



# The Stepping Stone

ISSUE 70 OCTOBER 2018



**SOCIETY OF  
ACTUARIES**

**LEADERSHIP &  
DEVELOPMENT**



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# CHAIRPERSON'S CORNER

## Leadership & Development

### 20th Anniversary Issue

By Anne M. Katcher

Welcome to our special issue of *The Stepping Stone*, celebrating the 20th anniversary of the Leadership & Development Section. As I mentioned in the July issue, our section was formed in 1998 as the Management & Personal Development Section. I encourage you to read this issue's interview with Michael Braunstein, who oversaw formation of the section from the Society of Actuaries' (SOA's) Management and Personal Development committee, which had existed for 10 years at that time.

... as much as things have changed in the field of leadership and development—many things are as relevant today as they were 20 years ago.

I also wrote about how—as much as things have changed in the field of leadership and development—many things are as relevant today as they were 20 years ago. This is why we decided to re-read the hundreds of articles published in prior issues of *The Stepping Stone* and compile some of our favorites for this issue.

How did we go about choosing which articles to include? First, we wanted to focus on topics that are important in today's business environment, such as ethics, productivity, mentoring, influencing and decision making. We also wanted to include articles that cover some of the key subjects of the SOA competency



framework, such as communication, leadership, relationship management and results-oriented solutions.

Many thanks go to all of the authors throughout the years who have contributed to *The Stepping Stone's* body of work. Although we could fit only 13 previous articles into this special issue, there is a wealth of rich material for anyone who wants to research leadership and development topics in past issues of this newsletter—as well as its predecessor, “The Complete Actuary” series in *The Actuary* magazine. Archives are available through the search capability on the SOA website, and issues of *The Stepping Stone* since 2014 can be found at <https://www.soa.org/sections/leadership-development/leadership-development-newsletter/>, as well as a compilation listing titles, topics and authors dating back to 2004, to help you zero in on ones of particular interest.

Finally, this issue would not be possible without the tireless efforts of our section's vice chairperson, Mitchell Stephenson; editor John West Hadley; SOA publications manager Julia Anderson Bauer; and the entire publications staff and design team, who helped to bring this issue to life. A special thanks to all of you! ■



Anne M. Katcher, FSA, MAAA, is chairperson of the Leadership & Development Section Council and founder of Sage Sense LLC. She can be reached at [anne@sage-sense.com](mailto:anne@sage-sense.com).

# L&D MEMBER SPOTLIGHT

## 20 Years Later: An Interview With Michael Braunstein

By Mitchell Stephenson



In 1998, Michael Braunstein, ASA, MAAA, was the final chairperson of the Society of Actuaries' (SOA's) Management and Personal Development Committee. Michael helped change the structure of the group—from a committee to a section—and in doing so, helped found the Management and Personal Development (MPD) Section. At the time, he also had his own actuarial recruiting firm.

Twenty years later, Michael is the assistant director of the actuarial program at the University of Connecticut (UConn). The section that he helped launch is now called the Leadership & Development Section, and Michael is as passionate about leadership and development topics now as he was then. In June 2018, I had the distinct pleasure of interviewing him about the section's background and history. We also discussed how remarkable it is that so many of the leadership and development concepts that were relevant two decades ago are still important topics today. Highlights from our conversation follow.

**Q: What do you most remember about your time leading the MPD Committee?**

A: I most remember the conversion from committee to section. I was the chair of the committee, and it was my duty to make that happen. One purpose was to gain more visibility, which we also did through the creation of a workbook titled *The Actuary's Career Planner*. Up until a couple of years ago, it was still available in print. People on the MPD committee put it together to help actuaries in their careers. To this day, I still use it in my actuarial boot camp program each summer, and I also use it in my technical writing for actuaries class at UConn.

There are four major components of *The Actuary's Career Planner*. The first is creating a vision. *Alice in Wonderland* author Lewis Carroll said, "If you don't know where you are going, any road will get you there." You really need to know where you are going if you're setting out on a career plan.

The second component is a technical and business competency assessment. Where am I, do I have the skills I need, and where do I stand relative to where I need to be? These are important questions to ask yourself.

The third component is the culture within a company and assessing how you fit into it. Fourth is the engagement plan, and plotting, to get you from where you are today to where you want to be.

**Q: The world has changed a lot in the last 20 years. What strikes you as the changes that most affect the way we do business, and how do we need to address those changes from a leadership and development standpoint?**

A: The distractions are nonstop. With email and Facebook, my cellphone is beeping at me every two minutes! An email message; a text message; it's ongoing, and it's 24/7. Social media is nice; it's an opportunity to stay connected, but there's a downside to it.

In my day, I was a pretty good ballplayer, and I played shortstop. The key was that when a ground ball came at you, you played the ball—played the hop—you couldn't let the ball play you. You couldn't stand still and take your chances on what hop you get; you positioned yourself to play the hop.

The same is true now with social media. You can't respond every time someone is beeping you. You need to take control and play it yourself. The key is not to let it play you, and instead to play it. It can really get in your way, otherwise.

**Q: What hasn't fundamentally changed over the last 20 years?**

A: What hasn't changed is the need for communication and interpersonal skills, and all the things that the career planner addresses. When I was on the MPD committee, I was running my own business recruiting actuaries. (The company was An

Actuarial Recruiter.) I was very involved in helping people with their careers at that time. Companies now—and then—want people who can marry their technical skills with their communication skills.

I play tennis, and I'm not very good, so I use a lot of spin. I once heard tennis star Vic Braden say that tennis players who use a lot of spin have a lot of trophies. Those who hit the ball hard also have a lot of trophies. And, those who hit the ball hard and with a lot of spin have a lot of money!

Similarly, if you can pass exams, you can have a decent career as an actuary. If you have good soft skills, you can have a decent career in business. If you can marry those soft skills and technical skills together, that's where the real success comes in.

**Q: You are one of the most well-connected people I've ever met. Everyone seems to know you. What have been some ways you've accomplished this over your working career?**

A: Can I take a moment and brag a little? I think I may be one of the most well-known actuaries, and it has nothing to do with my technical capabilities! So, what is it? I try to figure that out myself sometimes. I will talk about one of the skills that I have, which is the gift of gab. I can talk. I have used that. Everybody has different skills. I have a lot of things that I'm not good at, but I'm not going to tell you what those are. I do take full advantage of what I am good at.

Also, I genuinely like people. A lot of people are afraid to approach others; I'm not. I can handle rejection. That took a little learning on my part. If you can handle rejection, then you're not afraid to reach out.

When I go to a meeting at an actuarial function, I look for a table where there is one seat remaining and I don't know anybody at the table, and that's where I sit. Not to shut out any of the people I do know, but because I want to meet more people. Most people do the exact opposite. They look for people they know—they look for that security blanket—and sit there, and they close out opportunities as a result.

**Q: You have had a fascinating, nontraditional career path. Can you talk about the path you've taken, the moves you've made, and how you got to where you are now?**

A: When prospective students come to UConn, they often speak with Jim Trimble, FSA, CERA, MAAA, director of the actuarial program, and me. I often share that, as an actuary, you can do what Jim did: Jim graduated from UConn, started his career at The Hartford as an actuarial student, worked his way up the ranks, became chief actuary, retired, and then came to UConn. Or, as an alternative, you can do what I did: I worked in insurance, started my own business as an actuarial recruiter,

was the president and CEO of an actuarial bookstore, was the CFO of a chain of physical therapy clinics, oversaw actuarial talent management at an insurer, and that led me to where I am now.

I just finished my ninth year at UConn, where I mentor, advise and teach. I'm the assistant director of the actuarial program. I advise about 175 students, and I teach two courses. My career has moved along quite nicely because I used the skills that I knew I had, I wasn't afraid to make some changes, and I took a little bit of risk along the way.

One of the slides I use in all of my presentations is from *The Wizard of Oz*. It's a picture of the scarecrow, the tin man and the cowardly lion. Many years ago, I was doing an SOA presentation on entrepreneurial opportunities, and somebody asked, "What does it take to be successful?" I think the keys to being successful are:

1. You better do your homework, you better do your research, and use your knowledge (the scarecrow).
2. You're going to be working a lot, so you'd better put your heart in to it (the tin man).
3. The biggest problem for most people is the fear of failure, and you've got to be able to take a risk, and have courage (the cowardly lion).

This applies to everything in life, whether you are running your own business, giving a successful presentation or writing exams. I don't care what it is; those are the key to success.

**Q: Any last words of wisdom for the section council members?**

A: When we put this together and moved from a committee to a section, I was hopeful, but I never believed it would be as successful as it is. I've been thrilled that the section has been going on all this time, that it continues to thrive, and that people are interested. I think it's gotten more and more life as it's gone on.

It's more of a thank-you to all the people who have come along after and worked so hard to make the section what it is. As it's evolved, I've watched it, and admired the changes. I want to thank all the people who have been involved in the section for all they have done. It's been remarkable and I'm thrilled about it, and I'm sure it's going to continue. I have complete faith. ■



Mitchell Stephenson, FSA, MAAA, is vice chairperson of the Leadership & Development Section Council and can be reached at [mitchell.stephenson@prudential.com](mailto:mitchell.stephenson@prudential.com).

# BUSINESS MANAGEMENT

## Friends Don't Let Friends Ignore Actuarial Standards of Practice

By Patricia E. Matson

*Editor's Note: This article originally appeared in the August 2014 issue of The Stepping Stone.*

There are two main things I'd like to improve regarding Actuarial Standards of Practice (ASOPs) and perhaps you can help. For those of you who, like me, are often too busy to spend time reading the details of an article, the following two paragraphs are my executive summary version.

The first is awareness of the ASOPs. They apply to all of us with a credential practicing in the United States, whether we sign reports or not, whether we are American Academy of Actuaries (Academy) members or not, whether we get paid for our actuarial services or not. I worry that practitioners are not aware of that, not reading the Code of Professional Conduct, or not reviewing the standards that apply to their work (it is important to read the scope, and not just the title, to determine whether a standard applies). This is really important, since a material failure to comply can result in disciplinary action, legal action, and potentially even loss of credentials. So please do it, and tell your friends! Friends don't let friends work without considering standards!

The second is the extent to which practicing actuaries provide input on standards of practice. I just took a quick look at the last three ASOP exposures for which the comment period has ended. In total, for all three, we received a total of 31 comment letters. The letters were very helpful, and have or will improve the ultimate product. But with somewhere around 22,000 credentialed actuaries to whom standards apply<sup>1</sup> that is a pretty low response rate. We need more comments to do a better job. I know everyone is busy, but if you can find time to read just one or two new exposures each year and email the Actuarial Standards Board (ASB) with your comments it will benefit you and the entire actuarial profession. Reading and commenting on ASOPs also provide you with professionalism continuing education.

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# the stepping stone

## What Would You Do? Is the Emperor Wearing Clothes?

By John West Hadley

Here is our sixth entry in the "What Would You Do?" series. Write to me at [SteppingStone@HHCareers.com](mailto:SteppingStone@HHCareers.com) to tell me what you would do. In the November issue, I'll compile the responses received (preserving your anonymity, of course), along with what actually happened in the real-life situation.

Help me craft future case studies. Write to me about your own challenging, surprising or enlightening situations involving business, leadership, management, or any of the topic areas covered by *The Stepping Stone*, and what lessons you learned from them. I'll collaborate with you on turning it into a simple case study, being careful to ensure no one is identifiable. And share your own thoughts (pro and con) on the series as a whole at [SteppingStone@HHCareers.com](mailto:SteppingStone@HHCareers.com).

### IS THE EMPEROR WEARING CLOTHES?

Anselm is in charge of the actuarial group supporting all non-employee-benefit product lines for his company. Their business model is to evaluate potential deals brought to them by outside brokers, and invest in the ones that seem to have substantial profit and business revenue potential. This led them two years ago to his newest product line, involving modest face amount business. Everyone was excited both that the broker's projections showed a great fit to the sorts of goals they typically seek, and it looked like a product that provided a substantial benefit to the customers.

Anselm has been growing uneasy about the line's progress. The way to success as explained by the broker seems to keep morphing, and he hasn't cracked the code on how to tap into their growth targets without sacrificing what seems like a good profit margin. There isn't a lot of pressure from above so far, but he worries about the long-term prospects, and has asked an external consultant to help him do some deeper analysis into the line.

The results lead him to an entirely different understanding of the dynamics, and convince him that (1) it will take much longer than expected before the product line will achieve the combination of revenue and profits that would make the

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On Jan. 1, 2014, I became the chair of the ASB. 2014 is my fifth year on the ASB, so I have experience with the standard-setting process, and I very much welcomed the opportunity to take on this leadership role. I had discussed in a fair amount of detail the requirements of the job with the prior chair, Bob Meilander. So when Jan. 1 rolled around, I felt ready to take on this new responsibility.

Somewhere around Jan. 7, having returned from a relaxing holiday break and getting back into the swing of things at my job,<sup>2</sup> I received an interesting email from a regulator describing a situation in which an actuary had done something that the regulator believed was a violation of standards. He was interested in my thoughts on this.

The ASB does not interpret standards (if an actuary needs help interpreting standards, he or she can contact the Actuarial Board for Counseling and Discipline (ABCD) with a request for guidance). However, I am always happy to get input of any kind on the standards. I want to encourage as much awareness and feedback as possible. It was a challenging question and I spent a fair amount of time trying to provide a thoughtful response (again, this was my personal view, not an ASB view), including a suggestion to reach out to the ABCD for "official" feedback. I also began to wonder if I would be getting lots of requests like this as the chair.

