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April 2013 Issue

In 2012, Center for Teaching Excellence and Rosie Ching, Senior Lecturer from the School of Economics, developed a flash based game designed to teach basic statistics. The project received great reviews from peers and students. Students assume the role of a Customer Service Index (CSI) Agent and will “travel around the world” to collect statistical evidence of data. They will be assessed on the knowledge they have learnt in various parts of the game where they will be required to perform tests.

In June 2012, I finally completed my AGENT ON A MISSION: Customer Service Index (CSI) game where the player assumes the role of CSI Agent who must trek the four corners of the earth to key countries of the world who have wired for high-level CSI investigations. The inspiration stemmed from the actual CSI from SMU’s Institute of Service Excellence, upon which I had already designed a specific case for my students. From this was the idea born.

This flash CSI game which my students play, flags off when we reach Hypothesis Tests at Week 7, all the way to the finish line at term’s end, a good half-term’s worth of work covered in an elaborate journey tracing France, to China, winging it over to Las Vegas, duelling in Canada, sailing the High Seas, then bundling down under to Australia with the final curtain on home soil, Singapore.

The last eighteen months have marked a tremendous tango with creative scriptwriting, editing, producing, directing as well as weaving the entire story out with the minutely detailed statistical tests. One of the highlights was discovering the hitherto-latent voice animation talents of my statistics students in multiple studio recording sessions at the SMU library. The whole journey was an enriching, excruciating, entertaining blast, and I learned a great deal.

In late 2012, the game’s debut was totally unique and enjoyable. Students voluntarily captured and presented their chosen countries before their peers. On top of this, every CSI agent personally received from the Chef de Mission, a different hard-copy mission sheet, which each was bound to scan and submit after completing all checkpoints printed therein. Students loved this unusual detour in their statistical learning journey.

As of February 2013, further progress is underway with the movement of this flash game onto an iPad platform, with game centre leaderboard, Facebook achievement sharing, extra, further tests, new options and more. None of all that I have described would have been possible without SOE’s and CTE’s strong support for which I am very grateful.

Article and images contributed by Rosie Ching
ZODIAC FEAST TO THE FINISH

It was a night of fun, joy and laughter as students reunited with their fellow friends amidst the busy week on 6th of February, to attend the SOE Chinese New Year Dinner Celebration, together at the Quiet Area @ Li Ka Shing Library. This was the first signature event that the 10th OIKOS Executive Committee organised, and once again, we brought in the warmth and festivity to the School of Economics.

This year, we invited our Economics Alumni as well, to let them reminisce their old times back in SOE.

The Signature Yu Sheng was tossed in unison amidst auspicious greetings, followed by exciting stage games like Guess-the-Goodie, where students were blindfolded and participants had to use their sense of touch and taste to guess the new year goodies we have every Lunar New Year.

Our very own Year 1 Economics Student, Perry Jian, also wowed the audience with his rendition of beat-boxing.

With the many other forms of entertainment set up like the Orange Peeling Competition, Kinect set and a tarot card fortune telling booth, everyone’s enthusiasm and spirit was kept sky-high throughout the whole event.

Having the Dean, Associate and Assistant Deans, Professor Landi, representatives from the SOE Office, as well as some of the SOE Alumni at the Celebration, it was indeed a great get-together session for all in OIKOS!

CHINESE NEW YEAR DINNER 2013 PROUDLY ORGANISED BY OIKOS.

Article and images contributed by OIKOS.
SAS Career Fair

The SAS Career Fair was an initiative by the SMU Actuarial Science Club in collaboration with the Singapore Actuarial Society (SAS). We wanted to address a problem commonly faced by actuarial science students in Singapore - the lack of internship and employment opportunities. Actuarial internships and jobs are hardly advertised on any company’s job portal, even mailing to a company’s Human Resource department might not serve much purpose. By inviting the actuarial departments of various companies down at the career fair, students were able to interact directly with the actuaries and find out more about what to expect for in an actuarial internship and prospective career advancement in actuary.

The event was held at de Suantio Gallery, where 8 companies were present to offer career guidance and internship opportunities to the students. Amongst them were familiar brand names like Chartis, Tokio Marine and Manulife, including companies less known to us such as SCOR and AGN Benfield. 25 company representatives were present to mingle with over 90 actuarial science students from SMU, NTU and NUS. The event even attracted an actuarial science student who flew in specially from Australia to attend the event.

Organising the event was an enriching experience for all of us. We got to understand the difficulties and considerations that officers from the Office of Career Services (OCS) have to deal with. During the early stages of planning, we were unable to get many positive responses by companies to attend the event. Thus, we realised the importance of networking. Perseverance to get the event going and to make a difference to the actuarial community was what kept us going.

