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## ONE ACTUARY'S JOURNEY THROUGH TECHNOLOGY

by Dave Kester

I am an actuary with more than 25 years of experience. The first few years of my actuarial career were in a "technology heaven." PCs were just showing up, and the power of spreadsheets, databases and programming languages were available for those who wanted to pursue them. I didn't have much formal training in technology (BS in math education), but I had a willingness to learn. I was constantly learning new tricks, tools and trade.

However, at the turn of the century, my focus shifted from a technology actuary to a business actuary. I started my own consulting company in the mid-1990s, and solving clients' problems took center stage. In fact, I found technology often got in the way of those solutions. Thus, for the first decade of the 21st century, I put my technology on the shelf and probably functioned more like a "normal" FSA: Let other, younger actuaries "do the dirty work."

Usher in the second decade of the 21st century. It started simple enough with the purchase of a smartphone. For me, it is probably stretching to call it a smartphone because all I used it for was to make phone calls and occasionally check email. Of course, I had to have my kids or staff members set up the phone so it could check my email.

Next, came the iPad. I'm not sure what motivated me to buy an iPad. I suppose I thought it was going to be kind of a fun toy to play with. That is a bit odd since my life was already overflowing and adding a toy to play with was not consistent with my goals or responsibilities

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at that time. Regardless, I bought it for some reason. After I had my staff and kids set it up so I could get email and some other basic functionality, the iPad was a convenient tool to check email and surf the Web at night. Nothing too fancy.

Finally, early in 2011, I bought an Apple MacBook Air. I really appreciated my iPad in how quick it would start, wouldn't need to be reboot, and how applications rarely crashed. Given the MacBook Air book had a hard drive that was always "on," it would be almost as quick as the iPad in getting started and staying active. After using it awhile, I became increasingly less patient with my "work" computer as it continued to drag and spin its way through the applications.

In the spring of 2011, I got my first smartphone app, which gave me instant weather. As a runner, I loved to be able to instantly get not only the temperature but the humidity—an important fact when running in Iowa in the summer. Slowly initially, I started reviewing other apps, primarily for my iPad. It didn't take long until I realized I had been hooked again by the "technology bug."

The technology advances of the late 1980s and 1990s were impressive. However, what has changed with the latest advancement are the following components, which were primarily missing from the 20th century:

1. *Ability to use mobile technology.* I know that isn't news to anyone. However, until you really experience it, you miss the power and capacity that we have now. And by mobile, I'm not referring to carrying around an eight-pound notebook computer.
2. *New opportunities.* Mobility not only has a convenience factor, but it greatly increases the opportunities for tools. If you can run an app from anywhere, and there is technology such as GPS and cloud storage, the opportunity for software development goes to all new levels.
3. *Ease of software installation.* It is amazing how quickly we can search, install and use a new app. Most apps have very short learning curves to them.
4. *Affordability.* I see great apps that get poor ratings by users because they are so expensive. And they cost less than \$20! Software in the 1980s and 1990s usually cost more than \$100.
5. *Synchronization.* This was briefly mentioned in item number 2, but it's now easier than ever to synchronize your data and applications so that it doesn't matter whether you are using

your PC desktop at work, your iPad, or your SmartPhone. They all can work together. This is still a work in progress, but it has come a long way, and it is getting there. The iCloud concept from Apple that is due out in the Fall of 2011 will be a game changer.

Actuaries, as expected, are not at the cutting edge of developing these apps. That's OK. However, we are getting started. We will be discussing where we should go and how we can get there at the 2011 Annual SOA meeting in Chicago. I look forward to going on this new technology adventure with other actuaries to see how we can use these apps to better manage risk in a digital world.

*David Kester, FSA, MAAA is the co-founder and President of SALT Solutions, an actuarial consulting company from Des Moines, Iowa. David's focus is converting actuarial beasts into beauties by using technology as a friend. His latest venture is [CoachingActuaries.com](http://CoachingActuaries.com), a site that provides online practice tools for students preparing for actuarial exams.*



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