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Outgoing Chairperson's Note

By Anders Larson

As my tenure as chairperson of the Predictive Analytics and Futurism (PAF) section was drawing to a close, I began to wonder about what's next for the section after I leave. Predicting the future—that's what our section is all about, right? But as I sat down to write this piece, I initially struggled to make out a clear vision of what 2019 and beyond will look like for PAF. My trusty crystal ball was failing me, and the Magic 8-Ball I recently purchased for my 4-year-old son kept vacillating between "Concentrate and ask again" and "Better not tell you now." What a waste of $9.95.

But it struck me that predictive modeling is not just about looking forward. It's about looking back into the past, learning from a period of time when you know the outcomes, and then applying this knowledge to make useful predictions about the future. So, let's focus instead on what the PAF section has done over the past year. In machine learning terms, let's review the training data. Once we've done that, perhaps we'll have a better sense of what could be on the horizon.

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- **We committed funding to two exciting research projects that are in progress right now**. One is a Delphi study on economic scenario generation. This project falls more on the "futurism" end of the "predictive analytics and futurism" spectrum, and we felt it was important that the section be involved in this effort. The other research project is related to validation of predictive models. The second project falls more squarely in the "predictive analytics" arena, and the section believed it was a critical area of study as more and more actuaries are incorporating machine learning and other non-traditional modeling techniques into their work.

- **Coming soon—Our own podcast feed**. Thanks in large part to the efforts of former council member Shea Parkes, the podcast has been a major success over the past three years. When we started, we were recording sporadic episodes through the office phone system. The audio quality was undeniably poor, but the content was strong, and we gained traction with SOA members. We have since upped our game by using professional microphones, and soon we will have our own feed (currently our podcasts are part of the SOA's broader feed). Consider subscribing to our feed when it comes out and look for new episodes to be released every two months.

- **We completed a survey of current members and responded with two new initiatives**. I covered this in detail in my "Chairperson's Corner" article in the August newsletter, but here's the short version. We surveyed our current members in early 2018, and based on the responses from more than 250 of you, we decided to pursue two new initiatives: a Jupyter Notebook contest and a "Hack-a-thon." We are still in the planning stages for both, but we do know that the "Hack-a-thon" will be held either at the beginning or the end of the 2019 Predictive Analytics Symposium. Look for more details on both in the coming months.

- **We seamlessly transitioned our newsletter to a three-times-per-year format**. OK, so behind the scenes, it wasn't entirely seamless. But thanks to the hard work from council members and our editors, we were able to produce three great issues in 2018. We think this format will help us stay more current than the two-times-per-year format that had been in place for many years.

- **The 2019 Predictive Analytics Symposium built on the success of the inaugural meeting in 2018**. This meeting is certainly not entirely a PAF-led effort, but two council members were on the planning committee and many council members and friends of the council presented at this year's meeting. Once again, enthusiasm was very high and just over 93 percent of the evaluation respondents would recommend this to others. It was gratifying to read comments such as, "This is easily my favorite SOA symposium/conference of the year! It's full of presenters and attendees eager to push the envelope and learn more." Another comment, "I'm looking forward to some kind of hands-on hacathony thing" was timely, as we plan to add one to the end of the symposium next year.

