

SOA MEMBER AND CANDIDATE SURVEY 2008

ERIN Research Inc. for The Society of Actuaries



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The Society of Actuaries

The Society of Actuaries is an educational, research, and professional organization dedicated to serving the public and Society Members. Its mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business, and societal problems involving uncertain future events. The vision of the Society of Actuaries is for actuaries to be recognized as the leading professionals in the modeling and management of financial risk and contingent events.

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ACKNOWLEDGEMENTS

The Society of Actuaries wishes to acknowledge the participation of Academy of Actuaries in this research.

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APPENDIX: SUMMARY OF WRITTEN COMMENTS **ERROR! BOOKMARK NOT DEFINED.**

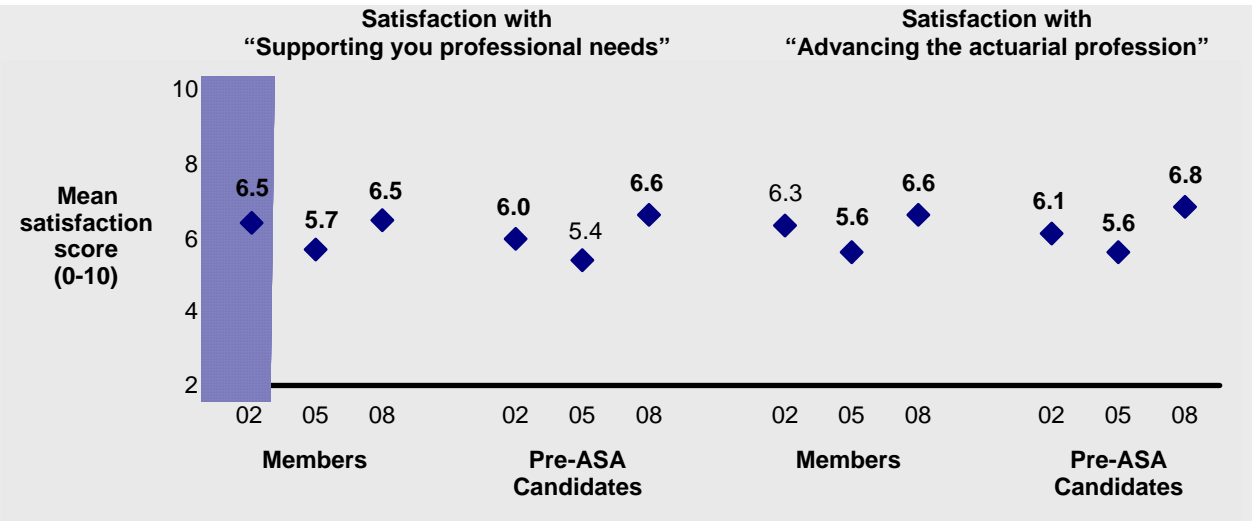
EXECUTIVE SUMMARY

The 2008 Member and Candidate survey closely follows the 2002 and 2005 surveys, allowing comparison of results over this six-year span. An invitation to participate in the online survey was sent to all Members and a random selection of one-quarter of the pre-ASA Candidates. Responses were obtained from 5,133 Members and 1,500 pre-ASA Candidates. The response rates, 30 percent among Member and 22 percent among pre-ASA Candidates, are slightly less than the previous two surveys, possibly because the survey was administered in January rather than in the late spring. They still provide a sound basis for moving forward.

The 2005 survey took place as a comprehensive redesign of the educational system was beginning. The process engendered both apprehension and support, but the net result was a broad-based decline in most measures of satisfaction with the organization, averaging about one-half a point on a scale of 0 to 10.

The 2008 survey was fielded as the final stages of the educational redesign were being implemented. Figure 1 shows the two overall measures of satisfaction with the SOA: Among Members, the score for “Supporting you professional needs” has rebounded to the 2002 levels and the score for “Advancing the actuarial profession” is significantly higher than in 2002. Among pre-ASA Candidates, both satisfaction measures are significantly higher than in 2002.

Figure 1. Overall satisfaction scores, 2002 – 2008



The membership of the SOA has increased in recent years, mainly due to growth outside North America. This trend is likely to continue. Among survey respondents, 9 percent of Members and 28 percent of pre-ASA Candidates reside outside North America. China appears to be the

largest single source of growth: 4 percent of Members and 13 percent of pre-ASA Candidates listed China as their country of residence.

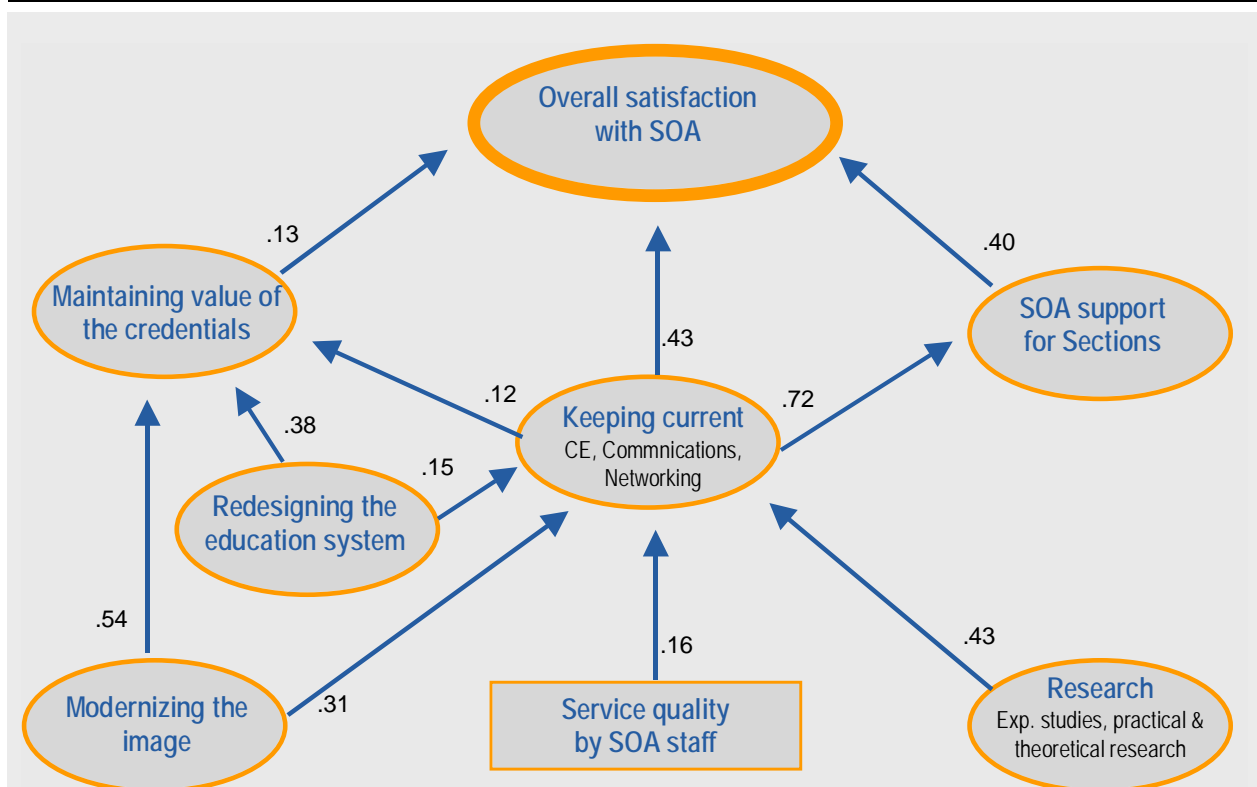
Drivers of Member satisfaction with the SOA

The model of satisfaction developed in 2005 remains valid in its essential respects. One additional component is included in the 2008 model to show the effect of redesigning the education system. This contributes to satisfaction indirectly. Its main impact is on Maintaining the value of the ASA and FSA credentials – Members indicate that the redesign has had a positive impact on the value of the credentials. The redesign also has a positive, though smaller impact, on Keeping current.

The Keeping current component is based on Members' ratings of three related areas, continuing education, print and electronic communications, and opportunities for networking through conferences and other means. As in 2005, Keeping current and Support for the Sections are the two main drivers of member satisfaction.

The model holds in general for pre-ASA Candidates, however one component, Maintaining the value of the ASA and FSA credentials, drops out. This function apparently becomes relevant only after one has obtained a credential.

Figure 2. Drivers of Member satisfaction with the SOA, 2008



Numbers beside the arrows are standardized regression coefficients.

1. INTRODUCTION

The 2002, 2005, and 2008 surveys were all designed by ERIN Research to assess Member and Candidate satisfaction with the SOA. They have many questions in common, allowing comparisons to be made across the six-year period. There are five major sections in the 2008 survey:

Satisfaction with the SOA

- The 2008 overall satisfaction questions are the same as in 2002 and 2005.

The SOA and the profession

- The ten questions from 2005 are repeated in 2008, and one question was added regarding views on the CERA credential. One of the questions from 2005 on FSA and ASA credentials had CERA added to the list.

Competing professions

- For 2008, this section was shortened to cover just the specific professions which are possible competitors. The list of competitors, however, was lengthened to include 'Investment professionals.'

Benefits

- This section asks paired importance/performance questions on 19 areas where the SOA provides benefits to Members.

Public policy, professionalism, and other initiatives

- The 'Public policy and professionalism' section is entirely new, while in 2008, the 'Other initiatives' is a new version of the 'About the future' section from 2005.

It is useful to note that the 2003 survey had a very different focus than either 2002, 2005, or 2008 surveys. It dealt with the actuarial image among employers and with matters of interest to individual Practice Areas. It did not enquire into Member satisfaction and its results are not considered in the comparative data that follow.

2. RESPONSE RATE

The 2008 survey was conducted in the same manner as the 2002, 2003 and 2005 surveys. An invitation to participate was sent to all Members and to a random selection of one-quarter of pre-ASA Candidates. Each of these people received an email letter from the President asking them to participate, followed by two email reminders over a period of 18 days.

Response rates have fluctuated over the three recent surveys (Table 2). While it is difficult to offer a definitive explanation, the high response rate in 2005 may have been due to the considerable interest in the redesign of the education system. In 2008, response rate may have suffered from fielding the survey in January, a busy time for certain parts of the profession. (The earlier surveys were fielded in April and May). Still, the 2008 response provides the SOA with a very solid foundation for action.

Table 1. Response to the SOA Member and Candidate Survey, 2008

Status in SOA	Original list	Number contacted	Number of responses	Response rate
Members	18,295	17,387	5,133	30%
Pre-ASA Candidates	7,438	6,793	1,500	22%
Total	25,733	24,180	6,633	27%

Table 2. Response to previous Member and Candidate Surveys, 2002 - 2008

Status in SOA	Response rate (%)		
	2002	2005	2008
Members	33	37	30
Pre-ASA Candidates	24	30	22

Reporting

In 2002 and 2005, pre-ASA Candidates received a short version of the Member survey. In 2008, Candidates were asked the full set of questions. Results of pre-ASA Candidates appear in Chapter 10.

In tables where percentages are reported, each entry is rounded individually. The total may not add to exactly 100.

3. MEMBER PROFILE

Six new Practice Areas were created for the 2008 survey to expand on some of the ‘other’ responses from previous surveys. They are: Academic, Non-traditional, Property & Casualty, Regulatory, Retired, and Not yet defined. These new categories were particularly successful in fleshing out the Practice Areas of Candidates, e.g., 11% of Candidates said that their area is Property & Casualty.

Table 3 shows which Practice Areas FSAs, ASAs and pre-ASA Candidates belong to for the 2008 survey.

Table 4 shows changes since the 2003 survey. (The 2002 survey data cannot be used for comparison because the Practice Area choices were somewhat different, e.g. Risk Management was not an option in 2002).

- Retirement/Pensions has decreased in size;
- The shifts within Finance/Investment, Health, Life Insurance and Risk Management are at a borderline level of statistical significance. It is probably best to regard them as indeterminate.

Table 3. Primary Practice Area of Members and Candidates, 2008

Practice Area	Percent of respondents		
	FSAs	ASAs	Candidates
Academic	1	2	5
Finance/Investment	7	4	5
Health	20	24	12
Life Insurance	37	33	16
Non-traditional	2	1	0.3
Property & Casualty	1	1	11
Regulatory	1	1	1
Retired	4	1	0.1
Retirement/Pension	20	25	15
Risk Management	3	2	2
Not yet defined, e.g. Student	0.1	1	30
Other	4	4	3
Total*	100	100	100
N	2,993	2,135	1,497

* Percentages may not add to exactly 100 due to rounding.

Table 4. Primary Practice Areas: Members only, 2002 – 2008

Practice Area	Percent of respondents		
	2002	2005	2008
Academic*	–	–	1.0
Finance/Investment	9.5	5.5	5.7
Health	18.3	20.2	21.8
Life Insurance	35.2	33.9	35.1
Non-traditional*	–	–	1.7
Property & Casualty*	–	–	0.9
Regulatory*	–	–	1.2
Retired*	–	–	3.2
Retirement/Pension	25.0	26.6	21.9
Risk Management	1.2	3.6	2.9
Not yet defined, e.g. Student*	–	–	0.4
Other	10.9	10.3	4.3
Total**	100	100	100
N	4,660	5,401	5,128

**The 2008 survey added these Practice Areas in order to further explore some of the 'other' responses from previous surveys.*

*** Percentages may not add to exactly 100 due to rounding.*

Special Interest Sections

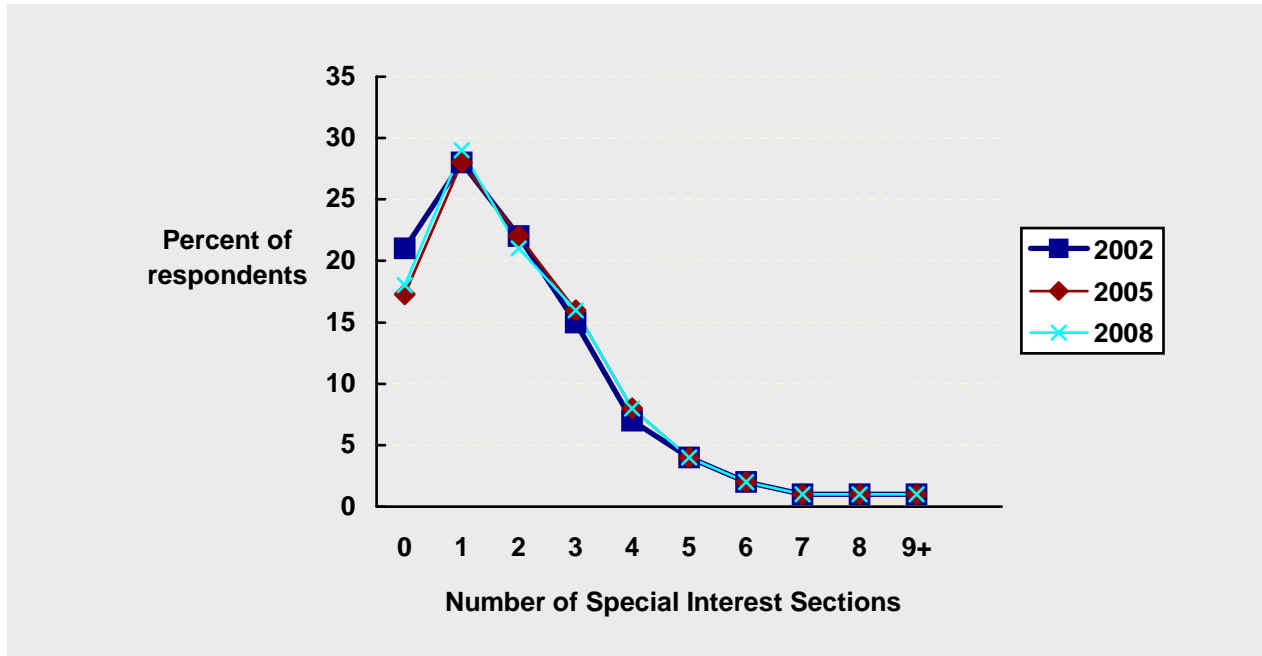
Table 5. Member participation in Special Interest Sections, 2002 - 2008

Special Interest Section	Percent of respondents		
	2002	2005	2008
Actuary of the Future	6.8	6.9	8.4
Education & Research	5.0	4.1	4.1
Futurism	5.7	3.9	3.5
Health	20.5	24.1	24.8
International	11.1	10.0	11.2
Investment	24.5	23.7	26.2
Life Insurance Co. Financial Reporting	24.1	24.4	22.2
Long Term Care Insurance	4.6	5.7	5.7
Management and Personal Development	6.4	2.5	9.5
Marketing and Distribution	7.9	7.3	4.2
Pension	24.4	24.9	21.0
Product Development	23.4	24.1	24.4
Reinsurance	13.7	14.1	14.3
Joint Risk Management	–	13.0	10.2
Entrepreneurial Actuaries (Smaller Consulting Firm)	–	4.2	2.9
Smaller Insurance Company	4.7	4.7	4.3
Taxation	–	3.3	4.2
Technology (called Computer Science in 2002)	11.2	5.2	5.4
No Special Interest Section	21.0	17.3	16.8
N	3,931	5,407	5,133

Note: Percentages add to more than 100 as many Members belong to more than one Section.

A majority of Members, 53 percent in the 2008 survey, belong to more than one Special Interest Section. In 2002, 21 percent of Members did not belong to any Section. This figure dropped slightly, to 17 percent in 2005, possibly reflecting the SOA's transition to a Section-centred organization. The figure remains at 17 percent in 2008.

