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# ActuaRead

A Newsletter by Malaysian Actuarial Student Association



Official Graduate Career Partner:



Affiliated Actuarial Societies:



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## About Us

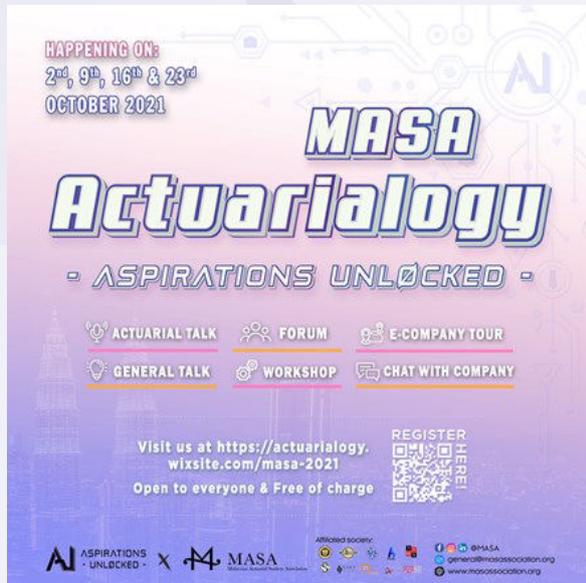
Founded in October 2018, the Malaysian Actuarial Student Association (MASA) has been actively developing actuarial science students' potential in Malaysia and empowering them to be the next generation of actuarial leaders. As of September 2021, MASA has gathered over 600 members from both public and private universities nationwide. MASA has also affiliated with actuarial societies from 10 universities in Malaysia.

## Past Events held by MASA

- 25 Sept ● MASA Actuarial Forum: ActuaRoute Transition
- 11 Sept ● MASA Back to College 2021: Actuarial Science Starter Pack
- 16 Aug ● MASA Case Competition: Tackling the Unanticipated
- 24 July ● MASA Insights 4.0: A Career in Enterprise Risk Management
- 17 July ● MASA Insights 2.0: Prepare Yourself for Interview
- 10 July ● MASA x SASS : ActuaReach

# DISCOVER THE INDUSTRIAL WORLD

## MASA Actuarialogy: Aspirations Unlocked



UPCOMING EVENTS  
FROM MASA

Our annual career fair is back! Last year, despite the challenges posed by the shifting of the career fair to a virtual setting, the event received overwhelming responses from up to 611 online webinar attendees and 60 participants who submitted their CVs. This year, **MASA Actuarialogy: Aspirations Unlocked** will be launched virtually in October. It is aimed to help students to redefine their career pathways. It also provides actuarial students and graduates a chance to expose themselves to reputable companies from various industries. 10 webinars will be conducted consecutively, aiming to share actuarial insights across different fields and perspectives.

A total of 10 webinars and a few E-company tours are ready for you to join. Moreover, “Resume Submission” and “Chat With Company” services are available on our official website. You can obtain goodies such as e-vouchers and giveaways entries upon joining our webinars! Follow MASA Actuarialogy's official website now at: <https://actuarialogy.wixsite.com/masa-2021> for more information.

## MEET THE PRO

MASA Networking with ASM: Connections Unite



# Actuarial Society of Malaysia

Persatuan Aktuari Malaysia

UPCOMING EVENTS  
FROM MASA

Are you curious about life of an actuary? Hope to seek actuarial career advice from experienced actuarial professionals? MASA is going to provide a chance for you to connect with actuarial professionals from [Actuarial Society of Malaysia \(ASM\)](#). A short 2-hour virtual networking event titled “MASA Networking with ASM: Connections Unite” will be organized in December 2021. Speakers from different backgrounds are invited to share their personal experiences. It is a platform for students to connect with actuarial professionals and exchange industrial insights with each other. Students can also build up their confidence in exchanging ideas with experienced actuarial professionals and stay abreast of the industry trends. Stay tuned on our social media if you are interested to join this event!



