

Solvency II Survey Findings

Bringing the ORSA alive...

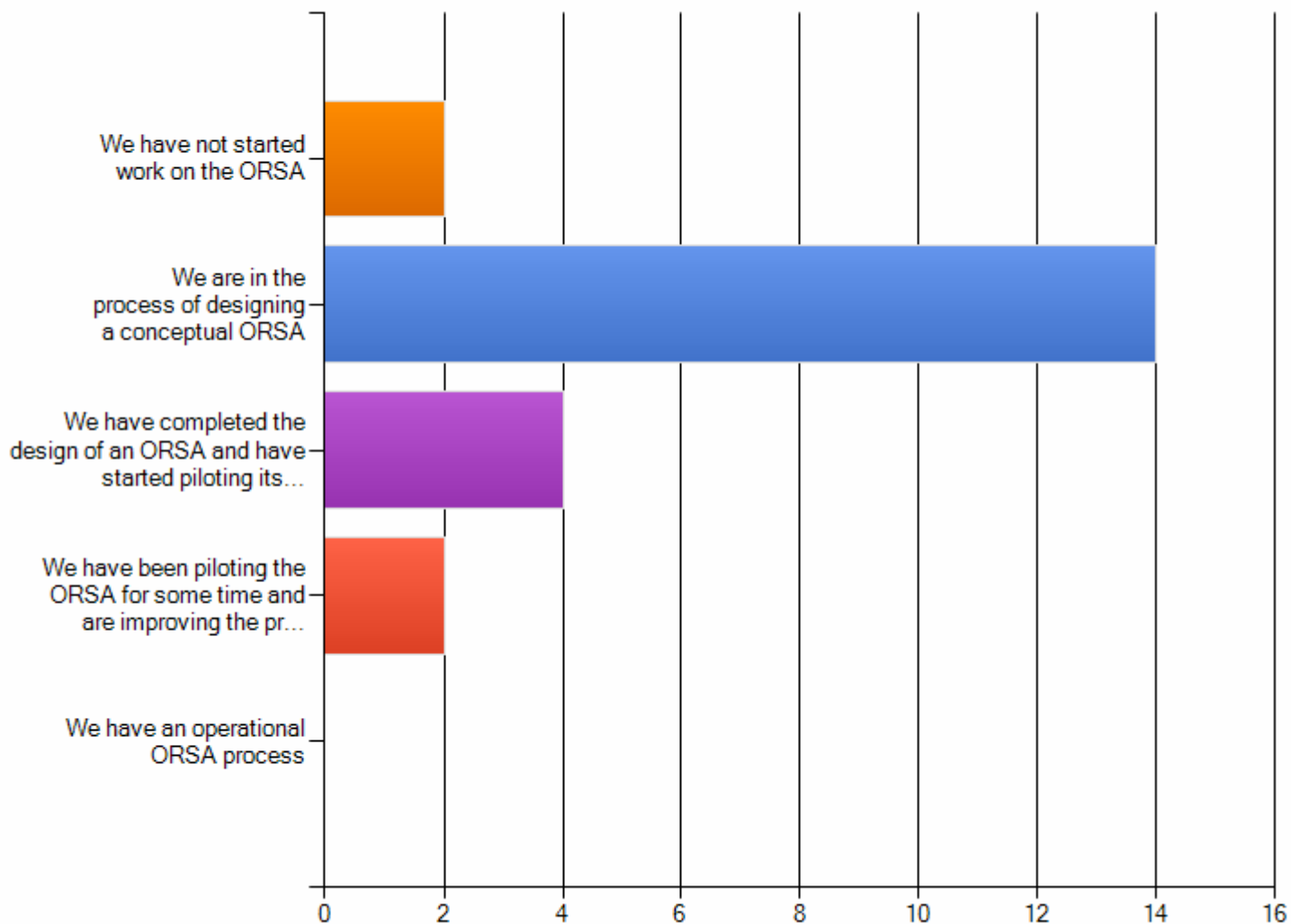
June 2011 SIG

(22 Participants)

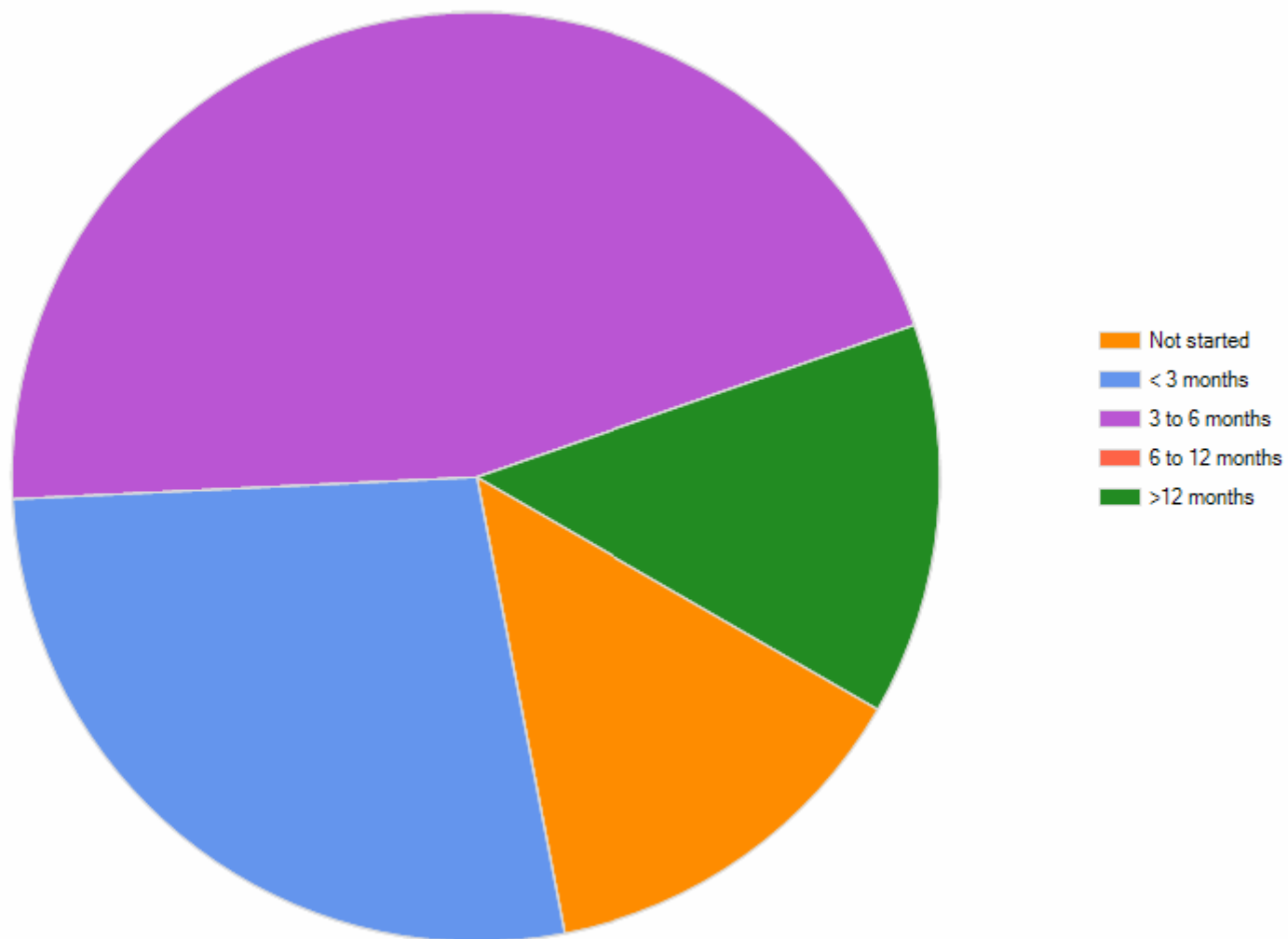
Summary

- IRM Solvency II SIG completed an online survey on how organisations are approaching implementing their ORSA processes
- Key aspects considered included
 - Level of development and time spend to date
 - Functions involved in and leading ORSA development
 - Skill sets required to develop an ORSA
 - Key technical and logistical challenges
 - Leave of executive engagement in the process
 - Reporting routes on ORSA
 - Degree to which training and communication has been delivered on the ORSA

