




Testing New Syllabus Material

By Shira Jacobson, FCAS, Candidate Liaison Committee

The CAS syllabus evolves over time to reflect ongoing changes in actuarial knowledge and practice. Much research and discussion precedes changes to the syllabus – the Syllabus Committee understands that syllabus changes require corresponding changes in candidates' exam preparation. When new material is added, it is because the material is deemed important to understanding an exam topic, or because it better addresses the learning objectives than a paper it replaces.

In some cases, the first exam questions to address new syllabus material have been broad or introductory. However, candidates should be prepared for questions on new syllabus material to be comparable in level and style to other exam questions. The Examination Committee views the syllabus as a whole and aims to develop exams that address the learning objectives. As a result, questions on new syllabus material may require as thorough

an understanding as that of materials with a longer history of testing.

New syllabus material may require candidates to vary their study habits, since there is not a bank of historical exam questions available for study and reference. If you have questions about new syllabus material, a first step would be to examine what elements of the paper address the learning objectives and knowledge statements listed in the syllabus. Next, consider talking to other actuaries you work with. If there are any examples in the paper, make sure you can work through them independently. Look at the syllabus as a whole and try to relate the new material to other syllabus papers. Most of all, just remember that new papers or books are on the syllabus for a reason, and while you may have to spend some extra time and effort to understand the material, you can reap the benefit on exam day. 

DATES TO REMEMBER

MARCH 2009 EXAMS REFUND DEADLINE

Exam I/P
March 9, 2009 and cancellation of appointment by noon of the second business day before test appointment

MAY 2009 EXAMS REGISTRATION DEADLINE

There is only one deadline for each set of exams. Late registrations will not be accepted.

March 25, 2009
Exams 2/FM, 3F/MFE, and 4/C

April 2, 2009
Exams I/P, 3L, 5, 7, and 8

MAY 2009 EXAMS REFUND DEADLINE

Exams 3F/MFE and 4/C
April 30, 2009

Exam 2/FM
May 4, 2009

Exams 3L, 5, 7, and 8
May 7, 2009

Exam I/P
May 11, 2009

JULY 2009 EXAMS REGISTRATION DEADLINE

There is only one deadline for each set of exams. Late registrations will not be accepted.

May 28, 2009
Exam I/P

JULY 2009 EXAMS REFUND DEADLINE

Exam I/P
July 6, 2009 and cancellation of appointment by noon of the second business day before test appointment

CAS SEMINARS AND MEETINGS

RATEMAKING AND PRODUCT MANAGEMENT (RPM) SEMINAR

March 9 – 11, 2009


The Mirage
Las Vegas, Nevada

ERM SYMPOSIUM

April 29 – May 1, 2009
Sheraton Chicago Hotel
Chicago, Illinois

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Information Posted Online about Fall 2008 Pass Marks for Exams 6 and 9

Examination Committee Chairperson Daniel Roth has posted an article under “Notes from the Examination Committee” in the “Admissions/Exams” section of the CAS Web Site that discusses the pass marks for Exams 6 and 9 for fall 2008. The article is also linked from the online version of this edition of *Future Fellows*. 

Insurance Versus Consulting: Myths—Part 2

By Yvonne Palm and Fiona So, Candidate Representatives to the CAS Candidate Liaison Committee

In the December 2008 issue of *Future Fellows*, we uncovered three common myths about working in an insurance company versus working in a consulting firm and now will discuss three more. Once again our interviewees are Ms. Elaine Lajeunesse and Mr. Benny Yuen, actuaries who have worked in both environments.

Myth 4: In consulting, you tend to gain exposure through a wider variety of experiences, but your experience lacks depth whereas in an insurance company, you tend to “work in a silo” gaining expertise in an area, but not getting the big picture.

Both Mr. Yuen and Ms. Lajeunesse agree with this statement but treat it as more of a challenge in reaching goals rather than a setback.

In consulting, you must be mindful of this challenge and aim to gain more in-depth knowledge, ask questions, and test assumptions. Mr. Yuen maintains that as a consultant it is very important that you have your own personal brand. Once you identify an area that you like, be more proactive in learning about it and seek projects that allow you to go more in-depth in that area. In insurance you become knowledgeable in one area quickly as you see many aspects of a particular process from beginning to end, notes Ms. Lajeunesse, but there is the danger of not seeing the big picture and getting into a repetitive cycle.

