



2019 HEALTH
MEETING

JUNE 24-26 | PHOENIX, AZ



Session 16, We Go Together: Effective Relationships between Actuaries & Non-Actuaries

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2019 Health Meeting

BRIAN PAULEY, FSA, MAAA

**Session 16, Organizational Success: Team Building Between
Actuaries & Non-Actuaries**

6/24/19



Why are we having a session about relationships
between actuaries and non-actuaries?

Principles:

1. A tension often exists which must be overcome for us to be successful.
2. Intense education in a myriad of technical concepts leaves less time to develop other critical skills.
3. The skills for effective relationships are universal and must be learned.

What if you were in a role that didn't use actuarial skills and worked with non-technical people? Could you be successful?

What I learned from a year spent as chief of staff to the leadership team of a health plan.

Key Take-Aways...

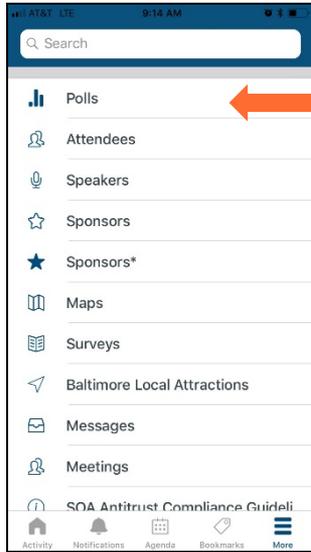
2019 Health Meeting

JIM CLARK, FSA, MAAA & PETER MUELLER
Session 16, Organizational Success: Team Building Between
Actuaries & Non-Actuaries
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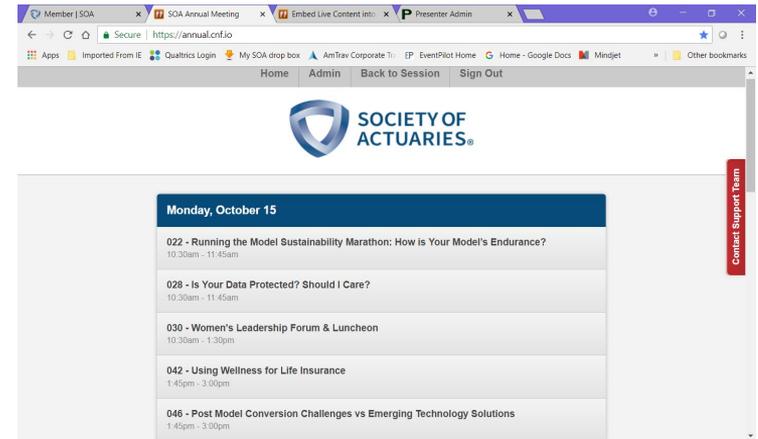
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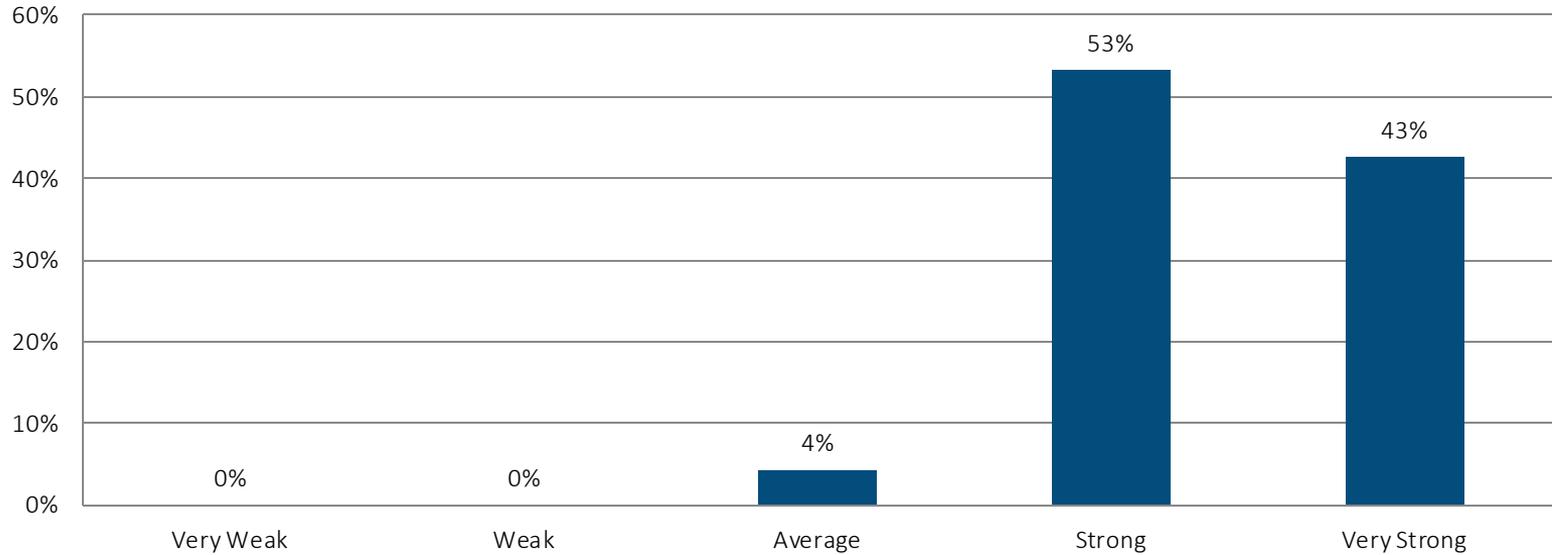


