LEADERSHIP
GROWTH STRATEGIES

∫ntegrating

∫nfluence

LEADERSHIP
GROWTH STRATEGIES

To what extent are you being utilized for all your talents?

SOA Market Research Study

Actuaries Lack Business Saavy Skills

- Business Communication
- Self-Development
- Leading People
- Relating To Others
- Business Acumen
- Personal Courage

Employer's Image of Actuarial Ability

Negative Themes

- Narrow
- Poor communication/interpersonal skills
- No Imagination
- Lack of solutions
- Poor managers
- Too linear
- Lost in detail
- Not able to see the big picture
- In technical box
- Cannot multi-task

Positive Themes

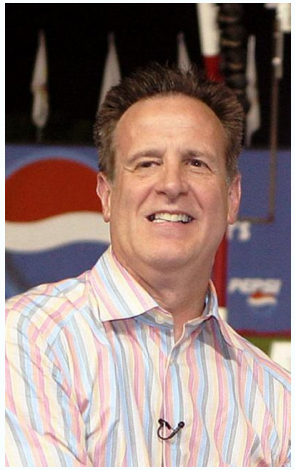
- Hard workers
- Motivated
- Bright
- Potential
- Quantitatively skilled
- Expertise
- Solve complex problems
- Understand products
- Thinking ability
- Business Advisor
- Manage Risk

Source: 2002 SOA Market Opportunity Research, Leading Solutions Group

The Interviews

Laura Hay
Principal
National Industry Director
KPMG, LLP

Jim Avery
CEO,
Ind Life Insurance & Agency Distribution
Prudential Insurance Co



Mike Gulotta
Former CEO
ASA, Inc.

Reprinted from THE WALL STREET JOURNAL.

MONDAY, DECEMBER 5, 1994 © 1994 Dow Jones & Company, Inc. All Rights Reserved.

A Guy Who Counts

An Exciting Actuary? Well, There Is One, Michael J. Gulotta

He Helps Companies Mired In Major Pension Crises, Plays Role in Acquisitions

But Not All Take His Advice

By LEE BERTON
Staff Reporter of THE WALL STREET JOURNAL

SOMERSET, N.J. — Michael J. Gulotta, America's most exciting actuary?

It sounds like an oxymoron. Aren't actuaries just accountants without the charisma?

Not Mr. Gulotta. He has transformed the actuary's daily chore into fast-paced, important work. He has become a master at building the job into something more than anyone ever imagined, playing major roles in big deals, making millions for giant companies and even sometimes pleasing union leaders. In short, this actuary, rather than just tracking death rates, offers hope for almost everyone.

Companies in pension-plan crises call Mr. Gulotta

employee benefits exceed $700 billion, or 22% of wages and salaries, up from only $23.7 billion, or 9%, that year.

"Employee benefits can be the biggest time bomb undermining a successful company, and often only actuaries can understand and defuse them," says Howard Golden, a partner in a Fort Lee, N.J., compensation-consulting firm.

Unexpected Opportunity

The upshot: Economic change has created unexpected opportunity for people toiling in an arcane specialty. And Mr. Gulotta has leveraged his expertise in that field to become a key player. In the past three years, he has been called to testify before 40 local, state and federal legislative and regulatory committees, and Actuarial Sciences has doubled its annual revenue to $27 million.

The company, which he founded in 1985 while working at AT&T and which now has 30 actuaries and 100 other employees, thrives by saving companies big money. Carolina Power & Light Co. says that since 1991, Mr. Gulotta has helped it design health and welfare plans for 8,000 employees that save it up to $500,000 a year. "Unlike most unimaginative actuaries, Mike Gulotta is innovative and energetic," says Murray Gould, the Raleigh, N.C., utility's tax manager.

"The trick is to untangle the Gordian knots of complex tax rules, and Mike is like a Houdini," Mr. Gould adds. Mr. Gulotta helped Carolina Power establish a voluntary employee-benefits association, or VEBA, with specially designed trusts that avoid taxes on investment gains. Growing tax-free, the trusts fund employee life- and health-insurance benefits.

Tracking the Tax Code

"By keeping track of certain Tax Code sections and dozens of Internal Revenue

Such missions go far beyond actuaries' traditional role. Insurance companies first hired these experts in mathematics and statistics to help price policies by calculating such factors as life expectancies. Now, they increasingly rely on actuaries to help design employee-benefit packages.

Sometimes, the problems are staggering. Two years ago, Mr. Gulotta held the fate of 150,000 executives' and managers' life-insurance policies. The beneficiaries were to be 70 major companies, which would use proceeds of the policies to fund pension benefits for all managers in complex life-insurance arrangements that avoid federal taxes on investment gains. The companies asked Mr. Gulotta to help maintain the policies, which had been issued by Mutual Benefit Life Insurance Co., the Newark, N.J., company seized by New Jersey after its real-estate and mortgage investments plunged in value.

Mr. Gulotta thought he had persuaded Hartford Life Insurance Co. to take over the policies. Then he learned that the ITT Corp. subsidiary had suddenly declined to accept the lower-premium policies of a dozen of the 70 companies. "I phoned Mutual Benefit executives immediately to urge them to help convince Hartford Life not to dump my clients," he says.

Wendell Bossen, then a Mutual Benefit executive vice president, says Mr. Gulotta woke him up at 1 a.m. "Mike was shouting, 'It just wouldn't be right,' and I was hardly awake when he began hard bargaining to convince me to help get the dozen companies back in the deal." Mr. Gulotta, who was on a trip to Phoenix, took a plane to Newark early the next morning.

After a long, arduous meeting, he and Mr. Bossen phoned Hartford Life officials

What Sets You Apart?

"The actuaries who get noticed are the ones that have mastered communication skills."

- Laura J. Hay, Principal & National Sector Leader – Insurance, KPMG, LLP

"…the ability to communicate and be persuasive."

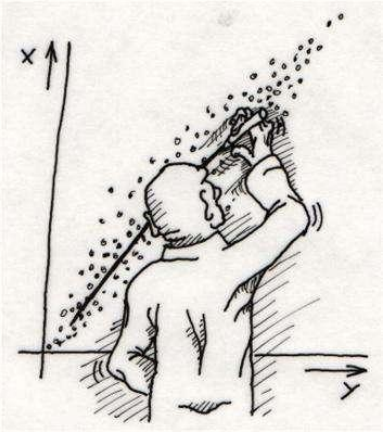
- Michael J. Gulotta, Founder and CEO of ASA, Inc.

"…my ability to communicate is perhaps the biggest single factor that has set me apart as an actuary."

