



Future-proofing our profession

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Disclaimer

Any views expressed in this presentation are my own and not necessarily those of the Society of Actuaries in Ireland.

What are our Unique Selling Points?

- Technical Knowledge is clearly a core part of the actuarial skillset – but only a part
- Problem solving skills, ability to provide insightful analysis, ability to communicate results etc. are also vital components
- It's our **combination of technical and non-technical skills** that makes us valuable to employers

So how do we demonstrate our suitability (“fitness”) for a role?

A Competency Framework

- One tool being used by some associations and other professions is a **Competency Framework**
- A **Competency** is a knowledge, skill, ability or behavioural characteristic associated with a specific profession.
- A Competency Framework is a collection of the key competencies that the profession draws on
- Generally a framework has 3 key uses:
 - **To promote the profession to external stakeholders**
 - **To support members in their assessment of their fitness for a current/future role and to identify any learning/development needs**
 - **To create learning opportunities to ensure the breadth of competencies is covered**

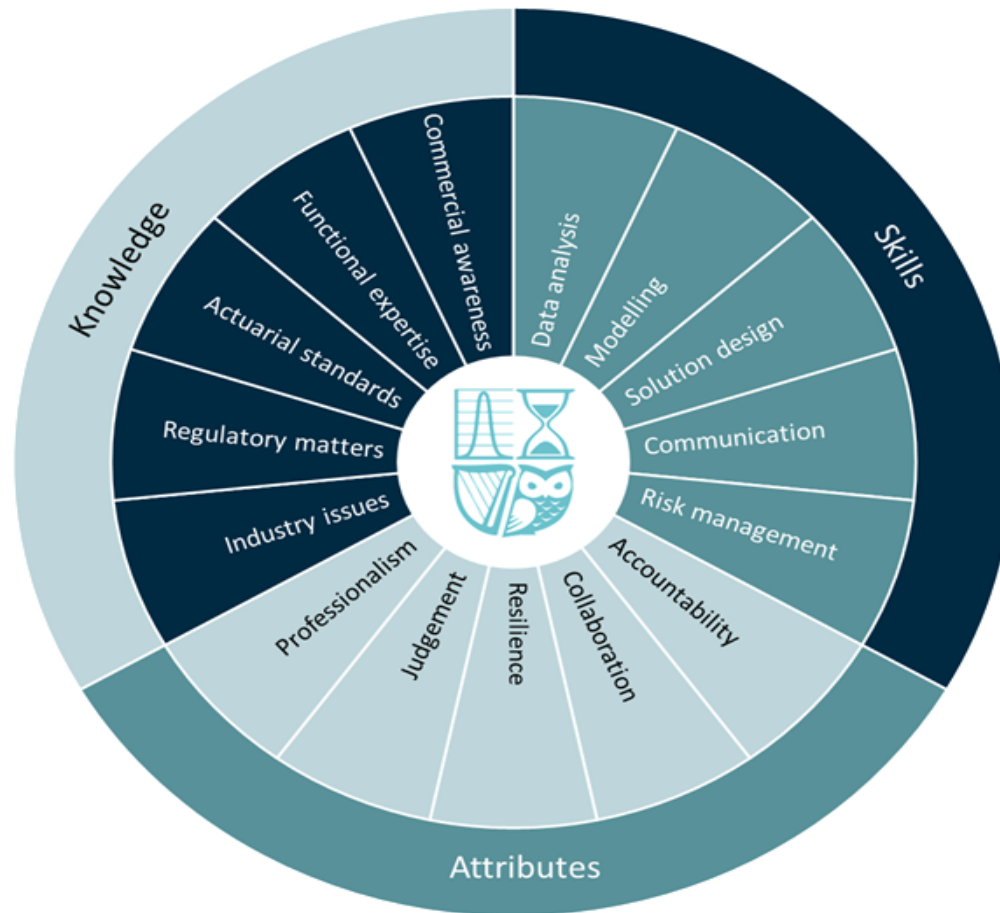
Society of Actuaries in Ireland

- Competency Framework

- It was a key objective from our 2017-2020 Strategy Plan
- Intended to be suitable for use by all members of the Society
 - From actuarial trainees through to experienced professionals and regulated roles
 - From traditional industry sectors through to wider fields
- No obligation on members to use it

What is it?