Figure 3. Number of Special Interest Sections to which Members belong, 2002 - 08



Age and gender

For some years the profession has attracted an increasing number of female Candidates. This may have leveled off, given that the proportion of female respondents among pre-ASA Candidates was 37 percent in 2005 compared to 40 percent in 2002 and remains 37 percent in 2008. These differences are of borderline statistical significance. As was noted in the 2005 report, it would be premature to take this result to mean that fewer women are being attracted to the profession, but on the other hand it appears that the trend toward greater female participation may have plateaued.

The 2005 report noted an increase in the number of women composing the ASA, while also noting that there had not been a noticeable change in the composition of the FSA. In 2008, the percent of women composing the ASA went down, while the composition of the FSA over time shows an increase from 21 percent women in 2002 to 25 percent women in 2008. The gradual increase in the FSA likely corresponds to the decrease in the ASA, as women who hold ASA credentials gained FSA credentials.

Figure 4. Gender of respondents, 2002, 2005, and 2008

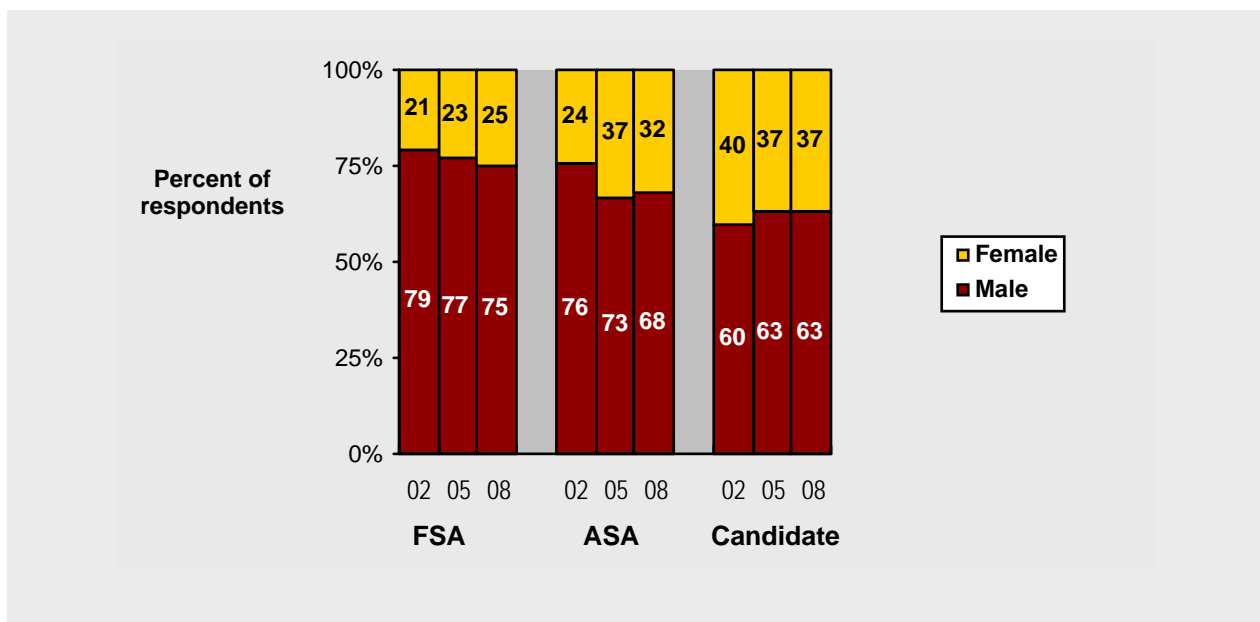
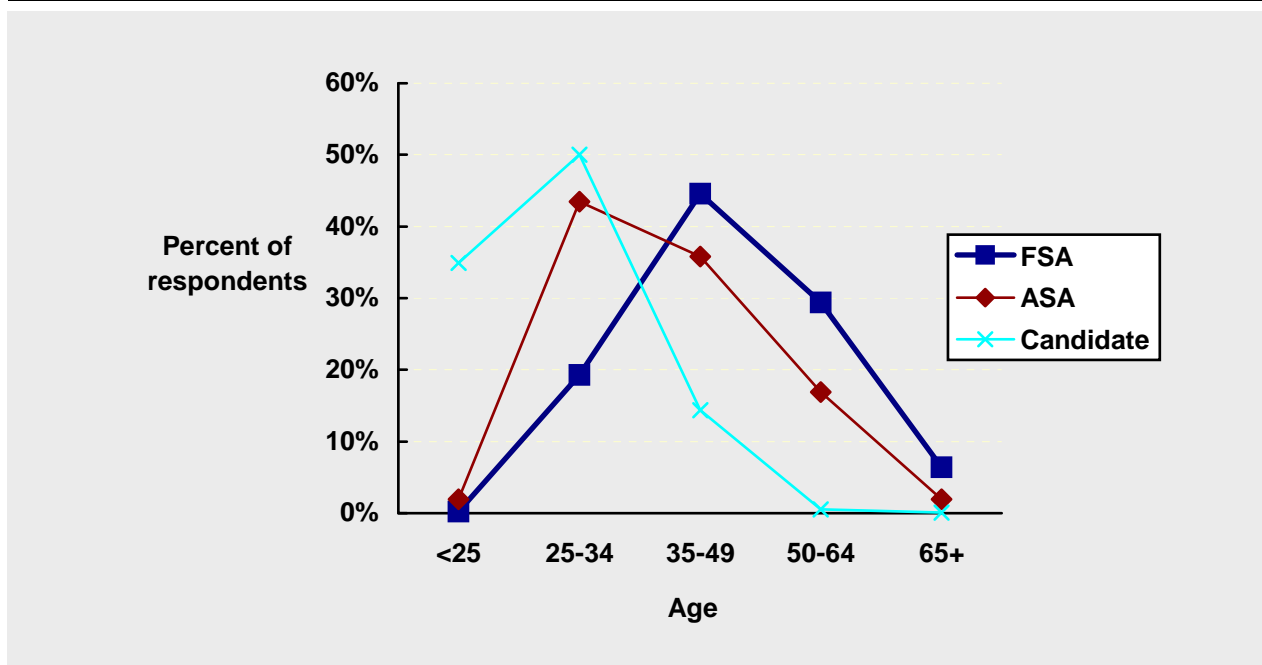


Figure 5. Age of respondents, 2008



Country of residence

Respondents were given the additional option of “China” in the 2008 survey. While 4 percent of Members selected China as their country of residence, the Candidate response was a full 13 percent. The percent of Candidate respondents who selected “other” was 15 percent.

North America accounts for 91 percent of Members, but only 71 percent of Candidates. For Members, 33 percent of those who selected “other” said that their country of residence was Hong Kong, 32 percent said Taiwan, and 29 percent said United Kingdom. For Candidates, 33 percent of those who selected “other” said that their country of residence was Taiwan, 29 percent said Malaysia, 12 percent said Philippines, 12 percent said India, and 10 percent said Pakistan. Other notable countries included Ghana, South Korea, Ukraine, and Vietnam. Altogether, the membership seems to be expanding from its traditional North American base.

Table 6. Country of residence, 2008

Country	Percent of respondents	
	Members	Candidates
United States	75.5	56.2
Canada	15.2	15.1
China	3.6	12.6
Mexico	0.1	1.0
Other	5.6	15.0

Actuarial credentials

76 percent of the responses to the 2008 survey come from the US. As a result, the percentage of actuarial credentials from several other countries is lower, as it was in the 2005 report.

- The number of FCIAAs remains at 10 percent of Members;
- The number of FIAs, which dropped in 2005, remains at the 2005 level of 1 percent;
- The number of FIAAs (Australia), which dropped in 2005, remains at the 2005 level of 0.3 percent;
- The number of EAs, which stayed the same from 2002 to 2005, dropped in 2008 to 13 percent.

Table 7. Actuarial credentials that SOA Members hold, 2002 - 2008

Credential	Percent of respondents who hold the credential		
	2002	2005	2008
SOA credentials			
ASA	100	100	100
FSA	58	60	58
Other actuarial credentials			
MAAA	66	62	60
EA	18	18	13
FCIA	13	10	10
FCA, MCA, ACA	5	5	5
FIA	3	1	1
FSPA, MSPA	1	1	1
CERA	–	–	0.9
FCAS or ACAS	1	1	0.8
FIAA (Australia)	0.7	0.3	0.3
Other	3	4	4
No additional credentials	23	24	27

Note: Percentages add to more than 100 as Members hold to more than one credential.

Non-actuarial credentials

In 2008, 25 percent of Members hold one or more non-actuarial credentials. This is greater than the 23 percent who held them in 2005 and greater than the 17 percent who held them in 2002. The difference between years is not due to a significant increase in any one specific credential, however there has been a gradual increase throughout the surveys in the percent who hold the CFA credential.

Table 8. Non-actuarial credentials that SOA Members hold, 2002 - 2008

Credential	Percent of respondents who hold the credential		
	2002	2005	2008
Chartered Financial Analyst (CFA)	3	4	5
MBA	4	5	4
Ph.D. *	–	3	3
Public Accountant (CPA, CMA, CGA, CA)	1	1	0.9
FRM **	–	–	0.8
PRM **	–	–	0.4
Law degree	0.4	0.3	0.3
Other	11	13	14
No additional credentials	83	77	75

* The 2002 survey did not present “Ph.D.” as an option.

** Neither the 2002 nor the 2005 survey presented “FRM” or “PRM” as an option.

Note: Percentages add to more than 100 as some Members hold to more than one credential.

Professional organizations

This question shows precisely which other organizations SOA Members belong to. While 17 percent of Members did not belong to any organization other than the SOA in 2005, 20 percent do not belong to any other organization in 2008. This corresponds with a drop in the percent of Members with membership in the American Academy of Actuaries.

Table 9. Membership in other professional organizations, 2005 - 2008

Professional organization	Percent of respondents	
	2005	2008
American Academy of Actuaries	66	63
American Institute of Certified Public Accountants	<1	<1
American Society of Pension Professionals & Actuaries	2	1
Canadian Institute of Actuaries	14	14
Casualty Actuarial Society	1	<1
CFA Institute	5	6
Conference of Consulting Actuaries	6	6
Global Association of Risk Professionals	1	1
International Association of Financial Engineers	<1	<1
Professional Risk Managers International Association	1	2
Other	7	7
None	17	20
N	5,407	5,133

Note: Percentages add to more than 100 as some Members belong to several organizations. This question did not appear in the 2002 survey.

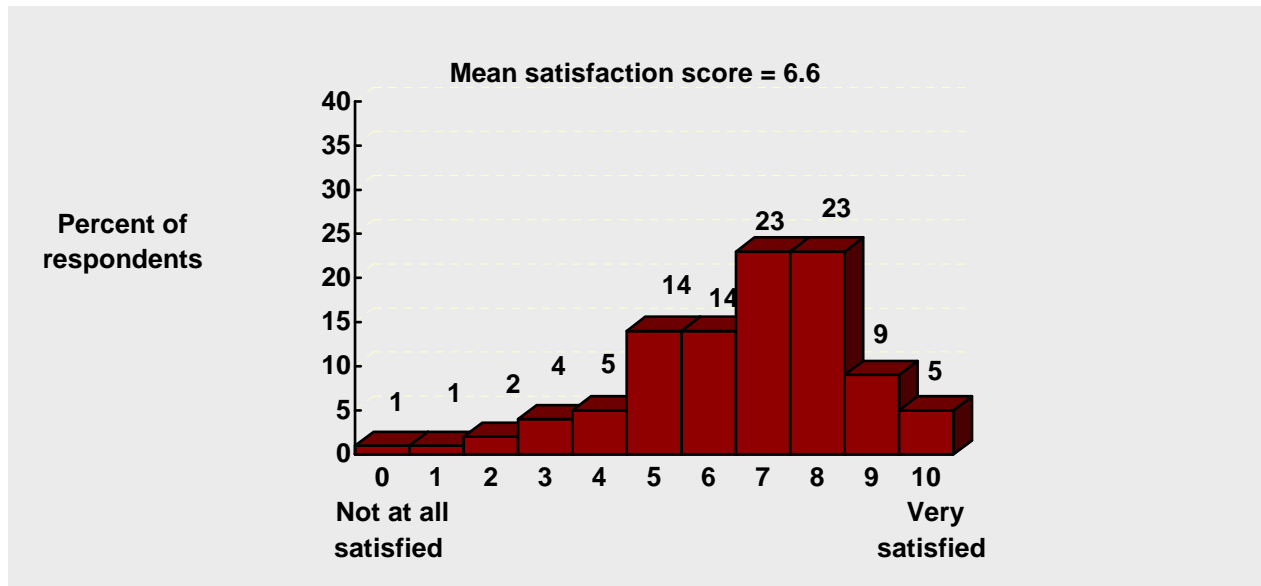
4. SATISFACTION WITH THE SOA

The two satisfaction questions produce similar responses. The correlation between them is a strong .70.

Figure 6. Satisfaction with the SOA for “Supporting your professional needs”, '08



Figure 7. Satisfaction with the SOA for “Advancing the actuarial profession”, '08



Satisfaction varies by Practice Area, with Life Insurance and Regulatory receiving the highest rating. Non-traditional respondents give a lower rating than other Practice Areas. Practice Area accounts for less than 1 percent of the variance in “Advancing the actuarial profession,” therefore the data was not reported.

Special Interest Sections similarly accounts for less than 1 percent of the variance for both satisfaction questions, in other words, the differences among individuals within any Section are far greater than the differences among Sections. However, there are a few results which are worth mentioning. Respondents who belong to the sections Life Insurance Co Financial Reporting have an average response of 6.9 to “Supporting your professional needs,” while those who belong to the Taxation section have an average response of 7.1. Interestingly, those who claim to belong to No Special Interest Section average a lower score of 6.3.

Table 10. Member satisfaction by Practice Area, 2008

Practice Area	Supporting your professional needs
Life Insurance	6.8
Regulatory	6.8
Health	6.6
Finance/Investment	6.3
Property & Casualty	6.3
Academic	6.2
Retirement/Pension	6.2
Risk Management	6.2
Non-traditional	5.9
Not yet defined, e.g. Student	6.8
Retired	6.9
Other	6.0
All Members	6.5
Percent of variance that Practice Area accounts for:	2.0

Trends in satisfaction

Satisfaction scores, which declined significantly from 2002 to 2005, returned to their previous levels in 2008. The score for “Supporting your professional needs” returned to 6.5 out of 10, which was the score from the 2002 survey. The score for “Advancing the actuarial profession” is now 6.6 out of 10, significantly higher than the score of 6.3 in 2002.

Table 11. Change in Member satisfaction from 2002 to 2008: means

Satisfaction measure	2002	2005	2008
Supporting your professional needs	6.5	5.7	6.5
Advancing the profession	6.3	5.6	6.6

Table 12. Change in Member satisfaction from 2002 to 2008: top box scores

Satisfaction measure	Percent scoring from 7 – 10		
	2002	2005	2008
Supporting your professional needs	59	44	59
Advancing the profession	52	40	60

Table 13. Change in Member satisfaction from 2002 to 2008: bottom box scores

Satisfaction measure	Percent scoring from 0 – 3		
	2002	2005	2008
Supporting your professional needs	7	20	8
Advancing the profession	10	21	9

The increase in satisfaction scores is similar across Practice Areas.

