



SOCIETY OF ACTUARIES

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CHAIRPERSON'S CORNER

By Azita Bassiji

It is a beautiful fall day in Toronto and I am writing the Pension Section Council (PSC) chair remarks for the first Pension Section News of the new calendar year. I joined the PSC in 2011/2012 as the secretary and then vice chair in 2012/2013. Thank you for all your support to become an elected member of the PSC.

As I reflect on my experience as an SOA member and a PSC member since 2011, I have come to realize that a tremendous amount of work is accomplished by the PSC volunteers and the SOA staff who labor tirelessly to help the volunteers in the quest to advance the profession.

IDENTIFYING THE PROVERBIAL "ELEPHANT IN THE ROOM"

The PSC is painfully aware of the difficult times in pension consulting. The continued extreme volatility in pension obligations combined with longevity risk is forcing more and more defined benefit plan sponsors to rethink the design of their defined benefit pension plans. With this threat to the continued existence of defined benefit pension plans, we have fewer young actuaries entering the pension consulting profession. But we still need the expertise to help our clients solve their pension plan issues.

Over the last several years, the PSC has gone through a soul searching exercise to identify the areas help is required from the membership and the employers. Please consider this article a call to action. Change / improvement can only be accomplished effectively if we are all involved.

1. Become a Pension Section member and encourage your colleagues to join;
2. Get involved—bring us your ideas;
3. Use the SOA/PSC webcasts as a key source for supporting your continuing education;
4. Help us help you

CALL TO ACTION PENSION SECTION & PSC MEMBERSHIP

It really is simple. In order for your voice to be heard (employers, pension actuaries, plan sponsors hiring actuaries, regulators and law makers), you need to be members of the Pension Section. It is the Pension Section member dues that generate the funds required to perform specific pension related research, recruit speakers for SOA webcasts and the SOA annual meetings, as well as pay for some of the cost of technology in support of webcasts and podcasts, etc. in short - to be more relevant. You can take it a step further by running for election to the PSC, which allows you to help shape the future of the pension consulting profession.



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The PSC is comprised of nine elected members who each serve a three-year term. We desire that the council be representative of our section membership, including representation from large and small employers spanning North America (including independent actuaries) with Canadian SOA members included. In addition we look for actuaries employed by plan sponsors, regulators, governments, and actuaries from the non-traditional side of pension consulting. In order to become an elected member of the PSC, you are required to be a pension section member with the desire and willingness to volunteer time for the good of the profession.

CHANGING FACE OF THE PENSION PROFESSION

My experience for the last 20 years has been that there is more demand on pension actuaries from our clients, our employers and our regulators than ever before. The pension actuaries' role is no longer a narrow, technical role but an ever changing, all encompassing role, including business partnership through pension risk management with our clients, educating the public on sufficiency of retirement income and facilitating an efficient delivery method with proper governance.

Under the leadership of Faisal Siddiqi and involvement from a former Pension Section leader, Evan Inglis, the PSC—through a Project Oversight Group (POG)—is working to educate and market pension actuaries as pension risk consultants. Actuaries' knowledge on the liability side of the balance sheet coupled with their knowledge of the pattern of movement of liabilities with assets can position the pension actuary to be uniquely equipped in the pension plan risk area. To accomplish this, the PSC, with help from the Investment Section, developed a curriculum and conducted a first ever "Investment Boot Camp for Pension Actuaries" as part of the 2013 SOA Annual Meeting in San Diego. The seminar has received great interest in participation and good reviews from the participants. The PSC is evaluating running this seminar in a few major cities across North America with local speakers in 2014.

The POG has also developed a reference guide for pension actuaries who would like to gain more academic knowledge in the area of pension risk management. This reference guide will be published over the next several months and will be available to all Pension Section members.

This is an example of an idea brought forward by a Pension Section member who reached out, got involved and helped the PSC deliver on its objective of expanding the role of the pension actuary and, thereby, help pique the interest of young actuaries entering the profession.

PENSION SECTION RESEARCH

The Research Committee of the PSC arranges for great research to be performed with the oversight of the PSC. Over the last several years, the Research Committee has improved the accessibility of research through providing a one page

summary of research, delivery of such summaries at the CIA and SOA annual meetings, presentations by researchers and practicing actuaries in webcasts and podcasts. There is also a Project Oversight Group (POG) working on further socializing the Pension Section research within the profession and other interested parties including the public. The roster and the relevance of research topics can only be enhanced by your participation in the Pension Section and sharing your ideas. The list of research performed is available on the SOA website.

ATTENDANCE AT SOA PENSION SECTION WEBCASTS

Living in a more technologically advanced world and having listened to the employers of pension actuaries, a great amount of continuing education is provided by SOA/PSC through webcasts. Over the last few years, the number of webcasts per year has increased. The topics have become more relevant, also addressing some of the needs of the Canadian membership by either offering Canadian specific webcasts or adding Canadian commentary to the webcasts. The PSC started offering a subscription arrangement to large employers for the webcasts and a short outline of topics and timing of the webcasts are available at the beginning of every calendar year.

Our request to pension actuaries and their employers is to consider the SOA webcasts series as part of the continuing education plan for the upcoming year. It is with your support and participation that PSC can assist us in doing our jobs.

ATTENDANCE AT SOA ANNUAL MEETING

Every year a larger number of pension specific and co-sponsored sessions are offered. The continuing education committee of the PSC, with help from the SOA Pension Staff Fellow, Andy Peterson, work from February to October to brainstorm on topics, prepare short summaries, recruit speakers and ensure a positive experience for attendees and speakers. They also work closely with the communication committee of the PSC on short summaries of selected sessions for podcasts or potential future webcasts if the session is overwhelmingly popular.

Our request of you is to get involved by participating in the SOA Annual Meeting as an attendee, a presenter or an organizer through our continuing education committee.

It is by participation/membership in the Pension Section that we can have our voices heard and help our profession improve—through innovative ideas, implementing the ideas and gaining the interest of young actuaries entering the profession.

Please support the Pension Section by becoming (or maintaining) your membership, encouraging your colleagues to join, bringing us your ideas, using the SOA/PSC webcasts as a key source for supporting your continuing education and helping us help you. ■