

Actuaries in Start-ups with Kim Clough

Interview Transcript

Julia Lessing: Hi everyone. Today we're talking with Kim Clough. Kim is an actuary with over 15 years experience in the corporate world, with various roles across consulting, reinsurance and life insurance, with a focus on pricing and product development. Kim's recently taken the leap to Retender, a five year old startup specialising in sourcing and managing risk pools. Driven by innovation, Retender has disrupted the way insurance capacity is sourced and Kim plans to expand the offering as Director and Chief Innovation Officer. Kim, thank you so much for joining us today.

Kim Clough: Thanks so much for having me, Julia.

JL: So what an interesting role. Chief Innovation Officer. I wonder if you can tell us a bit briefly about your career path to date, and a little bit more about your current role as Chief Innovation Officer at Retender?

KC: Yeah, it's not often you get to choose your own title when joining a new company, so.

JL: Oh you got to choose it? That's awesome!

KC: That was a first. So yeah, thanks for the introduction. I guess you've covered it at a high level, but just to give you a bit of a taste of the journey so far and kind of how I've progressed into a start up. I obviously started out in a consulting firm, Deloitte, and did a lot of traditional things you do as a grad there.

I worked on a lot of valuation work, such as M&A, did some secondments. A lot of remediation at the time it was all around unit pricing, so a lot of the run of the mill stuff. But what I really enjoyed was some more of the innovative things that we worked on. I worked on the FSC genetic testing data, which I found really interesting.

I worked a little bit on longevity annuities for the Singapore market, which was quite interesting, and also on reverse mortgages, which seemed really interesting at the time. And I worked with the Reverse Mortgage Body sequel, so that was really interesting. But at the end of that, I moved into a life insurer. So at the time it was very small company BT life insurance and it was a fantastic culture.

And I started in their pricing team and got to price a new product, which was a really exciting piece of work which I did, which we launched in 2011, which was called BT Protection Plans. But as part of that, I worked really closely with the product team. One of the pieces that I worked on was to develop a needs tool for customers and that I love doing things that are quite customer centric.

And through that process, I got to know the product team and the head of product really well. And after we launched that new product, they invited me to join their team and created a new role for me called a product development role, which was really all about innovation. And I remember at the time thinking, I'm not innovative. And I even said that to the head of product.

I'm an actuary, you know, I know numbers and spreadsheets and Prophet and Moses and things like that. And I guess what I saw as being innovative and creative was more someone who's in marketing and, you know, has an attention to what colour things are and how to, I don't know, make things attractive to customers. Whereas what he needed was someone who really understood the value chain and the dynamics of propositions to be able to balance all the internal things necessary to create something that was as good as it possibly could be for customers and to create as much value as possible.

So I really enjoyed starting in that role. I started at the start of a project called Project Mezzanine at the time, and we went to build this new and innovative product and I was so excited. We did a lot of customer centered design work and it was really out of my comfort zone. So I went from spreadsheets to Post-it notes and we weren't allowed to write words.

You had to do drawings, and we went out and tested whether you could buy life insurance from a health insurer or a bank, or we would call them on the phone and say we could get it from a general insurance company. And see how different people sold life insurance. So that was a really interesting process. But eight weeks later, our funding got pulled and I was just so devastated because I was really thought we had a fantastic concept and something that would be great for customers.

So we actually even discussed internally, how could we keep this going? You know, could we just go down, go downstairs working as part of Westpac group to the branch and see if we could get a loan to fund the building so that.

JL: You were that passionate about that initiative that you were just trying to use, scrambling to find different ideas to keep it going.

KC: Exactly. It was it was surprising. It was so devastating, actually. The day I found out that I lost funding for it. I also happened to win an award, as it was called the FSC Future Leaders Award, which meant that I won a trip to New York and I like accepted a large lunch. And I remember and it was a fantastic thing.

But I remember at the end of the day just feeling awful because really work is a significant part of my life. And you know, I joined the product team to build something and to do something. And so it really meant a lot more to me how I'd spend every day for the next year rather than one trip to New York, which was, by the way, fantastic, because I did get to meet leaders in New York around predictive analytics, and I learned a lot through that trip, but I was still really devastated so I did end up being able to make a new product protection plan for mortgage customers.

But at the end of that, I decided to move into reinsurance. So that was really good change as well. It was a little bit back to the consulting days because you get to see more of the industry and a broader look across all the insurers and the whole market. And I got a little bit more exposure to the group insurance market, but what I really loved about my time at Pacific Life Re was that it was new to Australia, so they'd only just started up.