Figure 8. Satisfaction trends by Practice Area (“supporting your professional needs”), 2008

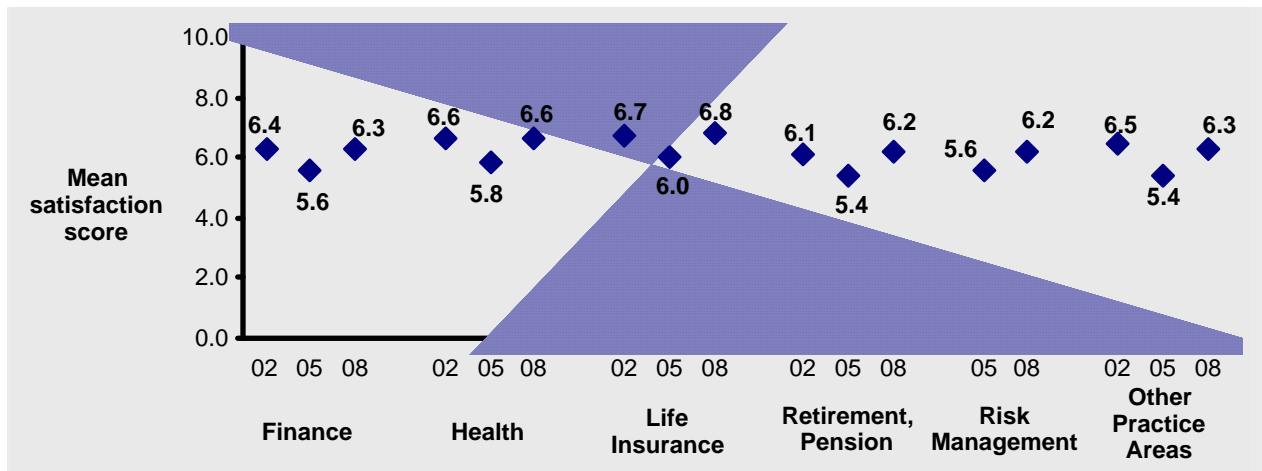
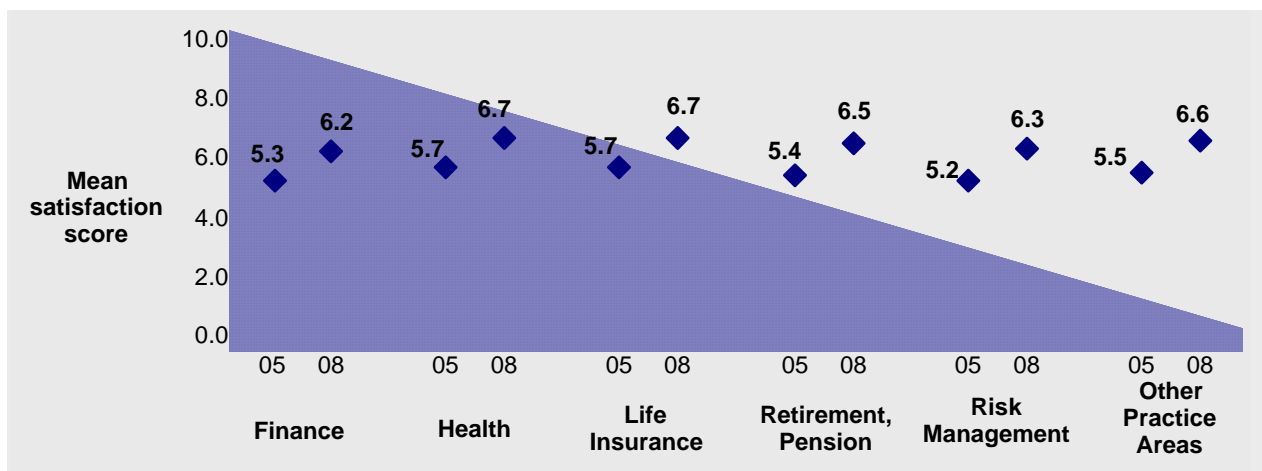
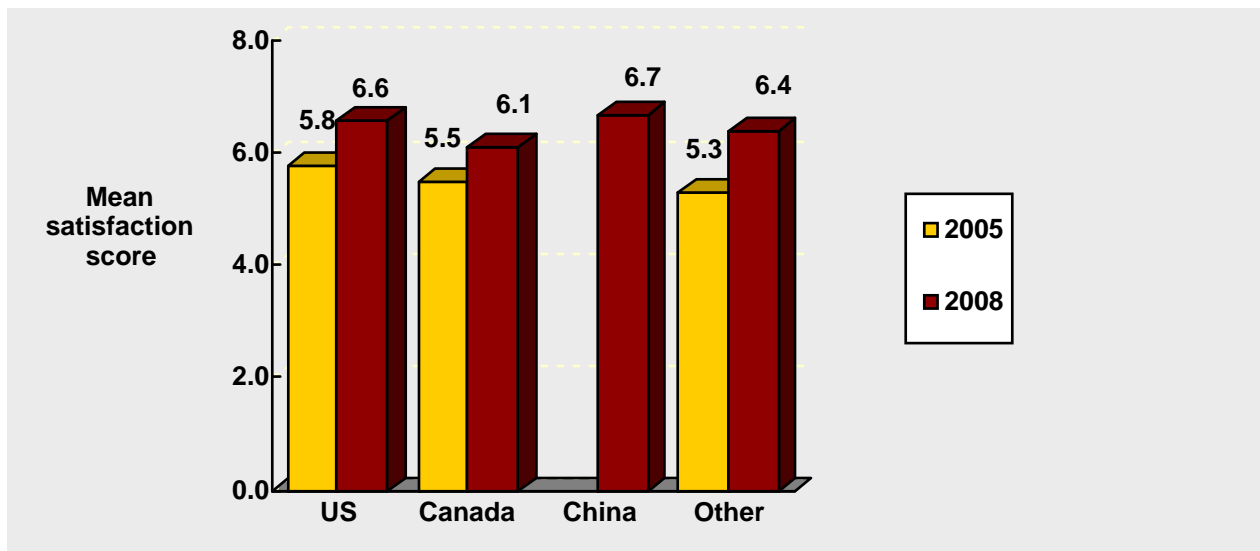


Figure 9. Satisfaction trends by Practice Area (“advancing the actuarial profession”), 2008



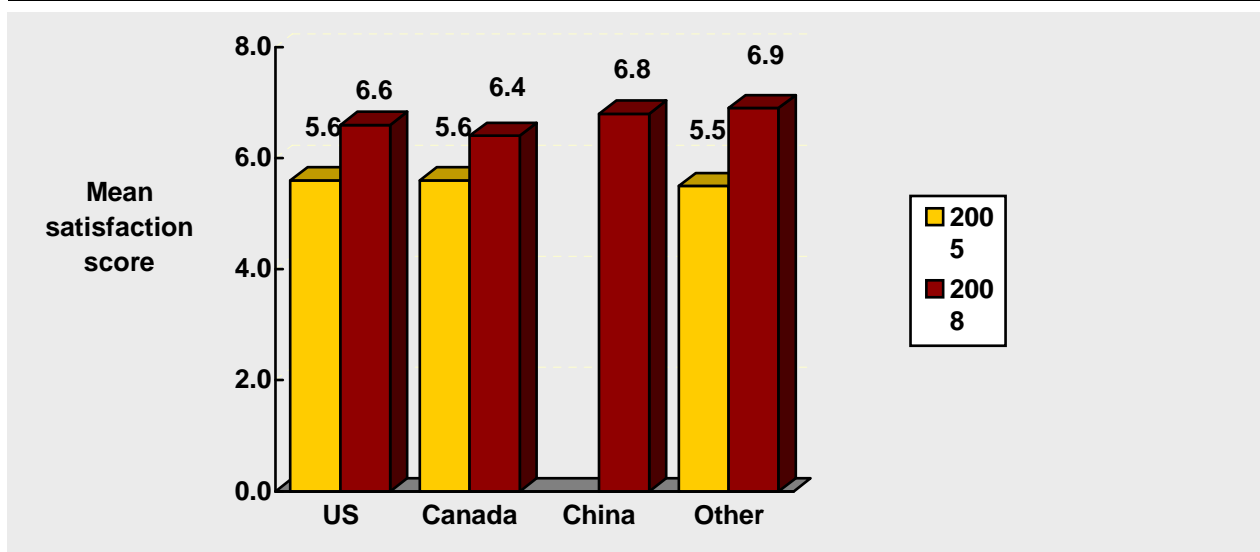
Satisfaction is higher in the US and China than in Canada for both satisfaction measures. While statistically significant, this difference accounts for just 0.9 percent of the variance in responses for “Supporting your professional needs,” and just 0.4 percent of the variance in responses for “Advancing the actuarial profession.”

Figure 10. Satisfaction trends by country of residence (“supporting your professional needs”), 2005 - 2008



Note: “China” was a new category added for the 2008 survey .

Figure 11. Satisfaction trends by country of residence (“advancing the actuarial profession”), 2005 - 2008

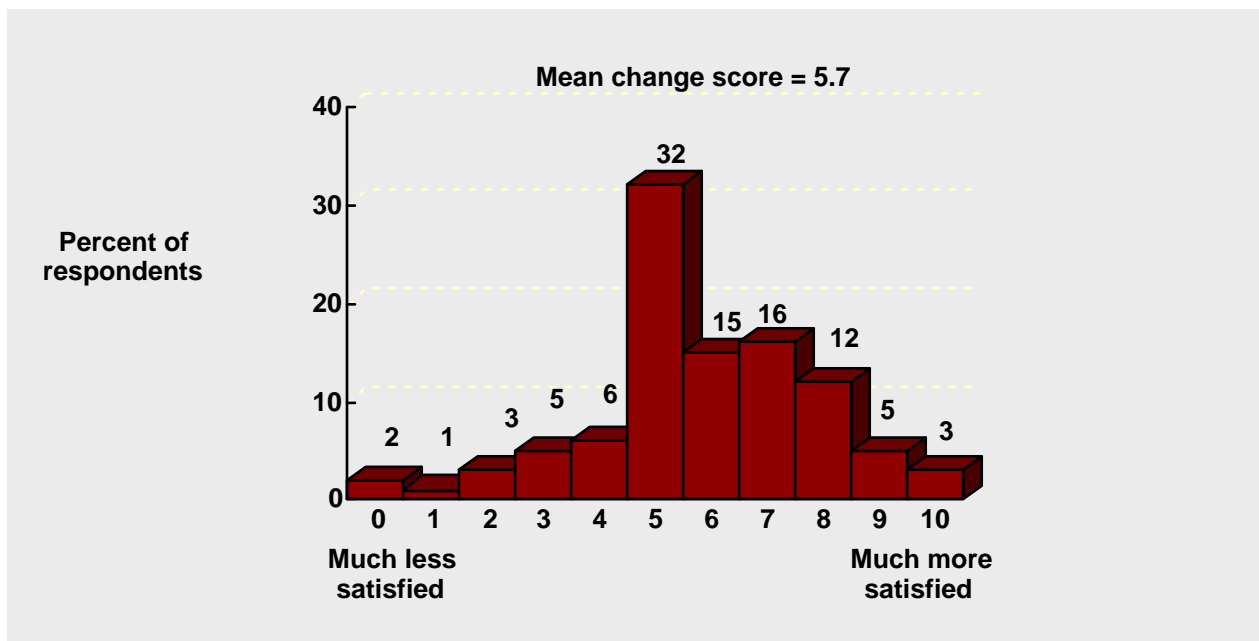


Note: “China” was a new category added for the 2008 survey .

Perceived change in satisfaction

Asking respondents if they are more or less satisfied than in the past is a standard type of survey question. While one-third of Members stated that there had been no change, there is a distinct skew to the positive end of the spectrum. This mirrors the actual rise in satisfaction scores.

Figure 12. Member response to, “Are you more or less satisfied with the SOA today than you have been in past years?”, 2008



Note: Breaking down the data for this question by age, and then by gender, accounts for less than one percent of the variance in response. Demographic differences are not a major dynamic.

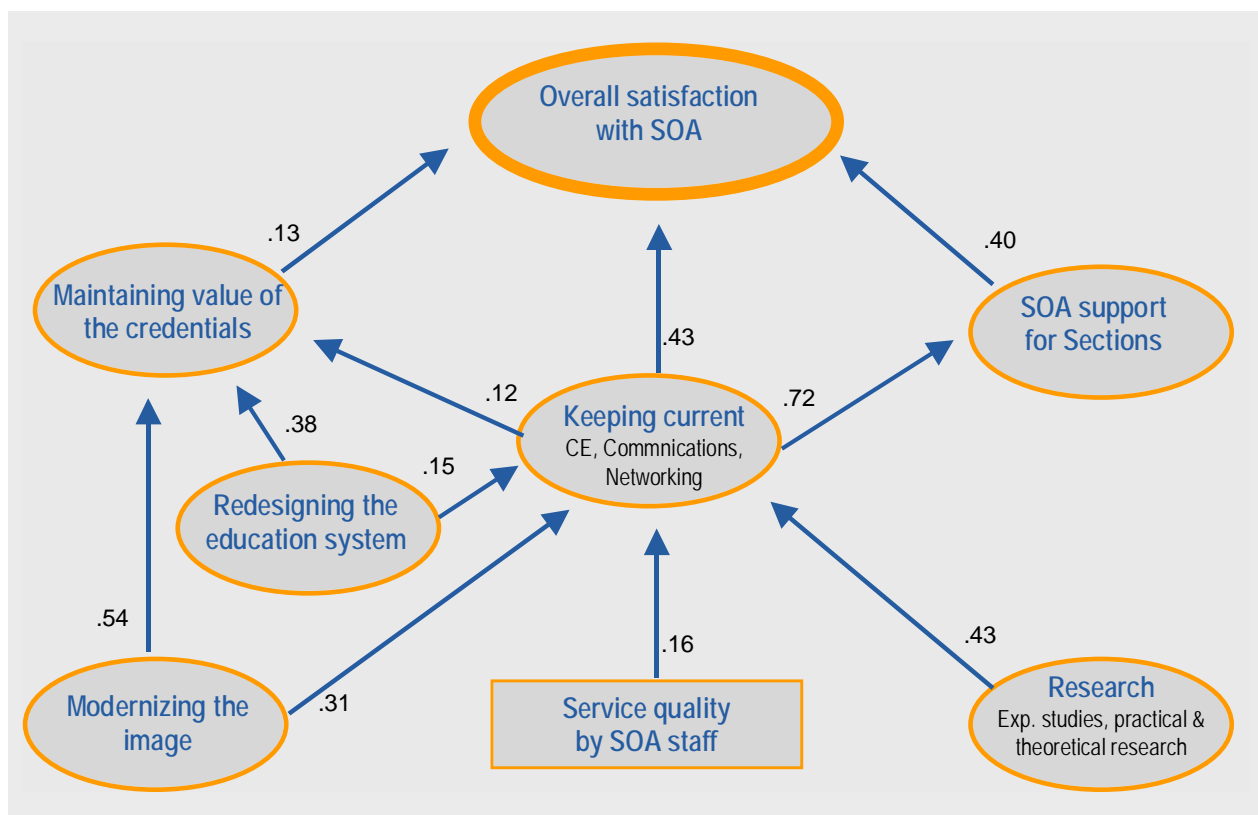
5. DRIVERS OF MEMBER SATISFACTION

The 2005 survey model showed how Member satisfaction is a function of six SOA activities. This model holds well for the 2008 data as well, however it is expanded with one additional element to show the role that the recent redesign of the education system, plays in Member satisfaction.

The model (Figure 13) shows that Members' satisfaction rests primarily on three SOA activities:

- Maintaining the value of the ASA and FSA credentials;
- Keeping Members current (a combination of continuing education, communications and providing opportunities for networking); and
- Supporting the Special Interest Sections.

Figure 13. Drivers of Member satisfaction with the SOA, 2008



Numbers beside the arrows are standardized regression coefficients. For simplicity, the model omits two small paths: from Redesigning the education system to Overall satisfaction (.06) and from Service quality by SOA staff to Overall satisfaction (.09). The model accounts for 87 percent of the variance in Overall satisfaction. Fit statistics are reported in Table 25.

The four elements below this top row contribute to Member satisfaction *indirectly* – their primary impact is on the three elements above them (Maintaining the value of credentials, Keeping current, and Supporting the Sections).

It is evident that Redesigning the education system is in this indirect group. Its main impact is on the value of credentials: Members indicate that designing the education system has a positive impact on maintaining the value of the credentials. Redesigning the education system has a smaller impact on Keeping current.

Keeping current remains a central piece of the model. It affects satisfaction directly, and also indirectly through the Support for Sections element. The logic is straightforward: Keeping current is based on continuing education and publications and networking, all of which Members access, in large part, through the Sections. Thus, Members who find that the SOA keeps them current tend to say that the SOA does a good job in Supporting their Section(s).

The model implies that advances in any of the elements will pay off in increased satisfaction with SOA. The impact of any advances can be considerable, as several of the regression coefficients associated with the effects are quite large. In the case of Keeping current, for example, the coefficient of .43 implies that a one-unit increase in Keeping current will result in a .43-unit increase in overall satisfaction. (Keeping current also has an indirect effect on overall satisfaction through the Sections variable, so its total effect on satisfaction will in fact be larger than this.)

Table 15 lists the 18 survey questions that make up to the model.

The arrows in Figure 13 show the direct effect of one component on its neighbor(s). The total effect that a component has on overall satisfaction includes all the pathways from that component to satisfaction. For example, Keeping current has a direct effect and two indirect effects, via Maintaining the value of the credential and Support for Sections. Table 14 reports the total effect of each component on overall satisfaction. Values are standardized regression coefficients.

Table 14. Total effects in SOA Member satisfaction model, 2008	
Model component	Value
Keeping current	.74
Support for Sections	.40
Research	.32
Modernizing the image	.30
Redesigning the educational process	.22
Service quality	.20
Maintaining the value of the ASA and FSA credentials	.13

Table 15. Measures used in the SOA Member satisfaction model, 2008

Overall satisfaction with the SOA

- Satisfaction with the SOA in supporting your professional needs
- SOA provides good value for membership dues

Maintaining the value of the credentials

- SOA maintains and enhances the value of the ASA credential in the marketplace
- SOA maintains and enhances the value of the FSA credential in the marketplace

Keeping current

- SOA provides useful courses, events and seminars on issues that arise in current practice
- SOA provides a variety of useful print and electronic materials that keep Members up-to-date on SOA and activities in the profession.
- SOA is effective in providing opportunities for networking and discussion through conferences and other means

SOA support for Special Interest Sections

- The SOA supports my areas of specialization and interest effectively through the Special Interest Section
- SOA supports my Section's specific interests and needs

Redesigning the education system

- SOA has been effective in redesigning the basis education system
- SOA is effective in maintaining high standards for the education process

Modernizing the image

- SOA is effectively implementing the Strategic Plan initiative to redesign the basic educational system to improve relevance, value and travel time
- SOA works to enhance the image of the actuarial profession to employers
- SOA is effectively implementing the long-term image campaign

SOA service quality

- SOA staff provide excellent customer service in a timely and courteous manner

Research

- SOA publishes useful experience studies that actuaries can draw on in their day-to-day work
- SOA provides useful practical research and information for actuaries to use in their day-to-day work
- SOA provides theoretical research to advance the frontiers of actuarial practice

Note: Each of the ovals in the model is a latent variable that is composed of two or three individual survey measures. (Service quality has only a single measure.)

