

ADDRESS BY THE PRESIDENT

IFoA Presidential Address 2024 by Kartina Tahir Thomson

[Delivered on Wednesday 31 July 2024 at Staple Inn Hall, London, to an in-person and online audience]

Ms K. T. Thomson, F.I.A.: I am delighted to be addressing you as the new President of the Institute and Faculty of Actuaries. It is an honour to be following on from Kalpana Shah, whose leadership over the past year has been inspirational. I would like to extend my thanks and deepest gratitude for the passion and dedication she has shown while leading the IFoA through a period of change.

Change. What if I told you that change is impossible? It would be depressing if this was true, wouldn't it? But change is impossible without action. It requires focus, hard work, and self-awareness. Change requires people doing the right thing, for the greater good.

Today we have an opportunity to reflect on how far we have come this past year and to take a look at the vibrant future in front of us. I would also like to share a bit more about my own past and how it informs and connects with where I am today and my ideas for the future.

It is no secret that we are emerging from a challenging period of change, marked by governance reforms, restructuring, and an extensive review on the future role of Council. As we – Council, the membership, and the Executive – have moved through this process, we have shown how resilient we are. We have shown that when we work together, we can make a real impact. We undertook the biggest member engagement programme in the history of the IFoA. Following this, we reflected on the member feedback, engaged with each other, and responded by making tangible changes. While acknowledging how far we have come, there is still lots to do. Further embedding the governance reform, getting the new IFoA Board embedded, and refreshing the IFoA strategy are just a few of the challenges we have on the horizon.

Theme

This brings me to the focus of my presidency. It is important to me that we recognise and build on all of the good work of past Presidents and Councils. It is not about ripping up the manual and starting anew. It is about incremental but impactful change that will be positively felt by members.

It was Kalpana who said to me, “It will come to you – your passion will shine through and that will be your theme.” She was right. I am passionate about the relevance that we, as actuaries, will have in the future. What will the profession look like in 10, 20, or 50 years' time? How can we attract broader types of people and diversity of thought?

The theme of my presidency is “Ensuring a sustainable future for the next generation of actuaries.” I will be focusing on three broad pillars: vision, value and empowerment, and engagement and connection.

It is crucial to ensure that all the work we do under these pillars underpins our commitment to creating a diverse, accessible, and inclusive profession. Before I get into the specifics, I will give some background on why this theme and these pillars are important to me.

About me

I am Malaysian. I was born in a small tin-mining town called Ipoh, in Peninsular Malaysia between Kuala Lumpur and Penang. In my early years, I lived in a multi-generational household with strong women leading the way. When I was nine, my family moved to Sabah, a Malaysian state in Borneo, known for its beautiful islands and beaches, tropical rainforests, and the highest mountain in Southeast Asia, Mount Kinabalu.

We did not have much growing up, but my parents prioritised education and self-development for their children. My younger brother and sister and I learned the value of hard work and the importance of striving for excellence from a young age. More importantly, my parents instilled core values – kindness, honesty, loyalty, and doing the right thing. These values are my North Star, and they are values that my husband, Stephen, and I are instilling in our daughters.

I came to the UK when I was 17, to study for my A-levels and my degree on a scholarship. My graduation from Bayes Business School coincided with the Asian economic crisis. I was advised to stay in the UK because it would be hard to get a job in Malaysia. This was a deviation from the plan, and it filled me with uncertainty, but I faced it head-on. After over 100 applications, I secured my first role in a graduate programme at a global insurance company.

I struggled with the actuarial exams. I failed the first time around, and it shocked me. As someone who, up until then, had a pretty good record of academic achievement, I did not understand what was happening. It was humbling, it was character-building, and I learned about resilience. After a mind-shift in priorities and focus, I finally saw my name online on results day. My career to date has been unconventional and broad. I have taken risks, but genuine interest and a desire for self-development have been the driving forces behind my career choices for the past 25 years.

When I moved to an international brokerage firm, it was to improve my communication skills. When I moved to the Bank of England, it was to be part of a once-in-a-lifetime macro regulatory change project. And when I became a consultant with the largest global insurance consultancy, it was to use my experiences to help clients.

I have added non-executive directorships to my portfolio. Most recently, I was an independent non-executive director and the Chair of Audit and Risk Committees for a PLC and a fintech.