SAI Competency Framework

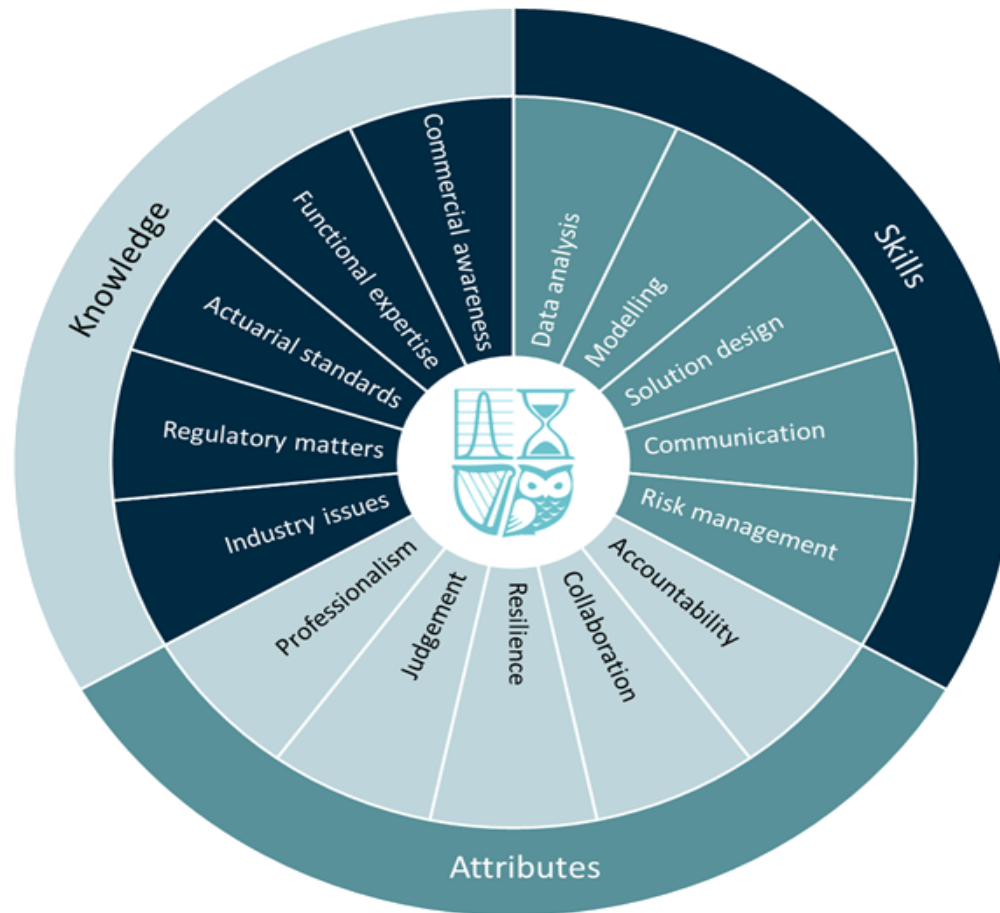


How was is developed?

- **Analysis of job specifications**
- **Analysis of Actuarial frameworks**
 - Competency Framework of the Casualty Actuarial Society (U.S.)
 - Capabilities Framework of the Actuaries Institute (Australia)
 - IAA and AAE Education Syllabus
 - IFoA Personal and Professional Development
- **Analysis of competency frameworks of other Professions**
 - Accountancy, Legal etc
- **Member Engagement**

A more detailed look

SAI Competency Framework



Knowledge

Industry Issues	Recognising and exploring the existing and emerging issues facing both the wider industry and within specific markets or segments
Regulatory matters	Awareness and understanding of the applicable legal and regulatory regime(s) and forthcoming changes to relevant laws or regulations
Actuarial standards	Familiarity with the technical guidance and standards applicable to the task at hand
Functional expertise	Knowledge of the functional requirements for the individual's job area
Commercial awareness	An ability to analyse, understand and prioritise stakeholder needs