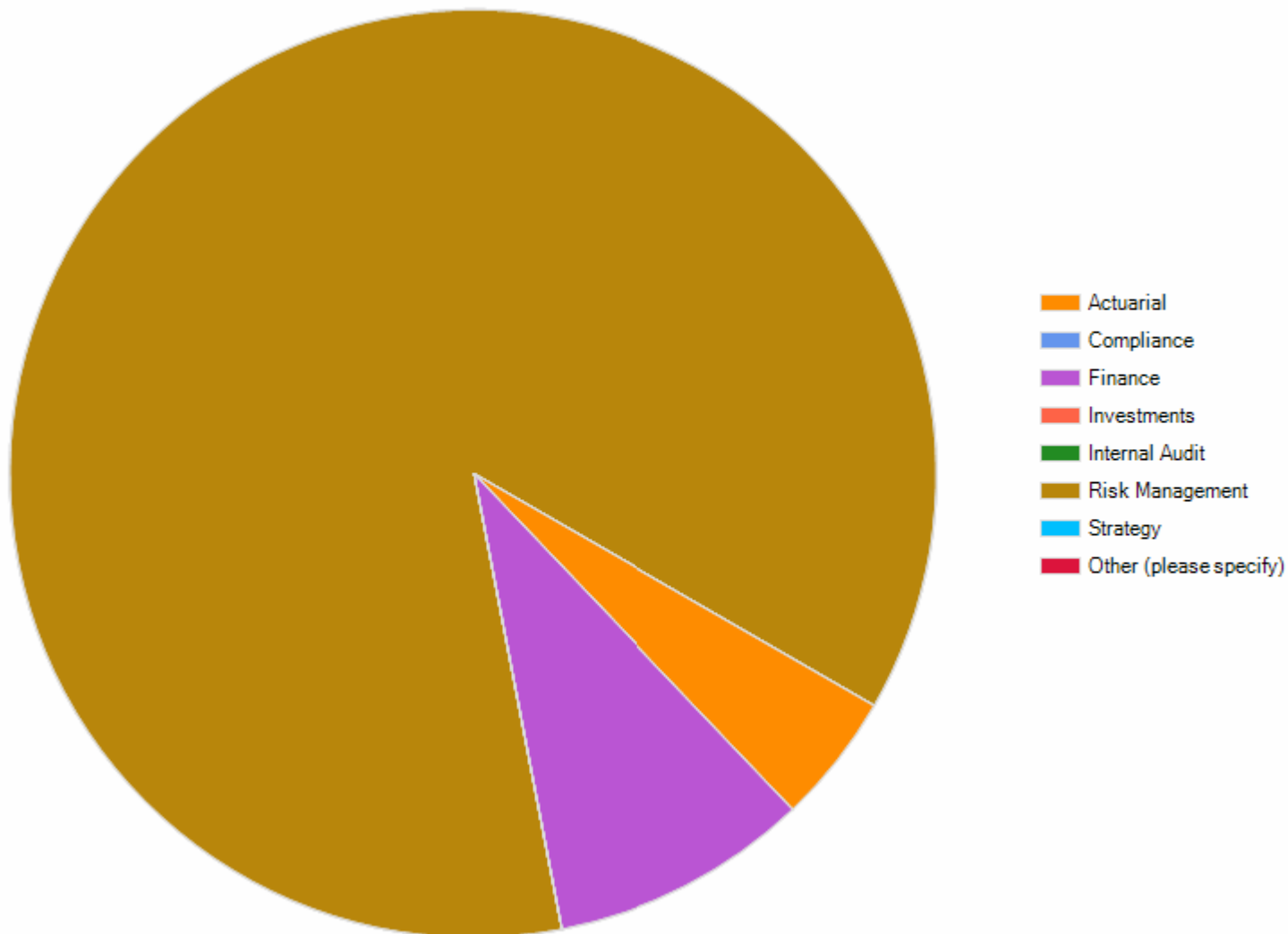
What is the status of the ORSA's development in your organisation?



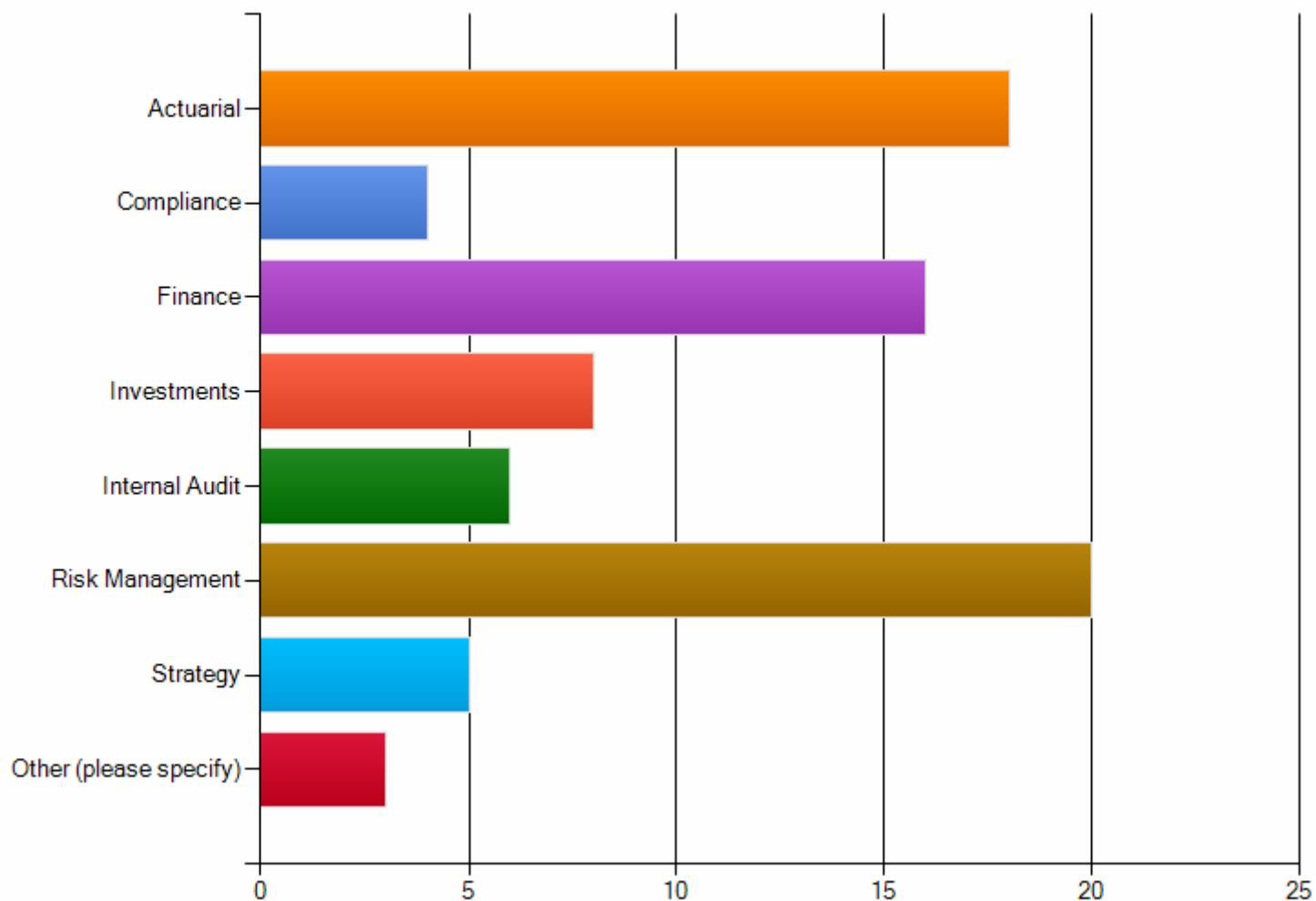
How long has your organisation been actively working on an ORSA process?



