

What My Company Knows That Yours Doesn't

A FEW MONTHS AGO, I WAS INVITED TO HAVE LUNCH with a chief actuary who, recognizing that his own role in the actuarial community went well beyond financial reporting and the verification of reserve adequacy, asked if I would be interested in coming on board to help his company develop its actuaries. Yes, like other companies, his company has a committee of actuaries who oversee the actuarial student training program, and, what's more, it has an actuarial steering committee of higher-level actuaries to provide more global direction. As it is, however, none of those committee members has responsibilities allocated entirely to actuarial training and development. Rather, despite their committee roles, they remain as actuaries operating in actuarial functions, each with a full plate of actuarial responsibilities and each with the need to get his or her portion of the company's actuarial work done.

Wouldn't it be nice, the chief actuary wondered, if there were someone whose only job function was to help develop and help train the actuaries to be all they could be; someone who didn't need to calculate reserves, meet a product development deadline, or determine a price on the latest product feature; someone who could simply focus on actuarial development for the entire actuarial community within the company. Wouldn't it be nice?

Indeed, it would be. Actuaries represent a big investment for a company. Finding them and securing their services can be expensive. Supporting their drive to Fellowship is even more costly. Nurturing their development and cementing the relationship with the company for the long term would make great sense. But where to find someone to take on this responsibility and what credentials should that individual have?

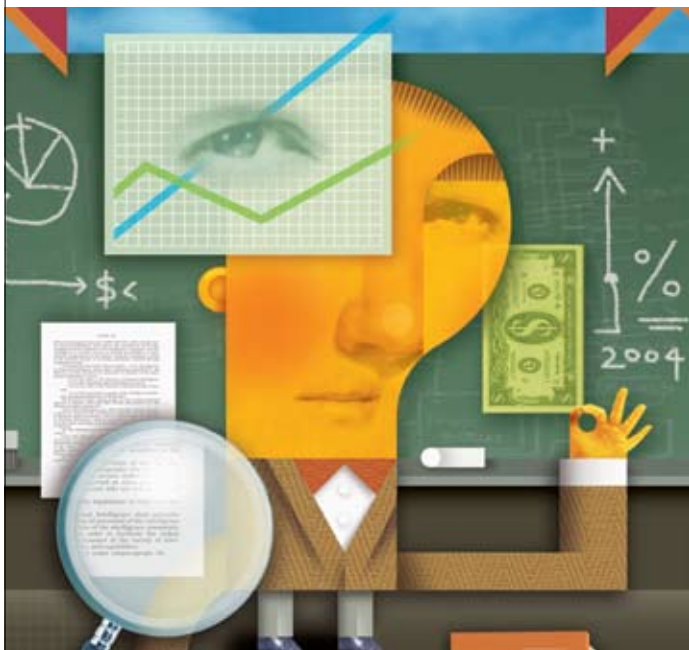
It can be argued that actuarial talent management doesn't require the services of an actuary. Perhaps it can be overseen by a human resource professional or someone with a degree in education or, perhaps, even by a psychology major. But then again, who knows better than an actuary all the issues actuaries face? Who better understands which technical skills need to be honed? Who can better appreciate the examination system that actuaries need to survive? Who speaks the language? And who else but a seasoned actuarial professional could fully appreciate the shortcomings (and, hence, the needs) of those within the profession?

Clearly, someone with a strong and diverse actuarial background would best fill that bill. Better yet, find an actuary who has frequently heard the question, most often asked with shocked incredulity: "You're an actuary?"

That's the one you want. The actuary who's taken the nontraditional road with an eye toward something more is the actuary who can best exploit the talents of others. And that's the goal, to exploit the broad spectrum of others' talents and to help make each and every actuary the best he or she can possibly be.

The Skill Set

Once that actuary has been found, what should that individual focus on to change the image of actuaries for the better and to develop the talents that might exist? The problematic



MICHAEL M. BRAUNSTEIN, a past chairman of the Management and Personal Development Committee/Section, is currently responsible for actuarial talent management for Aetna in Hartford, Conn. He can be reached at [BraunsteinM@Aetna.com](mailto:braunsteinM@Aetna.com).

stereotypes are fast disappearing, but, say what you will, the profession just isn't there yet. The image of the actuary that actuaries want the world to see remains somewhere out in the future.


To bring that future to the present—now occurring at my firm and, I hope (if I make the case well enough here), soon to be occurring elsewhere as well—actuaries will need to round out their business savvy skill set. You already know the list: better oral and written communications, the ability to present well in both small and large groups, comfort with negotiation, supervisory capabilities, personal self-development, leadership, a commitment to volunteerism, effective interpersonal skills, technical knowledge, business acumen, and an adherence to ethics—all, of course, in addition to the successful completion of exams, the one piece of the puzzle that all actuaries seem to fully understand.

Some years ago, when I first became involved with the Society of Actuaries' Management and Personal Development Section (actually a committee at the time), I was asked to work on a publication called *The Actuary's Career Planner*. That document, long since completed, was the forerunner of today's more elaborate computer-based talent management systems. It stressed the importance of vision and carefully articulated goals, the honest personal assessment of technical and business competencies, the need to recognize areas of required development, and, of course, the execution necessary to meet that need.

Actuarial talent management today, whether with the help of the SOA's *Career Planner* or from the more sophisticated versions now accessible on a laptop, is much the same. And that's precisely the approach taken here at my new compa-

ny. Internal career planning, a company interest in the overall development and progress of every actuary, a formal mentoring program, developmental opportunities to match individual needs, and a single point of undistracted contact to monitor that individual progress can only result in higher morale, greater staff retention, less recruiting cost, and, most important, a better-qualified and more well-rounded, professional group of actuaries.

Managing actuarial talent effectively will clearly result in a win for the company and a win for the individual as well. What's the cost of such a program, you might wonder? It's a lot less than the cost of not having one. My only questions to all those other chief actuaries who aren't yet here: What's stopping you? Why isn't your company doing this? What is it that my company knows that yours doesn't?




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