

UCSD – Actuarial Information  
Presentation & Recruiting  
Event



# So You Want To Be An Actuary?

October 30, 2017

Alice Alsberghe, ASA, MAAA

# Overview



- What is an Actuary?
- What do Actuaries do?
- Where do Actuaries work?
- What is great about the actuarial profession?
- What skills and talents are needed?
- How can you become an Actuary?
- **What is it like to work at Cheiron?**

Note: Portions of this presentation were taken from the Society of Actuaries and Casualty Society of Actuaries presentation "Be An Actuary".



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# What is an Actuary?



An actuary is a person who:

- Analyzes, manages and measures the financial implications of future **risk**
- Develops and validates financial models to guide decision making
- **Keystone of Cheiron:**  
Interactive financial modeling to simulate the financial future depending on assumed key **risk** variables

# What do Actuaries do?



- Actuaries manage risk.
  - We use a combination of strong analytical skills, business knowledge, and understanding of human behavior to manage today's complex risks facing our society.
- What is risk?
  - Risk is the chance that an undesirable event will occur.
  - But risk is opportunity. That's where an actuary comes in.

# Where do Actuaries work?

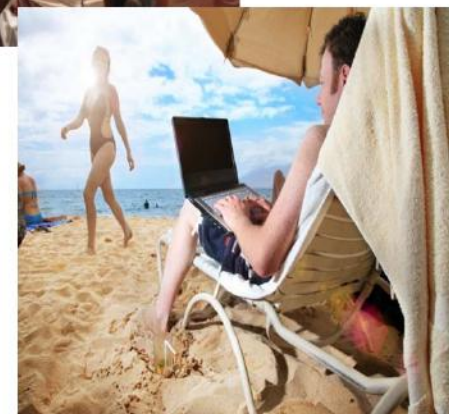


- Insurance Companies
- **Consulting Firms**
- Government Insurance Departments
- Banks and Investment Firms
- Large Corporations
- Public Accounting Firms
- Anywhere Risk Management is needed

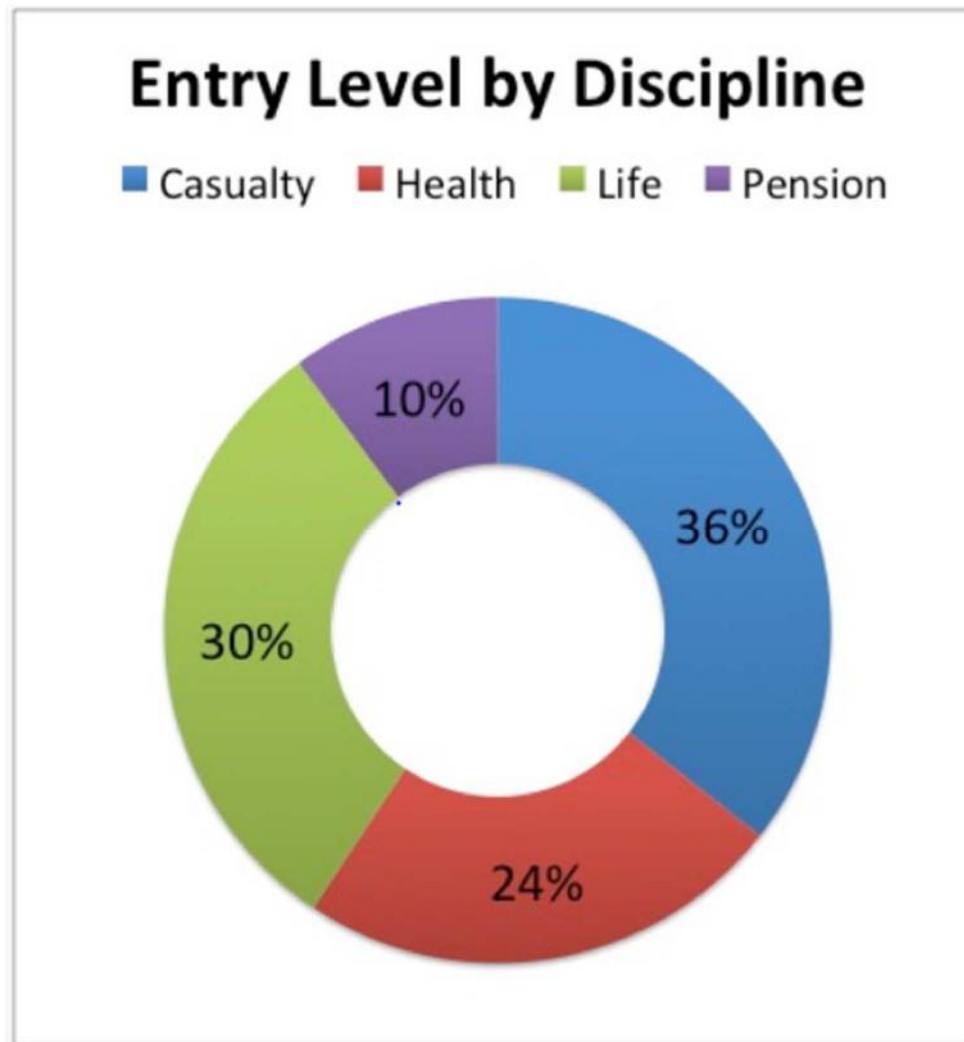
# Where do Actuaries work?



