

2019 **LIFE &  
ANNUITY**

SYMPOSIUM

May 20–21 • Tampa, FL



## Session 6: We Go Together: Effective Relationships Between Actuaries & Non-Actuaries

[SOA Antitrust Disclaimer](#)

[SOA Presentation Disclaimer](#)

# We Go Together: Effective Relationships Between Actuaries and Non-Actuaries

**Ying Zhao, FSA, MAAA (moderator)**

**Fred Amos**

**Kelly Hennigan, FSA, CFA**

**Yeon Lee**

**Jyotsna Sankuratri, M.D.**

May 20, 2019



# SOCIETY OF ACTUARIES

## Antitrust Compliance Guidelines

Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants.

The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone's responsibility; however, please seek legal counsel if you have any questions or concerns.

# Presentation Disclaimer

*Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.*

# PANELISTS

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- **Ying Zhao, FSA, MAAA (moderator)**
- **Fred Amos**
- **Kelly Hennigan, FSA, CFA**
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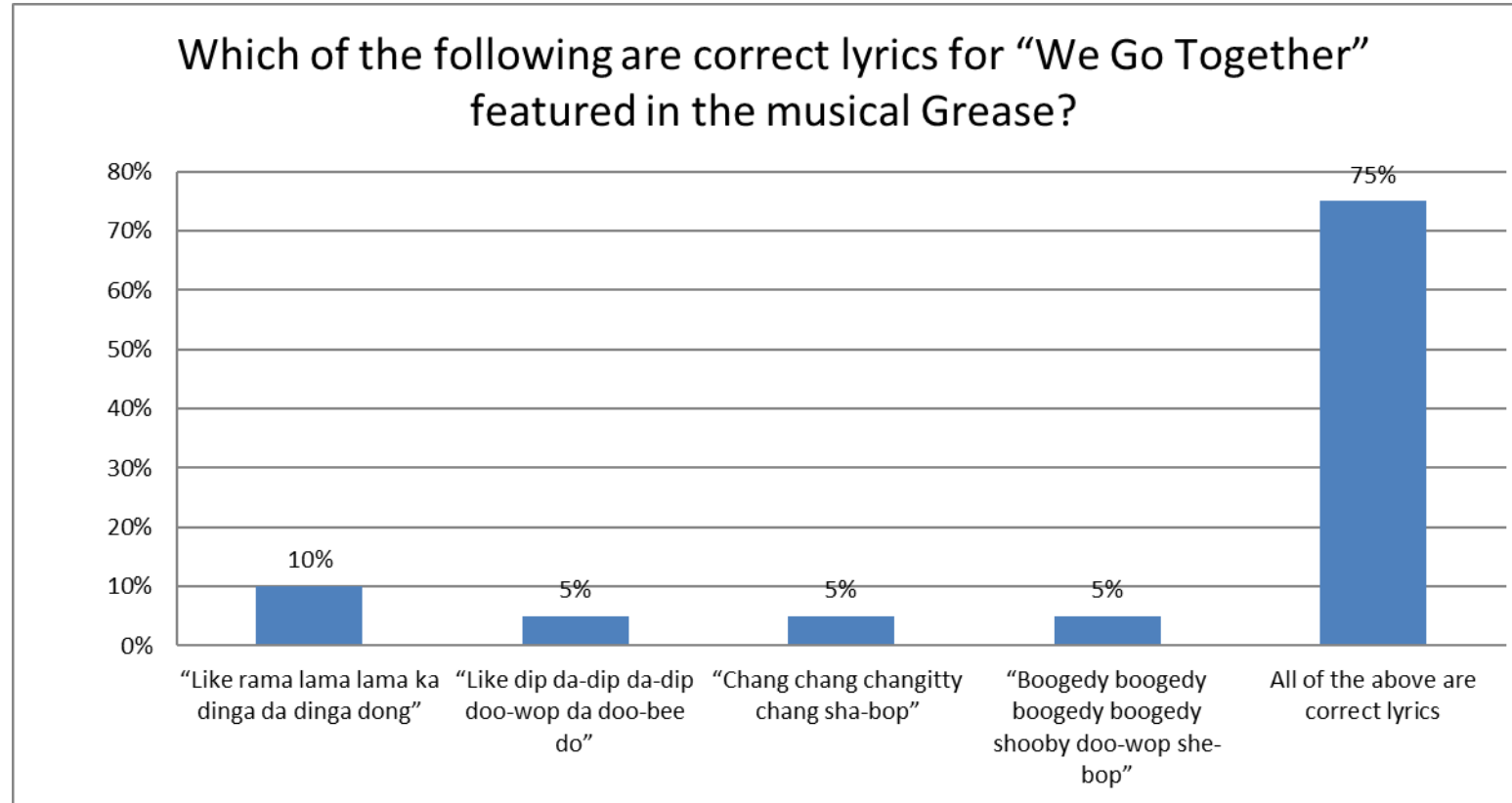
# **POLLING QUESTION:**

