TECHNICAL SKILLS – SLIDE DESIGN AND PRESENTATION

Bruin Actuarial Society

Note: These slides will be posted on our website after this meeting.
AGENDA

• Importance of Strong Communication
• The Visual Aid: Effective Slide Design
• Presentation, Spoken and Unspoken
• Answering Difficult Questions
OUR EMPHASIS ON COMMUNICATION

• Many other case competitions have a written component only in the first round

• We have a full presentation aspect from the very beginning

• Case competition participants will gain exposure to all forms of communication:
  • Technical (through the Excel files)
  • Written (through the written memorandum)
  • Verbal (through the presentation and question and answer portions)
For any profession, communication is vital—even more so for actuaries.

We don’t just produce results; we present to key stakeholders: our colleagues, other departments, internal management, clients, …

It’s not enough to have the right answer. You must convince your audience that your answer is right, or it all goes to waste.
• “The one easy way to become worth 50 percent more than you are now — at least — is to hone your communication skills — **both written and verbal.**”
  
  - Warren Buffett

• We want to give **everyone** an opportunity to hone their written and verbal communication skills.

• Put in the work, and you will be worth much more than 50% more when employers start looking through your résumé next recruiting season.
• The PowerPoint should serve as a **visual aid**. It is not the primary focus!

• The primary focus is the presenters—you!

• Let’s consider a poorly designed slide. **Let’s say we wish to present data in a table.** What can be improved about the following slide?
### Comparison of Current Credit Score Rating Factors and 2019-2020 Loss Ratio

<table>
<thead>
<tr>
<th>Credit Score</th>
<th>Current Rating Factor</th>
<th>2019-2020 Loss Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (Less than 400)</td>
<td>0.9005</td>
<td>0.3019</td>
</tr>
<tr>
<td>Medium (401 to 650)</td>
<td>1.0000</td>
<td>0.5555</td>
</tr>
<tr>
<td>High (Greater than 650)</td>
<td>1.1010</td>
<td>1.1000</td>
</tr>
<tr>
<td>Exposure-Weighted Average</td>
<td>1.0053</td>
<td>0.6385</td>
</tr>
<tr>
<td>Credit Score</td>
<td>Current Factor</td>
<td>Loss Ratio</td>
</tr>
<tr>
<td>-----------------</td>
<td>----------------</td>
<td>------------</td>
</tr>
<tr>
<td>Low</td>
<td>0.90</td>
<td>0.30</td>
</tr>
<tr>
<td>Medium</td>
<td>1.00</td>
<td>0.56</td>
</tr>
<tr>
<td>High</td>
<td>1.10</td>
<td>1.10</td>
</tr>
<tr>
<td>Weighted Average</td>
<td>1.01</td>
<td>0.64</td>
</tr>
</tbody>
</table>
SLIDE DESIGN

• We shortened the title and many labels and cut out meaningless digits from the display.

• This looks a lot better! Let’s suppose that we want to incorporate some additional analysis.
## Proposed Credit Factors

<table>
<thead>
<tr>
<th>Credit Score</th>
<th>Current Factor</th>
<th>Loss Ratio</th>
<th>Indicated Factor Change</th>
<th>Indicated Factor</th>
<th>Indicated Factor (Medium as Base)</th>
<th>Proposed Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>0.90</td>
<td>0.30</td>
<td>0.47</td>
<td>0.42</td>
<td>0.48</td>
<td>0.70</td>
</tr>
<tr>
<td>Medium</td>
<td>1.00</td>
<td>0.56</td>
<td>0.88</td>
<td>0.88</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>High</td>
<td>1.10</td>
<td>1.10</td>
<td>1.72</td>
<td>1.89</td>
<td>2.15</td>
<td>1.30</td>
</tr>
<tr>
<td>Weighted Average</td>
<td>1.01</td>
<td>0.64</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
• This slide is very cluttered! It’s unclear what is going on.

• We don’t need to show all the intermediate steps.

• Focus on the important columns and remove the “work” columns!
## Proposed Credit Factors

<table>
<thead>
<tr>
<th>Credit Score</th>
<th>Current Factor</th>
<th>Indicated Factor</th>
<th>Proposed Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>0.90</td>
<td>0.48</td>
<td>0.70</td>
</tr>
<tr>
<td>Medium</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>High</td>
<td>1.10</td>
<td>2.15</td>
<td>1.30</td>
</tr>
</tbody>
</table>
• Although this is much cleaner, there may be other ways to visualize this.

• What alternative visualizations can you think of to make our results clearer?

• Let’s try a chart. How could we improve the following chart?
PROPOSED CREDIT FACTORS

- Low
- Medium
- High

Current Factor
Indicated Factor
Proposed Factor
SLIDE DESIGN

• Choose contrasting colors when possible
• Make sure the text in the graph is readable
• Zoom in on the relevant area of the plot

• Let’s consider a different example. Suppose that we wish to present the following recommendation:
• 2017 losses were higher than they should be, so our premium isn’t enough

• We must raise premium to meet the target loss ratio

• We will do this through the following two methods:
  1. Change rates for each rating variable
  2. Increase the base rate from $800 to $830

• This will bring our loss ratio from its current level of 85% to the target of 77%.
PROPOSAL

- Current loss ratio: 85%
- Target loss ratio: 77%
- We raise rates by:
  - Changing rate relativities
  - Increasing base rate
• Again, we want to cut down on words as much as possible

• When introducing your proposal, you do not need to go into the details!

• Let’s see if we can improve it further:
PROPOSAL

Change rate relativities

Increase base rate

Decrease loss ratio from 85% to 77%
ADDITIONAL TIPS

- **Start with an agenda.** You want your audience to know what you’re going to tell them.

- **Number your slides.** This will make it easier for judges to refer to specific slides.

- **Make sure text is large and contrasts with the background.**

- **Keep a consistent color scheme throughout.** If you use red for automobile and purple for truck, keep it that way for the entire presentation.
PRESENTATION TIPS
PRESENTATION TIPS

• **Practice, practice, practice!** If you don’t put in the time, it’ll be quite obvious.

• Some people like to script what they’re going to say; others prefer to just talk about their portion.
  - If you choose to use a script, **don’t memorize the script.** It should be a guideline, not what you’re going to say word-for-word.
  - People who memorize a script generally sound quite robotic, and it’s awkward if you forget what you’re going to say.
PRESENTATION TIPS

Assume your target audience is upper management (think: VP, COO, etc.), not a chief actuary.

- KISS: “Keep it simple, stupid”
- They are much more concerned about how your results impact the company as a whole.
PRESENTATION TIPS

• Remember to introduce yourself, the problem, and your solution.

• Face the audience, not your slides. If you need to look at the slides, find some excuse to reference the slides.

• Speak slowly and clearly. You will likely rush when you’re nervous, so make sure to actively remember to slow yourself down.

• Practice the transitions between different group members' portions.
Q&A TIPS: THINGS TO CONSIDER

• What decisions were hard to make as a group?

• What were some areas of disagreement during group discussions?

• What parts of the problem were you unable to solve “correctly”? What did you end up using in place of a “correct” answer?

• What assumptions did you make? Are they realistic? How would your analysis change if those assumptions didn’t hold?

• If you could have more data, how would you improve your analysis? This indicates where the weaknesses of your analysis lie.
Q&A TIPS

• Try to plan who will answer what question, making sure everyone gets a chance to answer questions.

• “I don’t know” is **not** a valid answer. The judges expect that you may not know the answer to some of the questions, but you should try to come up with some insight.
QUESTIONS?

REMINDER:
CASE COMPETITION KICKOFF TOMORROW!