



# The Stepping Stone

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**From the Editor**

# Lessons from the Beach

by David C. Miller



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I recently returned from a family vacation at Bethany Beach, Delaware. This has been a family tradition for over a decade. I grew up going to the beach every year, and one of the things I always looked forward to the most is riding the waves—the rougher the better!

Well, as most fathers do, I like to pass these kind of passions and “crafts” down to my children. So I found myself instructing my nine-year-old son, Brandon, in the art of boogie boarding.

I would take him out as he lay on the board, set him up for the next great wave and keep my fingers crossed so he wouldn't be destroyed by the rough surf! By the way, he had some very thrilling and successful rides.

Later I was thinking about the experience and how riding waves, whether it's surfing, rafting, boogie boarding or body surfing, contains certain elements that we face in both our professional and personal lives.

What happens when you're surfing? First, you're out there in the water, sitting on your board, bobbing and waiting. What are you waiting for? A wave! Not just any wave, but the big one.

You might feel like this is similar to your career or business—you've been just kind of bobbing, waiting on life. Well, what are you waiting for? Answer: the big opportunity to come along.

What would be the process of surfing?

- 1) **Point your board toward the beach.** Isn't it critical in your career to know where you're going? You've got to make sure you're headed where you want to go. You need to be clear on your destination and purpose.
- 2) **Get in position to make things happen.** As a surfer, you won't be successful if you remain seated on the board. No, you must get off your rear end and get on your knees on top of the board.

- 3) **Build momentum.** You get on your knees, so that you can start paddling. This gets you into motion so you can build momentum. Why do you need momentum? Well when you're heading in the same direction as the wave, you need momentum to carry you.

fun because they're riding a lot of waves, growing professionally, growing personally and getting their heart's desire.

Coincidence? ☐

Now the wave is coming—it's getting bigger and coming closer. Timing is key! When do you start building momentum: before the wave gets here, as the wave is here or after it has gone by? The answer is *BEFORE*, isn't it?

Have you ever heard it said that "an opportunity only comes once?" Have you ever seen two opportunities in your life? Have you seen more than two? That would suggest that there are plenty of opportunities for us to succeed. If you've missed one, it's not over for you. There are plenty of waves to catch.

Here's the key: *Once you have built momentum, any wave is an opportunity for you!*

I see many professionals waiting for their big break to come along. They're out there bobbing and waiting, bobbing and waiting. In contrast, the successful people I know and work with are always building their momentum—they're always up to something. They're learning something new and taking massive action and taking risks. And they do this even though they don't have any guarantees that it will result in a "great ride."

As a result, what they find is that great things happen. They end up having the most



# Take a Chance—What Do You Have to Lose?

by Jennifer L. Gillespie

At the same time we were trying to recruit people to submit articles for *The Stepping Stone*, I encountered a series of articles published in the *Washington Post* about the lack of op-ed pieces written by women for major newspapers. These articles caused me to explore how the Society of Actuaries is doing in comparison with some major newspapers.

In my research I found that for three major newspapers, the following statistics were cited for the percent of women op-ed writers: *Washington Post* (10 percent), *New York Times* (17 percent) and *Los Angeles Times* (20 percent). In comparison, keeping in mind that the Society of Actuaries' membership is about 25 percent female, in a quick survey of 18 actuarial publications in my inbox, 20 percent of the author submissions were from females. I could end the story here but, instead, I'd like to raise the bar and propose an "about-face." As Michael Kinsley of the *Los Angeles Times* wrote, "Diversity of voices, experiences and sensibilities is not about fairness to writers. It is about serving up a good meal for readers." *The Stepping Stone* would like to serve up such a meal. In short, I offer up a challenge to our readers. We want to hear from you—all of you!

Distinction aside, our readers are the key ingredient of the when, where, how and why of management, personal development, career enhancement, etc. They are the eyes and ears of this industry, gathering the information, collaborating ideas with colleagues, adding a bit of this and a pinch of that, preparing a feast for our eyes to savor. An article you write could be published at just the right time, with an interesting approach, to catch some readers' attention and be just the helpful, motivational input they needed. That is a recipe for success!

*The Stepping Stone* is waiting for you to present your thoughts, experiences and ideas, where they can be added to the exceptional mix of articles and harmonized together like a fine meal. Truth be told, it can be intimidating to submit an article to an industry publication. Questions arise as to whether the information is new, interesting, significant, etc.

