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## Session 75PD Develop Your Staff

Track: Management and Personal Development

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Panelists: ROBERT M. BEUERLEIN  
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Recorder: PHILIP J. LEHPAMER

*Summary: Building and maintaining a cohesive, competent staff is vital to business success. How do we create an environment where the team is effective and employees flourish? The panelists approach this from two perspectives: an insurance company executive and an NCAA football coach. The speakers share their experience and insight on staff building. Participants learn about teamwork, delegation, motivation, coaching and individual development.*

MR. PHILIP J. LEHPAMER: I'm Philip Lehpamer, vice president and actuary at MetLife. Robert Beuerlein is the chief actuary for American General Life. He's a member of the Society of Actuaries Board of Directors, and also the director of publications for the Society of Actuaries. For those who follow football, I believe his first cousin is Steve Beuerlein.

Ken Karcher is the head football coach at Liberty University in Lynchburg, Virginia. Ken has a long biography as a coach and as a player. Ken will discuss his background, so I will only mention one item. He does have a 1988 Super Bowl ring that he received when he played for the Denver Broncos against the Washington Redskins.

Ken is going first and then Bob is going to speak, and then we will open it up for questions. They are going to compare and contrast developing your staff from a chief actuary's point of view and from a head football coach's perspective.

MR. KEN KARCHER: As you probably figured out, Bob is the one with all the credentials in your industry. I'm just a good old broken down football coach;

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<sup>†</sup> Mr. Karcher, not a member of the sponsoring organizations, is the head football coach at Liberty University in Lynchburg, VA.

hopefully, some of the things I share with you today can apply to where you sit as well. I know these are things that I've learned. It's nothing I've developed on my own. I've taken pieces from different people that I've been associated with as well. The question that I wanted answered, when I had the opportunity 14 months ago to become a head football coach was, how could I create an environment or a chemistry within my staff to let them be effective, efficient and thrive at what they're asked to do. My agenda includes four topics that I will talk about as we try to accomplish three objectives. I've used some football terms.

The first topic is the game plan. The game plan is important for anybody that leads any organization. I think there are two key things that will make a game plan successful, and we'll look at those in detail later. The first is that you need to be mission driven; second, you need to be an organization of character. The second topic on the agenda will be installation, and we'll look at how you build your team. In football, you can't do it as a one-man show. The third topic is the kickoff. For those of you that follow football, you know that starts the game. We're going to look at how we get our staff activated, and we do that in our industry through delegation and motivation. Finally, is the touchdown. If you don't score enough touchdowns, you will not have your job much longer. So we're going to look at how can we score points, and there will be four Ps that we'll look at that will help us score those points.

I have three objectives. How can we become mission driven? As I share a little bit with you today, you'll probably realize I'm very focused, and I'm very much mission driven. I don't get off the path very much. I believe it's important to be mission driven, as do the people I've been around. Second, I think we'll find out how to be an organization of character, which I think is vitally important today. Third is how to delegate successfully. Hopefully, that play will work as we move on.

I want to talk about the first major area, and that is the game plan. Before you set any plan, you need to know a little bit about who you are as the leader. Who are the people that are working underneath you going to get every day when they come to the office? I want to share a little bit about who I am. I'm originally from Pittsburgh, Pennsylvania, which brings a connotation. It's a blue-collar town with hard-nosed people. I like to have those types of people on my staff. I'm married. I have four children. I went to Notre Dame out of high school on a football scholarship, and I played there for two years and then transferred to Tulane University where I finished and graduated.

Then I played in the National Football League for five years as a quarterback, mostly with the Denver Broncos. I have been coaching for the last 11 years at every level from elementary flag football with my kids to college football to pro football. I have been affected by many mentors; some in my own family who have been football coaches. Some of my mentors were coaches like Dan Reeves, Mike Shanahan, Marty Schottenheimer, Jim Mora and Dick Vermeil. I've been underneath

all of these people in some form or fashion. I've also been affected by pastors and people that I call disciplers—people that have given time to me.

My life has been a journey. I'm sure it's just like yours. There are three questions in my life that I've always tried to answer, and the first is who am I versus what I do? The second is, where am I going? The third is, how am I going to get there? These are three questions I think everyone needs to try to answer. I learned something important from Dan Reeves as a player. We understand not only what our strengths are, but we also come to know our weaknesses. That is vitally important if you're in an area of leadership. My strengths are that I'm very creative, and I'm a visionary. I'm very much focused, and, as I told you, mission driven. I'm a person who's very positive most of the time. Some of my weaknesses are because I'm a visionary; I might not have enough patience with people who aren't, or maybe I don't listen as long as I need to listen because my mind is going elsewhere. As we look at some of these things, I challenge you to think about your strengths and your weaknesses.

Lastly, I think it is important that you have a purpose statement because the purpose statement of your life will set where you go and what organizations you attach yourself to. You'll see why I'm at Liberty in a minute. My purpose statement is very simple. It's to impact people for a greater purpose. I want to be able to somehow fulfill that purpose statement for my own life. I think it's important, when I take a job, to know who you are and what people are getting. It's important that that relationship starts from day one.

We talked about being mission driven under the game plan. Fourteen months ago, I was coaching in NFL Europe and I had three opportunities. I had an opportunity to become a head coach with a team that was in that league, an opportunity with the Tennessee Titans as a quarterback coach, and an opportunity to become the head coach at Liberty. When I evaluated Liberty, the thing that drew me was they had a mission, and their mission was to produce Christ-centered men and women with values, knowledge and skills that will impact tomorrow's world. The two words that jumped out at me when I saw their mission was *produce* and *impact*. Life's a journey. We're all involved in a process. I wanted to be around a place that wanted to impact people. As I looked at their missions, I looked at the purpose statement for my life. There was a fit. If you're in a place where you don't fit, I believe you are going to spin your wheels, and you're going to be frustrated. Maybe you're there now, or maybe you've been there in the past. I know I've been there. So you look for that fit. When I interview every person, my last statement is, don't come here unless you fit the mission; there are many other jobs out there.

Our mission for our football program is very simple. It's to use football as a unique educational tool that will glorify God as we develop Biblical character qualities in our young men, as we equip them intellectually, physically, spiritually and socially in Christ to use their gifts, talents and potential to impact the world they live in.

