

# DIVERSITY IN THE ACTUARIAL PROFESSION

## Next Steps – A Look Ahead

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# Background

- Committee on Actuarial Diversity (COAD)
  - Started over 30 years ago to address lack of diversity in the actuarial profession
  - CAS and SOA joint committee
  - Initial charge included promoting profession to Women and Asian populations
  - Current underrepresented groups include Black/African American, Hispanic and Native American

# Background

- Mission of the COAD – help promote a diverse actuarial profession by recruiting top mathematical and analytical talent from the African American, Hispanic and Native American Communities
- Objective of the COAD – help increase total membership of underrepresented minorities in the actuarial profession to the levels of the U.S. population

# Background

- The COAD focuses on:
  - Awareness; presentations at high schools and participation at various national meetings
  - Scholarships to college students (with the Actuarial Foundation)
  - Mentoring (with the Actuarial Foundation)
  - Reimbursing exam fees for passing students
  - Supporting actuarial summer programs for minority high school students

# Where Are We Today ?

## U.S. Population

- African American 12.3%
- Hispanic 12.5%
- Native American 0.9%

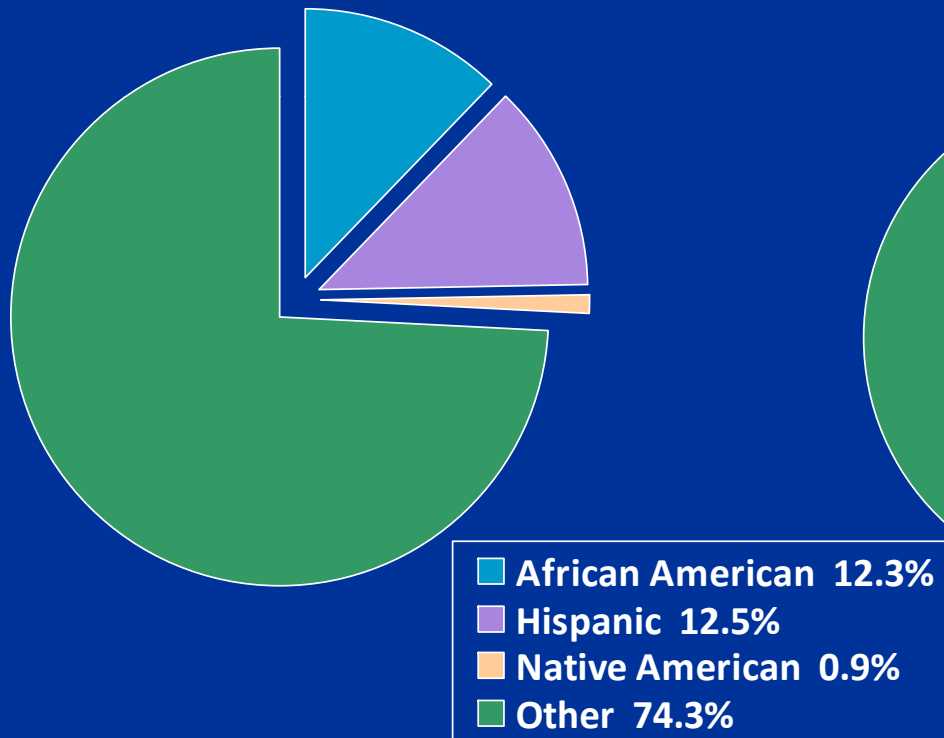
## Actuarial Profession – U.S.

- African American 1.9%
  - FSA 0.3%
  - ASA 1.4%
  - Candidate 3.1%
- Hispanic 1.9%
  - FSA 0.7%
  - ASA 1.3%
  - Candidate 2.6%
- Native American 0.4%

