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Chairperson's Corner: Thoughts on the Future of Reporting and Passing the Baton

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We are in the midst of “once-in-a-career” changes to financial reporting standards both in the United States and globally. As insurers prepare to implement the new standards, they will need to evaluate the effects on both processes and people. The productivity (measured by timeliness and accuracy) and value (measured by relevance and insights generated) of the financial reporting function will be in the spotlight as organizations contemplate this new order.

Technology will be the proverbial oil that greases the wheels of the financial reporting process, and three enabling technologies that are high on insurers' lists are artificial intelligence, robotic process automation and data visualization.

Artificial intelligence will play a greater role in identifying and analyzing trends in key performance metrics. This should greatly enhance the value that even experienced financial reporting actuaries bring to their organizations. Imagine a system that embeds the knowledge and insights of actuaries, adapts as new insights emerge, and efficiently transmits all that learning for the benefit of future reporting and analysis.

Robotic processes can eliminate potential errors that result from manual intervention in data transformation, eliminate manual output manipulation, and efficiently run through reporting controls checklists.

Data visualization can make the display of quantitative information more compelling. This will help actuaries provide greater insights into trends in actuarial values that result from complex measurement procedures. With any of these tools, “human + machine” will remain the winning combination.

PASSING THE BATON

It has been an honor for me to lead the Financial Reporting Section Council over the past year. I have had the pleasure of



working with a great group of council members who have made great strides in meeting the professional development needs of section members and, indeed, the broader SOA membership. I am confident that the good work of the council will continue under the able leadership of David Armstrong.

I have had the privilege of seeing our section proactively address the professional development needs of our members by providing more electronic resources, such as links to IFRS 17 publications, FASB LDTI articles and the regulatory resource page. (These are available to members at <https://www.soa.org/sections/financial-reporting/financial-reporting-resources/>.) We also have expanded the suite of webcast offerings on a variety of pertinent topics, including GAAP accounting, GAAP long-duration targeted initiatives and IFRS 17. For in-person development opportunities, I am pleased to note that the valuation actuary symposium remains a forum for receiving top-notch, in-person professional content. Our involvement in the upcoming publication of the IFRS 17 and GAAP textbooks is thanks to the efforts of current and prior council members.

Finally, I would like to point out that opportunities to volunteer remain available. The council will continue to deliver appropriate professional development opportunities and depends on your support to make it happen.

Thank you and have a great rest of the year! ■



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