

# **An Action Report on the Society of Actuaries**

Presented to the **Chicago Actuarial Association**

Bob Beuerlein, SOA President



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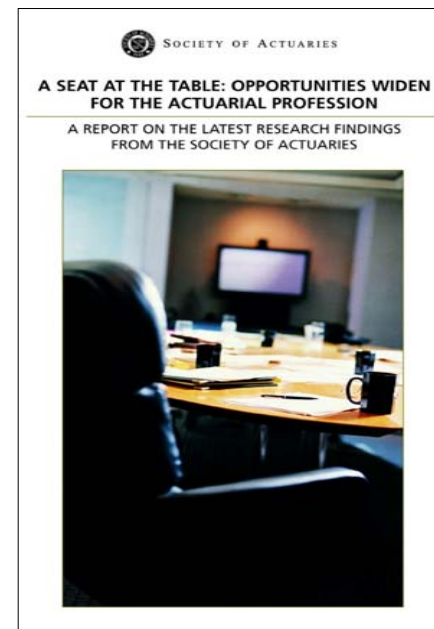
# A Changing Marketplace

- Mergers
- Acquisitions
- Consolidations
- Decline of DB plans
- Downsizing
- Outsourcing



# Employer Perceptions

- Highly analytical
- Thought leadership potential
- Less business savvy
- Low awareness in financial services



# We Have Competition!

- CFA
- MBA
- CPA
- PhD



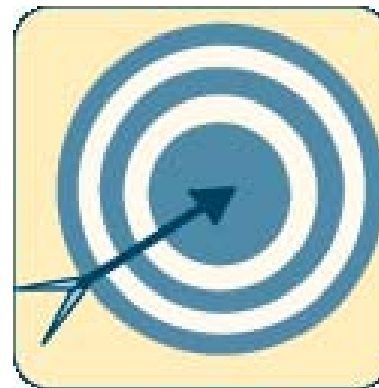
# Four Strategic Themes



Membership  
Value



Knowledge  
Management



Marketplace  
Relevance



Professional  
Community  
Advancement



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# Knowledge Management

- Priorities
  - E & E redesign
  - Review research process and priorities
  - Business and communication skills



# E & E Redesign

- Practical content introduced earlier
- Fundamentals of Actuarial Practice (FAP)
  - Eight modules



# E & E Redesign

- Introduced Validation by Educational Experience (VEE)
- First computer-based testing conducted
- Strengthened financial economics content





# Research

- Initiated multi-phased study on factors affecting retirement
- Initiated work on Select Mortality Valuation Study



# Communication & Business Skills

- Task force provided recommendations
- Conducted groundbreaking “Analysis and Presentation of Financial Results” seminar
- Expanded low-cost, convenient distance learning opportunities



# Expanded ERM Education

- SOA Board approved ERM strategy in February 2005
- SOA/CAS Risk Management Section
- Delivered record setting ERM Symposium with CAS and PRMIA





# Marketplace Relevance

- Priorities
  - Image Campaign
  - Marketing and Market Development Plan



# Why an Image Campaign?

- Outdated perceptions
- Undervalued potential contributions
- Limited growth and expansion



# Opportunity is at Risk!



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# What's Been Accomplished?



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# Actuaries

The Best-Kept Secret in Business™



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AMERICAN ACADEMY *of* ACTUARIES

Canadian  
Institute of  
Actuaries



Institut  
canadien  
des actuaires



ASOCIACION MEXICANA DE ACTUARIOS, A.C.



ASPPA™

WORKING FOR AMERICA'S RETIREMENT

Conference of  
Consulting Actuaries



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# Engaged Profession in Brand

Polled the profession



Selected a  
theme

Created:

- Identity
- Focus
- Message
- Direction

Turn Risk Into Opportunity™

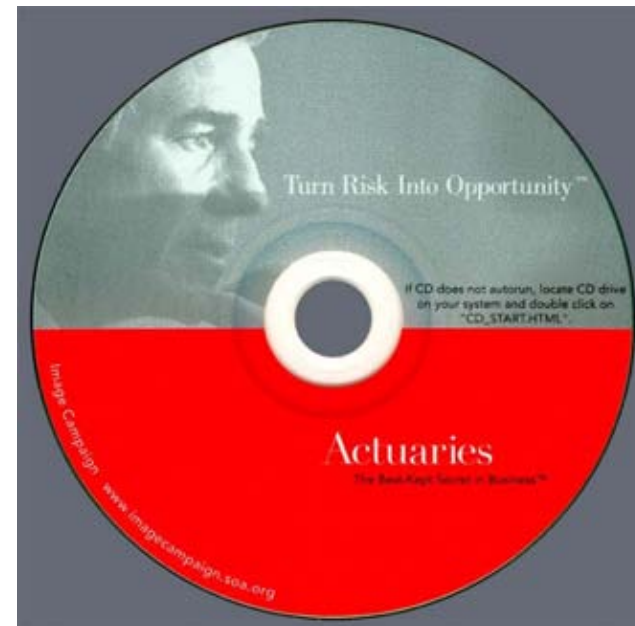
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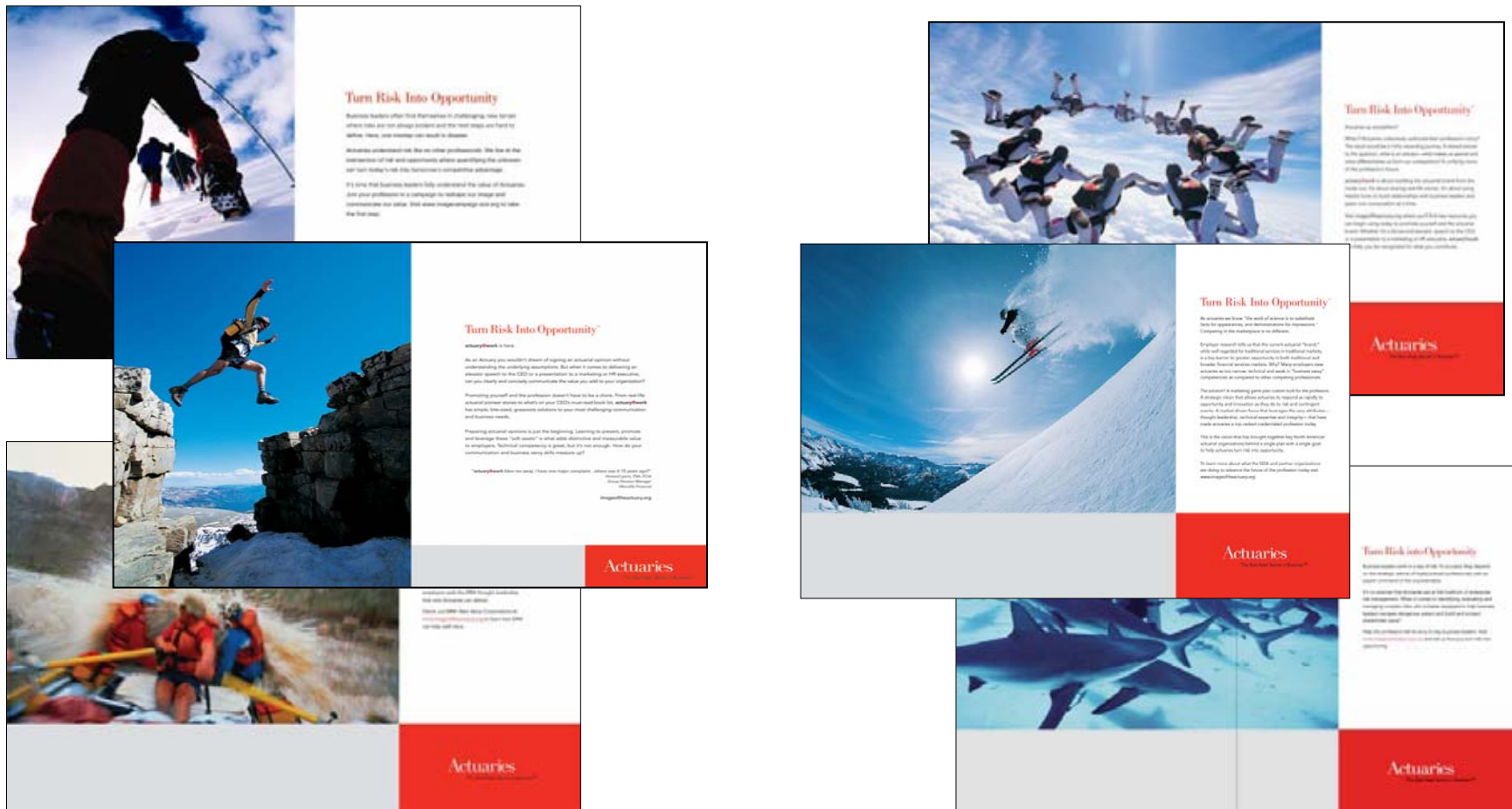
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# Introduced to Profession

