

# The Changing Life of an Actuary

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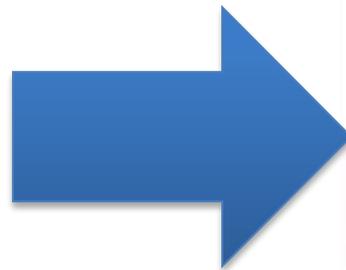
Change

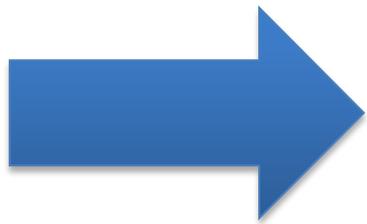
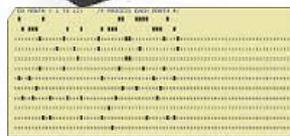
Supporting  
members

IAA's role

# Change Drivers

- Technology
- Information
- Business complexity
- Globalization
- Regulation





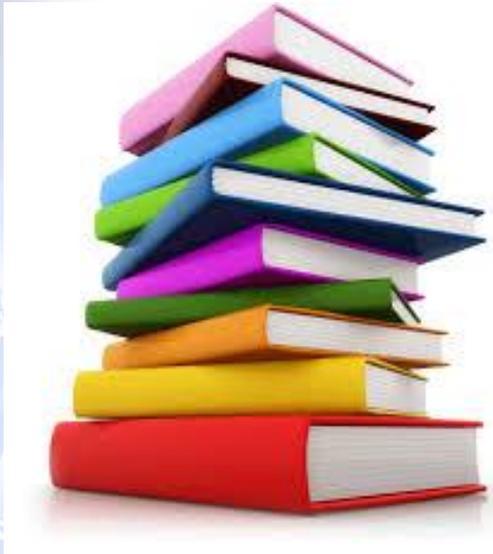
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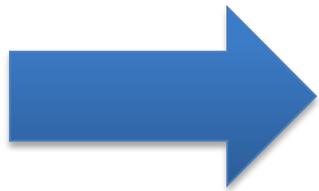


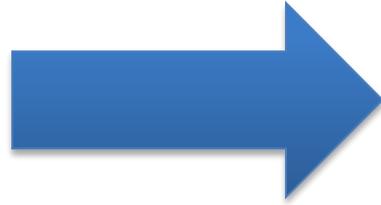




Google







# Complexity of the business

- Shorter Product life cycles
- Individualisation of offering
- Multi channel distribution
- Immediate customer service

# Globalization

- Freedom of establishment
- Globalization of financial markets
- Lower transaction cost
- Cross border services

# Globalisation of regulation



International  
Accounting Standards  
Board®



**IAIS**

INTERNATIONAL ASSOCIATION OF  
INSURANCE SUPERVISORS



# Some characteristics of change

- Change is not linear – its accelerating
- Greater and faster access to information
- Big data
- Impact of social media
- A different risk environment

- 
- If it's changed so much historically, what does the future hold?

# Some of the Challenges Facing the Actuarial Profession Today

- Negative interest rates
- Global regulation & supervision
- Major world demographic/economic changes
- Rapid changes in the ways people do business
- Products, distribution and processes will continue to be challenged
- Affinity groups
- Customer information 'mining'
- Business optimisations & risk management
- **What will the professions response be?**

# Questions that an individual actuary can be asking

- How do others see me (my personal brand)
- Am I acting professionally
- What skills do I need to develop
- How can I keep myself informed about the changing environment
- Is my career path the correct one
- What do I need to do to make myself attractive to potential clients

# What skills are employers looking for ?

- Commercial and softer skills
  - Communication
  - Stakeholder management + teamwork
  - Consulting
  - Project Management
  - Delivery
  - New business
  - Innovation
  - Leadership + influence + people
- Personal attributes
  - Professionalism
  - Appetite to continue to develop
  - Energy
  - Persistency

# What can an association do to support its members?

- Influence change
  - Supervisors
  - Politicians
  - Public
- Inform about change
  - Multi channel
- Educate for change
  - Basic education
  - CPD (Continual Professional Development)
- Branding
  - What do we offer
  - How do we distinguish ourselves from others

# About the IAA



**Worldwide association of professional actuarial associations**

- 68 FMAs\*
- 30 AMAs\*
- representing 63,000+ actuaries in 112 + countries

**7 special interest Sections for individuals:**

AFIR-ERM  
ASTIN  
AWB  
IAAHS  
IACA  
Life  
PBSS

5000+  
Section members

**800+ volunteer actuaries**

Council and committees meet twice a year

Sections host colloquia  
**International Congress of Actuaries** every 4 years.