- Jim Avery, President, Individual Life Insurance, Prudential Insurance Company

LEADERSHIP GROWTH STRATEGIES

Technical Skills?



"Technical skill is a given."

- Laura J. Hay, Principal & National Sector Leader – Insurance, KPMG, LLP

"It's a requirement, but doesn't get you to the next level."

- Michael J. Gulotta, Founder and CEO of ASA, Inc.

"Your technical knowledge often just gives you license to be in the room. Interpersonal skill is what <u>really</u> makes you valuable."

- Jim Avery, President, Individual Life Insurance, Prudential Insurance Company

LEADERSHIP GROWTH STRATEGIES

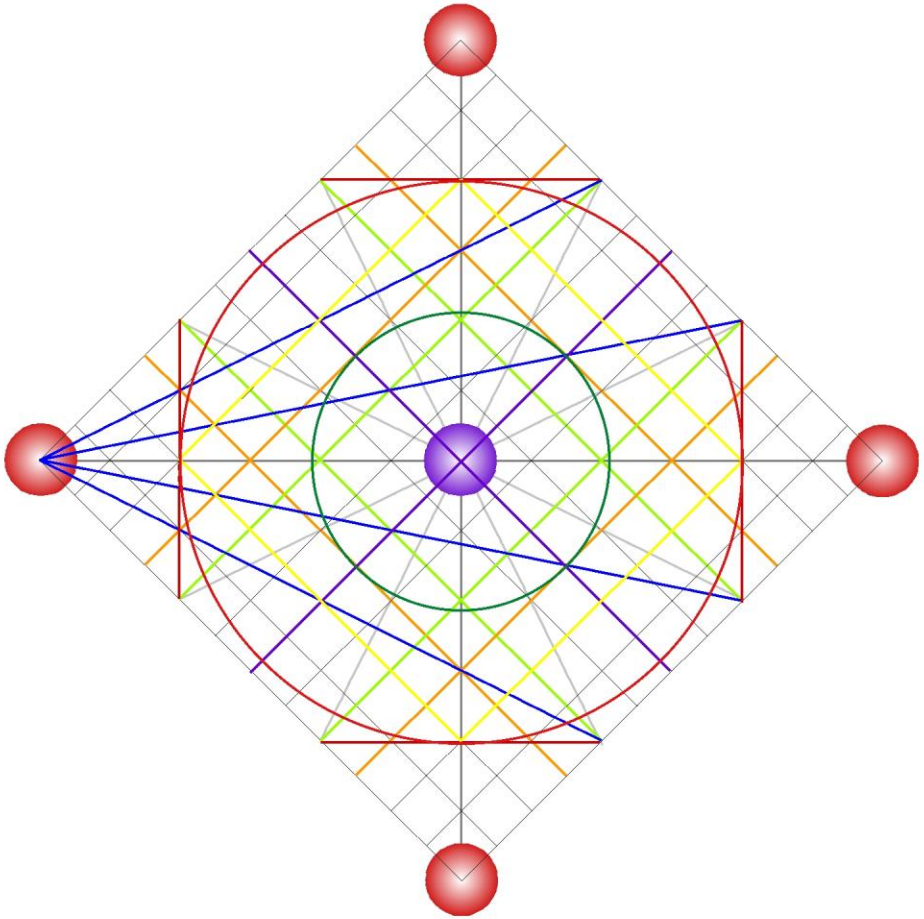
Influence Mastery Action Items

