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How Does Government Work in Australia?
Lecturer in Actuarial Studies (Education-focused)

Faculty of Business and Economics
Department of Econometrics and Business Statistics

**Remuneration:** $96,184 - $114,221 pa
(includes 17% employer superannuation)

**Duration:** Continuing appointment

**Enquiries:** Professor Farshid Vahid, Head of Department,
+61 3 9905 2359

**Location:** Clayton campus

**Job No.** 512256

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---

Join **Team Actuaries** in the 2013 City2Surf

In three easy steps you can join **Team Actuaries**, support your favourite charity and challenge yourself on Sunday 11 August in the 2013 City2Surf event.

2. **Nominate** Actuaries as your team.
3. **Nominate** your charity.

You can nominate your preferred charity including the Prostate Cancer Foundation of Australia whose CEO is Anthony Lowe, FIAA.

Anthony and John Bayliss are members of the Institute’s Leadership Committee and will be coordinating the efforts of Team Actuaries.

**2013 ACTUARIES MAGAZINE PHOTO COMPETITION – TAKE A SHOT OF COURAGE**

Entries to this year’s Actuaries magazine photo competition should capture that moment *when courage presented itself to you*.

The winning photo will be reproduced on the cover of a future issue of Actuaries magazine. The successful photographer will also be rewarded with a gourmet gift pack from the Institute.

Submit your shot of courage by: **5.00pm 30 June 2013** to ActuariesMag@actuaries.asn.au

Find out more via:
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Contributions should be sent to the Actuaries Institute, marked to the attention of Katrina McFadyen (Head of Communications and Marketing) and Nicole Sitosta (Communications and Marketing Coordinator) at:
katrina.mcfadyen@actuaries.asn.au
nicole.sitosta@actuaries.asn.au
All contributions must conform to our submission guidelines which are available from the Communications and Marketing Team.

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Actuaries

Coming Up

June

Leadership Forum
Monday 3 June, Sydney

Young Actuaries Program
Wednesday 5 June, Melbourne

Retired Actuaries Group Sydney
Thursday 6 June, Sydney

July – Nov

Presidential Dinner London
Tuesday 2 July, London

Fellowship and Graduation Dinner
Tuesday 20 August, Melbourne

Fellowship and Graduation Dinner
Tuesday 8 October, Sydney

Injury Schemes Seminar
(formerly the Accident Compensation Seminar)
Sunday 10 – Tuesday 12 November, Gold Coast
Let’s talk about courage this month. We come across it every day. Everyone’s seen the fifteen year old working their first shift at Oporto, frightened to death, yet carrying on punching the million buttons on the register while asking if you would like an upsize with that. And the elderly couple who have let technology slip by, who finally pluck up the courage to walk into JB-HiFi and ask the almighty techno-god sales rep if he wouldn’t mind explaining what the internet is. How about all the parents out there who at one stage made a conscious decision to have kids (yeah ok, sometimes they weren’t conscious decisions, but that’s ok too)?

On the surface, these acts may seem minor. You might have got that same smug feeling of superiority when you watched Channel 7’s “Who Dares Wins” (Gen Y and Zs might need to google this one). But pause for a moment and consider: what was involved for them? How did they feel? They must have had courage.

Courage is inspiring! But for some reason, non-actuaries tend to think actuaries are conservative, uninspiring and non-courageous. (Simply outrageous!) Sometimes even actuaries think of themselves this way. But uh-uh, stop it princess, it’s simply not true. Think of all the times you’ve seen an actuary deliver a presentation in front of 10, 30 or 200 people at a meeting or conference. How much courage does that take? You’d bet it was more than what it would take to stay in their seats and watch someone else get up and be the centre of attention/speculation/possible condemnation.

You might be coming across actuaries who have never run 3km signing up to City2Surf in your office right now. Or yawn at the FIAA with a mere two years post-qualification experience voicing an opinion in your 2pm meeting. Fine, they might not inspire you, but you’ve got to give kudos to our young actuaries seeking the permission of grumpy, serious baby boomers to marry their daughters. If you stop and look, random acts of courage are everywhere!

I think we really need to give each other more credit. Everyone who knows Rosi Winn should make it a point to shake her hand and congratulate her on her crazy bike ride for cystic fibrosis (page 4). That must have taken a terrific dose of courage. The actuaries who have taken the lead (page 28) would have had to defy the norm to be where they are now. Let’s celebrate that, encourage our peers to do so and allow ourselves to be more courageous in meetings, career choices and our personal lives.

If you or someone you know has done something you think required a great deal of courage, email me the scoop. It might just make the perfect story to inspire our readership. And incidentally, “Courage” is also the topic of the 2013 Actuaries Magazine photo competition. Get snapping and mark the closing date of 30 June 2013 in your diary now! Soldier on brave ones and keep your eyes open for random acts of courage this month.

Yours truly

Keri Lee
I’m sitting here in Gonder, Ethiopia, happy but absolutely exhausted, one month into this journey of a lifetime.

Having decided last year to take on the challenge of cycling the 12,000km from the top of Africa to the bottom, the extent of undertaking such an immense ride is really kicking in.

In theory it didn’t sound too hard, for those of you who like to have a few statistics: it’s a four month journey, consisting of 100 days of riding an average of 120km or so a day, with a few rest days in between. All on a mountain bike in order to cope with the dirt roads that make up half the route. Having trained as hard as time permitted in the months leading up to the start, surely I was ready?

The first week or two of riding in Egypt progressed smoothly enough, the kilometres steadily flying by as my muscles fell into the routine of riding every day. Smooth tarmac eased the riding, with the main inanimate hazard being an incredible number of speed bumps.

The next few days brought tent-shredding winds and an incredible sandstorm which made the desert look like Mars and allowed us to reach cruising speeds well beyond anything I’d ever achieved before even on my road bike!

However as we headed further south and crossed into Sudan the temperatures kept rising. Tackling a 150km ride when the thermometer hits 40 degrees by 10am is a different type of challenge and one which I am much less equipped for. Especially when finishing each day’s ride brings a simple bush campsite where the temperatures remain well over 30 degrees until the early hours of the morning and a cooling shower is but a fantasy.

Mix that in with days where the roads are deep sandy tracks or endless stretches of gravel and corrugations and the physical strain builds further. Unsurprisingly I’ve begun to dream about home comforts and the ability to collapse onto a comfy couch after riding.

The physical and emotional challenges are extreme. I have already been brought to tears more times than in the past few years; and have laughed and smiled in measure. But such challenges bring their
own rewards and having completed the first 2,800km with a number of days cycling that were tougher than anything I’ve done before, I can feel myself getting fitter and am proud of having been able to keep going for longer than I ever thought I could. The companionship of the other riders tackling this race / expedition is another bonus; a diverse and interesting group from all over the globe – all with their own stories and goals.

Life on the road is an odd combination: your existence is pared back to a simple routine of ride, eat, sleep – a world away from the high speed city life back home. And yet each day brings a feast of new sights, sounds and smells. You experience so many different things that things that happened a week ago feel like they were months back.

I expect the next few months will continue to bring countless challenges as we continue through the hill country of Ethiopia and on through the seven more countries on our itinerary. I am hoping both the bike and my legs are up to it. I’m still excited about the journey ahead; if all goes well we will reach Cape Town in early May.
JUST WHY?
I’ve been asked this a few times and it just seems like the time was right for taking on this challenge. My major goal for the ride is to raise money for Cystic Fibrosis and to raise awareness of this disease and its impact on those affected. I’m sure I’ll also gain fitness, learn a lot and have an amazing experience of travelling through Africa.

WHAT IS CYSTIC FIBROSIS?
Cystic Fibrosis is one of the most common life threatening genetic diseases. It is caused by a faulty gene that controls the movement of salt and water in and out of the body’s cells. This causes the body to produce thick secretions that clog the internal organs, particularly the lungs and digestive tract, making it difficult to breathe and digest food.

People with cystic fibrosis have intense daily treatment regimes and the disease can impose severe restrictions on how they live and significantly reduces life expectancy. There is no cure at present, however the identification of the cf gene has led to major advances in treatment and there are a number of exciting areas of ongoing research.

If you are interested in following my journey or supporting cystic fibrosis please visit: www.cairotocapetownforcf.com
Title... Company Secretary and Head of Secretariat

Organisation... AMP Limited

Summarise yourself in one sentence... It’s really for others to judge but I like to think I’m easy going, approachable and a good listener

My interesting/quirky hobbies... Cryptic crosswords

My favourite energetic pursuit... Long walks – the beach or the bush

The sport I most like to watch... Australian Rules Football, although the last 20 years or so following the Richmond Tigers hasn’t seen much success

The last book I read (and when)... I got hooked on the Game of Thrones – just finished the series

My favourite artist/album/film... I’ve got a soft spot for the Doobie Brothers – does that give away my age?

The person I’d most like to cook for... My wife – I’ve got a lot of catching-up to do

I’m most passionate about... My family and the Victorian charity Very Special Kids

What gets my goat... Arrogance

I’d like to be brave enough to... Parachute, but it will never happen!

In my life I’m planning to change... My work-life balance

Not many people know this but I... Collect wombats (not live ones!)

Four words that sum me up... Pragmatic, adaptable, no fuss

What I wanted to be when I grew up... A journalist – I love reading, writing and anything to do with words

Why and how I became an actuary... Seemed like a good fit after majoring in stats and pure maths at university

Where I studied to become an actuary and qualifications obtained... I began my actuarial studies after starting work at National Mutual – initially via correspondence with the UK institute and then completing the final subjects through the Actuaries Institute to become a Fellow

My work history... I have been with the one organisation for 35 years (National Mutual/AXA/AMP) so it’s a bit hard to summarise. In addition to traditional actuarial roles in life insurance and superannuation my roles across Australia, New Zealand and Asia have included Marketing Manager, Planning Manager, Head of Program Management Office, Deputy Chief Executive International, General Manager HR, General Manager Chief Executive’s Office and Company Secretary

What I find most interesting about my current role... Exposure to a wide range of issues and working with the Board of Directors

Who has been the biggest influence on my career (and why)... It’s a bit hard to limit to just one in 35 years. Early in my career Ranjit Jayemanne was the biggest influence while for the latter part of my career it has been Andy Penn. As well as learning a lot from them, they each provided me with significant development and career opportunities

My proudest career achievement to date is... Building a varied career with the one organisation over 35 years

10 years from now, I will be... Retired

Why I’m proud to be an actuary... We are respected as a professional body with a relevant voice on a range of financial matters important to the country

The most valuable skill an actuary can possess is... Being able to communicate their work in simple terms to non-actuaries

At least once in their life, every actuary should... Do a non-actuarial role

My best advice for younger actuaries... Be prepared to try a range of different roles. It ensures that you keep learning and stay relevant

If I could travel back in time I would... Go to see Sir Donald Bradman batting against England A

My 35th work anniversary 31 January 2013

Darryl Mackay
Darryl_Mackay@amp.com.au

Darryl on Christmas holidays with his wife Glenda

My 35th work anniversary 31 January 2013
Everybody is moving into the digital era. Some are embracing it, shunning pens, paper, fixed lines and faxes. Others are being dragged along, kicking and screaming, weary of the unknown and acutely aware of the horror stories shared by friends and the media.

A few people in my circle of friends shun technology. They resist the convenience of online and telephone banking and accessing email on their phones. Some even keep a second computer, separate from the internet, to manage their finances and personal documents. Whatever their reasons (anecdotally, they have been influenced by the opinions of their parents from an early age), they may be the wise ones. Time will reveal those answers.

However, this Pulse is not concerned with your love or aversion to “being connected”. With so much to cover on the topic of the ‘digital era’, this Pulse has focused on a couple of specific areas, including the delivery of news and your choice of electronic hardware.

With the move to a tabloid (sorry... “compact”) layout, the Sydney Morning Herald and Age newspapers have come under fire from those who like to resist change. Some may have good reason, too. Personally, my subscriptions to newspapers have been consistent for the past 10 years, from my university days. However, the way that I consume that news has changed. No longer do I receive the physical paper during the week, but have opted to utilise “apps” for my iPad and the internet-based papers to remain informed.

Despite the convenience of listening to an audio version of each week’s Economist (keeping the paper stationary as I run to and from work has proved too large a challenge), I do enjoy the old-fashioned papers on the weekend. Balancing cereal, toast and coffee around the various weekend lift-outs is a habit I will find hard to break.

PART 1 – DELIVERY OF NEWS

There are a plethora of options to receive your daily dose of local and international affairs. Radio, TV, newspapers, websites, blogs, journals, Facebook, Twitter and so much more.

Q1: HOW DO YOU CONSUME YOUR NEWS?

