Review of the U.S. Actuarial Profession
Project Proposal – May 2005

Background

- **Morris Review** – The recent review of the actuarial profession in the UK identifies a number of problems that face the profession there. While the US profession is different in some ways, in many ways it is modeled after the UK and might have similar problems.

- **PCAOB** – A crisis in the US accounting profession resulted in a major departure from self-regulation.

- **Image of the Actuary** – We are actively involved in changing how we are perceived by others as well as ourselves.

- **Challenges** – While we see increased demand for the skills of actuaries such as ERM, there is increased competition for those opportunities and the profession is not growing.

- **Strengths** – We have a strong foundation of self-governance based on professional integrity. We own the thought leadership in some key areas and are beginning to capitalize on that fact.

Proposed Review
Undertake a critical self-analysis and review of the US actuarial profession for use by the profession and without constraints on the outcomes.

Project Structure

- Academy Presidential Task Force – As the US umbrella organization it is appropriate that the Academy undertake the leadership of this project with cooperation of all of the US profession.

- Proposed Task Force Chair – Fred Kilbourne

- Task Force Members – Selected jointly by the PAC and the Chair of the Task Force

- Staff assistance provided by the Academy with funding for up to one FTE (as necessary) drawn from Undesignated Reserves.

Suggested Approach
Use Enterprise Risk Management techniques to identify risks faced by the profession, analyze those risks, and develop recommendations for their management.