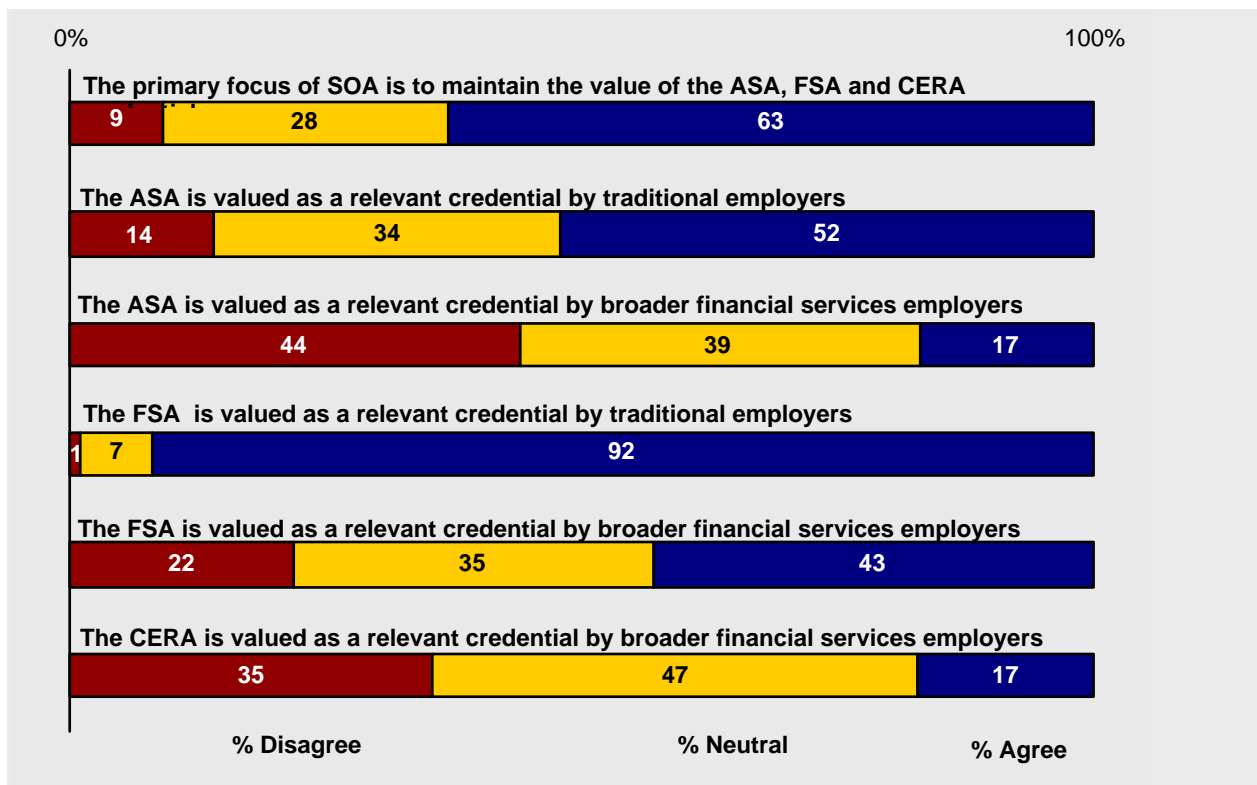
6. THE SOA AND THE PROFESSION

A set of questions asked Members' opinions on the value of the ASA, FSA, and CERA credentials in traditional and emerging areas. Figure 14 shows the overall response to the questions and Table 16 provides detail by Practice Area.

There was a very solid consensus that the FSA is valued in traditional areas in the 2005 survey, and that remains true in 2008. In 2005, there was also some division of opinion as to how much the ASA is valued, and that is also still the case in 2008. Part of this is due to the continuing ASA/FSA dynamic, whereby Members who have attained the FSA credential tend to diminish the ASA. The agreement score for, "The ASA is valued as a relevant credential by traditional employers" is 5.9 out of 10 for FSAs and 6.7 for ASAs. This divide was evident in the 2005 report as well.

The value of both credentials is perceived to be much lower in the broader financial services sector, and consistent with this, there is general agreement that the SOA should provide more continuing education in this area (see Figure 15).

Figure 14. Members' views of SOA credentials, 2008



Note: 'Disagree' represents scores from 0 – 3, 'Neutral' represents scores from 4 – 6, and 'Agree' represents scores from 7 – 10.

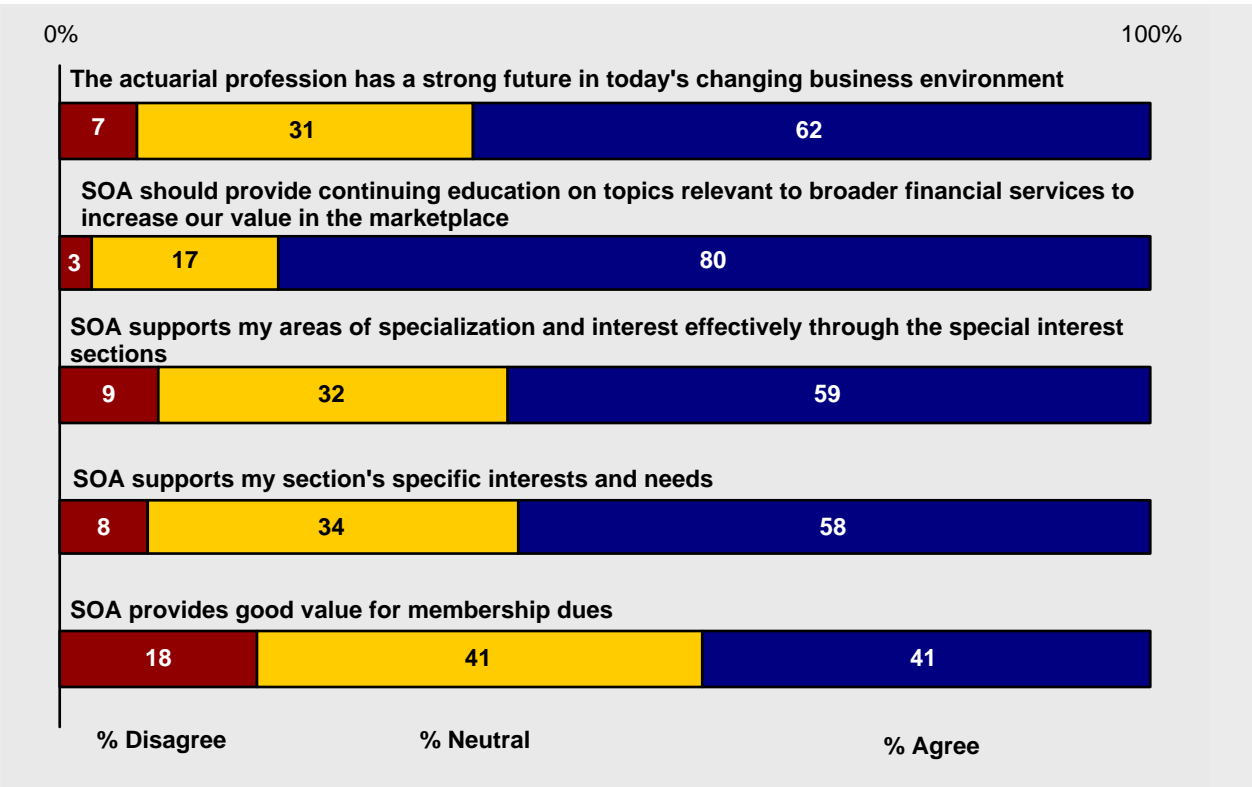
As in the 2005 survey, there are relatively small differences in responses to the set of statements across Practice Areas. Differences remain in the expected direction – Members who work in Finance and Risk Management more cautious about the value of the credentials in these markets than are Members who work in other areas.

Table 16. Members' views of SOA credentials by Practice Area, 2008

Practice Area	Statement					
	The primary focus of the SOA is to maintain the value of the ASA, FSA and CERA credentials	The ASA is valued as a relevant credential by traditional employers	The ASA is valued as a relevant credential by broader financial services employers	The FSA is valued as a relevant credential by traditional employers	The FSA is valued as a relevant credential by broader financial services employers	The CERA is valued as a relevant credential by broader financial services employers
Academic	6.5	6.4	4.0	8.8	5.7	5.0
Finance/Investment	6.8	6.1	3.4	8.6	5.2	3.5
Health	7.0	6.8	4.4	8.7	5.8	4.4
Life Insurance	7.1	6.2	4.0	8.7	5.7	4.4
Non-traditional	6.6	5.3	3.5	8.4	5.5	3.9
Property & Casualty	6.5	6.2	4.2	9.1	5.5	3.3
Regulatory	6.5	6.6	4.0	8.8	5.6	4.1
Retired	6.9	5.8	4.6	8.6	6.4	5.6
Retirement/Pension	6.6	6.1	4.2	8.6	6.1	4.4
Risk Management	6.9	5.9	3.5	8.6	5.2	3.6
Not yet defined, e.g. Student	5.3	6.8	4.2	8.4	4.9	4.3
All Members	6.9	6.2	4.1	8.7	5.7	4.3

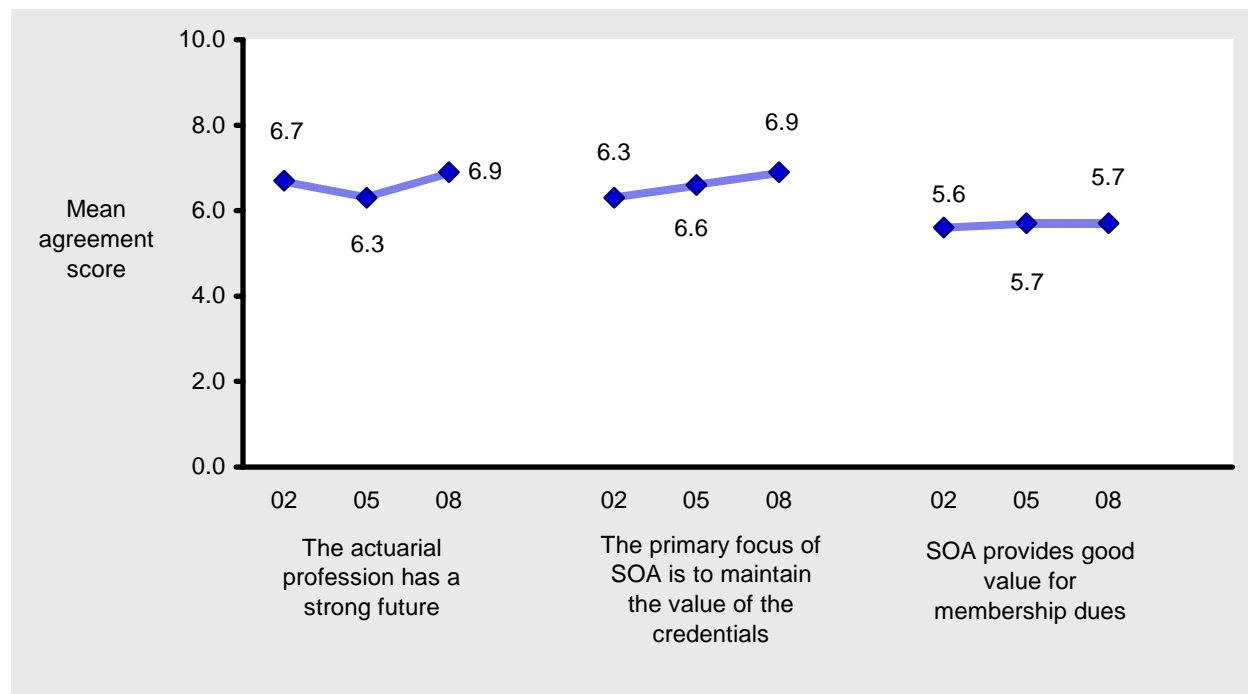
Note: Practice Area accounts for approximately 1 or more percent of the variance in the survey measures, except for "The FSA is valued as a relevant credential by traditional employers" for which Practice Area accounts for only 0.3% of the variance.

Figure 15. Members' views of the profession and the SOA, 2008



Note: 'Disagree' represents scores from 0 – 3, 'Neutral' represents scores from 4 – 6, and 'Agree' represents scores from 7 – 10.

Figure 16. Trends in three measures, 2008



Two questions ask specifically whether the SOA is effective in supporting the Special Interest Sections that the Members belong to. It is possible to test whether each Section sees itself as well supported or poorly supported, compared to others.

Nine of the 18 Special Interest Sections (in Table 17) see themselves receiving better than average support from the SOA. Seven of the other Sections do not differ significantly from the organizational average. However, there are two instances where Members rate SOA support for their Section as poorer than average.

Table 17. Sections that differ from the rest of the profession with respect to SOA support for the Section, 2008

Special Interest Section	Mean score (0 – 10)	
	SOA effectively supports my area of specialization through the Section	SOA supports my Section's specific interests and needs
Taxation	7.6	7.4
Life Insurance Co. Financial Reporting	7.1	7.0
Long Term Care Insurance*	7.0	6.9
Product Development	7.0	7.0
Reinsurance*	7.0	7.0
Joint Risk Management*	6.9	6.8
Smaller Insurance Company*	6.9	6.9
Investment*	6.8	6.7
Management and Personal Development*	6.8	6.9
Entrepreneurial Actuaries*	6.4	6.3
Pension*	6.3	6.3
All Members	6.6	6.6

**These Special Interest Sections account for less than 1 percent of the variance in the survey measure.*

7. COMPETING PROFESSIONS

The survey asks Members whether each of seven different professions compete with actuaries for employment in their field of work. Table 18 shows that there has been a dramatic shift in the data. While four of these professions – MBAs, financial engineers/analysts, risk analysts and accountants – were each seen as competition by 40 percent or more of the membership in 2005, there were no professions which reached 40 percent in 2008. In fact, the percent dropped for all professions from 2005 to 2008 except for Statisticians.

The key figure is the percent of respondents who feel that “None of these” compete with actuaries, 27 percent. Since the question included an “other” option, the response of “None of these” implies that the Member respondent believes that their skills are unique in their field. For the 4 percent who selected “other,” 12 percent said that they felt “Lawyers” competed with them, while another 12 percent wrote in “Underwriter” as their competition.

Table 18. What other professions compete with actuaries for employment in your field of work?, 2002 - 2008

Competing Profession	Percent of respondents		
	2002	2005	2008
Accountants	43	40	31
Economists	21	22	18
Investment professionals*	–	–	33
Financial engineer analysts	42	42	36
MBAs, business graduates	45	47	37
Risk analysts	37	41	36
Statisticians	22	27	27
None of these	19	20	27
Other	8	6	4

**The 2008 survey added “Investment professionals” to the question.*

Figure 17 shows that Members in the Finance/Investment area report the largest number of competing professions (3.4 on average), and those in the Retirement/Pension area the smallest number (1.7).