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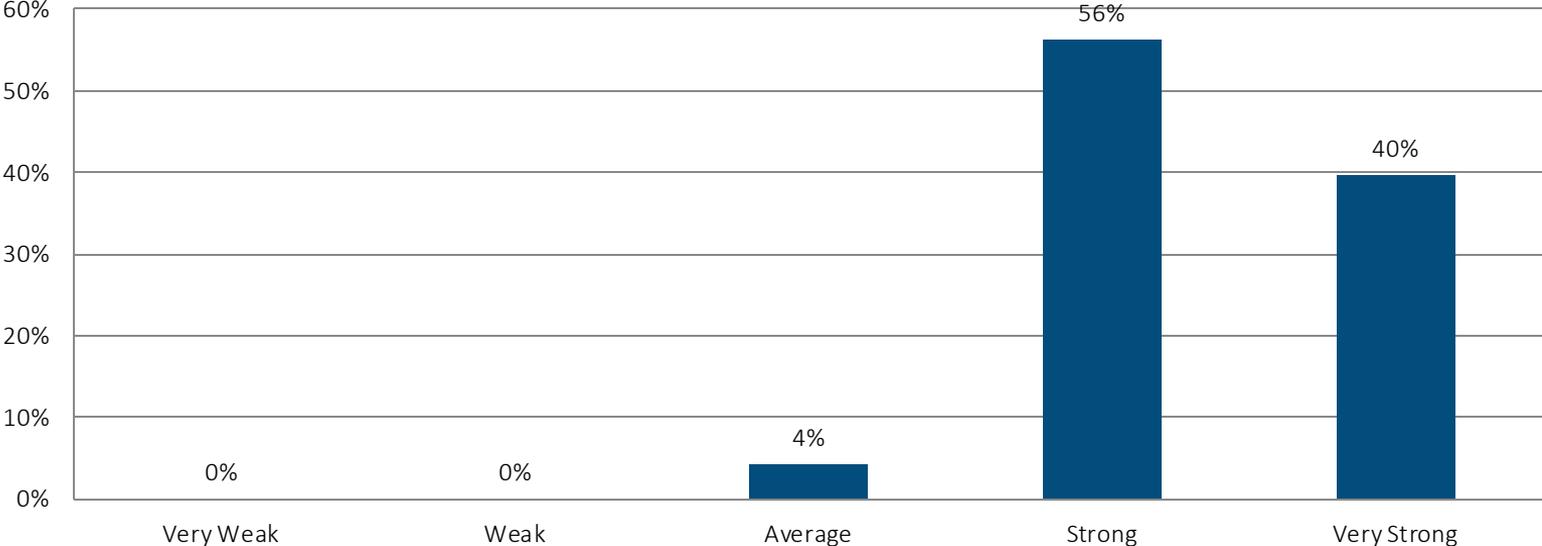
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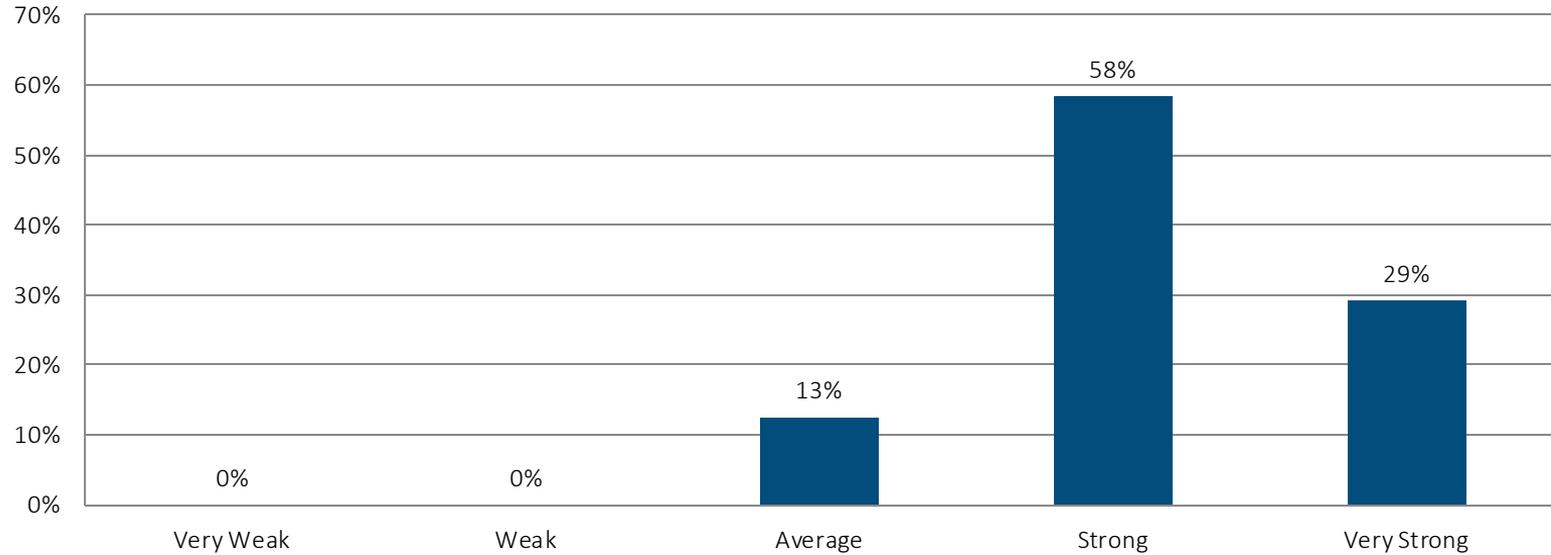
Rank a typical actuary on quantitative skills



