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EDITORIAL

The breadth of opportunity is the staff of professional life

by Bill Cutlip

Mike Cowell, outgoing editor of *The Actuary*, and Sam Gutterman, the president of the SOA for one more month, took on a heroic task for this month's issue. They solicited replies to Gutterman's front page story from around the globe. Following his article, you will find comments from the United Kingdom, Hong Kong, Japan, Quebec, and Mexico — in English, Chinese, Japanese, French, and Spanish.

Read the related articles on the IFAA, tips for becoming an international actuary, and news of Israeli actuaries' 50th anniversary celebration.

The global theme of this issue made me think about how the breadth of opportunities keeps growing for our profession. Look back to when you started as a student. Actuarial science was a fairly narrow field, limited to insurance company needs (30 years ago), and pension plan needs (20 years ago), and health plan needs (10 years ago), and marketing needs (5 years ago.) Today, we see the emergence of actuarial needs in global planning, social programs, banking, the legal profession, and a host of other areas. Tomorrow's needs and the contributions actuaries can make in the measurement of financial risk and the application of actuarial principles are limited only by our own imaginations and our grasp of effective marketing.

The breadth of opportunity and the potential we see is not confined to that larger entity: "the profession." Rather it is something that can benefit you personally in your daily professional life. You may have found a very comfortable work niche. You like your

job duties, your boss, the company, the place you live, or other of life's elements important to you. But, beware! Complacency can lead to atrophy, out-dated knowledge, and the lack of preparation for unexpected events. A "dinosaur" brain or "couch potato" mentality can trap you in repetitive work. Not keeping up with the latest information can leave you vulnerable to obsolescence. And, not being prepared for unforeseen upheavals can leave you stunned and paralyzed if your job or company becomes part of the great "upheaved."

I was talking with a long-term ASA recently who was trying to decide whether to return to that torturous road to Fellowship. He was six months into a job he was made for, the company was in such a growth mode that it didn't put much emphasis on exams, and his boss pointed out all the spots to work there that didn't require an FSA. As we talked, he was feeling more and more comfortable with the idea of not continuing. But when I asked one question, his comfort bubble burst. "What if your boss, your mentor, your protector leaves, and the next one wants only highly educated actuaries?"

Don't leave yourself vulnerable to missing out on opportunities because you didn't get more education. This applies to FSAs almost more than anyone. Just because you finished those exams, don't stop learning. And, don't just accumulate more depth in your specialty. Learning things in other areas will give you more breadth, insights into others' challenges, and a fresh perspective on what you're doing.

(continued on page 5)

Globalization de la profesion actuarial

para Sofia Romano

Nos gustaria, a través de este medio, señalar solamente algunas razones por las cuales, en México, consideramos totalmente válida su tesis acerca de que el mundo se esta volviendo cada vez mas pequeño:

NAFTA

Con la puesta en marcha de este tratado, las compañías aseguradoras de los 3 países participantes pueden invertir en las otras dos y establecer subsidiarias que posean totalmente. Los actuarios van a estar viajando a los otros países, debiendo aplicar principios universales y al mismo tiempo cumpliendo con las regulaciones locales.

Privatización de la seguridad social en México

La privatización de la Seguridad Social en Mexico experimentará una profunda reforma, la cual empieza en Enero de 1997. Entidades privadas jugarán un papel significativo en este nuevo esquema:

- Se crearán cuentas individuales de ahorro para cada trabajador, las cuales serán constituidas con sus propias aportaciones. Organizaciones privadas especializadas administrarán e invertirán estos fondos.

- Las compañías de seguros pagarán todas las anualidades que se deriven de la Seguridad Social.

Los actuarios enfrentarán nuevos retos al tratar con riesgos totalmente diferentes a los que se usualmente se han manejado.

Sin embargo, otros países han pasado por este proceso en el pasado. Por ejemplo, Chile, Argentina, y Colombia han privatizado ya, sus sistemas de Seguridad Social. Porque inventar el hilo negro y no aprovechar la experiencia que ya se tiene?

IFAA

Nuestra organización actuarial es un miembro fundador del Foro Internacional de Asociaciones Actuariales. IFAA es una respuesta clara a las necesidades de globalización. Todos tendremos que tratar de unificar nuestros standards, programas de educación, códigos de ética y procesos disciplinarios.

Inversión extranjera

Además de NAFTA, México esta claramente abierto a la inversión extranjera. Una proporción importante de aseguradoras que operan en México tienen participación extranjera dentro de su capital:



En resumen me gustaria puntualizar lo siguiente:

- La globalización no forma parte del futuro, la estamos viviendo.
- Tendremos que usar todas las herramientas tecnológicas modernas disponibles en la actualidad, de tal forma que optimicemos la comunicación.
- Tenemos que sacar provecho de todos los diferentes congresos, juntas y seminarios para incluir temas de la globalización. El Congreso Internacional de Actuarios (ICA) organizado por la Asociación Internacional de Actuarios (IAA) juega un papel clave en este aspecto. Los siguientes dos, serán, Birmingham, Inglaterra, 1998; Cancún, México, 2002.

Sofia Romano, Secretario de Organizacion del Consejo Directivo, Colegio National de Actuarios, México

Opportunity (continued from page 2)

You might even find some new opportunities down the road.

An often overlooked and under-utilized area for learning is the SOA meetings. Check out the many facets of actuarial practice today as illustrated in the program for this year's annual meeting in Orlando. What a variety of learning opportunities and a bounty of new realms to explore. Of course, there are great excuses not to go:

- "My company won't pay my way." (Are you too frugal to invest in your own education and future?)
- "There aren't any sessions on my detailed area of expertise." (Maybe you're the expert and should be presenting. Or better yet, what a great opportunity to take a look at something different or new.)
- "I only go for the networking." (Great! Building relationships can really pay off when you're looking

for technical help or to change jobs someday. But sneak into some of the sessions; you'll be surprised what you'll learn. And, networking goes on there, too.)

However you choose to do it, prepare for your future. Learn new things. See new opportunities where you are or elsewhere. Go to a place where you've never gone before and gain new knowledge. And keep doing it your whole life.