Everyone on my staff knows that. We talk about it. We have it written up for all of our players. That is our grid. I believe the first step to a good game plan is that you have a mission that is your grid and that everything you do goes through it. If it doesn't fit the mission, you shouldn't be doing it. That's what I've learned from some of the people I've been around, so it's important to develop a mission, and if you don't fit in with your company's mission, you might want to reconsider some things. If you're in a position of leadership, I would encourage you to develop a mission so people can have some direction. As an employee underneath a boss, I like a boss that has direction. I don't like ones that are floating all over the place. You never know where they're coming from every day of the week. So being mission driven is very important.

In our industry, we teach our players that a football is the thing you don't ever want to let go of. You want to hold on to that football. An organization that is mission driven needs to hold on to character. We'll look at what I call a character covenant. We're going to look at eight character covenants that we try to build into our employees, and I think you'll see what the results are when those happen. Let me say what a character covenant is: It's an arrangement that you make with yourself to regulate your conduct and decision making.

The first listed character covenant is to be a follower. You don't hear much of that nowadays, but to be a follower is to be someone who is able to bring thoughts, words, actions and attitudes under obedience for the benefit of others. To me, that's the first step in building a team. Football is not an "I" game—it's a team game. It's not golf. If I don't have my other ten players, I can't do it. So I want to get them to become followers who will eventually produce. We'll look at one of the things that gets produced in a minute, and that is self-control.

The second character covenant we'll look at is to be a finisher. To be a finisher is to know and do what is expected of me. We all need to be finishers, to know what we're supposed to do, and to do what is expected. That's what it means to be a finisher. It'll help produce responsibility.

The next one is to be focused. This is fulfilling what's expected of me even if it means unexpected sacrifices. Being focused will produce dependability.

The fourth one is to become your own reward system. Become your own reward system and realize that every task will be reviewed. We'll talk about accountability later. If you become your own reward system, it'll produce thoroughness.

Fifth, become your word. It's the quality of confidence that gives someone an assured reliance in your integrity and your truthfulness. Become your word. It'll develop trust. If you don't have trust, you might as well forget delegation. It's a quality of confidence that allows someone to have an assured reliance on your integrity and your truthfulness.

The sixth one is to build double loyalty. We'll talk about this more in depth. But use difficult times to demonstrate your commitment to others and to do what is right. Building double loyalty will produce loyalty. I don't know any organization in any industry in the country that doesn't want trust and loyalty.

Number seven is manage your fears. Fulfill your responsibilities in spite of being afraid. There are a lot of times I'm afraid and wonder how I will do something. I can tell you this is the second time in my life that I've spoken to actuaries. When I went to Dallas last month and stood up, I said, "Hey, I'm afraid. I've never done this before." I've done a lot of speaking, but not to actuaries. Managing your fear is fulfilling what you've been asked to do, in spite of being afraid. It'll produce courage.

The eighth of the character covenants, which I think is a great one and produces boldness, is to choose the harder right rather than the easier wrong. This demonstrates the confidence that doing what is right is more important even with opposition ahead: choosing the harder right rather than doing the easier wrong.

So as the head coach, these are the eight character qualities that I want to build into my staff. In football we look at the ball, and now it's getting the ball handed off to the people who are working underneath me and with me. When the handoff or the transfer from "I" to team (meaning my staff) happens, we hope you see the following character qualities. My goal is to have a staff of people who have self-control and courage and who are responsible, dependable, thorough, trustworthy, and bold. Now imagine that type of staff.

So those are what I think are the most important things in building the game plan. I know who I am and what I bring to the table. I have a mission to deliver to the people and a mission that I believe in as well that's driving me. Then, I must be able to have the foundation of character within the organization. That's the game plan.

The next thing that we'll look at, which is the second major area we talked about, is the installation. Now we're going to start building the team. We've laid the foundation. I'm on board, we have the mission, we have these character qualities that we're going to try to build within the team, and now we must build the team. We have to hire people. Every organization has different criteria. In our industry or where I work, there are six criteria that we look at.

The first is we want people that have a relationship with Christ because we are a Christian university. Second, we want people that have Biblical character qualities in their life, or that relate to a higher standard, or have character. Third, I want people who are creative and are visionaries. I don't want people that are in a box. I don't want people who are just going to do what I tell them. I want people to have some creativity. I want people who have a heart for people. If you were to have come to my office six years ago, and I had a stack of paper on my desk, I probably would

have said, "I don't have time for you today." What I've been learning is people are much more important than paper. That paperwork will get done, but it's people that you must have a heart for. Fifth, I want to experience winners in my industry. I want people who have been other places, who have done things well, and who bring that experience.

Here are some examples. My director of football operations is a gentleman who was Joe Paterno's director of football operations for the last 29 years, and now he's mine. He has brought a wealth of experience that I didn't have. I have a high school coach, who is my best friend, who joined us as my offensive coordinator because he had the experience dealing with high school athletes that I didn't have. I have a defensive coordinator who came from the pros and also experienced coaching Division II and Division III situations. He also had background that I didn't have. I have an ex-Liberty graduate who also played pro football, so he had an understanding of what it was like to be a Liberty student and athlete as well. I wanted to bring people that had a wealth of experience, and they all have won everywhere they've been. I wanted experienced winners.

Finally, everything is overridden by chemistry. The first thing we look for is fit, and, then, does that fit equal chemistry? The worse thing we can have is head butting, so I want fit and chemistry. That's the hiring process.

The next topic is philosophy. Here is a very simple illustration I can give you about what I do. I'm a one-back-offensive-minded guy. I like to throw the football. I would make a big mistake if I brought in the best coach in America who was a wishbone-three-back-run-oriented guy. It is not that that philosophy is not good or that mine is the best. It's that those philosophies don't mesh. Sometimes someone is really full of expertise in an area, but that expertise doesn't fit your philosophy. You can't hire him because then you will have people going in different directions rather than coming together. When we talk philosophy, we want to make sure they fit what we believe in so that we're on the same page.

The next one is expectations. My handouts say *P* equals *I*. I think this is an important one; perception equals intention. It would be nice if I could go around and talk to every one of you to find out whether you really got what you wanted to get from this session. Because if I'm giving you something, but your perception is totally different, then we're going to have conflict. How do we resolve this so that we don't have conflict? I think there are a lot of ways, but one is to have very tight job descriptions. I don't want to have some job description that's just floating. I want to have a tight one. I'm going to have every one of my employees help do theirs in their first year. I'm going to say, "Here's what I think it is. Now over the first year, I want you to jot down what I missed or what isn't in there so we can develop your job description together." You must have constant feedback. I have a policy that my door is always open. I want my staff to feel comfortable to come in and talk about what they hear me say, or how they are seeing me model what I'm

preaching. If they're not the same, we're going to have conflict.