- Academy, CAS, CIA helped promote
- 1,100 took campaign survey
- 1,000 joined opt-in list
- Valuable insights gained

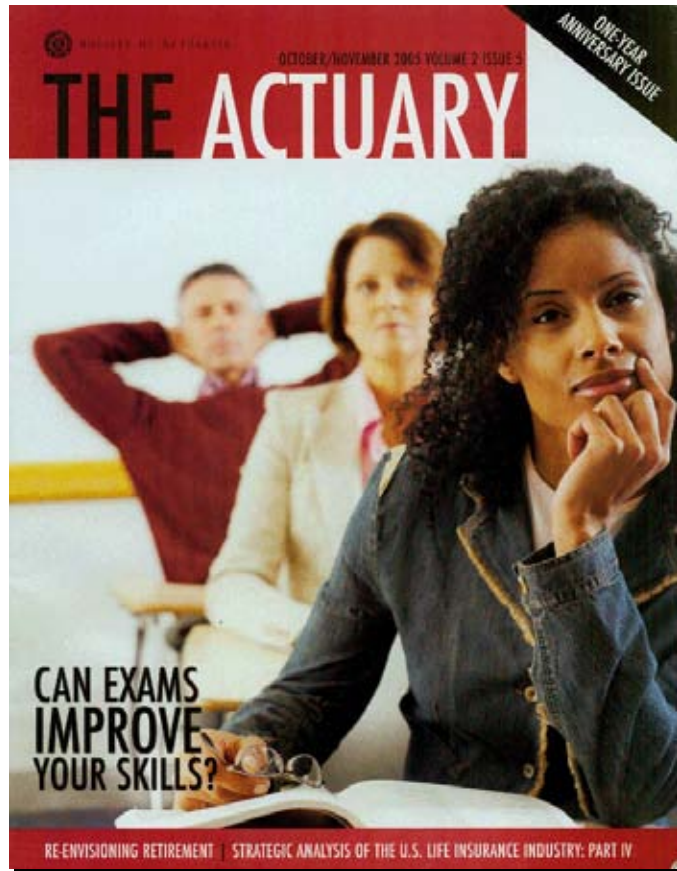


# Initiated Ad Campaign



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# Expanded Pioneers Program



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# Created ImageWatch e-Newsletter

- 60 second campaign updates, delivered quarterly
- 1,500 subscribers and growing





# Launched Grassroots Program

- 25,000+ visits since August launch
- Most popular pages: Creating personal “buzz”



# Generated National Publicity



THE WALL STREET JOURNAL

**CNN**  
HeadlineNews.

The New York Times



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# What Do Members Think?

- SOA's role in image building rose from 5.2 in 2002 to 5.5 in 2005 (*Rating scale = 0 to 10*)
- Image campaign rated second most important strategic initiative.

