

# **LEARN, INTERACT, GROW COMPETENT: A CONCEPTUAL FRAMEWORK FOR CONTINUING PROFESSIONAL DEVELOPMENT**

**By MW Lowther and WJ McMillan**

## **ABSTRACT**

The International Actuarial Association has identified principles of professionalism for actuaries. These principles may be seen as a ‘professional promise’ to deliver specialist and up-to-date actuarial expertise that is ethical and subject to professional oversight. This paper reports on a study which investigated how actuarial associations could encourage their members to honour the professional promise. The study drew on Gardner’s concept of Continuing Professional Development (‘CPD’) as the means by which actuarial associations could encourage their members to develop and maintain the capability to deliver this promise. Current conceptualisations of professional development were identified from the literature and various professions’ CPD requirements. Thereafter the opinions of South African actuaries on the insights from the literature were sought by means of an on-line survey. Analysis of the literature indicates that professional development is most effective when it takes place through a development cycle of planning, action, results and reflection. Further, professional development is associated with competently completing tasks which are required in the workplace. Data from the survey supported these insights. It is concluded that actuarial associations’ CPD requirements should be designed to encourage members to engage in work-based development cycles in order to develop and maintain their capabilities. The paper concludes with suggestions for implementing these insights.

## **KEYWORDS**

Professionalism; continuing professional development; professional development cycle; professional practice.

## **CONTACT DETAILS**

Mickey Lowther, B.Sc FIA FASSA. E-mail: [actuary@mweb.co.za](mailto:actuary@mweb.co.za)

## **1. INTRODUCTION**

1.1 The Actuarial Society of South Africa (‘Actuarial Society’) recently incorporated the principles of professionalism of the International Actuarial Association<sup>1</sup> (‘IAA’) into its Code of Professional Conduct<sup>2</sup>. Accordingly, the Code requires members to undertake to deliver, throughout their careers, specialist and up-to-date actuarial expertise that is ethical and subject to professional oversight. This undertaking to deliver a quality service is referred to as the

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<sup>1</sup> International Actuarial Association. *Principles of Professionalism* 2012. <http://www.actuaries.org>, 12/03/2012

<sup>2</sup> Actuarial Society of South Africa. *Code of Professional Conduct*, 2012. <http://www.actuaries.org.za>, 18/11/2012

professional promise<sup>3</sup>. The purpose of the study discussed in this paper was to investigate how an actuarial association such as the Actuarial Society could encourage its members to develop and maintain the capability to deliver their professional promise.

1.2 Gardner (1978) coined the term Continuing Professional Development ('CPD') to describe the commitment to a full professional life, increasing capacity and good practice. The research question which guided this study was therefore "How should CPD be practiced to enable actuaries to deliver their professional promise?"

1.3 There is a substantial body of literature related to the effectiveness of CPD requirements. In this study, insights from these sources were used to suggest CPD principles that might result in actuaries developing and maintaining their service delivery capability. The insights drawn from the literature were tested by means of a survey of the opinions of members of the Actuarial Society.

1.4 The theme of the 2014 International Congress of Actuaries is 'learn, interact, grow'. This theme has been incorporated into the title of this conference paper since it will be seen that work-based interaction is essential for professionals to convert learning into growth in competence and capability to deliver a quality service. The concept that CPD requirements should primarily assist members to maintain the capability to deliver a quality service was subsequently adopted by the Actuarial Society. A pilot project is underway in which volunteers are carrying out their professional development in the light of these principles.

1.5 This conference paper presents the highlights of the research paper (Lowther & McMillan, forthcoming). In section 2 the methodology of the study is explained. Sections 3 to 6 outline insights from the literature on four aspects of CPD – the nature of professional development, ways in which professional development may be prompted, and the role of the professional body and the employer respectively. In section 7 the insights are compared to CPD requirements of the IAA, and six large Anglophone national actuarial associations. Section 8 presents the opinions of South African actuaries on the insights from the literature. Section 9 concludes by identifying implications of these insights for actuarial associations. Section 10 is a brief progress report on a pilot project to implement these insights.

## **2. METHODOLOGY**

2.1 Literature was sought to identify current conceptualisations of CPD, and to review the strategies that are considered appropriate to support the authentic development of professionals and their capability to deliver a quality service. The search platform Google Scholar was used to identify appropriate literature by means of the search phrases "continuing professional development", "continuing professional education", and "professional development". The platform's associated search tools were then used to access literature cited in any identified article, as well as literature which cited the identified article. The search was discontinued when no new insights emerged from analysis of the literature (Padgett, 2008). A qualitative analysis of the literature resulted in the identification of insights regarding professional development.