Knowledge – in more detail

Knowledge	
Industry Issues	
Recognising and exploring the existing and emerging issues facing both the wider industry and within specific markets or segments	
Aspects to consider:	<i>Dependent on the industry/role, e.g. Banking, Financial Markets, Health, Insurance, Investment Funds, Life Assurance, Pensions, Public Affairs, Reinsurance, Technology, Wealth Management, Wider Fields</i>
Core	Basic awareness of the relevant industry environment and any hot topics specific to the market segment(s) in which they are active
Expert	Comprehensive knowledge of the relevant market segment(s) and industry environment and the potential impact of current developments Awareness of developments in related fields or markets and the potential industry impact
Master	Deep specialist knowledge and understanding of issues facing specific markets Maintains a comprehensive knowledge of emerging trends in the wider environment that may be of relevance, as well as those in the specific markets, and demonstrates thought leadership in predicting the impact of these Active involvement in industry or market activities

Skills

Data analysis	The ability to interrogate, understand and assess complex matters through the analysis of qualitative and quantitative data sources
Modelling	The replication and forecasting of outcomes by applying quantitative techniques to the relevant data, using appropriate assumptions
Solution design	The design and delivery of suitable solutions, in a well-controlled environment
Communication	The ability to communicate and engage effectively with a range of different audiences
Risk management	The ability to recognise, understand and take account of uncertainty

Skills – in more detail

Modelling	
The replication and forecasting of outcomes by applying quantitative techniques to the relevant data, using appropriate assumptions	
Aspects to consider:	<i>Model Design, Model Management, Model Validation, Parameter Setting, Scenario Testing</i>
Core	<ul style="list-style-type: none"> Understands commonly used modelling structures and techniques Maintains control over modelling processes Builds, tests and operates the model Validates the model output by checking against known outcomes or outcome variances Documents and summarises the modelling process, inputs and outputs
Expert	<ul style="list-style-type: none"> Designs or selects a model that will adequately replicate real world processes for the specified purpose Ensures that the development and operation of the model is suitably controlled Ensures that the model inputs (data and assumptions) are appropriate for use in the model Understands and discloses the limitations of the model, taking account of the data and assumptions used and the modelling time horizon Interprets and explains the model results Can estimate the scale of the model's potential error
Master	<ul style="list-style-type: none"> Proficient in the design, selection and operation of dynamic models incorporating relevant scenario generators Calibrates complex models and tests their suitability for predicting likely and extreme outcomes Presents the key assumptions and results from a complex model in a comprehensive but accessible format

Attributes

Accountability	Taking responsibility for, and demonstrating transparency in, actions and results
Collaboration	The ability to work with others for the successful delivery of shared objectives
Resilience	The ability to work towards a successful outcome while welcoming and, where necessary, withstanding challenge
Judgement	Testing all analysis for objectivity and independence, with a clear identification of any biases
Professionalism	Committed to the principles of integrity, competence and care, impartiality, compliance and open communication as described in the Society of Actuaries in Ireland's Code of Professional Conduct

Attributes – in more detail

Resilience	
The ability to work towards a successful outcome while welcoming and, where necessary, withstanding challenge	
<i>Aspects to consider:</i>	<i>Consistent, Receptive, Rationalising, Resourceful, Robust, Self Management</i>
Core	<p>Accepts challenge and is open to and respectful of differences in opinion</p> <p>Grows and develops skills by coping with and learning from adverse situations</p> <p>Develops trusting relationships that facilitate open discussion of contentious issues</p>
Expert	<p>Demonstrates self-regulation and self-control when under pressure</p> <p>Maintains a positive, solution-focussed, outlook when dealing with difficult situations</p> <p>Maintains relationships to ensure on-going effectiveness in the face of adverse pressures</p> <p>Is prepared to work towards a compromise where there is a difference of opinion, but remains alert to and avoids any breach of professional obligations</p>
Master	<p>Continuously demonstrates adaptability and resourcefulness when dealing with external pressures</p> <p>Promotes a supportive working environment and provides personal support to others facing adverse situations</p>



Experience V Objectives

In Conclusion

- Competency Frameworks can be a useful tool to promote our profession and ensure we're maintaining the right skillsets
- The Competency Framework itself needs to be kept under review to identify and develop the competencies that are crucial for future success.

Further Reading

Society of Actuaries (U.S.):

<https://www.soa.org/professional-development/competency-framework/>

Casualty Actuarial Society (U.S.)

<https://www.casact.org/professional-education/cas-capability-model>

Institute & Faculty of Actuaries

- Competency Framework for Practising Certificates

www.actuaries.org.uk/system/files/field/document/2022_12_01_PC%20Handbook%20%28v1%29.pdf