CASUALTY ACTUARIAL SOCIETY

100 Years of Expertise, Insight & Solutions

STRATEGIC PLAN

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# Casualty Actuarial Society Strategic Plan

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1 Overview

The Casualty Actuarial Society (CAS) has developed the following strategic long-range plan. It describes a desired vision and what will be essential to achieving that vision. It is grounded in core ideology and driven by an envisioned future that realizes the full potential of the CAS to serve its stakeholders. The commitments of the CAS are articulated in goals that declare the outcomes or attributes we intend to achieve. Objectives represent key metrics affecting the ability of the CAS to achieve each goal and articulate the direction in which these issues must be moved. Strategies describe how the CAS plans to commit its resources to make its vision a reality.

In the future, the CAS must adapt to myriad different needs of a constantly evolving membership who operate in a dynamic marketplace. Therefore, underlying this plan is the adoption of an ongoing process of planning and thinking strategically, designed to ensure relevance of direction and action over time.
2 10-30 Year Planning Horizon: Core Ideology

Core Ideology
Core ideology describes an organization’s consistent identity that transcends all changes related to its relevant environment. Core ideology consists of two notions: core purpose – the organization’s reason for being – and core values – essential and enduring principles that guide an organization.

Core Purpose
To advance and promote the practice and application of casualty actuarial science by continually expanding the body of actuarial knowledge as it applies to property & casualty and similar risks, by expanding the practice into wider areas of application, by establishing qualification standards, by delivering basic and continuing education programs, and by sustaining high standards of conduct and competence for casualty actuaries.

Core Beliefs and Values

- **Collaboration** – We value the opportunities to work with other organizations to address problems related to property & casualty and similar risks. We value the relationships and the knowledge we gain through cooperative efforts with geographically and professionally diverse teams.

- **Community** – We value the membership community and the relationships formed through professional and volunteer activities. We believe that open discussion and debate advances our body of knowledge. We work together as members to improve and promote our practices, profession, and organization. We value a strong community, built on mutual respect and professionalism.

- **Continual Improvement** – We demonstrate commitment to stay current on the latest developments in actuarial science, to advance the body of actuarial science research, and to look for solutions to actuarial issues that are beyond the obvious explanations.

- **Professionalism and Integrity** – We set and demonstrate standards of excellence for the granting of qualifications of membership; we operate to high standards of knowledge, practice, and principles; we abide by a strong professional code of conduct.

- **Practicality** – We advance the practice of actuarial science through the application of actuarial methods and research in creative, practical ways. We use cognitive and analytical skills to develop creative, practical solutions to a wide range of complex business problems.
3 Envisioned Future

Big Goal
The CAS will be recognized globally as the premier organization in advancing the practice and application of casualty actuarial science and educating professionals in general insurance, including property & casualty and similar risk exposures.

Vivid Descriptions
- CAS members will be sought out and valued by insurers and other enterprises worldwide for their advice and insight in solving complex business problems and risk-oriented challenges. CAS members will enjoy professionally satisfying employment opportunities. Actuaries will be seen worldwide as business leaders and as trusted advisors to business leaders.
- Worldwide, actuaries, academics, students, regulators, and the public as well as national and regional non-life actuarial organizations, will be drawn to the CAS as the go-to resource in our defined practice areas.
- CAS Basic and Continuing Education will be viewed as the gold standard, a badge of high competence and respect.
- Other actuarial organizations will view the CAS as a key partner in developing research and delivering property & casualty actuarial education. Other organizations will recognize the CAS as the leading collaborator when developing casualty actuarial research and education. Actuarial degree programs (including math, statistics, etc.) will want to have a property-casualty component and will look to the CAS to partner on these efforts.
- Globally, leading practitioners will want to influence casualty actuarial science by joining the CAS.
- Individuals seeking a career as actuaries will seek a CAS education option to prepare for a career in property & casualty. Globally, the CAS credentialing program will be the program of choice for attracting the top candidates.
- The application of property & casualty practices and principles will be expanded to embrace new practice areas enabled by emerging technology.
- The CAS will be seen as the leading provider of casualty actuarial research, education and innovation, and an integral part of the insurance industry. Other organizations, regulators, and academic institutions will seek us out for our valued advice and resources.
- CAS members will consider it a privilege to belong to such a prestigious community of talented colleagues. They will value their investment in the CAS and will give back to the organization through volunteer engagement and involvement.
4 5-10 Year Planning Horizon: Assumptions About the Relevant Future

Demographics, Social, Cultural, and Career Values
1. CAS members will have continued increased diversity – location, cultural, country of origin, mobility.
2. Continued developments in technologies will provide more effective means to work and communicate across geographies.
3. Language differences will continue to be a communication issue, including written materials, oral communications and cultural views. However, English will continue to be the most common language used for international business, but not for local business in many countries where English is not a common second language.
4. Membership needs will be different for members around the world because of different cultures.
5. The CAS volunteerism model will not be accepted in many cultures, and perhaps will decrease even in the traditional base of CAS members. It may be necessary to shift responsibilities among volunteers and CAS Staff.
6. The perceived value of the actuarial career path will remain high.
7. Some countries will value more sophisticated and theoretical approaches (e.g., statistical modeling); others will value simplicity and practicality.

