



2019 International Insurance Society Global Insurance Forum

RGA Leaders of Tomorrow

Loner to Leader

Carmony Wong, Senior Vice President, Head of Hong Kong and High Net Worth

I recently celebrated my 20th year of work (yes, I started when I was only 5 years old) and am now in a role that I never could ever have imagined I would have got to. Back then, when I was working long hours underwriting cases, I didn't really think about where I would end up in my career. If you were to say I could one day be a chief underwriter, I would have thought you were crazy. However, I have arrived in a role of leading the Hong Kong business for one of the largest reinsurers in Asia, and so I thought I would share my journey with you. I hope that the perspective of a local Asian woman scientist who has grown into a business and people leadership role can be of some value to others who are themselves following or managing people who are following this path.

I was the youngest girl of seven children and grew up in the typical Hong Kong family living arrangement, in cramped housing filled with lots of noise, and because I was the youngest girl, I essentially had eight other people bossing me around anytime they liked. In this environment, it came naturally to be quiet, keep my thoughts to myself, and not to question anything too much because no matter what, the response would be strong. So it made sense that I became a scientist and studied biology in university, which can be a solitary pursuit. However, cutting up frogs and mice and studying the human body weren't consistent with habits of cleanliness, so when I was referred to this role as an "underwriter" it didn't take me long to decide to join this profession without fully understanding what it was.

That was 20 years ago, and now I am looking back at the main lessons I have learnt over each of the five-year periods of my career as I advanced from being an underwriter to a marketing person to a manager and now a business leader. The greatest surprise isn't what I did, as I truly believe people with dedication and desire can do anything. The greatest surprise is how my mentality has genuinely changed, and if you knew me you would think I am as stubborn as any person you have met and that it would be impossible to change my mind on anything.



Lesson 1: Be the best technician - All I need to do to succeed is work hard and learn the facts

When I first joined the workforce, all that mattered was how much medical knowledge I had and whether I knew which medical tests to order to precisely judge if the risk was acceptable or not. Therefore, my only focus was learning and developing the necessary technical skills that would allow me to make sound underwriting decisions based on the facts and evidence, and be able to defend those decisions. I studied everything and earned all of the professional underwriting certifications, such as FLMI, etc. I still remember there were cases in which the evidence was just a few days over the six months' validity period, and I insisted on new evidence. I was so proud of myself for being firm in pushing back the request, feeling I was always doing the right thing for the company.

After being in the job for few months, not surprisingly senior underwriters from client companies started calling me and complaining about my underwriting decisions. I started to get comments like, "inflexible," "by the book," "no business sense," and "not suitable to be a reinsurer." I didn't understand. I thought I was doing all the right things both for my company and the client companies. I kept asking myself why this was happening. Of course, all the negative feedback quickly travelled to my boss, and he overruled my underwriting decisions. This just created more questions in my head. Why are we putting bad business on our books? This is crossing the line!

At the same time, my confidence was at the lowest level I thought possible, and it seemed that even if I had the best technical explanation for declining a risk, it could be overruled by a non-underwriter (my boss at the time was an actuary and the only actuary in the office). Even though I had lots of questions, my Asian upbringing stopped me from challenging my boss or asking any questions. In fact, knowing myself back then I probably nodded and agreed, not wanting to even hint at any disagreement with him.

Then one day my boss called me to his office. A client from Thailand had complained about 10 cases I had declined recently. I didn't know where my courage came from, but I started asking (politely) why we would consider accepting cases that should have been declined. My boss then pulled out an Excel spreadsheet (remember, he was an actuary) and started to explain to me how this block of business was priced and how accepting these cases would potentially impact the performance of the business.



