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EDITORIALS

Keep your mind open

by William C. Cutlip

Sometimes we're real actuaries. We believe if it can't be proven with a formula, it's not true. And those who don't understand that...well, they just don't understand.

Cindy Forbes wrote an article for the April 1995 issue of *The Actuary* called "Understanding Your Management Style." It described the Myers-Briggs Type Indicator (MBTI), a tool in use for many years to help people understand their own style of operation and how they relate to others. It was a good description and explanation of the system.

One person took exception to it (see this month's letters to the editor). He feels people are far too complex to be categorized into 16 "personality types." He has a good point...if we take our MBTI profiles as literal "facts."

Part of our responsibility as actuaries is to communicate our findings and understandings to others. For us to be most effective, we need to do it in

their language, not ours. By understanding how we typically process and communicate information and how others hear it and process it, we can modify our approach so others can hear us better. That's what MBTI and the interaction of people is all about.

Looking at something like an MBTI reminds us of the opportunity we have to grow in our profession. We approach actuarial science as a probabilistic science offering a range of opportunities and solutions. If we take that same probabilistic approach to social sciences such as communications, our possibilities for success increase.

Next time a new idea comes across your desk, stop for a minute and think about how it can help you in your work. Don't limit yourself by looking at whether ideas fit a formula and then discard them if they don't. Rather, see what possibilities your imagination can conjure up. You'll be a better actuary for it.

The future: Actuaries and the Internet

by Sue Ann Collins

In reviewing this issue of *The Actuary*, I am again struck by how technology influenced my career. During my relatively short time with the life insurance industry, I was among the first at my company exposed to a desktop computer and APL. Later came Lotus and the first portable PC, which by today's standard was hardly portable. Today's

version made the initial prototype awkward by comparison. Our work environment has changed dramatically as traditional actuarial tasks became easier and faster to perform.

If all the references in this issue to electronic bulletin boards such as Actuaries Online and the Internet are any indication, I believe we are on the edge of the next major technological

influence on how we carry out our work.

The influence of the PC is felt not only in our traditional areas of work, but also in new areas of practice that have emerged or expanded over the past decade. They include:

- Development of sophisticated software systems for PCs in pricing, product development, valuation, asset and liability management
- Expansion of the valuation actuary role by using these new tools
- Rapid growth of actuaries as investment professionals

New products go to market at a faster rate than ever before. Ideas for new bells and whistles are not constrained by lack of technology. Illustration systems developed in the home office are now regularly available in field offices.

For the uninitiated, an electronic bulletin board is similar in concept to the familiar bulletin board where individuals post messages, such as, "Anyone with information about proposed changes to the standard valuation law, please contact Sue Collins."

The electronic nature of this process means that anyone can transfer any document or response of any length quickly from one computer to another.

Think of the Internet as a gigantic network that links thousands of computer networks worldwide. This means any person with access to the Internet has access to data appearing within any of these networks. With a vast array of topics, the Internet continues to expand at a phenomenal pace.

As you can tell from the contents of this newsletter, our own Actuaries Online bulletin board is being used in many ways. Tom Corcoran tells us how the Disability Special Interest Group plans to use Actuaries Online. And, the SOA announces Frank Stone as the lucky 1,000th subscriber to Actuaries Online.

A recent issue of the U.K. publication, also named *The Actuary* and published by the Staple Inn Actuarial Society, provides information on some resources available on the Internet. Examples include a discussion group

run by the actuarial science program at the University of Nebraska, Balducci's Home Page at the University of Calgary that provides access to more than a dozen actuarial-related resources, and networks run by the three U.K. universities: City, Heriot-Watt, and Kent.

It is interesting to speculate on the impact this technology will have on the actuarial profession in North America. The speed and frequency of research data and ideas exchange will mean actuarial techniques and approaches (pricing, product development and valuation) become dynamic; new product ideas will emerge and be quickly copied; and our information sources will not be confined to North America. It is not difficult to imagine that publications such as *The Actuary*, *The Record*, and *Transactions* will eventually be available through the Internet. I fully expect the changes in the actuarial profession between now and my retirement to exceed those I have experienced to date.

Journal calls for papers

Actuaries and other interested parties are invited to submit articles to the *Journal of Actuarial Practice*, Vol. 3, No. 2, on any subject (e.g., life, health, pensions, property/casualty, investments) related to actuarial science or insurance. The journal accepts technical papers, commentaries, essays, and book reviews which have relevance for actuarial practice.

Fax or mail a short abstract (150 words or less) to Colin M. Ramsay, Editor, *Journal of Actuarial Practice*, P.O. Box 22098, Lincoln, NE 68542-2098. Phone and fax: 402/421-8149.

Five copies of the completed paper must be submitted by Monday, October 16, 1995.

Meeting and seminar calendar

September 13	Risk Transfer in Reinsurance Transactions Seminar Chicago Hilton & Towers, Chicago
September 13	Financial Reporting for Product Development Actuaries Chicago Hilton & Towers, Chicago
September 13	Managing Yourself in the Midst of Change Chicago Hilton & Towers, Chicago
September 14-15	Valuation Actuary Symposium Chicago Hilton & Towers, Chicago
September 21-22	Maintaining Tax Deferral: Policyholder Tax Compliance Issues for Life Insurance & Nonqualified Annuity Products The Willard Inter-Continental, Washington, D.C.
October 13-14	Financial Risk Management: A Case Study The Westin Hotel/Copley Place, Boston
October 15-18	Annual Meeting Marriott Copley Place & The Westin Hotel/Copley Place, Boston
October 23	Stop Loss and Large Claims The Dolphin, Orlando
December 3-5	Critical Issues in Underwriting Pointe Hilton at Squaw Peak, Phoenix