and scheduling surgery for an inguinal hernia. I was AWOL at the yoga studio and word got out that I was seriously considering backing out of the training. The head of the studio, Suzanne, called me while I was on a business trip and asked me what was

going on, and whether I was still planning to do the training. I responded that I was in a lot of pain and I didn’t think it made sense to put myself through that. I wasn’t doing anything physical at that point not prescribed by my physical therapist.

Suzanne responded that a) very little of the yoga literature is about the physical practice, and b) injuries often give yoga practitioners some necessary perspective to refine their practice and become better yoga teachers. We met for a private session later that week, and she gave me some very basic asana practices designed to assist my healing process. She hoped I would reconsider taking the training but would honor my final decision.

After a week of practice and some deep contemplation, I decided to go on with the training. I was still struggling with my injuries and had yet to schedule my hernia surgery, but I made the decision to trust that I would find a way to get through the training and rely on others for help where necessary. Little did I know that trusting the universe was the first step in reinventing my practice. I let go of having to be in control and knowing exactly how things would work out and simply trusted that the path would be exactly what I needed.

Little did I know that trusting the universe was the first step in reinventing my practice.

This all sounds anything but actuarial. However, I believe that such trust and faith are core to advancing one’s actuarial practice.

When I began working in enterprise risk management (ERM) eight years ago, the field was still in its formative years. And I entered just as the financial crisis began to unfold, which would go on to have a profound and enduring impact on ERM practices. The rating agencies re-evaluated their views, company efforts were ramped up as good ERM was now viewed as a competitive edge rather than a compliance exercise, and regulators developed Own Risk and Solvency Assessment filing requirements to monitor insurer risk frameworks and risk profiles. ERM continues to grow in importance, and actuaries are playing a leading role. The faith and trust of the profession in its members and brand led to the development of the Chartered Enterprise Risk Analyst credential, which continues to gain acceptance.

Suzanne’s guidance encouraged me to completely re-evaluate my entire practice. And that was the next step in breaking down the practice: the willingness and desire to objectively look at what I was doing without judgment. This involves the applica-



tion of a pure open mind, called “shunyata” in Buddhism. One taps into pure being-ness, going within to that place beyond ego. Possibilities begin to manifest in that space.

For me, that meant a physical practice that worked with my limited capabilities instead of struggling against them, and an increased emphasis on the nonphysical practice. Circumstances necessitated this review, but one’s practice should always have this openness, seeing it as a living, breathing entity rather than a fixed set of rituals to get through. Curiosity and self-awareness are critical aids to cultivating this state.

The same approach applies to actuarial practice. I believe the gains the profession has made in the efficiency and sophistication of modeling capability have resulted from the efforts of the many “zen actuaries” bringing pure open minds to the challenges of an increasingly complex world. I’m also humbled by and grateful for the many actuarial articles I’ve read in recent years that analyze and propose innovative solutions to the financial security challenges facing our society, such as how to:

- Provide affordable health care for all
- Finance long-term care
- Create sustainable retirement security programs
- Encourage flood insurance ownership by those at risk

I am hopeful proposals like these will inspire better approaches to providing financial security for all.

Making the commitment to complete yoga teacher training turned out to be far more than I bargained for. I had to study several lengthy texts, including an anatomy book on the muscles of yoga. My head reeled at the amount of information I need-

ed to absorb in four months. I had to write two essays before the formal training even began, one covering a “yama” (code of universal morality) and the other covering a “niyama” (personal observance). The requirements also included taking classes at the studio, observing classes, providing assists for fellow teacher trainers in class, and teaching private individual sessions and organized group classes. The thought of asking friends and family to be experimental subjects made me feel quite uncomfortable. I thought to myself on more than one occasion, “Oh my God! What is all this? It’s just yoga, right?”

Oh, and I had to participate in six weekend retreats upstate. Those retreats turned out to be what I like to refer to as “yoga boot camp.” Starting the day at 6 a.m., the group began the festivities with 108 sincerity bows, to express our collective gratitude to the divine for our many blessings. This was then typically followed by a meditation, breathing exercises (called “pranayama”), chanting and some asana. We were then allowed to eat breakfast—vegetarian, of course. When not eating or sleeping, we were doing something “yoga-related.” Lectures on anatomy and physiology, the essential truths of the Bhagavad Gita and the Yoga Sutras, purifying rituals called “kriyas,” how to provide yoga assists, and the virtues of eating an animal-free diet kept trainees more than gainfully occupied.