We would like to thank Professor Tse Yiu Kuen, Chair of SOE ACS, for taking out his precious time to visit us at the career fair. Last but not least, we would like to thank OCS, SOE, faculty, staff and students for your support.

“For all Actuarial Science students in SMU who are reading this, opportunities are out there waiting for you. You must be proactive to seek and engage them. You will be surprised to find that actuaries in the various companies are very friendly and interested to meet with students. Take part in more networking sessions, sign up for SAS student membership, attend workshops etc. Attempt the SOA exams early for these are what prospective employers will look out for. Best of luck!”

SAS CAREER FAIR PROUDLY ORGANISED BY SMU ACTUARIAL SCIENCE CLUB.
School of Economics (SOE) held a special seminar for junior colleges and IB Diploma students at the Ngee Ann Kongsi Auditorium on 21 March 2013. The objectives of this seminar were to introduce our school and BSc (Econ) curriculum to these prospective students, and to engage them in current economics issues.

Highlights of the programme included:

- Welcome Address & Curriculum Overview by Professor Chow Hwee Kwan, Associate Dean of SOE

- Introduction to Actuarial Science (ACS) by Professor Tse Yiu Kuen, SOE ACS Chair

- Seminar Topic: “New Manufacturing, Reshoring, Industrial & Manpower Policies” by Professor Augustine Tan, Professor of Economics (Practice)

The seminar was attended by over 174 students and teachers. The students found the seminar both informative and light-hearted. The three-hour event concluded with a Question and Answer session.
OIKOS Annual General Meeting & Appreciation Dinner

It is the time of the year where the outgoing OIKOS Executive Committee steps down, for the incoming team to take over the duty of serving the OIKOS Family. On the 16th of January, the OIKOS Annual General Meeting was held at 4point3 Café for the first time, together with an Appreciation Dinner for all OIKOS constituents who had contributed to SOE in one way or another.

A fabulous scrumptious spread was lined up for the students. While they sat back, relaxed, and reveled in the food and company, they listened to the 9th Executive Committee report of the past year. The 10th President of OIKOS, Chen Huangzhi, also shared the plans for this year, including continuing the great efforts laid down by the previous committee, as well as organising academic and career development information for students’ easy accessibility.

The OIKOS Executive Committee would like to thank Professor Bryce Hool, Dean of School of Economics, and Professor Massimiliano Landi, Advisor for Student Life for attending the AGM. We would also like to thank the SOE Office for the great support given and the good food lined up for the students; Aaron from 4point3 Café, and sincere gratitude to all who had made the AGM-cum-Appreciation Dinner possible! The OIKOS 10th Executive Committee look forward to serving the OIKOS Community this year!
January
The in-demand OIKOS book sale was back for a 4th time.

February
OIKOS Facebook Shootout Photo competition generated over 5000 likes.

April
OIKOS End-of-Term survey achieved >150 respondents.

July
Largest ever OIKOS Freshmen camp with over 250 participants.

August
Sold over 400 OIKOS T-shirts that were voted for by the students.

October
A new initiative – The Private Sector networking night connected the students to the Alumni.

November
OIKOS End-of-Term survey got a record number of >2000 respondents.

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OIKOS Timeline 2012

January
Chinese New Year Dinner – A sold-out event that attracted over 200 students, SOE Staff and faculty members.

February
The launch of the inaugural Public-Sector focused networking night.

April
OIKOS welfare drive delivered a timely booster for our students.

August
The highly popular OIKOS Book Sale entered its 5th cycle.

August
OIKOS Bash - A sold-out event for students to party.

October
The first ever OIKOS Day was a well-received event that hosted over 200 people.

November
The welfare items were given out in a record 33 minutes.
CFA INSTITUTE RESEARCH CHALLENGE

The CFA Institute Research Challenge is a global competition, which is held annually. This year, there were a total of five teams from the Singapore Management University (SMU), National University of Singapore (NUS), Nanyang Technological University (NTU), SIM University and SP Jain School of Global Management. This Challenge tests the analytic, valuation, report writing and presentation skills of university students. Team Oriental Capital from SMU did a great job and emerged as the winning team.

On 12 January 2013, Team Oriental Capital, from Singapore Management University, faced off top teams from other local universities in the national round of the 2012-2013 CFA Institute Research Challenge. In spite of the tough battle, SMU prevailed and emerged as Champions once again after three years.

Tasked as investment analysts, the team of five, consisting of Lim Wei (SOE), Tan Yong Li (SOE), Naing Ye Lin (LKCSB), Teo Jie Xiang (LKCSB) and Adam Tan (LKCSB), was made to analyse OSIM International and determine the viability of investing in the company. Subsequently, they went on to pitch their investment ideas and analysis to fund managers, industry practitioners and university students in the national round of the competition.

