



THE STEPPING STONE

The Newsletter of the Society of Actuaries
Management & Personal Development Section

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Message from the Chairperson

by *Lisa F. Tourville*

The other day I was driving my three kids home from daycare when the two eldest (6 and 5 years old) started discussing the fact that the 6 year-old had gum on her elbow (not sure how that could happen but anyway...). The 5 year-old exclaimed "God threw it at you because you weren't listening." I still laugh every time I think of that conversation. Then I wonder exactly who was in attendance at the Learning to Listen session our section hosted in Las Vegas last May. I'm glad I listened to our expert presenter, Ashley Prickett of Training Solutions Group, LLC. I'd hate to have anything thrown at me, much less gum!

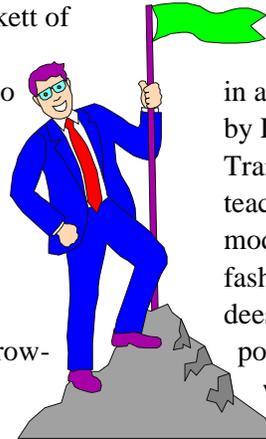
The Management and Personal Development Section "MPD" is now 930 members strong and growing. One thing that differentiates MPD from other sections of the SOA is that the experts that speak at our sessions are often non-actuaries who work in the field of management consulting. As a result, we often pay speaker fees. Thus, the growing membership and associated dues are valuable and help to make many of our sessions possible.

I am looking forward to the annual meeting in Chicago this October when we'll be hosting six sessions now fully recruited for speakers. We are offering five

sessions throughout the regularly scheduled time slots (Actuary's Career Planner; Presentation Skills; Telecommuting; 2010: Where Will the Profits Be?; and, Influence without Authority) and a Tuesday morning session which will combine breakfast with an informative and entertaining session. Projecting a Positive and Professional Image: Looking Like a Million Bucks in a Grunge World will be presented by Dr. Glenn Pfau, president of CMP Training. The session will use a teaching format (complete with live models that will illustrate business fashion do's and don'ts) to let attendees in on the secrets to making positive and lasting image. Dr. Pfau will address both the traditional business environment and the more contemporary business casual environment. (You can bet I'll spend



Lisa Tourville



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CORRECTION

The March 2000 issue of *The Stepping Stone* should have indicated that Lisa Tourville is an Associate of the Society of Actuaries.

Axe Murder Management

by Tyree S. Wooldridge

One of my favorite motion pictures is the comedy, "So I Married an Axe Murderer." The film features a very funny cast including Nancy Travis, Alan Arkin, Anthony LaPaglia, and Mike Myers. The movie is meant to be comical, but it has a scene in it that illustrates what I believe to be the key to success in people management.

Alan Arkin plays the role of police captain to Anthony LaPaglia's homicide detective. LaPaglia is unhappy in his job, having become a detective hoping to live the dangerous and exciting life of a Frank Serpico or a Dirty Harry, but finding the reality more like that of Detective Fish from the old 1970s sitcom, "Barney Miller." To make matters worse, Arkin is just too nice, never yelling that he's tired of defending LaPaglia's "screwball antics" to the commissioner. Arkin, although sympathetic, is really powerless to do much about the job. After all, paperwork is a very important part of police work and as it turns out, in the movie there is no Commissioner to answer to anyway. Instead, a nine-member committee of private citizens governs the police, some of whom are elected and some appointed. A decidedly boring civilian quorum dedicated to fighting crime, if you will.

Later in the movie, Alan Arkin very uncharacteristically bursts into LaPaglia's office, slams his fist on the table and begins to chew him out mercilessly about his work on the axe murder case. Stunned and energized by the exchange, LaPaglia pursues the criminal with a brand new vigor, thanking Arkin profusely over and over again as the story plays out.

Now, my version hardly does justice to the movie, but the message is as accurate as it is simple. If you can figure what it is that an employee needs from you and provide it, you will always be able to get

the best efforts out of that employee. And as Arkin discovers in the movie, what an employee really needs from you may not be at all obvious or even make logical sense to you, but it will have great meaning to them.

Few people expect that everything about their job will be enjoyable. I attended one of our Management and Personal Development sessions at the San Francisco meeting in 1999 where the moderator asked the audience how many days each week they expected to be doing things they really love to do. Interestingly enough, the winner by far was three days. Evidently, for that group of perhaps 100 actuaries, to be doing work they love for just three of the days of each week means the difference between loving their job and leaving their job.

The point is that the expectations of employees are often not as high or unreasonable as we may believe. Since I became a supervisor, I have noticed that almost any effort on my part that meets with their expectation for me as their leader is received with much more enthusiasm than I would have expected.