300+ conference calls annually

Constituted in Switzerland  
based in Canada  
11 staff





# Vision

The actuarial profession is recognized worldwide as a major player in the decision-making process within the financial services industry in the area of social protection and in the management of risk, contributing to the well-being of society as a whole.

# Mission

To represent the actuarial profession and promote its role, reputation and recognition in the international domain. To promote professionalism, develop education standards and encourage research, with the active involvement of its member associations and Sections, in order to address changing needs.



# Strategic Plan – Voice of the profession

1

Relationships with key supranational audiences

# Strategic Plan – Brand and quality



3

Establish, maintain and promote common standards of actuarial education and principles of professional conduct for actuarial practice; promote development and issuance of actuarial standards in jurisdictions of Full Member associations, and the global convergence of actuarial standards

4

Support the development, organization, and promotion of the actuarial profession

6

Improve recognition of the actuarial profession (branding)

# Strategic Plan – Competence development



2

Expansion of scientific knowledge to wider fields to enhance the scope, quality, and availability of actuarial services

5

Provide a forum for discussion

# Current Programs in Support of Strategic Objectives

- Strengthening our relationships with relevant supranational organizations and providing them with actuarial input on matters of importance
- Reviewing Educational Standards
- Organising/promoting International Congress of Actuaries and other competence development events
- Working closely with the IAIS in support of the development of global capital standards (2014-16)
- Building of an actuarial platform for developing actuarial intellectual capital globally

# IAA External Relations

Partners: important institutions that especially concern themselves at the international level with matters of concern to actuaries (*formerly referred to as Institutional Members*)

*The IAA has engaged in a Memorandum of Understanding (MoU) with most of these organizations.*



INTERNATIONAL ORGANISATION  
OF PENSION SUPERVISORS



International Association  
of Insurance Supervisors



issa



# Additional Ongoing Relationships



# The IAA Sections

## Colloquia

- Meetings to discuss research and its application

## Webinars

- Shorter events focused on topics of current interest

## Other events

- Lectures and smaller meetings

## Publications

- ASTIN Bulletin
- Other research papers

## Promotion of research

- Prizes
- Networking/ discussion groups

## Knowledge systems

- E- based access to knowledge database
- Virtual learning



# Model International Standards of Actuarial Practice

## ISAP 1—General Actuarial Practice

- since IAA adoption in 2012, Actuarial Association of Europe adopted it as its general standard

## ISAP 2—Financial Analysis of Social Security Programs

- Adopted by the IAA in 2013

## ISAP 3—IAS 19 Employee Benefits

- Adopted unanimously by the IAA in April 2015. A successful webcast was held on 24 June 2015 to introduce ISAP 3.

## ISAP 4—IFRS X Insurance Contracts

- Statement of intent (Sol) approved by Council on September 13; expect completion in 2018

# Model Standards *cont'd*

## ISAP 5—Insurer Enterprise Risk Models

- SOI approved by Council on September 13 2015; exposure draft published for consultation – comments by 31 March 2016; expect completion in 2017

## ISAP 6—Insurer ERM practices intended to comply with regulations consistent with ICP 8 or ICP 16

- Statement of intent approved by Council on September 13 2015; expect completion in 2017

## ISAP 7—Current estimates and other matters in relation to the IAIS capital standards

- Statement of intent approved by Council in 2015; expect completion in 2018

## ISAP [1A]—Governance of Models

- Statement of intent approved by Council in 2015; exposure draft published for consultation – comments due by 31 March 2016; expect completion in 2017

*FMA's can either adopt, adapt, recognize model ISAPs as consistent with their own, or ignore them*



# Working Towards New IAA Education Syllabus

October 2013

- task force created by Education Committee

April 2015

- Education Committee and Education Syllabus Seminar in Zürich; presentation of initial syllabus structure; suggestions received from member associations

October 2015

- detailed syllabus requirements finalized and discussed by Education Committee at Vancouver meetings

2016

- syllabus to be approved by Council at the Cape Town meetings

2016 to 2019

- transition period for member associations to comply with new syllabus

# Looking Forward: we need to

- **Influence change**
- **Look for new areas to apply our skills**
- **Further develop the intellectual capital of the profession**
- **Further develop our brand image**

# Thank you



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***Moving the profession forward internationally***