



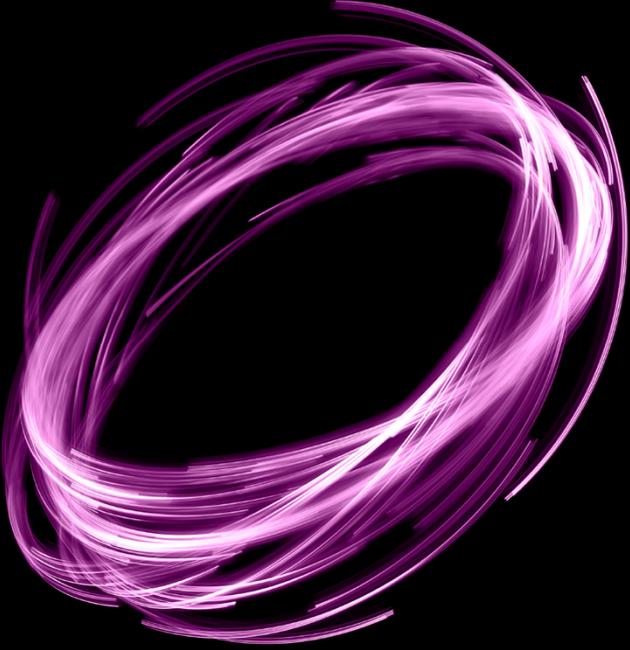
Institute  
and Faculty  
of Actuaries

# GIRO Conference 2022

21-23 November, ACC Liverpool

**#GiroConf22**

1



Institute  
and Faculty  
of Actuaries

## How diverse is UKGI?

Michael Stefan, Hanover

**#GiroConf22**

2

## Today's aims

- To inform rather than preach
- To show progress over the last 5 years
- To appeal to a wide range of members
- Provide some facts with sensitivity and honesty
- Limited time -> main focus is gender diversity (though not exclusively)

3

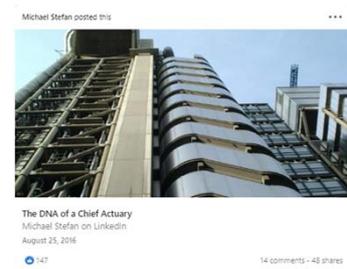
## We'll cover...

- Diversity of experience
- Diversity male/female representation
- Diversity of Chief Actuary roles (both Lloyd's and non-Lloyd's)
- A mention of what 2 other professions are doing
- Some closing thoughts

4

## Why research this?

- Some data on membership statistics from the IFoA, but not very granular
- Clients have been increasingly focused on understanding labour market dynamics
- Need a lot more granular data to be able to do a good job
- GI profession has grown significantly in the last 15 years
- People are interested!



5

## What do we mean by diversity?

- Male/female mix?
- Educational diversity?
- Linguistic diversity?
- Socio-economic diversity?
- Cultural diversity?
- Ethnic diversity?
- Neuro-diversity?
- Diversity in LGBTQ membership?

6

## Ethnicity

- Big desire to understanding ethnic mix, especially in leadership roles
- Difficult to observe by a third party
- Combines three distinct but closely related concepts:
  - Ethnic group
  - Religious affiliation
  - National identity
- Can use proxy measures instead – eg observe country of birth
- Allows us to answer much more narrow questions:
  - "How many were born outside the UK"?
  - "How many speak English as a first language?"

7

## Some terms

- "LLM" = Lloyds Managing Agencies and members of the IUA
- "PLSME" = ABI members writing GI business
- "PQE" = post qualification experience, ie years following the achievement of fellowship
- "CAS" = Casualty Actuarial Society USA
- "PRA" = "Prudential Regulation Authority"
- "CRO" = "Chief Risk Officer"
- "SMF4" = Chief Risk Officer function as defined by the PRA
- "IUA" = International Underwriting Association
- "ABI" = "Association of British Insurers"

8

## Data sources

- Only public sources used – limits scope, but ensures no data held
- Sources:
  - LinkedIn searches (only companies purely in GI business)
  - PRA register – used for tallying how many (eg) CROs are actuaries, how many Chief Actuaries were male, female etc
  - Public "Find An Actuary" section of IFoA website
  - Lloyds of London website (for list of managing agents)
  - IUA members list
  - ABI members, but only pure GI firms
- Manual tallies only

