



SOCIETY OF ACTUARIES

Article from:

The Actuary

October 1997 – volume 31 - Issue 8

Own the problem

That's where to start, says actuary-turned-exec

by Jacqueline Bitowt
SOA Public Relations Specialist

Stan Tulin's actuarial career reads like an "Indiana Jones" adventure viewed through a Wall Street lens.

Tulin hasn't hunted valuable artifacts, soared over rainforests, or staged miraculous escapes. What he has done is wander into a major actuarial firm at the age of 17, pass his exams by the age of 25, consult for all three antagonists in a complex bankruptcy case, work on the first demutualization of a major New York-based firm under the state's new demutualization laws, and, finally, leave consulting for a senior executive post with the newly demutualized insurer.

Today, Stanley B. Tulin, former consulting actuary, is executive vice president and chief financial officer of The Equitable Companies Incorporated and senior executive vice president and CFO of The Equitable Life

Assurance Society of the United States, The Equitable's principal insurance subsidiary. He joined The Equitable after eight years with Coopers & Lybrand L.L.P., where he was responsible for delivering consulting services to both

domestic and international insurers. Before joining Coopers, Tulin spent 17 years with Milliman & Robertson (M&R), where he developed a large actuarial and strategic planning group.

An early beginning ...

Like many actuaries, Tulin excelled at mathematics in high school. Unlike many, he also began his career in high school. "Someone made a presentation

to us on careers in mathematics, and I needed a summer job. So I started calling consulting actuarial firms because that was all that was in the Yellow Pages under 'actuary.' I had no idea what they did," said Tulin.

He landed an interview with M&R in Philadelphia, Tulin's home town. "I think they had all of three people," he said. "They needed somebody to help them part time, and I was cheap. So I was hired. And that began my career in the profession. I learned about it by working in it." Tulin began taking exams that year, graduated from high school, "did nothing other than a modest look at college," and finished his exams at age 25.

... but it was just the beginning

A consultant for 25 years, Tulin said he had a number of interesting assignments. But two stand out in his mind.

The first, for M&R, was the bankruptcy of Baldwin-United Corporation Life Company. Tulin was M&R's consulting actuary to the rehabilitators of Baldwin-United's subsidiaries, a role he held from 1983 to 1988.

"It was fascinating because I represented three different parties

who were antagonists with each other: the Arkansas Insurance Department, the Indiana Insurance Department, and Baldwin-United in bankruptcy. The process of working out an acceptable rehabilitation involved many moving parts. On top of that, there was no national guaranty association, and only about two-thirds of the states had guaranty associations at all.



Stanley B. Tulin
Senior Executive Vice President
Equitable Life Assurance Society

"It was a very complex assignment that lasted five years. The endgame was perhaps the most fascinating because it involved a bidding competition between Metropolitan Life and what is now Sun America (then Sun Life). It was wrestled out in two state courts — in Indiana and Arkansas — with the resolution that the business went to Metropolitan Life."

Next stop: Coopers & Lybrand and The Equitable's demutualization

Tulin joined Coopers & Lybrand's insurance industry practice in 1988. In just a few years, he encountered another landmark assignment: the demutualization of The Equitable, beginning in 1991.

"It was the first demutualization attempted and, so far, completed under New York's demutualization statutes," Tulin said. "It involved state regulators, a major international investor, the company, and professionals from every field imaginable — actuaries, accountants, lawyers, investment bankers. So it was a

(continued on page 17)

Setting the pace

This story is part of an occasional series highlighting personal careers and offering new perspectives on actuarial job paths.

The Rule of 10 was easy to remember as most people had 10 fingers.

The Rule of 11

In the Stone Age, as now, all 52 cards were dealt. The four players were designated wind, earth, water, and fire, and they played clockwise in that order. Wind and water were partners and earth and fire were partners. A new person was designated as wind with each new hand (or new deal), which consisted of 13 “tricks.” (This was a forerunner to the bridge game now called “Chicago.”) There was no “trump” suit. It was required that wind begin the

play of a new deal, and it was the custom for wind to lead the “fourth highest” card from his longest suit.

