



**SOCIETY OF
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Leadership and Development: Where Do We Go Now?

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Being strong in math is a given, but having soft skills, such as the ability to communicate well and work in a team, can be just as important.

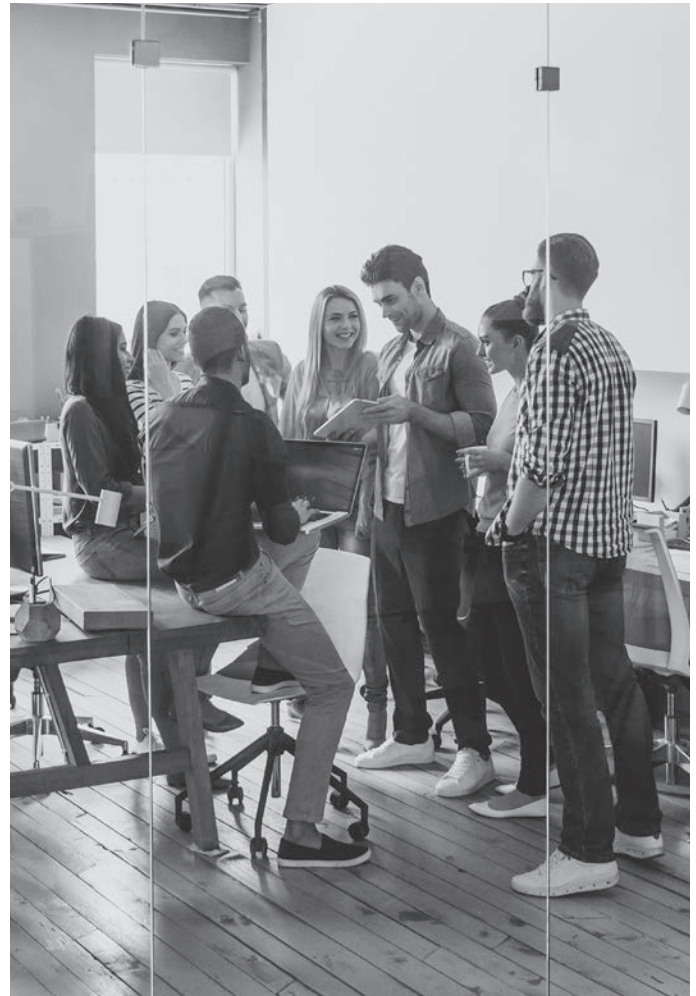
—Tonya Manning, past Society of Actuaries president

The mission of the Leadership and Development (L&D) Section within the Society of Actuaries (SOA) is to promote and facilitate leadership development, business perspective and interpersonal skills for current and aspiring actuaries. Developing leadership and other “soft skills” are critical for professional success. Soft skills contribute 75–80 percent of a person’s career success, while the remainder comes from technical skills and background knowledge.¹ Soft skills include leadership, professionalism, work ethic, teamwork and collaboration, and communication.

Employers increasingly look for these soft skills in prospective employees and, on average, compensate employees who excel both in a technical field and in soft skills 10 percent more than those who excel in just one area.² In fact, the SOA competency framework—which is meant to highlight all the technical and nontechnical skills needed to become a well-rounded actuary—largely addresses soft skills, including communication, leadership, relationship management and interpersonal collaboration, as well as strategic insight and integration.

EMPLOYERS PERCEIVE ACTUARIES NOT TO HAVE STRONG SOFT SKILLS

At the April 2019 L&D Section Council face-to-face meeting in Chicago, Abe Gootzeit walked the other council members through the results of a survey that compared employer views of actuaries against other professions, including finance MBAs.³ According to that survey, actuaries ranked significantly higher in quantitative skills, attention to detail and trustworthiness—but significantly lower in strategic thinking, effective communication, managerial skills and interpersonal skills. The results are



eye-opening, because actuaries didn’t just rank a little lower—the differential was dramatic (Table 1).

Table 1

Selected Results From the *Employer Study Awareness and Perception of Actuaries Survey Findings*

Competency	Finance MBAs	Actuaries
Quantitative skills	74%	94%
Attention to detail	63%	93%
Trustworthiness	50%	86%
Strategic thinking	80%	25%
Effective communication	75%	14%
Managerial skills	69%	12%
Interpersonal skills	65%	11%

Note: Percentage of scores of 4 and 5 out of 5 from 301 employer survey participants.