9

## Data Example

Actuarial member directory

**Member details**

Forename(s)

Surname

Member status

Practising certificate type

Page	Men	Women
Page 1	7	3
Page 2	8	2
Page 3	7	3
Page 4	8	2
Page 5	10	0
Page 6	9	1
Page 7	8	2
Page 8	9	1
Page 9	7	3
Page 10	7	3
Page 11	9	1
Page 12	0	1
<b>Total</b>	<b>89</b>	<b>22</b>
<b>Share</b>	<b>80%</b>	<b>20%</b>

10

3.6K+ RESULTS [See search breakdown](#)

## Big Picture

- Search 1: anyone with "actuary" or "actuarial" in job title
- Limited to GI only (excluded composites or subsidiaries of)
- No brokers or consultancies
- 31% of the market are women
- Over 3,600 GI (fellows and students) in search result

**31%**  
of your current search  
results are female

Experience	Count
2.1K+   More than 10 years	2100
876   5 to 10 years	876
423   2 to 5 years	423
158   1 to 2 years	158
33   Less than 1 year	33

14 December 2022




Institute and Faculty of Actuaries

11

## Big Picture (2)

- Relatively high turn-over (among those on LinkedIn at least)

Experience	Count
1K+   Less than 1 year	1000
1.3K+   1 to 2 years	1300
716   2 to 5 years	716
419   5 to 10 years	419
192   More than 10 years	192

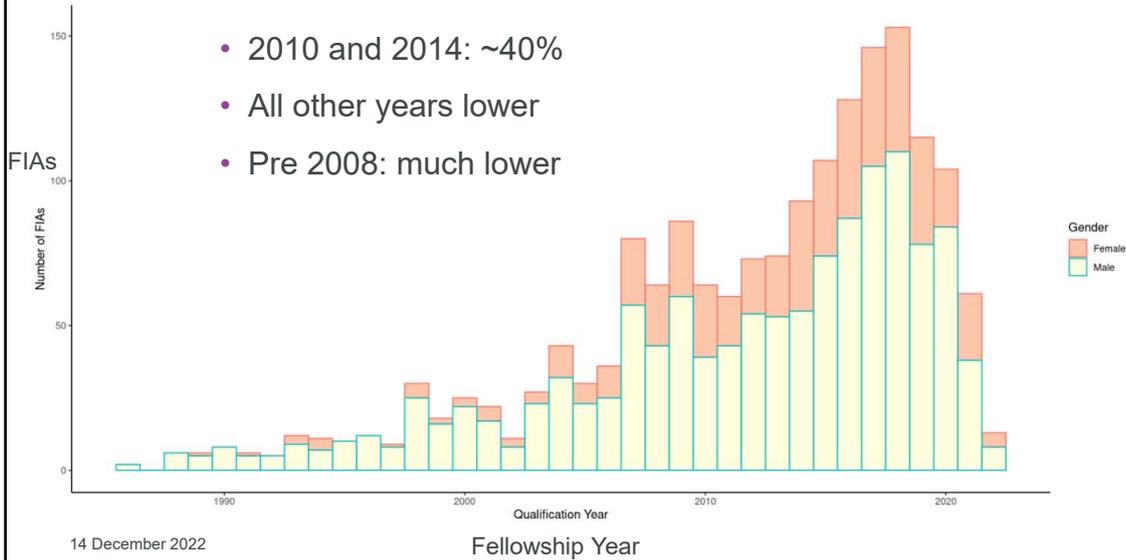
14 December 2022




Institute and Faculty of Actuaries

12

## Female share of new fellows



13

## Certifications in UKGI

- Excluding self-employed and non-UK based:
  - 111 holders of a Chief Actuary (with Lloyds) PC – 20% female
  - 73 holders of a Chief Actuary (without Lloyds) PC – 21% female
  - 56 holders of a Lloyds SAO certificate – 18% female
- We know women make up (depending on metric) 28-31% of UKGI so why are they under-represented?
- How do life insurance certificate holders compare?

