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Demystifying Leadership

A Journey Around the World

By Aisha Faleeldeen

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“Leading people is the most challenging, and therefore, the most gratifying undertaking of all human endeavors.”

—Jocko Willink, retired U.S. Navy SEAL officer and coauthor of *Extreme Ownership*

There are libraries of books and innumerable sayings by politicians, business executives, sports figures, academics and a myriad of others on the topic of leadership. Some elements of leadership are universal, but:

What does leadership look like within the actuarial field, what are some variables, and what practical advice can we learn?

To explore this subject, actuarial leaders from around the world were questioned to find out what leadership means to them, how they empower their teams and what they believe will be effective leadership styles for the future. The intention was not only to understand what works or is more prevalent in a given region, but also to identify common themes and learn how cultures and traditions across different parts of the world play a vital role in defining effective leadership.

The following professionals participated in interviews for this article:

Carlos Arocha, managing partner, Arocha & Associates (continental Europe)

Dana Barhoumeh, consulting actuary, Milliman Dubai (United Arab Emirates, Asia)



Arpita Das, Life and Disability senior actuary, Allianz Partners (Ireland, Europe)

Alissa Holz, head of Business Development–Australia, RGA (Australia)

Zivanai Mutukwa, head actuary, Liberty Africa Insurance (Africa)

Norio Nihei, AVP, U.S. GAAP, Actuarial and Actuarial Modeling, MetLife Japan (Japan, Asia)

Hans Wagner, chief actuary and chief risk officer, ICBC-AXA Life (China, Asia)

Candace Woods, chief actuary, Prudential Financial (North America)

Alexandre Zuvela, principal, Korn Ferry (South America)

Key themes emerged in the responses of the leaders, which are summarized in this article.

LEADERSHIP STYLES

The “visionary” style of leadership—“let me tell you where we are going as a team”—was the characteristic these professionals noted most often. Visionary leaders help others see how they can contribute to the vision, allowing the whole team to move together toward a shared view of the future. Organizations need a vision, but they also need leaders who can effectively communicate that vision. Employees look to their leaders to provide an image of the future and to clearly articulate their vision and inspire others to join them on the journey.

A directive style, in which leaders set the direction and make the decisions, was more prevalent among leaders interviewed from Asia and South America. This style may be shaped by cultural or societal influences in these regions and countries. For example, Japan is strongly governed by regulatory oversight focused on the needs of the people.

It’s also important to note that appropriate leadership styles are often shaped by who is being led. A style that may work well with a group of senior managers may not work with a group of entry-level workers or new graduates, and effective styles will be different country by country. Leaders must be aware of the various styles at their fingertips, but ultimately, it is up to them to decide what is most effective in their particular situation.

LEADERSHIP IN THE FUTURE

All interviewed for this article said that leadership styles within a business are shaped by organizational culture and regional culture, and change is inevitable. As more information on leadership is shared and cultures across the world become more interconnected, leadership styles will naturally evolve. With an increasingly skilled workforce and dynamic changes in innovation and technology, most said that the visionary style of leadership will be key.

In a future filled with information overload and distractions, a visionary leader requires focus and the ability to stay on the right track. Knowing where to focus will be determined by asking the right questions, narrowing down the possibilities and staying committed to achieving the big picture.

TOP LEADERSHIP QUALITIES

When asked about outstanding leadership qualities, respondents in the Americas and Europe said they would include knowledge of subject matter, intellect, communication, decision making, trust and transparency. Interestingly, leaders in Switzerland reported gaining credibility through their level of punctuality, while those in China and the Middle East cited the level of authority within the organization as the most important attribute in gaining credibility. Leaders in Africa expressed that accountability is one of the most critical traits, while those in Japan expressed the need to empathize and respect old traditions when making changes—and ensure that the changes are gradual.

The ability to influence remains a challenge, but when it is done with patience, tolerance and belief, influential leadership can transcend time.

INFLUENTIAL LEADERSHIP

Providing opportunities for employees to lead and influence remains a work in progress for companies across the globe based on feedback from leaders interviewed for this article, with some additional challenges noted in Asia, Africa and Australia. Companies that encourage ideas from employees at all levels help them to build and increase confidence. Around the world, changing a company’s culture remains challenging; however, this is possible through strong leadership.

In his book *100 Most Influential People in the World*, author Michael H. Hart examines what makes these leaders from the past and present such great influencers. The top three that Hart lists are all spiritual leaders: Prophet Muhammad, Jesus Christ and Lord Buddha. These all shared the traits of patience, leading through actions and, most importantly, belief in the power of what they preached. Through this unyielding perseverance, they were able to move millions of people centuries after their time.

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DIVERSITY AND LEADERSHIP

Diversity and inclusion help bring creative thinking and intelligent solutions to the table, an important consideration that emerged from the conversations with leaders in North America and Europe, and one that is still evolving in South America. Almost all leaders around the world recognized that diverse teams produce better solutions to complex problems.

Building multicultural competencies within an organization creates greater financial returns. A 2018 McKinsey report examined more than 1,000 companies across 12 countries spanning various industries and businesses.¹ Those with executive teams in the bottom quartile for both gender diversity and racial and ethnic diversity were 29 percent less likely to achieve above-average profitability. This demonstrates a correlation between the opportunities for large financial gains and companies that prioritize diversity in leadership.

LEADERSHIP SKILLS NEEDED FOR THE FUTURE

As the actuarial field continues to change and transform, leaders expect the visionary and coaching styles to become more prevalent. Along with these, it is important for leaders to reflect, learn from success and failures, understand what they would do differently and identify what improvements could be made.

One critical aspect of leadership that will help the actuarial profession in the future is communication. As most leaders eluded to, communicating clearly what their vision is for the organization and communicating frequently to assess progress are crucial. In addition, the North American leaders stressed the importance of understanding different cultures to communicate the right message to the right audience. It is especially important when dealing with international business partners, as cultures, tone and body language play a critical role in delivering the appropriate message.

All of the leaders interviewed said that as technologies evolve, people move and the actuarial profession transforms, actuaries need to be cognizant of different cultures and diversity, not only in one country, but around the world. The most successful lead-

ers not only understand and are aware of their audience but are also adept at adjusting their style to their audience's culture and traditions. Deciding what works best for the environment and composition of their teams is a critical skill for actuarial leaders, both now and in the future. ■

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ENDNOTE

- 1 Hunt, Vivian, Lareina Yee, Sara Prince, and Sundiatu Dixon-Fyle. *Delivering Through Diversity*. McKinsey & Company, January 18, 2018, <https://www.mckinsey.com/business-functions/organization/our-insights/delivering-through-diversity> (accessed May 20, 2020).