THE HUMAN ELEMENT OF MODERNIZATION

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Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants.

The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone’s responsibility; however, please seek legal counsel if you have any questions or concerns.
Presentation Disclaimer

Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.
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Agenda

Industry Trends and Shifts

Impact of COVID-19

Need for Human Skills

Human Element of Change

Audience Q & A
INDUSTRY TRENDS AND SHIFTS
Current Industry Employment

High unemployment for overall U.S. economy

Insurance unemployment remains relatively low
Evolving Hiring Plans

83% of insurers plan to increase or maintain their staff size in the next year.

Within life/health, technology and actuarial roles are most in demand.

Source: The Jacobson Group and Aon plc Q3 2020 Insurance Labor Market Outlook Study
Industry Disruptors

1. Gig Economy
2. AI/Data Analytics
3. Fluid Work Environments
4. Creation of New Roles
5. Insurtech
6. Internet of Things
7. Comprehensive Demographics
8. COVID-19
The Need for Modernization

Less than half of companies have a data strategy, data dictionary or robust data management.

An average actuary spends more than 50% of their time on data manipulation.

Complete process automation is extremely rare.

More than 90% of companies have yet to fully automate their modeling process.

Source: PwC, Actuarial Modernization Survey 2018
96% of insurance executives say their organization’s pace of change has accelerated over the past three years as a result of emerging technologies.

Source: Accenture
IMPACT OF COVID-19
Shifting Business Priorities

Staffing Flexibility
Employee Expectations
Continued Innovation
Digitization
Increased Crowdsourcing
Talent Availability
Evolving Work Environments

77% of insurers plan to offer the option to occasionally work-from-home

53% plan to provide flexible hours to staff

48% are planning to offer full-time remote work

Source: The Jacobson Group and Aon plc Q3 2020 Insurance Labor Market Outlook Study
Shifting Success Standards

80% of individuals would have better relationships with more frequent team communication.

Source: Harvard Business Review
What can we bring back to the office with us following the work-at-home environment?
POLL
How do you feel your organization manages through change?

- Very Well
- Well
- Poorly
- Very Poorly
How has your organization or team evolved to meet changing needs?
THE NEED FOR HUMAN SKILLS
Examples of Human Skills

Self-Aware
Curious
Empathetic
Emotionally Intelligent
Creative
Agile

Able to Lead
Innovative
Resilient
Storyteller
Collaborative
Communicator
What human skills do you believe will be most valuable for actuaries in the future of work?
POLL

Does your organization support training for human skills?

- Yes
- No
- Not Sure
THE HUMAN ELEMENT OF CHANGE
What have you done to help ensure success during times of change?
Leading in Times of Uncertainty

The new workforce is becoming more complex.

Leaders must deal with more ambiguity in their decision-making.
The Human Element of Modernization

Recognize and understand employees’ concerns that technology may replace them.

Reskill for new roles.

Practice honest, open and frequent communication.
Shifting Workforce

Expanded Talent Pool
Prioritization of Diversity and Inclusion Efforts
Changing Relocation Expectations
Growth of Gig-oriented Roles
Emphasis on Retention and Value Propositions
Focus on Remote Leadership
The Need for Empathy

**93%** of individuals are likely to stay with an empathetic employer.

**91%** of CEOs believe empathy affects their organization’s financial performance.

Source: Businessolver
Change Management

- Communicate with transparency, clarity, and compassion.
- Engage with employees and encourage their participation.
Engaging Employees

Focus on genuine interpersonal connections.

Reevaluate professional development opportunities.

Model positive aspects of organizational culture.
How can companies keep remote employees engaged and informed?
How should we apply our communication and leadership skills during times of change?
How can we best return the office?
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Thank You