No new research is required here, just the wisdom of your experience. Look past the stereotypes and embrace the challenge for what it is. Take a chance—what do you have to lose? □



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our readers are the  
key ingredient of the  
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# A Twelve-Step Program For Management Effectiveness

by Vincent J. Granieri

## Background

This article examines the application of twelve-step programs to managerial situations. I was once told, in a company-sponsored management development program, that effecting true and lasting changes in oneself is so difficult that only 5 percent of the population can actually do it. That seems like a very low percentage. Everyone knows someone who changes as a result of a stint in the armed forces or participation in an academic program. In a way, those changes are not voluntary, however. Part of the indoctrination into a group includes refocusing away from self and the redefinition of self as being part of a team. The group dynamics are unmistakable and predictable. These types of programs change group behavior, but not necessarily individuals.

Before we examine twelve-step programs, let's spend a few moments deciding the circumstances under which one is needed. The most telling red flag for a manager is lack of communication from their associates or consistent one-way communication where the manager does all the talking in meetings. This suggests that subordinates are not comfortable communicating with their manager. Ramifications of this are legion, including the increased likelihood of career killing, negative surprises. If a manager does not receive meaningful two-way communication, intervention is needed.

A manager also might be concerned if an individual's communication style is significantly different from most others on their team. An extroverted manager in a group of introverts, for example, may tend to dominate meetings and other group settings. Introverted managers may find that their teams feel disjointed and alone; that is, if the introverted manager would stop working and instead, communicate with the team.

Another situation that calls for closer attention is that of recurring subpar performance

despite a manager's repeated attempts to remedy it. The manager feels that the problem has been addressed, but it still comes back. Same problem, same tactic, same results! Something needs to change.

Twelve-step programs are focused on individuals, although the support of others is evident in them. They boast a much higher success rate than 5 percent. Some would attribute that success to the desperate situations that bring people into these programs. Before you discount the need to take a twelve-step approach to your management issues, consider that your performance as a manager is a situation that is paramount to your career and well being, in which you have only a 5 percent chance of improving by yourself. Sounds like a pretty desperate situation to me.

## Twelve-Step Programs

The challenges of dealing with addiction and other extreme behavior have led to the development of twelve-step programs. Part of the solution to these challenges lies in the recognition of their root causes, which often date back to childhood. Now, this is not to say that most managers exhibit extreme behavior, but it is clear that many of us are disproportionately impacted by "managerial events" that occur early in our career.

Another interesting parallel to real life occurs in our business life. As much as we wish to deny it or ignore it, in life we tend to repeat the behavior, both good and bad, learned and observed, of our parents. At the office, replace "parents" with "managers." If a manager tends to repeat the behavior of his or her manager, hopefully their early managerial influences are positive. Otherwise, this creates a cycle of failure that passes through generations of managers.

(continued on page 6)



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Twelve-step programs were developed to provide support and encouragement over the extended period of time necessary to overcome whatever challenges that arise and break the cycle of failure. Often the road to success is marked with both positive progress and backsliding into old habits. The path to managerial effectiveness will likely entail the same two-steps-forward-one-step-backward experience. Much of the battle involves staying committed to remaining on the path. Based on these parallels, it may be useful to apply twelve-step concepts to managerial issues. Let's examine the twelve steps in more detail:

1. **Admit we are reluctant to change and tend not to change. Change is no fun.** Change is uncomfortable. Our comfort is what it's all about, right? Sorry. We have since learned that our high school coaches, who constantly preached, "No Pain, No Gain," were wrong when it comes to physical conditioning. However, that concept does apply to eliminating destructive behaviors and habits. It hurts to change and most of us would rather not. If we are to successfully correct our bad managerial habits, we must first admit that we'd rather not and then realize that we probably won't without significant effort on our part.
2. **Believe that change is possible.** Some of us are so entrenched in our habits that it seems impossible to change. I've heard many times, "I'm too old to change." Not so... unless, of course, we need an excuse. As the old Sicilian proverb says, "The best way to eat an elephant is one bite at a time." As noted in Step 1, it will take time and commitment, but it can be done.
3. **Decide to change.** There must be a clear point of departure from the status quo, a watershed event. A decision to slowly move toward the right direction is too vague to be effective. Commitment is a necessary (but not sufficient) condition for change.
4. **Take inventory.** Are you getting the desired results from all your interactions, methods and activities? Probably not. To determine which step to focus on, take stock of the situation. Openly, this means bringing other folks in on the process and seeking feedback. It could also mean utilizing some sort of evaluation tool, such as Strong-Campbell. The goal is to identify the particular behavior that is causing the unintended results in your managerial life.
5. **Admit our wrongs to ourselves.** This step is difficult. When you find a link between your behavior and its negative consequences, you need to admit you are wrong. This is the first step of accepting responsibility for your actions.
6. **Be open to change.** At this point, you may be wondering how this is different from Step 3: decide to change. Borrowing from a common expression, "Deciding to change is the talk, being open to change is the walk." How many times has someone made a strong statement of commitment, only to fail to back up that statement with action? If you have participated in any formal group, personal development programs, for example, an employer-sponsored initiative, you know that virtually everyone publicly supports the program. In reality, there are some whose support is only verbal and some who will try to undermine its success. In choosing to walk the talk and look for opportunities to change, you are opening the door to growth and development.
7. **Ask for help.** It's entirely possible to effect change by oneself, perhaps through objective self-examination, however it is a difficult path. Often the perspective of an advocate or compassionate outsider is a catalyst to change. Asking for help is useful in at least three ways. First, verbalizing your commitment to others is motivational. Second, an outside perspective may be more objective than one's own. Finally, if

