DIVERSITY IN THE ACTUARIAL PROFESSION

Summer Actuarial Programs For High School Students

Barry McKeown
Committee on Actuarial Diversity
Towers Watson
Committee on Actuarial Diversity (COAD)

- Started over 30 years ago to address lack of diversity in the actuarial profession
- CAS and SOA joint committee
- Initial charge included promoting profession to Women and Asian populations
- Current underrepresented groups include Black/African American, Hispanic and Native American
Background

- **Mission of the COAD** – help promote a diverse actuarial profession by recruiting top mathematical and analytical talent from the African America, Hispanic and Native American Communities

- **Objective of the COAD** – help increase total membership of underrepresented minorities in the actuarial profession to the levels of the U.S. population
The COAD focuses on:

- Awareness; presentations at high schools and participation at various national meetings
- Scholarships to college students (with the Actuarial Foundation)
- Mentoring (with the Actuarial Foundation)
- Reimbursing exam fees for passing students
- Supporting actuarial summer programs for minority high school students
Where Are We Today?

### U.S. Population
- **African American**: 12.3%
- **Hispanic**: 12.5%
- **Native American**: 0.9%

### Actuarial Profession – U.S.
- **African American**: 1.9%
  - FSA: 0.3%
  - ASA: 1.4%
  - Candidate: 3.1%
- **Hispanic**: 1.9%
  - FSA: 0.7%
  - ASA: 1.3%
  - Candidate: 2.6%
- **Native American**: 0.4%

Source: SOA Demographic Survey
Where Are We Today?

U.S. Population
- African American: 12.3%
- Hispanic: 12.5%
- Native American: 0.9%
- Other: 74.3%

Actuarial Profession – U.S.
- African American: 1.9%
- Hispanic: 1.9%
- Native American: 0.4%
- Other: 95.8%
Statement

- If all top minority (underrepresented) students have thorough knowledge of all professions, there will be much greater diversity in the actuarial profession.

- A major challenge is competing with better known professions for top talent.
Importance of Summer Programs

- Awareness of the actuarial profession has increased, but still has a long way to go
- Students in our target population are less likely to be aware of our profession because of fewer exposure points
- High school presentations and BeAnActuary are a start to reaching students
- Summer programs give the student the additional information needed to make an informed decision about their next steps
Summer Programs - Common Elements

- No cost to students
- Classes
- Project
- Information about exams
- Information about colleges
- Actuarial speakers
- Field trips to actuarial companies, with opportunity to meet interns and/or recent graduates
Howard University

- Program started well over 15 years ago
- Three week program
- Students live on campus
- Significant classroom time
- Students are from a wide geographic area
Illinois State University

- Program started about 15 years ago
- One week program
- Students live on campus
- Most students from Illinois, but some from other areas of country
Morgan State University

- Program started one year ago
- Six week mathematics program with one week emphasizing actuarial science
- Commuter program; students from the Baltimore area
- Heavy emphasis on classes; college credit can be earned
<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room and Board</td>
<td>$10,000</td>
</tr>
<tr>
<td>Salaries (Faculty, administration, counselors)</td>
<td>13,000</td>
</tr>
<tr>
<td>Social activities</td>
<td>3,000</td>
</tr>
<tr>
<td>Transportation</td>
<td>1,000</td>
</tr>
<tr>
<td>Other (liability insurance, photos, printing/postage, supplies, misc.)</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>Estimated total</strong></td>
<td><strong>$30,000</strong></td>
</tr>
</tbody>
</table>
Sources of Funding

- Actuarial Employers/ Corporate Partners
- University Resources
- Committee on Actuarial Diversity (SOA/CAS)
- Other (?)
How Do We Get Additional Summer Programs?

- Professors and/or Actuarial Directors champion the effort
- The Committee lends expertise and guidance
- The Corporate Community, the Committee and Universities provide funding
- University and Committee design curriculum
- University provides facility and instructors
- Societies and Actuarial Companies provide speakers
Next Steps, Questions and Discussion

- Is a summer program a possibility for your university?
- What are the barriers for your university?
- Could an effective summer program help your undergraduate program?
- Could an effective summer program strengthen your relationship with actuarial employers?