The next item is modeling and, to me, that's very simple. It starts at the top. I'll give you two examples. I've worked for two different people. I won't share their names. I had one guy who said, "Practice is very important. We have to emphasize that practice is important." We'd go out on a practice field, and this gentleman would be the type of head coach that sat in the stands, and he'd fall asleep. That didn't equal what he was saying. Practice couldn't be that important to him if he's falling asleep. So we had problems with the staff. We had problems with the team. On the other hand, I had another coach who was just the opposite, and he did a great job, and a lot of my delegation comes from him. He would say, "I'm going to delegate you this task," and he would let you do it. So modeling is very important. I'm going to get feedback from the people that are underneath me about everything I say. I want the people working with me to tell me whether I am really doing this. Are you seeing me do these things? So, modeling is an important part of installation.

Finally is accountability. This is one of my big buzzwords. In my opinion, we don't have a lot of that. But, in my industry, sometimes they don't give you enough time because in two or three years, if you don't get it done, then you're gone. I think the thing that needs to be said about accountability is that people need to understand the consequences of their choices beforehand. Try to let them know what is expected, whether it be in job description form or whether it be through dialogue. This should happen in the first six months to a year until you get to know each other. Then say, "If you say you will do these things, that's what I expect you to do." If they don't do what you want, then, ultimately, you must be able to fire a person who doesn't do what is expected. If you don't have that ability or you don't have the stomach, then you might as well throw accountability out the window. Finally, I think accountability and delegation go hand in hand, which we'll look at in a minute.

In my industry, people like to delegate. Many people like to micro manage, and as the head coach, they also want to do every other thing. As I said earlier in my presentation, I've been around one or two coaches that have done a fantastic job of delegating. I have chosen the delegator form of leadership. That doesn't mean it's always right, but I am a delegator. To me there are three things that are important to be a delegator: competence, trust and loyalty. It all revolves around those three things.

It starts with competence. You must hire good people. I know there are individuals who are afraid to hire someone better than they are. I want a whole staff that's better than me. I want a whole staff that knows more than I know because if they're better, then that's just going to make me better. It's going to make our organization better. For instance, I don't know anything about defense in regards to running a defense or installing a defense. I know how to attack a defense from

an offensive side of the ball. So what did I do? I hired the guy that gave our offensives the most trouble over a three-year period. I respected what he did against us. When I brought him in, I didn't say, "Okay, you're our defensive coordinator; sit down and I'm going to tell you what to do." I said, "You're the defensive coordinator. Here are some of the things I want to see within our defense. I want to see aggressive style defense, an attacking style defense, and more man coverage versus zone coverage. Run with it." It became his job to do.

What are the consequences? Over a period of time, if he doesn't do the things that are necessary within defense for us to win, I'm never going to meddle in it, but I would let him go. He knows those consequences from day one. It's his job to do that for our staff and to get the people underneath him on defense.

Now if I hire competent people, then I have to be able to have faith or trust in their abilities. How do I show I trust them? I let them get the rewards or the recognition when it goes well. You have to let the person who gets the job done get the reward. Now if I do that, then that person is going to want to be loyal to me. So by me trusting him, by me delegating to him and really trusting him within proper parameters, then, in turn, he's going to be loyal to me. Well, if he's loyal to me, whom am I going to be loyal to? Him. So that's where it gets back to building double loyalty. If I trust my staff, and I give them the opportunity to be successful and to get the recognition with that success, they're going to want to be loyal to me because they're going to like what they're doing. They're going to like the job. They're going to like being there. In turn, I am going to want to be more loyal to them. It's going to be a happy circle that will be a reward for everybody involved. In regards to delegation, I think it comes down to competence, trust, and loyalty.

There are four things that I think delegation will give us. First, you're going to have more efficiency and production in the work environment. Obviously, 15 people can do more than one. You're going to have lower staff turnover. That's what I found within my staff when this guy delegated. I've only been on my job 14 months, so we'll see how that goes. So far, it has been very good. You're going to have what my wife and I always talk about—giving people wings. What are wings? I'm sure you've gone to work and felt like yours have been clipped. You just feel like you don't have any freedom. You feel like you can't do anything, and you're miserable. I want employees that work with me and for me to feel like they're flying. I want them to feel like they're thriving and they have wings. I think by delegating, you're going to give them the opportunity to gain what we call their wings.

Motivation is called a coach who cares. How do you motivate people? Obviously, there are different types of individuals. There are those that need affirmation and verbal reinforcement: "You know, you did a really nice job on that today." There are others that need acts of service. You don't have to say anything to them, but they like it when you do things for them. Maybe you pick up something for them. Maybe it's my administrative assistant who has a daughter that needs to go to the

doctor. I say, "You know what? We'll cover for you today, you go do that." Those are the little things. Maybe it's a bonus. For some people, a bonus or finances will get them motivated. Maybe it's a gift or a trip. But to me, it gets back to people. The days of blanketing everybody and saying, "Well, here's my little system and you all have to fit in there," doesn't work. It doesn't work for a football team.

I have 100 players on my team and I have to learn, as the head coach as well as our assistants, how to handle every single player individually. That was one of the greatest things I saw in Mike Shanahan, and I believe the Broncos are continually successful because he was able to do that. Namely, find the different hot button of each person. That's a coach or an administrator or a president who cares. You shouldn't come to work for me and adjust to me. A great leader is the one that adjusts to his staff. He gets you to raise your level of expectation and how you feel about yourself by finding your hot button, which takes time and mistakes.

The fourth area we talked about is the touchdown. I'm going to talk about four Ps, which equal points. The first one is provide. As a head football coach I need to provide for my staff. I think I have to provide direction, and that's where the mission comes into play. I want them to know that we're headed this way. You could call my staff today and ask them which way our program is headed, and they'd tell you the mission.

The second thing I want to give them is an organization of character. I don't want to have a workplace where there's backbiting and backstabbing. I want them to come to work in a place where there's character, where they know that if they do their job, together we'll accomplish the ultimate goal.

I want to give them direction with a mission. I want to give them an organization of character. I obviously want to provide any resource they need personally, whether it is financial, benefits, or whatever it might be. If someone needs \$50,000 for their family of four, you don't want to offer them \$30,000 because it wouldn't be a good fit. I want to give them the resources on the job: perhaps a laptop computer or certain office supplies. I want to give them whatever they need to be successful because, again, that's where you can hold someone accountable. I'll give you what you need to be successful, and a good work environment. If you don't produce, you know the consequences beforehand. I think a mature person should be able to say, I deserve to be fired. It's that simple.