They were only I was probably, you know, within the first 20 people in the company and it was really building something from scratch and trying to create a new paradigm and do things differently. So again, I got to help build something and do something a bit innovative. So I really enjoyed that. And then my old boss at BT called me up and said, I've just been promoted.

Would you like my old job? And I thought, I don't know if I can pass this up because I guess some other than building things and being innovative. The other thing that I really enjoy doing is leading people. And this role was not just leading a team, which I'd done before, but being a leader of leaders, which I thought was a really good opportunity to stretch me.

And I could learn a new skill set because I think actuaries do tend to have quite a steep learning curve, learning to delegate. And I felt like I'd been on that journey and I wanted to continue on that. So that was fantastic. Coming back in and being a leader of leaders, I also got a lot more board engagement, which I had at the reinsurer as well.

But this meant I was representing the entire life business, presenting every quarter to the board risk committee about all the risks impacting our company is one of the favorite things I do every quarter, which sounds a little bit strange, but it was fantastic to be able to have that holistic view of the business rather than just the pricing view or a product view.

It covered all operations and things as well, so I've always liked taking that broader view, so I very much enjoyed that role. But then TAL bought BT so the whole leadership team was not earmarked to move over to TAL with the rest of the business. And so I had to take a look at what else I'd do. And I've landed at Retender, so as Chief Innovation Officer and Director.

So that means that I am on a board, which is fantastic, that now, not only am I presenting to a board, but I'm on a board, albeit a very small board and in an executive position. So that's something that I have wanted to do and I've been able to take a step back and look at the industry and try to do things a little bit differently.

And I've joined a really strong team who are committed to doing things differently and disrupting the market, and it's been fantastic to get started at Retender, I've only been here a couple of months and definitely still adjusting, but I can see that hopefully some big things are ahead.

JL: It's amazing. I mean, just listening to how much you've packed into your career to date, it's incredible. You've, you know, right back to the consulting days at Deloitte and I think that's when we met. So we were both on secondment and we're both working for Big Four consulting firms at the time. And then you went and have a corporate role and a corporate career and then the re-insurance experience as well.

And it sounds like your roles across your career haven't just been traditional roles either. You've had nontraditional roles, you've, you've built products, you've, you've been working with non actuaries, you've been doing sort of non actuarial type work or not traditional actuary work to, to use those words. So it sounds like you've really had such a variety of different experience throughout that.

So and now you're in a start up. But I mean working for a small startup like Retender is quite different to any of the other roles that you've had. How did you know you were ready for that kind of role next?

KC: Well, I guess as you've kind of given the potted history, when I started at Deloitte, actually, I did think what am I going to do for my career? And I thought, I'm going to start in this consulting role, which was fantastic because it gave me a good exposure across the industry, and I learned some technical skills that have proven really valuable over my career and then I thought, I'll go to a life insurer, then the reinsurer and then the regulator.

So looking back on myself in my early twenties, really, I should be in a regulator now. But I thought, I'm not quite sure I'm ready for that, although I must say I am. I role in BT. I dealt with regulators and I have also met with the regulators a little bit in my new role at Retender and there are some amazingly smart people, particularly at APRA and I really enjoyed engaging with them.

So maybe one day I will end up there. But I thought the best approach would be to start doing some networking with some of the people I knew across the industry, and particularly actuaries. I think having being an actuary, even though I haven't always done traditional actuarial work, they're the people who I kind of went to seek guidance as to what can I do next.

So it was quite handy to know that I was going to be made redundant kind of six months in advance. So I could start doing some of that and thinking about what's next. So at first I thought, I really want to make the most of this opportunity and do something quite different and not just move into a similar role at another company.

So that was kind of a bit of a premise because I'm always I love continuous learning and learning and growing. So I spoke actually- so firstly I also looked across the industry and life insurers have been making losses and struggling a little bit and more senior roles. When I left BT, I was reporting to the managing Director or CEO of the Life Business.

So really I had a quite a broad role reporting to the boards. And when you're in a larger life insurer, I would probably be in a very different structure and wouldn't get a lot of the exposure that I had. So the more senior roles don't come up particularly often, so I kind of thought maybe I need to move industries and work my way back up and do something a bit different.

So I met with my most recent boss from BT, which who is now the CEO of QBE, Sue Houghton, and talk to her a little bit about general insurance, but it does look interesting and I talk to, you know, a colleague from Deloitte who's moved into general insurance and I know that it is possible to do that.

And it was definitely an idea that I was toying with. I then also met with one of the ex-partners from Deloitte, Jennifer Lang, who's now on the board of Pacific Life, the other re-insurer that I worked at and I spoke to her a bit about how my husband's company is based in Hong Kong and maybe we could look at an opportunity to move overseas.