14

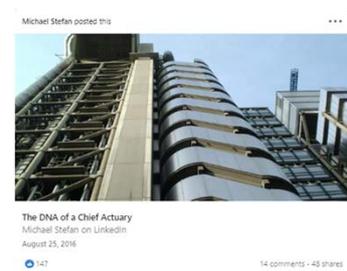
## Certifications in UK Life

- Chief Actuary (Life): 110 holders, 15% female
- Chief Actuary (Life, Non-Directive): 9 holders, 44% female
- With Profits Actuary: 22 holders, 22% female

15

## Quiz

- In 2016 I published a LinkedIn blog and have kept the underlying summary stats for 2016-17
- Can you guess female share in 2022 vs 2017?
  - Higher or lower?



16

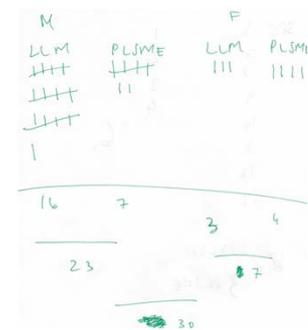
## Trends 2017-2022

- Female share is much higher:
  - 2017: women 13%
  - 2022: women 20%
- PQE:
  - 2017\*: median (13 years), mean (14.2 years)
  - 2022: median (15 years), mean (17.1 years)

\*for 2017, mean and median calculated as of the time

## CRO roles

- Easy to examine the PRA register for UK-based GI firms and make a tally of MvF SMF4 CROs
- Many CROs are NOT actuaries
- Looking at those who are:
  - Male CROs: 16 LLM, 7 PLSME
  - Female CROs: 3 LLM, 4 PLSME
- Roughly  $\frac{1}{4}$  of actuary-CROs are female
  - But if we take LLM, only  $\frac{3}{19}$  (~15%) are female
  - As opposed to  $\frac{4}{11}$  in PLSME (~36%)



Gender	LLM	PLSME	Total
Male	16	7	23
Female	3	4	7
<b>Total</b>	<b>19</b>	<b>11</b>	<b>30</b>

## Language skills (1)

The School of Language Studies provides training in over 70 languages.

**Category I:** Languages closely related to English.

Danish, Dutch, French, Italian, Norwegian, Portuguese, Romanian, Spanish, Swedish

**Category II:** Languages that take a little longer to master than Category I languages.

German, Indonesian, Malay, Swahili

**Category III:** Languages with significant linguistic and/or cultural differences from English.

Albanian, Amharic, Armenian, Azerbaijani, Bengali, Bulgarian, Burmese, Czech, Dari, Estonian, Farsi, Finnish, Georgian, Greek, Gujarati, Hausa, Hebrew, Hindi, Hungarian, Icelandic, Kazakh, Khmer, Kurdish, Lao, Latvian, Lithuanian, Macedonian, Mongolian, Nepali, Pashto, Polish, Russian, Serbo-Croatian, Sinhala, Slovak, Slovenian, Somali, Tagalog, Tajiki, Tamil, Telugu, Thai, Tibetan, Turkish, Ukrainian, Urdu, Uzbek, Vietnamese

**Category IV:** Languages which are exceptionally difficult for native English speakers.

Arabic, Chinese, Japanese, Korean

- French (278)
- Spanish (168)
- German (136)
- Hindi (82)
- Italian (56)
- Chinese (48)
- Punjabi (44)
- Gujarati (41)
- Cantonese (39)



14 December 2022

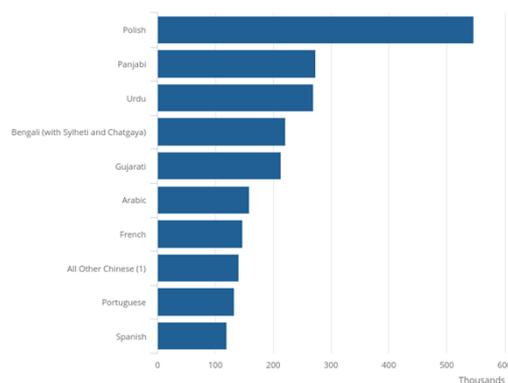
19

19

## Language skills (2)

- Can we compare non-English speaker numbers in England & Wales with UKGI?
- 2021 census results for ethnic group, national identity, language and religion released Nov 29, 2022
- 2011 data available – Polish most widely spoken (other than English) but Polish actuaries under-represented in GI (esp at the top)
- Handful of French-speaking Chief actuaries / CROs
- Not aware of any Arabic-speaking Chief Actuaries