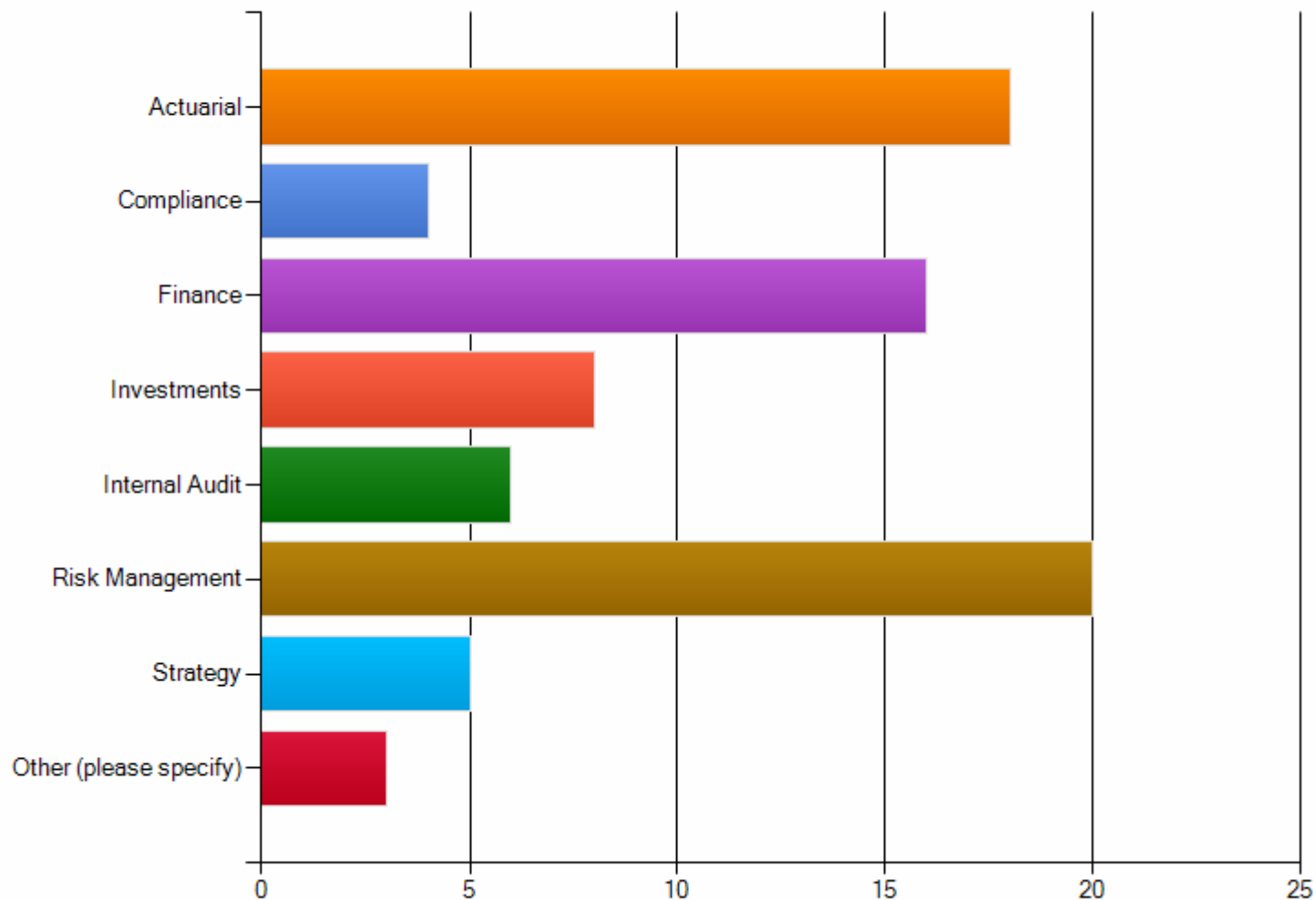
Which function is leading the development of the ORSA process?



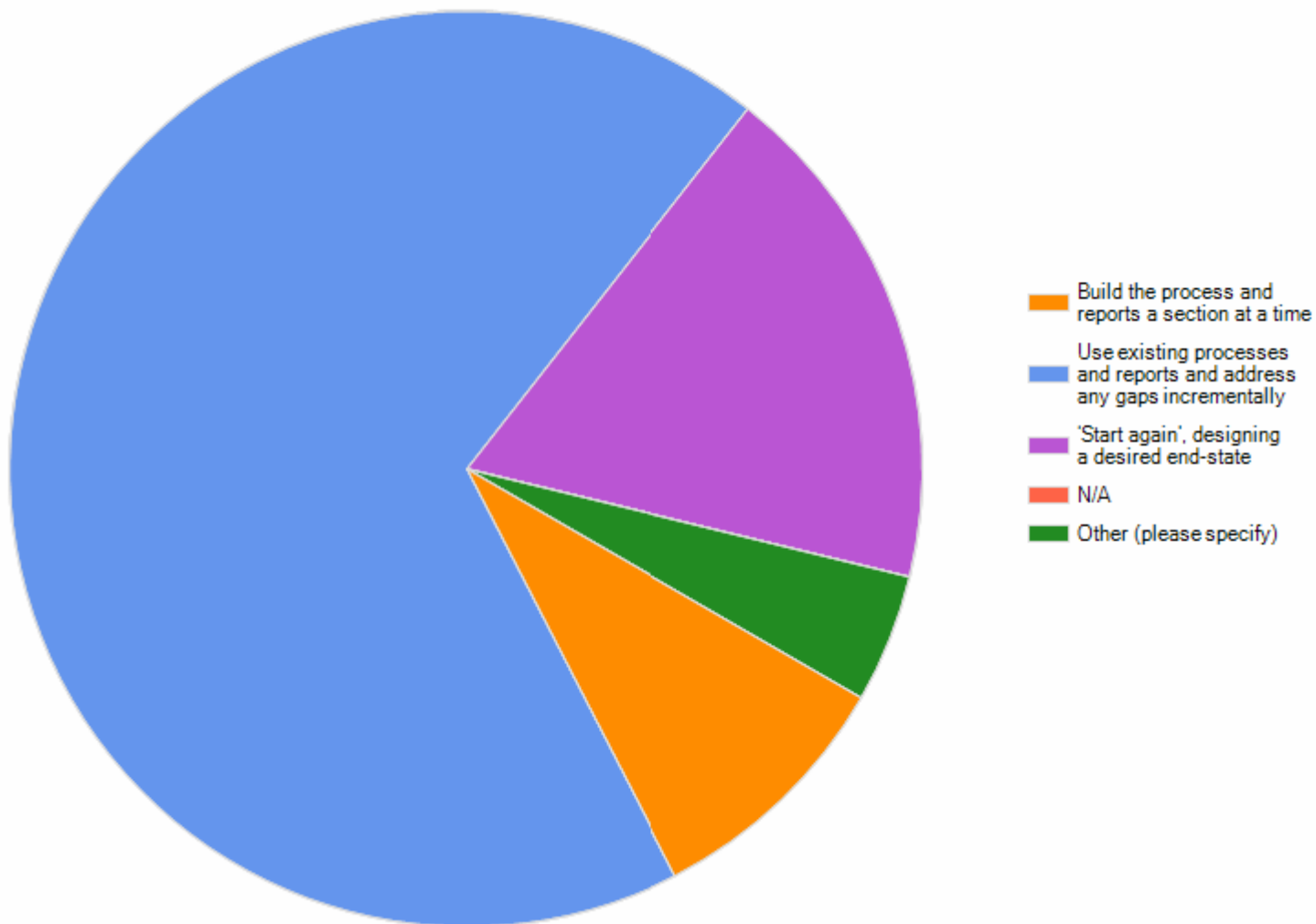
Which functions are involved in the development and/or operation of the ORSA process (pick as many as appropriate)?



