



SOCIETY OF ACTUARIES

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The complete actuary

The Life Styles Inventory

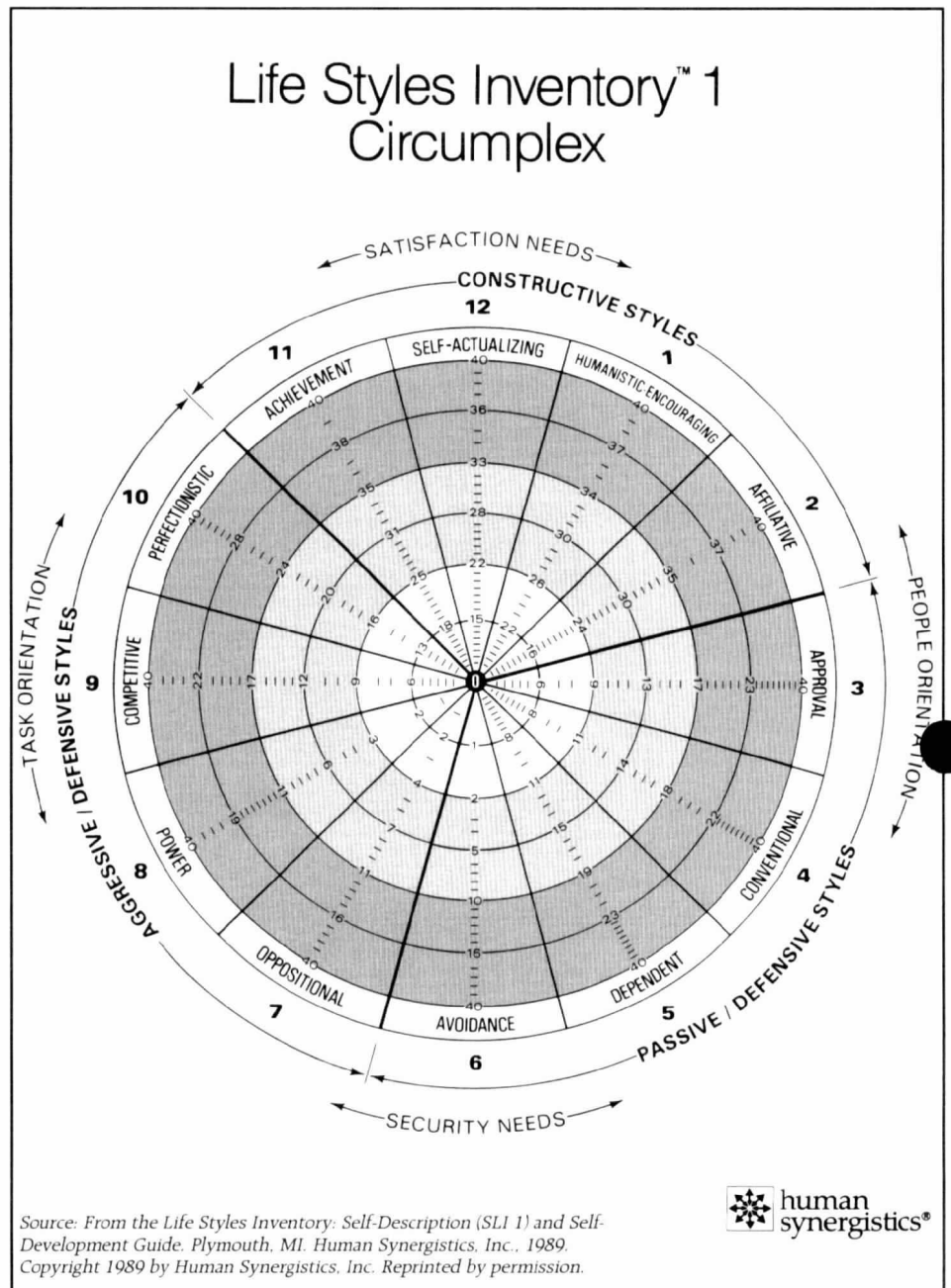
by Alan Finkelstein

If you were asked to describe your personality, specific strengths and weaknesses, how you think and behave, and how you feel about yourself and others, where would you begin? Which phrase is most representative of your personality?

- **Constructive** — Self-enhancing thinking and behavior that contribute towards healthy relationships, working effectively with people, and skill at accomplishing tasks
- **Passive/Defensive** — Self-protecting thinking and behavior that promote the fulfillment of security needs through interaction with people
- **Aggressive/Defensive** — Self-promoting thinking and behavior used to maintain status or position and fulfill security needs through task-related activities

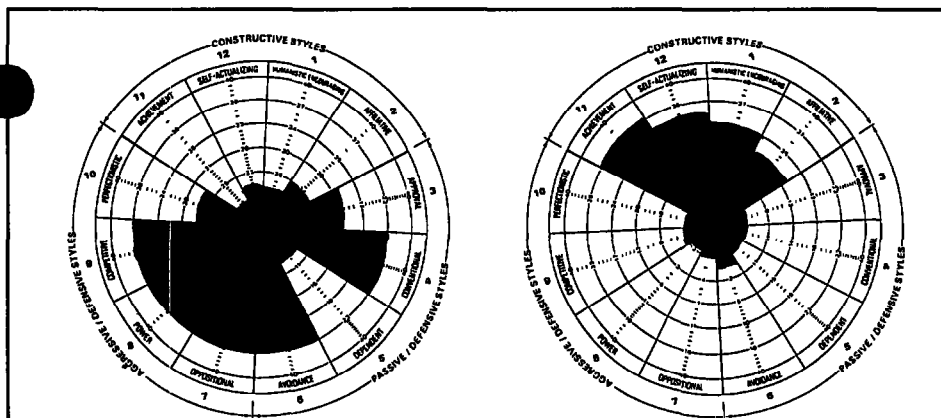
Which of the following seemingly contradictory patterns of thought and behavior are a more accurate description of who you are?

