



SOCIETY OF ACTUARIES

Article from:

International News

April 2008 – Issue No.44

Expand our Territories with CPD

by Alex Zaidlin and Bosco L. Chan



It is not a secret that we live in an ever-changing world. Political, social and economic changes take place on an almost daily basis. Certain changes, like new government regulation or compliance requirements, affect actuaries directly while others indirectly. As professionals, we have a social responsibility to update and expand our knowledge base as these changes occur.

The issue of whether the Society of Actuaries (SOA) should have continuing professional development (CPD) requirements was first brought to the Issues Advisory Council's attention in January 2006 and reviewed by the SOA Board of Directors in March of the same year. The Issues Advisory Council and Knowledge Management Strategic Action Team (KMSAT) studied the issue further. In June 2007, the Board approved the draft implementation plan for CPD requirements to maintain the actuarial profession's role in the evolving marketplace and to preserve the value of credentials with its members and stakeholders. To ensure a well-designed program, the CPD¹ focuses on three major areas:

1. Professionalism,
2. Job relevant topics, and
3. Non-technical (soft / business and management) skills.

The importance of the first two areas is very clear to actuarial practitioners. One must continue developing their technical skills and maintain professionalism to keep up with market changes. However, the reasons behind continuing education on their soft skills may not be obvious to many. As a reference, the Canadian Institute of Actuaries (CIA) modified its CPD requirement in 2005 to include business and management skills development as it believes that even though those skills are not unique to the actuarial profession, they certainly improve personal effectiveness and the actuary's ability to succeed in a diverse business environment.²

The Pacific Rim Actuaries' Club of Toronto (PRACT) is a leading local actuarial organization in Canada. It is aware of the actuarial professional's need to strengthen their business and management skills. Therefore, the PRACT



Alex Zaidlin is an actuarial associate at Munich Re Group Canada in Toronto, Canada and the secretary of the Pacific Rim Actuaries' Club of Toronto. He can be reached at azaidlin@munichre.ca.



Bosco L. Chan, FSA, FCIA, FCA, M.Math, is a consultant at Mercer in Toronto, Canada and the president of the Pacific Rim Actuaries' Club of Toronto. He can be reached at bosco.chan@mercer.com.

¹ Based on draft implementation plan in June 2007, which may be different from the final plan to be approved by the SOA Board.

² The Canadian Institute of Actuaries' Qualification Standard—Continuing Professional Development (CPD) Requirements (effective Jan. 1, 2006).

continued on page 22

decided to assume a major role by developing a series of interactive business workshops for local actuarial practitioners. The first workshop took place in June 2004, even before business and management skills were required in the CIA CPD requirement. The workshop has been offered twice a year since. If the participants find that the workshop material is relevant to their job, each of these workshops may be used to fulfill two structured hours of the CIA's CPD credits that are equivalent to 2.4 units of proposed SOA CPD units.

Before each workshop, the PRACT committee members discuss in length the needs and desires of the workshop attendees, to provide them with the most valuable two hours that will enhance their day to day work performance and contribute to their long-term growth as business professionals. The content of the workshops is developed by the workshop facilitator with input from the committee and is customized for our profession's specific needs. In addition to the presentation segment, each workshop includes real life examples along with group exercises to make it thought-provoking and educational at once. The workshops turned out to be a great success. Not only did they draw higher-than-expected attendance, but they also received positive feedback from the attendees.

The PRACT committee is made up of actuarial professionals in various fields of practice, which allows it to come up with relevant topics for actuaries today. The following topics have

been offered in the past PRACT business workshops:

1. Business Networking
2. Networking and Relationship Building
3. Presentation Skills
4. Leadership Skills
5. Conflict Management
6. Communication Skills

We understand there is a need for actuaries to expand their territories from sophisticated professionals to well-recognized business experts, and this need is expected to grow over time. There are a lot of opportunities around us. To capture or create new opportunities, we want to equip ourselves with more skills and knowledge. Receiving the credentials at a point in time reflects one's level of knowledge at that point in time only. The CPD program ensures that the actuary's level of knowledge is comparable to or even exceeds the level of knowledge they possessed on the day of receiving his/her credentials. The CPD program may not be the most popular program when it is first rolled out; nevertheless we are confident it has profound implications to the success of our profession in the evolving business market.

The views and opinions expressed in this article belong to the authors and should not be interpreted as those of the authors' employers or any other organizations with which the authors are associated. □