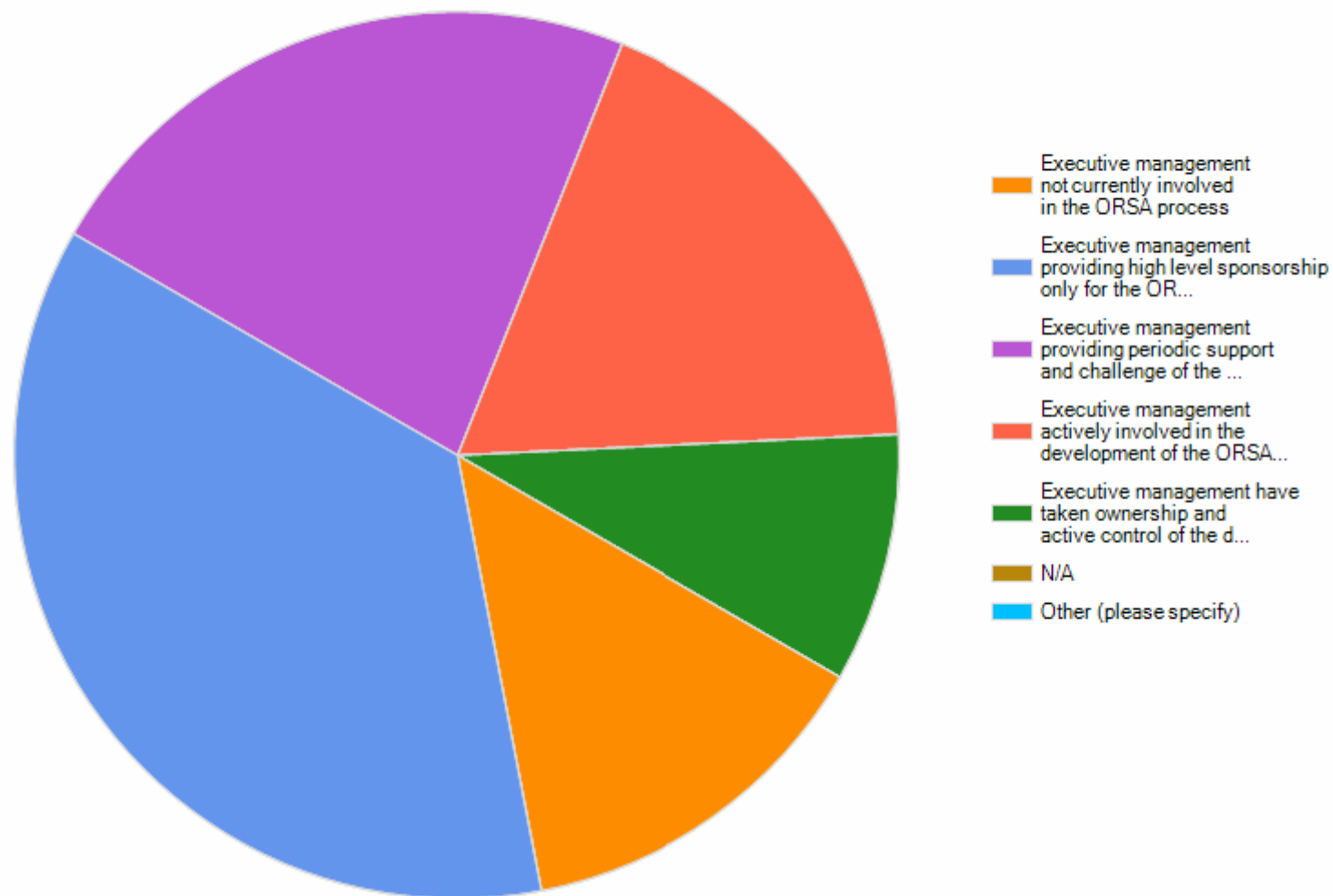
**Which functions are involved in the development and/or operation of the ORSA process
(pick as many as appropriate)?**



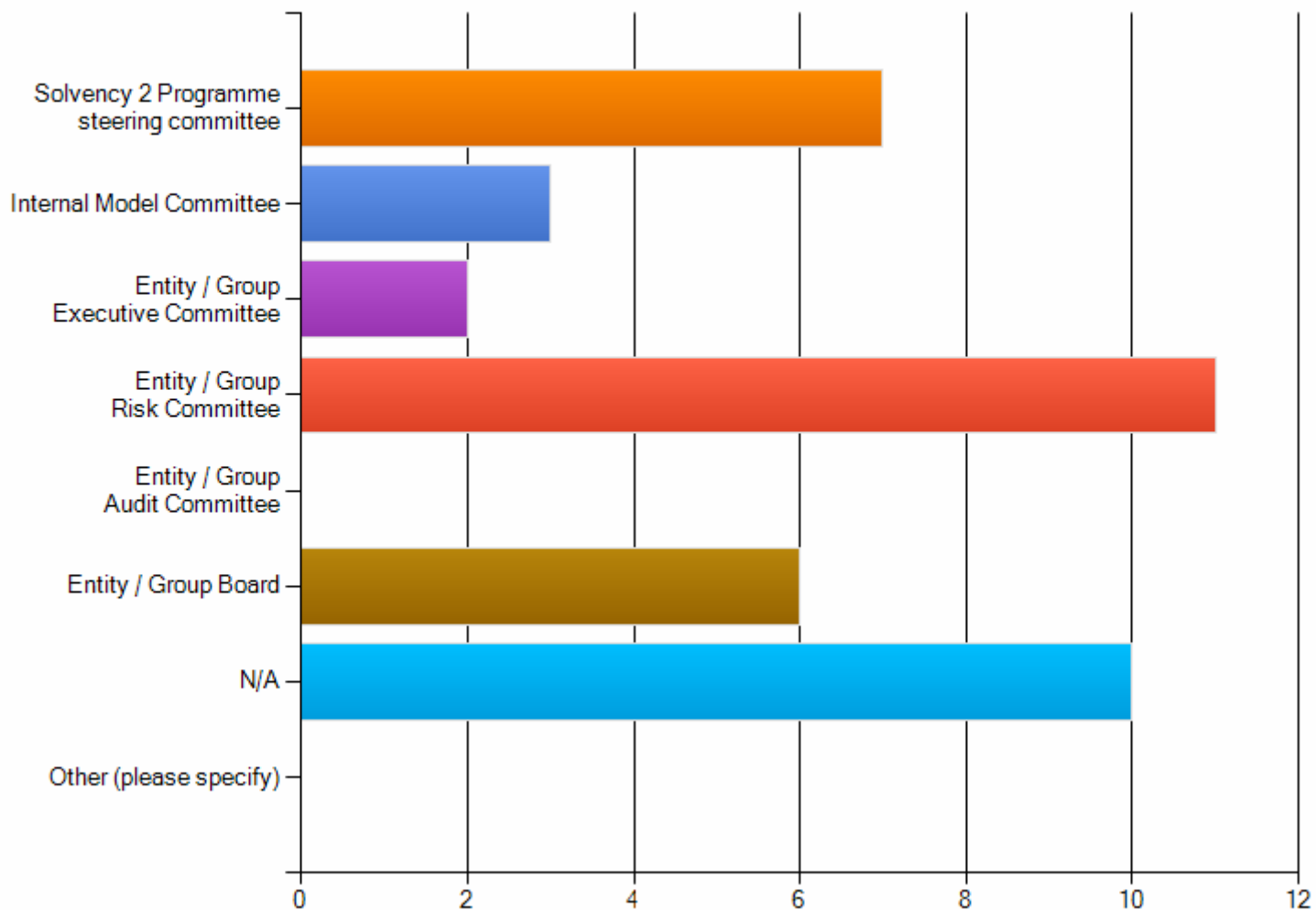
What approach has your organisation adopted to the creation of an ORSA process?