- Insurance Industry
  - Property (home) and casualty (auto)
  - Life and Health
- **Employee Benefits Industry**
  - **Retirement Benefits**
  - **Health Benefits**
  - **Social Security**
- Financial Services Industry
  - Banks, investing, risk management
  - Mergers & Acquisitions



# Where do Actuaries work?

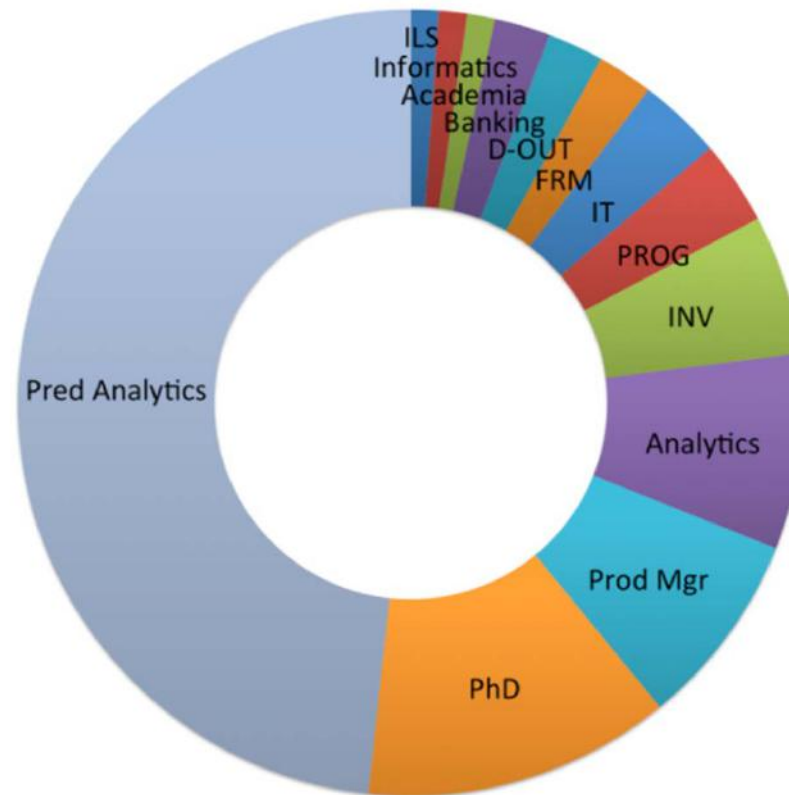


Source: D.W. Simpson & Company, Inc., 2017 Salary Survey

# Where do Actuaries work?



## Non-Traditional Actuarial Roles



Source: D.W. Simpson & Company, Inc., 2017 Salary Survey



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# What is great about the profession?

