

Actuaries Summit

Think Differently



**Actuaries
Institute**

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GI and Life Actuarial Streamlining – Different sides of the same coin

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*This presentation has been prepared for the Actuaries Institute 2017 Actuaries Summit.
The Institute Council wishes it to be understood that opinions put forward herein are not necessarily those of the
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Structure

- Introduction
- Hypothesis: Diversity of thinking
- Streamlining between GI and Life: What the industry thinks
- Implications – what does it mean? Where are the opportunities?

External Environment



Prudential Standard CPS 220

Risk Management

Objectives and key requirements of this Prudential Standard

This Prudential Standard requires an APRA-regulated institution and a Head of a group to have systems for identifying, measuring, evaluating, monitoring, reporting, and controlling or mitigating material risks that may affect its ability, or the ability of the group it heads, to meet its obligations to depositors and/or policyholders. These systems, together with the structures, policies, processes and people supporting them, comprise an institution's or group's risk management framework.

The Board of an APRA-regulated institution and the Board of a Head of a group, respectively, are ultimately responsible for having a risk management framework that is appropriate to the size, business mix and complexity of the institution or group it heads. The risk management framework must also be consistent with the institution's or group's strategic objectives and business plan.

The key requirements of this Prudential Standard are that an APRA-regulated institution and a Head of a group must:

- maintain a risk management framework that is appropriate to the size, business mix and complexity of the institution or group, as relevant;
- maintain a Board-approved risk appetite statement;

maintain a Board-approved risk management strategy that describes the key risks and the framework that give effect to the approach to



Aviva to merge three insurance arms in UK

The group said Andy Briggs will be promoted from head of its UK life [business](#) to chief executive of the merged insurance division, covering life, general and health insurance.

Aviva's restructure will also see Maurice Tulloch - currently executive chairman of global general insurance - become chief executive of international insurance, heading up the group's insurance [operations](#) in France, Canada, Ireland, Spain, Italy, Poland, Turkey and India.

Suncorp Group overhauls business model

Suncorp Group's new chief executive, Michael Cameron, is putting his stamp on the \$14 billion insurer's future after unveiling a new business operating model for the company.

Implementing IFRS 17 in Australia

IFRS 17 Insurance Contracts is coming, with the final standard expected in the first half of 2017. Many insurance companies are ramping up and preparing for what could be the most pervasive change through their business operations in more than a decade.

**IFRS 17
released on
18 May 2017**

Zurich revamp sees life and general insurance merger

Zurich Insurance Group has begun a process to "reshape and simplify" its business by bringing its life and general insurance businesses together, and reorganising its management.