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<sup>3</sup> supra

2.2 Data regarding actual CPD requirements from a variety of professions and professional bodies was also sought. Some of these requirements were identified from the literature while other requirements were accessed through website searches. This information provided insight into a variety of CPD requirements, their various structures and the underpinning assumptions.

2.3 Thereafter, the opinions of South African actuaries were elicited regarding the insights which had emerged from the literature and CPD requirement reviews. This information was obtained using an anonymous on-line survey. The survey consisted of closed questions except for a single free text box at the end of the questionnaire. Questions were checked for validity and reliability with a statistician. The office of the Actuarial Society disseminated a link to a Survey Monkey questionnaire to all active qualified members of the Actuarial Society. 19% (n=168) responded. The insights from the literature, mapped against the results of the survey, were reported back to two general meetings of members.

### **3. THE NATURE OF PROFESSIONAL DEVELOPMENT**

#### **3.1 HOW PROFESSIONALS DEVELOP**

Mezirow (1997) argues that professionals develop by making their own interpretations, rather than acting on the purposes, beliefs, judgments and feelings of others. By definition, development implies growth, evolution and gradual unfolding – a process of becoming, influenced by nature and nurture (Boud & Hager, 2011). Professional development cannot be pre-specified and standardised, over-simplified, divorced from practice or separated from group learning (Boud & Hager, *ibid*). Drawing on Houle (1981), Lowther & McMillan (2006) argue that professionals are not passive recipients of claimed wisdom. Rather, they strive for continuous improvement and adaptation in their own practice (*ibid*). Such learning involves critical reflection on assumptions, validating contested beliefs through discussion with others, taking action on one’s reflective insight, and critically assessing it (Mezirow, 1997). Professional development is not just acquisition and transfer, but participation, construction and becoming (Boud & Hager, 2011).

#### **3.2 PROFESSIONAL DEVELOPMENT AND WORK**

In an empirical study, Fenwick (2009) illustrates that professional development occurs within the context and dilemmas of daily professional life – in other words, predominantly in the workplace. Many professions already recognise the need for work-based learning at the intern stage – because learning is a normal part of working, and indeed most other social activities (Boud & Hager, 2011). Hicks et al (2007: 62) define work-based learning as “acquiring skills, knowledge and attitudes that enhance individual and organisational performance as a function of completing organisational tasks and roles, often interacting with other people”. In a study by Caffarella and Zinn (1999), the CPD of a group of academics was found to be a mixture of self-directed learning, formal courses and organisational strategies – with the most effective learning taking place as a result of work-based teaching, preparation and supervision. The literature suggests that professional development which happens in the workplace occurs in both planned and unplanned ways, as discussed below.

### 3.3 THE DEVELOPMENT CYCLE

3.3.1 Friedman & Woodhead (2008) offer a model for planned professional development. They argue that a development cycle is an effective mechanism for achieving professional development in the workplace. Their suggested cycle is composed of four stages – planning, action, results and reflection. Actuaries will be familiar with the power of an actuarial control cycle to move an enterprise forward through a similar cycle of planning, acting and reviewing (for example Bellis et al, 2010). It is evident from the multi-profession empirical study of Friedman & Woodhead (2008) that traditional hours-based CPD requirements focus mainly on the action stage of a development experience. A development cycle adds to this action stage the dimensions of prior planning and subsequent reflection on results. This concept of professional reflection (Schon, 1983) may be more easily understood by actuaries as analysis (Tripp, 1990). Such analysis could range from the micro (e.g. a better way of laying out a spreadsheet) to the macro (e.g. the impact of the work on third parties).

3.3.2 The complete development cycle is not the only way to ensure professional development. In the workplace context, it is not always possible to anticipate development opportunities and therefore formal planning cannot always occur. Gold et al (2007) researched the way litigation lawyers developed their professional capabilities, and found that they arrived at new understandings of their work through articulation and dialogue with colleagues in situations where they made on-the-spot decisions with little time for deliberation. Gold et al (2007: 240) dub the process as “CPD on the run”. Raelin (1997) describes the same phenomenon as communities of practice reflecting-in-action. Thus, this type of development in the workplace follows the last three stages of the development cycle (action, results and reflection) even though the first stage (planning) is not possible.

