

---

## TABLE OF CONTENTS

1. Innovation X Diversity: December 2020
2. Innovation Doesn't Have to be Scary: October 2020
3. Innovation Has No Rules: September 2020
4. Paid Time Off ... to Explore and Experiment: August 2020
5. Tell Me Something You Don't Like About Beaches: July 2020
6. Using Constraints to Drive Creativity: May 2020
7. One-way Aisles: April 2020
8. Rotate for a new perspective: March 2020
9. Design Thinking: January 2020

# A TALE OF TWO ACTUARIES



RECOGNIZING AND COMBATTING IMPLICIT BIAS IN THE ACTUARIAL PROFESSION



## Innovation X Diversity

By Aneesha Deshpande, FSA, MAAA, CERA, and E&I Section Council Member

This piece has been a long time coming. We don't need any more convincing of how [diversity spurs innovation](#). However, one key hurdle to successfully and intentionally increasing diversity is the pervasiveness of implicit bias in our professional lives. This month, we invite you to check out [this comic](#) recently published by our friends at the International Association of Black Actuaries (IABA). It is an enlightening story (and very lived experience of many in our profession) of how implicit bias can play out in the actuarial profession and what can be done about it.

Hope you have a joyous and safe holiday season.



## Innovation Doesn't Have to be Scary

By Jennifer Healy, FSA, MAAA, E&I Section Council Member

As we continue to figure out how to live a normal life during not-so-normal times, I'm finding myself inspired by the fresh ways of thinking. Consider Halloween for example, and all the innovation that is arising as we try to figure out how to deliver a piece of chocolate to a child.

We are seeing individuals, **innovators**, finding ways to deliver trick or treating in a safe, compliant way. This is innovation and problem solving at its core. And there is perhaps no stronger an impetus to force new thinking than a pandemic. I've seen homemade candy slides—where the trick or treater puts their bag at the bottom of a 6-foot-plus steep tube and waits for a piece of candy to slide directly into their bag. Or the homemade zip line—where a “ghost” on a pulley system “flies” from the home to the end of the zip line at least 20-plus feet away to deliver the candy. Even creating individual bags of candy and using salad tongs to hand them to the kids. There are many possibilities.

If we think about what the end goal is and understand the guardrails/constraints, we can challenge ourselves to not be scared by what seems impossible.



## Innovation Has No Rules

By Eric Sondergeld, ASA, CFA, E&I Section Council Chair

One of the best kept secrets about innovation is that there are actually no rules. There are certainly lots of helpful processes, methods, experts in design thinking, etc. However, when it comes to innovating around a specific problem, opportunity, internal process or whatever you're looking for an innovative solution for, give yourself the freedom to use an existing method or to dream something up.

An example of dreaming up an innovation method is from the book *Idea Stormers*. In it the author describes when he was hired to design and run a brainstorming session at Ben and Jerry's, they wanted him to also help name a new combination of chocolate and strawberry ice cream. However, they only gave him 30 minutes on the agenda to do so, even though a team had worked unsuccessfully for three months on the task. Since he believed Ben and Jerry's is an antiauthoritarian brand, his solution was to buy several slang dictionaries and hand sections to different breakout teams during the exercise. It worked and they named the new flavor SNAFU, Strawberries Naturally All Fudged Up.

Source: [Idea Stormers: How to Lead and Inspire Creative Breakthroughs](#) by Bryan Mattimore, 2012.



## **Paid Time Off ... to Explore and Experiment**

By Aneesha Deshpande, FSA, MAAA, CERA, E&I Section Council Member

What would you do if you had an hour a day to do nothing other than think about, well, anything? [3M's 15 percent program](#) gives their employees paid time off to experimentally doodle and "[pursue innovative ideas that excite them](#)." An early success of this program is the now ubiquitous post-it note. In his book *Drive*, Daniel Pink suggests great things can happen when workers have autonomy over "what people do, when they do it, how they do it, and whom they do it with." Having creative freedom and the free time to experiment with ideas is essential to foster innovation.

The current work culture, with its hyper focus on productivity, leaves little room for us to take time off from our daily tasks and ponder on new ideas. Consider allowing yourselves (or your employees) time and resources to explore new ideas to innovate.

\*Source: [Drive, Daniel H. Pink, 2009](#).





## “Tell Me Something You Don’t Like About Beaches”

By Jennifer Healy, E&I Section Council Member

When my 9-year old son asked me this question, he was drawing on a doodle app to show me his idea for a below-ground basement window that could see the outside sky. Shifting to a new problem to solve, he asked me this question. Even though it was well past his bedtime and really there is not much to dislike about beaches, I obliged.

“Sand gets everywhere,” I said. “On your blanket. In the spout of your water bottle. On your spare clothes. Everywhere.”

He asked me a few clarifying questions. “Why don’t you like sand on your blanket or water bottle?” “Do you want to be up off the sand like in a chair or table, or are you good laying on it but maybe with a cushion?” After telling him that I like the warmth of the sand through the blanket, he thought for a few seconds and started to draw.

While he was drawing his solution, I realized that he, unknowingly, just took me through a “Know Your User” interview, one of the most important steps in design thinking and innovation. He asked me about my experience, honed in on the problem, probed a little deeper and asked open ended questions. The information he gained from this “interview” helped him design a solution to the problem.

Taking yourself through the innovation process doesn’t have to be hard. Even a 9-year-old can do it!



