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LETTER FROM THE CHAIR

I've been reflecting on Technology for the past few days, in trying to think about writing for this issue of CompAct. I guess I'm a middle-aged actuary, entering the profession in 1985. There are many actuaries older than me and certainly many younger than me.

I recently had an interesting conversation with my 17-year-old son regarding technology. For him, it's hard to comprehend a world without TIVO, DVDs, iPods, cell phones, PCs, etc., but I remember it vividly. If he wants to watch a television show, he will TIVO it and watch it when it is convenient, like after homework is done, watch it online or download it to his iPod. I remember you actually had to schedule your time, so you could watch a show when it came on, or you didn't see it. The family gathered around the TV to watch *Rudolph, the Red-Nosed Reindeer* when it came on, not record it or watch it on tape or DVD. There weren't even all of the cable channels that constantly show re-runs.

My first actuarial position was in the financial reporting area. I had to do some work on green sheets (if you don't know what these are, ask an older actuary or accountant). We had shared PCs, you remember the dual-floppy ones, where you put the Lotus 5.25" program disk in drive A and your data disk in drive B. Windows were something you looked out of or opened, if you wanted some fresh air. Just think about how far we have advanced in the past 25 years. Do you ever think how much farther we will advance in the next 25 years?

In this financial reporting position, I was trained to type certain

numbers from mainframe generated reports into spreadsheets, take those totals and type them into other spreadsheets and on so on. Basically, using the spreadsheets as adding machine tape (again, ask someone if you don't know what this is either). Fortunately, the person who previously did this job was still in the department, so he could transition the responsibility to me over a couple of quarters. As I learned what the process really was, I began to question it. This seems really tedious, isn't there an easier way? This question was basically ignored. When the work had been totally transitioned to me and I fully understood the process, I decided to simplify it. I was determined to streamline (I'm not sure if that was a term back then) it a little bit each quarter. If I tried to do too much at once, I risked the chance of getting shot down and being told to do it the way we always did it in the past. I decided to make slight changes each quarter that I could easily explain and "sell" to my supervisor.

Each quarter, I would transfer some green sheets to spreadsheets, combine or link spreadsheets, etc. The biggest hurdle was getting the information from the mainframe reports directly to my spreadsheets. This meant learning Easytrieve Plus, creating a report of only the data I wanted, dumping it to a data file and linking it to my spreadsheets. This was not an easy process, because the IT department considered themselves a "closed shop." I could request a data dump like I needed, but they would prioritize it and schedule it, etc. In other words, don't hold your breath! Fortunately, I had an "in." My wife was a systems analyst. The area she worked in couldn't help me, but she was friends with those programmers who could and one of them was more than happy to help me. He realized that if he shared his knowledge, it would help the company in the long run and he wasn't threatened by me learning and doing this.

To wrap up my story, eventually, at quarter close, I pushed a button and went home. I came in the next day and checked on my final spreadsheet. The entire process was automated! The rest of the department was working late nights, but not me. I utilized the available technology to my advantage. This allowed me more time to analyze and understand results, as well as take on further work responsibilities.

There are a couple of points I hope you get from this story. First, always push technology! If a process seems tedious or inefficient, question it, someone else probably has, too. If you think there is a better way, there probably is, you just need to discover it. You may be able to do this yourself or you may need to enlist the help of others. The rapid exchange of information over the Internet and the

ability to network , allows us to quickly find others who are posed with similar issues. Work this to your advantage, use LinkedIn connections to share and learn. We all need to take advantage of this technology to work "smarter" or more efficiently.

This brings me to my second point. The Actuarial department and IT department need to work together and not feel threatened by each other. In my experience, I have generally seen tension between these two areas of insurance companies and there does not need to be. However, this is sometimes easier said than done. For the past two years, and again this year, the Technology Section has hosted sessions at the Annual Meeting centered around this relationship (Actuarial and IT Departments: Making the Marriage Work). I encourage you to attend this year's session. It is important that we, as actuaries, make the effort to make the relationship to work.

Council elections are coming up and we have some excellent prospective council members who have volunteered to take a leadership role and be on the ballot. The SOA election process is approaching, so pay attention to your emails, learn about the candidates and make sure you vote. I want to thank our volunteers for their willingness to get involved, all of our current council members and friends of the council who work hard to keep our section going! The section council and friends, continues to make progress on several important initiatives. We are developing materials for upcoming meetings, soliciting software reviews for actuarial systems, researching webcast offerings in technologies of interest to our membership, and publishing this quarterly newsletter.

In closing, I would like to solicit any ideas from the membership. If you have any ideas, comments, concerns, or want to get involved, please let us know. The council members are listed inside the front cover of this newsletter, so feel free to contact any of us.

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SOA Technology Section Chair - 2010

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