## EXPLORE YOUR CAREER

### Virtual Career Talk



On 17th July 2021, **Actuarial Science Student Association (ASSA)** has successfully organized a webinar titled “Virtual Career Talk”. The invited speaker, Mr Kelvin Hii, is the President of the Actuarial Society of Malaysia (ASM) and the Vice President of Actuary in MSIG Insurance Malaysia. In this webinar, Mr Kelvin introduced various career pathways of Actuarial Science and briefed on different departments’ job functions. To provide better preparation for the participants, there was also a briefing on internship and job opportunities offered. He also included an explanation for the job application process in MSIG Insurance Malaysia. The event ended with an active QnA session.

## REDEFINING THE CONVENTIONAL

### ASymposium



On 11th and 12th September 2021, **Sunway Actuarial & Financial Excellence (SAFE)** has organised its flagship event: ASymposium, with the initiative to bridge the gap between students and the actuarial industry. The theme for this year aims to highlight the paradigm shift in the actuarial industry, spotlighting the development of cutting-edge technology, product improvements and new accounting standards.

In the case study held together with the event’s Strategic Partner: Great Eastern Malaysia, challengers are required to mitigate one of the emerging risks for all firms and institutions. Their reports are judged by Great Eastern’s actuarial team, with the finalist teams presenting their ideas to the judges in a virtual presentation. From 31 teams, only 3 of them walked away with prizes totalling RM4,000.

On the other hand, the conference was split into two days. The 1st day of the conference addressed the well-defined and traditional pathways of an actuary, while the 2nd day elucidated on cutting-edge technologies, nascent insurance products, and self-development. Unlike the previous conference, participants were given a chance to take part in quizzes. Points were awarded to attentive participants. During the award ceremony, the Top 10 individuals were awarded with RM50 Grab Voucher.

We believe these initiatives help in keeping future actuarial graduates updated on the changes in the industry, enabling them to better prepare themselves in their technical skills and expectations.

**TAKAFUL** is financial planning coverage that's compatible with Shariah. All certificate owners in a takaful arrangement agree to guarantee each other against loss or damage and make contributions to a pool or mutual fund. The pool of collected contributions creates the takaful fund which is managed and administered by a takaful operator. Losses are divided and liabilities are spread.



Any claims made by certificate owners are paid out of the takaful fund. Any remaining surpluses, after making provisions such as cost of future claims and other reserves, will be shared between certificates owners and takaful operator. Those funds may be distributed to the certificate owners as cash or via a reduction in future contributions. So, in effect Takaful is a co-operative for members of society based on the principles of solidarity, risk sharing and brotherhood.



**FWD Takaful** is licensed under the Islamic Financial Services Act 2013 and regulated by Bank Negara Malaysia, offering family takaful products and services. FWD Takaful is a Takaful business unit of FWD Group which spans 10 markets in Asia including Hong Kong SAR & Macau SAR, Thailand, Indonesia, the Philippines, Singapore, Vietnam, Japan, Malaysia and Cambodia.

FWD Takaful is passionate about providing innovative Takaful protection plans that are easy to understand to help Malaysians boost their financial safety net, in line with its vision of changing the way people feel about takaful. They strive to ensure Malaysian families can continue to celebrate life and always have confidence in knowing that FWD Takaful has got them covered!

## Tips from an Appointed Actuary



### Mr. Eng Yuan Choong

*Appointed Actuary at FWD Takaful Berhad*

Mr. Eng graduated from University of Manitoba in Canada with a Bachelor of Commerce (Honors) in Actuarial and Finance and has been Fellow of Society of Actuaries (US) since 2003. He has been around Malaysian and Indonesian markets for over 20 years.

#### 1) What are your day-to-day job scopes?

⇒ The daily life of a Chief Actuary and Appointed Actuary supported by the actuarial team includes reviewing the financial risk exposure of takaful operators and reviewing various reporting such as capital and valuation work, monitoring product experiences against actuarial assumptions, being involved in new products process and providing general actuarial advice to various stakeholders (including board, management, and other departments for example finance, operations, and products).

