



SOCIETY OF ACTUARIES

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the impact of regulation. "I think for companies that did not fall under New York Regulation 126 (the first state legislation to require actuaries to file memoranda with a state insurance commissioner), it was very eye-opening to do a projection for the entire company. For people who haven't done that, it's not an easy process to go through. It's very time-consuming, and there might be certain blocks of business that haven't been thought of assumption-wise because they're self-sustaining."

Ratajczak also felt the symposium benefited this year from adding workshop sessions designed for informal discussions. "They're a very good source for getting a sense of what the 'hot buttons' are for other companies. The workshop environment gives people an opportunity to talk."

Charles (Bud) Friedstat also praised the new workshop sessions and open forums such as "Ask the Experts," a popular session among attendees (25% wanted more such interactive sessions).

Friedstat, a senior manager with

KPMG Peat Marwick, Chicago, said he's seen a vast change in content since the 1980s. "Now we're asking how we can refine our calculations? How can we use them in other ways? What roles should we be playing in dealing with management?"

He also stressed the improvement in memoranda quality over the years. "Now, because of computers, modeling capabilities are so much more sophisticated. Also, [financial and investment] education has been very, very good."

New program offers career development aids

by Michael M. Braunstein

Suppose you want to be president of the United States of America. If you don't have an extra billion dollars, how do you get there? Chances are you're going to need some outside support and some decent credentials.

Let's start with the credentials. If you are a senator, a governor, or a high-level government figure, that credential would probably suffice. If you held such an office, you probably could find financial support from those who want to see you at the top.

Then the question is — how do you get to be governor? You could become a lawyer and get involved in town politics. You could parlay that into a role at the state level, committing your time and energy to your party. If all goes well, all that effort could pay off, and you'd be governor. An alternative is to start as an actuary, get your Fellowship, run an insurance company, get involved in community affairs and work your way into a state insurance commissioner's position. From there you'd have the necessary support and visibility. From FSA, to governor, to

president, with a few additional stops along the way.

The point...planning

Actuaries often think Fellowship is the end of the road, rather than the beginning. After all, you automatically become an important player in your organization, you get the standard promotion, and you get that long-awaited increase in pay. You expect that if you do a decent job, a lot more will come your way. The truth is, it doesn't happen without adequate planning. Sure, there are some success stories where new FSAs (and even some ASAs) go on to quick fame and fortune. You can bet this isn't due to chance, but because of early insight, intelligent planning, and careful execution.

What should you do to guarantee success in achieving your goals? Start by asking yourself the six "W" questions.

- 1) What do I want? (This is the first and most important question to ask.)
- 2) Where do I ultimately want to be?

- 3) When can I realistically expect to get there?
- 4) What intermediate steps are necessary along the way?
- 5) Who can help me?
- 6) What skills will I need? (Here's a helpful hint: Develop skills beyond technical skills required of an actuary. Learn to communicate well, to present yourself positively to all individuals, to manage people and projects, and to negotiate. Most important, be flexible and ready to adjust as you progress. Nothing happens exactly as planned.)

B. Then, start at the top (your optimum role) and work your way down.

C. And finally, execute your plan.

To help actuaries get from here (where you are now) to there (where you eventually want to be), the Society of Actuaries (SOA) Committee on Management and Personal Development, in conjunction with the SOA Continuing Education Department,

(continued on page 8)

Reinsurance Section sponsors educational paper

by Tom Skillman

The Society of Actuaries Reinsurance Section sponsored an educational paper by Diane Wallace entitled, "Risk Transfer in Life Insurance Company Reinsurance Transactions." Copies have been mailed to all members of the Reinsurance Section. Extra copies are available for other SOA members on a first-come, first-serve basis by contacting Lois Chinnock, SOA Section coordinator, at 708/706-3524.

The paper is written for a general business audience familiar with life

insurance accounting but not necessarily involved with reinsurance. It provides good information on key reinsurance topics and will be valuable to non-actuaries and to actuaries outside the Reinsurance Section. Product development actuaries may be exploring expanded use of reinsurance to deal with challenges relating to XXX, a model regulation promulgated by the National Association of Insurance Commissioners. Valuation actuaries may be seeking guidance in accounting for reinsurance.

The paper covers a range of issues, starting with basic definitions and addressing the elusive concept of "risk transfer." It also covers reserve credit regulation, actuarial standards of practice, and common treaty provisions. The paper is an easy, enjoyable read. **Tom Skillman is the director of Financial Reinsurance for Lincoln National Reinsurance Companies in Fort Wayne, Indiana, and a member of the Reinsurance Section Council.**

Career development (continued from page 7)

created a career development program. The program will provide assistance through the Professional Actuarial Specialty Guide (PASG), through a recently updated Actuarial Competencies Grid, and by offering management and personal development topics/issues at SOA conferences.

The SOA or committee members can provide information sources in a variety of areas such as:

- How to write a better business letter
- How to make a better presentation
- How to negotiate for what you want
- How to develop your interpersonal skills and increase your interpersonal effectiveness
- How to identify personality types to help you manage people
- How to recognize opportunity when it is staring you right in the face

Whether or not your future is within your company, or even within the industry, is for you to decide. You make the choice. You take the action. You get the results. Chances are, if you have the right skills, opportunities will be there for the taking. Who knows, maybe one of these days you'll find yourself living at 1600 Pennsylvania Avenue.

For more information on career planning resources, contact the SOA Continuing Education Department or a member of the Committee on Management and Personal Development.

Michael M. Braunstein is president and owner of An Actuarial Recruiter and is a member of the SOA Committee on Management and Personal Development.

Election Committee invitation

The Committee on Elections is beginning to prepare the first ballot for the 1996 election. On that ballot, Fellows nominate other FSAs for Board of Governors' positions. To aid them, the Society of Actuaries provides a list of those eligible for election who have met specific criteria for committee and other service to the profession. In addition, Fellows who have the experience, interest, and time to serve on the Board of Governors may submit their names for consideration. Anyone who would like to do so is invited to summarize his/her accomplishments and background in a letter to R. Stephen Radcliffe, chairperson of the Committee on Elections, and send it to the Society of Actuaries office before December 1, 1995.