I am a wife, a mother, a daughter, a sister, and a friend. My friends and family are here with me today, and I am here today because of their support.

Vision

There is a lot to do in this sessional term but my theme – to ensure a sustainable future for the next generation of actuaries – will keep me focused.

And so, I turn to the first pillar: vision.

The IFoA strategy is due to be refreshed this year. To do that, Council needs to provide its vision for the IFoA and the broader actuarial profession. We need to determine our hope for the next generation of actuaries, where we want to get involved, and where we want to make an impact.

For the last few years, we have been saying that we are at the inflection point. With the rise of AI and everything that is happening in the world – Covid, climate risk, geo-political events, and economic uncertainties – actuaries have a great deal to contribute.

We draw insights from complexity. We are good at projecting a number of potential outcomes and using these projections to have meaningful conversations. We look at uncertainties and consider both the downside risks and the opportunities.

Our roles in insurance, pensions, and financial services are just the start. We have the potential to broaden our roles in other domains and contribute to the solutions to society's complex

problems. What is stopping us from using our skill set in food security, medical technology, or population health care?

Even in our “traditional,” domains we are innovating. For example, the use of AI and sophisticated data science modelling techniques in General Insurance and Life Insurance. Innovative thinking is also evident in young actuaries entering the pensions sector. I believe AI is an opportunity for us. We can use our analytical and judgement-based skills to add value to what AI is doing.

Embracing change is crucial – it allows us to focus on what actuaries can offer in new areas and consider how we can best use AI in the work we do today.

The 2023 report “The Future of Jobs” from the World Economic Forum concluded that technology adoption will remain a key driver of business transformation in the next five years. Within this, big data, cloud computing, and AI rank highly in terms of likelihood of adoption. Analytical and creative thinking remain the most important skills for workers. In recognition of the importance of the ability of workers to adapt to disrupted workplaces, the following self-efficacy skills are also important:

1. Resilience, flexibility, and agility.
2. Motivation and self-awareness.
3. Curiosity and lifelong learning.

To me, these skills are all *us*. As actuaries, we have analytical skills, we have creative thinking, and we have flexibility, agility, curiosity, and lifelong learning. These are all qualities that make us not only resilient to the future but will enable us to flourish in it.

For us to stay relevant and continue to add value to society, we need to ensure our members’ education offering is fit for purpose. Our education strategy needs to be future-proof, and the skills we teach should be transferable. This is not just for those working towards qualification – continuous learning holds equal importance. We have members in 119 countries, and it is important that they are supported in their roles and development, wherever they are.

How we support our existing members in staying relevant is crucial. All of us are working longer and longer, and many of us will probably have more than one career in our lifetime.

The virtual learning environment, our digital learning platform, houses hundreds, if not thousands, of diverse learning materials that members can explore and use. From AI and data science to the growth mindset, there is something for everyone. My ambition is that we continue to input a wide variety of materials for members to use, to support ongoing growth and development.

Learning comes in many forms, and I aim to refocus our attention on thought leadership and research, re-emphasising our relationships with educators, researchers, and thought leaders. By working together, we can reimagine what the future can look like for the next generation of actuaries.

We are already working towards this. The “Think” thought leadership series aims to promote debate on topics across the spectrum of actuarial work and beyond, providing a platform for members and stakeholders to share views that may challenge the status quo within the profession. The series has considered varied topics so far, including behavioural economics, the gender pensions gap, and how to increase neurodiversity within the actuarial profession.

In the coming months, it will focus on:

1. The proposed smoking ban for young people pledged by the new UK government.
2. What has been described as “make or break” time for the long-term prospects of UK infrastructure.

I encourage you to get involved with the debate no matter where you are based, as I believe the topics can resonate in many ways. For example, the actuaries involved in PAR life products in Asia may want to engage with actuaries involved in with-profit funds in the UK, to learn from each other.

I also want to hear from young people. What do you want from us? What makes an actuarial career attractive? Why actuarial, and not another profession? My vision is for us to be able to attract the broadest range of people into the profession. It encourages diversity of thought and gives us the opportunity to make more of an impact. I believe the Chartered Actuary designation is the start of this vision, and I am excited that we will be launching it during my term.

