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EDUCATION AND ACTUARIAL SCIENCE

As reported by Gerald R. Hartman (*The Actuary*, March 1970) Temple University in Philadelphia has inaugurated an actuarial science program in its School of Business Administration. At a dinner on May 20, 1970, marking the opening of this program, the guests included, in addition to several faculty members of the University and officers of the Actuaries' Club of Philadelphia, Paul Anderson, President of Temple University, and two officers of the Society of Actuaries, Robert J. Myers, Vice President, and E. J. Moorhead, President.

The main address of the evening "Education and Actuarial Science" was delivered by Mr. Moorhead. In this address the speaker undertook to catalog five respects in which we of the Society of Actuaries know our system for qualifying future actuaries by examination to be "vulnerable to major criticism." The five points were as follows:

"First, there are grounds for questioning whether our system educates adequately without warping excessively. [Humorous pieces about actuaries] generate so much instant entertainment we are forced to reflect seriously on the adage about smoke and fire.

"Second, in our efforts to inject learning in quantity, we may be feeding our future actuaries a diet of pre-digested pap. Successive courses of reading have called for less and less study of original papers—more and more texts and study notes from which the juice of controversy and the flavor of pioneering have been squeezed. If education is acquiring knowledge, all is well. If education is acquiring ability to use knowledge something may be seriously amiss.

"Third, our critics say that our process stifles and inhibits the student's de-

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WHY NOT BECOME AN ACTUARY

by Peter G. Brown

A June graduate of Princeton University with a degree in mathematics, Peter G. Brown spent last summer working as a summer actuarial trainee for a large New York company. This fall he is leaving for Switzerland to ski and attend journalism school in the University of Fribourg.

Last summer I spent 10 weeks with 19 other college seniors on the 23rd floor of a gleaming steel-and-glass building, finding out that I would never become an actuary. I was paid well for my work, my superiors were at once stimulating and sympathetic, and I left with memories of several people I shall never forget.

One of the most remarkable characters was a fellow actuarial student, who by chance lived for the summer across the hall from me in one of Columbia University's high-rise dormitories. He was an earnest young man from the mid-west, somewhat unsophisticated, and alone for the first time in the big city. But to one educated amidst the personal and political turmoil of an eastern university, the most unusual thing about him was his certainty about the goals of his life. He wanted, more than anything else in the world to become an actuary.

John (which is not his real name) immediately came under close scrutiny. We were all in the program, presumably, because we wanted to make a healthy acquaintance with the actuarial profession. But John was on a different level: If someone had asked him, at age five, what he wanted to be when he grew up, he would have replied quite seriously, "I want to be an actuary."

Unencumbered by the doubts which plague less singleminded ambitions,

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BLACK ACTUARIAL RECRUITMENT

by Peter L. Hutchings

This article will present an interim report on the Ad Hoc Committee for Black Actuarial Recruitment. This group, chaired by Robert Randall, represents most of the major New York-area companies and has worked closely with about 10 predominately Negro colleges.

A study of the facts does nothing to change the impression that there is a disproportionately small number of blacks in the Society. If our profession is to grow even approximately with the demand, it certainly cannot afford to ignore such a large pool of men and women.

In this author's opinion, the advantages of the actuarial field might be especially apparent to qualified black prospects. The chance to prove individual ability in a respected and well-paid profession where accreditation is gained in a completely unbiased manner and where one earns while one learns, should be a chance worth considering and, for some, worth taking. Yet unless we assume a more active role in presenting our profession to blacks, we will continue to cede our share of the talent to other fields—such as data processing—that recruit more effectively.

The Committee was formed in late 1969 to try to do something specific about this very diffuse problem. Three different program components were developed and are being tried this year on a pilot basis.

First a "visiting lectureship" idea was designed. In this phase of the program, one or two youngish actuaries appear at a participating college to make a presentation to classes and other groups. Neither the timing nor the content is tied to recruiting as such; all

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Why Not an Actuary

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John worked hard in the summer program—perhaps, many thought, too hard. The office became his home, and the janitorial staff were accustomed to leaving him alone as he finished daily assignments in the early hours of the morning. For this he took a good deal of ridicule from his fellow students, and by the end of the summer his employers, too, were convinced he was far too gung-ho for his own good. He could obviously never become the efficient and personable young executive they were looking for. Fortunately, by this time John had begun to consider a career in medicine.

