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# Actuarial Job Market Overview

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*Q&A with DW Simpson's Marianne Westphal, senior director; Kieran Welsh-Phillips, manager; and Elsa VanHove, senior recruiter.*

The actuarial job market is constantly changing and evolving to adapt to new laws, economic structures and consumer demands. With these changes, it's important for all actuaries, regardless of age or experience, to be aware of these changes and update their skills and career goals as the expectations for actuaries evolve.

The Actuary of the Future (AOF) Section sat down with three recruiters from the well-known actuarial recruitment firm DW Simpson (Marianne Westphal, Kieran Welsh-Phillips and Elsa VanHove) to discuss the ever-evolving actuarial field. These recruiters are well-versed in the topic of the actuarial job market and provided insights into the field that will benefit actuaries as they make career decisions.

**AOF: What is the current job outlook in each of the major actuarial fields (life, health, retirement, and property and casualty)? What about nontraditional actuarial roles?**

DW Simpson: Overall, the market is very strong. We are seeing growth in each field and highlight some of the following areas:

- **Life.** The market has remained active in this area. We have seen a lot of positions come up, both in traditional life and in annuities. Regulatory bodies and major life and annuities carriers have been hiring for roles in model validation as well as on the corporate side. Also, more software companies have been looking for designated actuaries to work in sales and implementation. Finally, long-term care and disability experience have been sought after in the past year.
- **Health.** As the health care landscape continues to evolve, Affordable Care Act, Medicare and Medicaid experience is valuable, as is health care economics experience.
- **Retirement.** Pension risk transfer is an in-demand skill set as companies de-risk. We are seeing some traditional pension consulting roles come back as consulting firms grow out these areas.

- **Property and casualty (P&C).** We are seeing continued growth in P&C roles. In personal lines, we are seeing a need for candidates with predictive modeling skills. In commercial lines, areas such as political risk and cyber risk are bringing more candidates.
- **Nontraditional.** Predictive modeling and analytics is not necessarily considered nontraditional anymore, but it certainly is an area of increasing interest; companies looking for expertise in data science value candidates who can work with and interpret the data from an actuarial perspective. We are also seeing more actuaries in start-up environments, both in health insurance and technology. Furthermore, over the past year we have seen more established companies hiring their first in-house actuaries.

**AOF: Are there any anticipated major changes in the actuarial job markets in the next few years? This may be largely subject to legislative changes, but is there anything else on the horizon?**

DWS: From a legislative perspective, national and international capital regulations such as Solvency II will continue to bring actuaries out of a backroom function and into corporate and decision-making teams. Principle-based reserving (PBR) and model validation are timely topics. Financial institutions are also starting to realize the value of an actuary's thought patterns and processes, which is opening the door for actuaries to be involved in industries outside of traditional insurance.

Disruptive technologies and ongoing advancements in analytics will continue to drive changes in the actuarial profession. With the advent of driverless cars, the ever-evolving Affordable Care



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Act and new kinds of cyber risks, actuaries constantly need to innovate within the profession. This includes not only refining existing procedures and methodologies but also responding to the ways in which people are looking at insurance (e.g., peer-to-peer insurance). With the exponentially increasing amount of data available to sift through, actuaries who have skill sets in data science, predictive modeling and analytics will become increasingly valuable.

**AOF: Does having a LinkedIn profile help candidates in finding and securing job openings? Do employers tend to utilize LinkedIn or other social media websites?**

DWS: Many actuarial employers utilize social media, particularly during an interview or offer process. It is worthwhile to create—and maintain!—a LinkedIn profile summarizing your skill set and achievements. You may provide more or less detail at your discretion. An appropriately professional head shot as well as a brief, easy-to-read summary of your expertise are complementary finishing touches to consider. As for more personal social media outlets, we recommend setting your accounts to private, monitoring these evolving platforms to ensure that your settings stay private and keeping any publicly accessible components politically correct.

All this said, don't forget the human elements of networking and keeping in touch with a recruiter—highly beneficial endeavors and at the core of finding and securing well-matched job openings. Web resources are intended to be a supplement to one's professional presence and efforts.