Figure 17. Mean number of competing professions by Practice Area, 2008

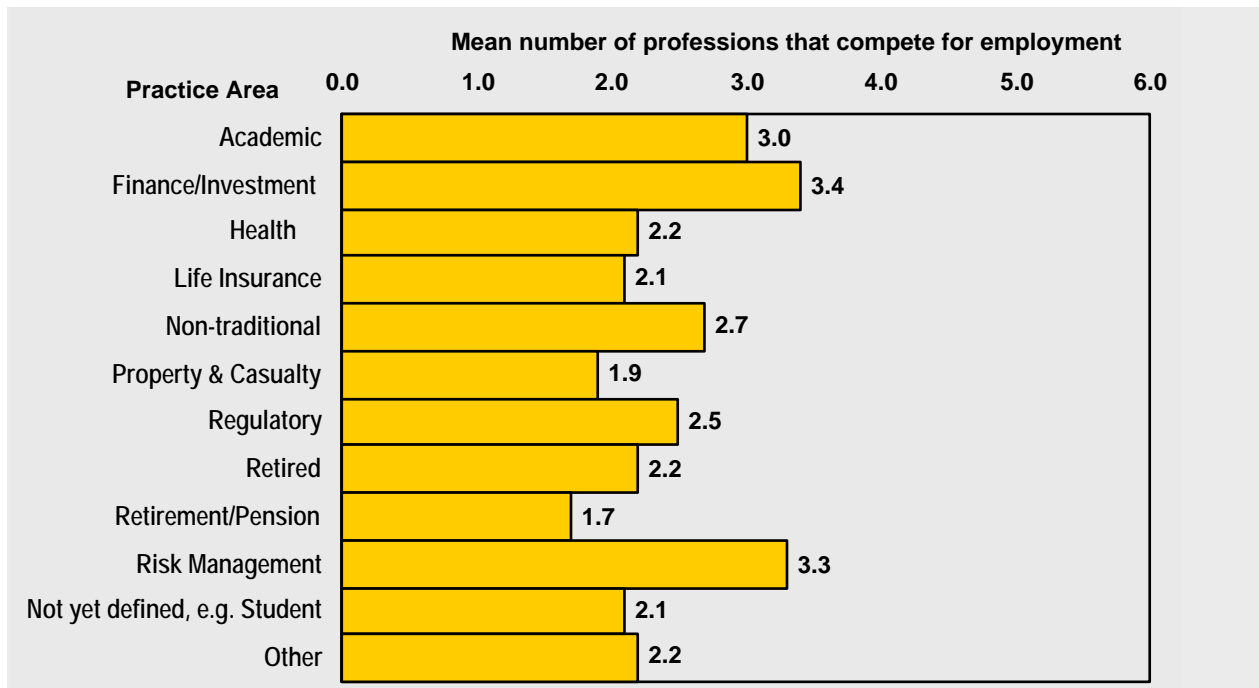
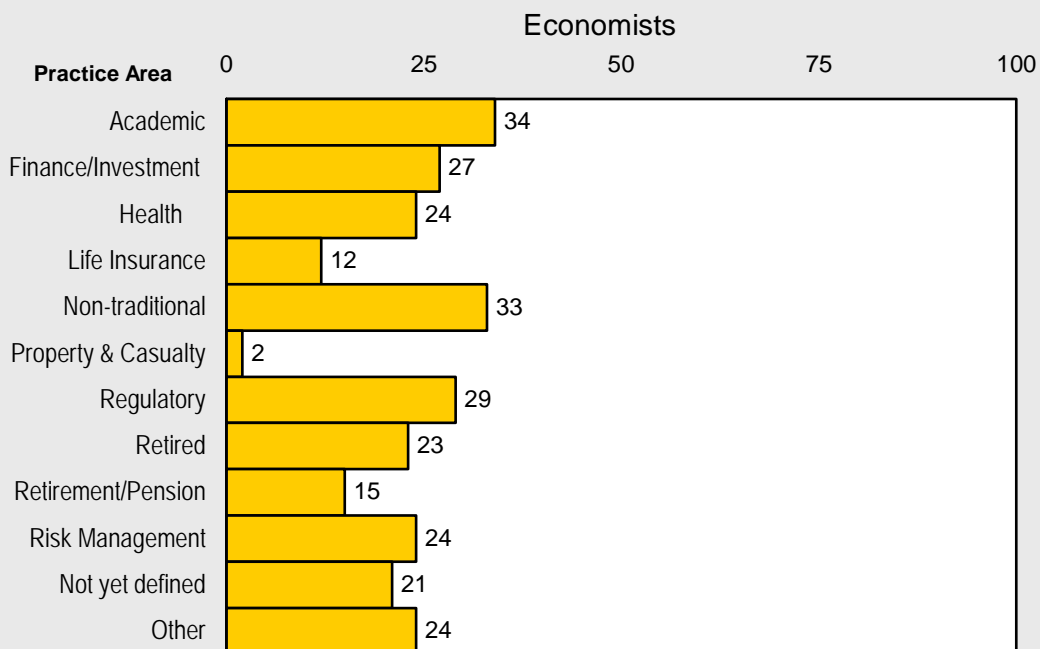
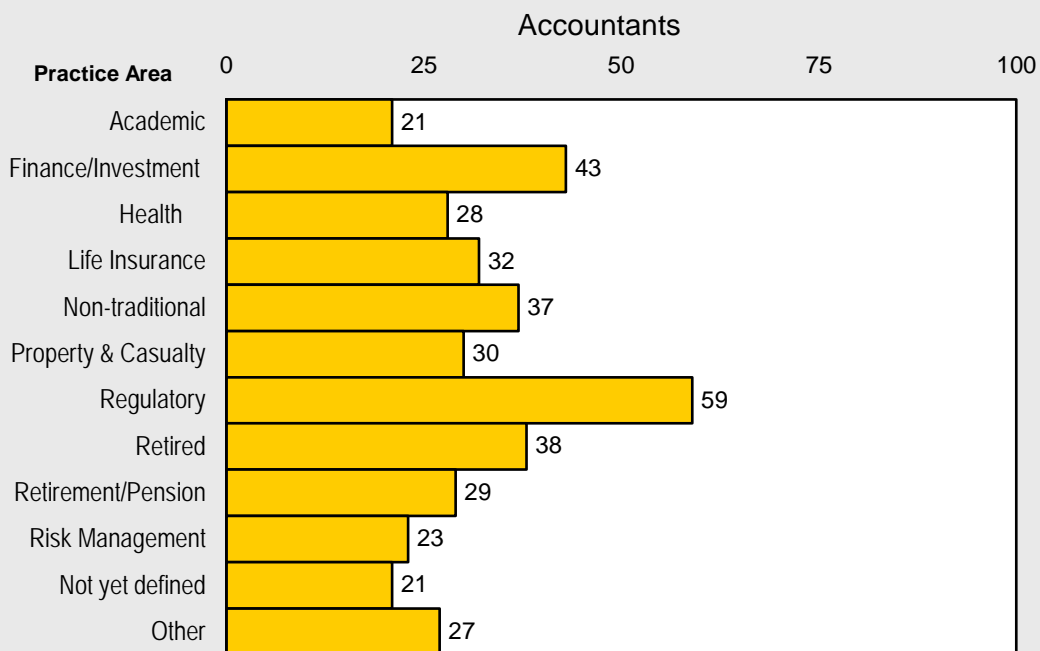
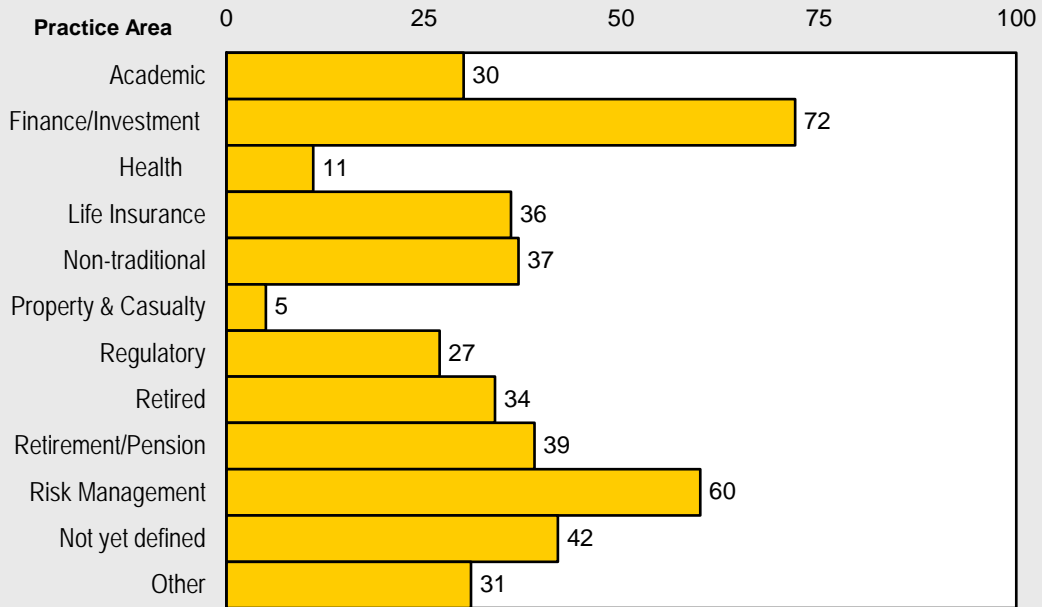


Figure 18. What other professions compete with actuaries for employment in your field of work?, 2008

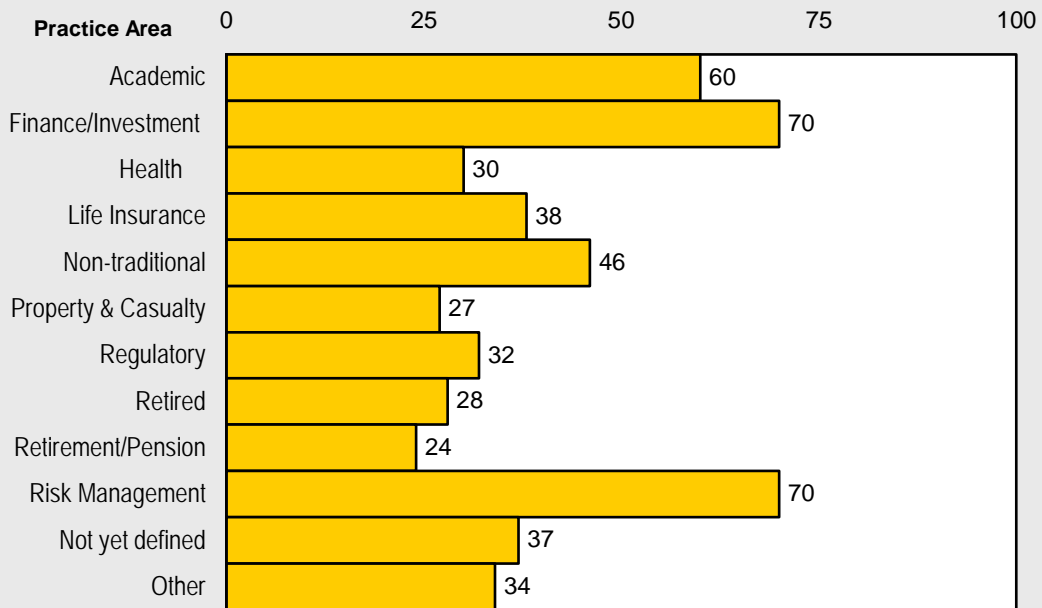
Percent of respondents who report competition from...



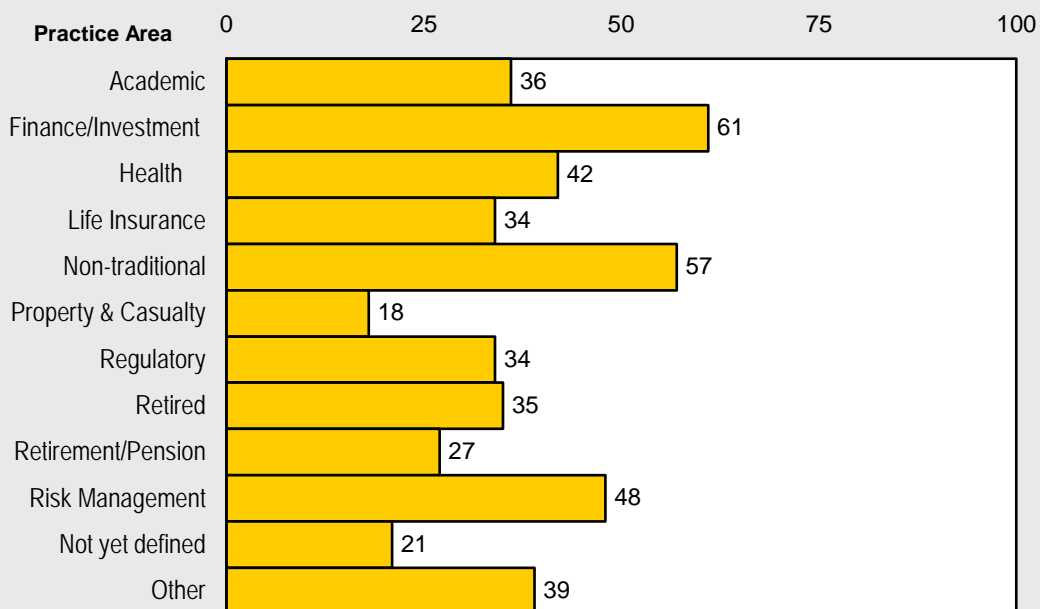
Investment professionals



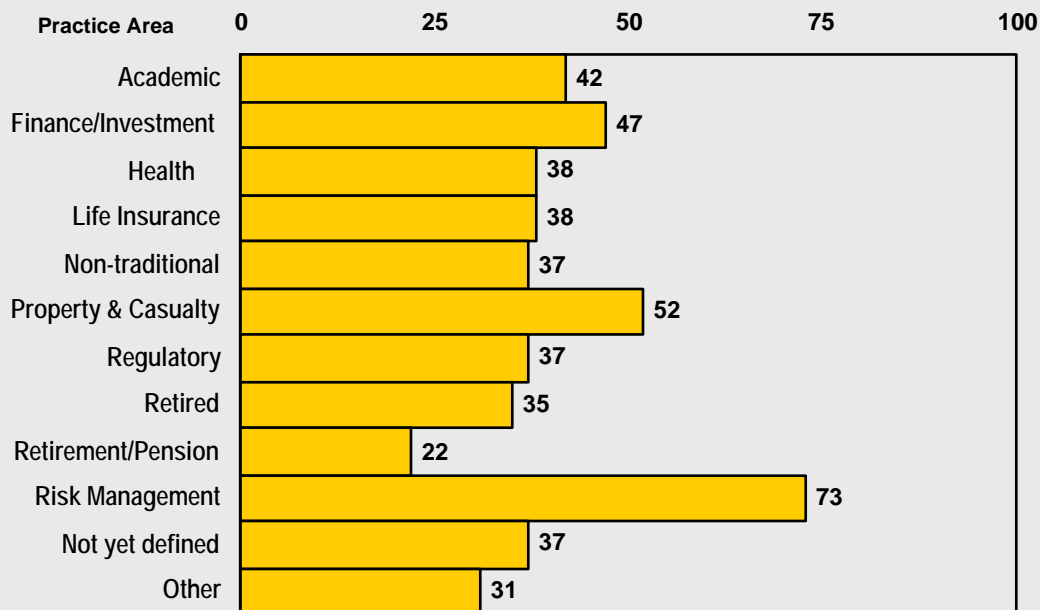
Financial engineers/analysts

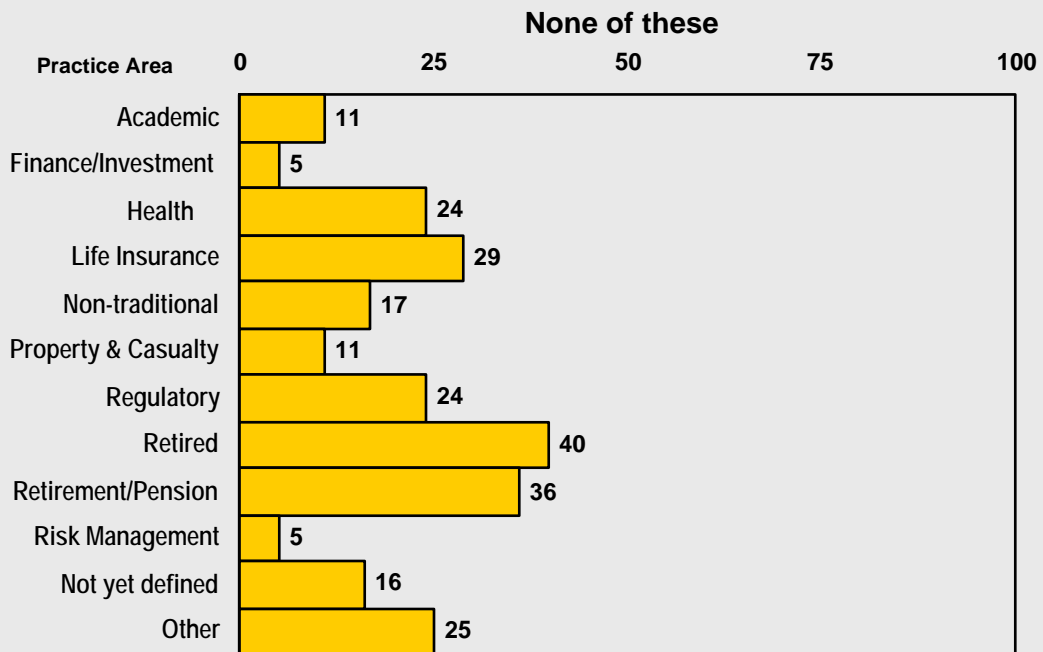
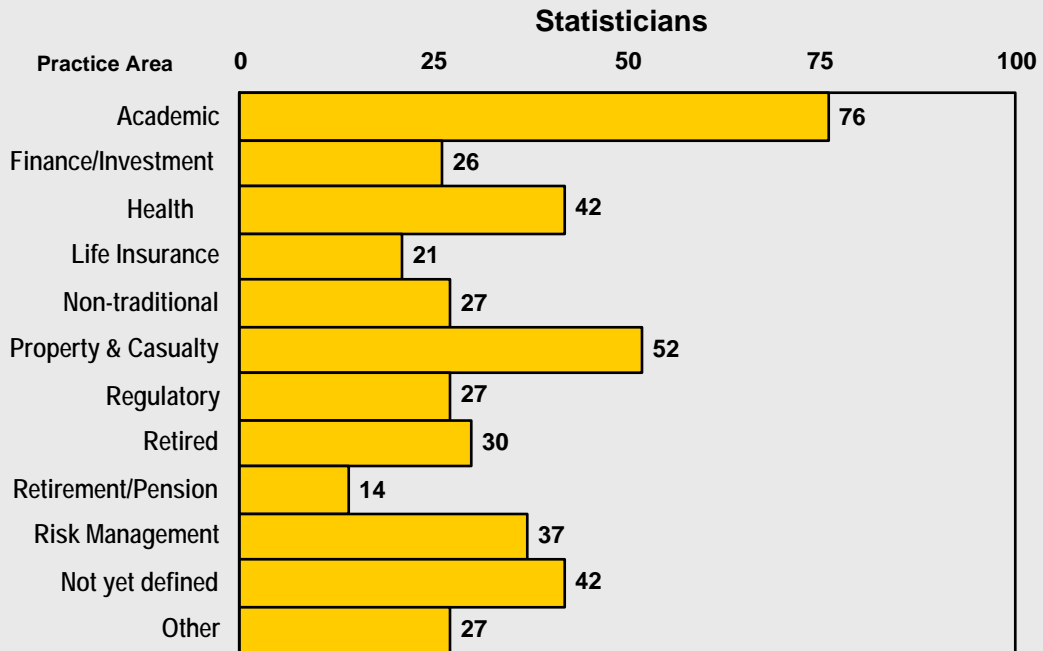


MBA, business graduates



Risk analysts





8. MEMBER BENEFITS

Table 19 ranks 19 Member benefits in order of their performance ratings in the 2008 survey. Comparisons with 2002 and 2005 follow in Table 21.

For each benefit, the importance rating is somewhat higher than the performance rating. This is almost always the result when importance and performance ratings are paired.

