



SOCIETY OF ACTUARIES

**SOA 09 Annual Meeting & Exhibit  
October 25-28, 2009**

**Session 38 OF, Basic and Continuing Education  
Update**

**Moderator:**

Stuart Klugman, FSA, CERA

**Presenters:**

Stephen A. Eadie, FSA, FCIA

Stuart Klugman, FSA, CERA

## What's new in Education

### SOA Annual Meeting Session

September 24, 2009

Steve Eadie, FSA, FCIA  
Consulting Actuary  
Robertson Eadie & Associates

Stuart Klugman, FSA, CERA  
Staff Fellow—Education  
Society of Actuaries

## No elephant in this room

- We will not be discussing the Future Education Methods proposal at this session
- We are only discussing changes that are already in place or will be enacted in the future



## Topics to Discuss

- Enhancements to what we already do
  - Fundamentals of Actuarial Practice Module 1 available for free at [beanactuary.org](http://beanactuary.org) and [soa.org](http://soa.org).
  - Second edition of *Understanding Actuarial Management*
  - Continuous revision of FAP modules
  - Plagiarism checking
  - Section liaisons
  - Exam pre-testing
- New and available right now
  - Existing modules available for CPD
  - ERM module available for CPD
  - Expanded operational risk module

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## More topics

- Coming soon
  - New modules expressly for CPD
  - Three module requirement/revised Financial Economics modules
  - Revised Decision Making and Communications module
- Education communication
  - University outreach
  - Articles in *The Actuary*

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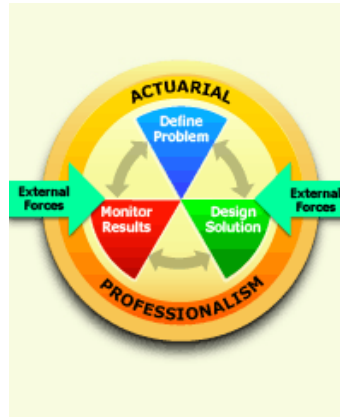
## More topics

- Education structure
  - How we are organized
  - Volunteering
- Competency framework
  - What it is
  - Education continuum

## Enhancements to What we currently do

## FAP Module 1 For Free

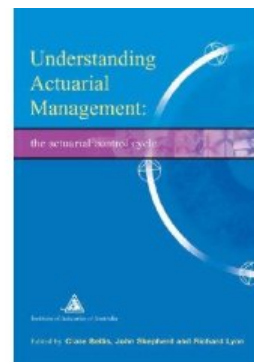
- [www.beanactuary.org](http://www.beanactuary.org) or [www.soa.org](http://www.soa.org)
- Role of the Professional Actuary
  - What Actuaries Do
  - History of the Profession
  - Professionalism
  - External Forces
  - The Control Cycle



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## Second edition of *Understanding Actuarial Management*

- Required text for FAP
- First edition written in Australia for their control cycle syllabus
- Second edition modified for US and UK audiences, includes
  - US chapter authors
  - US editor
  - US content and examples
- Publication expected 2010



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## Revised FAP module content

- Expanded Case Studies
  - ◆ Candidate's request
- Improved End-of-Module Exercises
  - ◆ Candidate's request
- Added content of current interest
  - ◆ Market meltdown
- Improved Course Flow
- Includes audiocasts

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## Plagiarism checking

- Custom software acquired to compare all submissions of
  - FAP interim assessments (12 candidates in the process of being disciplined, including some recommendations of lifetime bans)
  - FAP final assessments (45 candidates)
  - DMAC projects (no one)
- Coming soon
  - FAP end of module exercises
  - FSA end of module exercises
  - (manual processes currently being used)

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## **Section liaisons to curriculum committees**

- Appropriate sections have been asked to provide volunteers to work with curriculum committees for relevant exams
  - Provide both breadth of knowledge and current developments
  - Review current readings
  - Propose new readings
  - FSA exams only