And I knew she'd spent a year overseas with her two boys, and I've also got two boys. I thought it'd be fantastic experience for the whole family. And she challenged me, Why would you move to Hong Kong? Why don't you move to Zurich or Bermuda? You see, Pacific Life Re moved to Bermuda and I thought, Oh, well, you know, the opportunities are endless.

So I definitely toyed with the idea of going overseas. But then I met with my old boss from Pacific Life Re, who's Ilan Leas. And he. I thought he'd have a different perspective because when he left, he left Pacific Life Re for about the same time I did. But he took a much bigger leap than I did and had his own idea and decided to start his own company.

So that was five years ago and the start of what is Retender and it was really amazing to hear his journey. He's actually written a book about it and I'm not sure that I would ever be quite brave enough to take that leap, although maybe with a bit more experience I could. But yeah, I was really in awe of how they looked at things differently and have really taken a different perspective and a very customer centric in terms of how they've partnered with super funds and helping members and really driving best interests of members through using their knowledge of risk pools, particularly reinsurance, and trying to create competition in the market, reduce conflicts and increase transparency to really drive better outcomes. So when I met with him, it was in no way looking for a role working with him. But after speaking with him, I found it really interesting and we thought, Why don't we give it a go? He was really keen to expand into different areas, so they have been working a lot with super funds, whereas my background is more retail and we thought let's work together and see how we can build a new arm of Retender that does things completely differently to what they've been doing for the last five years.

JL: How exciting, how exciting. So, when you were working out what to do next, even though you thought that a regulator was sort of in the career plan for your next role, you reached out and you talked to some other actuaries sort of in a mentor capacity and sort of got their advice and sort of asked for their input and ended up with this amazing role at Retender as the Chief Innovation Officer.

And you got to choose the title of this new role as well. I mean, that's very cool and Ilan's great to work with and Kent Hopper and the team I mean, yeah, what a great group of people to be working with and learning with and doing some new things and innovation in the industry.

KC: Yeah, I think definitely like both Ken and Ilan have built this business and really from scratch. So to come up with an idea and to be able to convince very large companies that it's a good idea, and to buy in to the concept and to have started with nothing and built up is really amazing. So they've worked with three of the five largest super funds and they've engaged with six of the seven insurers in the market as well.

So it's amazing going from, you know, the first knocking on a door at different companies to see how much engagement they have and how well they've done in such a short space of time.

JL: It's very inspiring, very inspiring to see that happening. So tell us, Kim, you said you've been with Retender only a couple of months now. What do you like most about working in a startup?

KC: It's fantastic. It's a really, really different to what I'm used to and it's so nice to be able to take a step out of corporate and take a different pace and a different way of looking at things. I feel like when you're at a corporate, there are certain constraints to your thinking that you need to balance. You've got an owner who has certain expectations and just there's different dynamics that you have to work within.

Whereas being in a startup and not in the industry, I feel like I can take a fresh look at things. I feel like the industry is in a little bit of a rut at the moment. It's had its challenges, particularly with disability income insurance, and the regulators had to get involved. And I feel like surely there's a market way to get a better outcome for customers rather than needing a regulator to get involved.

And I feel like I really have the license to be purely innovative and think differently without any constraint or any legacy issues that I need to consider and trying to think about. Is there a different dynamic that could work better for the industry to improve outcomes for

customers? So I really enjoyed that. I think it was a little bit challenging at the end of my time at BT in particular because we were for sale.

So I guess that was quite a distracting process and it did mean that over the last few years after the Royal Commission, I was involved in a class action and responding to that, and there were a lot of components which meant the focus is on risk management and incidents and reducing our well- finding any issues that we had and making sure we resolved them.

And I feel like it's been great to step out of a role where I was constantly having governance processes and approving things. So my old life used to be you get a 300 page pack to read the night before to go a three hour meeting the next day. And you talk about risks. And that was kind of quite a common approach, whereas what I really like doing is instead of just having other people present to me on risks or recommendations for certain actions. I love actually investigating those things myself and building things myself.

So starting at a startup, I've been able to actually read a bunch of regs, you know, like SIS Act regs and best interest duties for advisors and things like that. Read them all myself. Whereas I'm used to having a tech expert in my team, he'll give me the short summary, whereas I feel like I'm reading these things with an eye on how can I do things differently?

And I'm trying to create the solutions rather than just have those put to me and challenging and asking probing questions, but not actually designing it myself. So I have liked getting my hands dirty again and hopefully building something.