Table 19. Importance and performance scores for Member services, 2008

SOA Benefit	Performance	Importance	Correlation between importance & performance	Gap
Quality of service to Members	7.6	8.3	.40	0.7
Provide print and electronic materials	6.8	7.6	.70	0.8
Maintain and enhance the value of the FSA	6.6	8.7	.25	2.1
Maintain high standards for the education process	6.6	8.6	.19	2.0
Continuing education: Current practice	6.6	8.1	.52	1.5
Redesigned the SOA's web site	6.5	8.0	.41	1.5
Networking, conferences, discussions	6.2	6.9	.38	0.7
Experience studies	6.2	7.0	.74	0.8
Promote profession's image among employers	6.0	7.9	.38	1.9
Continuing education: Emerging issues	6.0	7.4	.48	1.4
Practical research other than experience studies	5.9	7.1	.66	1.2
Publish actuarial practice forum	5.9	6.5	.73	0.6
Enhancing profession's image through a long-term image campaign	5.8	7.4	.47	1.6
Redesigned the basic education system	5.5	6.8	.34	1.3
Job search information and resources	5.2	5.9	.50	0.7
Increasing employment in new and emerging fields	5.1	6.5	.34	1.4
Maintain and enhance the value of the ASA	5.1	6.5	.36	1.4
Theoretical research	4.8	5.9	.77	1.1
Maintain and enhance the value of the CERA	4.7	4.5	.58	-0.2

Note: Scores range from 0 (Very low) to 10 (Very high).

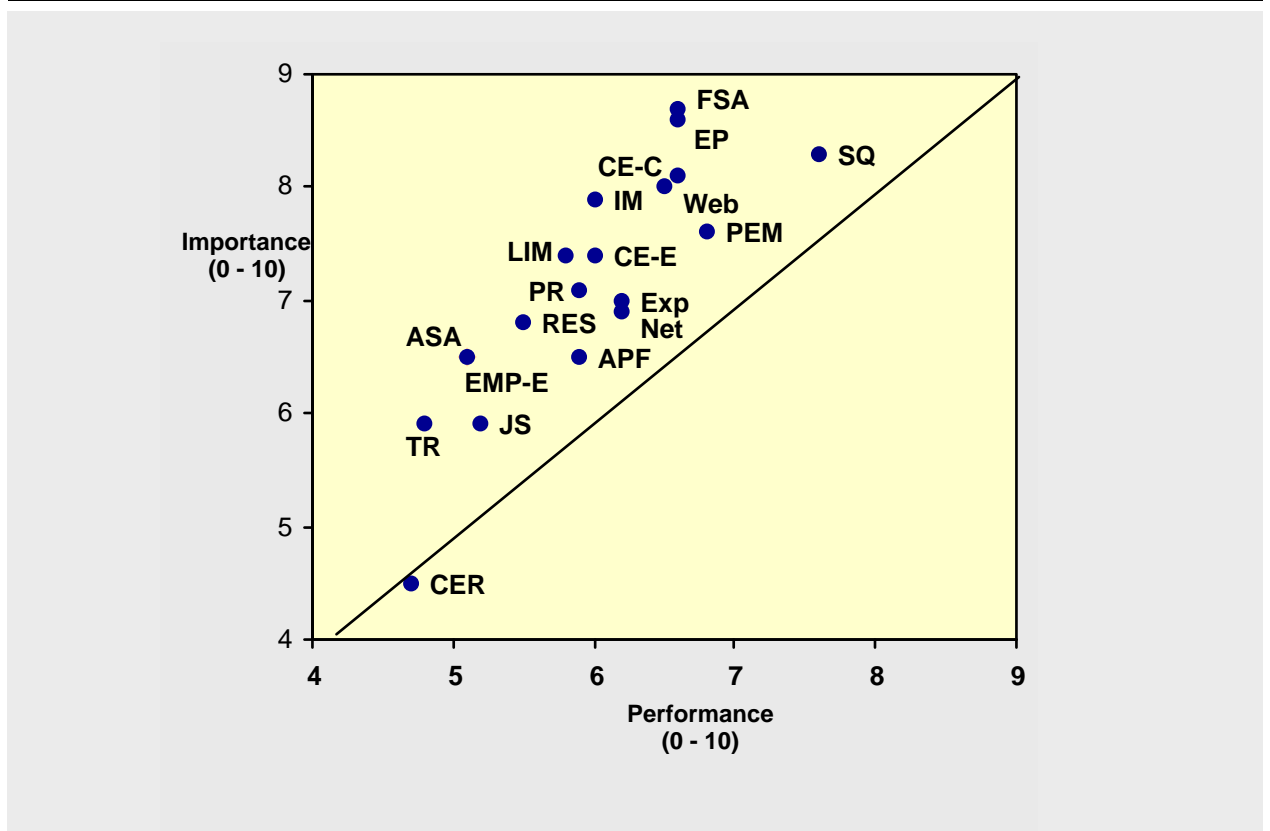
Table entries are rounded individually; the gap score may differ slightly from that obtained by subtracting performance from importance.

Plotting the importance score versus the performance score for each service gives the pattern in Figure 19. There is a strong tendency for services that Members find important to score high on performance and vice versa - less important services are perceived to be done less well.

There is one additional thing to consider in Table 19, and that is the correlations between importance and performance scores within each of the 19 benefits. For “Theoretical research,” the correlation is very high – .77. This means that Members who consider “Theoretical research” to be an important resource rate it high in performance, while those who do not consider it important rate it low in performance.

“Maintaining high exam standards” contrasts with “Theoretical research.” The correlation between importance and performance is very low, just .19. Members who say that maintaining high exam standards is important differ widely on how good a job the SOA is doing in this regard.

Figure 19. Plot of importance and performance scores, 2008



- | | | | |
|------|--|-------|---------------------------------------|
| Exp | Experience studies | Net | Opportunities for networking |
| PR | Practical research other than experience studies | JS | Info and resources for job search |
| TR | Theoretical research | Emp-E | Increase employment in emerging areas |
| IM | Enhance image among employers | LIM | Long-term image campaign |
| ASA | Maintain value of the ASA | FSA | Maintain value of the FSA |
| CER | Maintain value of the CERA | EP | High standards education process |
| RES | Redesigned education system | CE-C | Continuing Ed - Current practice |
| CE-E | Continuing Ed - Emerging areas | PEM | Print and electronic materials |
| APF | Actuarial practice forum | Web | SOA's web site |
| SQ | Service quality to Members | | |

Table 20 breaks out performance scores for each Member service by those who rated that service as higher in importance (7 or more out of 10) and those who rated it lower (6 or less out of 10). “Experience studies,” “Theoretical research” and “Publish actuarial practice forum” show the largest differences between those who regard them as high versus low in importance.

Table 20. Performance scores for Member benefits, contrasting Members who regard the benefit as more and less important, 2008

SOA benefit	Performance scores for Members who rate importance		
	7-10	0-6	Difference
Quality of service to Members	7.8	5.9	1.9
Provide print and electronic materials	7.4	4.6	2.8
Experience studies	7.2	4.0	3.2
Publish actuarial practice forum	7.1	4.2	2.9
Continuing education: Current practice	7.0	4.5	2.5
Redesigned the SOA’s web site	6.9	4.9	2.0
Maintain and enhance the value of the FSA	6.8	5.1	1.7
Maintain high standards for the education process	6.7	5.2	1.5
Practical research other than experience studies	6.7	4.2	2.5
Networking, conferences, discussions	6.6	5.2	1.4
Continuing education: Emerging issues	6.5	4.6	1.9
Theoretical research	6.5	3.4	3.1
Promote profession’s image among employers	6.3	4.5	1.8
Enhancing profession’s image through a long-term image campaign	6.3	4.3	2.0
Maintain and enhance the value of the CERA	6.2	3.9	2.3
Redesigned the basic education system	6.0	4.5	1.5
Job search information and resources	6.0	4.2	1.8
Increasing employment in new and emerging fields	5.5	4.3	1.2
Maintain and enhance the value of the ASA	5.7	4.2	1.5

ASA and FSA Perspectives

On most of the Member benefits, ASAs and FSAs respond in a similar manner, however the items on the importance of the ASA and FSA reveal a sharp divide:

- ASAs regard the SOA role in maintaining the value of their credential as very important – both those who plan to go on and those who do not.
- FSAs diminish the SOA's role in maintaining the value of the ASA credential. Apparently, once one gains the FSA, the ASA loses its importance.

ASAs who plan to go on and complete the FSA agree with FSAs that it is important for the SOA to maintain the value of this credential (Figure 21). ASAs who do not plan to continue regard this as a considerably lower priority.

Figure 20. Importance of the SOA working to maintain the value of the ASA, 2008

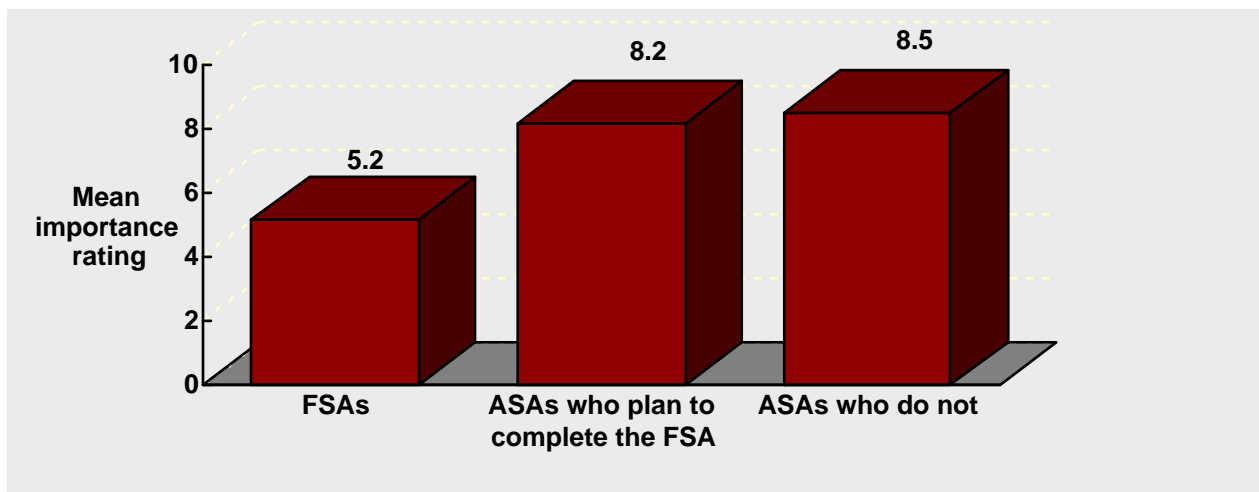
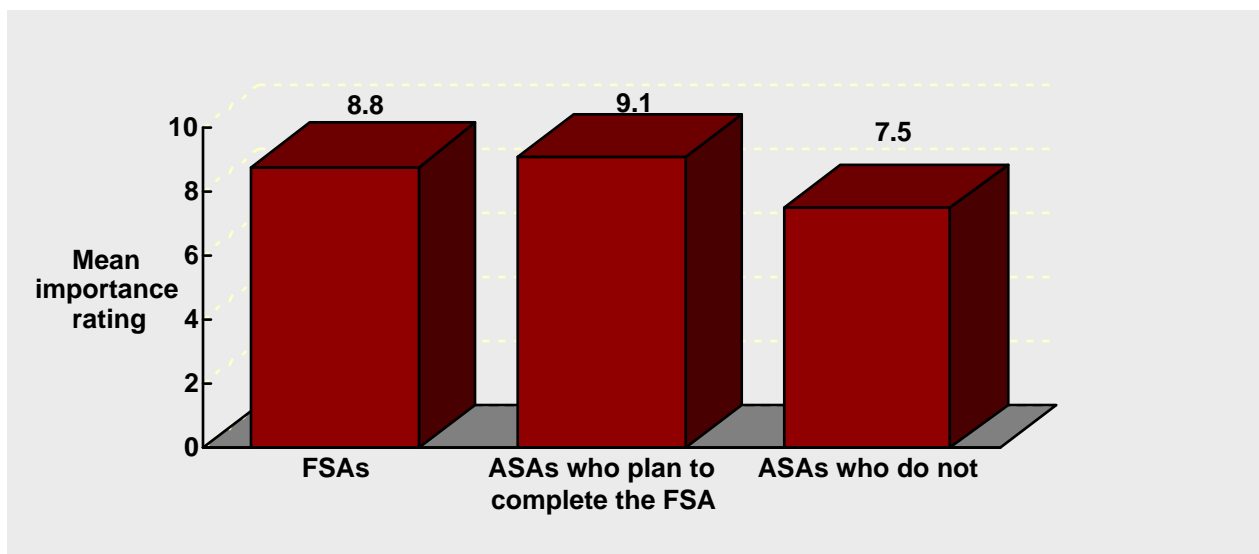


Figure 21. Importance of the SOA working to maintain the value of the FSA, 2008



Trends in performance on Member benefits

Scores for all of the Member services have increased since 2005. Most of the benefits have either returned to 2002 levels, or have increased even since 2002. These results are consistent with the increase in overall satisfaction.

The only score to increase from 2002 to 2005, “Promote profession’s image among employers,” continued to increase for a total increase of 0.8 from 2002 to 2008. This strong finding is presumably a result of the long-term image campaign, which was launched in the months prior to the 2005 survey.

Table 21. Performance on Member benefits, 2002 - 2008

SOA benefit	Mean performance score			Difference 05 to 08
	2002	2005	2008	
Quality of service to Members*	7.7	7.3	7.6	0.3
Provide print and electronic materials*	6.6	6.5	6.8	0.3
Continuing education: Current practice*	6.6	6.4	6.6	0.2
Maintain and enhance the value of the FSA*	–	6.2	6.6	0.4
Maintain high standards for the education process*	7.1	6.8	6.6	-0.2
Redesigned the SOA’s web site	–	–	6.5	
Networking, conferences, discussions*	6.3	5.7	6.2	0.5
Experience studies*	6.0	5.7	6.2	0.5
Continuing education: Emerging issues*	5.8	5.6	6.0	0.4
Promote profession’s image among employers*	5.2	5.5	6.0	0.5
Publish Actuarial Practice Forum	–	–	5.9	
Practical research other than experience studies*	5.4	5.4	5.9	0.5
Enhancing profession’s image through a long-term image campaign	–	5.8	5.8	0.0
Redesigned the basic education system*	–	5.3	5.5	0.2
Job search information and resources*	5.0	4.6	5.2	0.6
Increasing employment in new and emerging fields*	–	4.3	5.1	0.8
Maintain and enhance the value of the ASA*	–	4.8	5.1	0.3
Theoretical research*	4.5	4.4	4.8	0.4
Maintain and enhance the value of the CERA	–	–	4.7	

Note: Scores range from 0 (Very low) to 10 (Very high). Table entries are rounded independently; the “Difference” column may not exactly match the difference obtained by subtraction.

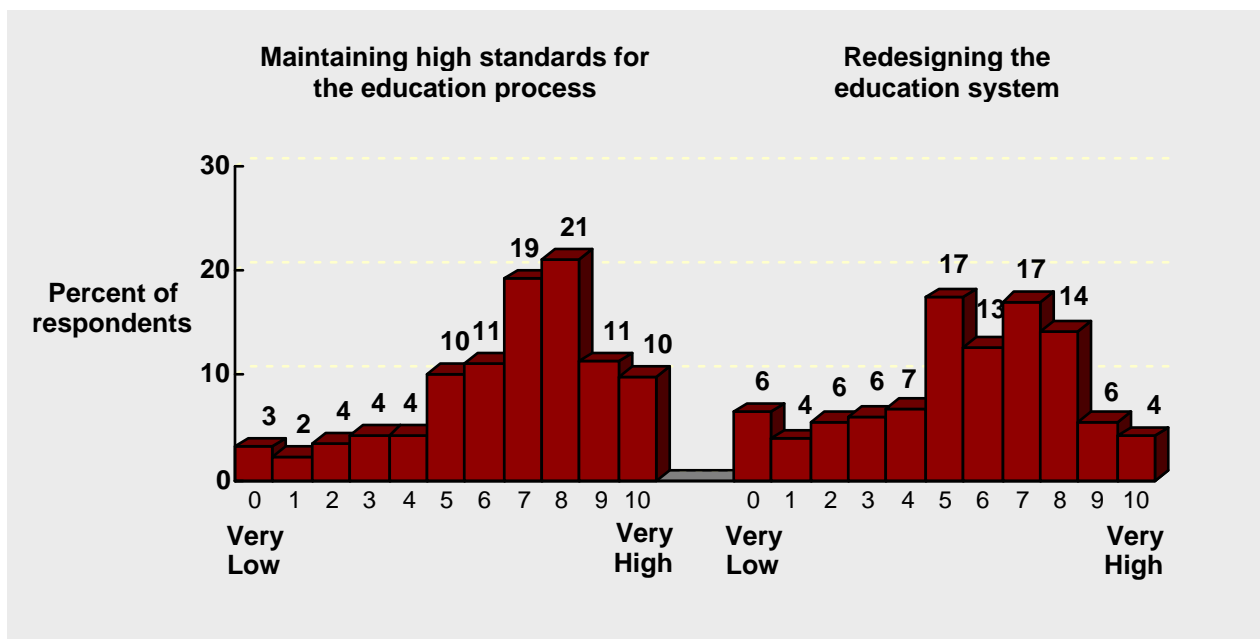
** Statistically significant difference between 2005 and 2008.*

The redesign of the education system has been a central dynamic of SOA activities for the past several years. The membership is split on the effectiveness of the redesign, with 41 percent on positive end of the rating scale (7-10), 22 percent on the negative end (0-3) and 37 percent in between.

At issue is whether the redesign will raise existing standards or compromise them. Those who see the resign as reducing present standards tend to oppose the redesign. The correlation between the two measures is .68. These measures combine to form the “Redesigning the education system” variable in the satisfaction model, Figure 13.