“Oh my God! It’s just yoga!”

I felt overwhelmed. Giving my all to the training while holding a full-time job and rehabilitating multiple injuries seemed well beyond my modest capabilities. Resistance began to take hold within me, the negative voices growing louder. The temptation to tune out and maybe even drop out of the training appeared quite appealing. After all, I was still in pain, and sitting in a car

for a two-plus-hour drive was not helping my recovery from hernia surgery. And having to modify and even sit out certain parts of the physical training was very discouraging. I felt like the little kid who wanted to go out and play with his friends but couldn't because he was sick.

I called upon my early days as an actuarial trainee as inspiration and motivation for what I was experiencing. I recalled the challenges of working a full-time job and wanting to go home and watch the tube, but instead having to crack open the books and prepare for the next actuarial exam. The amount of material to master was daunting, and the overall path to fellowship a mountain too steep to climb.

I remember the first time I sat for Life Contingencies. I had been warned that it was often the Waterloo that harpooned many an actuarial career aspiration. I would heed the warning and put in the necessary preparation to slay the dragon. And I followed through on that commitment, studying more than I ever had for any exam in my life to that point. Yet I still failed, and it wasn't even close. I remember seriously considering quitting the profession. I was fortunate enough to get a pep talk from a senior actuarial trainee in that dark moment, encouraging me to try again. It wasn't quite smooth sailing from there, but I worked through the resistance and the temptation to give up on something I really wanted to do because my mind had checked out.

I've learned that these thoughts of overwhelm, doubt and anxiety are part of the actuarial journey. Sometimes the data produces no usable insights, no matter how many ways to Sunday we break it down. Sometimes there is no product design that produces an acceptable risk-adjusted return. Sometimes strengthening reserves or infusing capital is the only answer to dealing with deteriorating experience. That sense of helplessness, surrender and humility are sweet spots for us to investigate. Just when we believe we are masters of the world of uncertainty in which we swim and make our living, something comes along to shake that hubris. It breaks us down and softens us. That softness is not weakness, but rather an emotional strength that allows us to see and feel the truth of how vulnerable and precious the actuarial experience can be.

Yoga teacher training also created many uncomfortable moments for me. I was put on the spot to explain the rationale for a particular physical posture or breathing technique. I had to teach a sequence of postures to the other teacher trainees with little time for preparation. I had to critique the teaching techniques of other trainees in a candid yet kind manner, practicing "satya" or truthfulness. I had to get comfortable touching other people, whether giving them physical assists in postures or providing healing massage.

The discomfort at times was palpable. I wanted to run from the room, the anxiety seemingly unbearable. I found the key was to stay with the discomfort and realize that it was not the situations that made me uncomfortable, but my thoughts about the situation that created the emotional distress. Seeing my thoughts as objects allowed me to create space, realizing that I did not have to identify with them or my mind. Meditating on watching my thoughts during these challenging situations helped me to reconnect with that deeper part of me, what is referred to in the Yoga Sutras as the Atman, or higher self. It is the unobserved observer, the well of stillness inside all of us.

We can channel that connection to stillness when we experience those times of discomfort in our actuarial practice. The CEO is asking difficult questions about the sources of poor results. Marketing is putting the squeeze on that perfect product we designed. The Audit Committee is questioning our reserving judgment. The client is pressing us to sign off on more aggressive assumptions.

There are a lot of these gut-clenching moments in our work, but we don't have to follow the runaway train of thoughts that they typically create. We can always pause, breathe slowly and deeply, mentally recite a favorite mantra, or perhaps even do a sun salutation. It's always about creating space, and breaking down the internal chatter to get some separation and relief from the endless barrage of thoughts.

The common element through all of this is self-study or "svadhyaya," developing the self-awareness to begin to critically examine and break down our habits without judgment. It allows us to then refine and rebuild our actuarial practice, renewing and refreshing our approach to our chosen vocation in a peaceful and joyful manner.

Maybe it's more than "just yoga." I will expand further on this in the next installment, as I cover my current endeavors to rebuild my practice and find a deeper and more lasting meaning from it. ■



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ENDNOTES

¹ The first nine installments in the "Zen Actuary" series were published in the November 2013 through August 2016 issues of *The Stepping Stone*, available online at www.SOA.org/ld.

² Yoga postures.