This standard has been of great interest to the entire profession as well as the regulatory community, since it will apply to nearly every aspect of actuarial work.

It turned out that the first request was actually a pretty easy one compared to what was next to come. Shortly after that first call, the Society of Actuaries (SOA) issued the report of the Blue Ribbon Panel on Public Pension Plan Funding. This report includes several recommendations, including a series of recommendations related to increased disclosure requirements in ASOPs. The day of its release, I was asked to provide a statement to the press in response to the recommendations. I was well aware of the recommendations, and had seen during my prior four years on the ASB the significant efforts made by our Pension Committee to improve requirements and disclosures in our pension standards. Every pension standard had been revised during that time to raise minimum standards and increase disclosures. I was also aware of the significant work on pension issues performed by the Academy. However I am not a pension actuary, and I had not had many (OK, none!) requests to give statements to the press. So it was a bit stressful!

But again, I was happy to see attention given to our ASOPs. Due to the recent issues in the pension arena, I have had many conversations with various actuaries (pension and non-pension) about standards of practice and whether the bar is high enough, or too high. But to the point I made in the introduction, when I ask the individuals who call or email me whether they have submitted formal comments in response to our recently exposed revisions to pension standards, the answer is often no. In addition, based on the conversations, I can at times tell that they have not read the more recent standards. This is what worries me.

I understand, with the volume of information that we all receive today, that it is very hard to review and comment on evolving requirements for the profession. And to the extent the requirements don't apply to a specific actuary, time constraints may not allow for such review. But the existence of a Code of Professional Conduct and ASOPs is part of what makes us a

profession, and creates public trust and respect of our profession. So it is critical that we read and understand the ASOPs that apply to our work. And to the extent actuaries can go a bit beyond that, and provide input on ASOPs as they are being drafted, I am sure it will result in a better work product.

I also recognize that the ASB needs to make it easier, in this age of information overload, for individual actuaries to know what standards apply to them, when they are being updated, and how to access them easily. This has been a focus of the ASB recently, and there is a marketing and communications team working on this. You have probably already seen an increase in the number of webcasts on ASOPs, and hopefully also an increase in email traffic related to new standards. There will soon be a mobile device version of the ASB website that will allow easy access to ASOPs from your smartphone or tablet. There are more articles, like this one, to help raise awareness across the profession. And if you have other ideas that might help improve awareness of standards, and comments on new standards, I would love to hear them! Comments on standards can be sent to [asb@actuary.org](mailto:asb@actuary.org).

Perhaps some of the increased communication and marketing are making a difference. I was happy to see 46 comments on the exposure draft on Modeling. This standard has been of great interest to the entire profession as well as the regulatory community, since it will apply to nearly every aspect of actuarial work.

The most recently issued exposure, Medicaid Managed Care Capitation Rate Development and Certification, despite applying to a much narrower group of actuaries, received 26 comments. And in many cases the comments were from organizations, representing more than one person's view on the standard. I am grateful to all the individuals who took the time to comment on these new standards. I hope that the trend continues, and that we have greater awareness and interest in our standards as time goes on. ■



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#### ENDNOTES

- 1 Not every standard applies to every one of those 22,000.
- 2 I was working in enterprise risk management (ERM) at MassMutual at the time.

# BUSINESS MANAGEMENT

## Six Things Highly Productive Leaders Do

By Barbara Taylor

*Editor's Note: This article originally appeared in the November 2014 issue of The Stepping Stone.*

In today's business world, we have the ability to get a multitude of data continuously. This is perhaps nowhere more prevalent than in actuarial work. Interestingly, this doesn't equate to actuaries feeling more in control. Adversely, this "easy" access to information has added more stress—with employees feeling they have less time and a never-ending list of demands. Our technology has increased the potential for making contact but has decreased overall communication.

One way people try to deal with all the stimuli is to multi-task or go into an auto-pilot mode. Neither of these are effective—and both contribute to wasted time and unnecessary errors. Our brains can actually go into overload. Attention Deficit Trait (ADT) is when there is a brain traffic jam. ADT occurs most often when the tasks require similar types of thinking. Symptoms of ADT are:

- Distractibility
- Impatience
- Hard time setting priorities
- Making poor decisions
- Inner frenzy
- Trouble staying organized
- Difficulty managing time

Multi-tasking is actually a myth, but it is so well accepted in today's world that people think they should strive to multi-task as often as possible. When you try to do two things at once, you either can't or you won't do either well.

There is a Russian proverb, "If you chase two rabbits, you will not catch either one." Success actually comes when we do a few things well and really focus. It's narrowing the huge list of things you *could* do and instead dealing with the things you *should* do. Instead of trying to spread your attention, the secret is actually the opposite—to determine what the most important priorities are and then complete these with the utmost attention.

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# stone the stepping

## What Would You Do? No Good Deed Goes Unpunished

By John West Hadley

Here is our seventh entry in the "What Would You Do?" series. Write to me at [SteppingStone@JHA Careers.com](mailto:SteppingStone@JHA Careers.com) to tell me what you would do. In the February issue, I'll compile the responses received (preserving your anonymity, of course), along with what actually happened in the real-life situation.

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### NO GOOD DEED GOES UNPUNISHED

Jonathan has just taken his final actuarial exam, is in charge of a small product group and has been assigned a student, Greg, in the company's minority summer program. While Greg presents himself well,

the work he does is substandard. Although Jonathan goes to great lengths to explain what needs to be done, and why it is important, Greg regularly delivers work that is sloppy, containing careless errors.

Jonathan is scheduled for a two-week vacation midway through the summer. Although there are no official ratings for the summer program until the end of August, he decides that it would only be fair to have an in-depth discussion with Greg to give him plenty of time to correct his work habits.

The day before he leaves, he sits down with Greg privately. He tells him that this discussion is not an official appraisal, and will not go into Greg's record. He explains that Greg's work is substandard, and that were it the end of the summer he would be compelled to give him a poor rating, but that he wants to give him the chance to correct his work during the second half of the summer. He tells Greg that if he does so, the only rating that will matter will be the one he receives at the end of the summer, and that this discussion will be forgotten.

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Below are six areas that can allow you to take more control of your work life—and they look deceptively easy. They are not. They are, in fact, the beginning steps to make you more effective and successful.

1. **Stop multi-tasking!** No, seriously, stop. Switching from task to task quickly does not work. Successful multi-tasking is a myth. Studies<sup>1</sup> show that a person who is interrupted takes 50 percent longer to accomplish the task. Additionally, your errors can increase by 50 percent.
2. **Schedule your email.** This is harder than it seems, especially in today's world where commercials tout getting data milliseconds before anyone else. However, if you want to be more effective, don't let the data rule you! Pick two or three times during the day when you are going to use your email.
3. **Work on your own agenda.** Don't let other people's agendas set your day. When most people get to their desks, they go right to their emails and get caught. Yes, you will end up answering all the emails in your inbox, but will accomplish nothing! Instead, first thing when you arrive in the office, write down the one to three priorities you need to focus on that day and stick to them as best you can. (If

you're really good at this tip, you will have already identified your priorities before you left the office the day before.)

4. **Be militant about eliminating distractions.** If you are a manager, let your people know that there will be blocked-out times during the week when you are not to be disturbed. If you hear the email, IM or text sirens calling you, put them in sleep mode or, if needed, go to a quiet area so you can focus on completing one task.
5. **Use the phone!** Email and texting aren't meant for *conversations*. Don't reply more than twice to an email. Pick up the phone (or go to their office if on-site) instead and connect with the person more directly.
6. **Work in 60- to 90-minute intervals.** Our brains (and bodies) are not programmed for high-focus or attention marathons. Our brains use up more glucose than our other bodily activities. Typically, we will have used most of it after 60 to 90 minutes. That's why we feel so burned out after super-long meetings. So, make yourself take multiple

breaks throughout the day. Get up, go for a short walk, have a snack, do something completely different to recharge.

Don't try to immediately implement all six at once. You can become overwhelmed and end up going right back to your original behaviors. Sequence them. Identify one or two tips you want to focus on first. Get good at these and then slowly add the remaining tips. You will be amazed how much more productive, effective and successful you will become. ■



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#### ENDNOTE

- 1 Source: Rogers, R.D., & Monsell, S. 1995. Depth of Processing and the Retention of Words in Episodic Memory. *Journal of Experimental Psychology: General* 124(2): 207-231.

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# CAREER DEVELOPMENT

## Critical Influencing Skills for Advancing Professionals (Part 1)

By Raymond E. DiDonna

*Editor's Note: This article originally appeared in the August 2013 issue of The Stepping Stone.*

**B**eyond technical skills, actuaries must be outstanding communicators and influencers in order to maintain the critical roles they play within insurance organizations. Early career development is focused on building a strong technical and industry foundation. Once this foundation is in place, however, actuaries must quickly adapt to being submerged in a fast-paced, results-oriented business environment that requires the ability to communicate effectively and, more importantly, influence those around you.

It's not enough to have the right answers; actuaries must be able to present compelling arguments to win over their audience. For the first time in your career you may be managing a staff that is looking for direction, recommending a course of action to senior leaders, or trying to persuade non-actuarial colleagues who may see the world differently. This series of articles is intended to educate young actuarial professionals on key business influencing skills that will be beneficial in the near term as well as throughout their careers.

The actuarial profession is made up of very bright individuals who pride themselves on accuracy—on being “right.” In business, however, being right isn't always enough ... it isn't always even possible. That can be hard for a young actuary to understand—“*I've shown you the right answer, why aren't you accepting it?*” The reason is because success finds those who are not just right, but those who can convince others which path to take.

Getting to the right answer or result is only the first step ... after that, you must go about influencing others that your right answer is also the best answer. The ability to influence is a very powerful tool, and we have the opportunity to influence all the time, in almost every business (and personal) interaction. So, you must understand the power of influencing, build influencing skills, and apply them to make the most of your careers.

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SOCIETY OF ACTUARIES Section  
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# stone the stepping

## What Would You Do? New Case: Can You Go Back?

By John West Hadley

**H**ere is our second entry in the “*What Would You Do?*” series. Write to me at [SteppingStone@IAACareers.com](mailto:SteppingStone@IAACareers.com) to tell me what you would do. In the November issue, I’ll compile the responses received (preserving your anonymity, of course), along with what actually happened in the real-life situation.

Also, to help me in crafting future situations, write to me about your own most challenging, surprising or nightmarish situation involving business, leadership, management, or any of the topic areas covered by *The Stepping Stone*, and what lessons you learned from them.

### CAN YOU GO BACK?

Bill had been an actuarial student under Joe for a year at a small insurance company, and seemed likely to be a future superstar. He communicated well, presented himself very professionally, was a fast learner, and was well on track to receive his FSA in the next few years.

One day, Bill came to Joe requesting that he be allowed to move his workstation out of the actuarial student area, as he was finding it very difficult to work in the same area with Matthew. There were only four actuarial students, and all were in a common area. Even though Bill and Matthew had no projects in common, and even worked for

different bosses, Bill found Matthew’s presence and habits annoying and distracting.

Joe discussed it with Tim, the chief actuary, but space was tight, and Tim felt it sent the wrong signals to attempt to reconfigure the operation just to accommodate one person. Joe took this back to Bill, and the next day, Bill resigned to go work for Tillinghast.

Six months later, Joe received a call from Bill. It seemed that Bill had realized that consulting wasn’t really what he wanted, and he understood that Matthew had left. He asked to be considered for his old job.

The adage goes, “You can never go back.”

1. If you were Joe, would you consider rehiring Bill? Why or why not?
2. If you were Bill, would you consider going back? Why or why not?

**WHAT WOULD YOU DO? ■**

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Actuaries  
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Throughout a business career you will have the opportunity to influence many different constituents—your team, your peers, and your leaders. In this issue we will focus on influencing a team. In future issues we will focus on influencing peers and leaders.

### LEADING (INFLUENCING) A TEAM

Whether you are managing a team of 100 diverse employees or you have your first-ever direct report, in order to get the most out of your team you must influence them to perform at the highest level. Well-known leadership guru John Maxwell had the following to say in his book *The 21 Irrefutable Laws of Leadership* (1998 and 2007):

“*Leadership is influence—nothing more, nothing less.*”

“*... leadership is about influencing people to follow ...*”

“*To move people in a new direction, you need to influence.*”

“*You’re a leader only if you have followers, and that always requires the development of relationships ...*”

Your goal as a team leader is to get your team to perform at the highest possible level. No longer an individual contributor, it is often difficult for any advancing professional to get comfortable



with the idea of not actually doing all the work but, rather, getting the work done through others. This trips up a lot of rising technical stars. What's critical right from the start is to create a team vision to ensure everyone on the team understands precisely where you want the team to go.

You have to paint a picture of the ideal state—and it needs to be a vivid picture that they can really see. A vague idea, such as *“to be the best team possible”* gives your staff no idea of what they are shooting for and no idea of when or how they will achieve the vision. So, strive for details and precision. For example, a team of product development actuaries could have a vision that looks something like this: *“Our vision is to be the team the company relies upon to deliver profitable, market-competitive insurance products with ever-increasing speed to market.”* With that vision, you can further fill in the details of how you define profitable, market-competitive, and speed to market.

With a strong, clear vision in place, you must begin to energize the team around what steps are needed to achieve the vision. Again, it's critical to make the path as clear as you can. So if you define your vision as I have above, you need to take stock of where you are currently in relation to the vision—how profitable are the products you have recently developed? How competitive

are they? And how quickly did you develop them? Once you understand where you are and where you want to get to, be clear with the team about what you need from them in order to close the gaps—what they each need to do, how long it should take, etc.