Figure 1: Top ten main 'Other' languages in England and Wales, 2011



Source: 2011 UK census data



14 December 2022

20

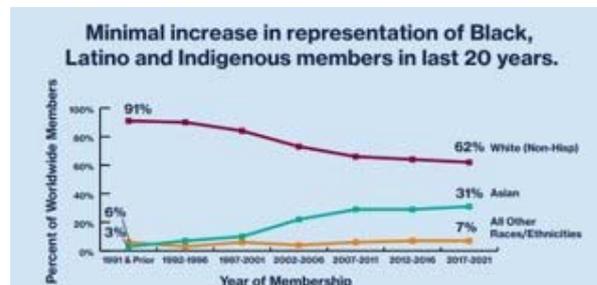
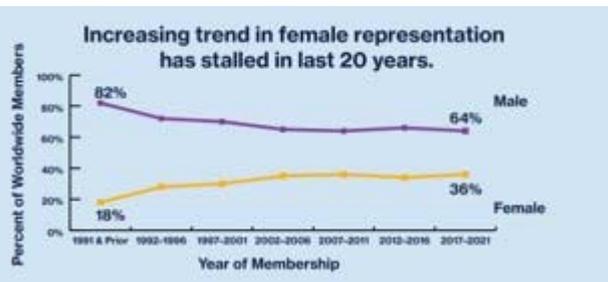
20

## Other professions - Economics

- Female representation in tenured roles in economics is very low
- Recognised by several countries, including US, Australia and UK
- American Economic Association has produced a set of guidelines covering:
  - Research conduct
  - Serving as colleagues
  - Working with students
  - Leading departments and workplaces
- Each of these categories has a "How to" guide, including background research
- "Leading Departments" is a section that's worth reading:
  - <https://www.aeaweb.org/resources/best-practices/leading-departments>
  - Circulate job announcements widely, and actively recruit candidates from underrepresented groups. Minimize the role of traditional networks in the hiring process.

21

## Other professions – CAS (1)



22

## Other professions – CAS (2)

- Recent CAS elections appeared very divided between:
  - "Constitutionalists"
  - "Progressives"
- While a "Progressive" candidate won the election, the result was narrow(ish) and a lot of very toxic discussions surfaced on social media

PRESIDENT-ELECT	
Frank Chang	2,305
DIRECTOR	
Amber Rohde	1,656
Julie Lederer	1,558
Len Llaguno	1,507
Steve Belden	1,385
Alan M. Hines	1,382
Carolyn 'Coe' Bergh	1,321
John Gleba	1,241
David Skurnick	1,190

23

## One simple trick

- Some employers STILL don't sponsor overseas candidates
  - effectively only selecting British, Irish and permanent residents
  - missing out on Indian, Chinese, South African, Australian, Canadian, EU actuaries etc
  - <https://www.gov.uk/government/publications/register-of-licensed-sponsors-workers>
  - Manually checked all Lloyds Managing Agencies, including service companies, previous company names etc
  - Result: 9 out of 57 Lloyds Managing Agencies do not appear to sponsor Tier 2 permits (16%)