Over that hour of discussion, not only did we find a solution to resolve the issues with the underwriting cases, I understood that the facts and evidence I had focused on were pieces of a larger puzzle. While it is critical to build a decision on a foundation of facts, there were other disciplines and technical considerations beyond underwriting that I had not factored into my decision-making process. I realized that, in addition to the underwriting component, good decisions must involve the commercial aspects of each case. The ultimate decision made could be different from the strictly technical answer, but I learned that as long as it truly and fully incorporated the technical thinking that informed the decision, then that was fine. It also showed me the importance of a manager who listens, as it allowed a decision once made to be supported by the team even if it was different from his or her own.

Lesson 2: Doing real business – The customer is always right

Being an underwriter, I have always been asked questions relating to risk, like why and how we set non-medical limits, and why we cannot accept cases without asking for routine medical requirements. Having earned numerous underwriting qualifications, these questions eventually became easy and routine. So, over time, in addition to looking at underwriting cases, I got more involved in reviewing some of the products we were working on for the Hong Kong and Southeast Asia markets. I loved the job because, as an amateur artist, I enjoyed taking a blank piece of paper and making new ideas come to life.

One day, a situation arose that tested my creative thinking skills. A client insurance company's bank distribution partner complained about the client's very tight financial underwriting process. The bank felt that it was the expert in reviewing financial evidence; if the bank confirmed a person's financial well-being and loaned money to that person, it was not acceptable for an insurance company to then reject a case because of the person's financial situation. The bank's view was that the insurance company may know medical risk, but surely the bank knew the financial risk the best. I could not agree with that reasoning from a technical perspective, as basically the insurer has only one chance to accept a person's insurance application and after that it is committed for life, while the bank could have multiple opportunities to reverse the loan offer, charge a higher interest rate, or pursue other ways to revise the decision. In addition, the bank could make business decisions to approve a loan, and if we were to just assume all their approved loans met strict credit standards then we could end up with some rather large policies



where the credit standards had not been met. I told the client company, “Sorry, there’s nothing we can do. The financial underwriting principles are what they are.” They were very disappointed.

Within hours, we got a call from the Chief Marketing Officer, who expressed his disappointment with my answer, and once again I got called into the office. My boss and I pulled out a spreadsheet and saw the business relationship and how important this company was to us in Asia. He said to me, “I do not accept my underwriter saying no to clients as there must be a way to find a win-win solution.” I was not convinced. I didn’t think we could say yes unless we ignored the financial underwriting principles. My boss said to me, “There must be something in it as what they say is understandable from their perspective, and what you say is also understandable and valid.” He asked me to fly down to see them and work together and to come up with solutions. Again I had a lot of questions running through my head: Does “the client is always right” mean we just yes to them all the time? Does that mean I could never say no? If that was the case, then what’s the point of an underwriter being part of the company?

I flew to Bangkok the next week to meet with the client company. I was thinking to myself during the meeting with the client company that this was not going anywhere as we kept coming back to the financial underwriting principles. In Asian culture, it is quite impolite to suggest or do something that isn’t well organized and prepared, especially relating to a client meeting. However, despite this I suggested perhaps we could meet their bank partner together, which meant I had to stay an extra day. At that point I said to myself if I still couldn’t find an alternative solution, at least I have tried my best.

I was given that night to prepare what I needed to clarify and ask from their bank partner. The meeting was originally scheduled for two hours, but it went on for more than eight. I got the chance to explain our financial underwriting principles, and the bank had the chance to provide me its loan approval considerations and process. During the next six months, I travelled back and forth to Bangkok more than ten times, which was an eye-opening process. By keeping an open mind, I could see the link between the two and was able to find a solution in between without contravening the core of the underwriting principles. I also learned that when my boss said he required his underwriter to say yes, he didn’t mean saying yes without thinking. He meant to seek any piece of data, evidence or insight whenever we could to provide an alternative yes to our clients if and when needed.



