

2018 Salary Guide:

Salaries of Actuaries will increase by around 20% for Job Switch



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Q&A with Daniel Li

How do you see the hiring sentiment of the insurance industry in 2018? What are the key drivers?

The rising protectionist sentiments, brought about the Brexit and the U.S. government, has provided opportunities for the up-and-coming mainland Chinese and Asian companies to acquire established Hong Kong and APAC insurance operation as a means to realise their global plans. Inevitably, Chinese and Asian companies will continue to be active hirers.

As for the foreign companies, the IFRS17 model has emerged as the global consistent standard of accounting for insurance contracts. IFRS17 requires a holistic approach affecting products, systems and reporting process. APAC and local insurance offices in Hong Kong will be hiring actuaries, financial management, credit risk professionals, and others to see their companies through the transformational change.

At the local front, the keen insurance companies, supported by policies such as Insurtech Sandbox and Fast Track, are enabled to test their new insurance technology under a controlled environment. Additionally, digital insurers can even accelerate the authorisation process to improve their time-to-market.

Overall, we foresee the insurance hiring market to be active, with more expected movements at the life insurance companies than that of general insurance.

How about the hiring sentiment for the actuaries?

Hiring activities of actuaries in 2018 will be stable yet active. Actuaries of many global firms are deemed to be in demand to serve as part of the IFRS team to implement changes on product design, pricing and development.

Hong Kong, similar to many countries around the world, is facing an acute war for talent. Hong Kong will need to improve its talent strategy to dial up its competitiveness in acquiring insurance professionals, for example, experienced talents from Europe to lead and manage the model migration. Training and exposure is also key in imparting skills and knowledge to the local professionals.

Who will be more in demand?

In view of the insurtech boom, digital marketing expertise and customer service professionals will be in great demand, and so will it be for compliance and legal professionals.

Pertaining to actuary, with major projects like IFRS17 in play, we reckon **valuation** and **risk** professionals will be hot hires in 2018.

Expected Salary Increment for 2018

Actuary:

Job Switches **19 - 23%**

Natural Progression **5 - 7%**

Insurance Professional (avg):

Job Switches **17 - 20%**

Natural Progression **4 - 5%**

2018 Expected Salary for Actuary (Qualified)

OCCUPATION TITLE	EXPERIENCE (YEARS)	RANGE OF ANNUAL BASE SALARY (HKD)			
		Life	Non-Life	Re-Insurers	Broking
Department Head	10+	1.7m +	1.5m +	1.5m +	1.4m +
Manager/ Snr Mgr	6 - 10	600k - 1.3m	800k - 1.3m	900k - 1.4m	800k - 1.3m
Assistant Mgr	3 - 6	400k - 600k	400k - 800k	400k - 800k	400k - 800k
Analyst/ Snr Analyst	1 - 3	100k - 400k	100k - 400k	100k - 400k	100k - 400k

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