John found out the hard way what I learned vicariously: An actuary is supposed to be at once professional and executive—one seldom goes without the other. John concentrated on the former, although he ought to have realized there is no shortage of college graduates who have an aptitude for and a bit of training in the kind of mathematical thinking which goes into actuarial work. By this I mean a modest ability with arithmetic, plus a quick algebraic wit for mastering unfamiliar rules of manipulation, and finally (this surely becomes more important after the actuarial exams are passed), a solid ability to grasp the essence and recognize concrete instances of some abstract idea. Few things are more confusing than the double talk of high finance.

But the latter, the executive part, the ability to master an unusual situation with the kind of aplomb that earns the respect of one's associates, is perhaps more difficult to discover — and, once

Quote Without Comment

To decide what sentence to impose on 90-year-old Herbert Huddleston who had pleaded guilty to the manslaughter by shooting of two people in Buffalo, New York, Judge William Hefron looked up actuarial tables.

He told Huddleston: "You have led a peaceful life for 90 years and, according to the tables, you have a life expectancy of only seven or eight months so you will be placed on five years' probation."

—From the London press. Submitted by our roving correspondent.

discovered, entice. An actuary who can handle both is a very special individual indeed.

Unfortunately, this built-in double duty is a double problem for the potential actuary and a double headache for the recruiter. For one thing, actuarial work as a profession is not well understood by the general public. Who is he? What does he do? The actuary, lacking the exposure of other professionals, is seldom even considered by students — John notwithstanding.

Secondly, unlike such professions as law or medicine, actuarial work is traditionally concerned with groups, and unseen groups at that. The facts that most law is now practiced on a highly impersonal basis by huge legal corporations, and that the overwhelming trend in medicine is towards specialization and its accompanying depersonalization ("You really should take a look at that gall bladder in Ward C, doctor.") are hardly relevant when romantic images like Perry Mason and the country GP still prevail.

Must be "Realistic"

A naive man who intends to become an expert in dealing with people's problems generally expects direct interpersonal contact with those he will help. He finds only later — in law or medicine — that such may not be the case. In actuarial work, he is generally forced to be "realistic" at the outset. If he can't buy "the greatest good for the greatest number" — lock, stock and barrel — he is not likely to be long for the actuarial business. Sadly for recruiting, he must generally dig to find out that actuaries, too, can work with clients on a much more personal level than corporate tax lawyers or open heart surgeons.

If actuarial work is hard to sell as a profession, perhaps the answer is to push the executive side. The organization man has by no means disappeared from the campuses, nor is it likely he ever will. Far from anathema, bureaucracy for the proper ends has never been more popular: One only needs to observe the McCarthy miracle and the gathering forces of the new student Movement for a New Congress to see this is true. Nor has the success motive come into general disfavor — though perhaps this is easier to see among young business executives than in freshman philosophy classes.

Many college graduates are still quite willing to enter an organization at an early age with the prime ambition of ending up on top of the heap. But . . . there is assuredly a continuously increasing political and social awareness with which the actuarial profession will have to keep pace. Companies, like universities, will be called upon to take political and moral stands, *as institutions*. Bright young actuaries, like bright young lawyers, then will gladly take pay cuts, as long as what they are doing has social significance; and companies that wish to attract them will have to face this fact. Conversely, the very feeling that insurance companies — and business in general — are not now responding rapidly enough to societal needs is sufficient cause to scare a good man away.

* * * *

Perhaps I should answer explicitly a question I must have raised in my first paragraph: why I myself have not become an actuary. Essentially, my reasons are unimportant to the recruiter, since they amount largely to personal temperament and a loosely constructed philosophical intuition. Suffice to say, briefly, that my inclinations presently lead far away from large corporations and applied mathematics in any form. I am aware this does not rule out the small consulting firm — indeed, this type of arrangement would be most attractive to me — but I would much sooner be writing about you than doing your work. □

Mortality Pamphlet

The Committee on Mortality under Ordinary Insurances and Annuities has prepared a pamphlet entitled "Statistical Records of Individual Policies for Mortality Studies." The purpose of this pamphlet is to outline a system of preparing statistical records for use in mortality studies. The methods suggested will be of help to companies of all sizes who wish to investigate their own experience.

Those who would like to obtain a copy of this pamphlet may do so by writing to the Office of the Society of Actuaries and enclosing one dollar.