Now that the vision is clear, and the path to achieve the vision has been laid out, you must focus on the most important role of a leader ... **coaching and mentoring your staff.**

This is another area where technical stars may struggle. Why? Because most stars who ascend to the management ranks quickly are accustomed to getting feedback (usually positive), not giving it. In addition, it's often fairly straightforward to provide positive reinforcement in an annual or semi-annual review. The tough part, however, is providing critical feedback. It is essential to building the best team possible to provide feedback that is timely, candid and clear. The way to influence your team to perform at higher and higher levels over time is to make sure they understand how and when they are performing up to the standard you expect, and how and when they are not.

So, let's cover each component of good feedback individually. And remember, these concepts apply whether the feedback is positive or critical.

First, the best feedback is provided as close as possible to the observed behavior/performance. Waiting until the next review does not provide the right reinforcement. If a team member does something great, tell them immediately. If appropriate, recognize them publicly. On the flip side, having a critical discussion about performance that happened months ago will lead to surprise and disillusionment. Now they are left wondering what else you haven't told them yet. And I can assure you that providing critical feedback does not get easier if you wait longer.

Second, the feedback should be candid—honest and straightforward. It's much easier to deliver critical feedback that is simply an honest, objective assessment of someone's performance. Too much time spent trying to "sugar-coat" a tough message can often lead to misunderstanding. They're confused and you're confused, reducing the likelihood of improved performance.

Third, the feedback should be clear. Much like the team vision, you need to make sure the recipient understands exactly what the issue is. So, critical feedback such as: "you're not doing a good job" is not going to be helpful. However, something like: "in the presentation you gave, you didn't pay attention to the audience's reaction and adapt" is not only clear, but gives you more opportunity to discuss the situation, and together figure out what your employee should do to improve.

An implicit idea throughout the feedback section above was setting high standards. Without continuing to challenge your team, they will not ascend to higher levels and you will not achieve your team vision. Remember, if the vision is aspirational in nature, then achieving it requires everyone to continue to improve his or her performance and capabilities over time. So, challenge your team members to do more than they've done before—certainly it's appropriate to raise the bar each year. If expectations don't rise,

and quantifiable goals and objectives don't rise, then neither will performance. There's something in it for everyone here—your team continues to progress to higher levels of professionalism and you achieve your vision as the team leader.

With that in mind, I have one final thought on influencing your team. One thing you may have never thought about before if you are still in the early years of your career is the idea of what your *legacy* will be.

If you think a legacy is only for U.S. presidents and company CEOs, think again. Every leader (everyone for that matter) creates a legacy over time—both professionally and personally. All the people you work for, work with, and those who work for you, will ultimately draw a conclusion on what sort of legacy you have left behind once you have moved on. So I think it's critical that you think about your legacy before others do. As a leader, your legacy can be of someone who kept things going and didn't screw up something that wasn't broken. Or, your legacy can be of someone who brought your team to a level of performance that no one could have ever imagined. What do you want your legacy to be? ■

*Editor's Note: Part 2 of this series, **Influencing Your Peers**, appeared in the November 2013 issue of **The Stepping Stone**.*



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# CAREER DEVELOPMENT

## Speak Your Way to Success

By John West Hadley

*Editor's Note: This article originally appeared in the July 2006 issue of The Stepping Stone.*

**W**hen you accept an invitation to speak, do you simply assume that speaking will increase your visibility and generate business opportunities? Or do you take concrete steps to ensure that you make the most of the podium?

Even successful actuarial consultants often take the first approach. The assumption is that by increasing visibility (e.g., speaking), business opportunities will automatically come our way. This will sometimes happen, but it's very much hit or miss. And it's not very difficult to take some simple steps that dramatically increase the hit rate!

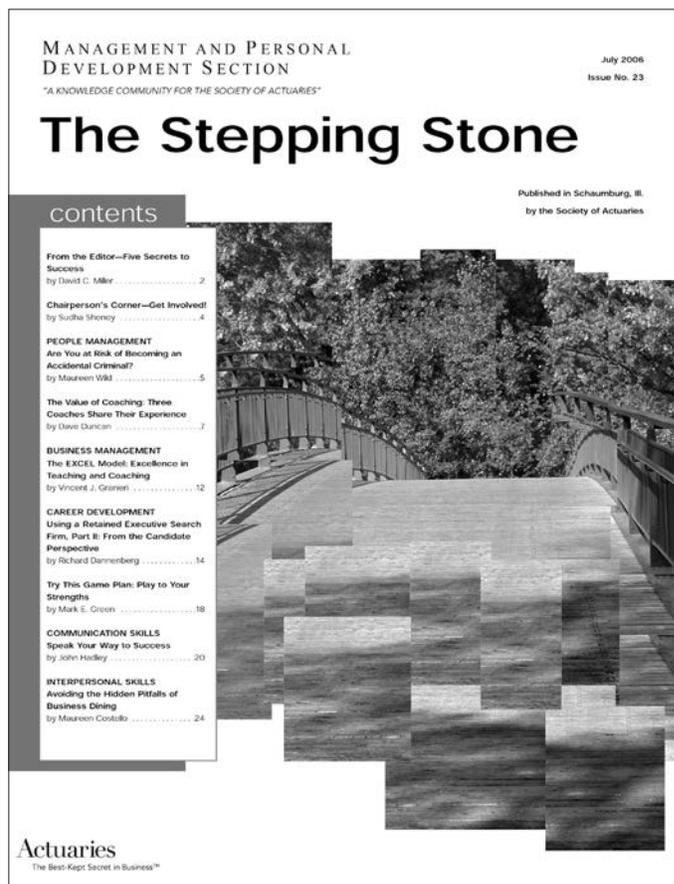
I've broken this down into five stages to ensure that you convert your speaking engagements into business opportunities, which I remember with the acronym SPEAK:

- Setting the Stage
- Preparation
- Execution
- Action
- Kick-Off

### SETTING THE STAGE

Before you accept a speaking engagement, think about whether it is the right audience and venue for you. Will the audience be made up of people who might be interested in your services or your company's services—your "target market/client"?<sup>1</sup>

This is one of the most important steps and one commonly given short shrift. The temptation is to accept any speaking engagement because that helps "get the word out." If you are selective about getting the word out to the right people, in the right way, your engagements will be dramatically more successful, and you will quickly begin to be seen as a focused expert in that area.



Here are some of the questions you should ask yourself about any potential speaking engagement:

- How does the opportunity fit your niche?
- Are you speaking to just your target audience, or is it a mixed audience? And how big is the projected audience?
- Are you sharing the podium? If there are other speakers, are they also marketing products or services and how do those relate to yours? Are they competitive or complementary?
- What are the dynamics? Are people coming specifically to see/hear you, or is it a venue where people come for the event and you happen to be the current hired gun?
- To what extent can you promote your product or services at the seminar? Will you get the opportunity to present your marketing message, company, etc., beyond just having it on a slide somewhere?
- What are the goals of the persons or organization arranging the presentation/venue, and how can you help achieve their goals?



- What are the key problems they face?
- How will the event be marketed and by whom?

Now figure out what you can do to make it draw more people who fit YOUR target market, and to ensure that YOU can build the rapport you need with your targets.

### PREPARATION

One of the most important things for you to do as a speaker is to build rapport with your audience. This is absolutely critical to have any hope of generating business opportunities. But why wait until you get up to the podium to do this? That limits you to the time you have in front of your audience. Think about how much more powerful your presentation will be if you have taken steps to build rapport in advance, so that people are already excited about coming and listening to you and hoping to actually meet you!

This is about “pre-marketing” your presentation. Don’t assume that, just because the organizers are going to send out a meeting brochure or flyer, it will automatically drive people to your session. For example, last fall at the local community college, I was asked to do a workshop on “5 Secrets to Getting a Job You’ll Love!” This was an expanded in-person version of a very successful tele-class that consistently attracts 30 or 40 registrants every time I present it. I assumed the community

college was very experienced in marketing these events; it runs a wide variety of career workshops all year long. When I arrived, there were four people in the room. They asked me if I would repeat the session six weeks later. This time I took charge of putting the word out in a variety of ways and 43 people showed up. The college’s comment: “We’ve never had so many people come to one of our workshops!”

And even if the organizers will do a great job of marketing the event, you should still think about what you could do to encourage more people in your niche to attend, including ways you might promote the overall event (if your program is part of a larger event)! Some ways you might do this:

### MARKETING THE EVENT

- Post announcements to your newsletter and to others’ newsletters.
- Ask friends and business associates to forward an e-mail announcement that you provide to them.
- Alert people who have attended talks you’ve given in the past.
- Put announcements out to relevant Yahoo or other networking groups.
- Put up flyers in libraries or businesses near the location of the event.
- Hold tele-classes or webcasts that give a taste of what people will get from the event.

### PRE-MARKETING TO THE EVENT ATTENDEES

- Survey pre-registrants about key issues or alternate points that you might address in the talk.
- Call people who pre-registered—this could be to remind them to come, or to ask about one or two key issues they would want to see addressed. (This also gives you valuable information for any follow up you might do afterwards.)
- Send out postcard reminders, including a simple testimonial or key point attendees can look forward to getting from the program.
- Give a simple “homework” assignment.

People appreciate a speaker reaching out to them. Just a simple step like this can substantially decrease the number of no-shows. (One of the people I called for a tele-class I was running told me he was very sorry he wouldn’t be able to make it. I asked if he’d like to set a time to just talk about some of the issues he was facing. He did and then became a client.)

## EXECUTION

Execution is about how you deliver your presentation to build rapport and encourage follow up.

- Ask questions.
- Identify challenges and get your audience thinking about them.
- Don't make your focus to answer all of the possible questions people might have about the subject. Yes, give them good information. But if you spend most of your time giving me all the answers, I may recognize that you are very knowledgeable, but I will also likely conclude that I don't need to hire you now. I'll see what I can do on my own first with the information you provided.
- Make it interesting and involving; get as much audience participation as possible!
- Don't hand out printouts of the slides up front; you want people focused on you and what you are saying, not reading the information on the slides in their lap. Use a handout, with highlights, or modified/simplified versions of the slides, so that they need to pay attention to you.
- Make sure you incorporate time for responding to the audience's specific questions. Many in the audience will consider the Q&A period the most valuable part of the presentation!

## ACTION

You need to be very intentional about creating a **Call to Action** in your presentation. This is the best way to ensure that speaking generates business opportunities, and is one of the most commonly overlooked steps. What are some ways you can do this?

- Offer some form of special deal—a way to take what they have learned to the next level. If you have a product or service you can offer on the spot, you could offer a special price or additional bonuses for signing up right away.
- Invite audience members to sign up for a free consultation.
- Offer to provide additional information on the topic.
- Provide a special report, the results of a survey, a newsletter or report or send a copy of the complete set of slides.
- Raffle off a copy of a product, recording or other item of value.

When you are offering something tangible such as a report, it is particularly powerful to hold a copy up and show it to the audience, describing key elements. But resist having copies there to

hand out. Instead, offer to send it to anyone who hands you a business card or fills out an evaluation form (with contact information). This ensures you get contact information and provides a convenient excuse for your post-presentation follow up.

One more point: To help you market your next event, why not ask the audience to fill out your own evaluation or testimonial form? This can provide you valuable testimonial clips to use in your next marketing letter or to provide to event organizers. And then the special offer you are going to make can be positioned as your thank-you for their feedback—an exchange of value for value.

## KICK-OFF

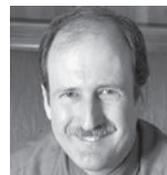
What is this last step I call the Kick-Off? This is perhaps the most critical step, where you now build on the rapport you hopefully created during the presentation. This is where the “sale” really gets started.

You need to follow up with everyone who came to the seminar! You need to add them to your ongoing, keep-in-touch strategy—e-mails, newsletter, mailing lists, etc. You need to take immediate action to continue the relationship building.

For example, if you offered a free report, follow up by e-mail with each person who requested it within 24 hours of the presentation. Then put them in your tickler list to follow up again a week later to make sure they received it, to see if they have any questions or to set up a phone appointment to answer any questions they may have.

And if you have a broader list of people who came to the presentation, e-mail everyone who didn't request the report and offer to send it to them as well.

If you follow these simple steps, I guarantee your speaking engagements will generate many more business opportunities! ■



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## ENDNOTE

- 1 For most of this article, I'm going to assume you are a consultant or marketing-oriented professional whose ultimate goal is to promote your services or products. The same concepts apply to actuaries who are simply trying to raise their personal visibility. For example, if you are an interest sensitive product actuary, think in terms of how to communicate the value you bring to the table in that role, and your target market/client would be those whom you would want to have hear about that value—for example, people of influence who might one day want to hire someone with your talents.

# CAREER DEVELOPMENT

## Maximizing Your Development Through Mentoring

By Brian Pauley

*Editor's Note: This article originally appeared in the May 2015 issue of The Stepping Stone.*

*"Mentors are all around us; they are everywhere we look. Anywhere there is a sharing of knowledge or a teaching of experience, there is a mentor. Anywhere there is an individual with life lessons to impart on an audience—more often than not, just an audience—there is a mentor."*

—John Wooden

*A Game Plan for Life—The Power of Mentoring*

**Y**ou might expect this article would be about mentoring others, and that would be a worthy piece. However, there is a relevant topic of equal importance: *being mentored*.

I once heard someone in a significant leadership position state that they never had a mentor. I find that hard to believe, but if that is true, that is forfeiting one of the most fruitful development opportunities. Why?

*Those who maximize their development utilize mentors.*

Opening yourself up to and making the most of mentoring represents a big opportunity for your growth and development. In this article, I discuss five ways to maximize mentoring.

