

Professionalism case studies

Short Term Insurance Seminar
Johannesburg 2016

Agenda

- Introduction
- Videos & discussion
 - Changing jobs
 - Lost in transmission
- Conclusion

INTRODUCTION

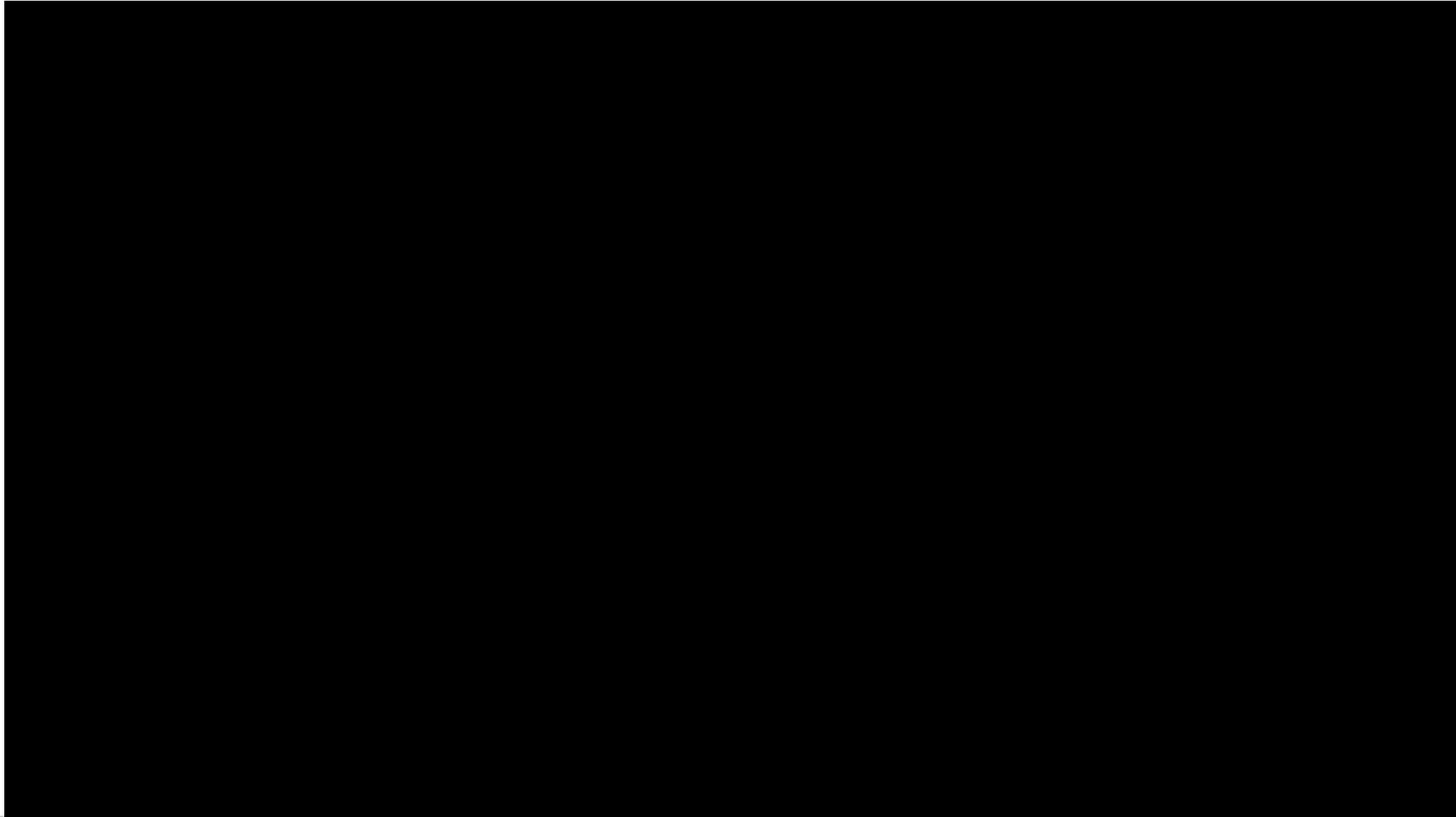
Murder, Culpable Homicide or Accident?



