



Risk Engineering

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Actuaries' Aspiration

Actuaries are recognised as valuable practitioners in both traditional and wider fields of practice

Actuaries Institute – Strategy 2013 to 2015			
Vision	To position the profession so that wherever there is uncertainty of future outcomes actuaries are sought after for their valued advice & authoritative comment		
Mission	Education & CPD, R&D and expansion to new fields, professional guidance & standards, represent profession & public policy, meet member services & needs		
Strategic Intent	Enhance the brand of actuary & the reputation of the Institute	Sustain & develop the actuarial profession	Sustain & develop the Institute's business
Strategic Outcomes	More members identify themselves as an actuary	The actuarial qualification is attractive to current & potential future members	Actuaries are in demand as trusted advisers & partners to business
	The Institute is sought after for authoritative comment	Increased demand for actuaries on boards, by employers, clients and government	Actuaries are recognised as valuable practitioners or experts in both traditional and wider fields of practice
			



Actuaries' Aspiration

Actuaries are recognised as one of the pre-eminent risk management professionals in financial services

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Risk and Engineers





Engineers vs Actuaries?

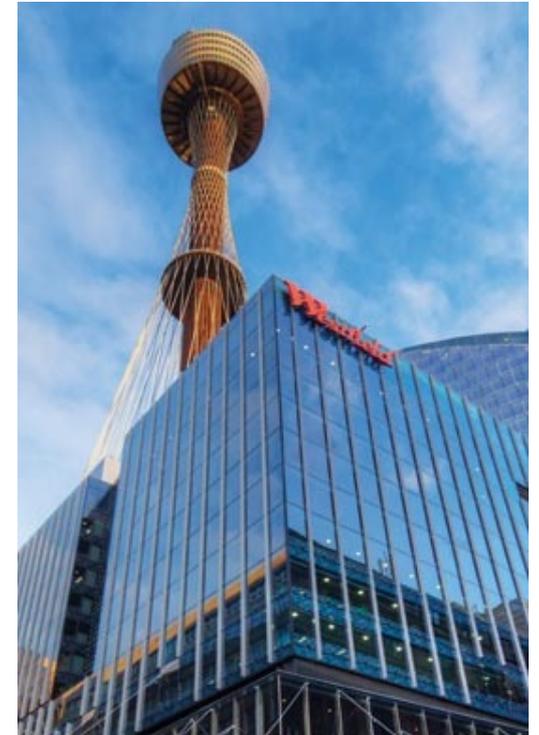




Centrepoint Tower



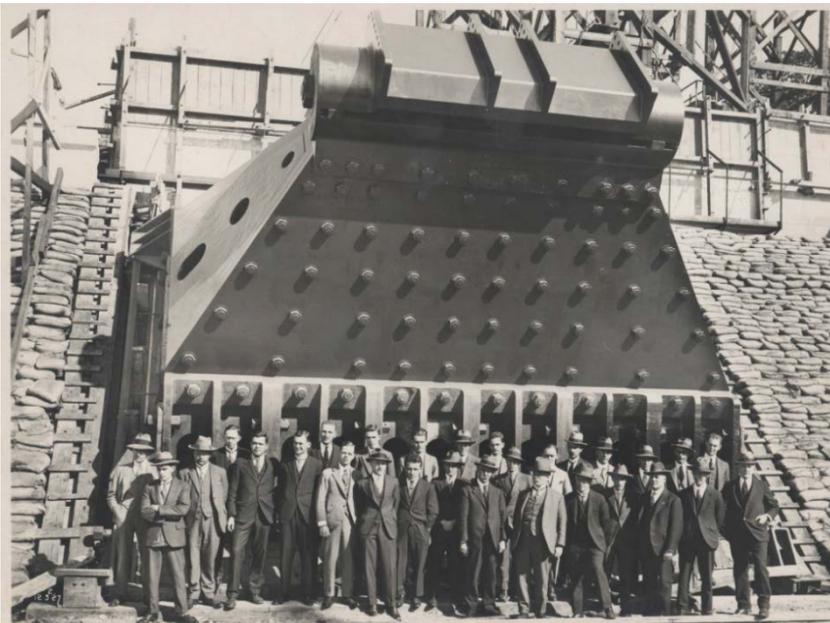
- Originally designed in the late 1960's.
- Construction finished in 1981.
- Redeveloped in the mid 2000's as part of the amalgamation of 4 separate buildings along Pitt Street Mall.
- Tower remained operational during the construction period.





