

60 SECONDS WITH.... Annie Tay



Why did you become an actuary?

Fate maybe? I remember being told by my career advisor, Mrs Bolton, to lodge my application with the Universities Acceptance Centre (UAC) ASAP or else. At

the time, I didn't know what I wanted to be "when I grow up" and the form allows one to put in five options. So, my selection process was thus:

1 & 2) Law and Medicine as these were my parents ambition for me (no surprises for a Chinese Malaysian family here).

3 & 4) Environmental Engineering and Mining Engineering, with a fresh naiveté that I could rescue the rainforest of Borneo.

5) Last but not least, I picked the course in Section A, requiring the highest TER in the UAC book i.e. Actuarial Science at Macquarie University.

I didn't know what Actuarial Science was at the time. All I wanted was to just complete the form for submission before I got into trouble with Mrs Bolton. She was a "dragon lady" in school – everyone knew not to mess with her!

When the time came to really decide which course and university to spend the next 3-4 years of my life, my dear old dad warned me that being a female in a very male dominated engineering world not be a smart move. I listened to his advice though, a part of me felt I would have a lot of fun and adventures pursuing environmental matters and I still think of this today as an important issue. Anyway, by the rule of elimination, I chose Actuarial Science and the rest for me is history!

Where have you worked and what have been some of the most interesting things you've worked on as an actuary?

I started as an intern with a consulting firm called Trowbridge Consulting (now Deloitte), working through my summer and winter holidays in my second and third years of university. Upon graduation, I worked for a direct insurer in Australia and due to a travel bug in me, moved to the UK where I got involved in consulting, reinsurance, credit rating, venture capital /alternative investments for life multinationals. Then my career took a turn for the global and I subsequently worked and lived in France, Korea, Hong Kong, New York, Tokyo... As for now, I look at insurance risk management business in the UK & Europe, Latin America, Asia (including Japan), Africa and the Middle East.

Two highlights I think worthy of mention working as an actuary are:

- ▲ The global nature of my work. I have been frequently required to cross national boundaries, and am often gratified by how the actuarial/ risk profession enables me to step in and out across developed and emerging economies, moving between crises to growth scenarios or managing closed and/or open business concurrently and as and when required. I loved it (still do)!
- ▲ Being part of the small strategic M&A team in MetLife, we successfully acquired AIG's ALICO insurance business following the 2008 financial crisis. That involved 56-ish countries (including Yemen!) based in Manhattan, living close to Times Square and being the central focus of all decision makers in this deal. A truly exciting time involving a whole lot of crazy travelling across many continents!

When did you start applying your skills to risk management?

My first assignment in the Introduction of Actuarial Science course at Macquarie was: Actuaries as Risk Managers. I guess John Pollard, my Actuarial Science lecturer in Macquarie University, foresaw what is happening today or it has always been so.

I can honestly say I've been applying risk management techniques in an insurance/actuarial framework ever since I started my career as an actuary nearly 20 years ago.

How did this evolve to your current enterprise wide risk management role?

No evolution really. The change I feel is a more explicit recognition of risk management roles through job titles and job descriptions, maybe for compliance reasons or to help the wider non-actuarial world to understand the various risk role(s) better in today's insurance/corporate world.

What actuarial capabilities do you use in risk management?

Financial and insurance management knowledge such as in depth understanding of risk and return dynamics for life and health business, and to assets and contingent liabilities. The basic foundations of actuarial science, applied statistics, financial economics and life insurance management have certainly played a part in my own business as applied to risk management in the life insurance industry.

My observation is that other risk management professionals without an actuarial background will not likely have such a complete understanding of the interdependent drivers of insurance business, especially as they become more senior in the insurance organisation. The actuarial training and qualification gives us that edge.

What skills should actuaries enhance to be more effective in enterprise risk management?

Perhaps for many of us, it would be networking and communicating skills. Other skills I feel are especially important for an ERM career would be stakeholder management and an understanding of general human behaviour to change/influence management culture in a positive, risk-intelligent way.

All talk and no action doesn't get very far these days – being able to lead by example and having the ability to integrate risk management into strategy formulation and execution processes will be increasingly recognised as important for personal and business success, and will garner respect in the industry too.

What do you advise aspiring actuaries to do to attain wider risk management roles?

I would advise a new actuary to build a strong actuarial foundation first, before going to wider risk management roles. This will ensure s/he is well-placed to apply their skills when required in any of the three lines of defence (business, risk and audit) within an organisation.

For those who have been around a while and who may need to be in specific risk management roles, I personally find that to be successful, we need to be able to innovate, and to accept and manage the numerous uncertainties in a professional and commercial way. This will enable the profession to continue to be appreciated and maintain much needed value add for the financial services industry.