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A Conversation with Gene Lai, ARIA President



Gene Lai

Gene Lai, Safeco Distinguished Professor of Insurance and Chair of the Department of Finance at Washington State University, is this year's ARIA president. *ARIA NEWS* had the chance to talk with Gene recently about his upcoming term and his thoughts on the association and RMI programs.

ARIA NEWS: What are your priorities as you begin your term as ARIA president? What do you hope to contribute to ARIA during your presidency?

Gene: My first priority is to promote risk management and insurance education to the Association to Advance Collegiate Schools of Business (AACSB), businesses, non-profit organizations, and governments. The practice of risk management and insurance should not be limited to the personal level (such as auto and life insurance) or business (such as enterprise risk management). The concept and practice should be applied to non-profit organizations and governments. For example, with proper risk management, the 2008 financial crisis might have been prevented.

My second priority is to revisit the existing strategic plan and develop a new one. Almost all of the goals of the existing plan

have been implemented in the last five years. As we go forward, ARIA needs to have a new strategic plan and charter its new course.

ARIA NEWS: You have been on ARIA's board for five years now and have been a member for much longer. What changes have you seen in the organization over the years?

Gene: ARIA has become a global organization. A quarter of a century ago, when I first attended an ARIA meeting, there were no attendees from other countries. Now, participants at our meetings and our members are from all over the world. I'm pleased to report that we now have two international board members: one represents Asia (Jennifer Wang) and the other represents Europe (Andreas Richter).

More and more, ARIA has tried to listen to and meet the needs of its members, especially in recent years. For example, ARIA recently sought input from its members about a meeting location by conducting a survey. In addition, ARIA has begun hosting special receptions to new members only so they are able to meet their mentors and senior members in a smaller setting before the main reception opens. In this way, new members don't feel lost in the crowd because they have already met and been welcomed by mentors and senior members.

ARIA NEWS: What are some of the challenges this organization faces?

Gene: ARIA has suffered from a reduction in membership in recent years even with an increase in international members. One reason is that fewer and fewer universities have risk management and insurance programs. Another reason is that we have lost industry members. Increasing the membership is another goal of ARIA.

Continued on next page

A Conversation with Gene Lai, continued

ARIA NEWS: What do you perceive as the most important value of ARIA?

Gene: The mission of ARIA is “dedicated to creating and advancing knowledge in risk management and insurance.” Members receive the knowledge of research (such as new ideas and new methodologies) from *The Journal of Risk and Insurance* and *Risk Management and Insurance Review*. Members can also gain knowledge of research through the discussions and presentations of papers when they attend ARIA meetings.

ARIA also provides the resources for effective teaching methods and teaching materials to members during the annual meetings and on its website.



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ARIA NEWS: What has ARIA meant to you personally and professionally?

Gene: ARIA has meant a lot to me personally. At my first ARIA meeting 25 years ago, I knew only my professors and a couple of Ph.D. student colleagues from the University of Texas. But everyone welcomed me. A quarter-century later, I know almost everyone except new attendees. Now at the end of these meetings, I feel as if I didn't have enough time to talk with everyone. Even those with whom I talked, I still feel there wasn't good quality time. In other words, I've made so many friends from ARIA over these 25 years.

Professionally, I can never thank ARIA enough for providing me the knowledge of research and teaching as mentioned earlier. More importantly, my association with ARIA has allowed me to serve the organization and its members. When I was elected to join the board, I was not even a U.S. citizen. Now, I am a proud American. It is really an honor to have the privilege to serve ARIA as an Asian American.

ARIA NEWS: How can ARIA increase its presence in the insurance industry and among professional groups?

Gene: This is a great and tough question. ARIA has tried to increase its presence in the insurance industry in the past five years. We have had some success, but not enough. For example, ARIA has asked some plenary session speakers on our programs to speak to the Casualty Actuarial Society. And in the last few years, the first day of the ARIA meeting has been designed for insurance professionals.

ARIA NEWS: Please tell us a little bit about your background. Why did you choose to study risk management and insurance?

Gene: I was born and raised in Taiwan and went to National Chengchi University in Taiwan for my undergraduate degree. My wife (Debbie) and I went to Georgia State University for our masters degrees. My Ph.D. degree, with a major in finance and a minor in risk management and insurance, is from the University of Texas at Austin. I also took three Ph.D. seminar courses in the risk management and insurance area, in addition to finance Ph.D. seminars.

Bob Witt, my mentor and dissertation chair, convinced me to write my dissertation in the RMI area. The reason that I chose RMI is that it is a very interesting field. All persons and all businesses need to deal with risk every day. During my presidential address at the second WRIEC, I proposed a new term called “global risk management.” This concept originated from enterprise risk management. We as global citizens need to maximize the welfare of all living creatures in the world. For example, risk management concepts and techniques can be used to address the issue of global warming.

ARIA NEWS: Do you have any thoughts on what can be done to ensure the long-term survival of risk management and insurance at universities?

Gene: The long-term survival of risk management and insurance at universities will be a top priority of ARIA. My initial thought is to talk to AACSB about the importance of including risk management and insurance education in the university curriculum. Although AACSB does not require specific courses or topics during the accreditation process anymore, I do believe AACSB can help us promote risk management education. From Katrina to BP, we can see the failure of risk management. Risk management education can help to make the world a better and safer place.

ARIA NEWS: Does ARIA have a role in terms of the growing emergence of enterprise risk management?

Gene: ARIA and the Griffith Insurance Education Foundation have co-sponsored enterprise risk management symposia since 2006. The first program was entitled “Putting the Enterprise into Risk Management and Insurance Education.” The topic of the 2008 symposium was “Advancing the State of the Art in Risk Management and Insurance Education.”

Recently six professors were invited to develop cases, discuss the approach to redesign RMI programs to include enterprise risk management education, and examine how European companies and universities handle enterprise risk management.

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Visit San Diego—“America’s Finest City”—at Next Year’s ARIA Annual Meeting

Mark your calendars! Next year’s ARIA annual meeting will be held on August 7–10, 2011 at the San Diego Marriott Hotel & Marina in southern California. It will be 14 years since the last time ARIA met at “America’s Finest City.” San Diego is one of the most appealing travel destinations in the U.S., perfect for sampling coastal, mountain and desert environments all in the span of a day. The city enjoys beautiful weather year round with an average daily temperature of 70.5° F (21.4° C).

Conveniently located near the airport, the Marriott is a luxurious, AAA-rated four-star hotel within easy walking distance of the waterfront where you can take a harbor cruise and visit Seaport Village (shopping opportunities), downtown’s Gaslamp Quarter (with dining, entertainment and more shopping) and Petco Park (home of the San Diego Padres baseball team). Board the Old Town Trolley Tour for a comprehensive sightseeing journey that will take you to some of the city’s finest attractions. Come early before the meeting, or stay after, and spend time at the world-famous San Diego Zoo and nearby museums in Balboa Park, SeaWorld at Mission Bay, and historic Old Town—the site of the first permanent Spanish settlement in the state (this area is, after all, the “birthplace of California”). Other spots of interest include Coronado Island, Wild Animal Park, and the resort communities of Del Mar and La Jolla.

Proposals to present research findings at the meeting are now being collected; submissions from doctoral students are encouraged. Provide either an executive summary (up to three pages) highlighting the purpose, expected results and importance of the risk- or insurance-related research topic or the completed paper (preferred). In addition, include telephone/fax numbers and the e-mail address of the designated contact person and co-author name(s)/affiliation(s) on a separate cover page. **Materials should be sent by February 18, 2011** to: George Zanjani, Georgia State University, P.O. Box 4036, Atlanta, GA 30302; phone: (404) 413-7464; fax: (404) 413-7499; e-mail: gzanjani@gsu.edu.



Balboa Park, San Diego, California

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Congratulations to the ARIA Award Winners of 2010

compiled by Tony Biacchi, ARIA Executive Director

Casualty Actuarial Society Award

A paper published by ARIA (in either *The JRI* or *RMIR*) in the prior year that is most valuable to casualty actuarial science:

“Securitization, Insurance, and Reinsurance,” *The JRI*, September 2009, 76(3), pp. 463–492

J. David Cummins (Temple University) and **Philippe Trainar** (SCOR, Paris)

Excellence in Teaching Award

In recognition of excellence in teaching in the risk management and insurance field:

William Rabel (University of Alabama)

Bob Hedges Undergraduate Scholarship Award

A stipend of a maximum of \$1,000 enabling an undergraduate student in risk management and insurance to attend the ARIA annual meeting:

Zachary Browne (The Wharton School, University of Pennsylvania)

Zack says: “I’m extremely glad I had the opportunity to attend the WRIEC meeting in Singapore this past summer. As a college student, I mainly listen to professors lecture on various subjects, learn the facts, and take tests. Attending WRIEC allowed me to move outside the classroom and experience firsthand how academics approach, conduct and present research on topics such as opportunistic fraud in auto insurance, catastrophe bonds, and modern enterprise risk management.

I enjoyed meeting and talking with professors and graduate students from all over the world about their respective field, research, and academic experiences as well. Though it’s too early for me to decide whether I want to someday go into academia, the conference gave me a much better understanding of how risk management professors from across the globe explore diverse and relevant issues in the subject that I’m currently pursuing on the college level.”