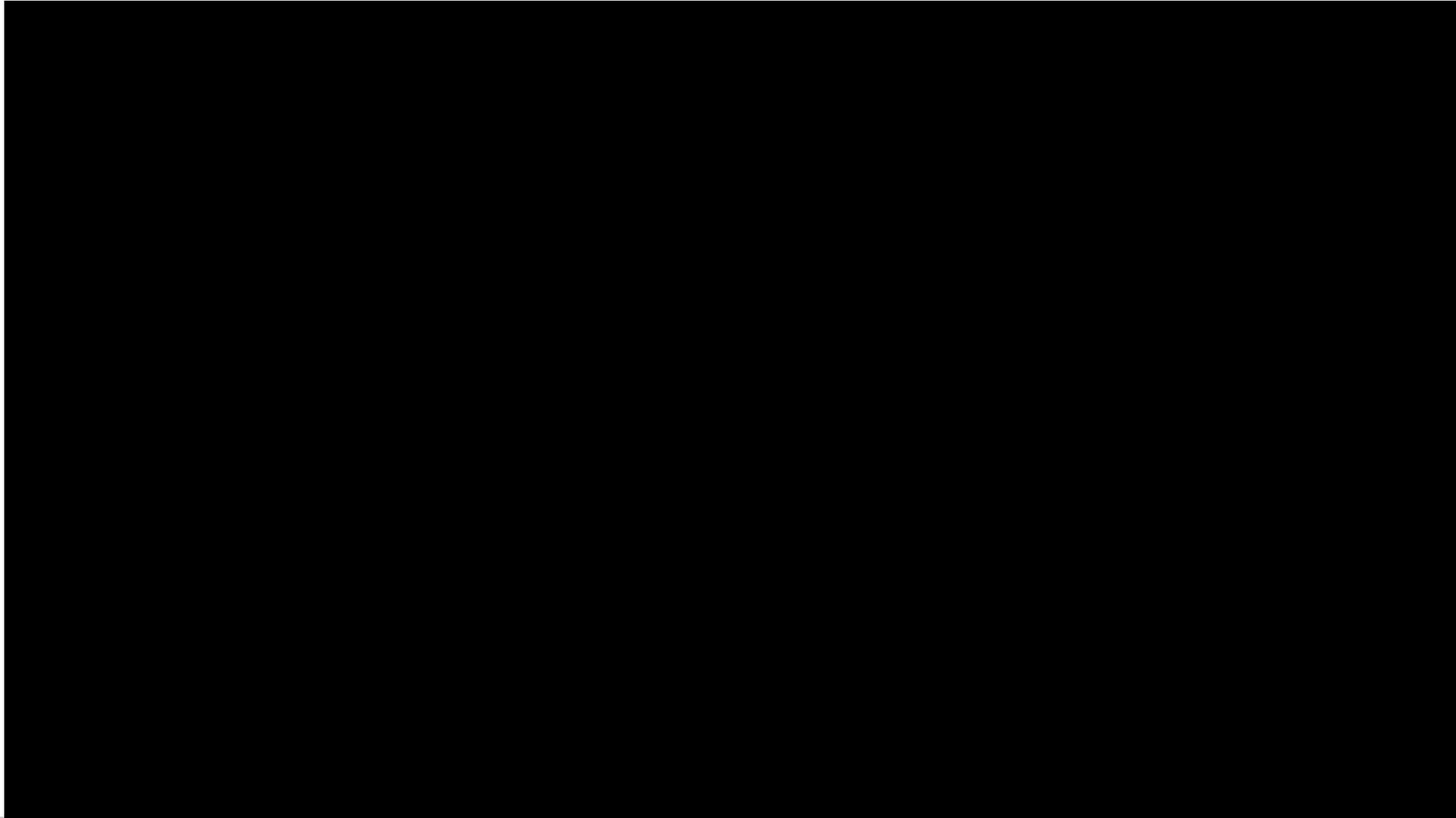
The videos

- With gratitude to the IFoA
- Role & format of discussion
- Answers?