- **We contributed to a predictive analytics-focused issue of *The Actuary*.** Nearly every article in the June/July 2018 issue of *The Actuary* was related to predictive analytics
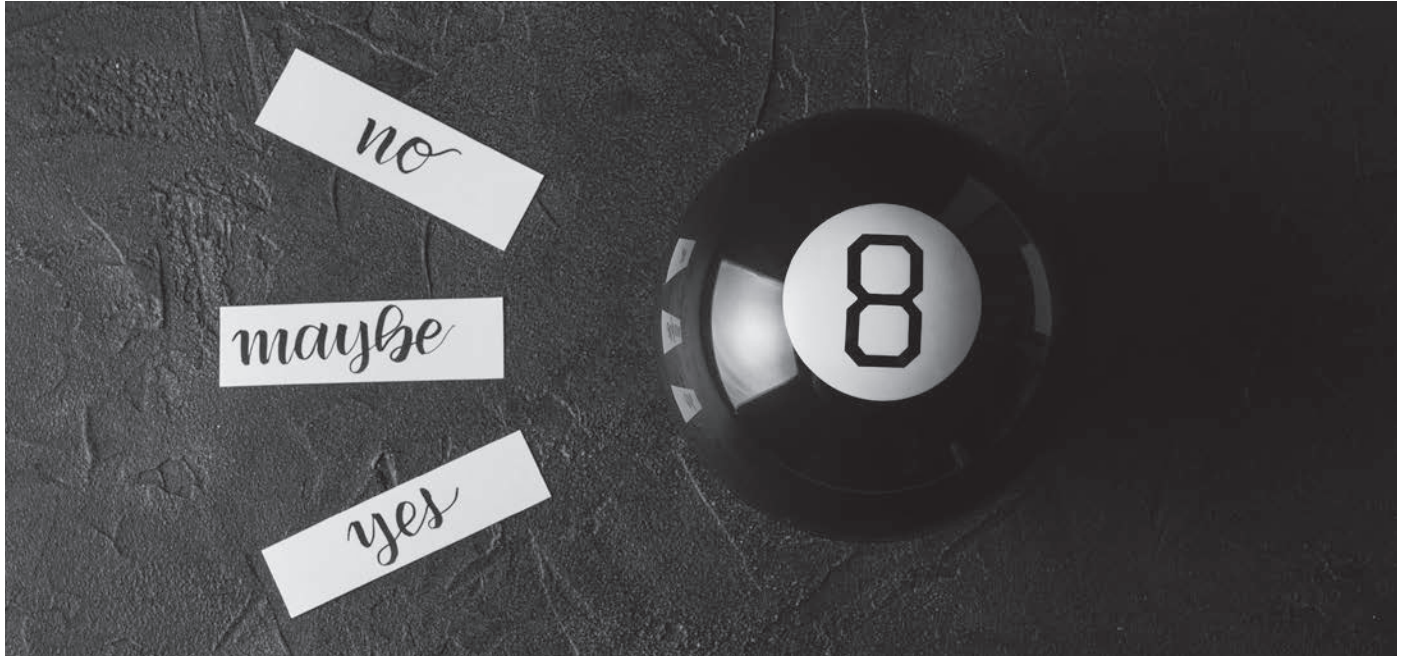
applications in actuarial science. While our section was not responsible for all the content, we had three articles written by council members, and council member Dorothy Andrews was co-editor of the issue along with Jacque Kirkwood of the SOA. If you haven't already done so, please take a read through this issue. You won't be disappointed.

- **We kept doing all the other stuff you've come to expect from us, which is no small feat**. Every year, the section puts on the Practical Predictive Analytics Seminar after the Life and Annuity Symposium, sponsors several sessions at each of the major SOA meetings, helps organize webcasts, maintains a social media presence on LinkedIn, and more. Although these aren't new initiatives, they require time and energy from council members, friends of the council, and our partners at the SOA. Thanks to all who volunteered with these efforts during 2018!

OK, so what does the "data" tell us about what the future might hold for the PAF section? I think what it tells us is that creative, energetic volunteers can help drive some exciting outcomes. And what I do know is we have plenty of those on the council and as friends of the council. I also know that our new chairperson, Eileen Burns, brings a wealth of predictive analytics knowledge and experience to the leadership role. With that said, I can't help but conclude that the PAF section has plenty more good things to come in 2019 and beyond.

But just for good measure, let's consult the Magic 8-Ball one more time. "What can you tell us about the PAF section?"

[Shakes ball] "Outlook good."

Now we're talking. ∎

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