

The Actuarial Profession

making financial sense of the future

A Strategy for the Institute and Faculty



2011

Strategy process

Aimed to answer the following questions:

- What are our strengths and weaknesses?
- What challenges do we face?
- What is our unique contribution?
- What are our objectives?
- What options do we have?
- What choices should we make?

External environment

- Overseas membership growing
- Other professions encroaching / more prestigious
- Decline in defined benefit pensions
- Post solvency II reduction in demand
- Competition and costs
- Regulatory changes
- New areas open up (risk, long term care)

Our vision

We will serve the public interest by ensuring that where there is uncertainty of future financial outcomes, actuaries are trusted and sought after for their valued analysis and authority

- *Aspirational – where we want to be*
- *Externally focussed*
- *Expresses what success looks like*

What is different

- A new qualification structure integrated with regulatory oversight that will be effective on a global basis
- A step change in our member support to meet the evolving and diverse needs of our membership body
- An international strategy of proactive engagement
- A greater presence in public affairs, speaking out on issues where we can contribute
- A reinvigoration of learned society and thought leadership activities which is the life blood of our long term sustainability.

Our Priorities

- Re-engage with our members
 - Consult on needs and demonstrate value of membership
 - Communicate through different channels
- A strategy of proactive engagement to benefit all members
 - Services more accessible and relevant
 - Build our global brand and foster an international grouping of mature national actuarial associations
- Step change in promotion and public affairs activity
- Proposal on qualification structure

Education objective

To provide high quality qualifications for our students and lifelong education for our members

- Develop proposals for new qualification structure
- Effective on international basis
- Responding to :
 - Competition from other bodies
 - The wish to boost presence in new fields
 - The desire to improve 'softer skills'
- Need to work up the model for further consultation

Education strategy I

We intend to work up the 3 Level qualification model and consult with members on a detailed proposal in Autumn 2011.

Level 1: Technician level

- Passed technical exams but not required to do higher level, practical exams or “softer skills”. Professionalism required.
- Meet demand for lower cost, technical skills for more “number crunching” type roles.
- Attractive to those interested in technical actuarial skills, less time and cost to get to recognised level.

Subject mix

Equivalent to Core Technical Subjects CT1 - CT9

The Journey

Actuaries and students should always should always comply with the code and relevant standards.

Education strategy II

Level 2: Qualification level - Actuary/Fellow

- Generic qualification - no UK specific material.
- The qualification level would be in line with Groupe Consultatif requirements for being fully qualified.
- Obtain an annual update on professionalism matters and anything else of relevance.
- Work-based experience requirements to continue to apply broadly as at present.

Subject mix

As above plus mix of Core Application Subjects and Specialist Technical Subjects (14 in total)

The Journey

No need for a UK practising certificate if not in practise and/or individual remains at Level 2.

Education strategy III

Level 3: Practising/Specialist Fellow

- Through exams or CPD (entry through exams or transitional experience applications or through senior actuary endorsement under an approved 'regulation through firms' process.)
- In order to act as an adviser on one of the five specific areas, the individual has to be qualified in the relevant speciality. Adviser can mean in-house within employer or external consultant.
- 5 specialisms and one general advisor "specialism"
- Any reserved role would be treated as an extra specialism for the purpose of CPD.
- Meet minimum CPD requirements which should be broadly no more onerous than at present.

Subject mix

- As above plus Specialist Application Subject in one area
- Plus practice module

The Journey

A UK practising certificate can be obtained in one or more specialism and any reserved role is an additional specialism.

To practice outside the UK depends on local requirements.

Each area of practice needs c 15 hours CPD.

Public affairs and promotion objective

To speak up on relevant matters of public interest and to raise awareness of the work of actuaries and the value we add to society.

- To inform and influence public policy development in existing and new areas
- To promote the integrity, independence and professional standards of actuaries
- To promote the benefits actuaries bring in existing areas of work and in new sectors
- To support the retention and recruitment of new talent to the profession

Learned society and thought leadership objective

To advance all matters relevant to actuarial science.

- Support and promote new research and knowledge transfer
- Develop the programme of learned papers and discussion
- Raise the profile of our publications

Research Strategy Project

Why research and knowledge transfer?

To encourage research and knowledge exchange (with open and easy access for members and non-members alike) in the public interest that:

- Promotes the monitoring and **development of actuarial science** including actuarial methods and use of data
- Supports and develops the **competence of members** throughout their careers
- Helps actuaries **speak out publically** with authority in matters relevant to our profession and where actuaries can make a difference

and so maintain and enhance public confidence in the work of actuaries and the reputation of the actuarial profession.

Research Strategy Project

- Themes for research and knowledge transfer 2011-12
 - Identifying needs
 - Sustaining and building research communities
 - Building external links
 - Making research accessible through improved communication
 - Breaking down silos

Questions

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