

**TRANSACTIONS OF SOCIETY OF ACTUARIES  
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**SOCIETY EXAMINATIONS**

To what extent will the elimination of Part 1 and the giving of the preliminary examinations twice a year be helpful in recruiting more candidates to the actuarial profession? To what extent will the proposed two-pronged system of Fellowship examinations be helpful in attracting more qualified individuals to the actuarial profession and in making it possible for them to complete their examinations more quickly?

MR. KENNETH R. CAMPBELL stated that the elimination of the one hour language aptitude test would have very little effect on the recruiting of actuarial students or on the level of competence of persons who completed the examinations.

He felt, on the other hand, that the giving of preliminary examinations twice a year would accelerate the Society's growth. The twice a year plan would be helpful in recruiting undergraduates by enabling them to take the examinations in the fall rather than in the spring when they are faced with college examinations. It would also be helpful in speeding the examination process for students already employed, particularly those students faced with a heavy year-end work load. It might be logical to extend the twice a year approach to all of the examinations except for practical limitations on the time which the Education and Examination Committee can give. Perhaps the present eight examinations might be increased to, say, twenty, each confined to a specific topic and divided equally between spring and fall. If such a course should lead to students passing the examinations in too short a period, an experience requirement for Fellowship might be imposed.

Mr. Campbell said the proposed splitting up of the Fellowship examinations would have little effect on attracting people to the profession, but would make it easier for Fellowship candidates to complete the examinations. He felt that the new system would lead to greater specialization and doubted the merit of such an approach.

MR. DARRELL J. CROOT said that the elimination of Part 1 would have little effect either on the speed with which students complete the examinations or in encouraging students to enter the actuarial profession. Some companies which have used the Part 1 scores to measure the aptitude of prospective students would be affected, but the actuarial aptitude examination now under preparation should serve this function even better.

Mr. Croot felt that giving the preliminary examinations twice a year would be helpful in recruiting more students.

1. The senior student who determines on the actuarial profession too late in his last year to take the examinations would not have to wait for a full year for his first opportunity to take them.
2. The senior student who begins prospecting for his type of work early in his last year might take the examinations in the fall and obtain some idea of his prospects for success before committing himself to the actuarial profession.
3. The time required to complete the Associateship examinations would be decreased and this should make recruiting easier.
4. The students faced with military service might have time to pass some examinations before entering service and thus find it easier to resume the examinations after service is completed.

Mr. Croot doubted that the two-pronged approach to the Fellowship examinations would make the recruiting task easier or reduce the total time required to complete the examinations. He did feel, however, that the new system might make it easier for the small ordinary companies and consulting firms to compete more effectively with the large companies for the available actuarial students. The students in the larger companies appear to have an advantage in passing the examinations because of the broad training available. The new system presumably would permit a partial elimination of subjects in which the student is not specializing and reduce this advantage of the larger companies.

However, he felt that an even more important reason that students in the large companies do better in the examinations is the study time allotted and the encouragement given by these companies to their students. He felt that no change in syllabus could offset these latter two advantages of the larger companies.

MR. ELMER R. BENEDICT said that he was in complete agreement with the proposed changes in the examinations. These changes, by providing a more reasonable progression of material in smaller bites and at more frequent intervals, should accelerate the progress of students through the examinations.

He felt that Part 1 had been of little value as a screening device and was glad to see it eliminated, although its elimination would have little effect on the recruiting process. Giving Parts 2 and 3 twice a year would, on the other hand, offer a distinct advantage in recruiting by increasing the number of examinations credited to young college graduates, thereby increasing their stake in the actuarial profession and their assurance that they are suited to an actuarial career. He would like to see the practice extended to include the present Part 4A. The fall examinations will be helpful for summer students who receive instruction in the preliminary examinations as part of their summer employment.

Mr. Benedict also said that the proposed two-pronged system of Fellowship examinations should make recruiting easier. He felt that the knowledge that a person would be examined intensively in the field which he chooses as his specialty would be attractive to prospective students. He expressed his appreciation to the committees who have been and are engaged in revising the examinations and the reading material. The extent of their good work can be best appreciated if one considers how difficult it would be to recruit students under the examination system of earlier years.

MR. CHARLES B. WATSON said that the omission of a suitable test of a student's ability to handle English was a serious defect in the examinations. He was not certain that Part 1 actually tested this ability. It did, however, test certain aspects of ability to handle English and construct proper reports, and this ability is not tested anywhere in the later examinations.

Mr. Watson felt that the proposed two-pronged system of Fellowship examinations might create a further division between the insurance company actuaries and the consulting actuaries. He said that apparently the purpose of the new system was to permit a greater specialization in the areas where one had the most practical experience. Since the course of study and the examinations do not place much emphasis on practical experience, he was not certain that the change could have the desired effect. He felt that the field of knowledge which we are presently required to cover is not so broad that one person cannot reasonably master all of it.

MR. RICHARD H. TALLMAN remarked that in view of the opportunities in all fields for college graduates and the competition for these graduates, the Society of Actuaries might perhaps be making the road too difficult for people considering the actuarial profession. He also remarked that we might consider making the course of study somewhat shorter than it now is, along the lines followed by one prominent medical school in reducing the length of its curriculum for a medical degree from eight years to six years.

MR. ROBERT F. LINK said he had spent some time marking actuarial examinations, and he had the impression that there were a great many of our students who are supposed to be the cream of the college crop who do not know how to write the English language. He doubted, however, that the examinations were the place to remedy this defect. He felt that if we recruited young men who looked good, they would learn to write English some day; the prime ingredient in writing good English is to know what is to be said and to have some clear purpose in mind in saying it.