

Diversity on a Deeper Level

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Featured Articles

Exploring the power of increased cognitive diversity through inclusion

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A few years ago, I attended a particularly memorable meeting. It was unforgettable for me because I was introduced to present to a team of senior advisers as “the lady actuary.” I was taken aback by a comment that seemed better suited for an episode of *Mad Men* than a modern boardroom. Why had I been labeled by my gender rather than by the characteristics that define me as an actuary?

The characteristics that define actuaries are not physically observable, and our physical characteristics provide no insight into what matters—like how we process information and how we approach problem-solving. It takes time to demonstrate these deeper characteristics, and we need a receptive audience to give us the chance to make these demonstrations.

There is growing evidence supporting the power of cognitive diversity to further support and expand traditional diversity initiatives. Traditional diversity initiatives often focus on identifiable features to protect those of us who may not otherwise have the opportunity to get past the identifiable. Those initiatives are critically important, and cognitive diversity initiatives do not replace them.

What is cognitive diversity? Achieving cognitive diversity means going beyond what is easily observable to find diversity at the deeper level, including how we approach and solve problems and how we process information. Inclusive environments promote involvement and engagement from team members with different backgrounds and traits, creating opportunities to optimize team performance through increased cognitive diversity.

My Society of Actuaries (SOA) fellowship certificate includes the Ruskin quote that “the work of science is to substitute facts for appearances and demonstrations for impressions.” A focus on inclusion creates opportunities for demonstrated characteristics to substitute for initial impressions.

Measuring Cognitive Diversity Can Be Challenging

The issue of gender diversity in positions of leadership remains a complex one, to ensure reasonable representation of men, women and non-binary individuals. Edmund McConney served as the inaugural SOA president in 1949. In his presidential address, he referred to the SOA as a “society of professional men.”¹ Men served as SOA presidents for more than 30

years before Barbara Lautzenheiser became the first female SOA president in 1982. Three other women have followed Lautzenheiser as SOA president: Daphne Bartlett (1990–1991), Anna Rappaport (1997–1998) and Tonya Manning (2012–2013).²

The United States Supreme Court was comprised entirely of men until Ronald Reagan appointed Sandra Day O'Connor in 1981. Since then, three other women have been named Supreme Court justices: Ruth Bader Ginsberg (1993), Sonya Sotomayor (2009) and Elena Kagan (2010). O'Connor retired in 2006, and the three women who followed her still serve on the Supreme Court.³

Figure 1 summarizes the number of females among SOA presidents, U.S. Supreme Court justices and the U.S. population as a whole.

Figure 1: Gender Diversity Among SOA Presidents, Supreme Court Justices and the U.S. Population

Group	Female	Total	Percentage Female
Society of Actuaries presidents	4	68	5.9%
U.S. Supreme Court justices	4	113	3.5%
U.S. population (in millions)	157	309	50.8%

Data from: [Society of Actuaries. "SOA Past Presidents." \(accessed July 13, 2018\).](#)
[Supreme Court of the United States. "Justices 1789 to Present." \(accessed July 13, 2018\).](#)
[Howden, Lindsay M., and Julie A. Meyer. 2011. "Age and Sex Composition: 2010." U.S. Census Bureau. May.](#)

The percentage of female SOA presidents (since 1949) is higher than the percentage of female Supreme Court justices (since 1789), but both are significantly less than the percentage of females in the U.S. population. U.S. population estimates are from the 2010 U.S. Census and show that more than half of the population is female.⁴

The current composition of the U.S. Supreme Court might suggest progress has been made on the gender diversity front—three of nine current justices are female. In a 2015 interview, Ginsberg shared her perspective on when there will be enough women on the Supreme Court: "When I'm sometimes asked when will there be enough and I say, 'When there are nine,' people are shocked. But there'd been nine men, and nobody's ever raised a question about that."⁵

These statistics show gender diversity in SOA leadership and on the Supreme Court. It is more difficult, however, to demonstrate cognitive diversity. How many Supreme Court justices are introverts? How many are conceptual thinkers? It is considerably more challenging to answer these questions because these characteristics are harder to observe.

While we know that Ginsberg, Sotomayor and Kagan are women, it is less widely known that all three justices were born and raised in New York City. Ginsberg was born in Brooklyn, Sotomayor hails from the Bronx, and Kagan was raised on the Upper West Side of Manhattan.

This means one-third of sitting U.S. Supreme Court justices were born in and influenced by their experiences in a city where less than 3 percent of the U.S. population lives. How does their gender diversity and geographic diversity affect their cognitive diversity?