Maintaining high standards is critical for maintaining the value of the ASA and FSA credentials, and this relationship is also shown in the model.

Figure 22. Member ratings of SOA effectiveness in...

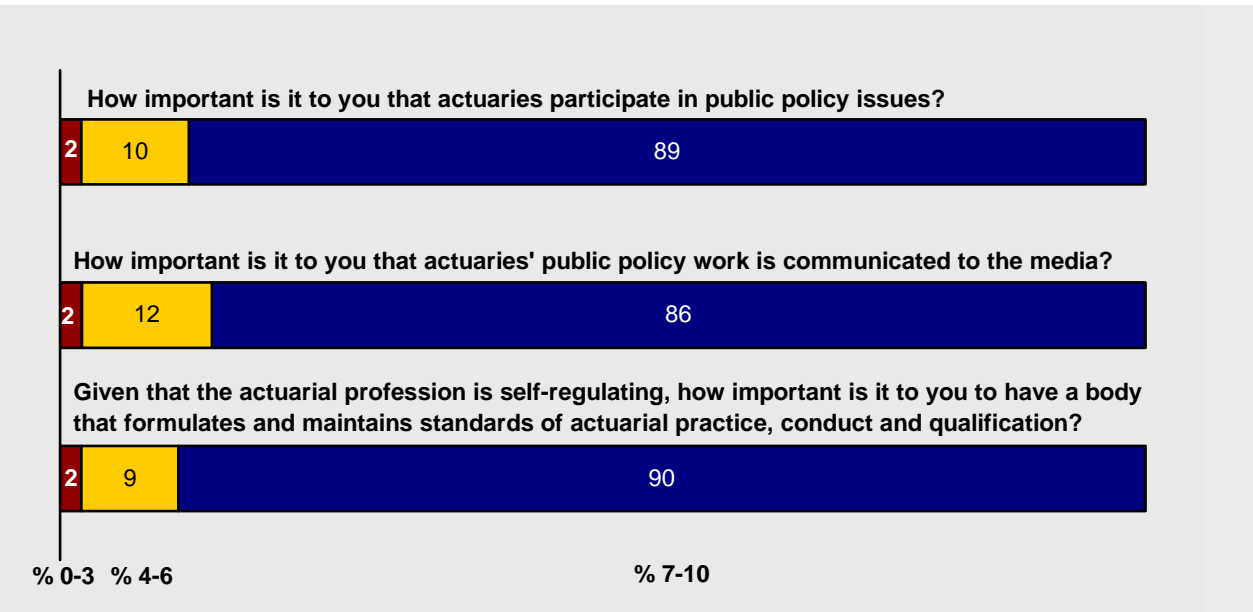


9. FUTURE DIRECTIONS

Public policy and professionalism

Clearly, Members give strong support to the work of the Academy of Actuaries. An overwhelming majority agree that actuaries should participate in public policy issues and that this participation should be communicated to the media. 90 percent of Members believe that it is important to “have a body that formulates and maintains standards of actuarial practice, conduct and qualification.”

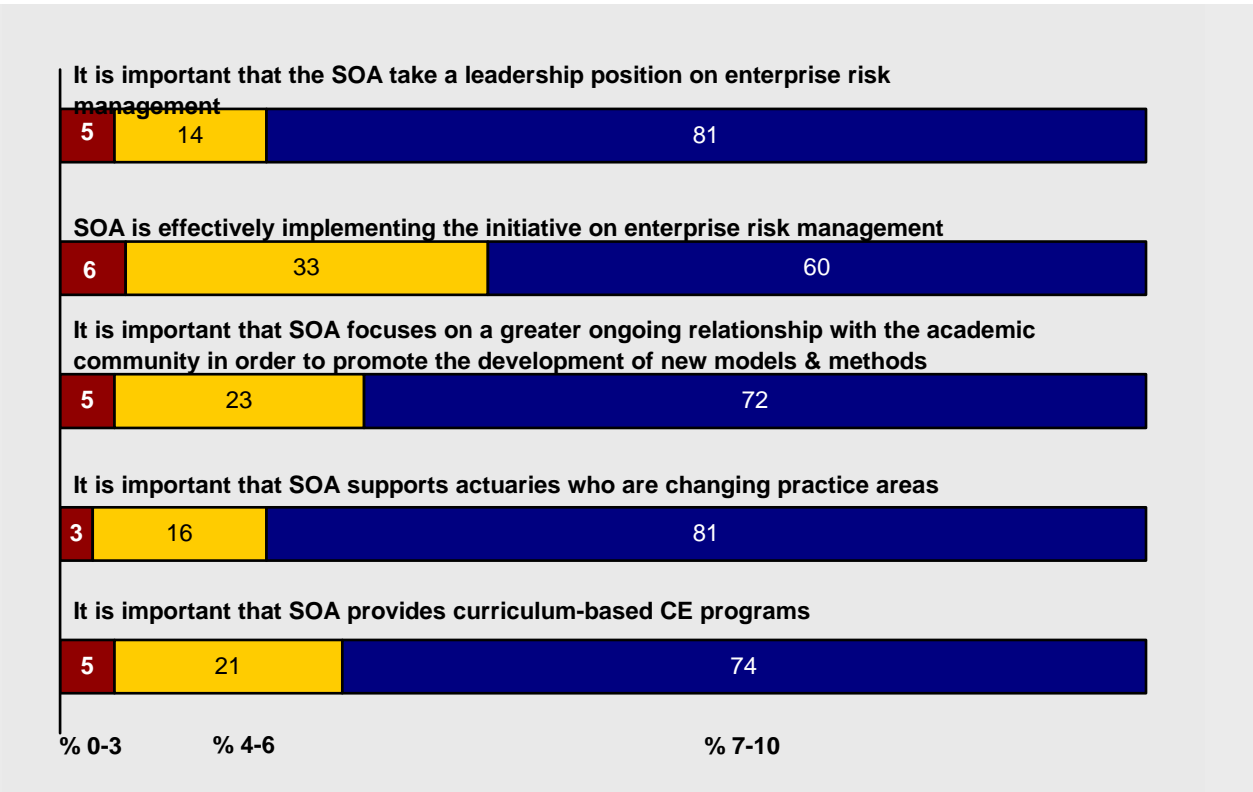
Figure 23. Assessment of strategic initiatives, 2008



Other initiatives

In 2005, 83 percent of Members believed that it was important for the SOA to take a leadership position on enterprise risk management, and that finding remains the same in the 2008 survey – 81 percent. In 2005, only 46 percent of Members believed that the SOA was implementing this initiative effectively, and that percent has increased to 60 percent in 2008. A 14 percent increase is certainly a positive sign, however there remains a large gap between the level of importance that Members place on this initiative and how effectively they feel the SOA is implementing it.

Figure 24. Assessment of strategic initiatives, 2008



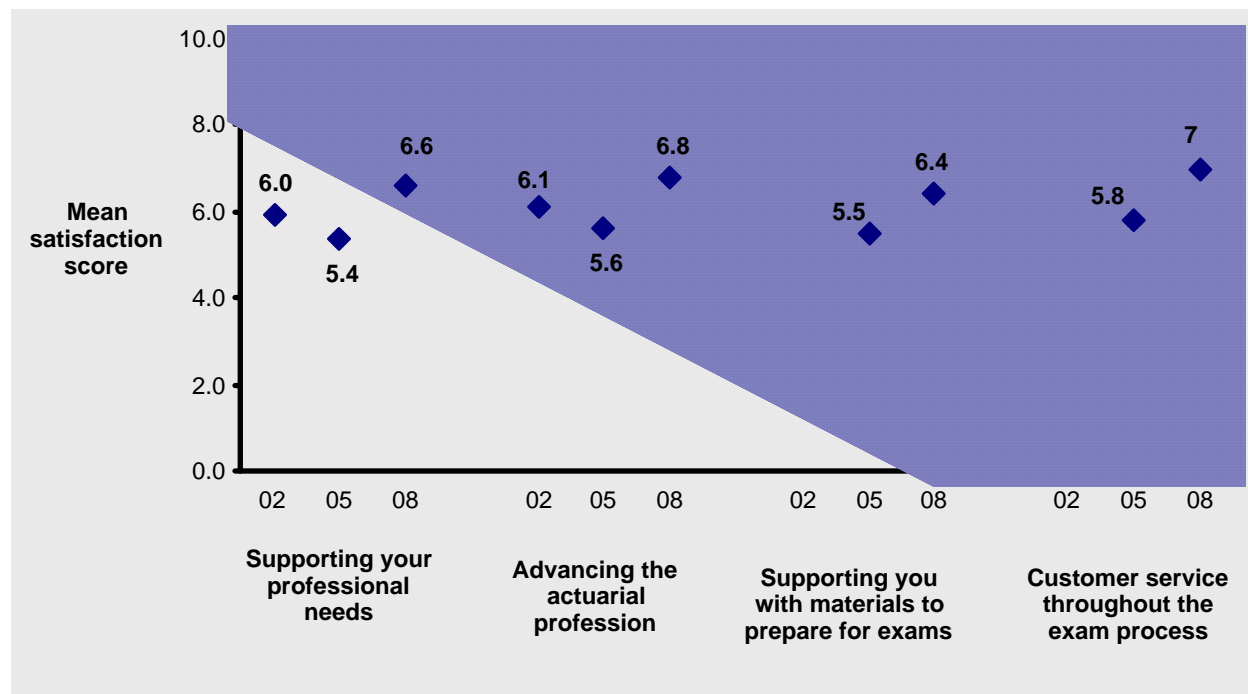
10. PRE-ASA CANDIDATES

Pre-ASA Candidates completed a shorter version of the survey in 2002 and 2005, but they were offered the full survey in 2008.

In 2005, like Members, they registered a decline in the major satisfaction measures, and like Members, in 2008 the scores increased. (Figure 25) However, Candidates' scores are not only higher than they were in 2005, but they are even higher than they were in 2002. So, while Member scores have returned in general to their 2002 levels, Candidate scores are much higher than the 2002 levels.

The questions on materials to prepare for exams and customer service were new to the 2005 survey. The 2008 survey allows for the first comparison over time for these measures. As with the other satisfaction scores, from 2005 to 2008 there was an increase in the scores.

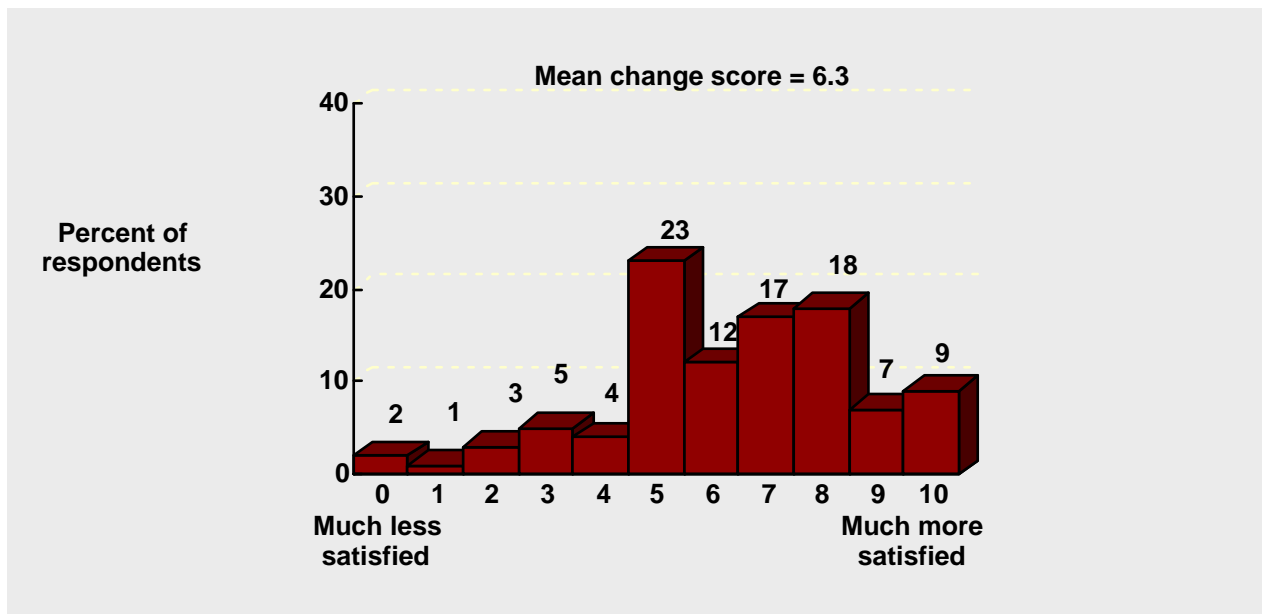
Figure 25. Pre-ASA Candidates' ratings of overall satisfaction, 2008



Note: ASAs were also asked the final two questions in Figure 25. Their scores do not differ to a statistically significant degree from those of pre-ASA Candidates. ASAs rated “Supporting you with materials to prepare for the exams” at 6.4 and “Customer service throughout the exam process” at 6.9.

Like Members, pre-ASA Candidates are more satisfied than they were in the past. This is consistent with the increase in overall satisfaction scores. A full 50 percent of Candidates believe that they are more satisfied than in past years, based on those who scored 7 and above. This should be seen as a positive sign for the future.

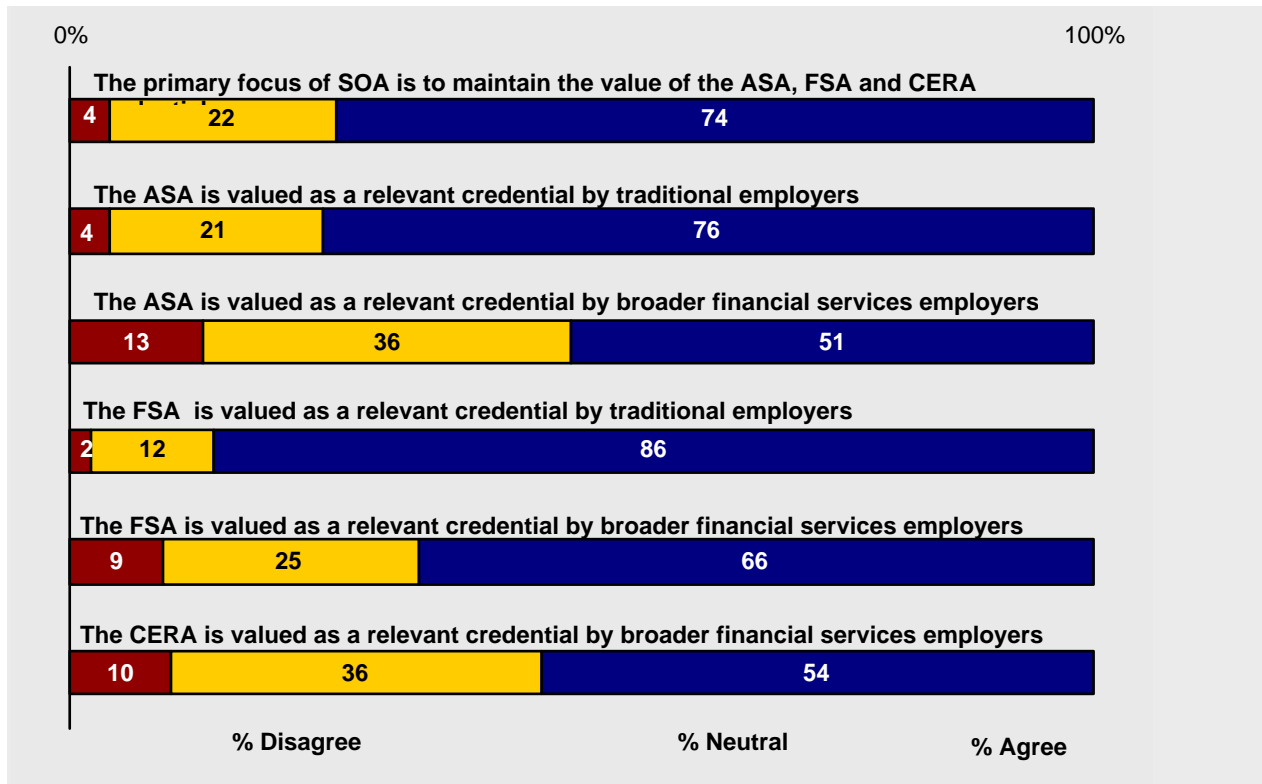
Figure 26. Pre-ASA Candidates' response to, "Are you more or less satisfied with the SOA today than you have been in past years?", 2008



Views on SOA credentials

The range of opinions of pre-ASA Candidates appears in Figure 27, and are compared to the opinions of Members in Table 22.