### 3.4 TRANSFER OF OFF-SITE LEARNING

3.4.1 In contrast to the concept that professional development occurs predominantly in the workplace, many CPD programs require only attendance at off-site seminars. Davis & Davis (2010), reviewing a number of studies of physicians, found that only a minority of development came from off-site CPD events, with the majority being work-based and self-directed. Eraut (1994) argues that professional learning is not completed by attendance at off-site CPD events. He suggests instead that in order for professional development to be effective, the individual must incorporate through practical application what has been learnt at the CPD event. Eraut’s position is strongly supported by a number of large scale studies (Baldwin & Ford, 1988; Ford & Weissbein, 1997; Chang and Ho, 2001; Steinert et al, 2006; Armour & Yelling 2002; Blume et al, 2010). For example, Blume et al analysed 89 empirical studies that explored the effectiveness of off-site training. They concluded that there is only limited transfer of learning if insights from workshops are not integrated into the work environment. Structured learning activities regarding updated technical developments or a new field of practice should therefore be seen as necessary but insufficient.

3.4.2 The contribution of structured seminars to work-based development will depend on a complex interplay of factors including the stage of development and the particular field of the professional. Daley’s (1999) study amongst nurses found that novices tended to learn by forming concepts and assimilating them through formal mechanisms, whereas experts tended to learn informally, in practice, and with colleagues. Business professionals may need work-based development more than health professionals, whose deliveries are more structured (Murphy & Calway, 2008).

### 3.5 SUMMARY

In this section, the literature has been used to understand what kind of professional development would encourage actuaries to deliver their professional promise. It is concluded that it is difficult for a professional to deliver the professional promise without engaging in cycles of work-based development.

## 4. PROMPTING WORK-BASED DEVELOPMENT

4.1 Empirical studies provide insights into strategies to prompt work-based development.

4.2 From a study of Canadian accountants Hicks et al (2007) derived 12 work-based learning strategies:

- completing new tasks;
- applying past experience;
- working with others;
- thinking about past events;
- researching solutions to problems;
- external development programs;
- intuition;
- observing others;
- reading;
- e-learning;
- formal meetings; and
- in-house professional development programmes.

4.3 These learning strategies may be supported or discouraged by aspects of the workplace which Coldwell & Simkins (2010) term mediating and moderating variables respectively. Drawing on a series of workplace studies, Boud & Hager (2011) derived aspects of the work environment that influence work-based learning. These include:

- learning potential of task;
- opportunities for feedback;
- degree of formalisation;
- allowance for initiative;
- learning resources;
- exposure to demands from stakeholders;
- exposure to changes in technology and methods;
- managerial responsibility;
- external professional contact; and
- reward for proficiency.

Similarly, Hicks et al (2007) derived 23 learning barriers such as not enough time and too many jobs and 12 learning facilitators such as staying up to date, multi-tasking, and the opportunity to

discuss with others. Webster-Wright (2009) reviewed recent literature across professions and identified further barriers including bureaucracy, resistance to change, perceived need for external direction, and vested interests. The case study by Caffarella & Zinn (1999) highlights that the mediating and moderating variables can be personal, inter-personal or institutional.

4.4 Alsop's (2002) study of occupational therapists suggests that the use of a portfolio might be one way of carrying out the analysis stage of the work-based development cycle. Brown (1995: 2) describes a portfolio as:

“a private collection of evidence which demonstrates the continuing acquisition of skills, knowledge, attitudes, understanding and achievement. It is both retrospective and prospective, as well as reflecting the current stage of development and activity of the individual. It is personal and private, assembled in whatever way seems appropriate to the owner. Key tools are the capacity for reflection, analysis and application of skills in practice.”

Using case studies, Klenowski et al (2006) show how portfolios helped professionals develop understanding of their professional practice through professional development records.

## **5. THE ROLE OF THE PROFESSION**

5.1 This section considers the role that a professional body can play in encouraging the development process.

5.2 Regarding the professional development of physicians in the USA, Bennet et al (2000) recommend that the profession should support members to maintain their capability to deliver a quality service through:

- understanding how physicians learn;
- promoting valid and reliable work-based learning;
- promoting the development of practitioners' learning skills;
- promoting valid and reliable education;
- networking with all stakeholders;
- developing relevant assessment; and
- developing teachers and mentors.

The need for CPD requirements to address the development of professionals' capability to deliver a quality service is also highlighted in other fields of medicine (Davis & Davis, 2010; Carbon, 2005; du Boulay, 2000), pharmacy (Konkol, 2005), physiotherapy (O'Sullivan, 2003) and accounting (Boritz and Carnaghan, 2003).

