



Institute and Faculty of Actuaries

“400 Club” Feedback

5th Survey of 2013-14 Session

Diversity

In September 2013 the Institute and Faculty of Actuaries' (IFoA) membership increased to 25,000 and it continues to rise.

The needs of our increasingly diverse membership are constantly evolving and the IFoA continues to evolve in response to the needs of its membership. We are acutely aware that the IFoA is a global organisation and that the needs of members will be different depending on where they work, what they are doing and at what stage of their career they are at. We welcome the challenges this presents in delivering a first rate service to you all.

As Nick Salter, President-elect, prepared to assume the Presidency at the end of June, he used this 400 Club survey to reach out and to hear members' views on the subject of “Diversity”. For the purpose of this survey, diversity will be taken to mean: age, gender, geographical location, membership status and practice area.

By completing this questionnaire, 400 Club members played their part in helping to inform the content of his Presidential Address which was delivered in London on 30 June.

This survey was open during the first three weeks of June 2014 and closed on 19 June. 326 members of the 400 Club shared their views. In addition, and via our International newsletters, we also offered members based outside the UK the chance to also take part in this survey. 55 members took up this offer and they were mainly based in China & South East Asia; in India; and in Europe.

The feedback is noted below.

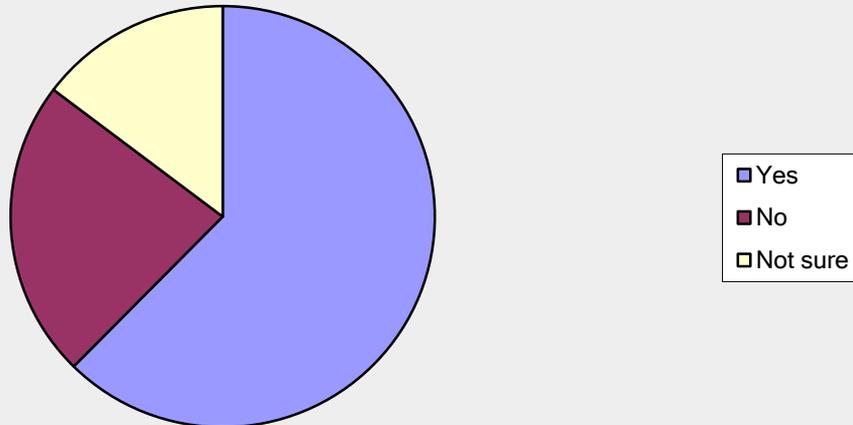
Memoria Lewis
Membership Director

The “400 Club” Feedback:

We asked respondents: “In your opinion, do you think that people’s perception of the type of work that actuaries do is a barrier to being employed in a more diverse range of industries?”

The majority of 400 Club respondents answered yes to this question. The breakdown of responses is shown in the figure shown below.

In your opinion, do you think that people's perception of the type of work that actuaries do is a barrier to being employed in a more diverse range of industries?



Some comments included:

- I think there are industries who would benefit from the skills of actuaries who don't consider it because they are not aware of what actuaries do.
- A lot of people do not understand that we are analytical experts who can assist in optimising processes outside insurance
- We need to promote ourselves more externally as being cutting edge, especially in our core fields
- From my perspective as a pensions actuary I believe people overestimate our numerical skills and underestimate the more general consultancy/project and risk management skills
- Perceptions are slowly changing as we display our competency in wider fields.

We asked respondents if they agreed with the following statement: "Actuaries tend to work in one of a defined list of practice areas, for example in pensions, or in life insurance, or general insurance, or health and care, and do not, as a rule, work across different areas of practice"?

Over 78% of 400 Club respondents said this was correct.

Some comments included:

- Unfortunately so, but I assume this is a by product of specialising in certain practice areas as part of the exams
- There are clearly lots of exceptions to this, but the statement is true of the majority of our members
- You qualify in one area and it is very difficult to move around e.g. between life and non-life
- I see an increased trend for actuaries to use their skills across the risk management space and no longer be confined to single practice areas
- Yes, but this is changing in my opinion especially with more students intending to do ST9 to take a more holistic approach to consulting.
- With new emerging risks in various industries, the scenario is changing.
- In developing countries actuaries have to do a bit of everything

We also asked 400 Club respondents: “In terms of opening up the range of opportunities for actuaries, do you think it would help if the skills that actuaries possess (your skills set) were better promoted among industries that are not traditionally large employers’ of actuaries? For example the Oil and Gas industries, utilities, manufacturers, and environmental industries.”