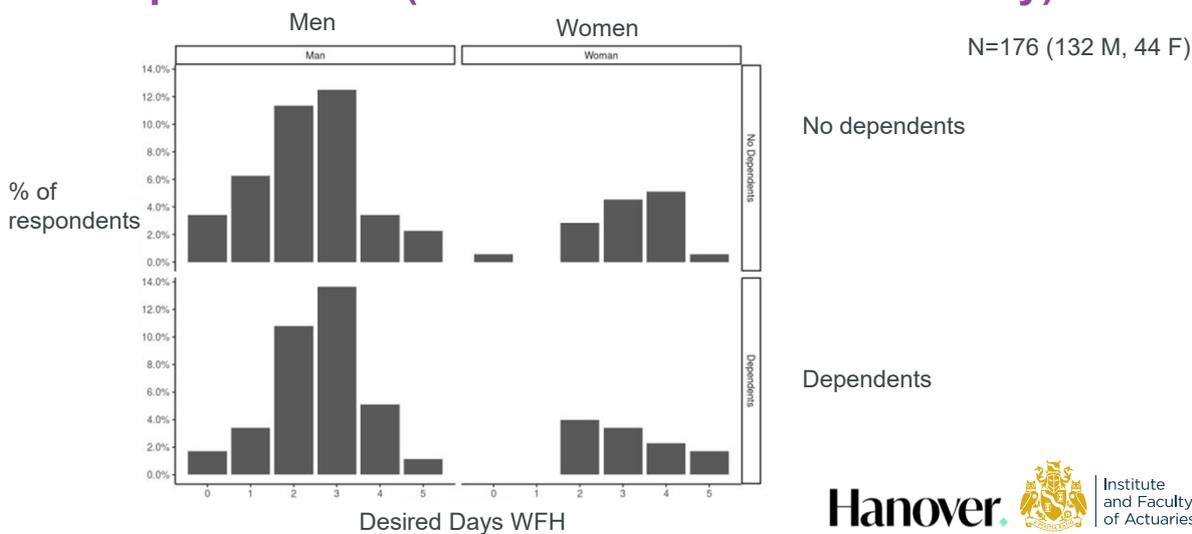
24

## Ideas to pursue

- Spread the word to help the network YOU are passionate about
  - Especially critical for women "under the radar" in 6-13 yr PQE range who are often overlooked
- Speak to your HR teams about Tier 2 sponsorship
- Educate your recruiters (internal/external) about the above
- Consider flexibility preferences – they are real and really differ

25

## WFH preferences (Hanover Jan 2021 WFH survey)



26

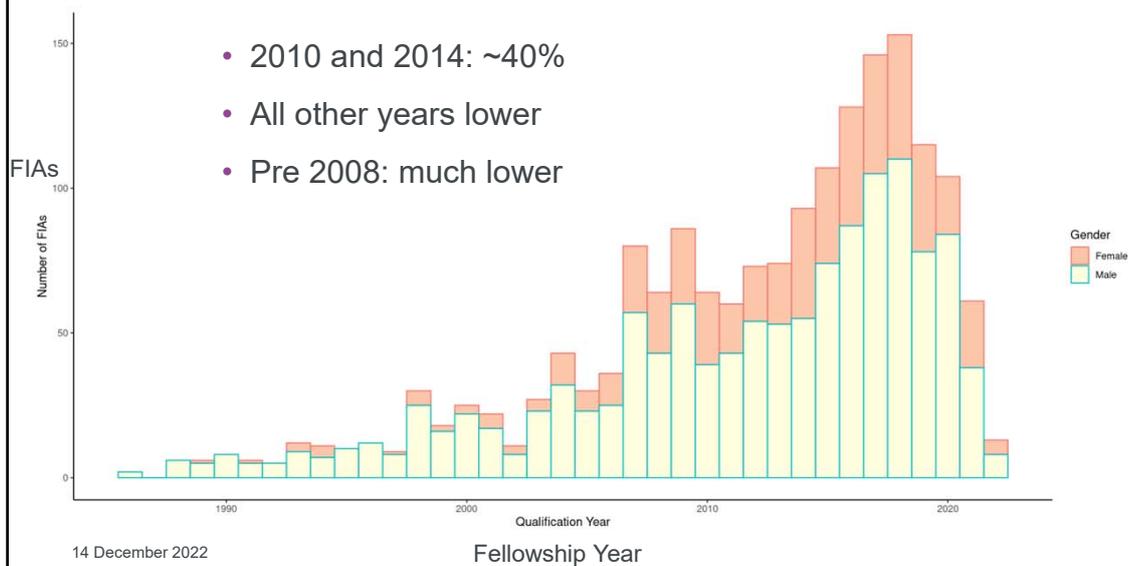
## The future

- Most of today has been about a static snapshot of market diversity
- Dynamics are important too
- Will we get to:
  - 30% share of Chief Actuary roles held by women?
  - 30% share of CRO roles held by women?
  - Gender Parity in the profession?
  - Gender Parity in top roles?



