

Appendix to the Presidential Address, 2020

Extracted from IFoA Council VSMD papers, March 2020

Vision, Skillsets, Mindsets, and Domains - VSMD

Whilst the traditional actuarial roles remain at the core of the profession, momentum continues to build in understanding how our work around vision, skillsets, mindsets and domains not only shapes our education and member proposition offerings, but serves as a framework for the transformation and rebranding of both the IFoA and the broader profession.

Vision: In a changing profession, the IFoA can best support its members through a dynamic curriculum, fostering a learning (growth) mindset, and wider skillsets. This combination will expand the domains in which our members may work, both now and in the future.

Skillsets: The IFoA will continue to evolve its complete learning offering so that members at all stages of their careers can access skills that equip them for success.

Domains and mindsets: To bring to life how we support members to strengthen their foothold in existing domains, as well as working in wider fields.

There is growing acceptance and recognition that the VSMD strategy is not just about skillsets or syllabus in isolation. It is the coherent alignment and execution of all four aspects – vision, skillsets, mindsets, and domains – over a sustained period of three to ten years, which will lead to a repositioning of the actuarial profession for the 21st century.

Vision of the IFoA actuary

The 4.0 industrial revolution, which embraces ubiquitous, mobile supercomputing, data analytics and AI, intelligent robots, self-driving cars, neuro-technological brain enhancements and genetics, will impact the traditional domains in which actuaries work and redraw the industry's landscape.

We owe to our members a redefinition of our profession and a new narrative, so that we can navigate the emerging paradigms of the future with confidence.

We will leverage thought leaders in our membership to seek new perspectives and tools that challenge and develop our existing actuarial toolkit. By so doing, we will equip IFoA actuaries with modernised skillsets and encourage new mindsets, so that we can participate and lead actively in the changes emerging in new industrial eco-systems. Roles for actuaries in existing and new domains have arisen in the UK and elsewhere, and we are well- placed to participate in their development.

We will apply our skills in actuarial science more decisively and deliberately to achieve social impact and sustainability goals, including ageing and demographics, AI and ethics, urbanisation, environmental degradation, economic and health security.

What characterises our expertise in these fields is the use of data and an appreciation of uncertainty and risk of future outcomes, and we bring our techniques, business and actuarial judgement to bear in a manner that reflects the IFoA's traditions of quality, trust, fairness and integrity.

Most of our members work in life and pensions in the UK. Our expertise and reputation have

largely depended on this group, and they will continue to be pivotal in the *Vision of the IFoA actuary*.

Skillsets

Actuaries increasingly work beyond their traditional domains. This is leading to a more diverse and thriving profession, providing greater opportunities for our members worldwide.

The future of any profession is no longer fully secure, given the advent of digitisation and advances in technology and artificial intelligence. The domains that we primarily work in are undergoing fundamental change. We must develop a new strategy to preserve and secure the profession's future.

This will require us to evolve the core syllabus for qualification, with an emphasis on the highest standards of relevance and quality. In so doing, our qualifications will retain our unique value proposition in support of our brand, practice and reputation, both leading up to and beyond Associateship.

We will seek to include in our education and training new and relevant skillsets that will enable our students and members to work increasingly in newer and diverse fields.

Over time, we want to be recognised as actuaries and analytical problem solvers not only in our core fields but also across a wide range of domains, wherever our unique attributes add value.

Mindsets

As we reposition the profession, we seek to reposition IFoA actuaries:

From...

- Smart and analytical
- Professional and ethical
- Working in life and pensions
- Specialised, detailed and risk-averse

To...

- Smart and analytical
- Professional and ethical
- Working in diverse fields
- Curious and adaptable
- Growth mindset*

** Courage, judgement and imagination were added in June 2020*

This will mean changing how we target our recruitment, describe and brand ourselves, and orientate our education, personal and professional development (PPD), continuous professional development (CPD), and communications.

There is a perception that actuaries are detailed, risk adverse and cautious. In many of our roles, these are critical and valued qualities. However, we do not want the world to perceive us only as such, compounded with the perception that we work only in technical silos in traditional fields.

We believe our capabilities as a profession go beyond that. We can lead on being an agent of change. And we can make a significant contribution in the digital transformation of our traditional fields. We want to shift the bell curve of perception so that stakeholders recognise our potential to make a broader contribution. Moreover, in a dynamic environment, it's vital that our profession becomes ever more curious and adaptable, displaying a 'growth mindset'. Our approach to education and lifelong learning will seek to nurture those characteristics further.

Domains

Whether through choice or necessity, actuaries are moving into spaces beyond traditional fields. While we keep a firm hold in our existing industry domains, we also envisage many future opportunities in less traditional ones: finance, health, technology, consulting and many more. We recognise the rise of artificial intelligence and data science-related innovation, and how it must shape our thinking as we consider our future.

We also seek to broaden and deepen our presence in diverse geographical domains through relationships with employers, governments, regulators and other stakeholders to highlight the unique combination of technical skills and professional acumen which actuaries offer. As these organisations work to address the modern world's challenges, both in their local realms and more widely, actuaries are uniquely positioned to contribute to these strategic conversations.

Conclusion

The VSMD strategy along with the Member Value Strategy will be applied internationally in accordance with these overarching principles set by the IFoA Council.

- Relevant and valuable to all members, both now and in the future (10+ years)
- Sustainable in a rapidly changing world
- Providing a valued and accessible member and volunteer experience
- Making a positive difference in the world, significantly contributing to solving the challenges facing society and humankind
- A confident, influential advocate for a global, collaborative profession.

We look to the future with confidence.

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June 2020