Kulp-Wright Book Award

An outstanding original contribution to the literature of risk management and insurance:

“Nudge: Improving Decisions About Health, Wealth and Happiness,” Yale University Press, 2008

Richard Thaler and **Cass Sunstein** (both with University of Chicago)

Robert I. Mehr Award

A literature contribution having a 10-year influence in the field of risk management and insurance:

“A Class of Distortion Operators for Pricing Financial and Insurance Risks,” *The JRI*, March 2000, 67(1), pp. 15–36
Shaun Wang (Georgia State University)

RMIR Award for the Best Feature Article

Best feature article in the *Risk Management and Insurance Review*:

“Do State Cost Control Policies Reduce Medicaid Prescription Drug Spending?” *RMIR*, Spring 2009, 12(1), pp. 39–66

Kosali Simon and **Sharon Tennyson** (both with Cornell University) and **Julie Hudman** (D.C. Dept. of Health Care Finance)

RMIR Award for the Best Perspectives Article

Best perspectives article in the *Risk Management and Insurance Review*:

“The Perfect Storm: Hurricanes, Insurance, and Regulation,” *RMIR*, Spring 2009, 12(1), pp. 81–124

Martin F. Grace and **Robert W. Klein** (both with Georgia State University)

Les B. Strickler Innovation in Instruction Award

“Tabletop Disaster Exercise”

Norma Nielson, **Brian Kitching** and **Janet Stein** (all with University of Calgary)

Robert C. Witt Award

Outstanding feature article in *The Journal of Risk and Insurance*:

“On the Possibility of Profitable Self-Selection Contracts in Competitive Insurance Markets,” *The JRI*, June 2009, 76(2), pp. 249–259

Arthur Snow (University of Georgia)

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The Changing World of Insurance and Risk Management

by Jean-Paul Louisot, University Paris 1 Panthéon-Sorbonne



Jean-Paul Louisot

Behind the acronym of WRIEC lies a quinquennial meeting of professors and researchers in insurance and economy of risks worldwide. The first World Risk and Insurance Economics Congress took place in August 2005 in Salt Lake City (Utah, U.S.). The specialists from North America (ARIA), the Asia and Pacific region (APRIA) and Europe (EGRIE) answered positively to the call by The Geneva Association for this gathering of minds to further its own mission to deliver insights into the future for the insurance industry and risk management practices. Whereas the call was heard for the second time, there is still a hole in the world map as there were no delegates from Latin America, in light of the growing economy of Brazil, or from Africa. These countries are undoubtedly “mission territories” for risk management and insurance.

There remains the hope that the third edition of WRIEC in Europe (2015) will see the entry in this “concert of nations” of risk management as an illustration of the economic development that these regions should enjoy during this period. As a matter of fact, it is a sign of new times and one of the main findings of this Congress, that European and American economists have discovered the potential of “underdeveloped” nations, especially Africa, and believe in its future. A new generation of researchers has heard the call of the leaders of the industry who see these countries as their reservoir for expansion.

Although the attendance for the Congress’ second edition was a third more than at the first one and with a wider global reach with 345 participants from 34 countries, research in the realm of risk management and insurance remains much more localised, as closer scrutiny of these figures shows. In reality, about 40 percent of the participants are from major players in this field, namely the United States of America, Germany and China/Hong Kong, which had the most number of representatives at WRIEC; the organising nation, Singapore, where many professionals of this important financial market joined researchers, hence making the numbers swell, is omitted.

One point worth noting, at least for French readers, is the sizeable number of French participants; the country was nearly at par with regional partners, Korea and Taiwan. In reality, this is an illustration of the brilliant school of economics which educates specialists in France who then spread to North America and also to Asia. If the French delegation was led by the recipient of insurance-funded chairs—the École Polytechnique (Pierre Picard) and the Toulouse School (Christian Gollier) participants from many other players appeared, illustrating how vibrant higher education in risk management and insurance is in France (EDHEC, ESM Lyon, and several research laboratories).

The Changing World of IRM, as Evidenced at WRIEC

Contrasting the Salt Lake City and Singapore programmes helps identify the emergence of the hot topics of recent times:

- *financial crisis*: impacts, systemic risk, lessons to be learned for the future;
- *regulation*: evolution and efficiency;
- *longevity*: with human life lengthening, additional challenges confront both the present and future generations, end of life, retirement income, including dependency and health care costs;
- *climate change*: impact on society and insurance coverages; and

- *micro-insurance and Takaful*: the taunting question of access to insurance coverage to the poorest and its support for a sustainable development.

Professor Gollier, who was selected to deliver the high point of the Congress, i.e., the 2010 Geneva Association lecture on the economy of risk, highlighted the strong position of French education in risk management and insurance. He chose a theme on which he has been working for several years in connection with public endeavours in France, namely: *The economics of uncertain climate change: the problem of the discount rate*.

Mr. Walter B. Kielholz, CEO of Swiss Re, delivered a lecture on the immediate concern of insurance executives and listed in his conclusion the five drivers that might ensure long-term stability for the financial markets: (1) enhanced regulation; (2) sound industry practices; (3) strong supervision; (4) effective markets; and (5) international coordination. He also had these words of advice for his industry peers: “*The insurance industry needs to remain actively engaged and to maintain an open dialogue with regulators to protect and strengthen the global role of insurance in financial stability.*”

Even if many of the leaders of the first edition in 2005 were again present and active in Singapore, many had left centre stage to their Ph.D. students. It is likely that the third edition in 2015 will experience a much more dramatic changing of the guard as many of the pappy-boomers (i.e., baby-boomer generation) will be retired by then. However, in the current economic climate, with the looming risk of longevity and the will to maintain their brains, they may well decide to hang on. At the same time, the arrival of a new generation—very young and focused—is a guarantee for the future (even if one may find them at times too narrowly focused).

But what was striking about WRIEC-2010 was the quasi-absence of Generation X, those in their thirties. Where were they? Not in the economy of risk, probably because most of the more brilliant are

Continued on next page

attracted by the glamorous modeling for derivatives and the traders' desks. Could it be that the financial crisis was the catalyst that sparked interest for the field of uncertainty among the very young researchers getting ready to defend their dissertation?

At a time when all universities, be they public or private, see their sources of funds dwindling, they are tightening budgets and all departments are fighting for their share through increased enrollment. Presidents and deans have to make tough choices, investing in promising segments. In such a context, academics (researchers as well as faculty) are hard pressed to find ways to attract droves of students. Clearly, this lingering issue could not have been omitted from the WRIEC agenda—indeed, the last plenary session was the stage of a round table in which the leaders of all three academic associations and The Geneva Association were called upon to describe the current situation in their area and propose solutions to increase the attractiveness of courses and majoring in risk and insurance in their respective universities.

The presentations illustrated clearly the major differences between the American approach that also inspired the Asian developments over the last decade and the European approach. In Europe, the community is more oriented towards macro-economics and modeling based on high-level mathematics. They are a part of the Economics departments, studying the economics of uncertainty, except for those really specialised in insurance (the insurance institutes tend to be within law departments in universities). In the U.S., departments are rarely self-sufficient and are housed mostly in finance departments of business schools.

American insurance institutes stand in co-opetition (i.e., cooperative competition," *Wikipedia*, August 2010) with professional titles or designations, such as those awarded by the Insurance Institute of America in the U.S. and the Chartered Insurance Institute in the United Kingdom. In contrast, the Enass (Ecole Nationale d'Assurance) in France is part of

this country's National Education system through its affiliation with the CNAM (Conservatoire des Arts et Métiers).

It is all too clear that, with the notable exception of Georgia State University under the leadership of Professor Richard Phillips, most Anglo-Saxons remain very "insurance oriented," whereas the French and German schools are more in line with Alfred Cecil Pigou, the founder of the

Welfare Economics, and other Nobel prize winners of economy. However, both suffer from a discrepancy between their fields of expertise and the expectations of the risk owners and professionals of risk management, be they in private or public organizations. They are looking for specific competencies that will make them efficient risk managers, as they are called for by the new international standard ISO 31000:2009.

Impressions of WRIEC

The following description of the Second WRIEC was prepared by W. Jean Kwon, William Rabel and Michael Sherris after the APRIA meeting:

The Second World Risk and Insurance Economics Congress (The World Congress) was an extraordinarily successful meeting. Perhaps more than any meeting in recent memory it mixed scholars, regulators and professionals in an environment that invited and supported meaningful exchanges of research findings and discussions about critical issues facing the risk management and insurance industry.

Everyone benefited from such exchanges. Scholars were able to learn what is relevant and important to companies and regulators. Participants from business and government had a chance to gain an understanding of the many benefits that university programs in risk management, insurance and actuarial science provide, to apply independent research findings so as to shape public policy and to improve insurance operations and to develop on university campuses a reputation as good corporate citizens.

The World Congress brought together more scholars than is normally the case for meetings of any of the four organizations that convened in Singapore. Representation truly was worldwide and many participants who knew each other by reputation were able to meet in

person for the first time. Furthermore, the extraordinarily large number of plenary sessions and more than 200 scholarly papers provided a grand intellectual buffet at which there was something for every appetite. Finally, the large attendance made it possible for new scholars to meet and receive advice from experts whom they otherwise might never have met. The quality of the interactions and the good will engendered was enormously valuable.

The Asia-Pacific Risk and Insurance Association (APRIA) was very happy to have hosted the Second World Congress and very pleased with the attendance, quality of sessions and support from sister associations—American Risk and Insurance Association (ARIA), European Group of Risk and Insurance Economists (EGRIE) and The Geneva Association—as well as other support making the event a success including the significant efforts of the Organizing and Scientific Committees and Singapore College of Insurance as Secretariat.

The financial support from corporate and institutional sponsors also made the event a major success. We could not have asked for much more, including the rain in Singapore.

The reality is that risk management is making inroads in professional curricula both in engineering and business as it is maturing slowly into a branch of the science of management, i.e., “cindynics,” to use the name coined by Georges-Yves Kervren in 1986. But within the fold of this discipline, insurance principles only really find their place (mutualisation, loss control, etc.) but not the technical details of coverages or insurance administration. It is high time that the discipline identified, “RMI” or “IRM,” be split so that “RM” (i.e., risk management) be recognised as a self-standing discipline and leave the umbrella of the study of insurance (“I”), especially in the U.S. It is the price to pay by the academic associations to remain pertinent and avoid being replaced by competing associations more focused on the needs of the risk management professional communities and all managers acting as risk owners in the field.

Let us hope that in the next five years an international curriculum will be developed, based on the principles, management framework and risk management process proposed by ISO 31000:2009 so

that risk management can be clearly distinguished from actuarial studies, internal control and audit, finances, system safety, strategy, project and change management, political and social sciences, etc.

