

The “third wave”

Historians generally recognise two waves of disruption

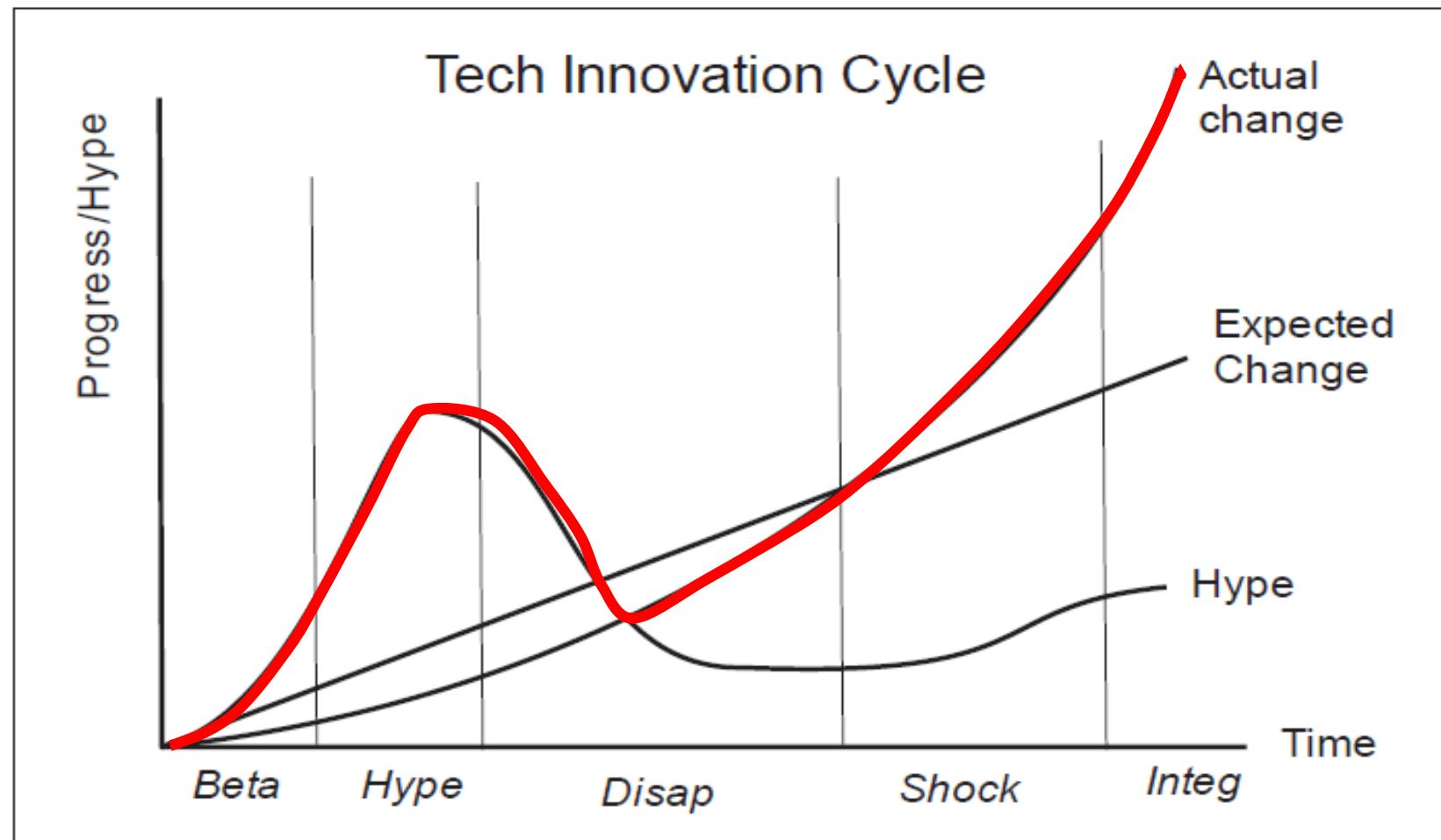
The industrial revolution

The power/motor car revolution

The IT revolution

Each of the first two waves took 80 to 100 years to work its way through.