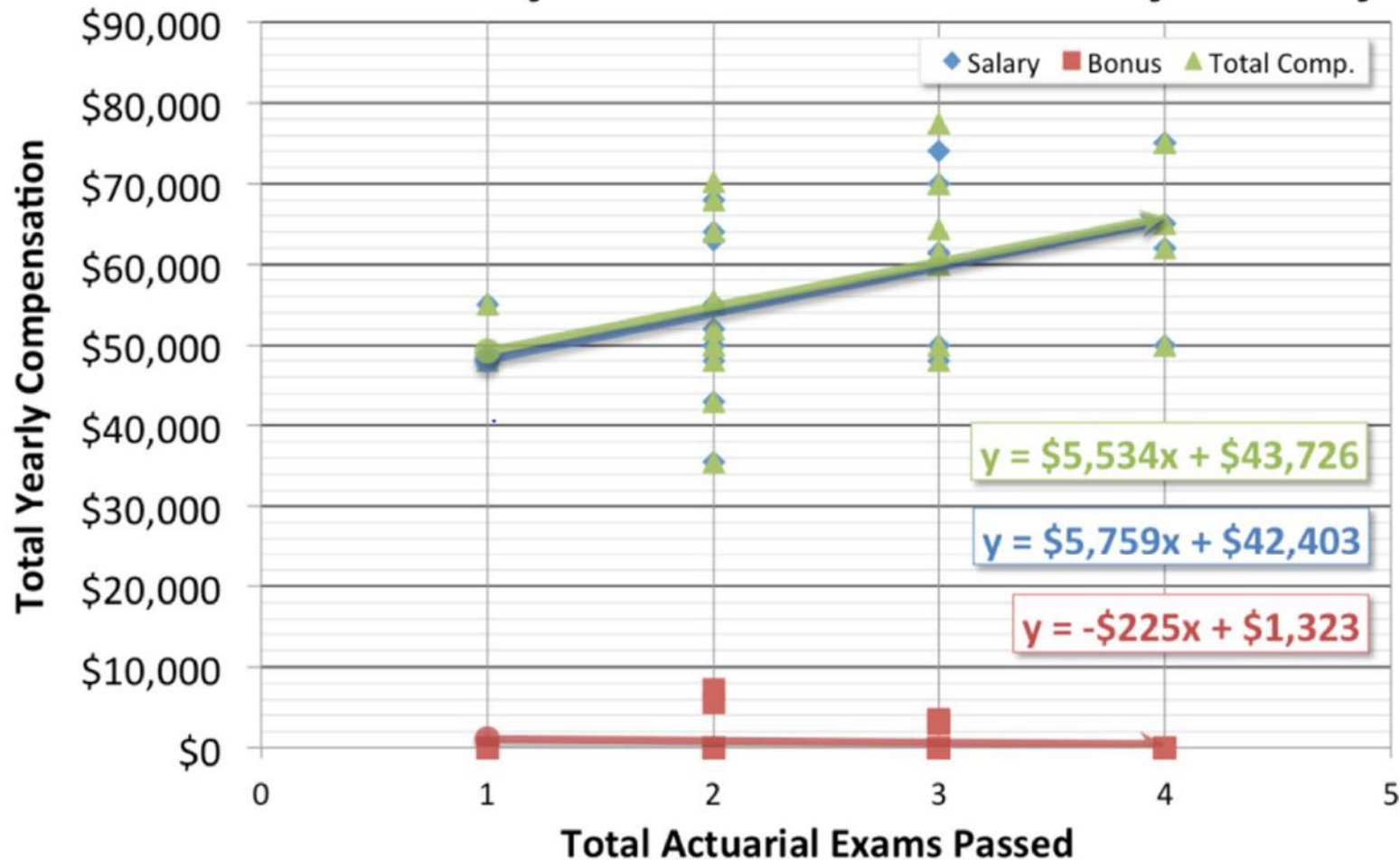


- Top-ranked job
  - Work environment, employment outlook, job security, growth opportunity, salary
- High earning potential
  - Entry level actuary starting salary \$45,000 - \$65,000
  - Experienced fellows earn \$150,000 - \$250,000 +
- No cost of graduate school – “learn while you earn”
- Skills are highly transferable to other industries and job responsibilities
- Potential for travel (as a consultant) or a non-travel 9-to-5 job (as a non-consultant)
- High demand – less sensitive to economic cycles
- Allows for work/life balance
- Make an impact – manage today’s complex risks facing our society

# Earning Potential



## 2017 Entry Level Actuarial Salary Survey



Source: D.W. Simpson & Company, Inc., 2017 Salary Survey



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# Earning Potential



## Pension Actuary Salary Survey

A passing grade for exams **P, FM, MLC, MFE** and **C** each equal 1 exam.

Pension	< 1 yr	1-3 yrs	3-5 yrs	5-7 yrs	7-10 yrs	10-15 yrs*	15-20 yrs*	20+ yrs*
1 Exam	44-56	50-64	55-70					
2 Exams	46-62	56-70	58-77	64-83				
3 Exams	48-68	57-74	61-84	65-91	72-99			
4 Exams	56-75	63-84	65-91	74-100	76-106			
5 Exams		66-89	68-94	75-104	77-112			
ASA		76-95	80-105	87-118	90-139	108-175	123-243	152-260+
FSA				112-151	118-168	125-235	154-329	164-364+

Source: D.W. Simpson & Company, Inc., 2017 Salary Survey



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## What skills and talents are needed?



