



SOCIETY OF ACTUARIES

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What the times demand

SOA president-elect to examine organization, academic ties

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1997-98 SOA President-Elect

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Thank you for your support for me as president-elect. I'm honored to have this chance to repay the profession for the opportunities it has provided.

I want to offer my view of our profession and the direction I intend to lead. I believe that leadership makes a difference and that good leadership must clearly articulate a vision and direction.

We all share a personal satisfaction and pride in our profession and how it has enriched our lives. We are committed to sustaining a vital and relevant actuarial profession for ourselves and for future generations of actuaries.

To accomplish this, the Society of Actuaries must continue its commitment to provide opportunities for personal growth, expand intellectual capital, and enhance members' contributions to business, government, and the public.

If there were no challenges to accomplishing our goals, then leadership wouldn't matter. But this isn't the case. Ours is not a profession whose future is secure. If the Society's leadership falters, actuaries risk becoming a minor trade, losing credibility to others seeking to do actuarial work.

The Society of Actuaries is being challenged to develop and deliver the research, basic education, continuing education, and professionalism needed for the profession to thrive in a changing world. I see three interrelated challenges.

First, we're living in a rapidly changing business and social environment. Massive changes are under way in the financial services industry: financial institutions are consolidating and becoming multinational, and there is a blurring of the lines between

insurance, banking, and securities. Health care is rapidly moving towards managed care. Also, there are serious concerns over the future of private and public financial security programs. We need to help shape and respond to these changes.



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Second, we're participating in the evolution of new analytical and intellectual tools. These tools often come from the business world, business schools, and new applications of mathematics and statistics. We need to help develop new tools and to incorporate them into our training and work.

Third, we're increasingly competing with non-actuaries for jobs. This challenge is driven by institutional changes, growth in intellectual capital, and our growing membership. We need to secure our claims to an expanding array of jobs.

These challenges cannot be adequately addressed or "solved" in a single presidential term. I'm pleased that the Society has been well served by past and current presidents, officers, boards, and volunteers who

understood these challenges and who have led the profession to develop meaningful programs. It's vital to continue this momentum.

My contribution will be to concentrate on improving organizational effectiveness. Over the years, we've developed a variety of programs — some quite necessary and others perhaps now marginal. We're at a point where we need to de-emphasize marginal or unproductive activities, streamline our organizational structure, and respond to changes in our finances.

A more effective organization allows us to better use scarce financial and volunteer resources to accomplish the profession's most important business.

I also want to help shape our agenda. My priority is to explore ways to improve ties with academia. A viable profession needs strong ties to academic institutions, where scholarship and experimentation are central functions. Our ties are much looser than other professions, such as law, medicine, and architecture. While there are many complicated issues to consider, I'd like to move us towards an enhanced relationship with academia.

Even with clear plans, the Society's success is based on volunteers.

Leaders and their plans do matter. But leaders cannot accomplish much without enthusiastic, supportive volunteers. Your leaders do want your input, we do welcome your involvement, and we do listen. I encourage you to tell me what's on your mind and to get involved in responding to our professional challenges.

Together we can assure our future as a vital and relevant profession.

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