



SOCIETY OF ACTUARIES

Overview of 2003 Member and Employer Survey Findings

Introduction

In its ongoing effort to ensure the long-term growth and vitality of the actuarial profession, the SOA recently completed separate member and employer research initiatives. The surveys examined how the Society can better equip its members to take on broadened roles in both traditional markets and the broader financial services market.

This presentation provides a high-level overview of the survey findings. For an expanded analysis of each survey, please read the complete [member](#) and [employer](#) research reports.



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Survey Objectives

- Evaluate the image of the profession: How do members and employers perceive the skills and attributes of actuaries versus competing professionals? Which credentials are most sought after by members and employers?
- Assess the needs of employers in traditional markets and the broader financial services market



Member Survey Methodology

- Online surveys were designed, implemented and analyzed by ERIN Research with input by the Strategic Planning Committee, SOA staff and key volunteers.
- All SOA members with valid email addresses were invited to participate
- Response
 - Total Number of Surveys Sent= 14,106
 - Response Rate= 33%
 - Total Number of Respondents= 4,660



Employer Survey Methodology

- Online surveys were designed, implemented and analyzed by Leading Solutions Group with input from Strategic Planning Committee, SOA staff and key volunteers
- Sample consisted of U.S. and Canadian employers who directly hire or influence hiring decisions for risk management positions with four specific markets:
 - Insurance Industry
 - Reinsurance Industry
 - Consulting Firms
 - Broader Financial Services (including commercial and investment banking, mutual fund providers, and other financial services)



Employer Survey Methodology (cont.)

- Sample included employers from the following practice areas:
 - Life Insurance
 - Health Insurance
 - Retirement/Pension
 - Finance
- Response
 - Total Number of Surveys Sent= 1,526
 - Response Rate= 22%
 - Total Number of Respondents= 331



Key Findings: Image



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Image

- A strong majority of members agree that the SOA should promote a more dynamic image of the profession
- Members view actuaries as having strength in quantitative skills and solving complex problems
- Members indicate the greatest need for improvement in business communication skills and business acumen



Image

- Strong agreement exists between SOA members and employers about perceptions of actuaries in the workplace. Actuaries are strong in technical and ethical aspects and weak in business communication and proactivity. (See Chart on Next Page)