## Using Constraints to Drive Creativity

By Carl Ghiselli, E&I Section Council Member

The COVID-19 pandemic has placed constraints on all of us; constraints on our movement, how we interact, and how we work. Can we use these new experiences and perspectives to innovate?

The Bronte sisters are an example of success and creativity through constraints. All three were wildly creative, though constrained in many ways. First, they lived an isolated life in a parsonage. Second, they witnessed the deaths of their mother and two of their sisters prior to themselves passing before age 40. And, they lived in a time that placed many constraints on women. The list goes on. We can learn from them and take inspiration from our day-to-day constrained activities and combine them with our other experiences to produce innovative ideas and services.

For more information, see <https://www.linkedin.com/pulse/redefining-success-during-crisis-resource-constraints-marla/>



## One-way Aisles

By Jennifer Healy, E&I Section Council Member

I write this Innovation Insights while working at home, earbuds in, zoom conference call on my iPad, my kids out at the kitchen table doing schoolwork that sounds suspiciously more like YouTube than math facts. In the moment, you go with it and try to make it through another day. But if you step back, the reality of what we are experiencing is heavy.

We are in the midst of a pandemic—a silent but potentially lethal enemy is lurking among us. As a result, our whole way of life is different: For all of us, for those of us ordered or asked or suggested to stay home, for those of us essential workers who are experiencing anything but the normal work-load or a normal day, life is different and we are all learning to adjust. And learning to do things in new ways.

And here, in the midst of a global pandemic, is perhaps a golden opportunity for innovation.

Think about all the things we do differently now that may have been unheard of just four weeks ago.

- Virtual learning for children and higher education.
- A limited number of people in grocery stores.
- One-way aisles in grocery stores.
- Restaurants bringing your order out to your car.
- Curbside pick-up and delivery of almost anything and everything.
- Beer and wine take out?!
- Toasting a glass of wine or beer with all your friends who are just little 1x1 boxes on Zoom.
- Playing virtual board games.



- Sending snail mail more often.
- Leaving handwritten notes in mailboxes.
- Chalking driveways to say “Hi.”
- Drive-by birthday celebrations.

And while someday we will return to a more normal life, it probably won't resemble our old normal, it will be a *new* normal. And I wonder, of all the innovations we have put into place during this crisis, how many will remain?

Will the concept of a snow day no longer exist now that schools know how to do virtual learning? Will colleges have a lower cost alternative with digital classes, making colleges more affordable and accessible? Will we no longer greet with handshakes? Will car insurance premiums be paid in arrears based on miles driven? Will grocery stores have a new approach to scheduling/reserving visits so as to avoid long lines. And will those one-way aisles become part of our culture?

So as the way we live changes each day, let's take a moment to observe some new ways that may be worth keeping when we finally get to our new normal.

For now, here's a virtual “Cheers” to all of you working hard every day to manage your health, families, households, work, friendships, and faith. May we all emerge on the other side stronger, smarter and more efficient.

Jennifer Healy



## Rotate for a New Perspective

By Maria Thomson, E&I Section Council Member

If you, like many actuaries, began your actuarial career at an insurer, you probably participated in an actuarial rotation program. Just as an object viewed from various sides appears different, so does a business, a product or process. As young actuaries, we are exposed to various business and actuarial functions by moving from line to line or function to function (such as pricing, product management, reserving, financial reporting, etc.). With each new area we arrive in, we bring our knowledge and perspective not only from our background but our experiences in other roles at the company. While the goal of many rotation programs is for actuaries to learn about the operations of a company and perhaps to decide where they'd like to focus once they finish the exams, there may be a side benefit from an innovation perspective.

In previous issues of *Innovation Insights*, we've discussed the value of exposing an idea to multiple perspectives. One way to do this is to simply give people an opportunity to offer their perspective on something they haven't worked on directly. One method that worked well for a chief actuary I once worked under was to rotate all the senior actuaries in his area. Everyone involved found areas where improvements could be made in their new positions.

As adults, we are often told to be more like children, who are more creative, laugh more, etc. than adults. So, perhaps as "grown up actuaries," we could act more like younger actuaries and find opportunities to "rotate" our perspectives too.



## Design Thinking

By Jennifer Healy, E&I Section Council Member

Design Thinking, created by David Kelley, is defined as a human centered approach to innovation that integrates the needs of people, possibilities of technology, and requirements for business success (Source: "What is Design Thinking," Forbes, May 10, 2015). This means truly understanding your customer and creating solutions to problems they have, even problems they may not know they have. So, when I observe customer centricity in everyday life, I can't help but feel like high-fiving the company, person, organization behind it.

One fall day, while out for a brisk walk in Hartford's beautiful Bushnell Park, I noticed something I hadn't noticed on several walks before. Among the frisbee throwers, picnic gatherers, and office walkers, I noticed a gentleman lounging by a light post reading a book. It wasn't his activity that caught my eye, it was his phone. You see, he had his phone plugged into the park's lamp post to charge. Interesting. I'm not sure I've ever seen someone charge their phone in a city green park. But as I continued my walk, I noticed every single lamp post had an electrical outlet. Now, whether the city of Hartford was thinking about customer centricity when they installed the outlets, I do not know. But perhaps an unintended result is a benefit to customers—the park goes—and maybe more park goers will utilize the park more, even if just for a stop to get a little battery juice in their phones. Good job, Bushnell Park. Now, how do you high-five a city park?