



SOCIETY OF ACTUARIES

Article From:

The Actuary

May 1985 – Volume No. 19, Issue No. 5

The Actuary

Editor C.L. TROWBRIDGE Correspondence should be addressed:
 Associate Editors..... DEBORAH ADLER POPPEL *The Actuary*
 JULIUS VOGEL P.O. Box 19253
 DAVID S. WILLIAMS Seattle, WA 98109
 JOSEPH W.S. YAU Tel: (206) 281-9151

Competition Editor..... CHARLES G. GROESCHELL
 Editor Emeritus..... ANDREW C. WEBSTER

Published monthly (except July and August) by the SOCIETY OF ACTUARIES, 500 Park Boulevard, Itasca, IL 60143. Preston C. Bassett, President, Richard V. Minck, Secretary, Michael B. McGuinness, Treasurer, Anthony T. Spano, Director of Publications. Non-member subscriptions: students, \$4.50; others, \$5.50.

The Society is not responsible for statements made or opinions expressed herein. All contributions are subject to editing. Submissions must be signed.

EDITORIAL

ACTUARIES AS MANAGERS

An earlier editorial, drawing a distinction between technical and people skills, suggested that both are requisites to actuarial success. David Gladstone (see his letter in this issue) focuses on management skills, and hopes that the Society can do more in this area.

Certainly a significant number of our calling make their mark, not as actuaries *per se*, but as executives. Although managing the work of other actuaries is simply a step in the normal advancement within the profession, we are thinking of those actuaries acting as managers in a broader sense. We do not know how many of our membership have 'graduated' from strictly actuarial endeavor to become executives, but we have observed that the CEOs of *some* life insurance companies have come from the actuarial ranks. We have also consulted the American Council of Life Insurance to find out what they know of this phenomenon.

Among the 611 member companies of the ACLI, 48 (8%) had actuaries as CEOs at the start of 1985. Of the first decile of companies ranked by assets (the largest 61), 20% had actuarial leadership, whereas only 6% of the 550 smaller companies did. It appears that actuaries are more likely to be the CEOs in large or medium size companies than in small; but it is also apparent that actuaries are seldom the primary pool from which CEOs are selected.

These few statistics poorly represent the much larger number of actuaries who perform primarily as managers. Consulting firms have executives, too, while actuaries below the CEO level are important in life insurance management. Mr. Gladstone's point — that management skills are important to actuarial work — is clearly correct, even though it may be poorly substantiated by the available statistics.

It does not necessarily follow, however, that the Society should now emphasize management in its basic education. Only some actuaries will become managers. Other educational institutions (such as the American Management Association) can probably do it better. These, among others, are the familiar arguments.

We agree with Mr. Gladstone that management subjects fit in very well with *continuing education* for actuaries. That the Society has already ventured once into this area (see A SUCCESSFUL FIRST in the December issue) is a hopeful sign.

C.L.T.

STUDY NOTE SERVICE

A Study Note Service is available to members, non-members, and organizations. The Service includes study notes for Parts 3-10 of the examinations and an Index to Study Notes by subject matter. The Service is \$350 initially, and \$125 annually thereafter for updates and revisions. The Study Note Service is not intended for use by students, as the mailings do not go out until the mailings to students have been substantially completed.

The Index to Study Notes is available separately, for anyone who is interested in purchasing only those study notes that relate to a particular topic or topics. A price list will be provided with the Index in such cases.

Prepayment is required when ordering the Study Note Service or when purchasing individual study notes. The Index and the price list are available free of charge and can be obtained by contacting the Education Department at the Society office.

CAREER CONSULTATION SERVICE

A Career Consultation Service is intended as an aid to members in obtaining the type of work best suited to their capabilities, interests, and goals. This service is a listing of employment opportunities that have been registered with the CCS.

Subscriptions are available to members only. The fee is \$6 for each six months period (January to June, July to December). The subscription list is confidential, only the Society office knowing to whom the employers' listings are sent.

If you wish to become a subscriber, or to renew your subscription, send your request, with name, complete address, and subscription fee, to the Society office.

Clarification

Bob Likins' article (February) could well have indicated that the Conference of Actuaries in Public Practice co-sponsors the Enrolled Actuaries Meeting. Any implication that the Academy does this alone was unintended.