The readership was asked to rank a variety of news sources from most frequent to least frequent. The most interesting results are shown below.

<table>
<thead>
<tr>
<th>News Source</th>
<th>Most Frequent</th>
<th>Least Frequent</th>
<th>Average Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet-based papers</td>
<td>1</td>
<td>7</td>
<td>2.4</td>
</tr>
<tr>
<td>Internet-based – other</td>
<td>3</td>
<td>6</td>
<td>3.6</td>
</tr>
<tr>
<td>Television</td>
<td>5</td>
<td>5</td>
<td>3.7</td>
</tr>
<tr>
<td>Hardcopy papers</td>
<td>2</td>
<td>4</td>
<td>4.0</td>
</tr>
<tr>
<td>Radio</td>
<td>6</td>
<td>3</td>
<td>4.3</td>
</tr>
<tr>
<td>Phone/tablet apps</td>
<td>4</td>
<td>2</td>
<td>4.4</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>1</td>
<td>6.1</td>
</tr>
</tbody>
</table>

Based on the average rank, the internet was definitely the most popular place for people to get their news. I believe it is a fair assumption to make that most respondents are consuming their internet-based news whilst in the office.

For many people, staying on top of current financial matters is imperative to their line of business. However, I wouldn’t be the first to begin a debate on the merits of staying up-to-date with current affairs whilst “on work time”. There are definitely two sides to that debate, but we don’t have time to delve deeply into either on this occasion.

Whilst the internet-based papers had over three times as many respondents selecting them than the next most frequent choice, there was little difference between all the other sources (except for “Other”).

Apps (applications) on phones and tablets was the most polarising news source. It was selected just behind hardcopy newspapers and other internet sources as most frequently used, but significant numbers selected this as their least frequent option – far in excess of radio and hardcopy newspapers.

For those who chose “Other”, the two most popular responses were “word of mouth” (often referred to as “Good old fashion gossip”) and the daily emails circulated on behalf of the Institute. I for one, certainly take a few minutes to read through that email each day.

Based on the number of people that included “Twitter” and/or “Social Media” in the “Other” category, the “Internet-based – other” category, which was intended to catch these, could have been better represented in the outcomes.
Finally, when comparing the consumption habits of males and females, it surprised me that women embraced phone and tablet apps far more than men. Three times as many men chose apps as their least frequent source of news compared with their most frequent. With women, it was equally distributed.

Similarly, more men preferred the hardcopy newspaper than women. Although this survey didn’t ask for an age group classification (and in retrospect, should have), it isn’t improbable that these differences may be due to age rather than gender. Whether they are older or younger, that is perhaps a debate to be had at another time.

**PART 2 – COMPUTERS AND EMAIL**

**Q2: WHAT IS THE NATURE OF YOUR WORKPLACE?**

The readership was asked to indicate the size of their workplace, to see if this had any effect on the hardware (and email software) they were required to use in their office. As the table below shows, most respondents work for large employers.

<table>
<thead>
<tr>
<th>Workplace</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large employer (100+)</td>
<td>208</td>
<td>70%</td>
</tr>
<tr>
<td>Medium employer (20-99)</td>
<td>33</td>
<td>11%</td>
</tr>
<tr>
<td>Small employer (2-19)</td>
<td>17</td>
<td>6%</td>
</tr>
<tr>
<td>Self employed</td>
<td>21</td>
<td>7%</td>
</tr>
<tr>
<td>Retired</td>
<td>17</td>
<td>6%</td>
</tr>
<tr>
<td>Student</td>
<td>3</td>
<td>1%</td>
</tr>
</tbody>
</table>

**Q3: WHAT IS YOUR MAIN WORK COMPUTER?**

<table>
<thead>
<tr>
<th>Computer</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desktop – Windows</td>
<td>143</td>
<td>50%</td>
</tr>
<tr>
<td>Desktop – Apple</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>Desktop – Other</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Laptop – Windows</td>
<td>121</td>
<td>43%</td>
</tr>
<tr>
<td>Laptop – Apple</td>
<td>15</td>
<td>5%</td>
</tr>
<tr>
<td>Laptop – Other</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>None</td>
<td>11</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>2%</td>
</tr>
</tbody>
</table>

There was no difference between large and medium sized employers when it came to the utilisation of computers. Just over 50% used desktops and the rest laptops – all Windows based. In fact, only those that were self-employed or notionally retired used Apple or other non-Windows computers.

Smaller employers had a larger prevalence of desktop computers (76%) than the larger employers. One could speculate there was less need to take their computer out of the office. One could hope!

Of those who chose “Other” or provided additional comments, they suggested laptops were hooked up to docking stations and screens, as well as using iPads.

**Q4: WHAT IS YOUR MAIN HOME COMPUTER?**

<table>
<thead>
<tr>
<th>Computer</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desktop – Windows</td>
<td>109</td>
<td>37%</td>
</tr>
<tr>
<td>Desktop – Apple</td>
<td>18</td>
<td>6%</td>
</tr>
<tr>
<td>Desktop – Other</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Laptop – Windows</td>
<td>119</td>
<td>40%</td>
</tr>
<tr>
<td>Laptop – Apple</td>
<td>37</td>
<td>13%</td>
</tr>
<tr>
<td>Laptop – Other</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>None</td>
<td>3</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>2%</td>
</tr>
</tbody>
</table>

Unlike at work, over 50% of respondents used a laptop as their main home computer. Perhaps a desire for mobility is able to be acted upon in the home.

Similarly, nearly 20% of respondents had an Apple computer. Perhaps with children being required to produce multi-media presentations at school, the Apple products are preferred. Or perhaps they are simply more user friendly.

When looking through a gender lens, it is interesting that 15% more of the female respondents have laptops compared with their male counterparts. However, without understanding more about their family dynamics, it would be difficult to infer anything meaningful from this statistical difference.

Of those who chose “Other” or provided additional comments, they suggested iPads, other tablets and Linux-based hardware were primarily used in the home.
Q5: WHAT IS YOUR PRIMARY WAY OF USING EMAIL?

<table>
<thead>
<tr>
<th>Email client</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsoft Outlook</td>
<td>166</td>
<td>58%</td>
</tr>
<tr>
<td>Lotus Notes</td>
<td>42</td>
<td>15%</td>
</tr>
<tr>
<td>Hotmail</td>
<td>14</td>
<td>5%</td>
</tr>
<tr>
<td>Gmail</td>
<td>44</td>
<td>15%</td>
</tr>
<tr>
<td>Web-based – other</td>
<td>16</td>
<td>6%</td>
</tr>
<tr>
<td>Non-web-based – other</td>
<td>6</td>
<td>2%</td>
</tr>
</tbody>
</table>

Firstly, I’d like to express my sympathy towards anyone else in the 15% of respondents above who suffers with Lotus Notes. If you have a different view, I’d love to hear from you. It might be great for databases, but it is almost useless for managing email.

The major email client is Microsoft Outlook, with Gmail and, to a lesser degree, Hotmail making up another 20% of respondents.

I’ll be the first to admit the question should have been separated between personal and work use. There were quite a few comments clarifying responses and ‘gently’ pointing out the confusion the question created.

Yahoo and Thunderbird were the other two web-based clients that respondents indicated they used, with others indicating their ISP (e.g. Bigpond, TPG) provides their service.

For those of you who are good with numbers, and have maintained an eye for detail this far into the article, you may have noticed the percentages add up to over 100%. 23 respondents indicated they had more than one phone. Each of these managed a firm-funded smart phone and a personal phone.

There are few differences between males and females when it comes to mobile phone ownership. However, there are differences between employers. Although the proportion of smart phones owned by respondents is similar between small, medium and large employers, it is the medium size employers that appear to offer fewer firm-funded smart phones. Those respondents have purchased their own smart phones to make up the difference.

Q7: WHAT IS YOUR PRIMARY SMART PHONE?

Respondents with smart phones were asked which type was their main phone. The following results show the spread between the different types.

<table>
<thead>
<tr>
<th>Smart phone</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>iPhone</td>
<td>119</td>
<td>55%</td>
</tr>
<tr>
<td>Android-based</td>
<td>71</td>
<td>33%</td>
</tr>
<tr>
<td>Windows-based</td>
<td>5</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>11%</td>
</tr>
</tbody>
</table>

Almost everyone who selected “Other” indicated they were Blackberry users. Such has been their decline over the past five years, a separate category was neglected in the survey. Whether they can come back and re-kindle the business world’s love affair remains to be seen.

Similarly to the above, there were only small differences between males and females, with a slightly higher percentage of iPhone users amongst the women.

The biggest difference was between the smart phone uses was the difference between the work and personal choices. The table below shows this clearly, with Blackberry’s hardly ever chosen as a personal phone and android-based phones far more ubiquitous.

<table>
<thead>
<tr>
<th>Smart phone</th>
<th>iPhone</th>
<th>Android</th>
<th>Blackberry</th>
<th>Windows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm-funded</td>
<td>59%</td>
<td>18%</td>
<td>20%</td>
<td>4%</td>
</tr>
<tr>
<td>Personal</td>
<td>52%</td>
<td>41%</td>
<td>5%</td>
<td>1%</td>
</tr>
</tbody>
</table>

While Apple is facing lawsuits against purported monopolies constructed from its “App Store”, this scribe believes Apple’s biggest threat is not reliving its nightmare from its earlier computer era. Specifically, Microsoft packaged up its software for almost every PC out there in the market place. Apple software ran on Macintosh computers and Microsoft ran on everything else. Microsoft didn’t
seem to care too much which computer you bought, as long as it wasn’t a Macintosh.

In what seems to be a mind-numbing parallel, Android software runs on almost every other phone (outside of the iPhone and Blackberry) and is eating up the market share as users flock towards a system that provides them with more freedom than the isolated Apple software.

There is much to like about Apple but if the competition is not met head on, the monopolies from the “App Store” may soon be almost worthless.

Q8: DO YOU CHECK EMAILS ON YOUR PHONE?

<table>
<thead>
<tr>
<th>Email</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work and Personal</td>
<td>89</td>
<td>31%</td>
</tr>
<tr>
<td>Work only</td>
<td>39</td>
<td>14%</td>
</tr>
<tr>
<td>Personal only</td>
<td>86</td>
<td>30%</td>
</tr>
<tr>
<td>No</td>
<td>73</td>
<td>25%</td>
</tr>
</tbody>
</table>

Interestingly, of the 83 people that indicated they had firm-funded phones, only 68 (82%) of them checked work emails on them. The remaining respondents check their work emails on their personal phones. This begs the question of how secure the work emails are on the non-firm funded devices (and for that matter, the firm-funded ones). Some workplaces have applications, such as Good or Link, that allow access to email through a secure third-party provider. These could be installed on any device, firm-funded or personal. On the other hand, I imagine if you knew the right people in the IT department, getting access to your work email on your phone wouldn’t be too difficult.

It really does beg the much broader question of the cost versus benefit argument of being “connected” all of the time. However, this discussion is best left for another time.

Q9: DO YOU HAVE A TABLET COMPUTER?

<table>
<thead>
<tr>
<th>Tablet</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm-funded and Personal</td>
<td>4</td>
<td>1%</td>
</tr>
<tr>
<td>Firm-funded only</td>
<td>14</td>
<td>5%</td>
</tr>
<tr>
<td>Personal only</td>
<td>133</td>
<td>46%</td>
</tr>
<tr>
<td>No</td>
<td>140</td>
<td>48%</td>
</tr>
</tbody>
</table>

Over half the respondents have tablet computers, either through their workplace, home or both. Of those, nearly 85% owned iPads or iPad minis, with almost all the remainder owning an Android-based device.

Of the 18 people with firm-funded tablets, the vast majority were from larger employers, with a couple of people taking advantage of the ‘self-employer’ tag to undoubtedly get tax deductions.

Seeing as though tablet computers were released a few years after smart phones, this scribe believes it would be quite interesting to ask this question in a few years and see whether or not the prevalence of the Android-based devices has grown significantly.

PART 4 — CURRENT TECHNOLOGY

Q10: WHAT ARE THE GREATEST LIMITATIONS IN THE CURRENT TECHNOLOGY YOU USE?

The most popular responses were around five central themes:
1) The speed of hardware, software and the internet.
2) The battery life in electronic devices.
3) The seamless transference of data between devices.
4) Connectivity issues, including lack of wi-fi hot-spots.
5) User issues!! The limitations of the user.

Each of these is expanded upon in the selection of comments below. In addition to these, a few of the more amusing comments are also included. This scribe would be amazed if some of these didn’t make it to your top 10.

Speed: Speed on everything not hardwired to work network
Paragraphs of internet connections when remotely accessing data
It would be nice to have an SSD (solid state drive) on my work laptop for faster booting up
Not fast enough to process lots of information and calculations – particularly in Excel – quickly
The rate at which technology and its performance becomes obsolete.