IFoA Video Case Study – Changing jobs (1)



IFoA Video Case Study – Changing jobs (2)



IFoA Video Case Study – Changing jobs (3)



IFoA Video Case Study – Changing jobs (4)



IFoA Video Case Study – Changing jobs (5)



Changing Jobs – questions for discussion

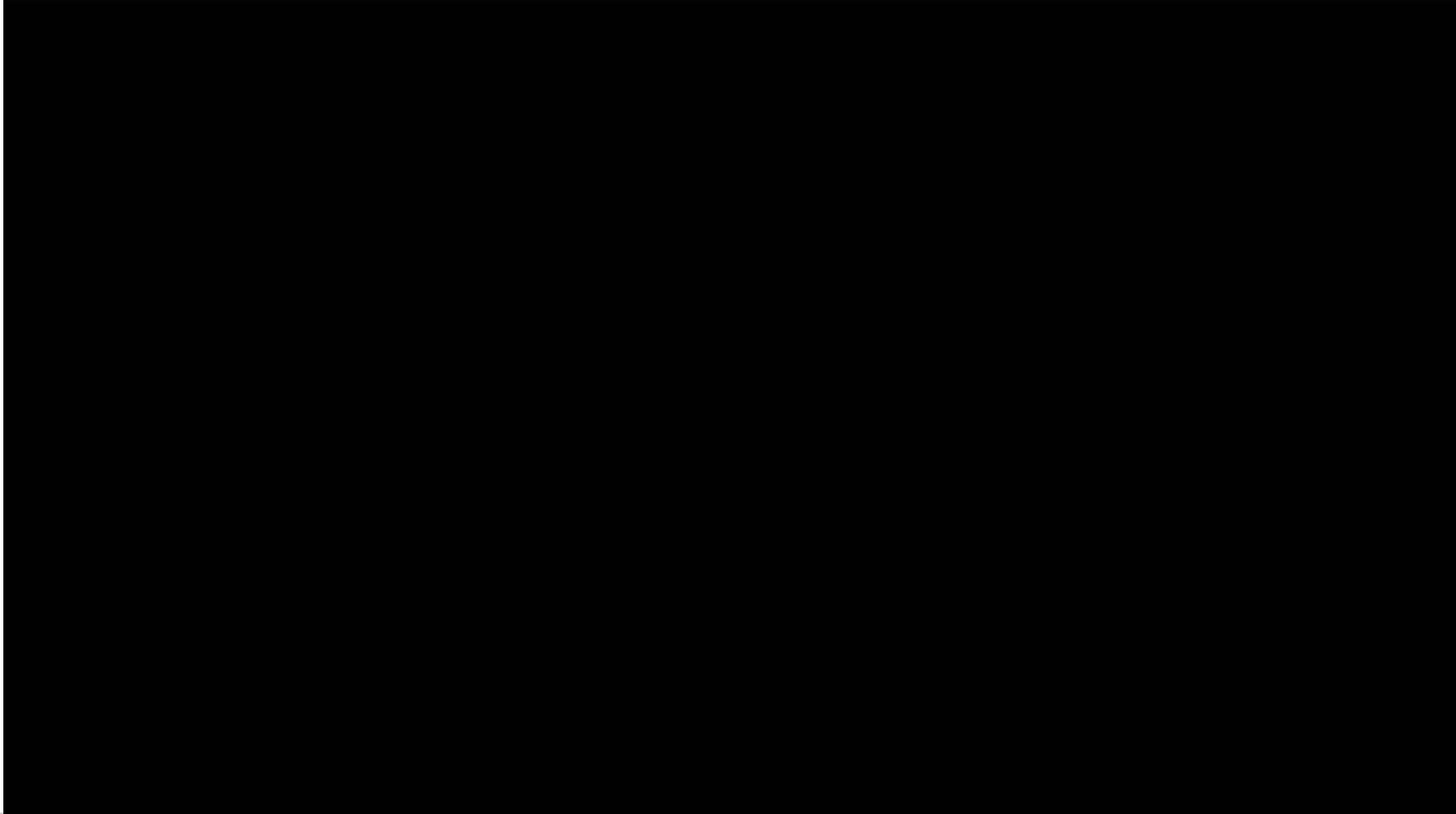
- 1) What is Eric able to use at his new employer?
- 2) What are the boundaries between what is acceptable to use and what not?
- 3) Does it make any difference whether the work was done by Eric or someone else?
- 4) Is it okay to have printed copies of past work at home?
- 5) What if you know something from your previous employer that they regarded as commercially sensitive?
- 6) Is it okay for Eric to disclose what his previous employer's plans were to his new employer?
- 7) Do you know what is in your employment contract about confidentiality, intellectual property and what happens when you leave?
- 8) Are there implied duties to your employer which still apply even if they have not been included in your employment contract?

