STATE OF THE PROFESSION
PHASE ONE SURVEY UPDATE

Presidents Forum – Cape Town
Errol Cramer, Task Force Chair
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Phase I

- **Objectives**: Understand the characteristics of actuarial practice in regions around the world and identify the factors that drive demand and shape the profession.

- **Methodology**: Gather the feedback and perspective of the world’s actuarial associations. Forty-seven full and associate IAA members completed the online survey (50% response rate).

- **Level of data**: Responses aggregated and analyzed by geographic region and income level.
  - Africa, Americas, Asia & Oceania, Europe.
  - High vs. Medium income (*World Bank* classification).
  - Survey responders represent 67,000 actuarial members.
Key findings

- **Strong global demand:** 5-year compound annual growth rate in fully qualified actuaries (FQA) exceeded 5%
  - Europe and Africa – 7%, Asia & Oceania and Americas – 4%
  - Drivers included changes in regulatory environment, economic recovery from the 2008 recession and emerging economies
  - Some associations noted shortages on the supply side

- **Actuaries are widely employed in traditional roles:**
  - In rank order - life, pensions & retirement, general insurance, health and consulting
  - Health insurance appears concentrated in Americas and Africa
  - Some inroads into newer fields, e.g. data analytics and banking
  - High-income associations reported broader roles for FQAs, e.g. executive management, ERM, academia, underwriting, IT
Key findings

- **New opportunities for actuaries over the next 5-years:**
  Biggest potentials seen in data analytics and risk management (ERM and risk capital management)
  - Mostly seen as opportunities in the high-income associations
  - Other opportunities in banking and investment management seen in select associations

- **Reputations with employers:** Actuaries are highly regarded for their professional expertise and trustworthiness
  - Rated *good/excellent* on the technical skills (quantitative ability, attention to detail, problem solving, industry knowledge), and on trustworthiness
  - However, rated mostly *fair* on the soft skills – communication and interpersonal abilities
  - Medium-income associations rated actuaries lower on all measures
Key findings

- **Challenges to the profession over the next 5-years:** Greatest perceived risks are potential loss of traditional actuarial work, competition from non-actuaries, adverse regulatory changes and the public’s low familiarity.

- **Responses to these challenges:** Associations plan to optimize opportunities and mitigate risks as follows:
  - Education and training, both technical and soft skills
  - Collaborating with industry partners, regulators and other actuarial groups to promote the actuarial skill set
  - Increased effort on bringing professionalism up to global standards (associate member organizations)
Next steps

Phase II: Survey of Practicing Actuaries
- Validating directional information received in first phase
- Relying on associations for access to their individual members
- Professional research firm to execute this phase

Phase III: Survey of Users of Actuarial Services
- Seeking insights from current (traditional) employers, clients as well as potential new users (nontraditional)
- Relying on associations for access to employers in their markets
- Professional research firm to execute this phase
Questions
## Participating Associations (in alphabetical order by country)

- Instituto Actuarial Argentino (Argentina)
- Actuarial Society of Armenia (Armenia)
- Institute of Actuaries of Australia (Australia)
- Aktuarvereinigung Österreichs (Austria)
- Actuarial Association of Azerbaijan (Azerbaijan)
- Actuarial Society of Bangladesh (Bangladesh)
- Instituto Brasileiro de Atuaria (Brazil)
- Canadian Institute of Actuaries* (Canada)
- Instituto de Actuarios Matemáticos de Chile (Chile)
- Croatian Actuarial Association (Croatia)
- Cyprus Actuarial Association (Cyprus)
- Estonian Actuarial Association (Estonia)
- Actuarial Society of Finland (Finland)
- Institut des actuaires (France)
- Association of Actuaries and Financial Analysts (Georgia)
- Deutsche Aktuarvereinigung -DAV (Germany)
- Actuarial Society of Ghana (Ghana)
- Hellenic Actuarial Association (Greece)
- Actuarial Society of Hong Kong - ASHK (Hong Kong)
- Hungarian Actuarial Society (Hungary)
- Félag íslenskra tryggingastærðfræðinga -FÍT (Iceland)
- The Institute of Actuaries of Japan (Japan)
- The Japanese Society of Certified Pension Actuaries -JSCPA (Japan)
- The Actuarial Society of Kenya (Kenya)
- Latvijas Aktuaru Asociacija (Latvia)
- Macedonian Actuarial Association (Macedonia)
- The Society of Actuaries of Mongolia (Mongolia)
- Koninklijk Actuarieel Genootschap (Netherlands)
- New Zealand Society of Actuaries Inc. (New Zealand)
- Den Norske Aktuarforening (Norway)
- Asociación Panameña de Actuarios (Panama)
- Instituto dos Actuários Portugueses (Portugal)
- Russian Guild of Actuaries (Russian Federation)
- Serbian Actuarial Association (Serbia)
- Slovensko aktuarsko društvo (Slovenia)
- Actuarial Society of South Africa* (South Africa)
- Instituto de Actuarios Españoles (Spain)
- Actuarial Institute of Chinese Taipei (Taiwan)
- Actuarial Society of Tanzania (Tanzania)
- The Society of Actuaries of Thailand (Thailand)
- The Actuarial Association of Uganda (Uganda)
- Institute and Faculty of Actuaries* (United Kingdom)
- ASPPA College of Pension Actuaries -ACOPA (United States of America)
- Casualty Actuarial Society* (United States of America)
- Conference of Consulting Actuaries (United States of America)
- Society of Actuaries* (United States of America)
- Actuarial Society of Zambia (Zambia)