



SOCIETY OF ACTUARIES

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# Benefits of Exam Committee Membership

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**A** funny thing happens when you attend and pass the Fellowship Admissions Course (FAC). On the last day, after the closing remarks are made and everyone is ready to celebrate, the SOA offers an opportunity for newly qualified actuaries to sign up for various exam-related committees. It doesn't take much to see the irony in offering new FSAs, fresh off a grueling multiyear marathon in which their lives revolved predominantly around the exams, an opportunity to extend their relationship with said exams. Granted, in this case you won't be studying pages upon pages of dry actuarial exam material, but by joining an exam committee, you will either write exam questions or grade papers—both of which involve reading syllabus material and dedicating several hours to the process. It should also be noted that this is done on a voluntary basis—you actually have to want to do this.

So why do it? Why join an exam writing or grading committee? When discussing technical, professionally oriented committees, there are several valid and easily apparent reasons for joining. One such reason is that your

employer may prefer that you represent your company in an industry-wide capacity, either as a member of a steering committee or as a way to network with potential clients. Another reason could be to learn about topical actuarial issues, such as new financial reporting regulations or sophisticated modeling techniques. The focus of this article, however, will be on reasons to join exam writing and grading committees that I have learned, primarily because I currently participate on both and can share my personal experiences.

## HI, I'M \_\_\_\_\_. AND YOU ARE?

One of the career-building topics that counselors, professionals and popular dogma emphasize is the importance of networking and making connections. The oft-touted cliché, "It's not what you know; it's who you know," is essentially a truism. Regardless of the validity of the comment, there is no doubt that by joining a committee you open yourself up to meeting other actuaries. These are actuaries from different companies, geographies and levels within their respective organizations. For the junior actuary, this is one of the best ways to potentially expand

your professional network. I've met actuaries from all over North America, ranging from those in my peer group all the way through to senior vice president level. I've even met clients, both current and, unknown to me at the time, future, at various committee meetings. The brief encounters that you share at the committee meetings can go a long way and sometimes your professional network doubles in one weekend.

#### **PEEKING BEHIND THE CURTAIN ...**

It's safe to say that actuaries are generally of an inquisitive nature. We like solving problems, understanding processes and analyzing details at granular levels. This helps explain why we're good at analyzing trends in actual to expected ratios or understanding why the price evolution of equities doesn't follow a smooth curve. It comes as no surprise that, as students, throughout the exam process, we like to question how particular exams came to be. We've all wondered how exam questions are developed, how they are marked, how passing rates are really determined, etc. Participating on an exam writing or grading committee allows you to satisfy that curiosity.

Of course, many are not that curious. After all, participating on a committee is a lot of work just to learn something that you could ask a fellow FSA who is or was a member. But membership means that you're an active participant in the exam process, rather than a spectator. You have an opportunity to impact the types of questions, level of difficulty, exam structure, syllabus coverage, etc. While actuaries predictably bemoan the current exam structure as being easier relative to when they took the exams (senior actuaries never miss an opportunity to remind us how much harder their exam system was), you will be able to speak to the difficulty and appropriateness of the questions. Furthermore, you can voice others' criticisms, along with your own, and attempt to enhance the exam process.

#### **WHERE ARE WE OFF TO NOW?**

More superficially, but equally valid, who doesn't enjoy a free trip to a place they may have never been? Spending a weekend in Las Vegas or Orlando (twice), as I did

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last year, during the winter months of the Northeast, is a welcome break from both routine and weather. Meals are paid for, as are accommodations. If you have some spare time, you can extend your trip for an extra day (or more) and explore the city. It doesn't take much creativity to enjoy some of the fruits of committee membership. Additionally, I've seen firsthand several members participate year after year on the same committees, in large part because they've developed true friendships amongst each other. Considering the multiple trips to warm weather destinations, it's not hard to imagine.

#### **A FOR ALTRUISM?**

The SOA has taken years from many of us. Our hair is likely to be graying prematurely and our social lives are years behind where they should be. While exams may not be the sole cause for these phenomena, they surely made things harder. So why, you ask, would anyone volunteer their time and effort to such an organization?

The fact of the matter remains, as long as you're a practicing actuary, the SOA is an organization that you'll be a part of for the rest of your career, and possibly even after that.

With respect to the material covered on the exams, especially at the FSA level, ideally you'd be able to apply the concepts to your daily professional life. Of course, this isn't always the case. Not only are the exams wide in breadth, but certain aspects of the syllabus can only loosely be applied to one's day-to-day duties, which is one of the most hotly debated topics of the exam system. Ignoring this issue, however, the student is exposed to many aspects of the actuarial profession outside of his or

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her role. You may be working in a life insurance valuation role for traditional products, but will be tested on the stochastic pricing process of variable annuities. Or you may be a pricing actuary, but will be required to understand the difference between regulatory and economic capital. The point is that the exams open your eyes to a wide spectrum of possible opportunities within the actuarial world that you may have never considered.

And while only a masochist would repeat the exam process if given another opportunity, I've spoken to several actuaries who share the belief that after having passed the exams, they've learned a lot about themselves. Setting aside technical aptitude, passing the exams while carrying a full course load, workload and/or other personal endeavors, requires a tremendous amount of discipline. Passing the exams requires more than simply understanding the syllabus—you need to know it inside out and backwards. I can truly say that having climbed this

mountain, I feel prepared to undertake other seemingly unconquerable tasks. The SOA presented us with a challenge. We overcame it and in the process learned something about ourselves.

Continuing with the altruistic theme, there is also the notion that someone did it for you. Someone volunteered their time to write and grade your exams. I'm sure some students resent those people for making their lives difficult, but once you understand that they aren't doing it to punish you, but rather to maintain a level of rigor within the profession, you'll come to realize that the responsibility lies upon you to maintain that rigor. Put simply: pay it forward.

#### **PROSPECTIVE COMMITTEE MEMBER, MEET THE CYNIC**

There are always going to be those cynical people who don't see the value in joining a committee, much less an exam writing/grading committee in which they don't see the obvious ways in which they can benefit. Volunteering generally takes a back seat to one's professional and personal life. More often than not, not having enough time is the main culprit. However, I'd counter that volunteering on exam committees does not take up much time—perhaps a couple of weekends and a handful of hours over the course of a year. It always comes down to a question of priorities. If committees are not important for you, then something will always come up for which you have no time (think about your fitness routine, or lack thereof). If you can see the value in membership, then you'll find the time, rearrange your schedule (for that week or two) and participate. If you don't value it, then by all means don't join and leave that space open for someone who will. The key is for those who are open to joining a committee to not be deterred by those naysayers who don't see potential value of joining.

You must be careful as well, when asking others of their opinion. There are obviously more actuaries who are not



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stand out.

on exam writing/grading committees than there are on the committees. Even the most seasoned actuary's opinion, while no doubt steeped with years of wisdom, should be taken with a grain of salt if they have never participated, especially early on in their careers.

#### TO JOIN OR NOT TO JOIN?

There are many reasons for not joining an exam committee. By the same token, there are even more reasons for joining. Rather than expound the virtues of the exam writing/grading committees, this article is purely meant to spark your interest. If, at the end of the day, you can see the value in committee membership, you should consider joining. I'm glad I did and will undoubtedly continue to participate, voice my opinion and work to contribute positively to this profession.

*The views expressed herein are those of the author and do not necessarily reflect the views of Ernst & Young LLP. ☆*



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