So what is it that a given employee wants from me? For some it's as simple as showing genuine appreciation. Or it may be that they really want to be left to work independently, having you place your trust in their ability to see a job to completion. Someone else may really want the structure of a task list from you. For still others, it's as simple as an attractive salary. Whatever "it" is, assuming that you can identify "it," you can use

"it" to help each and every employee thrive under your leadership.

Finding Out What He or She Needs from Me

Ralph Waldo Emerson once wrote, "Life is a festival only for the wise," and the day I first became a supervisor was the day I began to understand what he was talking about. My first experience as a supervisor was a complete and total failure, and both of my charges resigned within six months. It might have been my last experience as a supervisor had it not been for the exit interviews we conducted. I realized that I had so entirely missed the point with these people that I began to doubt that I would ever be smart enough to become the great boss I desperately wanted to be.

These two employees without ever realizing it, gave me a few tools to use in finding out what an employee needs from you.

1) Ask them.

Sometimes the simplest solutions turn out to be the right ones. At the time I believed that I knew far more about what an employee needed than the employees themselves. When the reasons for their resignations came to light, I was surprised to learn that I knew so little about what they had expected of me. The reason I knew so little was simply that I never asked them.

Now be prepared for the blank stare the first time you try this because it is unlikely that a direct question will get much depth out of an employee. Try asking them to tell you about the best and



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Axe Murder Management

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worst bosses they've had. Find out what they liked most about these people and what they detested most. That provides a great deal of insight into the things that they interpret as "key boss qualities," or KBQ's. These will differ greatly from employee to employee, so pay close attention and write them down. Most important, don't try to interpret them because your own KBQ's will influence how you decode what you hear.

One of the employees I had during the past 16 years had already worked in our organization for nearly 20 years when he came to work with me. The first thing he told me on the very first day was that he had not enjoyed his job for several years. I asked him to describe the perfect job. Frankly, what he described for me sounded exactly like the job he already had, but that was because I wasn't really listening. His current job was indeed the one he wanted, but he wanted to take ownership of that job. Up to that point, his supervisors had dictated every step of the work process to him and every format for the end product. He didn't want to be an order-taker; he wanted to be an owner, responsible for the success or failure of his area of responsibility.

Sometime later he sat down in my office and told me that he had been enjoying his job more than he had in five years. Why? Because what he really needed from me was to be allowed to own the job he already knew how to do. I can't begin to tell you how much more efficient he made his area. He's expanded his job title into many new areas, initiative he hadn't shown in years. I looked like a genius and all I did was let a good player play the game his way.

2) Don't be afraid to get to know them.

For the first 10 years of my supervisory life, I bought into the theory that the boss has to be "boss" and therefore socially aloof from the employees. That was absolutely the way I treated my first two employees. Today, my employees are my friends as well, and my old books on supervision are in the trash. I spend more time with these people than my own family at many times during the year. It is therefore extremely important that we fit well together if we're ever going to work well together. To be honest, when I add new team members, this element is as important to me as

anything else a prospective employee may bring to the table.

With the added dimension of a genuine interest in them as people, comes even more insight into what they need from me as their leader. I'm their biggest fan, and their successes are our successes and their failures are my failures. I don't think that any team will get too far without a genuine camaraderie among the players and the coaches. In the end, every player and coach shares the same championship.

3) Don't try to fit a square peg into a round hole.

Every great worker I've ever known has innate strengths and weaknesses. Some are as much a part of the employee as being right- or left-handed. Asking them to perform jobs that go against the grain of their makeup is akin to asking them to labor against their natural tendencies, not unlike forcing someone to write with their opposite hand. It can be done, but it causes stress and dissatisfaction. Try to align the strengths of every team member with the jobs at hand. It's much easier than you think. Don't demand that a detail person see the forest every day.

Spring 2000 Sessions

The following sessions were held at the Spring meetings in Las Vegas and San Diego:

- Appropriate/Inappropriate Communications
- Project Management for Actuaries
- Myers-Briggs
- Learning to Listen
- Marketing Yourself
- Effective Negotiation

Encourage them to learn how to see the forest, but give them a job that allows them to look at trees, if that's where their strengths are. In fact, let them find that job for themselves, if you can.

One of the very best employees I ever had was detail-oriented to the extreme. I am simply not that way, but together we often made a very effective team. She carved out the detail work for herself, and I assumed the parts that required the view from 30,000 feet. Although not a traditional boss/employee relationship, it worked extremely well, because she got to select the things that both of us knew she could do best. The end product was

was right. These employees began to show signs of real empowerment and instead of using this as an excuse to fail, they took it as challenge to excel. Oddly enough, every success has brought me as much in the way of rewards as we have showered on them. In those rare cases where I have had to step up and face my own managers and assume responsibility for their losses, my career survived and somehow I emerged with a little more respect from both management and employees alike.

