

Your voice, our purpose



Institute
and Faculty
of Actuaries

2019
2020

Contents

02. Turning the page

04. About the IFoA

Your priorities, our actions

06. Members are at the heart of what we do

08. Listening and learning

10. Looking ahead

Engaging worlds

12. Connecting across the globe

14. A year of firsts

16. Global support, local advice

Valued skills for today

18. A learning profession

20. Adapting in a changing world

22. A growth mindset

24. A year in numbers

Turning the page

President & CEO's statement

Each year, the Institute and Faculty of Actuaries (IFoA) produces its annual report: our attempt, in a few short pages, to sum up the progress made by our 31,000+ members, 4,000+ volunteers and 170 employees. Every great story needs a great cast of characters, and so we want to begin by acknowledging all the people who make up this organisation, and to thank them for all they have done over the course of the past year to make a difference.

Every great story also has an exciting plot, and over the past year the IFoA has seen its share of victories, as well as some twists and turns. We launched a premier qualification in data science, and the first exams in our refreshed, modern curriculum were taken. We met with members and employers in over 26 countries and explored new ways to foster a global community. No matter where our members reside and work, we share a common aim to act in the public interest and to do good for society. And last, but certainly not least, we took steps to better understand and respond to what our members tell us is important to them.

We recognise, though, that there are still important opportunities that the IFoA must seize to keep changing and growing. In every story, there comes a time to turn the page, and our efforts have us poised for this moment. However, as we write this report a further twist occurs, not just to our organisation but to the world, as Covid-19 tightens its grip. We are compiling this report from a lockdown situation – a new experience for everyone. We want to thank our colleagues who have risen so ably and efficiently to the task of adapting to this new world, and to express our pride in the actuarial community who have pulled together swiftly and professionally to develop and share knowledge and expertise that will be of benefit to both the medical and financial communities.

“No matter where our members reside and work, we share a common aim to act in the public interest”

John Taylor
President



Looking forward

In 2020/2021, we will publish a new, five-year IFoA strategy focused on repositioning the profession.

“There are still important opportunities that the IFoA must seize to keep changing and growing”

Stephen Mann
CEO



We are all having to adapt to this sudden and unexpected change in circumstances, and we cannot yet say when 'normal' will return. It will take several years, at least, before the long-term implications of Covid-19 are fully discerned, and at this early stage in the pandemic there are still many unknowns. What we do know is that as a responsible organisation, it is incumbent upon us to revisit and relook at our business models to ensure that they remain as robust as possible in the face of these uncertainties. In the meantime we will continue pushing on, wherever possible, with the goals we have set ourselves. In 2020/2021, we will publish a new, five-year IFoA strategy focused on repositioning the profession. The themes, unsurprisingly, echo what you will read here: a future-ready, constantly learning membership body. A vibrant global community. A richer, more responsive member experience. These are the priorities that will guide us in the years to come.

The Institute and Faculty of Actuaries has a long and varied history – and, as we hope you'll agree as you read these pages, an even brighter future. We look forward to writing the next chapter of our story with you.

About the IFoA

A far-reaching profession

As our world becomes increasingly fast-paced and complex, actuarial skills are becoming more essential – and invaluable. Data is everywhere, but the ability to analyse it, interpret it and communicate it isn't. This is where actuaries can step in. Their skill set lies in the ability to understand data, to be comfortable with it, to understand its complexities, and to be able to present that data as actionable intelligence. In this way, actuaries are helping with business and global priorities, often in emerging areas such as responding to Covid-19 or developing fintech solutions, for example.

Research and thought leadership

Around the world, our members are highly regarded across a range of organisations, institutions and governments for their mathematical abilities, technical expertise and considered judgements. But their thought leadership – on issues from pensions and climate change to social care and technological innovation – is also highly sought after.