5.3 A substantial study was commissioned by the International Federation of Accountants to fill a perceived gap in the research regarding valid measurement of the impact of CPD on practice (Friedman & Woodhead, 2008). They measured the 'professional development value' of CPD requirements of a number of professions. They compare CPD requirements by graphing the depth of each of four steps in a development cycle (planning, action, results and reflection). For

example, the CPD requirements of the Chartered Institute of Management Accountants ('CIMA') are illustrated in Figure 1, clearly showing the emphasis on planning and reflection.

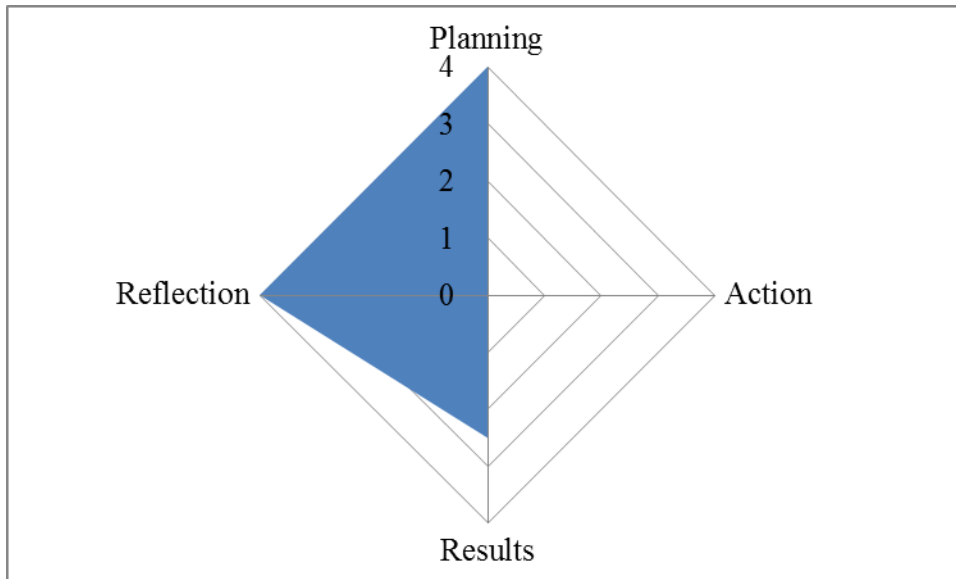


Figure 1: CPD requirements of CIMA (After Friedman & Woodhead, 2008: 27)

5.4 The South African Institute of Chartered Accountants ('SAICA') is reported in Friedman & Woodhead (ibid) as requiring only a record of input hours for its CPD, and no requirement for planning, results or reflection. This requirement is illustrated in Figure 2.

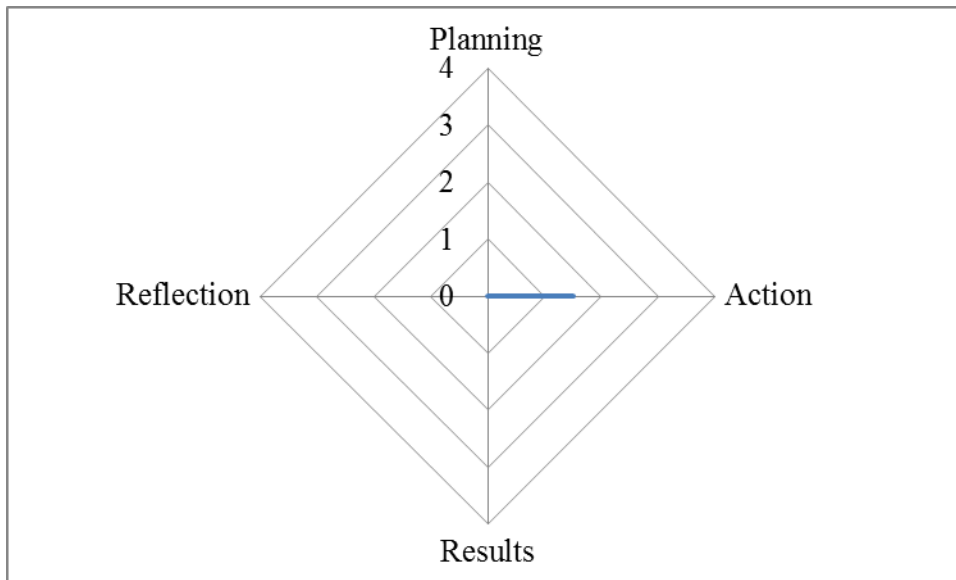


Figure 2: CPD requirements of SAICA (After Friedman & Woodhead, 2008: 32)

5.5 The Royal College of Psychiatry ('RCPSYCH') in the UK was unique among the professional bodies interviewed by Friedman & Woodhead in that the planning and analysis stages of its CPD requirements are done within peer groups. At the beginning of the year, the peer group meets to discuss development objectives and to develop individual plans. Members

are asked to think about their CPD in terms of knowledge, skills, attitudes and social skills, and to look at four levels of practice, ranging from basic skills common to the profession to specific specializations. A minimum of 50 hours per year is required for the action stage. Thereafter, members reflect on the result of their CPD within the peer groups. This requirement is illustrated in Figure 3.