In engineering and management schools, the management of risk (global and integrated) should be awarded its own chairs and its own departments to be in a position to bring its specific vision to all other departments. This is akin to the chief risk officer (CRO) of an organisation proposing to his/her peers a transversal vision to grasp the entire impact of risks on the well-being of the organisation and to ensure optimal risk taking though curbing of threats and enhancing of opportunities while ensuring the highest level of resilience. This is the truly transversal approach to risk that many superior education institutions are seeking, those that educate the future elites of our nations. It is precisely this mission that several education institutions (e.g., CARM_Institute and AMRAE educational centres in France, the IRM in Great Britain, and RMIA in Australia) have assigned to themselves.

Trust and Reputation: An area for further applied research

Finally, what struck this practitioner at the end of the four-day WRIEC conference is that researchers who have done in-depth studies on systemic risk do not seem to have a mature approach to one of the fundamental causes of this risk—the trust and confidence of consumers. This situation has an impact both on the purchase of insurance and the recruitment of high calibre employees. The question, which major leaders in the industry repeated during the International Insurance Society seminar in Madrid last June, was centred on the trust of the entire society, i.e., how do we improve the reputation of the industry as well as the reputation of individual players?

To echo Professor W. Jean Kwon of St. John’s University (New York) and Hitotsubashi University (Tokyo), who was the WRIEC master of ceremony and cornerstone of its organisation with the help of the devoted team of the Singapore College of Insurance, let us hope that reputation will find its way among the 1,000 participants and 500 research articles that will be presented in 2015!

Other Impressions of WRIEC and Singapore

Other individuals shared their perceptions of the WRIEC conference and Singapore.

“The conference was a success. The chance to compare thoughts and ideas across many countries, fields of study and background of participants was unique. The efforts of the Organizing Committee were readily visible and everything worked almost perfectly.”

“I found the meeting to be very good. The quality of the papers I heard was excellent; we had many helpful discussions. Singapore is a place very worthwhile to visit. I look forward to the next WRIEC.”

“I thought WRIEC was very well organized. We really felt welcomed. Also, the quality of the sessions I attended (both plenary and concurrent) was excellent.

The location (SMU) was a good choice, very central.”

“WRIEC 2010 was a terrific meeting. I appreciated the opportunity to bring our three associations together for the second time and believe that the meeting was a great success. I was impressed with the number of ARIA members who attended. We worked hard and played hard and it was worth the trip!”

“Wonderful setting, extremely well organized, strong program. Bottom line—good meeting.”

“The best part about the meeting was the group of attendees. Maybe it was because it was a smaller group, but I really got to

know people better on this trip. The presentations by ARIA members were great as always, but the chance to really know your peers is priceless.”

“Singapore is a paradise for shopping lovers but little is available for those looking for history and cultural backgrounds (limited exceptions: Little India, Chinatown and the Arab Quarters). Fortunately, just outside the city several natural beauties (above all the zoo) provide additional attractions for tourists looking for relax.”

“Singapore is a very interesting town, which shows the power of China.”

A Heart-felt Thank You to the Sponsors of the 2010 World Congress

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Illinois State University Actuarial Program Named Center of Actuarial Excellence

The Illinois State University actuarial program has been designated a Center of Actuarial Excellence by the Society of Actuaries. In the first round of this accreditation process announced in December 2009, ISU's program was the only one so named in the state of Illinois and one of only nine in the United States. Each school must meet specific requirements related to degree, curriculum, graduate count, faculty composition, graduate quality, appropriate integration, connection to industry, and research/scholarship in order to receive this designation.

"We are thrilled to be receiving this designation. It is a great honor, and it shows that our efforts have paid off," said Krzysztof Ostaszewski, ISU's actuarial program director and professor of mathematics. "Strong support from George Seelinger (chair, dept. of mathematics), James Payne (interim dean, college of arts & sciences), Scott Johnson (dean, college of business), and James Jones (director, Katie Insurance School) has helped us in our mission," Dean Payne said. "ISU's actuarial science program's designation as a Center of Actuarial Excellence is a well-deserved reward for the dedication and collaboration across Colleges."

Georgia State University Receives \$1 Million Gift from AAMGA

Earlier this year, Georgia State University received a \$1 million gift from The American Association of Managing General Agents (AAMGA) to create a new Distinguished Chair in Risk Management and Insurance at the J. Mack Robinson College of Business. The gift is the largest of its kind involving a business school and an insurance trade association. Through its collaboration with Georgia State, AAMGA's 400 member companies and their 10,000 employees will have access to the latest research in the field of risk management and insurance, preferred access to Robinson College executive education offerings, the opportunity to recruit Robinson graduates on the Georgia State University campus, and the ability to leverage the latest in educational technology.

AAMGA's partnership with Robinson's RMI Department will provide access to the knowledge and instruction needed for its members to excel and the insurance industry to thrive in the 21st century. RMI Chair Richard Phillips said the new association with AAMGA is groundbreaking. Robinson faculty will lecture and conduct workshops on such subjects as leadership, communication and teamwork as part of AAMGA's Leadership Institute. Rich stated, "The exchange of knowledge between the college and a major trade association not only helps AAMGA's efforts, it also strengthens our faculty's ability to teach students about the real world problems they'll be facing as they pursue their careers."

ARIA is grateful to the following sponsors of monetary awards:

Casualty Actuarial Society

Hagen Family Foundation

Robert Hedges Undergraduate Scholarship Fund

Les B. Strickler Education Fund

Robert C. Witt Award

Send Us Your News

ARIA members can send notice of events of professional or personal significance that they would like published in *ARIA NEWS* to the editor, Diana Lee, at diana.lee@pciaa.net. Please send announcements for the Spring 2011 issue by January 14, 2011.

Memories from WRIEC and Singapore

ARIA NEWS is grateful to Patty Born, Alberto Dreassi, Mary Kelly, Anne Kleffner, W. Jean Kwon, Kathleen McCullough, and Faith Neale for submitting photographs of WRIEC and Singapore for this issue.



Memories from WRIEC and Singapore



Memories from WRIEC and Singapore



Singapore—As Seen Through the Eyes of First-Time Visitors

by Mary Kelly, Wilfrid Laurier University, and Faith Neale, University of North Carolina-Charlotte

Many ARIA members from the U.S. and Canada made the trek across the ocean to join fellow ARIA members and others (from APRIA, EGRIE and the Geneva Association) at the second World Risk and Insurance Economics Conference in Singapore from July 25 to July 29. For many, traveling to Asia is a regular occurrence, but some of us had never before ventured to the other side of the world. Singapore was a great first trip to Asia.

RMI professionals from 34 different countries attended the conference. According to the program, the largest number of attendees came from the United States (54) followed by Singapore (49) and then, probably due to the number of non-stop flights available, Germany (42). China/Hong Kong also had 42 representatives, who didn't have to travel as far.

The conference was held in several venues. The sit-down meals and receptions were held at several nearby hotels, while concurrent sessions were held in the business school at Singapore Management University and the plenary sessions and closing lunch were in SMU's Administration building.

The business school was very interesting by North American standards—the classrooms held only 50 people (with every spot numbered in each classroom),

and the common areas were open to the outside. Also, when the class period ended the lights dimmed and the presentation screens went up automatically, even if the presenter was still talking. We are sure many of our students would like us to incorporate that into our classrooms.

The definite highlight of the week was sightseeing and exploring the island with other ARIA members. Singapore is a true cultural mosaic of British, Chinese, Indian, Indonesian and Malaysian cultures. This is very obvious when riding the MRT (subway)—with station names such as Woodlands, Bukit Batok, Dhoby Ghaut, Tai Seng and Kranji.

Some explorations were more successful than others. We were part of the “infamous expedition of 7 ARIA members” to Sentosa on Sunday before the opening reception. Sentosa bills itself as “Asia's Favourite Playground,” and we were interested in visiting the beaches, the aquarium and butterfly museum. We thought we had simplified things when we got our hotel to book a tour for 7 to visit Sentosa. *We were very wrong...*

Getting to Sentosa turned out to be very complicated. A small shuttle van took us to a central drop-off location and after a half-hour wait, we were guided onto a large double-decker tour bus. The 7 of us were

the only passengers as it drove us through the city to a cavernous underground parking lot. We were shocked when we emerged from the parking lot; we were not at a beach, as expected, but at a deserted entrance to Universal studios (apparently all the tickets had been sold for the day and everyone was in the park). From there we took a cotton candy pink monorail and then another tram to get to the beach—in total, almost 2 hours of travel. Imagine our chagrin when we discovered there was a more direct route—Sentosa was only 3 MRT stops from our hotel!

We made certain to visit the most famous tourist attractions in Singapore: the Singapore Flyer, the skydeck of the Marina Bay Sands casino, the Night Safari and the Orchid Gardens. The Singapore Flyer is a giant Ferris wheel, similar to the London Eye, but 30 metres taller. The best time to ride the Flyer is at sunset, and we were able to see the city go from daylight to night-time with the lights twinkling on the buildings.

Singapore is very close to the equator, and so the sun sets fairly consistently throughout the year around 7 pm. This gave us enough time to explore the Night Safari, which is a night-time zoo with a tram ride and walking trails. Although the tram ride was fun (even with ARIA members being shushed many times on the tram by our tour guide), the best parts were walking

Looking up at the Singapore Flyer



Orchids



Marina Bay Sands casino



Dinner at the Banana Leaf



Trying the octopus—yum!



through the bat house and through the flying squirrel exhibits. We also greatly appreciated the hotel-booked shuttle that traveled directly to our destination as opposed to our Sentosa outing.

Inside the botanical gardens were the famous National Orchid Gardens. We didn't know that orchids came in so many colours and shapes and varieties. In the very hot Singapore weather, many of us really enjoyed the species inside the air-conditioned "coolhouse."

The most spectacular attraction was the Marina Bay Sands casino, which had opened less than a month before WRIEC. The casino consists of three 55-story hotel towers topped by a huge terrace or skydeck that looks like a cruise ship or a surf board. Many ARIA members went up to visit the terrace which also boasts the world's biggest elevated swimming pool. The pool itself has a vanishing edge so it looks like you can swim off the edge of the building.