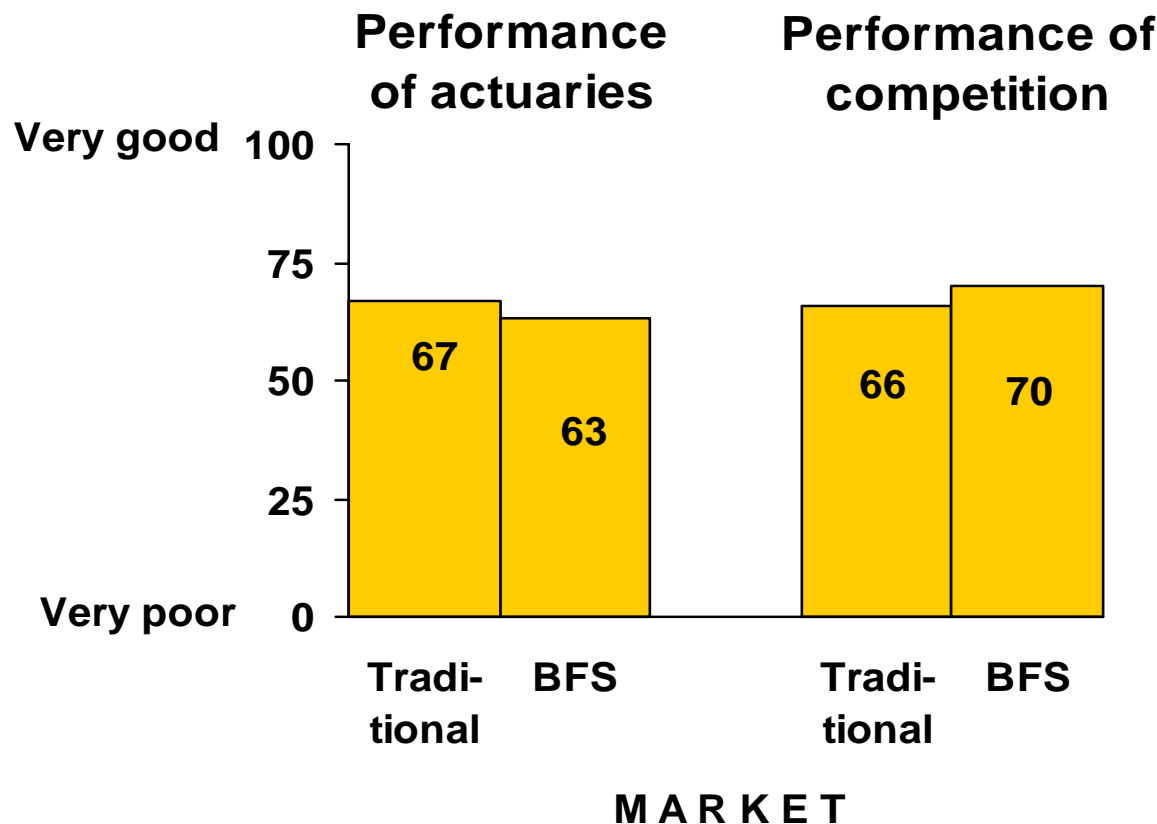
Perception of Actuarial Performance

Members vs. Employers

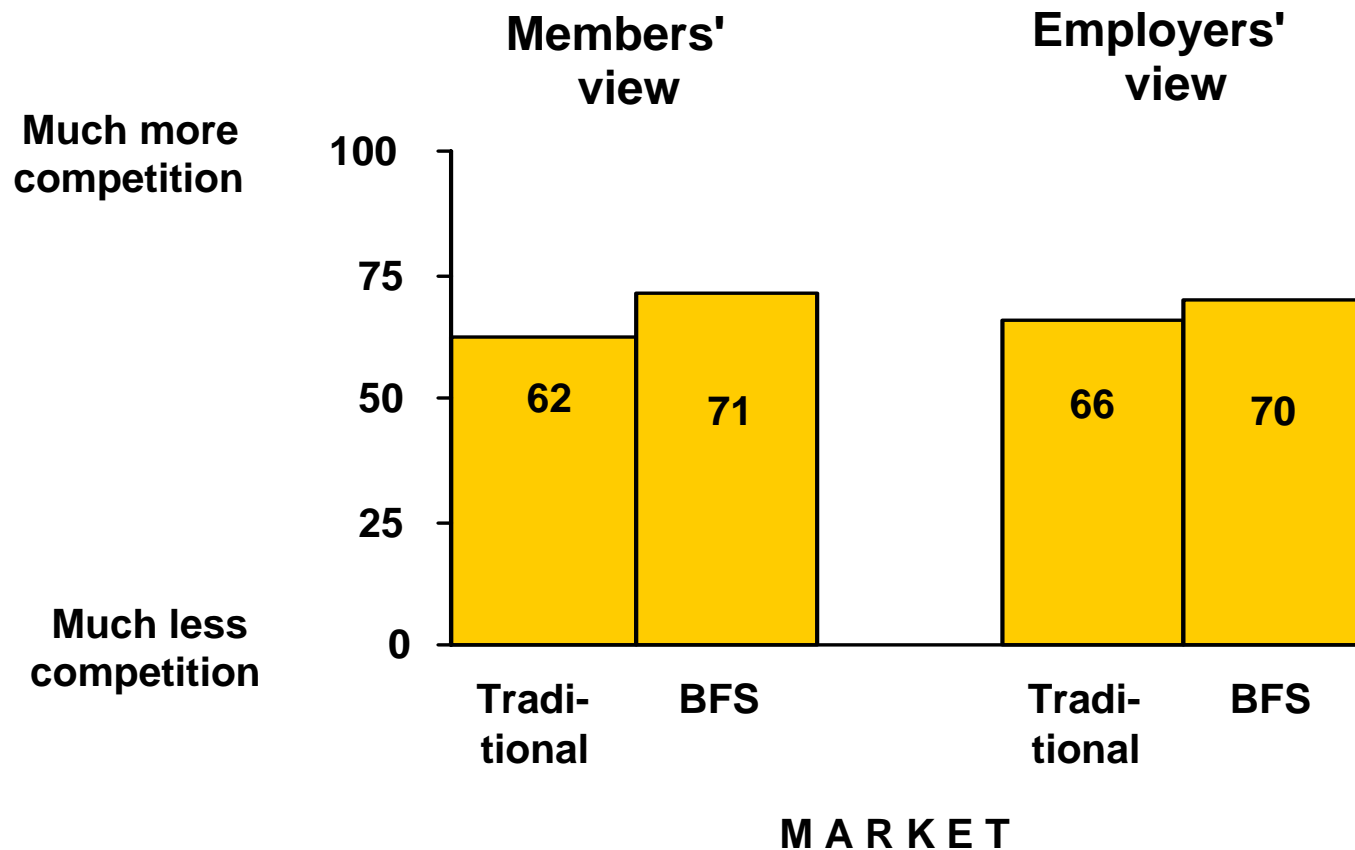


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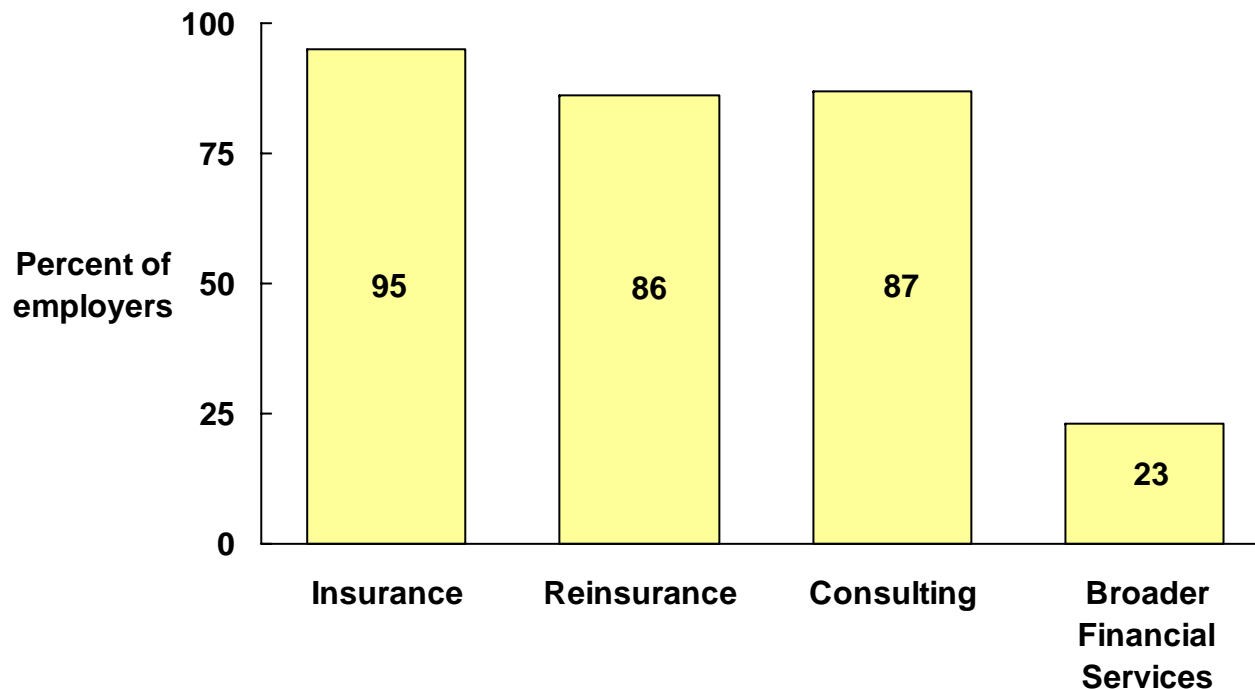
Employers in the broader financial services (BFS) market rate actuaries and competing professionals very similar to traditional employers



In both traditional markets and the broader financial services market, members and employers perceive increased competition.



The recognition of the actuarial credentials in the broader financial services market is very low when hiring for roles for which actuaries are qualified.



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Key Findings: Traditional Markets



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Traditional Markets

- Actuaries maintain a strong position versus the competition within the traditional markets, although the perception of actuaries as business leaders is weakened today compared to the past.
- Traditional employers perceive actuaries as highly technically competent, but see them as weak in business acumen and in being proactive



Traditional Markets

- Consolidation within the insurance industry continues to occur, creating more layoffs and increased competition for jobs.
- Fewer actuaries today are advancing into senior management positions roles than in the past.



Traditional Markets

- New roles in enterprise risk management continue to grow, while actuaries do not necessarily secure these roles.
- A majority of members want the SOA to help them acquire business savvy skills.