- **Humanistic/Encouraging** — Interested in other people, tend to care about others, and able to encourage them to improve or
- **Oppositional** — Disagree with others, seek attention by being critical and cynical, and respond to others with skepticism and sarcasm
- **Affiliative** — Committed to forming and sustaining satisfying relationships, strengthening interpersonal skills, and motivating others through genuine praise and friendliness or
- **Power** — Use force, intimidation, and coercion to get results and gain prestige, status, and influence (in other words, a lack of confidence in others' abilities)
- **Approval** — Need to be accepted by others to increase or sustain feelings of self-worth and preoccupied with the opinions of others or
- **Competitive** — Need to compete with and compare oneself with others to increase or sustain feelings of self-worth; a "win-lose" orientation that distorts perspectives and goals
- **Conventional** — Tend to act in a conforming way rather than



- displaying originality; mistakes are covered up because a low profile is maintained or
- **Perfectionist** — Preoccupied with flawless results in every detail and tend to place excessive demands on self and others
- **Achievement** — Able to attain high-quality results on challenging projects by possessing the skills necessary for effective planning and problem solving or
- **Dependent** — Lack of self-respect

- that results in feeling unable to accomplish things and relying on others to determine one's behavior
 - **Self-Actualizing** — Concerned with self development, creativity, responsibility, and acceptance of self, others, and situations as they are or
 - **Avoidance** — Tend to withdraw from situations perceived as threatening and feel guilty about real or imagined mistakes
- To help you better understand yourself, Human Synergistic of



The above profile depicts a very ineffective manager -- one whose company was losing \$400,000 a month.

This profile shows a highly effective key-level manager whose company recently experienced one of the most profitable years in its history.

Plymouth, Michigan, has developed a tool known as the Life Styles Inventory (LSI). The leader's guide states, "The LSI provides you with a valuable opportunity to look at your thinking and behavior — to recognize your specific strengths, as well as any 'stumbling blocks' that may be standing in your way. You can use what you learn to initiate positive changes in how you think and act and increase your personal and professional effectiveness."

The self-development guide uses the following steps:

The Life Styles Inventory

You are asked for candid responses to 240 phrases: "0" indicates the phrase is unlike you; "1" indicates the phrase is like you quite often; and "2" indicates the phrase is like you most of the time. Your scores are then tabulated on a scoring sheet.

The Life Styles Circumplex

Your scores in the first step are transferred to a circular diagram resembling a clock. (Shown on the previous page.) The 12 positions on the circumplex correspond to the life styles previously mentioned. Note the scales are not uniform. For example, a score of 24 falls within the 25th percentile for "Affiliative" (2 o'clock), but the same score falls within the 91st-99th percentile for "Power" (8 o'clock). The six concentric rings radiating from the center of the circumplex correspond to the following percentiles:

- (a) Low - 10th
- (b) Low - 25th
- (c) Medium - 50th
- (d) Medium - 75th
- (e) High - 90th
- (f) High - 99th

The two profiles on this page are shaded to show how scores radiate from the center.

Interpreting the scores

The self-development guide explains in detail the characteristics of each life style, with variations depending on whether your score fell into the low, medium, or high range. In addition, the guide shows how one life style relates to other styles.

For example, a low score on the "Perfectionistic" style (10 o'clock) indicates you are relatively free from perfectionistic drives and are probably realistic about what you can accomplish. However, a very low score indicates you are working below your potential and may have difficulty setting and maintaining appropriate performance standards.

The self-development guide cites many examples where the life styles either complement or contradict one another. The guide also includes a chart titled, "The LSI Thinking Styles and Effective Management," a self-improvement plan, and a bibliography of suggested reading.

The guide also suggests that you retake the Life Styles Inventory in three to six months to identify specific changes in your thinking and behavior and to determine your progress.

Those interested can contact Human Synergistics at 38819 Plymouth Road, Plymouth, MI 48170-4290, telephone: 313/459-1030.

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A heuristic approach to solving probability problems

by Jonathan Balsam

Actuaries are, first and foremost, problem solvers. The Society of Actuaries recently gave this opinion official sanction by formalizing a course requirement in problem solving (part of the two-and-a-half-day Fellowship Admissions Course).

Like problem solvers in any field, we face the danger that, burdened with scores of well-studied solution techniques, we may lose sight of a problem's structure and simplicity.

Risk and probability are areas especially fraught with this danger. To see a problem's simplicity, we often must step back and try to see the forest despite its proliferation of distracting trees.

Fortunately, we are not alone. A formal science beginning in the early part of this century attempts to characterize and analyze problem solving techniques. This science is called heuristics. Its name stems from the Greek word for "find," familiar to us in

the present perfect tense as "eureka," which we associate with the blinding inspiration felt by a naked Archimedes dashing through the streets of ancient Syracuse in triumph. Heuristics codifies the thought processes latent in a flash of inspiration, providing those of us who lack Archimedes' gifts with problem-solving techniques that are more likely to be effective than giving up and taking a hot bath.

continued on page 14 column 1