

Spicy New Career, With a Side of Risk

I'M EMBARKING ON A CAREER CHANGE. After almost 30 years as an actuary, I'm going to try something else. But what?

Not the shoe store business. That enterprise, I'm told, has the highest failure rate among business startups. Do your research and you'll find that it ranks No. 1 on the list of "don't do it" businesses. So if you're like me—a conservative, analytical, and intelligent actuary—you'll agree that I made the right choice in not even considering a venture into such a potentially devastating field.

No, sirree. Despite my appreciation for a challenge, there are no shoe stores on my horizon. Instead, I think I'm going opt for something a wee bit safer, where my retirement won't hinge on a pair of heels or the latest in arch support.

I'm going to open a restaurant.

No. 2 on the list of failure fields, you say? Sure, but so what? I did say I like a challenge, didn't I?

Besides, isn't risk what actuaries are all about?

Wagons West

OK, let's suppose running a restaurant is just a bit too much risk for you. But let's also suppose that working 9 to 5, Monday through Friday in an office is a bit too little risk for you. Is there a happy medium?

The answer is yes. Just ask any of your colleagues who belong to the Actuary of the Future Section of the Society of Actuaries (SOA), and they'll tell you about some career pioneers and a program designed to help actuaries (maybe you) head out into the frontiers of actuarial work.

The Career Pioneer Program was originally launched in August of 2002 as the Ambassador Program. Its objective was to identify nontraditional roles and possible new businesses for actuaries and to enlist individuals who would serve as resource contacts.

The initial list of businesses and industries included

the obvious; financial service firms that employed chartered financial analysts, financial engineers, and chief risk officers along with firms that employed those in the sales and marketing areas (agents, stockbrokers, etc.) made the first cut. Also on the initial list were companies that employed actuaries in systems and strategic planning areas and

in the benefits and government regulatory field.

Most notably, the first list also included the "personal actuary," a firm (usually made up of one self-employed actuary) that could provide individualized and expert advice on mathematical matters that some members of the general population might find too complex to easily understand.

This latter entry strikes me as the best example of what the section sought to accomplish, and, from this writer's perspective, the personal actuary is most consistent with the concept of nontraditional actuarial work.

In addition to the list of businesses, the Actuary of the Future Section identified resource contacts, and,

to date, there are three individuals who have agreed to the official role of "Career Pioneer." Abraham Gootzeit, Eric Feinstein, and, more recently, Jay Miniati, all FSAs, agreed to the standard three-year term. Each is expected to prepare a written description and to compile a set of demographics specific to his niche.

The demographics would include the number of ASAs and FSAs involved, the applicable lines of business, other aligned organizations, typical employers, and possible



MICHAEL M. BRAUNSTEIN WILL ALWAYS BE AN ACTUARY, AND HE WILL SOON BE TAKING YOUR ORDERS IN WEATOGUE, CONN.

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clients. Each is also expected to keep a list of actuaries with expertise in the field and serve as the contact person for anyone who wants to learn more.

The Career Pioneer also supports the SOA's strategic planning process through participation in related special projects, and by providing topics and speakers at actuarial meetings. In addition to this charter group of pioneers, Sudha Shenoy, FSA, former chairman of the Actuary of the Future Section, is also involved. Contact any of the four for more information about a niche that may be of interest to you.

Nontraditional Thoughts

Or call me, a self-proclaimed Career Pioneer, to get my thoughts on this business of expanded actuarial opportunity. After all, I've done a few nontraditional things in my day. In fact, there are some who would argue that even my traditional work (at a large insurance company) was done in a nontraditional way.

Finally, after 15 years of hearing new acquaintances incredulously ask, "You're an actuary?" I decided to take the entrepreneurial leap and begin my own business. I spent the next 11 years traveling the country, recruiting actuaries, and preaching the merits of career planning (as part of the SOA's Management and Personal Development Section), all the while joking that "my last placement will be my own."

Well, that last placement turned out to be an opportunity in the field of actuarial education where, for the past five years, I've had the opportunity to travel the entire continent and share my views on the most efficient ways to study. For me,

it has been a glorious 30 years brought about by 1) a profession that offers vast potential; 2) a common-sense conclusion to a little soul searching; and, perhaps most important, 3) a lack of fear. And I'd suggest that, with such a simple formula, it should be as glorious for every actuary.

First, the potential within the actuarial profession should be obvious, for what in life doesn't include a risk element—and who better to manage it than an actuary? The truth is that one would be hard pressed to come up with a business of any kind where an actuary's skill set wouldn't prove helpful. The mathematical and analytical skills, the dedication to accuracy, the ability to thoroughly appreciate a problem and to find the best solution represent just the tip of the iceberg on what an actuary has to offer.

Second, the common-sense conclusion can be drawn by answering just two simple questions: What would you like to do? What are you good at? For me, it was easy. I like to go places and talk to people, and, modesty aside, I'm pretty good at communicating.

Here I should add that communication skills and interpersonal skills, in general, are keys to success, whether one is an actuary or not. Unfortunately, actuaries tend not to be as strong here, and efforts should constantly be made to improve these skills. The good news is that the SOA is doing some things to assist and, through the Management and Personal Development Section and the Actuary of the Future Section, offers helpful sessions at all of its meetings.

That brings us to the third item, the element of fear. Whenever I think about fear,

I like to recall the philosophical message I heard many years ago when Tug McGraw of the 1973 "You Gotta Believe" Mets was asked how he handled the pressure and got safely out of those "bases-loaded, nobody out" situations so well.

He said (and I must paraphrase since it's a few years ago) that he used the "million year" theory. "In a million years," he went on, "who's going to care?"

One hopes it won't take that long to realize that it's often the fear that pushes us to work harder and excel. So, in a sense, the fear isn't as much an obstacle as it is a help.

Is all this easier said than done? Perhaps. But that's why the Career Pioneer Program exists—to provide the necessary support with pertinent information and valuable advice from the experts.

What does it take to actually be a Career Pioneer? Only the desire to be one. Get the help you need from the program volunteers or do what I've done: Know what you want, translate fear into research, commit yourself, and accept nothing short of success.

Oh, yes. You want to know more about the restaurant. OK. Here's my idea.

Meatza Ball Matzo Ball. Deli by day; Italian bistro by night. I'll handle the administration, the marketing, the budgeting, the planning, and the financial reporting. I'll let the chefs do the cooking.

Sound familiar? Of course it does; the restaurant business is just like any other business. It requires a keen eye on a wide range of business functions with a special focus on money coming in and money going out. Risks need to be evaluated, results monitored, and corrective decisions made. Come to think of it, it's not much different from my first 15 years in the life actuarial department, or my next 11 years in the field of actuarial recruiting, or my last five years in marketing actuarial education. Maybe it won't be so different after all.

"You'll need to work a hundred hours," you say?

If that's what it takes. ●