1. Identify 3 people you want to influence

LEADERSHIP
GROWTH STRATEGIES

Pay Attention To Tension

ChangeGrid

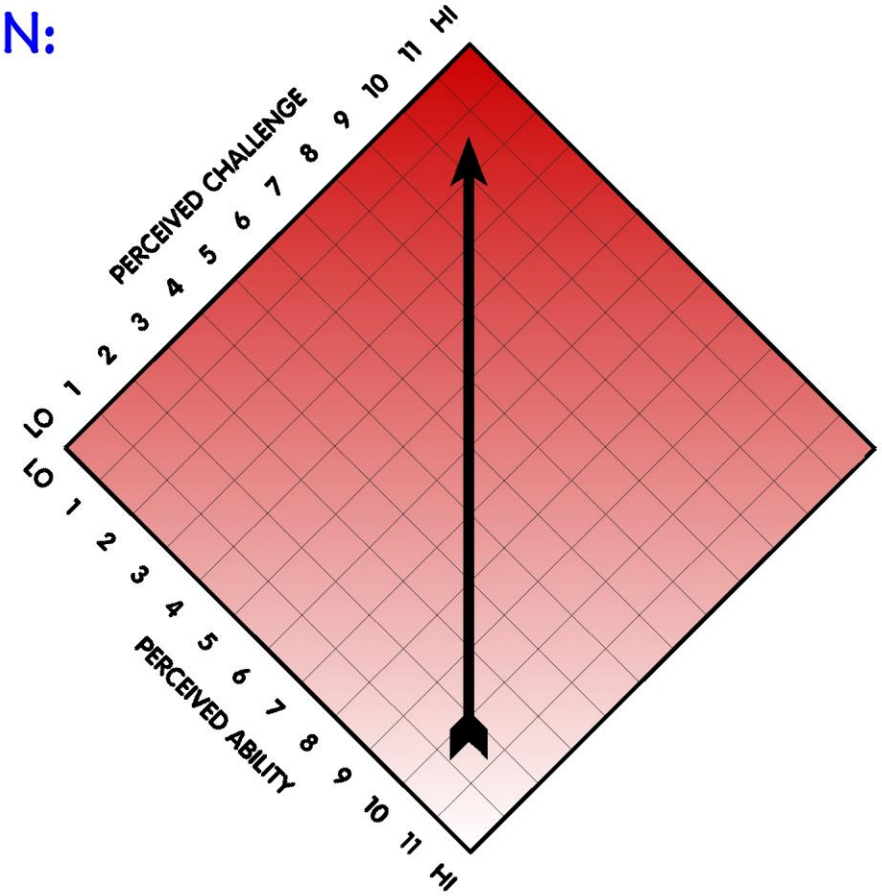


©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

OH04001

ChangeGrid

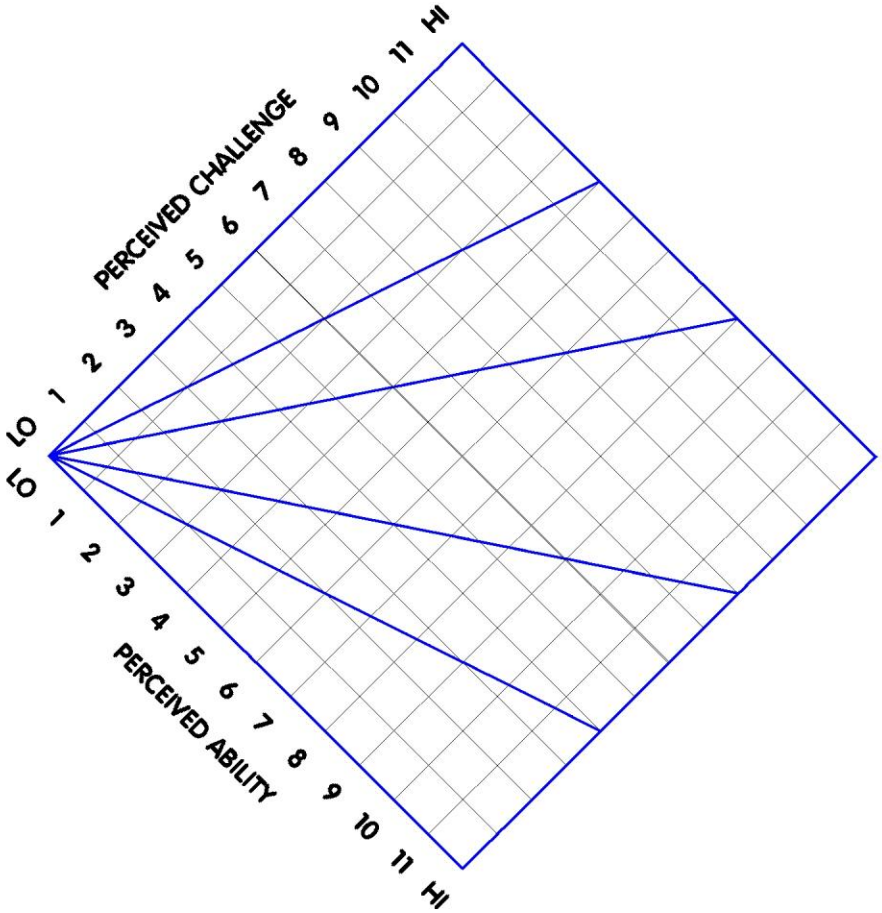
TENSION:



OH04019

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

Response States

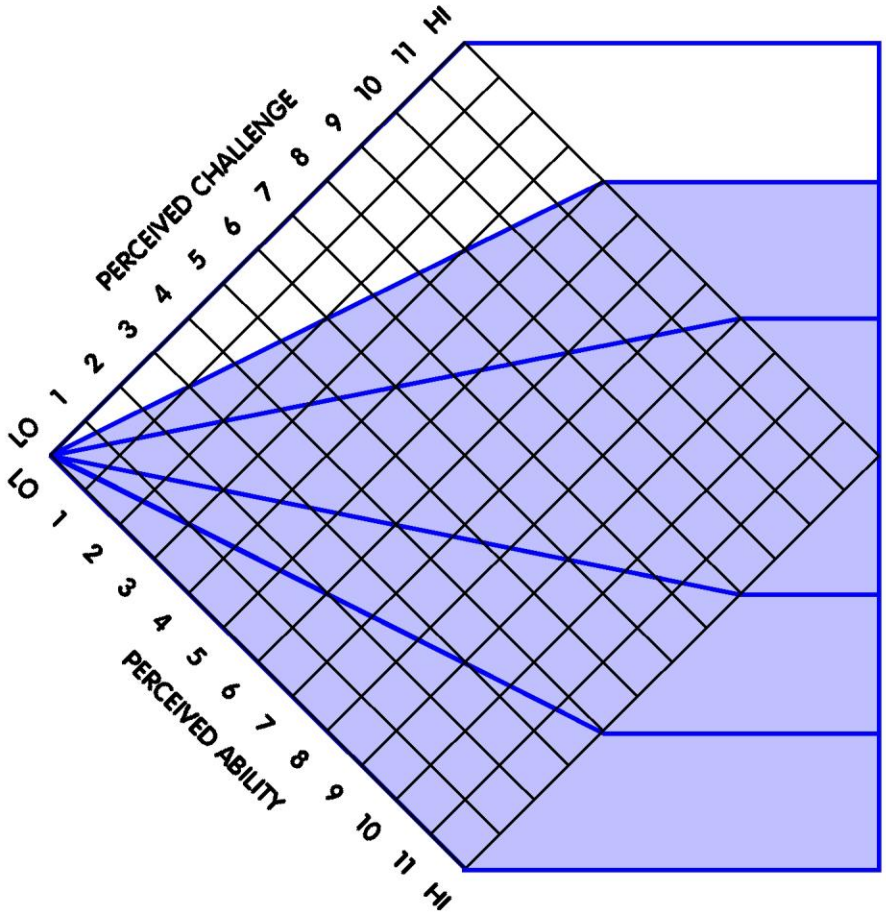


OH04027

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

Stress

Primary Response State



SITUATION:

Challenge >> Ability

KEY PHRASE:

"I know I need to do something, but I don't know what to do. Tell me what to do and I'll do it!"

KEY WORD:

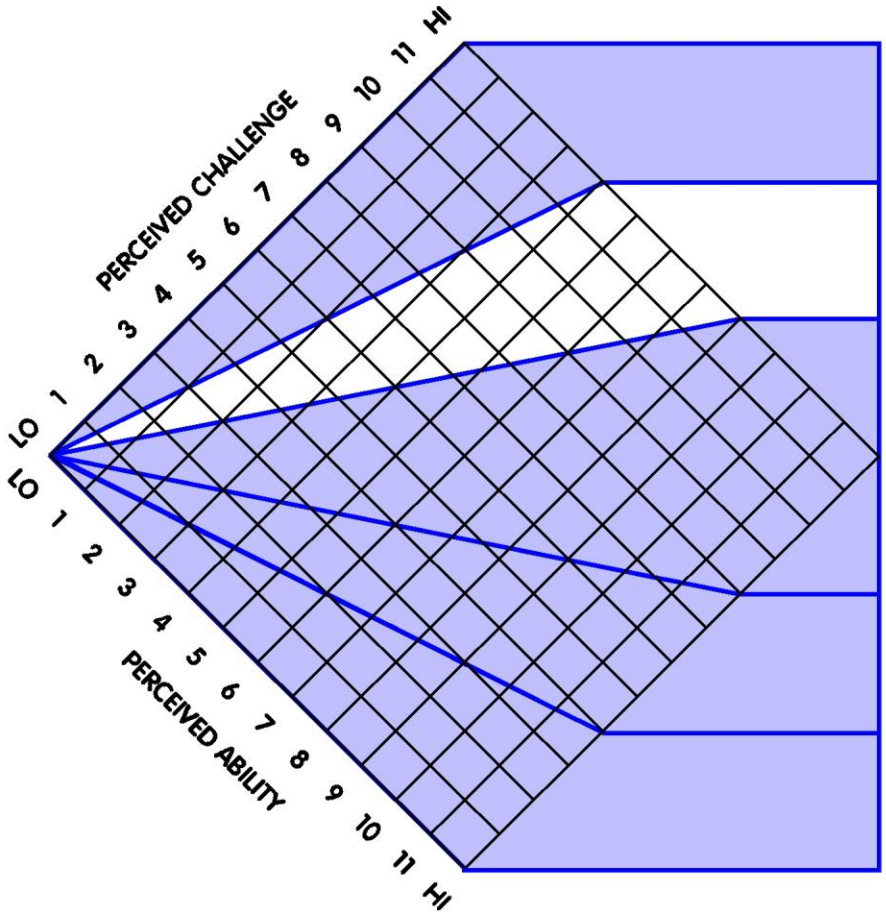
Panic

OH04035

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc.
www.masterstream.com

Power-Stress

Hybrid Response State



SITUATION:

Challenge > Ability

KEY PHRASE:

"I know what I need to do and I'm going to do it now."

KEY WORD:

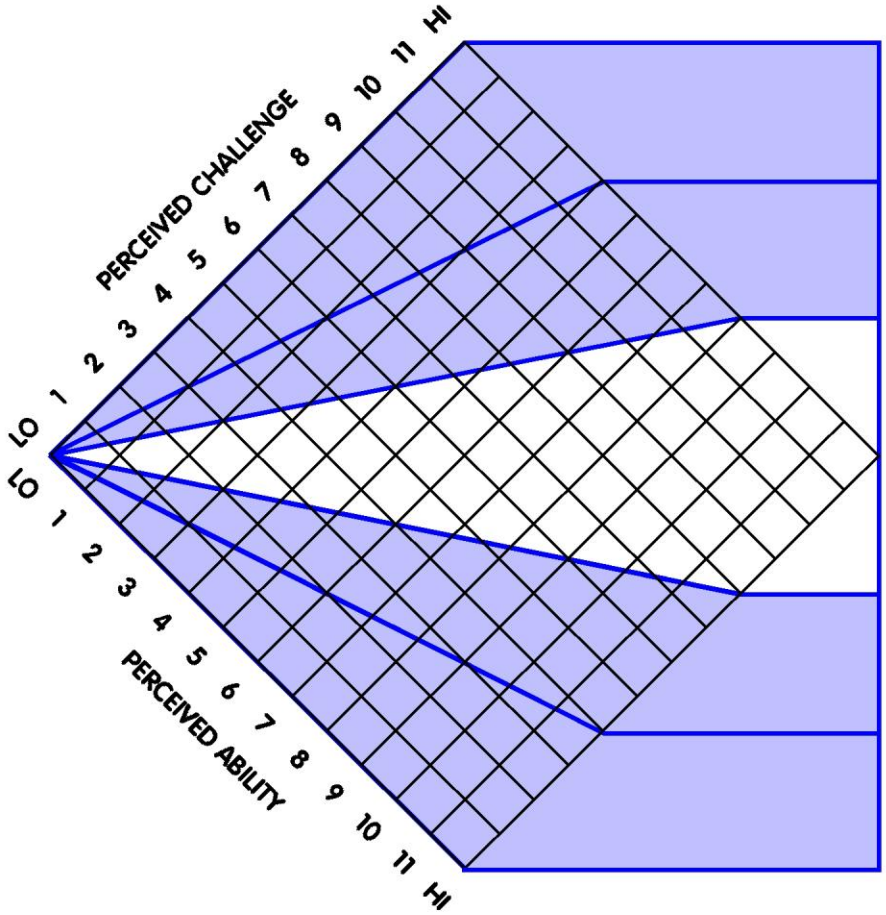
Change, buy

OH04059

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

Power

Primary Response State



SITUATION:

Ability = Challenge

KEY PHRASE:

"I know I need to do something, but I haven't decided what I'm going to do yet."

KEY WORD:

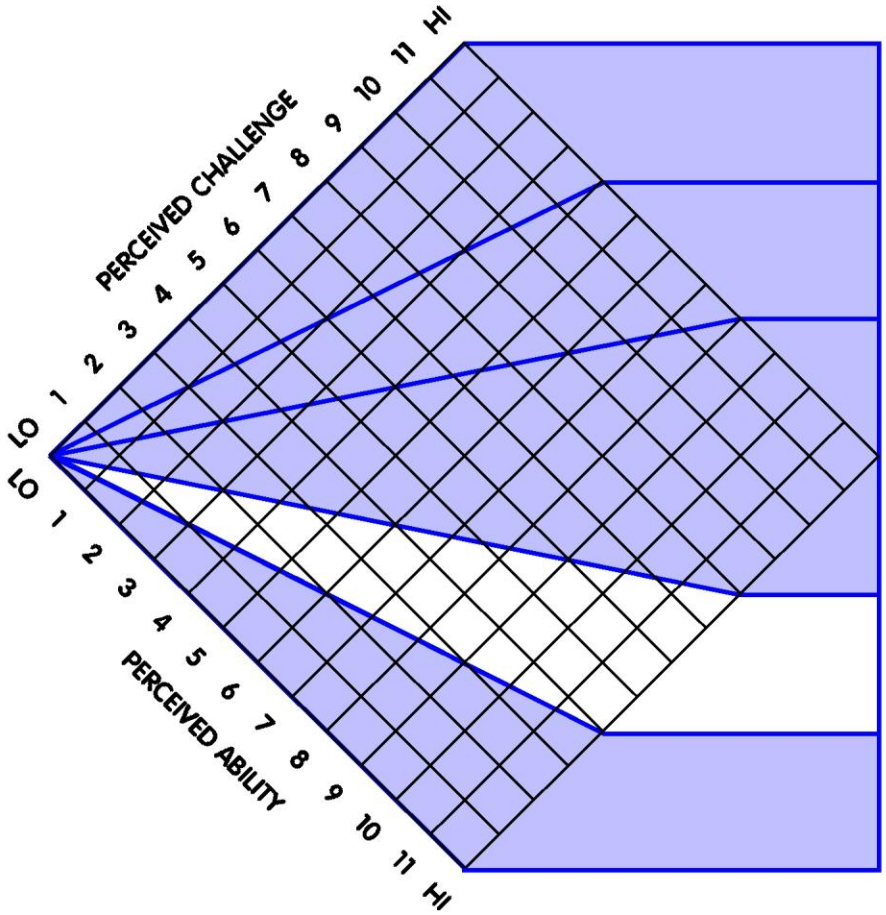
Consider, shop

OH04043

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

Power-Apathy

Hybrid Response State



SITUATION:

Ability > Challenge

KEY PHRASE:

"I know I need to do something. I just wish someone else would do it!"