Economic Climate
1. Employers cutting costs could impact professional memberships and volunteer participation of members.
2. If the economy places higher value on skills, there will be greater demand for CAS members.
3. If measurement of risk becomes more valued, CAS members will be in higher demand.
4. There will be competition for education of actuaries around the world.
5. We will continue to see volatility in the economy.

Nature of the Profession
1. Portability and value of skills will be key drivers (i.e., being able to practice in multiple geographies).
2. Broader business and communication skills are going to be needed.
3. There will be professions overlapping current roles of actuaries and vice versa.
4. Risk assessment will play a larger role in actuarial skills.
5. The demand for specialization in the actuarial skill set will heavily increase but actuaries will continue to need general skills so as not to limit their careers.

Legislative and Regulatory
1. The movement toward assessment of risk will continue.

2. Actuaries will need to establish their value in new regulatory regimes. Actuaries are not clearly recognized as the profession to perform all specific risk functions.

3. With potential migration of parts or all of the U.S. regulatory system from state to federal, the actuarial role could change.

4. Actuaries will be charged to spend more time in documentation and study of data quality.
5 3-5 Year Planning Horizon: Action-Oriented Goals

Goals are outcome-oriented statements that represent what will constitute the CAS’s future success. The achievement of each goal will move the CAS towards the realization of its vision. The goals are not in any order of priority. Every goal will need to be accomplished if the CAS is to fully achieve its vision.

On the next pages, each goal is accompanied by a set of objectives, which represent key issues affecting the CAS’s ability to achieve the goal and articulate milestones against which to measure progress. Objectives that have been underlined have been identified as priorities for the coming year.

**Goal #1: Basic Education**
Future CAS members will be provided with a basic education system that reflects contemporary and relevant analytical techniques utilizing new technologies for delivery and validation.

**Goal #2: Continuing Education**
Continuing professional development programs will support the needs of all members globally in established and emerging areas of expertise.

**Goal #3: Influence and Outreach**
The CAS and its members will reinforce the value proposition that the CAS brings to its stakeholders and enhance members’ influence on business decisions and visibility among the general public on issues related to risk.

**Goal #4: Research**
The CAS will be recognized globally for developing and publishing practical applications of cutting-edge research in property & casualty topics.

**Goal #5: Professionalism**
The CAS will support activities that continue to enhance confidence among stakeholders and that promote the highest quality of work among CAS members.

**Goal #6: Membership Community**
Members will value participation and membership in the CAS community.
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Goal #1: Basic Education
Future CAS members will be provided with a basic education system that reflects contemporary and relevant analytical techniques utilizing new technologies for delivery and validation.

Objectives
1. Improve communications and relationships with candidates and academics.
2. Increase the scope and breadth of statistics on the syllabus and decrease the amount of less relevant material.
3. Increase the use of technology in the delivery of educational material and in the validation of candidates' mastery of the syllabus.
4. Continuously review and refresh the Syllabus learning objective to reflect the skill sets necessary for the future actuary to be successful.

Goal #2: Continuing Education
Continuing professional development programs will support the needs of all members globally in established and emerging areas of expertise.

Objectives
1. Increase the involvement of non U.S.-based actuaries in the planning and delivery of continuing education opportunities sponsored by the CAS for general insurance actuaries worldwide.
2. Expand partnerships with experts in content delivery.
3. Increase the use of technology to deliver interactive programs.
4. Solidify partnerships with other organizations that work closely with CAS members in common business sectors (e.g., The Institutes, RIMS, National Association of Insurance Commissioners, Insurance Information Institute).

Goal #3: Influence and Outreach
The CAS and its members will reinforce the value proposition that the CAS brings to its stakeholders and enhance members’ influence on business decisions and visibility among the general public on issues related to risk.

Objectives
1. Enhance the perceived value of CAS and CAS credentials among employers and principals.
2. Develop strong relationships with academics and increase awareness among academics of the CAS career path.
3. Increase the perceived value of CAS and CAS credentials among members and candidates.

4. Increase and influence visibility of the CAS among other actuarial/risk management organizations worldwide. Increase public interface through the American Academy of Actuaries and Canadian Institute of Actuaries to spread the word about what CAS members do.
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Goal #4: Research

The CAS will be recognized globally for developing and publishing practical applications of cutting-edge research in property & casualty topics.

