

# **Changing Role of Actuary in GI Industry**

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## Agenda

Current Industry Environment

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Current Role of Actuaries in GI

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Changing Role of Actuaries in GI

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Skill sets Required for Actuaries

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# Current Industry Environment



Multiplication of Players – 28+



Detariff Environment



Pricing inadequacy in Many Lines



Long tail TP claims – rising faster



Reserving Practices - varied



Many Players working hard to drive the Pricing down

- Brokers, Agents, OEMs, Dealers, Financiers
- Customers, of course



Very little Product Differentiation

# Current Role of Actuaries

## “ The PRESENT”

### **Reserving**

- IBNR/IBNER estimation

### **Pricing**

- New Product Pricing/ Design
- F&U guidelines

### **Decision Support**

- FCRS
- Data support to Functions

### **Solvency**

- Monitoring & Reporting

### **ALM**

- Monitoring ALM

# Emerging Role

## Enabling Business

- Innovation in Product Pricing
- Portfolio Analysis -> suggest corrective steps
- Innovation in Product Design/ideas
- Be an Analytical Consultant to Business

## Managing Risks

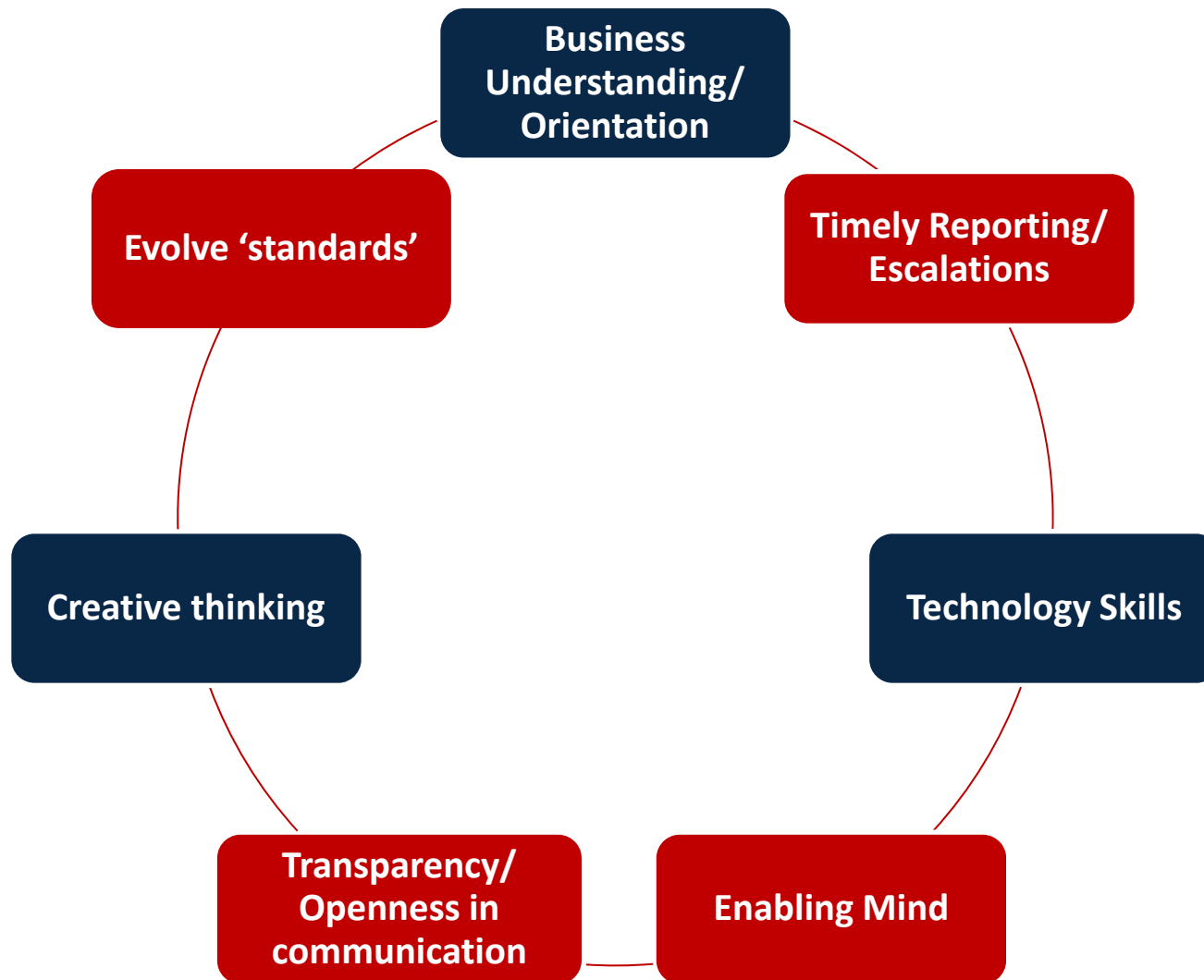
- Address 'Reserving Risk'
  - Adequacy of IBNR/IBNER
  - PDR
- Address 'Pricing Risk' in Motor TP
- Enlarge 'Risk Management' mind

## Technology Enablement/ Adoption

- Embrace/ Integrate 'Actuarial' Systems with Core Insurance Systems

Move from an Image of 'Controller' to 'Enabler' / 'Analysts'

# Skill sets for Emerging Role



**THANK YOU**