



2017 SOA  
Life & Annuity  
Symposium

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## Session 45: Professionalism Breakfast: What Would You Do?

### Moderator:

Scott K Randles FSA,MAAA

### Presenters:

John West Hadley

Allan W Ryan FSA,MAAA

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# 2017 Valuation Actuary Symposium



# Professionalism Breakfast – What Would You Do?

Session 45

Tuesday, August 29, 2017

7:00-8:00 AM

# Overview

- Introduction of Speakers
- Antitrust Notice and Presentation Disclaimer
- Brief Review of Professionalism Framework
- Case Studies
- Wrap Up

# Presenters

Scott K. Randles, FSA, MAAA *Moderator*

Allan W. Ryan, FSA, MAAA, *Panelist*

John West Hadley, Career Search Counselor, *Panelist*

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***“An Actuary with a Personality  
Can Go Anywhere”***

**Richard P Hadley, circa 1976**





Analytic & Technical Skills



**What does your soft skills arm look like?**

***But we Do Have to Play by the Rules***

# Professionalism Framework (Authoritative Guidance)

## Applicable to All Actuaries Who Are Members of the Five US Based Organizations

- Binding Guidance
  - Code of Professional Conduct
  - Actuarial Standards of Practice
  - Qualification Standards
- Non-Binding Guidance
  - Practice Notes
  - Discussion Papers
  - Applicability Guidelines
  - Actuarial Literature

# The Story Of “Frank”

# CASE STUDY 1: APPOINTED ACTUARY

- You are the Appointed Actuary at a mid-sized life insurance company.
- You are qualified to and have issued the Company's Statement of Actuarial Opinion, NAIC Life and A&H Annual Statement, for the last two years.
- This year, your Company has acquired a new line of business and you have no experience with this line of business.
- You are preparing to issue your opinion for the current year.

# CASE STUDY 1: Questions

- What should you do to be qualified to issue this year's Statement of Actuarial Opinion?
- How should you consider the following:
  - Materiality
  - Legal & Regulatory Requirements (e.g. Actuarial Opinion and Memorandum Regulation)
  - Use of Others and Reliance

# CASE STUDY 2: SUFFICIENT PREPARATIONS

A year before, there had been both an ASA and a more junior student in the operation, but this year Martin was on his own. Joanne was that junior student who had rotated into another operation, where she failed one too many actuarial exams, and needed to find a new role. Martin's boss asked his opinion, as he was considering hiring her to be a programming and technical resource for the department. Martin agreed that Joanne had a good reputation, and was well-liked, and she was brought in.

## CASE STUDY 2: Continued

Although Joanne wasn't hired to assist Martin in his role, she had a year under her belt with the area's year-end financial processes, so she offered to train Martin on what she and his predecessor had done the prior year-end. There was good documentation, which Martin reviewed thoroughly, and he quickly reached a point where he felt that he was as prepared as he needed to be.



## CASE STUDY 2: Continued

Joanne wasn't satisfied that Martin was taking her advice as to how to prepare seriously enough, and worried that at year-end she would be forced to work overtime to assure the deadlines were met.

Martin didn't expect to ask Joanne to do any of the financial work at year-end, and was fully prepared to put in whatever additional hours might be required of him to meet the deadlines, so he moved on to other work.

# CASE STUDY 2: Questions

- What would you do if you were Martin?
- Joanne?
- Are there “professionalism” issues?

## CASE STUDY 3: DOES SUBSTANCE TRUMP STYLE?

Joan is an actuary who finds any new assignment extremely stressful. She's terrified of missing deadlines, and the uncertainty makes her very grumpy. As a result, even though she generally does a terrific job, people complain about working with her. In fact, in the five years she has been at Bingham Life, they have on three separate occasions begun the paperwork that would lead to firing her. Each time she has agreed to a corrective action plan, followed through, and has been reinstated.

## CASE STUDY 3: Continued

Bill is the nicest actuary, who everyone loves to work with, but is incompetent. He never asks questions, and simply proceeds with his work in whatever way he has interpreted the assignment in the first place, often making mistakes and rarely meeting deadlines.

Bingham goes through a reorganization, and both Bill and Joan are moved to new units. The head of the operation warns their new managers of their shortcomings. One month later, both managers come to see him:

- Joan's new manager tells the head that he needs to fire Joan because no one in his area can work with her.
- Bill's new manager tells the head she can't believe he gave Bill up, because he is so good and everyone loves him.

# CASE STUDY 3: Questions

- What would you do as the operation head?
- As Bill's new manager?
- As Joan's new manager?
- Professionalism Issues vs. Business Issues?

# What Happened To Frank?

# Additional Resources

- ***The Actuarial Ethicist*** series in **The Stepping Stone**  
Search [www.SOA.org](http://www.SOA.org) – Author Frank Grossman
- ***Influential Leadership Tips*** weekly series by Dave Miller & John Hadley  
[www.JHACareers.com/InfluentialLeadershipSignUp.htm](http://www.JHACareers.com/InfluentialLeadershipSignUp.htm)
- ***Career Tips*** monthly e-newsletter  
[www.JHACareers.com/Newsletter.htm](http://www.JHACareers.com/Newsletter.htm)
- ***The Influential Actuary*** by Dave Miller  
[www.TheInfluentialActuary.com](http://www.TheInfluentialActuary.com)
- ***What Would You Do*** series in **The Stepping Stone**  
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