Mr. Yuen advises that, as you rotate through departments, try to proactively seek how the pieces are tied together to see the big picture. You should not just blindly do what someone asks, but find out how it fits into the big picture and what it means to the company. An individual may work in consulting, have a variety of work at his/her fingertips, but still fail to see the big picture. In insurance “doing the same thing over and over again for ten years does not necessarily make you a ten-year expert,” Mr. Yuen adds. It is the experience you get from digging into the work, trying to approach it from a different angle, observing the outcomes and reacting to them that makes you an expert. Ms. Lajeunesse adds that picking up knowledge wherever you are is very important – data reconciliation, although not the most interesting work, is an excellent opportunity for learning fundamental concepts.

Myth 5: A candidate entering the work force should start in insurance, pass exams there, and then move to consulting.

The reality is that this happens often. As Mr. Yuen puts it, however, it is not the “magic solution.” In past years, this was probably the case simply because new college graduates were

not offered jobs in consulting. The environment is changing and more candidates are entering the consulting arena straight from college, but there are still more positions available in insurance companies than there are in consulting for both experienced actuaries and new graduates. Many candidates believe starting at an insurance company is the best option due to the general perception that if you are in consulting you will not pass exams because of your workload. Ms. Lajeunesse says that the work hours depend more on how you set your own boundaries and should not be a factor here. She adds that she actually passed exams faster when she was in consulting because, as she explains, “I felt the need to be more disciplined and motivated.”

Mr. Yuen stresses to candidates that having a designation behind your name is not what makes you a good consultant since there are many other factors that contribute. Being a well-rounded actuary who is able to see the big picture is definitely a huge part of it, and most people who gloss over their work just to focus on their exams find it hard to attain this. You need to be more outward focused and be business minded in addition to having good people skills.

Myth 6: People skills are more important for a consulting position than for an insurance position.

Mr. Yuen responds that good people skills are important no matter what environment you work in. He defines people skills as encompassing effective communication skills in both large and small group settings, having good negotiation and conflict resolution skills, and being able to build trust with people, among other skills. People skills are more critical early on in your career in a consulting environment because of interaction with clients, so consulting companies tend to look for strong communication skills when hiring. However, as you move higher up these skills become important in both environments because you will have to interact with other executives—actuaries and non-actuaries alike. He adds that there seems to be an inverse relationship between a candidate’s interaction with other professionals and the size and type of his or her employer. In large insurance companies, you do not generally interact much with other professionals, except perhaps the claims department, whereas in a small insurance company, you tend to interact with many different professionals because you may “wear many hats.” On the contrary, you tend to interact more with other professionals and different types of clients when you work at a large consulting firm,

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Actuaries from Around the Globe

The Casualty Profession in Hong Kong with Jenny Lai

By Yvonne Palm, Candidate Representative to the Candidate Liaison Committee

We continue our series on actuaries from around the globe by conversing with ZhenZhen “Jenny” Lai, FCAS. Ms. Lai is an actuarial consultant who used to work in the U.S. and now works for a consulting firm in Hong Kong.

The Chinese Actuarial Association (CAA) administers local actuarial exams, although some of the exams are still in the early stages of development. The CAA became an independent actuarial organization in 2007 after the final government registration process was completed. Actuarial students have the option to follow either an international system or the local system. Hong Kong has one local actuarial body which was initially formed in 1968 as the Actuarial Association of Hong Kong, then incorporated in 1994 as the Actuarial Society of Hong Kong (ASHK). According to their 2008 fact sheet, the ASHK has just over 630 members and includes various actuarial specialties, with most members working in life insurance. There are three classes of membership: Fellow, Associate, and Student. The ASHK does not currently administer its own set of examinations; their members usually take examinations from various overseas professional bodies – mainly the Society of Actuaries, the Faculty of Actuaries and Institute of Actuaries (U.K.), the Institute of Actuaries of Australia, and the Casualty Actuarial Society.

The casualty actuarial profession in China is in its early stages, but has been fast developing. This growth is aided by a 2004 change in insurance regulation which required each P&C insurance company to designate a qualified actuary as an appointed actuary.

FF: How is the actuarial career portrayed, and what is the outlook of the career in your country?

JL: The actuarial profession is an emerging profession in Asia, especially on the P&C side. The general public has started to be-

come more aware of the profession, and it is highly regarded by local students. There is a great need for experienced and qualified P&C actuaries in Asia. Entry-level positions, however, can be limited sometimes. Job security for those in the profession is high and qualified actuaries enjoy the freedom of being able to change jobs

easily since they are in such high demand. The compensation is also very attractive.