This year we have seen our thought leadership gain momentum across various sectors. Working together, our Research and Policy teams and members have had influence and impact in – among others – these areas:

- The IFoA's Actuarial Research Centre (ARC) saw a number of outputs emerging from its research programmes. These included providing insights on mortality and deprivation in the UK and also analysis on the mortality of two large public pension plans in Canada. The ARC has also seen the bridging of psychology to actuarial science with a programme on behavioural finance.
- We continue to push forward on matters relating to the climate agenda and green finance. The IFoA was invited to meet with the clerks of the UK Treasury Select Committee to discuss possible future hearings, following our written submission to its inquiry on the decarbonisation of the economy.
- We worked closely with the Department for Work and Pensions on setting the direction for the introduction of Collective Defined Contribution schemes as part of the UK Pensions Schemes Bill.
- The Ministry of Justice invited the IFoA to join an expert group on personal injury claims, following our work on the merits of Periodical Payment Orders.

- The IFoA has met regularly with the Prudential Regulation Authority throughout the year to discuss and progress our work on equity release mortgages.

Our volunteers

As a member-led organisation people are at the heart of everything we do.

Each year we remain immensely grateful for the dedication and commitment of our volunteers who give so much of themselves in service to their profession, and by extension to society. Whatever their involvement – from being a member of a working party, committee or board to developing research papers, assisting with campaigns or writing articles for our monthly membership magazine, to name just a few of the many roles – each of our volunteers contributes to making the actuarial profession what it is.

Confronting challenges

From climate change to technological innovation, actuaries are helping to tackle some of the biggest challenges currently facing society.

Your priorities our actions

Members are at the heart of what we do

The Institute and Faculty of Actuaries is a member-led organisation and our commitment to member value is at the heart of everything we do.

In 2018 we began a comprehensive programme of research to gain a nuanced, detailed understanding of our members' priorities – and of how we needed to adapt to truly deliver on them. Our research delivered three major benefits: we heard from our members firsthand about what they value from their membership; it provided us with a benchmark for future surveys; and it gave us an evidence base against which we could assess new and existing activities.

The outcomes and recommendations from the survey and the feedback we gathered were informative and revealing, and gave us a framework on which to build and develop our new strategy. As a result, our member value proposition is already informing the development of a range of new initiatives, from our member value pledge to our refreshed curriculum.

Our goal is to continue building and developing on the outcomes from the survey, ensuring that the voices of our members guide our strategy and actions.

Listening and learning

Our member survey enabled us to hear firsthand what was important to our members and where they wanted us to put our focus.

Our pledge

To demonstrate our commitment to our members and the value we place on membership we developed our member pledge. This seven-point pledge encapsulates the responsibilities we have as a membership organisation and the standards against which we will be judged.

Informing our strategy

Our member survey allowed us to hear firsthand about what our members value and what they expect from their membership body. We are now using the findings to inform our high-level strategic planning as well as the prioritisation of projects that deliver real value for our members.

Enacting feedback

The survey told us that our members want better value for money. During 2019/2020 we were pleased to reduce our subscriptions to demonstrate that we are listening to members on this point. The post-Covid-19 world will inevitably bring many uncertainties, however, and decisions will need to be made with care and caution so that we emerge resilient from this exacting time. But what is not in doubt is our commitment to developing new propositions and opportunities for our members, so that whatever the future may hold they will be in the strongest possible position regarding their careers.

Operations and systems review

First impressions count and we know that when it comes to interacting with our members our technology and systems need to reflect member expectations. That's why in 2019 we began a cross-organisational project to review and update our core operational processes and systems. Whether it's making an initial enquiry about becoming an actuary or renewing membership as a Fellow, we want to provide our members with a streamlined experience that takes a minimal amount of time, and that is enabled by efficient and effective internal processes and fit-for-purpose, future-proofed systems.

This is a sizeable task and we are currently in the review phase, developing recommendations and detailed requirements. We are keen to deliver benefits as quickly as possible and so were delighted to be able to implement some 'quick wins'. These included launching an online admissions process that cuts completion time for applicants from two hours to around 20 minutes, and an improved online Reduced Rate application form that simplifies the process for users and eliminates non-value-added activity internally. Work continues on an online exemptions application capability and an improved process for responding to subject access requests – both of which will enhance the member experience and streamline internal processes.

