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Question: *When and why did you decide to become an actuary?*
Berin: Although I liked mathematics from the 5th grade on, I became a math major rather late in college. At that time there weren't many opportunities for somebody trained in mathematics, except for teaching. Gradually I found out about actuarial work, and I became committed when I read Jordan during my Army service. The study of life contingencies fascinated me.

Question: *What do you like most about being an actuary?*
Berin: I like the technical aspects of the work most. I enjoy discussing technical matters with other actuaries and with nonactuaries.

Question: *What do you like least about being an actuary?*
Berin: The least attractive part is the clerical, administrative work. But any job would likely have those particular aspects, and it's a small part of what I do.

Question: *What are your interests outside of your business and professional responsibilities?*
Berin: I am concerned about the care of the elderly and have participated in several programs involving food distribution. I read as much as I can, and I'm thinking seriously of renewing an old acquaintance with the guitar. In the summer I spend as much time as possible horizontal by the local swimming pool.

Question: *Why do you want to be President of the Society of Actuaries?*
Berin: It seems to me that over the last five or 10 years I've moved in a certain direction without having any general plan. I found my two tours of duty on the Board of Governors, once as a member and presently as a Vice President, very interesting. Certainly a lot of problems and challenges were presented.

I found the interaction with the Board members stimulating. When asked if I would run for the presidency, I felt that I couldn't say no. Besides being a great honor, I have been involved in dealing with many different problems and the solutions aren't necessarily going to be easy. But I have some understanding of the solutions, and I have interacted successfully with members of the Board, as well as the membership.

Question: *How will you balance your responsibilities as President with your business responsibilities?*
Berin: The organization that I work for has been interested over the years in encouraging professional activity. I've been involved for some time in various committees of the Society of Actuaries and other professional organizations. The firm has always supported these efforts wholeheartedly and, I'm sure, will continue to do so.

Question: *Do you feel that the Society has the right balance of professional staff and member volunteers?*
Berin: This is a difficult question. Certainly the staff would appear small in relation to the assignments. While the staff is efficient, adding additional professionals is always a great temptation. But first I think the assignment and the need have to be very clear before filling the spot.

As far as volunteers go, I think the Society of Actuaries is vulnerable. The number of jobs has grown so large and demanding over the years that we're constantly trying to recruit. The base has expanded so much that you have to wonder about the limits. I think the Committee on Planning should sketch out various possibilities for the future.

Question: *How should the Board and members best interact?*
Berin: I think interaction in the past has been close to nil. I would encourage the members to attend Board meetings when they're held close to where they work. Although they will sit around the periphery of the table, they will hear and see everything and become aware of a myriad of problems, suggestions and solutions that they couldn't possibly pick up from the written reports that follow the meetings.

I would also encourage members to send in items for consideration as part of the Board meeting agenda. The various local clubs should encourage Board members to visit periodically and interact with the membership, report on progress, take questions, and try to provide answers. There is a pressing need for interaction, disclosure, and involvement.

Question: *What do you feel is the greatest strength and greatest weakness of the Society's Education and Examination system?*
Berin: I think the greatest strength is the development of the underlying technical material that makes us actuaries. That has got us to where we are right now. The greatest weakness is the totally voluntary nature of the commitment on the part of the people who serve on the E&E Committees and the need always to revise, update, and add new material. So far I think we've managed. There have been gaps in the field that I know best, but in recent years this has been closed. However, again I think we have to be concerned about the future in terms of how the E&E function will operate.

"We must always relate to the marketplace and be sure that we're training our members so that there will be future job opportunities for them."

Question: *Do you favor continuing education requirements for Society members?*
Berin: I think we are there already. I don't suppose there are many actuaries who in good conscience do not read extensively and attend seminars. The material that we have to keep up with is voluminous, and new material is continually added. It is difficult. Any outside source offering continuing education is welcome by most of our members.

Certain parts of the profession already have mandatory continuing education requirements. I think that adding a mandatory requirement is not something to be dreaded but something to be accepted as part of the obligation of the profession.

Some have said that if we don't require continuing education, the regulators will do it for us. I think that's probably true. But that's likely the weakest reason for having a mandatory continuing education requirement.

I think the more important requirement is evidence of good faith, that our profession is keeping up with a rapidly changing environment.

Question: *What form of continuing education do you think is the most valuable?*
Berin: I like the teaching session with one instructor lecturing, classroom style, to an audience of 50 to 75 people, with illustrations, problems, and the opportunity for questions and answers.

Question: *Are you satisfied with the Society's current level of research activities and their financial support?*
Berin: I think the Society of Actuaries has made a great leap forward in recent years. Under Ian Rolland's leadership and Irwin Vanderhoof's impetus, the Society has come a long way in the research area.

The Society is fortunate that Curtis Huntington is now leading the Research Policy Committee. There are a lot of projects underway. I think interacting with the academic community in both the U.S. and Canada will probably add even more opportunities.

Question: *What should the profession's approach be to principles, standards, and discipline?*
Berin: I'm not sure that I understand the difference between a principle and a standard and I think that's a troublesome point. I found the distinction difficult to comprehend and I notice that people who are very active in that field occasionally have to go back to basics to distinguish between a principle and a standard.

I'm sure I'm in the minority, but I would favor clearing the air and calling it one or the other. However, in the area of standards, I think realistically these are minimum standards, and they should be offered as minimum standards. In other words, one can do more than the standard indicates and one can do better, but one should do at least this much.

On the issue of discipline, I think in the past the Society of Actuaries and, as a matter of fact, all major actuarial organizations have been reluctant to press hard in the area of disciplining the membership.