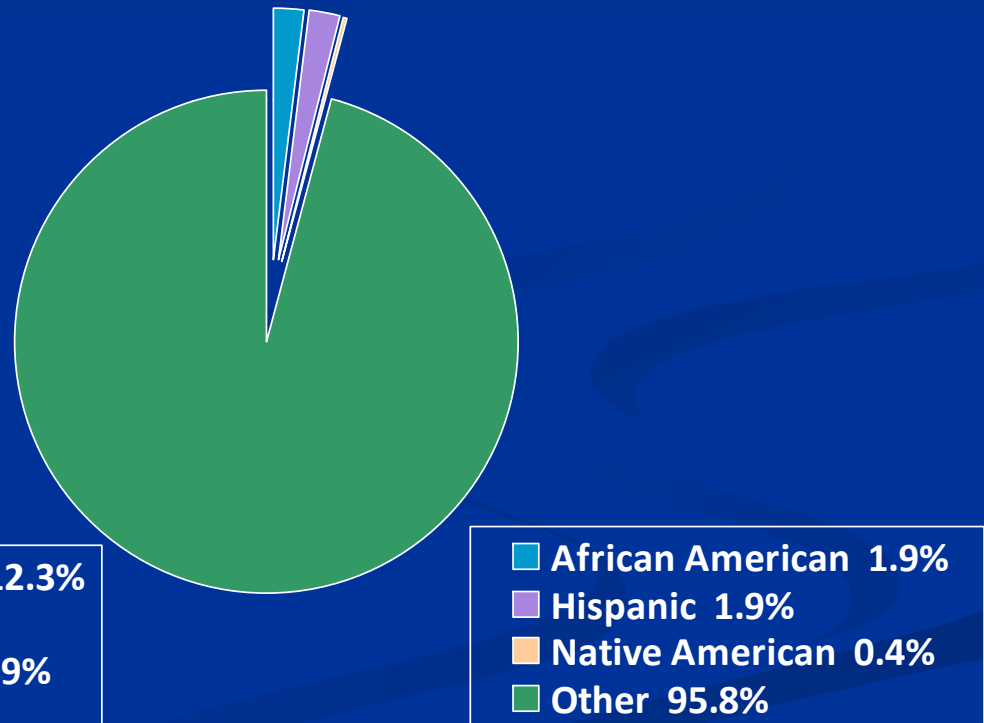
Source: SOA Demographic Survey

# Where Are We Today ?

## U.S. Population



## Actuarial Profession – U.S.



# Statement

- If all top minority (underrepresented) students have thorough knowledge of all professions, there will be much greater diversity in the actuarial profession
- A major challenge is competing with better known professions for top talent

# Importance of Summer Programs

- Awareness of the actuarial profession has increased, but still has a long way to go
- Students in our target population are less likely to be aware of our profession because of fewer exposure points
- High school presentations and BeAnActuary are a start to reaching students
- Summer programs give the student the additional information needed to make an informed decision about their next steps



# Summer Programs- Common Elements

- No cost to students
- Classes
- Project
- Information about exams
- Information about colleges
- Actuarial speakers
- Field trips to actuarial companies, with opportunity to meet interns and/or recent graduates

# Howard University

- Program started well over 15 years ago
- Three week program
- Students live on campus
- Significant classroom time
- Students are from a wide geographic area
- 2011 hiatus – return expected for 2012

# Illinois State University

- Program started about 15 years ago
- One week program
- Students live on campus
- Many students from Illinois, but some from other areas of country
- Several presentations by actuarial employers

# Morgan State University

- Program started two years ago
- Six week mathematics program with one week emphasizing actuarial science
- Commuter program; students from the Baltimore area
- Heavy emphasis on classes; college credit can be earned

# Drake University

- Program started in 2011
- One week program
- Students live on campus
- Target – strong community college students

# Sample Budget

## (One Week – 25 Students)

Room and Board	\$10,000
Salaries (Faculty, administration, counselors)	13,000
Social activities	3,000
Transportation	1,000
Other (liability insurance, photos, printing/postage, supplies, misc.)	3,000
Estimated total	\$30,000

# Sources of Funding

- Actuarial Employers/ Corporate Partners
- University Resources
- Committee on Actuarial Diversity (SOA/CAS)
- Other (?)

# How Do We Get Additional Summer Programs?

- Professors and/or Actuarial Directors champion the effort
- The Committee lends expertise and guidance
- The Corporate Community, the Diversity Committee and Universities provide funding
- University and Committee design curriculum
- University provides facility and instructors
- Societies and Actuarial Companies provide speakers



# Next Steps/Questions for Summer Programs

- Is a summer program a possibility for your university?
- What are the barriers for your university?
- Could an effective summer program help your undergraduate program?
- Could an effective summer program strengthen your relationship with actuarial employers?

# Actuarial Diversity

## Current and Potential Partners

- Society of Actuaries\*
- Casualty Actuarial Society\*
- International Association of Black Actuaries
- Actuarial Employers
- Potential Partners
  - Academic Community
  - Aises, Sacnas

\* Committee on Actuarial Diversity

# Actuarial Diversity – Role of Academic Community

- Two Universities – Drake and UCONN
- Drake – started actuarial summer program in 2011
- UCONN – Started an actuarial diversity scholarship. A UCONN student receives a \$5,000 scholarship for four years. Additional students receive this scholarship in future years.
- UCONN – considering an actuarial summer program in the near future

# Actuarial Diversity – Role of Academic Community

- Should the academic community be a partner in the efforts to achieve greater diversity in the actuarial profession?
- What are some possible initiatives?