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**Which of the following are correct lyrics for “We Go Together” featured in the musical Grease?**

- A. “Like rama lama lama ka dinga da dinga dong”**
- B. “Like dip da-dip da-dip doo-wop da doo-bee do”**
- C. “Chang chang changitty chang sha-bop”**
- D. “Boogedy boogedy boogedy boogedy shooby doo-wop she-bop”**
- E. All of the above are correct lyrics**

# Which of the following are correct lyrics for “We Go Together” featured in the musical Grease? RESULTS



*Correct Answer: E*

# UNDERSTANDING OUR AUDIENCE

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# THE PACE OF CHANGE...

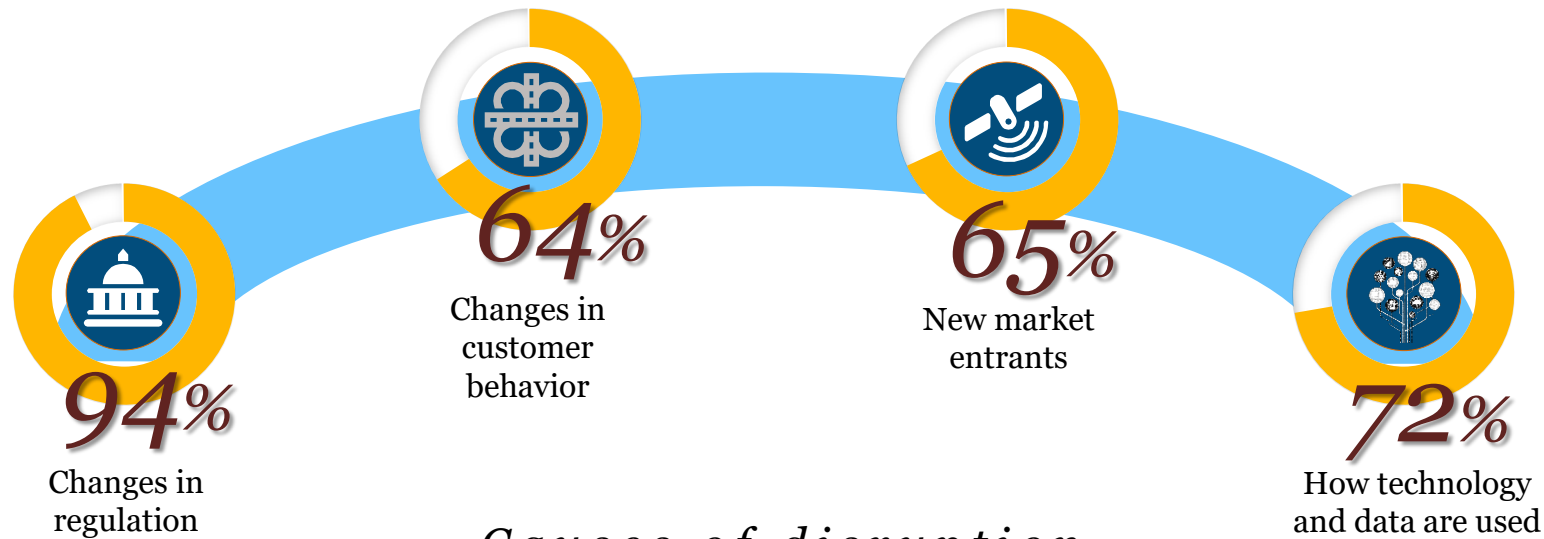
The pace of change has never been this fast, yet it will never be this slow again.