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**Often the perspective of an advocate or compassionate outsider is a catalyst to change.**

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the advocate has some expertise in management development, your progress could be accelerated.

8. **Make a list of people you have harmed or situations that you have not handled properly.** This is where the rubber meets the road. As actuaries, we are comfortable doing analysis, but we often confine ourselves to numerical analysis. This step involves a different type of analysis: analysis of our actions. This is where an advocate from Step 7 can be very helpful.
9. **Make amends to those people.** Three of the most powerful phrases in personal development are: "I'm sorry. I was wrong. Will you forgive me?" Unfortunately, these powerful words are not used often enough. If you are like me, you do not look forward to apologizing for your wrongs. At one time, being apologetic was seen as a weakness in a manager. That time has passed and it is fair to judge the quality of a manager by the quality of their relationships. In every relationship, the parties harm each other at some point. In the successful relationships, the parties find ways to communicate with one another and reconcile their differences.
10. **Continue to inventory our errors.** Once we begin to focus on improving our bad managerial behavior, we likely will experience early, positive progress. To ensure that this progress continues, it is helpful to commit oneself to frequent, consistent periods of evaluation. After all, the improvement process is a journey, not a destination. Absent such continuing effort, our tendency is to return to our previous behavior in a sort of non-numerical reversion to the mean (that is, reversion to being mean). This is a more obscure definition of mean reversion.
11. **Think about the behavior you are trying to change.** This step is really a continuation of Step 10 as it involves a further commitment to introspection. The important difference is that it is proactive in nature. While Steps 8-10 involve looking backward

to identify mistakes and make up for them, this step encourages us to look forward. If we successfully identify situations where we are likely to repeat bad behavior, we can prepare for those situations and hopefully avoid behaving badly.

12. **Help others and spread the message.** We all have heard jokes about the zeal exhibited by people who have overcome a bad habit such as smoking. The ex-smoker is often less tolerant of smokers than someone who has never smoked. Managers who successfully overcome their bad behavior may not need to be encouraged to look outward, but it is a healthy sign. This perpetuates the positive process and creates a cycle of success through the influence a good manager will have on their associates.

It's interesting that the twelve-step process comes full circle. In the beginning, the focus is internal and retrospective. At the end, it is external and prospective. It is a perpetual process whereby one generation's students become the next generation's mentors. This process then repeats itself over and over again.

### Concluding Thoughts

Some of the twelve steps have broad applicability in a managerial setting whereas others may not fit so easily. However, the process itself is a useful template to eliminating unproductive managerial behavior and improving effectiveness. The great success of twelve-step programs suggests they contain wisdom and are credible. □





# Book Review: Survival of the Savvy:

## High Integrity Political Tactics for Career and Company Success

by Daniel L. Shinnick

When I began reading this book, I didn't like it. It kept telling me what I was doing wrong as an actuary—I'm not used to being wrong. When I finished this book, I was convinced that it would benefit every actuary.

The authors have developed a simple construct to help the reader understand their political style (yes, we all have one!) and how to operate in a business environment. They put people on a spectrum with the far left being "power of ideas" people and people on the right being "power of person" people. An important point they make is that any style is not inherently good or bad.

together ideas and people to help your organization to be successful. The authors refer to this as impact with integrity.

The book helps you determine your style and the style of people you work with. Then, the authors give many strategies to help you be effective in your organization. □

### Book Info

Brandon, Rick, and Marty Seldman, 2004, *Survival of the Savvy: High Integrity Political Tactics for Career and Company Success*, \$17.16, Simon and Schuster, 320 pages, ISBN 0743262549



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### The Organizational Savvy Continuum

Power of Ideas ←	→ Power of Person
• Substance power	• Position power
• Focus on feedback and learning	• Focus on image and perception
• Do the right thing	• Do what works
• More open agenda	• More private agenda
• Meritocracy-based decisions	• Relationship-based decisions
• Results & ideas speak for themselves	• Self-promotion

It is easy for "power of ideas" people to think that "power of person" people are dishonest, shallow people who have never had an idea of their own, but succeed because they're political! On the other hand, it is easy for "power the person" people to think of "power of ideas" people as naïve, arrogant, know-it-alls who have no idea how to get things done with other people. Both of these views are obviously wrong; the "sweet spot" is when you can bring

... the "sweet spot" is when you can bring together ideas and people to help your organization to be successful.



