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The Power of Habit

By Eric Unger

Editor's note: In the Leadership & Development Section's Leadership Inspiration Contest, entrants were asked to tell us what inspired them to be better actuarial leaders. Here is an early entrant winner from the Inspiring Book category.

In his book *The Power of Habit*,¹ Charles Duhigg tells a tale of finding common ground and reaching consensus on change. The common ground that was sought between warring corporate tribes was mutually beneficial, not just to achieve the ends to which those changes were aimed, but also for the cooperation that they engendered across the entire organization.

In 1987, Paul O'Neill took over as the chief executive at the industrial giant Alcoa, the Aluminum Company of America. At the time, Alcoa stock was down, management's relationship with the workers' union was rocky and nearly everyone was looking for a reason to quit. In contrast to the conventional corporate cheerleading that was in vogue on Wall Street at the time, O'Neill searched for and found a common theme that united the line-level workers and their managers: worker safety.

Once he found a common interest that was not a zero-sum game, he proceeded to transform the company, doubling its dividends and raising its net income fivefold during his tenure. O'Neill's vision was the basis for a powerful but unwritten union-management contract, binding them together against their common threat of industrial accidents.

In the same way, actuarial leaders of the future need a vision that requires shared buy-in against common threats and in pursuit of common goals—much the way the terrorist acts of September 11, 2001, drew the United States together, albeit temporarily.

This shared posture, whether in defense of lives and values or in pursuit of innovation and transformative growth, is not *only*



useful for the end to which it aspires, be it worker safety or actuarial productivity. Rather, the usefulness of standing together as a corporation or actuarial team lies in the recognition of something worth sacrificing for and someone—regardless of background, rank, personality or management style—to work and strive alongside, and in so doing, expose your common humanity to. ■



Eric Unger, FSA, MAAA, MS, MPS, is an actuarial analyst in the Government Business Division of Anthem Inc. in Denver. He has a master's degree in health care policy. He can be reached at eric.unger@anthem.com.

ENDNOTE

¹ Duhigg, C. 2012. *The Power of Habit: Why We Do What We Do in Life and Business*. New York: Random House.