The Diversity Discussion*



Experiential Diversity



Thought Diversity



Legacy Diversity



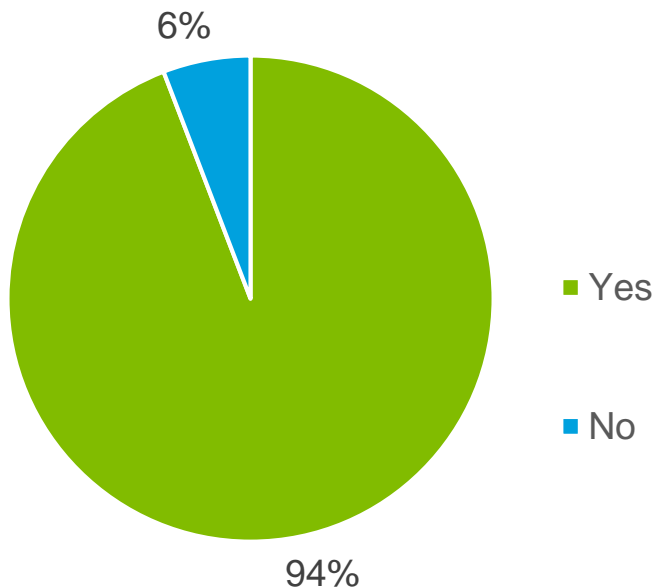
Advantages of Thought Diversity*



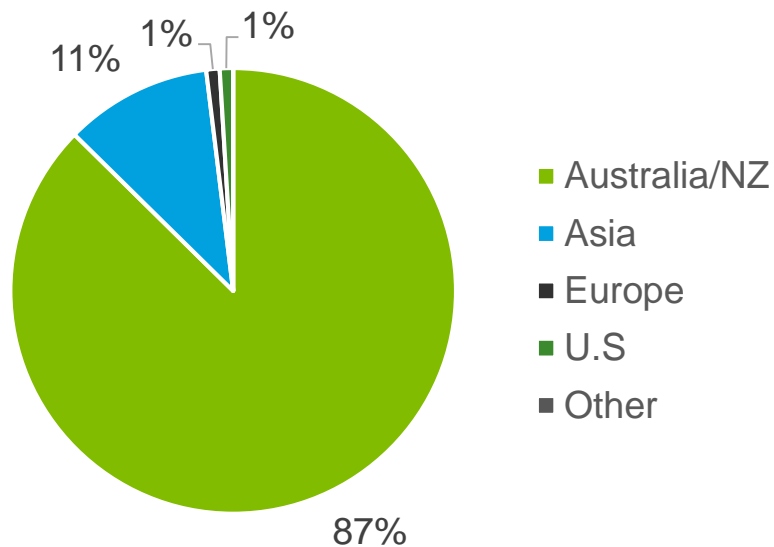
- Reduces the potential for 'groupthink' and/or overconfidence
- New and more insights!
- Can assist in pulling together the most appropriate resources for different problems

Demographics

Are you a member of the Actuaries Institute?

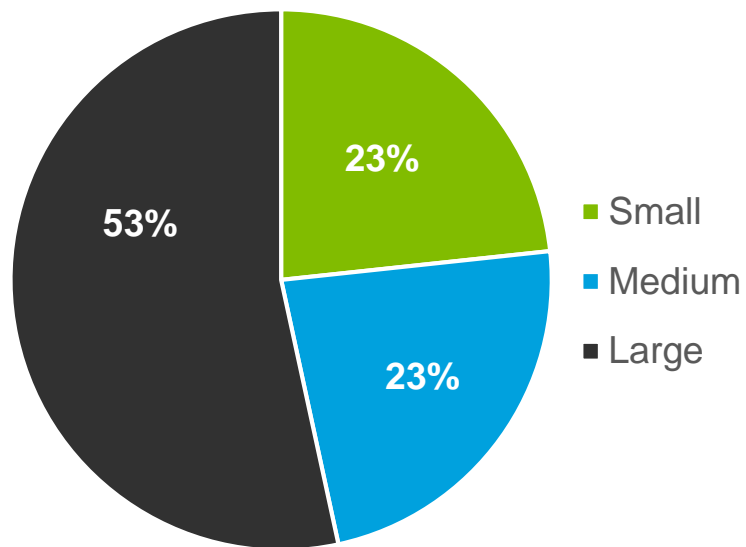


Where is your workplace located?