## **Pre-testing of exams**

- Occurs after pre-review but before final review
- For ASA exams use university professors
- For FSA exams use candidates who recently passed with a high score
- Pre-tester asked to take exam under test conditions to determine
  - If length is appropriate
  - If individual questions are too difficult or obscure
  - Where wording could be improved for clarity

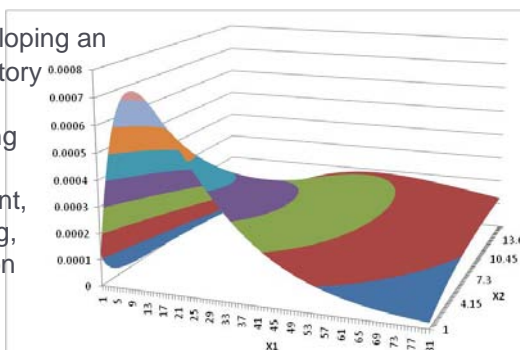
## New and available right now

### Existing modules for CPD

- Found at <http://www.soa.org/professional-development/e-learning/e-courses/default.aspx>
- Decision Making and Communication
- Enterprise Risk Management (not part of FSA education)
- Financial Economics
- Financial Reporting and Operational Risk
- Health Systems Overview
- Investment Strategy
- Operational Risk (expanded)
- Pricing, Reserving and Forecasting (Group and Health)
- Regulation and Taxation
- Social Insurance

## Enhanced Operational Risk module

- Currently only for those pursuing CERA but not FSA
- Will be required for Finance/ERM track starting July 1, 2010
- Topics include - Developing an ERM framework, Regulatory requirements, Defining, identifying, and classifying operational risks, Data issues, Risk measurement, Operational risk modeling, Operational risk mitigation and financing, Putting it all together



Coming soon

## **New modules specially created for CPD**

- Professionalism (release date TBD)
- Repurposing FAP Content (tentative)
  - ◆ Control Cycle
  - ◆ Enterprise Risk Management
  - ◆ External Forces

## **Three module requirement**

- Effective July 1, 2010
- Replaces current two module (for FSA and excluding DMAC) requirement
- Applies to those who have not completed all FSA exams by that date.
- Includes an Expanded Financial Economics Coverage
- Requirements are on next slide

## Three module requirement

Finance/ERM Track	Investment Track	Individual Life & Annuities Track	Retirement Benefits Track	Group & Health Track
Advanced Financial Economics	Advanced Financial Economics	Financial Economics for Individual Life & Annuities	Financial Economics for Retirement Benefits Systems	Financial and Health Economics
Financial Reporting	Investment Strategy	Regulation & Taxation	Social Insurance	Health Systems Overview
Expanded Operational Risk	Expanded Operational Risk or Financial Reporting	Expanded Operational Risk or Financial Reporting	Expanded Operational Risk or Investment Strategy	Pricing, Reserving & Forecasting

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## Revised Decision Making and Communication module

- Expected to be available January 1, 2010
- Cover modes of written communication in addition to formal reports
- Cover modes of oral communication in addition to formal presentations
- Present a more specific decision making process
- Integrate coverage of the two main subjects

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# Communication

## University outreach

- Visiting schools with significant or emerging actuarial programs
- Promote the profession to students considering actuarial science
- Update actuarial science students on latest matters of interest to them
- Connect SOA staff and a local actuary with the faculty
- Goal is to visit each school every two or three years.
- Fall 2009 visits:
  - Universite Laval; Concordia University, University of Toronto, Universite de Montreal, Universite de Quebec a Montreal, New York University, Columbia University, Massachusetts Institute of Technology

## Articles in *The Actuary*

- Written by Peter Hayes, Education Past General Chair
- Feb/March – “Educating Today’s Actuary”
- April/May – “Serving with Distinction”
- June/July – “What is e-Learning?” (with Steve Eadie)
- Aug/Sept – “Confessions of an Education Volunteer”
- Oct/Nov – “Whaddaya Mean, Three Fellowship Modules?”
- Dec/Jan - Forthcoming