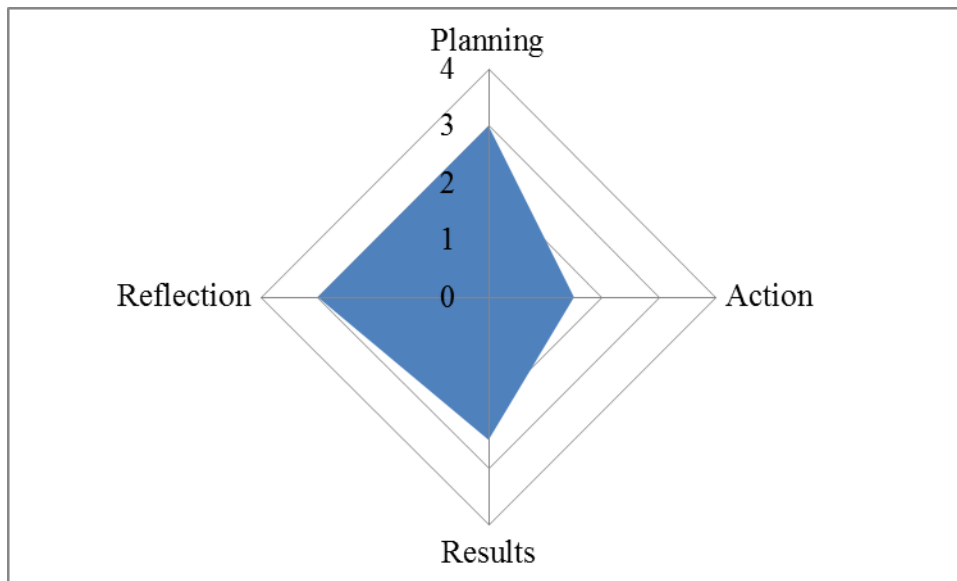


Figure 3: CPD requirements of RCPSYCH (After Friedman & Woodhead; 2008: 32)

5.6 One way that some professions encourage the development of service delivery capability is through detailed lists or frameworks of competencies. Based on studies in the accounting profession, Boritz & Carnaghan (2003) found no conclusive evidence of the effectiveness of the competency approach, how to assess it, or how to avoid lengthy, unworkable lists of competencies. Some national accounting associations have adopted competency approaches, while others have rejected them as unworkable (ibid). The Actuaries Institute in Australia ('AI') has recently carried out an extensive project to document actuarial competencies as a guide for lifelong actuarial development<sup>4</sup>. In this project, actuarial work is widely defined, and subdivided into generic technical and management functions, with associated performance indicators. The AI acknowledges that careful consideration and development will be required before the framework can be used in practice. In the UK, the Financial Reporting Council ('FRC') developed an Actuarial Quality Framework<sup>5</sup> as part of their oversight role of the UK actuarial profession, and that framework informs the professional standards that the FRC develops. Lowther (2011) used the FRC's framework to develop a detailed capability benchmark for a specific field of actuarial work.

<sup>4</sup> Actuaries Institute. *Actuarial Capabilities Framework*, 2012. <http://www.actuaries.asn.au>, 20/12/2012

<sup>5</sup> Financial Reporting Council. *Actuarial Quality Framework*, 2009. <http://www.frc.org.uk>, 20/12/2012



## 6. THE ROLE OF THE EMPLOYER

6.1 Section 3 highlighted that much of a professional's development occurs in the workplace. A professional body therefore needs to acknowledge and understand that its CPD requirements are going to be played out predominantly in a domain under the employer's jurisdiction.

6.2 The nature of employment for many professionals has changed in recent years. In past years, autonomy was the hallmark of a profession, both at an individual and profession level (Funk, 2012). Such autonomy could be seen to be the result of a social contract in the public interest (Friedson, 2001). More recently, economic and regulatory aspects of professions' autonomy are increasingly being taken over by the state or corporate governance initiatives<sup>6</sup>. Furthermore, many professionals have migrated from traditional professional partnerships into large professional service organizations which are directed by expert managers who may not themselves be members of that profession (Evetts, 2003). In these organizations, professional competence is often measured by organizational goals of efficiency, which may emphasise service delivery, client satisfaction and cost and profit issues (Evetts, 2012).