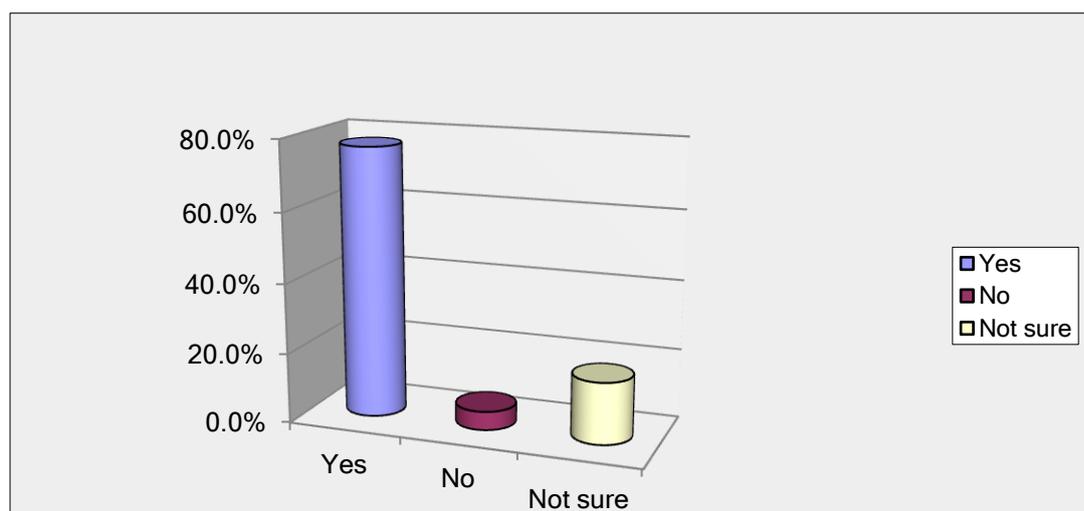
Over 87% of the respondents answered ‘yes’ to this question.

Key comments included:

- Our valuation skills could be very useful in these industries and could give a large range of opportunities – particularly in Scotland with Oil and Gas being a major industry
- We have a huge amount to offer across a wider range of industries.
- The skills need to be advertised so that other industries become aware of what can be done
- I would suggest that we could do something within the profession to promote our skills in different industries

We also asked: “Do you think it would be beneficial for actuaries who work in one specialist area to be aware of the issues and developments affecting those working in a different area of specialism? For example, research being undertaken in the health and care arena will be helpful to those working in the pensions arena.”

The breakdown of responses is shown in the figure below:



Over 77%, felt it would be beneficial for actuaries to be aware of issues and developments affecting other specialised areas.

Some comments included:

- I think better sharing of information across practice areas would help make the industry more cohesive and create more opportunities for interaction between practice areas
- Always helpful to understand development in new areas. Perhaps a session on this could be included at future current issues seminars.
- In theory yes, although time is usually a factor in these things and finding time to get up to speed in topics which don't at first appear relevant can be difficult
- I would put more emphasis on business skills rather than adding knowledge of other narrow specialist areas
- Some of the ideas could cross over but more importantly a broad general knowledge helps with the development of business relationships

In addition, we asked: “Do you agree that research and new thinking in one area of practice could inform, and be beneficial to, those working in another area of practice?”

The vast majority of respondents, over 91%, agreed with this statement. Less than 1% disagreed and 7.8% were not sure. It was noted that respondents felt there were obvious links between some practice areas, for example pensions and health care, but that an overall sharing of information could help to improve collaboration and bring members of the profession together. Although there were concerns about the resultant demands on time.

