



**SOCIETY OF
ACTUARIES**

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Letter From the Editors

By Hugh Lakshman and Bill Cember

Welcome to the second issue of *CompAct* for 2019! First we wanted to thank you all for all the feedback on the spring issue of our newsletter. We continue to use your feedback to add to and improve *CompAct*.

We would also like to continue to encourage you, our readers, to submit articles or topics of interest for future publications. We really appreciate the contributions and feedback. We can be reached at hugh.lakshman@ibx.com and william.cember@prudential.com.

In this issue of *CompAct*, we have seven articles that cover a diverse range of topics. We even have an article on writing articles!

“SPREADSHEET CONTROLS ADD RISK RESILIENCE—PART 2”

Every actuary uses spreadsheets, but how do you measure and manage the size and complexity of your spreadsheets and the formulas they contain? In part two of this two-part series, Diane Robinette, CEO of Incisive Software, and Leslie Martin of Safety National offer additional insights on how to leverage technology to help solve some of these common data integrity issues in spreadsheets.

“YOUR MOMENT OF ZEN: AN ARTICLE ON WRITING ARTICLES”

Has this ever happened to you? You have a topic that you know would be of interest to our readers, but you are unsure how to go about turning it into something you can submit for publication. Guest writer Mitchell Stephenson of the Leadership & Development Section provides practical advice on writing your next article.

“MODEL STEWARDSHIP AND TECHNOLOGY”

Our actuarial models continue to evolve in increasingly complex directions. Scott Houghton of Valani Global, Dylan Strother of



Oliver Wyman, and our own editor Bill Cember of Prudential walk through techniques that can help manage model risk and complexity.

“BLOCKCHAIN—IS THE NEWEST KID ON THE BLOCK GOING TO BE ALL RIGHT?”

So, what exactly is Blockchain and how is it applicable to insurance? Helen Duzou of Oliver Wyman explains what blockchain is and provides examples of how it can be applied in an insurance setting. She also includes a very helpful decision tree for when to consider using Blockchain.

“PREDICTIVENESS VS. INTERPRETABILITY”

Kimberly Steiner and Boyang Meng of Willis Towers Watson discuss the tradeoff between predictiveness and interpretability in model selection. This article won Best Eligible Paper in the call for essays on the theme of “Risks Posed by Predictive Models” that was jointly sponsored by our section, in conjunction with the Predictive Analytics and Futurism sections of the Society of Actuaries (SOA).

“RISK MANAGEMENT IN THE DIGITAL AGE”

Advances in technology are allowing organizations to automate processes that previously required human intervention, but have

our risk management strategies adapted to this? Rob Ceske, Kelly Combs, Nadim Hraibi, and Jamie Hooten of KPMG discuss the implications of automation on risk management and ways that organizations can start thinking about adapting to these changes.

“UNLOCKING THE POWER OF PSYCHOSOCIAL DATA”

As our population continues to age, more people find themselves in the role of caregiver. Michael Mings of Tailored Care discusses a model for evaluating caregiver burnout risk and discusses potential solutions.



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