



SOCIETY OF ACTUARIES

Article from:

International Section News

March 2002 – Issue No. 27

Course One Seminar in Mexico City

by Jim Toole

The Latin American Committee (LAC) sponsored its second SOA Course 1 review seminar October 12–14, 2001 in Mexico City. This successful series, taught by SOA board member and Benedictine University professor Warren Luckner, has been directed primarily at university students. The first seminar, held in the Universidad of Las Americas in Puebla, was attended by 50 students and professors. The latest seminar in Mexico City sponsored by ITAM university was attended by over 30 students and a few practicing actuaries interested in presenting the SOA exams. Enrique de Alba, dean of math, statistics and actuarial science programs at ITAM, and Jim Toole, LAC Chair, coordinated the seminar.

By way of background, in much of Latin America, actuaries are qualified through university study at either the undergraduate or masters level. Because of this, the SOA exams are not commonly taken. In Mexico in particular, students complete a 4–5 year undergraduate program and finish a thesis, usually after graduation, which they must present and defend before receiving their certification. Undergraduate coursework generally covers Courses One and Two from the new syllabus, as well as significant portions of Courses Three and Four. Currently, at least one university in Mexico is offering an option of passing Courses One and Two and either Three or Four to become a qualified actuary instead of writing a thesis.

Multinational companies which are investing in the region have not, as a rule, brought the study programs and exam raises to the region that made the culture of exam taking so successful in the U.S. and Canada. The time and discipline required to pass the exams is not well understood, and there are few examples of what might happen to an individual's career 20, or even five years down the road by taking the exams.

Because of the lack of precedents, the road is unclear as well as difficult. Investing 2–3 months of study without a clear payoff is a difficult choice to make in a university setting, and is even harder in a work environment

without corporate support for fees, books, and study time. Everything we take for granted in the U.S. with our generations of test taking experience from the amount of study required, to the performance level needed to pass, to strategies for taking exams, has not been available to this generation of Latin American test takers.

Investment in the region has grown dramatically, and the LAC is committed to helping the actuarial profession develop as well. One approach the committee has decided to take is to promote taking the SOA exams, not to replace the university path, but to help quantify the rigors of the Mexican university education. The LAC is providing access to Course 1 seminars in an effort to show students early in their careers that they can succeed at the exams and to prime the pump at the supply level with the expectation that students with exams will command a better price and get better jobs.

It is important to point out that the SOA has made significant efforts to encourage the internationalization of the exams, from the new syllabus which removed the bulk of nation specific information, to making the cost more accessible via fee reductions to developing nations, to supporting regional efforts such as these. It is also important to recognize the labors of Martha Sikaras and Mo Chambers, who together are responsible for coordinating the international efforts of the Society. A growing percentage of our members live and work overseas, and a rapidly growing sub-segment are individuals who have never taken an exam in an English speaking country or had the benefits of a student program. While the work the LAC is doing now is likely transitional, we hope to both benefit the next generation of Latin American actuaries and have a positive impact on the development of the industry in the region.

Jim Toole, FSA, MAAA, is a consulting actuary at Milliman & Robertson, Inc. in Denver, CO, and is immediate past chairperson. He can be reached jim.toole@milliman.com.

Actuarial Careers in the International Insurance Business

The international insurance business is growing by leaps and bounds. Because North America represents a stable and mature insurance market; American, Canadian and foreign insurers in many cases are finding better growth opportunities abroad. The actuarial profession is a vital contributor to that growth currently, and actuarial business opportunities will surely expand internationally at least as quickly as the overall insurance business does.

Among the responses from last year's survey of International Section members were many requests for more and better information about international opportunities for actuaries. In response to those requests, I'm planning an article for the next newsletter to address the following questions:

- What are some of the roles that SOA members are playing in the international insurance expansion?
- What are the types of jobs that actuaries hold as both employees and consultants, for both US and foreign companies?
- What's the prognosis for actuarial jobs and careers in the international arena?

I plan to research the topic primarily by talking to International Section members, the SOA staff and executive recruiters.

I welcome any comments or assistance that you would like to contribute to this project.

Dan Spafford, FSA, MAAA, a consulting actuary, can be reached at dan.spafford@earthlink.com.