What the Institute Wants from Actuarial Education . . .

Macquarie University
Actuarial Academic Conference

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Aspiration #1
Attributes of our Fellows

What we have
• Smart
• Analytical
• Creative within the box/ability to apply complex judgment
• Knowledgeable in sphere of expertise
• Professional
• Ethical

What we want
• Creative outside the box
• Leadership
• Street smart
• Team work

Where does “communication” fit?
Aspiration #2
UAM Textbook

• 2nd Edition project is underway
• Seeking to get US buy-in
• Universities invited to join Steering Committee
• September 2009 publish date
• Will make key draft chapters available for Semester 1 for student feedback (esp ERM)
• We want enthusiastic support
Aspiration #3
Enhance the actuarial brand

• Encourage Institute membership amongst students
• Encourage employers to use actuaries
• Direct research to areas of interest of Institute
• Designation issue – allow Associates to be called actuaries
Aspiration #4
Partnership in ad hoc developments

- Developments in global education
- New areas of research
- Shortage of PhDs/actuaries
Where we have come from

• Started with UK qualification system
• Australian system introduced in 1980s
• A distinctive feature is role of Universities
• Baker Review 2004 into Part III found
  – Exam system is world class
  – Curriculum OK
  – Teaching poor
• Baker’s recommendations now implemented
Qualifications Pathway

PART I
(Foundation)

PART II
(Control Cycle)

PART III
(Specialisation)

PRACTICAL EXPERIENCE REQUIREMENT

PROFESSIONALISM COURSE

FIAA

Institute of Actuaries of Australia
Course Structure Part III Education Program

Course 1 Investments (Compulsory)

PLUS
one of the following specific practice areas courses

Course 2 Part A Life Insurance &
Course 2 Part B Life Insurance

OR

Course 3 Part A General Insurance &
Course 3 Part B General Insurance

OR

Course 5 Part A Investment Management & Finance &
Course 5 Part B Investment Management & Finance

OR

Course 6 Part A Global Retirement Income Systems &
Course 6 Part B Global Retirement Income Systems

PLUS
Course 10 Commercial Actuarial Practice (Compulsory)

Sub-contracted to Access Macquarie from 2009
Mastery Learning

• Institute wants candidates to master skills and knowledge, not just pass exams
• Students need to be proficient in all Parts of qualifying program

Is Mastery Learning a reasonable goal?
How can we achieve Mastery Learning in the program?
Part I: Changes to the Assessment requirements for some subjects?

- Institute currently requires 85% of assessment to be the final exam
- Considering relaxing this for some Part I subjects (CT2, CT3, CT6, CT7)

Would innovative assessment approaches better encourage Mastery Learning and other attributes mentioned in the Aspiration section?
Importance of Control Cycle

• Before Control Cycle, candidates had to study all practice areas in Part III
• Introduction of Control Cycle exposes candidates to the principle that can be applied in many areas
• Now candidates only study their area of practice in Part III (plus Invest & CAP)

Challenge is to better integrate Control Cycle principle into Part III subjects (as was done with GRIS)
Accreditation Process Review

• The formal accreditation system was introduced in 1999

• Issues:
  – Doesn’t accommodate the needs of new entrants
  – Takes a lot of administrative effort every two years
  – Too inputs focused

• Looking at practices of other professions like Engineers Australia

What Changes do you think should be made?
Part III: Institute Improvements

• Subcontracting Part III Investments to Access Macquarie, Semester 1 2009
• Insourcing Life, GI, GRIS to Institute
  – Pilot S1, 2009; Full Implementation S1, 2010
  – P/T Staff Actuary to absorb many volunteer roles for each subject
• Better Align Learning Strategies with Desired Outcomes
  – Case study & syndicate group approach
  – More teaching and better learning environment
  – More feedback to students
  – E-Learning and improvement for distance students
• Part III Taskforce
  – BoE relaunch, re-engineer processes and volunteer support, late withdrawal policy
The Future:
Outcomes approach to inform structure and content for the education program

• Build capability framework for each stage of qualification
• Determine educational activities needed to achieve those capabilities
• Use as basis for review of all qualifying education program
• Seek to obtain alignment with models from IAA, SOA and IoA/FoA
• Consider a “Principles-Based” approach for Part III curriculum with applications from a variety of jurisdictions
Discussion

• What questions do you have?