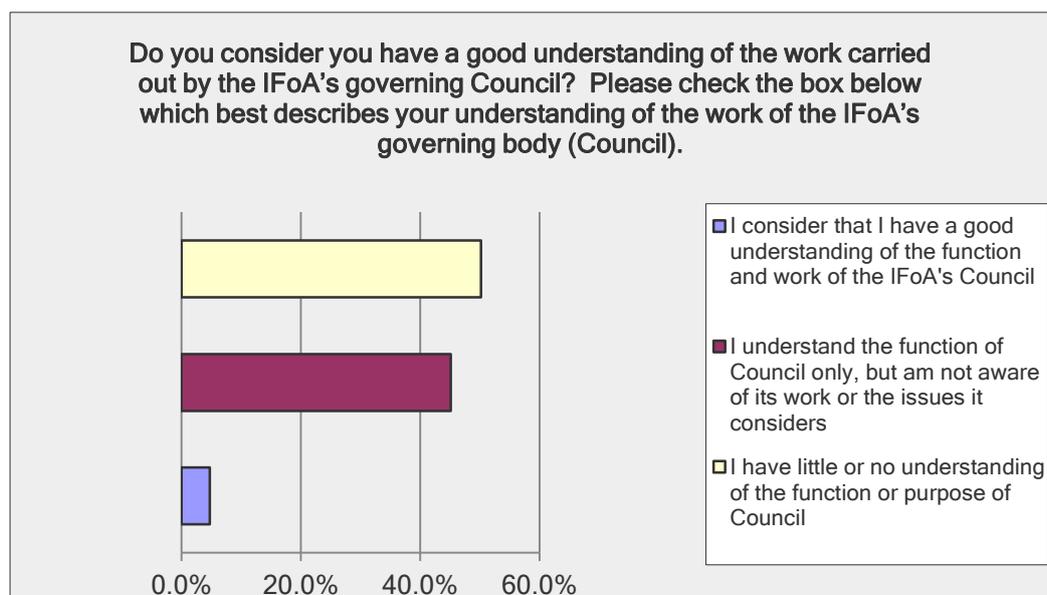
In another question, we asked: “Do you think that a forum that gave you an opportunity to have general access to new ideas and thinking, across practice areas, would be beneficial and would help inform your own work as a qualified actuary or as a student actuary?”

More than 77% of respondents indicated a forum would be beneficial and some interesting and thought provoking comments were:

- More focus on other areas means less focus on our own area. A balance needs to be struck
- I find The Actuary useful to keep in touch with what is happening in other fields
- I would find this very useful as I am looking to move to another field
- As a student actuary, I think yes it would be beneficial since most students have not yet decided which area they want to specialise in.
- I am a life actuary. At the Momentum Conference I attended some GI talks and found them very interesting/useful.
- I would probably be more likely to take advantage of this through CPD events rather than a forum

We asked 400 Club respondents: “Do you consider you have a good understanding of the work carried out by the IFoA’s governing Council? Please check the box below which best describes your understanding of the work of the IFoA’s governing body (Council).”

The chart below shows the interesting breakdown of the answers:



Although it was acknowledged that there has been improvements in communication from Council, it was felt that more could still be done to share more and to set information out clearly and prominently.

400 Club respondents were asked: “Do you think that it is important that the IFoA’s Council is representative of the diversity of the whole membership of the IFoA? (NB: in this context “Diversity” means age, gender, geographical location, membership status and practice areas.”

Some comments which demonstrated the majority view were:

- It only needs to be representative in its views, not its constitution
- What is important is that the decisions made and the analysis behind them takes appropriate account of this diversity
- Matters considered should reflect the diversity of members in all ways
- As a profession I think diversity will help us to become more relevant

Finally, we asked the 400 Club respondents: “Do you think it important that the views of the diversity of members’ experience, knowledge and technical expertise be represented in the IFoA’s research and thought leadership work, for example on the Practice Boards and working groups?”

More than 81% of respondents answered yes to this question. Using the best people with the right skills was considered crucial, with age, gender and geographical location of lesser importance.

Additional International Feedback:

From the additional feedback which we also received from the 55 members who took up the offer to share their views, via our International newsletters, it was interesting to see that the majority view from this additional feedback corresponded with the above feedback which we received from the “400 Club”.

Conclusion:

Thank you to everyone who took the time to share their views in this 400 Club survey. The results have been very helpful and you can now listen and watch the Presidential Address online via our website. This can be found in our events pages under the heading of “audio and video archive 2014”. Here is the link: <http://www.actuaries.org.uk/erm/pages/audio-and-video-archive-2014>

Those of you who are part of the 400 Club in July 2014 will be sent a link to this recording and you will be asked to share your feedback and views on the content and some of the ideas contained in the Presidential Address.

Memoria Lewis
Membership Director

July 2014