### 1. HAVE CLARITY ABOUT WHAT YOU NEED AND WHAT YOU WANT TO IMPROVE

This is listed as item #1 on purpose. In order to get anything out of mentoring, other than by accident, you should possess knowledge of what you want out of the relationship. This is important because a quality mentor helps you navigate along your intended path. A mentor may naturally steer you along their own path or what they feel is best for you, and not knowing where you want to go leaves you susceptible to being steered in a direction that is wrong or bad for you, perhaps even confusing you.



What if you don't know what you want to improve? If this is the case, then figuring this out is your top mentoring priority—and you must select a mentor capable of helping you with that. More on this below.

*To maximize your growth and development, it helps to know where you are and where you want to go.*

### 2. CHOOSE MENTORS WISELY

How do you go about choosing mentors? Randomly picking someone at the office above you on the organizational chart would only work out by accident. Armed with the information from #1 above, talk to people and do research to discover who might be able to help you. Having the knowledge and experience to help you grow is required of a mentor. Otherwise, you'll just be having conversation. Conversations are fine, but accelerating your growth and development is the point of being mentored.

Another (and very important) requirement of mentors is they must have time for you. It does you no good to have a mentor who cannot make time for you. For mentors at your office, this can be an issue if you go too high on the organizational chart. An entry-level employee may learn a lot from the company CEO. But, the CEO will probably have little time to invest, and would focus mentoring energy on those in the executive ranks.

Do not be afraid to end mentor relationships that have run their course or that are not working. Sometimes mentorships evolve into friendships. If you share a passion together, a mentorship may last a very long time. Otherwise, if approached properly, you will grow to a point where you will likely seek other mentors. This is OK. Your mentor will likely pick up new mentees as well.

*Mentors with the right knowledge, experience and availability maximize your growth and development.*

### 3. PREPARE THOROUGHLY FOR MENTORING CONVERSATIONS

It is OK to exchange pleasantries and catch up with your mentor, but I'm assuming your mentor will have a small window with which to work. So, you must be ready to get down to business, which means:

- Being prepared to extract as much value as you can from the discussion.
- Demonstrating that you value your mentor's time.

Consider these items to assist with preparing for your mentoring conversations:

- **Set aside a window of time dedicated to conversation prep.** You will need to discover your ratio, and it will vary from mentor to mentor. Consider setting aside at least two times the length of your conversation to prepare. For example, if you have a one-hour meeting with a mentor, spend at least two hours preparing.
- **Review the notes and actions from your previous discussions.** Remind yourself what you and your mentor previously discussed. Demonstrate that the conversation was worth the time invested by your mentor because of the actions you took. I talk more about this in the next section.
- **Come up with a list of questions for your mentor.** Questions are the backbone of your mentoring time. Have more questions than you have time for. Running out of things to discuss 30 minutes into a 60-minute meeting gives the impression that you are not taking the investment seriously. Questions that you did not get to can be rolled over to the next discussion or perhaps you can email them to your mentor afterwards.

*Thoroughly preparing for mentoring conversations maximizes your growth and development.*

### 4. TAKE ACTION AND FOLLOW UP ON WHAT YOU ARE LEARNING

Doing this serves two purposes:

1. It demonstrates that you take what you are learning seriously, thus showing your mentor the time is being utilized wisely.

2. You make actionable progress toward your mentoring goals.

I suggest opening mentoring conversations by reviewing what you learned and what actions you took with that information. For example, if your mentor suggested networking with Jim, the VP of marketing, you might tell her, "*The last time we talked, you suggested that I meet Jim in marketing. I wanted you to know that we met over coffee last week and had a great conversation. Thanks for helping me make the connection.*" By doing this, your mentor takes your conversations seriously. And, you both get the gratitude of you having taken action. Imagine a few months, a year, or more of actions taken and communicated to your mentor.

*Holding yourself accountable through action and follow-up maximizes your growth and development. It also communicates to your mentor that you take the interaction seriously.*

### 5. MENTORING GOES BEYOND FORMAL ONE-ON-ONE RELATIONSHIPS

*"The important thing is that you open yourself up to being a student."*

—John Wooden

In-person mentoring relationships are great and essential to maximizing your growth. But, just as significant are the mentors you don't know: authors of books, public figures, those who have passed away leaving a legacy of lessons, etc.

With the Internet and social media today, you can even connect with a mentor and establish a relationship with that person. I have connected with several prominent authors via social media and have benefited greatly from them. Never underestimate the opportunities that exist by being willing to reach out to people from afar. When it comes to those whose expertise is growth and development, they love to help people grow.

*Expanding your mentors beyond people you know maximizes your growth and development.*

Being mentored is a very powerful weapon in your development arsenal. Like any such tactic, it should be taken seriously and approached with intention. My hope is that you will use the five items above to take full advantage of being mentored. If you don't have one today, I encourage you to find one or more. If you already have one or more, I hope this piece helps you take your encounters, whether they be face-to-face or in the things you read, to the next level. ■



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# COMMUNICATION

## Communication Strategies for Outstanding Leadership

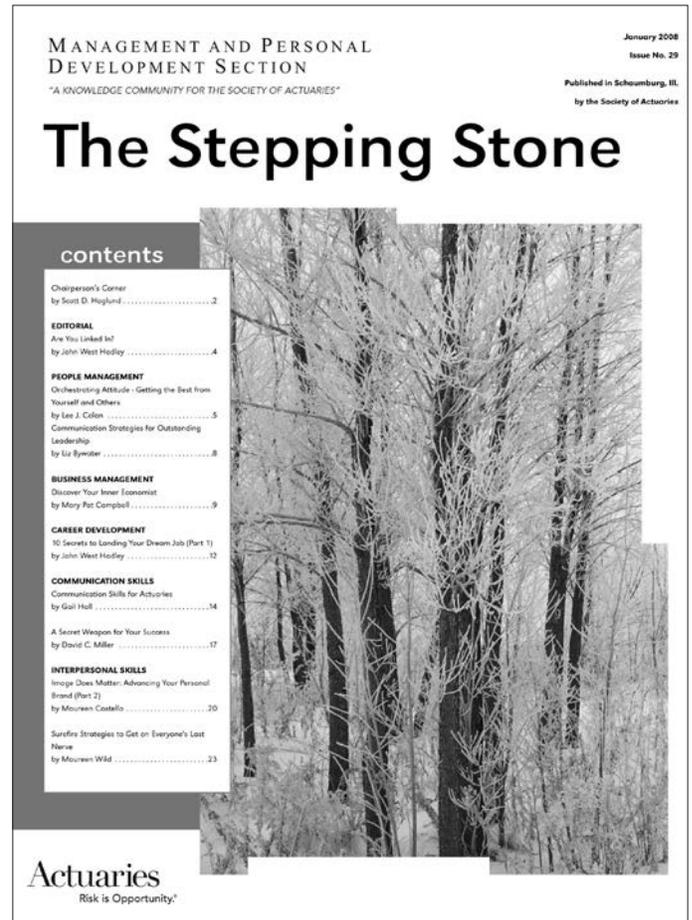
By Liz Bywater, Ph.D.

*Editor's Note: This article originally appeared in the January 2008 issue of The Stepping Stone.*

Superior leadership requires superior communication. Conveying your message in a clear and convincing manner is the absolute key to inspiring others, fostering commitment, and facilitating profound and enduring change in your organization.

Whether you are a senior executive, a manager or a team leader, you can hone your communication skills with the following tried-and-true strategies:

- **Command the language.** Be articulate, even eloquent, in all written and spoken communication. If your language skills aren't where they should be, improve them! Read every day. Consider joining a local chapter of Toastmasters International. These simple and pleasurable activities will do wonders for your written and verbal communication skills.



- **Be yourself.** If you try to sound like someone else, your message will be diluted or lost. To be sure you're conveying your message in an authentic and convincing manner, run it by a trusted peer, friend or family member before presenting it to your intended audience. Get some honest feedback and then make any necessary adjustments.
- **Invite dialogue.** Speak freely with others and invite them to do the same. Allow them to respond, question and even push back. Remember: Communication is a two-way street.
- **Speak with confidence.** Make sure you believe in what you're saying and let it come through! Your genuine display of conviction and authority will inspire trust, confidence and action.
- **Walk your talk.** Don't just say the words. Live by them. People readily spot hypocrisy. They will discount your message if your words and actions don't match up.
- **Say it again.** And again. Don't be afraid to repeat yourself. Even the most powerful and important message must be repeated to get into the hearts and minds of your listeners.

- **Take a stand.** Better to take an extreme or unpopular stance than to waver from one position to the next.
- **Say it in various ways.** Formally and informally. To individuals and groups throughout your organization. Through powerful memos, crystal clear e-mails and focused discussions. There are countless venues for delivering your message. You really ought to use them.
- **Get input from others.** Ask provocative questions. Learn what's on the minds of your people. Some of the most

powerful communication occurs when we simply stop talking and start listening.

Superior leaders recognize that it's not just what you say. It's also how you say it. Communicate with authority, conviction, authenticity and poise. Join the ranks of today's truly outstanding leaders. ■



Liz Bywater, Ph.D., is a one-of-a-kind leadership expert and author of *Slow Down to Speed Up: Lead, Succeed and Thrive in a 24/7 World*. To learn how she helps accelerate results, visit [lizbywater.com](http://lizbywater.com).

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# COMMUNICATION

## What's Your Superpower?

By John West Hadley

*Editor's Note: This article originally appeared in the August 2012 issue of The Stepping Stone.*

I listened to the book *Linchpin* by the outstanding branding and marketing expert Seth Godin. His basic premise is that you have a choice—you can be a factory worker or a linchpin. A factory worker focuses on doing repetitive tasks well. A linchpin applies unique skills, expertise or knowledge to add additional value and become indispensable.

If your focus is on those factory worker tasks, you will continually lose ground in your career. Your role becomes a commodity, and as soon as others are found who can do it cheaper or faster, your position is in danger. Your role can easily be outsourced or automated.

As actuaries, we like to think of ourselves as linchpins. After all, we studied very hard to achieve our professional designations, and are recognized as having unique skills. But are you a linchpin among other actuaries?

This is particularly apropos when you are in a career search. The most successful here are the “Career Search Linchpins” who figure out ways to distinguish themselves from everyone else and truly master niche marketing. Instead of worrying about their competition, they focus on what makes them unique to stand out in the crowd.

Toward the end of Seth’s book, he asks, “What’s Your Superpower?” Figuring out your superpower is the key to distinguishing yourself.

Seth drew the analogy to comic books, where the lesser known superheroes would always introduce themselves by describing their superpowers. This made them memorable.

So how do you introduce yourself to networking contacts, hiring managers and executives at your company? Do you present your superpowers? Do you even know what they are?

When you present a title, like “I’m a pricing actuary” or “I’m a project manager,” you aren’t presenting a superpower. You’re just telling the listener into what slot to place you, along with



all of the other people who are in that same slot. You’re making that listener less interested in even hearing about your superpower, and “tainting” it by whatever baggage that person attaches in their own mind to your opening statement. (*“Actuaries are boring and can’t communicate.” “Project managers are too process oriented.”*)<sup>1</sup>

When you tell someone “*I can work in many industries,*” “*I can do lots of things,*” or “*I have transferrable skills,*” any superpower you might have presented begins to decay. You are avoiding the laser-like focus that generates true engagement and raises your profile in your stated niche.

### WHAT IS A SUPERPOWER?

It’s the project manager who is able to take troubled multimillion dollar projects and deliver them on time and within budget.

It’s the pricing actuary who can design products that increase market share while still achieving profit objectives.

### SO WHAT’S YOUR SUPERPOWER?

This is the tough question for many. We’re not so comfortable taking a hard introspective look and coming up with those, much

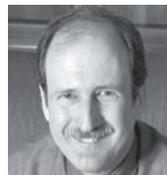


less presenting them in public. But that's the essential component of marketing!

Particularly many job seekers get beaten down by the frustration of marketing themselves and not getting the recognition they feel they deserve. They haven't learned to present themselves in terms of their superpowers, and lack of success in their search begins to make them feel like they don't have any.

LET ME ASSURE YOU, YOU DO HAVE SUPERPOWERS! Your past bosses recognized them, and the colleagues who enjoyed working with you recognized them. It may just be that they came so easily to you that you didn't actually acknowledge them as superpowers. (For more on this, see *Do You Know How You're Doing?* at <http://www.JHACareers.com/KnowHowYoureDoing.htm>)

You just need to get deeply in touch with your own superpowers, so you can present them with confidence. That will truly engage people, and start the upward spiral that leads to interesting new opportunities. ■



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#### ENDNOTE

- 1 Note that I'm not saying that these are true statements, just that they are examples of common baggage listeners might attach to those opening "titles."

# PEOPLE MANAGEMENT

## Interpersonal Skills and People Management: Actually, There's More

By Eli Amdur

*Editor's Note: This article originally appeared in the October 2004 issue of The Stepping Stone.*

*Career coach and adjunct professor of executive communication and leadership, Eli Amdur reaches for great ideas from non-business leaders, Abraham Maslow, Albert Einstein, Yogi Berra, Henry Wadsworth Longfellow and more—and applies them to prepotent business issues of people management, interpersonal skills and talent development. Leaders who understand these lessons—understand them in a large context—will lead their organizations to success. What is that larger context? And why must we all consider ourselves leaders?*

“Proper management of the work lives of human beings, of the way in which they earn their living, can improve the world and in this sense be a utopian or revolutionary technique.”