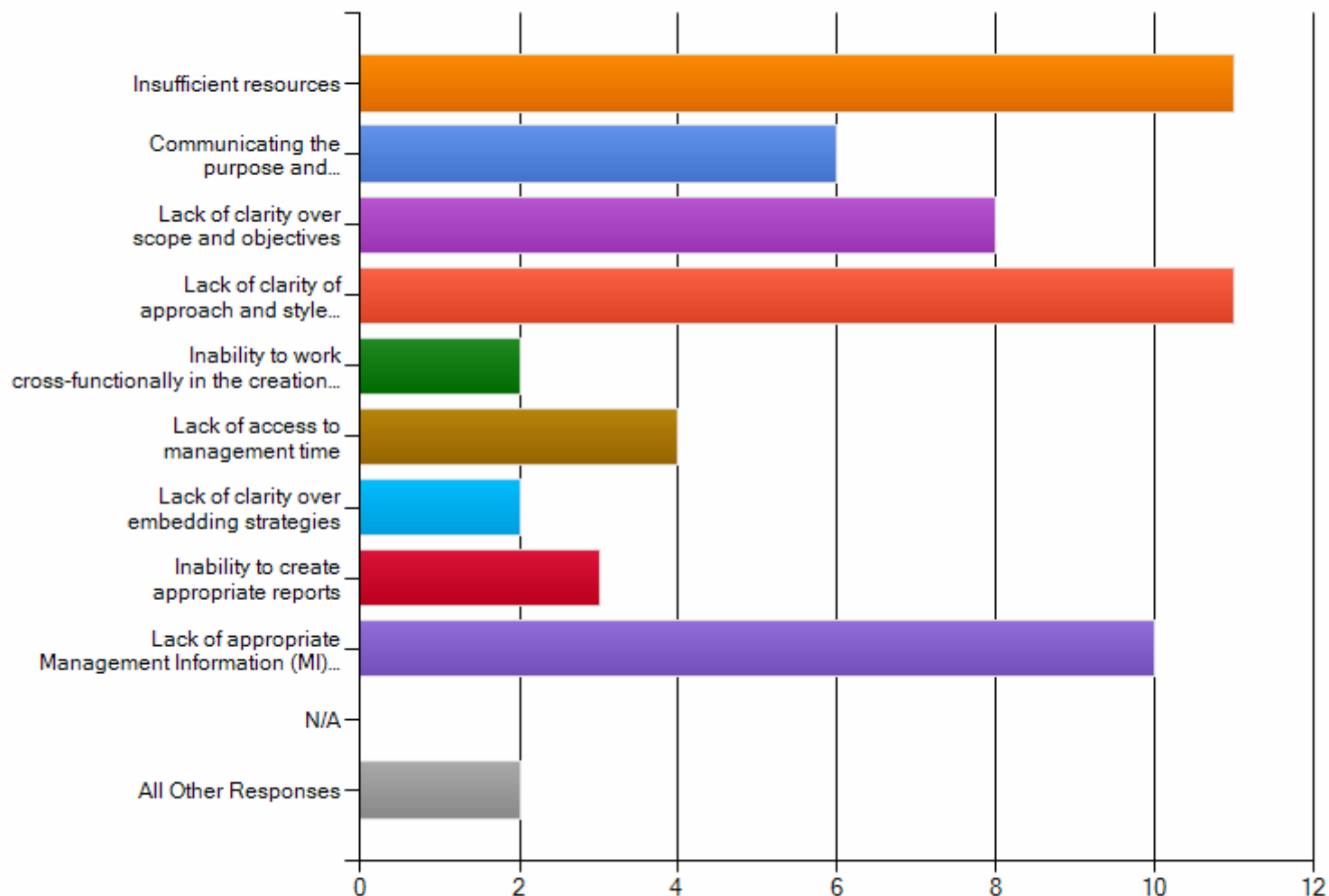
What level of executive management (CEO and direct reports) engagement support and understanding has been available to develop and challenge the ORSA process?



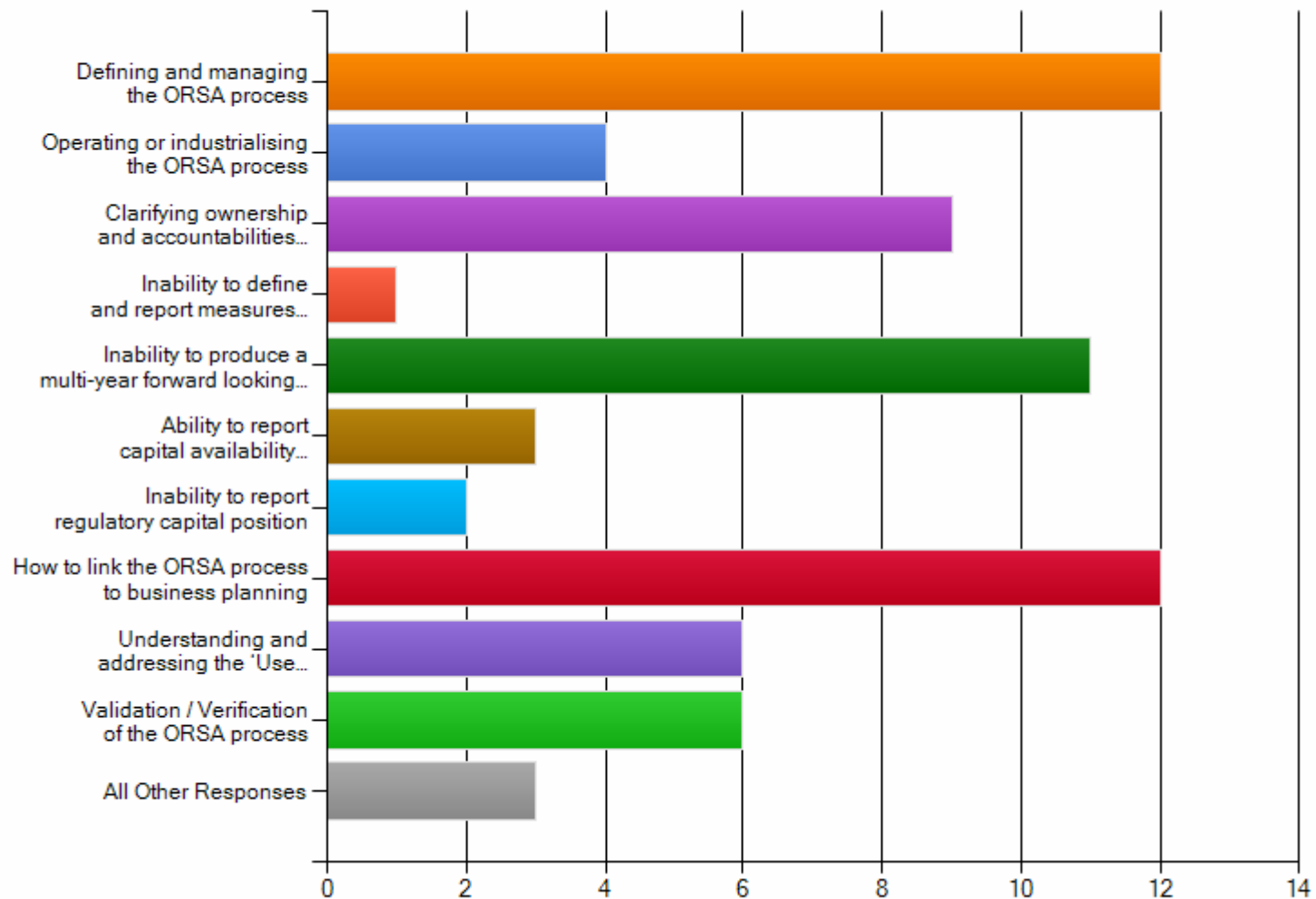
If you have an ORSA process and report in operation or being piloted – what committees is the ORSA report and information being provided to (please pick as many as relevant)?