IFoA Case Study – Lost in Translation

□ The characters involved:

- Stefan – actuary
- Georgina – senior actuary
- Viraj – chief actuary
- Mel – project leader for “Cover Max”
- Jacqueline – sponsoring Board member

IFoA Case Study – Lost in transmission (1)



IFoA Case Study – Lost in transmission (2)

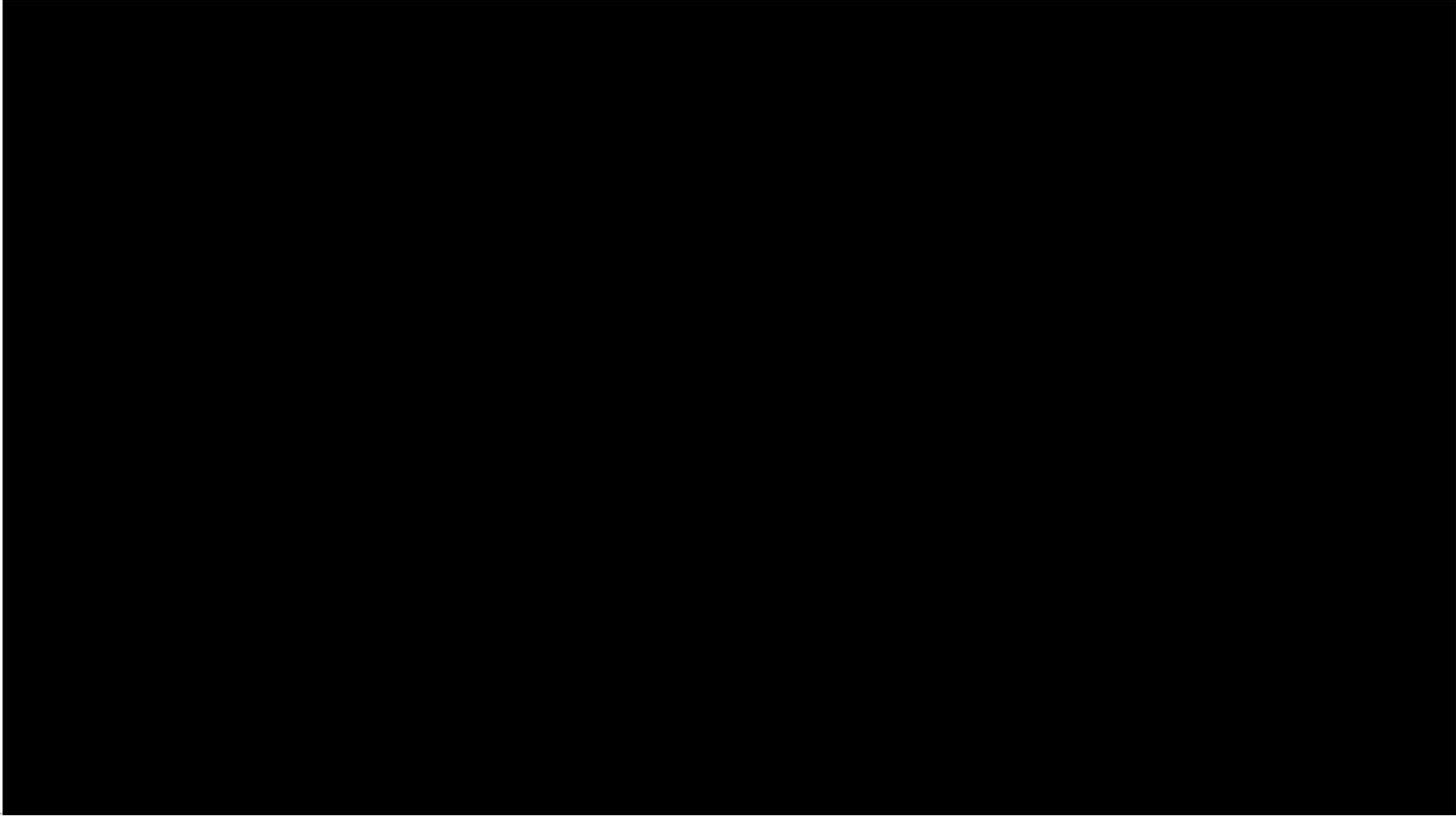


IFoA Case Study – Lost in transmission (3)

So all good?

What could possibly go wrong?

IFoA Case Study – Lost in transmission (4)



IFoA Case Study – Lost in Translation

- Does Stefan have a responsibility to ensure understanding of his work further up the management chain?
- How could Stefan have ensured he gets the key messages across?
- How could Georgina have maintained her impartiality when asked to paint a more positive picture?
- Should Viraj have provided Mel with more detail on the risks?
- Should Mel have gone ahead with the Board without having all the details?
- How much trust can Mel have in the team to provide her with the essential information she needs for the Board?
- Should Jacqueline / the Board ask more questions / insist on getting more?
- So who is to blame?
- How can risks of this nature best be avoided?

SAP901 on communication

Section 3 Communication

3.1 General Principles – Any communication should be appropriate to the particular circumstances and take the skills, understanding, levels of relevant technical expertise and needs of the intended user into consideration to allow the intended user to understand the implications of the actuary's communication.

3.1.1 Form and Content - The actuary should determine the form, structure, style, level of detail and content of each communication to be appropriate to the particular circumstances, taking into account the intended users.

3.1.2 Clarity - The actuary should word each communication to be clear and use language appropriate to the particular circumstances, taking into account the intended users.