A few outstanding cases are well known. But there are other cases that are raised and dealt with that are not well known. If the Society of Actuaries is to be seen by the public and by regulators as an effective organization dealing meaningfully in a positive way with its membership, then the few cases that require discipline should be examined very closely and the appropriate charge should be made to the parties involved.

I think other organizations – the medical profession, the legal profession, engineering profession – over the years have been more than willing to look the other way. I don't think we can continue to do so.

Question: *What do you think the Society can do to increase public recognition of the actuarial profession?*
Berin: This has been a problem for many years. We have life insurance companies that are among the largest financial institutions in the world, providing secured insurance programs. We have employee benefits plans offered to most of the people in this country and Canada and we have actuaries who work successfully with social security programs.

As actuaries, we know this, but the nonactuarial public does not. In the area of public relations, we have a long way to go. We have to strengthen the public relations department of the Society of Actuaries and work hard at getting our name and accomplishments out before the public.

Question: *How can the Society best support the Academy and the Canadian Institute in their efforts to carry out public interface responsibilities for the profession?*
Berin: The Canadians are doing an excellent job in this area. In the United States, this question dodges the central issue, which is unification. I think most of the things that have occurred in the last 20 years or so have not faced up to the problems of

Continued on page 11 column 2

churning in what the Society is doing, as different presidents emphasize different goals.

We have had what seems to be a large number of mammoth committees doing very serious studies of the future, the present, and other things. I'm a bit concerned as to just how full the Society's plate is.

I would try very hard to stress the point that as a profession we receive certain rights from society. And in return for those rights, we have certain responsibilities to meet. I would want to focus the Society's activities so that I could say we are trying to meet our responsibilities to society and to move towards what the Crawford Committee emphasized – the dedication to service, people, the society that gives us our rights. Because, otherwise we're not a profession, we're a trade organization.

Question: *Is there anything else you would like to comment on or emphasize?*

Watson: I would try very hard to live up to the Society's past achievements and try to leave the Society a somewhat better organization than it was when I came in. And I would try to listen to the members.

1990 AERF Practitioners' Award

The Actuarial Education and Research Fund is planning its third annual Practioners' Award for research done in 1989. This award is to recognize the considerable research done by actuaries working in a nonacademic setting and to encourage the publication of research performed in the working environment. Submissions must be made to AERF by August 1. Announcement of winners is scheduled for October 1990. For rules and requirements on the Practitioners' Award, call Mark G. Doherty, Executive Director of AERF, at 708-706-3571. The top prize is $1,000 and honorable mention prizes of $500 are possible. The AERF anticipates publishing submitted papers in the *Actuarial Research Clearinghouse (ARCH).*

Berin interview cont'd

unification. The issue has to be explained to the members. The membership has to understand the wastefulness of redundant dues, redundant committees, and overlapping committees among the actuarial organizations. In practice, this will not be overcome easily. It will take either a major crisis or an evolutionary process.

I think the first step, though, is to make the membership aware of the wastefulness, and to urge the formation of joint committees on the important subjects rather than a proliferation of committees within different organizations.

Question: *If you are elected President of the Society, what one issue or task would receive your greatest attention?*

Berin: Among the concerns of anyone elected to this office would be the appropriate and proper role of the Education and Examination Committee, presently and in the future.

Often not discussed is that one of the fruits of Society of Actuaries membership is the fact that we have extensive job opportunities. We must always relate to the marketplace and be sure that we're training our members so that there will be future job opportunities for them. A current example is the development of a proposed investment track. This too involves the E&E function.

And most of all, we have to move with the times. But we have to move conservatively and not get so far ahead of the members that they rebel. The most important issue is the E&E function in the future. It got us to where we are now and will get us to where we will be. But one doesn't lead by pronouncements. One leads by listening to and working with the membership.

Question: *Is there anything else you would like to comment on or emphasize?*

Berin: This experience has been a sobering one for me. It's a great honor, and win or lose will remain a great honor. I appreciate the opportunity.

Rappaport interview cont'd

to exchange ideas. The networks in the Society might be able to provide a forum for that. To some extent, *ARCH* does that already.

I'm also concerned about the actuary's focus on research – it's probably too narrow. For example, in the area of healthcare, we tend to focus on issues relating to employee benefits and insurance products. We don't focus on broader issues. If we think about actuaries and our education and what we're prepared for, why shouldn't we be thinking about broader issues? Why shouldn't we be thinking about the demographics in a broader context? AIDS is another area where a number of actuaries have done modeling and written papers, but most of our focus – not all by any means – but most has been on implications of AIDS for insurance. I'm not satisfied.

I am encouraged, though, because I think the Society has taken big steps forward in revitalizing the research process. I'm proud that I was involved in the task force that made recommendations about how to revitalize the research process.

Question: *What should the profession's approach be to principles, standards, and discipline?*

Rappaport: This is a difficult question. I've been a Fellow since 1963. I've been involved in professional activities since the late 1960s and this question has been debated during virtually that entire time. One of the problems is that it's easy for us to talk about standards and discipline. However, when the tough decisions come along and we see something that's possibly not quite up to the standard we'd like, it's very difficult to do anything. I know the Actuarial Standards Board is now in place. I'm not sure whether it's working. A tremendous amount has been done in the last decade. We need to ask if it is working well. If it's not, where do we move from here? Actuaries aren't the only people that are struggling with this. The accounting profession has been struggling with this for years. I would start with looking at the good work done in the last few years and then try to understand what's working and what's not working. The next step is to support what's working or try to improve on what's not.

Continued on page 12 column 1