"ONE OF OUR KEY APPROACHES TO EXAMINING CONSUMER MARKETS WAS TO DISSECT THE UPTAKE OF MASSAGE CHAIRS INTO THE INCOME EFFECT, AND THE PREFERENCE EFFECT. CLEARLY WE SEE BOTH FORCES AT PLAY IN DIFFERENT MAGNITUDES ACROSS ASIA”

Two of the students, Lim Wei and Tan Yong Yi, were from the SMU School of Economics. The duo believed that the training that they received from the School of Economics has put them in a good stead to analyse the company. "One of our key approaches to examining consumer markets was to dissect the uptake of massage chairs into the income effect, and the preference effect. Clearly we see both forces at play in different magnitudes across Asia” said Lim Wei. “The movement along the penetration curves and movements of the curves allowed us to better understand and forecast future demand”, echoed Yong Yi. “In many ways, it felt like it was economics all over again”

Most importantly, the team believes their success stems from the strong and unwavering support of the university, mentors and peers.

The team will be representing Singapore in the next leg of the competition in Kuala Lumpur from 22-23 February, where they will be facing off other top universities hailing from the region.

We wish them all the best!"
Marshall International Case Competition 2013

Marshall International Case Competition is a world class competition which is held annually. The Competition looks at the strategic challenges and managerial dilemmas faced by global business leaders. Competing teams from thirty top-ranked international and U.S. business schools work together to solve a real business problem. Each team was given 24 hours to prepare their presentation. Evaluations are based on the depth and comprehensiveness of analysis, relevance, originality, persuasiveness and overall presentation. Congratulations to our SMU Team for winning second place at the Competition.

The Marshall International Case Competition 2013 (MICC) took place at the University of Southern California from February 12-16, 2013. The MICC is one of the oldest, largest and most prestigious case competition in the world. 30 top universities from all six continents including the University of Pennsylvania, the Wharton School (USA); University of Southern California, Marshall School of Business (USA); Carnegie Mellon University, Tepper School of Business (USA); McGill University, Desautels Faculty of Business (Canada) vie for the title. The team of four, consisting of Ashutos Khetan (SOE), Rohankumar Umeshkumar Bahri (SOE), Cheryl Thiang Wen Ting (LKCSB) and Derrick Teo Zhiwei (SOL) were selected to represent SMU at the MICC 2013.

“When we were selected, we knew the coming weeks for all of us would only get tougher. Our team had to solve five parts of the MICC cases over a short period of five weeks, with each case taking up to 30 hours of our time,” one of the team members shared. “Cognitare, the business case club of SMU, was extremely supportive and trained us well for the Competition with critical yet constructive feedback. We are extremely proud to have made it to the finals, and to receive plaudits for our presentation. This truly reflects the quality of SMU and the Cognitare.”

The case presented by the Team was about Owens & Minor, a Fortune 500 company that had acquired a European logistics provider, Movianto in November 2012. O&M is one of the largest distributors of medical supplies in North America with great plans to expand in the European market via Movianto.

The Team’s 3-Pointer Strategy of ‘Load, Aim and Fire!’ was:
1) which value services should be transferred across
2) which markets are ripe for entry and what models should be followed
3) what capacity will be required in these markets and how can that be used to target clients.

“The MICC 2013 has helped each and everyone in the team to grow. The experience we gained in the Competition has helped us improve several facets of our professional self,” Ashutos added. The team believes that the credit however goes to the larger team; consisting of the Cognitare seniors and alumni, faculty and SMU staff. “They had all worked hard to create a nourishing learning environment for us and we would like to thank them for it.”

“Case training is one of the most taxing activities anyone can encounter during their university years, yet it is also the most rewarding.”

Article and images contributed by Ashutosh, Cheryl, Derrick and Rohankumar.
Risk Intelligence Challenge Trophy

The Risk Intelligence Challenge Trophy (RICT) is an inter-university risk competition which aims to raise risk awareness of undergraduate students and provide students a glimpse into the risk industry. Themed “Risk In The Reset World”, the competition was sponsored by Deloitte Singapore and co-organised by NTU’s Quantitative Finance and Actuarial Science Club. The 10-week competition drew participation from 144 students from the Singapore Management University (SMU), the National University of Singapore (NUS), Nanyang Technological University (NTU), SIM University and the Singapore University of Technology and Design (SUTD). Team TUTIS from SMU did us proud and came in as the first runner-up, taking home a cash prize of $900 on 8 March, 2013.