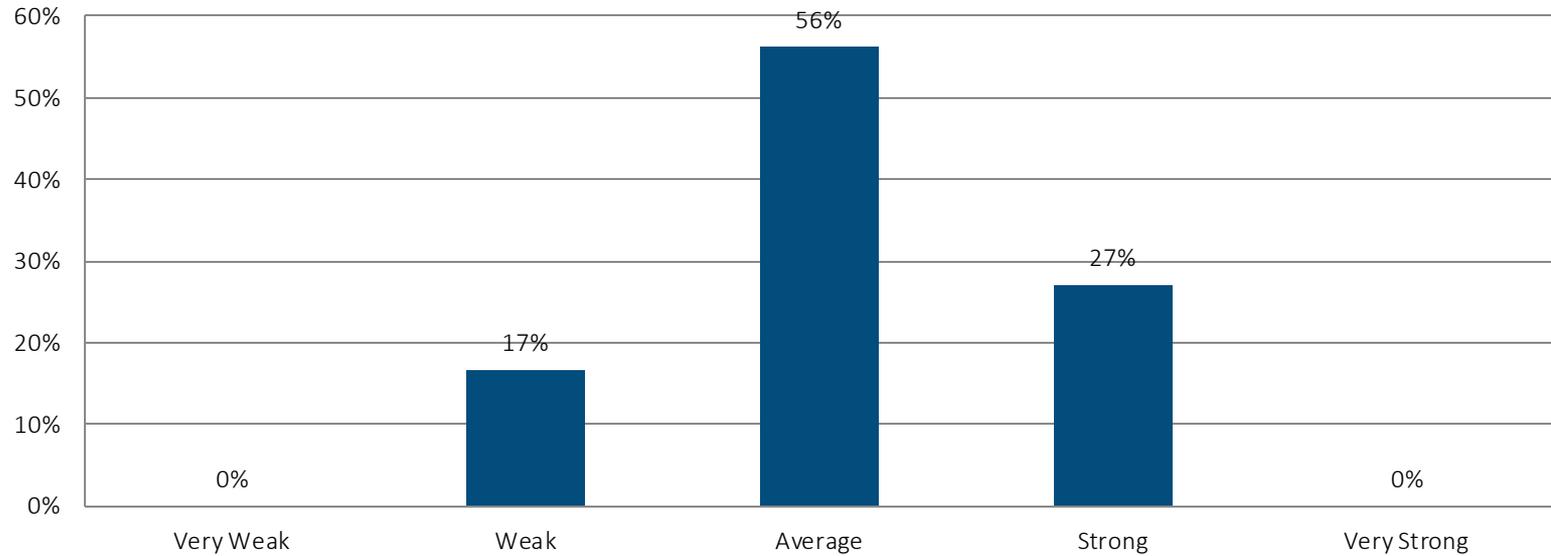
Rank a typical actuary on attention to detail