#### 2) How large is the actuarial department/team in the company?

⇒ Currently, my team is supported by six members and several trainees, the overall team number is small but still growing. We are always on the lookout for good candidates to join us.

#### 3) What is the significant difference in a takaful company compared with the ordinary insurance company as an actuary?

⇒ I have worked with both insurance and takaful operators. From an actuary's perspective, there is no significant difference between both. The difference between takaful and insurance is the product models for each. The actuary would apply his or her skill and standards consistently.

## Tips from an Appointed Actuary

5) In tandem with the pandemic, how do you think it affects you and your job in the workplace?

⇒ During Covid-19 period, most work is performed from home. Although there are fewer face-to-face interactions while working from home, we keep frequent contact with team members. Working from home also requires some good flexible balancing between work and family.

6) In your opinion, what skills/mindsets should be possessed among actuarial students/graduates to be an actuary in the takaful industry?

⇒ You need to have some interest in mathematics and numbers in general. More importantly, to get through your professional exams, either during university or work time, you need good commitment to spend adequate time to study for your exams. You need proper planning and time management for adequate study time. You need to balance time between personal, work and study. This will help when you are working later.

# Value-Based Intermediaries Takaful (VBIT)



## Mr. Wan Ahmad Najib Wan Ahmad Lotfi

*Chief Strategy & Digital Distribution Officer at FWD Takaful Berhad*

Mr. Najib graduated from University Tenaga Nasional with a Bachelor of Information Technology degree. He landed a job as a management trainee in Malaysia National Insurance, which is transformed into Etiqa now and this gave him a chance to experience both general and life insurance before he worked with different takaful operators. He is also a Fellow of the Chartered Institute of Islamic finance Professional (CIIF) and the Member of the Board of Directors of ISM Insurance Services Malaysia Berhad.

### 1) What is the Value-Based Intermediaries Takaful (VBIT)?

- ⇒ VBI, Value-based Intermediation, started much early in the banking industry. Bank Negara Malaysia rolled out a rollout strategy paper titled “Value-based Intermediation: Strengthening the Roles and Impact of Islamic Finance” in March 2018 in Malaysia.
- ⇒ VBI itself is not very different from Environmental, Social, and Governance (ESG) in that sense. People like socially responsible companies, including financial institutions. FWD Group launches the group’s ESG strategy this year. For takaful in Malaysia, we launch this VBIT. ESG and VBIT are aligned, but the takaful based VBIT has the Islamic principles attached to it, which is intended to elevate the Islamic finance industry to impact the society and the world.
- ⇒ For takaful, the framework was launched recently, on 23rd June 2021. There are four underpinning thrusts covered under VBI: Financial Resilience, Community Empowerment, Good Self-Governance, and Best Conduct. From there, each company is supposed to develop a Corporate Value – Intent (CVI), which is the statement of commitment that each company will do to deliver all these intended objectives and impact peoples’ lives. VBI is very new, and everyone is trying to figure it out. For FWD Takaful, we are proud to say that we are ahead because we have our CVI before VBI is launched.
- ⇒ For more information, please visit <https://www.vbitakaful.com/>.

## Value-Based Intermediaries Takaful (VBIT)

### 2) Can you tell us about the contribution towards VBIT by FWD Takaful?

- ⇒ FWD Takaful's Corporate Value Intent (CVI), includes Sustainable Growth, Inclusive Protection, Ethical Practices, and Talent Development which is aligned to the underpinning thrust of VBIT.
- ⇒ **Sustainable Growth:** FWD Takaful pledges to pursue sustainable growth by adopting innovative and responsible growth strategies while observing Islamic principles. Our initiatives, selection of partners and business conduct aim to deliver a long-term positive impact to empower our community.
- ⇒ **Inclusive Protection:** FWD Takaful is committed to ensure all walks of life receive takaful protection according to their needs and affordability. We strive to be proactive in our product design and distribution approach, literacy efforts, and processes to ensure families are financially resilient.
- ⇒ **Ethical Practices:** FWD Takaful commits to uphold the principles of Islamic values, to do the right things while respecting formal laws. We strive for good self-governance by treating our stakeholders with fairness, integrity and respect.
- ⇒ **Talent Development:** FWD Takaful is devoted to support talents to achieve their full potential to contribute to the society through best conduct. We do so by implementing a culture founded on genuine care for employees' well-being and goals matched with proper recognition, reward system and comprehensive training.

