



Developing Objective Measures: The Benchmarking Project

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Project Goals



- To develop **objective measures of quality** to help to demonstrate that the qualification processes **ensure fitness for purpose of newly qualifying actuaries**.
- To explore ways of **offering more value** for money for members through learning from each other and adopting improved processes.

Background



- **Effect of the Morris Report on TAP**
- **Professional Oversight Board**
 - Recommendations
 - Changes made
- **SOA Interest and Involvement**

Project Development



- **Initial meeting held May 2008**
- **Information shared**
 - Large quantities of data
 - Similar goals – different processes

Comparison of Processes



- **Similarities**

- Competencies [Skill sets]
- No tutorials offered
- Test batches
- Issues with reliability of management information from databases

Comparison of Processes



- **SOA only**
 - Scanning scripts at Fellowship level
 - Delivery of learning materials
 - **Non-payment of volunteer examiners and graders**
 - **More use of CBT via Prometric**

Comparison of Processes



- **SOA only (cont')**
 - More use of MCQ based exams
 - **e-Learning infrastructure developed**
 - Serial numbering of exam papers
 - More detailed statistics

Comparison of Processes



- **SOA only (cont')**
 - Graders mark individual questions
 - **No exam boards held**
 - 1 diet per year of Fellowship exams
 - **Large exam committees**

Comparison of Processes



- **TAP only**
 - **Use guinea pigs**
 - Second mark all scripts
 - **Offer exam counseling**
 - Offer exemptions
 - Accredit universities

Comparison of Processes



- **TAP only (cont')**

- Use staff actuaries in exam process
- Publish core reading for each subject and update each year
- Markers mark the whole paper
- Exam Boards to agree pass lists, pass marks and pass rates

Comparison of Processes



- **TAP only (cont')**
 - Training of new examiners and markers
 - Run 2 complete diets of exams per year
 - Exams set by small teams of 3 -7 examiners per subject
 - Pay examiners and have bonus system for meeting deadlines

Development of the Framework



- **Four Stages:**

1. Identify stakeholders with a legitimate interest in the qualification process
2. identify a number of strategic themes that the qualification process should provide

Development of the Framework



- **Four Stages (cont'):**

3. The ability to deliver the strategic themes
4. The ability to cover financial imperatives

Delivering Strategic Themes



- **Strategic Themes:**

- Transfer knowledge
- Offer a prestigious credential and maintain its value through leading-edge and relevant educational systems and programmes

Delivering Strategic Themes



- **Strategic Themes (cont’):**
 - Leverage a variety of delivery channels to disseminate and facilitate knowledge transfer
 - Rigorous
 - Broad based education programmes
 - Efficient and effective

Delivering Strategic Themes



- **Strategic Themes (cont'):**
 - Reduce travel time while retaining standards
 - Error free exam system
 - Passing the right people

Delivering Strategic Themes



- **Strategic Themes (cont'):**
 - Benchmark standards internationally with other like organisations
 - Promote confidence in the rigour of the system

Delivering Strategic Themes



- **Strategic Themes (cont'):**
 - Recruit right people into the Profession as candidates
 - Broaden employer base

Dashboard of Metrics



- **Main sources of data:**
 - Registry records - detailed data on examinations and other assessments in the qualification process along with financial data.
 - Stakeholder surveys - particularly covering employers and candidates on a regular basis.

Data vs. Themes



- **Candidates could comment on:**
 - experiences in the examination processes
 - efficiency
 - effectiveness,
 - value for money
 - fairness

Data vs. Themes



- **Employers could comment on:**
 - Whether the right people were qualifying
 - fitness for purpose
 - travel time

Data vs Themes



- **Sub- themes:**
 - more difficult to evaluate
 - topics such as ‘rigorous’ ‘leading edge’ and ‘prestigious’ needed more thought

Metrics Determined



- **Method and frequency agreed upon**
- **Key metrics include:**
 - Travel time
 - Syllabus current and relevant
 - Current status of joiners

Metrics



- **Examples include:**
 - # of volunteers per exam
 - # of candidates
 - # of exams by category
 - Cost, revenue, and net contribution per candidate
 - Cost of overall pathway/qualification
 - # of Associates and Fellows

Metrics



- **Examples (cont')**
 - Compensation per volunteer
 - Participant surveys
 - Time allocation per volunteer
 - Defective Questions
 - # of exam errors
 - # of Complaints
 - # of candidate cheating cases

Early Indicators



- **Positive benefits experienced**
 - Shared learning regarding processes previously taken for granted
 - Problem shared is a problem halved
 - Recognition of efficiency/effectiveness drivers
 - Understanding of objective measures

Long Term Benefits



- **Measures will provide insight on process improvements in terms of:**
 - Fitness for purpose
 - Cost effectiveness
 - Service quality to members

Questions?