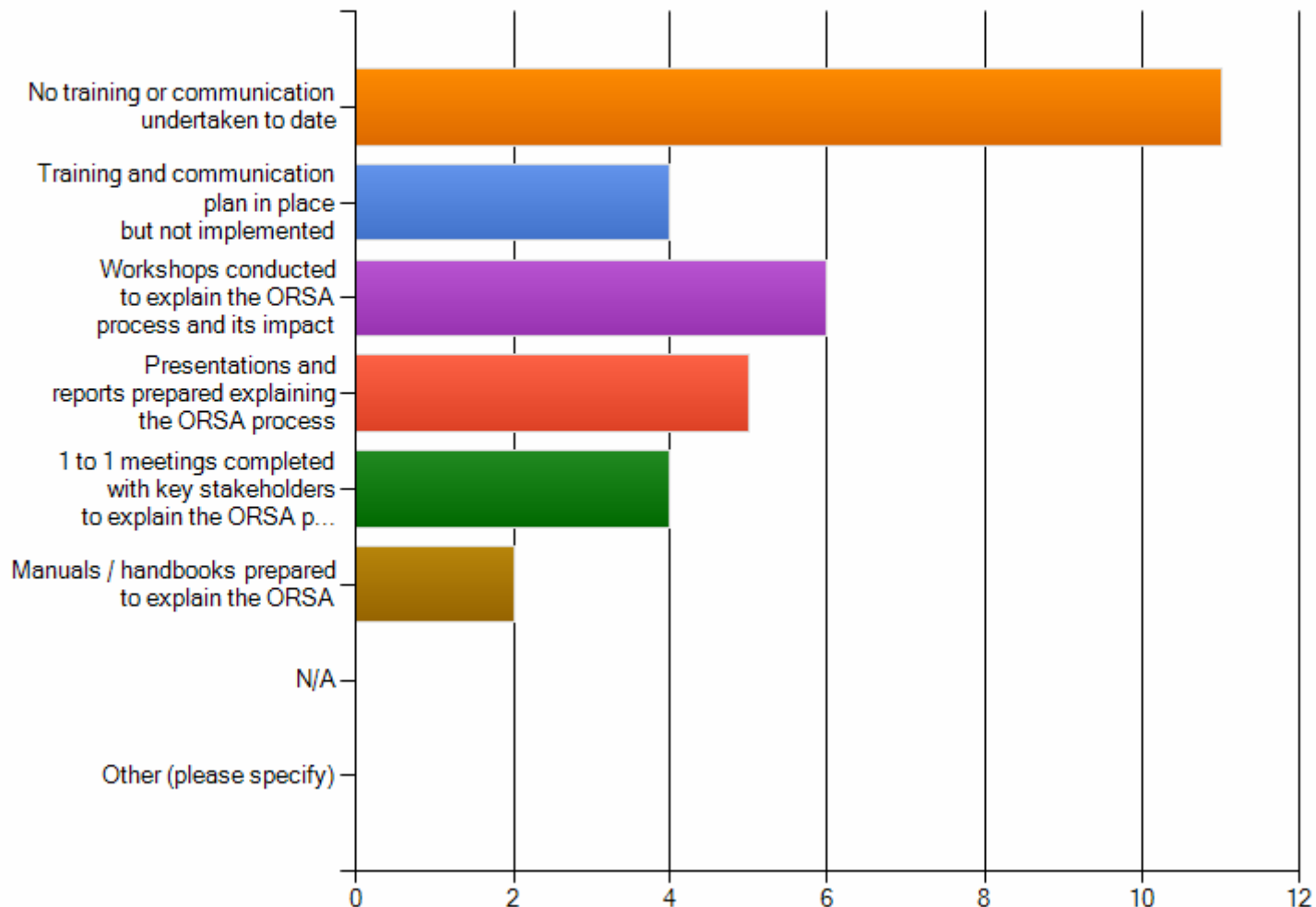
What have been the key LOGISTICAL challenges faced by your organisation in addressing the development and creation of an ORSA process (please select as many as appropriate)?



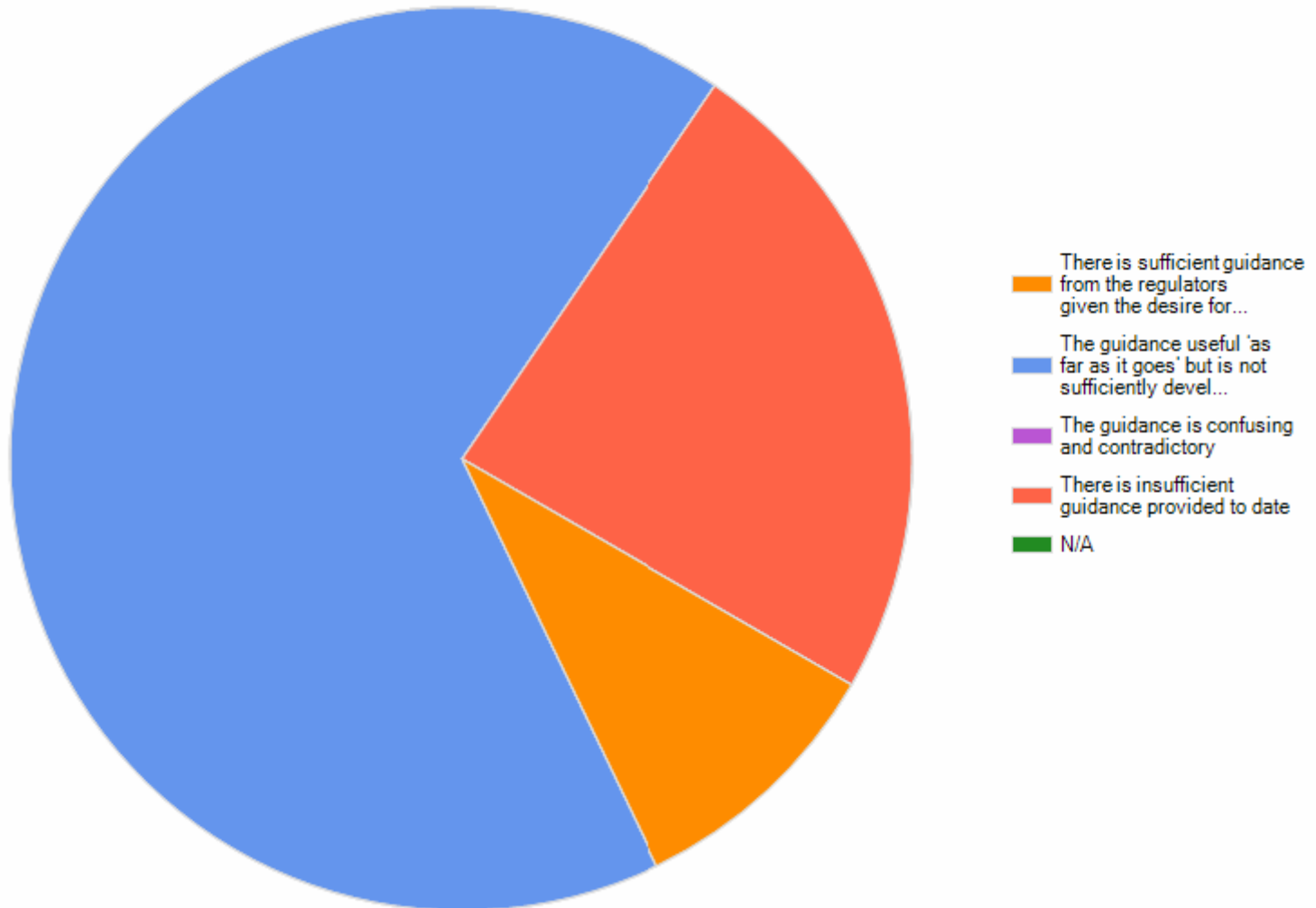
What have been the key TECHNICAL challenges faced by your organisation in addressing the development and creation of an ORSA process (please select as many as appropriate)?