Key Findings: Broader Financial Services Market



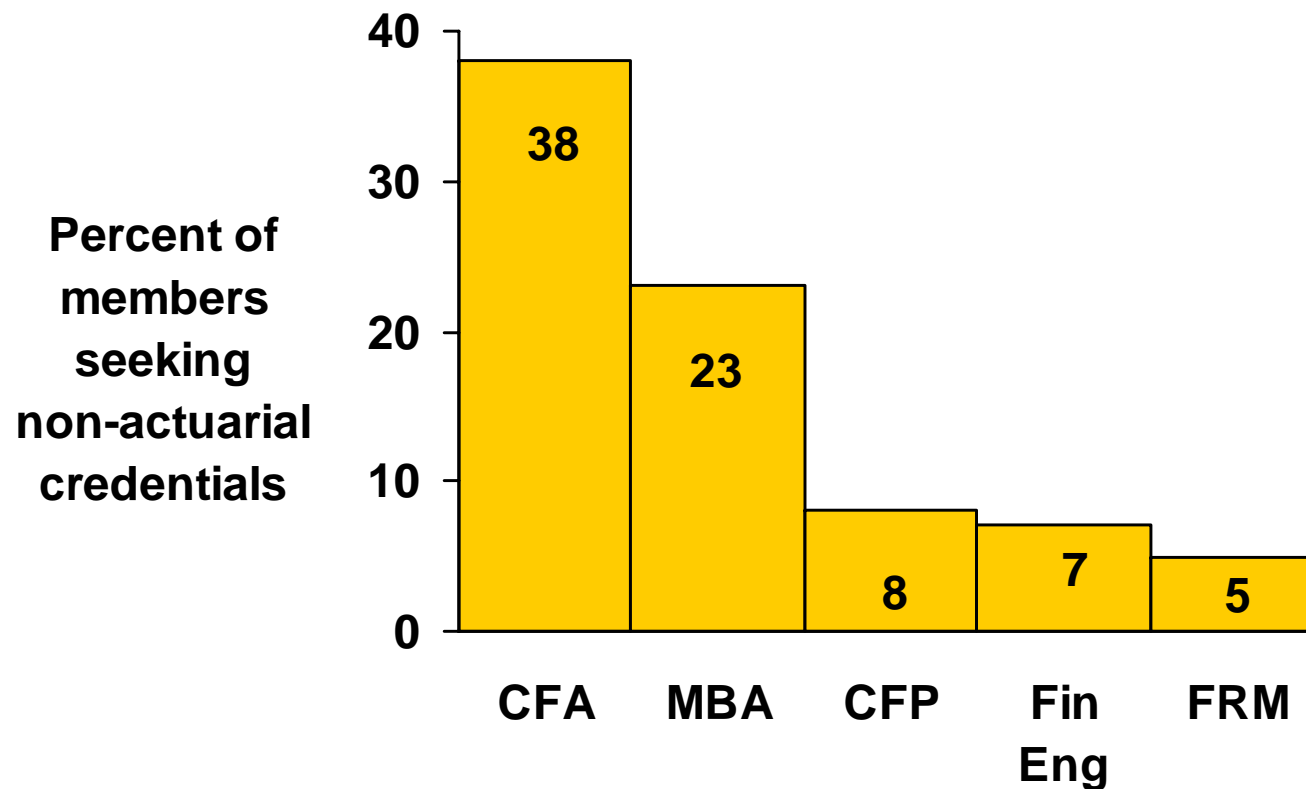
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Broader Financial Services Market

- A growing number of actuaries are working in the broader financial services (BFS) market
- Members support the SOA making efforts to develop non-traditional areas of practice for the profession
- The actuarial skillset lines up with the BFS market's needs in managing and mitigating risk.



Aware that the market is calling for a variety of skills, many members are now pursuing non-actuarial credentials.



Broader Financial Services Market

- Many employers within the BFS market do not recognize actuarial credentials. Instead, it typically seeks out MBAs, CFAs, accountants and those with advanced degrees in finance
- When recognized, actuaries are perceived by the BFS market as having strong quantitative and financial assessment skills



**Based on these findings, the
SOA Board of Governors has
decided to develop plans for....**



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- Investing in an image building campaign



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- Investing in an effort to create stronger actuaries in traditional markets, through enhanced credentials and stronger continuing education to emphasize the skills documented as needing the most improvement.



- Investing in an effort to establish actuaries in the broader financial services market, through enhanced credentials and possibly new credentials, while increasing efforts in continuing education to emphasize the skills in demand and those needing the most development.



In light of the survey findings and the subsequent decisions made by the Board of Governors (BOG), the Strategic Planning Committee has been reviewing the strategic plan that was created almost three years ago. An updated plan will be presented to the BOG at its January meeting.



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