



SOCIETY OF ACTUARIES

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Editorial

THE POTENTIAL TO IMPACT EVERYDAY LIVES

BY ROSS WINKELMAN

AT A CONFERENCE I ATTENDED several years ago, the speaker asked an auditorium full of actuaries how many of them wanted to be an actuary when they were little kids. All but one or two hands stayed down, including mine. However, I knew relatively early I wanted to be an actuary. I think this may have had something to do with my much older brother still living at home. You see, my father was pretty focused on making sure I had a stable profession when I graduated from college. Therefore, in my senior year of high school as I was deciding on a college and major, my dad told me I should become an actuary since I was good at math and it was the number one job in America. I did some research and found out that being an actuary paid well and was low stress (they got one out of two right!). At that age, I tended not to think things through for too long so that was enough for me and I signed up.

As a young actuary, I kept my head down and tried to accomplish whatever task was put in front of me. I'd hear about committees and casually listen to the health care reform debates during the Clinton administration. However, I thought of myself and the actuaries I reported to as technicians—we answered technical questions related to accurately pricing products

or estimating financial results. In my mind, actuaries were not big thinkers with the ability to influence public policy.

What didn't occur to me then, but does now, is the potential for actuaries to impact people's everyday lives by shaping our nation's most important financial programs. My awareness of the important impact the actuarial profession has did not start forming until I started volunteering with the SOA. Like many actuaries, my volunteer efforts started with grading exams, which led to work on the Health Section newsletter, to the Health Section Council and so forth. In my various roles, I've seen firsthand the impact actuaries have had at a national level. Smart, energetic and dedicated actuaries have become go-to resources for the U.S. Department of Health and Human Services (HHS), the National Association of Insurance Commissioners (NAIC), states and other influential organizations. A number of actuarial workgroups assembled by the American Academy of Actuaries have worked directly with HHS on the Affordable Care Act in its genesis and as it has evolved.

"Well," you might ask, "what's your point?" My point is that we need to get actuaries more

involved in the profession and in shaping the nation's most important financial programs by getting them involved earlier in their careers.

The Health Section research committee, of which I am a member, has issued several calls for papers that included significant monetary prizes. One of the prizes was for the best paper from an actuary with five or less years of experience. Although we didn't get a lot of papers from qualifying younger actuaries, these types of efforts send an important message: "The profession values volunteerism and contributions from actuarial professionals no matter their experience level."

The SOA has made tremendous strides in attracting top-tier talent by creating Centers of Actuarial Excellence, and continuing to enforce strict professional standards that make the actuarial designation one of the most valuable around. However, we are missing an opportunity (not to mention some horsepower) if we only seek contributions from fully credentialed actuaries. All too often, we see the same group of super volunteers speaking at SOA meetings, leading committees, doing research and representing the profession on Capitol Hill.



Ross Winkelman

While volunteerism is clearly personally rewarding, what might the benefits of increased volunteerism be to the profession as a whole?

1. An increase in our profession's research output.
2. An increase in the quality of our meetings.
3. An increase in the quality and number of public communications from actuaries.
4. An increase in the breadth of knowledge of our professionals.

This would almost certainly lead to an increase in the profile of actuaries and the quality and number of qualified individuals pursuing an actuarial career. These outcomes seem to line up well with the SOA's mission:

The SOA is committed to:

- **Education**—Providing basic education in the fundamental principles of actuarial science, advanced education, professional development and continuing education for practicing actuaries.
- **Research**—Conducting research to develop studies of historical experience and techniques for projections into the future, analyzing the actuarial aspects of public policy issues and providing the foundation for further expansion of the profession.
- **The Profession**—Promoting high standards of professional competence and conduct within the actuarial profession.

Peter Hayes, FSA, FCIA, one of my co-contributing editors on *The Actuary* magazine, wrote an excellent editorial in the October/November 2011 issue of *The Actuary*, "What's Your Why?" In the editorial, Hayes talked about the motivation for volunteerism and he succinctly and clearly described identifying what was in it for you as

the key to becoming more involved. Once you identified what you would receive in return, it became obvious both that you should become involved, and how to go about it.

While I agree with Hayes that identifying your "Why" helps each actuary become more focused on volunteering, I think it is important for the profession to motivate actuaries to become involved and to think of volunteer efforts as part of being an actuary. Creating a culture of volunteerism has the best chance of succeeding if the opportunities begin early in actuaries' careers. I believe there are a

number of different ways the profession can do this—some that are passive and others that are more active.

As employers and peers, we can encourage younger actuaries to get involved with the profession. Back to Hayes' point, employers will in turn receive better representation within the profession and also have better-trained employees in return. As committee chairs, we can actively recruit younger actuaries. In return, our committees will have additional resources to accomplish specific tasks. As editors, we can seek out younger actuaries to write or co-write articles which will increase the content we have to choose from and publish.

The profession could also consider going further, requiring volunteer work as part of the credentialing and/or continuing education process. In my experience, volunteerism in all aspects of our lives is all about that initial

push. Whether it is becoming a Big Brother, volunteering at a soup kitchen, or contributing to charity, once you start volunteering and start understanding how easy and rewarding it is, the more likely you are to continue your efforts.

Actuaries are very analytic, so I like to envision changes in volunteerism in analytic terms. What could we do as a profession if we were able to increase volunteerism by 10 percent or 20

percent? What kind of resources could we marshal to help influence the next round of health care reform or Social Security debates? Could the actuarial profession lead the U.S. health care system away from a volume-based system to one focused on outcomes? Could we help create a more rational debate on entitlement reform?

In many ways, the actuarial profession is a gold standard for other professions. Getting the next generation of actuaries involved in the profession early seems critical to ensuring the actuarial profession retains the title of the "best job in America" for years to come. **A**

Could the actuarial profession lead the U.S. health care system away from a volume-based system to one focused on outcomes?

Interested in volunteering at the SOA? Visit www.soa.org/volunteer to learn more.

Ross Winkelman, FSA, MAAA, is managing director with Wakely Consulting Group. He can be contacted at rossw@wakelyconsulting.com.