## Employment Opportunities in FWD Takaful



### Ms. Lisa Lew

*Chief Human Resource Officer at FWD Takaful Berhad*

Ms. Lisa Lew has over 25 years of Human Resources (HR) experience. She started her HR career with one of the big four audit firms. In her past experiences, she has worked in different fields, including audit, banking and insurance industries. She holds an Institute of Chartered Secretaries and Administrators (ICSA) qualification and Master in Business Administration from the University of Wollongong.

### 1) Is FWD Takaful Berhad looking for actuarial graduates? If yes, how do they apply?

- ⇒ We are recruiting and developing graduates in the actuarial field. We are committed to develop young, dynamic and passionate talents in the field of takaful. We are encouraging talents who wish to join the journey to change the way people feel about takaful. Our annual talent development programme includes recruiting around 40 – 50 graduates via our existing graduate programmes.
- ⇒ One of our main graduate programmes is Professional Training and Education for Growing Entrepreneurs (PROTEGE). The PROTEGE is marketplace training programme to develop and guide youths in collaboration with industry experts in the effort to create more competitive and skilled job seekers to meet current industry needs. It serves to develop future takaful industry leaders.
- ⇒ The other graduate programme is the Financial Sector Talent Enrichment Programme (FSTEP), which comes under Asian Banking School. FSTEP is an intensive training programme designed to help fresh graduates jump-start in the financial services industry. We recruit many of them and assign them to the actuarial department, so they undergo training and coaching with our experienced actuarial team. The interns or those who join us under the FSTEP programme are absorbed into the team and continue their career development journey.

## Employment Opportunities in FWD Takaful

- ⇒ We provide opportunity for our trainees to perform the cross-functional task. Sometimes, they are also assigned to do product pricing. They do have the opportunity to branch up in the actuarial IFRS. If one is recruited in the actuarial team, the company also offer Continuous Professional Development (CPD) opportunities. We do have an actuarial examination programme where actuarial staff can pursue actuarial professional papers in their career to obtain the actuarial qualification. As they complete the papers, they will also receive an increment in their remunerations. Most of them have given good feedback on the programme and training offered by us. At the same time, we do not just recruit actuarial science students. We also look at other graduates with different backgrounds who are eager to enter the takaful industry. We look at a diverse pool of people.
- ⇒ We now provide a scholarship programme as well, as part of the offerings for under privileged school leavers. This is in line with our Shariah principles and practice. We want to help these graduates with job opportunities, train them, and give them exposure to be successful in their career journey.
- ⇒ Those who are interested in joining us could either follow us on LinkedIn or send resume to us at [careers.my@fwd.com](mailto:careers.my@fwd.com). You may also look into our website [fwd.com.my](http://fwd.com.my) for more career/jobs available.

# The Takaful Industry

## Internal Function of Takaful Company

The takaful industry is almost the same as insurance industry, which consists of underwriting, product development, actuarial, operations and IT departments. What makes the difference is, takaful companies consist of Shariah unit and the Shariah committee.

The difference of insurance contract between 2 industries is that life insurance policy is a buy and sell contract, whereas takaful certificate is a donation contract called “Tabarru” in Arabic. Takaful is a pooling contract in which the risk fund is owned by the participants whilst the risk fund of life insurance is owned by the insurer. Because of this fundamental difference, some major aspects of insurance change in a way. For example: how takaful company treats the fund, saves the fund, segregates the fund and calculates surplus. Other than that, the contract of takaful and insurance is slightly different in the financial part and the structure of the model. However, in terms of services to customers, takaful and life insurance serve the same function.