Who but Abraham Maslow, the father of modern humanism, could provide that overarching idea, that larger context in which we must rethink our roles as manager—better, as leaders—of people? When we take on all these prepotent (to use Maslow's own word) issues—soft skills, interpersonal skills, team building, motivation, synergy and more—we would be wise to view them in Maslow's framework.

### ENLIGHTENED LEADERSHIP

Over 60 years ago, Maslow was already teaching us about “enlightened management,” way ahead of his time. As a historic footnote, I am certain that, were he alive today, he would be talking about “enlightened leadership,” because the term “leadership” is so relatively new.

Actually, the word “leader” first appeared in the English lexicon about the year 1300 A.D., and it had a very flat definition: the first person on a journey. At a time when English was (a) just starting to develop into what would become the world's dominant language, and (b) strongly influenced by the impact of the Crusades, it is easy to understand this definition.



It wasn't until around 1800, half a millennium later, that the word “leadership” appeared in the Oxford English Dictionary, and the reason is not a coincidence. Think about that time. On one side of the Atlantic Ocean was arguably the greatest collection of leaders in one place at one time in the history of humankind: Washington, Jefferson, Madison, Hamilton, Franklin, Adams and Paine. Across the sea, there was Lafayette and there was Napoleon. Two great revolutions were inextricably linked, and then there was the Industrial Revolution. And so, from government, politics, diplomacy, industry and invention was born the concept of—indeed, the very word—“leadership.”

It was not until well into the 20th century, though, that we started to explore leadership by asking questions like, “If there is such a thing as leadership, what then, are leaders' issues, styles, approaches and skills?” So while Maslow talked about enlightened management, now we must think in terms of enlightened leadership. He certainly would have.

OK, enough history.

Maslow advised that we could and should assume that all our people have the impulse to achieve; that everyone prefers to be a prime mover rather than a passive helper; that everyone wants

to feel important, needed, useful, successful, proud and respected; and that people have a tendency to improve—and are improvable. That, then, is the context. We are all leaders and need to develop our teams and ourselves as such.

### THE ILLITERATE OF THE 21ST CENTURY

In his classic book, *Future Shock*, futurist Alvin Toffler warned, “The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn.” What we have only begun to unlearn is that reliance solely on technical skills is a formula for failure. Have we begun to deal with the all-important soft skills? Yes. Have we begun to emphasize them, nurture them, develop them? Yes. But have we really refined and rethought these issues? Have we really relearned? No, not yet.

Getting back to Maslow’s context, as enlightened leaders, I submit there is a higher level at which we must address these issues: talent. Skills are the trees; talent is the forest.

### TALENT MANAGEMENT—A KEY CORPORATE STRATEGY

A funny thing happened on the way to the 21st century; corporate leaders discovered the idea of talent management. In its summer 2004 newsletter, The Conference Board, referencing its recent study of 75 HR executives says, “Talent management, a relatively new and increasingly popular human resources area, is becoming a major part of corporate strategy.”

Relatively new, indeed! That, in essence, is the point. As Albert Einstein told us, “The significant problems we face cannot be solved at the same level of thinking we were at when we created them.” We are only beginning to reach the levels of thinking that will redefine how we develop our businesses, our very occupations. But here’s the rub. There is no agreement on what talent really is, no unilateral definition, no axis points, no profile. But as more than one executive has told me, “I know it when I see it.”

### “YOU CAN OBSERVE A LOT BY JUST WATCHING”

There are a lot of good reasons we all love Yogi Berra. But Berra was not the first to assign value to the process of observation. Swiss child psychologist Jean Piaget, who developed a huge body of knowledge simply by observing his three children, influenced the fields of psychology sociology, education, epistemology, economics and law. It is only logical, then, that we use the same technique to develop an understanding of or a description of talent, rather than to try to construct a strict definition of it. And that’s exactly what’s going on.

Most executives I have surveyed begin the discussion on talent with one of these words: potential, capacity, capability, aptitude and ability. See the point? Not a measurable entity in the lot. But they know it when they see it.

So where, I ask, do all those skills come in to play? And what, you might now ask, is my point about all this?

### TALENT OR EXPERIENCE?

“I’d rather have a lot of talent and a little experience rather than a lot of experience and a little talent,” explained John Wooden. With that, the “Wizard of Westwood,” indisputably the greatest coach in any sport, let alone basketball, led UCLA in the 1960s and 1970s to unprecedented—and still unmatched—team success. He recruited talent; he developed the experience. Make no mistake; Wooden considered skills important. They were at the very center of the 14 building blocks in his “Pyramid of Success,” the road to competitive greatness. Wooden got it 40 years ago; we’re just getting around to getting it now.

### ASSESSING OTHERS—BE CAREFUL!

The overarching lesson is that, to reach competitive greatness, a leader’s obligation is to develop talent by doing two things. The very first responsibility is to make a clear distinction between what someone has done and what that person possibly can do. “We judge ourselves by what we’re capable of doing, but others judge us only by what we’ve done,” said Henry Wadsworth Longfellow over a century and a half ago. From America’s most beloved poet, from days long past, comes a great business lesson for the 21st century; look for potential, capacity, capability, aptitude and ability.

The leader’s second responsibility, it follows, is to facilitate the development of that talent. Make it happen, in other words.

Neither is easy. Recognizing talent and then doing something with it are both formidable challenges. The first requires some innate talent of your own; recognizing talent is a talent itself. You can draw up guidelines, such as looking at performance and inductively deciding what talent(s) that person has that led to that performance, but at the end of the day, you either will spot talent or you won’t. The second responsibility, however, can be mapped with more certainty.

### VICTORIOUS WARRIORS

How do we become competitive? How do we win? Sun Tzu, a Chinese military strategist in the fourth century B.C. said “Victorious warriors win first and then go to war, while defeated warriors go to war and then seek to win.”

Permit me to inject a thought of my own, and then we’ll get back to Sun Tzu. I believe there are eight drivers of talent development: vision, organization, leadership, selection, inclusion, parallels, alignment and communication. An enlightened leader should be comfortable answering questions about each of these drivers:



- **Vision**—How clear is yours? Can your employees articulate it?
- **Organization**—Is your organization structured to accomplish its goals?
- **Leadership**—Are you developing today's leaders? Tomorrow's?
- **Selection**—Do you have not only the right people for the jobs, but the best?
- **Inclusion**—Are your people empowered to carry out the mission?
- **Parallels**—Are the organization's goals parallel with those of its people?
- **Alignment**—Are you, and all parts of the organization, moving at the same speed?
- **Communication**—Is it encouraged? Is it active? Is it 360°? Do you do it well?

Embedded deep within these drivers is a commitment to the development of those soft skills, those interpersonal skills we keep

talking about: communication, persuasion, influence, negotiation, relationship building, team building, creating synergy, delivering training, fostering diversity, mentoring, managing change, recruiting, motivation, creativity.

As a business leader today, Sun Tzu would put in place all those strategies, resources and programs his talented people need. He would, for example, ensure that all his people share his reason for being part of the organization. He would create a robust learning organization with a strong knowledge management function because it's not just what you know, it's what you do with what you know. He would develop leaders to succeed him. And so on.

But the fundamental reason Sun Tzu would do all this would be his enlightened understanding that the greatest asset an organization has, after all is said and done, is talent. Develop talent, and you develop the continuous ability to grow, to compete and to succeed. Talent is the only asset that change does not overtake. Sooner or later, change will overtake products, services, technology, structure, systems and processes. It will not, because it cannot, overtake talent.

#### PAST, PRESENT AND FUTURE

"Let the path be open to talent," demanded Napoleon 200 years ago.

And the good Professor Einstein taught us, "The distinction between past, present and future is only a stubborn, persistent illusion." The enlightened view, the view of the future, emphasizes interpersonal skills, soft skills, business savvy skills—in short, talent. Finally, leaders are shaking off that stubborn, persistent illusion.

At the end of the last century, *Life* magazine, in a special issue, named Bob Dylan as one of the 100 most influential Americans of the 20th century, and said of him, "Dylan knew what we all know; he just knew it sooner." So what did Dylan know? What did he say?

*The line it is drawn the curse it is cast  
The slow one now will later be fast  
As the present now will later be past  
The order is rapidly fadin'.  
And the first one now will later be last  
For the times they are a-changin'.*

Get it? ■



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# PEOPLE MANAGEMENT

## Seven Steps for Setting Yourself Apart

By David C. Miller

*Editor's Note: This article originally appeared in the August 2011 issue of The Stepping Stone.*

Looking to enhance your career status? Would you like to set yourself apart rather than simply do a solid job and get another 3 percent merit raise?

What if you approached your career as if it were your very own business? What would you do differently?

If you are a consultant, this way of thinking may not be a huge leap. But when you work for a company performing functions that are not directly revenue-producing, you may not have thought about this approach.

It's time to start thinking like an entrepreneur. Imagine your career is your own store-front business.

You need to stay aware of how you are adding value and, more importantly, how that value is being recognized.

Here is a *checklist of seven elements* that are required for you to be successful:

### 1) CREATE A VISION AND BUSINESS GOALS THAT INSPIRE YOU.

You can navigate your career to a specific destination, or you can just go with the flow like a raft drifting to wherever the ocean currents take it. As the old saying goes, "If you aim for nothing, you will hit it every time."

Vision and goals are critical for any business. Powerful goals create both inspiration and clarity. Too many company workers just

Management & Personal Development  
SOCIETY OF ACTUARIES Section

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# the stepping stone

**The Actuarial Ethicist: Purloined Pages**  
by Frank Grossman

*This short article sets out a hypothetical workplace dilemma. We invite readers to submit comments and suggested solutions which will be summarized and published in the following issue of The Stepping Stone. All submissions will be received in confidence, and any identifying details removed prior to their inclusion in the discussion of the case.*

Dave the ASA stopped by Erin the FSA's office and asked her to accompany him to a meeting with Vincent, one of their firm's asset portfolio managers. Dave is Erin's manager and the CFO for their company's interest-sensitive product division. Erin is the valuation actuary for a couple of interest-sensitive product lines. On the way, Dave explained: (i) the statement of investment strategy for one of Erin's product lines prescribes a duration matching approach to managing interest rate risk, and (ii) the liability duration provided to the investment unit was stale, predating the appointment of both Dave and Erin to their current roles three years ago.

This was the first time Dave and Erin met with Vincent, and their meeting was cordial. Dave and Erin learned that the duration for the product line's asset portfolio was produced by a third party software package. Erin asked for more information about the assumptions underlying the asset duration calculation, and the meeting ran long as a technical discussion ensued. At length, Erin was able to confirm that the interest rate scenario generator used to calculate the asset duration was roughly consistent with the generator used for her valuation work. She also described how sensitive the liability duration was to her dynamic lapse rate assumption, which seemed to be news to Vincent.

Erin prepared a written report summarizing her liability duration calculations for the follow-up meeting with Vincent a couple of weeks later, including an appendix noting her policyholder behavior sensitivity test results. While waiting for Vincent to arrive, Dave quickly read Erin's report, asked for all three copies and removed the appendix from each report before returning them to Erin. Just as Vincent entered the room, Dave said "Let's try to finish today's meeting on time, okay?"

**What should Erin do?**

Send your suggestions before August 22, 2011, to [Cratgnore5@tsool.com](mailto:Cratgnore5@tsool.com). The discussion of Erin's dilemma will be published in the November 2011 issue of The Stepping Stone.

Frank Grossman, FSA, FCIA, is a senior actuary at AIGGON USA who, when working under the shadow of a newsletter deadline, recalls Pascal's wise words: "The last thing one knows in constructing a work is what to put first." He can be reached at [fgrossman@aiggonusa.com](mailto:fgrossman@aiggonusa.com) or 315.355.3362.

Actuaries  
Risk is Opportunity.

come in and do their jobs. If you want career growth, you want to shoot higher.

Many professionals get discouraged about the idea of setting the bar high because they feel they have little control over the result. As a business owner, you have no choice. You need to succeed in any environment. Entrepreneurs don't stop until they find a way to succeed.

What are your inspirational career goals? What is your vision for yourself and the contribution you want to make in your organization?

### 2) IDENTIFY YOUR TARGET MARKET.

Successful business owners know who their customers are. They know the specific demographics, core needs and buying patterns. Start identifying who your customers are in your organization. *Who depends on you for the services you provide? What problems do they have in areas where you can help them?*

You probably have many stakeholders that rely on you: senior management, your supervisor, colleagues, direct reports, etc. Your approach to working with them will change when you think about serving them as customers.

### 3) IDENTIFY YOUR “PRODUCT.”

Here you want to identify “what you are selling.” Your product is much more than the functions you perform. It’s more about the solutions you provide; the value you add to the organization.

You may calculate reserves, re-price a product or conduct experience studies. You need to ask the question, “So what?” Drill down to the value you add to the organization. *What problems are you solving?*

### 4) CRAFT YOUR IMPACTFUL MARKETING MESSAGE.

Having a good product is necessary, but far from sufficient when it comes to being successful in business. I have worked with brilliant business owners with tremendous product offerings, yet they struggle because no one knows about them.

You need to be a good marketer to be successful in business.

You might be cringing as you read that last sentence. To many actuaries the word “marketing” means “shameless self-promotion.”

The good news is that you don’t need to be arrogant or conceited to market yourself. People just need to know what you do. You must know what to say to people when you are at your next SOA networking session and they ask you “*What do you do?*”

The good news is that if you know your target market and your product, you have the beginnings of a strong marketing message.

The key to making your message impactful is to really drill down to the essence of where your value is.

A simple formula is:

“I help \_\_\_\_\_ (fill in your target market) \_\_\_\_\_  
(fill in your value add).”