Informing our future

The information we gained from our member survey will help to guide our organisation in the years to come.



Lee Faulkner

MEMBER OF THE IFOA COUNCIL

The Member Value Proposition working group was formed to review concerns among members about the value gained from the membership fee and the compliance obligation placed on members. We carried out the first all-member survey since 2010 and used the results to refocus our strategy and corporate plan on achieving increased member value and engagement. We expect tangible results to show through as the plan is implemented.

Looking ahead

We have set ourselves some stretching goals for the next few years. These are some of them.

Repositioning the profession

We are seeking to evolve what an actuary does, enabling members to apply their skills and abilities to maximise social impact, and shaping how the profession will continue to thrive in a digital age.

Within this new world of work, the IFoA seeks to prepare our members for a future full of possibilities – attracting fresh, bright talent into the profession while offering a valuable and relevant membership proposition to our current members.

Transforming the member experience

We aim to understand what our members value – whatever their location, domain or career aspiration – and ensure that the IFoA provides clear value in return.

Led by talented and dedicated volunteers, the IFoA aims to create and sustain a meaningful member experience. Understanding what our members value – both as individuals and within the profession more broadly – informs our work to reposition the profession.

Fostering a vibrant global community

We strive to create and sustain meaningful relationships and partnerships around the world, and use our influence to promote purposeful growth of the profession.

Wherever our members are in the world – either by geography or industry – the IFoA aspires to represent their diverse views and perspectives. Central to these efforts are the contributions from the members of our global community: regardless of their location or domain, our actuaries have the opportunity to connect with and learn from one another, and a part to play in shaping our collective future.

Developing an ongoing member research programme

Our member survey was not intended as a one-off. We plan to maintain an ongoing relationship with our members so that we are always in tune with their needs.

Keeping in touch

Later this year we will be running another short member survey so that we keep up to date with member opinions.





Engaging worlds

Connecting across the globe

Throughout 2019 we spent a lot of time listening to and engaging with the top employers of our members, both in the UK and in our international markets. We want to better understand the areas actuaries work in currently, the potential areas in which they will work in the future, and what support our members may need, all the while ensuring that our members are valued for their skill, professionalism and technical ability.

Our volunteers and employees are breaking new ground, creating opportunities for our global membership, and developing new relationships with partners, employers and educational institutions. This work has fed into our international strategy, developed in partnership with the IFoA's Markets Development Board. During 2020 we will build on this work, helping to create additional opportunities for our members.

1st

First lay Chair of Markets Development Board appointed

1st

First IFoA-accredited university in Romania

1st

First accredited QAS employer in the Middle East

IFoA Asia Conference, Chengdu: 'Innovation and Change' 9-10 May 2019

10

corporate sponsors

More than 300

delegates from

19

countries

9

sister associations attended

1st

First time the IFoA has Council members across all five geographic priority regions

1st

First multidisciplinary university accredited by the IFoA in mainland China

1st

First visit to Africa by Council

1st

First accredited QAS employer in Thailand

Stakeholder engagement:

140+

employer visits

75

university visits

24

meetings with regional regulators

67

meetings with regional societies

1st

First accredited QAS employer in Africa

1st

First Presidential team member from Asia

1st

First IFoA-accredited university in Thailand

A year of firsts

How the IFoA broke new ground in 2019

Global support, local advice

During 2020 we will continue building on our work to ensure members are supported in both established and wider fields.

Markets Development Board

In 2019 the IFoA's Markets Development Board appointed its first lay Chair, Dr Beate Degen. Dr Degen brings a wealth of understanding from her work with the UN and as an advisory partner at EY. In 2020 the Markets Development Board will lead on the work continuing to shape the IFoA's international strategy. This will focus on delivering member value and ensuring the IFoA remains an important part of the global actuarial community.

Innovation in Africa

In June 2019, in order to better understand African innovation, we spent time meeting with companies in the evolving technology and entrepreneurial ecosystem across Sub-Saharan Africa – from the 'Silicon Savannah' in Kenya to 'Yabacon Valley' in Nigeria.