The removal of the fears surrounding the consequence of failure is a very freeing thing to anyone. Constantly operating

most from you. The fact is, according to Geoffrey Colvin writing for *Fortune Magazine*, on average, about half of all new hires in U.S. businesses don't work out. Keeping these people on your team only serves to demoralize everyone else.

Today's leaner company simply cannot afford to drag under-performing employees around and hope to succeed. Everyone we employ (and for that matter everything we do) has to add significant value to the enterprise or we have to reconsider keeping them. Sometimes a low performer can be coached into becoming something special, and sometimes the only solution is to help that person find a job where he or she can become a top performer.

At the end of the day, we all want only the best employees. The major result of the information revolution has been that great employees are one of the last true competitive advantages that today's company has left. The best employees need the best from you as a leader, and the best leaders let their employee decide what that looks like.

Later in the movie, Anthony LaPaglia sticks his head into Alan Arkin's office to thank him for his extra efforts and finds Arkin sitting there fretting over his whole act. LaPaglia's enthusiasm is all Arkin needs to reassure him that the risk he took to be a better leader was worth it. Anything new is a little risky, and as a leader you may have to overcome some discomfort to give an employee what he or she needs from you. But it's worth it.

So when was the last time you took inventory of your employees' KBQ's?

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“The removal of the fears surrounding the consequence of failure is a very freeing thing to anyone. Constantly operating in an environment characterized by blame and fault-finding only leads to less and less personal co-ownership of the job by your staff.”

always far better than either of us could have done alone, and she genuinely enjoyed her job.

4) Allow every employee the freedom to fail.

Ron Dunn is a man I admire very much, and he once said in a conference that the gift of the freedom to fail is the greatest gift you can give someone. He went on to say that the best leader is the one who can say to his followers that your successes are yours alone, and your failures are mine alone.

Risk is a part of everything we do, but when I decided to give this one a try, I felt that the odds were good that I was throwing my own career away. I made the statement to a few of my employees anyway, and the first time a very large error was actually made, I did exactly what I said I would do.

Remarkably, over the past few years, my experience with this has been exactly the opposite of what I feared. Ron Dunn

in an environment characterized by blame and fault-finding only leads to less and less personal co-ownership of the job by your staff. On the other hand, freedom encourages entrepreneurship and chance-taking. Entrepreneurship and chance-taking encourage people to seek and try out the very best solutions to our business problems. That's how vibrant companies survive. Sooner or later every manager faces that situation where he or she cannot be there to guide the employee and is forced to sit on the sidelines and rely on the employee to excel all on their own.

5) Know when to say when.

Unfortunately, there are employees out there who cannot be salvaged. Until recently I didn't really believe that, but I've had them and you probably have too. Recognizing when an employee lacks the ability or desire to ever be an "A-player" and honestly telling that employee how he or she stands is often what they need

2000 Election

The Management & Personal Development Section currently has over 900 members. Members who have been nominated for the Section Council are:

David S. Duncan, FSA, MAAA

Alan Finkelstein, FSA, MAAA

Simcha A. Segal, FSA, MAAA

Lori Ann Stevens, FSA, MAAA

Hal S. Tepfer, FSA , EA, MAAA, FCA, MSPA

James R. Trefz, FSA, MAAA (Currently on council)

Results of the 2000 election will be available shortly.

CALL FOR ARTICLES

The Management & Personal Development Section is looking for original articles for *The Stepping Stone* newsletter. Prospective authors are invited to submit articles to Michael Braunstein, The *Stepping Stone* News Editor. We would also welcome your list of favorite Web sites that pertain to management and personal development issues.

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1999 Management & Personal Development Sessions Now in The Record on the Web (www.soa.org)

Atlanta, May 1999

25PD Investment Manager Searches for Insurance Companies

Panelists discuss the process of selecting outside investment managers, developing requests for proposals, formulating the list of potential managers or consultants, and evaluating the proposals and comparing performance.

60PD Organization of the Actuarial Function

Experts discuss alternative methods of organizing the actuarial department in a life insurance company. Some topics include functions of the department and how they relate to company objectives, levels of responsibility, liaison between the department and other company functions, business units versus functional organization, size and structure, and how to support the organizational objectives while serving in an ethical and professional capacity.

80TS Managing Difficult Employees

The instructors tell how to increase productivity by motivating, stimulating, and challenging their difficult employees, using a variety of techniques and tools.

San Francisco, October 1999

87I The Actuary as a CEO

This session features interviews and Q&A with prominent insurance industry CEOs who also are actuaries.



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