Then Earth’s cards were placed face up on the ground for all to see. (For some reason we now refer to these “down-to-earth” cards as the “dummy.”) Fire would choose which of earth’s cards to play. The object was to win the most number of tricks.

Water and fire would each use the “Rule of 10” to calculate the number of cards that were larger in the suit that was led. The Rule of 10 was to subtract the pip value (number) of the card led from 10 (e.g. if the 6 was led, then there would only be four higher cards outstanding in the other three hands, as $10 - 6 = 4$). If water could see one higher card on the ground, and water

had three of the four higher cards, then water knew that fire had none.) The Rule of 10 was easy to remember, as most people had 10 fingers.

Modern man now uses the Rule of 11 because the cards are, in effect, numbered 2 through 14. It is conceivable that an actuary was involved in this new numbering system. If the SOA ever requires 13 exams, the exams should be numbered 2 through ace in an attempt to recapture the bridge-playing actuary. The public could then refer to an actuary who has completed all of the exams as an “Ace.”

Donald R. Sondergeld, 1991-92 SOA president, played in the SOA bridge tournaments. He expects to become an ACBL Life Master soon.

Own the problem (continued from page 13)

multifaceted project.” Tulin said The Equitable started trading publicly in 1992, and “the whole process probably was completed sometime in 1993.”

Trading places

In May 1996, Tulin traded his life as a consulting actuary for that of a corporate officer. He joined The Equitable’s life subsidiary as senior executive vice president and chief financial officer. A year later, he was given the added role of chief financial officer and executive vice president of the parent company.

Why the change? As a consultant, “you are always on a plane. Very few people are willing to come to you, no matter how good you are,” he laughed. The other reason was that consultants “can’t execute or implement. I was growing more and more desperate to be able to make some decisions and actually implement them.”

The actuaries he hires

In his 30-year career, Tulin has hired more than 100 actuaries. “What I look for is hard to find,” he said.

“I am looking for problem solvers and business people who are also professional actuaries. In other words, they recognize that the actuarial skill is just another skill that they bring to the table. They also need to have strong communication

skills, good common sense, and other business skills, and all of those skills need to be focused in problem solving.”

Tulin believes you can’t solve problems if you don’t own the problem. “That’s something else I look for in the actuaries I hire,” he said. “Owning the problem means working it until it’s solved, as opposed to simply working it until you can say, ‘Well, I’ve done what I can do,’ and what you’ve done was not deemed all that understandable in the first place.”

Actuarial roles and education, and what “selling” really means

In Tulin’s view, actuaries should have key roles everywhere in the financial services industry. “The same way that you can find lawyers and accountants in almost any role in almost any business, you ought to be able to find actuaries — particularly in the financial services industry — in almost any role.

“Within The Equitable, we have actuaries doing many different things, and we have for many years. Part of the way to develop better-balanced actuaries is to get them out of actuarial departments and into other departments.”

“If you look around the world at the really successful actuaries, what distinguishes them from the rest of

the pack? It might be technical skills, but if it is, nobody really appreciates that — which means the difference really is in the business and communication abilities. You could be Einstein, but if you can’t communicate your analyses and connect them with your company’s or your client’s business needs, then your value is going to be quite limited. But if you’re only half an Einstein — and that’s probably the minimum given the profession’s technical requirements — and you marry that with strong business and communication skills, then you’ll be a very formidable professional.”

That formidable, problem-solving professional won’t have to “sell” in any traditional sense, Tulin said. “I think a lot of actuaries who talk about selling really mean communicating and solving problems. If you communicate well and know how to solve problems, you won’t have to sell. Everybody wants someone who can solve their problems and who can bring to bear a host of different skills to solve those problems.”

Jacqueline Bitowt’s e-mail address is jbitowt@soa.org.