The people behind the numbers
Sam Lever (The Phoenix Group)
Paul Dobson (PwC)

What do we know, anyway?

Sam Lever, Phoenix Group
• 17 year’s experience in both consulting and Industry
• Have been leading the Phoenix Life actuarial reporting team for 18 months. Team of 80 covering reporting, forecasting and supporting capital development
• Now enjoying (but not mastering) a good work/life balance. Trying to fit in as many things as possible!

Paul Dobson, PwC
• 16 year’s experience in financial reporting
• 2.5 years on secondment leading other company’s financial reporting teams
• Reviewing actuary to 9 companies
• Lives in Bristol, works wherever the most interesting QRTs/accounts are
• Still happily married despite after working on c96 sets of FSA/PRA returns, QRTs and IFRS accounts
Part I – What’s the fuss about financial reporting anyway?

We’ve been doing this for years – surely it’s easy by now?

FTSE 100 PLC company only – excludes subsidiaries, QRTs, supplementary disclosure etc.

Pre-2016 based on PRA/FSA returns
Post-2016: Light blue SFCR; darker blue QRTs
We’ve been doing this for years – surely it’s easy by now?

But also…
- EIOPA stress tests
- Thematic reviews
- Consultation papers
- VNB
- MCEV/EV
- Capital metrics
- Internal MI
- Business decisions
- Business planning
- Transactions
- Hedging/ALM
- IFRS 17 development

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Average actuarial salary ‘has fallen 5.8% since 2006’

The average annual salary for an actuary has fallen by 5.8% since before the credit crunch, while the average UK worker has seen their annual pay increase by 11.4% over the same period, according to analysis published by Randstad this week.

Source: ONS
Part II – What does this mean for leaders of today in financial reporting?

Changing face of leadership

<table>
<thead>
<tr>
<th>Traditional</th>
<th>Modern</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hierarchical</td>
<td>Flexible and adaptable</td>
</tr>
<tr>
<td>Process and results driven</td>
<td>Collaborative and mindful</td>
</tr>
<tr>
<td>Authority and Power</td>
<td>Authentic and transformational</td>
</tr>
<tr>
<td>Command and control</td>
<td>Innovative and empowering</td>
</tr>
<tr>
<td>Objectives based on policy and result</td>
<td>Objectives based on team performance and dynamics</td>
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Obligatory 3 Pillars slide

- Time/cost Pressure
- Stakeholder Management
- Perfection v Pragmatic

Emotional Intelligence

Endurance v Resilience

**Endurance**
- Admirable
- Continuous sprints
- Getting the job done
- Survival
- “I’ll work late…again”
- Hard and Brittle

**Resilience**
- Desirable
- Marathon
- Manage priorities
- Passionate
- Long Term
- Scalable
Flow

Flow (noun) - complete absorption in what one does.
- the mental state of operation in which a person performing an activity is fully immersed in a feeling of energized focus, full involvement, and enjoyment in the process of the activity

See also – “in the zone”

Understanding flow
Managing flow

Mastering flow
Part III – How do you get/stay there?

Looking after yourself

- Components
  - Health
  - Exercise
  - Diet
  - Sleep
  - Presence
  - Digital Detox
  - Me time
It’s all in your head

We can’t always control what happens to us but we can control how we think and respond

**Lizard Brain**: heart rate, breathing, body temperature and balance

**Chimp Brain** (limbic brain): Emotional reactions and unconscious judgements

**Neocortex** (higher brain): Rational thinking and learning

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When the chimp takes over

- **All or nothing thinking**
  - Sometimes called ‘black and white thinking’
  - If I’m not perfect I have failed
  - Either I do it right or not at all

- **Over-generalizing**
  - Seeing a pattern based upon a single event, or being overly broad in the conclusions we draw
  - “Everything is always rubbish”
  - “Nothing good ever happens”

- **Labelling**
  - Assigning labels to ourselves or other people
  - I’m a loser
  - I’m completely useless
  - They’re such an idiot

- **Mental filter**
  - Only paying attention to certain types of evidence
  - Noticing our failures but not seeing our successes

- **Emotional reasoning**
  - Assuming that because we feel a certain way what we think must be true
  - I feel embarrassed so I must be an idiot

- **Jumping to conclusions**
  - There are two key types of jumping to conclusions:
    - Mind reading (imagining we know what others are thinking)
    - Fortune telling (predicting the future)
Getting your own oxygen mask on

Meditation
Being kind to yourself
Time off
Talking
Work to your strengths

Present/Mindful
Listener
Compassionate
Decisive
Calm
Happy!

Accepting praise
Recognising achievements
Sense of proportion
Experiment
Laugh

Teamwork….. it makes the dream work

Collaborative
Recognise strengths
Sense of value of financial reporting
Learning mindset

Brave
No blame; can experiment
Solidarity
Can speak up and be heard

Open
Give something of yourself
Diversity
Honest – even if bad news
Fine to say “I don’t know”

Flexible
Give and take
Recognition of different work/life preferences

Committed
Sense of value/purpose
Understand career paths
Empowered

Fun!
Why do I come in each day?
Where did I make a difference?
Part IV – Closing remarks

Your Presenters

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