27th International Congress of Actuaries



Wider Fields A Canadian View

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MMC Enterprise Risk Consulting
Session 98





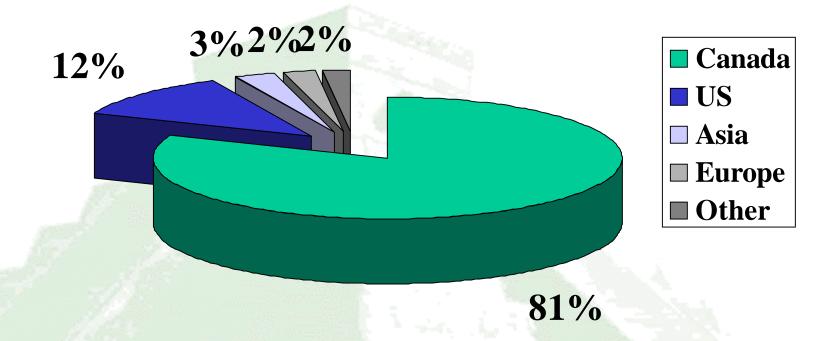
Perspectives

- Overview of "wider fields" actuaries within the Canadian Institute of Actuaries
- My own role as a risk management consultant
- Outlook for "wider fields" actuaries in the future





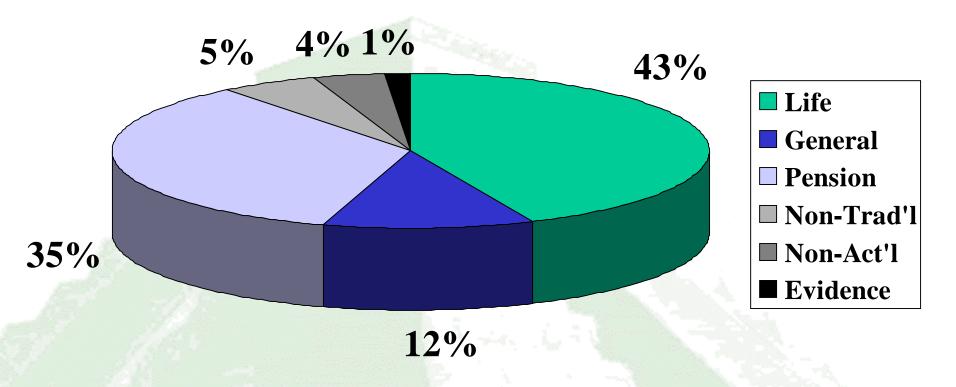
Split of CIA Fellows by Country







Split of CIA Fellows by Practice



Canadian Institute of

Wider Fields actuarial work (now 10% of total vs 8% two yrs ago)

■ Non-Traditional

> Investment management, risk mgt., teaching, software, pension fund mgt. within employer

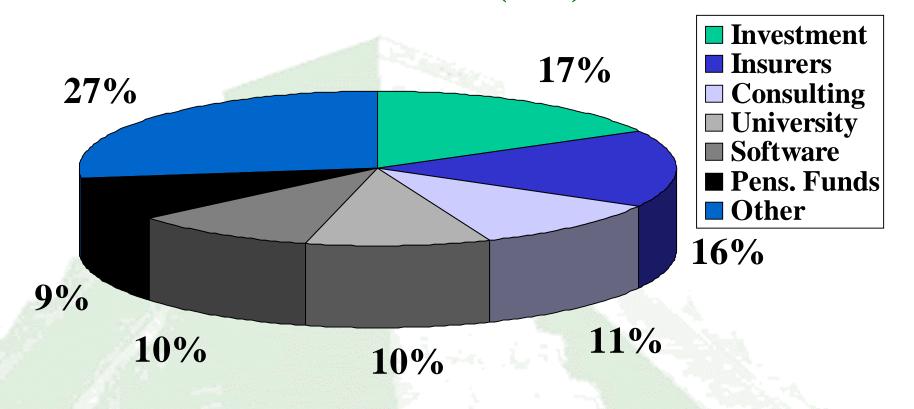
■ Non-Actuarial

> Senior management role or work not thought to be actuarial in nature

■ Expert Evidence



Split of "Non-Traditional" CIA Fellows (118)

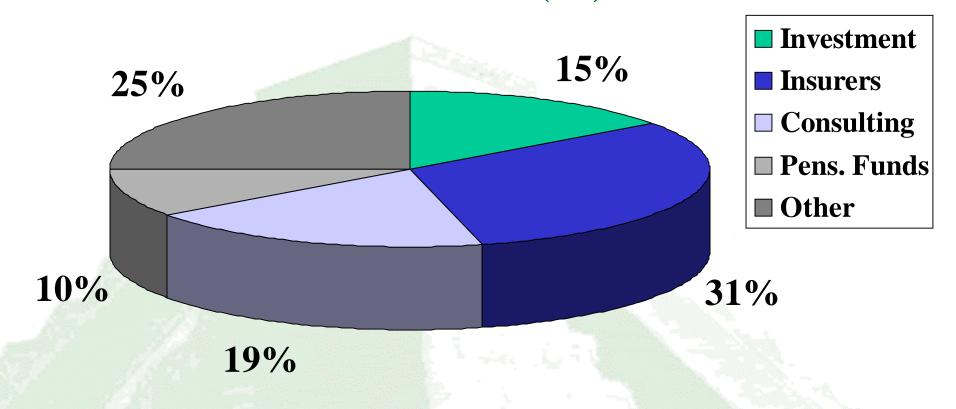








Split of "Non-Actuarial" CIA Fellows (85)







MMC ENTERPRISE RISK

ERM Defined

Enterprise Risk Management – the process of systematically and comprehensively identifying critical risks, quantifying their impacts, and then developing and implementing integrated risk management solutions - aligning strategy, people, processes, and technology - to maximize enterprise value.



MMC ENTERPRISE RISK

Phase I: DESIGN FRAMEWORK

Phase II: INSTUTIONALIZE FRAMEWORK

DIMENSIONS THE RISKS TO PROVIDE THE FOUNDATION FOR A ERM PLAN PRIORITIZES THE
RISKS
SYSTEMATICALLY TO
CREATE FOCUS

ENABLES AN EFFICIENT PLAN OF ACTION GETS EVERYONE ON THE SAME PAGE IDENTIFIES AND EXECUTES THE REAL SOLUTIONS AT THE RIGHT TIME PROVIDES THE
INSIGHTS TO
QUICKLY
ADJUST THE
PLAN AS
EVENTS
CHANGE

DIAGNOSTIC

ASSSESSMENT

ENVISON

TECHNOLOGY Strategy

PLAN OA

) SEO

MONITORING

ACTION

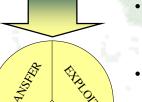
PROCESS

 What are the key risks affecting value?

- Which can I control?
- severity and frequency?

· What is their

- How are they integrated?
- How do they vary over time?
- What does ERM mean for you?
- How can an ERM process fit into your culture & structure?



MITIGATE

- What data is needed to manage risk?
- To whom should it go?
- In what time frame?
- For what purpose?
- With what tools?

MANAGING

- How does the external world affect the ERM plan?
- What are the road blocks?
- How can they be removed?



Outlook for the future

- Growth areas will be based on individual initiative especially where supported by actuarial profession
- Growth areas may include:
 - → market risk
 - → credit risk
 - → operational risk
 - → risk management
 - → capital assessment/allocation



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Thank you!

A New Millennium.

A New Challenge for Actuaries