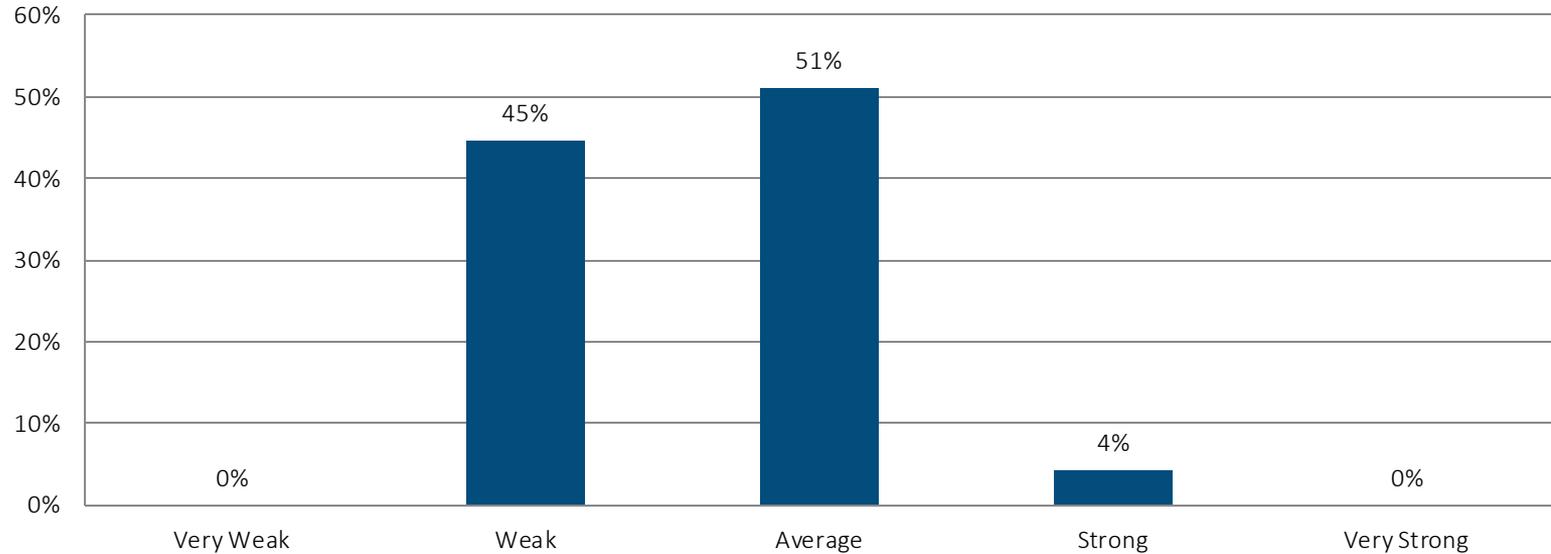
Rank a typical actuary on trustworthiness.