FF: What are the big issues facing property & casualty actuaries where you practice?

The market is developing, and regulation is developing. It takes time for the senior management to fully understand and appreciate the contribution from the actuarial profession. It also takes time for the relatively young and inexperienced actuarial profession to demonstrate its value to the industry. We still have a long way to go.

FF: What type of actuarial work did you do when you were in the United States?

JL: I began my career in 2001 as a Personal Lines Pricing Analyst for an insurance company. I then moved to a consulting firm in 2003, where I worked mainly in reserving until 2006 when I returned to my home country, China.

FF: Could you compare and contrast working as an actuary in your native country to the United States?

JL: The scope of the work in Asia is broader, and my personal responsibility is much larger. As the P&C industry is in its early stages here, I need to perform a lot of independent marketing functions and help my company to establish and strengthen our P&C presence and expertise in Asia. The technical part of my work is often not as complex, however, as the market here is not as sophisticated as that of the U.S.



Insurance Versus Consulting

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while at a small one, you are limited by the number of clients and employees the firm has.


In Ms. Lajeunesse's opinion, it is the "entrepreneur-type" people who tend to find consulting jobs attractive. She adds that a mix of people is needed in both environments—the more outgoing ones who will want to be out in the marketplace, and others who may prefer to do more work in the backroom. She continues by stressing that you need people skills, no matter where you work, in order to succeed. She suggests that everyone needs to learn how to present a report and be able to translate numbers so that someone else can understand.

"There is no perfect formula."

Mr. Yuen suggests that no matter what environment you work in, your success will depend on "knowing the environment, taking advantage of the positives and compensating for the negatives."

Evaluate your own strengths and development needs and look for a company that will provide what you seek. Mr. Yuen explains that the decision is not as black and white as consulting versus insurance—"there is no perfect formula." He notes that your development needs change as you mature and as you progress in your career. Remember that most shortcomings you encounter can be overcome. If you are creative and seek the positives, you can be successful in almost any environment.

Have a good mentor.

Both Ms. Lajeunesse and Mr. Yuen emphasize that it is important to find a good mentor. Mr. Yuen suggests that it may help to have a mentor and interact with peers who work in a different environment, as this allows you to appreciate what you have but also learn from another angle. "Your mentor does not even have to be an actuary," added Ms. Lajeunesse. 

Actuaries from Around the Globe

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FF: What was the hardest part about making the transition from the United States?

JL: Some of the experience I acquired on the technical side was not necessarily applicable in Asia as the nature of the risks embedded in P&C insurance is different here. A broader and more comprehensive understanding of the business side of the insurance industry was more beneficial in the Asian markets. My personal sentiments are that the Asian markets welcome experienced actuaries that have a good sense of the insurance business, rather than the very technical and analytical experts who work only in an actuarial function.

FF: Have you found that the skill set you relied on the most when you worked in the United States differs greatly from the skill set you rely on in your position now?

JL: When I was in the U.S., I relied more on my analytical skills, team work, and communication skills. Here in Hong Kong, the local team and profession are much smaller; we work remotely with a very big team that is in the U.S. Communication is, therefore, quite different, and I have to work more independently now. Direct

client consulting work, direct marketing, and sales initiatives are more intense and challenging over here. The responsibilities I have here seem much bigger than what I used to have in U.S.

FF: How has your international background and work experience been viewed as valuable in the workplace since you have returned to your native country?

JL: My international experience and educational background help me to knock on the doors of my clients. However, being able to understand the issues and challenges in the local market, and being able to adapt what I learned in the mature U.S. market to the developing markets in Asia, are more essential. I am still on the learning curve.

FF: What words of advice do you have for actuarial candidates?

JL: Life is all about experience! Make the best use of every opportunity that you have available to you.

FF: Thank you Ms. Lai for your time and willingness to be interviewed. 

Maintaining Sanity During the Actuarial Exam Process

By Dan Tevet, Candidate Representative to the Candidate Liaison Committee

You know the pattern by now. You took an exam about eight weeks ago, and the past two months have been bliss. You had time to spend with family and friends, catch up on reading, perhaps take a vacation...all the things that normal people get to do. But alas, it's about to end, and before you know it you'll be back to a life of stress, panic, and sleep deprivation.

This has been my experience throughout the past few years of exams, with my stress level generally increasing with each exam. As I found myself on the verge of breaking down during the recent sitting (my first attempt at Exam 6), I thought it would be beneficial to seek out some advice on maintaining calm and sanity during the process. Based on feedback from other actuaries and candidates ("respondents"), as well as from health and psychology publications, here is what I've come up with. As always, your mileage may vary.

