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SOA strategic plan

“Help members do their jobs better” is the goal

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The Society’s 1996 mission and vision statement gave the 1996-97 Strategic Planning Committee a focal point for its work: make the mission and vision a reality.

The result is a package of 10 recommendations for the Society overall, a strong statement of support for the strategic directives developed by the 1996 planning committee, a plan for each of the four practice areas, and a wealth of information about some actuarial “customers,” including employers.

“We started with the mission and vision statement as a given. Other than that, nothing was preordained,” said SOA President Anna Rappaport, who chaired the committee as 1996-97 president-elect. Members of the committee were Faye Albert, William Bluhm, Morris Chambers, Donna Claire, Sue Collins, Cindy Forbes, Alice Gannon (CAS liaison), P. Anthony Hammond, Curtis Huntington, James Murphy, Patricia Scahill, Michael Sze, Irwin Vanderhoof, and Joan Weiss.

A 3-part umbrella for 1 goal: effectiveness

To make the mission and vision a reality, the committee began with the underlying concept, “help actuaries be more effective in serving their customers.” This concept colored much of the committee’s work, which was grouped around three objectives:

- Evaluate the strategic directives formed in 1996 and, if they

remained intact, build on them

- Try to better understand actuaries’ customers, including employers
- Identify ways to make the mission and vision a reality

“We also looked at how to integrate the strategic plan with the operational plan,” Rappaport said.

To reach those objectives, several steps were taken.

Practice areas form plans

The committee divided into four practice area subgroups. Each subgroup performed a gap analysis based on the questions: If the mission and vision statement is applied to your area, how do current Society programs and efforts fulfill the mission and vision? Where do they fall short? And, finally, what must be done to make the mission and vision work for your area?

“The gap analysis was a big part of the committee’s work,” Rappaport noted. “Each subcommittee examined the current environment and employment outlook for actuaries in their practice area. They also looked at the issues facing the customers of actuaries and how effective the SOA programs were in helping actuaries meet their needs. They then developed a plan to fill the gaps between customer needs and the things we are doing now, consistent with the mission and vision.”

What do customers need?

“When you look at the marketplace today, you see joint ventures, mergers,

and a focus on meeting customers’ needs,” Rappaport observed. “Looking at the marketplace and then trying to link it with our mission and vision, you see that the bottom line for Society activities should be to help members be more effective in serving their customers.”

Two major initiatives were conducted: first, a focus group of high-level managers from 13 major consulting firms, managers who hire or heavily influence the hiring of actuaries; and second, a written survey to which 406 small consulting firms responded about their work and their customers’ needs.

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“Our focus in these initiatives was on the external market and what it’s looking for,” Rappaport said. “Basically, we looked at where actuaries work today and where they might work in the future. Those initiatives were a start in trying to understand our customers — both employers and clients of actuaries — and the issues they face.

“Customer research work really informs. Any plan needs to be based on the environment, and the environment today says the customer is where the focus is, whether the customer is a client or an employer.”

Critical success factors

Strategic planning almost by definition requires priority setting. To help determine priorities, the committee asked the SOA board and key staff members what they considered critical success factors for the profession and the SOA.

“At a board meeting, board and staff members divided into three groups for this discussion. It turned out that each group listed very similar critical success factors,” Rappaport said. “We knew we had really good consensus.”

The two lists — critical success factors for the profession and for the Society — finalized by the Strategic Planning

Committee were very similar to those produced at the board meeting.

The future’s bottom line:

10 recommendations

Throughout the process, Rappaport and the committee members read and evaluated enormous amounts of information, including:

- The practice areas’ gap analyses
- Reports on the customer focus group and the preliminary results of the small consultants’ survey
- The lists of critical success factors and comments on them
- The 10 1996 strategic directives.
- Information on long-term, global issues provided by Irwin Vanderhoof

After numerous sortings and revisions, the information was honed to make the core of the 1997-98 strategic plan. Among its major provisions are support for the 1996-97 strategic directives and 10 recommendations to help implement them. “The 10 recommendations plus the practice area plans in total support the strategic directives,” Rappaport noted.

Next steps

The practice areas have detailed plans, Rappaport said, and the Practice

Advancement Committees are working on translating them into action.

Meanwhile, President-Elect Howard Bolnick is chairing this year’s Strategic Planning Committee. One focus is on integrating the strategic plan with the Society’s operational plan. “That’s extremely important,” Rappaport noted. “It doesn’t make sense to form a strategic plan, put it in a picture frame, and then go back to doing what you’ve been doing.”

Above all, the 1996-97 committee intends that the plan and future committee activities support the goal of skill improvement for actuaries working in rapidly changing, customer-focused times. “The mission and vision statement mentions education and research, but when you think it through into action steps and then look at your bottom line, you see that it’s all intended to help members be more effective. With this focus, the Society leadership is saying, ‘It’s not enough to try to make members happy and feel good. We want them to be able to do their jobs better.’”

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Support in the aggregate: recommendations to bring the 1996-97 directives to life

To fulfill the goal of making the SOA’s mission and vision a reality, the 1996-97 Strategic Planning Committee developed 10 recommendations. Taken together, the recommendations are intended to support the 10 strategic directives developed by the 1995-96 committee, headed by then President-Elect David Holland.

1995-96 strategic directives

1. Expand the recognition of actuaries as the leading professionals in the modeling and management of financial risk and contingent events.

2. Expand the scope of the actuarial profession, particularly with regard to investments and the international practice.
3. Maintain an educational program which sets the gold standard for actuarial education in the world.
4. Improve actuarial “value added” from our customers’ perspective.
5. Expand actuarial literature.
6. Develop strategic alliances with organizations in related fields.
7. Enhance the contribution of academia and better integrate with the profession.

8. Work with other actuarial organizations to address issues of public concern.
9. Review and strengthen the system for committee accountability.
10. Utilize technological developments to improve services and reduce costs.

The 1996-97 recommendations

1. **Overall direction:** Continue the strategic directives from the 1995-96 plan through 1998. The mission, vision, and strategic directives have been amplified by adding critical success factors.

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