Objectives

1. Increase engagement with other actuarial and non-actuarial organizations and professions worldwide to increase the depth and breadth of research in General Insurance topics.

2. Increase funded research initiatives to create and publish new research papers on General Insurance topics.

3. Expand awareness of CAS research call paper programs, publications, archive and delivery systems (inside and outside the CAS).

4. Enhance our digital publication, search, and archive tools to enable CAS to track readership and ratings of published research.

5. Improve practicality of funded and volunteer research. Research should come with examples of practical applications that can be readily applied by practicing General Insurance actuaries.

Goal #5: Professionalism

The CAS will support activities that continue to enhance confidence among stakeholders and that promote the highest quality of work among CAS members.

Objectives

1. Clarify continuing professional development requirements for CAS members practicing worldwide and promote more cost effective ways in which members can meet continuing education requirements.

2. Promote awareness of the CAS’s counseling and discipline process worldwide and motivate reporting of potential discipline issues among members and stakeholders.

3. Support the ABCD in the publication of both hypothetical and real counseling and discipline cases for the edification of members and the public.


5. Encourage and support the American Academy of Actuaries in developing an ethics guide for (casualty) actuaries.

Goal #6: Member Community

Members will value participation and membership in the CAS community.
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Objectives

1. Improve understanding of what members expect and value and how those expectations might differ among various demographic segments of the membership and candidates.

2. Increase outreach opportunities to connect with potential candidates.

3. Expand and promote existing tangible and intangible benefits associated with membership.

4. Cement existing and establish new networking vehicles to improve connectivity of membership and current and potential candidates.
6 Strategic Planning Process Notes

In developing this strategic plan, a framework for planning was utilized, based on a model that organizes conversations about the future into four distinct planning “horizons.” This framework helps organizations in prioritizing and executing outcomes as well as in ensuring relevance of long-range direction over time.

*Envisioned future.* The “four planning horizons” framework consists of crafting a comprehensive strategic direction based on the balance between what doesn’t change—the timeless principles of our core purpose and core values (core ideology)—and what the CAS seeks to become within a long term, but finite planning horizon—what would be possible beyond the restraints of the current environment. The long-term horizon is characterized by the articulation of an envisioned future—a BAG (big audacious goal)—and a vivid description—what it will be like to achieve the goal.

*Critical factors.* The articulation of the envisioned future guides the CAS as it considers the factors that will affect its ability to achieve its goals. Building foresight about the 5- to 10-year horizon (assumptions, opportunities, and critical uncertainties in the likely relevant future as well as emerging strategic mega-issues) suggests critical choices about the potential barriers the CAS will face. This foresight also suggests the responses the CAS will need to consider in navigating its way toward achievement of its long-term goal, or BAG.

*Strategic plan and operational planning.* The linkage continues into the 3- to 5-year horizon through the development of a formal long-range strategic plan, in which the CAS articulates the outcomes it seeks to achieve for its stakeholders.

- How will the world be different as a result of what the organization does?
- Who will benefit and what will the likely results be?

In developing an annual Operational Plan, CAS staff and volunteers develop strategies that define the people, dollars, and time resources devoted to making incremental progress toward the long-range goals. Action plans, checkpoints, and milestones help to define resource needs and monitor progress.

A strategic long-range plan is not intended as a substitute for the annual operating plan. It does not detail all the initiatives, programs, and activities the organization will undertake in the course of serving its stakeholders and the community, nor can it foresee changes to the underlying assumptions on which key strategic choices were based. Instead, the strategic plan identifies what the CAS is not doing today, but must be doing in the future to be successful. Consequently, the strategic plan implies change—doing new things or doing more or less of current activities to ensure successful outcomes. Therefore a formal Strategic Plan review should be held.
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annually, whereby CAS Leadership can assess changes in the environment, continued relevance of purpose, values, vision and goals, assess progress made in the previous year, and set strategic priorities for the coming operational planning year.
Strategic planning for the CAS should become the methodology for the organization’s operations. If it is successful, this process will not have yielded a plan to be placed on the shelf, but will have served as a catalyst for the “process of planning strategically” at all times and at all levels throughout the organization. In order to achieve its vision, the CAS must not look at strategic long-range planning as a one-time project that produces a milestone document of its best thinking at the moment. Instead, the CAS must adopt strategic planning as an operational philosophy of ongoing reevaluation of the critical knowledge bases that form the framework of its world, including:

- Sensitivity to stakeholder and community needs; insight into the future environment.
- Understanding of the capacity and strategic position of the organization.
- Effective analysis of the ethical implications of policy, program, and service choices.

This strategic long-range plan represents a compass the CAS will use to guide its work over the next five years. Each year of its life, the plan will be updated based on experience or new circumstances or as new opportunities or challenges emerge. In 2017, the CAS should author a new strategic long-range plan based upon the new environment expected to exist in a rapidly evolving world.