27

## Female share of new fellows



28

## The future (2)

- Depending on cut-off, female share 29-31%, even for very recent cohorts
- Will this be a potential "ceiling"?
- Questions:
  - Are women staying in the profession long enough to get top roles?
  - Are we getting enough female actuarial trainees?
  - Are enough women studying mathematics?
  - Is it a societal thing? Some regions (eg Eastern Europe) have much higher female actuary rates – Romania: of 217 members, 128 are female ~ 58%

29

## Female STEM pipeline

	Female ↑	Male ↑	Other ↑	Not known ↑	Total ↑
01 Medicine and dentistry	47,435	29,445	155	0	77,035
02 Subjects allied to medicine	269,305	69,445	395	0	339,150
03 Biological and sport sciences	58,050	59,050	220	0	117,320
04 Psychology	109,505	25,265	315	0	135,080
05 Veterinary sciences	9,430	2,100	45	0	11,575
06 Agriculture, food and related studies	12,070	6,325	30	0	18,425
07 Physical sciences	29,045	39,005	150	0	68,195
09 Mathematical sciences	18,010	30,405	110	0	48,530
10 Engineering and technology	36,875	146,060	225	0	183,160
11 Computing	32,480	120,975	370	0	153,825

Source: 2021 student numbers from Higher Education Statistics Authority (HESA)

30

## IFoA determinations

- IFoA publishes determinations
- Can tally gender of all case respondents published since 2018
- Covers all sectors, not just GI
- Cases include offensive remarks, cheating, CPD etc
- Each case listed as "Mr", "Ms" etc -> infer gender
- Women are definitely under-represented
- Other professions also see lower rates of complaints for women
  - Medicine: although majority of GPs are female, most complaints against men

### Disciplinary tribunal

	M	F	F%
2022	5	1	17%
2021	1	0	0%
2020	4	1	20%
2019	4	0	0%
2018	3	2	40%
Overall	17	4	19%

### Adjudication panel

	M	F	F%
2022	8	0	0%
2021	6	2	25%
2020	3	0	0%
2019	2	0	0%
2018	7	1	13%
Overall	26	3	10%

31

## Thank you!

E: [michael.stefan@hanoversearch.com](mailto:michael.stefan@hanoversearch.com)  
M: 07960 509 854



32



Questions



Comments

Expressions of individual views by members of the Institute and Faculty of Actuaries and its staff are encouraged.

The views expressed in this presentation are those of the presenter.

Hanover  Institute and Faculty of Actuaries

14 December 2022

33

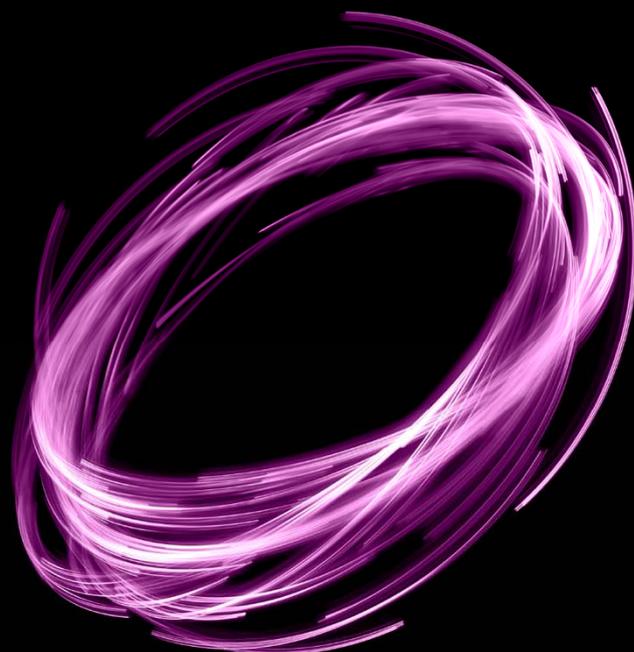
33



Institute  
and Faculty  
of Actuaries

**Thank you**

**#GiroConf22**



34