Battery life: Battery power in portable devices
Bulkiness of devices other than smartphone to accommodate batteries
Low battery life (suggested by many respondents)
Some of the gadgets are lighter than they were but still fairly heavy to carry around.

Seamless transfers: Print limitations with portable devices
Lack of “Flash” support on Apple devices
Lack of full Microsoft Office support on Apple devices
Incompatibility of iPad and Windows work station
Consolidating diaries from work and home
Accessing attachments to emails is too hard
Many web pages are still not designed to be viewed on a smart phone screen
The lack of content designed specifically for the technology – I think a lot of articles are still primarily meant for hardcopy newspapers rather than being designed for the technology being used
Sometimes the various bits of equipment do not sync nicely, particularly around diaries
An all encompassing and syncing system. We’re close but not close enough
Blackberrys aren’t great for reading documents.

Connectivity: Poor wi-fi
Lack of access to wi-fi
Lack of free wi-fi around Sydney, especially on buses
It is a myth everyone, even close to capital cities, has access to decent internet connectivity at home
My estate has phone line technology such that I cannot get ADSL at much faster than dial-up speed
Cost of wireless (mobile) connectivity is currently prohibitive for large amounts of data transfer
Needing to turn modem off and on again at home periodically.

User issues: Not knowing how to use them properly
Myself
Understanding all the features and how to use them optimally
No time to read the manuals
You can never know all of the functionality
Remembering different passwords for multiple layers of security required by work applications
Ease of use
Remembering how to use the things I only use infrequently
Incomprehensible for a technophobe like me
None of my devices are smart enough to do the household chores for me.

Before progressing to some of the more entertaining responses, the other issues that arose from a number of respondents were:
Lack of reliable security on mobile devices
Lack of good spreadsheet functionality on the iPad
There is too much...
information to be able to relax away from technology! › Limits interaction with environment when in use › The ability to separate work from relaxation due to being constantly online and contactable.

Outside of being unable to “switch off”, people suggested other family and relationship issues stemming from technology, including a respondent’s “wife throwing out the road maps from both cars, forcing me to use the SatNav (which is usually in the other car anyway) or print out a Google map beforehand.”

“Not being allowed to watch my TV shows/DVDs, despite all of the TVs being paid for by me!”

And to finish, perhaps this scribe’s personal favourite: “Lotus Notes is a pig of a program with no features to enhance user experience or make dealing with email easy.”

Q11: WHAT IS THE ONE THING YOU WISH YOUR TECHNOLOGY COULD DO?

The clear winner in this category was “never ever break down”, which was followed by the practical option of having “power cords that fit multiple appliances.”

Plenty of respondents took out their frustrations with the lack of compatibility between devices by putting forward responses such as › interact together seamlessly › interact with TV, radio, car radio etc more easily › link the map functionality with my calendar so I knew how to get to unfamiliar locations for appointments.

For the business-minded amongst us, documents are now being sent electronically and many people are missing the freedom of being able to annotate documents — such as PDF versions of board papers. This scribe uses “Notability”, which allows files to be imported from email / Dropbox etc and annotated with relative ease. It too has some limitations, such as underlining text as you would on a computer, but its intuitive nature and ability to import, sync, record and send efficiently makes it a very useful application.

A similar business application is “accurate voice recognition, so notes can be dictated and accurately converted to text.”

Further, technology wish lists include being “more efficient at selecting the information that is important or of interest to me”, which segues nicely into the multiple suggestions to: › read my mind and know what I want (before I know it) › better mind reading › properly augmented reality › allow simultaneous interaction with information and your surroundings.

Something with a really practical use would be “remote access to do things in my house, including turning on the electric blanket before I come home on a cold night, drawing curtains, recording programmes I forgot to set the timer for.” As with many suggestions, the technology is well and truly under development. Wirelessly controlled power points do exist, although are rare to find and Foxtel has applications for phone, tablet and computer which allows their programs to be scheduled remotely.

A favourite of many respondents was the ability to “carry around something the size of a mobile, but expands out to the size of a tablet when I need a bigger screen.” This would be a fantastic invention, much like that space-filler putty that expands to meet the needs of the hole that the weekend handyman accidently created in the lounge room wall.

Turning the mundane into a simple, quick and easy task may involve “an avatar that could translate my voice command to an action, e.g. “Make this spreadsheet conform with the official work spreadsheet policy” and it goes and does the ‘boring’ stuff.” Wouldn’t that save some time! It would be simply marvellous if the computer would just do all that fiddly formatting you want it to do, but can never coax it to do!

Finally, and perhaps most importantly, “make a decent coffee.”

PART 5 — FINAL THOUGHTS AND READERS’ QUESTIONS

Firstly, why are there not a greater number of free wi-fi hot-spots in the city? Why do expensive hotels seem to charge so much for internet access, when it comes free with the cheapest hostels? These questions seem to make many a reader’s blood boil… and this scribe’s!

Some of the readership was interested to understand whether the phone is becoming a more important status symbol than the car? It is only my opinion, so take it for what it’s worth (not much!), but perhaps this may have been the case for a few brief years when smart phones were the cutting edge of technology and rare in the marketplace. I’d argue there are far too many smart phones out there to ever have more pulling power than the rarefied red Ferrari.

Other readers were interested in the level of connectivity we have with our electronic devices. How many hours do you spend during your work and personal hours on your computer / laptop / tablet / phone? Are you using your phone significantly when you are in a social setting, such as dinner with your friends, or are you fully engaged with those in your vicinity?

As a final thought, a dining tradition has sprung up to combat this lack of engagement. Each member of the party places their phones (and other devices, as required) face down on the table. The first person to reach for their phone during the party will also pick up the bill for the occasion. Would that be you?
Identity was front and centre of the national tour in Perth. We gathered to consider what it is to be an actuary personally and collectively with Melinda Howes, John Newman and Maximus business guru Brent Duffy as our guides.

As part of John’s presidential year, he and the Council are looking to reposition our ‘brand’ as actuaries. This could involve broadening the subjects and skills we study to allow more actuaries to take on more varied senior management roles. It was great to hear John’s enthusiasm for making the Institute as supportive as possible for those keen to branch out while keeping our foundations strong.

In Brent’s session on “Leadership through Personal courage” we explored what courage meant to each of us in a work situation and why we sometimes don’t speak up. We are most likely to speak up when something challenges our identity, though I found it tricky to separate identity from values and beliefs. I don’t envy the Institute in trying to define our collective identity as actuaries as they look to reposition the brand.

For those moments that challenge our identity, Brent had some tips to turn any mouse into a lion. We were armed with the confidence to speak up. Instead of playing various consequences over in our mind and panicking – breathe. Be curious, read to succeed, ask great questions to the right people and continuously challenge yourself to keep learning more. These were the key steps to building business acumen to know when to step in.

We put our new skills to the test by role playing the most helpful approaches in dealing with disagreements being:

- **Soften** – “I understand what you’re saying...”;
- **Explore** – Ask questions to understand what they actually disagree with; and
- **Resolve**.

After all the hard work it was fun to network at the Perth Presidential dinner and I congratulate Else Joubert who received her Associate certificate.

Thanks for again bringing the CPD event west. It is great that the CPD focus is on broadening our soft skills and I look forward to the next event.

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**Perth**

**Adelaide**

The Adelaide leg of the Institute’s CPD National Tour arrived in town with President and CEO in tow. This was the second edition of the CPD National Tour following the success of last year’s Influential Actuary session.

Our presenter, Ant Williams, promised to help us make the most of our opportunities by finding our inner courage. This sounded like a worthwhile exercise, not just for business but for all things in life. Ant impressed us with his passion about the subject and his anecdotes on deep diving, including a spirited deep breathing exhibition.
While listening to Ant talk about courage, I could not help but think about the lyrics to a well known Midnight Oil song – *Bedlam Bridge*. I researched this song after the meeting and found even more relevance in the following verse:

*We have leaders who are anxious
We have captains not courageous
Captains tumbling into madness
But there’s a man who makes no enemies
A body never breathless
No ambition ever hopeless*

That lyric may be a little over dramatic, but fits the theme of the session really well. This was to encourage actuaries who may not normally take risks to be bold and put themselves forward. Make suggestions, speak up, try something you have always wanted to do – and take a deep breath.

My take on the session was that we need not change character completely, but we should think about and prepare for situations where we can be a little bolder. With practice, this can become a habit.

There was another good turn out from the Adelaide actuarial community, with a couple of travelling guests adding value. Later that night we had an enjoyable President’s Dinner, with a few extra guests coming along who could not make it to the earlier session.

Many thanks to the Institute for sponsoring this session.

Stuart Mules
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**Canberra**

Do you have the courage to be not just a leader, but a competent leader? Will your leadership earn you the respect of your team and also your superiors? How do you develop your identity and increase your commercial acumen to become a more effective leader? These questions were discussed at the Canberra session of the CPD National Tour.

Canberrans are proud to challenge for the highest proportionate turnout of actuaries at an Institute event and this year did not disappoint. Our small group of six enabled us all to directly engage with President John Newman on his thoughts of the profession’s future direction. It was great to have this interaction early in the year and we look forward to following up with John and Melinda in December on the progress and achievements made towards the goals.

Following the President’s introduction, Ant Williams coached us to apply the same theory as sports psychology to our careers as actuaries. For example, in critical or stressful situations take a moment to pause, breathe, shake out your tension and steel your mind to the matter at hand. As easy as this sounds, focusing is always more challenging in practice!

As a young actuary working on improving my confidence to stand up and sell my skills in front of clients, prospective clients and perhaps even more dauntingly my company’s senior management, I see this technique being very valuable to my career.

This new perspective on leadership complemented last year’s theme of being an influential leader. I commend the Institute for continuing to recognise, support and promote the development of these skills as integral to a successful actuarial career. Thank you Melinda, John and the events team for bringing leadership, networking and an exceptional Presidential dinner to Canberra.

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**Melbourne**

On Tuesday 5 March, the 2013 CPD National Tour: Leadership through Personal Courage hit Melbourne. The minute our presenter, Ant Williams, took the floor I knew my decision to attend had been a wise one. Ant kicked things off by relating some of his experiences with courage, in particular, his involvement with free diving (a form of underwater diving without scuba or breathing devices... other than one’s lungs). This really got me, and I expect many in the room, pondering where and how we displayed courage in our lives which, I must admit, left me feeling a little inadequate.

The session quickly moved on to exploring and understanding the beliefs and traits underlying more day to day acts of courage, in particular, his involvement with free diving (a form of underwater diving without scuba or breathing devices... other than one’s lungs). This really got me, and I expect many in the room, pondering where and how we displayed courage in our lives which, I must admit, left me feeling a little inadequate.

Finally, Ant taught us how to centre ourselves and breathe. Yes, I did know how to breathe before this but these were the deepest, chest expanding, throat filling inhalations EVER! Hopefully no incriminating
photos accompany this article!

In summary, this would have to be one of the most enjoyable, useful and motivating sessions I’ve had the pleasure to attend. And while I may never fight bulls or free dive, I will certainly endeavour to display the courage of my convictions.

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Sydney

On Wednesday 20 March, I found myself in a room with 40 other actuaries taking part in the Sydney version of the CPD National Tour, Leadership through Personal Courage presented by Brent Duffy from Maximus. I wasn’t quite sure what I was in for – I had only registered the day before because the title sounded somewhat interesting and I thought that it would be a good excuse to get away from work, as well as rack up some CPD hours. However, by the end of the session, I felt so excited about the things I had learnt that I wanted to tell all my friends about it.

In the first half of the session we explored the source of courage – one of the key traits of being a leader. This courage to lead, as noted in the session title, is personal. It is steeped in who we are and how we see ourselves, and when we feel passionate about a particular issue, we are driven to speak up and take action. As Brent eloquently put it, our courage is anchored in our identity and values. We were given some time to reflect on our core beliefs and values, and how we saw ourselves. This generated some interesting conversations during afternoon tea.

The session then moved on to some skills that assist leaders by supplementing their core. In particular, it focused on commercial acumen, an important ingredient in influencing non-actuarial business stakeholders. Much of the discussion here revolved around the need to balance intuition and detailed analysis when making actuarial recommendations. I am myself sometimes guilty of being paralysed by analysis, forgetting to do reasonableness checks and not taking a more holistic view of the underlying issue. To improve our commercial acumen, we were encouraged to read more widely to gain a broader world view, as well as be open to learning from non-actuaries.

I highly recommend you attend future workshops if available, because it will provide you with a different, yet enriching experience on how to lead from your core.

