

**Notes of the IAA / Groupe Consultatif Education Seminar
held in Berlin, Germany
on 26-27 November 2003**

Title: Educating actuaries with a business orientation

PART I : When are business awareness skills best learned?

- Sow seeds pre qualification
- Start business understanding near start
- Acquire skills through experience in latter part of training – needs maturity
- Start as technicians but make sure solutions focused on practice
- Business orientation courses through experience
- Business acumen occurs on continuum
- Continue to acquire through lifelong learning
- Universities/vacation work/presentations from employers
- Balance depends on qualification route
- Depends on abilities and inclinations of individuals
- Different countries have different approaches to education
- Challenge in emerging economies
- Move away from traditional exams
- Role for supertechnician but majority of actuaries need to be well-rounded
- Employers are short of people on technical side so there can be a conflict
- Employers want more rounded people
- Actuary bridges gap mathematics – business. Also be aware of bigger picture.
- Actuaries must be able to communicate
- Employers provide soft skills

PART II : Skills employers look for in actuaries

Skills:

- Technical actuarial skills
- Data collection and cleansing
- Professional values and ethics
- International language and cultural awareness
- Communication skills
- IT and computer skills
- Decision making
- Judgement
- Time management
- Project management
- Team work both in actuarial and multi discipline teams.
- Leadership outside actuarial box – encourage this
- Negotiation skills
- Confidence and competence
- Energy to influence people
- Creativity
- Language skills
- Understanding of legal matters
- Performance measurement
- Modeling skills
- Ability to work independently and with integrity
- Professional and ethical skills

Key considerations:

- Does everything need to be assessed and taught?
- Depends on employer and country

PART III : Contextual studies

Contextual studies

- Related disciplines which are relevant to actuaries
- Accounting
- Law
- Corporate Finance
- Philosophy
- Economics
- Medicine
- Genetics
- Management
- Environmental issues
- Demography
- Liberal Arts
- Social policy

Key considerations:

- Actuaries don't need to know all details but some basics then specialism.
- Actuaries need the ability to ask the right questions, access data and interpret results.
- Much of this could be relevant for CPD.

PART IV : Possible changes to guidelines

IAA:

- Use preamble to include reference to business awareness skills such as:
 - Communications
 - Business skills
 - Strategic thinking
 - Project management
 - Legal context
 - Problem solving

Groupe Consultatif:

- Several topics already but these could be widened to include:
 - Professionalism
 - Business skills
 - Strategic thinking
 - Big picture
 - Informed risk
 - Project management
 - Problem solving

Key considerations:

- No changes before 2005
- Don't assess business orientation but ensure it is developed

Lessons to be learned:

Cecil Bykerk

- IAA Education Committee – difficult to get people to attend from smaller associations, particularly those which are university based. The conference has been helpful in this respect.
- Look for opportunities for similar meeting and have specific focus areas as this time.
- Lots of thoughts/presentations.
- Content of training is getting closer.
- Now having world-wide recognition.
- We should pay attention to business context.
- We need to adjust processes but there is an issue about how to do it?
- Some say actuaries are too technically focused but others say it is our strength. Where are we on the scale? What is the balance? Every country, every organization is different.

Chris Daykin

- Actuaries need to operate in the real world of business and be aware of social issues, and public policy.
- There could be differences between actuaries in future with more specialisms.
- We need different types of actuaries .
- Need to be aware of context of work. Need to think about what they are doing.
- Business orientation need not be part of exam system but could come in in different ways for different countries.
- CPD element is really important. We will look at this in GC Education Committee.
- All have vision for actuaries to be influential in country and in business.
- Schedule another conference 2 – 3 years on another theme. Sharing of experience valuable.