For example:

*“I help chief actuaries identify and resolve financial surprises before they reach senior management’s attention.”*

This formula is just the beginning of your message. I will cover this in more detail in a future article.

### 5) MASTER INTERNAL NETWORKING.

Once you have identified your message, you need to get that message out in front of your target market. Business owners and consultants do this through traditional marketing methods such as speaking, writing, direct calling, etc.

As a company actuary your key marketing method is networking. Remember, you don’t want to be the best-kept secret in the company. The best way to increase your customer base is to develop relationships with “prospects” in your company.

*Think of 10 people in the company with whom it would be valuable for you to have a relationship.* Invite them to lunch and get to know them. Find out about their goals and challenges. Look for ways to help them. This will increase your worth in the company.

### 6) CONSISTENTLY CREATE VALUE FOR YOUR CUSTOMERS.

As more people know you and rely on the value you bring, you want to make sure you execute with excellence. Always look for ways to go the extra mile.

It is much easier to keep an existing customer than to go out and find a new one, especially when you are in an environment where your target market is limited. If you disappoint your CEO there are no more CEOs to market to in your company!

As you over-deliver, your reputation grows. Keep working on developing your skills, both technical and interpersonal. Think outside the box about solutions you can provide.

### 7) MONITOR YOUR STOCK VALUE.

You need to stay aware of how you are adding value and, more importantly, how that value is being recognized. I don’t mean being a “recognition hound” always looking to be rewarded directly for everything you do. You need to keep your finger on the pulse that the company in general sees, and ensure critical players understand the contributions you make.

If they don’t, you can easily become a casualty of downsizing. Even more importantly, you won’t be getting greater opportunities to make impact and won’t realize the goals you set in critical element #1.

Just like any company wants to enhance its stock value, what are all the ways you can grow yours? Start thinking like a business owner when it comes to managing your career and you will start making things happen. Want help with this? Drop me a line and we can have a complementary consultation. ■



David C. Miller, FSA, PCC, helps executives become influential leaders and consultants generate higher revenues. He is author of *The Influential Actuary*. Dave can be contacted at [dave@BusinessGrowthNow.com](mailto:dave@BusinessGrowthNow.com).

# PERSONAL DEVELOPMENT

## Battling Cognitive Bias

By Mary Pat Campbell

*Editor's Note: This article originally appeared in the April 2010 issue of The Stepping Stone.*

While often in actuarial work we find suboptimal behavior on the part of policyholders (an understatement sometimes ... one can find all sorts of crazy behavior in transaction records), we assume that we, as actuaries, do not suffer many of the irrationalities one finds in the general public. In our own fields, at least, we follow good decision-making and problem-solving procedures, right?

To this I say: *what makes us think we're better than scientists?*

Time and time again, one hears stories where a commonly seen effect is ignored by scientists for years as “noise,” “coincidence” or “irrelevant.” Only later, other people without these built-in preconceptions can make real breakthroughs.

For example, in the article “Accept Defeat: The Neuroscience of Screwing Up,” author Jonah Lehrer recounts the story of Arno Penzias and Robert Wilson, who had been trying to make a detailed map of the Milky Way. They had built a very sensitive radio telescope, and in tuning it up, discovered some “noise” wherever they pointed their telescope. Their original assumption was that there was something wrong with their setup or their equipment, and thus spent a long time troubleshooting something that wasn't actually trouble.

But that background radiation never went away.

For a year they simply ignored that “noise” to make the measurements they had set out to make. Luckily, they did decide to really look into it, and considered the “noise” to be a very real signal—this “noise” was evidence of the Big Bang, and Penzias and Wilson later shared the Nobel Prize in Physics because of this discovery.

How often has this happened to you—you entirely miss a solution to a problem, because you have already decided on an answer and ignore all signals outside of your expectation?

Being aware of the biases built into our brains can help us combat them. One can't fix what one doesn't know is broken. Given



there are so many biases, I will concentrate on two, and possible remedies for them.

### CONFIRMATION BIAS

Definition: *the tendency to seek evidence that confirms one's preferred explanation or solution, and avoid evidence that contradicts or disconfirms it.*

Though science has some processes that are supposed to prevent this, it happens all the time. One may prematurely hit upon an explanation and solution, and then one actively seeks further evidence that cements one even more strongly to that position. Alternative solutions are ignored or discounted.

Confirmation bias doesn't necessarily mean explicitly ignoring contradictory or disconfirming evidence. Usually, all that is involved is not deliberately seeking out anything that would show flaws in the predetermined decision. Kevin Dunbar, who studies how scientists actually do science in the lab, had found many times that scientists would go to a certain point to explain away anomalous results, but would simply label such results as outliers or throw them away and not publish them. Imagine if Penzias and Wilson kept masking out that universal background radiation?

Another example of this bias can be found in Professor Michael A. Robert's study of the 2003 Columbia space shuttle disaster. Managers at NASA had already decided that foam strikes weren't dangerous to the shuttles, and set up a system that would keep confirming that decision while not seeking out anything that might show those strikes to be dangerous.

Launch cameras weren't maintained properly, so they couldn't get a good estimate of how much damage had occurred to Columbia upon launch. Previous foam strikes didn't end in disaster (but they were much smaller than the strike that ultimately destroyed Columbia). One engineer did think there was a danger, but he was actively ignored by the mission managers, while an expert who didn't think the strikes were a problem was consulted.

They didn't want to hear there was a problem, and thus there was no problem.

Then the shuttle disintegrated upon reentry. That's a problem that's hard to ignore.

## SUNK COST EFFECT

*Definition: the tendency to take into account investment (of time, effort, money, other resources) already spent in deciding whether to continue a particular course of action. The previously spent resources are the "sunk costs."*

Of all the cognitive biases, you would think this one would be the easiest for the economically literate to battle. We know that if resources have already been spent, we cannot go back in the past and un-spend them. So any decisions about our future efforts should ignore what has been done in the past. Our cost/benefit analyses should include only those costs that have yet to be paid (and, likewise, the benefits that we haven't already received).

However, this is extremely hard to battle, because oftentimes one's ego is bound up in a past decision. Ignoring those sunk costs may make it more likely to make a rational decision to walk away from something that is a poor bet going forward, but then it would also mean admitting that a previous choice made was wrong. How often has one seen a project limp, bleeding money to the bitter end because someone had made a big bet and couldn't admit it hasn't panned out?

Consider the tragedy on Mount Everest in 1996, which ended in death for many climbers due to a bad decision influenced by several cognitive biases.

One of the safety rules formulated by expert climbers was that if one couldn't get to a certain point on Everest by a certain time in attempting to summit, you were to return to camp. But the climbers had worked so hard and paid so much to get to the summit, they felt they couldn't turn around even though they'd overshoot the time deadline by two hours. They ignored their own safety rule due to sunk cost effects.

Sometimes, the only way to have an impartial review of a project or decision is to bring in other people who were not involved in the original decisions.

There were other biases also at play, such as the recency effect, where the climbers were biased by recent weather experience on Everest, and overconfidence, where the lead climbers had so many successes, they underestimated the chances for trouble. For further explanation, check out Michael A. Robert's lectures on "The Art of Critical Decision Making."

## POSSIBLE REMEDIES

All is not lost—there are ways to lessen the effect of cognitive biases in our own work.

### 1. Awareness

As noted before, if you aren't aware these can be problems, you're not going to be able to combat them. One method is to look at examples of these biases from famous cases, as one isn't personally involved in them and can cast a more rational eye on them.

### 2. Review the Past

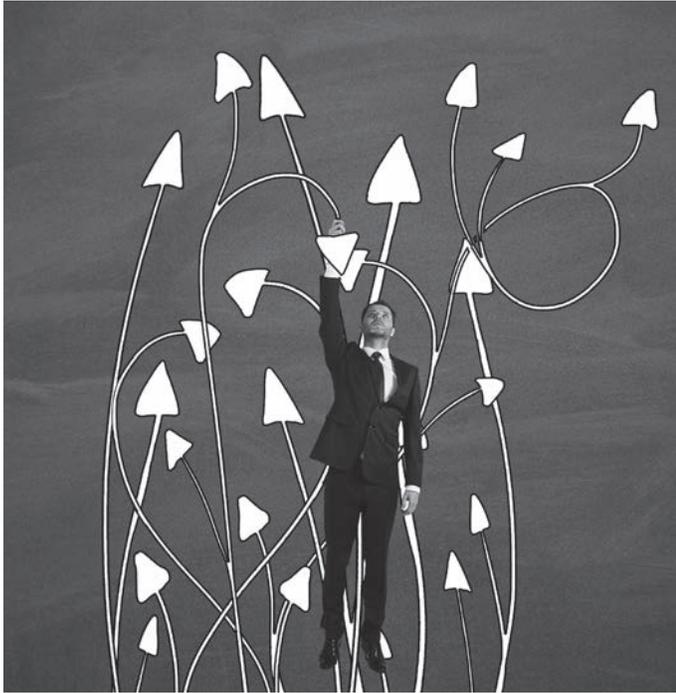
This may be a harder step. This involves reviewing your own past work and decisions, and trying to seek out these tendencies. Not everyone is as equally affected, and finding out which biases are your particular weaknesses can help you focus your efforts in the future.

### 3. Change the People

Sometimes, the only way to have an impartial review of a project or decision is to bring in other people who were not involved in the original decisions. The sunk cost effect is easy to avoid if one wasn't the person who sunk those costs to begin with. Bringing in outside consultants can be useful, but again one needs to be careful that those hiring the consultants and deciding on their pay (and whether said consultants will be hired for future projects) aren't going to influence the consultants to come up with a foregone conclusion.

### 4. Change the Group Dynamics or Composition

As opposed to taking outside people to replace the ones who make the decision, sometimes it's enough to mix up insiders with diverse areas of expertise and experience.



In researching scientific problem-solving, Kevin Dunbar noted a difference in two labs, both of which had the same experimental problem that needed solving. One of the two labs solved their problem much more quickly—the lab that had a more diverse composition in terms of expertise. The faster-solving group had biochemists, geneticists, graduate students, and molecular biologists; they all had different training and different perspectives going into the problem-solving process. The slower-solving group was composed solely of *E. coli* experts; they shared the same assumption sets and the same training.

It's hard to suffer confirmation bias when group members have different positions they're trying to confirm. Individually, people may have problems, but as long as they're not all aligned in the same direction, the diversity of thought can help solve problems better.

## 5. Check Assumptions and Actively Seek Disconfirming Evidence

Perhaps you are not solving in the group, but alone. Your perspective is all you've got, and so some of the above fixes may not be open to you. However, if you turn your implicit assumptions into an explicit list, and actively try to see if your assumptions are wrong, you can combat confirmation bias. It does require active discipline and a willingness to find your assumptions flawed.

The above recommendations come from the material in Lehrer's and Roberto's work. I have my own recommendation in dealing with sunk costs, though not easily implemented. What really helps in treating sunk costs as sunk is having had to cut one's losses in the past for something really big. If you've had to change course—change a career, drop out of graduate school (the decision I made after six years of graduate work)—doing it a second time becomes that much easier, at least in my experience.

While it's less painful to learn from other people's mistakes, learning the lesson directly makes it more likely to stick. ■



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# PERSONAL DEVELOPMENT

## How and When to Just Say No

By John West Hadley

*Editor's Note: This article originally appeared in the August 2011 issue of The Stepping Stone.*

**D**uring your career, career search, home life, etc., you will often be faced with a plethora of possible actions and requests far beyond what you can, should or are currently willing to handle.

Those who are busiest or most in demand tend to be viewed as most capable or willing, or able to juggle the additional responsibilities, and therefore find themselves called on to do even more. When my son was in kindergarten, I volunteered to replace the retiring secretary of our Parent Teachers Organization. Little did I realize that would lead to over a decade as PTO officer, and a real challenge finding anyone willing to take over for me as president!

**How do you decide where to focus your energies? And how do you keep from getting distracted and sucked into bottomless pits of less productive activities?**

**First, keep your eye on the prize.** Examine your goals, and make sure that the initiatives with which you are getting involved or the activities you are making a core of your strategy feed those. It's OK for some to be personal interests vs. professional goals, and it's OK for some to be not directly leading toward your short term goals if they feed your soul, just make sure they are truly doing that.

I'm reminded of a conversation I had a few months ago with an actuary who had been looking for a new job for over a year. He mentioned the variety of things he was doing, and when I suggested he might benefit from a more focused goal, he said that all of these things he was looking at were interesting.

He talked about things he was doing to keep current in the industry, and mentioned a highly specialized committee he had recently joined "because it was interesting." (The committee was in a totally new product area in which he had no prior expertise.) When I challenged him on how that particular

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# the stepping stone

## The Actuarial Ethicist: Purloined Pages

by Frank Grossman

*This short article sets out a hypothetical workplace dilemma. We invite readers to submit comments and suggested solutions which will be summarized and published in the following issue of The Stepping Stone. All submissions will be received in confidence, and any identifying details removed prior to their inclusion in the discussion of the case.*

Dave the ASA stepped by Erin the FSA's office and asked her to accompany him to a meeting with Vincent, one of their firm's asset portfolio managers. Dave is Erin's manager and the CEO for their company's interest-sensitive product division. Erin is the valuation actuary for a couple of interest-sensitive product lines. On the way, Dave explained: (i) the statement of investment strategy for one of Erin's product lines prescribes a duration matching approach to managing interest rate risk, and (ii) the liability duration provided to the investment unit was stale, predating the appointment of both Dave and Erin to their current roles three years ago.