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Brisbane

The CPD National Tour with Institute President John Newman and CEO Melinda Howes, arrived in Brisbane on Tuesday 19 March. The afternoon was kicked off by a Q&A session with John and Melinda and set the theme for the day well. The group discussed relevant issues such as the decline in the number of actuaries holding key executive positions and increasing competition from non-actuarial professionals with equivalent skills. This was followed by an interactive CPD session on “Leadership through Personal Courage” presented by Maximus.

The small but enthusiastic group took full advantage of the opportunity to connect with local colleagues. Having only recently moved back to Brisbane, I was pleasantly surprised at the diversity of actuaries working here. Why wouldn’t you prefer Brisbane with its sub-tropical climate, friendly faces, and on-the-ground experience in measuring flood risk? One of the highlights for me was meeting new colleagues from different professional backgrounds. I would encourage Brisbane-based actuaries to support local events for this reason alone. The small group made it especially easy to chat with the Institute President, CEO and local actuarial stalwarts and to share some regaling stories of simpler times such as when actuarial work was pushed under the office door!

During the afternoon, we delved into discussions on topics that would hopefully provide us with tips to become better actuarial leaders. Highlights were trying to pin down our core actuarial identities, tips for dealing with disagreement and maintaining a communicative and productive state. All participants agreed that the afternoon had been well spent and felt that they could successfully implement some new insights to improve their workplace atmosphere and leadership skills. The event finished with networking drinks in the Hilton foyer, before the night continued with the Brisbane Presidential Dinner. I look forward to seeing you all at the next Brisbane event!

Ben Cooper
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Brisbane
Sitting across the room from Nicolette Rubinsztein, General Manager of Strategy at Colonial First State it’s hard to believe this highly articulate and successful woman once lacked direction and confidence. Current Director of the ASFA board, chair of numerous industry committees and mother of three, Nicolette kindly took time out of her busy, but well balanced schedule, to take us on her journey which led her to an ‘out of the ordinary’ actuarial role, explain the importance of soft skills as well as offering practical tips on how to be a career mum.

**AN INDIRECT PATH TO SUCCESS**

When it comes to the question of what a child wants to be when they grow up, they tend to say that ‘parents know best’. This wasn’t the case for Nicolette whose parents secretly wanted her to become a lawyer.
“While at school in South Africa at the relatively young age of fifteen, I started to realise that my parent’s dream of becoming a lawyer wasn’t for me. Mum sent me to a guidance counsellor and in literally ten minutes my fate was sealed. The counsellor asked me what I liked and I responded, maths. She opened her little pocket book to the letter ‘A’ and said, what about becoming an Actuary? She then proceeded to describe the role; well paid, highly respected, statistics, maths, probability theory – I was sold,” Nicolette explains.

“On the basis of those few minutes with her, I spent the next ten years of my life working to become an actuary. Things have a funny way of working out and in a way this was the best career advice I was ever given.”

Despite achieving academic success and having a clear career to work towards, on leaving school Nicolette lacked confidence and felt insecure about her capability.

“When I went to university I worried that if the study load became hard I wouldn’t be able to cope. But as it turned out, studying to become an actuary gave me confidence in my own ability. Once you can say that you are an actuary it creates respect. Given I was lacking confidence, this was really good for my personal development and growth as an individual.”

Nicolette began her career as an Actuarial Assistant at Metropolitan Life in South Africa where she was involved in continuous mortality investigation. In 1993 she moved to Australia and took her first step into the superannuation industry taking a consultant role at Towers Perrin.

Since then Nicolette’s career has been an indirect path to success, something she attributes to having an open mind. She has held senior positions in product management and marketing in the superannuation industry in Australia. During this period, there were times when Nicolette felt the rug was being pulled straight from underneath her.

“After Towers Perrin, I took a job developing a product at Advance Funds Management and then one day the whole project went up in smoke when they bought Asgard. I began a role working at BT Funds Management on their response to the new “Choice of Fund” legislation that was due to come into effect. Within six months the government delayed that legislation by three years. My job had evaporated again. I was forced to be flexible and open minded to challenges that came my way.”

Nicolette carried on at BT where she was given the head of product management role in marketing, not a traditional actuarial role. Since 2001 she has worked as General Manager of Strategy at Colonial First State.

“I didn’t think I would end up in a strategy role, but I have discovered that this is where my true capabilities and passions lie,” says Nicolette.
Since 2007, Nicolette has also served as a director on the ASFA board and has been actively involved in policy development across the retail sector. She believes it is becoming increasingly important and common to see a number of high profile actuarial figures involved in influential roles.

“It is great to see a lot of actuaries heavily involved in superannuation policy development and there are actuaries very much at the forefront of that thinking. The government is clearly assessing the retirement agenda at the moment, and this is where actuaries are adding value.”

SOFT SKILLS AND GENERATION ACTUARY

Having presented at the Actuaries Institute Leadership Summit in February, Nicolette shares some advice for the younger generation of actuaries on how to make the most of their career and overcome those hurdles.

“The length of study can appear daunting; however the rewards far outweigh the time commitment of becoming an actuary and include being involved in high level and meaningful work, influencing the direction of a company and obtaining skills which are in demand.”

“The biggest challenge for the younger generation of actuaries will be developing an alternative skill set. The degree provides great analytical skills and subject matter expertise, but what’s required to be truly successful is something more.

“The best actuaries are the ones that can integrate into the real world and through their engaging personalities and communication skills are able to take the brilliance from their spreadsheet and share it with a wider audience.

“Younger actuarial figures also need to be aware of how diverse their future roles can be and shouldn’t be scared to branch out of traditional actuarial roles. Take time to look beyond the obvious,” she said.

A BALANCED STRATEGY

Having three children and maintaining a senior role is as difficult as it sounds. Nicolette is passionate about the topic of career mums, something that obviously runs in the family.

“At 42 my mother started her own insurance broking firm and subsequently built it up to become a thriving family business. Mum did it from scratch and knew very little about insurance broking. She proved you don’t have to do everything at once and there is time after having children to have a full career,” she said.

Nicolette is currently writing a book, ‘The Balancing Act’ which is a practical guide for career mums from a corporate and strategic perspective.

“The challenge for women is how they can have both a career and be a mum. There are a lot of hot tips out there on what mums should do at home, but not so much about how on the work side. That is why I am writing a book to try and provide practical tips for career mums. There is no silver bullet to finding a balance, doing both is hard work and it’s about getting through on a day by day basis.”

As a successful career woman and a mother, there is no doubt that Nicolette is an inspiration to others just as she has had mentors who have been an inspiration to her. The process of mentoring involves developing a natural connection based on trust and mutual respect.

“Behaviours mean more than words and the relationship between a mentor and their mentee is built over time and developed through demonstrating respect, trust and having mutual value systems. I mentor around five women, and the women who want to talk to me are the ones who want to work in a senior capacity at the same time as being a mum. To me, staying true to what you believe in is the most powerful way of being a leader.”

“It is great to see a lot of actuaries heavily involved in superannuation policy development ... The government is clearly assessing the retirement agenda at the moment, and this is where actuaries are adding value.”
At the Enterprise Risk Management Workshop organised by the Actuaries Institute in March 2013 for actuaries pursuing the Chartered Enterprise Risk Actuary (CERA) designation, the following question was raised: is systemic risk unique to deposit-taking institutions, or does it also apply to institutions providing non-banking services? Given the time constraints, it was not possible to debate it then.

This article answers the question in the negative: in the modern interconnected world, where traditional labels and barriers to activity no longer hold, systemic risk applies to non-banking activities. In financial services, where most actuaries serve, this means those in insurance, superannuation, mortgage or finance services need to be aware of this risk and take appropriate control measures. Indeed, as the CERA designation is designed to utilise actuarial skills in wider business and industry, it is essential that the risk in non-financial services also be recognised.

The CERA designation recognises the expertise actuaries can bring to assessing risks affecting any enterprise holistically and controlling them. Our long experience in consolidating risk profiles, present and future, through statutory Financial Condition Reports in life and general insurance (with FCRs now being recommended for superannuation as ‘good practice’) positions the profession well in taking this expertise beyond traditional financial services. In preparing for this seminal role, the incidence of systemic risk is a crucial consideration.

Systemic risk refers to the possibility that the financial system as a whole might become unstable, rather than the health of individual market participants. Stable financial systems do not transmit or magnify shocks to the broader economy. A firm, person, government, financial utility, or policy might create systemic risk1 if its failure causes other failures in a domino effect;2 news about its assets signals that others with similar assets may also be distressed, called contagion;3 it contributes to fire sales during price declines; or its absence prevents other firms from using an essential service, critical to the economy.

Traditionally, banking has been known for systemic risk, given its business of funding long-term assets through shorter-term assets. Loss of confidence in such an institution, whether justified or not, could cause a ‘run’, and regardless of merit, depositors might assume others are affected, thereby causing the system to collapse.

Global events have shown that non-banks could trigger economy-wide implications, if they were large, had entered into contracts with banks and others that would be called into question, or were in an essential service that society could not replenish in a short time.

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The responses, in such cases, are not unlike those that follow typical bank runs. In some cases, national governments had to step in to counter panic. There are a number of policy responses to systemic risk. Greater transparency can prevent uncertainty from magnifying panic and permit regulators to monitor the system as a whole. Lenders of last resort can prevent markets from becoming illiquid or healthy firms’ credit being cut off. Deposit guarantees can reduce the incentives for a firm’s counterparties to cause a run. Prudential regulations and capital requirements can reduce the chance of failure and the costs of the failures that nonetheless occur. However, policies to address systemic risk can themselves create risks of their own, such as moral hazard, in which firms that believe they will be rescued take additional risks.

During the Global Financial Crisis (GFC), a number of non-banks threatened the viability, indeed the existence, of the US and world economic order. The policy response in respect of Freddie Mac and Fannie Mae, AIG, Bear Stearns (an investment bank that relied on wholesale funding) was for the US Treasury to step in with massive bailout plans or to arrange state-sponsored acquisitions. The aim was to restore confidence so that counterparties were protected and trading could continue.

In Australia’s own HIH failure, the Government had to provide funding to protect policyholders so that insurance cover could continue for essential economic activity such as building and trade services. At that time, there was no assurance that the funding or any part of it would be recovered by the taxpayer, but the policymakers deemed this to be an appropriate response. Who would have thought the collapse of a general insurer would lead to state intervention? During the GFC, many investments became illiquid and super funds that had invested in them (including large managed schemes) were unable to pay benefits. Many applied to APRA for a freeze on their payments so as not to breach their governing rules. APRA found itself forced to approve all such requests – exercising the newly discovered and hitherto little used, Clayton’s power. Many of these approvals had to be renewed after they expired. A power than can only be exercised in favour of the applicant is no power at all.

While these examples relate to financial services, it is not difficult to think of non-financial examples where societal structure would crumble for want of an essential service such as hospitals or transport. During the preparations for Y2K, before the year 2000, all types of scary scenarios and their remediation were being thought of, in a bid to prevent a meltdown. It is clear that those who thought Y2K was a real risk were concerned about systemic implications. In APRA’s risk-rating system, PAIRs, the entity ratings depend upon size and potential impact of failure on the market. While the major banks are represented here, non-banks (insurers and super funds) are not ignored either.

Recently, the International Association of Insurance Supervisors (IAIS) has been engaged in formulating a methodology to identify risks of systemic importance for insurers. To this extent, the incidence of systemic risk beyond banking appears to be acknowledged by those who set international rules for insurers. It has moved from the ‘if’ (does it apply?) into the ‘how’ (how should it be addressed?) phase.

As global convergence of regulations has not yet occurred in superannuation to the same extent as in banking (BASEL) and insurance (IAIS), it is to be expected that the relevant supra-national body – the International Organisation of Pensions Supervisors (IOPS) – will be concerned with this aspect, before long.

Granted that deposit-taking, the traditional source of systemic risk, will continue to feature prominently in identifying this risk, it would be unwise to ignore how systematic risk is now a reality in other types of economic activity.

Actuaries with the new CERA designation seeking to operate as risk experts in the wider industry beyond financial services should be the first to recognise the reality. As they say, identification is the first essential step in addressing risk.

This article is intended to provoke discussion in the profession on this important topic, to better prepare ourselves and thereby serve our customers.

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Ramani SG Venkatramani, the Principal of Ramani Consulting Pty Ltd, is one of the experienced actuaries awarded the CERA designation under the Actuaries Institute’s LEPAP (the Leading and Experienced Practitioners and Academis Pathway).


2 See 1 above

3 Well explained in Andrew Sorkin’s ‘Too big to fail’
It was fantastic to see registrations at capacity for the first Young Actuaries Program (YAP) seminar of 2013. Fast becoming our favourite speaker, Barry Rafe, a high profile actuary and former President of the Actuaries Institute, returned to present for the second time and certainly lived up to expectations. This time, we asked Barry to present on a topic he is well known for: public speaking skills. Using examples from his vast experiences in presenting at professional seminars and competing in stand-up comedy, we were taught the following.