## Future Prospects

“When comparing conventional life insurance and family takaful in Malaysia, the penetration rate for life insurance is quite saturated, which is about 54%, compared to takaful, which is only 17%, which indicates that there are still many opportunities for takaful. Insurance or takaful is an important financial protection, but sadly, many do not understand this or can’t afford it, especially for the B40 group. This opens a lot of opportunities. That is why many players, especially foreign companies, continue to invest in the takaful industry in Malaysia. We can see that the industry continues to grow despite the Covid-19 pandemic. Moreover, digital advancement plays a part in the industry, and through this digital push on the business, we can see a lot more innovation coming.”

— Mr. Najib —

*Chief Strategy & Digital Distribution Officer at FWD Takaful Berhad*

# The Takaful Industry

“Takaful and life insurance industry are expected to exhibit continued positive future growth. Approximately half of Malaysia population are still not protected by insurance/takaful covers and some of those that are covered may not have adequate coverage.”

— Mr. Eng —  
*Appointed Actuary at FWD Takaful Berhad*

“There are plenty of opportunities. The takaful industry has been on the constant growth path since its introduction into Malaysia in the early '80s. It continues to grow as one of the most popular product offerings and encourages neutral help and cooperation among the takaful participants to generate a common fund.

In takaful, the customers are not called policyholders, they are participants, and they pay contributions and not premium, so there are differences. Takaful offers very attractive benefits compared to some of the conventional insurance companies. Takaful operators are providing more innovative products and services and raising digitalisation in the market.

Looking at the current pandemic situation, FWD Takaful is one of the most aggressive players in the market today to look at digitalisation. The employment opportunities in FWD Takaful are increasing because of the movement of digitalization into the business.”

— Ms. Lisa Lew —  
*Chief Human Resource Officer at FWD Takaful Berhad*

# Inspect The InsurTech



With the rising growth of digital technologies in every realm of modern life, the insurance industry has grown in parallel with the economy. This industry has responded with new products, new methods of distribution and new ways to evaluate risk whenever there is a major leap in technology. Over the past few years, InsurTech has emerged in the insurance space creating a market risk to the traditional insurers. Using the latest technology such as Artificial Intelligence (AI), drones, Internet of Things and smartphones apps has aid insurance companies in minimizing the human factor and optimize their performance. Maybe you have heard about it before, but what is Insurtech exactly all about?

“InsurTech” is a combination of words “insurance” and “technology” that refers to the innovative technologies and new digital tools developed to enhance the performance of insurance companies, deliver a better customer experience, and unlock the potential of advanced analytics. Although Insurtech is said to still be in the baby stage, they are growing fast and stand to capture a meaningful share of value pools within a few years. A refined model and a user-friendly approach by Insurtech start-ups may create potential opportunities for incumbents to partner up.

What are the innovations that change the game plan of the insurance business? Here are several types of InsurTech you could expect in the future of the insurance industry.

- **Artificial Intelligence (AI)**

By using artificial intelligence-based technologies, it helps to automate repetitive processes, optimize risk analysis, and improve customer interaction. Chatbots are one of the examples of AI InsurTech that automatically respond to inquiries day and night in responding to every customer's concern.

- **Machine learning**

Machine learning allows computers to acquire knowledge by extracting patterns from raw data which then enable insurers to mine the data more effectively and extract valuable information. Insurers can utilize machine learning for risk modelling, demand modelling, underwriting, and processing claims.

- **Internet of Things**

The Internet of Things (IoT) is a network or system of interconnected devices, sensors interacting with other devices through the Internet such as Smart TV and Apple watch. IoT has helped commercial auto insurers to track the vehicles' locations and measure driving speeds, braking patterns, acceleration, and other habits using GPS-enabled devices.

In Malaysia, the insurance industry has been growing steadily since its foundation, thanks to timely introduction of new rules based on strong governance principles by Bank Negara Malaysia (BNM) that provided calm sailing for the industry thus far. BNM has also made steps to encourage InsurTech as part of its goals of achieving a 75% insurance penetration rate. Malaysian InsurTech start-ups such as PolicyStreet, Vsure.life and Ouch! has shown positive growth as they received many funds from investors to further focus on product and commercial development as well as laying a stronger platform for future growth.