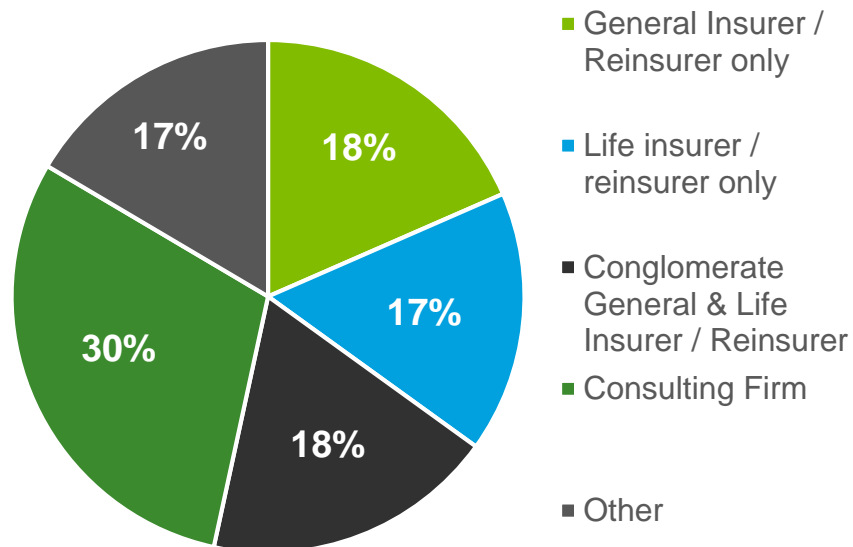


Demographics

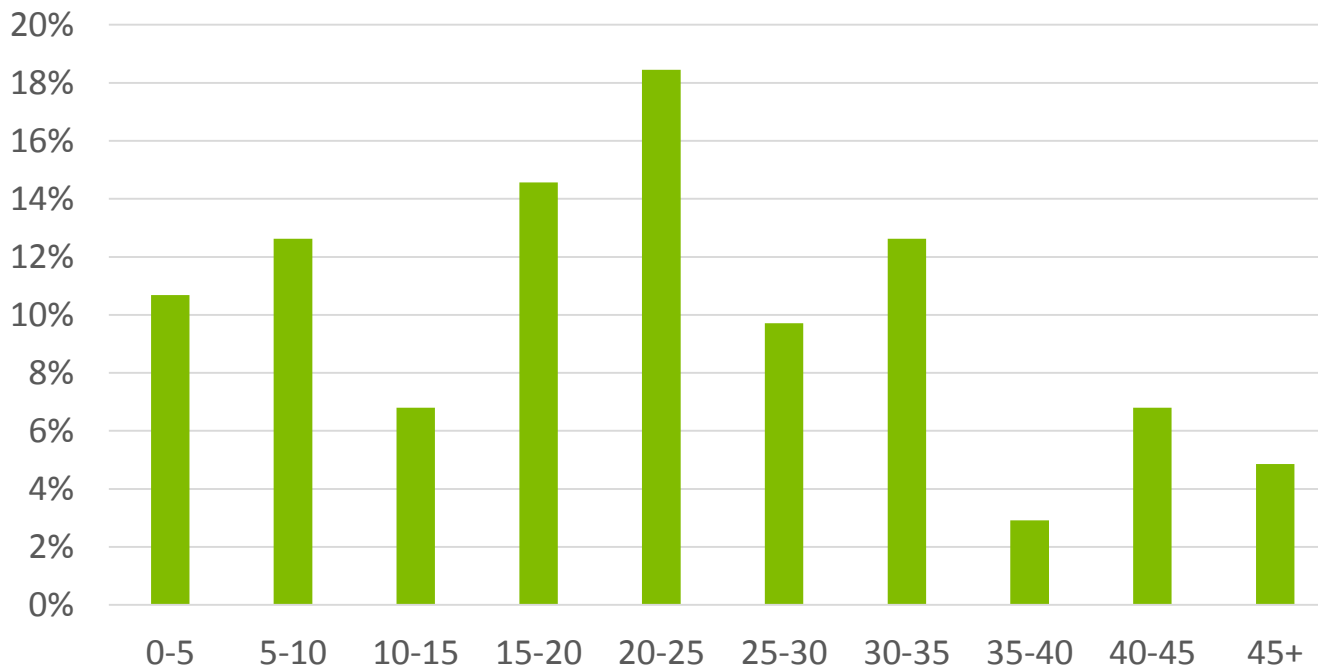
What is the size of your organisation?



What type of organisation is your employer?