3.1.3 Timing of Communication - The actuary should issue each communication within a reasonable time period. The timing of the communication should reflect any arrangements that have been made with the principal. The actuary should consider the needs of the intended users in setting the timing.

3.1.4 Identification of the Actuary - A communication shall clearly identify the issuing actuary. When two or more individuals jointly issue a communication, at least some of which is actuarial in nature, the communication shall identify all responsible actuaries, unless the actuaries judge it inappropriate to do so. The name of an organisation with which each actuary is affiliated also may be included in the communication, but the actuary's responsibilities are not affected by such identification. Unless the actuary judges it inappropriate, any communication shall also indicate to what extent and how supplementary information and explanation can be obtained from the actuary or another party.

SAP901 on communication (continued)

3.2 Report – The [actuary](#) should complete a [report](#) unless any [intended users](#) will otherwise be adequately informed about the results of [actuarial services](#) (including access to the supporting information which is necessary to understand these results). The [actuary](#) should present all information with sufficient detail that another [actuary](#) qualified in the same practice area could make an objective appraisal of the reasonableness of the [actuary's work](#).

3.2.1 Content - In the [report](#), the [actuary](#) should include, if applicable:

- a. The scope and intended use of the [report](#);
- b. The results of [actuarial services](#), including the potential variability of these results;
- c. The methodology, assumptions, and data used;
- d. Any restrictions on distribution;
- e. The date of the [report](#); and
- f. Information on the authorship of the [report](#).