The next item is protect. I'm going to provide, but I want to protect. As head coach, there are things that happen that my assistants don't need to know about. I need to run interference for them. They need to keep doing their job even though another area might be falling apart. That's for me to deal with. There might be one or two staff member that have to get involved, but I don't want to dump everything on my staff. I want to run interference. I want to protect them.

Third, I want to prepare. How do you do that? You prepare them in a couple of ways. One, you bring people in and you send them to functions like this. What is more important is I think you prepare them by delegating past their abilities. What I mean is that you stretch them through delegation. I have a coach on my staff who could have functioned very well by just coming in every day and doing what he was asked to do, showing up at practice and going home. I put him in charge of community service because, even though he didn't want to deal with all those people initially, he's starting to thrive in an area where he used to be weak. I see it as my role to find the weaknesses as well as the strengths. In his case, I was stretching a weakness. I want to prepare my staff.

The fourth item is that I want to promote them. I want to be able to give them opportunities to move on. I do that by providing for them, protecting them, and preparing them. When an opportunity arises, we are willing to promote them. I'm sure you've worked for people who said, "I don't want to lose you," and they don't tell other people about you. I don't think that's right. If you've done a good job for me and an opportunity comes, then who am I to hold you back? No one ever held me back from getting a chance to be a head coach. So if my offensive coordinator gets a chance, I want to help him. That only makes your organization better.

In conclusion, I think there are four statements about good leaders that I've learned from people that have affected my life. Good leaders care more than others might think is wise. You've probably had someone in your life say, "Are you sure that's wise to do?" Care more than others might think is wise. Risk more than others might think is safe. I'm a risk taker. I'm not afraid to step out there and make a mistake. Third, dream more than others might think is practical. I don't want to be around people who say, "Oh, you can't do that." I want to associate with individuals who say, "Let's try that. Let's try it this way." I want people who wonder, how can we do it rather than why can't we do it. Fourth, expect more than others might think is possible. Raise the level of expectation of your people. Encourage them to go to the next level. You can do that in a positive manner. Just keep raising that bar of expectation. Obviously, it's done all the time in athletics.

Finally, good organizations, in my opinion, are mission managed, value based, and player driven.

MR. ROBERT M. BEUERLEIN: It's amazing how managing an actuarial department or an actuarial staff has so many similarities to a football team. I think we'll see a lot of overlaps here as we go through my presentation.

There's a new TV game show that people have started to watch. I don't know if you have seen this or not. It's an hour game show. It starts out with eight contestants, and they go through eight rounds of questions. As they go through each round, the contestants get to vote one person off of their team so that after the first round, eight becomes seven, seven becomes six until there is the final

winner who is the only person who wins the money. These people are supposed to be voted off the show because they're not answering the questions correctly. They're not helping the team out. They're not adding money to the bank. We find a lot of times that the person who gets voted off is the person that doesn't have the right hairdo, or who dresses funny, or just might not be popular with the group.

After four or five rounds, people figure out that if they want to win the money, then they don't want the smart guy against them. They start scheming a little bit, trying to figure out how to get the best person off the show. Those of you who have seen this show know the moderator says, "You are the weakest link. Goodbye." It has become a very popular show, but it has so much application to today's business world.

Have any of you ever run into that situation in which the person that's not doing the best actually gets promoted? Or someone that has done well doesn't get promoted? Someone that's popular with the group seems to get favored treatment? Do you ever run into that person who, midway through the round, starts scheming a little bit and wants to rise to the top at any cost? We want to talk about how to build a staff so that we don't have characteristics of the weakest link creeping into our actuarial staff. We want to be developing a strong actuarial staff.

I'm chief actuary for American General, a company that has over 80 FSAs and ASAs. I might mention that those 80 or so actuaries are in nine or ten different locations spread around the United States. Managing and developing a staff of that size does take planning. We must keep things going the right way so we don't have weakest link people developing. We don't want people trying to scheme their way to the top, which does require management. With the proper tools, I think we can all have stronger actuarial staffs.

I assume most people at this session have at least a staff of one or two that they manage. Maybe you have a staff of five or ten, or even 100 or 200. If you don't, pretend like you do, and put on a management hat anyway because that's what I want to talk about. If you're the manager of a team, whether it's a team of two or a team of 200, what is it that you want to do and how would you manage your actuarial department? I want to talk about teamwork, delegation, motivation, coaching, and individual development. You'll find a lot of common threads pertaining to what Ken has talked about, but it will relate to an actuarial department.

Before we start, we need to understand that, at least within the actuarial department that I'm associated with and within my company, you must have a framework of how you deal with people. If you don't have this framework of how you deal with people, then you don't have something you can touch on when you're trying to make tough decisions. If these values don't really apply to your organization, then maybe the way you deal with people is going to be a little bit

different.

First, people make the difference. We're all actuaries, but we're all individuals. Actuaries can do a lot of different things, but we're all people with all kinds of different skills. People make the difference, and we need to encourage people to take calculated risks to help the organization out.

Who has ever heard of straightforward communications from corporate America? However, if you can get straightforward communications at all levels, and if there's not a lot of beating around the bush, then when something is going wrong, you're able to directly talk to someone who is knowledgeable. That's very important to have.

Commitment to integrity is the next item. How many of you have ever done anything that you would be ashamed of at work? Have you ever done anything? I hope not. Have you ever done anything that you wouldn't be happy about if it was reported on the front page of the *Wall Street Journal*? Not many of us have been in that situation. I know I haven't. What if you had to tell your grandmother or your mother what you did at work? Would you always be proud of everything you have done from an integrity standpoint? It's important to maintain that integrity. Actuaries are professionals, and what we really bring to the table is our honesty, our integrity, and our objectivity. Once we lose that, we've lost a lot of the professionalism associated with being an actuary.

There is the energy and the drive to succeed. We always have to encourage that. There are problems everywhere, and there are two ways of dealing with problems. You can wring your hands over them and say, "Oh, no! Things are getting horrible." You can say, "Problems are an opportunity to produce solutions and make things better." If we do have that latter approach to things, and if we make things better and keep things on a positive slope, then we will have progress within the organization.

So those are the guiding principles that I wanted to make sure we had an understanding of before we go into the details of building a staff.

Now if you are the manager of the team, what is your primary job? Your primary job is the accomplishment of predetermined objectives through others. That's a fairly concise statement that says a lot. Accomplishment means you're going to get something done. Predetermined objectives imply that you have a plan. You know what you want to do. Anyone might be able to accomplish predetermined objectives, but it's the "through others" that makes us a manager. We need to use others. The accomplishment of predetermined objectives through others is the main role of a manager.