Develop Your Routine Early

Having a routine helps you maintain structure and keep calm, which is particularly important during the final weeks before the exam. You might study for a few hours after work each day and then watch an hour of TV before going to bed, or perhaps you exercise after work then study until bed time. Whatever you do, it is important to develop a routine that gives you time to both study and de-stress. Many respondents reported that they generally had the same habits during the final weeks as they did during the initial ones—the only thing that changed was the intensity of studying.

Incorporate Healthy Outlets into Your Routine

Taking study breaks is very important, and you should find an activity that will help you relax and relieve stress. Ideally, you should exercise regularly, since it has the added benefit of boosting your energy and endurance. But, most of us are probably not that disciplined, especially when there are so many more enjoyable activities we can be doing in our limited break time. The most important thing is that you have some activity to help you unwind. Several popular ones are watching TV, playing video games, golf, and yoga.

The Power of Sleep

There's so much studying to do, and such little time in which to do it. But, it's important not to sacrifice too much sleep in the process. Not only is it difficult to study while tired, but since information passes from short term to long term memory during REM cycles, failing to get an adequate amount of sleep will also significantly lower the value of the

studying you did the day before. You are also likely to be far more irritable and stressed if you're constantly tired. Coupled with anxiety over the upcoming exam, it may just push you over the edge.

Maintaining Social and Family Life

Perhaps the most difficult part of the exam process is striking a balance between studying, spending time with your family, and having a social life. Most respondents reported that they phased out social encounters as the exam approached, with little or no social activity in the final month. And, if you do plan on having a social life, it's important to schedule it rather than just playing it by ear. For example, if you enjoy going out with friends on Saturday night, plan to wake up early on Saturday morning so that you can still get in your planned studying. If, however, you frequently make a last minute decision to go out, you could fall behind in your study schedule which can lead to increased stress.

As far as maintaining family life, most respondents stressed the importance of having a very understanding and supportive spouse, partner, or significant other. Though you'll obviously have less time to spend with him or her during exam season, there are various ways you can make it up. For example, several respondents said that they specifically reserve one night a week as a date night. Others set aside time for dinner each day before studying for the remainder of the evening. As one person put it, "I make my spouse a priority. I need to still have a strong marriage at the end of this journey."

Those with parenting responsibilities have additional juggling to do. One respondent said that during the week, he wouldn't study until his children were in bed. He also acknowledged having less of a social life once he had young children.

The Final Days

After months of intensive studying, you're finally in the home stretch, with only a day or two left before exam time. Do you go all-out during your final hours, or do you relax and casually review your notes? The respondents were fairly split on this question, but most advocated the latter. While you may be able to memorize important terms and concepts by cramming, doing so is exhausting and can increase your anxiety. Unless you can quickly de-stress and get to sleep after intensive last-minute studying, it's probably best to avoid it.

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From the Editor

Appreciation to Arlie Proctor

By Timothy K. Pollis, FCAS, Candidate Liaison Committee Chairperson

As the name suggests, the Candidate Liaison Committee acts as a conduit for information and concerns between candidates and various CAS admissions committees. For the last three years, the members of the CLC have been extremely pleased with the efforts of the outgoing Examination Committee chairperson, Arlie Proctor. Mr. Proctor, on behalf of his committee and the CAS, communicated openly and directly with candidates on all manner of exam related topics. Sometimes the information was shared via a *Future Fellows* article written by a member of the Examination Committee. More often, the communication was in the form of Mr. Proctor's posting in the exam threads of the Actuarial Outpost discussion forum often with copies in the "Admis-

sions/Exams" section of the CAS Web Site. His willingness to post on questions covering extreme specifics ("results will be released next week") to broad hypothetical situations ("what would happen if a fire burned all the answer sheets?") served to demystify the process. The result was that candidates had new information about nearly every aspect of the exam process. Equally importantly, candidates had reassurances that the people responsible for creating and grading the exams were real, thoughtful, reasonable people who genuinely cared.

It would be inaccurate to say everyone heard what they wanted from Mr. Proctor. But candidates knew for sure that they were at least heard.

Thanks for a job well done, Arlie!  