# Interviewing 101

by Kristi M. Bohn

When I was in college more than 11 short years ago, a very wise professor said something that has stuck with me ever since. He said, "If you find the interviewer going on and on about something, don't interrupt. Know that it is a very good interview. He will obviously like everything he heard."

That professor was correct, from an interviewee's point of view, at least. I credit my two job offers out of school to my willingness to simply listen to my interviewers talk about the job requirements, their own experiences and the painful examination program that I would soon endure.

However, now that I am on the other end of the table, the professor's advice serves more as a warning of what not to do. Sure, if I meet with a potential candidate on an informational basis, it is perfectly acceptable that I go on about the actuarial industry, opportunities, the exam program, the company and my own advice on how to maneuver it all. However, when there is a real position on the line and I am comparing the slate of candidates who have applied for it, my approach is 180 degrees different. This difference is in my best interest, and my previous and current employers have implemented this approach across the board.

The approach, often called "broad-based interviewing", entails that the interviewer need only ask a few open-ended questions in order to ascertain the character, competence and team-orientation of a candidate. Ask the question, and then bite your lips if you even think of asking the candidate a leading question or a question that shows that you assumed something about the candidate's background.

Here are some often-used inquiries that illustrate this approach:

- Tell me about a time in which you were part of a team.
- Tell me about a time where you showed initiative.
- Tell me about a conflict you experienced recently.
- How did you study for your most recent actuarial exam?

If the candidate's answer seems too short to enable you to make an assessment, ask another open-ended question like, "What did you do next?" or "What part did you play?" or "What did you say?" etc.

It's appropriate to give people time to think about their answer. However, if you find yourself sitting across from someone who seems to have taken a vow of silence, or someone who is extraordinarily nervous, consider it a blessing that you found this out now.

Not all of these interviews are painless. I recall sitting across from one candidate who, while looking excellent on his resume, sat silent and nervous for 10 minutes for every question I posed. At the end of the interview, I asked him the conflict question, he explained to me that he did have a conflict that he successfully navigated. He went on to explain that while on spring break, he and his friends were arrested by the Mexican police, yet he was able to get out of jail somehow. Needless to say, we did not hire this candidate

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(because of the nervous silence, not the jail incident). But this brings up a great point about this type of interviewing—candidates will share lots of information and are generally very honest when you stay away from hypothetical questions and concentrate on their actual experiences.

It is crucial to prepare your questions in advance and ask every candidate the same slate of questions. This avoids the problem many people face in social situations of letting conversations get steered in unnecessary directions. More importantly however, is this strategy avoids the problem of presuming what a candidate's answer will be. My current employer considers

this latter point essential in assuring that we do not discriminate in our hiring process by presuming answers based on gender, religion, race or sexual orientation.

As a final note somewhat unrelated to the interview itself, I recommend that as you weigh a candidate's technical experience against his or her approach to tackling a job, you put more weight on approach. The best candidates will excel at any job you give them, regardless of their prior background. It's how they go about things that is important, not what they happen to know. It's all about potential.

Best of luck to you! □

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## TAKE ADVANTAGE OF SEMINAR EARLY REGISTRATION BY OCTOBER 14th!

This year at the SOA Annual Meeting in New York, there will be two featured seminars you simply cannot miss!

### **Fertility Projections for Social Insurance**

Do you want to know how fertility rates impact social insurance projections? If this question has been running through your mind, plan on attending this 1-1/2 day seminar to get the answer! This program provides a unique forum to gather alternative schools of thought on expected fertility experience. Hear about the different trends by country, with a focus on the United States and Canada. Current projection methodologies used by actuaries and demographers will be discussed in addition to the determinants of uncertainty. The seminar will conclude with a roundtable discussion with the panel members and the audience.

### **Enterprise Risk Management and Pension Finance**

What is bigger right now than ERM? How can you, as a pension actuary, use ERM to help plan sponsors manage, mitigate or retain plan risks as part of a strategy that encompasses all corporate and operational risks? To find out the answer to this and other ERM questions, register now for this 2-1/2 day seminar! Topics include an equity analyst's view of value-added pension plan design. The seminar will conclude with a summary of previous days discussions and look at how capital markets will understand and react.

You can register for either or both of these seminars individually, or register to attend the SOA Annual Meeting and take advantage of attending other sessions in addition to these. For more information, visit [www.soaannualmeeting.org](http://www.soaannualmeeting.org). □

# Three Circles

(From *Good to Great*)

by Timothy J. Leudtke

Long ago a colleague of mine used three circles to demonstrate what made for optimal product development. He defined an optimal product as one that fell squarely in the center of three intersecting circles. Each circle represented products that met the competing needs of the Company, the Consumer and the Distributor. Only those products that met all three needs saw the light of day.