Foundation

By not being constrained by prescriptive standards, financial services organisations may be able to create more efficient and innovative solutions to meet challenging problems.



Regulatory
Frameworks

Design
Guidelines

Risk
Management
Frameworks

Innovation



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Regulatory Frameworks

Design Guidelines

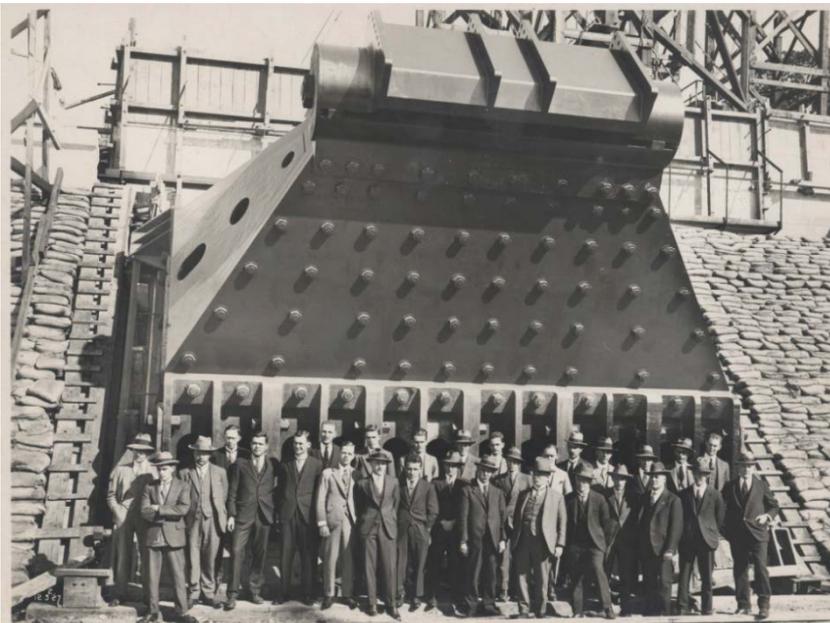
Risk Management Frameworks

Innovation



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Regulatory
Frameworks

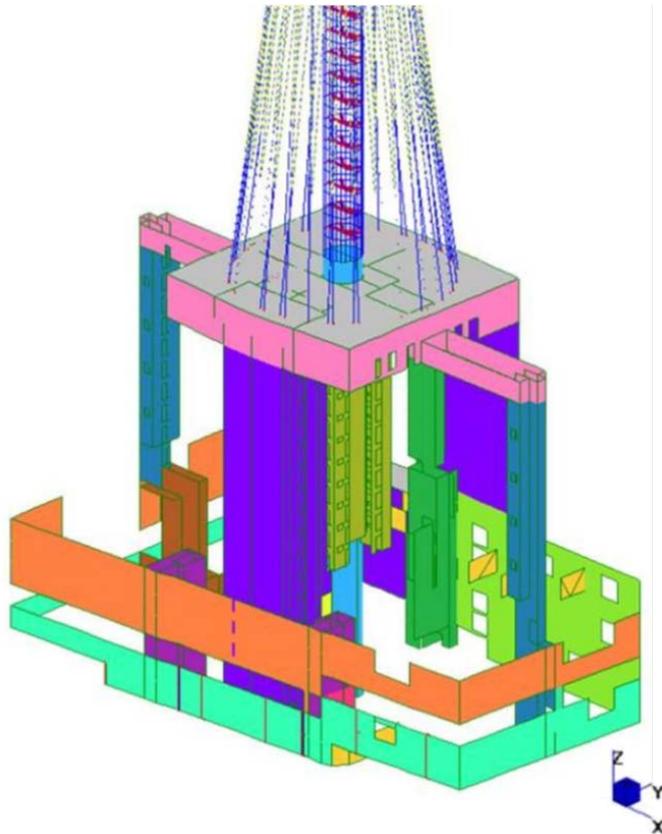
Design
Guidelines

Risk
Management
Frameworks

Innovation



Design Modelling



Robust modelling in conjunction with efficient risk management systems may lead to specific capital requirements.