**DO YOUR PREPARATION**
Find out beforehand:
- the theme of the event;
- expectations of the audience; and
- how long you are expected to present for.

Know the contents of your slides well if you expect to use them. Do not go over your allocated time limit as this is unprofessional, and throws off the timing for everyone else if you are not the only speaker. If you are speaking on a panel, make sure you speak to the other members prior to the event so your content doesn’t overlap.

**GET TO THE VENUE EARLY**
Familiarise yourself with the stage so you know how you will get on and off, and where you will be most comfortable standing. Try not to stand behind the lectern if possible as this generally makes your presentation less engaging. Make sure you speak to the MC to find out how they intend to introduce you, and ensure they know how to pronounce your name correctly. Then check that your presentation loads (if you have one) and learn how to use the clicker. Don’t be the presenter who has no idea which buttons to click.

**CREATE A GREAT FIRST IMPRESSION**
Your audience’s first impression is formed within a fraction of a second when they first see you, not after you start speaking. So walk and stand with confidence and dress smarter than the audience, so they think you’re great before you’ve even opened your mouth.

And don’t drink alcohol beforehand. You might think this helps you present better, but that’s precisely the problem – only you think so.

**BREAK THE ICE**
If there is something unusual about you or the venue, you can bet it will be the first thing the audience notices. So don’t try to avoid or hide it (e.g. spilt sauce on your shirt)! Instead, crack a joke to break the ice. Acknowledging what your audience is likely to be staring at or thinking will help break the ice and make both speaker and audience more comfortable.

**SPEAK SLOWER AND INCLUDE JOKES**
It’s natural for presenters to be nervous which often makes them speak faster. Obviously, speaking too fast is less engaging for the audience and increases the chances of your important points being overlooked. So it’s important to practise speaking slower beforehand. Also slip in jokes throughout your presentation to attract and retain your audience’s attention. A good rule of thumb is to make your audience laugh every five minutes.

**PUT YOURSELF OUT THERE**
Acting and stand-up comedy classes are great ways to improve your public speaking skills as they take you out of your comfort zone. In Barry’s first acting class, participants had to crawl around on the floor pretending to be snakes for the first half hour. It might be weird and embarrassing, but you don’t have to worry about how you look because you’ll never see those people again. Well, at least Barry has never seen his classmates again.

**JUST DO IT**
Becoming great at public speaking takes a long time and you will only get there if you practise. Maximise your stage time by taking every opportunity you get to speak publically. Make it a habit to say yes every time someone asks you to present (you can worry about what you’re going to say afterwards). Barry even suggested that at work you can just spontaneously stand up and tell everyone you have an announcement to make. It’s up to you if you actually have something to say or make something up. But you probably shouldn’t do this too often.

**GET TO A NO NOTES, NO SLIDES AND NO LECTERN DEFAULT**
Over time, work towards a stage where you are comfortable presenting without notes, slides or the lectern. This is the goal. While slides are appropriate in certain circumstances, they should serve more as a reminder for the presenter than for the audience to read.

Remember, public speaking doesn’t just refer to addressing large groups of people, it also encompasses one-on-one interactions and speaking to small groups such as Boards or committees. We are required to draw upon our public speaking skills in our roles as actuaries every day. And as Barry argues, being able to public speak is at the core of every professional. Or in other words, you cannot call yourself a professional if you cannot public speak.

I hope everyone took something away from this session and I look forward to seeing you all at the next YAP event. YAP extends its thanks to Barry for his presentation and time, the engaged audience and the Actuaries Institute for providing a great venue as always.
Hailing from a Sri Lankan cultural heritage, I have often been asked by society “aunties” and “uncles” about what I study, where I work and what I do. Studying and working in the actuarial industry has generally produced one of two reactions – (1) those who know what it’s about would say (imagine a heavy Sri Lankan accent) “You better study hard – you don’t want to be one of those dropouts with no future prospects, do you?”; or (2) those who have no clue about what an actuary is would say with ill-disguised disdain (again, imagine a heavy Sri Lankan accent), “Well, it’s not engineering or medicine. Kids these days have no discipline at all! Actuarial studies, she says? Sounds like acting or something fluffy, I tell you!”

Well, acting certainly has little to do with actuarial studies, but it is certainly a passion of mine, and as I later discovered, a passion of many youth in Sydney, who come from a similar background and face a similar situation in life. However, we could not find an outlet which allowed us to perform, (just for the love of performing), whilst also juggling our various other commitments, including study, work and household chores – though this is where my dad would chime in with “Household chores? You’re never home in the first place, how can you do household chores! You think you live in a hotel, and have you seen your room for goodness sake?!”

But, I digress. To address this lack of a medium, our dream of MAYA Youth in Performing Arts (MAYA) was born. MAYA is now a not-for-profit, non-political and secular theatre cooperative, aimed at bringing together

An Actuary Producing a Play

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Actuaries at play

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a diverse network of youths, from any background, who are interested in any facet of the performing arts; whether it be acting, directing, dancing, script writing, stage management, lighting, sound and music, front of house or even those who are simply talented at lying to their parents about what time they came home the night before!

Together with a highly motivated production team, I directed our inaugural production in 2012, “To Be Arranged”, a light-hearted romantic comedy with a Bollywood twist that focused on the need for relationships as well as the friends and family who are constantly around us – something we found that most of us could relate to. In true Bollywood fashion, the show incorporated the acting, dancing and musical talent of over fifty youths from various professional backgrounds, in what was a first of its kind for our Sydney community. In the process we also managed to raise funds for the children’s Hospital in Westmead and Annai Saratha Children’s Home in Sri Lanka and also garner a decidedly positive response from our community.

With this success, we have now embarked on our second production, “About a Brown”, a stage musical comedy performed with the accompaniment of a live orchestra and dance ensembles. The musical follows the real life creative journey of two individuals who are struggling with the process of writing a script whilst masterfully dodging the demands of time and production team expectations. Alternating between the world of the writers’ imagination and that of the real world, the production explores the real life issues of second generation youths through an artful fusion of music, dance, drama and stage display. We guarantee you will enjoy a few hours of laughter from start to end and the satisfaction of supporting the International Medical Health organisation’s rehabilitation program for paraplegics.

We would love to have your support, so feel free to get in touch for tickets and/or to get involved!

What have you been up to lately?
Care to be featured in Actuaries at Play?
Share your story via:
ActuariesMag@actuaries.asn.au

PLAY DETAILS
Production Title:
About a Brown
Show Times:
8:00pm Friday 12 July 2013
3:00pm Saturday 13 July 2013
7:00pm Saturday 13 July 2013
Venue:
Parade Theatre, NIDA
215 Anzac Parade, Kensington, NSW 2033
Charity:
International Medical Health organisation
Contact:
Maathu Nirmalendran
M: 0413 036 962
E: info@mayaarts.com.au
Ticketek:
P: 132 849
How much do you know about our government? In this Federal election year, before delving into the issues or parties, it might be a good idea to ask, how much do you really know about our government? If you are interested in finding out, then you have found the right place!
WHAT’S THE DIFFERENCE BETWEEN STATE AND FEDERAL GOVERNMENTS?

There are three levels of government in Australia, the Federal government, State governments and local government councils. They are responsible for different things, and operate differently.

The Commonwealth government is based in Canberra. Our Head of Government is the Prime Minister, who along with the Executive Council has the exclusive privilege of advising our Head of State the Queen represented in Australia by the Governor General. As the Governor General is bound by convention to follow all such advice, the Executive Council consisting mostly of Cabinet Ministers controls the government. The Commonwealth has its own courts, such as the High Court and the Federal Court. Laws are made by Parliament, consisting of the House of Representatives and the Senate. The Federal government is responsible for areas such as defence, foreign affairs, commerce, trade, immigration, marriages, air and naval transport, and meteorology.

There are six States in Australia. The Head of Government in each State is the Premier, who again has the exclusive privilege of advising the Queen represented by a Governor. States possess vast powers and are responsible for everything that the Commonwealth is not. This includes hospitals, schools, police, water, land transport, town roads, land use, town planning, emergency services, environmental planning, law and order, and community safety. Because the Queen of each State and the Queen of Australia are separate legal entities, the Premier of one State has no power to advise the Queen in her capacity as the Head of another State or the Commonwealth. This ensures that our Premiers and Prime Minister operate independently of each other. However, Premiers and the Prime Minister do cooperate on many things. The Council of Australian Governments (COAG) is a forum where such cooperation is coordinated. The territories’ legal status is somewhat different from the States. Their powers are delegated from the Commonwealth. This means territory laws can be declared void by the Commonwealth, while the same thing cannot be done to the States. For example, the ACT Civil Unions Act 2006 was repealed by the Commonwealth.

Local governments are the lowest level of government in Australia. Their powers and responsibilities are regulated by the States. Local governments, or Councils, take care of rubbish, local parks, zoning, parking, libraries, local roads and bridges. Some Councils are given more powers and responsibilities by their State. For example, the Brisbane City Council also runs buses, which in most other States are operated by the State governments directly without input from Councils.

HOW DOES THE GOVERNMENT AFFECT ACTUARIES AND OUR WORK?

The Federal government is directly responsible for trade, insurance, banking and commerce. It has the power to legislate and regulate on all of the above areas. The Federal Parliament legislates the legal framework around how insurance works. APRA, a government department, has legal powers to regulate insurance companies. The government can also decide to change the tax environment around banking and insurance. All of these have subtle consequences on our daily work as actuaries.

Recently, our government has embarked on many initiatives, such as the National Disability Insurance Scheme (NDIS), and activity based funding in our health system. Besides enriching our lives as citizens, these initiatives all require actuaries to ensure sound financial management. Actuaries also have a lot to contribute in public policy areas, especially on retirement protection. Likewise, the government can also create opportunities for actuarial work, especially if major action is taken to mandate retirement insurance.

State governments are responsible for the maintenance and enforcement of civil and criminal codes. Translating into insurance, it means everything involving liabilities. Changes in legislation or government management can greatly influence what is liability and hence what is insured. Examples include the tort reforms in the early 2000s and the recent workers compensation changes in NSW. The government can also regulate cTP insurance if it is privately underwritten. For example, the Motor Accidents Authority of NSW, a government agency, reviews CTP premium filings. In these States, the government can also control the rating factors on which CTP premium can be set.
WHAT DOES THE PARLIAMENT DO?

Most Parliaments in Australia have two houses, the upper house and the lower house. The upper house is the Senate on the Federal level, and Legislative Council on the State level. The lower house is the House of Representatives on the Federal level, and Legislative Assembly on the State level. Traditionally, the Head of Government comes from the lower house, which provides the government with confidence and supply (approval of budget). Queensland is an exception where its upper house was abolished in 1922, making it the only unicameral State Parliament in Australia. Both the ACT and Northern Territory Parliaments are also unicameral.

The lower house is known as the people’s house, where most legislation proposals, or Bills, are initiated. The upper house functions as a house of review, where significant scrutiny is often applied to intricate details of Bills tabled. For example, the Senate often refers Bills to Committees, where people can make submissions and attend hearings to help Senators better understand citizens’ concerns. If you wish to contribute to how our governments make laws, try making a submission next time to a Bill that interests you. For example, in 2012, the NSW Legislative Council held a review into coal seam gas where many concerned citizens made submissions on what they thought.

Bills have to pass both houses, or one house in the case of Queensland, to become law. Technically, it will only become law once the Governor General or State Governor gives Royal Assent on behalf of the Queen. The Governor General has the power of refusing assent, and return the Bill for amendments, or reserve the Bill for the Queen’s pleasure. These powers are not used by convention.

The Parliament decides its own program. This means that any member can raise any issue at any time. Some of common motions used in Parliament include reading a Bill, suspension of Standing Orders, procedural motions, extending working hours, censure a member and dissent a ruling. There is usually a time of the day where Parliament stops whatever it is doing, and holds a questions and answers session known as Question Time. For both houses of the Commonwealth Parliament, it is 2pm on sitting days. During Question Times, questions without notice can be asked to Ministers in relation to their portfolios. On sitting days, the ABC usually broadcasts Question Time on ABC1 at 2pm; from the House of Representatives on Monday to Thursday, and from the Senate on Friday.

Our Parliaments are open to the public, and in Australia, both houses are located in one building. If you are interested in watching Parliament proceedings, why not go to your nearest Parliament and sit in the public galleries to watch our elected representatives at work? All capital cities have Parliaments. For example, the South Australian Parliament is in Adelaide.