- Knowledge of math and finance
- Computer skills
- Keen analytical, project management, and problem solving skills
- Attention to detail
- Solid communication skills (oral & written)
- Good business sense (know what is important)
- Motivation, creativity, independence
- Ability to work with others

# How can you become an Actuary?



- An actuary achieves professional status by passing examinations to prove a certain level of knowledge
- Actuarial examinations are administered by the Casualty Actuarial Society (CAS) and Society of Actuaries (SOA)
  - Preliminary exams are administered jointly
  - Examinations are held multiple times a year depending on the exam
- Two professional designations exist for each organization:
  - **Associate** (either ASA or ACAS)
  - **Fellow** (either FSA or FCAS)
- You can earn while you learn - employers support actuarial trainees taking exams by providing exam study time on the job

# Preliminary Education Structure



- Prerequisites
  - Calculus
  - Linear Algebra
- Validation by Educational Experience (VEE)
  - VEE credits are obtained through college courses, standardized exams, approved educational experiences, and transitional exams for:
    - VEE- Applied Statistics
    - VEE- Corporate Finance
    - VEE- Economics

# Preliminary Education Structure



- Preliminary Examinations
  - Exam 1/P: Probability
  - Exam 2/FM: Financial Mathematics
  - Exam 3F/MFE: Models for Financial Economics
  - Exam 3L/MLC: Life Contingencies
  - Exam 4/C: Construction and Evaluation of Actuarial Models
- In addition to the preliminary education, each society has additional requirements to achieve professional designations

# How can you become an Actuary?



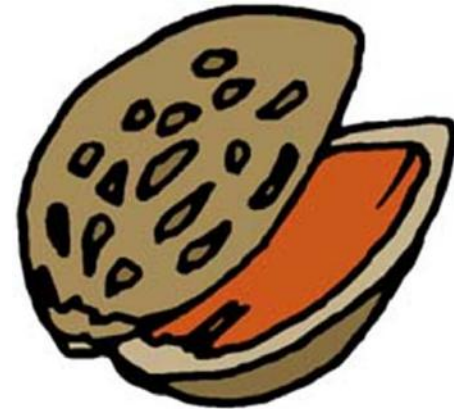
- Acquire a well-rounded curriculum, including classes approved for VEE credit
- Sharpen your communication skills (especially writing/grammar)
- Take advantage of opportunities to give presentations
- Sharpen your computer skills
- Get good grades (**3.0 GPA required at Cheiron**)
- Take actuarial exams while in school (**at least 1 exam for internship at Cheiron and 2 exams for new hires**)
- Find an actuarial internship



# What is it like to work at Cheiron?



- Employee benefits consulting firm
- Employee-owned
- All revenue derived from actuarial consulting services
- Two primary specialty areas, retirement and health
- Clients include public sector entities, multiemployer plans, corporations and nonprofit organizations