PERSONAL DEVELOPMENT

When the Going Gets Tough, the Tough Become Resilient¹

By Doreen Stern, Ph.D.

Have you ever skidded on black ice at work? Slammed into a wall in a relationship? Or watched helplessly as a close friend or family member passed away?

Unfortunately, dread calamities befall *all* of us. Yet many of us act like the iconic 20th-century dancers Fred Astaire and Ginger Rogers: We mentally don our now-scruffy black tuxedo or once-shimmering gown and try to glide across the heretofore smooth dance floor.

WHY WOULD ANYONE TAKE SUCH STEPS?

We often adopt this approach because we don't want anyone to see our discomfort or pain. "Please don't think less of me," we mumble to the world around us. And then we start dancing as fast as we can, in the hope that our co-workers, boss, neighbors, friends and even family members won't see the truth.²

WHAT HAPPENS WHEN DANCING ON THE HEAD OF A PIN DOESN'T WORK?

Twenty-three-year-old Jeni Stepien didn't have the luxury of masking her pain. The small Pittsburgh suburb in which she lived—Swissvale, Pennsylvania—had only 9,000 residents, so everyone knew what happened to her and her family. Ten years before, around midnight, her dad darted down an alley on his way home from his job as head chef of a local restaurant. It was probably a shortcut 53-year-old Michael Stepien routinely took. But that September night, a 16-year-old teenager lay in wait. According to court documents, the young man wanted to buy rolling papers.³ When he accosted Michael at gunpoint, his victim said he didn't have any money. Michael Stepien was shot at close range.

The prognosis was grim. No hope, actually. So the Stepien family "decided to accept the inevitable" and donated his organs through an organization called the Center for Organ Recovery and Education. This organization allows donor families and the recipients to keep in touch with one another after a transplant.⁴

Three hundred miles away, in New Jersey, 62-year-old Arthur Thomas was near death, too. Sixteen years earlier he had been diagnosed with ventricular tachycardia, a malady characterized by improper electrical activity of the heart. By this point, his heart's ability to function as a pump was inadequate to meet his



body's needs. He was days away from dying from congestive heart failure.

"In order to get to the top of the transplant list, you have to be really hurting," Thomas, a father of four, recently observed. "Once I had my transplant, I, of course, decided I would write a thank-you to the family."

The Stepien family's loss saved Thomas' life. And perhaps he also saved theirs. Monthly letters, phone calls and emails resulted from his initial contact. The families traded cards at Christmas and flowers on birthdays. Yet they never met in person. Or even considered it, until the day Jeni Stepien became engaged. "Who will walk me down the aisle?" she wondered. "It would be so incredible to have a physical piece of my father there."

At her fiancé's suggestion, Jeni wrote to Thomas, to ask him to walk her down the aisle. He assented. "If I had to, I would've walked [to Pennsylvania]," he said. "I felt wonderful bringing her dad's heart to Pittsburgh."

Jeni Stepien and her fiancé married in the same chapel in which her parents had wed, only three blocks from where her father was murdered.

Many people wouldn't have had the courage to confront the strong feelings this experience probably engendered. Indeed, "Mr. Thomas ... warned Ms. Stepien that his emotions might get the best of him."

"Don't worry," she told him. "I'll be right there with you."

When they met the day before the wedding, Arthur Thomas told Jeni Stepien to grip his wrist, where his pulse is strongest. "I was thinking," she later recalled, "My dad is here with us, and this man is here with us because of *us*."

HOW DOES JENI STEPIEN'S STORY DEMONSTRATE RESILIENCE?

The ability to turn something bad that happens to you into something good, for yourself and possibly others, is called resilience. It's a quality that can be developed, like a muscle. And

then, similar to a rubber band, it can help you bounce back after a negative experience, even something as bad as your father being killed.

“Resilience,” explains Rockefeller Foundation President Dr. Judith Rodin, is:

[T]he capacity of any entity—an individual, a community, an organization, or a natural system—to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience. As you build resilience, therefore, you become more able to prevent or mitigate stresses and shocks you can identify and better able to respond to those you can’t predict or avoid. You can also develop greater capacity to bounce back from a crisis, learn from it, and achieve revitalization. Ideally, as you become more adept at managing disruption and skilled at resilience building, you are able to create and take advantages of new opportunities in good times and bad.⁵

HOW CAN YOU BUILD GREATER PERSONAL RESILIENCE?