Another way to participate in the political process is to sign a petition. Citizens can petition Parliament on any issue they like. Usually it makes sense to petition the relevant Parliament on relevant issues. Parliaments can debate petitions. Some Parliaments automatically debate a petition if it is signed by a sufficient number of people. For example, in New South Wales, a petition signed by 10,000 electors will attract an automatic debate in Parliament.

HOW DO ELECTIONS WORK?

Elections are held regularly in Australia. Members of Parliament are elected at these elections.

Federal elections occur every three years, where the exact dates are determined by declaration of the Governor General upon the exclusive advice of the Prime Minister of the day. Usually, all seats of the House of Representatives and half of the seats of the Senate are up for election. This means that members of the House of Representatives serve for three-year terms, while Senators from States serve six-year terms.

Members of the House of Representatives represent a local electorate. Electorates contain roughly the same number of electors. This means a citizen residing in the electorate of Brisbane can only elect the member for that area. Senators on the other hand represent their entire State. Each State has twelve Senators, half of whom are up for election every three years. Each mainland territory has two Senators whose terms expire at the point of general elections for the House
of Representatives. Traditionally, elections for the House of Representatives and the Senate are held on the same day. However, this is not required by law. A referendum to enforce this tradition was narrowly defeated in 1984.

Elections can occur following the dissolution of a government following a no confidence motion. There is also a unique type of election in Australia called a double-dissolution election. This occurs when the two houses of Parliament repealed disagree over the same Bill in a short period. At a double-dissolution election, all members of all houses are up for election. For example, in 1974, a double-dissolution election was held after the House and Senate disagreed repeatedly over the establishment of Medibank, precursor to Medicare.

For those who are mathematically inclined, vote counting differs for the Senate and the House. For a House seat or electorate, the winner needs to attract 50% plus one vote after preferences. For a Senate seat, a winner needs to attract \( \frac{1}{(\text{no. of available seats} + 1)} \times 100\% + \text{one vote after preferences} \). In a normal general election, this is 14.3% plus one vote within a single State. At least mathematically, it is much easier for small parties and independents to be elected to the Senate; while others maintain that to attract such a sizable vote across an entire State is as challenging as winning a House seat on 50%. On the other hand, some mathematical pundits observe the House method of vote counting is a specific case of the Senate method, where the number of available seats is always one.

A referendum is where a proposal is put to the people. Most of these proposals concern amendments to the Constitution. A Commonwealth referendum requires approval by a majority of voters in a majority of States, as well as an overall majority across Australia including territory voters. This condition is very difficult to achieve. Sometimes, other proposals can also be put to the people. For example, in 2009, there was a referendum in Western Australia on whether it should adopt daylight savings.

WHO ARE THE MAJOR PLAYERS IN POLITICS?

There are many political parties in Australia. At Federation, three parties dominated Australian politics, the Protectionist Party, the Free Trade Party and the Labour Party. Today, major parties include the Liberal Party, the National Party, the Labor Party and the Greens Party. There are also a number of other parties that consistently enjoy support on a State level. For example, the Shooters and Fishers Party enjoys considerable support in New South Wales. Historically, the One Nation party from Queensland and the Australian Democrats from South Australia also held considerable influence in Australian politics.

Australia is a constitutional monarchy. This means we are headed by a Queen or King, whose powers are limited by constitutional constraints. Our current Queen is Elizabeth II. The Queen of Australia also happens to be the Queen of the United Kingdom, despite these being separate legal entities. As such, the Queen resides in London, and is represented in Australia by the Governor General. Our current Governor General is Quentin Bryce. The Queen visits Australia on some occasions. During such visits, the Queen may perform some of her duties herself, such as granting assent to Bills.

An alternative form of government is a presidential republic, such as India and Singapore. Some people prefer a monarchy, while others prefer a republic. These debates can be found everywhere in most liberal democratic countries, including Australia. In Australia, there is also a debate among republicans on how the President is to be chosen. Some favour appointment by Parliament such as in Israel, while others prefer direct election such as in Singapore. In 1999, a proposal was put to the Australian people on whether the Queen should be replaced by a President appointed by a two-thirds majority of the members of the Commonwealth Parliament. This proposal achieved minority in all States as well as an overall minority across Australia.
The Resilient Actuary

“The leaders I met, whatever walk of life they were from, whatever institutions they were presiding over, always referred back to the same failure – something that happened to them that was personally difficult, even traumatic, something that made them feel that desperate sense of hitting bottom—as something they thought was almost a necessity. It’s as if at that moment the iron entered their soul; that moment created the resilience that leaders need.”

— WARREN BENNIS

Resilience is a core leadership attribute and a critical determinant of long term sustainability in the face of the myriad complexities life serves up. The Global Risks 2013 report (the report), issued by the World Economic Forum Risk Response Network, includes a special report: Building National Resilience to Global Risks.

From the perspective of actuarial practice, resilience offers some interesting possibilities in grappling with the dilemma of dealing with the unknown.

To explore resilience, the report categorises risks through two questions:
1. How predictable is a risk’s likelihood and potential impact, and
2. How much do we know about how to deal with it?

Resilience is most important for risks that are difficult to predict and/or where there is little knowledge on how to handle such risks. The majority of global risks identified in the Global Risks 2013 Report fall into this category.

Resilient systems have three key attributes – the ability to (1) withstand, (2) recover from and (3) reorganise in response to a crisis.

To meet this definition of resilience, a system requires three core characteristics (robustness, redundancy and resourcefulness) and two performance criteria (response and recovery).
A. ROBUSTNESS

Robustness describes the ability to reliably absorb and withstand disturbances and crises. Examples include:

- **monitoring system health**: regularly monitoring and assessing the quality of the subsystem ensures its reliability;
- **modularity**: mechanisms designed to prevent unexpected shocks in one part of a system from spreading to other parts of a system can localise their impact; and
- **adaptive decision-making models**: networked managerial structures can allow an organisation to increase or decrease its level of centralised control depending on circumstances.

B. REDUNDANCY

Redundancy involves having excess capacity and back-up systems, which enable the maintenance of core functionality in the event of disturbances. Examples include:

- **redundancy of critical infrastructure**: designing replication of modules which are not strictly necessary to maintaining core function day to day, but are necessary to maintaining core function in the event of crises; and
- **diversity of solutions and strategy**: promoting diversity of mechanisms for a given function. Balancing diversity with efficiency and redundancy will enhance systems’ capacity to adapt.

C. RESOURCEFULNESS

Resourcefulness means the ability to adapt to crises, respond flexibly and – when possible – transform a negative impact into a positive. To do this, industries and communities must be able to build trust across networks and self organise when bigger systems you are part of fail. Examples of resourcefulness include:

- **capacity for self-organisation**: this includes the relationship between social networks and relevant systems, and the existence of institutions that enable face-to-face networking;
- **creativity and innovation**: in countries and industries, the ability to innovate requires spare resources, and the flexibility to cross boundaries between disciplines, organisations and social groups; and
- **safe fail experiments**: in Nicholas Taleb’s recent book, “Antifragile, Things that gain from disorder”, the central theme is that many things grow and get stronger through stress. Allowing many small safe fail tests allows learning and refining that builds resilience.

D. RESPONSE

Response means the ability to mobilise quickly in the face of crises. Examples include:

- **communication**: effective communication and trust in the information to ensure cooperation and quick response from the audience;
- **Inclusive participation**: building a shared understanding of the issues underpinning global risks in local contexts, reduces the possibility of important interdependencies being overlooked, and strengthens trust among participants.

E. RECOVERY

Recovery means the ability to regain a degree of normality after a crisis or event, including the ability of a system to be flexible and adaptable and to evolve to deal with the new or changed circumstances after the manifestation of a risk. Examples include:

- **active “horizon scanning”**: critical to this attribute are multi-stakeholder processes tasked with uncovering gaps in existing knowledge and commissioning research to fill those gaps; and
- **responsive feedback mechanisms**: systems to translate new information from horizon-scanning activities into action – for example, defining “automatic policy adjustments triggers” – can clarify circumstances in which policies must be reassessed.

IMPLICATIONS FOR ACTUARIES

There are many examples of where actuarial practice and the actuarial profession embody the resilient attributes and create resilience systems. Capital standards, resilience testing (for asset liability movements) and cross profession working groups link in to industry and regulatory bodies. Monitoring a system’s health is in the blood stream of the actuary. Modularity is practised through separate statutory funds in life insurance.

Yet in the interests of continuous improvement, I wonder if there are areas that if we were to bring in to our practices would enhance the resilience of the systems we work in even further. Some questions to consider:

- **Robustness** – how well do we practice modularity? What are areas that we could apply modularity further? How well do we share information and methods across other professional groups? How could we improve this further?
- **Redundancy** – do we actively promote diversity of approaches and solutions? From what other fields can we draw on approaches?
- **Resourcefulness** – what examples are there of safe fail experiments in actuarial professional practices. What could the applications be? How well do we innovate across boundaries, co-developing solutions with other fields or professions?
- **Response** – are actuaries perceived as communicating effectively to ensure cooperation and quick responses in times of crisis? Is there a learning there?
- **Recovery** – how well do we apply the actuarial control cycle to refine our policies, processes and models? If we applied the actuarial control cycle to itself, what refinements might that suggest?

If we are to be resilient as a profession, grow and become stronger through challenging times, then continuing to build the notion of resilience in to our practices will be a core leadership attribute for actuaries.
Super in the New World: Benefit Projections and Member Disclosure under Stronger Super

In February the Actuaries Institute held Insights sessions in Sydney (presented by Glenn Langton and Jackie Downham) and Melbourne (presented by Bill Buttler and Richard Starkey). Material for the sessions was prepared by the Superannuation Projections and Disclosure sub-committee of the Superannuation Practice Committee ("the SPD").

At the briefings members were advised about the evolution of the SPD from the previous Benefit Projections Working Group. Issues that the SPD has been working on over the last twelve months were explained and an overview was given of some of the many submissions that the SPD has prepared on behalf of the Institute.

Both presentations emphasised that significant changes have been proposed to the information to be provided to superannuation members. The discussions focused on the Institute’s desire for retirement benefit estimates (and projections) to allow for the age pension, and on the following two letters from the Institute:

(1) 13 December 2012, communication from the Superannuation Practice Committee to Actuaries Institute members.

ASIC Class Order 11/1227 – Relief for Providers of Retirement Estimates

There are a number of situations where actuaries and trustees feel that benefit projections based on Class Order 11/1227 may be misleading. The SPD discussed these with ASIC representatives last June and the December communication records the matters discussed at the meeting. The main outcome was that ASIC representatives confirmed that compliance action would not be pursued if trustees varied from the Class Order requirements to deliver a more accurate projection of benefits, for the situations identified in the Institute’s April 2012 submission, provided the variation is disclosed.

(2) 19 November 2012, submission from the Actuaries Institute to the Australian Prudential Regulatory Authority (APRA).

Reporting Standards for Superannuation

APRA is proposing to collect and report extensive data for all MySuper products and for “select” choice investment options. The Institute submission argued that:

• "fees" should be "fees and "costs" i.e. indirect fees should be reported;
• the regulators should encourage Net Investment Return targets based on AWOTE (wage inflation) but should permit CPI (price inflation) based targets in the short term, because of conflicts with existing investment targets and objectives;
• the proposed Net Return should not be calculated or reported because it can potentially mislead members to make incorrect investment and fund choices;
• reported fees should include specimen annual dollar administration fees and costs per member (and not be expressed as a percentage of assets); and
• reported investment returns should be “Net Investment Returns” i.e. not crediting rates which often include non-investment related amounts and / or reserve movements.

Since the above presentations, ASIC has issued Consultation Paper 203 “Age pension estimates in superannuation forecasts: Update to RG 229”. Pleasingly, this consultation paper addresses the issues identified in the Institute’s April 2012 submission and also proposes that Class Order retirement benefit estimates can include the age pension – which is a change that both the Institute and the Association of Superannuation Funds of Australia have been seeking for nearly three years.

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Recently, I attended the four-day Commercial Actuarial Practice residential course at the Macquarie Graduate School of Management in Sydney. The course attracted students from different parts of Australia as well as from overseas.

Having arrived from Wellington the night before the course, needless to say that I wasn’t the only person who was feeling slightly jet lagged on the first day of the course. The residential course was a mixture of lectures and interactive sessions, where the students in small groups worked through case studies on traditional and non-traditional areas of actuarial practice.

The major part of the first day of the course focused on teaching the concept of contextualisation to the students. The importance of this was drilled into our minds as David Service, Colin Priest and Bruce Thomson emphasised the importance of considering the actuarial issues in the context of the business, the key stakeholders, the broader environment and the client; thus enabling the technically competent actuaries to become more business focused and be able to provide advice that is both relevant and practical to their client. The session on contextualisation was followed up by an interesting and interactive discussion that was facilitated by Andrew Brown on the highly relevant topic of communication for actuaries.