Because of the emphasis that employers put on excelling in both a technical field and soft skills, this suggests that actuarial professionals need to do some real work on their soft skills. Developing these will help highlight their value and expertise to employers.

This is important because adding business value through insightful analytics is something actuaries can, and do, excel at. But unless they build credibility through their leadership and communication skills to get a “seat at the table,” they may not get a chance to demonstrate that value to their employers.

ACTUARIES ARE OFTEN INTROVERTED—WHILE THE BUSINESS WORLD REWARDS EXTROVERTS

Another telling statistic is one that FSA Ray DiDonna covered in his presentation *From Technical Professional to Leader*, which won an Outstanding Session award at the 2017 SOA Annual Meeting & Exhibit. According to DiDonna, one of the most common personality types for actuaries and technical professionals, based on the Myers-Briggs personality assessment, is ISTJ⁴—meaning

introverted, sensing, thinking and judging. DiDonna then points out that the personality trait most commonly found in executives is ENTJ⁵—meaning extroverted, intuitive, thinking and judging—a very different personality type than is most commonly found in technical individuals and actuaries.

Susan Cain, author of *Quiet: The Power of Introverts in a World That Can't Stop Talking*, argues that the workplace environment is moving more and more toward one that favors extroverts and their strengths over those of introverts. Those introverts—including many actuaries—must focus on, develop and refine their soft skills, to excel in an environment that traditionally rewards more extroverted personality types, especially at the executive level.

Business leaders can help by recognizing the importance of allowing for diverse and inclusive contributions from team members, including introverts. This means ensuring that more introverted employees have a chance to contribute in group discussions, provide contributions before or after meetings if needed and allow team members time to work on, and solve, problems in an individual setting.

ACTUARIES NEED TO COMMUNICATE THE SOCIETAL IMPACT OF THEIR WORK

Actuaries' work impacts a huge number of people, and their work can provide financial security and stability to individuals and families. This includes actuarial calculations that impact a significant portion of the U.S. federal budget,⁶ most of the U.S. population that is covered by life insurance⁷ or health insurance⁸ and most investors who own an annuity.⁹ The mission of the SOA speaks to the importance of the profession to contribute to societal needs:

Through education and research, the SOA advances actuaries as leaders in measuring and managing risk to improve financial outcomes for individuals, organizations, and the public.

However, the actuarial profession, which has historically been ranked among the top three professions in the United States,¹⁰ is falling lower on that list while related professions like data scientist and statistician are rising.¹¹ Developing leadership and other soft skills will help actuaries to clearly articulate their purpose and value to society, especially as compared to other professions.

THE L&D SECTION PROVIDES MANY RESOURCES THAT CAN HELP ACTUARIES WITH SOFT SKILL DEVELOPMENT

The education and examination system can get most actuaries only so far. I realized this a few years after attaining my fellowship in the SOA. I started reading more about soft skill

development, attending training classes and paying attention to those actuaries who had a lot of success after their examinations. It helped me to explicitly target and develop those skills myself.

One of the first places I found meaningful and consistent advice and guidance in developing those skills was *The Stepping Stone*, the thrice-annual publication of the SOA L&D Section. The section also provides many other resources that address leadership and development topics catered to actuaries, including nine L&D ebulletins a year, several webinars a year, podcasts and interviews with actuarial leaders and several sessions at each Valuation Actuary Symposium, Health Meeting, Life & Annuity Symposium, and SOA Annual Meeting & Exhibit. Information about these resources is available on the L&D Section home page: SOA.org/sections/leadership-development/.

ACTUARIAL WORK WILL CHANGE OVER TIME—AND DEVELOPING SOFT SKILLS WILL FACILITATE THAT TRANSITION

It is critical that actuaries address leadership and development needs as individuals and as professionals. In a world where robotics, artificial intelligence and other fields may deal more and more with data in the future, actuaries will need to find a new niche for communicating modeled results effectively, performing insightful analytics and influencing business decisions based on those analytics. To act successfully in this capacity, actuaries must develop their leadership, communication and other soft skills.

I encourage L&D Section members and other actuarial professionals to take advantage of the section resources to meet their personal growth and development objectives, to elevate their capabilities as individuals and as professionals, and to develop those critical soft skills they will need to meet the challenges of the future. ■



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ENDNOTES

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