The 2 national Singaporean pastimes are shopping and eating. We had two types of retail experiences—the stereotypical vendor-type markets of Little India and Chinatown, and shopping malls. In the vendor stalls, it was necessary to haggle with the vendors to get the best price, but like all Singaporeans, the merchants were very polite. We were talked into buying

items "only available in this shop and nowhere else," and afterwards, we found them available in many places.

Malls were literally everywhere, but the most impressive ones were the giant malls along Orchard Road. Because Singapore is very densely built up, malls have very small foot prints, but the mall itself may extend upwards for 7 or 8 stories. There was nothing distinctly Asian inside the malls—many of the stores there are ones that we would find in North America, or in Great Britain. One mall advertised a "hypermarket." After spotting this exciting sounding store on the mall map we searched all over the mall to find this market. It was disappointing to realize that a hypermarket is just a very large discount department store like Wal-Mart. We were hoping for something much more exciting.

Dining in Singapore was another trip highlight. While not at the conference, many of us ate at hawker centers (Singapore's outdoor food courts), either beside our hotel or on closed-off streets at Lau Pa Sat in the downtown core. At the hawker center, we sat outside, and waiters would bring us menus from many of the vendors inside the center. We ate Chinese, Indian and Malaysian foods until we could eat no more.

One night, 11 of us (from U.S., Canada and Germany) went to a restaurant in Little

India for dinner. There were no dinner plates or cutlery: we put food on banana leaf 'plates' and ate it with *naan* bread and our fingers. It was a very unique and messy experience. (By the way, the Germans discovered that Singapore is not the best place to visit for beer drinking as any type of alcohol is very expensive there.)

Dining at the conference was also different from the usual ARIA lunches. Two of the conference lunches were served family style at the table. Fish were barbecued and served whole (eyes and all), and appetizers included mysterious dim sum dumplings and baby-pickled octopus. Only the bravest tried the baby octopus, and rumour has it that only one ARIA member went back for seconds. We all did become very adept at using chopsticks.

The last sit-down conference lunch was the ARIA president's lunch and, accordingly, we were served Singapore's version of American food. This was even more interesting than the pickled octopus; dessert was listed on the menu as "apple pie and ice cream," but it was not clear that any of the chefs had ever tasted or seen our version of American apple pie. The ice cream might have been vanilla, maybe. And the pie, well... it looked like a spice cake with some sort of fruit in it. And on top of the cake were 4 little curlicues

Continued on next page

Singapore—As Seen Through the Eyes of First-Time Visitors, continued

(in total the 4 would have been the length and width of a piece of fettuccine) of some sort of golden jelly. Faith was the only one brave enough at our table to try it and Mary left most her dessert untouched.

All in all, our visit to Singapore was the trip of a lifetime. Since our ARIA contingent was smaller than usual and most of us decided to stay a few extra days to make up for the long plane ride, we were able to spend some quality time together. We know we should say that the academic component of the meeting was the most important aspect of the trip, but our best memories are of connecting with our colleagues and spending time with them outside of the traditional conference environment. Singapore was a wonderful place to visit and we are already looking forward to the third World Risk and Insurance Economics Congress!

Florida Atlantic University: New Book on Global Perspectives

Global Perspectives on Insurance Today: A Look at National Interest versus Globalization, [editors: Cecelia Kempler (Florida Atlantic), Michel Flamée (Free University of Brussels), Charles Yang (Florida Atlantic) and Paul Windels (Hogeschool-Universiteit Brussel)], will be published by Palgrave Macmillan in November 2010. This book addresses global complexities in balancing globalization and national interests in the insurance industry, suggesting possible solutions to related challenges. Contributions are made by highly regarded experts from global companies, professional organizations, and supervisory authorities, including Therese Vaughan (CEO, National Association of Insurance Commissioners), Michel Flamée [past chair, International Association of Insurance Supervisors (IAIS) Executive Committee], and Peter Braumüller (chair, IAIS Executive Committee).

The Insurance and Actuarial Science Educational Experience at Drake University

by Lisa Gardner, Drake University



Drake's Actuarial Science students gather in the Adams/Bowers Actuarial Education Center

Most business schools have never offered studies in actuarial science, and few still provide any meaningful risk management and insurance (RMI) learning experiences. Drake University, where actuarial science and insurance studies have been an integral part of the curriculum for many decades, is a noteworthy exception to this norm. Located in the insurance and financial services hub of Des Moines, Iowa, Drake offers an undergraduate concentration in Insurance, three undergraduate majors emphasizing Actuarial Science, and graduate and professional coursework and programs in RMI, all through the University's College of Business and Public Administration (CBPA). Each is described more completely below.

Undergraduate Concentration in Insurance

Drake's undergraduate concentration includes nine credit hours of courses in personal risk management, business risk management, and insurance company operations. The concentration was developed in response to a university-wide program review effort during the 2001–02 year. Discussions with industry

representatives at the time the major was eliminated indicated that they preferred (1) a program that provided students with a basic understanding of insurance and its uses so they might be more likely to consider the insurance industry as a place for employment; the companies indicated that it was their job to “train” those who ultimately were hired; and (2) a program that would be available to, and attract, bright students regardless of their major, including those from other colleges and schools in addition to the CBPA; the companies were interested in hiring bright Drake graduates in general rather than those with a major in insurance.

First introduced during the 2002–03 academic year, the concentration has grown steadily with 161 different students from a variety of majors enrolled in one or more of the three courses during the 2009–10 academic year. The concentration is open to any of the CBPA's more than 1,100 undergraduate students, as well as any of Drake's approximately 2,400 other undergraduate students with majors outside of the CBPA. The concentration helps prepare students to enter positions in underwriting,

claims, marketing and risk management. It also helps students interested in careers in other insurance company functions such as human resources, management, investments, actuarial science and accounting. Ongoing support by EMC Insurance Companies has funded a number of scholarships for students enrolled in the Insurance Concentration as well as other students taking insurance courses.

For the first time this summer, all of the concentration courses are now available on-line. Students with sophomore level class standing or higher can complete all three courses during a single summer. The concentration was developed, and is presently led, by Robert Cooper, Ph.D., EMC Distinguished Professor of Insurance. Bob has been a faculty member at Drake since 1988, and has published widely in academic and professional journals in the field.

Drake's Actuarial Science Majors

Drake's CBPA offers three undergraduate majors for prospective actuaries: a more traditional actuarial science major, "hybrid" majors in actuarial science/finance, and accounting/actuarial science. Like the insurance concentration, Drake's actuarial science majors have experienced significant growth in recent years. A decade ago, these majors cumulatively accounted for 108 or 13 percent of CBPA enrollments; during the 2009–10 academic year, they accounted for 303 or 26 percent of enrollments. Students from around the globe come to Drake to study actuarial science, making it one of the most diverse majors on campus. Many pursue a second major in a related field, like mathematics, and some complete the insurance concentration.

A hallmark of Drake's curriculum is preparation for several professional exams [exams P, FM, MFE, C, MLC plus VEE courses for SOA/CAS (Society of Actuaries/Casualty Actuarial Society)], plus significant study support through the endowed Adams/Bowers Educational Center. In 2009 alone, 135 different students passed a total of 178 exams, 13 Drake graduates earned the ASA (Associate of the SOA) designation, and 3 became FSAs (Fellow of the SOA).



Professor Parsa discusses actuarial problem solving with students

These results are not unusual, as Drake has outstanding students and a quality program.

Examples of other strengths include our dedicated and talented faculty; strong connections to industry; research; excellent scholarship support for students; and last but certainly not least, our National Advisory Council, which includes several CEOs representing many different types of employers. In recognition of these strengths, the Society of Actuaries named Drake's program number 1, out of 17 Centers of Actuarial Excellence in North America.

Professor Rahul Parsa, Ph.D., serves as actuarial science program coordinator. He also advises the Drake Actuarial Student Society (DASS), a student group which carries out many activities, including Actuarial Evening, a career fair where more than 30 employers provide information about opportunities at their firms. Dr. Parsa succeeds long-time Drake faculty member Stuart Klugman as the program coordinator. Stuart recently retired from Drake.

Other actuarial science faculty members include Paul S. Judd, M.S., ASA, FMLI (assistant professor of statistics and actuarial science) and Toby White, Ph.D., FSA, CFA (assistant professor of actuarial science and finance). In the fall of 2010, Thomas Struppeck, Ph.D., FCAS and the Robb B. Kelley Distinguished Visitor in Risk Management and Actuarial Science joins us from Longhorn Analytics, LLC, while Paul Ferrara, ASA (assistant professor of actuarial science) joins us from the University of Virginia, where he is completing doctoral studies.

Graduate and Professional Studies in RMI

Drake's CBPA offers two graduate level courses related to RMI: The Regulatory Environment for Financial Institutions and Risk Management for Financial Institutions. The Kelley Insurance Center also supports a host of non-credit educational experiences, including preparation courses for many CPCU/IIA exams, an Ethics Day, several CE (Continuing Education) events, and the Archie Boe Lecture Series. Douglas M. Ireland, CLU, ChFC, LUTCF is the manager of professional programs at the Center. The Kelley Insurance Center also supports the Drake Insurance and Actuarial Science programs through scholarships and examination fee reimbursement.

Drake's location in Des Moines, Iowa helps explain its significant emphasis on insurance and actuarial science educational experiences. Des Moines is a vibrant, established mid-western hub for insurance and financial services companies, and a growing metropolitan area with more than 500,000 residents. Two of the area's largest employers, Principal Financial and Wells Fargo, together employ more than 19,000 people; Nationwide Insurance, Aviva, Wellmark (Blue Cross), and Marsh & McLennan—four companies among the city's top 20 employers—each employ more than 1,000 workers. Many of Drake's 18,000 alums living in the metro area work at these companies, and together with several friends of the university, give us a valuable network to support internships, placement, student organization activities, campus speaking opportunities, advisory boards, and many other activities important to Drake's learning experiences.