Group Study v. Individual Study

By Vania R. Gillette, Candidate Liaison to the Candidate Liaison Committee

Are you gregarious and enjoy study with a group? Or are you independent and study alone? For an upcoming *Future Fellows* article, we'd like to hear from you:

- How do you prefer to study for exams, with a group or individually? Why?
- What personal characteristics influence your choice in how to study (i.e., like to be with people, need feedback, prefer quiet, like independence).

- If you prefer to study with a group, what makes a good study group?
- If you prefer to study on your own, what makes a good study session?



Please submit responses at the "*Future Fellows* Study Survey Responses" link on the CAS Web Site in the "Admissions/Exams" section under *Future Fellows*.  

Maintaining Sanity

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Remember to spend some time during the final preparation days thinking about the actual exam rather than just the material. How will you get to the exam site? What if something goes wrong en route—will you still be able to get there in time? Will you bring any drinks or snacks with you, and if so, have you bought them yet? What will you have for breakfast on the morning of the exam to ensure you can maintain a high energy level? Do you have your pencils/pens and calculator(s!) ready? These issues can cause undue stress on the morning of the exam if you don't think about them in advance.

Avoiding the Pitfalls of Perfectionism

It's good to set high goals for yourself, but it's important not to let fear of falling short of them paralyze you. Sure, you want to get through this painful process as quickly as possible. But keep in mind that this is a very challenging process, and that nearly everyone struggles with it. Convincing yourself that you **MUST** pass this exam can serve to increase fear and anxiety—conditions that are not helpful in achieving success.  

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DATES TO REMEMBER (FROM PAGE 1)

CAS SPRING MEETING
May 3 – 6, 2009
New Orleans Marriott
New Orleans, Louisiana

SEMINAR ON REINSURANCE
May 18-19, 2009
Fairmont Hamilton Princess
Hamilton, Bermuda

Resources & Reminders

The CAS Web Site is a valuable resource that includes:

- CAS *Syllabus of Basic Education* and updates
- “Notice of Examinations”
- “Verify Candidate Exam Status” to verify that joint exams and VEE credits are properly recorded
- Looking at the CAS Examination Process
- Feedback link to the Candidate Liaison Committee
- CAS Regional Affiliates have their own section on the CAS Web Site

If you have not received a confirmation of your registration for Exams 3L and 5–9 two weeks prior to the registration deadline, please contact the CAS Office to make sure that your registration was received.

**REMEMBER YOUR
CANDIDATE NUMBER!**

Candidate Liaison Committee Mission

The Candidate Liaison Committee communicates with CAS candidates, collectively and individually, who are taking CAS examinations. The committee informs candidates as to appropriate courses of action available to them. Through periodic communication, this committee informs candidates of results of examination administrations, actions taken on complaints received regarding examination questions, and reasons for syllabus and examination changes being implemented. Communication encompasses existing policies and procedures as well as changes being considered. The committee should advise the CAS and its committees of the interests of the candidates regarding matters that come before the CAS and its committees. Candidates may contact the Candidate Liaison Committee at the CAS Office address. The Casualty Actuarial Society is not responsible for statements or opinions expressed in the articles, discussions, or letters printed in *Future Fellows*.



Future Fellows is published four times per year by the Casualty Actuarial Society, 4350 North Fairfax Drive, Suite 250, Arlington, Virginia 22203.

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ISSN 1094-169-X

Results of October/November 2008 CAS Examinations

Summary of October/November 2008 Examinations

Exam	Number of Candidates	Number of Passing Candidates	Number Below 50 of Pass Mark (Ineffective)	Effective Pass Ratio
1/P	2,627	955	515	45.2%
2/FM	3,968	1,985	335	54.6%
3F/MFE	2,768	1,215	299	49.2%
3L	228	107	30	54.0%
4/C	1,763	769	65	45.3%
6	1,005	293	96	32.2%
9	585	188	49	35.1%

Summary of October/November 2008 Exam Survey

Exam	Percent Responding	Syllabus Coverage Inadequate (1) to Adequate (5)	Exam Clarity Not Clear (1) to Very Clear (5)	Exam Length Too Short (1) to Too Long (5)	Exam Difficulty Easy (1) to Difficult (5)	Exam Quality Poor (1) to Excellent (5)
3F/MFE	4.9%	3.69	3.51	3.22	3.83	3.47
3L	33.2%	3.93	3.74	3.16	3.51	3.76
4/C	7.9%	3.22	2.59	3.73	4.61	2.71
6	36.3%	3.27	2.92	4.26	4.32	2.85
9	33.2%	3.67	2.73	4.60	4.47	2.56

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