



Institute
and Faculty
of Actuaries

Individual Professional Responsibility as an Actuary – Challenges and Opportunities

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Introduction

- What does it mean to be a professional actuary?
- IFoA view
- Expectations may vary from country to country
- Positive impact of regulation
 - Promote quality of work
 - Help achieve high standards

Individual Professional Responsibility

What does this mean?



Individual Professional Responsibility

- Individual?
 - Professional?
 - Responsibility?
-
- About confidence in the profession
 - May have legal responsibilities in addition to purely professional responsibilities
 - Balanced against
 - Need to encourage innovation
 - Commercial awareness



Possible Causes of Tension

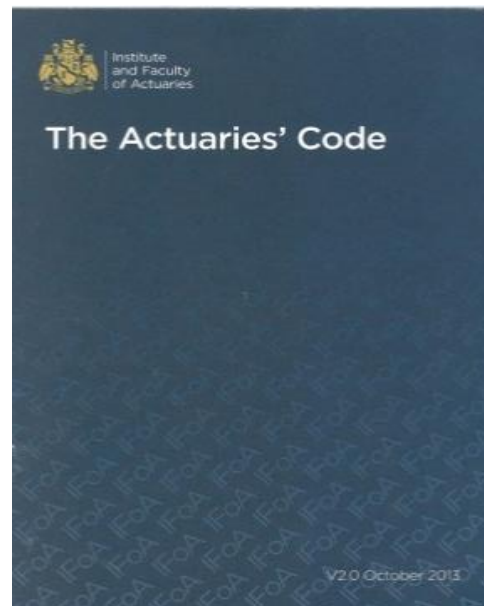
- Commercial pressures
- Contractual issues
- Time pressures
- Relationships with users/clients



- Relationship with employers
- Conflicts of interest

How to Navigate those Tensions

- Principles of the IFoA's Actuaries' Code



How to Navigate those Tensions

- How many principles are in the Actuaries' Code?

a) 3

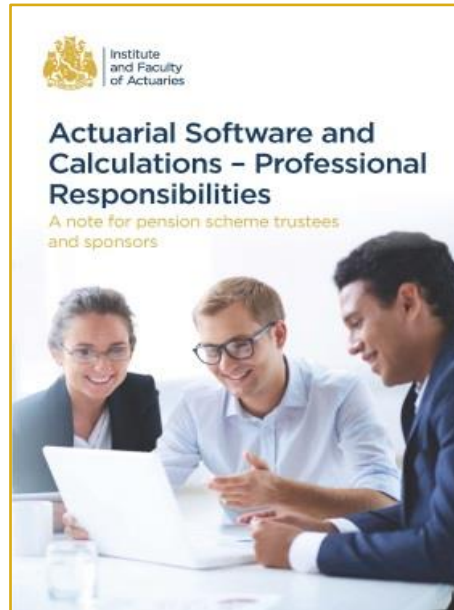
b) 5

c) 10



How to Navigate those Tensions

- Guidance for pension scheme trustees and sponsors – but useful for non-pensions actuaries too



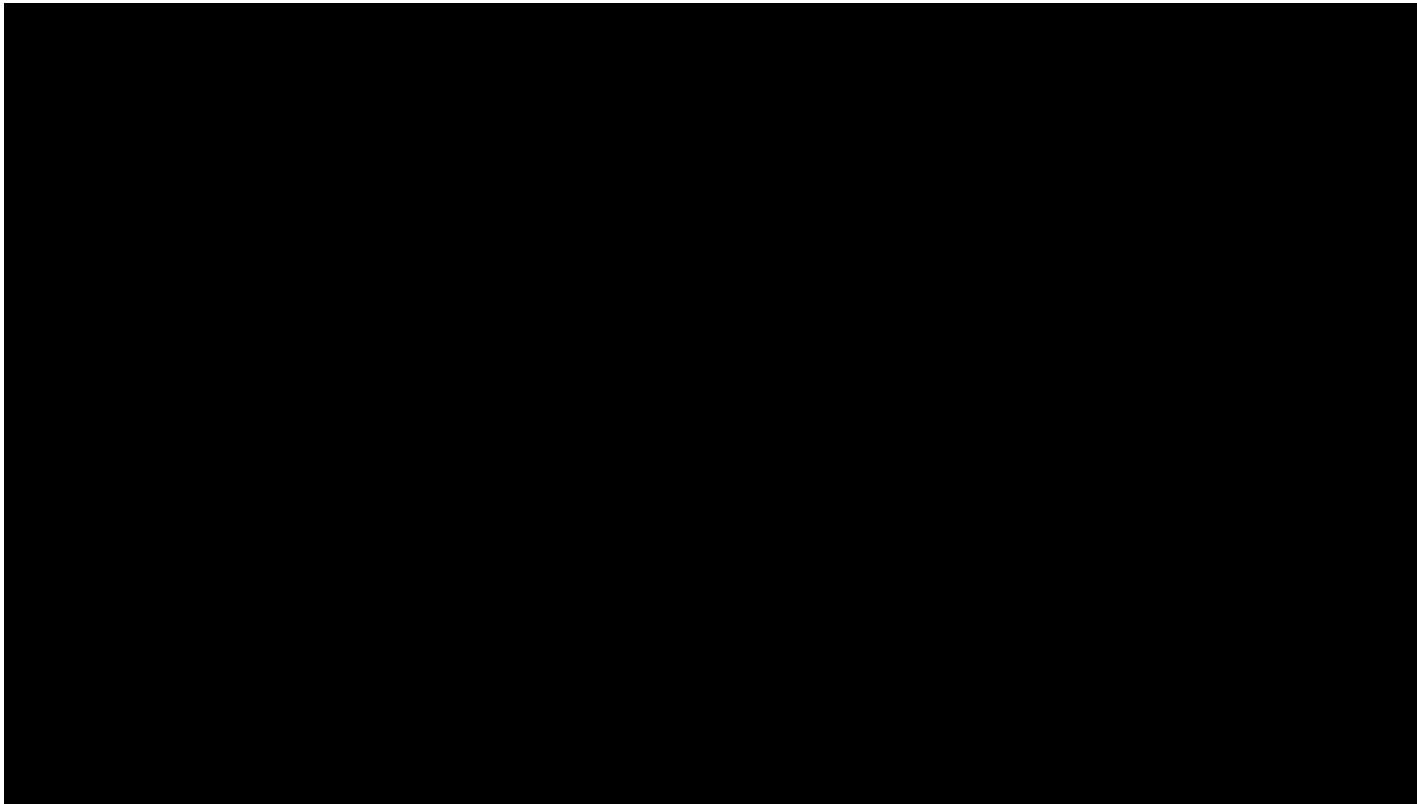
Consider.....

- Use of computer models or actuarial calculation software programmes
 - Developments in industry
 - Increased use of third party calculation solutions
 - Pressure from clients to use them
- Outsourced providers of data or calculations
- Internal support teams providing data or calculations
- Reliance upon models



Lost in Transmission

See what happens when three actuaries, Stefan, Georgina and Viraj, in ascending order of management, play their parts in the preparation of a report for the Board.



Lost in Transmission

1. Do all parties have sufficient knowledge and competence to execute the decisions they make in relation to the report?



Lost in Transmission

2. How far does the individual's responsibility extend?



Lost in Transmission

3. What are the possible consequences of not taking responsibility, not flagging any areas of weakness or communicating the importance of presenting all the relevant facts?





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 presenters.