KEY WORD:

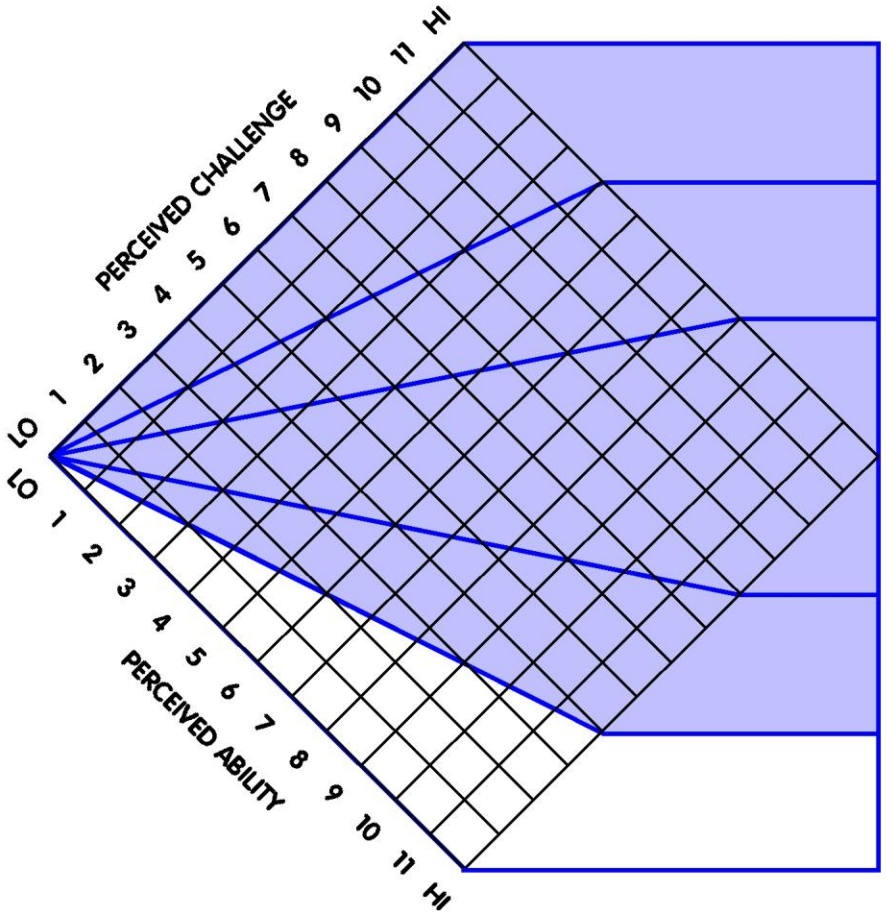
Delegate (toss)

OH04067

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

Apathy

Primary Response State



SITUATION:

Ability >> Challenge

KEY PHRASE:

"Do something? I don't need to do anything. Everything is just fine."

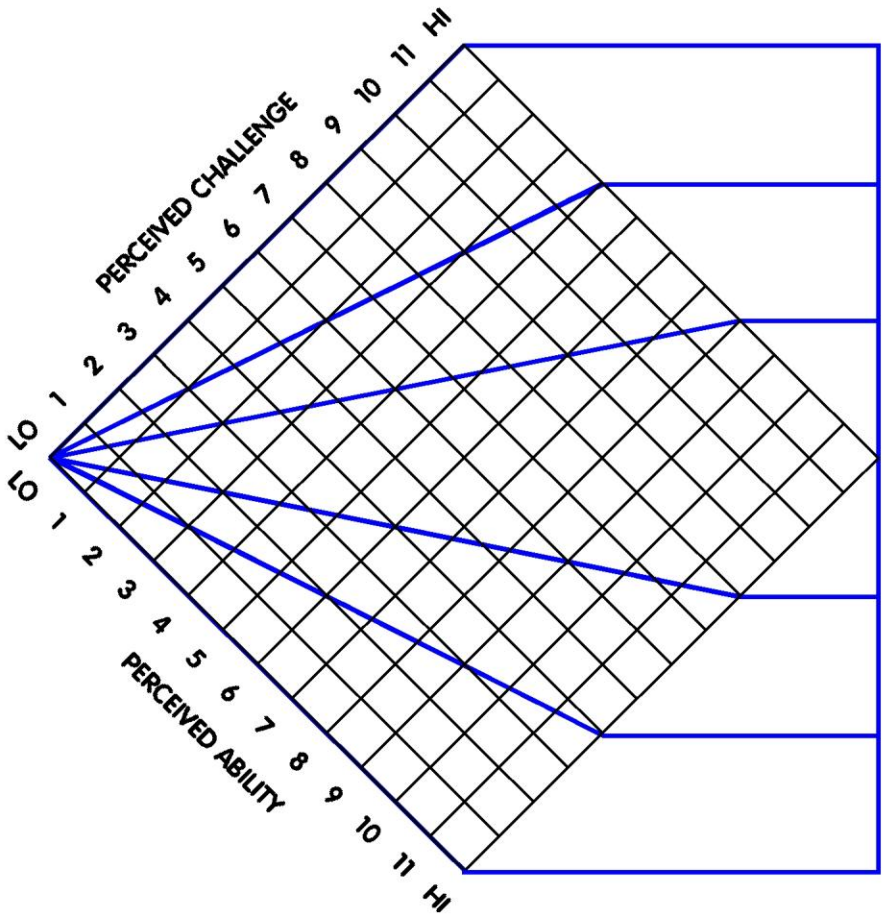
KEY WORD:

ZZZzzzzzz

OH04051

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

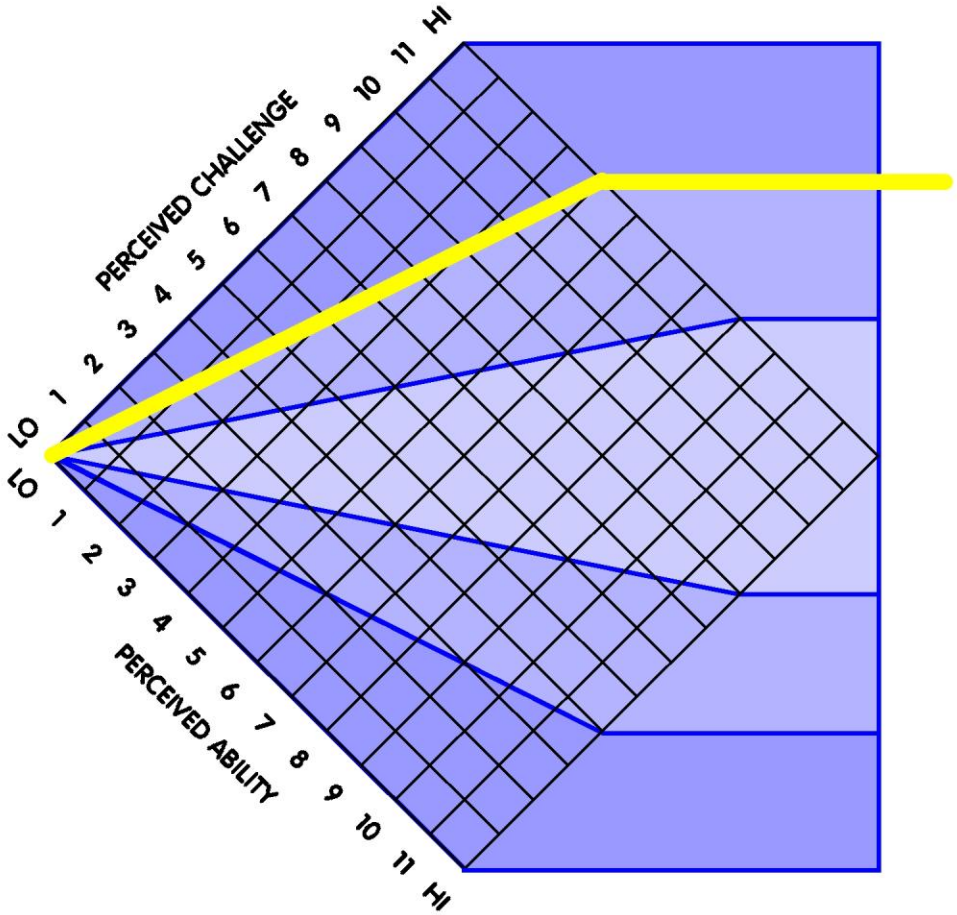
RESPONSE STATE Summary



STRESS	
POWER-STRESS	
POWER	
POWER-APATHY	
APATHY	

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...

THRESHOLD OF Activation



- The level of tension at which someone will take immediate, definitive action.