Recently I read Jim Collins' book, *Good to Great*, where he outlines another application of the three circles and argues that we should consider these circles as we develop our own personal "Hedgehog Concept." A "Hedgehog Concept" represents those special strengths that one brings that allow that person to be successful. Collins articulates it quite elegantly through an old Greek parable about a fox and a hedgehog.

"The fox is a cunning creature, able to devise a myriad of complex strategies for sneak attacks upon the hedgehog. Day in and day out, the fox circles around the hedgehog's den, waiting for the perfect moment to pounce. Fast, sleek, beautiful, fleet of foot, and crafty—the fox looks like the sure winner. The hedgehog, on the other hand, is a dowdier creature, looking like a genetic mix-up between a porcupine and a small armadillo. He waddles along, going about his simple day, searching for lunch and taking care of his home.

The fox waits in cunning silence at the juncture in the trail. The hedgehog, minding his own business, wanders right into the path of the fox. "Aha, I've got you now!" thinks the fox. He leaps out, bounding across the ground, lightning fast. The little hedgehog, sensing danger, looks up and thinks, "Here we go again. Will he ever learn?" Rolling up into a perfect little ball, the hedgehog becomes a sphere of sharp spikes, pointing outward in all directions. The fox, bounding

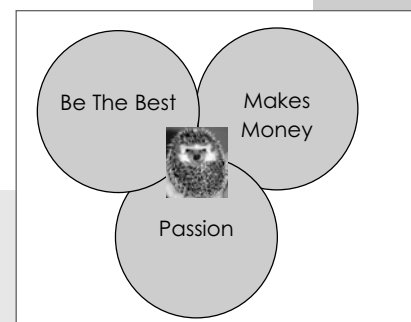
toward his prey, sees the hedgehog defense and calls off the attack. Retreating back to the forest, the fox begins to calculate a new line of attack. Each day, some version of this battle between the hedgehog and the fox takes place, and despite the greater cunning of the fox, the hedgehog always wins. (*Good to Great*, pages 90-91)"

For Collins, a successful "Hedgehog Concept" is one that falls within three intersecting circles. The three circles represent:

1. **What can you be the best in the world at?** In determining your life pursuit choose something where you have the potential to be the best. Not that you necessarily are the best today, but a pursuit where you have an innate ability that with work, effort and continued learning/development you can become the best.
2. **What can be economically viable?** Your life pursuit should be something at which you can make a living. While it may be great to be the best model airplane builder, if no one is willing to pay you to build model airplanes; making model airplanes may be a better hobby than life pursuit.
3. **What are you deeply passionate about?** This is what I believe to be the most important circle. While you may have the ability to be the best at something for which the market will pay you a lot of money, if you don't have the passion, you will find it difficult to put in the time and effort that it takes to truly become the best.

We all strive to find our own personal intersection of these three circles that makes life fulfilling. □

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# Make the Most Effective Use of Recruiters

by John West Hadley

I remember when I used to get calls from actuarial recruiters on a regular basis. Early in my career I just assumed that any time I was ready to make a move, all I needed to do was to start listening to the recruiters who called me. As it turned out, even though I did go on a number of interviews through recruiters, every move I actually made came from networking. But that's another story.

So let's assume you want to use a recruiter to help you in making your next move. How do you make the most effective use of them? First off, remember that there are thousands of recruiters out there:

- Some focus primarily on a few select professions (such as actuaries), others take a broad brush approach.
- Some are in firms that are national or even international in scope, others are locally based with a clear geographic specialty.
- Some focus on mid-level jobs, others on executive positions.
- Some try hard to help jobseekers position themselves for a potential opening, others spend little time with any one jobseeker.
- Most operate on a contingency basis, while some primarily perform retained searches.<sup>1</sup>
- And as with any profession, some are better than others.

(There are also firms that attempt to charge a fee to help place you in various positions. These

are not the subject of this article ... and I recommend generally avoiding them.)

A company's initial reaction to your resume will be influenced by the recruiter's reputation and by what the recruiter tells them about you. You want to be sure that you deal only with those who operate in a highly professional manner. When I was building an actuarial department, I once agreed to interview an actuary presented by a recruiter working with a firm whose owner was, in my opinion, ethically challenged. Had I realized the connection before I saw the resume, I would never have called the recruiter back. After several discussions, though, I became convinced that she didn't share her boss' philosophy. Still, after I concluded that the actuary was a strong candidate, I had to work to convince my boss to consider her, just because of the firm through which she was presented.