6.3 In the light of these realities, professional bodies will need to consider the extent to which they should rely on, or participate in, an employer's in-house development and performance appraisal processes for its employees. Because of potential conflicts of interest, Evetts (2003) cautions professions against abdicating the responsibility for CPD to employers. Nevertheless, CIMA accredits employers as CIMA development partners<sup>7</sup>, and delegates the monitoring of CPD to the employer. The Institute and Faculty of Actuaries ('IFA') in the UK encourages the appointment of an actuary or compliance person at an employer to be a CPD co-ordinator<sup>8</sup>. Furthermore, the IFA intends to introduce a quality assurance scheme for employers, regarding the professional development of actuaries in their employ<sup>9</sup>. In South Africa, employers may be accredited as Actuarial Training Offices for the work-based experience requirement of student actuaries.

## 7. CPD REQUIREMENTS FOR ACTUARIES

7.1 This section briefly summarises CPD guidelines issued by the IAA as well as the CPD requirements of the Actuarial Society and five other Anglophone actuarial associations, as reflected on their websites. (The authors understand however that some of these associations are in the process of reviewing their CPD requirements.) The CPD requirements of CIMA are also scrutinised because their domain of practice is fairly similar to that of actuaries, and their CPD requirements were shown by Friedman & Woodhead (2008) to have substantial emphasis on the planning and reflection stages of professional development.

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<sup>6</sup> Braithwaite, J (2005). Neoliberalism or Regulatory Capitalism. *Regnet Occasional Paper No. 5*. Australian National University, Canberra

<sup>7</sup> Chartered Institute of Management Accountants. *CIMA Professional Development*, 2012. <http://www.cimaglobal.com>, 16/02/2012

<sup>8</sup> Institute and Faculty of Actuaries. *CPD – Developing Knowledge, Building Skills*, 2012. [www.actuaries.org.uk](http://www.actuaries.org.uk), 03/12/2012

<sup>9</sup> Institute and Faculty of Actuaries (2013). Quality Assurance. *The Actuary* 4 September, 10

7.2 The ‘Principles of Professionalism’ of the IAA sets out the core value that actuaries worldwide should deliver a quality service that is competent, ethical and subject to professional oversight<sup>10</sup>. However, the IAA’s guidelines to national actuarial associations on CPD<sup>11</sup> are not yet fully consistent with the implications of this core value, perhaps because of being issued earlier in time. The IAA’s CPD guidelines require individual actuaries to remain competent in their areas of work through continued learning and study. The need to remain competent is ascribed by the IAA to changes in both actuarial techniques and the regulatory environment. Implicitly, an action stage only system of CPD is suggested.

7.3 As with the IAA, the Actuarial Society’s definition of CPD has not yet been reviewed in the light of its new Code of Professional Conduct<sup>12</sup>. The Actuarial Society defines CPD as<sup>13</sup>

“the maintenance, improvement and broadening of knowledge and skill and the development of the personal qualities necessary for the execution of professional and associated duties throughout the actuary’s working lifetime.”

However, the CPD requirements of the Actuarial Society<sup>14</sup> (which are similar to those of five other large Anglophone actuarial associations, viz the IFA in the UK<sup>15</sup>, the AI in Australia<sup>16</sup>, the Canadian Institute of Actuaries<sup>17</sup>, and in the USA, the Society of Actuaries<sup>18</sup> and the Casualty Actuarial Society<sup>19</sup>) entail only that members complete a minimum number of hours in relevant technical and professional learning. All the associations require some of the CPD to be verifiable or structured. Only the AI links CPD directly to service delivery, by positioning CPD as part of the process of maintaining the capacity to practice<sup>20</sup>. The Australians are also alone in specifically including aspects of work as one of many items that could qualify for CPD credits<sup>21</sup>. The IFA has recently introduced a requirement for members to participate regularly in a curriculum of professional matters. The professional development value of the CPD requirements of the Actuarial Society and the other associations would be illustrated in the same way as those of SAICA in Figure 2.