We met with a range of companies and start-ups – from a micro-insurance hi-tech company insuring small farms in Africa using a radically different approach to insurance solutions, to a peer-to-peer technology platform providing farmers with access to collateral-free funding by encouraging people to invest in crops and livestock and then share in profits when the produce goes to market.

Asia Conference 2019

The 2019 IFoA Asia Conference was held in the 'City of Heaven', Chengdu, China. The theme of the conference was 'Innovation and Change', and the event brought together more than 300 delegates from 19 countries and regions to discuss global opportunities and challenges in the insurance and finance industries. We were honoured to have speakers Dr David Hare, the IFoA's Past President, and Dr Yulong Zhao, the first Honorary Fellow (Hon FIA) of mainland China. Post-conference feedback rated the event a success with many participants looking forward to the next conference.

The IFoA's Quality Assurance Scheme (QAS)

The QAS continues to promote quality assurance and confidence in actuarial work around the globe. Following a successful South East Asia pilot, in 2019 the QAS was awarded to organisations in three further countries: Thailand, Kenya and the United Arab Emirates (UAE). There are ongoing conversations with interested organisations and we look forward to the QAS continuing to grow and develop in even more areas across the globe.

Employer engagement

During 2020 we will continue to engage with employers and start promoting the profession in wider and non-traditional fields. We have listened to member feedback and want to ensure we are promoting the valuable and important work actuaries do, as well as understanding how employers will want to use actuarial skill sets in the future.

Connecting and communicating

Technology and collaborative tools are allowing more members than ever before to join working parties, boards and committees from around the world.



Adil Suleman

HEAD, ACTUARIAL DIVISION, ZAMARA

Our company purpose is 'to create a financially secure and prosperous society', so it was extremely important to us to ensure that our quality standards upheld international best practice. We were delighted to gain the IFoA QAS accreditation in December 2019, the first company in Africa to achieve this accreditation. As well as enabling us to consistently deliver high-quality actuarial work, it also allows our clients and stakeholders to have confidence in our organisation. Our staff have also benefited from the accreditation as they can now feel confident that they are receiving the right level of training and support throughout their career.

Valued skills for today

A learning profession

Our professional learning has a global reputation. We educate and qualify early career actuaries as Associates and Fellows across the world. But in a rapidly changing business environment our members' standing cannot be defined solely by their initial professional qualifications. Actuaries must also be defined by a contemporary skill set that maintains their relevance to both their profession and employers. This is as important to newly qualified members as it is to those who have been in practice for many years.

Throughout 2019 we spent time developing a more holistic view of our learning offer – refreshing the relevance of our core Associateship, exploring new areas of advanced study towards Fellowship, and ensuring that all our members have access to the highest quality lifelong learning. This enhanced offer will help our members to develop the most up-to-date skills relevant to their professional practice. As well as enabling them to respond to changes in the established heartlands of the profession, it will also equip them to take advantage of emerging opportunities in new areas of actuarial employment.

Adapting in a changing world

Our curriculum cannot stand still. As society and organisations evolve, our curriculum must be responsive and flexible in order to stay relevant to the modern world.

Repositioning our qualifications

At the start of 2019 we introduced our new curriculum; however, this was just the beginning. We recognise that the curriculum cannot stand still but must continually evolve, embracing the most up-to-date technical and transferable skills relevant to our members' future world of work.

We have placed a greater emphasis on our Associateship and its curriculum, creating a programme of study that provides an actuarial foundation for members working in both our established professional heartlands and newer areas of actuarial employment. Members and employers in the latter have informed us how attractive our Associateship curriculum is as a springboard to a successful career in these sectors. In more established areas, they've told us how it creates a natural point of formal recognition for those choosing to continue with their studies on the advanced pathway to Fellowship.

Looking forward

In the coming years we will be developing the Associateship curriculum further, responding to the future needs of the actuarial sector. We will review the content to ensure it contains the most contemporary technical skills required of an actuary, including exposure to newly emerging domains of actuarial practice and the wider transferable skills that employers tell us will be increasingly key to a successful career. We will also consider introducing new areas of advanced study post-Associateship, to enable those members choosing to progress to Fellowship to gain a wider range of professionally relevant skills, as well as domain knowledge in both established and emerging fields of actuarial practice.