JL: Yeah, amazing. So and you said that you love to learn, so it sounds like it's giving you that opportunity to not just learn new things, but actually get in there and have the time and space too, to read things directly yourself and to say, have a look at what you're interested in and also be able to bring that diverse experience that you've had throughout your career and to be able to use that and apply it for good.

KC: Yeah, I think really there's one component which is about me sitting in a room or I've bought myself a whiteboard to come up with different ideas, but that only takes you so far. So I've started writing a paper, but the most exciting part is when you get out there and start to talk to other people about your ideas.

So I really love that test and learn aspect and you can really be quite agile and I think you only know so much and where you really learn and grow and you know, whatever I've come up with so far is definitely not the solution. I know I'll talk to many people along the way and it will evolve and change and it's been really nice to learn from Ilan and Kent about that approach to design.

And yeah, I've met with some amazing people across the industry already. As I said, the reinsurers I've met with claims professionals, super fund professionals, economists, people

from other start ups have met with the industry press. I've met with behavioral economists. I've met with so many different people. And I know that I'll meet with many more, some, quite well respected actuaries who I can definitely learn from.

So I, really love getting out there and having those connections. And it's been, I've been so grateful to Ilan in particular for introducing me to so many people.

JL: Yeah. How exciting. It sounds like you're talking to people from all different backgrounds, like not just actuaries, but people right across the whole insurance spectrum with different backgrounds and different perspectives. And, I'm sure that your because you've had such a diverse career experience working with non actuaries throughout your career as well, that you've built the communication skills that you can speak those different languages you know, you're not just speaking actuary to people.

And I think when actuaries can do that and really effectively communicate with other professionals, then we can do that evolution that you're talking about. We can do that test and learn and bring out ideas and then have them refined and improve and bounce them around with different people. And it's really amazing how much we can do when we work together. To build those ideas in that kind of way.

KC: Definitely, yeah. I've been out of a traditional actuarial role for about ten years now, and I feel like now that I've reached this ten year mark, I'm not sure that I could ever build those skills again. I feel like I've lost a bit of that part of my technical brain, but definitely I like it's been the best foundation to have the actuarial foundation and, you know, the actuarial control cycle and all the concepts and just the understanding of the industry I think is so valuable.

But yeah, then working with a broader range of professionals and definitely actuaries are a big part of the solution, but it's really important to get a lot of varied perspectives to try to build the best outcome. And I think, yeah, I definitely have a long way to go in building relationships across distribution and different areas because I feel like I've learned in product world that you can't just build it and they will come.

It's all about making sure it's something that customers want and having you really need to have a different lens than just a technical lens of what design will theoretically work. And you really need to get out there and see what will fly and what won't.

JL: Yeah, yeah, absolutely. Makes sense. So it sounds amazing, Kim. I mean, it sounds amazing working for a start up. You've made it sound very interesting and exciting and it sounds like you're really enjoying this new adventure. I'm sure it's not all just sort of whiteboards. I do love a good whiteboard myself. I'm sure it's not all whiteboards and coffee catch ups and spending afternoons reading and learning things.

What was the hardest thing for you? Transitioning from having a full time corporate role to this amazing, exciting, interesting role as the Chief Innovation Officer at Retender.

KC: Well, I'd say that there was two things, but there's probably actually three things. So the first I'll start off with is that I'm not the best at technology and I've gone from a PC to a mac and that was the initial challenge. So that shouldn't really count. But yeah.

JL: I'd struggle with that.

KC: But in my first week I'd be set a very simple task and it would take me a lot of that amount of time to say, how do you do screenshots in this? And different things anyway? So that was the first thing. But the other two things, the primary one is about getting into a new rhythm. I feel like I had a really structured day previously in my corporate life, so I would have back to back meetings all day long and I would also get a thousand emails a day.

Maybe not exactly, but I felt like it was I was constantly multitasking and really full on and very packed and really just operating at not a very deep level of my brain, just quickly getting through things and using my experience to make quick judgment calls, etc., whereas now I'm into a much slower thinking and I have time to think and reflect which is good and bad.

I feel like I need to figure out how to structure my day and plan my day because I feel like I can end up just sitting at my desk all day. And you realise at the end of the day I haven't actually left. Whereas before, if you had a half hour gap or a particular meeting where you could go for a walking meeting, you'd do it, whereas now I just need to make sure I get into the right rhythm and set myself up for success.

And I am starting to learn how to do that and balancing. We don't have an office, but I do try to make sure I have a couple of days a week in the city meeting people because I really do get a lot of value from meeting people. And not only is that great for developing ideas, but also keeping me sane.

