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IN THIS ISSUE

LINKS

CHAIRPERSON'S CORNER

By Ron Gebhardtsbauer

I hope you all had a good summer, got lots of research done, and still had time to relax. We on the E&R Council continued to meet by conference call each month, and have two major items to share with you.

Actuarial Research Conference (ARC) Meetings

First, we just had an excellent Actuarial Research Conference at UCONN this past August 10-13, where we broke all kinds of records. See the article on it in this issue, and please congratulate Jim Bridgeman, Emil Valdez, and Jim Trimble for a great conference when you see them. Also, a big thanks to the almost 75 presenters and 17 sponsors (including principal sponsor Liberty Mutual).

The next two ARC meetings are at the University of Manitoba on August 1-4, 2012 and Temple University on August 1-3, 2013. We hope to see you at both meetings. Jim Bridgeman suggests that we reach out earlier to the sponsoring sections to encourage their practitioners to present at these meetings. And finally, please consider holding a future ARC meeting at your school or venue (see our criteria for hosting ARC meetings).

Our Membership Survey and Responses

The other top item of interest is the results of our survey of you–our members. We received about 50 responses, or just over 10 percent of our membership. That's not a high turnout, which tells me that our membership does not identify enough with the E&R Section. So, we've got our work cut out for us to become more relevant to you. And I think we are getting there.

Although we need to be careful with the survey results because the sample size is not large, here's what we gathered from the survey (and what we plan to do about it):

1. Many of our members do not identify enough with the section or the SOA, particularly our Canadian members, who provided most of the responses to question #2 (If dissatisfied, explain why). Their responses were that (a) theoretical research is of little practical use to them and (b) the section is dominated by "old has-beens."
    a. A frequent discussion item on our conference calls and at several sessions of the ARC meeting was how to get academic and practitioner actuaries working together on papers, projects, and SOA sessions (as it is not easy getting/publishing proprietary data, etc). We have created a subcommittee with this as their sole mission. If you have any thoughts in this area, please contact Joan Barrett, who is heading it up.
    b. The second comment was a surprise to our leadership, since many of us are fairly new to the E&R Section Council, and we think we've been very energetic. I guess we have to prove it now.
2. One person wrote that we need to do a better job recruiting people into the profession. Maybe they didn't know that's not our mission, so we need to clearly get out what our mission is (education and research) and isn't (professional promotion). That's why I always provide our mission in our newsletters and on our E&R Monthly Agendas (see below).
3. Regarding the SOA research web page, we learned that most of our members don't use it, or they find it difficult to use.
    a. We shared the survey results with Bruce Iverson, the managing director of research at the SOA, and he's been very responsive. The SOA is already working to improve the search capabilities for their research documents (due out early 2012). In addition, Bruce now participates in all our calls, spoke at a UCONN ARC session, and wrote an article for this newsletter on the breadth of research that the SOA is doing. For example, the SOA spends over $2 million per year on research, has about 15 RFPs or Call for Papers open for submission, currently has over 100 open research projects by practice area, and hires many of us academic and research actuaries to do the research. You should look at these websites. There is a lot there. We just have to get the word out about all the good research on it. Maybe some of us are at fault for not checking them out.
    b. The SOA research department also regularly works with the six practice area committees to come up with ideas for research and fund them. They also fund the CKER Committee's 21 research papers which trickle up from us as individuals (see page 13 of this website). CKER is always

looking for more new research from the actuarial research community. Email the chair, Curtis Huntington, if you'd like to know more. The 72 completed CKER projects can be found here.

   c. The profession also funds the Halmstad Prize, which encourages quality research. We owe a big thanks to the Halmstad Committee members (and the chair, Sheldon Lin) who read all the nominated papers, and determine who deserves the prize. I've heard a decision should be out soon.