Many times, though, we're talking about teamwork. We know what we're doing as

a manager, but when you start doing these things in this world, it's hard to remember what we were doing five or ten years ago. Have things changed? Have they changed many times? We have to deal with change, don't we? Suppose you're a golfer, but your golf swing isn't doing that well. What do you do? You go to see a club professional, and he'll give you a lesson or two on how to help your golf swing out. Anyone who has ever played golf knows that as soon as you've taken a lesson and you go out and try to play golf, your swing is going to be two times as bad as it was before. But if you stay with it, trust your golf professional, trust your lesson, and keep doing what you're supposed to do, then you'll probably get better. People can change, but change is going to cause a little bit of a blip in their behavior before things do get better.

So do people resist change? I've heard that all my life. People resist change, don't they? You resist change, don't you? I read about this change the other day in the newspaper. The IRS is going to be sending us all checks for \$600 because they changed the tax law. Do you resist that change? No. Now if they would have done it the other way around so we had to write a check out for \$600, we might feel differently. People resist some changes and you know the changes are going to happen, but they resist some of them, and they resist being changed. Again, we're all individuals. People make the difference.

If you're the type of person that likes to sit in your office doing reserve valuations, and not interacting much with people, then should I, as your manager, come to you and say, "Turn off your computer. I want you to go out and work with the marketing guys." Is that a good idea? That's a change that's ridiculous because you're trying to change a person. People are who they are. You can't change people and people resist being changed, so we need to realize that people are individuals, and we need to respect them for what they are. Everyone brings something to the table.

We've talked about what you're doing as a manager, but when you're putting this team together, whether it's your actuarial students or someone that's reporting directly to you, how do we select team members? One way to do it is to say, "Okay, I'm going to hire someone. They need to have three years of experience. They need to have their ASA under their belt and I'd like them to have a certain grade point average in college. That's the kind of person that I'm looking for." That's what I would call failure avoidance selection. You look for team members that meet some criteria. However, are they going to be the ones that really lead you on, or are they going to be the weakest link that you're going to have to vote off the team in another year? What would happen if you went for what I would call success-oriented selection? You look for someone that is going to be the strongest link on your team—someone that's going to make a difference. It's fine that they need to have an ASA or so many years of experience. They need to have some qualities that are going to get you to where you're trying to go to meet your predetermined objectives.

What if I were a baseball coach and said I was going to try to get the guy that led the league last year in strikeouts on my team? You know that it's probably not good to be the strikeout king. If you're using the failure avoidance technique, you probably never want to hire someone like that. But what if I told you back in the 1920s that Babe Ruth led the league in strikeouts? Everyone wanted Babe Ruth on their team, but it was the Yankees who got him from Boston and made baseball history.

We need to realize that we're looking for performers. Tom Landry, for the Dallas Cowboys, said, "Give me the best athlete, and I'll find a position for him." I think Bob Hayes was an Olympian sprinter. He was a great sprinter but didn't know how to catch the football. They taught him how to catch the football, and he became a great football player even though he didn't know anything about football before that. That's what you look for. Look for the best performers because you can teach them how to do certain skills as long as they have the basic qualities.

We have our team put together, but what do we need a team for? We're actuaries. We can do everything. It might take 12 hours a day, but we're smart. We can do lots of stuff. We don't need to delegate. In fact, that's the first thing that really should go through your mind as you're building a team. One thing you can do is to build a team of 100 people, but do you need 100 people? Or do you just need yourself? The first thing you do, if you have too much work to do, and you're just starting to build a staff, is that you spend more time on work. Instead of spending eight hours a day and Saturday morning at work, you work 12 hours a day and all day Saturday and Sunday morning. Then you increase it to 14 hours a day. You keep spending more time on work, and usually the work will continue to pile up. Then you say, "Okay, am I working smart? I'm spending all this time, but am I doing the right things? Am I spending all my time filling out surveys by hand when I might not even have to do the surveys? If I do have to do the surveys, I can use a computer. Am I doing the right things, and am I doing them the right way?" You simplify your tasks. You're down from 14 hours to 10 hours a day plus Saturday mornings, but you still have work piling up.

Now that you've spent more time and simplified your tasks, it's time to delegate. It's something we have to do. We're managers. We're supposed to accomplish predetermined objectives through others. How do you delegate? One way is to say, "I've got this stuff that needs to be done. Here Sally, take this, come back in a month." If you do something like that, you have not defined what you're delegating. You haven't really told Sally what it is you want. If you don't stay on top of it, to a certain extent, you've essentially abdicated your responsibility. You've given up your responsibility for this particular project. You've given Sally all the responsibility and you're taking none of it. Is that the way to do it? You might get lucky. Sometimes it might work. Sometimes you might be in a real mess because you've just picked stuff up and given it to the wrong person. Delegation without

definition is not good.

We have to be able to trust people, don't we? You hire someone, they work for you, and you're paying them lots of money. Actuaries make tons of money. It's the easiest job in the world. We should be able to trust them. They're not stressed out, so they're going to be able to do a good job. So the role of trust does come into delegation. The new people you hire might have the best credentials in the world, but are you going to trust them? Are you going to give them a project and trust them and not look over their shoulder?

The way delegation would start out is your staff would check with you on what was needed, and then they would do it and report back to you. You would check it out and say, "Ah, you're doing well."

After awhile, you build up trust so they don't need to check with you quite so much. They just do the job and write you a report from time to time. You don't have to check over what they're doing quite as much. The trust level has grown. Then you move it up a little bit further, and they don't have to check with you very often. You still know what they're doing, but they don't have to write you quite as much in reports. They still need to document adequately for the standards of practice, but they don't need to spend much time with you as that level of trust continues to grow. When you work with individuals and get to know their work, you begin to trust them, and you know what they're doing is what you would do. If they're in a meeting, you don't mind them representing you because what they come up with in a meeting is going to be similar to what you might come up with. Thus, you've delegated. You have almost cloned yourself. You can rely on those individuals to go into a meeting prepared for it, doing this or doing that, and it's going to be about the same as you would end up doing. That's what successful delegation is. Successful delegation does not start on day one. It builds up through that role of trust.

The next topic is motivation. We've got our team put together. We figured out how to delegate. How do we motivate? Can you motivate anybody? You hear about certain individuals, like Vince Lombardi who was the great motivator. I wonder if anyone is a great motivator? Can anyone be motivated by another person? I think that motivation is really inwardly directed. It has to come from the person. The football coaches can help put you in that position. They can bring the horse to water, but can they make the horse drink? No. The horse has to be thirsty and want to drink. So I would say that motivation is really a desire for change. In my mind, if I have a desire for change, I'm going to be motivated.