So yeah, so that's really helpful. And then the third thing I'd say about settling in is I really do miss my team. So one thing, I guess it's the reason I went back to corporate life insurance from a start up reinsurer at the time was that I got to lead a large team, so I was leading about 25 people when I left and you know, we had a fantastic team and I was in a position where a very privileged position that I could help them learn and grow and develop in their career and in themselves.

And I really love that. And I was so lucky to work with fantastic people who are very smart and I learned a lot from them. And also they were very independent. So it meant that I

could still have the flexibility I needed in a senior role because I could easily delegate to my direct reports. But yeah, I actually really love being a part of a large team and I was part of the 400 people line business, so I do miss that.

I do love working with Ilan and Kent and Dale and the team and you know, we have a daily team meeting and I'm still connected and I'm definitely learning a ton from extremely smart actuaries, but it's just, I guess on a smaller scale and a different relationship than what you would have when you're leading a larger team.

JL: So it sounds like your day to day is quite different working in a start up, the rhythm and pace of your day and the contact that you're having with other people or the number of people that you having contact with, can be quite different as well. And that's been a bit of a shift.

KC: Yeah, definitely. Yeah.

JL: So Kim, you've told us a bit about your career to date. You've told us what it's like being the Chief Innovation Officer at Retender. It sounds like an amazing experience being an actuary working in a startup, and it sounds like you're getting a lot out of that experience as well. You're getting to learn, you're getting to apply your collective knowledge and experience that you've gleaned from so many different roles across your career to date.

And you're able to apply those in a sort of unconstrained way or with less constraints, maybe, and a big picture industry perspective as well, to really make a difference in an industry that really needs some help. So it sounds like an amazing place that you've found yourself in through your conversations with some other actuaries as mentors to work out what to do next.

And you've landed here and it's just sounds absolutely wonderful.

KC: It is. It's great. Yeah, it's yeah. It's been an interesting career and quite diverse and yeah, it's a bit scary that I've got that again to work. So I've been working for say 20 years and I've got another 20 to work now, so who knows where things will take me. But yeah.

JL: That's the exciting thing about a career, isn't it? Lots of different opportunities and lots of different things that you can do and different directions that you can take. So final question for you today, Kim. What tips would you have or what advice would you have for actuaries who are considering making a similar leap to you, a leap into a start up?

KC: Well, I think you just touched on one of them just then, reflecting what I'd said earlier. So one thing is, it's fantastic to have mentors in the industry and to build them up over time. So, you know, some of the people that I met with when I heard I was being redundant, I hadn't worked for them for 15 years, but I'd kept up that connection.

And I often when you work really closely together, you just build a connection that you'll always have, which is lovely. So it's fantastic to build some of those mentors and they all end up in different places over time. So having mentors that can help you reflect on your career and what your strengths are and what you enjoy to help figure out where to go next is really important.


I will say you're one of my mentors, Julia, and you've started your own start up. So it is obviously very different to Retender. But I've watched you take that journey and how you thrive from going from a consulting world, which is how we both originally met, both being in the consulting world. So it's also helpful to have mentors that you see where they go and what they do, and you can kind of learn what that's like and it helps you make better decisions later when you've seen their challenges and successes and whether you can reflect on whether that would work for you or something similar.

So number one, have support. Number two, I'd say broaden your engagement. So I guess I've I am an actuary, but I've always loved getting involved with other people and some of the things I've enjoyed most are definitely not traditional actuarial things. So at BT, one of my favourite roles was being on the Claims Review panel, which was looking at some of the more challenging claims and how to assess them.

And it was fantastic, not only hearing from the claims professionals, but the risk management team, the legal team and a diverse range of specialties and different views in how to assess a claim and help a customer at the time that they need us most. So being close to the customer I loved, I've also loved working with legal and negotiating contracts and working with different teams and areas, also looking more broadly than just the company you're in and getting more involved across the industry.

So I've presented a couple of times to actuary summits, which I've really enjoyed. I've been involved with the FSC in terms of the life discussion group I helped lead. That doesn't exist anymore. But more recently I was in the FSC IDII SWAT Taskforce, which was really interesting and it also got to be a delegate on the FSC board when my boss wasn't able to attend, which was really interesting to see how that functioned as well.

So getting more broader exposure across the industry rather than just in actuarial I would recommend. And then the third thing, if you're ever considering joining a startup is you need to be brave and just take a leap. So it's definitely, I would say nothing fully prepares you for it and it will take you outside of your comfort zone and you need to be ready for a steep learning curve.



But hopefully if you're purpose and values driven and all links to what you're trying to do, then you can create some great things.

JL: Wonderful. So build a network, broaden your engagements and be brave. Amazing advice from Kim Clough. Thank you so much for your time today, Kim.

KC: Thanks, Julia. I really appreciate it.