Looking back at the course, not only did the course teach us valuable lessons on contextualisation and communication, it also provided the actuarial students with the opportunity to work together in small groups to solve the questions posed by the case studies and to present the results to a larger group of students for the purpose of generating further discussion of the issues. The latter proved to be a great catalyst for learning. Apart from the educational aspect of the residential course, the course provided the perfect setting for attendees to meet other fellow actuaries and the Institute’s HQ members, as well as providing a golden opportunity for budding actuaries to expand their professional network.
Prizes and Awards

2012 Taylor Fry Silver Prize

The 2012 General Insurance Seminar Taylor Fry Silver Prize is awarded to the authors of a paper considered by the judging panel to have:
• effected significant advance in the profession’s understanding or knowledge of a specific subject or sphere of knowledge; or
• collected or presented existing material in such a way as to raise the awareness of the profession regarding an important contemporary issue.

The 2012 General Insurance Seminar Taylor Fry Silver Prize was awarded to Francis Beens, Stephen Lee and Geoff Atkins for their paper *Gauging the Tort Temperature and the Tort Temperature Scorecard*.

LEPAP Awardees

Congratulations to the following Leading Experienced Practitioners and/or Academics Pathway (LEPAP) awardees for the CERA designation. These candidates were approved by the LEPAP Review Panel as having met the LEPAP criteria and are eligible for the CERA designation after their completion of the CERA requirements.

Gayle ADAMS
Mark BAXTER
Tim CLARK
Tony COLEMAN
Josh CORRIGAN
John B EVANS
John R EVANS
Phillip EVERETT
Sai Cheong FOONG
Tim GORST
Kent GRIFFIN
Matthew HODSON
Nick KULIKOV
Jennifer LANG
Ian LAUGHLIN
Jasmine LEE
Susan LOOI
Gregory MARTIN
Kerrie NOODNAN
Chris O’HEHIR
Ian PERERA
Fred ROWLEY
Angela TATAROW
Annie TAY
Michael THORNTON
Senthamangalam VENKATRAMANI
Andrew WALLACE-BARNETT
Andrew WHITE
Joseph WONG

The following criteria must be met to formally obtain the CERA designation via LEPAP:
• Fellow or Associate;
• LEPAP Review Panel approval;
• attend an Actuaries Institute ERM workshop; and
• CERA application approved by CERA Treaty Board.
Welcome to New Members – April 2013

NEW MEMBERS – AUSTRALIA

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<thead>
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<tr>
<td>Daniel James BARRY</td>
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<td>Brett CARTER</td>
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<td>Oliver CHAMBERS</td>
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<td>Chun Ho Patrick CHAN</td>
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<td>Nikita CHELANI</td>
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<td>Bo CHEN</td>
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<td>Leonie Nastasia CLARKE</td>
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<td>Secilia ERWANDA</td>
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<td>Yichao GAO</td>
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<td>Michael Liam HERLIHY</td>
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<td>Nyasha Clive JENA</td>
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<td>Jeffrey Ryan LAI FAT FUR</td>
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<td>Nicholas Wang-Yip LAU</td>
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<td>Zhiheng LIA</td>
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<td>Li LIN</td>
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<td>Kiyara Prabha MUNAWEERA</td>
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NEW MEMBERS – OVERSEAS

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<td>Shing Chi Emil CHUNG</td>
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<td>Robert John GIBBS</td>
<td>New Zealand</td>
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<td>Kah Choong HO</td>
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<td>Adrian Mah Weng KEONG</td>
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<td>Zhao LIU</td>
<td>China</td>
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<td>Simbarashe Stu George MURAHWI</td>
<td>Canada</td>
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<td>Ying Jie Ryan TONG</td>
<td>Malaysia</td>
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<td>Kelly Tarrin WILKINSON</td>
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Staying Ahead

eLearning: Expanding CPD Opportunities

“You can’t teach people everything they need to know. The best you can do is position them where they can find what they need to know when they need to know it.”
– Seymour Papert, MIT

ABOUT eLEARNING
Good teaching is good teaching no matter how it’s done. This old adage still rings true and eLearning brings with it new dimensions in learning.

Some of the unique features of eLearning include:
• self-paced, giving learners a chance to speed up or slow down as needed;
• self-directed, allowing learners to choose content and tools appropriate to their differing interests, needs and skill levels;
• accommodates multiple learning styles using a variety of delivery methods;
• geographical barriers are eliminated, opening up broader learning options;
• 24/7 accessibility makes scheduling easy and allows a greater number of learners to attend;
• a great way to give employees tools and skills to enhance their performance; and
• enables the global learning community to be included in learning opportunities that they have previously been unable to access.

SOME BENEFITS FOR LEARNERS OF eLEARNING ARE:

“The organisation’s ability to learn and translate that learning into action is the ultimate competitive advantage.”
– Jack Welch, CEO General Electric

• Real-time access — learning does not have to be scheduled as courses can be accessed anytime, anywhere on the internet, intranet, mobile devices or CD.
• Freedom to fail — real learning requires some failure. No one likes to fail in a classroom full of others. eLearning lets you fail without fear. This encourages exploration and the testing of ideas as well as using feedback to start over.
• Improved retention — the use of multimedia in learning can produce a very rich learning experience that uses practice activities with feedback that is repeatable to help learners retain course content.
• Personalised learning — learners want and can have more control of their learning through an eLearning experience that classroom learning does not provide.

“We need to bring learning to people instead of people to learning.”
– Elliot Masie, Masie Center

• Motivation and engagement — the quality of interaction and collaboration in an eLearning environment provides the learner with the motivation to participate and engage in the learning experience. The immediate feedback and personalised attention built into an eLearning application enables the learner to take an active approach to learning and encourages them to be responsible for their own learning development.

“The ability to learn faster than your competitors may be the only sustainable competitive advantage.”
– Peter Senge, The Fifth Discipline

YOU SAID...
As outlined in the March 2013 edition of Actuaries magazine, both the 2012 CPD Survey as well as Capability Assessment Tool data confirm that Professionalism and Risk Management professional development are priority development needs for Members across all geographic locations.

WE HEARD...
The Practice Risk Management eLearning Course is coming! As part of the Institute’s Strategic Plan to increase and improve the CPD opportunities for Members no matter where they are based, an eLearning course – Practice Risk Management – will soon be launched as the first of a planned series of eLearning courses on professionalism topics.

eLearning has definite benefits over traditional classroom delivery. While the most obvious are the flexibility and the cost savings from not having to travel or spend excess time away from work, there are also others that might not be so obvious.
The objectives of the course are for learners to:
• demonstrate an understanding of different practice risk management techniques and tools;
• demonstrate an awareness of failures in practice risk management and consequences of such; and
• be able to identify practice risk management techniques and tools for implementation in their own practice.

Who would benefit from the course?
• Members working at a lower level of seniority and interested in learning how to self-manage the practice management risks in their role.
• Members at a higher level of seniority interested in learning how to:
  - self-manage the practice management risks in their own role; and
  - manage the risks across the broader practice of the firm or employer.
• Members of other associations (both in Australia and overseas) seeking relevant CPD options for compliance with their association’s CPD rules.

The course includes:
• eight units and approximately three to four hours of study;
• study pathway options of “Learn it” and “Apply it” which cater for individual Member needs;
• links to industry best practice;
• case study driven learning including the ability to personally apply learning in a work environment;
• ongoing learning checkpoints; and
• CPD credit for both the completion of the course and evidence of the application of its learning.

Launch
The Practice Risk Management eLearning Course will be launched soon. Look out for launch communications:
• in the Bulletin;
• on the Institute website; and
• in a dedicated email.

Other planned courses
Future topics for further planned eLearning courses include whistleblowing and conflicts of interest.

If you have a particular topic you’d like to suggest, or would like to volunteer to be part of a course development team, please contact anne.peters@actuaries.asn.au or sue.wetherbee@actuaries.asn.au
There is much debate over whether or not open access to technology such as the internet causes productivity to increase or decrease. A 2011 study conducted by market research firm uSamp found that 53% of Americans waste at least one hour a day dealing with various types of distractions and that 60% of those distractions involved the use of tools such as email, social networks and text messages. In spite of the advantages that this technology brings, including improved communications, in response to statistics such as those given above, many workplaces have banned the use of websites such as Facebook and Twitter during work hours, and according to Fair Work Australia, 91 Australian businesses have even gone so far as to include such a ban in their workplace agreement. All of this makes you wonder how people ever managed to procrastinate at work before the internet?

Back in the 1990s, for many people, the answer to that question was Solitaire and Minesweeper. Solitaire has been included in every version of Windows since Windows 3.0 and Minesweeper in every version since Windows 3.1 (although neither are included in Windows 8). Inclusion of these games in Windows was blamed for billions of hours of lost productivity, and in 2006, a New York City worker was fired from his job after his boss, Mayor Michael Bloomberg, caught him playing Solitaire at work. This month’s puzzle is for all those people who contributed to these statistics.

In Minesweeper, players start with an empty grid and must uncover the squares on the grid one at a time to reveal either a mine (in which case the player loses), a blank space or a number. Numbers tell you how many mines are located in adjacent grid squares, while a blank indicates that there are no mines in adjacent squares. The aim of the game is to clear the grid (i.e. to uncover all of the numbers and blanks) without touching any of the mines.

Above right is a partially completed Minesweeper game, with 25 mines hidden in the grid. Some squares (the white squares) have been revealed, but the majority (the blue squares) have not.

For your chance to win a $50 book voucher, locate all 25 mines and email your solution to: inthemargin@actuaries.asn.au

## ARE YOU SMARTER THAN YOUR BOSS?
(Answers below)

1. Richie Sambora is guitarist for which band?
2. What is the currency of the Philippines?
3. Yemen is bordered by which country to the North?
4. In The Three Musketeers, the Comte de la Fere is better known by what name?
5. What is the longest river in Victoria?
6. Titania is a moon of which planet in our Solar System?
7. How many red balls are used in a game of snooker?
8. Up until late 2012, which actor was also a co-owner of the South Sydney Rabbitohs NRL club?
9. What is the symbol for the chemical element tungsten?
10. Who is the Greek equivalent of the Roman goddess Diana?
283 Habits of Highly Popular Actuaries

WHAT TO DO?

We’ve talked in the past about what NOT to do in the office. But what are the best ways to impress and delight your colleagues in the modern workplace?

🌟 Quality work. Just sayin’.
🌟 Take your turn in the coffee run. And, when working late, the dinner run.
🌟 Praise in public, criticise in private (an oldie but a goodie). Praise whenever you get an opportunity.
🌟 Join the office sports team(s). Skills/experience are usually optional. If you’re a female in a mixed team, there will almost certainly be no female subs – your fitness will be tested!
🌟 Be dressed well enough to go into a meeting at any moment. That doesn’t mean (guys) you need to wear a tie 24/7, but look smart! Keep a spare tie in the drawer.
🌟 Got leftover birthday cake at home? We can take care of that. Ditto for other baked goods, and chocolate. More generally, any food that is transportable.
🌟 Think before using “Reply all”. Please.
🌟 Volunteer. Overworked colleagues, R&D projects and worthy committees may be in need of help!
🌟 Admire photos. Colleagues’ babies, weddings, craft projects, sporting triumphs, birthday parties, school reunions – you will enjoy them all.
🌟 Share what you learn. Always popular: Excel tips – there are approximately 4,000 time-saving Excel shortcuts, and it is close to mathematically impossible that you and your work neighbours will have accumulated the same set.
🌟 Got a good doctor, dentist or physio? Recommendations are always needed.
🌟 Equip your workstation with an ‘office emergency kit’: spare towel for wiping up spilt drinks (mine’s got Batman on it – somehow the superhero motif seems right), safety pins for wardrobe malfunctions, permanent marker, masking tape for a multiplicity of occasions (including serious wardrobe malfunctions), paracetamol, sunscreen.
🌟 Communicate on projects: when you’ve completed your part of the work, let the team know.
🌟 Build your noticing skills. These can be applied to workmates’ moods, new hairstyles, clothes, glasses, desk decorations. Never underestimate the happiness you can bring to a colleague by noticing they have lost 5kg.
🌟 Sense of humour. Deploy frequently, always with tact.
🌟 Take negative feedback on the chin. If you’ve disappointed someone, far better to hear about it and find out how to do better next time.
🌟 Start a study group with other students doing the same subject.
🌟 Arrive at meetings on time – without needing to be reminded, hunted down, or called by the meeting organiser. If this catches on, we may yet see the day when the initial stages of a meeting need to happen only ONCE!
🌟 Smile.

