



SOCIETY OF ACTUARIES

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# Toward a Unified Profession

by Ardian C. Gill

In case no one noticed, there was no pension specialist elected to any open position in the Society's latest election. This was not a statistical fluctuation but evidence of a recurring problem which, fortunately, has a ready solution: If we reorganize the educational aspects of our profession along university lines, we can form a Pension College out of the CAPP, with its own board, president, etc. A Casualty College would emerge from the CAS, and at least one other college would be formed from the Society, e.g., Life/Health, although it is arguable that Health should be in the Casualty College or have its own college. (*En passant*, we can note that this proposal would solve another problem: there was no casualty actuary elected to the Board either!)

It is noteworthy that only the educational and related functions need be merged in this way, since the remaining aspects of our profession, such as certification to practice, standards setting, lobbying and discipline, are well handled by the two national bodies, the CIA and the AAA. (We cannot do without separate, national bodies for these functions, but there is no need for separate educations.)

This proposal was briefly outlined in a letter I wrote to *The Actuary* in the February 1987 issue. In letters appearing in subsequent issues, Peter Hutchings (*The Actuary*, June 1987) found the idea appealing, noting that pension actuaries would have their own "dean," and Oakley E. Van Slyke (*The Actuary*, May 1987) of the CAS thought "the greatest benefit would be to raise the level of the examination process for casualty actuaries."

So far, then, two cheers for the idea of reorganizing our profession using the university as a model. The proposal has prompted more than two questions, and it is my intention to answer these in three segments:

1. ORGANIZATION—Although one could use a corporate or military model with divisions and departments, those models do not fit an educational institution nearly as well as a university model with schools and colleges.

The heart of the university would be its colleges, which would be solely

responsible for education in their fields. While their exact composition will take some sorting out, the Academy's standards committees are a starting point: Casualty, Health, Life, Pensions, and Specialty, although General would perhaps be better for the last.

Each college would have its own board with its own president (or dean), all elected by the professionals who choose to align themselves with that specialty. The board of the university would consist of the presidents and presidents-elect of the colleges and perhaps the research vice-president of each college, with the chairmanship rotating among the colleges.

Such a reorganization would leave our current organizations more or less intact: more for the CAPP, which would take over pension education, about the same for the CAS, and less for the Society, which would be subdivided.

2. FUNCTIONS—The actuarial university would be primarily a degree granting organization, with ancillary research functions and with responsibilities for symposia and other educational functions, much like the current meetings and seminars of the various organizations.

The university would not have any qualification or certification functions beyond certifying that an individual has satisfactorily completed certain courses offered by the university. Those functions would continue to lie with the AAA, the CIA and the Joint Board for the Enrollment of Actuaries. Those bodies would rely, of course, on the university to offer the courses needed and to examine proficiency in those subjects with appropriate rigor. Similarly, standards and discipline would remain with the national bodies, which have the right to expect that the underlying principles would emerge from the learned organization.

3. EDUCATION—The Actuarial University of North America would not have a physical form any more than the CAS or SOA educational programs now have a physical form. This paper university consists not only of those programs but also of all the physical universities in North

America. With this thought construct, we would be more likely to accept other universities' courses for equivalent credit in ours.

Everyone matriculating in our university would be required to take certain core courses and would thereafter take major courses and electives. Life actuaries would no longer be graduated in ignorance of casualty subjects, and casualty actuaries would know something about pensions. We would feel free to borrow courses from business schools to broaden the type of actuary we are now graduating. In the fullness of time, we would be offering advance degrees in areas where the profession now fails to pull its weight, e.g., social programs and health systems. Part of earning these advanced degrees would be doing research in the chosen field, something that the Society seems generally unable to come to grips with.

As an epilogue, the key to this structure is recognizing the distinction between being certified as qualified to practice and acquiring the education that permits that qualification. (Law, accounting and medical schools provide educations and grant degrees but do not certify anyone to practice.) Most of the proposals that have appeared in *The Actuary* on the subject of unification of our profession have missed this point and have for that reason not led to a coherent solution to the unification dilemma nor to the problem of appropriate recognition of each discipline in our governance.

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