



SOCIETY OF ACTUARIES

Article from:

Risk Management

July 2006 – Issue 8

Highlights from the 4th Annual ERM Symposium

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With sessions ranging from *Exploiting Risk to Identification and Measurement of Extreme Events*, the 4th annual Enterprise Risk Management Symposium provided something for everyone who attended. Chicago was the place to be April 23-25 for risk managers—almost 600 attendees from financial services, energy, mining and manufacturing came to attend the event co-sponsored by the Society of Actuaries, Casualty Actuarial Society, and Professional Risk Managers' International Association. They came to Chicago from across the world, traveling from as far as Japan and Russia. This was the broadest representation to date, indicating that the buzz about the event is spreading well beyond the insurance industry.



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The first day featured three workshops, covering distinct topics:

- ERM Essentials for Decision Makers,
- Banks and Insurers: Separate Paths But a Common Destination, and
- Applying a Principles-Based Approach to Valuation Requirements (co-sponsored with the American Academy of Actuaries).

These day-long seminars allowed participants to dive deeper into specific issues than a single session allows.

The goal of the symposium was to show that ERM principles are the same across different industries and practices, and risk managers need to talk to each other to learn and disseminate the best practices faster. Four general sessions set the tone for the meeting:

- Leading off on the first day was a session featuring a variety of energy and financial services leaders discussing the convergence of tools used by each.
- The first day finished with perhaps the most out-of-the-box session offered—with

actual board members discussing how ERM integrates management and the board. This session brought the *View from the Top* closer to home.

- The third general session kicked off the second day with practitioners sharing their experiences adding value through ERM.
- Andrew Smith provided a keynote address during Tuesday's lunch, continuing on the topic addressed during the opening session and showing how the market provides clues to assessing extreme events.
- The meeting concluded with the ever-popular grand finale, where attendees could *Ask the Experts* from several disciplines.

In addition, 30 concurrent sessions were organized around five different tracks. All the sessions were taped to MP3 format and are available, along with the presentation slides, on www.ermssymposium.org.

To meet the challenge of last year's attendees to take the symposium to the next level, this year featured, for the first time, a call for scientific papers. Three sessions on the second day of the symposium were reserved for the authors of the best papers to present their findings. The selection committee had a very difficult task of choosing the final winner, but after several rounds of discussion, Bill Panning of Willis RE won the ERM Research Excellence Award, offered by The Actuarial Foundation, for his paper *Managing the Invisible: Measuring Risk, Managing Capital, Maximizing Value*. All of the papers are excellent and can be downloaded from the Web site.

The next symposium will be held in Chicago March 28-30, 2007. It will surely be an event not to be missed. ♦