There is no point in having first-class technical learning if we neglect our mindset. A growth mindset is a must – the desire to explore new things, the courage to fail, and the resilience to learn from our mistakes and bounce back are all essential.

As an actuary who has worked predominantly in General Insurance, I am always reminded of the story of how a couple of actuaries ventured into General Insurance. They stepped out of their comfort zone and declared that their skill sets could add value. That was over 50 years ago, and now General Insurance is considered a traditional domain, with tens of thousands of actuaries working in the sector.

To get our creative juices flowing on changing our mindset, throughout my presidency, we will be sharing stories of role models who have taken the path less trodden. I believe that they will give us some inspiration as to what is possible.

We have so many courageous people all around the world, in technology, pharmaceuticals, farming, and beyond, using their actuarial skill set and making a difference.

In my role in the International Actuarial Association and the Actuarial Association of Europe, I work with actuaries across the globe, with a unified aim of growing the global actuarial profession. I really believe that we have a role to play in being part of the broader initiative, supporting the growth of the actuarial profession in countries all around the world.

The considerations that we are grappling with as part of the vision for the IFoA are being considered, in one form or another, in many other parts of the world. The future of the profession, AI, sustainability, and regulation are all being considered elsewhere, and we will be better off working together to find solutions for these consistent issues.

Our vision must be for both the IFoA and the wider profession. I am excited to be working with my fellow Council members to put together a vision that the IFoA Board can deliver on, taking into account the change and dynamism we foresee for the future, ensuring a sustainable and relevant IFoA and wider actuarial profession.

Value and empowerment

The second pillar is value and empowerment.

I am lucky to be surrounded by friends, to have my supportive family here with me, and to have people who genuinely care. Care isn't just important for individuals. The IFoA runs on the passion of our members – people who genuinely care about the profession.

We are a membership organisation, which means that the organisation belongs to our members. We are a community, and we trust this great organisation to treat its members with respect and dignity and to provide services that represent good value.

Our members are not only passionate about the profession, they are also generous with their time. As an organisation, we cannot cope without this generosity. At any one time, there are 4,000 volunteers in the IFoA. That is around 12% of our membership, and it is higher than many membership organisations. We need these volunteers to deliver our services, so we need to treat them better. We have started to, but we have a way to go to change our mindset to a service culture.

With value and empowerment in mind, there are some aspects I would like to focus on:

1. Listening to, and acting on, feedback.
2. Making the IFoA easy to deal with.
3. Saying “thank you”.

On the first point, I aim to continue and amplify the engagement we have had this year, with town halls, Council clinics, and greater engagement at conferences, sessional meetings, and regional events.

We are also going to launch a Council newsletter, to let you know what your elected officials have been working on. We are currently trialling regional committees run by members in Greater China and the Middle East. The aim is to give members the autonomy to decide what is best for those in the region and to respond to the specific needs of the local market. I am excited by this initiative and hope that it will allow us to be more targeted in supporting our members.

The second point of focus will be on making the IFoA easier to deal with. For example, we have heard that becoming a member is not a straightforward process, and it can take a long time to get exemptions approved. I am working with our Board and executive team to improve our processes and enable a better member experience.

Actuaries – and IFoA members – have long been essential to the healthy functioning of governments, financial services, healthcare providers, and investors. We have always been ready and willing to offer our integrity, curious mindsets, unique technical skills, and specialist expertise to help in resolving some of society’s biggest challenges.

I would like us to continue to influence public policy and to harness our societal role for good. One of our past presidents, Jules Constantinou, chose a presidential theme of stepping out of the shadows, which I believe is still relevant. We have so much to give, as evidenced during the Covid-19 outbreak. During the crisis, members of the profession stepped up and used their unique skills to support the global response to the pandemic.

By creating a framework of trust and autonomy, we empower our members to make an impact on our behalf. For example, the work the Sustainability Board do on climate risk is inspirational, and it is something we want to replicate with other public impact topics.

The series of reports produced by the Sandy Trust includes a proposal for the development of a planetary solvency framework to assess nature’s ability to continue to provide ecosystem services. These reports are getting a lot of interest from decision-makers in governmental bodies and regulators.