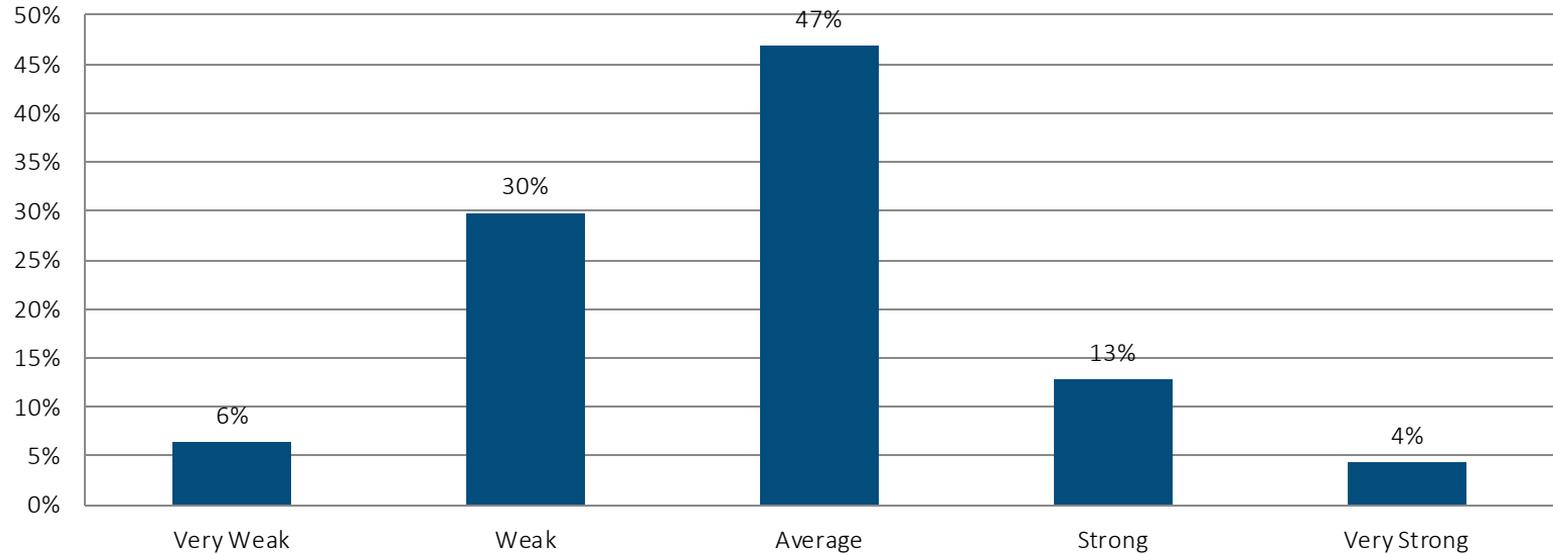
Rank a typical actuary on strategic thinking.