Not a “one-size-fits-all” approach

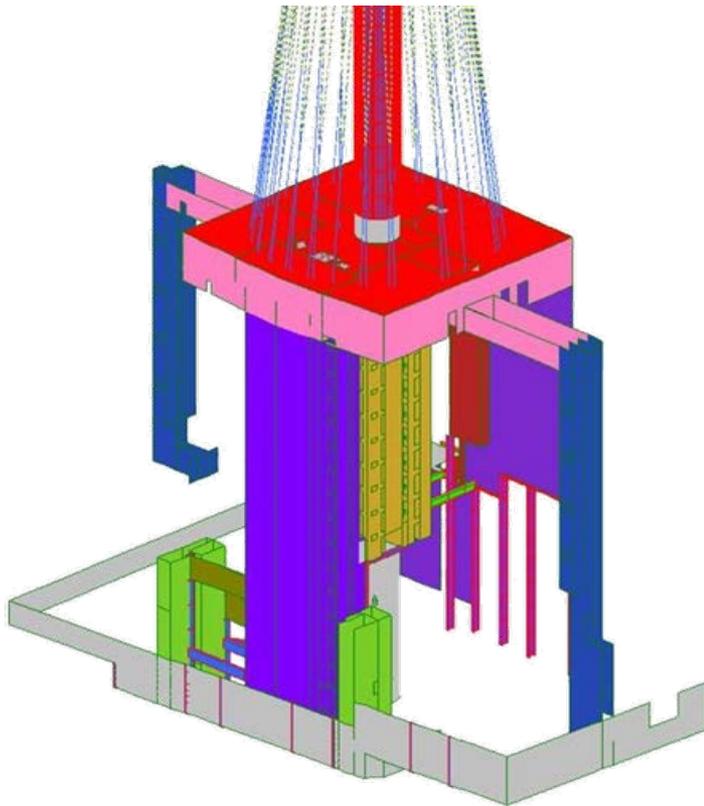
Independent Verifiers

Capital requirements



Design Modelling

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Not a “one-size-fits-all” approach

Independent Verifiers

Capital requirements



Stress Testing

The understanding of the interaction between individual risk elements of an organisation is imperative to understanding overall business risk

Individual Risks

Interaction between risks

Small Scale tests

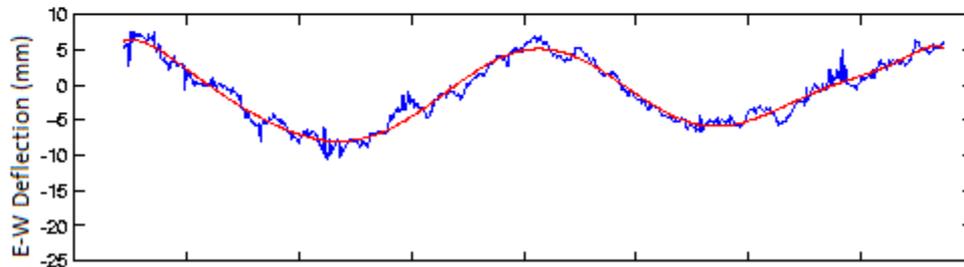
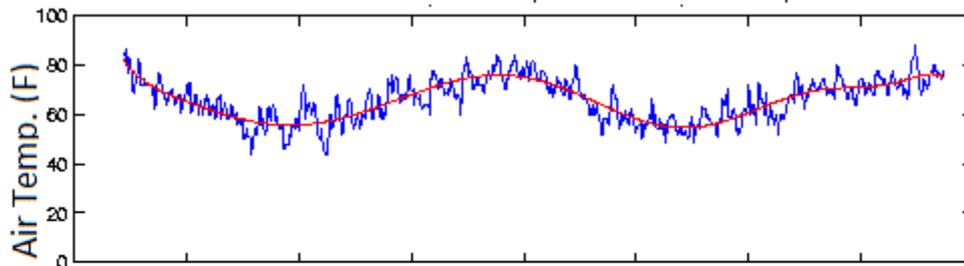
Tests to Failure





Continual Monitoring

To profit from the knowledge of real time data and monitoring an institution must have a nimble and adaptive target operating model.



Behavioural
model

Real time
monitoring

Assumptions
refinement

Actual vs
Expected
Performance



Collaboration



Risk attitudes are set at the enterprise level by an organisation, but they need to be cascaded and managed at an individual level.



Culture

By better collaboration, management is placed in a position to make the most appropriate decisions for the business





Conclusion

