



Institute
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of Actuaries

Life Conference 2022

23-25 November, ACC Liverpool

#LifeConf22





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Professional
skills

When Life Gets Tough


Malcolm Slee
Jane Hamilton

Professional Skills Sub-committee

#LifeConf22



When Life Gets Tough



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No man – or woman – is an island (Speaking Up and Whistleblowing)

Life Conference 2014 Birmingham

Malcolm Slee
Patrick Cleary

2014




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Members behaving badly? Life Conference 2015

Malcolm Slee - Aviva
Neil Hilary - Education Actuary IFoA


27 November 2015



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The Professional Actuary – This Means You! Life Conference 2016

Malcolm Slee, Professional Skills Working Party
Ben Kemp, IFoA General Counsel
Anne Muldoon, Financial Reporting Council
Matt Saker, Aviva



2 November 2016



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Actuarial Interaction and Challenge

Malcolm Slee, Professional Skills Working Party
Chika Aghadiuno, Diversity Advisory Group
Ben Kemp, IFoA

Life Conference 2017 Birmingham




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It's not what you do it's the way that you do it

Malcolm Slee, Chair, Professional Skills Sub-committee
Annette Spencer, Director of Public Affairs and Research, IFoA
Nicola Kenyon, Actuary & Professional Skills volunteer

Life Conference 2018 Liverpool



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The Trusted Actuary

Malcolm Slee
James Tufts
Maevie Sherry

Life Conference 2019 Dublin



When Life Gets Tough

Agenda

- The Fundamentals
- The Past
- The Present – When the Going Gets Tough
- The Future
- Vignette
- Summary



When Life Gets Tough



The Fundamentals

The Actuaries' Code Principle 2 - Competence and Care

- 2.1** Members must ensure they have an appropriate level of relevant knowledge and skill to carry out a piece of work.
- 2.2** Members must continue to develop their knowledge and skills in a manner appropriate for their role and comply with the Institute and Faculty of Actuaries' Continuing Professional Development (CPD) requirements.
- 2.3** Members must ensure their work is appropriate to the needs and, where applicable, instructions of user(s).
- 2.4** Members must consider whether input from other professionals or specialists is necessary to assure the relevance and quality of work and, where necessary, either seek it themselves or advise the user to do so, as appropriate.



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The Fundamentals

Penny: So, I guess the only thing that actually stays the same is that things are always changing.

Sheldon: Interesting. So you're saying the inevitability of change might be a universal constant.

Penny: Well, there's a little more to it than that, but, yeah, sure.



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The Fundamentals

- What was the most significant change you have experienced in your career?
- Which was the most challenging?
- Which was the most stimulating?



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The Past

- Technology
- Products
- Legislation
- Techniques
- Management/Politics



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Technology

You, the actuary, had to adapt to ever changing technology to do your work.

Did it just happen or did you get proper training whenever a new facility was introduced?



Calculate this

1960

Logged on

1980

On the go

2000

Head in the Clouds

2020

1970

Fax-inating



1990

www. is born



2010

Better Together



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Products



When studying you would have covered those currently in existence.

How do you subsequently develop your knowledge?



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Product

Considerations



Many changes and developments over the years.

How do you keep your knowledge up to date?



