



SOCIETY OF ACTUARIES

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# Actuaries contribute to Course 8 design

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Since the Board of Governors approved the proposed redesign of the basic education and examination system, the design team charged with development of courses has continued its effort.

A major component of the new system will be the Course 8 series, the specialized actuarial practice examinations. Course 8 will provide candidates with essential advanced specialized education in one of seven practice areas: individual insurance, group life and health, managed care, U.S. pensions, Canadian pensions, finance, and investments.

One challenge facing the design team is to identify and cover the specific advanced topics for each practice area without requiring candidates to focus on detailed nation- and time-specific information. The design team decided to employ the expertise of actuarial practitioners from each practice area to help determine which advanced topics and subtopics to include in each of the new Course 8 courses.

## A two-pronged approach

To identify the topics, the design team sent a written survey and conducted a focus group with practitioners for each specialty in the Course 8 series. The focus group format offers an immediacy of response that helps hone and refine the information gleaned from the written survey. (Survey information also was obtained from actuaries who could not participate in the focus groups.)

For several reasons, this approach proved valuable in refining the topic identification for the advanced examinations. The method provided the participants and the working groups with a more thorough appreciation of practice areas, more penetrating insights into the needs of future actuaries, and a broader perspective on the issues that surround the education of actuaries.

## Hearing the differences

The focus group format provided a means to bring to the surface and discuss the different points of view that exist among experienced actuaries. Actuaries naturally have varying perspectives about which practice-related and business issues are most critical in developing the skills and knowledge needed to succeed in a particular practice area. The focus groups

provided a sense of direction based on the consensus of several experienced actuaries in each field, so that a course's direction would not be determined by individual opinions or biases. The value of the process was apparent during the focus group sessions and will no doubt extend to the quality of the final Course 8 series — the courses

covering each of the seven practice areas.

Highlights from the focus groups included the following ideas:

- Education of future actuaries must emphasize a thorough understanding of the economic implications of actuarial work.
- The Advanced courses should provide knowledge of market foundations and an appreciation of the complexities of applying actuarial techniques in diverse markets.
- The Advanced courses should foster an appreciation of the dynamic nature of economic considerations, in which change is expected and incorporated.
- There are unique modeling requirements for each of the varied specialties that future actuaries will need to learn.

## Valuable help

The FSAs who completed the surveys and participated in the focus groups deserve our thanks for their dedication to the profession and the future education of actuaries. Their interest, enthusiasm, commitment, and insights will certainly enhance the quality and value of the Course 8 series that results.

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