An Action Report on the Society of Actuaries

Presented to the Chicago Actuarial Association
Bob Beuerlein, SOA President

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

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

- 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- Outdated perceptions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!

What’s Been Accomplished?

Engaged Profession in Brand

- Polled the profession
- Selected a theme
- Created:
  - Identity
  - Focus
  - Message
  - Direction

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

Expanded Pioneers Program

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

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
Members Want Action

2005 SOA Member and Candidate Survey

Introducing the Marketing and Market Development Plan

Themes
- Enterprise Risk Management
- The Actuary: A 21st century thought leader
- The value ladder for the actuarial profession

ACCOUNTING VALUE LADDER-EXAMPLE

<table>
<thead>
<tr>
<th>Economic Platform</th>
<th>Scope of Knowledge</th>
<th>Distribution of Knowledge and Effect</th>
<th>Time Span of Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Platform 7</td>
<td>Global</td>
<td>Ability to determine the ratio of the game at an international level</td>
<td>50 years</td>
</tr>
<tr>
<td>Platform 6</td>
<td>National</td>
<td>Ability to influence the rules of the game at a national level</td>
<td>30 years</td>
</tr>
<tr>
<td>Platform 5</td>
<td>Industry</td>
<td>Ability to construct the multiple models that work on the environment and capitalize on them</td>
<td>10-15 years</td>
</tr>
<tr>
<td>Platform 4</td>
<td>Market</td>
<td>Ability to measure and manage multiple, complex outcomes based on outcome</td>
<td>6-5 years</td>
</tr>
</tbody>
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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

**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

**Morris Review**
Sections—
SOA Knowledge Communities

- Provide a Grassroots Community
- Provide Content For Basic and Continuing Education
- Identify and Manage Research Scope
- Connect to Strategic Direction

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