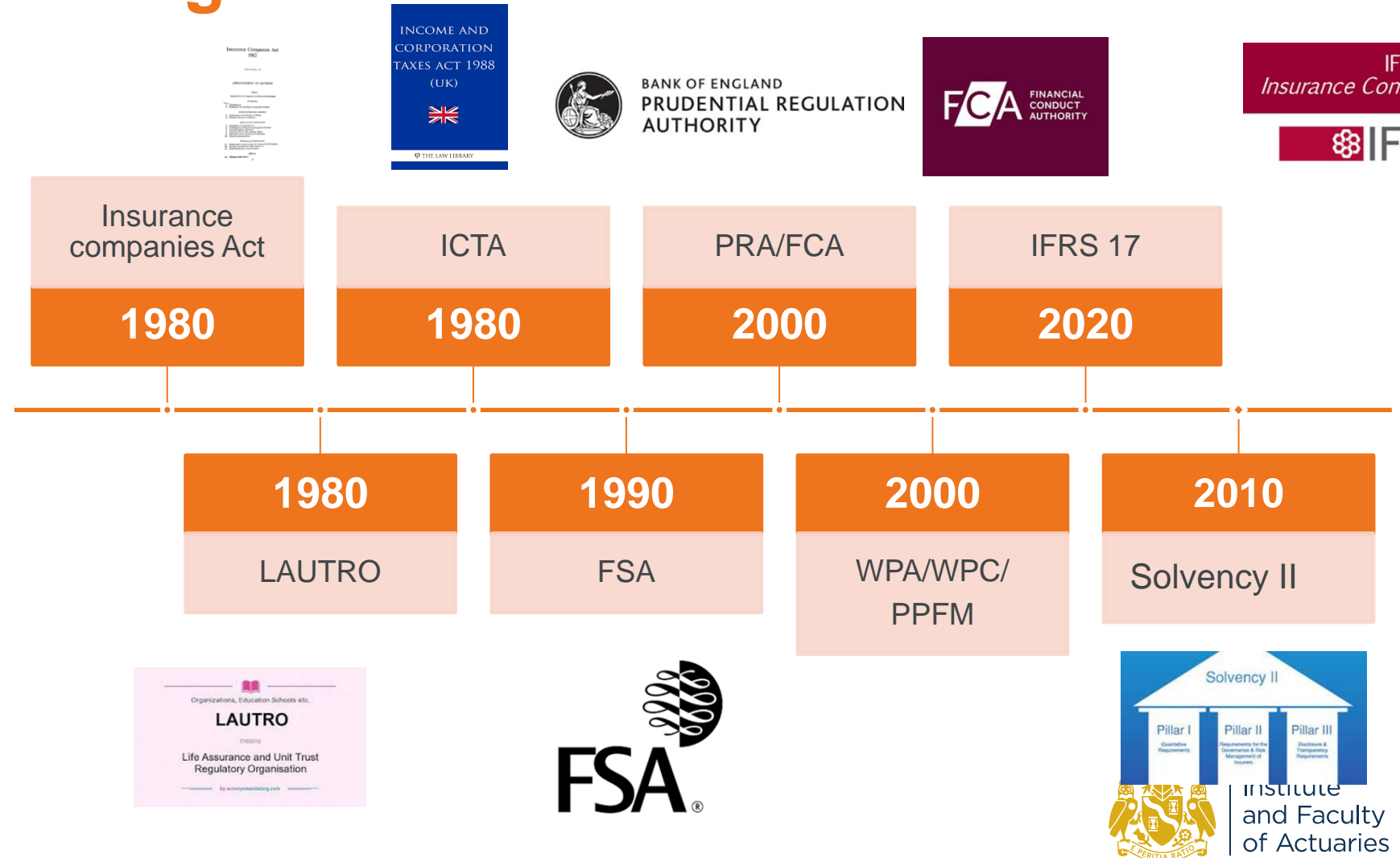
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Legislation

Who keeps you up to date on the legislation you need to do your job professionally?

How much is it your responsibility?



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Methods

How do you keep up to date?

Commutation Functions

Accumulated values of life annuities

temporary life annuity $a_{x:\overline{n}|} = E_x \cdot s_{x:\overline{n}|}$

since $a_{x:\overline{n}|} = \frac{N_{x:\overline{n}|}}{D_x}$ and $E_x = \frac{D_{x+n}}{D_x}$

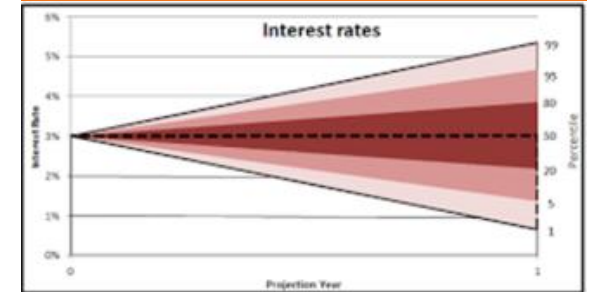
we have $s_{x:\overline{n}|} = \frac{N_{x:\overline{n}|} - N_{x+n}}$

similarly for temporary life annuity-due

$\ddot{a}_{x:\overline{n}|} = E_x \cdot \ddot{s}_{x:\overline{n}|}$ and $\ddot{s}_{x:\overline{n}|} = \frac{N_x - N_{x+n}}$

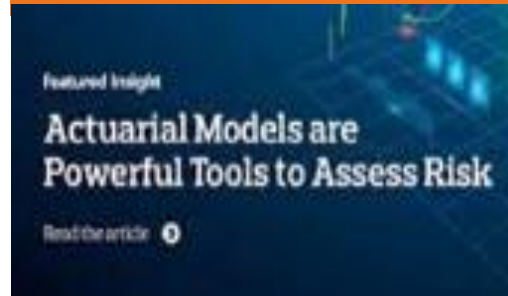
Spreadsheets

Deterministic Stochastic



Derivatives

Models



Data Science

AI



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Management Politics

How do you keep up to date?