At a time when many universities are reconsidering their financial commitments to different programs, Drake's insurance and actuarial science educational programs seem truly secure. They occupy an important and growing place in the CBPA's array of exceptional learning experiences and likely will for some time to come.

Lisa Gardner is an associate professor of statistics and the undergraduate assessment coordinator for CBPA at Drake University. She is also an independent consultant on using statistics to improve business processes.

ARIA Members Attend First China International Conference

by Patty Born, Florida State University



CICIRM opening session with keynote speakers

This summer, several ARIA members (Yinglu Deng, University of Texas-Austin; Michael Powers, Temple University; Sharon Tennyson, Cornell University; and Li Zhang, St. Cloud State University) and I attended the China International Conference on Insurance and Risk Management in Xining, China.

The first meeting of its kind, the 2010 CICIRM was organized by the China Center for Insurance and Risk Management at Tsinghua University in Beijing, and the Qinghai University School of Finance and Economics in Xining. The conference, held July 19–22, was designed to initiate an annual forum in China for international communication and cooperation in the studies of insurance, risk management, and actuarial science. Michael Powers served on the conference organizing committee. The registration fee was just \$200 per person and included very generous coffee breaks, buffet lunches and Chinese family-style meals for dinner.

The conference began on Monday, July 19, with an opening ceremony including speeches by dignitaries from the Qinghai Province and representatives from the sponsoring universities. Highlights from the first day of the conference included keynote presentations by Sharon Tennyson and another individual well known to ARIA members, Howard

Kunreuther from the Wharton School's Risk Management and Decision Processes Center, University of Pennsylvania.

First, Howard gave a presentation based on his recently published book, *At War with the Weather: Managing Catastrophic Risks in a New Era of Catastrophes*. In his presentation, Howard reviewed recent changes in the impact of catastrophic events and encouraged the audience to consider the respective roles of the government and private insurers in providing innovative solutions for financing catastrophic risks.

Next, Sharon who is at the Department of Policy Analysis and Management at Cornell University gave a presentation entitled "Challenges and Approaches to Consumer Protection in Insurance Markets." She discussed the economic rationales for consumer protections in insurance markets, and the challenges to designing appropriate and effective regulations. Sharon maintained that regulations can be improved by designing them to target specific market failures, to harness private incentives, and to strengthen rather than substitute for market discipline, and suggested several avenues through which regulation could be improved using these principles.

The remainder of the conference included four plenary sessions in Chinese—two on Monday and two on Thursday—and four sessions, parallel in both Chinese

and English, on Tuesday. Altogether, there were 78 academic presentations—28 in English and 50 in Chinese—on a wide range of topics. Session titles included "Catastrophe Risk Management," "Health Insurance," "Development of the Insurance Industry," and "Innovation of Insurance Products." The time allotted to presentations was a bit short, but in each session I attended, the presentations elicited interesting discussions.

On Wednesday, we were all taken on a group tour to Qinghai Lake, which lies 93 miles west of Xining on the Tibetan Plateau. From Xining, we headed west along the Xihuang Highway, where we passed through the Riyue (Sun and Moon) Mountain Pass, and along the Daotang River. For much of the trip, we paralleled the Qinghai-Tibet railroad, also known as the Lhasa Express, a high speed train that reaches an altitude of 16,737 feet! The train route, tunnels, and tracks looked strikingly modern when compared to the roads we traveled in the tour bus!

On the way to Qinghai we made a stop at the Temple of Princess Wencheng. Our guide told us a fairy tale that Qinghai Lake was pooled by the homesick tears of Princess Wencheng, a Chinese princess who married a Tibetan King, Songtsän Gampo, as part of a peace treaty in 636 AD. The temple was on top of a hill and it was quite cold and windy when we arrived there, but the locals were prepared with coats to rent to those of us who did not dress warmly. Several participants took the opportunity to have their photo taken while sitting on a brightly decorated yak.

We arrived at Qinghai Lake, China's largest inland saltwater lake, in time for lunch. After a brief meal including a locally famous lamb dish, we went to the Qinghai Lake Scenic area and had some time to wander along the lakefront. At an altitude of over 10,000 feet, the climate around the lake is very cool. The area is popular among the Chinese for summer getaways because, even in the middle of the summer, the average daytime temperature is around 60 degrees Fahrenheit.

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Profile of an Insurance Educator— Peter R. Kensicki, CPCU, CLU, FLMI, Retires From Eastern Kentucky University

by Diana Lee, *ARIA NEWS* Editor

“This professor knows his insurance stuff,” said one student about Peter R. Kensicki, former professor of insurance and chairholder of insurance studies at Eastern Kentucky University (Richmond, KY). Indeed, he does. Anyone who subscribes to *The National Underwriter* would do well to read his quarterly articles on ethics written on behalf of the CPCU Society. In April 2010, Pete was honored for his 21 years of service to ECU (1989 to 2010), from which he recently retired.

Pete has had a long and distinguished career in both academia and the insurance industry. He received a National Defense Education Act Fellowship for graduate work during 1966 to 1969 and received his Masters degree in insurance from Georgia State University. This was followed by a Doctor of Business Administration degree specializing in insurance, finance, administrative theory, quantitative methods and economic theory from GSU, while serving as an assistant professor of finance at Ohio University (Athens, Ohio) in the early 1970s.

Pete was an agent for several insurance companies and the first director of the Georgia Consumer Services Program under the Comptroller General (Insurance Commissioner) for the State of Georgia (late 1960s); the program was funded by the Federal Department of Health, Education and Welfare. While working for the insurance commissioner, he assisted in creating and executing the first market conduct examination process used to verify the use of rating plans under what was then Georgia’s new open competition rating law.

Pete then became assistant vice president and director of education and training for Cincinnati Insurance Company (late 1970s), where he developed all the training programs including claims and underwriting for what was then a very small company.

The following decade was spent with the American Institute for Property and Liability Underwriters and Insurance Institute of America, where he was hired



Peter R. Kensicki

to create the associate designation program, Accredited Advisor in Insurance, for agents and brokers. Pete was also in charge of the CPCU parts for accounting and finance (hence co-authoring two accounting books) and insurance issues and ethics. In his last years there, he created and brought to fruition the associate designation program for Reinsurance, known as ARE.

When he left the Institutes, Pete was appointed chairman of the brand new Interest Section for the CPCU Society for Agents and Brokers, and helped to bring that section to permanent status in record time. From 1983 to 1990, he also served as president of the National Certification Institute in Princeton, N.J.

As a professor at Eastern Kentucky University, the subjects Pete taught were many, including but not limited to principles of insurance and reinsurance, principles of economics, employee benefits, financial management, risk management, and real estate finance. Because his areas of specialization include insurance agency operations, agent and broker practices, insurance technical/coverages, and insurance company operations, he has been the co-author or editor of at least 10 textbooks related to these topics, plus one on mergers and acquisitions.

Pete’s service record is a lengthy one. In the early 1970s, he was a trustee for

the Griffith Foundation for Insurance Education and founder, chairman and trustee of the Institute for Research Studies, Inc. Pete served as a consultant for consumer education for the Ohio Department of Education and educational consultant for The American College through the mid-1980s. Over the years, he also served as a member or chairman of a number of different CPCU Society and RIMS education- and publications-related committees, and was on the board of directors for Professional Training Associates, Inc.

One of Pete’s areas of expertise is the subject of ethics, as demonstrated by his near two-decade involvement (some which continues still today) with groups such as the Ethical Guidance & Professional Standards Committee of the American Society of CLU and ChFC, the AICPCU Board of Ethical Inquiry and the CPCU Society Ethics Committee. Since 2000, Pete’s articles on ethics have been published in *The National Underwriter*, four times a year.

Besides keeping busy with his continued affiliation with the CPCU Society and writing articles on ethics, one of Pete’s hobbies is making bread. This came about after a trip through Eastern European where he noticed how different and how much better bread was there than here in the U.S. He began to study bread-making techniques and now really enjoys creating home-made, artisan-type breads. Over the last two years, Pete is pleased to announce that his “white” breads (really hearth country loaves) have placed first in his county fair; one was even judged “best in the food group” (including breads, pies, cakes and candies). Pete says his rye breads do not do as well as they have captured only 2nd and 3rd place awards, but he is working on that now by modifying a German Rye for next year.

Congratulations to Pete and best wishes to him and his wife, Karen, during this next chapter of their lives.

ARIA Members and Friends in the News

Francis Achampong was appointed interim chancellor of Penn State Fayette in March 2010, following the unexpected death of Chancellor Dr. Emmanuel I. Osagie. Prior to this appointment, he was the chief academic officer for Penn State Mont Alto, leading efforts in program planning, development, assessment, and accreditation, and overseeing faculty recruitment, development, mentoring, evaluation, promotion, and tenure.

Each year, the Geneva Association awards the prestigious Ernst Meyer Prize for university research work, usually in the form of a doctoral thesis, which makes a significant and original contribution to the study of risk and insurance economics. Congratulations to **Renaud Bourlès**, lecturer at École Centrale Marseille (France) and researcher at Greqam, who was named the 2010 laureate of the Ernst Meyer Prize in late April.

In 2009, **Roger Bovard** (Mercury Insurance Company) became editor-in-chief of *Variance* (whose tagline is: Advancing the Science of Risk), the peer-reviewed journal published by the Casualty Actuarial Society.

In February 2010, **Seamus Creedon** was appointed to the state insurer VHI Healthcare board by the Minister for Health and Children, Mary Harney, for a five-year period. Seamus is a qualified actuary and was a partner at KPMG in London, where he led the UK financial sector actuarial practice of KPMG from 2000 to 2003 and was KPMG's deputy leader of its global actuarial practice.

Congratulations to **Georges Dionne** who received the distinguished Pierre Laurin Award conferred by HEC Montréal in 2009. This award recognizes research conducted over the past three years by a full professor or researcher or a guest professor at that level.