TUTIS, the team of four consists of fourth-year undergraduate Xia Yi Cheng and three other teammates Herman Cheong Wei Quan, Yang Bohan and Yuan Gang who are all second-year undergraduates at the School of Economics (SOE), SMU. The Team was asked to write essays in the preliminary round and had to compete with 7 other teams at the semi-finals where they had to present on the risk considerations for angel investors seeking to diversify their portfolio in the life sciences, hospitality and manufacturing industries. Team TUTIS emerged as one of the top two teams to proceed to the finals. In the final round, both Team TUTIS and Team Techcience from SMU and NUS respectively, debated the merits and risks of using a quota system to improve the gender balance in corporate boardrooms.

Herman Cheong, one of the teammates shared that the competition was mentally challenging yet exciting. “As we progressed through the selection rounds, the importance of risk management dwelled on me deeply. Risk exists in big or small decisions that we make. Risk is involved whether it concerns a big decision to invest in a project within a corporate setting or down to a simple decision to beat the traffic light. The competition provided me fresh perspectives on risk management and somehow crystallised my career aspiration in risk management. I learned a lot from my peers who had displayed outstanding fighting spirit till the very end!”

Xia Yi Cheng
“RICT is a one month holistic learning experience for me. Throughout the three rounds of essay, case presentation and the final debate, we researched massively on various topics in risk management, which is time-consuming but all worthwhile. It was the cohesiveness and cooperativeness of the team that had supported us till the Finals. It was a great experience for me.”

Yang Bohan
“Learn and apply the knowledge thoroughly” is the advice Yang Bohan would give to all fellow students.

“I remembered going through several books, which I borrowed from the library and reading countless reports from the library Database within the short span of 48 hours. I had the opportunity to apply the knowledge learnt from our SMU courses ranging from Technology and World Change to Statistical Methods for Actuarial Analysis. I hope more SMU students can go beyond their comfort zone to challenge themselves.”

Yuan Gang
“In this 10-week long competition, we used different delivery methods, including essay, case presentation and debates, to present our perception on risk and the business trends of various industries. Although the competition has come to an end, it had certainly boosted us towards continual creative and cognitive thinking.”

“I am heartened that many undergraduates from across disciplines have a real enthusiasm in risk issues surrounding them. Deloitte’s first competition has provided a platform for them to constructively discuss their opinions of risks in the current corporate world and I hope to see even more students coming forward to participate next year,” said Mr Janson Yap, Regional Managing Partner of Deloitte’s Enterprise Risk Services.

Article and images contributed by Team TUTIS.
There aren’t more clichés associated with a single place than the city of Paris – the Eiffel Tower, stuck-up Parisians and their absolute refusal to speak English, baguettes, dirty metro stations and so on. The past five months had taught me invaluable lessons about French culture and their way of life, such as having to greet “Bonjour” the moment you enter a shop and “Au revoir” before you leave. The opportunity to live and study in Paris has allowed me to enjoy the city beyond its well-known clichés.

Université Paris Dauphine is well known for being the best university in France for Economics and Finance. Initially, it was surprising for me to see that their students work as hard as SMU students do. The library was always packed. The only difference was that instead of using laptops, their students would be frantically scribbling away on foolscap paper. Fortunately, as English courses were specially dedicated to exchange students, our course work was less rigorous, giving us more room to balance work and play.

The most meaningful course that I took was a module called Cross-Cultural Barriers. While any student can sign up for the class, the intake was decided by the Professor – she selected students that she felt would add to the diversity of the class. The class eventually had students from all over Europe, South America, Asia and even a girl from Syria! It was interesting learning from this diverse mix of students about their respective countries and cultures. One particularly exciting moment was listening to the heated debate between the Germans, the Greeks and the Spanish about the Eurozone crisis.

While I knew that I would have lots of fun on exchange, one thing which had exceeded my expectations was the friendships forged in Paris. It is amazing how close I became to some of the international students. From hosting dinners at each other’s homes, to walking back home in the cold after parties, to having my Italian and German friends desperately trying to correct my lousy French before my French exam; these are memories that I would fondly remember. While I enjoyed travelling to different parts of Europe every single weekend, one thing that I would change if given the chance again, would be to cut down on traveling just a little, and to spend more time with my new friends. Nonetheless, I am sure that this would not be my last time meeting them!

“The opportunity to live and study in Paris has allowed me to enjoy the city beyond its well-known clichés.”

Above: Regina at Plitvice Lakes, Croatia.
Right: Jump shot of Regina with her group of friends in front of the Eiffel Tower.
Below Right: Regina and friends in Greece.
It was one of my dreams to go on an exchange program to Japan, both to improve my linguistic abilities in the Japanese language and to experience life among an international community. Throughout my exchange life here, I discovered a great many things not only about Japan, but the world, and opened my eyes to many realities that I would not otherwise have known.