*-Justin Trudeau, Canadian Prime Minister*



# DISRUPTION

Disruption is accelerating across all industries and insurance is no exception; insurers expect more disruption, from more areas, than most other industries due to:



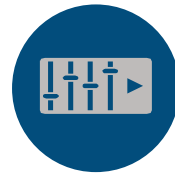
## *Causes of disruption*



*Accelerating technology*



*Consumerization of decisions*



*New sources of data & analytics*



*Digitization of everything*

Source: PwC Survey

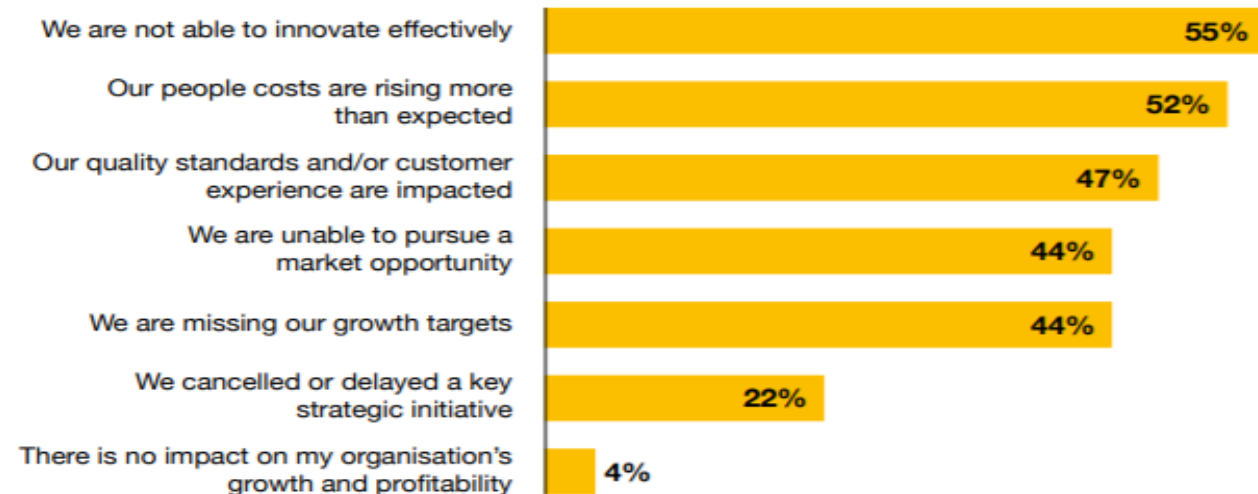
# THE SKILLS GAP

## CEOs are concerned about the skills gap in their organizations

In addition to the fault lines developing geopolitically, CEOs are working to bridge the gaps in their own capabilities. Organisations are struggling to translate a deluge of data into better decision making. There is a shortage of skilled talent to clean, integrate, and extract value from big data and move beyond baby steps toward artificial intelligence (AI). One of the more striking findings in this year's survey was the fact that — despite billions of dollars of investment<sup>1</sup> and priority positioning on the C-suite agenda — the gap between the information CEOs need and what they get has not closed in the past ten years.

EXHIBIT 13

The skills gap is a particular pain point, impeding innovation and prompting higher people costs



Source: PwC 22<sup>nd</sup> Annual Global CEO Survey 2019

# POLLING QUESTION:

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**From an actuary's perspective, what are characteristics of actuaries?**

**Some audience responses: *conservative, technical, intelligent, curious, trusted, inquisitive, thoughtful, poor communicators, ambitious, thorough, analytical, rule followers, quiet, rationale, logical...***