*2005 SOA Member and Candidate Survey*



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# Members Want Action

Initiative	(10 pt scale)	Performance	Importance	Gap
The SOA is taking a leadership position on ENTERPRISE RISK MANAGEMENT		6.1	8.0	1.9
The SOA will enhance the image of the actuary through a long-term IMAGE CAMPAIGN		5.8	7.9	2.1
The SOA will conduct ENVIRONMENTAL SCANNING to assess the industry's future				

*2005 SOA Member and Candidate Survey*



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# Introducing the Marketing and Market Development Plan



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# Themes

- Enterprise Risk Management
- The Actuary: A 21<sup>st</sup> century thought leader
- The **value ladder** for the actuarial profession



## ***ACCOUNTING VALUE LADDER-EXAMPLE***

<b>Economic Platforms</b>	<b>Scope of Knowledge</b>	<b>Distribution of Knowledge and Effect</b>	<b>Time Span of Impact</b>
Platform 7	Global	Ability to determine the rules of the game at an international level	50 years
Platform 6	National	Ability to influence the rules of the game at a national level	30 years
Platform 5	Industry	Ability to conceptualize the multiple realities that exist within the environment and capitalize on them.	10–15 years
Platform 4	Market	Ability to create and manage multiple, parallel outcomes based on market and individual	3-5 years



# Four Audiences, Four Campaigns

- Actuaries
- Traditional employers — insurance
- Traditional employers — benefits
- Non-traditional employers — BFS



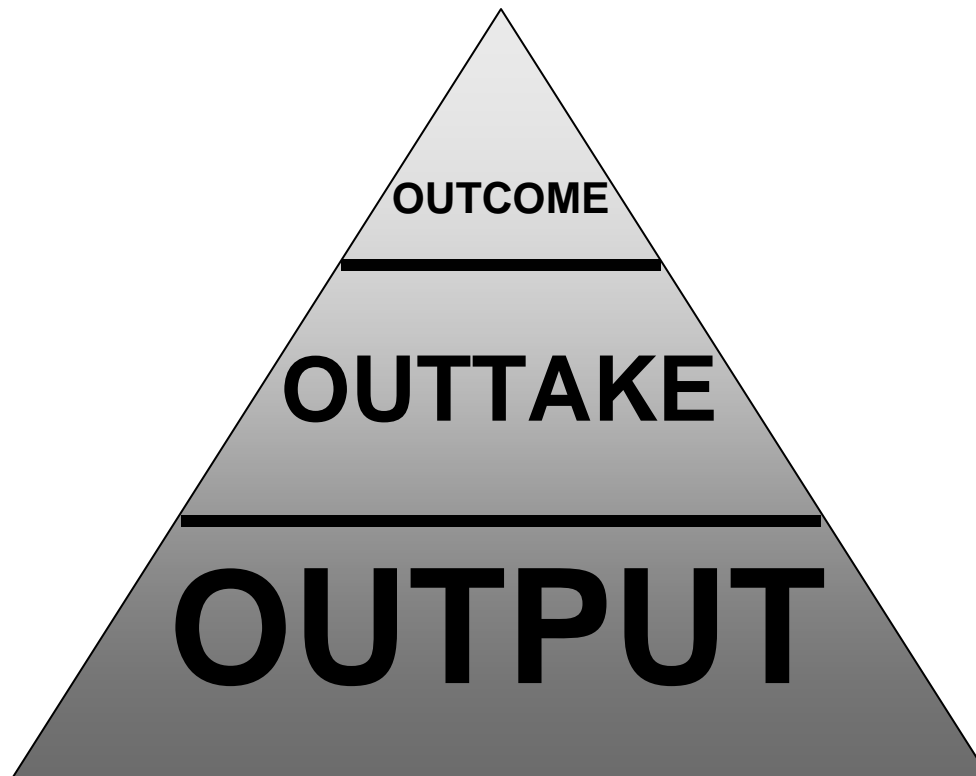
# Key Programs

- Grassroots
- Web
- Public relations
- Horizontal marketing



# How Will We Measure Success?





Levels of measurement







# Membership Value

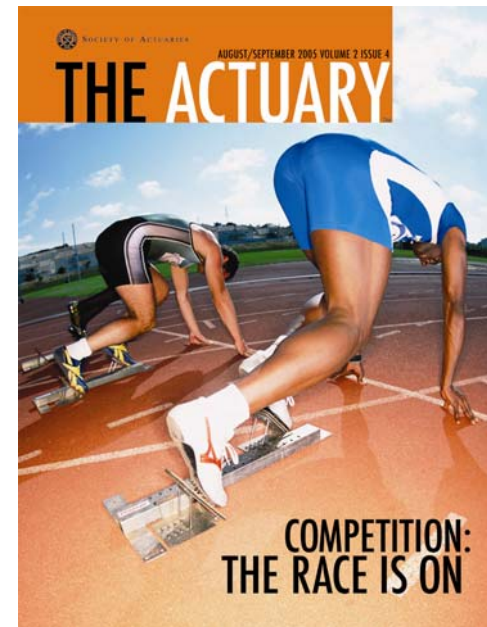
- Priority
  - Increase the value of membership