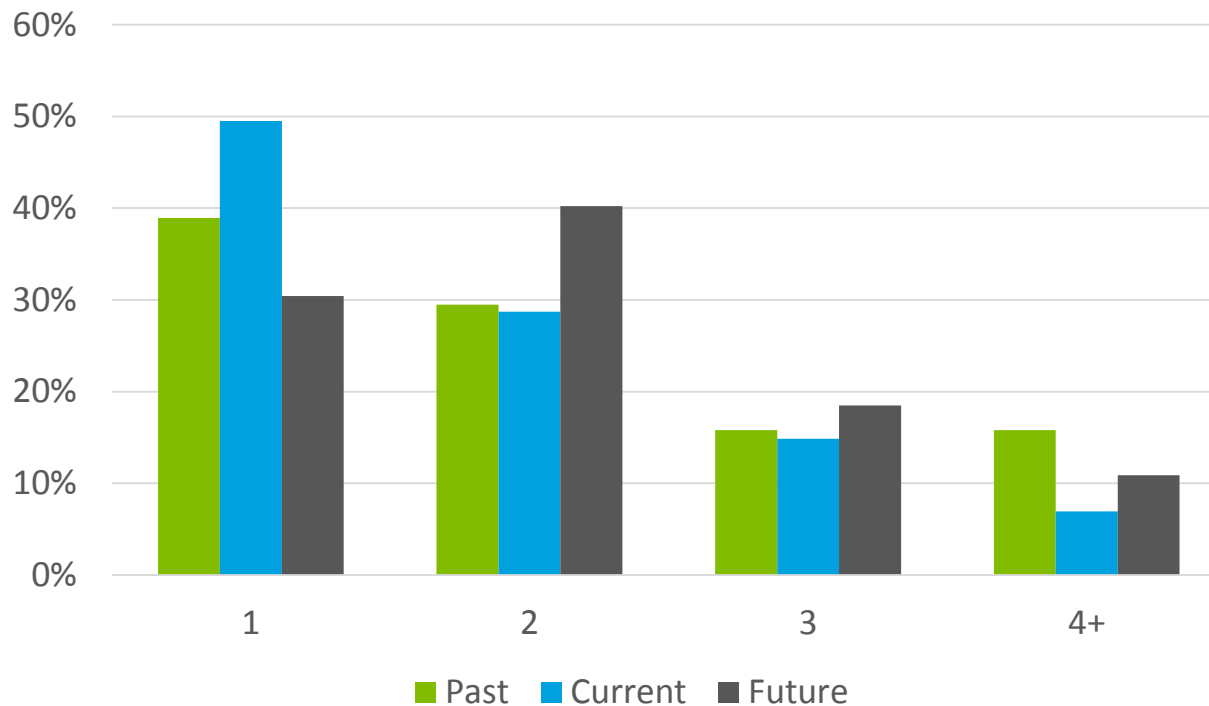


Demographics

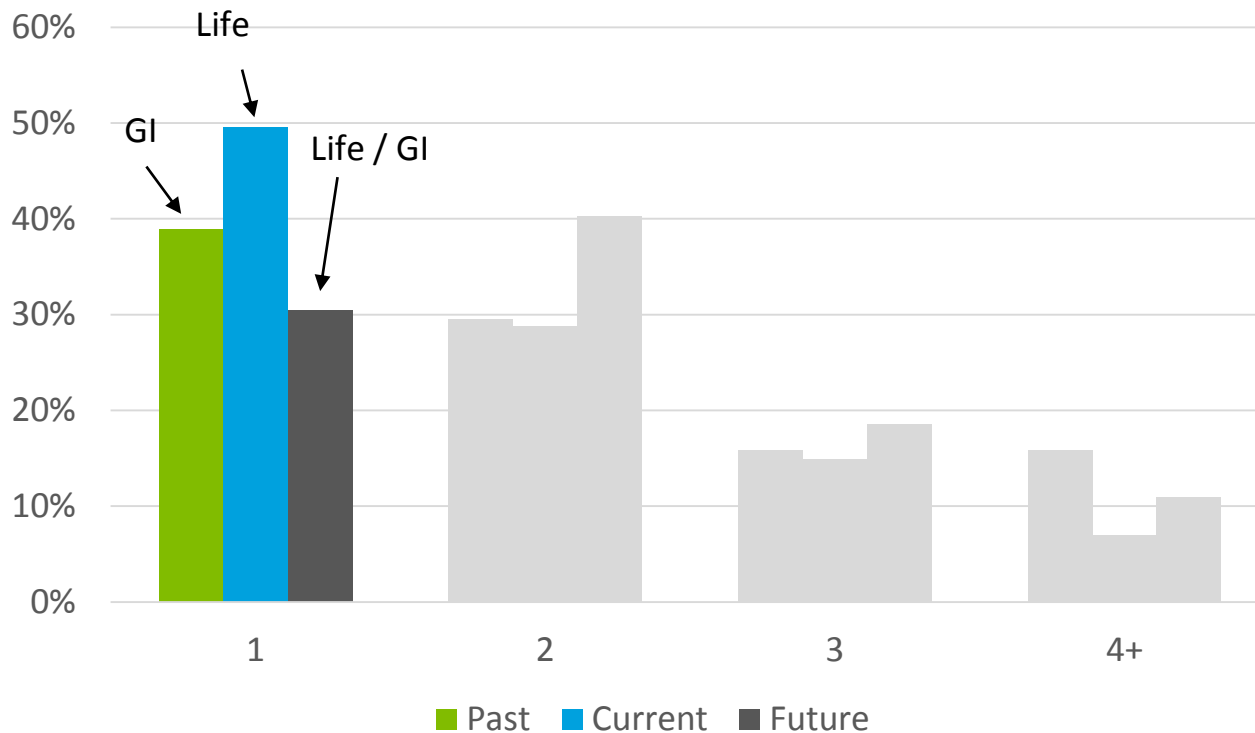