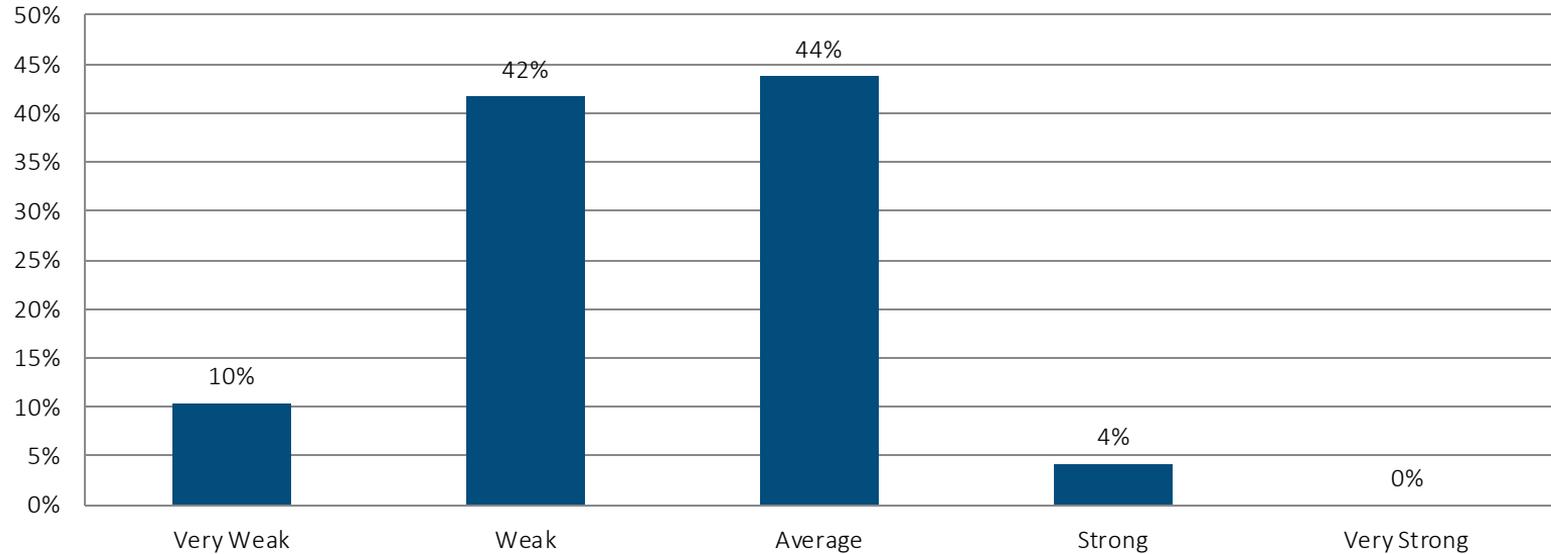
Rank a typical actuary on effective communications.



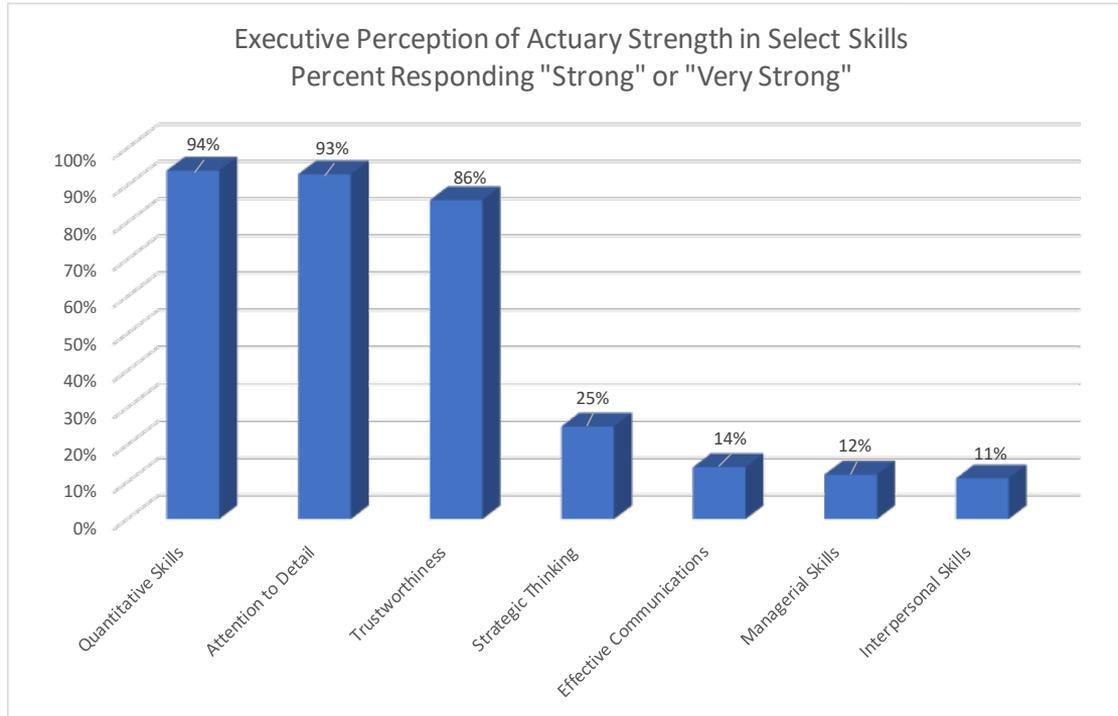
Rank a typical actuary on managerial skills.