This was the first time Dave and Erin met with Vincent, and their meeting was cordial. Dave and Erin learned that the duration for the product line's asset portfolio was produced by a third party software package. Erin asked for more information about the assumptions underlying the asset duration calculation, and the meeting ran long as a technical discussion ensued. At length, Erin was able to confirm that the interest rate scenario generator

used to calculate the asset duration was roughly consistent with the generator used for her valuation work. She also described how sensitive the liability duration was to her dynamic lapse rate assumption, which seemed to be news to Vincent.

Erin prepared a written report summarizing her liability duration calculations for the follow-up meeting with Vincent a couple of weeks later, including an appendix noting her policyholder behavior sensitivity test results. While waiting for Vincent to arrive, Dave quickly read Erin's report, asked for all three copies and removed the appendix from each report before returning them to Erin. Just as Vincent entered the room, Dave said "Let's try to finish today's meeting on time, okay?"

**What should Erin do?**

Send your suggestions before August 22, 2011, to [Crugmore54@aol.com](mailto:Crugmore54@aol.com). The discussion of Erin's dilemma will be published in the November 2011 issue of The Stepping Stone.

Frank Grossman, FSA, FCIA, is a senior actuary at AEGON USA who, when working under the shadow of a newsletter deadline, recalls Pascal's wise words: "The last thing one knows in constructing a work is what to put feet." He can be reached at [fgrossman@regisusa.com](mailto:fgrossman@regisusa.com) or (315) 332-3363.

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committee would help him in his search, he said that companies operating in that space might then consider him. When I asked how many companies that was, he admitted it was a very small pool.

**I'm not suggesting that you not get involved in various initiatives—after all, that can both feed your soul and provide outstanding networking opportunities.** Volunteering is a great option to move your career forward on many levels—for a discussion of how, read this article: *Volunteer... To Be Marketable* at [www.JHACareers.com/Volunteer.htm](http://www.JHACareers.com/Volunteer.htm).

**What I am going to suggest is to manage your activities carefully.** It is easy to have a modest commitment morph into a major drain on your limited time and energy, and particularly if you are in an active job search, this can be devastating.

**Next, examine the level to which you can afford the involvement or focus.**

**Finally, one of the most important strategies is learning the art of saying "No."**

There are two extremes here. One is the sharp, brusque "NO!" that has others start to view you a being negative, unhelpful or

only in it for yourself. This contributes to a poor professional image that can harm you just as much (or more) than having gone ahead and gotten involved.

The other extreme is the excuse-filled “no.” This is where you provide all sorts of justifications for why you are saying “No,” and they come across as overkill, just a series of excuses rather than valid reasons. And again, this damages your professional reputation.

**So how do you navigate between this Scylla and Charybdis? Let me present three principles to help you.**

There’s a huge difference between a simple reason and an excuse. When you cross the boundary into excuse territory, you both lose credibility and seem less professional.

### 1. GIVE YOURSELF PERMISSION TO SAY NO.

This sounds obvious, but it’s very powerful. I recall a board I had been sitting on since its inception that was progressively getting less interesting and more demanding (since some of us were much more active than others). Something else came up in my professional life that made it difficult to continue that level of involvement, but I felt guilty about stepping back, particularly since I was one of the founding members.

My natural inclination would have been to simply step back a little bit, take on less, but stay involved to a substantial degree. I instead told the chair that I needed to step back, and offered the choice for me to contribute as I could (without attending meetings) over the next several months until my term expired, or to resign my seat immediately if they wanted it freed up for someone else to serve.

I can’t tell you how liberated I felt leaving that meeting!

### 2. LISTEN TO YOUR INNER VOICE.

In the instance above, I was progressively getting less excited about our mission (or at least whether we were making meaningful progress toward achieving it). When the outside event came up that prompted me to re-examine my commitment, rather than simply looking at how I could manage the two activities together, I listened to my inner voice. I felt some

guilt about stepping back, but that inner voice was warning me that this board no longer fed my soul in a meaningful way, so I gave myself permission to say no.

**To tune your inner voice so you can even hear it, you need to give some serious thought to your goals. Carefully examine them, so that when these choices arise you are able to clearly establish for each initiative how central it is to what you are trying to achieve.**

Some can be focused on personal interests and others on professional goals (such as getting that next job or promotion), though you will find the most fulfillment when even those are aligned.

### 3. LIKE NANCY REAGAN ADMONISHED, “JUST SAY NO.”

What I mean by this is to **follow the KISS principle (Keep It Simple, Stupid) and avoid lengthy explanations.** The more you explain why you can’t do something, the more you either:

- Start to look whiny (“*Oh, woe is me, I could help you if only I didn’t have all of these other things going on.*”), or
- Provide the requester ammunition for a continued discussion on how to change your mind. And going down this road makes it that much more difficult to stick with your “no” and still retain a positive, professional image.

I attended a seminar years ago where a similar principle was applied to apologies, and it was a very powerful concept. (For more on this, read “**Watch Your Butts!**” at [www.JHACareers.com/WatchYourButts.htm](http://www.JHACareers.com/WatchYourButts.htm).)

**There’s a huge difference between a simple reason and an excuse. When you cross the boundary into excuse territory, you both lose credibility and seem less professional.**

For example, if someone in another department comes to you for help on a project, and you say “*I’m sorry, but I’ve got three other critical issues I’m working on right now, and I promised my family I wouldn’t work late this week because we have friends visiting from out of town, and ...*” you’ve crossed into the land of excuses.

What if instead, you simply said, “*I’m sorry, I have critical deadlines this week.*”?

**Now how about a more subtle example of how you might “Just Say No” in a job search?**

How many times have you had a discussion with a networking contact, and that person suggested that they send your resume to HR? This tends to happen a lot, because it’s something easy for them to do. However, it generally isn’t



very helpful to me as a job seeker, and it lets the contact off the hook, so they feel less pressure to do anything. What I really want is to get a chance to talk to someone else, ideally someone who is in a position to hire me or to introduce me to the person who could.

So here's now I might deal with that suggestion.

*"Jim, I really appreciate that. You know what would be really helpful to me? I would love the chance to talk to someone in the finance area, so I could start to get a feel of their issues. Who do you know in that area to whom you could introduce me?"*

**What I've done is deflect the request a bit, without directly saying no. If Jim still wants to take my resume to HR, that's fine—it's not going to do me any harm. But I've taken the question as an opportunity to lead Jim towards the referrals that will really move me forward.**

You can apply this to almost any suggestion Jim might make that you don't believe will be particularly helpful. Don't tell him that it won't be helpful, as that is a criticism that can hurt the relationship and shut down further suggestions. Just deflect it a bit like I did above ...

*"Jim, thanks for the idea, and I've actually done something along that line already. You know what would really help me move forward..."*

Just be sure to put some work into practicing these techniques so that they become natural for you. As one colleague advises regarding job interviews, *"You should have at least five hours of role play before your first interview. After all, you don't want the interview for the job you want to be your practice interview!"*

**I'd love to hear your own techniques for saying "No" professionally, to include in a future issue of *The Stepping Stone* (anonymously, of course, unless you specifically tell me you would like attribution). Just drop me a note with your suggestions at [SteppingStone@JHACareers.com](mailto:SteppingStone@JHACareers.com). ■**



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# PERSONAL DEVELOPMENT

## Ethical Decision-Making for Actuaries—Part 1

By Frank Grossman

*Editor's Note: This article originally appeared in the August 2012 issue of The Stepping Stone.*

### 1. SEEING IS BELIEVING

Have you ever heard someone say, “I don’t know anything about art ... but I know what I like”? It’s the right side of their brain talking. That we each have our own innate preferences is hardly earth-shattering news. But this has an important corollary: not everyone sees things exactly the same way you do!

Given this diversity of human experience, perhaps one’s aesthetic sense provides a useful analogue for one’s ethical sensibility. The subjective nature of what we see—that is, what we think we see—was neatly described a century ago by Edgar Degas:

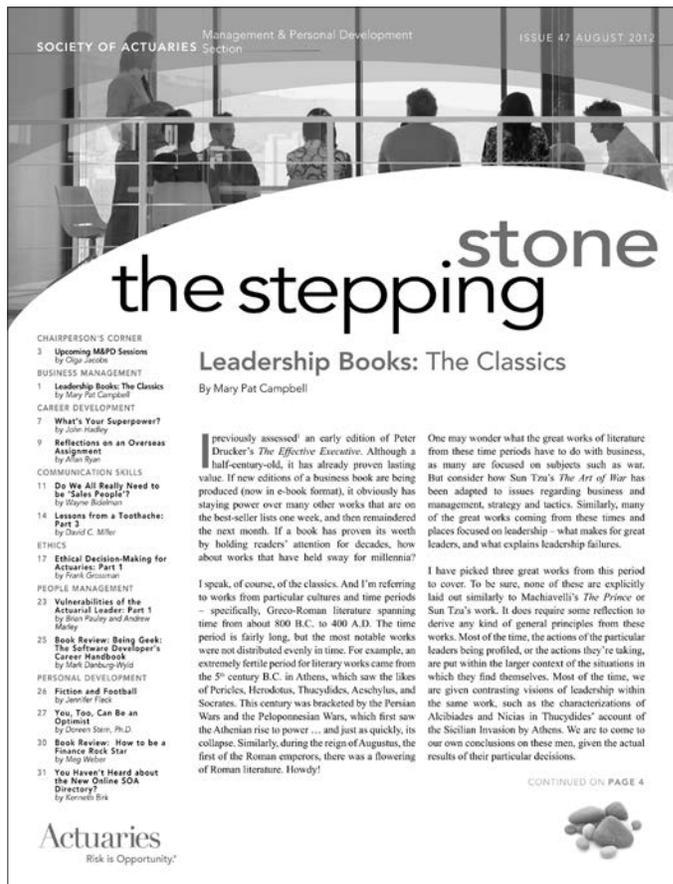
One sees as one wishes to see, and it is that falsity that constitutes art.

Additional insights about human perception may be drawn from Degas’ fundamental observation. First, regarding our self-image, we see ourselves as we wish to see ourselves. And second, we tend not to see what we don’t wish to see. Both of these “falsities” stem from the perennial risk of self-deception ever-present in the human condition, and they underlie the study of ethics.

### 2. LIVING IN BLACK AND WHITE

A frequently encountered, and yet fundamental, question is how does an “ethical decision” compare to a “moral decision”? How are they similar? And, indeed, what makes them different?

Moral decision-making relies on the existence of moral principles or rules. A brief visit to a dictionary will confirm that moral principles are concerned with a) goodness or badness of character or disposition, or b) the distinction between right and wrong. Decision-making on a moral basis requires virtues or values defined in absolute or black and white terms. And, for many people (including actuaries), this presupposes the existence of a moral authority which has unambiguously defined those rules.



Steven Pinker has written engagingly on language and cognition, including our moral sense and the effect of “moralization” associated with a black and white worldview. Moralization is a judgmental mindset, and it has a couple of defining qualities. First, the rules it invokes are felt to be universal. Second, people feel that those who break moral rules, and thereby commit immoral acts, deserve to be punished. Hence, it’s okay to inflict pain on a person who has broken a moral rule, and it’s morally wrong to let transgressors escape unpunished.

The curious thing about adopting a black and white mindset is that it can take one to surprising places. Whether something is considered a question of sin and virtue or simply a matter of

The curious thing about adopting a black and white mindset is that it can take one to surprising places.

personal choice can change over time. Morals are mutable! So much so, that some issues our grandparents thought were clear-cut are contentious moral terrain today—and vice versa!

For example, in days past, some people didn't smoke. That was their personal preference and their right—and in retrospect, a prudent choice given the deleterious effect of tobacco. And for those who chose to smoke, their decision was similarly based on their right to do so. Smokers and non-smokers coexisted, breathing the same air, in relative peace.

As the harmful effects of secondhand smoke became more widely understood, smoking evolved beyond something that was merely socially undesirable but tolerated, and came to be seen as a potentially lethal threat to the health of non-smokers. Exposing unborn and young children to secondhand smoke became damning evidence of parental dereliction. And not acting to remove this threat constitutes an immoral act in the eyes of some today. (Have I overstated my case? Well, how do you react when you see an expectant mother lighting a cigarette?) Indeed, smokers today are increasingly ostracized, and smoking is prohibited in many public places and worksites. The days of print and television advertising that prominently displayed pictures of people enjoying a “good smoke” are long gone.

Alternatively, Pinker notes that some human behaviors have been “amoralized,” or transformed from being seen as moral failings to merely “lifestyle choices.” Afflictions that centuries ago were thought to be “payback” for bad moral choices have been rebranded as “unfortunate consequences” today. For example, syphilis was once viewed as the consequence of a dissolute life, and sometimes even referred to as the “wages of sin.” Yet syphilis has since evolved from an apparent moral judgment to a “sexually transmitted disease” (STD), and is now described clinically as a “sexually transmitted *infection*.”

According to Steven Pinker, whether a certain behavior “flips” our mental switches to create a state of moral judgment isn't simply a function of how much harm it does. Much more frequently, people align their black and white judgments with their own self-view and preferences. This is not so much moral reasoning as moral rationalization. What this suggests is that actuaries making decisions on the basis of self-professed absolute truths risk being undercut by their own cognitive biases. It may be better to embrace the ambiguity of contemporary actuarial practice, and not attempt to resolve it in strict black and white terms. Welcome to the “gray-zone.”