Total number of years worked

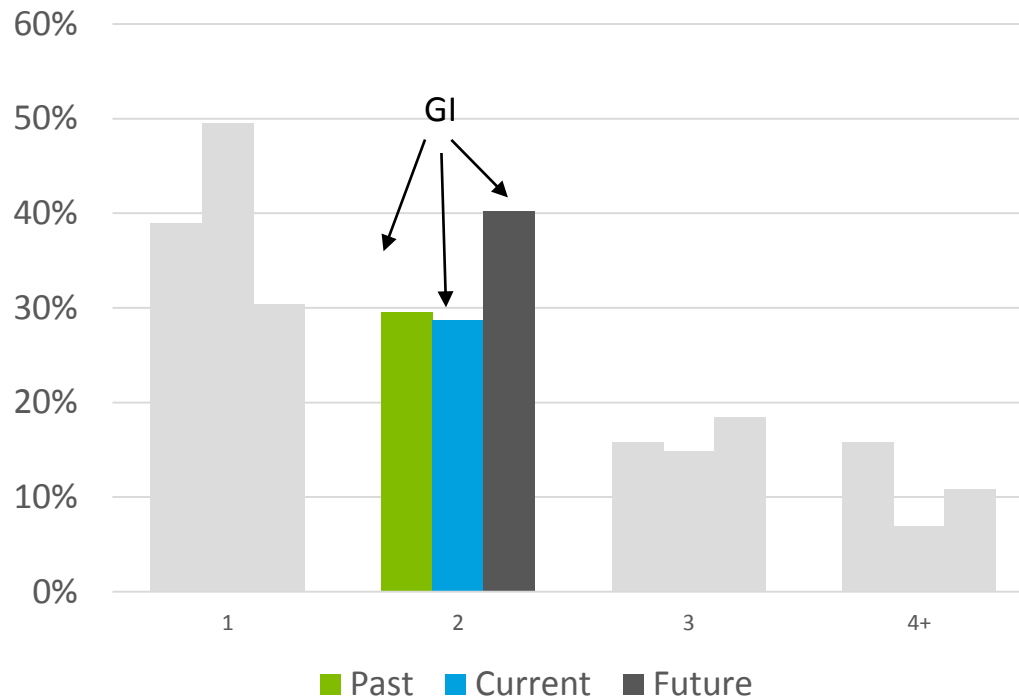
Number of Practice Areas Respondents are Involved in