Rank a typical actuary on interpersonal skills.



Executive Survey Results



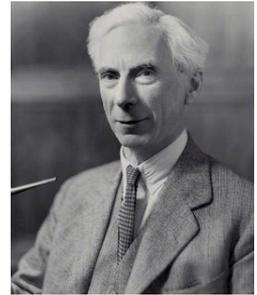
Responses from 301 Executive Respondents from Insurance, Consulting and Financial Services sectors (26 were actuaries).

Source: <https://www.soa.org/about/member-stats-surveys/>
2009 Survey Reports, Employer Survey Report

Leveraging Actuarial Talent

- Bertrand Russell (The Study of Mathematics, 1902)

- What is best in mathematics deserves not merely to be learnt as a task, but to be assimilated as a part of daily thought, and brought again and again before the mind with ever-renewed encouragement.



- Jordan Ellenberg (How Not to be Wrong, the Power of Mathematical Thinking)

- Math is woven into the way we reason. And math makes you better at things. Knowing mathematics is like wearing a pair of X-Ray specs that reveal hidden structures underneath the messy and chaotic surface of the world. Math is a science of not being wrong about things, its techniques and habits hammered out by centuries of hard work and argument. With the tools of mathematics in hand, you can understand the world in a deeper, sounder, and more meaningful way.



Essential Skills & Areas of Focus

- Humility
- Communication/Connection
- Shared Vision



- Understanding the Players
- Shifting the Direction

Humility

- Some Points on Humility:
 - Humility means a willingness to sincerely listen to others and to take council at their hands.
 - It means having sufficient confidence to put yourself at risk, and make changes when it's the right thing to do.
 - It allows for vulnerability, but does not demand capitulation.

**True humility is not
thinking less of yourself,
it is thinking of yourself
less.**

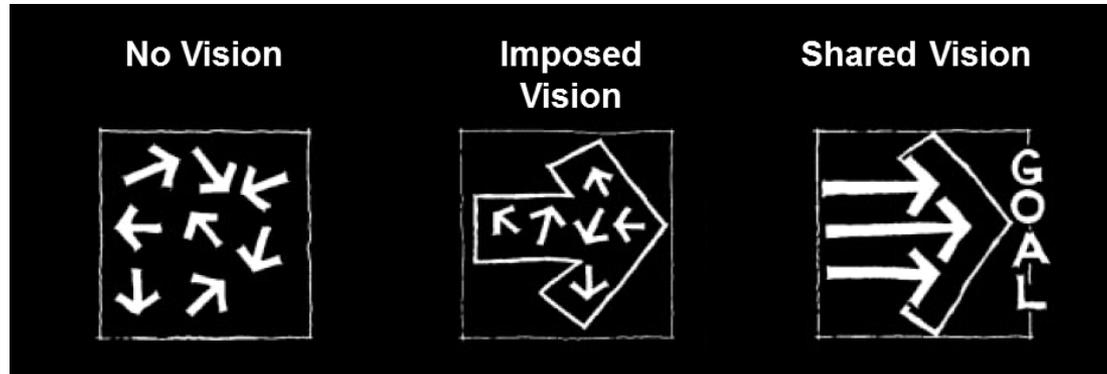
Rick Warren

Communication/Connection

- Some Points on Communication
 - Listen.
 - Seek a personal connection – take an interest in the person, not just the coworker.
 - Ask questions.
 - Seek to understand first, then to be understood.



