

ACTUARIAL CONSULTING CAREER ADVICE BASED ON EXPERIENCE

By Betsy Dill

For the last two and half years, I have been the head of Human Resources (HR) at the J. Paul Getty Trust, also known as the Getty. The Getty, funded by an endowment of nearly \$6 billion, employs about 1,400 people on two campuses in Southern California. In addition to its museum, the Getty also has a research institute housing millions of rare manuscripts and writings on art, a conservation institute that works across the world to protect and restore art and artifacts, and a foundation that makes grants to other cultural institutions. The Getty employs people with various levels of education and skills from scientists, researchers, curators, and conservators to security officers and grounds keepers. Staff at the Getty feel a high sense of ownership of the organization and therefore are very keen to participate in any initiative impacting the organization.

Prior to my role at the Getty, I had worked for over 25 years of work as a consulting actuary specializing in retirement plans. I've been asked how my actuarial background prepared me for an HR job several times since I joined the Getty. My training as an actuary, my experience with a variety of clients, and the management of consulting teams have enabled me to be successful in this role. Operationally, HR professionals are called upon to manage employee data and ensure compliance with a myriad of local, state, and federal laws. This requires the need for strong project management, process excellence, and a passion for detail. Strategically, HR professionals need to ensure that the culture supports the goals of the business or institution. This requires the ability to think strategically about the messages that are sent to staff and managers by interaction, communication, and support from HR. It also means that compensation, benefits, training, recruiting, and development must strategically support the desired culture. Finally, HR professionals are increasingly called upon to not just manage compensa-

tion and benefits budgets, but to develop analysis that identifies how to source and hire the best people, create engagement, and increase performance and productivity. The ability to develop appropriate analytics is key to ensuring that these programs support the organization as desired.

The biggest challenge of my job has been moving back and forth between the strategic mandates of HR and the operational realities of the department, while managing the various stakeholders. Defining the strategic direction for HR, particularly given HR's role within an organization and influence on its culture requires strong stakeholder management. Each project that I have undertaken at the Getty, including the first – developing the Getty's Employee Value Proposition to inform HR strategy—needs the broad support of stakeholders across the organization. Managing stakeholders is not only "informing about" but "gaining input to" a project. In some cases, the input is really meaningful to the project, in other cases it's not. I was initially surprised that stakeholder management ended up being the area in which I spent the most time but have come to appreciate how working with stakeholders can ensure the success of a project.

HR policies are heavily regulated—especially in California. In many cases, the rules that are meant to protect employees often come across as punitive—for example time recording for non-exempt employees. These rules, foundational to HR operations, also create cultural challenges (why are you monitoring all my time? Why do I have to take a work break or lunch, now?). My work as a pension actuary had already plunged me into the ERISA abyss. And, ERISA didn't seem so bad as I started to make my way through employment law, not to mention the Affordable Care Act. Employment law, covered under a number of federal and state laws, drives HR policies for leave of absence, performance management, time



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recording, work flexibility, as well as how employers communicate with employees. Required disclosures, as an example, are often viewed as items that “HR” owns and develops. As we have had to incorporate new rules into our policies or simply continue required policies, I have worked to ensure that managers and staff were clear on where Getty-discretion ended and regulatory rules started. We want staff to understand that we are as averse to bureaucracy as they are, and that some of the bureaucracy is not arbitrarily driven by HR.

Benefit and compensation programs provide the most direct messages about organizational culture. At the Getty, we implemented a number of program changes that were designed to empower employees. The strategy and design for these programs required approval from senior leadership, as well as buy-in and decision makers at the Getty. These stakeholders were often pressed for time, so that communication about changes needed to be delivered concisely, often in meetings with full agendas. Communication with staff needed to include more details, delivered in a variety of ways, because people wanted to understand how program changes impacted them, and not all of them processed the information in the same manner. Beyond communication, many compensation and benefit plan changes required that we address a very granular level of detail during implementation. As we modified our programs we developed project plans with a number of work-streams to activate our plan changes (for example, communica-

cation, HRMS, employee self service, vendor(s) implementation(s), plan documentation, and actual launch / use). Inevitably, even with diligent project planning and issue identification, there were items that came up in the course of implementing changes that were not anticipated on the front end of the project. I became comfortable with the notion that mid-stream issues would come up, and were usually be resolved in a manner that is consistent with the goals of the projects.

Actuarial consulting was great preparation for my job as the head of Human Resources. In consulting, I often had to communicate complex concepts to people at many levels in an organization with varying financial / legal backgrounds. This prepared me for managing the numerous stakeholders at the Getty through compensation and benefit program redesign and implementation. As an actuary, I was responsible for certifying actuarial results. This meant that the results had to have been developed accurately and aligned with the liabilities that the programs were actually creating for sponsoring organizations. I had to be skilled in moving from the “big picture” to the minutiae—program designs to test life analysis! Another advantage of my actuarial background was the technical training - the ability to understand how regulatory and financial requirements interact—whether for a retirement calculations, developing financial disclosures, analyzing rates for health plans, poring through the ACA rules, or forecasting budgets. Finally, as an actuary I had to work as part of larger interdisciplinary teams —sometimes as a leader and other times as a doer. This prepared me for managing the HR team, as well as being part of the larger operational team at the Getty.

The actuarial profession provides a strong basis for all types of employment. The rigors of the exam process, the apprenticeship nature of the work while a student, and the demands of balancing the self-study and work



determining how new consulting offerings are brought to market. I learned so much from working directly with the Getty's staff—something that will inform my thinking on how programs and policies can be made more relevant to the employees that they are meant to serve. I also look forward to leveraging my experience connecting ideas and strategy into operationally viable policies. ■

prepares actuarial students to be strong contributors in the workforce. So many organizations require managers that understand financial analysis often tie to a complicated regulatory environment. My advice for actuaries that are interested in moving from traditional actuarial roles to jobs that are not is simple: Focus on the business skills that are transferable, and never underestimate or undersell the expertise that you've developed as an actuary.

I am returning to Mercer later this summer, as their US Innovation Leader for the Retirement business. In that role, my experience in Human Resources will be valuable in