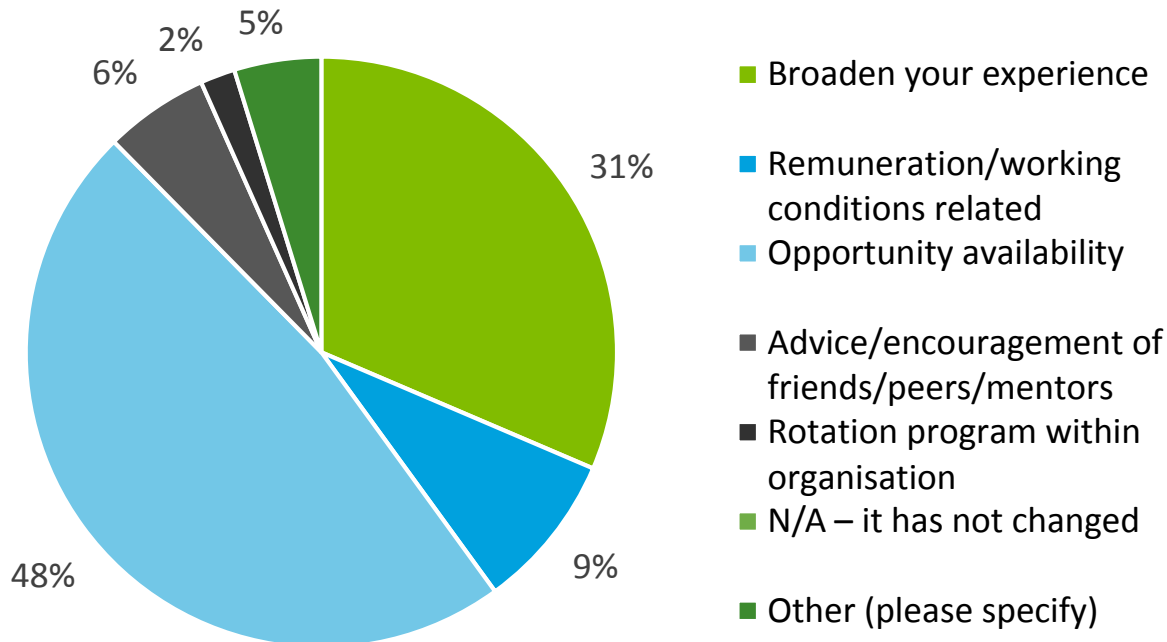
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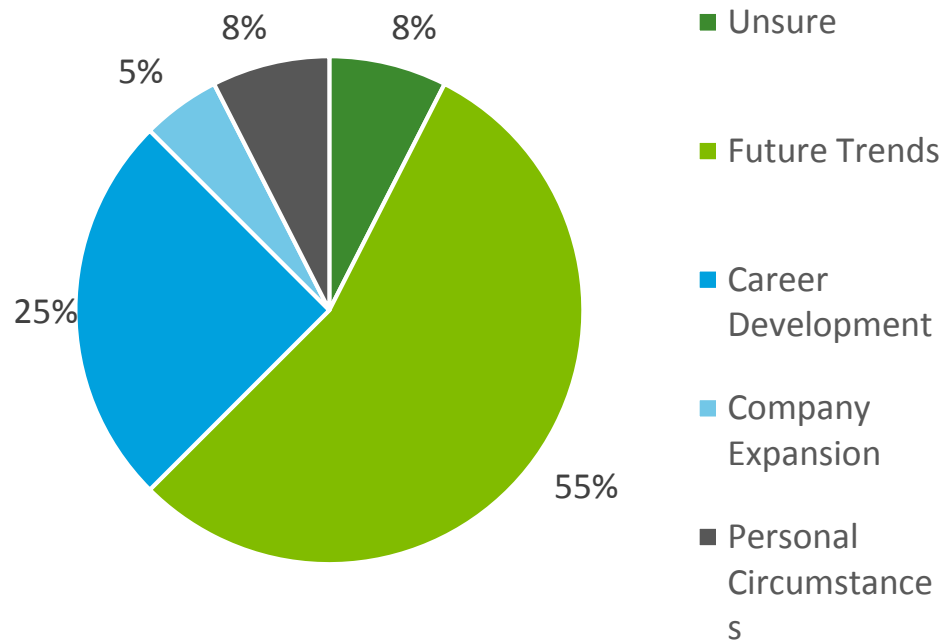
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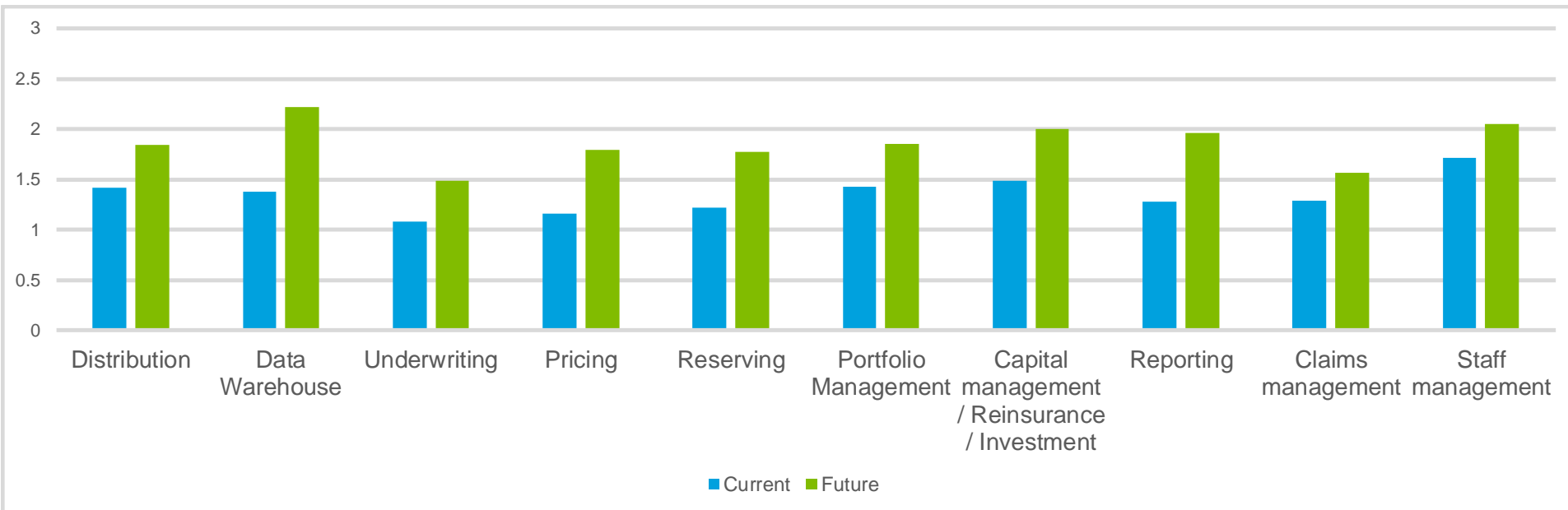
If respondents current practice areas are different to their previous area, what was the reason for change?