## Education structure

## SOA Education Department

- Ken Guthrie, Managing Director
- Anna Abel
- Judy Carney
- Leslie Fausher
- Stuart Klugman, FSA, CERA
- Jane Lesch
- Gena Long
- Melanie Mobley
- Sarah Phelps
- Judy Powills
- Brett Rogers
- Candace Sheridan
- Martha Sikaras
- Dave Stangl
- Doreen Tan
- Halyna Tennyson
- Kim Tice
- Jeremy Webber
- Aleshia Zionce

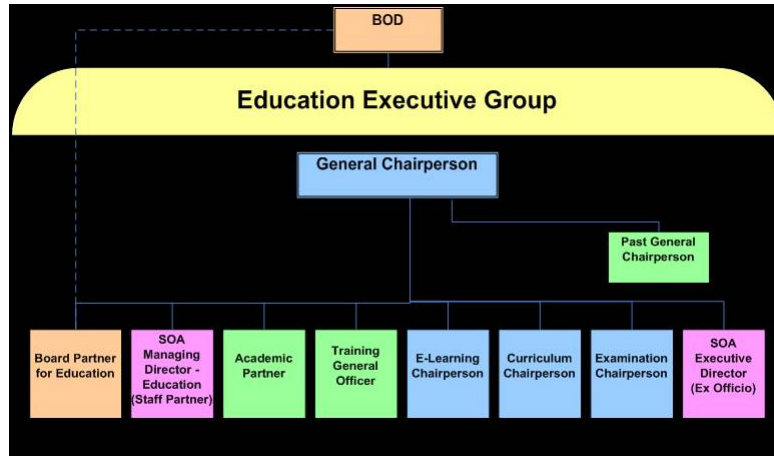
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## But they are the tip of the iceberg

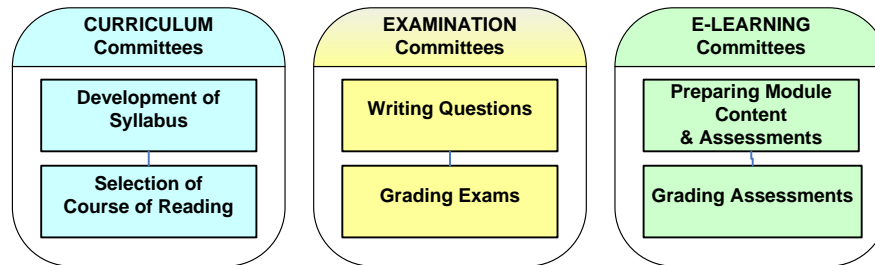


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## Executive Group



## Education structure – 600+ volunteers



## You can volunteer!

- Decide on syllabus
- Write study materials
- Write questions
- Grade questions
- Create/revise/review e-Learning content
- Create e-Learning assessments
- Grade e-Learning assessments
- See us afterward or contact Sarah Phelps at [sphelps@soa.org](mailto:sphelps@soa.org)

# Competency Framework

## Competency Framework: What is it?

- Framework to provide consistent learning opportunities to our members throughout their careers
- Resulted from a consultation with many stakeholders
- Forms the basis for both pre-fellowship education and continuing professional development

## Competency Framework: What is it?

- Professional Values
  - Adhering to standards of practice and professional conduct
- External Forces and Industry Knowledge
  - Economic, social, regulatory, geo-political and business implications in the design and delivery of actuarial solutions
- Technical Skills and Analytical Problem Solving
  - Applying actuarial knowledge, skills and judgment
- Results-Oriented Solutions
  - Effective problem solving addressing relevant interests and business needs

## Competency Framework: What is it?

- **Communication**
  - Listening, writing and speaking skills applied across a business continuum
- **Relationship Management and Interpersonal Collaboration**
  - Working towards a common goal through building mutually beneficial relationships
- **Leadership**
  - Initiating, innovating, inspiring, creating or otherwise acting to influence others in pursuit of mutual goals
- **Strategic Insight and Integration**
  - Anticipating trends and strategically aligning actuarial practice with broader business and societal goals