The Power of Increased Cognitive Diversity Through Inclusion

Building strong, diverse and inclusive teams is critical to the success of any organization. Emerging evidence suggests increased cognitive diversity forms the foundation of a strong team. Harnessing the power of cognitive diversity requires a focus on inclusion and an investment in empowerment ... with the potential for extraordinary outcomes.

Amy Wilkinson distilled interviews with more than 200 leading entrepreneurs into six essential disciplines for successful innovators and shared her findings in *The Creator's Code: The Six Essential Skills of Extraordinary Entrepreneurs*. She found that networking minds is one of the six essential disciplines. Wilkinson explains that to network minds, leaders must “harness cognitive diversity by assembling all kinds of thinkers.”⁶

Alison Reynolds and David Lewis published their cognitive diversity research findings in *Harvard Business Review's* “Teams Solve Problems Faster When They're More Cognitively Diverse.”⁷ Reynolds and Lewis found that increased cognitive diversity had a measurable impact on executive team performance.

Similar research is building the evidence that cognitively diverse teams with differing backgrounds and perspectives strengthen the combined output of a team. The first step is an inclusive environment that attracts and retains cognitively diverse team members. Inclusion initiatives can help assemble individuals who employ different approaches to solving problems. This diversity of thought can enable creative and optimal problem-solving and idea generation.

Maximizing the output from a cognitively diverse team requires a respect and understanding for how different personalities contribute. Complementary strengths and weaknesses bring out the collective strengths of a team. However, differing perspectives can create conflict and inefficient communication when those differences are not understood and respected.

It can be a costly mistake to assume our peers or audience think and absorb information as we do. How you present a new idea may immediately turn someone away. Some people may approach change more cautiously, while others may forget caution and move forward aggressively. It is the harmony of differing approaches that can often maximize outcomes. Awareness of these differences can facilitate effective communication, reduce and resolve conflict, and enable us to work together more effectively.

Team members should invest the time to understand and appreciate other team members' differing perspectives. Teams sometimes use resources like the Myers-Briggs Type Indicator and Keirsey Temperament Sorter as frameworks to understand team members at a deeper level. Socionics is a branch of psychology and sociology that focuses on personality types like alphas and betas to study differences in how we process information, communicate and interact that can support our collective understanding and respect.

While I do not always agree that we each fall into specific cognitive categories, I have observed the value in understanding, appreciating and respecting our differences. Leaders should create an empowering environment that facilitates effective involvement from a cognitively diverse group, and they should implement strategies to engage all team members. Effective engagement strategies allow leaders to harness the full potential of a cognitively diverse team. I strongly believe that enlightened leadership that appreciates the value of cognitive diversity through inclusion will be best positioned to achieve strong outcomes. Diversity of thought in a collaborative setting fuels innovation, and thoughtful leadership strategies can elicit strong team performance.

Bringing It All Together

I recently attended my first women's leadership session at an actuarial meeting. I had always avoided these sessions because I view myself as an actuary who happens to be a woman rather than as a "woman actuary." I was pleasantly surprised when the panelists focused on statistically-driven messages about the measurable power of inclusion. I was actively engaged along with many others in the audience as we spoke about our experiences with the power of cognitive diversity through inclusion. I left the session feeling energized to spread the word about our evolving, holistic view of what it means to cultivate cognitive diversity. I realized the importance of these types of sessions and my sense of responsibility to participate, regardless of how I like to be defined.

Evidence suggests broad cognitive diversity forms the foundation of a strong team. As I look at the team members with whom I work, we have bachelor's degrees through Ph.D.s, and a wide variety of backgrounds: neuropsychology, philosophy, civil engineering, biology, chemistry, and, of course, mathematics and actuarial science. We have natural leaders working with strong consensus builders, while some are cautious and others are more aggressive. Some love being in the weeds and immersed in the technical details, while others love the forest, management and communication.

I am often astonished by the incredible output from this team. They accomplish exceptional outcomes within seemingly impossible time frames. They pause to seek each other's input for problem-solving to find efficient and impressive solutions. They collaborate to learn from each other's past experiences and to find optimal approaches to various tasks. We intentionally include everyone from our interns to our most senior team members in blue-sky discussions, because we have seen the direct benefit of creatively building off each other's differing ideas. Our mutual respect for each other's varying strengths allows us to maximize our output as a group.

I am excited to see actuaries and nonactuaries alike harness the power of cognitive diversity and inclusion. Together, we can build strong teams and achieve great results!

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