I think about the cute story of the little boy born healthy who never said a word. They took him to the doctor who verified that his vocal chords and everything else were fine. The little boy never said a word. On his fourth birthday, they brought out the cake, cut it and give it to him. All of a sudden, he said, "This is chocolate cake. I

wanted banana cake." His amazed parents shouted, "What? You never said anything in four years and now you're telling us you don't want chocolate cake. Those are your first words?" The little boy said, "Well, up to now everything has been just fine. This is the first thing I've had to complain about."

That's what motivation is. Motivation is inwardly directed. If that boy wanted to talk, he would have, but he didn't see any reason to. Things were just fine prior to that. Motivation comes from within, but can we help out a little bit? We, as managers, can set standards. You keep hearing about people raising the bar and doing this and that. What does that really mean? If we establish standards, then people know where they need to perform. Actuaries know that it takes a six to pass an actuarial exam. Some people wouldn't be happy unless they got a ten, or maybe they'd take a nine on a bad day. They want to see where they are in the pecking order. Then there are people like me. I had a lot of sixes and that was fine with me. That means that I saw just enough football and baseball games and studied just enough. If the standard was six, I was going to do a six, but other people wanted to do tens. If you set standards, people will know where they are. Some people are overachievers and no matter where you set your standards, they're going to do twice as much as what you asked them to do. That's fine. You always need people like that.

You also need standards so that if people want to be part of the team, they can motivate themselves to meet the standards. You draw your standard line and then once people get to the standard, you raise the bar a little bit. If people can't make that bar, maybe they are the weakest link and it's time to vote them into another position, whether it's somewhere else in the actuarial department or somewhere else in the company. We need to have standards and those standards can be motivators. But, again, motivation comes from within.

Motivation is all related to goals, but whose goals? Do you have the same goals as the person who works next to you? Do you think anyone has the same goals? Are they even related to the same thing? Some people's goals are totally work-related. Some are totally family-related. Some are totally money-related. How do we tell what the goals are that we need to manage to? That's just it. People are all different and goals are behavior driven. As such, people's behavior determines what their goals are. We can't really tell people what their goals need to be. We can set the standards, but their own goals are going to drive what their motivation is.

What's the problem with having goals? Let's go back to these young actuarial students. They come out of school, and they're really driving. They want to be FSAs, and they want to be FSAs by the time they're 25 years old. What's the problem there? Some of these people are not going to become FSAs by the time they're 25 years old, and they might be disappointed. Some people are going to become FSAs at 25, but they've put so much of their time into becoming an FSA. Once they've made this goal, they wonder, now what? In order to motivate people,

we need to realize that as they reach their goals, they must set new goals or they've lost total motivation.

Another example is all the people that try to retire early at 55. Or, perhaps they wait until they are 65. There's just nothing else out there. They were shooting for retirement, but they didn't know what they were going to do afterwards. They made their goal, and now what?

Coaching is the next topic on the list. We've got our team. We've delegated. We've helped motivate the individuals. How do we keep this thing going? We all need to be coaches. Coaches and mentors are important to our staffs to keep things going. You hear about locker room rah-rah speeches. Is that what everyone needs to make the staff better? Some people love it. Some people get really fired up by rah-rah speeches. Some people, however, just need you to sit down and talk with them. A lot of people need a little of both. They love to have rah-rah speeches, recognition, and all that, but then they also like people to pull up a chair and say, "What's going on here today?" In communicating and in coaching, we have to realize that there are times that you ought to do one-on-one communications and other times you need to do the rah-rah speeches and get all excited. People do want to feel involved. They want to feel part of the team, and they need to understand where they fit into the team.

As you develop your actuarial staff, people need to know who they are on the staff so they can have an identity. They can be part of a student rotation program, and they can do valuation work this year and product development next year. Nevertheless, they've got a role. They're part of the rotation program. They're part of this cohesive team that we call the actuarial department that's doing all these good things.

People need to feel like they are part of the team. This goes back to the coaching again. We keep talking about individuals. We're coaching individual people. Can you get someone that is extremely slow to run a ten-second hundred-yard dash? No, it's probably physically impossible. Can we change people's personalities? If you have someone who cannot get along with others, someone who has no work ethic, or someone that's not really pleasant to be around, can we change those personalities? It really comes back to how we should have thought about this when we were hiring some of these individuals. Were we hiring for success-oriented reasons or were we hiring for failure avoidance? We should have talented people out there. Instead of having to chisel away all these chips off their shoulders and do all these things to make them more well rounded people, take a polishing cloth and just polish rough edges. You polish a little harder here, a little harder there, but you don't have to take a chisel out. People aren't going to be changed, but you can polish them a little bit.

Of course, recognition is important. Is it important to always recognize people?

Again, it's an understanding of what pushes people's buttons and what recognition is required. For a lot of actuaries, a pat on the back is sufficient. Some actuaries like to have lots and lots of money, but many actuaries love their profession so much that if they get a pat on the back from time to time, it really makes a difference. People put in a lot of effort and need to know that their effort is appreciated.

The next topic is individual development. We've talked about individuals. How are we going to develop them? We've done our coaching. We've polished the people. We've got to get down to the individual level. Since we're all different, I can't talk with 50 individual people in one setting. We need to take the time to develop each individual separately in order to maximize the productivity of the team. If you don't, then you're not going to get optimal output from your team. If you take the time to develop individuals, then it will definitely pay off.

How do we do this? A good way is to remember that success breeds success. Examples from the sport pages come to mind. You find some baseball player that gets hot and goes three for four one night. The next night he goes two for three, and he's hitting for power. He's on a streak. Everything that comes at him is sitting right there, and he's able to get hit after hit. He's having a great year. Success breeds success. You have a couple of successes, and it's going to spiral upwards. Another guy can't hit the ball if it was put in front of him. He's in a slump. Failure breeds failure. The guy gets into a slump and wonders when he's ever going to be able to hit the baseball again.

How do we keep people successful? It's understanding how we can have small wins from time to time, making sure we understand what it is that will get people feeling successful. It's those little things we acknowledge, a pat on the back, here and there. Success breeds success, and people will continue to be very positive. Everyone, from time to time, has all kinds of things going on in life, but it's important to push up the successes at work so we can have a very positive team and keep things moving.

