



SOCIETY OF ACTUARIES

Article from:

The Actuary

February 1981 – Volume 15, No. 2

MINORITY RECRUITING

This Subcommittee expresses appreciation to the companies, consulting firms, foundations and individuals who responded so warmly to our 1980 fund drive with contributions totalling \$32,970.

During 1980 we approved \$31,650 in scholarships, as follows:

- \$15,350 for regular scholarships to 13 minority students;
- \$ 6,300 for minority students at Lebanon Valley College (Pa.) summer institute;
- \$10,000 for students in Howard University's fledgling actuarial program.

To enhance our recruiting effort, we seek to establish a network of Fellows, Associates and actuarial students (specially but not exclusively those who themselves are in a minority group) who would be willing to address groups of minority students, perhaps interview potential scholarship applicants, and lend encouragement to minority students within their locale. If helping in any of these ways interests you, please get in touch with Bernard Bartels at the Society's Chicago office.

Our warmest thanks to Mr. Bartels and his staff, to the editors of *The Actuary*, and to 1980 Presidents Vogel and MacGinnitie for their efforts and support—also to so many who have sent us encouraging responses.

Marsha M. Bera

A CONTEST OF ACTUARIAL INTEREST

From Madrid has come the announcement of THE KING JUAN CARLOS PRIZE. Its first award, in 1981, is to be for "monographic works of investigation on those technical, juridical, commercial, economic or insurance themes that endeavour to offset the effects of inflation in life insurance in particular and in savings in general." Entries must be at least 150, but no more than 500, double-spaced pages in length. Eligible participants are persons related to the world of insurance in particular or to the world of the economy in general. Entries must be sent through an organization, e.g., the Society, we suppose, to which the author belongs.

The prize is five million pesetas, which we figure to be equivalent to US \$65,000. The deadline, March 31, 1981, is too close for readers not already aware of the contest but this competition seems well worth watching. Details from: Secretaria del "I Premio REY JUAN CARLOS," Alcalá 39, Edificio Metropolis, Madrid-14, Spain. □

Exam Seminars At Georgia State

Seminars for Spring 1981 exams will be offered in Parts 2, 3, 4, 5A, 5B, and 6. Also, if there's enough interest, for CAS Part 6. Dates between April 6 and May 1. For details: Prof. Robert W. Batten, Dept. of Insurance, Georgia State University, Atlanta, GA 30303.

SOCIETY SEMINARS MARCH & APRIL 1981

Dates of the first three one-day seminars that were announced in December 1980 are:

| | |
|---------------------------------------|---|
| GAAP Accounting | Atlanta, March 25 Chicago, March 30 New York, April 6 |
| Actuarial Appraisal of a Life Company | New York, March 30 Chicago, March 31 Anaheim, April 8 |
| Pension Fund Gains and Losses | Chicago, March 30 New York, April 6 Anaheim, April 8 |

Individual brochures for these have been, or very soon will be, sent to all members. Some have already signed up through the pre-registration sheet that went with the general announcement.

Linden N. Cole
Director of Education

LETTERS

Grading Multiple-Choice Exams

Sir:

Messrs. Radcliffe and Nicodemus (Supplement, November issue) convincingly demonstrate that a candidate's rank on a multiple-choice exam is the same if the scoring method either (1) adds one-fifth of the omitted answers to, or (2) subtracts one-quarter of the incorrect answers from the correct answers.

But it is noteworthy that the author's conclusion that "exactly the same candidates will pass or fail under either method" does not hold true if the exam contains both multiple-choice and essay questions.

Consider two candidates in a mixed multiple-choice and essay exam whose performances are these:

| | <i>Multiple-Choice Questions</i> | | | <i>Essay</i> |
|---|----------------------------------|------------------|----------------|--------------------|
| | <i>Correct</i> | <i>Incorrect</i> | <i>Omitted</i> | <i>Point Score</i> |
| A | 60 | 40 | 0 | 35 |
| B | 70 | 0 | 30 | 26 |

Treating each multiple-choice question as worth one-half point, A ranks higher under Method 1, B ranks higher under Method 2.

By general reasoning it is evident that Method 1 favors the indecisive candidate who does well on essay questions, while Method 2 is the clear alternative for the inarticulate multiple-choice whiz.

Peter S. Kornya

* * * *

Sir:

If the essay scoring remains unchanged, the change of method will give greater weight to multiple-choice in the total. Since a given student rarely does equally well on both essay and multiple-choice, the result of changing to Method 1 is to favor students who do well on multiple-choice.

Among students near the pass mark (grades 3 through 8), the correlation between essay and multiple-choice scores is often strongly negative. My personal view is that essay questions require a quality of integrative thinking that is important to the practicing actuary and that it is not well tested through multiple-choice questions.

To the extent feasible, the E. & E.

(Continued on page 7)