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# Design Your Future With the Competency Framework

By Phil Gold, with Richard Junker and Curtis Lee Robbins

**T**he Society of Actuaries (SOA) Competency Framework is a powerful tool to enable you to design your future. Though it has been the SOA's instrument for prioritizing continuing education and support to members since 2010, many actuaries are still not fully aware what a potent tool it can be to them in planning their personal careers

This article shows how one prominent actuary's application of critical skills from the Competency Framework led to a career breakthrough. Consider Phil's lessons and the Competency Framework in designing your own actuarial future.

For descriptions of each competency, see <https://www.soa.org/professional-development/competency-framework/>

## ACTUARIAL CAREER BREAKTHROUGH: PHIL GOLD, FSA, FIA, MAAA

Below, Phil Gold shares his story of career success from the beginnings of an idea during his early career role as a reinsurance actuary through the resulting formation of GGY to develop and market the AXIS system. Phil presents his success by using the Competency Framework to illustrate how his career developed.

- The key competency to achieve his breakthrough at National Re was Professional Values, particularly **trust**.
- The key competency he applied at GGY was Strategic Insight & Integration.

Phil found that the key competency Strategic Insight & Integration was much enhanced by his experience as a section chair and SOA Board member, which then positioned him for success at GGY as the company grew dramatically.



As you read Phil's story below, consider your own development and what competency will help you with your own career breakthrough.

### Phil Gold:

The first glimmerings of what eventually became the GGY company emerged back in the late '80s, when I was working for a small Canadian reinsurance company called National Re. I had written some software for National Re that wove the pricing and valuation functions together, and I layered on top of that a financial model that could project the income statements and balance sheets, so that management could get a good handle on where we were going.

But the company was in trouble. Why? We didn't have enough capital and the regulators were looking closely at us. They wanted to close us down for new business, which is basically the kiss of death for a reinsurance company. So, my boss asked me to come with him to meet the top regulator, the superintendent of Financial Institutions. Using this modeling software on a portable computer, we were able to show the regulator that we actually knew what we were doing. This was back in 1987. A portable computer in those days weighed about 19 pounds and didn't run on batteries.

We had the software and a realistic model, and we were able to show the superintendent that we had the tools to price new business in a matter of minutes, accounting even for the retrocession terms we could get from our retrocessionaires. The superintendent could see that we were capable of managing new business growth even given our limited surplus, and that our balance sheet would continue to strengthen over time. This gave him confidence that we knew what we were doing, that we were not about to run out of cash or capital, and that it was not necessary to stop our flow of new business.

## SOA COMPETENCY FRAMEWORK AT NATIONAL RE

In terms of the Competency Framework, let's see how this fits it, although that framework wasn't in front of me at the time. The key competency in the context of National Re was Professional Values, while External Forces & Industry Knowledge, Results-oriented Solutions, and Technical Skills & Analytical Problem-solving were important as well.

### Key Competencies

- **Professional Values:** More than anything, this was about trust. We had to demonstrate that we were working to high professional standards, and that continued trust, not the numbers themselves, led to the survival of the company. The foundation of trust was of course character. Equally important, we demonstrated that our tool was stable, easily updatable and convincingly demonstrated a growing surplus trend over time. By our presentation, the superintendent saw that we had the depth of knowledge of both the system and of the business to sustain our portfolio management system over time.
- **External Forces & Industry Knowledge:** If I had not been immersed in the reinsurance and retrocession markets, I could not have known enough to build this model. I also understood direct pricing, having worked at Hill Samuel Life and Abbey Life in the UK, so I could put myself in the client's position.
- **Results-oriented Solutions:** If I hadn't been so results-oriented, I would never have written this software in the first place. Once I started, and I saw the impact this software could have on sales, and on management information and control, I was addicted to improving it every day.
- **Technical Skills & Analytical Problem-solving:** The technical skills involved were far from mine alone. I built on the strong input of actuaries Marc Tardif (later president of the Canadian Institute of Actuaries) and Jacques Ross for the development of the actuarial model. My skills were more on the computer side. Most important was the support of Claude Genest for the continued development of the software, and for the mandate to add financial projections to what started as a pricing and valuation system.

## SOA COMPETENCY FRAMEWORK AT GGY AXIS

As we continued to use our new forecasting tool quarter by quarter, we found ourselves conceiving new features to incorporate. It soon became evident our tool had the actuarial depth and the system architecture to meet the pricing, valuation and modeling requirements of a wide variety of products and organizations.

In 1989, together with Bill Young and Dave Gilliland, I started GGY to develop and market the AXIS system, and I continued doing this for over 25 years. Here the Competency Framework for my roles, in development, sales and management, would be quite different. The key competency would be Strategic Insight & Integration, while Communication, Relationship Management & Interpersonal Collaboration, and Leadership were also important.

### Key Competencies

- **Strategic Insight & Integration:** I brought strategic planning into GGY based on my experience as an SOA Board member. As the company grew dramatically, this became increasingly central to my role.
- **Communication:** In some ways I was the face of GGY, meeting with major clients on a regular basis, head of Escalation, Interface with IT professionals and actuaries at client companies. This was central.
- **Relationship Management & Interpersonal Collaboration:** Relationship management is vital in this role, just as in reinsurance.
- **Leadership:** Bill, Dave and I handled all the management and leadership responsibilities for close to 25 years, so the actuaries and IT professionals could concentrate on their areas of expertise.

## COMMENTS FROM RICH AND CURTIS

Obsession was a key to the success of GGY. Pride in the product, a burning desire to fully realize the vision of the software's potential ... all these played powerfully into AXIS becoming the comprehensive and industry leading actuarial software it is today. Bill Young and Dave Gilliland fully shared Phil's enthusiasm and his ambitious plans for the software, as did the many actuaries and systems professionals who joined the AXIS development team over the years.

Phil's reinsurance marketing role had made him quite comfortable presenting to software clients. Many early actuarial roles do not present the client interaction opportunities that Phil enjoyed as a reinsurance actuary. That is where career management comes in, positioning oneself near opportunity.

Volunteering with the SOA provides a streamlined path to nurturing the eight competencies. It may also help in forging

relationships with senior actuaries who may become decision makers for software purchases at their companies.

It is a phenomenal achievement to remain partners for over 25 years. How many groups can claim such stability?

## CONCLUSION

Your call to action is to:

- Begin your Self-Assessment in the *SOA Competency Framework* using the SOA Competency Framework Self-Assessment Tool.<sup>1a</sup>
- Plan and Track Your SOA Professional Development using the SOA Competency Framework Personal Planning Workbook.<sup>1b</sup>
- Speak with your manager about your Professional Development Plan.
- **If you are in an executive role, also consider integrating the Competency Framework into your company's personal performance appraisal and staff development process.**

You will be doing your part on all three fronts: success as an individual, success as a team, and success as an organization.

The authors have written a series of articles on why and how to apply the Competency Framework to support your own career development plans. They appear in issues 39, 40, 41 and 43 of the *Actuary of the Future* newsletter, available here: <https://www.soa.org/sections/actuary-of-future/aof-newsletter/>.

We welcome your feedback and want to help all actuaries design a future that they will find meaningful and rewarding. ■



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## ENDNOTE

1 SOA Competency Framework for Actuaries, <https://www.soa.org/professional-development/competency-framework/>

a **Begin Your SOA Self-Assessment**  
SOA Competency Framework Self-Assessment Tool:

b **Plan and Track Your SOA Professional Development**  
SOA Competency Framework Personal Planning Workbook