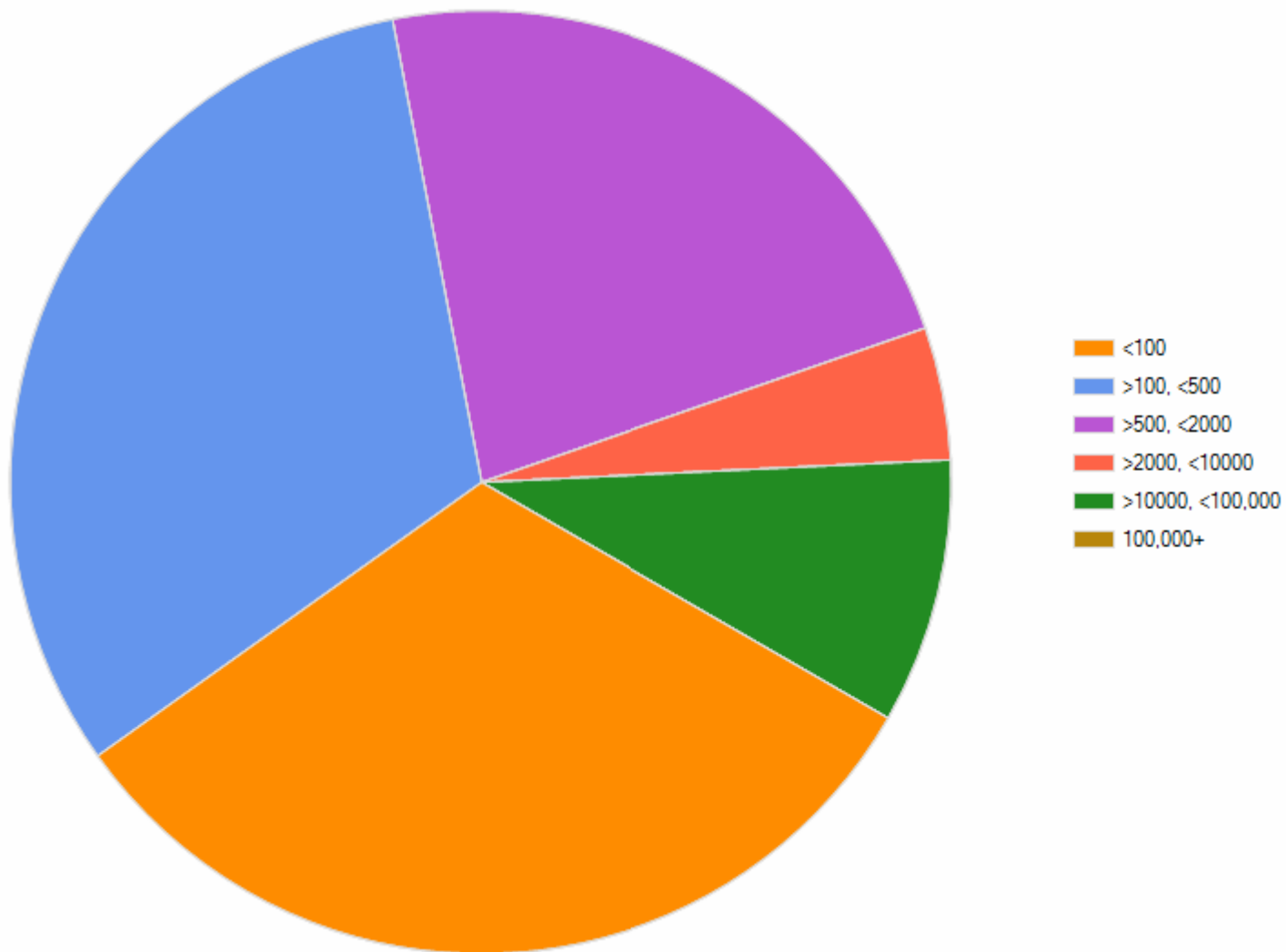
Has your organisation put in place a communication and training programme for the ORSA? (Pick as many as relevant).



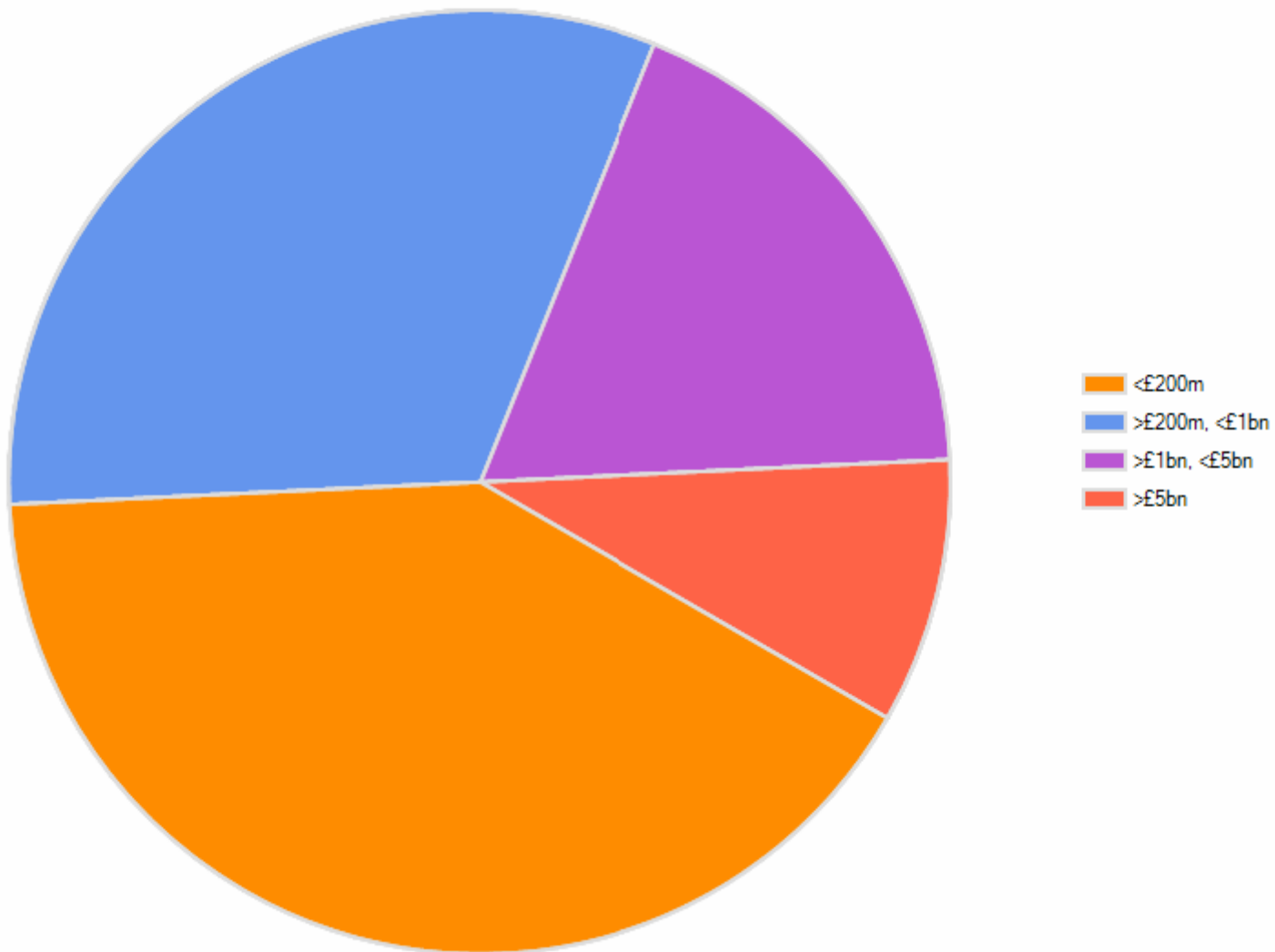
Does your organisation believe the guidance provided to date on the requirements of the ORSA are appropriate?