©2006 All Rights Reserved

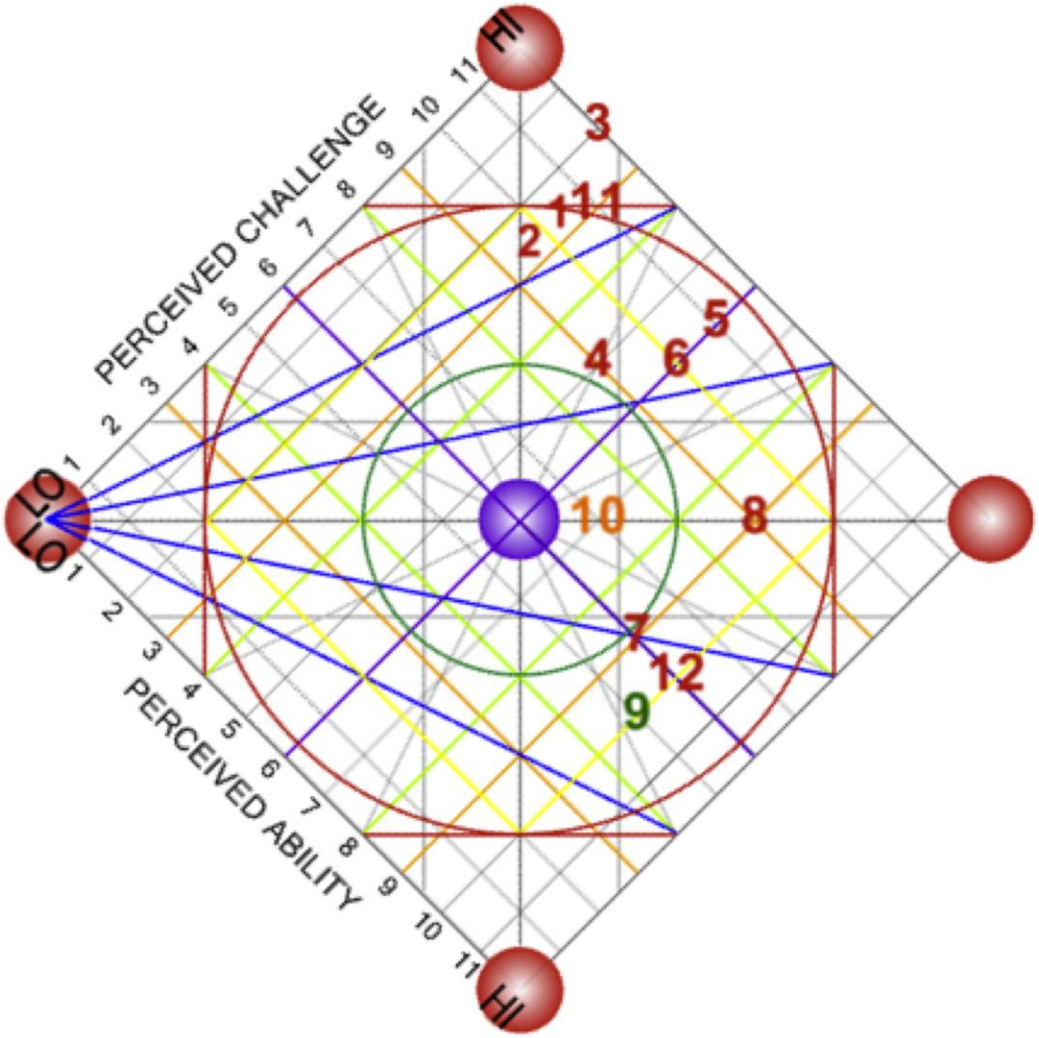
Pay Attention to Tension

OH03071

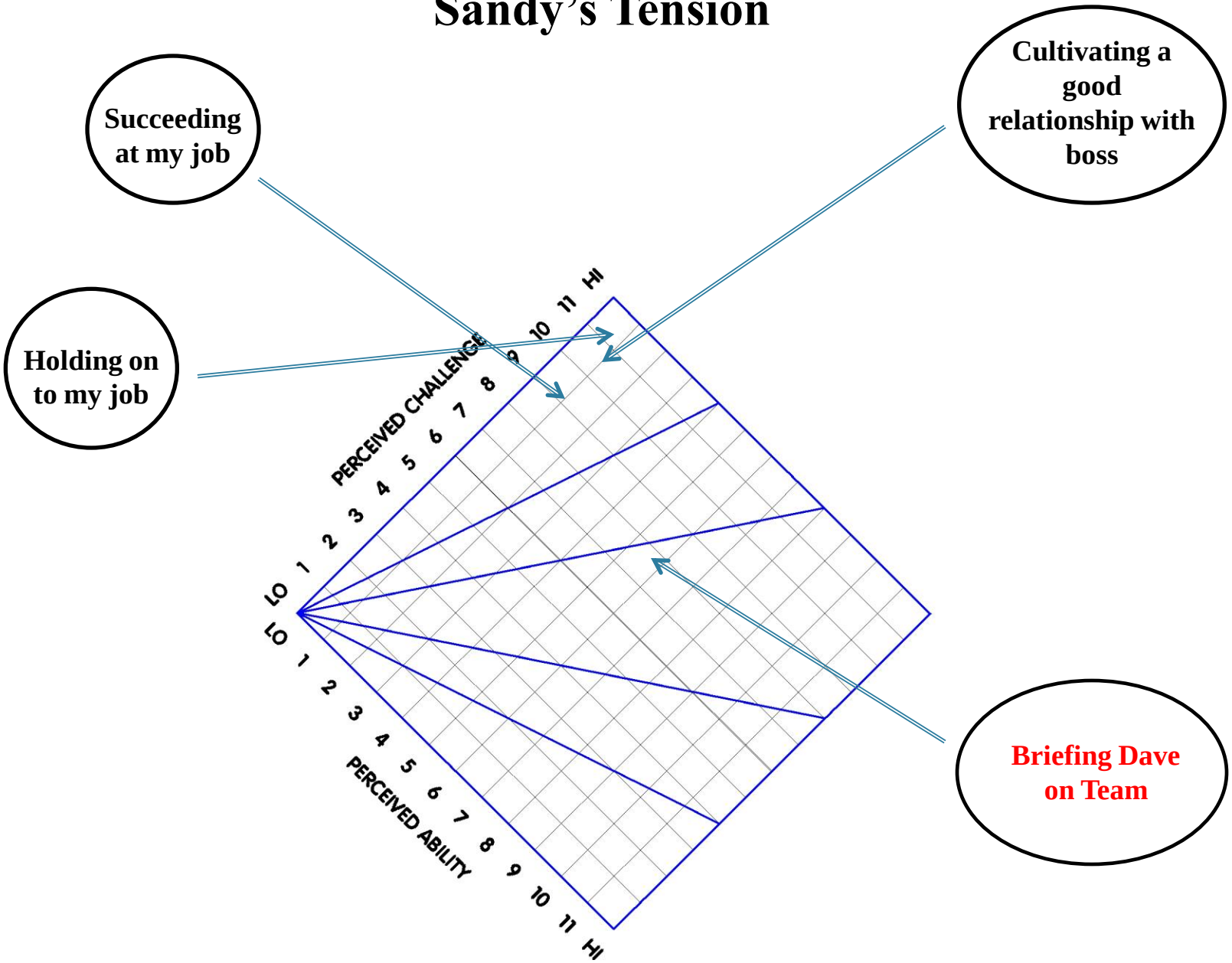
©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

ChangeWorks!

	Problem Areas	Ability Rating	Challenge Rating
#1	Marketing my services successfully	3	10
#2	Converting most qualified prospects into clients	3	10
#3	Keeping my calendar filled with billable services	2	12
#4	Getting paid what I'm really worth	5	9
#5	Achieving competitive domination	6	11
#6	Building a fully-leveraged business	6	10
#7	Helping prospects identify mission-critical issues	9	6
#8	Presenting solutions that trigger prospect action	9	9
#9	Ensuring clients follow through on action plans	10	5
#10	Preventing stagnant client relationships	7	7
#11	Capturing ongoing billable opportunities	3	11
#12	Sustaining discipline and accountability	10	6



Sandy's Tension



OH04027

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

People pay ATTENTION to where they find their TENSION.

OH03063

©2006 All Rights Reserved
T. Falcon Napier & Associates, Inc...
www.masterstream.com

Influence Mastery Action Items

1. Identify 3 key people you want to influence

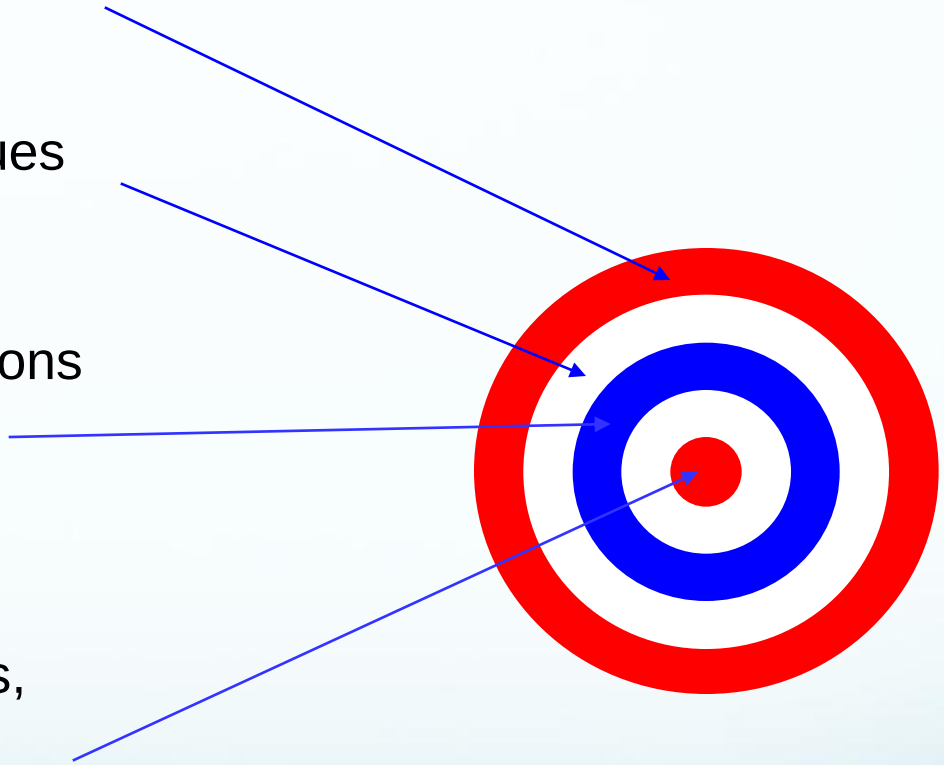
2. Identify where each key person's tension is. How can you pay better attention to this?

