



*“If you want to become a CRO, watch lots of spy stories; read lots of John le Carré books!”*

## An interview with: **Andrew Hitchcox**



### **Group CRO, Tokio Marine Kiln**

“Back in the ‘old days’, it was quite typical that you come through a practice area, you became a senior manager as an actuary, you might even become a Chief Actuary, and at some stage you get involved in risk management and you become Chief Risk Officer. To young actuaries now, I would say join a risk team if you want to get into risk management.

You have got to love complexity and change to go into risk, because it will happen to you all the time. For some people their great strength is linearity and directness, for others it is complexity and ifs and buts and maybes.

You have to love the second bit. Once a week you’ll get a surprise which you never expected. By that I mean things have just turned out to be quite different to what you had planned and you have to be able to adjust automatically.

It’s a complex tapestry of different colours and, as they are just about to settle, the colours keep shifting. Risk is not black and white, it is just like a kaleidoscope, but all the time.

My job as CRO is to coordinate teams, get them working, review their outputs and challenge them. I also have to think about what we are not doing. One of the jobs of the CRO is to think of the thing that no one else is talking or thinking about.

My earliest challenge with anybody I meet in risk management for the first time is they still assume that, if you are a risk manager, you are there to stop them doing things because risk is a bad thing. I say to them that my job is to get them to look at the different risks, the good ones that are worth taking (carefully!), and differentiate them from the bad ones which need careful handling. I’m not saying that risk is a good thing automatically, but rather a double edged thing, even the best risk need careful management.

You also have to develop a knack of telling a story, so that you can articulate the negative risk in a way that allows the problem to be solved as a creative solution. If you explain the story well enough it could be almost clear how to solve that issue as you are telling that story.”

# CRO