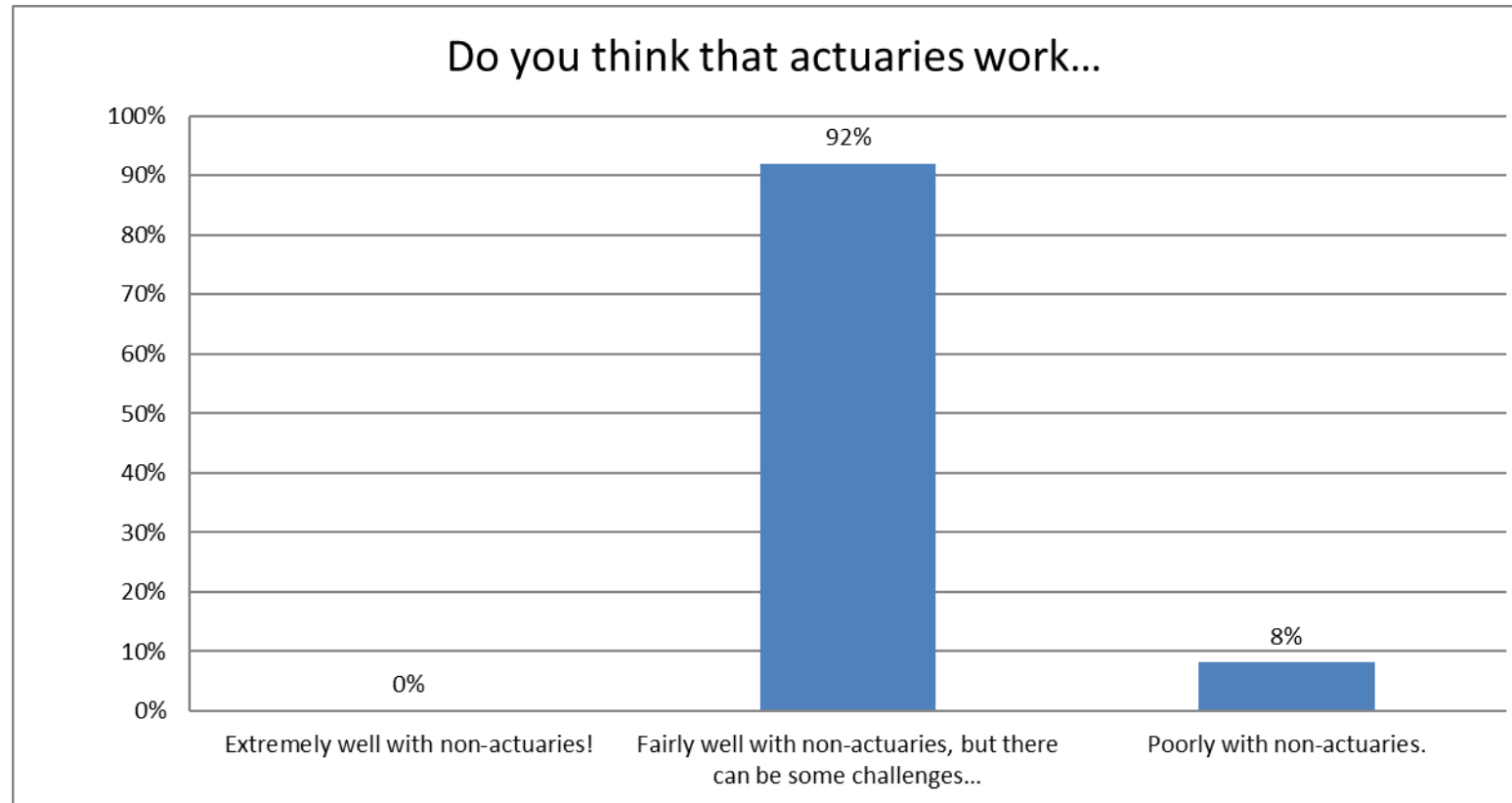
# POLLING QUESTION:

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**Do you think that actuaries work...**

- A. 😄 **Extremely well with non-actuaries!**
- B. 🤔 **Fairly well with non-actuaries, but there can be some challenges...**
- C. 😞 **Poorly with non-actuaries.**

# Do you think that actuaries work... RESULTS



# A Non-Actuary's Potential Perspective of an Actuary



- **Financially oriented**
- **Analytically precise**
- **Conservative**
- **Introverted, work independently**
- **Limited skillset outside of insurance setting**
- **Get paid to study for exams!**

# ACTUARIES & PRECISION

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# DE-MYSTIFYING AN ACTUARY

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**Creative Problem Solvers**