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# New Member Benefits

- State of the art membership database
- Launched monthly eNewsletter
- Upgraded *The Actuary* to bi-monthly magazine





# Professional Community Advancement

- Priority
  - Building the profession's global stature



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# Morris Review



## Actuaries blasted in wake of Equitable

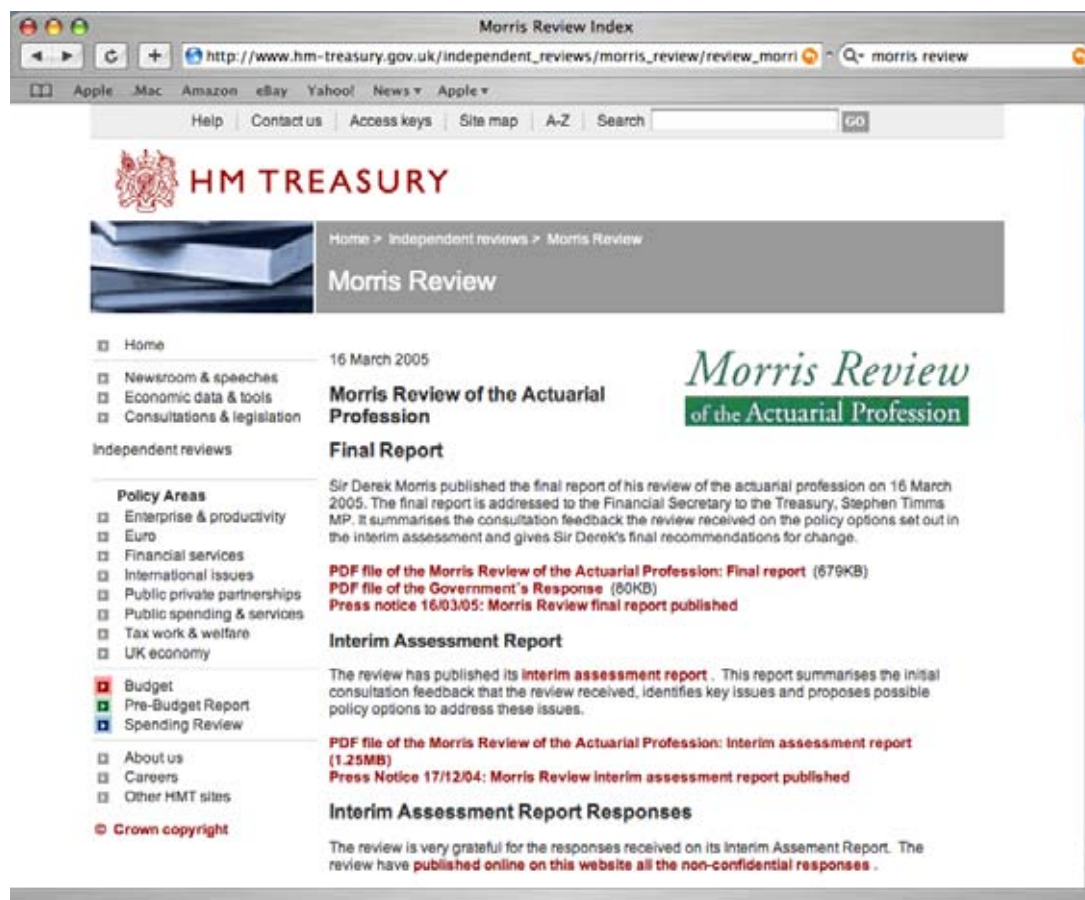
THE actuarial profession was slated today by Sir Derek Morris, who was asked to carry out a review of it in the wake of the near-collapse of Equitable Life.

