



Article from

The Stepping Stone

July 2018

Issue 69

DIVERSITY SPOTLIGHT

Leading the Way on Diversity: The International Association of Black Actuaries

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“We have a great actuarial science program.”

This was what the college recruiter said to me, after I told her that mathematics was my favorite high school subject. It was my first time hearing about the actuarial profession, and I knew nothing about it. My parents, teachers and guidance counselors were equally stumped. I was from a low-income family and went to an underprivileged high school. No one knew any actuaries, or could give me any direction.

After a Google search, I decided to take a leap of faith and change my college aspirations from engineering at Clemson University in South Carolina to actuarial science at Temple University in Pennsylvania. At Temple, I performed well but felt lost. I knew nothing about actuarial exams or the actuarial career tracks, while my peers seemed to have all the answers. I began to question if I should pursue the actuarial profession. I lacked a trusted mentor who could relate to my background and provide sound advice.

Enter the International Association of Black Actuaries (IABA). One day, a few IABA members hosted an informational seminar with students from both Temple and Howard University. They spoke about the profession and the organization. For the first time I realized I was cut out to be an actuary, and that many students had the same questions as I did! Through the IABA, I found relatable mentors who nurtured me, and supported my exam progress, professional and personal development, and career progression. Flash forward to the present, and I am now a fellow of the Society of Actuaries (FSA) and IABA's president.

The isolation and confusion I felt while starting my career are not unique. In fact, I am one of the fortunate ones who learned

about actuarial science in high school. Luckily, our country and our industry's views on diversity have evolved tremendously over the years. Now, with rigorous studies illustrating the value that diversity adds to teams, products and work environments, many companies have embraced strategies to increase and celebrate diversity in the workplace. IABA and other diversity organizations exist to help bridge the gap between the companies seeking to increase diversity, and the pool of qualified, diverse applicants.

IABA's history dates back to 1992. At that time, there were 72 known credentialed black actuaries within the actuarial profession in the United States. Twenty-five years later, the number of credentialed black actuaries has increased almost six times to an estimated 426.¹ While this is an impressive stride toward increasing the presence of black actuaries, there is still much work to be done. Currently, only about 2 percent of credentialed actuaries in the United States are black, while the current census indicates that more than 13 percent of the U.S. population is black.^{2,3}

DIVERSITY AT THE FOREFRONT OF THE PROFESSION

Actuarial organizations and employers have recognized that increasing diversity in the actuarial profession is of utmost importance, and initiatives to meet this need are among their top priorities. To identify areas of need, The Actuarial Foundation, Society of Actuaries (SOA), Casualty Actuarial Society and IABA conducted a formal research study.⁴ The purpose was to identify the profession's barriers to entry for minority students and to understand how to recruit and retain minority candidates.

The resulting report cited the following as the largest barriers to entry for minorities:

- Lack of awareness and, particularly, late awareness.
- Unfamiliarity with the profession, causing respected influencers such as parents, teachers and guidance counselors to drive candidates to other professions.
- Lack of personal networks and relationships with actuarial professionals.
- Inadequate academic preparation and lack of financial support, including lack of awareness of available resources.
- Lack of representation in the profession, contributing to perceived and/or actual discrimination.

The implications addressed in this research study directly align with IABA's strategic focus. IABA has tailored our 2018 strategic initiatives to specifically address the barriers identified. Working closely with actuarial organizations and corporate partners, IABA intends to tackle the diversity issue head on. Here are some of IABA's strategic initiatives:



Increasing awareness and consideration of the actuarial profession by:

- Creating criteria to target best-fit high schools for visits/partnerships.
- Creating social media videos to promote both IABA and the actuarial profession.
- Conducting industry-wide high school outreach and engaging students in a case-study competition to provide in-depth exposure to the profession.

Leveraging existing minority programs that strengthen the students' connection to and understanding of the profession, including:

- Investing in existing summer actuarial programs through volunteerism, financial support, marketing and company engagement.
- Providing networking and engagement opportunities for black students pursuing the profession through IABA's mentoring program.

Expanding financial support for exams, and helping to reduce the feeling of isolation that many aspiring minority actuaries feel, by offering effective networking opportunities. Specific initiatives to increase support include:

- Hosting online networking events.
- Expanding our current exam reimbursement program.
- Initiating planning for an exam prep program designed for students who are aware of the profession but not enrolled in a traditional actuarial program.

Diversity benefits all aspects of our profession. IABA is very excited to partner with our fellow organizations to innovate and enhance the landscape of our profession.

MORE ON IABA

The IABA is a professional and student member organization whose mission is to contribute to an increase in the number of black actuaries, and to influence the successful career development, civic growth and achievement of black actuaries. IABA is a volunteer-run, nonprofit organization. Members include high school and college students, working actuarial students, experienced actuaries and anyone who supports the mission.

For more information about IABA, visit our website at <http://www.blackactuaries.org> or contact our executive director, Kate Weaver, at iaba@blackactuaries.org. ■



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ENDNOTES

- 1 International Association of Black Actuaries. 2018. [Internal Database on Black Actuaries]. Unpublished raw data.
- 2 McKeown, Barry. 2014. Diversity in the Actuarial Profession. *Expanding Horizons*, April, <https://www.soa.org/sections/education-research/educ-research-newsletter/> (accessed May 17, 2018).
- 3 U.S. Census Bureau. 2016, July 1. QuickFacts, www.census.gov/quickfacts/fact/table/US/PST045216 (accessed April 8, 2018).
- 4 C+R Research. 2017. Diversity & Inclusion Research Initiative Executive Summary. [PowerPoint slides]. Retrieved from http://cymcdn.com/sites/www.blackactuaries.org/resource/resmgr/files/Diversity_and_Inclusion_Rese.pdf.