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Passing the Torch: An Interview With Doug French

By Yuan Yuan



Doug French, FSA, MAAA, FCA, FIAA, is the managing principal of the Insurance and Actuarial Advisory Services practice of Ernst & Young LLP's Financial Services Organization. He has spent almost 35 years in actuarial consulting. Prior to joining Ernst & Young LLP, he was a principal and global practice director of a major actuarial consulting firm. Doug has worked on engagements in the U.S., Mexico, Australia, Canada and the U.K. Doug is a co-author of the Institute of Actuaries of Australia's sessional paper "Margin on Services Reporting: The Financial Implications," which was the institute's 1993 Parker Prize winner. In 2018, Doug received the Society

of Actuaries (SOA) Distinguished Service Award for significant contributions to the actuarial profession. He can be contacted at doug.french@ey.com.

In this issue, *Actuary of the Future* editor Yuan Yuan invites Doug to share his experiences and views on the actuarial profession.

Yuan Yuan (YY): How did you get where you are now? Can you briefly run us through your career history?

Doug French (DF): I was a pure math major at UT Austin. When I was done with my undergraduate work, I had a decision to make: I could continue in mathematics, go to graduate school, or get a job. I wasn't too thrilled with the idea of getting a Ph.D. in Mathematics, as it most likely meant a career in academia. I basically had no money to go to law school or grad school, so I needed to get a job. People suggested that I look into actuarial science, because in those days you didn't need an actuarial science degree to get hired. I had a couple of interviews and was hired by a large life insurance company in Houston, Texas, in product development.

I worked in the industry for two years and decided I really wanted to get into consulting. I interviewed with a large actuarial consulting firm and was hired with only four exams in its Jacksonville, Florida, office. I worked there for about 15 years. While there, I also worked in London and Sydney, and I opened an office in Melbourne, Australia. I then came back to the U.S. to run the New York office.

In 1999, I came to EY to build the actuarial practice. I have always enjoyed consulting because I loved the client contact and competitive atmosphere. In October, I will hit my 20-year milestone with EY.

YY: As an industry leader, you have been involved in a broad span of client projects and industry changes. What do you enjoy the most about the actuarial career?

DF: What I like most is that you are able to use the rigor of mathematics to help people solve industry or company problems. If you look at actuarial science, the math is not terribly difficult. It is more about the challenges that wrap around math, which is basically business consulting. If you look at the profession, it is very different from 35 years ago. There used to be a lot of manual calculating and checking. Now it is all about solving corporate problems. Going forward, the actuarial profession needs to maintain its healthy appetite and respect for mathemat-

ics, but it also has to have a respect for technology. If we respect technology and mathematics, we can enhance our profession.

YY: How about consulting? What do you enjoy the most about being an actuarial consultant?

DF: The best part is the client contact and work. If you don't like, or don't have a passion for, serving clients or seeing folks be successful because of your advice, then you shouldn't be in consulting.

The second-greatest aspect of consulting is that it is a bit entrepreneurial and similar to running a business. Every day we need to sell a piece of work, we need to think entrepreneurially, we need to think about the next step in the profession and the industry, and we need to force ourselves to stay on top of intellectual capital development. If you look at what is needed to succeed in consulting, it's being a bit of a renaissance person. You need business acumen skills, intellectual capital development and teamwork to win in the market. Our people are not doing the same thing every day; they need to be nimble and flexible. While they are working on projects, they also need to be thinking about speaking at the next actuarial conference, and we also need to keep up with the industries that we serve. Being an actuarial consultant forces you to learn and to grow continuously, because you've got to cover all your bases to be successful.

YY: What do you think contributes the most to your successes? And how should every aspiring actuary develop these skills/traits?

DF: First of all, you have to have a passion for what you do every day, whether it is in industry or in consulting. I just really, really like my job. I work with great people and have great clients.

Everybody obtains success from a different career route. For me, I wanted to be a partner in a consulting firm. I had some very good mentors who showed me what success looked like in consulting. I basically decided that I would never say no to an assignment. When somebody wanted me to go do something or get on a project team, I went ahead and did that. That can sometimes put pressure on you, but I felt that if you didn't do that, you might get passed up and miss opportunities.

The next thing I learned from my mentors was that leadership mattered. To move up the ranks, whether you're managing two actuarial students or 80 consultants on a project, you need to step up and be a leader. It's extremely important that people feel they've got good leadership around them and that leadership has their back. Leadership comes through whether you're doing work, selling work or proposing work. It is that confidence that your people and clients look for.

Finally, I was very lucky to do international secondments early on in my career. There is nothing better than being able to work

in another country and learn a different industry and culture. I think an international secondment is a great way to accelerate your career.

YY: What are some changes that are imminent within the profession, and how do you see these changes impacting the profession? How do you think we should prepare for these changes?

DF: The actuarial profession is at a crossroads. It has managed to control supply and demand through an exam system, and that has resulted in prosperous and lucrative careers for those who can get through the exams and become qualified. What puts this profession on alert is technology, machine learning and automation. As a profession, we need to continue to stay on the high ground regarding intellectual capital development and thought leadership. If not, a lot of our jobs can be replaced by technology or others.

I think there could be a few paths for this profession. One is to keep doing what we are doing today, but you can paint a scenario where the number of actuaries declines over time because technology takes some of the jobs away. For example, there may not be the same need for the same number of actuaries to maintain a balance sheet. Then the profession is faced with these questions: Do we get into other functions within industries we already serve? Do we serve other industries going forward? This obviously creates a whole new set of issues, because other industries don't necessarily recognize and understand the credentials of an actuary.

If we don't get into other industries, we might have a shrinking profession. If we are willing to shrink as a profession, it creates a whole new set of issues around attractiveness of the profession. The top-quartile actuaries are always going to be prosperous; it is the other folks we need to worry about. SOA is doing a strategic study on the profession, and I welcome that, because now is the time to look at supply and demand and what technology can do to our jobs, and it is time to reset our strategy to maintain the position of this profession around the world.

We can also continue to work as an integrated team. I think the pure actuarial play is probably getting harder and harder to pull off strategically. Problems today are more complex and require many skill sets to solve. We cannot ignore what is happening in technology. I am on the Advisory Council of the College of Natural Sciences at UT Austin. The way Ph.D. students work in mathematics today is different from the way it was 30 years ago; they have to collaborate with other disciplines and use and respect technology in their profession. If mathematicians have changed the way they work, certainly the actuarial profession can change the way we work. Why would we be any different?

YY: What recommendations would you make to the upcoming generation of actuaries?

DF: There is no single right path to success. You need to have your purpose and a reason to get out of bed every morning.

Obviously, you need passion and intellectual curiosity in order to succeed in this profession. Also, you should be flexible and try different things. This profession is still going strong and offers great opportunities for people. If you give it energy, it is going to give you a return on that energy. ■



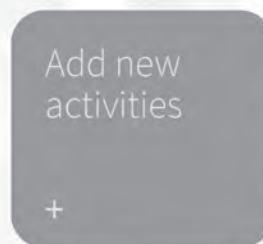
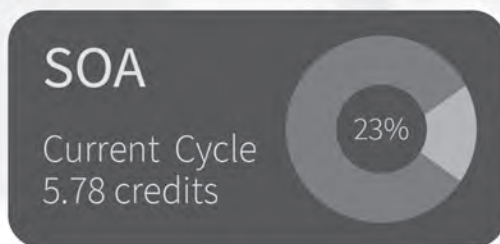
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