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EDITORIAL BY THE PRESIDENT

Preston C. Bassett

COMMUNICATING SKILLS

Of the many skills an actuary may have or develop beyond the F.S.A., the skill to communicate effectively is probably one of the most important. It is at the heart of what happens everywhere. And for people who need to understand each other's point of view, it is essential. This was recognized over forty years ago when Edmond Whittaker wrote "... unless he (the senior actuary) can convince the other members of the executive family that he is right he might just as well be wrong." Mr. Whittaker, who for many years was responsible for hiring actuarial students for The Prudential Insurance Company, was talking about the ability to communicate in order to survive in the business world.

Other companies have not overlooked Mr. Whittaker's philosophy. One of the largest consulting firms recently advertising for actuarial students requested "We require 3 + exams and actively pursuing FSA with excellent communicating skills." At one time a large insurance company required all new FSA's to take the Dale Carnegie course "How to Win Friends and Influence People."

With all the other things an actuary has to learn, however, how does he or she also develop these communicating skills? At various times in the past the course of study for attaining the F.S.A. attempted to test communicating skills with limited success. The essay exams in parts 6 through 10 could be used currently for this purpose but were not developed with this in mind.

If communicating skills are so important, why doesn't the Society include this topic in its exam structure? There are several reasons.

1. Many actuaries already have developed these skills through prior education and experience.
2. There is so much material to be covered in the Actuarial exams we hesitate to add more.
3. Some feel that communication is not an actuarial topic.
4. Communicating skills are difficult to test outright, perhaps more so by a team of actuaries working on a voluntary basis.
5. Many fine courses are available from outside sources such as correspondence courses or adult education programs. The Society would be repeating what others are already doing, probably better.

This topic has not been totally ignored by the Society, however. Several times in the past there have been teaching sessions on oral and written communications at Society meetings. There will be another held at our spring meeting in Quebec. These sessions are structured to give you an introduction to these important skills which you may wish to develop further. □

THE E. & E. CORNER

We ordinarily devote this column to questions raised by students and answers from the E. & E. Committees. For this issue the questions come from members of the Chicago Actuarial Club, and the answers from James C. Hickman, one of the five authors of the new text *Actuarial Mathematics*. Other questions and answers about the same work will be found in the 1983 annual meeting issue of the *RECORD*.

1. (Q) Why are the tools used in *Actuarial Mathematics* limited to those developed in Parts 1, 2, and 3 rather than having Parts 1, 2, and 3 cover the tools used in *Actuarial Mathematics*?

(A) Since World War II, the SOA has attempted to keep the basic examinations near the mainstream of what is taught to undergraduate students at major universities in the U.S. and Canada. The goal has been to make entry into the actuarial student program available to a broad group of students without special training.

2. (Q) At the time the team outlined *Actuarial Mathematics*, how was it anticipated that the book would be used?

(A) The authors team viewed Volume I (Chapters 1-13) as containing the basic mathematical models that all actuaries should know. Volume I contains an introduction to the economics of insurance, individual risk theory, basic life contingencies, and collective risk theory. In particular, the authors hoped that students of the SOA and CAS would study Volume I. Volume II, Chapters 14-19, was viewed as being of interest to actuaries concentrating in life insurance and pensions. This volume will cover expense considerations, nonforfeiture values, dividends, premiums for complex policies, including those where benefits may depend on investment performance, advanced topics in multiple life contingencies, population theory, and pension funding. □