It is not easy to integrate into the Japanese society for an outsider, even for one who can already speak a decent level of Japanese. I quickly realized that many of the stereotypes we have about the country are in fact untrue; for one, life in Japan is actually pretty normal, and nowhere near as quirky and far-fetched as certain media channels would have you believe. Getting used to the culture and societal expectations that people here have was also a task – as I learned in one of my culture-related classes here, having prior knowledge about a society before attempting to become a part of it barely prepares you for the real-world experience of confronting a rather radically different culture from one you are used to. Nevertheless, the experience was as uphill as it was invigorating, and through it I forged international friendships, gained deeper understanding about the global society as a whole, learned much about intercultural relations, and undeniably, had a great deal of fun.

The courses I took at Keio University were largely based on my area of interest, which are international and intercultural relations. Though the traditional Japanese style of teaching is a one-way interaction between instructor and learner, the professors conducting international classes at Keio had us engage in discussions, which, given the global community in the classroom, was incredibly interesting and an eye-opening experience.

Academics aside, Japan is a truly unique country to tour, admire and enjoy. I had seen other seasons in other countries, but this was my first opportunity to experience the Japanese autumn, and the natural scenery was stunning. The rustic and traditional feel of the older towns in Japan was also an intriguing experience, and a different feel from other countries I had visited in the past. And most definitely, as we all probably know, Japanese cuisine is a wonder both to behold and to taste; only after staying here will one truly realise that Japanese food sold in other countries barely matches up to the original!

All said and done, this exchange had been deeply enriching, and will remain special among my memories.
International Enterprise Singapore by Chang Siyuan

During the last summer break, I was fortunate to obtain an internship at International Enterprise Singapore (IE Singapore). This internship was at their overseas office in Guangzhou, China. Hence, it provided me with the chance to experience the ground work done by the Singapore directors who were posted overseas.

The main role of IE Singapore is to help local Singapore companies expand their operations overseas. This is done via the provision of expertise, connections of the city or country which our local firms are looking to break into. Thus, the overseas office is the point of contact and provides the necessary information on the ground back to HQ. These inputs are then passed on to interested local firms who will then assess their expansion strategy.

Doing my time as an intern for IE Singapore, I was assigned to complete several tasks. One of the major tasks was to identify the competitive advantages of the Guangzhou Knowledge City (GKC) project. This project was a joint collaboration between the Guangdong Provincial government and Singapore government to create a new city within Guangzhou. This new city occupied an area that was initially undeveloped and will then be transformed into a one-stop place for knowledge-based industries and eco-friendly living environments.

The main perks of being part of this were that it allowed me to make frequent visits to other companies and industrial seminars to gather more information. I always looked forward to these visits because it allowed me to learn how meetings in China were different from Singapore and simultaneously explore other parts of China without being office-bound. Other typical tasks included compiling a daily newsletter of important business news around the region and to translate minutes/reports from either Chinese to English, or vice-versa.

The best part about doing an overseas internship was that I could travel to new places during the weekends. Together with my fellow intern, we managed to travel to different cities such as Yangshuo and Shaoguan, just to name a few. The other enjoyable part about doing an internship in Guangzhou was the availability of “Dim Sum” there. It certainly helped that cost of food there is around half of Singapore’s prices and with quality that is typically as good as or even better than what you can find locally.

Through this 3-month internship, I really picked up and improved a lot on my Mandarin and explored places that I otherwise would not had a chance to.

Staying in a shared apartment with other Chinese locals also allowed me to make really good friends that I still keep in contact with till date. This had been one of the best experiences in my life and I would certainly encourage friends or juniors to try out one for yourselves!

“I ALWAYS LOOKED FORWARD TO THESE VISITS BECAUSE IT ALLOWED ME TO LEARN HOW MEETINGS IN CHINA WERE DIFFERENT FROM SINGAPORE AND SIMULTANEOUSLY EXPLORE OTHER PARTS OF CHINA WITHOUT BEING OFFICE-BOUND.”

SIYUAN ENJOYED THE STREET FOOD AT ONE OF GUANGZHOU’S ROADSIDE STALLS.

SIYUAN ATTENDED THE INVESTMENT PROMOTION CONFERENCE AT SHENZHEN FOR A NEW ECO-INDUSTRIAL PARK

SIYUAN WENT TO VIEW THE SCENIC LANDSCAPE AT YANGSHUO
During my summer vacation in 2012, I decided to intern for Lanxess Chemicals (AG) in Shanghai. Lanxess operates in the specialty chemicals sector and has established operations across all-important global markets. The company’s core business comprises of the development, manufacture and sale of plastics, rubber, specialty chemicals and intermediates.