Michael Drew has left Griffith University (Australia) and recently joined Queensland Investment Corp. in the firm's effort to enter the lifecycle fund market. He will help lead QIC's attempt to design a lifecycle fund superior to the target-date and target-risk products seen to date.

Edwin Duett recently retired from Mississippi State University and is now professor of insurance and coordinator of

the insurance studies program at Eastern Kentucky University in Richmond, KY.

Joseph Eisenhauer joined the University of Detroit Mercy as dean of the College of Business Administration in June 2010. Most recently, he was professor and chair of economics in the College of Business at Wright State University in Dayton, Ohio.

Stuart Klugman, former Principal Financial Group distinguished professor of actuarial science, retired from Drake University (Iowa) in 2009. Stuart was the "face of the actuarial science program" at Drake; he was known for his outstanding teaching, service and scholarship.

In January 2010, **Paul Klumpes** joined EDHEC Business School (Nice, France) as a professor of accounting, where he is teaching financial & fundamental analysis in the master in management programme and research methodology to MSc in management control students. Prior to this, Paul was located in Nottingham, UK.

In 2009, the Pacific Life Foundation honored **Weili Lu**, director of California State Fullerton's Center for Insurance Studies, with the Walter B. Gerken Community Service Award. The annual award, accompanied by a \$25,000 grant, is named after the former CEO of Pacific Life and honors philanthropic commitment to the community. The foundation also awarded a \$30,000 grant in support of the Center and the university's insurance/actuarial program for undergraduates. Congratulations, Weili!

Robert Puelz was recently added to the Board of Advisors of Vantage Agora, Inc., a provider of back office services for manufacturing, insurance and financial companies targeting small to mid-sized companies. According to the firm's CEO, "Bob brings to Vantage Agora experience across insurance sectors and the business academy. We feel that we will benefit immensely from his insight and expertise helping us serve our clients better in this challenging market environment."

In November 2009, **William Rabel** received the University of Alabama's highest honor for excellence in teaching—the Outstanding Commitment to Teaching Awards (OCTA).

Selected by the National Alumni Association, OCTA recognizes dedication to the teaching profession and the positive impact outstanding teachers have on their students.

Harris Schlesinger was recently awarded an honorary doctoral degree by The University of Konstanz for his ongoing commitment to the university and his outstanding scientific achievements and contributions to the theory of risk and insurance. Dr. J. Barry Mason, dean of the University of Alabama business school, stated that Harris "is one of the world's leading economists in the area of risk and insurance. His work abroad, as well as at home, has been invaluable in creating a more global understanding of the issues facing the insurance industry."



Harris Schlesinger (left) receiving award from President of the University of Konstanz (Prof. Ulrich Ruediger, right)

Congratulations to **Barry Smith**, who won the 2010 Independent Publisher Book Awards (IPPY) gold medal for popular fiction. Barry's first novel, *Only Milo*, is a darkly funny spoof of the publishing world. In his book, the main character, Milo, who is tired of being underestimated, builds a path to notoriety fraught with deception, forgery, theft and murder. *Only Milo* was published by Inkwater Press, a division of First Books, in the fall of 2009. Since 1996, IPPY has recognized the best titles released by the independent publishing industry each year in 67 categories. Barry, who received the award on May 25 in New York City, recently retired from his career as an insurance and finance professor at Emporia State University in Kansas.

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The Value of ARIA to Student Members

For this issue, *ARIA NEWS* asked some of the student members what value they receive from belonging to ARIA. Here are a few students' comments.



Yinglu Deng (*University of Texas-Austin*):

I am a Ph.D. student in the risk management and insurance program at the McCombs School of Business, University of Texas at Austin. My research interest is in risk management, insurance and financial engineering, supervised by Professor Patrick Brockett. I began attending ARIA's annual conference since my second year as a Ph.D. student. It is very valuable to me to attend this conference and other ARIA events. The talks and presentations have shown me the frontier of risk management and insurance research, widened my horizon and inspired new ideas for my research. Communications with senior and established researchers and fellows in this field have helped to direct my interest and encouraged me to pursue a career as a researcher in this field. As such, I have gradually grown to learn the skills to do the research and begun to generate my ideas and interest in risk management and insurance.

Recently, I submitted a paper to *The Journal of Risk and Insurance*, "Longevity/Mortality Risk Modeling and Securities Pricing," written with Professor Patrick Brockett and Professor Richard MacMinn. We tried to use the securitization method, with different structured financial instruments (longevity bonds, longevity swaps) to manage the longevity/mortality risk. We proposed a double exponential jump diffusion model to describe the mortality jump (the low frequency & high severity event, the catastrophic jump) and the longevity jump (the high frequency, low severity event, the moderate jump), separately. The result shows our model has an advantage in calibration, mathematical tractability and goodness of fit. We used the model to price the real financial product in the industry as an example.

I will graduate next year (2011) and am willing to pursue an academic career in Risk Management and Insurance. I would be happy to know if there are any opportunities or openings in any research universities and institutions.



Martin Englund (*Aarhus University*):

I submitted my Ph.D. thesis just before paternity leave and will defend it this fall. Although I have not attended any of the

ARIA meetings, my initial reason for joining ARIA was to submit a paper to *The JRI*. Now I am an "addicted" reader of *The JRI* and during the last year I have submitted two more papers. I have a Masters degree in Engineering Physics, and am now trying to earn a Ph.D. in Finance from the Aarhus School of Business at Aarhus University in Denmark (I have an Industrial Ph.D. scholarship from the Danish Ministry of Science, Technology and Innovation). My residence is in Sweden, but I work in Denmark for Codan Insurance, a part of the RSA Group. I am 29 years old and have two sons (4 and 1 years old) and a beautiful wife who's a physician.

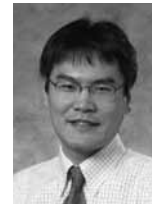


Katja Hanewald (*Humboldt Universität zu Berlin*):

I am very glad to be an ARIA student member and I definitely recommend ARIA membership

to all young scholars in the field of risk management and insurance. In 2008 when I had just started my Ph.D., my supervisor Prof. Helmut Gründl encouraged me to attend the ARIA meeting in Portland. The presentations I heard at this meeting proved to be very valuable input for my first research projects and I felt immediately welcomed and accepted by the ARIA community. Thus, I was more than happy that two of my papers were accepted for the 2009 ARIA meeting in Providence.

This year I very much looked forward to presenting at the WRIEC in Singapore. The annual meetings are the ideal place to interchange and discuss new research ideas with colleagues and to learn about international job openings. I am sure to continue my ARIA membership when I start my post-doc position in January 2011.



Shinichi Kamiya (*University of Wisconsin-Madison*):

Although I will not be a student member this fall, I am providing a note of my experience as a stu-

dent member. I started participating in the ARIA annual meeting in 2006 when I was a second year Ph.D. student at the University of Wisconsin-Madison. My original purpose of participating in ARIA was not to attend the meeting itself but to motivate me to write papers at an early stage of my studies. I have presented one or two papers, co-authored with my advisers, Professor Joan Schmit and Professor Mark Browne, every year except 2007. By utilizing the ARIA annual meeting as an incentive, I had a portfolio in my fourth year and was ready to defend in five years.

Attending annual meetings is also very beneficial for Ph.D. students to develop some new research ideas and to be connected with our alumni and great professors. In addition, I was glad to have an opportunity to present a paper entitled "A Theory of the Demand of Underwriting" at the Risk Theory Seminar before graduating. I believe that this meeting must be one at which Ph.D. students should seek to present their papers because we can talk with great professors and get significant input.

I appreciate my advisers and our great program at UW-Madison, which financially supports travels for ARIA and other meetings. I just completed my Ph.D. degree, and my appointment as assistant professor is at the Banking and Finance Division, Nanyang Business School, Nanyang Technological University in Singapore. In the upcoming academic year, I will teach two courses: mathematics of finance and property/liability insurance.

Risk Management and Insurance Positions

Below is a list of organizations offering academic, government, and industry jobs that ARIA has received since the end of March 2010, presented in chronological order of final posting on ARIA's website. Please visit the ARIA website (<http://www.aria.org>) or contact these organizations for additional information.

March

Colorado State University (Fort Collins)
Department of Finance and Real Estate
Visiting professor

University of North Texas (Denton)
College of Business
Associate professor in insurance

April

Lingnan University (Hong Kong)
Department of Finance and Insurance
Professor/associate professor/assistant professor
Senior teaching fellow/teaching fellow

The University of St. Gallen (Switzerland)
Graduate School of Business
Administration, Economics, Law, and Social Science
Professor of insurance economics

June

University of Pennsylvania (Philadelphia)
The Wharton School
Center for Risk Management & Decision Processes
Postdoctoral fellowship positions

July

University of Mississippi (Oxford)
School of Business Administration
Assistant/associate professor of finance

August

Ludwig-Maximilians-University (Munich, Germany)
Institute for Risk Management and Insurance
Post-doctorate position in risk management and insurance

University of Connecticut (Storrs)
Department of Mathematics
Assistant professor in actuarial science

University of Georgia (Athens)
Terry College of Business
Professorship of risk management and insurance

Continued on next page

ARIA Members and Friends in the News, continued

Congratulations to **Jeffrey Stempel** (University of Nevada – Las Vegas), who was named the winner of the Liberty Mutual Prize in February 2010. The prize is awarded annually for an exceptional article on the law of property and casualty insurance, its regulation and corporate governance. Entries are judged by a panel consisting of judges, attorneys, and professors having particular expertise in the insurance law field, who evaluate submissions on the basis of quality of analysis, originality, thoroughness of research, creativity, and clarity of thought and expression. Jeffrey's article, "The Insurance Contract as a Social Instrument and Social Institution," was "the clear and unanimous choice of the panel," according to the notification of the award.