(Incidentally, I hired the candidate, who worked out quite well and remains a personal friend to this day. The recruiter soon left the firm, and I continued to deal with her, but not the firm she left.)

Another reason to be selective about the recruiters with whom you deal is that you don't want the hiring manager to receive your resume from too many sources. This starts to send a signal that there might be something wrong with you, that you might be desperate. Plus, since the recruiter will get a substantial fee for placing you, you will be in a better bargaining position if you reach a company and hiring



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**A company's initial reaction to your resume will be influenced by the recruiter's reputation.**

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1) A retained search firm is hired to identify, recruit and evaluate candidates for specific openings, and receives a retainer in advance for these services. Generally, as long as they present a certain number of fully qualified candidates, they earn the entire fee for the search even if none is hired. Retained searches are more common for executive level openings.

Contingency fee searches involve the payment of a fee contingent on the employer hiring the candidate the recruiter presents. Typically the fee must be repaid if the candidate leaves the employer within a certain time, such as six months to a year. A fee is generally also due if the employer chooses to hire the candidate for any position within a certain number of months after being presented.

## CAREER DEVELOPMENT

manager independently via your networking efforts. On at least one occasion, I offered an actuary who did not come through a recruiter a sign-on bonus that I would not have otherwise, simply because I wouldn't have to pay a fee and wanted to make it more likely that the candidate would accept my offer!

So how do you decide which recruiters to use?

First, ask others who they consider the best recruiters in your area, industry, etc. Especially good sources are hiring managers and those who work in human resources. They will be in the best position to evaluate how the recruiter makes the presentation of the candidate, reputation, etc.

Next, interview any recruiter before you agree to have them present you for any openings. Some of the questions you want to pose:

- What salary range do you typically recruit for?
- What is your success rate in placing candidates?
- How often do you work with candidates in my industry? At my job level? In my specific job area? In my preferred geographic area?
- What is your success rate in my industry, profession, at my job/salary level?
- Do you have an exclusive arrangement with certain companies, or do you simply work "on spec"?
- Do you operate on a contingency or a retained search basis?
- Specifically how will you go about marketing me?
- What level of feedback can I expect on the quality of my resume, interview and presentation skills, how I performed in the actual interview?
- How do you submit my resume to prospective employers? Do you mail in the clean copy I send you on bond paper, or do you only e-mail or fax it in? Do you mark up my resume in any way before sending it in?

Only after you have answers that you are comfortable with and have established that the recruiter's philosophy is compatible with yours, should you give permission for a recruiter to present you to any company. And even then, you should insist on giving permission for each specific company to which you will be submitted. (You may even want to follow up with an e-mail or letter from you to the recruiter confirming this agreement.) Keep in mind that if a hiring manager receives your resume from a recruiter, and you independently reach that company via networking, the company may still have to pay the recruiter a fee. And if you come back to the company for a different position a few months later, even elsewhere in the company, again a fee may be due to the recruiter.

By the way, the recruiter may give you career advice, such as how to best present yourself, what should go on your resume, etc. Weigh any advice you receive carefully, as the recruiter works for the employer, not you. Some will give you excellent advice, while others' advice may be tainted by their desire to sell you and gain the fee, even if the position isn't the best fit for you or the employer. And you will likely receive conflicting advice from various sources, so you need to make sure you are following any advice you receive for a good reason.

I'll never forget an interview I went on for a major international role shortly before my wedding. I told the recruiter ahead of time that I would not consider any role that required more than 20 percent travel, and was assured that wasn't a problem. The interview went well, but it became clear that there would be huge travel requirements, often for weeks at a time. When I told the recruiter that afterwards, he tried to



(continued on page 15)

# You Are What You Speak

by Melanie J. Davis

A traditional Indian folk tale tells of a water bearer who carried two large pots on a pole slung across his neck. One pot was perfect, while the other was cracked and leaked half its water during the long walk from the stream to the master's house.

The cracked pot was ashamed of its imperfection and apologized to the water bearer, saying, "For the past two years, I have leaked water all the way back to your master's house. Because of my flaws, you have to work harder to carry all the water you need," explained the pot.

The water bearer felt sorry for the cracked pot and pointed out the flowers flourishing along the path to the master's house. He said, "Do you notice that the flowers only grow on your side of the path? I knew about your flaw and took advantage of it by planting flower seeds. Every day, you watered the seeds for me while we walked, and thanks to you, I have been able to give my master lovely flowers. Without you being just the way you are, he would not have had this beauty to grace his house."

Like that cracked pot, a lot of people spend time focused on their flaws, lest someone beat them to it. This tendency to self denigrate is true of anyone who has responded to a compliment with, "Thanks, but I didn't do anything special—everyone else did all the work." Or who says, "Really? This old suit? I bought it on sale years ago." What about those who let a personal insult just hang in the air and feel unjustly treated, yet don't complain or demand to be taken seriously?

