

**Inaugural Speech by John Parks
American Academy of Actuaries
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Good afternoon.

Measure twice; cut once.

It's not an actuarial precept, but maybe it should be. Some of you who know me know that in another life I'm a carpenter. I enjoy working with my hands, building things for my family and friends, lending a hand with habitat for humanity, Katrina disaster recovery and other projects.

Measure twice; cut once.

It's something you learn early on as a carpenter, the first time you realize that your table leg is just a fraction of an inch off and you're going to have to do the whole thing all over again.

So the care you take with the ruler and pencil, before the edge of the saw ever touches wood, pays big dividends. It not only saves time, but you can see the results of your care in the quality of the work.

I'd like to think the same principle applies when you're trying to build a united actuarial profession. And the first measure of such an effort is a comprehensive strategic plan.

One of the responsibilities I had as president-elect was to chair the Academy's Strategic Planning Committee. Construction of the plan was already well underway, however. My extremely gifted and committed predecessor, Bill Bluhm, led the committee in the prior year in drafting the blueprint.

It was a long and arduous task. Much thought, talk, and energy went into it, most of it measured, some not so much. But the end result was a strategic plan that went far beyond anything the academy had ever done before.

First, there was a redrafted mission statement, one that puts the public interest right up front and emphasizes the Academy's role in proactively identifying the issues in which actuaries can make a difference.

And for the first time, the mission statement not only recognized the importance of the academy's role in unifying the profession, but also the importance of representing that profession in the international arena.

The second measure for the plan was to identify eight core functional areas:

1. Professionalism
2. Public policy advice to policymakers
3. Advocacy in the public interest (another new plank in the platform)
4. Recognition and communication
5. Coordination and representation
6. International representation
7. Member services
8. Governance and management

Then each of these areas was further subdivided into achievable and measurable strategic goals and objectives.

With those measures taken, the Academy Board and staff went about the task of putting them into action. Which objectives were high-priority and which ones could wait?

Our first cut determined that 99 percent of it was top priority and it all had to happen at once. So we stepped back and took a more realistic look. And together, Board and staff hammered out integration plans for each objective that we could all live with.

It's a good foundation. Solid, comprehensive, achievable. But it's not yet done.

In the past few months, the Strategic Planning Committee gathered twice again to measure our progress. What had we achieved in the intervening year? What hadn't we achieved and why? Had priorities changed?

At our last Board of Directors meeting numerous changes to the strategic goals and initiatives were approved. I need to note that none of the core functional areas were modified. No matter what adjustments we make, the overall goal remains clear and unchanged: a cooperative actuarial profession speaking with one voice and working together in the public interest.

A couple of particularly good examples of these efforts stand out:

1. Earlier this month we held our first mega meeting – six long days of meetings that included NAAC, CUSP, a new-member Board of Directors orientation for all U.S. organizations, and the Academy Board of Directors meeting. It was a well received joint effort of the Academy, defining the chronology and content of the events, with the staff of the CCA expertly managing the facilities.
2. Another project in particular that comes to mind as a very good example of the kind of collaboration we can achieve: the actuarial search engine put together by the Mexican members of the North American Actuarial Council.

This search engine accesses documents and work product from all the North American organizations. Type in “pension reform,” for example, and you’ll get relevant material from the academy, ASPPA, CAS, CCA, SOA, CIA, and the Mexican associations. A truly collaborative tool.

As Academy president in 2009, I remain committed to continued collaboration in the public interest. Whether we’re responding to the challenge that increasing longevity represents to Social Security, or the wisdom of disclosing the market value of assets and liabilities in the valuation of public pension plans, the Academy, along with the entire profession, will carefully measure the consequences and act in the public interest.

Looming next on our agenda of issues is the daunting problem of Medicare. It’s in even more of a challenge than Social Security and the array of available options is fewer and even more unpalatable. What can the actuarial profession do to be part of the solution?

As was demonstrated with the public advocacy statement on Social Security released in August, people listen to us. They’re ready to hear what we have to say.

They listen to us not because we’re members of the Academy, or any of the other actuarial organizations. They listen to us because we’re actuaries, because the expertise we bring to the table is relevant and unbiased.

They depend on us to be the ones who measure twice and cut once.

Thank you.