

Actuarial Insight - Q&A with Lorna McLaren



Ms. Lorna McLaren is the Honorary Secretary of the SAS as well as the Council Liaison of the Health Insurance Committee. She is a Fellow of the Faculty of Actuaries (FFA 2006) and the Singapore Actuarial Society (FSAS).

Lorna holds a degree in Actuarial Science from the University of Cape Town. In South Africa, she was a member of the Actuarial Society's CSI committee and a lecturer and assessor for the CA2 modelling course.

Since her relocation to Singapore, she has led the CA2 modelling course and been an Assistant Examiner for the CA1 course. She started her actuarial career with the IQ Business Group as a Financial Services Consultant where she worked on banking and employee benefits projects. In 2005, she joined Gen Re in Africa as Technical Actuary and was involved in pricing, product development, research and corporate actuarial work. She moved to Gen Re's Singapore office in 2008 as Marketing Actuary for business development in South East Asia and India. Lorna joined Chartis in 2010 with responsibilities for A&H product development for South East Asia.

1. Was the actuarial profession well developed in South Africa when you decided to embark on your actuarial career? What motivated you to choose this path?

The South African Actuarial Association was first established in 1948 so there is a long tradition of actuaries! A number of universities are also set up to offer actuarial degrees which provide exam exemptions. That being said, I don't think I had a clear idea of what actuaries do when I started out with my studies. I wanted to combine mathematics with something relevant to the business world and so I chose actuarial science. I've never looked back and I think that the actuarial profession provides one with a great foundation for pursuing a career in any area where financial decision making and risk management are key elements.

2. Did the actuarial exams prepare you well for the various actuarial positions you have taken on – such as the roles of a Technical Actuary and a Marketing Actuary?

I think the exams are useful in developing a knowledge base but nothing matches actual experience. For example, at university I was baffled by the stochastic modules but once I realised how to apply those techniques in the real world (years after studying for the exam!) it suddenly made sense and didn't seem difficult anymore.

Also, a huge part of success in any role is determined by the interaction you have with the people around you and there are no exams to prepare you for that.

3. Most Actuaries in Singapore ply their trade in the Life Insurance sector. Do you think the number of actuaries working in the Singapore General Insurance sector will increase over time?

Yes. I believe there is increasing focus on the use of data to determine pricing, reserving and propensity to purchase. There is also a greater focus on risk management, stress testing and other techniques which actuaries employ. All of these developments should mean that the opportunities for actuaries in the GI space continue to grow.

4. Are there any maxims or mottos that you live by?

You're more likely to regret something you didn't do rather than something you did.

5. How different has it been working in Singapore as compared to South Africa?

The two countries are very different. South Africa has a number of development challenges, including crime and the HIV/AIDS epidemic, both of which are non-issues in the Singapore environment. Singapore, on the other hand, faces entirely different challenges. Here, the insurance market is very competitive with a limited pool of lives so, particularly for consumer business, the challenges are different.

6. What has been the most challenging aspect of working in a regional office?

One of the most challenging aspects is balancing a regional strategy and a need for a standardised, consistent offering with the differences in each market. Its all too easy to take a product from one market to another only to have that product fail as it either doesn't meet the needs of the local market or produce losses if the benefits are not suitable to market or are open to abuse.

7. What has been the most interesting/enjoyable Singapore Actuarial Society event you have participated in?

Definitely, the Quiz Night! Our team came second overall and the competitive spirit was great. Overall, a really fun evening where I also learnt a few interesting facts... and I will never ever eat McDonald's chicken nuggets again!

8. Would you tell us something about yourself that we wouldn't know from reading your bio?

I love outdoor adventure. Next week I'll be in South Africa to run a marathon along one of the most scenic hiking trails in the country – the Otter Trail. As soon as I get back, I need to trade my running shoes for cycling as the next event on the calendar is the Tour de Bintan. I really enjoy doing various races around South East Asia as its a great way to travel and get (slightly) off the beaten track.

9. What do you consider to be one or two of your most formative professional experiences?

In South Africa, I was lucky to work with two managers who both helped to shape my professional experience.

Both stressed the importance of fairness, professionalism and the role of actuaries in balancing commercial interests with policyholder interests. They also both believed in the importance of giving back to the profession. Most organisations are run largely with the help of volunteers and their support of volunteering meant that I was involved with ASSA and continued that involvement with SAS in Singapore.

10. What would you be doing on any given Sunday?

If I manage to get out of bed early enough, then a run around McRitchie followed by a guilt free brunch at PS Café. I love the fact that one can run through jungle right in the middle of Singapore although the heat and humidity are challenging!

11. Lastly, what advice would you give to students pursuing an actuarial career?

Failing an exam does not mean failure. In fact, I think some of the greatest lessons learnt through following an actuarial career are the value of perseverance and the ability to deal with failure in a proactive way!