The internship was a challenge in itself. I was working under the butyl rubber department, which generates majority of its revenue by supplying butyl material to tire manufacturers. However, with the increase in production of automobiles in China, the project required me to study the feasibility of penetrating the non-tire aspect of the automobile market in China.

My responsibilities were laid out clearly for me during my first day of work. The project was split into three different segments, including:

1. Analyzing the existing conditions of the automobile market globally and specifically for China,
2. Designing a Tier structure for material suppliers to determine point of entry
3. Recommending strategies for market entry

In fact, I remember vividly sitting down with both my Thai and German bosses and was instantly swarmed with a bucketful of “chemistry” terms that I was clearly unfamiliar with. The project scale was massive and I wondered if I had the ability to deliver what was expected. However, as time passed, I began to pick up terms and jargons more fluidly and my confidence grew with the help out of my colleagues and bosses.

The final presentation was indeed challenging as management level personals sat in to listen to my presentation but it was pleasing to know that the results delivered were satisfactory.

There were many memorable takeaways from the working experience. For instance, I delivered my virgin mandarin presentation to several corporate customers to obtain more information about current market conditions. Another unforgettable moment was where a global business director reprimanded me because my presentation fonts were not in line with the company’s presentation style policy during a team meeting (...that was tough to swallow, hahaha). Last but not least, I finally got to the opportunity to experience the brutality of the drinking culture in China and the power of the 白酒 (white wine).

Reflecting on the experience overseas, I am glad I stepped out of my comfort zone to experience a different working culture. I have learnt many precious lessons and these were lessons that the school would not have taught me. I strongly urge anyone who has the curiosity to live, work and breathe a different culture to take up an overseas internship. I had great fun and I am sure you will as long as you keep an open mind.

“I STRONGLY URGE ANYONE WHO HAS THE CURiosity TO LIVE, WORK AND BREATHE A DIFFERENT CULTURE TO TAKE UP AN OVERSEAS INTERNSHIP. I HAD GREAT FUN AND I AM SURE YOU WILL AS LONG AS YOU KEEP AN OPEN MIND.”

**Chinese**: 白酒 (bái jiǔ)

**Translation**: White wine.

China’s white wine is different from those found in the West. This distilled liquor contains 40% to 60% alcohol per volume, while the typical wine we usually consume has only 8-14% of alcohol content.
Sharing Of An Actuary

by Tan Jin Kuan Alvin
(Graduating class of 2010)

In July 2010, Alvin graduated with a double degree in Accountancy and Economics, second major in Actuarial Science, Summa Cum Laude. Prior to his graduation, he passed all five Preliminary Education Examinations (Pee) and satisfied all requirements of Validation of Education Experience (VEE) with the Society of Actuaries (SOA).

Imagine a world without innovations, businesses, the convenience of airplanes and motor vehicles, and professions such as doctors who administer medical treatment. This scenario can unfold if the fear of hefty losses or lawsuits impedes an individual or corporation from risk-taking activities. Thankfully, my profession serves to keep such a world from becoming an overarching reality.

My name is Alvin and I am an actuarial analyst. Most people would not know what I do. Some imagine me to be a number cruncher, a mathematician, a financial guru, a crystal ball prophet, and more. For the few who have heard of it, they often associate the profession to be amongst the top 3 jobs in the world without a clear understanding of what the occupation encompasses. I hope my sharing will shed some light on this elusive profession and pique your interest too.

WHAT IS AN ACTUARY ACTUALLY?

Broadly speaking, the actuarial profession is primarily involved in the quantification of risk. Most actuaries typically work in the areas of Life Insurance, General Insurance, Reinsurance, Regulators, Consultancy and less commonly in areas such as Banking and Enterprise Risk Management.

Based on my previous work experiences in both the Life Insurance and General Insurance, the job roles are relatively similar though the mechanics involved are vastly different due to the nature of the products.

These include:
1. Pricing – determining the premiums to charge and metrics for pricing.
2. Reserving – how much to set aside in the balance sheet for potential claims liabilities in the future.
3. Product Development – Competitor analysis / Competitive advantage, working with different groups (Broker/ Underwriters/ Agents) to understand client needs
4. Valuation – Compliance/ Solvency, Statutory reporting focused on Company’s Asset and Liability Management

MY ROLE

Currently, I work in Allied World Assurance Company (AWAC) and my area of involvement is in reinsurance pricing. This includes pricing reinsurance contracts, building and tweaking pricing models, analysis of portfolio, and management reporting. The lines of businesses covered are Property, Motor, Liability and non-traditional Casualty deals.

