



VALUE PROPOSITION

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This paper has been produced by the Role of the Actuary Task Force of the Executive Committee (EC). The EC has adopted it as a generic document that can be used as written or adapted by member associations for use in their jurisdictions.



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This note is intended to help someone who is unfamiliar with the work of actuaries to understand when and why to engage the services of an actuary.

You Can Do More to Safeguard the Future of Your Organization

Actuaries are equipped to help their clients (including employers) make informed choices and develop efficient solutions to safeguard their future in an ever-changing world. These clients include governments, regulators, community organizations, funds, industries, businesses and individuals. An actuary is a professional trained in evaluating the current financial implications of future contingent events. Actuaries work primarily in fields such as life insurance, general insurance, enterprise risk management, health insurance, health care financing, investments, banking and corporate finance, pensions and other employee benefits, as well as social security and overall social protection programs, but they are not limited to those areas.

A Trusted Source of Expertise and Integrity

Actuarial professional associations admit members on the basis of their competence and educational attainment, and set standards of professional behavior for their members. They help members to maintain life-long learning, and contribute to the public debate in matters affecting the well-being of society as a whole. Actuarial professional associations recognize that the interests of the public take precedence over the interests of the profession and its members.

An actuary who belongs to a full member association of the International Actuarial Association has demonstrated mastery of actuarial science, is bound by a code of professional conduct, and is subject to a disciplinary process. The advice from such an actuary to his or her client or employer must be provided with integrity, objectivity, and impartiality.

Problem Solver and Risk Manager

Actuaries are involved in evaluating and managing a wide range of risks affecting the business of their clients. They use statistical techniques and build models to assess the likelihood and severity of future events and the potential variability of financial outcomes. They also design ways to reduce the financial impact of undesirable events that could occur, which contributes to the safety and security of their clients.

Actuaries have the techniques to provide relevant, reliable and realistic solutions to complex financial and other measurable problems; especially over long time horizons and for uncertain events, using a control process to monitor and refine solutions over time.

Actuaries often work with other professionals (accountants, auditors, lawyers, risk managers) in preparing of financial statements, negotiating corporate mergers or acquisitions, or in testifying as expert witnesses in litigation related to insurance or pensions. Actuaries also provide their services to policy and decision makers (senior executives and board members of insurance companies, trustees of pension funds, and elected officials and civil servants) on a regular basis.

The work of an actuary can be complex and challenging. It often involves the application of probabilities and the time value of money through models that are designed to reasonably represent reality and assist in analyzing a particular situation. To do so, an actuary is well trained in choosing appropriate data, methods and assumptions.

Learn more about how an actuary can help you secure your organization. Visit: www.actuaries.org [replace with local link as appropriate]