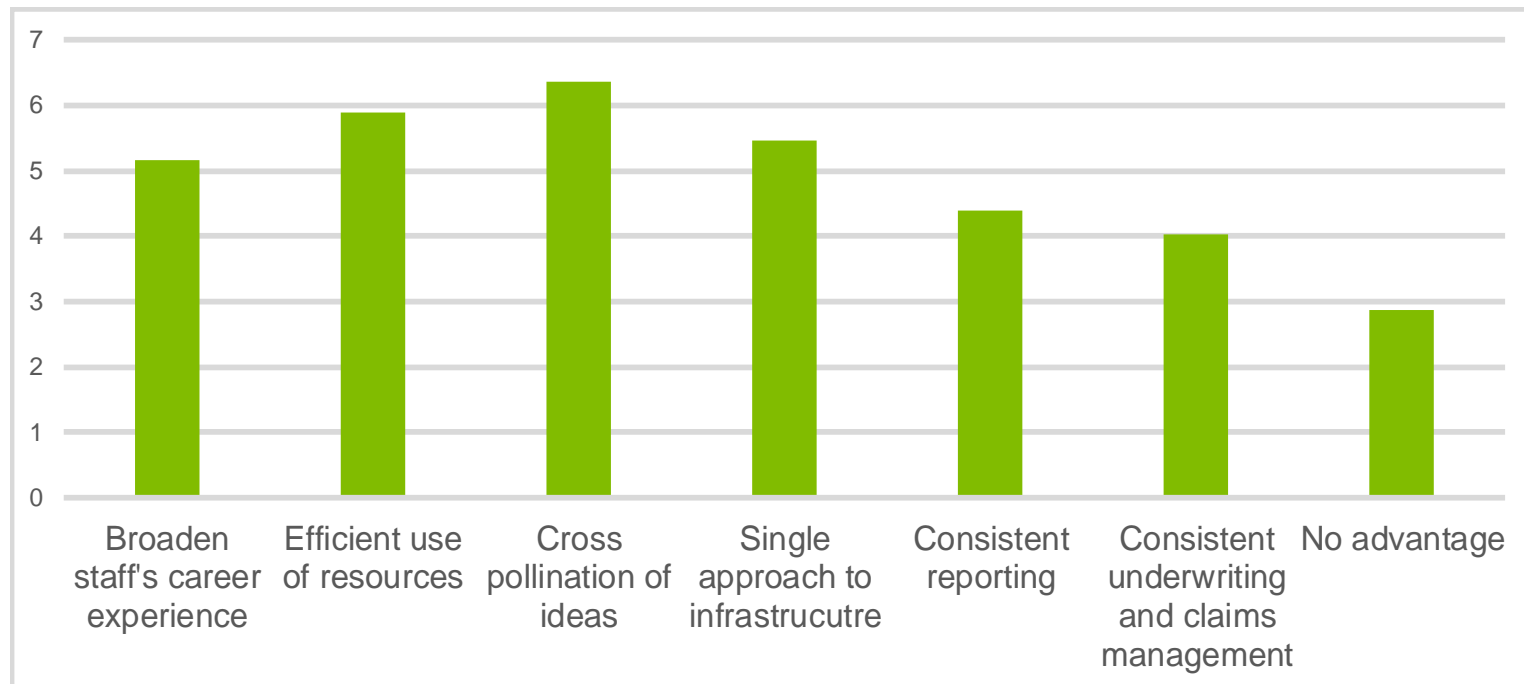
What are respondents expected future reason for change?