Endowment Complaints

Endowment mortgage complaints

Steps to take if you think you may have been mis-sold your endowment mortgage

Difference between Takeover and Merger

Demutualisation / Merger & Takeover

Brexit



National / International Company

Pensions Mis-selling

Pension Mis-selling

Mis-sold Pension Compensation
<https://www.misselling.org>

Equitable Life

Equitable Life

Climate Risk



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The Present

In one word, what is it about your development and training as an actuary that enables you to cope with change?

- Developmental (planned or emergent)
- Transitional (focused on a desired state)
- Transformational (e.g. structure, processes, culture or strategy)



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The Present

When the Going Gets Tough



Luke has been asked by his boss, Olivia, to write an explanatory note for the directors on how a particular aspect of IFRS 17 will affect their business. This is outside Luke's normal work area and he is finding it challenging.

How does it go?



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The Present

When the Going Gets Tough

- Was it reasonable of Olivia to ask him to do the job Y/N



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The Present

When the Going Gets Tough

- Could he have said no Y/N



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- Did Luke show integrity?

Integrity principle - Members must act honestly and with integrity.

- Should he have spoken to Olivia sooner?

Communication principle - Members must communicate appropriately.

- What else could Luke have done?



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The Future

As Penny said,

“So, I guess the only thing that actually stays the same is that things are always changing”

How prepared are you for whatever comes next?

How can the IFoA help?

IFoA Strategy

Supporting IFoA members in adapting to change in existing sectors as well as moving into wider fields, specifically through a focus on developing skills and sectoral participation



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The Future

Almost certainly a change that will affect all of us involved in UK business is legislation changes under consideration by BEIS as a result of the Kingman Review.

There will be many others.

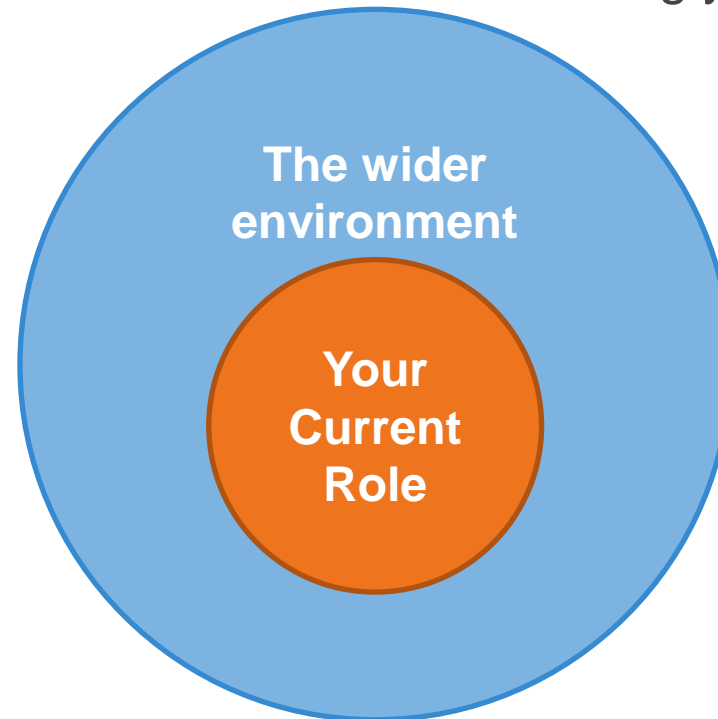


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The Future

It can be split into your immediate environment and increasing your knowledge in a wider sphere