Due to the large territorial scope that the Singapore office covers (Asia-Pac including Japan, China, Australia to Middle East), I have the opportunity to appreciate the different insurance markets and legislations. In addition, I work closely with the catastrophe modellers, underwriters and other actuaries to assess Insurance Company’s risks and charge a fair premium for the risk assumed based on their portfolio exposure, historical losses, client’s management and other considerations.

A good grasp of the technical actuarial practices, principles of insurance/ reinsurance, basic programming, and clear communication will certainly go a long way in building your career.

PROFESSIONAL ACCREDITATION

One does not become an actuary based on the education received. Locally, the Singapore Actuarial Society only accepts Fellows of various actuarial societies to practice as appointed Actuaries in Singapore. There are numerous exams to attain prior to becoming a Fellow in a specific society. Some societies offer exemption based on specific university modules whereas others do not. There are about 10-12 exams to be completed and this generally takes about 6-8yrs.

RECOMMENDATION FOR THOSE WHO ARE KEEN

Take time to explore - If you are currently not in the actuarial science track but would like to find out more information, do take up courses on financial mathematics, as well as probability and statistics. I would also highly recommend applying for an internship preferably both at a life insurance company and a non-life insurance company to identify your area of interest.

The exam hurdles - Do take up the US SOA/ CAS exams if you are firm on becoming an actuary. Firstly, it is better to clear them while in school instead of having to self-study while balancing work commitments. Secondly, it would place SMU graduates in good stead as job seekers since the UK and AU societies allow for certain modular exemptions in the two universities (NUS and NTU).

Seeing a higher purpose – This is about a story I had learnt in church and thought that it may be apt to share. Three bricklayers laid bricks for a living. The first bricklayer only saw his role as bricklaying. The second bricklayer saw his role as building a wall. The third bricklayer saw his role as a cathedral builder. Having the vision of a higher purpose allowed the third bricklayer to enjoy the process and be more productive than the other two. No job is perfect, and there are bound to be some things we like or dislike about it but we can persevere on if we have the right perspective.

Ultimately, it is the vision and passion which determine the level of satisfaction one derives. I wish you the very best if you decide to embark on this exciting, gruelling and fulfilling journey of becoming an actuary!
The Actuarial Science (ACS) major has grown from a small programme to one currently with over 50 students. The programme consists of two tracks: the Actuarial Analyst (AA) track and the Risk Analyst (RA) track. Students who intend to become an actuary will do the AA track, while those who wish to pursue a career as a risk analyst or manager will do the RA track. For students who just want to acquire some quantitative skills related to finance and economics, they can choose either one. Many students in the programme are sitting for the Preliminary Exams of the Society of Actuaries (SOA). Recently one student even acquired the credential of Associate of the SOA (ASA) prior to his graduation.

- Professor Tse Yiu Kuen
HSBC Global Markets Hong Kong

by Jean Ng Zhi Ying
(Graduating class of 2011)

I’m Jean and I work as a junior trader with HSBC Global Markets in Hong Kong. The SMU alumni community in Hong Kong has been most helpful as I adjust to a new environment.

My work involves analysing the money markets and trading short-end rates. Since short end rates tend to be very much affected by central banks’ actions, which are in turn guided by global economic developments, my undergraduate education in the School of Economics (SOE) has served me well.

For example, International Economics taught me frameworks to view global economic imbalances in context, while I still draw upon the subject matter taught in Economic Development in Asia when analysing the impact of global events on asset markets. The overall mathematical bent of the economics courses also honed my quantitative skills which are invaluable on the trading floor.

I remember all those times in school when I sought advice from my professors, not sure whether to continue to work in banking - an industry that has gone through upheavals in the past few years – or to pursue a different path. Today, I still keep in contact with my professors, who continue to offer advice and insights.

I thoroughly enjoyed my education in SMU. The earlier batches of SMU graduates made waves in the world, and employers who had good experiences with them in turn looked favourably upon newer graduates that came along. The brand name of SMU today was built by many outstanding alumni making their mark in the world. And as I stood on the shoulders of giants, I strive everyday to maintain and uphold the SMU brand.

My advice for juniors - use the internships as not just a way to gain experience, but a way to find out where your interest and passion lies. Some roles might pay well, but if you don’t love what you’re doing, you won’t last long in a high pressured environment with long working hours. Being able to wake up in the wee hours of the morning, and look forward to starting work, is just as important as the paycheck at the end of the day.