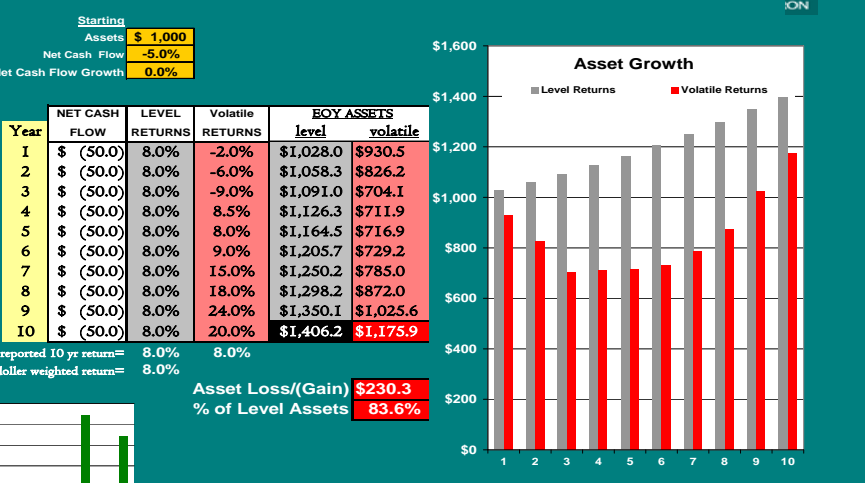
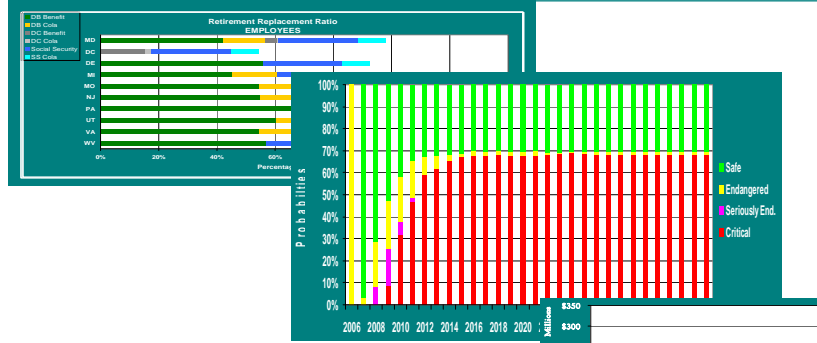
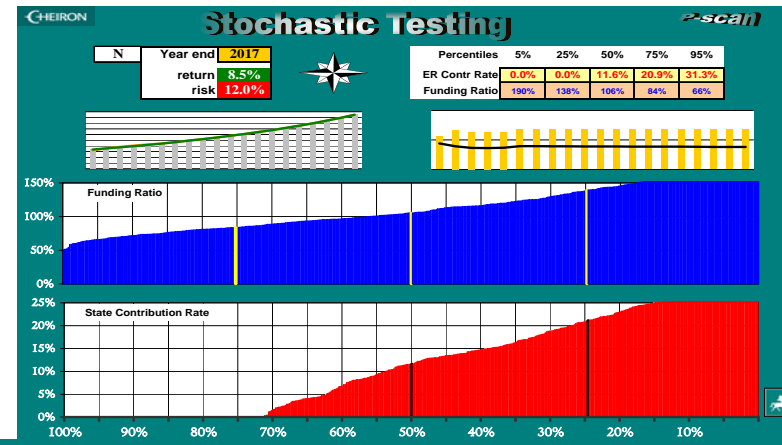
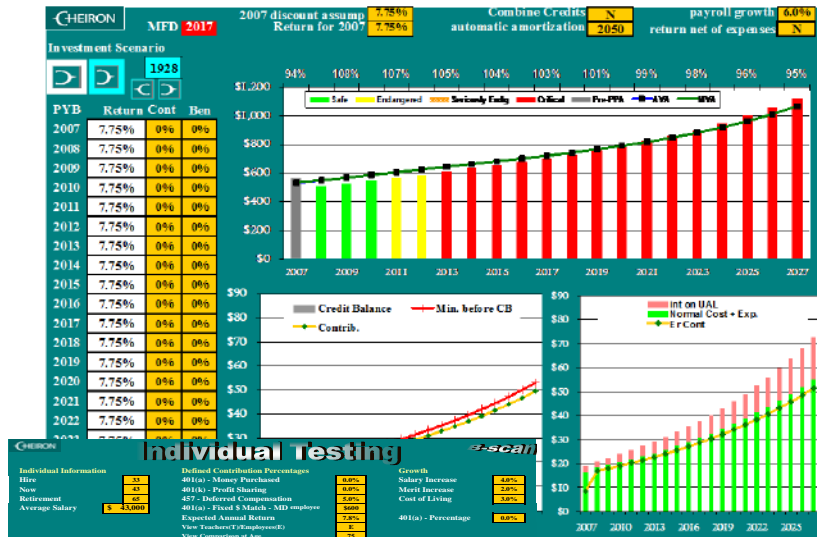


# What is it like to work at Cheiron?



- Nine offices nationwide (plus 4 satellites)
- 100+ Employees
- Serve over 300 pension and health funds throughout the country
- Excellent reputation in our industry (plan sponsors and competitors)
- Significant growth on the West Coast
  - Offices in San Diego (Solana Beach), Los Angeles, Oakland, and Portland (satellite in Seattle)

# Cheiron's Advantage



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# Why Join Cheiron?



- Opportunity to work in both health and retirement practice areas before committing
- Early exposure to client meetings
- Extensive responsibility and ownership of work product early on in career
- Work directly with senior consultants
- Small enough for you to make a big impact
- Less bureaucracy than other firms
- Work/Life Balance



# Helpful Resources



- Be An Actuary
  - [beanactuary.org](http://beanactuary.org)
- Society of Actuaries
  - [soa.org](http://soa.org)
- Casualty Actuarial Society
  - [casact.org](http://casact.org)
- Recruiting and Salary Surveys
  - [dwsimpson.com](http://dwsimpson.com)
- **To learn more about internships and career opportunities at Cheiron**
  - [cheiron.us](http://cheiron.us)
  - [opportunity@cheiron.us](mailto:opportunity@cheiron.us)

# Questions





## “Classic Values, Innovative Advice”

Our Mission: To empower benefit plan sponsors to understand and better manage their benefit programs and their resulting financial risks through innovative technological applications and unsurpassed professional expertise.



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# CHEIRON



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***Cheiron** (pronounced kī·ron), the immortal centaur from Greek mythology, broke away from the pack and was educated by the gods. Cheiron became a mentor to classical Greek heroes, then sacrificed his immortality and was awarded in eternity as the constellation Sagittarius.*



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