Morris accused the profession of:

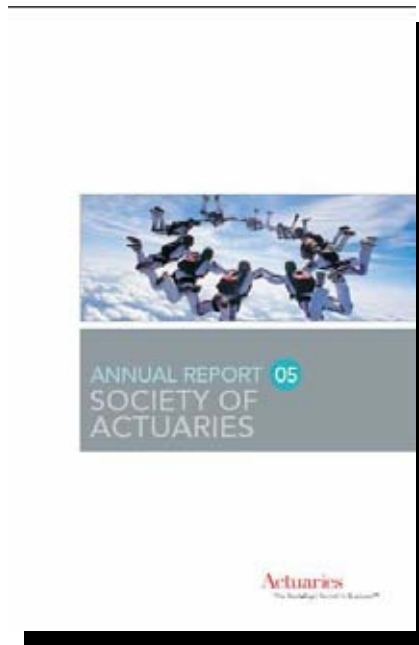
- Being too insular and slow to adapt to circumstances.
- Being insufficiently transparent in actuarial advice.
- Having inadequate scrutiny, challenging and market testing of the profession by users such as pension fund trustees and the boards of insurers.
- Lacking clarity on accountability to the wider public interest.



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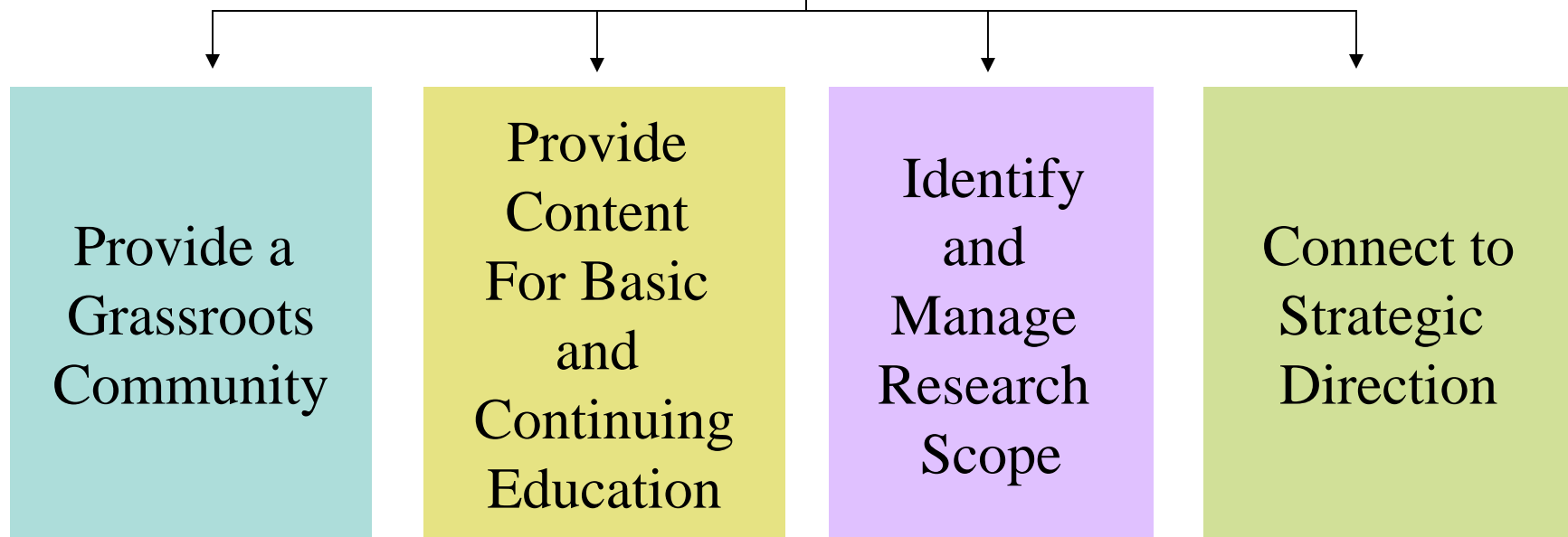


# 2005 SOA Annual Report



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# Sections— SOA Knowledge Communities



# Recent Board Actions

- Approved ASA-based ERM designation
- Endorsed member survey follow up
- Financed strategic initiatives





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