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FACULTY IN THE NEWS

27 FEB 2013
Economists weigh in on impact of economic restructuring
Schemes work hand in hand to boost wages
Foreign workers’ levy to increase over the next two years

25 FEB 2013
Budget 2013

16 FEB 2013
A difference in approach, and not just numbers

5 FEB 2013
The future of wages in S’pore

31 JAN 2013
Survey: Public transport and housing are biggest concerns if population increases to 6.9 million

29 JAN 2013
Slower GDP growth expected beyond 2020

5 MAR 2013
Analysts: Government should provide concrete details on Population White Paper

25 JAN 2013
Consumers see slightly lower inflation this year

9 JAN 2013
Insurance industry shares blame for low term insurance coverage
WE ARE LOOKING for WRITERS

Do you have what it takes to be a writer?

ECONnect is an e-newsletter published quarterly to engage stakeholders of the School of Economics. We accept changes and improvise the newsletter constantly. We are looking for dedicated personnel to contribute to our newsletter. Faculty, alumni, students and staff are all welcome to be part of ECONnect.

Are you......
- a person who feels that ECONnect can do better and have plenty of suggestions to voice out?
- someone who have overflowing passion about writing a column about economics but yet does not have a platform to flaunt your talent?
- the one who just had a very enriching overseas exchange programme and want to share?
- able to create a meme about economics?

If you are that person, WE WANT YOU! (Having a good sense of humour is a bonus.)

You may also want to volunteer your friend, who may happen to be the man of the moment. Your identification would be kept strictly anonymous.

If you are interested or have any queries, you may contact us at this email – soe@smu.edu.sg with the subject header as ECONnect.
In memory of late
Professor Winston Koh

Dear SMU Community

We have lost our very dear friend and colleague, Professor Winston Koh, and would like to remember him for his numerous contributions over the years to SMU.

Winston joined SMU School of Economics in 2002 and through his excellent teaching, research and service, was made full Professor in 2010.

We are indeed fortunate to have had Winston as our colleague and friend, a scholar from Cambridge and Princeton, and who had valuable industry experience including six years in J.P. Morgan that brought balance between theory and practice. Winston contributed on all fronts – teaching, research, engagement with government and industry – and is an exemplar of balanced excellence.

Many of us would remember Winston for his energy, compassion, and strong sense of responsibility and commitment to his students and to all at SMU. He was a wonderful man who had a friendly and easy manner, who always had time for students both in class and outside class in various CCA clubs including the SMU Photography Club or SMUSAIC. An avid photographer himself, Winston led a team of alumni to produce a beautiful commemorative book, TEN, to mark SMU’s tenth anniversary.

In recognition of his significant contributions to student life and co-curricular learning, Winston was nominated for at least three years in a row and won the SMU Student Life Recognition Award in 2010, 2011 and 2012.

Winston taught both undergraduate and postgraduate programmes including SMU’s Master of Science in Applied Finance, Master of Science in Wealth Management, Master of Science in Applied Economics and Master of Professional Accounting. He was one of our most popular teachers, consistently receiving high ratings.

His research on Economics of Information and Decision Theory; Financial Markets and Investment Management; Industrial Organisation and Market Competition; Economic Development and Public Policy; and Microeconomic Theory covered over 40 articles in refereed journals, five books and monographs. He was also editor and reviewer of many academic journals.

He gave sterling service and contributions to SMU when he took on several roles at the same time -- Director of Office of Research, Director of Centre for Asset Securitization in Asia, under SMU’s Sim Kee Boon Institute of Financial Economics, and Director of SMU University Scholars Programme.

Winston was also appointed the Interim Dean of School of Social Sciences from July 2009 to December 2010. Prior to that, he held the position of Associate Dean of SMU School of Economics from 2005 to 2009.

In addition, he served SMU through his engagement with government and industry including his participation as Member of the Singapore National Committee for Pacific Economic Cooperation and Member of the Competition Roundtable, Competition Commission of Singapore amongst many others.

Reaching out to inspire and nurture the younger minds, he taught MOE’s H3 Programme on Game Theory and Competition as part of the A-Level Economics Syllabus to Junior College students.

We remember Winston as a keen sportsman, always on the move and challenging himself through various sports including his participation in several triathlons.

Winston was a wonderful friend and colleague who touched many people’s lives through his intellect, dynamism, kindness and countless contributions.

We will miss him dearly and we will never be able to replace him.

Our thoughts are with his family, and we extend to them our deepest sympathies and condolences.

Arnoud De Meyer
President
Singapore Management University

Rajendra K. Srivastava
Provost and Deputy President
Singapore Management University

Bryce Hooi
Dean, School of Economics
Singapore Management University
“Don’t lose that sense of adventure in life.
Learn something new every year:
take a life-saving course,
run a marathon,
learn to cook,
learn to dance.”

~ Winston Koh
1963 ~ 2013