Figure 27. Candidates' views of SOA credentials, 2008



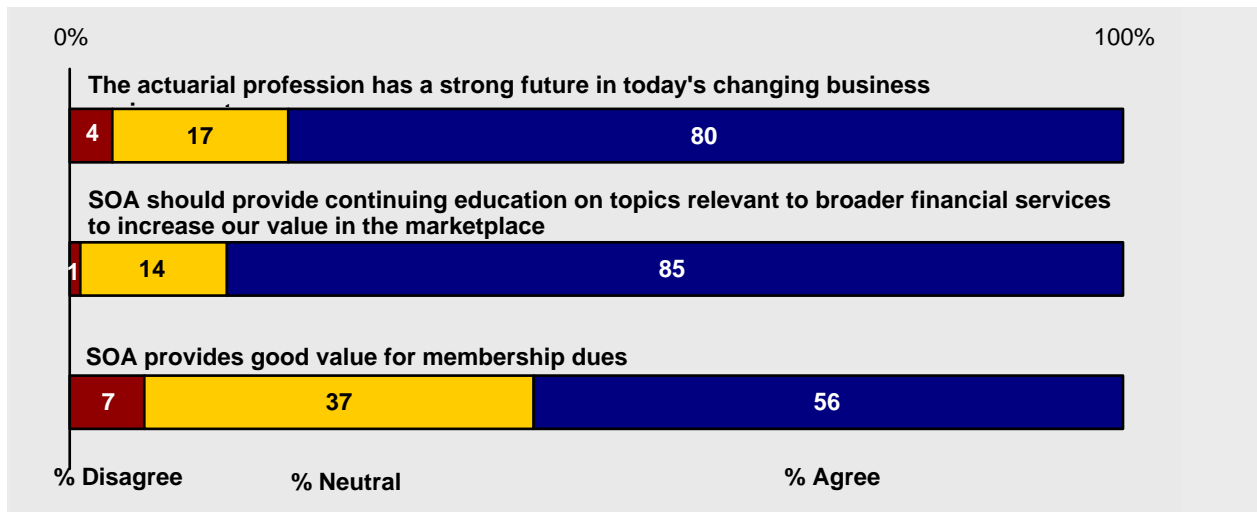
Note: 'Disagree' represents scores from 0 – 3, 'Neutral' represents scores from 4 – 6, and 'Agree' represents scores from 7 – 10.

Views on the profession

Pre-ASA Candidates take a more positive stand than members on each of the items in Figure 28. Among Members, the percent in agreement for these items are (from Figure 15):

- 62 percent for “The actuarial profession has a strong future...”
- 80 percent for “SOA should provide continuing education...”, and
- 41 percent for “SOA provides good value for membership fees”.

Figure 28. Candidates’ views of the profession and the SOA, 2008



Note: 'Disagree' represents scores from 0 – 3, 'Neutral' represents scores from 4 – 6, and 'Agree' represents scores from 7 – 10.

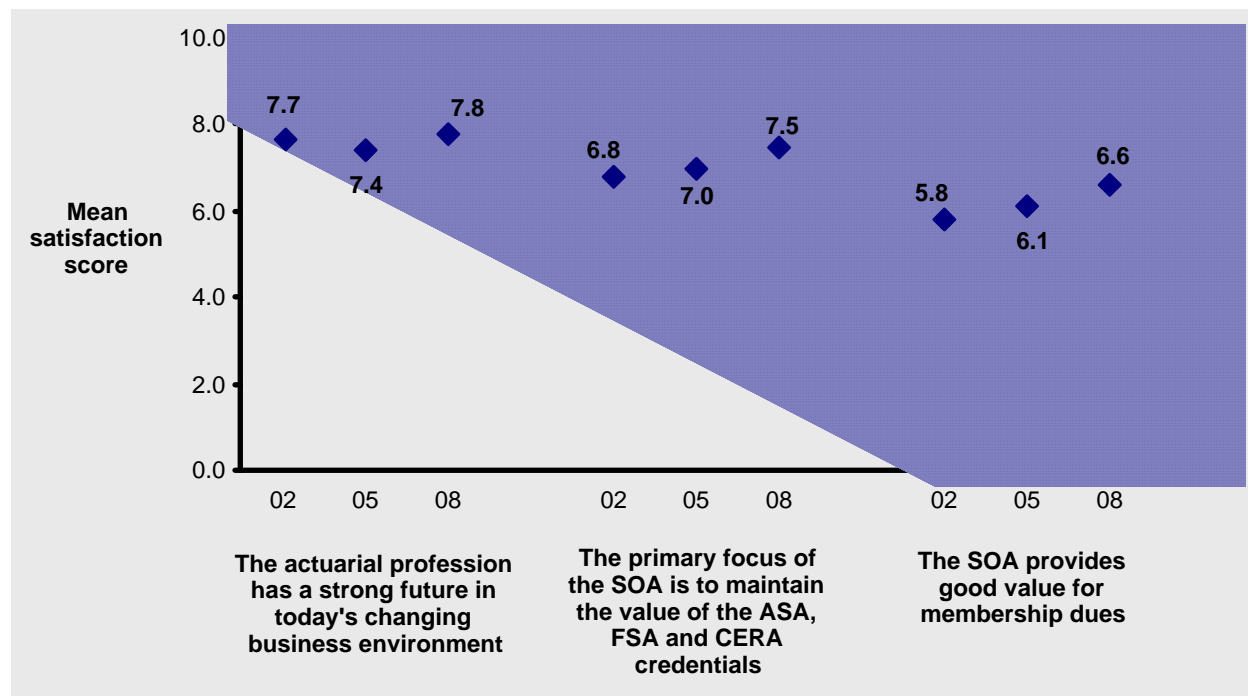
Members and pre-ASA Candidates differ on seven of the eleven measures, and in each case Candidates have a more optimistic outlook than Members.

Table 22. Members' and pre-ASA Candidates' views on the profession, 2008

Statement	Mean rating (0-10)		
	FSA's	ASAs	Candidates
The FSA is valued as a relevant credential by traditional employers	8.6	8.7	8.4
SOA should provide continuing education on topics relevant to broader financial services to increase our value in the marketplace*	7.6	7.9	8.1
The actuarial profession has a strong future in today's changing business environment*	6.7	7.0	7.8
The ASA is valued as a relevant credential by traditional employers (e.g. insurance, re-insurance, consulting)*	5.9	6.7	7.6
The primary focus of the SOA is to maintain the value of the ASA, FSA and CERA credentials*	6.8	6.9	7.5
The FSA is valued as a relevant credential by broader financial services employers*	5.5	6.1	7.1
SOA provides good value for membership dues*	5.7	5.7	6.6
The CERA is valued as a relevant credential by broader financial services employers*	4.0	4.7	6.5
The ASA is valued as a relevant credential by broader financial services employers (e.g. commercial and investment banks, mutual fund providers)*	3.6	4.7	6.3

* Statistically significant difference that accounts for at least one percent of the variance among groups.

Figure 29. Candidates' views on the future of the profession, 2008



Candidates scored differently than Members for 3 benefits. Candidates believe that “Maintain and enhance the value of the ASA” is more important than Members believe, and they believe that the SOA’s performance in this area is better than Members believe (see Table 18). Candidates also believe that the importance of “Redesigned the basic education system” is more important than Members believe, and again they believe that the SOA’s performance in this area is better than Members believe. The same pattern applies to “Maintain and enhance the value of CERA.”

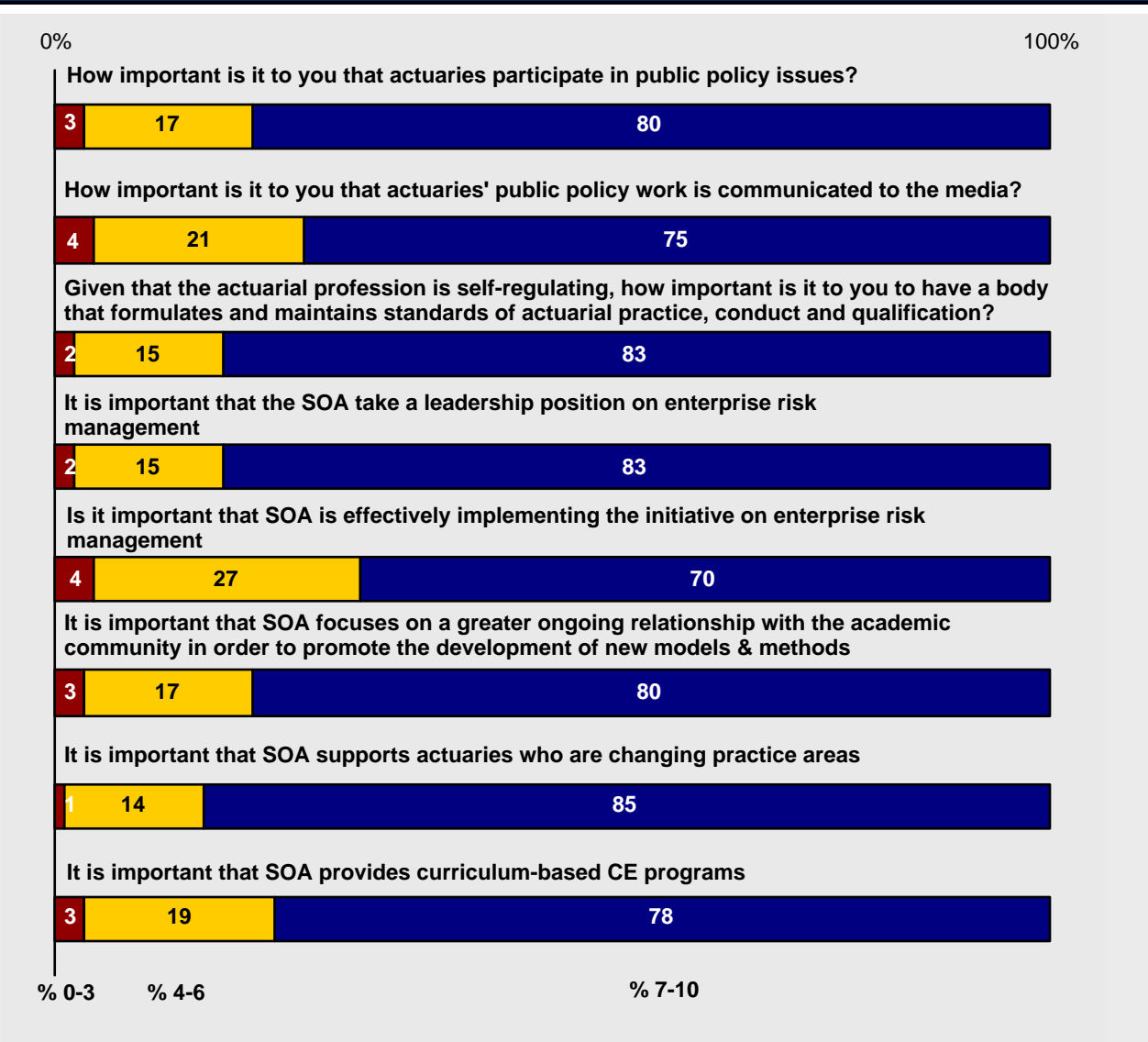
Table 23. Importance and performance scores for benefits: Candidates, 2008

SOA benefit	Performance	Importance	Gap
Quality of service to Members	7.6	8.5	0.9
Maintain and enhance the value of the FSA	7.6	8.6	1.0
Maintain high standards for the education process	7.4	8.3	0.9
Redesigned SOA’s web site	7.1	8.4	1.3
Provide print and electronic materials	7.1	7.8	0.7
Maintain and enhance the value of the ASA	7.0	8.4	1.4
Continuing education: Current practice	6.9	7.9	1.0
Promote profession’s image among employers	6.9	8.2	1.3
Continuing education: Emerging issues	6.8	7.8	1.0
Publish actuarial practice forum	6.8	7.5	0.7
Redesigned the basic education system	6.8	8.0	1.2
Experience studies	6.7	7.3	0.6
Enhancing profession’s image through a long-term image campaign	6.6	7.8	1.2
Practical research other than experience studies	6.6	7.2	0.6
Maintain and enhance the value of the CERA	6.5	7.2	0.7
Theoretical research	6.4	6.9	0.5
Increasing employment in new and emerging fields	5.9	7.8	1.9
Networking, conferences, discussions	5.9	7.7	1.8
Job search information and resources	5.8	7.7	1.9

Note: Scores range from 0 (Very low) to 10 (Very high).

Table entries are rounded individually; the gap score may differ slightly from that obtained by subtracting performance from importance.

Figure 30. Assessment of strategic initiatives, 2008

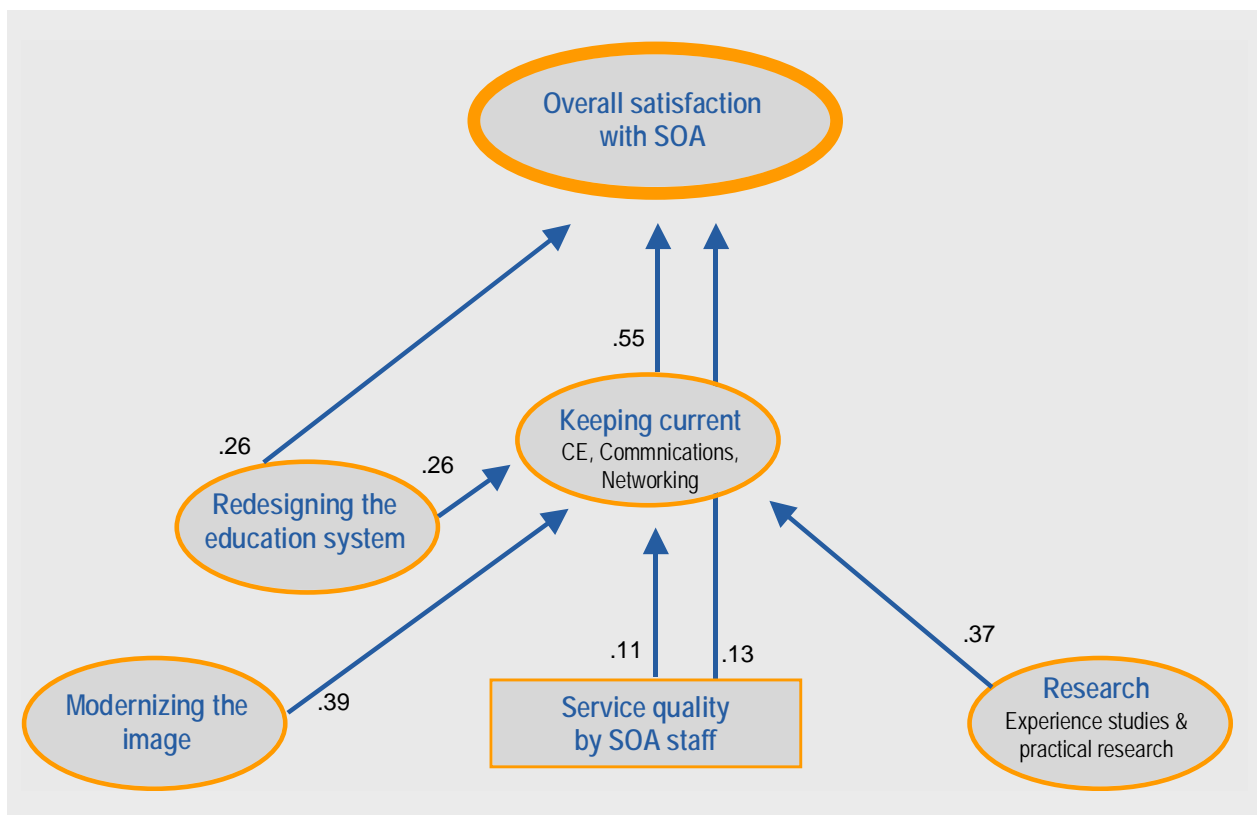


Models of satisfaction for pre-ASA Candidates

Pre-ASA Candidates are not members of Sections (although some may make use of the resources on Section websites). The satisfaction model for Pre-ASA Candidates must therefore begin without the component on support for the sections.

Aside from this, the model for pre-ASA Candidates, Figure 31 differs from the model for Members in one striking manner: there is no component for “Maintaining the value of the credentials”. In the Member model, there was a path leading from this variable to Overall satisfaction. While not particularly strong, (regression coefficient = .13), it was essential to the model. For pre-ASA Candidates, this coefficient is just .01, and is below the level of statistical significance. It would appear that Maintaining the value of the credentials is not particularly relevant to Candidates, who of course do not hold those credentials. Since this component does not contribute to Candidates’ satisfaction with the SOA, it was removed from the model. Finally, the Research element differs slightly in the pre-ASA model. For members, Experience studies, Practical research and Theoretical research are closely related, but for pre-ASA candidates Theoretical research is not viewed in the same manner as Experience studies and Practical research. Theoretical research was therefore dropped from the pre-ASA model.

Figure 31. Drivers of satisfaction: pre-ASA Candidates, 2008



Numbers beside the arrows are standardized regression coefficients.

The satisfaction models

Comparing the total effects on overall satisfaction reveals several interesting points:

- Keeping current has the strongest impact on satisfaction for each group.
- Redesign of the educational process is a stronger factor for pre-ASA Candidates than for members, possibly implying that Candidates feel the impact of the redesign more immediately.

Each of the model components represents an aspect of the SOA mandate.

- For Members of the SOA, each contributes materially to satisfaction with the organization;
- For pre-ASA Candidates, the importance of maintaining the value of the ASA and FSA credentials lies in the future. The other SOA functions all contribute materially to their satisfaction with the organization.

Table 24. Total effects on overall satisfaction in the satisfaction models, '08

Model component	Members	Candidates
Keeping current	.74	.55
Support for Sections	.40	–
Research	.32	.20
Modernizing the image	.30	.21
Redesigning the educational process	.22	.41
Service quality	.20	.19
Maintaining the value of the ASA and FSA credentials	.13	–

Values are standardized regression coefficients.

Fit statistics

Fit statistics for the models are within acceptable limits of approximate fit.

Table 25. Fit statistics for the satisfaction models, 2008

Statistic	Members	Candidates	Generally accepted criterion
Comparative fit index	.990	.993	>.95
Tucker Lewis index	.987	.988	>.95
Root mean square error of approximation	.031	.038	<.05
Standardized root mean square residual	.017	.017	<.05
Degrees of freedom	101	42	
Chi-square/df	5.0	2.2	
Number of cases	4,130	839	