**AOF: What geographical areas (both in the United States and internationally) typically have the most actuarial job openings? Are any areas growing or shrinking at any noticeable rate?**

DWS: As the need for the actuarial skill set has only grown over the past 10–15 years, we have only seen the market expand. In the United States, the Northeast continues to be where we see the largest concentration of actuarial opportunities, as well as major metropolitan markets (e.g., Chicago and Atlanta). New York

City, Philadelphia, Boston and Hartford, Conn., are the larger hubs, though there are reputable companies dotted throughout the region. In other regions, notable actuarial markets include the following:

- Midwest: Minneapolis–Saint Paul, Indianapolis and Des Moines, Iowa
- South: Florida, Dallas–Fort Worth and Raleigh, N.C.
- West: San Francisco, Phoenix and Seattle

For our neighbors up north, Toronto is a national hub for actuaries, followed by markets in Montreal and Vancouver. Bermuda in the Caribbean continues to be a popular destination. In Europe, London and Zurich are large (and competitive) markets, and in the Middle East, Dubai is a growing insurance hub. Singapore and Hong Kong have long attracted international expatriates across all industries, though there are growing insurance markets in China and Southeast Asia. Latin America is also an ascent market.

**AOF: Are companies becoming more open to having employees work remotely? What are the circumstances necessary for this to be an option?**

DWS: Generally speaking, we are seeing a small but growing trend for remote working. Having employees in the office is still a preference for the vast majority of our client companies, as there is still a lot of value placed on informal “watercooler” conversations. However, with workplace teleconferencing options expanding and becoming more advanced, telecommuting is becoming more widely accepted. Additionally, as companies look for candidates with difficult-to-find and highly sought-out skill sets, remote work can be one way to attract that top talent.

An individual company's culture often dictates that firm's comfort level with telecommuting, as does tenure and personal performance. We have specifically seen an uptick in actuaries working remotely in consulting or nontraditional (e.g., sales-oriented) roles. Often with a remote situation there will be a heavy travel component, either to client sites, a regional office or both. During the interview process, it is important to vet out how comfortable your direct manager will be with a telecommute situation, and it may be a good idea to discuss what regular lines of communication will look like (e.g., office instant messaging, email, phone conversations or a combination).

**AOF: How competitive are internship and entry-level positions currently? Is the number of students applying for such positions increasing or decreasing?**

DWS: Today's junior-level actuarial market is highly competitive. The role of an actuary is receiving increased media attention, and more universities are offering actuarial science programs. As such,

the profession is garnering greater interest and a greater number of applicants.

While the overall actuarial job outlook is growth positive, it is key to distinguish oneself from the competition during these all-important initial career stages. Some key components hiring managers tend to focus on include exams passage (approximately three passed), education background (relevant degree[s] with a strong GPA), technical skills (e.g., Excel, Access, VBA, SAS, SQL, R, C++ and actuarial software), related activities and leadership experience, and communication savvy. Securing an internship in conjunction with academic pursuits is strongly advised.

***AOF:*** Do employers approach career changers differently from the more typical recent college graduate? What advantages or disadvantages exist for such aspiring actuaries?

**DWS:** As with traditional entry-level candidates, it is important that career changers take proactive steps to stand out from the crowd. New grads may be at an advantage in terms of fulfilling relevant coursework, possessing freshly developed and applied technical skills, and perhaps in performing hands-on actuarial work via an internship.

In addition to the applicant advice outlined in the previous question, it can be helpful for a career changer to highlight his or her business savvy via accomplishments made in a professional setting to date—a notable potential advantage over new graduate candidates. Another point to emphasize is one's commitment to the actuarial path, supported by specific reasoning as to why this is a conscious, worthwhile and long-term professional transition. A career changer is also encouraged to apply for internship opportunities and must be prepared to genuinely consider a fair entry-level market salary (see DW Simpson's annual salary survey<sup>1</sup>). ■



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#### ENDNOTE

<sup>1</sup> DW Simpson, 2015 Actuarial Salary Survey, <https://www.dwsimpson.com/salary>.