**Specialists in Data Patterns/Trends**



**Exceptional Modeling Capabilities**



**Professional Skeptics**



**Underrated Communicators**

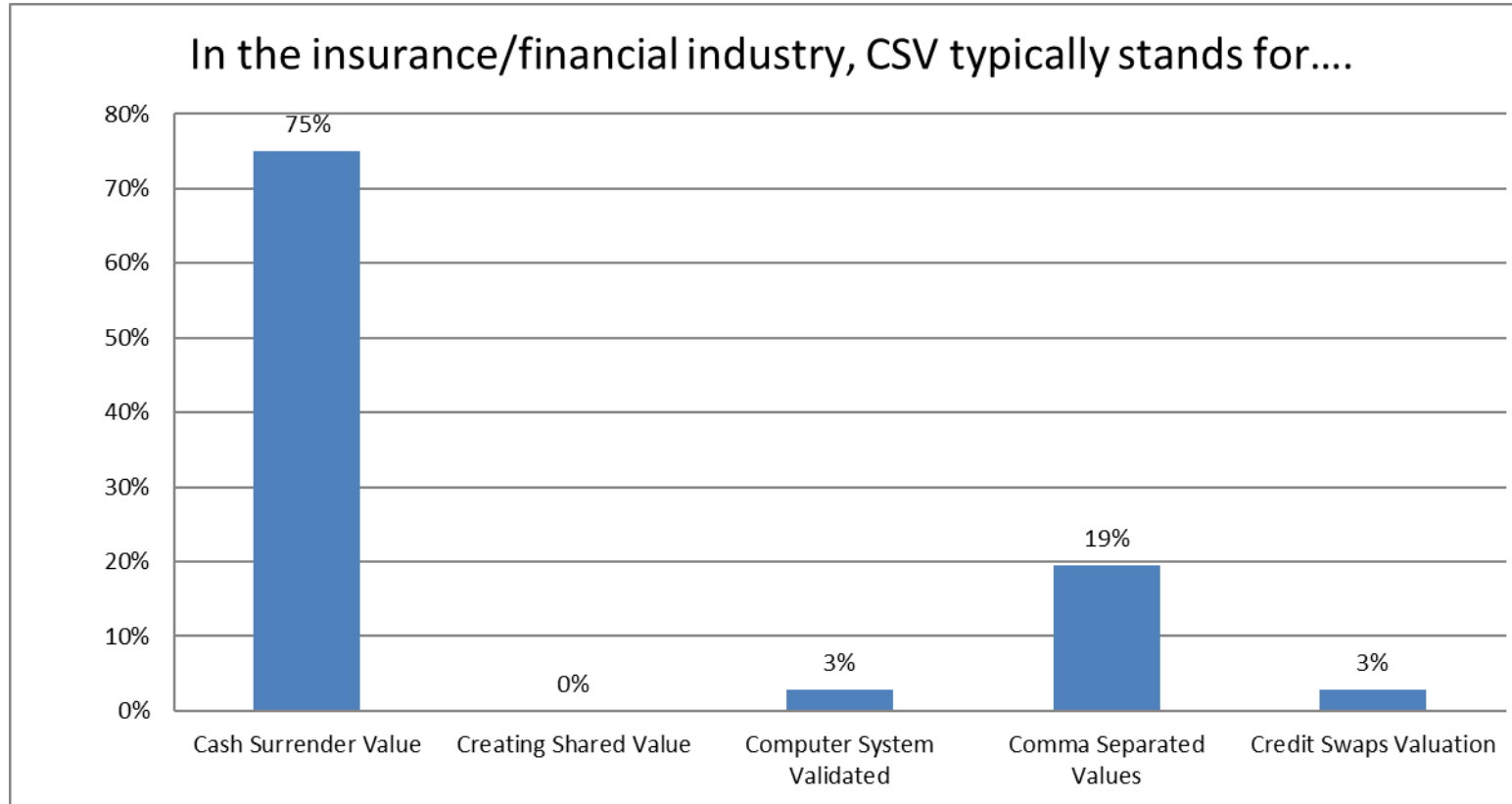
# **POLLING QUESTION:**

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**In the insurance/financial industry, CSV typically stands for....**

- A. Cash Surrender Value**
- B. Creating Shared Value**
- C. Computer System Validated**
- D. Comma Separated Values**
- E. Credit Swaps Valuation**

# In the insurance/financial industry, CSV typically stands for.... RESULTS



*Correct Answer: ALL OF THE ABOVE!*

# SPEAKING THE SAME LANGUAGE

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**“Make sure you are understood.**

**Don’t blame the other person for not understanding.**

**Instead look for ways to clarify  
or rephrase what you are trying to say  
so it can be understood.”**

*~Zig Ziglar, American author, salesman, and motivational speaker*

# POLLING QUESTION:

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**What percentage of employees and executives cite “lack of collaboration” or “ineffective communication” for workplace failures?\***

