



Institute of Actuaries of Australia

# What the Institute Wants from Actuarial Education . . .

**Macquarie University  
Actuarial Academic Conference**

**Presenters:**

**Martin Stevenson**  
**Chair Education Council Committee**

**Stephen Wright**  
**Director Professional Education**

# Contents

- Aspirations . . .
- Where we have come from
- Overview of Qualification Program
- Mastery Learning?
- Part I – Changes to assessment for some subjects?
- Importance of Control Cycle
- Accreditation process review
- Part III: Institute initiatives to improve Education Program
- The Future: Outcomes approach to inform structure and content of Education Program



# 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

- **2<sup>nd</sup> 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**

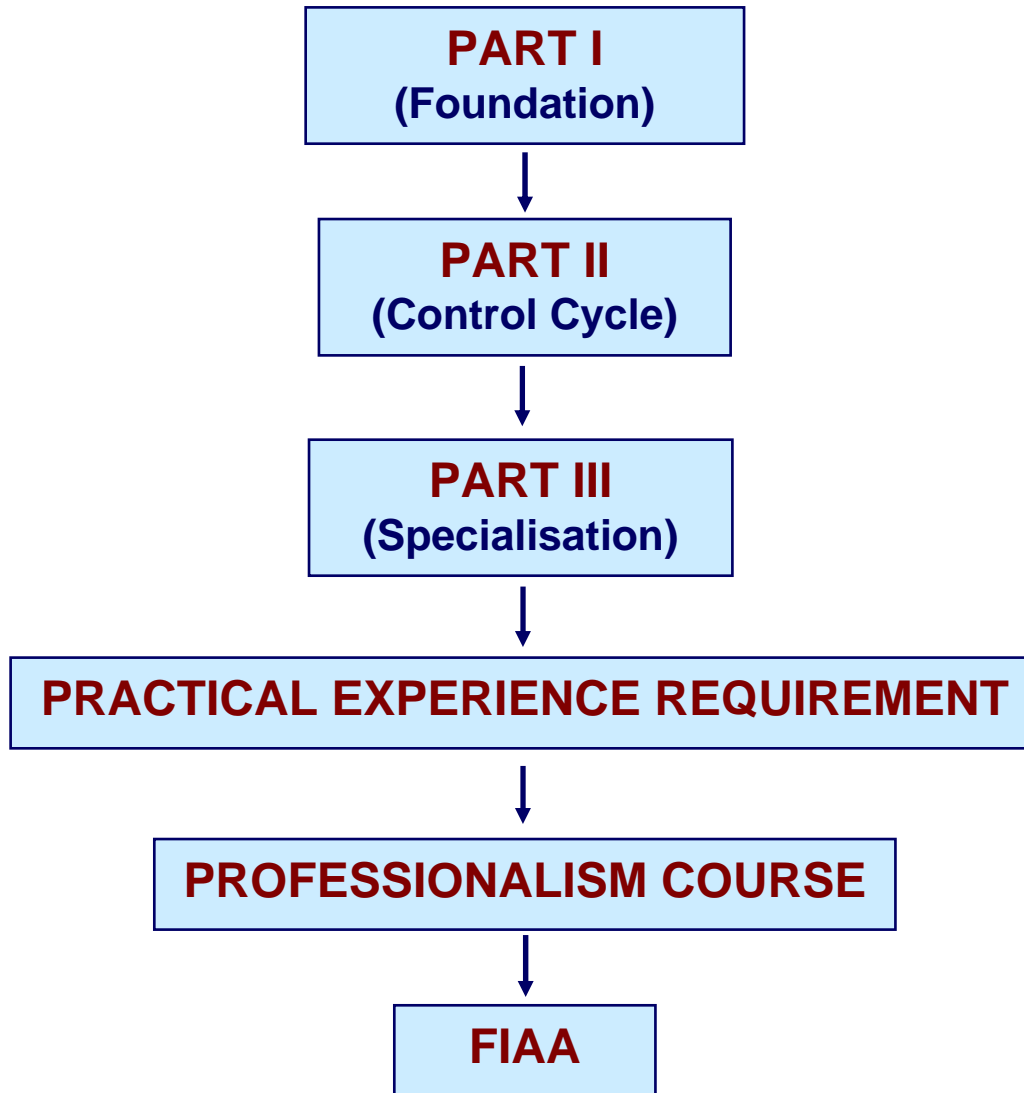


# Where we have come from

- **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



# Course Structure Part III Education Program

**Course 1 Investments  
(Compulsory)**

**Sub-contracted to  
Access Macquarie from 2009**

**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**

**Sub-contracted to  
Access Macquarie from 2009**

**OR**

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

**PLUS**

**Course 10 Commercial Actuarial Practice  
(Compulsory)**



# 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?**