4. About three-fourths of our respondents attend ARC meetings–more than any other SOA meeting. This is definitely our success story, and it is what unites us.
   a. The E&R Section Council discussed focusing our energies on the ARC meetings, but SOA staff strongly encouraged us to continue to strengthen our participation at the other SOA meetings and webcasts, so that academics are more integrated into the SOA. There is a concern that academics and practitioners are not connecting enough: sounds very similar to our needs in the research area. Therefore, we have created one other subcommittee to involve academics more in SOA meetings and webcasts. This subcommittee is headed up by Tom Edwalds, who is also our Life Meeting rep and includes our Annual Meeting rep Tom Herzog and our Health Meeting rep Chuck Fuhrer. Please email them if you have any suggestions for meeting topics, and particularly if you would like to present at a meeting.
   b. The SOA/CAS Academic Relations Committee may be disbanding, so we are discussing ways to fill the void they leave, since we all agree that integrating academic actuaries into the SOA is important. There is a lot that we can do for each other.
   c. The Actuarial Research Exchange may also be eliminated. Fortunately, the international Actuarial Education Network will continue their efforts to develop a website to connect organizations that need research with researchers that want to do research on those topics. By the way, you should consider joining the AEN, our international counterpart.
5. We also asked, "*Do you have any suggestions for the Centers of Actuarial Excellence (CAE) program?*" More was written on this than any other survey question, and the responses were definitely more passionate. Moreover, the survey response inspired a lot of discussion on our Section Council call. We wrote a letter at SOA President Don Segal's request reporting on the responses to the survey question, and our discussions. Much was written in the survey on having professors with industry experience, so the council discussed ways to see if that could happen thru the CAE rules. In

addition, we also discussed the problems of good actuarial teaching programs that can't get the CAE designation due to not doing research (and their subsequent problem getting good actuarial students). Let us know if you have any suggestions in this area.

6. Regarding SOA funds, some responses were that the SOA should spread the grants around more, and that funds should be used to help schools become a CAE, if they are almost eligible. (as suggested in earlier SOA literature).
    a. Our Section Council's letter to Don Segal touches on these topics and also suggests that one of the biggest problems in the academic world is the lack of Ph.D.s that can get tenure (or even tenure-track positions) at some of the large research universities. We encourage the SOA to build on their good program supporting actuaries getting Ph.D.s, by providing some grant money to schools that provide Actuarial Post-Docs to Ph.D.s in Mathematics, Statistics and other related fields.
7. One other piece of good news from the survey was that employers find our actuarial students well prepared to enter the workforce! Excellent! Well, that's a good note to end this article on. I hope you found something of interest here.

Ron Gebhardtsbauer, Chair
Education and Research Section Council
Ron Gebhardtsbauer is the head of the Actuarial Program at Penn State University. You can email him at rug16@psu.edu on any topic having to do with the E&R Section Council.

The purpose of the Education and Research Council is to

- Facilitate expanding the knowledge base of the actuarial profession,
- Promote ties among
    - business actuaries
    - academic actuaries
    - actuarial educators
- Seek ways to support and encourage actuarial education and research

2011 Section Leadership

Joan Barrett, Council Member & Basic Education Liaison, United Health Care
Sarah Christiansen, Council Member (& backup secretary,) SMC Actuarial Consultants
Tom Edwalds, Vice Chair & Life/Annuity Symposium rep, MunichRe
Ron Gebhardtsbauer, Section Chair, Penn State University
Tom Herzog, Council Member& 2011 Annual Meeting Rep, NAIC

Sheldon Lin, Council Member & Halmstad Committee chai,r University of Toronto
Kristen Moore, Secretary, University of Michigan
Gary Parker, Council Member, Treasurer, & Liaison to CKER & Prelim Education Curriculum Committee, Simon Fraser University
Jacques Rioux, Council Member & Web Master, SAS Institute Inc.
Meg Weber, Staff Partner, Society of Actuaries
Sue Martz, Staff Support, Society of Actuaries

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