



Article from

The Modeling Platform

March 2017

Issue 5

Letter from the Editors

By Phil Schechter and Mary Pat Campbell

A lot has changed since we assembled the previous issue of this newsletter. In the next few years, it is likely that the regulatory requirements around corporate governance may not be as aggressively pursued at the federal level as we might have anticipated.

However, when it comes to model governance in the insurance industry, I think the cat is out of the bag. Hopefully we (the front-line modelers) have seen the need to keep our models well controlled, and our audiences, including internal audit shops, external reviewers and management, have become accustomed to considering the validity of the models and not just the results.

With this in mind, we continue this newsletter's commitment to this subject with two governance-related articles. Mike Failor provides an overview of the Model Governance Checklist promulgated by the American Academy of Actuaries, and Tim Heng discusses the need to bring Excel models and processes into the governance framework, with specific ideas for doing so.

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The software we use for modeling plays a large part in how we think about models, as well as in our day-to-day work life. Teresa Branstetter takes us through some of the considerations in selecting a software package and how to get to the right team set up to make this decision.

The Society of Actuaries (SOA), and this section in particular, have been looking to provide value to an audience interested in modeling from every angle. Going forward, we will look to summarize resources throughout the SOA, and from other sources as well. In this issue, we assemble all the modeling-related sessions at the various SOA meetings and webcasts throughout 2016; we hope you will find something of interest to check out



if you were not at all these meetings, and, of course, you can grab an early jump on those CE credits.

Also, Bruce Rosner, our new section chair, shows results from our section survey. This survey asked our members about topics of interest; it is interesting to line this up against the list of sessions and the articles we've published. One particular mismatch is the area of model validation, where there is clearly a desire for more guidance.

If you have any thoughts on that or any other topic that you feel would be of interest to this section, or a presentation that you think would make a good article, please feel free to reach out to either of us. We would be glad to work with you to write it up for *The Modeling Platform*. ■



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