🌟 Coach your junior colleagues. As you work together, explain your thinking, so they can learn from it. If you need to correct their work, make sure they know why.
🌟 Be a willing sponsor. Your colleagues will be walking 100km, swimming impossible distances and shaving their heads. Their children will be reading books and doing walkathons. Sponsor to the level you feel comfortable. The rest of your spare cash will be needed for buying charity chocolates for childcare centres.
🌟 Greet your neighbours every morning – please.
🌟 Exercise tolerance. On a daily basis, the lunchroom will be full of people hogging newspapers, not covering their food in the microwave, chewing with their mouth open, reading trashy novels and expressing political opinions.
🌟 Prepare for your performance review. Spend 15 minutes on self-assessment.
🌟 Head to a meeting room or corner of the office for loud phone conversations. Unless they’re genuinely entertaining.
🌟 Entertain visiting children. Toddlers appreciate rides on the twirly chair(s), and what teenager doesn’t want to talk about what they want to be when they grow up? Remember (all ages) to point out how much they’ve grown since you last saw them.
🌟 When a colleague drops by your desk, look up from your work, make sure they know why.
🌟 Communicate on projects: when you’ve completed your part of the work, let the team know.
🌟 Build your noticing skills. These can be applied to workmates’ moods, new hairstyles, clothes, glasses, desk decorations. Never underestimate the happiness you can bring to a colleague by noticing they have lost 5kg.
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🌟 Smile.
How do we want actuaries to be perceived by our employers and clients? A key element of our strategy is that “Actuaries are in demand as trusted advisers and partners to business.” But what does that mean?

What do businesses want and how can we deliver it?

One thing I think businesses want that actuaries can provide is help in making difficult business decisions where the path may not be clear or obvious. Where there are many shades of grey, where the fog of uncertainty is obscuring the decision-making – that is where actuaries come into their own.

But we won’t get key business decision-makers’ attention by talking about uncertainty or shades of grey. “It’s either black, or it’s white”. So said Rob Morrison, Creative Director from OgilvyOne at the recent member consultations on reputation of the Profession.

Now obviously the world is full of shades of grey, so what does this statement mean? President John Newman articulated this well at the sessions when he said that ultimately businesses want a black and white answer: given all of the risks and uncertainty – should we do this or not? At the end of the day a business decision has to be made. They need to press “go” or decide “no”. And sometimes the decisions are difficult and the path is not obvious. There are risks both ways. For example:

- Do we develop our MySuper product now before the legislation is finalised, or do we wait? What is our risk appetite? Given that appetite, how much reinsurance should we put in place and what will the impact be on our capital? Given a recent large event just prior to balance date and we don’t yet know what the claims will be, what should our outstanding claims reserves be? Should we launch this new product and be first to market, or wait until the appeal is clearer and be a close follower?

I think that what our clients want is to be guided through the uncertainty. Sure they need to be aware of all the risks and uncertainties around the issue, and making sure clients understand that is a key part of the actuary’s skill and the value we can add. But we need to do more than this. We should be providing strong recommendations, not just analysis. We should be in the room when the decision is made, not just be there to present some data then asked to leave.

There is a great temptation for actuaries to hide behind uncertainty and complexity, to live in the grey areas when the reality is that clients want black and white. I would argue that some of our training pushes us towards the grey. We are risk averse and are trained to provide the analysis. Many actuaries are happy to give their clients (whether internal or external) advice that goes a bit like this: “on the one hand, but then again on the other hand… you make the decision!” They do not give a firm recommendation. Is that how we want to be perceived? Is that what our customers want?

Our skill set is articulated by OgilvyOne as follows: “Where others wander through a fog of grey, the actuary will find the most likely path.” And another, “the actuary ‘sculpts fog’” – i.e. we provide clarity out of uncertainty.

Many actuaries are very good at providing clear advice and are already seen as valued business advisers. The growth in actuarial consulting roles, where being a valued adviser to business is a necessary survival skill, shows that our advice is valued. There are also many actuaries in corporate roles that are seen as valued business advisers across a range of issues both technical and strategic. But many actuaries don’t do this. In a competitive world, our future survival depends on the majority of actuaries being capable of doing this.

**TRAINING THE ACTUARY OF TOMORROW**

Does the way we train our young actuaries equip them to be able to do this?

My training as an actuary in the 1980s and 90s did not recognise or emphasise the need to gain business acumen or to become an adviser to the whole business. I was one of the lucky generation that was
Melinda Howes
melinda.howes@actuaries.asn.au

granted a scholarship by a Life Office to attend university. During my uni holidays, and then for four years after uni, I worked for that company in life insurance and then group superannuation.

I was trained to do careful analysis, and to present my findings to the actuary who would then draw conclusions and write the necessary report. I received valuable technical training in data programming, valuation and pricing, and I even had a stint in the claims area which did go some way to broadening my understanding of the business.

However I think it’s fair to say that the end result of three years of university and four years of work was that I was taught to analyse and not recommend; to not give answers on the spot but to go away and research then return later with the answer; and I was not given much exposure to other parts of the business so I didn’t gain much business acumen.

Later jobs (outside actuarial teams) filled in the gaps for me. To succeed in my next job in product development I had to make recommendations in very short timeframes and then defend them against conflicting opinions, based firmly on my broad business knowledge. I found this tough! But once I realised it was important, I worked hard at building this skill.

Vice President Estelle Pearson is leading a strategic review of our education program, looking at what we teach young actuaries – what skills we want them to have. I hope that we see things come out of this like teaching some new knowledge areas to keep us up-to-date in the data decade, in business acumen or the framework on which to build it, and training in the skills and the courage required to “put yourself out there” and make recommendations.

Our Capabilities Framework (http://www.actuaries.asn.au/Library/Education/Other%20Education/2012/ActuarialCapabilitiesForTheFuture.pdf) already includes some of this with a capability group around “Contribution to Business Strategy” and an emphasis on communication skills throughout each of the capability groups.

OUR POINT OF DIFFERENCE
What has always distinguished a good actuary from any other professional a business could use? It’s our deep understanding of the business, its risks and what drives its profits. It’s our ability to see the big picture and connect disparate sources of information. It’s our ability to work with the C-Suite and the Board and give them fearless, practical advice which shows them a path of action through the grey areas enabling them to make a decision.

The way we promote the profession and build our reputation needs to draw people’s attention clearly to this unique skill-set of actuaries. I think ‘No grey areas’ is aspirational; it will get attention and let us start the conversation about what we can do.

Feedback from members on the proposal to promote the profession will be reviewed by Council at its next meeting on 11 June. Council had approved this proposal in December 2012 for member consultation. Watch this space for an update on that discussion.
As an actuarial student, the recurring question which comes with the square academic cap is, “What will I do after I graduate?” The most straightforward and obvious response is “Work as an actuary.” But are actuaries only limited to actuarial work? Are there other options available?

In 1662, a draper named John Graunt created the first life table from the data in the London Bills of Mortality. It was a pivotal moment for all actuaries as it marked the start of this ever-growing profession. In 1693, mathematician Edmond Halley was able to estimate the probability a person will survive for a certain period, which gave rise to the well-known $\text{tPx}$ formula used by actuaries today in many incarnations.

The term “actuary” finally made its debut in 1762 when the first life assurance company, The Equitable, associated their CEO Edward Rowe Mores with this professional title. Historically, an actuary was only required to understand life tables and know how to calculate premiums. How have the skills required by actuaries evolved overtime?

By observing the modern day syllabus of the CT subjects, it seems that little has changed over the past three and a half centuries with respect to the skills that actuarial students must adopt. Modern day actuarial students still look at the AM92 life tables, still calculate risk and gross premiums, and most importantly, still try to find the perfect model to predict life expectancy.

But all of these foundations make up only a fraction of the work and capabilities of a 21st Century actuary. Despite being in a society surrounded by the foundations established by our actuarial ancestors (from the obvious insurance businesses, to the general financial sector and even the environmental sector), the most frequently given response when informing someone that ‘I am studying actuarial studies’ is still ‘What is it?’

Actuaries nowadays are no longer just crunching numbers but can be seen as the guardian angels that protect the world from the terrible consequences of natural disaster or economic crisis using their extraordinary mathematical and statistical techniques. This evolution begs the interesting question, did Mores envision the actuarial profession to be as it exists today?

In my opinion, actuarial studies has become more than just preparing a student to be an actuary, but rather equipping them with the skills and tools to apply actuarial techniques in places that need its assistance. The emerging demand for actuaries from industries such as consulting, investment banking and data analytics reflects the value an actuary can add to any company.

Having learnt all of the things that an actuary can do, I am still perplexed by the opportunities that lie ahead after graduation. However, I believe that using the skills and techniques from an actuarial degree in a broader context and in ways that will add value to the community is a rewarding pathway for an actuarial graduate. If more actuarial students adopted a similar psyche, they would see that there are more doors open ahead of them than they once thought. My advice to other actuarial students is that whether you prefer the more traditional actuarial roles in life insurance or the emerging non-traditional areas such as data analytics, you need to find the direction that you want to go because the title ‘actuary’ now has a much broader definition.

It is common that university students will not be sure about what they actually want to do after their studies. Perhaps this is because it is much easier to pick 100 things that they don’t want to do rather than pick one thing that they want.

What roles should an aspiring actuarial student adopt? I believe that it is important to be proactive and to take that extra step to find out what interests you and to apply for any opportunities that will give you a taste of what each role offers.

In the 21st Century, a fresh perspective of actuarial studies as a broad study of business and statistical skills rather than just an avenue to becoming a professional in a specific field of work has emerged. The ever-changing actuarial profession poses both benefits and difficulties for aspiring actuaries and it is up to the new generation of actuaries to decide whether they want to take charge and gain the advantages from all the budding career opportunities or sit back and let the overwhelming evolution of the actuarial profession come to them.
27 May 2013 marks the 50th birthday of the Institute’s incorporation under the then Companies Act. Of course, its lineage is far older – from 1897 to 1918, it was The Actuarial Society of New South Wales, from 1919 to 1959 it was The Actuarial Society of Australasia and from 1960 to 1962, it was The Actuarial Society of Australia and New Zealand. Although incorporated in 1963 as The Institute of Actuaries of Australia and New Zealand, its name was changed to its current form on 3 June 1977.

A WALK DOWN MEMORY LANE...

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<th>THE PROFESSION</th>
<th>AUSTRALIA</th>
<th>THE WORLD</th>
</tr>
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<tbody>
<tr>
<td>The Institute’s President was Mr E H Templeton FIA who gave his Presidential Address on the functions of the Institute, forecasting, design of superannuation plans, life office superannuation, interest rates by year of investment and capital appreciation</td>
<td>Robert Menzies was Prime Minister</td>
<td>The Lamborghini (car) was born</td>
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<td>There were a total of 281 members on 27 May 1963 – 114 Fellows; 26 Associates, 62 Students and 79 lay members</td>
<td>British nuclear tests at Maralinga ceased</td>
<td>Martin Luther King Jr delivers his famous “I have a dream” speech</td>
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<td>The AM Parker Prize Fund was established with the donation of £2,000 by Mr Parker</td>
<td>Indigenous Australians given the right to vote in Federal elections on the same basis as other electors</td>
<td>President John F Kennedy is assassinated, as well as his accused assassin, Lee Harvey Oswald</td>
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<td>The Life Offices Association offered to (and did) provide the Presidential Medallion</td>
<td>John Eccles shares the Nobel Prize in Physiology or Medicine for his work on the synapse – he is announced as Australian of the Year</td>
<td>Author C S Lewis dies, as does Pope John XXIII</td>
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<td>Surplus for the four month period from incorporation to end of financial year (30 September) was £195,15.5 ($5,038.92 in 2012 dollars – $17.93 per member)</td>
<td>International Direct Dialling became possible with the opening of the Commonwealth Pacific Cable – part of a scheme to connect the British Commonwealth by telephone</td>
<td>France and West Germany sign treaty of cooperation ending four centuries of conflict</td>
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<td>Income for the period was derived from: subscriptions (£299.5.0)</td>
<td>The top song of the year was I want to hold your hand by the Beatles</td>
<td>British Secretary of War, John Profumo, resigns in the wake of an affair with Christine Keeler, a teenage showgirl who was also involved with a Soviet naval attaché</td>
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<td>convention fees (£368.0.0)</td>
<td>Margaret Court becomes the first Australian to win the Ladies’ Singles at Wimbledon</td>
<td>Washington to Moscow “hot line” communications link opens, designed to reduce risk of accidental war</td>
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<td>tuition fees (£11.0.0)</td>
<td>Population: 10.95 million</td>
<td>Population: 3.205 billion</td>
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