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# **Risk credentials for actuaries – ERM as a Growth Practice Area**

**Presentation to Global ERM Webcast (Europe)**

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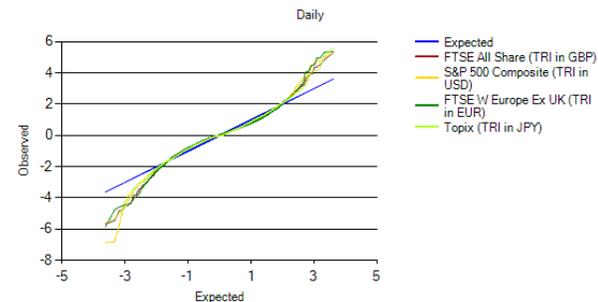
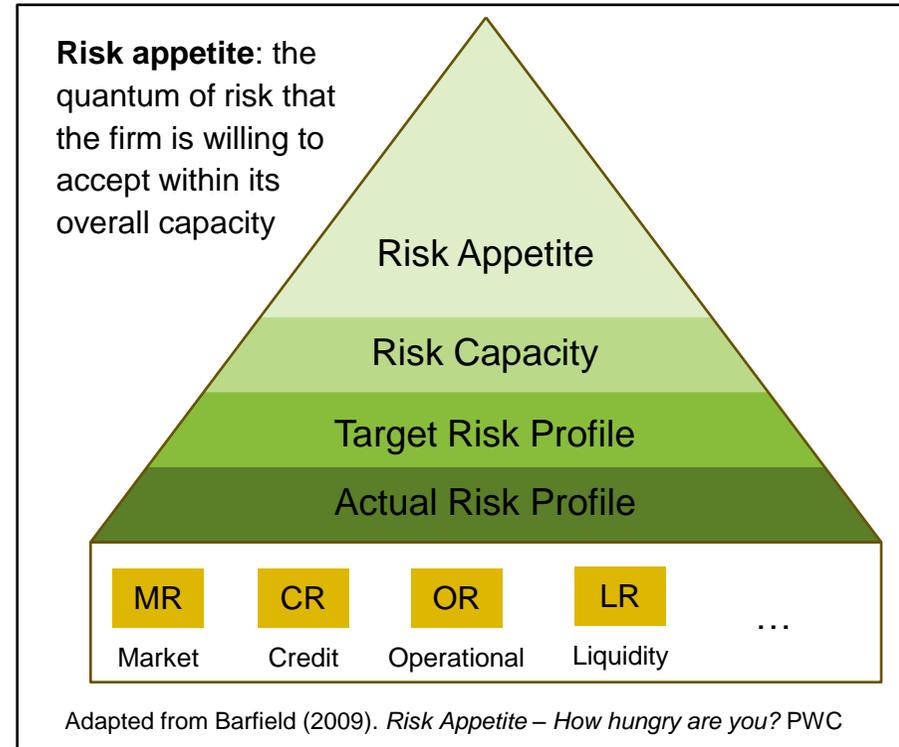
- Developments and emerging issues
- Skills that are useful
- Advice for building a career in ERM

- For financial sector generally
  - Continued focus on improving risk management disciplines, e.g. Walker Review, fall out from 2007-09 credit crisis, Basel III, Solvency II, IORP II
- For actuaries and the actuarial profession
  - Develop market and business aware actuaries, build brand recognition, facilitate networking, align internally around risk management, capture thought leadership
  - Roll out CERA designation in context of competition from other professional bodies
  - Align other aspects of actuarial training and CPD to needs of actuaries wishing to specialise in ERM?
  - Trend towards AFH reporting to CRO?
  - Will pension funds embrace ERM?



# Skills that are useful

- ERM is both **qualitative** and **quantitative**
  - Governance as well as modelling
  - E.g. much of the material on ERM on [www.nematrian.com](http://www.nematrian.com) is quite qualitative
- CERA emphasises ‘higher-order’ skills
  - Should help when interacting with senior management / Boards
- Most individuals in ERM space or above are not actuaries
  - Most are not very quantitative (nor are most actuaries versus outright quants)



Source: Nematrian

- Develop strong market / business awareness
- Be prepared to think laterally
- Remember ERM is qualitative as well as quantitative
- Seize opportunities and be entrepreneurial if you want to rise to the top
- Adjust expectations, plans, effort applied and career management, just as you would do if you were applying ERM in a business context
- Whatever role you are in, leverage your competitive advantage

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