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Your Current Role

Yourself

Seminars

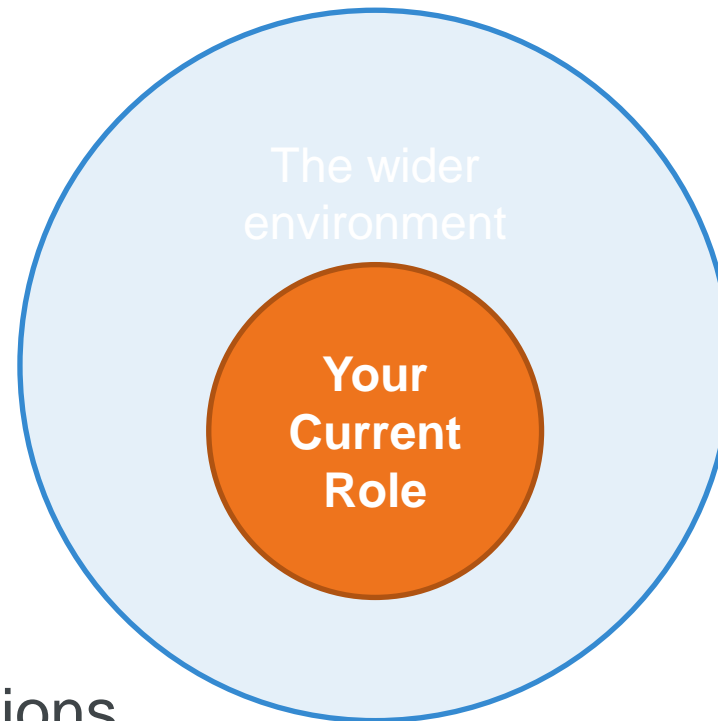
Papers

Sessional Meetings

Conferences

Your Company

Reflective Practice Discussions



The Wider Environment

Yourself

All the previous

Life Long Learning

The Innovation Lab

The IFoA



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Your Current Role

Yourself

Seminars

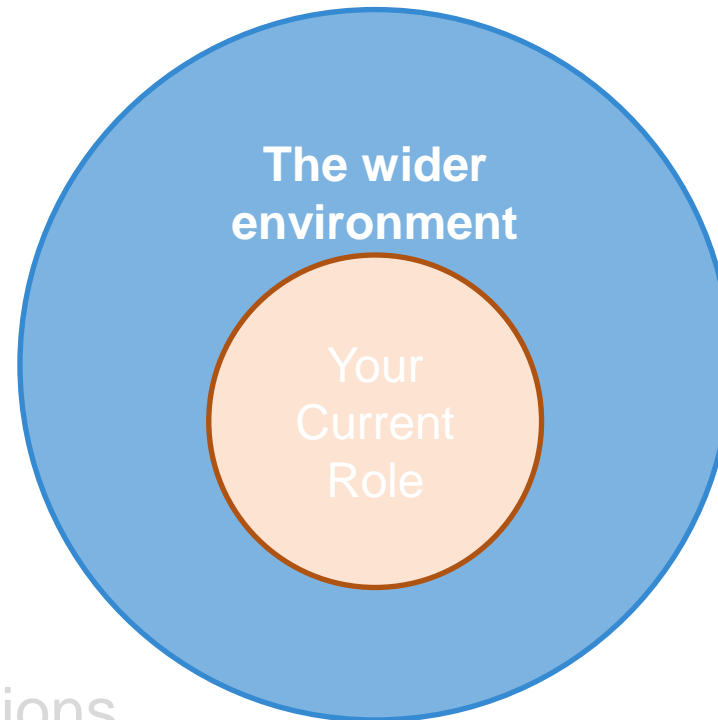
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Lifelong Learning



Banking

Develop your ability to apply the main principles of actuarial planning and control that are relevant to the provision of banking business

[Learn more](#)



Career support

It's your career, view our development tools and gain a valuable insight into who you are and why you do the things the way you do.

[Learn more](#)



Data Science

View our guidance and information on how to engage in this fast moving area

[Learn more](#)



Banking Lifelong Learning

Find information on banking webinars, case studies, courses, the Banking MIG and other resources.

[Learn more](#)



Certificate in Data Science

Provides you with the concepts, tools, and techniques used in data science and their relevance within an actuarial context

[Find out more](#)



CERA and risk management

Drive better business decisions and enhance your quantitative and qualitative skillsets with the CERA credential

[Learn more](#)



Sustainability and Lifelong Learning

View our Sustainability and Lifelong Learning page

[Let's go!](#)



General management and business skills

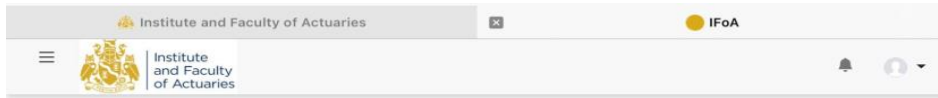
Find information on masterclasses, short courses and how to become a Non-Executive Director.