The truth is that if you don't respect your own worth, no one else will. It may be difficult to tune out that little voice that whispers, "I'm

not good enough," but once you learn how, you are likely to enjoy greater professional and personal success.

The first step toward addressing the problem is to understand that before you can honor your own value, you must acknowledge that you do, in fact, have value. You may find it helpful to speak to yourself using language that is honest, but not brutally so. Use language that encourages you to think positively, without being a Pollyanna, and which helps you appreciate your unique talents and gifts.

Research has shown that we all have a running monologue going on in our heads that silently comments on situations, feelings and moments in our day, and a great deal of that self-talk is negative. The rate at which the monologue runs is an astounding 500 words per minute, which is five times the rate at which most people speak out loud. That means that at a speed of 500 words a minute, you may be telling yourself you're not good enough!

This is where the new language of self-talk comes in, and I'll share a few tips with you:

1. **Use caution with the word "too" in front of statements about yourself.** We tend to use the word "too" only when we're complaining. After all, whoever says, "I'm too handsome" or "I'm too happy"?
2. **Treat yourself as you would treat others.** When you make a negative comment to yourself, ask the following questions:
  - a. Is this statement really true?
  - b. Would I say this to a friend or colleague?
  - c. If I wouldn't say this to someone else, why am I saying it to myself?



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### Make the Most Effective Use of Recruiters • from page 13

explain to me why that would be a great thing, and then wanted to talk to my fiancée to convince her why this would be a terrific move for my career. Needless to say, I removed that recruiting firm from my Rolodex!

Many recruiters will also seek to interview you, and you should take this as seriously as any job interview. The recruiter is performing an initial screening of you as a potential candidate. The better job you do of presenting yourself, the greater the chance of the recruiter presenting you to an employer and the more effective they will be at 'pre-selling' you to a hiring manager. And be prepared to explain your salary requirements, as they will almost always expect this information before they are willing to work with you.<sup>2</sup>

2) You should do your own research on the market value of your desired position. A good recruiter can also be quite helpful in validating this.

Often a recruiter is asked to "source" potential candidates to establish their fit to potential assignments. You should make sure that your references know about any recruiters with whom you have chosen to work, and what sort of position they might present you for. This way they will be sure to accept the recruiter's calls, and will be in the best position to present your greatest strengths to the recruiter relative to that type of position.

And finally, now that you have agreed to work with the recruiter, do so ethically—don't try to figure out what company the position is with and then try to get to the company directly. If I as a hiring manager get a sense that you aren't dealing ethically with a recruiter, how am I going to trust you to deal ethically with me? ☐

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**Often a recruiter is asked to "source" potential candidates to establish their fit to potential assignments.**

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### You Are What You Speak • from page 14

3. **Be honest.** Observe areas that need improvement, but don't denigrate yourself. Once you acknowledge your flaws, you can choose to live with them or work to change them.
4. **Reject unrealistic ideals.** Self talk is often negative because people measure themselves against inappropriate ideals. They berate themselves for not attaining the ideal, and their self-esteem slides lower and lower. Whether the ideal relates to professional success, interpersonal relationships or physical beauty or abilities, you may need to reject the ideal rather than yourself.
5. **Override negative self talk with affirmative messages.** Self talk often stems from old tapes in your head that repeat negative comments and messages you've gotten over the course of your life. You can't tune

them out entirely, but you can turn up the volume on the positive talk.

Once you get used to speaking positively to yourself, you will find it easier to use similar language aloud so everyone around you realizes your value, too. ☐





# Service with a Smile

by Mark E. Green

**A**s a consumer of all kinds of things, it's rare that I receive exceptional service. That's exactly why those moments are memorable for me—they're different from the norm and pleasing at the same time. For this consumer (as, I would guess, for most), that's an irresistible combination—which means that it must be good for building relationships and business.

We know them when we see them: the attentive salesperson who just isn't like all of the others, the retail store clerk who really does care about satisfying our needs, the customer service representative who went above and beyond to help and others. And we talk about them.

Now, let's take a moment in organizations, many of us are customers to internal service providers. Here too, there are often shining stars: those who gladly help us when we are in need, those who openly collaborate and communicate and those with words of encouragement, empathy and ideas on a tough day. We talk about these people too.

When we receive great service, we become accustomed to predictable, pleasant outcomes. The service provider benefits by developing more positive, more productive business relationships. Something else very important is happening here in the form of a less obvious but highly valuable benefit for the service provider: their influence increases. Influence—the ability to get others to do what you'd like them to do, in the absence of direct authority—generally stems from proactively doing things to develop positive, productive relationships. And providing great service is a way to do just that.

