



SOCIETY OF ACTUARIES

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Joint CAS/SOA board meeting fortifies mutual respect

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The presidents of the Society of Actuaries and the Casualty Actuarial Society reported that a meeting of the two groups' boards, held Sept. 17, was a major step in an 18-month effort to improve communication and respect.

"We have some concerns that are similar and some that are different. By discussing this among us, we gained a lot," said Anna Rappaport, 1997-98 SOA president. "I believe the meeting went a long way toward increasing our understanding of the importance of working together."

Noted Mavis Walters, 1997-98 CAS president, "Given the initial purpose — to get the members of both boards to interact, to know each other as people, and to demonstrate mutual respect — clearly this was a very successful meeting.

"The topics discussed were also important because it's beneficial to know what each organization values. It showed that in some ways we are very similar, and there are challenges we're both facing." One major example: many members of both the SOA and the CAS are heavily impacted by mergers and consolidations in financial services companies throughout the world.

Tensions arose between the two organizations' leadership when articles

in the May 1997 issue of the CAS newsletter suggested the SOA was trying to force a merger. (See "On trust, respect, and the CAS," *The Actuary*, November 1997). Similar rumors had appeared in past years.

"Everyone was aware of the tensions," said Walters. In the aftermath of the stories' publication, "the first steps were discussions by the presidents and presidents-elect, and those discussions helped to lower the intensity and diffuse the growing distrust."

Next, the presidents and presidents-elect of the two organizations attended each others' board meetings. This has continued intermittently as schedules have allowed.

Then, Rappaport said, "about a year ago, Mavis and I began working on the idea that it also would be good to have an exchange of views beyond the presidential level that would include the entire board." She and Walters proposed the joint meeting to their respective boards, "and they saw the value very quickly."

The idea became reality the day before both boards met separately on Sept. 18 in Washington, D.C. Among the topics discussed at the day-long joint meeting were:

- International issues: "We have a lot of common issues here, largely because both organizations present education outside North America,

and we share many concerns," Rappaport said.

- SOA strategic plan: Both groups are highly interested in expanding opportunities for actuaries, and the SOA's efforts were a major focus of discussion.
- Expanding the organizations' horizons: Both boards expressed interest in a proposal by the Institute of Actuaries to invite affiliation by nonactuaries. "The Institute intends to offer membership to recognized leaders whose work is similar to that of actuaries," Rappaport observed. "Both boards asked to be kept informed as the Institute seeks to broaden its membership in this way."

Both Rappaport and Walters recognized the importance of ongoing communication between SOA and CAS leaders and stated their hope that it will continue.

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Data sought for information technology study

How do insurers know they're getting the most from their information technology (IT) investments? An ongoing study to benchmark IT's administrative effectiveness is being conducted by Reg Munro, general manager, South African Mutual Life Assurance Society, Cape Town, South Africa.

Begun in 1990, the study already has established measures that allow

comparisons of the rates of improvement, among the company's various businesses, on their return on investment per dollar spent on technology.

Munro notes that several companies, primarily from *Fortune's* list of the top 50 life insurers, have provided data in the past. He is now seeking to extend and update the study, so data is again being sought from companies around the world.

The survey results will be provided to all participants; individual companies will not be named, but each participant will be informed of his or her company's position in the sample.

Details of the study are available from Munro at his *Directory* address (e-mail: rmunro@oldmutual.com). Data may be submitted through the company's home page, www.oldmutual.com/adminsurvey.