[Learn more](#)

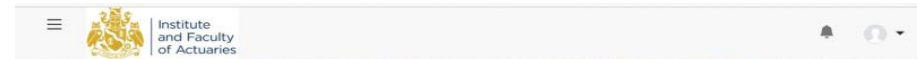


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Quick Links



Search courses [Go](#)

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What is the Innovation Lab?

The IFoA Innovation Lab is your place to discover and contribute to thought leadership and insights into the world of tomorrow's actuary.

It's an engaging place where you can share and explore new ideas to address existing and emerging challenges to our planet, the population and our economies.

The Innovation Lab is your opportunity to question the norm. If you have an interesting perspective or opinion you want to share, or a viewpoint or outlook that challenges or confronts the status quo, then we'd love to hear from you.



Want to be part of the Lab?

Send your video to innovationlab@actuaries.org.uk on the topic that you'd like to share with the profession. Follow this [short guide](#) on how to produce your recording.



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When Life Gets Tough

THE ASSET MANAGEMENT TEAM OF LIFECO HAVE CHECKED AND AGREED A PARTICULAR ASSET TO BE PURCHASED TO MATCH A SPECIFIC LIABILITY.



THEY ADVISE AND EMAIL THE ASSET DEPARTMENT TO BUY THE AGREED ASSET, WHICH THEY DO .



When Life Gets Tough

A FEW DAYS LATER, THE TEAM REALISE THEY HAVE USED OUT OF DATE DATA TO DETERMINE THE ASSET NEEDED TO MATCH THE LIABILITIES.



AFTER THE MEETING, EMMA, AN ACTUARIAL MEMBER OF THE TEAM, IS LESS THAN COMFORTABLE WITH THE SITUATION.



When Life Gets Tough



When Life Gets Tough

HEDGING YOUR BETS

THE ASSET MANAGEMENT TEAM OF LIFEKO HAVE CHECKED AND AGREED A PARTICULAR ASSET TO BE PURCHASED TO MATCH A SPECIFIC LIABILITY.



THEY ADVISE AND EMAIL THE ASSET DEPARTMENT TO BUY THE AGREED ASSET, WHICH THEY DO.



A FEW DAYS LATER, THE TEAM REALISE THEY HAVE USED OUT OF DATE DATA TO DETERMINE THE ASSET NEEDED TO MATCH THE LIABILITIES.



HOW LUCKY IS THAT! THE OUT OF DATE DATA HAS ACTUALLY WORKED IN OUR FAVOUR! WE'VE MADE SOME ADDITIONAL PROFIT AS A RESULT.

AFTER THE MEETING, EMMA, AN ACTUARIAL MEMBER OF THE TEAM, IS LESS THAN COMFORTABLE WITH THE SITUATION.



THAT DOESN'T FEEL RIGHT, ALTHOUGH IT WAS STILL THE RIGHT ASSET TO PURCHASE. I WONDER IF I SHOULD SAY SOMETHING?



- DO YOU THINK SHE NEEDS TO TELL ANYONE?



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Hedging your Bets

Points to consider:

- Profit not the issue – could just as easily have been a loss.
- Need to review procedure to minimise or eliminate risk of similar error in future.
- Advise Risk Department issue to go on company Risk and Issues Log.
- Determine if need to advise their regulator as **significant failure in systems and controls**.
- If team leader presses for none of the above, Emma to consider if she needs to speak up / whistleblow.

AFTER THE MEETING, EMMA, AN ACTUARIAL MEMBER OF THE TEAM, IS LESS THAN COMFORTABLE WITH THE SITUATION.



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Summary

It was ever thus

Life moves on, we must move with it or we will get left behind

One Exception!!

In the face of change, however, some things remain constant. Supported by proportionate regulation and guided by the Actuaries' Code, our members continue to demonstrate their integrity, impartiality and capability. As a Royal Chartered body, the IFoA's commitment to serving the public interest does not waver. Our core values remain our compass as we navigate the impacts of this digital revolution and other major changes to the ways we live our lives.

And don't forget....



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When Life Gets Tough

The Actuaries' Code is here to help you.

- **Integrity** – Members must act honestly and with integrity.
- **Competence and care** – Members must carry out work competently and with care.
- **Impartiality** – Members must ensure that their professional judgement is not compromised, and cannot reasonably be seen to be compromised, by bias, conflict of interest, or the undue influence of others.
- **Compliance** – Members must comply with all relevant legal, regulatory and professional requirements.
- **Speaking up** - Members should speak up if they believe, or have reasonable cause to believe, that a course of action is unethical or is unlawful.
- **Communication** – Members must communicate appropriately.



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.



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Thank you

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