The International Insurance Society honored **Kailin Tuan** (retired, Temple University) as the 2010 winner of the John S. Bickley Founder's Award Gold Medal for Excellence. This award recognizes individuals who have made "a singular and

lasting, innovative contribution to insurance thought, which has been adopted by the industry or society." Kailin initiated the first and most successful effort to provide the actuarial, managerial and technical education required to develop a thriving insurance industry and a sound social insurance system in the People's Republic of China. In addition, he was instrumental in developing programs enhancing contacts and transferring knowledge between officials, academicians, insurance practitioners and others in the West and in China.

Congratulations to **Vineet Upreti** (Swansea University's School of Business and Economics) who was awarded a Doctoral Research Fellowship, worth approximately £48,000 over three years, by the Willis Research Network, the research and development arm of the Willis Group. Vineet, who obtained a distinction in his MBA from Swansea University, is examining the link between reinsurance and the cost of capital in the UK's property/liability insurance industry.

ARIA Members Attend First China International Conference, continued

On the ride back to Xining, we stopped in Xihazhen, the place where China tested its first atomic bomb. Chinese participants toured a local museum on military history while the non-Chinese participants visited the museum of Wang Luobin, a renowned composer of Chinese folk songs, best known for his award-winning classic, "In a Place Far Away."



from l. to r., Sharon Tennyson, Mike Powers and Howard Kunreuther

The conference schedule was quite full and did not leave much time for sight-seeing in Xining. However, the hotel was situated along a river with a nicely landscaped park and walking/running trails extending in both directions. In one afternoon of exploring I found a large outdoor fish and bird market, and stumbled upon the giant Renmin (Peoples) Park which contained a double-decker merry-go-round, a roller coaster, two lakes filled with paddle-boats and water-walking balls, arcade games, paint-your-own pottery, and a beer garden!

Most of the CICIRM attendees were from China, with about 20 attendees from Taiwan, Korea, and the United States. The Chinese attendees came from all over China: Beijing, Shanghai, Wuhan, Chengdu, Nanjing, Yantai, Hangzhou, Baoding, Chongqing, Haikou, and Changsha. Given that this was a first attempt at an international gathering to discuss insurance issues, the participation was outstanding. Overall, I believe the conference was a success!

Risk Management and Insurance Positions, continued

September

Butler University (Indianapolis, Ind.)

College of Business

Position in risk management and insurance

Colorado State University (Fort Collins)

College of Business, Department of Finance & Real Estate

Assistant or associate professor

Journal of Insurance Issues

Editor

Mississippi State University (Starkville)

College of Business Department of Finance and Economics

Associate or full professor of insurance and Endowed chair of insurance

State of Oregon (Salem)

Department of Consumer and Business Services Insurance division deputy administrator

Towson University (near Baltimore, Maryland)

Department of Mathematics

Tenure-track assistant professor in actuarial science

University of Pennsylvania (Philadelphia)

The Wharton School, Insurance and Risk Management Department

Assistant, associate, or full professor

2010 Summer Board Meeting Highlights

by Tony Biacchi, ARIA Executive Director

ARIA held its summer Board of Directors meeting on July 25 at the Singapore Management University. Due to lack of a quorum, several votes were not taken. Highlights include:

Membership Fees

Domestic and international membership fees will be more equitable starting in 2011.

European fee: down from €162 to €125; Rest of World fee: down from £108 to £100.

| ARIA Membership | The Americas | Europe | Rest of World |
|---|--------------|--------|---------------|
| Professional members Print + Online | \$135 | € 125 | £100 |
| Student and Retired members Print + Online | \$56 | € 46 | £36 |
| Student and Retired members (online only) | \$29 | € 29 | £19 |

Investments

ARIA's investment portfolio balance: \$395,886.08 at end of June 2010, an 8.6% (or \$31,491.66) increase due to Wiley-Blackwell (W-B) royalties (\$35,000) that offset an investment loss of \$3,508.34.

George Zanjani, along with David Appel and the finance committee, will explore implementing a Board-approved asset allocation investment policy that conserves principal but still funds awards. Objectives: remove funds from high fee mutual funds; roughly maintain 28% stock, 26% bonds, and 46% cash allocation; and keep the policy simple.

To support ARIA's award obligations, investments should ideally provide \$5,000 per year. If needed, the Board agreed to infuse \$20,000 of unrestricted funds into a restricted portfolio fund and will consider a future vote to fund all award obligations at \$1,000.

Second WRIEC

ARIA members submitted 91 out of 216 papers; 68 papers were accepted.

Institutional Relations

- Those interested in coordinating institutional relationships for ARIA should contact Gene Lai, genelai@wsu.edu.
- Vickie Bajtelsmit serves on the RIMS Project to promote RMI careers to college students.
- There is little activity in the Society of Insurance Research partnership (Practitioner Academic Linking Site) to bring together researchers with projects and data.

Strategic Planning and Administration

At the Jan. mid-year meeting, the Board supported a formal strategic planning session to address topics, e.g., expanding the membership database; faster download of journal issues to SSRN and RePEc (Research Papers in Economics), etc.; more special *JRI* issues; attracting industry readership of the *RMIR*; and continued efforts to attract student/international members and industry support.

A five-year contract to continue housing the ARIA executive office was awarded to the Institutes. Tony Biacchi will remain as executive director.

Reports on Journals

The JRI submissions (and resubmissions): 129, comparable to 2008/2009. Submissions without resubmissions: 70, on track with 142 in 2009 with acceptance rate of 7%. Most submissions come from outside the U.S.

ARIA Award Winners, continued

Early Career Achievement Award

Distinguished achievement by a risk management and insurance scholar who earned a Ph.D. within the last 10 years:

Kathleen McCullough (Florida State University)

Hagen Family Foundation Travel Award

Travel stipend in support of an annual meeting presenter:

Sojung Park (California State University-Fullerton)

President's Award

In recognition and appreciation for commitment and dedicated service to the association:

Martin F. Grace (Georgia State University)

Continued on next page

2010 Summer Board Meeting Highlights, continued

Average processing time has improved because referees now work under a three-month mandate, and a screening process allows *The JRI* editor, Georges Dionne, to return a manuscript without a referee report. Backlog of accepted *JRI* papers is greatly reduced; only 27 articles accepted before 2010 are not published yet. Eight out of a total backlog of 46 accepted papers will be in the Sept. 2010 issue, with 10 more in the Dec. issue. Internet readership via www.interscience.wiley.com is down: 115,077 (2009) vs. 121,984 (2008).

The impact factor, reflecting citations from articles published in the preceding two years, dropped: 0.914 (2008) vs. 0.612 (2009). Georges' objective: attain a better citation record (goal, 1.0 factor), aided by three special *JRI* issues: (1) Long-Term Care Insurance and Health

Insurance (pub., March 2009); (2) Sept. 2007 SROR-*JRI* conference, New Forms of Risk Sharing and Risk Engineering; and (3) Health Insurance (pub., March 2010). Three other special issues: (1) Corporate Governance Insurance and Risk Management in Relation to Recent Financial Crisis; (2) Microinsurance Conference; and (3) Longevity and Capital markets are planned.

Mary Weiss will become a *JRI* co-editor starting with the Sept. 2010 issue.

Georges projects 1,000 pages in *The JRI*'s four issues in 2011.

Through W-B, both *The JRI* and *RMIR* moved to an Early View in 2009, allowing earlier access to accepted articles published online when ready, but not yet gone to print.

RMIR received 15 new submissions and 21 resubmissions since July 1, 2009 (six articles accepted, five rejected and the balance in review). Articles on enterprise risk management from ARIA's and Griffith Insurance Education Foundation's co-sponsored symposia (Aug. 2006) will be reviewed; those accepted may be in a separate *RMIR* issue.

Margot Morse, W-B's journal publishing manager, will be its new representative to ARIA. In 2009, 34% of *The JRI* and *RMIR* subscriptions were held under an Online License. Institutional subscribers decreased: 610 (2008) to 571 (2009). Over 2,600 libraries access ARIA journals through licensed sales agreements. Both *JRI* and *RMIR* circulation via EBSCO (providing small/specialty libraries with online access to year-old articles) increased from 2008 to 2009; *JRI*, 2,188 vs. 3,006 and *RMIR*, 806 vs. 1,283. *JRI* and *RMIR* articles were downloaded 115,077 and 15,833 times, respectively, in 2009.

W-B's contract runs through Aug. 2011. A newly proposed five-year contract would give ARIA a greater percentage of revenue; negotiations will continue.

Membership Services

The Membership Committee chair reported on collecting member information for analysis in its final report of 2013. ARIA's membership dropped: 511 (2008) to 481 (2009), compared to 571 (2007) and 559 (2006).

Other Committee Reports

The Placement Committee chair reported one new résumé, 23 academic/research positions, and five actuarial science positions posted since Aug. 2009. Student résumés will no longer be accepted.

Participants in a Strategic Web Committee survey commented that materials are posted in a timely manner and should be functional and correct. Posting criteria established in Aug. 2007 should also be met; to be reviewed by Tony and the Webmaster. The Webmaster reported that maintenance issues are addressed on an ongoing basis; improvements in user interface are being considered; and goals include graphic improvements and higher ease of navigation.

Activities of Related Associations and Affiliates

Society of Insurance Research

2010 Annual Conference (40th annual)
November 14–17
Wyndham Jacksonville Riverwalk Hotel
Jacksonville, Florida
<http://www.sirnet.org>

Southern Risk and Insurance Association

2010 Annual Meeting (42nd annual)
November 21–23
Embassy Suites Hotel
Charleston, South Carolina
<http://www.southernrisk.org>

Western Risk and Insurance Association

2011 Annual Meeting (45th annual)
January 2–5
Fess Parker Doubletree Inn
Santa Barbara, California
Doctoral student presenters are encouraged to apply for the competitive travel reimbursement Mark Dorfman Doctoral Student Award. Those presenting will receive a registration fee waiver.
<http://www.wria.org>

Allied Social Science Association (ASSA)

2011 Annual Meeting
January 7–9
Denver, Colorado

Midwest Finance Association

2011 Conference (60th annual)
March 2–5
Westin Chicago River North Hotel
Chicago, Illinois
Program chair: chair@mfa-2011.com
<http://www.mfa-2011.com>

Risk Theory Seminar

2011 Annual Meeting (49th annual)
April 15–17
University of Arkansas-Little Rock
Little Rock, Arkansas
Send five-page abstract or rough draft, by December 15, 2010, to George Zanjani, Georgia State University, e-mail: gzanjani@gsu.edu. Accepted papers must be completed and sent for posting on the Risk Theory Society web page by March 16, 2011. Financial support for North American travel only, one author per paper, is available. For local arrangements, contact Lars Powell at lsowell@ualr.edu.
<http://www.aria.org/rts>

International Insurance Society

2011 Annual Meeting (47th annual)
June 19–22
Toronto, Canada
<http://www.iisonline.org>

2010 Summer Board Meeting Highlights, continued

The Teaching Resources Committee will continue to promote its website and increase content (e.g., list of text books). Industry organizations are being contacted for materials. Policies on the useful life of materials will be developed.