Future skills

During 2019 we began a strategic review of the skills future actuaries will need and how these will impact our qualifications. We know from our research and discussions with employers and members that there is a burgeoning demand for competencies in a number of recognised areas.

We will carry out further research to identify those areas that will disrupt the future of our profession but are yet to be fully recognised. These extend from innovations in the technical approaches actuaries will increasingly use, through to changes in the social fabric underpinning the products where actuarial advice is critical to the public interest.

In future years we plan to offer our members enhanced skills related to the impact of climate risk and the use of actuarial techniques in a wider range of financial and non-financial sectors, such as banking and the service sector. These changes will develop more flexible skills-based qualifications that will act as a launch pad for future lifelong learning throughout our members' careers.

Our curriculum

We will ensure that our curriculum remains relevant and contemporary so that actuaries are able to access the widest possible areas of work.



A growth mindset

As our members seek to develop and enhance their skill set, we will strive to provide the best possible support for their career progression.

Learning and skills

Developing and maintaining skills for a rewarding and successful career is a lifelong process, one far beyond the traditional continuing professional development needed to demonstrate professional competency each year. As a membership organisation, we want to stand alongside our members throughout this journey, one driven by our members' desire for contemporary skills rather than simply to meet regulatory standards.

Our members develop their competencies and skills from a wide variety of sources, including other professional bodies, commercial providers and employers. Our ambition is to be a trusted portal through which individual members can take personal ownership of their professional learning by accessing the broadest possible range of sources. We are at the start of this journey, but have already established an online presence that curates learning content for our members. This signposts them to a wide variety of high-quality development opportunities provided

by both the IFoA and trusted third-party providers. We are also working directly with partners such as Career Farm to offer career support, enabling our members to optimise their skills to take advantage of opportunities in the widest possible range of professional roles and employment sectors.

This is a transformational activity for the IFoA and its members, and one that will continue to grow in breadth and depth over the coming years in response to the needs of both our individual members and their employers.

Data science success

As big data continues to increase and impact every aspect of our lives, the ability to understand, scrutinise and interrogate this is becoming increasingly important to our profession. In response to market demand we launched our new Certificate in Data Science, to provide members with an introduction to the concepts, tools and techniques used in this field, and their relevance within the actuarial practice. Launched in under one year, it now forms an integral part

of our lifelong learning offering and is currently being studied by both qualified and student members – an endorsement of its relevance to the future employment of our members, whatever stage they may be in their actuarial career.