As we go through life, our opportunities tend to dwindle. Back when you were all actuarial students, you thought you could do everything, and you probably had the opportunity to do everything. Then you might have been placed in valuations, so now you're a valuation expert, but you don't know very much about products. Or, maybe you're doing a lot of computer programming, and you've lost track of everything as far as the actuarial community goes. What happens then, all of a sudden, if we had an edict that valuation is no longer required? We don't need to have valuation actuaries or people doing valuation anymore. What do you do now? As managers, we need to encourage people to expand their opportunities, to understand that they can't get too focused because if they do, something could go away. The buggy whips used to be a great commodity. Now, individuals need to expand their opportunities and look at other things or else they might go the way of the buggy whip.

We talked about a lot of things and now I just wanted to throw out a couple of ideas about how we apply these things at my company. The first one is kind of a small thing. Actually, I picked up this idea reading a book by Jack Welch. It's called "The One To Two Hours of Free Time Per Week That You Have." Most of us feel like we're overworked. If we can block off an hour or two per week to work on something, it might be totally unrelated to the work we're doing, but it still has some value for the common good. We can make a lot of progress. I'll give one example of what we did. We were trying to figure out how to analyze our claims better within our companies. We have all these companies, and they have all these claims. The claims are up or down, but why? Are we getting bad claims because of bad underwriting? Are they first-year claims? Are they old claims or policies that have been around for years and years? Why are we having variations in experience?

We put together a group of all kinds of people, including students, some ASAs and some FSAs. We told them that this was not an immediate priority, but we wanted them to spend one hour per week in a group working together and one hour a week working individually on this project. We wanted them to find a better way of analyzing our claims. It turns out that if you meet for over four months with five people, and everyone has put in 20 hours in group meetings and another 20 hours individually, then you have invested about 200 hours. In this situation, we received a great analysis of our claims. That's because we pulled these people together and formed this special group. Some people had ideas on how to analyze claims from a computer standpoint while other people understood various parts of the business and had deeper insights. When you put all these people together into a room for an hour and tell them to think, it's amazing what you can get done. This is an idea that I thought was neat, it is something we tried, and it actually did work.

Another idea works well with a large staff and if you have a large project. My company, American General, was recently purchased by another large company, American International Group. Last November, we didn't know that the company was up for sale, but we had indications that a lot of work needed to be done. We wanted to place a value on the company or to put an appraisal value on the company internally. That's a huge project. We have a company that's worth 26 billion dollars. That's what the purchase price was. You have 15 million policies, nine locations, 80 actuaries and this huge project. What do you do? How do you get your arms around something like this? We tried to use some of the thoughts that I've already gone through today.

Our project started out the first weekend of November. We brought key actuaries in from all nine different sites, and put them in a room Friday afternoon. We had dinner Friday night, and then worked a half day on Saturday. We spent the whole time talking about what we call embedded values, or how we determine the value of the company. It was a good exercise. People that didn't initially understand it,

then understood it after 24 hours of intense learning. We then kicked the project off on the first of November and kept following up. We got these people in nine locations to have weekly conference calls. They still have them now—Friday morning at nine o'clock. Every one from each of these nine different sites dials in to one number. During this meeting, I'll be doing it from my hotel room. We speak for an hour about these topics, and these calls keep the project in the forefront. We know who's doing what.

Communication is so important when you're dealing with a staff of this size. Of course, we send e-mails. How could we have lived without e-mail? The dynamics of all this is what I found interesting. As we started doing our project, within a couple of weeks, we figured out who the experts were on each of 10 to 12 huge sub-projects. Who's the person who can move the data around the best? Who best understands how Tillinghast's actuarial software works? Who really understands this and that? We didn't know all that, but as we started talking in these conference calls and e-mails, we found out.

We had an emergence of experts, and we had peer pressure. If the people in Springfield got something done, then we wanted to make sure the guys in Nashville weren't behind. The guys in Houston didn't want Nashville and Springfield to be better than they were so we had a huge amount of peer pressure. With this peer pressure, we had a huge amount of group bonding. We had people that were working long hours, and they were calling each other without direction from senior management. They were calling to make sure that things were going well. We had a very cohesive unit and a real group bonding. After about four or five months of a lot of us working six days a week, 12- to 14-hour days, we had a very successful end to the project. We're in the process of ceremonializing all that with a big recognition dinner.

That's what you want to do with a big project, but remember the things that have made building the staff, from my perspective, so important are these key values. People make the difference. We need to have straightforward communications, and, without it, you just waste a lot of time. We need a commitment to integrity. Will your grandma be happy with what you did? Will the Wall Street Journal be happy with what you did? The energy and drive to succeed is so important, and we should always have a very positive outlook. When we're addressing problems, don't wring your hands but have that energy and drive to succeed.

To wrap it up then, just remember what we talked about and see what the nuggets were. Teamwork is important, and we know what a manager is supposed to do: the accomplishment of predetermined objectives through others. We're going to have problems with change, but we know how to select people. We want to select the Babe Ruths. We don't want to select the people that are going to be the weakest link. We want to delegate, but you have to put a definition into that delegation because delegation without definition is abdication. You build up that

trust when you're dealing with people. With respect to motivation, we can't motivate people directly, but we can help them to motivate themselves because we can set standards and keep raising the bar and help people meet their goals. It's important to communicate one on one, and in groups, and to understand what drives people and to encourage their own progress. When we consider the development of individuals, we need to help success breed more success.

I think that if we do all this, then the people that are on your staff will not be the weakest links but rather the strongest links.

MR. BRUCE D. SARTAIN: I really enjoyed both presentations. My question is for both of you. You both focused on the need to either push the hot buttons or find out what each individual person's motivations are. My question is have you ever had situations where the way you've dealt with individual A versus individual B has raised a perception of unfairness? Say you've given somebody individual attention that you felt they needed and somebody else wondered why you were spending more time with this other person?

MR. KARCHER: I've been a head coach, as I said, for only 14 months, and I haven't had that problem yet. I haven't seen it with the people that I've been around, who I think have been good managers. I think that you would just have to be cautious and arrange it so that it isn't obvious to everybody. I think you'd have to pick and choose when you do that, but personally, I have not had that problem as yet.

MR. BEUERLEIN: Bruce, I think that's a real good question. Whether you are spending more time with someone else or not, there's always going to be that perception. If you're the boss, everyone is looking at everything that you're doing. Even if you spend equal time with everyone, some people still are going to feel deprived. I think it's important in your position to feel that you're treating people fairly. You will find people that do require more time than others. Some people require very little amount of supervision or time; others are very needy of your time. What we found is sometimes those people that are really needy of your time are the weakest link. You work with them for a while, but, at some point, it needs to be on an even keel. The biggest thing is you need to be truthful to yourself, and if you think you're treating people fairly, then you just can't worry about what other people think about it.