LEADERSHIP
GROWTH STRATEGIES

Asking Effective Questions

Chaining - The Rule of Three

- Facts, technical issues
- Underlying business issues
- Consequences, implications of actions & decisions
- Personal beliefs, feelings, convictions, motivations, & mental models



Two Primary Reasons Consultants Are Hired

1. To solve a PROBLEM

2. To achieve a desired RESULT

Influence Mastery Action Items

1. Identify 3 people you want to influence

2. Identify where each key person's tension is. How can you pay better attention to this?

3. Meet with stakeholders and uncover problems/results.

LEADERSHIP
GROWTH STRATEGIES

Moving Out Of Your Comfort Zone

Miller & Associates All Rights Reserved

Influence Mastery Action Items

1. Identify 3 people you want to influence

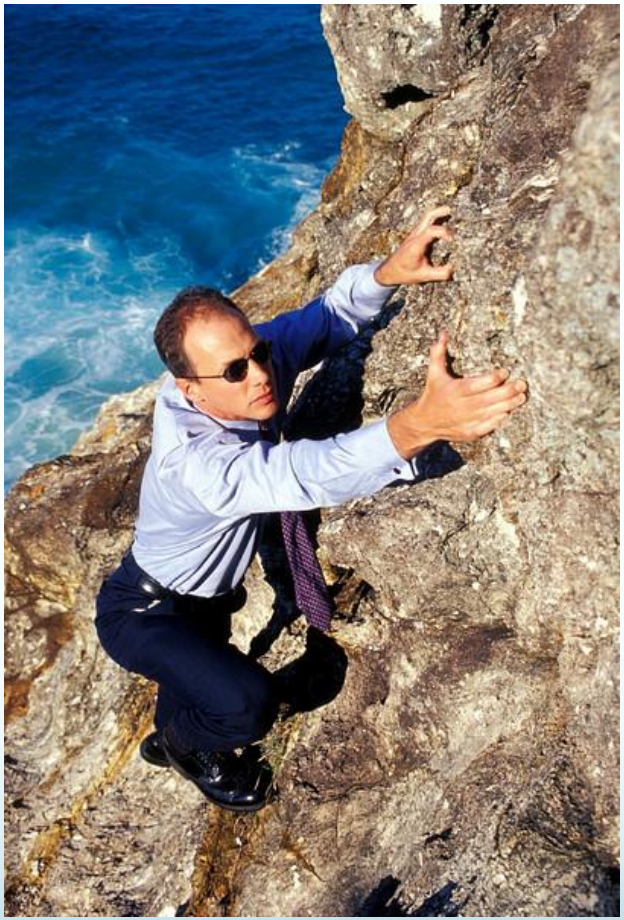
2. Identify where each key person's tension is. How can you pay better attention to this?

3. Meet with stakeholders and uncover problems/results.

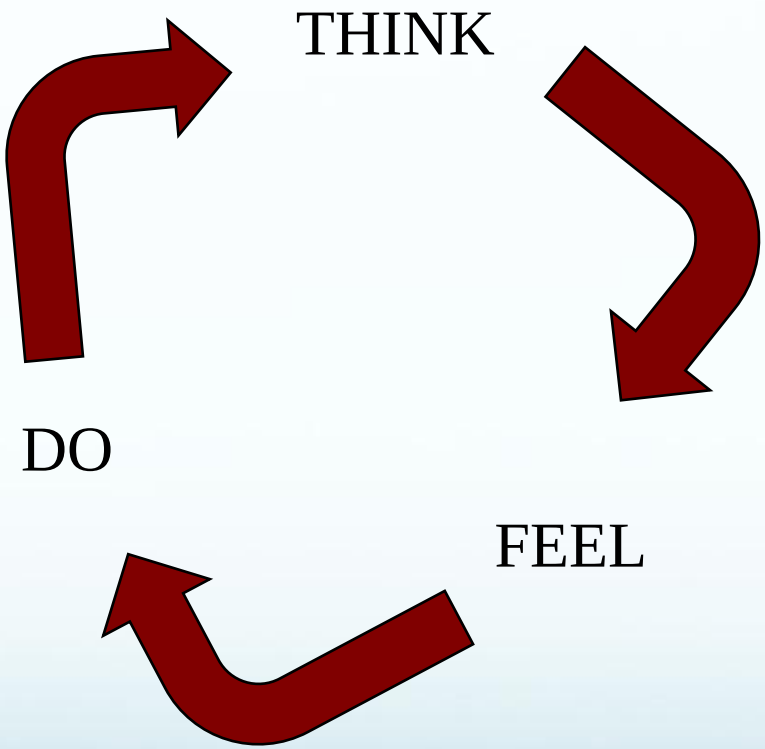
4. Identify a way you can make a significant impact on your career/company that moves you beyond your comfort zone.

LEADERSHIP
GROWTH STRATEGIES

RESISTANCE



The Vicious Cycle



What’s YOUR Reality?

Actual Event

↓

Belief

↓

Consequence / Result

Two Key Principles About Our Thinking

How we interpret an event determines our reality

We often “create our reality” before it shows up for itself

Transform Your Thinking

Step 1:

Identify Your Inner Monologue

What specific thoughts run through your mind when you think about moving out of your comfort zone?

Transform Your Thinking

Step 2:

Replace Each Limiting (Unrealistic) Belief

With

An Empowering (Realistic) Belief

Influence Mastery Action Items

1. Identify 3 people you want to influence

2. Identify where each key person's tension is. How can you pay better attention to this?

3. Meet with stakeholders and uncover problems/results.

4. Identify a way you can make a significant impact on your career/company that moves you beyond your comfort zone.

5. Identify limiting beliefs, dispute and replace with empowering beliefs. Employ resources and strategies to make #4 happen.

Next Steps

Influential Leadership Tips Newsletter

www.LeadershipGrowthStrategies.com

dave@LeadershipGrowthStrategies.com

LEADERSHIP
GROWTH STRATEGIES

Lis Mara

Significant Impact

LEADERSHIP
GROWTH STRATEGIES

∫ntegrating

∫nfluence

LEADERSHIP
GROWTH STRATEGIES