



Future Pathways

Fresh perspectives from actuaries of the future

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Wellington, 19 March 2013



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Fresh perspectives from actuaries of the future

Monsters vs Aliens: a comparison of consulting and insurance actuaries

Nellie Yang, Cigna

Jenn Bonnett, PwC

Abey George, Deloitte

Peter Lane, Southern Cross

Introductions

- Nellie Yang
 - Cigna – insurance
 - Society of Actuaries (USA)
- Jenn Bonnett
 - PwC – consulting
 - Institute of Actuaries of Australia



Introductions

- Abey George
 - Deloitte – consulting
 - Institute of Actuaries of Australia?
- Peter Lane
 - Southern Cross - insurance
 - Institute of Actuaries of Australia



Agenda

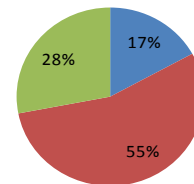
- Actuarial roles in NZ
- Company structure and interactions
- The work – what do we do?
- Work conditions
 - Pay
 - Hours
 - Study assistance
 - Travel requirements/opportunities
 - Growth opportunities
- The advantages

Actuarial roles in NZ

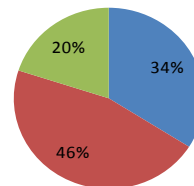
- What companies hire actuaries?
 - Direct insurance companies
 - Reinsurance companies
 - Consultancies
 - Big Four
 - Specialised actuarial consultancies
 - Others
 - Investment banks
 - Government agencies
 - Universities & research departments
 - Etc.

Membership Employment Breakdown

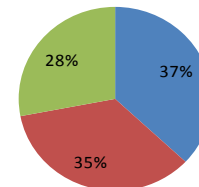
Casualty Actuarial Society (USA)



Society of Actuaries (USA)



Institute and Faculty of Actuaries (UK)



■ Consultancy ■ Direct & Reins ■ Other

Sources:

<http://www.beanactuary.org/jobs/?fa=jobs-by-type-of-employer>

<http://www.actuaries.org.uk/becoming-actuary/pages/where-do-actuaries-work>

Company structure and interactions

- Insurance
 - Underwriting
 - Finance
 - Product development
 - Marketing
 - Sales
 - IT
 - Claims
 - Senior management
 - Other operational areas



Company Structure and Interactions

- Consulting

- Professional services firms

- Advisory (where actuarial team sit)

- Tax

- Assurance

- Private client services

- Infrastructure (IT, office services, finance)

- Specialist actuarial consultancies

- Individual consultants

The work – what do we do?

Insurance actuaries

Regular work – Valuation Actuaries

- Monthly or quarterly e.g. Portfolio monitoring & reporting
- Half-yearly e.g. Reserving/valuations, solvency monitoring & reporting and dealing with auditors
- Annually e.g. FCR, other (US/Aus) statutory reporting and tax



The work – what do we do?

Insurance actuaries

Regular work – Pricing Actuaries

- Product development & pricing
- Premium rate reviews
- Sales analysis
- Experience studies



Pricing?
Good question

The work – what do we do?

Insurance actuaries

Other work

- Unit pricing work
- Construction/review of in-ho models (And associated documentation)
- Ad hoc queries and analysis
- Operational issues



The work – what do we do?

Actuarial consultants

- Diverse
- Ad-hoc / one-off projects as well as ongoing commitments
- Confidentiality considerations

CONSULTANT



What society thinks I do



What my mom thinks I do



What my clients think I do



What my friends think I do



What I think I do



What I actually do

The work – what do we do?

Actuarial consultants:

- Valuation (conventional & unconventional)
- Audit support
- Model reviews
- Secondments to clients
- Credit risk modelling
- Operational risk modelling
- Providing advice to clients (best practice)

The work – what do we do?

Actuarial consultants:

- Pricing
- Mergers and acquisitions
- Tax
- Data analytics

Working conditions – Pay vs. Hours

	Insurance	Consulting
Pay	Possibly a little lower than consulting (Unless you have a very senior position).	Possibly a little higher average pay although likely a higher variable/bonus component
Hours	Generally 40 – 45 hrs a week. Not often over 60 hrs even at busy times.	Longer hours on average. Non-Busy periods – 40 -50 hrs average. Busy periods or projects – 50-100 hrs
Study leave	Usually able to take study leave as planned	Study leave sometimes compromised

Working conditions – Pay vs. Hours

Actuarial consultants:



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Working conditions - Travel

Industry	Consulting
Fairly limited opportunities to travel unless,	Secondment to clients
You work for a large multi-national, and	Within city and nationally
You are quite senior	International travel to work on large projects
	International travel – Secondment opportunities
	International travel – Mostly for Professional services firms – and available at all levels.

Work conditions

- Growth opportunities
 - Insurers



- Consultants



Work conditions

- Study assistance
- Applicability of study



The advantages

Insurance	Consulting
<ul style="list-style-type: none"> • Stable work environment • End to end involvement • Ability to influence direction in some of NZ's largest companies 	<ul style="list-style-type: none"> • Variety • Travel opportunities • Seen as industry experts

Questions?