MR. PAUL H. ZURAWEL: A lot of what you talked about here is appropriate in a long-term situation where you're building your own staff and managing after the fact. I find myself in a situation where I'm managing a short-term project, and I see where some of these principles apply there. However, is there anything additional to add if you find yourself in a short-term situation where you don't get to pick or choose your staff? You're not going to have the time to implement any kind of long-term motivation techniques. Are there any shortcuts you can work with in a

situation like that?

MR. BEUERLEIN: It's great to get this group bonding that I was talking about so that people feel like they're part of the project, but they might be effective only when dealing with a longer term situation. Sometimes you have to lay down the law and, hopefully, you've got the right type of people when telling them, "This is the way we've got to do it." You just don't have the time to spend with them to nurture them along. It is a matter of being a little bit more hard-nosed, and there might be some negative reactions, but they need to understand that you just don't have the time to deal with all the more elegant methods that we talked about.

MR. KARCHER: I think the end product of the short-term project could be the motivation itself. In my profession, you have eleven short-term projects because you play every Saturday afternoon. You're going to get measured at 7:00 at night, so the ultimate motivation is the production at seven to nine on Saturday night. You have to approach each one of those as the ultimate motivation rather than the individual itself. You've got to collectively say, "Well, here's where our motivation can be rewarded on Saturdays."

MR. LEHPAMER: Here's one difficulty I have. I think everybody agrees that we want to develop individuals. Ken used one of his assistant coaches as an example. Ken got him involved with community service because that was a weakness on that person's part. That's how Ken developed that individual. I think Bob said leave the guy who does cash-flow testing alone if he likes it and is not interested or suitable for working with the field. How do you judge when it is time to try to build a person, to move him or to leave him alone? What are the criteria? Can you help me with that?

MR. BEUERLEIN: From my perspective, it really depends on where people are in their career. Early in their career, I think they need to be open to anything. At some point, they're going to reach a level where they are very specialized in things. I don't think that is necessarily bad. It is bad if suddenly cash-flow testing went away and now they're stuck and don't know how to do anything else. It's a matter of leveraging off of some of the things they know how to do. For instance, if you know how to do cash-flow testing, maybe you can help the pricing guys with adding assets to their pricing models. You don't want to threaten people with something they feel real uncomfortable with, but you can add something to expand their horizons or to expand their opportunities.

MR. KARCHER: It gets down to each individual person being different. You might never want to stretch someone the way I stretched that individual if they can't handle it. Again, in our industry, I would go back to the beginning. I would look for people that I feel have a motivation or a drive, as Bob said—people who want to excel and continue to move. I'm not going to look for people that are just willing to say, "I want to stay right here." What are their goals? Are they people seeking to

move ahead? Hire the best, and then it's a matter of handling each individually and differently.

MR. LANCE E. SCHULZ: Both of you talked about the process of selecting people up front. There is one thing I've heard. Many managers have a tendency to hire people very much like themselves, so they tend to be really good at what they're doing right away. However, when a new challenge comes up, they often find they don't have the diversity on the team needed to take different approaches. I wonder if you would talk about that a little bit and how you handle that.

MR. KARCHER: I, personally, have chosen to do the opposite of that. I've chosen to not hire people just like me. Obviously, there are things that we have in common. However, I've tried to hire people that come from different organizations, different levels in regards to my profession. I hire people from high school, college, and the pros. I hire people that do things differently because, I agree with you, there are going to be things that come my way, as the manager, that I don't really know how to do. I need a diverse staff so I've chosen to not hire people just like me.

MR. BEUERLEIN: You're right on the point. I can tell you why that might happen. If you're trying to hire someone to do something that you really don't understand, for instance, investments. I have the basic knowledge of investments, but I'm not an investment actuary. I'm not going to go out and hire an investment actuary. If I were interviewing someone, I wouldn't know the right questions to ask. Unless I really knew that I needed to have one, I'd probably just go hire the people that could answer the questions that I was asking. So I think a lot of it is that people feel comfortable around other people who know the same types of things.

FROM THE FLOOR: I'm curious about how you handle clerical people, administrative assistants, and so on. For instance, you might have an administrative assistant. Where are these people going? They've been there 10, 15, or 20 years already. They'd like to advance. There's no place within the company for them to advance to. How do you keep them motivated?

MR. BEUERLEIN: You mentioned clerical and administrative assistants. It's a little bit different for each, but kind of the same. The main thing on clerical people, I think, is the career path. They should always know where they are going. They should see where they're going, otherwise, they're going to float and not understand what their direction is. They need to have a mission or a place to go. Administrative assistants, on the other hand, have changed so much. The term secretary isn't even used anymore. People used to be proud to be called secretaries. They're not even called that anymore. They're administrative assistants, and their job has changed. Let's assume that we have good administrative assistants, and they are pretty well stuck there. It's a matter of broadening their scope. It's expanding their opportunities, and it's really up to you

as a manager. It's the manager as opposed to the administrative assistant that really needs help in figuring out how to expand these opportunities. If you have good people, you don't want to lose them, but they're probably going to get bored eventually if you keep them where they are.

MR. KARCHER: I'd agree with Bob in regards to that. I think it's the expansion within. It's letting them have more duties within their present job because, as you said, they're probably not going to move from one company to another laterally. I think it's those little things that keep them motivated and happy within what they do day to day.

FROM THE FLOOR: Ken, you mentioned that you're only hiring people who are experienced. One of the things that our profession has to do, and I'm sure that's true for coaching as well, is to bring in new people to replenish the ranks. I just wondered how that might play out. Is that just something that you see for now because you're new to this particular position?

MR. KARCHER: Let me clarify what I mean by the word experienced because, when I say experienced, I don't mean that they have worked 20 years in the profession. Maybe I should have used the word *expertise*. I, for instance, hired, as I told you, a guy that was a graduate of Liberty himself. He had never coached a down of football in his life, but he played nine years in the Canadian and National Football Leagues. In the industry of coaching, he has zero experience, but as a player on the field and as a graduate of Liberty, to me, he brings more experience or expertise than someone that has coached 15 years somewhere else. To me it's hiring people with a certain expertise within the field rather than only hiring people with 20 years experience. This is one of my pet peeves. When I got out of playing football, and I went to look for a coaching job, someone said, "You don't have any experience." That sort of shook me. I said, "I played until I was 29 years old. How can I not have any experience? I know coaching is different, but the experience of the game is the same."