New Business

The RMIR editor contract expires on Dec. 31, 2011. It will be raised at the 2011 mid-year Board meeting, held in conjunction with the ASSA meeting (Denver, Jan. 7–9).

To attract more people to ASSA, five papers were selected for presentation, which allows no time for discussants. Organizers are seeking a sponsor for a cocktail party to permit further discussion of papers.

Patrick Brockett contributed \$3,500 as seed money to fund an ARIA-sponsored award for an RMI article appearing in the Casualty Actuarial Society or Society of Actuaries journal. Tony will contact Pat to authorize forming an award committee. No monetary award will be made at this time, but ARIA will invite the winner to present at our 2011 annual meeting (San Diego, Aug. 7–10).

ARIA's 2012 annual meeting (Aug. 5–8) will be at The Depot Renaissance Hotel in Minneapolis, Minn., named 2008 Minnesota Lodging Association Hotel of the Year.

A Conversation with Gene Lai, ARIA President, continued

ARIA NEWS: What advice do you have for members, especially newer ones, to become involved in ARIA?

Gene: ARIA is an association for everyone and needs everyone to get involved. Involvement in ARIA can be very rewarding. Chairing a committee or serving as a committee member is a good start and is very helpful for professional development. Knowing more people in ARIA can also help to find someone to write outside letters when being considered for tenure and/or promotion.

ARIA NEWS: Thanks for your time, Gene. Best wishes on your term as president. We know you'll lead ARIA in the right direction.

Center for Economic Analysis of Risk Opens at Georgia State University

A new multi-million dollar unit devoted to establishing the study of risk into a well-defined, interdisciplinary area of study, research and policy at Georgia State University opened its doors on September 28, 2010. The Center for Economic Analysis of Risk (CEAR), housed in the RMI Department at GSU's J. Mack Robinson College of Business, is a joint initiative with Robinson's Department of Finance and School of Accountancy, the Department of Economics in GSU's Andrew Young School of Policy Studies, and the Federal Reserve Bank of Atlanta.

Guided by its inaugural director, Dr. Glenn Harrison, CEAR is building a global network of risk scholars to conduct research on how individuals, institutions and societies manage risk and uncertainty. "CEAR's work will bridge theory, behavior and policy," said RMI chair Richard Phillips, who added that the center will emphasize broad, multi-year projects addressing topics both abstract and fundamental, as well as issues with immediate business and policy implications.

CEAR has already held a workshop to launch its first multi-year research project entitled "Insurance for the Poor." Insurance, development and experimental economists from GSU, Brigham Young, Oxford, and Penn State universities along with industry and policy representatives from the United Nations and World Bank, and Munich Re and others attended. Future follow-up meetings are planned.

Subject area experts tapped to direct its program areas are affiliated with a number of institutions, specifically, Chapman University, Columbia University, the Swiss Federal Institute of Technology, UCLA, and Université of Toulouse. CEAR is equipped with virtual technologies designed to transcend geography and allow for meaningful interaction among a dispersed network of researchers. Interactive SMART Boards, hands-free microphones and in-ceiling speakers, and virtual streaming technology enable global participants to work together instantaneously.

Over time, CEAR will expand its focus to study risk in additional disciplines, such as engineering, neuroscience, psychology and public health, and will enlist other institutional partners. For more information, visit cear.gsu.edu or contact Glenn Harrison, gharrison@gsu.edu, or Richard Phillips, rphillips@gsu.edu.



Richard Phillips inaugurates CEAR's state-of-the-art seminar room

RIMS Student Advisory Council Continues Partnership with ARIA; Promoting Student Offerings

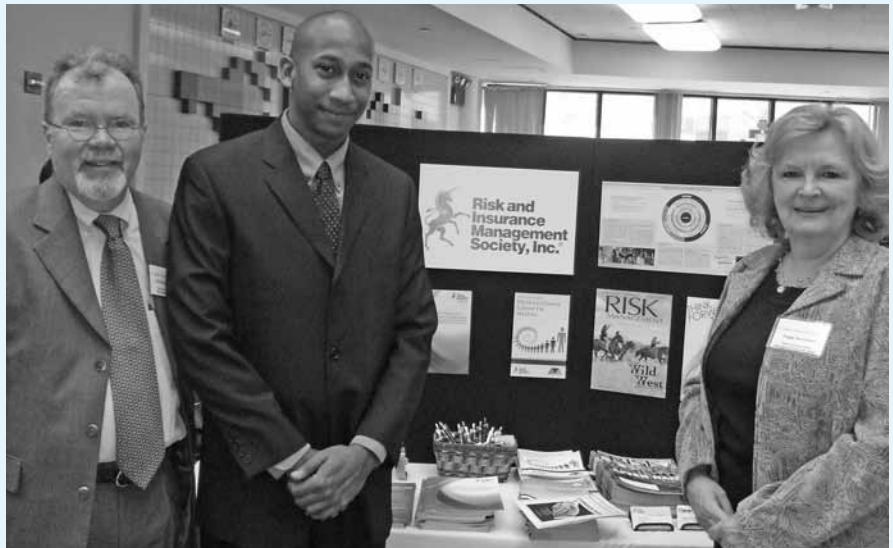
by Cindy Tiritilli, Chapter Services Manager, Risk and Insurance Management Society, Inc. (RIMS)

The Risk and Insurance Management Society, Inc. (RIMS) Student Advisory Council (SAC) serves as a clearinghouse for promoting offerings that benefit students and young professionals in the risk management and insurance fields. The SAC is comprised of risk managers, educators, young professionals, and students and includes representatives from RIMS Member and Chapter Services Committee, Anita Benedetti Student Involvement Program, the Spencer Educational Foundation, ARIA, and Gamma Iota Sigma. Since its formation last summer, the group has been successfully partnering with organizations that share common goals to raise awareness of professional opportunities targeted specifically to this demographic.

By getting the word out, the SAC hopes to continue building relationships and expanding upon student programs and opportunities. RIMS Student Advisory Council member and ARIA Past President, Vickie L. Bajtelsmit, JD, Ph.D., delivered an update on RIMS student-related activities to the ARIA Board and membership during the Second World Risk and Insurance Economics Congress in Singapore this July. There are many successes to share.

RIMS works closely with its local Chapters to pair risk manager mentors with college juniors and seniors who wish to participate in the Student Mentorship Program. Risk management majors in good academic standing, with specific interest in risk management, insurance brokerage or underwriting, commit to a minimum of 2 hours per month for an initial 6-month term. The local RIMS Chapter matches interested students with a nearby experienced risk management or insurance professional. Examples of mentorship activities are résumé review, corporate tours, mock interviews and involvement in corporate social and volunteer programs. RIMS has facilitated more than 75 mentorship partnerships within the past year.

RIMS' Student Mentorship Podcast Series is designed to assist both risk management professionals, who serve as mentors, and students/young professionals in developing strong, productive partnerships. The



from l. to r.: Brendan Cahalan, RIMS New York Chapter VP-Education, Dequan Walker, St. John's University MBA student, and Peggy Accordino, RIMS SAC Chair and NY Chapter board member at St. John's Career Fair

speakers take a conversational approach to offering best practices and tips for making the most of one's mentoring relationship. Topics include: The Value of Mentoring; Establishing a Mentoring Relationship; Best Practices and Discussion of Values in the Mentor/Mentee Relationship; The Mentor/Mentee Relationship: Successes & Failures and Recommendations for the Future; and Post Graduation Mentoring. Four of the five installments are already available at no cost on the RIMS website.

The RIMS 2010 Annual Conference and Exhibition, held last April in Boston, Mass. for the first time offered a Student Track Program. Sessions were selected from the main program and highlighted as suggestions for "sophomores/juniors," "seniors," or "all students" to attend. The program also included the second annual Student Focus Group and an SAC-hosted panel session, "A Day in the Life of a Risk Manager." The RIMS 2011 Annual Conference & Exhibition, May 1-5 in Vancouver, BC will again offer a Student Track. Conference registration and program information will be provided as it becomes available.

RIMS has already waived Society dues for students members. Beginning January 1, 2011, RIMS will offer recent graduates

special Society dues to help ease the transition from student to young professional. Those who qualify for Additional Deputy or Associate membership and who have earned their first degree (BA or BS) within the past four years will enjoy a reduced, graduated membership rate, starting as low as \$50 for the first year, plus local Chapter dues, with all of the same benefits as other Deputies/Associates.

For more information about RIMS or the activities of the Student Advisory Council, or to access an e-kit with examples of student programs, please visit <http://www.RIMS.org> or contact Cindy Tiritilli, RIMS Chapter Services Manager at ctiritilli@rims.org or (212) 655-6031.

ARIA Sponsors Institutes Award

Each year, The Institutes recognize the outstanding academic achievements of insurance professionals completing various educational programs. ARIA is pleased to sponsor an Award for Academic Excellence in The Institutes' Associate in Risk Management (ARM) program. The 2010 recipient of this award is Mr. Kristopher D. Tinker, ARM, who was a training manager with Travelers Insurance in Ft. Wayne, Indiana. He received a \$250 cash award and a commemorative plaque.