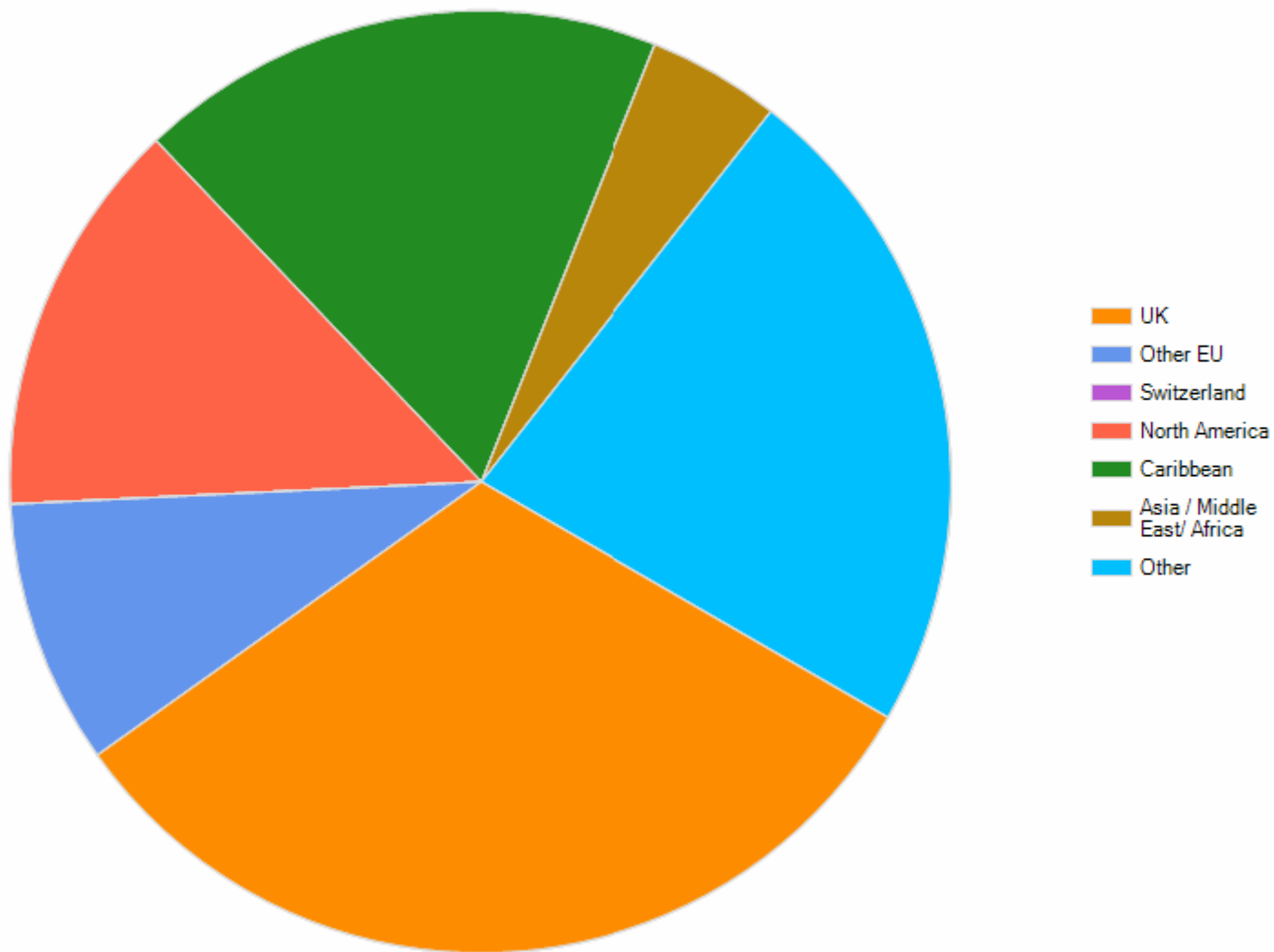
Organisation headcount



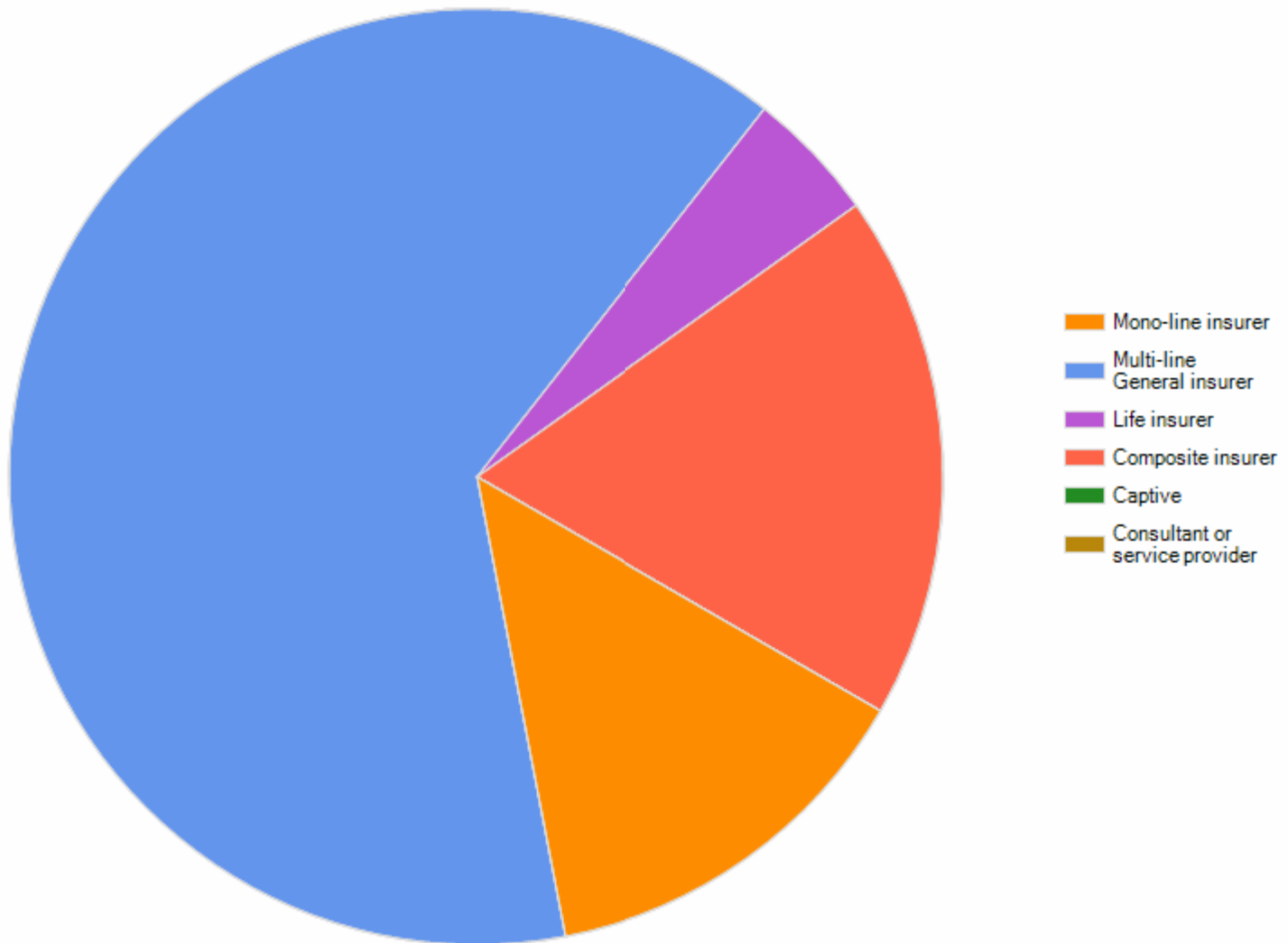
Organisation turnover



Domicile of organisation's overall Headquarters



Primary type of business



Conclusions

- Most companies are designing / piloting their ORSA (81%) but 9% have yet to start
- 72% have been working on the ORSA for less than 6 months
- Risk Management functions are leading this work (86%), although Finance and Actuarial are heavily involved
- This process requires a combination of actuarial/ quantification skills and governance / risk assessment skills
- Adapting existing processes is the most common approach (68%)
- The level of executive engagement in the process is mixed but Risk Committees typically are receiving ORSA outcomes
- The main logistical challenges are lack of data and a clear approach as well resource constraints
- Key technical challenges are defining a clear process, linking it to business planning and providing a multi-year view
- 68% have delivered no training or communication on the ORSA