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The impact of disruptive technology on insurance companies



While the world of IT transformed over the last decade, the insurance industry focused on business-as-usual

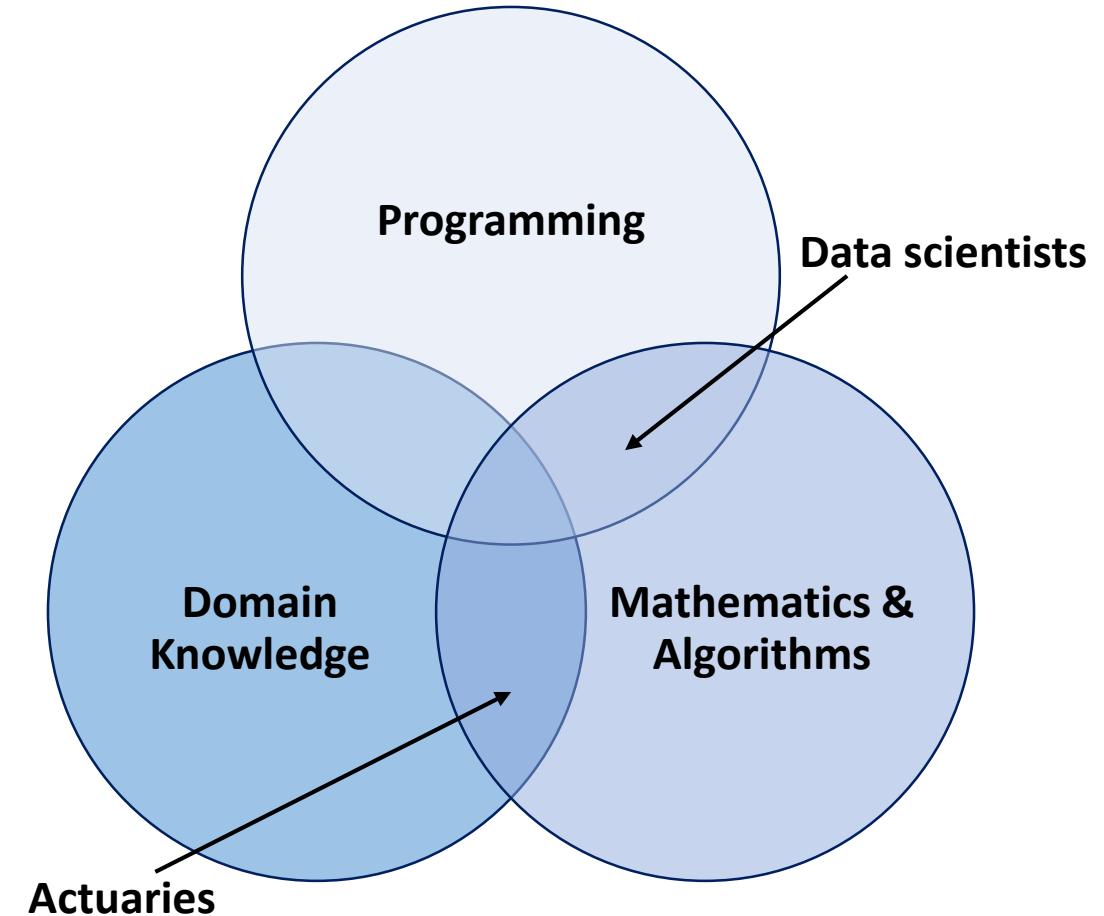
They focused on the optimisation of products and processes

They accepted incremental change as if it were innovation

Due to the analytical data focus of insurance, the sector will face far greater disruption than most other sectors as combination of disruptive innovations will uniquely impact data analytics

Maybe not... but perhaps a data scientist will...

- Currently actuarial work is primarily compliance related and is dominated by reserving
- A few years ago the term data scientist rose into popular use – apparently it is the sexiest job of the 21st century...



Industry

- There is a perfect storm of technological advances which are about to combine and disrupt the insurance Industry
- The majority of companies do not appear to be prepared for this and it is likely to require immense transformation before it is in a position to combat this
- The industry is open to disruptive new entrants who have skills in technology

Actuaries

- Important to understand that 'jobs' don't disappear, rather particular work 'activities' will disappear
- There may be disruption to the industry from data scientists
- So actuaries need to recognise the potential technological changes and identify the skill sets required to remain relevant