Shared Vision



- Some Points on Shared Vision

- Utilize your actuarial skills to help others see beyond the chaotic surface to the structure beneath.
- You have responsibility to communicate your vision to others.
- When others can see what you see and can embrace the possibilities that are presented, then teamwork begins in earnest. This holds true whether it be discussing how a case should be rated with sales, communicating reserves with management, or leading a cross-functional team on a project.

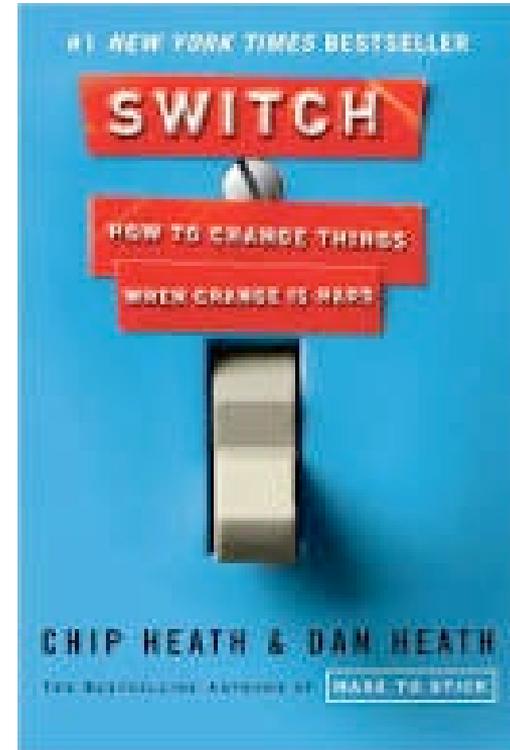
Understanding Salespeople

- What do they do?
- How do they do it?
- What makes them tick?



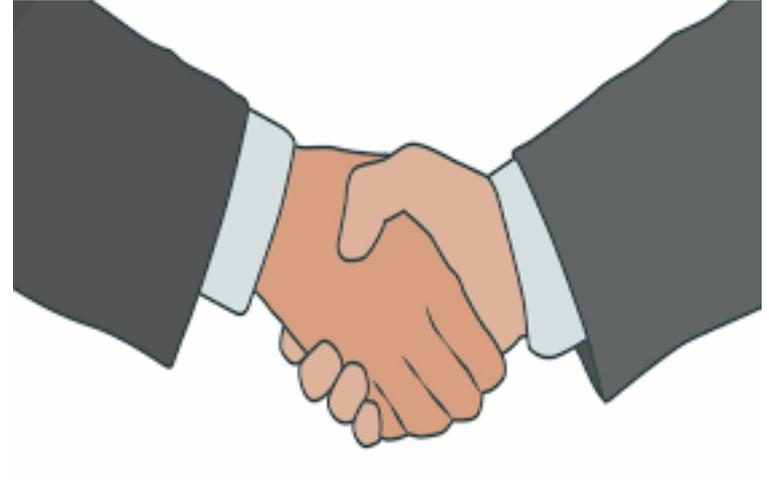
How to Get People to Change

- From the book Switch
 - Direct the Rider
 - Motivate the Elephant
 - Shape the Path



Lack of Trust Between Underwriting and Sales

- Tension between UW & Sales
 - Two different points of view
 - Speaking different languages
 - Very different backgrounds
 - Both relatively new teams



Product Line Earnings Challenged



Improve profitability & sell

- Undisciplined sales lead to high loss ratios
- Diagnose the problem
- Build consensus around solution
- Disciplined team work



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