

ISSUE 38 | JANUARY 2011

SOCIETY OF ACTUARIES

Technology  
Section

# CompAct

ELECTRONIC NEWSLETTER



## CONTENTS

[Table of Contents](#)[CompAct Editorial  
January 2011](#)[Letter From The Chair](#)[A Question of Ethics](#)[Reducing The Risk In  
Excel Risk Modeling](#)[A Look at Two SOA  
Technology Section  
Sessions at the 2010  
Annual Meeting](#)[Five Easy Steps To Get  
Started On LinkedIn](#)[Nonlinear Interpolation  
With Excel To Construct  
U.S. Treasury Bond Yield  
Curve](#)[R Corner - Creating  
Historical Portfolios](#)[Recommended  
Application: Instapaper](#)[Number Puzzle !\[\]\(1f56542a42e2413e44a2b2023033aa2e\_img.jpg\)](#)[October Number Puzzle  
Solutions !\[\]\(19d44b37fb4fa155bf9d60c77a3d3cb2\_img.jpg\)](#)

LinkedIn

Forward  
to Colleague

Print

Search  
Back Issues

## A QUESTION OF ETHICS

by Howard Callif

Have you ever received an e-mail with the subject line "Plagiarism"? Do you and your company take steps to mitigate the risk of theft or loss of intellectual property? Do you have controls in place to keep employees from stealing or using proprietary information from other companies? I began to ponder these questions when I received the following e-mail:


---

From: Brad Smith/DALL/MILLIMAN  
To: Milliman All Consultants  
Date: 10/13/2010 03:06 PM  
Subject: Plagiarism

In recent years, with the accessibility of so much more content on the Internet, plagiarism has become a significant problem in our society. A [recent article](#) from the New York Times frames the issue.

What constitutes plagiarism? It only takes a few sentences of someone else's words. Oftentimes people don't even realize they are plagiarizing—maybe they paste a paragraph that's not theirs as a placeholder, or they duplicate a sentence with the intention of changing it later, and forget. In some cases people may seek help from others who can introduce plagiarism unbeknownst to the author. Plagiarism is often the result of sloppy editorial practices or cutting corners more than outright malice. But regardless of the intention, it is still illegal, unprofessional and cannot be tolerated.

[Articles Needed](#)

[SOA News Today Has a New Look! Improved Navigation](#) 

## QUICK LINKS

[Technology Section Web site](#)

[Council](#)

[Links of Interest](#)

[Fiction Contest](#)

[Howard Callif, Editor](#)

**SOA Staff**  
[Meg Weber, Staff Partner](#)

[Sue Martz, Section Specialist](#)

[Sam Phillips, Staff Editor](#)

Milliman's acknowledged expertise in a wide range of high profile subject matter is a source of justifiable pride for all of us. It also means that our firm is constantly under scrutiny, as our words are parsed and referenced; in government, the private sector and by the public media. I am writing to remind you that every word produced by Milliman consultants—whether it is work product or an item for external publication—must be 100 percent original or attributable to the original author/reputable source.

Plagiarism represents a substantial reputation risk for Milliman. Consequently, I have asked our editorial team to assist in identifying potential instances of plagiarism. We have software in house that detects plagiarism. We have and will continue to make use of this capability as part of our larger risk management efforts. However, nothing will replace vigilance on the part of our consultant authors. Please err on the side of caution.

Brad

---

I was struck by several things, but most importantly, I was impressed with the concrete actions that have been taken by Milliman (the company I work for) to enforce an ethical standard. It is a basic requirement to attend an ethics seminar for fellowship in the SOA, but how many companies go beyond the classroom or a "theoretical-based" environment for ethical issues? How many implement procedural steps or processes to enforce ethical guidelines? There is a line to be drawn regarding using the Internet as a resource and reference guide, and how hard to protect against using proprietary or copyrighted materials.

Spreadsheets and software are key tools for actuaries, and these become significant sources of intellectual property for the companies paying for their development. There have been several articles in CompAct on how to ensure that these are error-free, but we should also pay attention to how to protect them from theft or unauthorized access.

In addition, is it possible that these are being developed using some other companies' intellectual property? For example, did the actuary just hired in the product development area bring along some spreadsheets "from a prior life"? Do your developers use the Internet to solve programming problems? If so, is there anything preventing them from copying potentially proprietary code?

There are lots of tools available. Developing a "code of conduct" is a

start; it gives people the authority to act ethically. Documenting development projects from start to finish helps establish a "paper trail" which proves ownership, and also enables peer review. There are numerous software products that can help with these issues. Do you use any of them?

I know that I am asking a lot of questions, and not providing many answers. Please provide any insights and solutions you may have, and we will be sure to publish the results.

Howard Callif at [howard.callif@gmail.com](mailto:howard.callif@gmail.com)



475 North Martingale Road, Suite 600 Schaumburg, Illinois 60173  
Phone: 847.706.3500 Fax: 847.706.3599 [www.soa.org](http://www.soa.org)