

# Actuary work a smart business decision

By Jill Phillips

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It pays to listen to Mom. Paul Retzlaff did and found a career. Retzlaff is the director and chief actuary of Life Companies at Indiana Farm Bureau Insurance.

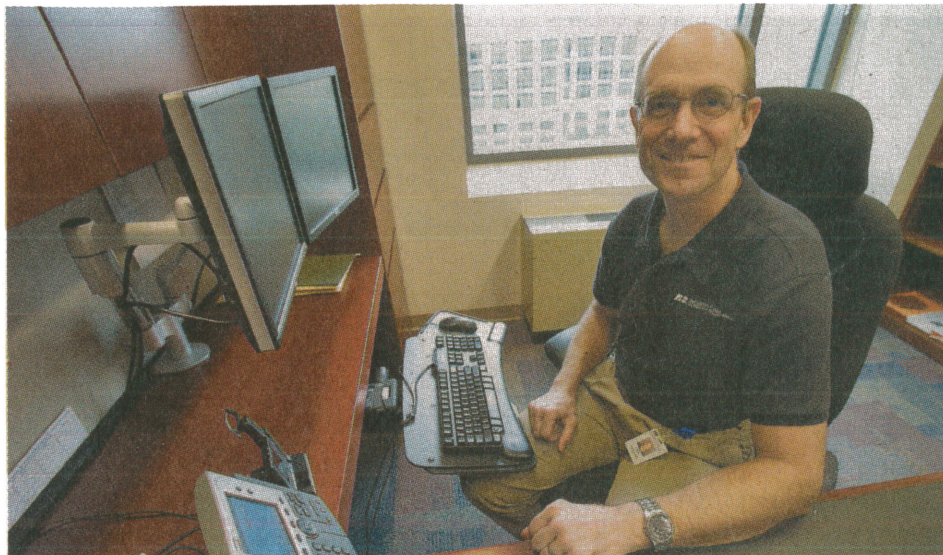
As a sophomore in college, he knew he wanted to pursue a degree in math and business but didn't quite know in what field he wanted to work. Retzlaff's mom then mentioned how much she enjoyed an internship in the actuarial department of a Chicago-based insurance company.

"It combined disciplines that were interesting to me and fit my skill sets — math and business," he said.

Actuarial careers rank 40th on the 2012 Hoosier Hot 50 jobs list produced by the Indiana Department of Workforce Development. The list, which ranks jobs based on expected wage and demand in 2020, is compiled based on Indiana's occupational projections and wage data from the Occupational Employment Statistics survey.

According to the survey, the number of positions for actuaries is expected to grow 3.2 percent per year through 2020, for an increase of about 17 jobs each year. More than 690 jobs will be added through 2020.

The average salary for



Paul Retzlaff, chief actuary of Life Companies at Indiana Farm Bureau Insurance, says the job is a good fit for people who enjoy working with data. BRENT DRINKUT/THE STAR

actuaries is \$88,920.

"I enjoy the technical part of the job involving pulling data together and reducing it to a solid business decision," Retzlaff said. "The other piece is that insurance provides our customers with the financial resources needed when the unexpected happens. We can really make a difference."

**Question: What qualifications are necessary to become an actuary?**

**Answer:** The simple answer is, pass the actuarial exams to get your credential. It takes a number of skills. The early exams stress the basic mathematical tools needed in actuarial work, primarily statistical analysis. The higher level exams become more spe-

cialized, focusing on the unique business and legal needs of the venues where actuaries are typically found. These can vary from governmental agencies, such as the Social Security Administration, to insurance companies.

**Q: What are the job duties of an actuary?**

**A:** It can vary dramatically depending on the type of organization you work for. In my job at Indiana Farm Bureau Insurance, I work for our life insurance companies (United Farm Family Life Insurance Co. and United Home Life Insurance Co.). I would classify our work into three broad categories: financial reporting, product development and experience analysis.

» The actuarial part of financial reporting is primarily to calculate how much money the company needs to set aside to be able to meet the promises we made to our policyholders.

» Product development involves working to set up new products that meet the needs of our customers.

» Experience analysis involves examining what the trends are for mortality, investment income and other factors that impact our policies and using that in our financial reporting and product development.

**Q: How do you expect your profession to change over the next 10 years?**

**A:** Over my career, the

## MORE ABOUT PAUL RETZLAFF

» **Age:** 55.

» **Current title:** Director and chief actuary of United Farm Family Life Insurance Co. and United Home Life Insurance Co. at Indiana Farm Bureau Insurance.

» **Education:** Bachelor of actuarial science from the University of Illinois.

» **Prior work experience:** Retzlaff previously worked for Jefferson National Life, Conseco and United Presidential Life.

» **Family:** He and his wife, Pam, have two daughters.

## ACTUARY

» **Average salary:** \$88,920.

» **Education training:** Bachelor's degree.

» **Related occupations:** Insurance underwriter, mathematician and statistician.

» **2010 employment:** 527 jobs.

» **2020 projections:** 694 jobs.

» **Annual growth:** 17 jobs.

» **Annual change:** 3.2 percent.

major change has been the advances in computer technology and statistical modeling techniques. Along with this has been an increase in the regulatory requirements for more detailed analysis and disclosure. I expect this to continue. Recently there has been an increase in the internationalization of business. This should increase the demand for actuaries who have the business and technical skills to fill these needs.

**Q: What advice do you have for someone entering the profession? What have you learned that isn't taught in the classroom?**

**A:** When I talk to high school or college students

interested in the actuarial profession, I have a few key concepts I hit on:

» Pass your exams!

» Take coursework other than math: business law, investments, accounting.

» Communication is key; you can be the most brilliant technically, but if you can't convince someone of the significance of what you know, it won't do much good.

» A computer is your hammer and saw; know how to use it effectively, including being able to do some programming.

★ To recommend someone for this feature, call Jill Phillips at (317) 444-6246 or email her at [jill.phillips@indystar.com](mailto:jill.phillips@indystar.com). Follow her on Twitter: @JillPhillips05.