



SOCIETY OF ACTUARIES

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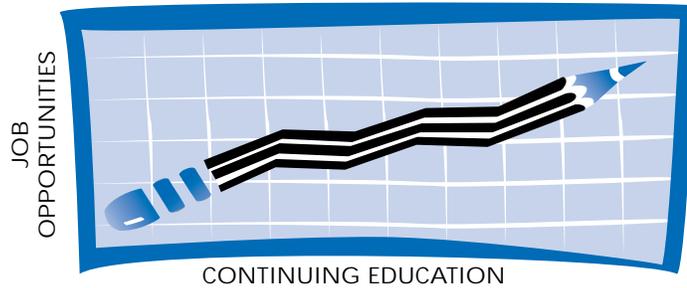
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'Hire' learning

What do employers want?

by Ken McCullum



The pace of change today continues to accelerate. This message appears in every summary of the state of our world. The speaker circuit is cluttered with experts who find ways to illustrate this reality.

Whether this ever-changing world leads to opportunity or succumbs to threats lies in an organization's ability to adapt to change. Businesses need people who can seize the opportunities while fending off the threats. Tomorrow's successful organizations are populated today with leaders who embrace and manage productive change. The actuary is a professional with the potential to be an organizational leader, navigating through uncharted waters. To fulfill that potential, actuaries must learn new ways to direct their skills toward finding solutions to new problems.

The SOA examination process produces actuaries with a demonstrated ability to educate themselves. Today's environment simply means that the self-education process must be perpetual. Employers of actuaries recognize the need for actuaries who can thrive during constant change. Thus, job opportunities for actuaries are created by continuing the self-education their careers were born from.

To meet employers' needs, actuaries must continue their education in two broad areas:

- **Technical skills:** Actuaries must stay current with the rapid evolution of both actuarial science and the industries in which they work. They must continually acquire new knowledge and master new technical tools.
- **Business skills:** Executive recruiters in our field say that employers thirst for more "well-rounded" actuaries. Such actuaries will have solid skills in communication, strategic thinking, and negotiation.

Employers will value an actuary's knowledge only if the actuary can effectively do something with it.

In the new business environment, employers are learning that today's problems often have no precedents and today's opportunities are found without roadmaps. This means employers will value your skills more than your specific experience, because skills endure — they can be applied to many varied situations. What you've done and how you've done it are more relevant than what you know. Above all, employers will want actuaries who are business leaders — that is, who think innovatively in responding to change.

The actuary looking at becoming a business leader should ask: What steps can I take to learn and grow in these areas?

1. How have I incorporated new technology into my business? The buzzwords are everywhere: Internet, intranet, paperless, e-mail, management information systems, CD-ROM. Business applications for these and other emerging tools generally focus on enhancing operational efficiency. Further, technology offers great new tools for improving communication. It allows rapid transmission and easy, timely accessing of information among greater numbers of people than ever before.

2. How have I reengineered my processes? Do you benchmark yourself against competitors? Product development actuaries should continually work on improving their "time to market." Financial actuaries must find ways to provide more information sooner.

3. How have I adjusted my business to economic conditions? Are you prepared to capitalize on interest rate swings? Similarly, have you built plans that anticipate future events (for example, a bear stock market)?

4. How have I adapted to new competition? What do you know about your competitors? Have you even identified them? If your career has been in the insurance industry, what do you know about banks, investment brokerage firms, HMOs, and other challengers to insurers' traditional turf?

5. How have I responded to new regulations? Have you digested risk-based capital, Guideline XXX, and the Illustration Model Regulation? Or, do you merely find ways to comply with regulations? Have you found ways to use cash flow testing to better manage your business? Have you influenced any regulatory activity?

Good business leaders will have success stories to tell in response to these and similar questions. The ability to be faster, stronger, and better than before is a by-product of the ability and willingness to learn. In contrast, business leaders whose plans have centered on repeating what was previously done will wonder why they don't work as well as they used to.

The Society's new focus on professional development and continuing education will offer actuaries more and better tools for future growth. Both employees and employers should be excited about this new focus: employers because they continue to need successful business leaders, and employees because we continue to need training. The future holds job opportunities and job security for actuaries who know enough to never complete the education process. Ken McCullum is assistant vice president for individual life product development for The Hartford Life Insurance Companies, Simsbury, Connecticut.