Finally, saying “thank you.” It is important that we appreciate our members and volunteers – for their contributions to thought leadership and research; for being examiners, role models, and mentors; for organising conferences; for being on Council and practice boards; and for giving their time to further the IFoA agenda. We need to show that we value all the work they do and the impact they have on the next generation of actuaries.

This is something I feel passionately about. We do not say “thank you” enough, and I would like to remedy that. We need a culture of showing care, and I am starting with looking at how the little things count. From how we show our appreciation to volunteers to recognising the effort people have put into the profession, we want to show our gratitude better. So, we are looking at a combination of things to address this, including awards, access to conferences, and improvements to the volunteer process and support.

Engagement and connection

Finally, I come to my third pillar of engagement and connection. This one may feel simple, but if we can get it right, it will have a big impact.

Several of you have told me that you want in-person connections and more face-to-face meetings. We pivoted exceptionally well during lockdown and the Covid pandemic, with online events proving popular. However, what I see now is members crying out for personal connections with other members and with the IFoA. From sessional meetings to networking events, from regional events to conferences, our aim is to create as many opportunities as possible for members to connect. Please engage with this, join in, and be part of the fun.

Over the years, I have enjoyed meeting members from all around the world, discovering what makes them tick, and hearing what is important to them. I am excited to think that, during my presidency, I will get to meet so many more of you.

I have been inspired by the ambitions and dreams of the next generation of actuaries. I have heard from students at Leicester University, young members in Nigeria, members at a SIAS event in London, and students at universities in Malaysia. I can't wait to have more of these discussions.

These connections within the profession allow us to build our networks, share ideas, support and encourage each other as we move through our careers, and in many cases, volunteer on practice boards and working parties.

This is how we grow and how we challenge ourselves and inspire those around us. It is how we help and support those just starting their careers, to do their best, so that one day they can give back to the profession themselves. This ecosystem is strongest when we make the effort to meet in person and enjoy that camaraderie.

Some of you may know that I was the inaugural Chair of the IFoA Foundation, the charity of the IFoA, for over three years. The strategic objectives of the Foundation are:

1. Rewarding excellence.
2. Supporting our community.
3. Addressing future challenges.

The Foundation does great work in advancing the diversity and inclusion agenda of the actuarial profession. It is focused on the next generation of actuaries and encourages social mobility through international scholarships, mentorship, and school engagement programmes.

Since its launch in 2020, the Foundation has awarded 144 scholarships globally to outstanding students, provided early career mentoring to more than 100 international graduates, and inspired 20,000 school pupils with mathematics, financial education, and career insights.

There is a close connection between the Foundation's work and the IFoA's commitment to creating a diverse, truly inclusive, and accessible profession. From a personal perspective, I aim to use my role this year to raise awareness of the good work the Foundation does and to help with fundraising efforts.

I encourage you all to join me in donating to the Foundation, whose mission is "Actuaries Supporting Others." Every little counts – even just a few pounds, rupees, or ringgit will help us to provide funding to students who otherwise could not afford to start their actuarial journeys. Let's also use the Foundation as an excuse to engage with each other. For example, group fundraising for a marathon perhaps.

Another personal aim for me is to remind all of us of the joy that can be found in the work we do. The last year or so has been challenging, and there is a lot to do this year in terms of vision, member engagement, and the new Board. I would like to focus as much as possible on positive and constructive interaction, making experiences as valuable as possible.

Continuing to focus on positive working culture is crucial. The symbiotic relationship between all members, our volunteers, and the executives should be harnessed and continually developed for an optimal working outcome.

Conclusion

When I look back in a year's time, I will consider my term a success if:

1. We have a vision for a sustainable IFoA for the next generation of actuaries.
2. We have listened to, and acted on, member feedback.
3. We have collaborated externally to advance the actuarial profession.

There is still a lot to do but we can do it together. Together we are stronger. Together we can create a powerful and inspiring future for the next generation of actuaries.

"Future generations will judge us not by what we say, but what we do."

– Ellen Johnson Sirleaf

This role is a privilege. I aim to ensure that the IFoA treats each and every one of you with the respect and care that you deserve. I am greatly looking forward to serving as your president and seeing what we can accomplish together.

So, with respect and humility, I invite you all to join me in this mission of change. Thank you.