To create better services, improve client experience, new prospects for vendors and brokers, the insurance industry needs applicable technologies with potential cooperation between insurers and InsurTech companies. With InsurTech in modern business models, it strives for brighter future to the insurance industry.

Reference :



[linktr.ee/actuaread.masa](https://linktr.ee/actuaread.masa)

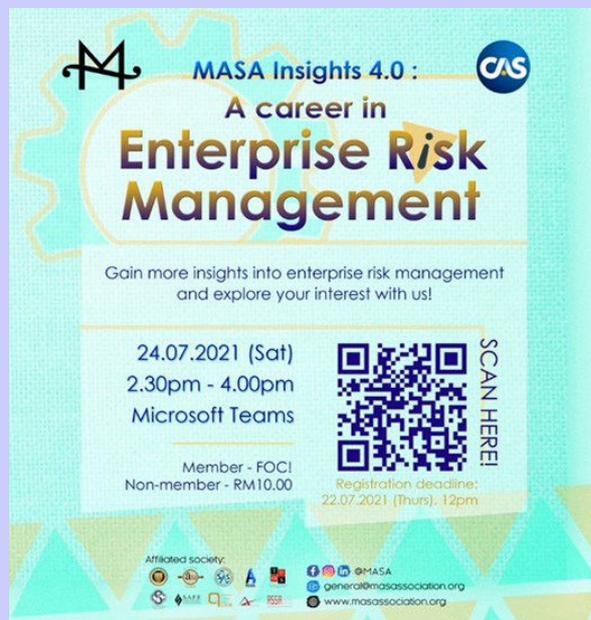
# HEAR FROM OUR PARTICIPANTS!



## MASA Insights 2.0: Prepare Yourself for Interview!

- ⇒ I like the way Mr. Adil present, he was direct and straight to the point. His slides were simple and not lengthy so I don't feel lost listening to his presentation. I like his acronyms which let me be aware of what he is sharing.
- ⇒ The event flow was just nice and smooth.
- ⇒ The invited speaker is experienced in this topic as he provided useful elaborations to each point on the slide.
- ⇒ I like the speaker so much when he asked us to just be vulnerable and ask any question that comes to mind. It is very encouraging to me and the speaker is so kind and helpful! He also provided insights with clear points and even acronyms. He is really one of the best speakers I've met.

- ⇒ The flow of the event was going well and it is a pleasure to have such event to participate into as a guest especially listened to someone coming from the real workplace.
- ⇒ It's a great and insightful session!
- ⇒ Exciting event with an educated speaker.



## MASA Insights 4.0: A Career in Enterprise Risk Management

# HEAR FROM OUR PARTICIPANTS!

FEEDBACK



**MASA Back to College 2021:  
Actuarial Science Starter Pack**

- ⇒ The content was very useful.
- ⇒ I enjoyed the insightful information and fruitful advices given the speakers!
- ⇒ The event touched on essential topics.

- ⇒ I get to explore more insurance knowledge through this competition. In overall, it is challenging yet rewarding.
- ⇒ The timeline of the event was appropriate. Attractive prize and expert judges.
- ⇒ The competition was giving new experience to participants through real life case.



**MASA Case Competition:  
Tackling the Unanticipated**



**MASA Actuarial Forum:  
ActuaRoute Transition**

- ⇒ In overall, the event was very good and the flow was nice, it covered a lot of useful topics.
- ⇒ This is my first time joining a MASA event and I enjoy it so much!
- ⇒ The voice was clear and excellent content from different type of actuarial-related working experience sharing.



## MASA Corporate Relations

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## Malaysian Actuarial Student Association

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## Send us your feedback!

We are concerned about your expectation. Feel free to contribute by submitting articles to us.



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Interested in becoming part of us? Wish to stay connected? Scan the QR code for more info!



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## Stay connected with us!



More enquiries, drop us an email at [general@masassociation.org](mailto:general@masassociation.org)

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