I also learned that innovation comes from new situations. This may have been the first time an underwriter with real decision-making power had met the senior people from a bank in Thailand with real decision-making power. We both were just listening, following sound technical and business principles, and we came up with a solution that not only turned out to benefit both parties immensely but also was held up for years as a great innovation. If I just said yes, then it would have been innovation but not sustainable innovation as we would have lost money. The way we ultimately said yes, through rigorous debate and sticking to the business and technical principles, was the only way both parties could arrive at a sustainable innovation.

Obviously in the following years I took a similar approach, though it didn't solve every problem. I have learned over the years, the key to building trust is showing up and showing commitment and dedication to genuinely finding a solution and going through a tough process if needed. Ultimately, when we say the customer is always correct, that is what we mean, as opposed to saying yes all the time.

Lesson 3: What it takes to be a real manager: Tough love

With the experience and knowledge I had gained over the course of my career to that point, building client relationships, providing solutions and seeing the financial results, I knew I was contributing. The number of employees in the office grew from five to around fifteen. But even though I could deal with different types of clients, from those who acted like a true partner to those who were purely transactional (and didn't always have the best intentions towards us), I couldn't accept that in myself and my colleagues. My father taught me to have high standards, "If someone gives you 100 dollars to get a job done, the job has to be done with at least 120 dollars' worth of effort."

During this period, time was my enemy, and to be at the highest level of efficiency, I genuinely believed we needed to work like machines and that the best way to communicate was to be as direct as possible. I also believed that the secondary benefit of that was that there wouldn't be any miscommunication. I was still very much an underwriter at heart, and like any scientist, the truth and the facts were the most important concern, and I didn't care too much about how and when they were delivered.



At my year-end appraisal, my boss asked me about my career future, and what I wanted to do. I told him I didn't know and never thought about that. He told me to go back and think about it. There were two possibilities: continue to be an individual contributor, or move to management to lead a team and then one day maybe lead a business.

Female Asian scientists like me are seldom asked to choose or opine to be honest. I also felt like I was breaking some sort of unwritten rule of corporate culture by choosing to move to management in a reinsurance company, given that it has traditionally been a an industry dominated by male actuaries. I took a deep breath and told my boss I wanted to try to move to management, and I wanted him to promise me that if I really couldn't make it quite right, that I could still have my underwriting job back (clearly, being assertive takes practice). His response was, "If this is what you want, then you should know that what got you to this point won't get you where you want to go." My initial reaction was a confused "Huh?" I was described by my peers as having "sharp elbows," being too direct, jumping to conclusions too quickly, not considerate in communicating and judging others. This feedback hit me quite hard and was my first experience of tough love from someone other than my parents. I was very emotional at that point. Was I really like that? All I ever did was for what I thought was the good of the company, and all I got in return was this negative feedback. My instinct told me that I shouldn't move to management, and if this was how the company felt, then maybe I was in the wrong company.

At the same time as this, I was doing a leadership training course, and I received my first 360 report. Similar sentiments were seen in some of the comments from my manager, peers and subordinates. Once again the comments hit me hard. My self-confidence was at its lowest point and I struggled for weeks.

As part of the leadership training course, I had to read a book about giving feedback. The book talked about how difficult it was to receive feedback, but it was equally difficult for someone to *give* feedback. I then started to think that people probably had good intentions and were thinking of my best interests in telling me I needed to change in order to move forward. They wouldn't say something that wasn't true and risk upsetting someone who was contributing to the company. It must be like a doctor trying to prescribe medicine. With my scientific nature, I told myself to test out some of the advice from the 360 and see what happened. I forced myself to be more patient, I forced myself not to judge, not to jump to conclusions too quickly. I forced myself to watch my tone. In short, I realized that I should treat my colleagues more like how treat my external clients.



Slowly but surely I started seeing positive effects, and to be honest it surprised me. It's still a work in progress, but directionally I know it's the right way. It took me years to digest and practice this new skill. I hope it has made me a better colleague and better manager.

I understand tough love shouldn't be used every second of the day, but not giving it (or other forms of feedback) when you should is neglecting one of the key obligations of being a manager and in the long run only harms your people.

