

## Society of Actuaries in Ireland reaches 50<sup>th</sup> Anniversary

The Society of Actuaries in Ireland was founded at a meeting in the Russell Hotel, St. Stephen's Green, Dublin on Wednesday, 3<sup>rd</sup> May 1972.

At that time, there were 17 actuaries resident in Ireland. The original aims of the Society were to provide a forum for actuaries to discuss matters of professional interest and to promote the actuarial profession in Ireland.

Today, the Society has over 2,000 members and the scope of activities carried out by the Society and by individual members has widened considerably. Our **Vision** is that Actuaries are trusted as experts in evaluating risk and financial uncertainty. Our **Mission** is to:

- **Support actuaries throughout their career** so that they have the skills, attributes and knowledge appropriate to their roles and the current and future needs of actuarial practice;
- **Develop, maintain and enforce actuarial standards** that require actuaries to advise their clients with integrity, professionalism and objectivity;
- **Serve the public interest** by promoting thought leadership and contributing as an independent voice on matters where an actuarial perspective can add value.

On our 50<sup>th</sup> Anniversary, Tuesday, 3<sup>rd</sup> May 2022, it will be my pleasure and privilege to host our 2022 [President's Conference](#) on the theme "Megatrends: Shaping our Future". Keynote speaker James Maher (Partner/Principal, EMEA Insurance, Ernst & Young Business Advisory Services) will set the scene. I will then explore the themes introduced by James with a panel of experienced actuaries.

For a preview of James' presentation, read his note below on "A profession with Purpose".

I look forward to commemorating and celebrating the Society's 50<sup>th</sup> Anniversary on 3<sup>rd</sup> May and at other events during the coming year . . . details to follow!

### Sheelagh Malin

#### President

#### COUNCIL

## **2022 President's Conference – Theme: "Megatrends: Shaping our Future"**

Below, James Maher, FSAI, keynote speaker at the 2022 President's Conference, shares some thoughts on topics that will be explored at the conference.

*Disclaimer: The views expressed below are those of the author and do not necessarily reflect the views of the author's employer or any other party.*

### **A profession with Purpose**

As we observe the pace of change around us and the many voices and choices that abound, it is important that we continue to focus on our core priorities as a profession and as a society (by which I mean society at large).

Emerging from the confluence of political, demographic, technological and environmental factors, at the 2022 SAI President's Conference we will distil the key priorities for consideration over the coming 5 to 10 years.

### **Our voice on Sustainability and (In)Equality**

Set in the context of a need to shift, as a society, to an equitable and sustainable future as coherently and comprehensively outlined by the Intergovernmental Panel on Climate Change (IPCC) in their [6<sup>th</sup> Assessment Report](#), we need to consider the role of Finance in the transition to our chosen future state together with the impact of the changes on the private and public finance.

As a finance sector in general and as a profession most closely tied to the insurance and pensions industries, we have a front row seat in this transition and are well placed to raise our voices on the need for change and the impact of choices.

Specifically, we can note the following:

#### **Long Term Value and Beyond**

With a continued expansion of inequality of income and wealth on a global level, we now have a clear correspondence in terms of consumption and production of greenhouse gasses. Furthermore, it is increasingly apparent that the consequence of a failed transition will fall most severely on developing countries and populations.

For the private sector, there is a recognition of the need to look beyond shareholder value into a more integrated stakeholder value consideration. This now has to push on further with an extension of the stakeholder set to a much broader social consideration and with the addition of climate change.

#### **Protection Gaps**

Protection gaps still persist across the globe, whether in protection against natural catastrophes, affordability of retirement income, access to and provision of healthcare and more recently new risks such as cyber risk. The protection gaps span public and private provision and are inextricably linked to the primary forces of demography, technology, politics and environment. As we roll forward on our current trajectories, it is more likely than not that these gaps and shortfalls in

protection will increase rather than decrease. To halt and reverse these trends will take concerted public and private effort and will integrate closely with the ambitions of sustainability.

### **Better business models**

The insurance industry has been adapting to many external forces over the last decade since the financial crisis. Among these, low interest rates and enhanced regulations have been a constant challenge for the sector. This has led to significant restructuring of the industry with the emergence of many new actors, some with a view on the future through a redefinition of the insurance value chain and ecosystem with a “digital first” agenda. In particular, the personal lines non-life sector has been investing heavily in its digital future. The life insurance sector, which has been most significantly impacted by the low interest rate cycle, has in the first instance looked at restructuring its ownership models, with the emergence of back book aggregators, and its asset base, with a divergence between capital-light business models and those seeking to re-risk portfolios for better returns. These changes have not always served the customers as well as they could or should. We have however recently seen a cyclical shift within the sector to stop looking outside for change and instead to look internally at operating models and technology. We appear to be in the early stages of a major restructure and technological innovation in the life and pension sector.

### **The great resignation**

There are many themes lurking under the covers of the “great resignation” and for sure we need to look at them through the broader lens of the “future of work”, incorporating who is working, how are they working and where are they working. It will not be the primary focus of the President’s Conference session to address that particularly broad-based topic. However, there are two key themes that are pertinent to the agenda. The first is an outward-looking consideration, allied to the protection gap theme, being a consideration of how to adapt the insurance and pensions sector for a more fragmented work force and to ensure that there is access to both public and private insurances. The second is access to talent and the preservation of access to talent for organisations.

In particular, the organisation of work and the creation of partnership models and ecosystems has led to a much richer but more complex set of target operating models for organisations and for those who operate within them. Within this complex and fragmented context, the articulation of personal career paths that integrate both vision and purpose together with an understanding of the operating environment becomes more important for individuals to navigate their multi decadal careers.

### **Conclusion**

We are at an inflexion point as a society and as industries where we have the opportunity and the obligation to choose the path for our planet and ecosystems. To one path we can direct attention to matters of climate, sustainability and equality and the other path leaves open a path of rising climate risks, geopolitical instability and worsening inequality. Whatever the path we choose, we will be responsible for it and of course experience the consequences, and we will adapt and respond to the challenges.

As responsible professionals, and collectively as a responsible profession, with an understanding of the context in which we find ourselves, we need to ensure our voice and more importantly our leadership is heard and felt on the choices that lie before us.