

Mark Scully

ACAS Month/Year: May 1986 ~ FCAS Month/Year: May 1987

As a member of the board, I will bring my international experience as an actuary and manager to help the CAS address the challenges ahead.

Candidate Biographical Information

Education:

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B.A., Mathematics and German, Washington and Lee University

M.S. International Economics and American Foreign Policy, Johns Hopkins School of Advanced International Studies

Current Employment (please include position):

Chief Actuary, Ironshore

CAS Activities and Publications (please include years on committees, years in positions, and dates of publications):

Committee on Ratemaking, 11/94 – 11/97

Ratemaking Seminar Committee, 03/00 – 11/01

Europe Regional Committee, 01/03 – 10/04

International Member Services Committee, 12/03 – 01/05

Other Professional Designations:

CERA, 2009

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Additional Biographical Information Form

Employment History - Prior Employers (complete, abridged or recapped):

American International Group, Chief Actuary, P-C
Allianz Group, Global Chief Actuary, Deputy Chief Risk Officer
Towers Watson, Consultant and Principal, Founder of German P-C Practice

Membership and Activities in Other Organizations (professional and industry):

Civic Activities (volunteer, elected, appointed):

Board Member, People's Action for Clean Energy
Member, Clean Energy Task Force of Simsbury, CT
Boy Scout Assistant Scoutmaster
Range of leadership roles at local church
Treasurer, West Hill Beach Club

Other Publications:

"SVA [Shareholder Value Analysis] Explained", *Emphasis* 1992/2
German Motor Insurance Handbook, 1995 (with several subsequent editions)
"Demystifying CVM [Customer Value Management]", *Emphasis* 2001/1

Awards and Recognitions:

Fulbright scholar to Würzburg Germany

Other Relevant Information:

Married with three sons (one of whom is an actuary)
Interests include church, clean energy, electric vehicles, music, driving.

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Question #1: Why do you want to serve on the CAS Board of Directors?

Response:

My primary motivation for submitting my nomination to the CAS Board is to give back to a society that has benefitted me greatly over my career. First, I have benefitted from the respect and stature of the CAS brand. Whenever, in the US or abroad, I introduce myself as a CAS fellow, I have found that I garner immediate respect (whether I in fact deserved it at the time or not!) In addition, I have benefitted from the intellectual capital the CAS has built up and maintains. While I have not been a leading contributor to actuarial literature, I have made a career of putting into practice the great ideas that others have been generous enough to develop and publish. In the end, none of us is a self-made man, but I truly believe that any success I have enjoyed in my career is attributable in large part to the brand and intellectual capital of the CAS.

I look forward to contributing to the leadership of the CAS and believe that I bring a unique mix of career experience to the table. I have worked about half of my career for an actuarial consulting firm and half for companies. I have had the opportunity of working abroad for a large part of my career, including starting a P-C actuarial consulting practice in Germany in the 1990s. I have worked in a wide range of actuarial disciplines, including reserving, pricing, predictive modeling and risk. At one company I held dual roles of Chief Actuary and Deputy Chief Risk Officer. At times in my career, I have been engaged in highly technical work, and at others have had the chance to build an actuarial department or practice. I believe that my blend of experience will enable me to contribute to the important discussions ahead.

I have great confidence in the CAS brand, but am aware that we face many challenges. If elected to the Board, I would be pleased to do my part in helping the society face these challenges.

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Question #2: Candidate Issue(s) Identification and Discussion:

Response:

It is clear that the CAS faces an existential threat from the competitive general insurance fellowship track offered by the SOA. I believe that the leadership of the CAS has addressed this threat well and set us on a sound track to maintaining our relevance and independence. Yet, over the medium and long term, the threat is real. While we will need a multi-pronged strategy going forward, I believe the primary strength we bring to this challenge is our education process. It is imperative that we continue to develop and improve this process.

Over time, potential P-C actuarial candidates, employers and a range of other stakeholders will look at the credentials of an FCAS compared to those of a General Insurance FSA. Like any competitive market, companies must continuously improve their product and ensure its relevance and appeal to the marketplace. Consumer markets are full of examples of great products that failed to keep pace with the changing competitive landscape.

I believe that the FCAS credential has several strengths that will stand it in good stead in a competitive market. Notably, the extensive pool of practicing volunteers involved in planning, writing and correcting exams gives us the opportunity to ensure that our exams remain relevant to practitioners and stakeholders. Moreover, I am cheered by the forward-thinking work of the CAS Board and Examination Committee in exploring not only new topics but also new forms of testing.

Looking ahead, we must continue to ensure that our education processes—both fellowship track and continuing—prepare P-C actuaries for a broad range of roles, both traditional and new. In particular, we must ensure that our fellows are conversant in the areas of risk and predictive modeling, two growing practice areas. If we are not prepared to take on these roles, other professions will do them for us.

While we will need a range of strategies to respond to the threat from the SOA, I firmly believe that our education process is the strength that will sustain us in the years ahead. Our position is strong, but assailable.

1. Do you believe that practicing actuaries can add value to the university education of future actuaries? If so, what actions do you believe the CAS should take to (1) provide incentives for practicing actuaries to teach in universities and (2) facilitate the employment of practicing actuaries in universities?

I absolutely believe that practicing actuaries can and do add value to the university education of actuaries. There are many examples of practicing actuaries teaching at universities, on both a part and full time basis. As such, I do not see a need currently for additional actions or incentives.

2. How would you respond to a large employer of actuaries who wants to see the consolidation of the actuarial profession?

I would respond in the first instance by listening to the concerns of this employer. Are they primarily administrative or more substantive? Is a consolidation of the profession the only way to address these concerns? We need to listen to the concerns of actuarial employers, as they may contain valuable ideas to improve our profession.

3. How can the CAS be more innovative and attractive to future members?

This is a very general question, and one fundamental to our profession. Clearly, there is no simple answer, but this challenge should motivate all of our activities. I am pleased to see that the new CAS Innovation Council will address this challenge head-on.

4. How can the CAS become more relevant to the careers of our current and future members?

Ultimately, the only way the CAS can stay relevant to our careers is for each of us to be involved in designing and improving our education programs. In my opinion, we have a rich variety of continuing education offerings highly relevant to my career. We are the best judges of whether the society is still relevant, and when we see a gap, it is incumbent on us to suggest it be filled (or better yet, fill it ourselves)!

5. What ideas do you have for moving the actuarial profession beyond development triangles and excel spreadsheets as big data, mobile/cloud computing, analytics and other disruptive technologies flood the marketplace?

*This is an important question for our industry, one brought home by Wayne Fisher in the current (July/August) issue of *Actuarial Review*. Wayne pointed out that in a recent article on the use of data analytics in insurance, actuaries were barely mentioned. We need to ensure that actuaries are trained in these emerging techniques and promote ourselves as capable of stepping into this field. If we don't, other professions will fill the void.*

I don't see a simple answer to this challenge, rather a multi-pronged approach involving, our education process, calls for papers and research and special-interest seminars. We bring a strong understanding of the workings of P-C insurance into this arena, and I am confident that with some effort we can position ourselves as leaders in insurance analytics.