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# Under the influence

I AM PART WAY THROUGH THE *CPD HANDBOOK 2006*. ON page 3, to be precise. On this page we learn that it is in the public interest for actuarial work to be soundly based, and that actuaries should practise only in areas in which they are competent. I use the word 'learn' in its loosest sense, for nobody ever believed that actuarial work should not be soundly based or that actuaries should practise in areas in which they were incompetent. But there is a certain protocol about writing handbooks like this. You have to start from the plain obvious then gradually build up to weightier matters. It is the same with all these great works of philosophy. Hence Bertrand Russell's *Principia Mathematica* does not start with 'Good evening.  $1 + 1 = 2$ ', but builds up to that equation over the course of several hundred pages.

On p3 of the *CPD Handbook*, amidst all the dead wood, there sits a startling statement. About eight-tenths of the way down, it says that 'an actuary needs a full range of skills and knowledge to perform effectively and efficiently... [including] influencing skills'. It is not obvious why an actuary needs to perform 'efficiently' and why this comes under the remit of the CPD Committee, but what is startling about this statement is the suggestion that an actuary needs to have influencing skills. Why does he need to have influencing skills?

Okay, an actuary needs to convey the impression of credibility. His clients need to have confidence that his figures have been scientifically derived, rather than having been arrived at via the RANDOM button on his calculator or by an elaborate method involving the position of the stars. But the fact that he is a qualified actuary (with full CPD accreditation) should guarantee that his method is scientific. In any case, conveying credibility is quite different from having influencing skills. Having 'influencing skills', to my mind, concerns mesmerism, making people pick the middle card, and announcing that you have a message from a departed spirit whose name begins with D... or maybe B... or possibly P.

Surely the last thing we need is for the public to believe that we actuaries have influence over our clients? Personally, I seek at all times to avoid influencing mine. I might advise them as to the likely financial consequences of a particular course of action, or the degree to which they are short of money based on a particular set of assumptions about the future. But I should hate ever to *influence* a finance director, or a board of pension trustees. There is, I think, a distinction to be made between providing advice that influences a decision, and influencing the party that makes that decision. The latter requires influencing skills, but the former does not.

But surely, you might say, the actuary is more than just a calculating and forecasting machine? He has an obligation to serve the public interest, as enshrined in our professional conduct standards, and this can be



done only by exerting influence. But actually, paragraph 2.1 of the PCS only requires us to 'collectively... influence those with power to protect and enhance the public interest'. Individually, all it requires us to do is 'maintain and observe the highest standards of conduct'. (Incidentally, how would one maintain such standards without observing them?)

If you read the entire *CPD Handbook*, you find that 'influencing skills' occurs in just one other sentence. And that sentence simply mentions that influencing skills are one of the 'key dimensions' of 'personal-effectiveness skills'. I am all for dimensions, key or otherwise, and as far as personal-effectiveness skills go, the more the merrier. But for now I must conclude that while 'influencing' may be an essential skill for actuaries, the writers of the *CPD Handbook* have yet to influence me into believing this.

 TIMOTHY BRAMHAM

## Jargon buster

**CPD**

According to [www.actuaries.org.uk](http://www.actuaries.org.uk), CPD is: 'The maintenance, improvement and broadening of knowledge and skill and the development of the personal and professional qualities needed throughout an actuary's working life.'

**Key dimensions**

This expression, which scores 325.3 on *The Actuary* magazine Critical Impact Junk-Jargon Meaningless Term Index™, has its origins in the ancient trade of locksmithing. One of the first CPD handbooks ever written was that of the Master Locksmiths Association, and it is from this that the expression evolved and came to be used in the CPD handbooks of wider fields. Speaking of which...

**Wider fields**

This expression originated, of course, in the scarecrow industry in the 1890s. The business tycoon ST Rawman, founder of Boo! Scarecrows Ltd, was said on his retirement to have 'left the scarecrows behind, and ventured into wider fields', hence the birth of this expression. If your fields become sufficiently wide, you may experience the phenomenon of 'global leverage'.

**Global leverage**

It was Archimedes who said, 'Give me a place to stand, and I'll facilitate a key-dimensional global transition effectively and efficiently through the utilisation of my technical and physical leveraging skills'. It was Archimedes's stenographer who said, 'You'll what?'