Lesson 4: Broadening yourself

Leading one person is easy after enough time and experience in one's field; leading a few people is fine as you just copy the lessons from leading one person. But leading different areas and actuaries required more of an adjustment. In the insurance industry, actuaries are treated differently and are highly regarded.

I had no time to lose and needed to work out how would I gain credibility and respect from the teams I led. I knew that without it, I could not lead the team and thus effectively run the business. Over the next few months, I forced myself to speak like an actuary and be a better actuary than the actuaries. I struggled a lot before realizing that what I was doing was totally wrong. Yes, I needed to learn from them and understand what they said, but the key – and it took lots of courage for me to do this – was to embrace my differences. I couldn't be a better actuary than my team of actuaries, but if we combined my strengths in underwriting and product development with their actuarial strengths, together we could be the best team possible.

Thinking back, I consider it a good thing that I am not an actuary as the team doesn't need another one. The team needs diversity, and by adding my business experience, my product knowledge and my underwriting background, we are different. As a woman I could connect better with certain clients; as an Asian meant I could connect not only better with Asian clients but also give an Asian perspective to some clients from a western background; as a scientist meant I could provide views of risk and medical advancement. Embracing being different was very powerful and all I needed was the self-awareness and self-confidence to know I would be making the team better and the partnership better and that's all that really counted. I still need to keep saying in meetings, "Yes, I am not an actuary but can I understand...."



Lesson 5: The future

Where am I now? Maybe my hardest challenge is what I am currently facing. I am no longer just a scientist, even though I take a scientific approach to most things. Being a leader, I know I have to be an artist as well as a scientist – I have to be able to put things together and tell a story. A story that is authentic, factual, inspirational; a story that communicates to different levels and different people. It is not easy at all. The additional challenge for me is that English is not my native tongue, but the stories I tell must be in English (at least most of the time).

Feeling this way about my career now is ironic for two reasons. First, I used to be a very private person and didn't talk about personal things in the workplace because of my Asian upbringing – in Asia this is called being "professional." Second, as I have mentioned, one of my hobbies is drawing and painting and I am actually quite good as an artist. Applying my hobby to work situations isn't easy, but maybe that's what I will do, maybe present more through feelings and pictures, just like what I am doing now with this paper – writing what I feel.

So many times I felt I was at a dead end, physically and mentally exhausted, but:

Where there is a desire, there is always a chance for success.

Where there is dedication, great things can happen.

Block out your emotions when listening and speak knowing you will be heard.

Most importantly, believe in yourself, especially if you are different.

It's not easy, but it's better than the alternative, which is not giving yourself the best chance to reach your potential and contribute to the company or team that you (I hope) love being part of.

**Carmony Wong****Senior Vice President, Head of Hong Kong and High Net Worth
RGA**

In Carmony Wong's role as Senior Vice President, Head of Hong Kong and High Net Worth, she oversees pricing, business development, underwriting and claims for RGA Reinsurance Company Hong Kong branch (RGA Hong Kong), as well as High Net Worth business in the region.

Carmony first joined RGA Hong Kong in 2001 as an underwriter, and in 2007 was promoted to Assistant Vice President, Head of Underwriting and Claims. She led RGA Hong Kong's Underwriting and Claims function, supporting clients in Hong Kong and Southeast Asia and participating in product development initiatives.

Carmony holds a bachelor's degree in biology from The Chinese University of Hong Kong. She is a Fellow of the Life Management Institute (FLMI), an Associate of the Academy of Life Underwriters (AALU), an Associate of the Chartered Insurance Institute of UK (ACII), and a Senior Associate of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF).

Since 2003, Carmony has also served as Program Director and Secretary of the Hong Kong Underwriting and Claims Association (HKUCA). The HKUCA promotes and develops risk management standards and practices for Hong Kong's life insurance industry.