



ACTUARIAL SOCIETY
SOUTH AFRICA

Professional Conflict Resolution

Finding the middle ground

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Agenda

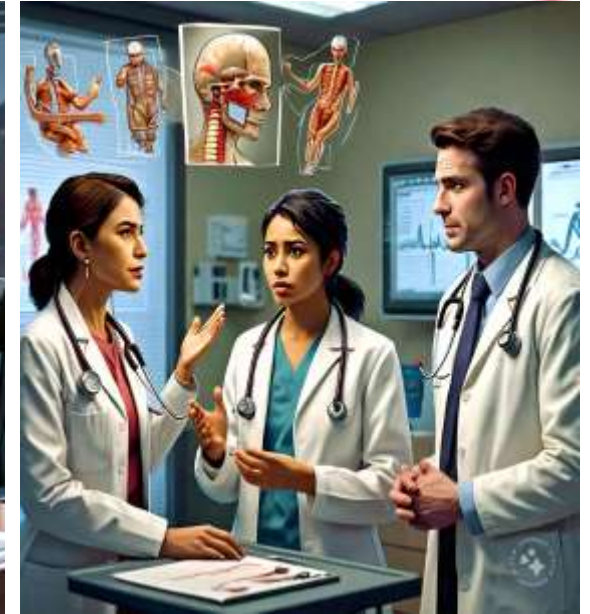


- Professional Conduct Standards
 - Sources of Difference
 - Basic Rules of Engagement
 - Case Studies and Discussion
 - The benefits compromise
-

Dealing with differences in opinion



"The best way to resolve conflicts is to avoid them in the first place." - Warren Buffett



Professional Conduct Standards



9. A member must act honestly, with integrity, competence and due care, and in a manner that fulfils the profession's responsibility to the public and upholds the reputation of the actuarial profession.
10. Professional conduct involves the member's integrity in relationships not only with those to whom services are rendered, but also with regulators, the Society and its members.

14. A member may encounter a situation where the best interests of the client will be served by the member providing an alternative opinion to one that had been expressed by another actuary. This is acceptable, provided that the factors that lend support to the alternative opinion are explained clearly at the same time.

21. A member may be requested to advise a client to whom they know or reasonably believe that another member has provided, or is providing, actuarial services with respect to the same matter. In such event, the member must consult with such other member, unless this is inappropriate or not possible. The member must request the client's consent prior to such consultation. The purpose of such consultation is both to prepare adequately for the assignment and to make an informed judgment as to whether there are special circumstances that should be taken into account or may prevent the latter from providing such services. If the client's consent is not given, the member must take into account the reasons for this in deciding whether to take on the work.



Potential Sources of Conflict



Bone fide errors	Double check all work (again) as soon as any dispute arises.
Incorrect/incomplete information	Compare notes with the other actuary to ensure you are on the same page.
Different scope of work	Actuaries to jointly provide and explain to the client.
Different mandates/roles	Disclose all roles, mandates and limitations. Allow for discussion with an open mind, understanding the respective positions.
Professional judgement	Agree to disagree if within a range that is acceptable; Agree to disagree; Pick the assumption based on best available supporting information.
Bias, intentional or unintentional	Challenge the position on factual grounds, or get third opinion.
Interpretation of facts/legislation/guidance	Third opinion or legal advice.

Rules of engagement



Courtesy, Respect,
Honesty,
Transparency,
Humility, Flexibility.

Do not confuse the
client.

Pick the battles
that are worth
fighting.

Avoid working via
third parties.



Names Were Changed To Protect The Innocent

True Stories of A Police Dispatcher





Benefits of a win-win resolution



Moving from your original position does not mean you lost. Rather see it as a learning opportunity to reconsider your existing views.

Presenting the client with contradicting views and no solution results in distrust in the entire profession.

Two independent actuaries presenting a joint front puts both of you in a much stronger position to stand up to any challenge.

Keep the lawyers out of it as far as possible.

Thank You



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