Resilience involves awareness, employing a range of capabilities, coordination of functions, self-regulation, and the capacity to adjust to changing circumstances.⁶ A simple process called the “Three Good Things” exercise has been scientifically shown to be effective in increasing it.⁷ I’ve been doing this exercise for several weeks now, and have found its results surprising.

Three Good Things Exercise⁸

Each day for at least one week, preferably before bed, write down three things that went well for you that day, and provide an explanation for why they went well. It’s important to create a physical record of your items by writing them down; it is not enough simply to do this exercise in your head. The items can be relatively small in importance (e.g., “my co-worker made the coffee today”) or relatively large (e.g., “I earned a big promotion”).

As you write, follow these instructions:

1. Give the event a title (e.g., “co-worker complimented my work on a project”).
2. Write down exactly what happened in as much detail as possible, including what you did or said and, if others were involved, what they did or said.
3. Include how this event made you feel at the time and how this event made you feel later (including now, as you remember it).
4. Explain what you think caused this event—why it came to pass.
5. Use whatever writing style you please, and do not worry about perfect grammar and spelling. Use as much detail as you’d like.

6. If you find yourself focusing on negative feelings, refocus your mind on the good event and the positive feelings that came with it. This can take effort but gets easier with practice and can make a real difference in how you feel.

In addition to building resilience, research subjects who participated in the exercise reported lower depression, lower burnout, less conflict with colleagues, fewer disruptive behaviors, better work/life balance and better sleep quality. The subjects got home on time more often, skipped fewer meals, and ate fewer poorly balanced meals.⁹

For my part, I discovered that the good things that happened to me seemed to be the result of both choice *and* coincidence. In addition, I realized I could come through unsettling events, like not being chosen for a job I desired, better than I imagined. Above all, the “Three Good Things” exercises have made me feel as if I’m tying up loose ends in my life. For example, last week I went to a bereavement group and released the guilt I felt about my mother’s suicide when I was a baby.

“Life is a game with terrible odds,” the playwright Tom Stoppard observed. “If it were a bet, you wouldn’t take it.” Of course, resilience can’t change the odds; however, it can help you handle the uncertainties. ■



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ENDNOTES

- 1 Able to recover from or adjust easily to misfortune or change (available online: <http://www.merriam-webster.com/dictionary/resilient>).
- 2 D. Viscott. (1996). *Emotional Resilience: Simple Truth for Dealing With the Unfinished Business of Your Past*. New York: Harmony Books.
- 3 <http://www.post-gazette.com/local/east/2011/02/25/Man-convicted-in-fatal-shooting-of-passer-by/stories/201102250222>
- 4 This and the following quotes are from an article available online: <http://www.nytimes.com/2016/08/09/fashion/weddings/bride-is-walked-down-aisle-by-the-man-who-got-her-fathers-donated-heart.html>
- 5 J. Rodin. (2014). *The Resilience Dividend: Being Strong in a World Where Things Go Wrong*. New York: Public Affairs.
- 6 *Ibid*.
- 7 M.E. Seligman, T.A. Steen, N. Park and C. Peterson. (2005). “Positive Psychology Progress: Empirical Validation of Interventions.” *American Psychologist* 60(5): 410.
- 8 <http://ggja.berkeley.edu/practice/three-good-things>
- 9 <https://cbpowerandindustrial.wordpress.com/2014/08/27/three-good-things-a-resiliency-exercise/>

PERSONAL DEVELOPMENT

Leadership Inspiration: *The Slight Edge*

By Scott Randles

Editor's Note: In the Leadership & Development Section's Leadership Inspiration Contest, entrants were asked to tell us what inspired them to be better actuarial leaders. Here is an entry from the "Book/Song" category.

While I have received a number of leadership inspirations over my career, the book *The Slight Edge*, by Jeff Olson, stood out for me because it helped me put into practice long-term leadership principles that I wanted to possess.

Just knowing how to be a good leader means nothing unless you can translate the principles into your everyday life. This book helped me understand that true leadership starts with what seem like insignificant interactions and small decisions that I make, rather than through major decisions and meetings. I realized that having discipline to make time for things such as face-to-face conversations over lunch or in the hallway, controlling my emotional responses when responding to emails, discussing my own mistakes openly, and showing compassion to others in a time of need, when compounded over time helped me become a better leader.

As the author points out, these little things are all quite easy to do, but they are all quite easy not to do as well. ■



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