

A GLANCE AT MOMENTUM METROPOLITAN'S ACTUARIAL PROFESSION

What is the importance of the Actuarial profession to Momentum Metropolitan Holdings (MMH)? The short answer is “a lot”. It is not possible to run a successful insurance company without Actuarial skills.

Actuaries are ubiquitous across our operations. At the core of insurance is pricing risk (accurately!), which entails the estimation of frequency, severity, and timing of potential claims. This is obviously the cornerstone of Actuarial training. We do not sell or underwrite products that have not been through an Actuarial assessment of the pricing. All related roles, such as pricing actuaries, product development actuaries, and actuaries specializing in fields, such as mortality studies, represent one of the critical core competencies for a successful insurance group.



Risto Ketola
CFO, Momentum Metropolitan

Another ‘classic’ area for MMH’s actuaries is the valuation area – this is where cash flows are projected for all our existing contracts to enable us to assess the true value of our liabilities. These cash flow projections extend over decades, and we would not be able to report reliable financial results without the Actuarial skills sitting in the valuation team. This area is also critical to ensure that we have sufficient assets to meet all our obligations to our clients - not just for the next year or two, but for the next 30 to 40 years.

The final ‘more traditional’ space for actuaries at MMH is in fields related to asset-liability matching. This involves both actuaries modelling asset liability risks (domain of Enterprise Risk Management) and actuaries actually managing the assets backing liabilities (domain of Balance Sheet Management). These are also two areas where Actuarial skills are increasingly in demand due to rising prominence of scientific financial risk management.

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But there is a much wider domain of involvement at MMH by the Actuarial profession than just traditional roles. We have actuaries in general management (besides myself as the Finance Director and our CEO is also an actuary), in marketing and distribution (these are maybe the somewhat more extroverted members of the profession), and in strategy roles. We are also seeing actuaries becoming more and more involved in many of the fields that come naturally for actuaries and are growing in importance – data science being one area, and software/IT development being another.

The wide area of contribution for actuaries at MMH says a lot about the Actuarial profession. The underlying reason for the wide sphere of influence is that Actuarial training results in individuals that have skills to offer in mathematical, economic, and business areas. Actuarial studies thus ensure a well-rounded skill set.

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The quality of coding evident in some Actuarial areas, and the speed of adoption of new data science methods, also speaks to this ability to move on with the times. I should also mention that the Fellowship qualification, due to the demanding syllabus and rigorous examination process, remains prestigious and instantly grants its holder with a degree of credibility.

I hope to leave you with three thoughts. First, the Actuarial profession remains one in high regard and one that opens many doors. Second, large insurance companies use actuaries in a wide array of areas and actuaries can often experience variety of work roles before finding something that feels just right for them; and third, MMH is an excellent employer for ambitious young actuaries.