3.2.2 Disclosures - In the [report](#), the [actuary](#) issuing the [report](#) should disclose, if applicable:

- a. Any material deviation from the guidance in this SAP (1.3);
- b. Any reliance on information prepared by another party for which the [actuary](#) disclaims responsibility (2.3.3);
- c. Any data modification, validation and deficiencies (2.5);
- d. The [actuary's](#) assessment of the uncertainty inherent in the information used by the [actuary](#) (2.5.4.c);
- e. Any material inconsistency in the assumptions used (2.7.7);
- f. Where the [report](#) contains the results of an additional calculation using an assumption set requested by the [principal](#) which the [actuary](#) does not judge to be reasonable for the purpose of the assignment (2.7.9);
- g. Assumptions and methodology that have been prescribed by another party (2.8);
- h. Assumptions and methodology that are mandated by [law](#) (2.9); and
- i. Any material [subsequent event](#) (2.12).

SAP901 on communication (continued)

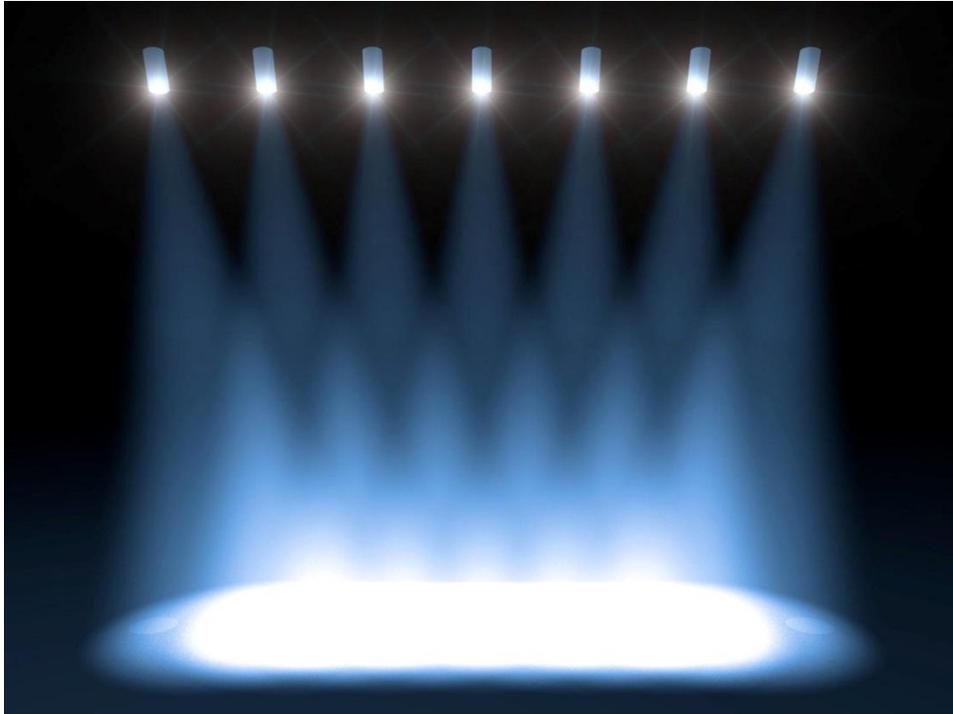
3.2.3 Authorship - The actuary issuing the report should include in the report:

- a. The actuary's name;
- b. If applicable, the name of the organization on whose behalf the actuary is issuing the report, and the actuary's position held;
- c. The capacity in which the actuary serves;
- d. The actuary's qualifications;
- e. The Code of Professional Conduct and actuarial standards under which the work was performed, if there is any possible ambiguity; and
- f. If applicable, attestations and reliances.

3.2.4 Form - A report may comprise one or several document(s) that may exist in several different formats. Where a report comprises multiple documents, the actuary should communicate to all intended users which documents comprise the report. The actuary should ensure that report components (especially those in electronic media) are such that they can be reliably reproduced for a reasonable period of time.

3.2.5 Constraints - The content of a report may be constrained by circumstances such as legal, legislative, regulatory, or supervisory proceedings. Constraints could also include other standards such as financial reporting standards or an entity's accounting policy. The actuary should follow the guidance of this SAP to the extent reasonably possible within such constraints.

Conclusion



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