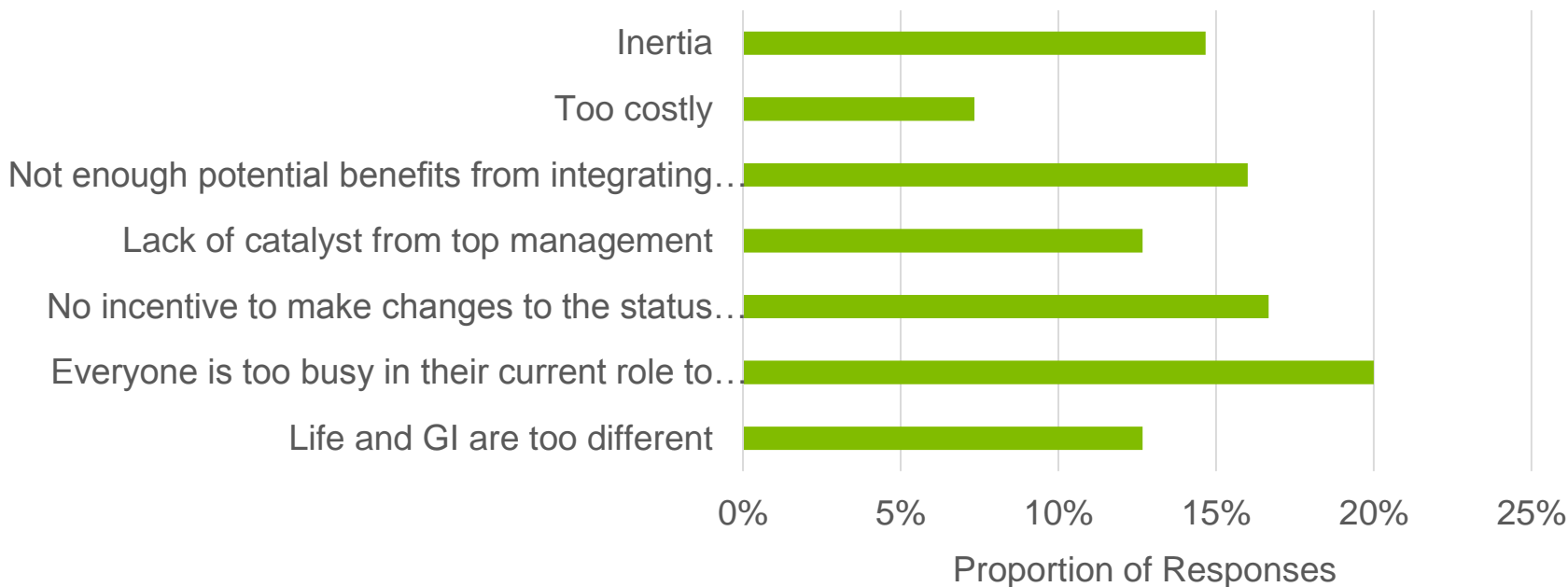
Current versus potential integration between general and life insurance



Advantages of integrating general and life insurance



Respondents' view of the obstacles faced by organisations





Implications

While we wait for a catalyst, are we missing opportunities?