7.4 A comparison of Figures 1 and 2 illustrates that the CPD requirements of the large Anglophone actuarial societies are centred on the action stage, whereas those of CIMA are centred on the planning, results and reflection stages. Friedman & Woodhead (2008) argue that

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<sup>10</sup> supra

<sup>11</sup> International Actuarial Association. Guidelines on Continuing Professional Development, 2011. [www.actuaries.org](http://www.actuaries.org), 13/02/2012

<sup>12</sup> supra

<sup>13</sup> Actuarial Society of South Africa. CPD requirements of the Actuarial Society of South Africa, 2007. <http://www.actuaries.org.za>, 16/02/2012: p1

<sup>14</sup> ibid

<sup>15</sup> supra

<sup>16</sup> Actuaries Institute. *Professional Standard No.1: CPD*, 2009. <http://www.actuaries.asn.au>, 03/12/2012

<sup>17</sup> Canadian Institute of Actuaries. *Qualification Standard – Requirements for CPD*, 2008. <http://www.actuaries.ca>, 03/12/2012

<sup>18</sup> Society of Actuaries. *CPD Requirement*, 2009. <http://www.soa.org>, 03/12/2012

<sup>19</sup> Casualty Actuarial Society. *Continuing Education Policy*, 2012. <http://www.casact.org>, 03/12/2012

<sup>20</sup> ibid

<sup>21</sup> ibid

all four stages are necessary for effective professional development. In an on-line planning tool<sup>22</sup>, CIMA members are assisted to go through six steps in a professional development cycle:

- define your roles;
- assess your development needs;
- design and document activities;
- act;
- reflect and apply learning; and
- evaluate progress and repeat.

Members are assisted in the reflection stage by means of questions<sup>23</sup> such as:

- To what extent and in what ways have you improved your competence?
- What else do you need to do to achieve your desired level?
- What changes would you make to your learning approach following the experience?
- What will the wider impact of the learning be on your organisation or career?

7.5 The Royal Institute of Chartered Surveyors ('RICS') also encourages their members to use a formal learning cycle in their professional development<sup>24</sup>. RICS acknowledges that some work-based professional development may be unplanned, but will still need the reflection stage in order to be effective.

## **8. SURVEY OF MEMBERS OF THE ACTUARIAL SOCIETY OF SOUTH AFRICA**

8.1 This section presents the results of a survey of members of the Actuarial Society. The survey elicited opinions regarding the insights which had emerged from the literature. The methodology is described in Section 2.

8.2 The first three questions in the survey were demographic, in order to check whether respondents' answers varied by period since qualification, field of practice, or period practising in current field. Apart from the instance mentioned in 8.5 below, no significant variations within responses were noted where the sub-groups were large enough to be reliable.

8.3 In Question 4, a clear majority of respondents indicated that most of their current professional capability was acquired post-qualification. This result, shown in Table 1, indicates that the majority of respondents deemed post-qualification development necessary for professional service delivery.

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<sup>22</sup> supra

<sup>23</sup> supra

<sup>24</sup> Royal Institute of Chartered Surveyors. *Continuing professional development*, 2011.

[http://www.rics.org/site/scripts\\_info.aspx?documentsID=250&pageNumbers=3](http://www.rics.org/site/scripts_info.aspx?documentsID=250&pageNumbers=3), 16/01/2012

Table 1. Percentage of current capability acquired post-qualification

How much of your current capability in your field did you acquire post-qualification?						
	Less than 20%	20% to 40%	40% to 60%	60% to 80%	More than 80%	Abstain
No. of responses	11	22	48	61	24	2

8.4 In Question 5, respondents indicated that the capabilities needed in their fields of practice had changed in the last five years, and this is shown in Table 2. However, the amount of change does not seem to account for the amount of post-qualification development reported in Question 4. This result gives support to the insight that professionals need development throughout their careers, irrespective of the technical or environmental changes in their fields of practice.

Table 2. Difference in capabilities needed for service delivery relative to five years previously

How different are the capabilities needed to deliver a quality service in your field, compared to five years ago?						
	Less than 20%	20% to 40%	40% to 60%	60% to 80%	More than 80%	Abstain
No. of responses	28	59	53	17	9	2

8.5 In Questions 6 & 7, respondents clearly indicated that the majority of their post-qualification development was work-based, and the minority came from seminars, reading and participation in professional committees. In Table 3 the responses for Question 7 are shown. (The expected reverse result was revealed by the responses to Question 6: How much of your post-qualification development came from day-to-day activities on the job, including discussions with colleagues, mentoring, peer-review, performance-appraisal, reflection and ‘learning from mistakes?’) In Question 7, a possible variation by period since qualification was discerned. Respondents who qualified more than 20 years ago reported experiencing more development from these off-site activities than from work-based learning. It was noted in Section 3.5 that the contribution of structured seminars to work-based learning may be influenced by a professional’s stage of development.