### 3. THE ETHICAL PLANE

How might we move forward regarding ethical decision-making in the absence of absolutes? A construct with three elements may be helpful. First, there exists an ethical plane, a landscape of diverse outcomes in relative position to each other, over

which we live and work. Some outcomes on the ethical plane are “better” than others (i.e., the light gray ones), and some outcomes are definitely worse than others (i.e., the dark gray ones). Sometimes the topography obscures our field of vision, and it's even possible to become disoriented and lose one's way amid the pervasive gray of the ethical plane.

Second, we are capable of overt action as social agents on the ethical plane. Actuaries can influence outcomes, and even influence others who, in turn, can act and influence outcomes. This means that we are, at least in part, responsible for where we are situated on the ethical plane, and hence the decisions that affect our location on the plane. One gravitates toward better outcomes by demonstrating technical proficiency, exercising sound judgment, and placing one's client's interest before one's own interest.

Much more frequently, people align their black and white judgments with their own self-view and preferences.

And third, our individual assessment of outcomes on the ethical plane is completely subjective. We each tend to see things differently, and need to appreciate that other people may not see things exactly the way we do. A subjective outlook makes it harder to see clearly, to navigate successfully, and to collaborate ethically with others on the plane.

Notwithstanding the widespread public perception that actuaries can predict the future, our work is largely not about being “exactly right.” In fact, given our focus on probabilistic estimates and present values, not being materially wrong is often a good outcome on the ethical plane. In this respect, actuarial practice is similar to playing horseshoes or lobbing a hand grenade: “close” may well be good enough.

### 4. AIDS TO NAVIGATION

Aside from moral law and its strictures, what can we rely on to guide us toward better outcomes on the ethical plane? Public rules—common law, statutes, regulations, corporate policies, and actuarial standards—certainly provide essential guidance and support for ethical decision-making. Yet, these rules, if not clearly communicated and embraced, require interpretation and can be subject to misinterpretation, or even gamed by those seeking security in so-called “safe harbors.”

When you have to make a decision, always make the choice that will let you sleep better, not the one that will let you eat better.

Personal standards provide another basis with which to evaluate decisions and outcomes. For example, the “Bathroom Mirror Test” is the challenge of being able to look at oneself in the bathroom mirror each morning and recognize the unvarnished actuary therein. The advent of the 24/7 news cycle has transformed the threat of adverse publicity and approbation underlying the “How Would This Decision/Outcome Look on the Front Page of the Newspaper Test.” And then there is the ultimate ethical standard: “How Would I Ever Tell Mom?”

Dov Seidman, the founder and CEO of LRN, a firm which helps companies develop more ethical cultures, has summarized the importance of values when making decisions.

Laws and regulations tell you what you can do, but values tell you what you *should* do. There is a difference between doing that which you have a right to do and doing what is right to do.

In a similar vein, Claude Lamoureux, a prominent Canadian actuary, periodically recounts the “Ed Lew Rule” that he first heard as a newly-minted actuary some 40 years ago. Ed Lew was our 1973–74 SOA president, and when making a commencement speech to a cohort of new actuaries he said:

When you have to make a decision, always make the choice that will let you sleep better, not the one that will let you eat better.

According to Claude Lamoureux, the appeal of this simple rule is that it is both profound and at the same time easy to understand—good reasons not to let the remembrance of its basic insight fade from our collective actuarial memory.

### 5. PHILIPPA FOOT’S ARMCHAIR PUZZLE

Perhaps the best known thought experiment or armchair puzzle used to test how people respond to ethical conundrums is the Trolley Problem. First articulated by Philippa Foot in the 1960s, the Trolley Problem exists in many forms and variants. Here’s the basic dilemma:

You see a trolley car hurtling down the track, with its conductor slumped over the controls. In the path of the trolley are five men working on the track and oblivious to the danger. You can pull a lever that will divert the trolley onto a spur, saving the five men. Unfortunately, the trolley would then run over a single worker who is working on the spur. Is it permissible to throw the switch, killing one man to save five?

During a session at the 2011 SOA Health Meeting, an overwhelming majority said yes:

Table 1: The Trolley Problem  
Is it permissible to throw the switch, killing one man to save five?

Yes	No	?	Total
79	21	8	108
73.1%	19.4%	7.4%	100.0%

One of the many follow-on variants to the Trolley Problem was the Footbridge Problem developed by Judith Jarvis Thomson:

You are now on a footbridge overlooking the tracks and have spotted the runaway trolley bearing down on the five workers. Now the only way to stop the trolley is to throw a heavy object in its path. And the only heavy object within reach is a fat man standing next to you. Should you throw the fat man off the bridge?

An overwhelming proportion of the session attendees said no:

Table 2: The Footbridge Problem  
Should you throw the fat man off the bridge?

Yes	No	?	Total
15	83	4	102
14.7%	81.3%	3.9%	100.0%

Though both dilemmas presented an opportunity to sacrifice one life to save five, support for taking overt action varied dramatically. (It may be worth noting that the Health Meeting results are in-line with responses to the problems generally.) The utilitarian principle of “the greatest good for the greatest number” suggests that it’s okay to both throw the switch, and the fat man off the bridge, to achieve a similar, beneficial outcome. The arithmetic is the same in each case. Yet, four out of five said they would throw the switch, while one in six said they would throw the fat man off the bridge. Why is that?

Armchair philosophers have gone round and round with these puzzles and failed to arrive at a clear answer. Such is the ambiguity of the ethical plane. One theory proposed by cognitive scientist Jonathan Cohen is that it is humankind's revulsion at the prospect of physically manhandling an innocent person that translates into less support for taking action in the Footbridge Problem. Cold-eyed cost-benefit analysis is trumped by our basic human sensibility, or so it would seem.

## 6. NOT SO SIMPLE ARITHMETIC

Straightforward application of the utilitarian principle would seem to offer a sound basis for making ethical decisions. Yet, this isn't always the case as illustrated in the preceding section. On reflection, the several risks of cost-benefit analysis should be readily apparent to most actuaries:

- under/overstatement of the costs/benefits of the various outcomes;
- under/overstatement of the likelihoods of the various outcomes; and
- failure to take all relevant factors into account.

Factors not properly taken into account may include not only exogenous inputs to our models, but also factors that were not considered at all. It's not the cost-benefit analysis' arithmetic that's suspect, but rather our ability to identify and assess outcomes with equanimity.

There is, however, another decision-making approach—a particularly important one for actuaries.

During the latter half of the 18th century, Immanuel Kant espoused a basis for decision-making in sharp contrast to “the greatest good for the greatest number” approach. Kant thought that individual action should be evaluated based on its adherence to one's societal rights and duties. Most everyone has “rights” today, and much energy is expended defending and extending individual rights. So, it's that last little bit about “duties” that runs counter to much of our contemporary culture.

Kant thought that our duty could not be divorced from our right. He also understood that we can never be entirely certain that we are acting from our sense of duty alone, since our true motives can be complex and are often veiled from us. Kant concluded that, notwithstanding the risk of self-deception, we ought to set ourselves to act in accordance with our duty to others. The concept of a professional's obligation to others ought to have some resonance with actuaries. Our Code of Professional Conduct's first precept says as much.

An Actuary shall act honestly, with integrity and competence, and in a manner to fulfill the profession's responsibility to the public and to uphold the reputation of the actuarial profession.

So, if Immanuel Kant were up on a bridge confronted by the Footbridge Problem, what would he do? Simply throwing the fat man off the bridge would be unthinkable—it would be murder! In such a situation, a familiar phrase comes to mind: “the ends don't justify the means” ... or do they?

In the world of sports, for example, there is a saying frequently attributed to Vince Lombardi that calls for a “win at all costs” attitude:

Winning isn't everything. It's the only thing!

Dietrich Bonhoeffer, a theologian from the first part of the last century, offered another perspective on a win at all costs worldview, and the potency of success.

In a world where success is the measure and justification of all things ... (t)he world will allow itself to be subdued only by success. It is not ideas or opinions which decide, but deeds. Success alone justifies wrongs done. ... With a frankness and off-handedness which no other earthly power could permit itself, history appeals in its own cause to the dictum that the end justifies the means.

So, what about those pesky means? Have you ever seen them in action, actuarially-speaking? Short-cuts, quick fixes, and abbreviated methods are all assuredly means to a desirable end. Maybe even a greater good, namely the delivery of the “right” answer, using existing models and data, and not a minute too soon. Yet, pity the poor fat man on the footbridge—as the trolley hurtles down the track—hoping, beyond hope, that the person beside him on the bridge is *not* an actuary with a utilitarian mindset. ■

*Editor's Note: The conclusion of “Ethical Decision Making for Actuaries” appeared in the November 2012 issue of The Stepping Stone.*



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# PERSONAL DEVELOPMENT

## How Did it Get so Late so Soon?

By Kelly Hennigan

*Editor's Note: This article originally appeared in the February 2015 issue of The Stepping Stone.*

*"How did it get so late so soon? It's night before it's afternoon. December is here before it's June. My goodness how the time has flown."*

—Dr. Seuss

Recently I went to visit my grandmother, who would soon celebrate her 98th birthday. As you can imagine, she is at a point in life where her conversations fade in and out of lucidity. Commenting on her upcoming birthday, I said, "Ninety-eight! Can you believe it?" She looked at me, paused, and in a moment of complete clarity, responded, "Frankly ... no." We both laughed, but as I was driving home our conversation resonated in my mind and got me thinking more about the passage of time.

This inspired me to write about how we can make the most of our time, both professionally and personally, through prioritizing and simplifying.

### PRIORITIZE

*"The key is not to prioritize what's on your schedule, but to schedule your priorities."*

—Author, speaker and businessman Steven Covey

We all have competing priorities, and it is challenging to balance them all. Individuals should typically try to balance only two to three priorities at any one time. For most of us, work and family comprise two priorities and, of course, there are the myriad sub-priorities under each of these! The third priority may be keeping up with a hobby, working out, or perhaps volunteering in the community. Below are three tactics that may help with priority management both at work and at home.

1. **Pretend you have less time than you actually have.** Approach each day with the attitude, "If I only had two hours to work today, what would I get done?" This will force

you to focus in on what truly matters. Also, it puts you in a better position to accomplish the work tasks you have identified, as you start your day tackling those specific priority items. Even if they end up taking longer than you expect, or if you get sidetracked with an unexpected last-minute request, you are still more likely to be able to cross them off your list.

2. **Ask for help.** Help can come in various forms—for example, via delegation or input from others. Consider if it makes sense to delegate any of your tasks to others in your department or across disciplines. If you are struggling to determine which of your top priorities is actually the highest, ask your manager to discern which is most timely or hold a team meeting to coordinate across your department.
3. **Use technology.** Technology has come so far in recent years, with more tools available to help with time maximization, prioritization and overall time management. It may be worthwhile to invest time in researching which technology could work best for you. Perhaps upgrading your operating system, updating or getting access to a particular computer program, or making use of voice recognition technology will help you

save on time. Employing calendar reminders, downloading specific apps (e.g., Remember the Milk), and syncing up your various devices are essential to keeping on task. With respect to the volumes of email received, you can create filters to automatically direct email to appropriate folders or set up distribution lists or autoforward rules for regular emails that you redistribute to co-workers.

## SIMPLIFY

*“Our life is frittered away by detail ... simplify, simplify.”*

—Author, poet, philosopher Henry David Thoreau

In 1990, Elaine St. James was a real estate investor and also had a successful seminar business on real estate investing. She was working 10–12 hours a day, and despite her professional success, she was not happy. She considered her beautiful but sprawling home to be burdensome, due to the many hours of upkeep and her husband’s considerable commute to and from work each day.

St. James attended a retreat and subsequently began to develop a different perspective on life. She began to focus in on what really mattered to her, vowed to work one hour less a day, and began a process to declutter her life. Slowly but surely, after a number of small steps, St. James got to a point where she was able to downsize her home and relocate closer to her husband’s office. She calculates that she created an extra 30 hours per week of time and concluded, “It’s hard to put a price tag on that much time.” St. James now practices her passion—simplicity—and is the author of books such as *Simplify Your Life: 100 Ways to Slow Down and Enjoy the Things That Really Matter*<sup>1</sup> and its sequels.

St. James initiated her path to simplifying via decluttering. While perhaps easier said than done, decluttering involves identifying what is essential to you and eliminating the unnecessary.

At work:

- Take the time out to declutter your desk as well as your schedule. Working off of a clean, organized desk and computer desktop is mentally uplifting and motivating as well as a timesaver.

- Declutter your work calendar. You may not need to attend every single meeting you are invited to, nor return every phone call or email instantaneously.
- Learn how to just say “no”—to extra meetings or requests—without compromising your professional reputation.
- Block off time on your calendar dedicated to your work. So many of us spend the bulk of our days in meetings that it leaves little time to get actual work done.

In the words of St. James, “There are often many things we feel we should do that, in fact, we don’t really have to do. Getting to the point where we can tell the difference is a major milestone in the simplification process.”

The same decluttering approach works for your home. For example, start with cleaning out your closets—one rule of thumb is that items you have not worn in more than a year can be donated. Then, designate a specific outfit or two as your “go-to” attire for the days you unexpectedly need to change because toothpaste somehow found itself smeared all over the front of your shirt or the dog affectionately jumped up and planted his muddy paws on your pants. Having a readily available costume change will simplify the morning routine, be a time-saver, and minimize the stress of getting out the door on time.

By employing the above tools to prioritize and simplify, you will reclaim time. While what you end up doing with your newfound time is up to you, remember that grandmothers always appreciate an unexpected visit. ■



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## ENDNOTE

- <sup>1</sup> St. James, Elaine, *Simplify Your Life: 100 Ways to Slow Down and Enjoy the Things that Really Matter*, MJF Books, March 19, 2004.



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