



SOCIETY OF ACTUARIES

Article from:

The Actuary Magazine

August/September 2013 – Volume 10, Issue 4

THE SOA, THE COMMON GOOD AND NAKED ACTUARIES

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IN THE FEBRUARY/MARCH 2013 EDITION of *The Actuary*, SOA President Tonya Manning wrote to the membership about “Collaboration, Community and the Common Good.” She highlighted the SOA’s updated mission:

The SOA, through research and education, advances actuarial knowledge and improves decision making to benefit society. We enhance the ability of actuaries to be trusted financial and business advisors on problems involving uncertain future events. We provide and ensure the integrity and relevance of our credentials.

In my opinion, this statement definitely marks a very substantial and positive transformation in the relationship between the SOA and the public.

The SOA has always been committed to working in areas which will benefit society, and we should now take this commitment to a new level. In the SOA’s current strategy map, our vision includes “establishing actuaries as business leaders.” As a profession, if we find

more ways to give back to our communities, this will help us reach our concurrent goals for improving our positions as both business leaders and professionals.

Recently I read a new book titled *Naked Statistics* (by Charles Wheelan, published by W.W. Norton). I read *Naked Statistics*, not only because I was intrigued by the title, but I also knew that I could use a refresher course on statistics as well as earn CE credit. I highly recommend the book to all actuaries if only to better understand ways to convey statistical data to non-quantitatively inclined people.

The connection between finding ways to benefit society and *Naked Statistics* is found in the final chapter of the book where Wheelan voices his opinion that statistics also have a role in contributing to solving societal issues. To demonstrate his belief, he suggests five specific areas as examples of societal problems where help is needed and statistics can be used to help find answers:

- Understanding more about the risks in sports such as football and hockey where severe brain injuries occur

- Determining the cause or causes underlying the dramatic increase in autism
- Identifying and rewarding good teachers and schools
- Selecting the best tools for fighting global poverty
- Deciding who gets to know what about you.

Some of Wheelan’s topics are clearly of direct interest and concern to actuaries because they deal with health-related matters, but the others have an impact on actuaries either as professionals, parents and/or citizens.

The SOA, or any single organization by itself, is neither able nor responsible for addressing all societal issues. But let’s embrace Wheelan’s challenge to improve society as one of the motivations for implementing the SOA’s commitment to become engaged in broader societal areas, and use our actuarial knowledge not just to price insurance products or set funding levels for pension plans, but to contribute to



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solving some of the non-actuarial problems facing society.

Creating an atmosphere of public service work is certainly a long process. To begin this process, let's consider expanding the strategy map to include using the talents and resources of the SOA and its members to contribute to public projects which extend beyond areas where actuaries traditionally work. If the SOA's Board of Directors adopts this new addition to the strategy map, the first order of business is to select the areas where we can implement the vision and provide the necessary resources to implement the projects. Of course, the effectiveness of the SOA's plans will depend on being able to recruit dedicated people to various projects, as well as creating an atmosphere where working on community projects is part of the SOA's DNA.

I think it would be beneficial if the SOA encouraged working on projects in collaboration with non-SOA groups, not only because the projects themselves will benefit by having the involvement of researchers from multiple disciplines and experiences but also because it will expand the awareness of the actuarial profession's talents and expertise to a wider group of people. To make members and the public aware of our work, the SOA should periodically publish and distribute materials about our community oriented projects.

From time to time there may be opportunities to select specific projects for the SOA as a whole so that the expertise and resources of SOA members are concentrated in one area. The chosen area of inquiry could become the SOA's *le sujet de l'année*. The concentrated approach should increase the

possibility that we contribute in a meaningful way to help solve a problem facing society.

Individual members should be encouraged to propose societal projects. Possibly some sections may have insight into areas where the expertise of their members can be useful and choose to address such projects as a unit. No matter whether we decide to work as individuals or in groups, making a contribution to a societal problem will expand our horizons both as actuaries and members of our greater communities.

Wheelan cited autism as a major problem which needs attention from a variety of thinkers. Autism not only personally impacts

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some of our members, but this condition is expensive to society in terms of health and other costs. If autism was chosen as the SOA's first societal project, as part of this endeavor, we could offer to contribute our actuarial expertise in collaboration with health researchers, academics, public health experts or others to help better pinpoint and understand the causes of this condition.

Even if we fail to find any new ways to cure or deal with autism (or other initiatives or causes we decide to pursue), I strongly expect that we will emerge as having helped our organization and its members to become both personally and collectively more effective and empathetic.

Other professions have made *pro bono* projects by their members a basic tenet of their organizations. Why shouldn't we make "collaboration, community and the common good" an integral element of the SOA's culture? Let's enthusiastically voice our support for this type of activity and, when the opportunity presents itself, join one of the SOA's special project teams. If we're successful in lending a hand to solve some of society's vexing problems, we might want to change our name to the Society of Naked Actuaries to remind ourselves that our role extends beyond our daily actuarial

responsibilities and to pay tribute to Wheelan. Our new name might expand attendance at our meetings (who wouldn't want to see naked actuaries?) and help recruit more workers for our societal projects. **A**

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