Table 3. Percentage of post-qualification learning that was planned

How much of your post-qualification development came from planned learning, including employer seminars, Actuarial Society seminars, reading and participation in professional committees?						
	Less than 20%	20% to 40%	40% to 60%	60% to 80%	More than 80%	Abstain
No. of responses	62	70	31	1	0	4

8.6 In Question 9 the majority of respondents felt that learning is not complete until analysed or tried out in practice, as is shown in Table 4.

Table 4. Perceived need for reflection and application

For development opportunities to be effective, one needs to reflect on a particular seminar or incident, and/or try out the new understanding in practice.			
	Yes	No	Abstain
No. of responses	123	22	23

8.7 Questions 8, 10 and 11 were inconclusive. For Question 8, respondents were equally split three ways as to whether the Actuarial Society should measure learning, competence or both. Respondents to Questions 10 and 11 were divided as to whether, and if so how, the Actuarial Society should monitor the reflection stage of the development cycle.

#### 8.8 FREE TEXT

Forty-five respondents made use of the free text box where they were invited to elaborate on any of their answers. Four points were made by five or more respondents. These points are set out in Table 5, together with their frequency.

Table 5. Four most common responses and their frequency

Issue	Responses
Professionals will do CPD as part of their professional promise. The Actuarial Society should not prescribe methods or monitor compliance, but leave it to the individual's professional responsibility.	10
The Actuarial Society should monitor competence, and not learning.	8
Work-based learning is very important.	6
The Actuarial Society should create opportunities for professional development.	5

## 9. IMPLICATIONS OF THE INSIGHTS FOR ACTUARIAL ASSOCIATIONS

9.1 The insights that have emerged from this study may be used actuarial associations to design CPD requirements that encourage their members to develop and maintain the capability to deliver their professional promise.

9.2 The literature in the study supports an argument that professional development is associated with competently completing tasks which are required in the workplace. Professional development is most effective when it encompasses all the stages of a development cycle. For example, the action stage of a cycle might be an off-site seminar – but what the literature makes clear is that development is not complete until what has been learnt off-site has been synthesised into an authentic workplace activity. The experience of Actuarial Society members, as reflected in the survey responses, tends to support this insight in that many reported that their professional development was more than keeping-up-to-date, and that the majority of this development had been work-based.

9.3 This understanding of professional development is not consistent with the CPD requirements of the Actuarial Society, nor indeed with those of the IAA and the large actuarial associations in the UK, USA, Canada and (to a lesser extent) Australia. The implication of this

insight for the actuarial associations is that they should encourage their members to understand and apply this concept of professional development.

9.4 Accordingly, the purpose of an actuarial association's CPD requirements would be to encourage members to develop and maintain the capability to keep their professional promise to deliver a quality service. Members would be required to do this by engaging in a work-based development cycle. Members would highlight and record the value of their CPD irrespective of the time spent on it, perhaps using on-line planning tools similar to those already in successful use by CIMA. Members would be required to declare annually that they have complied with their CPD obligations. Since the majority of this development will take place in the employer's workplace, actuarial associations need to consider the extent to which the employer should be a partner in CPD.

9.5 A minimum number of hours for the action stage could be stipulated (as is done by RCPSYCH) but a disadvantage of minimum requirements is that, in the authors' opinion, it is human nature to see them as sufficient. One of the authors has led the CPD session at the Actuarial Society's Professionalism Course for recently qualified actuaries, and notes how delegates repeatedly focus on what can be counted towards the time budget despite best efforts to discuss the goal of quality service delivery. Friedman & Phillips (2004) caution against CPD requirements being designed around the ease of producing statistics and monitoring compliance, to the detriment of a focus on effective development.

## **10. A PILOT PROJECT TO IMPLEMENT THE INSIGHTS**

10.1 Based on the research paper (Lowther & McMillan, forthcoming) the Actuarial Society are in the process of reconceptualising their understanding of CPD as a mechanism by which members maintain their capability to deliver their professional promise.

10.2 A pilot project has been set up with 30 volunteers. These members have begun to apply a professional development cycle. They began by documenting their roles, and then identifying any areas in which they needed to develop or maintain their capability to deliver a quality service. For some members, this process was similar to their existing employer performance management systems, which could then be integrated to some extent. Planned action will now be carried out, and in due course, reflected on and integrated into future service delivery. Unplanned learning (what Gold et al (2007:240) have described as CPD on the run) will also be analysed and incorporated into practice.

10.3 Early feedback indicates that members are finding this approach to CPD valuable in helping them to deliver their professional duties. This resonates with the reported experience of many CIMA members, who apply a similar process.

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