

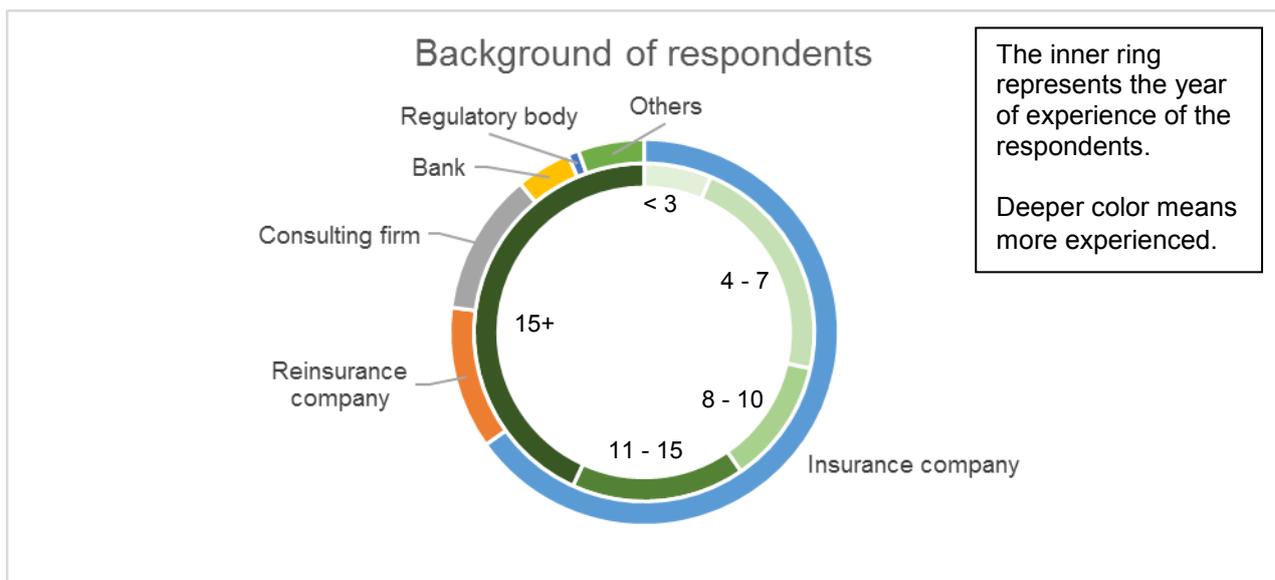
## Update on the First Survey:

**90% of Hong Kong actuaries believe they need to reassess their career game plan today**

*by Scott Chow, ASHK Actuarial Innovation Committee*

In May 2019, not long after the establishment of the ASHK Actuarial Innovation Committee (“AIC”), we conducted a survey to understand ASHK members’ interests and thoughts towards actuarial innovation, as well as expectations on the AIC. We are delighted to share with you the results and conclusions from the survey in this article.

Under the first part of the survey, we asked some questions aiming at understanding the background of ASHK members. Results reveal that the respondents consist of a good mix of seniority ranging from very experienced members (15+ years of experience) to younger members (0 to 7 years of experience). In terms of background, it is not surprising that the majority of respondents are working in insurance companies (> 70%), but we also observe that some respondents have relatively non-traditional roles in technology firms and software companies. We believe the mix of respondents is diverse enough to represent voices from different types of actuaries / ASHK members.



However, an interesting point to note is that when asked to name a previously attended and insightful event relevant to technology and innovation, two-third of respondents skipped the question, which may imply that attending this type of conferences may not yet be popular among ASHK members for the time being.

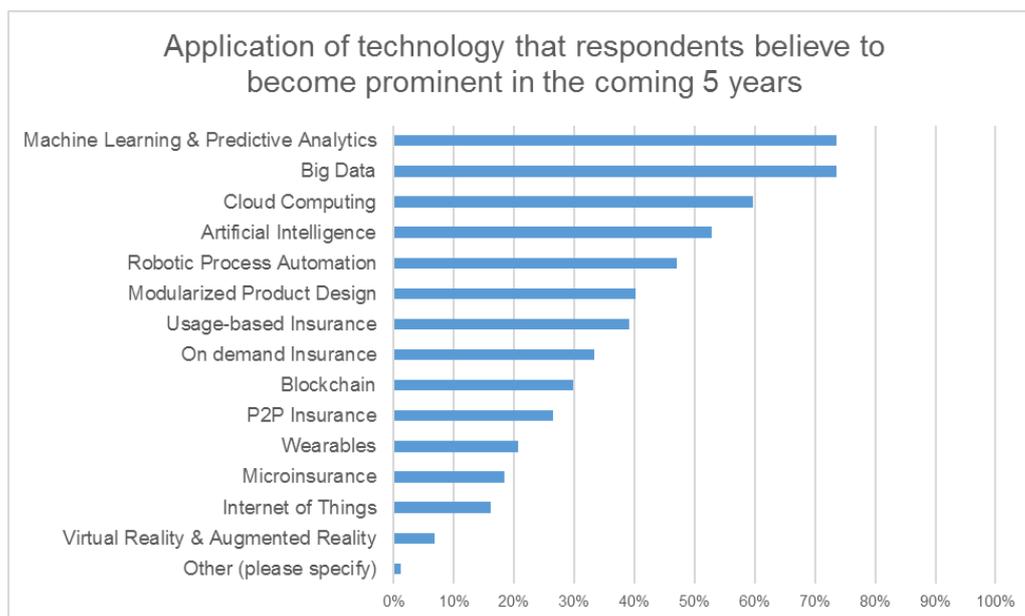
The second part of the survey was designed to understand, from the perspective of our members, the effect of technological advancement on actuarial roles and the insurance industry as a whole.

Among traditional actuarial functions, modelling appears to be the area more likely to be severely impacted, as far as the respondents are concerned. The respondents believe other functions including financial reporting, product pricing and development, valuation, risk management and ALM will also be impacted, but to a lesser extent compared to modelling.

“Actuaries will be replaced by data scientists or artificial intelligence in the future” is a cliché that can often be heard in actuarial conferences and industry events recently. However, only close to 10% of the respondents agree with that. At the same time, respondents believe innovations will bring risks and opportunities to the actuarial profession. Perhaps that is why the majority of the respondents also believe actuaries need to rethink the traditional actuarial roles and assess the impact to their jobs or even careers.



What could be done to improve ourselves as an actuary under the digitisation trend, you may ask. According to the respondents, soft skills like being able to learn and adapt, and communicate with people with different background are viewed as higher priorities than technical skills like coding and data science. This may be explained by the fact that there are many applications of innovative technology one could easily think of. From a given list under the survey, the respondents have identified machine learning and predictive analytics, big data, cloud computing and artificial intelligence as the top four applications that are believed to become prominent in the insurance field in the next five years. Meanwhile, they have also expressed their interest in learning more about these via future events organised by the ASHK.



The final objective of conducting this survey is for the AIC to understand the preferred format of future activities arranged by us in order to promote actuarial innovation. Based on feedback received, organising evening talks and conferences are preferred over publishing articles and research papers.

Thank you very much for participating in the survey, your views and comments have been well received by the AIC. We hope you find the above conclusions insightful, and we are working hard to bring you more about actuarial innovations. 🍷