Developing influence is like putting money—relationship capital—in the bank. Your accounts will grow and grow as long as you

continue to deliver quality service to others. This account is then available for withdrawals whenever you need it: to have an idea of yours heard and implemented, to get you on the short list for that promotion you want or to get people from other departments to help you meet a tight deadline. The possibilities are endless when you have relationship capital in the bank.

How would you evaluate your own performance as a service provider? You might have the opportunity to serve external customers, internal customers or both on any given day. Another way to think about this question is to evaluate your ability to influence those you serve. Your influence and your relationship capital, in most cases, will vary directly with your level of service to others.

Let's take a moment to explore the dark side of the customer service bell curve.

Research shows that for each customer complaint, there are up to 25 more who are dissatisfied but don't bother to complain. In many cases, those 25 people simply go elsewhere to meet their needs—it's almost as if an invisible plague hit the business, your relationship capital and your ability to influence. On the other hand, if you satisfy those who complain, you have up to a 70 percent chance of winning back their confidence and all that comes with it. You also have a chance to learn how to improve your service, which will carry over to make the other 25 "non-complainers" more likely to stick with you. So it is important to note that learning to improve from customer complaints helps to retain all of your customers, not just the complainers.

Within a business, poor service to internal customers promotes an array of organizational ills and, in most cases, compromises levels of service for external customers—the ones who



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## INTERPERSONAL SKILLS

pay the bills! If they're not promptly addressed, internal service problems often lead to decreased morale, decreased productivity, higher levels of stress and longer cycle times. On a personal level, poor service erodes relationships, reduces relationship capital and decreases the provider's influence.

Incredibly, poor service and all of its effects are a result of choice. Every day, we each make decisions about how we behave. Making a conscious choice to deliver excellent service to our customers—internal and external—is the first step. The ripple effects of this are widespread and highly positive, not the least of which will be your increased ability to influence others. You will find yourself with better relationships, with a competitive advantage in terms of your career and with great feelings about yourself and what you're doing.

Take some time to speak with your customers to find out what they expect of you and what you can do to provide them with better service. Then, commit yourself to do something about it: create an action plan, develop service level measurements to stay on track, communicate openly with your customers about your efforts. No doubt they'll be thrilled and, more importantly, you'll be taking the right steps to improve your own situation and your future prospects.

Once you've made the commitment and implemented a process to make it happen, you will have created an atmosphere that will continually generate satisfied customers. You'll find yourself on their list as a shining star and you'll reap the benefits associated with relationship capital, influence and the satisfaction of knowing that you are making a difference. Now that seems like something worth smiling about! ☐





Advertising in *The Stepping Stone*? No, not really. Rather, what you see is the setting for an upcoming Management and Personal Development session entitled **"For All the Marbles: Effective Negotiation Skills"** which is scheduled for Monday morning at the SOA's Annual Meeting in New York City in November.

Join other Management and Personal Development Section Members at that session and improve your negotiation skills. **"For All the Marbles"** includes a role-play for attendees and will teach, through first-hand experience, the elements that impact a negotiation. What's more, presenters Michael Braunstein and yours truly, guarantee that you'll have fun.



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# Smaller Consulting Firm Launches Resource Center for Actuarial Business Owners

by Ian Duncan

The Smaller Consulting Firm Section was started in 2002 as a section to support the needs of independent consultants and actuaries in smaller consulting firms, who often lack the range of resources available to their colleagues in larger companies. The section has grown from its original 200 members to today's count of near 600. The section newsletter, *The Independent Consultant* has, from the beginning, focused on providing a mix of practical articles that members can use in their day-to-day business, with profiles of successful independent actuaries. Because *The Independent Consultant* is not retained on the section website indefinitely, we have created the Resource Center as a permanent home for many of the reference articles.

The Resource Center, which may be found at: <http://www.soa.org/ccm/content/areas-of-practice/special-interest-sections/smaller-consulting-firm/resource-center/> is organized around seven topics. The topics are:

1. Business/Finance
2. Marketing
3. Legal
4. Continuing Education
5. Independent Actuary Profiles
6. Professional
7. General Business

A total of 30 articles have been posted so far. New articles will be posted as they are published in *The Independent Consultant*. The center is not limited to articles previously published in the newsletter, however, and appropriate items from *The Stepping Stone* and other publications may also be posted in the future. The key to the success of the resource

center is publicizing it to the profession, and ensuring that actuaries visit the site regularly. If you have a suggestion for an article that we should post, please let us know. Also, let us know if there is a topic that you think we should cover.

You can reach me at [iduncan@soluciaconsulting.com](mailto:iduncan@soluciaconsulting.com) with comments or suggestions. □



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