Jasvir Grewal

ACTUARY, ARCUS 1856

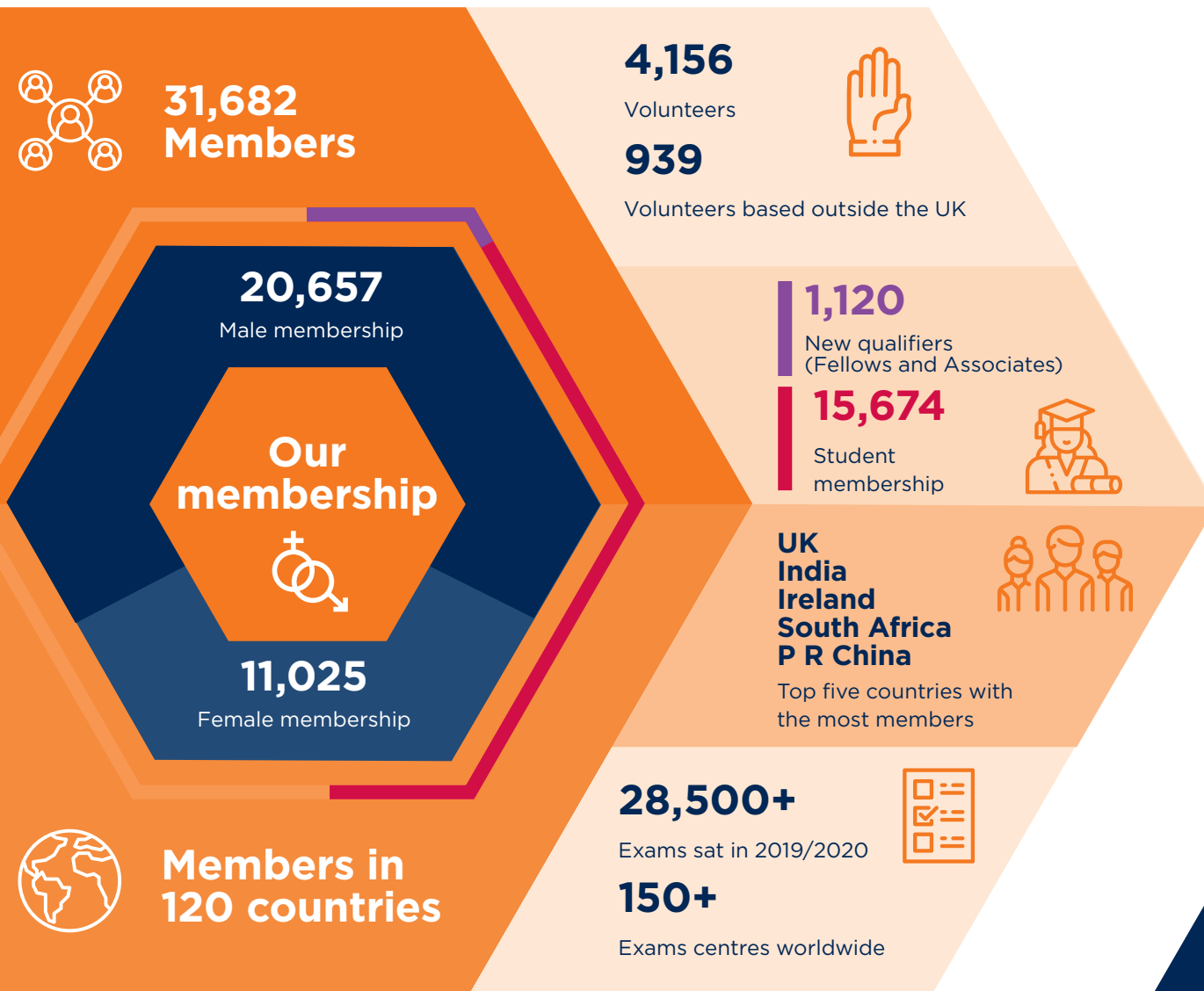
The new certificate couldn't have arrived at a better time to give actuaries a chance to upskill and get a seat at the table for data science development projects that are now occurring in many organisations. As someone who had dabbled with data science concepts for a couple of years prior to this course, I found it incredibly useful to have structured teaching. The variety of case studies is useful and engaging and I found the ethical considerations sections to be particularly useful, since this is an area that I had spent little time on previously. Expect the course to demystify jargon and give food for thought around how data science can help your company and career.

Learning throughout a lifetime

We are committed to supporting our members' careers, equipping them for professional challenges and demonstrating the impact they make.

A year in numbers

Our membership is constantly changing. Every year new students sign up to study, exam entrants qualify, actuaries move country or industry sector, and others retire from practice.



Offices

Beijing

14F China World Office 1, 1 Jianwai Avenue, Beijing China 100004
Tel: +86 (10) 6535 0248

Edinburgh

Level 2, Exchange Crescent, 7 Conference Square, Edinburgh EH3 8RA
Tel: +44 (0) 131 240 1300

Hong Kong

1803 Tower One, Lippo Centre, 89 Queensway, Hong Kong
Tel: +852 2147 9418

London (registered office)

7th Floor Holborn Gate, 326-330 High Holborn, London WC1V 7PP
Tel: +44 (0) 20 7632 2100

Oxford

1st Floor Park Central, 40/41 Park End Street, Oxford OX1 1JD
Tel: +44 (0) 1865 268 200

Singapore

163 Tras Street, #07-05 Lian Huat Building, Singapore 079024
Tel: +65 6906 0889