**A. 32%**

**B. 47%**

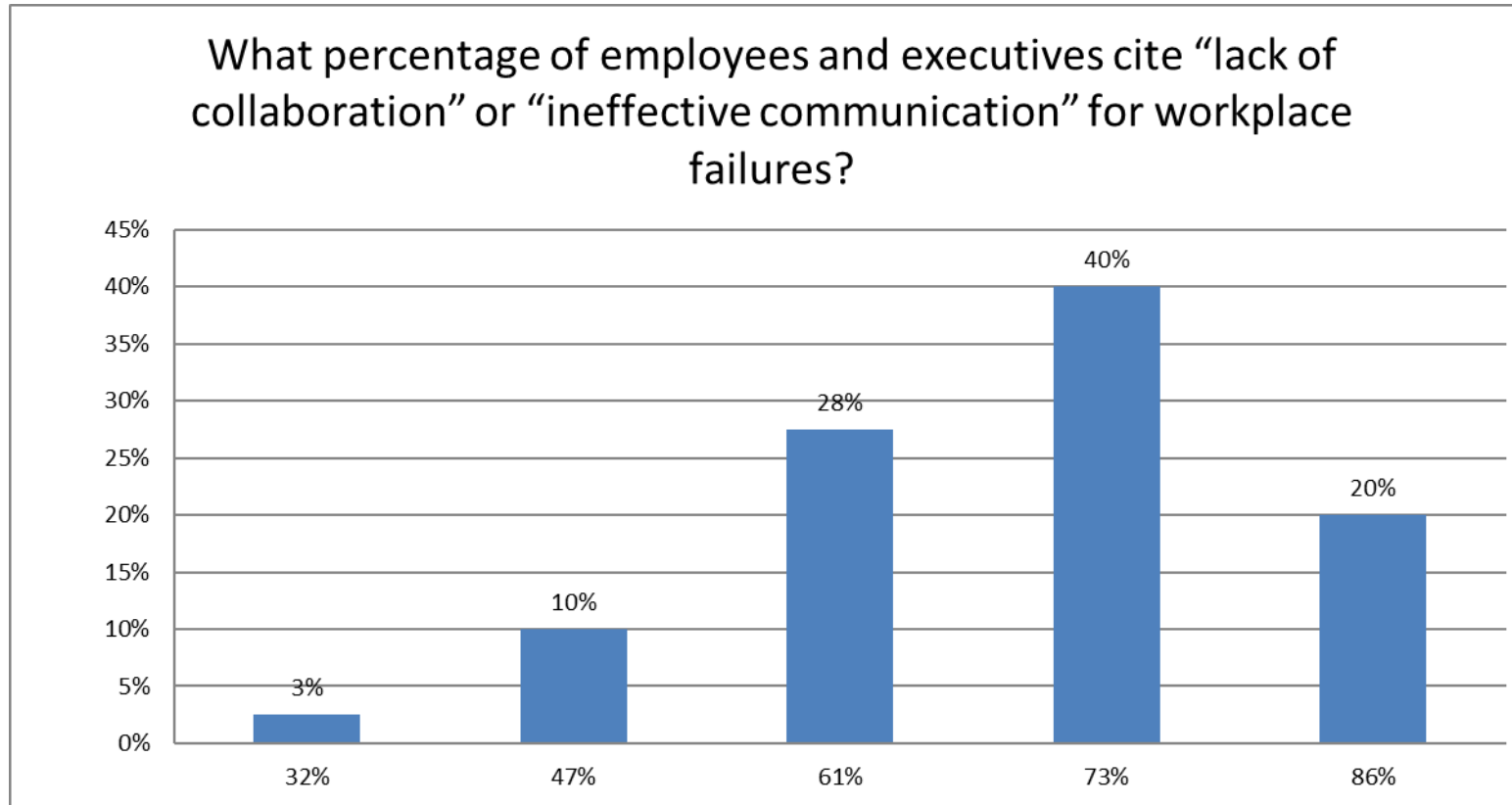
**C. 61%**

**D. 73%**

**E. 86%**

*\*Salesforce survey*

# What percentage of employees and executives cite “lack of collaboration” or “ineffective communication” for workplace failures? RESULTS



*Correct Answer: 86% per Salesforce survey*

# COLLABORATION

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- **39%** of surveyed employees believe that people in their own organization do not collaborate enough
- **33%** of employees say the ability to collaborate makes them more loyal
- Improving internal collaboration through social tools could help raise productivity by as much as **20-25%**
- **37%** say “working with a great team” is their primary reason for staying with a company
- Companies and organizations that communicate effectively are **4.5x** more likely to retain the best employees

*\*In sequential order: Visix survey, The Economist survey, McKinsey survey, Gusto survey, RoomtoEscape.com survey*

# TO IMPROVE INTERACTIONS

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- **Include the appropriate participants/stakeholders**
- **Ask for input into meeting agendas & materials**
- **Request feedback from all participants**
- **Encourage differing views**
- **Allow time for brainstorming**
- **Manage time efficiently**



# NETWORK LEADERSHIP

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# IN CONCLUSION...

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**“Coming together is a beginning;  
keeping together is a progress;  
working together is success.”**

*~Henry Ford, American industry and business magnate*

# Q&A





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