



**SOCIETY OF
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Letter From the Editors

By Ravi Bhagat and Hugh Lakshman

Welcome to the fall edition of *CompAct*! First and foremost, we want to extend a heart-felt thank you to those who provided feedback on the spring edition of *CompAct*. We appreciate the feedback and use it to motivate self-reflection and the continual improvement of the newsletter. Moreover, we recognize the feedback as a sign that our readers are genuinely engaged and interested in the published newsletter content that strongly guides the direction of future editions.

With that said, the latest edition of *CompAct* continues to include a diverse set of topics that have central (and occasionally peripheral) technology elements, and more importantly, to showcase a set of topics which aim to pique the interest of readers and ultimately spur additional dialogue and continued self-development. In addition to diversifying the spectrum of content, it has been our primary focus to ensure we have a good mix of topics that cover multiple dimensions such as practical vs. theoretical considerations, introductory vs. advanced subject matter, and legacy vs. disruptive themes.

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Lastly, in the continued spirit by which we collaboratively shape this newsletter, we encourage you to submit articles for publication, topics that are of interest to you, and your feedback. We truly appreciate everyone's contributions as they directly correlate to the worth and insightfulness of the newsletter. For thoughts, questions and feedback, we can be reached at ravibhagat@kpmg.com and hugh.lakshman@ibx.com.

In this edition of *CompAct*, we have seven articles that span a broad spectrum of topics.



ALTERNATIVE TARGET OPERATING MODEL FOR YOUR PREDICTIVE ANALYTICS FUNCTION

Building upon the industry momentum surrounding data analytics, companies are increasingly looking to use predictive analytics in various elements of their operating model, but their implementation often involves the investment of significant resources. David Schraub from the SOA contributed an exploratory article that touches on incorporating a data robot to help reduce overall costs and realign resource time to more impactful focus areas.

DEVOPS: A JOURNEY TO AN EFFICIENT REGULATORY COMPLIANCE PRACTICE

The successful relationship between IT and business is critical to the long-term success of an organization. Exploring aspects of IT and business collaboration, Soumava Dey introduces the intriguing topic of “DevOps” (i.e., combination of development and operations). As coordination between cross-functional groups becomes more critical to the smooth, successful and compliant-focused operations of an organization, this article provides a thought-provoking introduction into a unique operating model (and mindset).

PROTECTING OUR MOST VALUABLE ASSET

Organizations of all sizes and within virtually all business sectors consider data and information to be one of their most valuable assets. These assets offer great opportunities to expand business potential, solution capabilities and strategic positions, but expose organizations to unique challenges and risks. Alex Zaidlin, Ben Farnsworth and Natalie Huang of KPMG provide a practical article that outlines considerations for actuarial data governance.

MACHINE LEARNING, SKYNET OR THE FUTURE OF ACTUARIAL SOFTWARE?

Sean Hayward from FIS (and vice-chair of the SOA technology Section Council) contributed an insightful article that provides a look into the potential of machine learning in an actuarial setting. In a sign of exciting times, the author notes that machine learning has the potential to become another tool on the actuary's tool belt for solving problems yet to be defined.

LOSS RESERVING IN THE FUTURE

To provide our readers with real-world insight and to showcase technology enablement in today's world, we included an article on reserve modernization using technology innovation that is readily available now. In this article, Chris Nyce and Drew Golfen from KPMG discuss how reserving and reporting enhancements are achievable with reasonable effort, existing technologies and moderate cost outside of extended transformational programs.

IOT BENEFITS BUILD ON EXISTING INFRASTRUCTURE

Wearables and sensors used to monitor and track data are now considered commonplace in nearly everyone's lifestyle and are becoming more and more interconnected. Being able to constructively leverage this data and the increasing connectivity has the potential to improve an organization's ability to identify risks, manage ultimate outcomes, and mitigate certain

types of risk exposures. Nick Leimer from Microsoft provides an informative article that describes some of the relevant benefits that can be achieved by utilizing the Internet of Things (IoT) on existing infrastructures.

FOR NEW LIFE CUSTOMERS, IT'S ALL ABOUT THE EXPERIENCE

Lastly, to round out this edition of *CompAct*, Samir Ahmed from X by 2 contributed a well-articulated article that delves into the customer experience for new life insurance customers. Life insurers are continually looking to enhance the customer experience of their existing policyholders and increase the potential sales base of new customers and this article provides meaningful insight in a highly relatable context. ■



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