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Chairperson's Corner

By Anders Larson

By now, most actuaries are at least tangentially aware that the Society of Actuaries (SOA) is planning to add a new predictive analytics exam that will be required to become an associate (ASA). For many actuaries who are fortunate enough to have completed the examination process, or at least to have attained an ASA designation already, the news was probably not a bombshell. "This new requirement doesn't affect me," you might think. And don't worry, you're right—indeed, you do not have to worry about passing another test.

But that doesn't mean that today's actuarial students should be the only ones in our industry learning more about predictive analytics. While modern predictive analytics methods and techniques have not made their way into every actuary's day-to-day work, the surge of interest in this area suggests that there is potential for predictive analytics to transform many aspects of our profession in the near future. Actuaries of all levels would be well served to improve their understanding, or at the very least, awareness of the world of predictive analytics.

That being said, I have three pieces of good news for you:

1. This stuff is pretty cool. Now, I'm not saying that all those FAS 106 regulations you studied for your fellowship exams weren't cool, but it is my personal opinion that learning how a gradient boosting machine works is slightly cooler.

2. Predictive analytics doesn't have to be intimidating. Starting with the basics will reveal that scary-sounding concepts like "machine learning" can indeed be understood by people other than Google engineers.

3. The SOA's Predictive Analytics and Futurism section is giving you lots of ways to learn.

That third point is what I'd like to focus on here. Not only has our section produced a wealth of material over the past 10 years, but we have learning options in a variety of formats.

PREDICTIVE ANALYTICS SYMPOSIUM

This was one of our section's biggest accomplishments over the past year. On Sept. 14 and 15, 2017, the SOA held the first edition of this annual meeting; and it was a huge success. The symposium had over 35 sessions devoted to predictive analytics, split into three learning tracks: beginner/implementer, manager/supervisor and advanced practitioner. Presenters included top data scientists, statisticians and actuaries from a range of industries. Keep this on your radar as a great continuing education opportunity in future years.

NEWSLETTER

Yes, this thing you are reading right now. Not only are there plenty of informative, entertaining and educational articles in this issue, our section has been producing these for quite a while. This is our 16th issue, dating back to our days as the "Forecasting and Futurism" section. The last several issues are always available at *https://www.soa.org/sections/pred-analytics-futurism/pred-analytics-futurism-newsletter/*. If there's a predictive analytics or futurism topic you're interested in, it's a good bet that a newsletter article (or two) has been written on it.

PODCASTS

Fellow section council member Geof Hileman noted in our previous newsletter that the "PAF podcasts are far better than the sound of the dentist's drill." As of this writing, the section has produced 17 podcast episodes, including six during 2017. We cover topics ranging from introductory ("What is machine learning?") to advanced ("Neural networks"), generally in an interview-style format. And we've managed to record all this content without a single Blue Apron ad!

WEBCASTS

The section has typically sponsored one to three webcasts per year, which generally last 60 to 90 minutes and dive deeper than we do on our podcasts. In 2017, we sponsored or co-sponsored "Insurance Analytics with Machine Learning," "Bayesian Estimation" and "Explaining Extremes in the Context of a Changing Climate." Webcasts remain one of the most effective ways to get continuing education each year.

SESSIONS AT OTHER SOA MEETINGS

Predictive analytics and futurism-related presentations are not limited to the Predictive Analytics symposium. Our section sponsors several sessions each at many other SOA meetings, including the Annual Meeting, Health Meeting, Life and Annuities Symposium, and Valuation Actuary Symposium. Mixing in a predictive analytics session at your next meeting is an easy way to get a feel for what's going on in this area.

So no, you don't have worry about passing another SOA exam. But with all the other ways to learn about predictive analytics, there's no reason to let those young whippersnappers have all the fun with this stuff. ■

Anders Larson, FSA, MAAA, is an actuary at Milliman in Indianapolis. He can be reached at *anders.larson@milliman.com.*