

Actuarial Association of Europe

Independence & Professionalism in Education
The New IAA Syllabus

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A quote I found reading through actuarial papers on independence and education

„Another view I formed after having encountered, over 40 years or so, many students trying to qualify, that the ability to speak to an audience, and the ability to write, should be taught and be examinable. This suggestion is made, not to exclude candidates from qualifying, but to try to help them to succeed when they become practising actuaries. Other professions...are taking away some of the ground which actuaries have the better ability to cover“

Another one, similar message but perhaps a bit more pronounced:

„Learn to communicate your ideas, and when you know your ideas are right, be willing to fight for them“

Another one from Hans Bühlmann when asked what advice he would give young actuarial students:

„They should understand, what they do. Understanding has always a communicative aspect. One should understand and be understood. In addition, some international experience does not do any harm“

Hans Bühlmann created the concept of the „Actuary of the third kind“ who extends actuarial activity into finance and investment.

- Is that enough given the rapid changes around us?
- Does the public need actuaries elsewhere?
- Do actuaries need jobs elsewhere?

Varios actuarial bodies expect that „The Actuary of the Future“ will (or must?):

- adjust to changing demand in traditional working fields
- take advantage of increasing demand elsewhere
- have a much more diversified working scope
- work and compete with other professions
- Be „independent“ in more than one sence

As a consequence, education should teach

- the generic tool box of actuarial technology in an applied way but not linked to few applications only
- an open set of specialisations
- how to provide services as a professional
- in particular, how to communicate

To respond to these needs the IAA set up the Educating Future Actuaries Task Force which laid the ground for a syllabus review along the following main principles

- The core competences should be as generic as possible, like a toolkit, allowing a wide range of applications...
- ...which may lead to an open set of specialised trainings offered by the actuarial association
- Classified learning objectives instead of topics
- Professionalism & Communication

Bloom's Taxonomy (known from CERA)

Revised Bloom's Taxonomy (RBT) Cognitive Process Dimension

Verbs → Objects ↓	1.	2.	3.	4.	5.	6.
	REMEMBER Recognize, Recall	UNDERSTAND Interpret, Exemplify, Classify, Summarize, Infer, Compare, Explain	APPLY Execute, Implement	ANALYZE Differentiate, Organize, Attribute	EVALUATE Check, Critique	CREATE Generate, Plan, Produce
A. Factual Knowledge	A1	A2	A3	A4	A5	A6
B. Conceptual Knowledge	B1	B2	B3	B4	B5	B6
C. Procedural Knowledge	C1	C2	C3	C4	C5	C6
D. Metacognitive Knowledge	D1	D2	D3	D4	D5	D6

Knowledge
Dimension

Examples:

- Left upper box (A1):

„Describe the structure of public finances for an industrialised economy“ (in Macroeconomics)

- Right bottom box (D5):

„Evaluate current level of own professional development and personal limitations to accept a particular actuarial work assignment“ (in Professionalism in Practise)

Current status:

- The New Syllabus went through a thorough discussion and consultation process.
- The AAE has been involved and will build on this for the regional syllabus
- We see generally strong support, but also concerns
- These concerns will be addressed further in the following discussions regarding implementation, time schedule etc.

Thanks for you attention.....

...and happy to take your questions!

CERA Global Association

- Creating A Global Credential
 - Standardisation of 'ERM toolkit'
 - Standardisation of education
 - Rapid spread of ERM skills for actuaries
 - International mobility
 - International recognition
 - Globalisation of the risk profession

CERA Global Association

- Education is often the beginning of important developments
 - Because of developments in the insurance and pensions industry, it is essential that actuaries continue to adapt constantly in order to 'compete' with other specialists who can contribute in this domain
 - Thus the CERA credential was introduced, intended as additional training for qualified actuaries to expand upon their knowledge
 - An important condition of obtaining the CERA designation is that the holder is a member of a professional organisation, which itself is a member of the IAA
 - This ensures that these risk management actuaries have the same professional education


CERA Global Association

The qualification

- The CERA qualification has the most rigorous and advanced curriculum underpinned by actuarial science, with an emphasis on ERM and professionalism
- Consistent with modern, effective methodologies
- Applies both qualitative and quantitative insight to ERM
- Instills the highest professional standards, with an impeccable code of ethics and unparalleled educational requirements
- Best equips risk management professionals to empower better business decisions

Key aims of the syllabus

- The CERA qualification encompasses a world-class curriculum that combines actuarial science with the theoretical, practical and professional principles of ERM
- The curriculum instils in successful candidates the key principles underlying the implementation and application of ERM within an organisation, including governance and process as well as quantitative methods of risk measurement and modelling



**Our advice to all candidates,
make sure you get a good
education in ERM and get your
CERA as part of that. You can
take your CERA
anywhere.....**

CERA Global Association

What value do CERAs
bring to an organisation?

CERA Global Association

- CERAs make confident decisions related to complex financial challenges affecting business by applying qualitative and quantitative insights to risk management
- CERAs add value to enterprise risk management through their rigorous training, making them the best equipped to provide a 360-degree view of an organisation's risk profile
- As actuaries, CERAs are bound by a code of professional conduct to act with integrity, care and competence
- CERAs are trained through a rigorous multi-year examination process to identify, measure, and manage risks and opportunities within complex enterprises
- CERAs are equipped to develop models which reflect the real world and can inform strategic decisions

CERA Success

- Since its foundation in 2009, the CERA Global Association now has 21 actuarial associations as members
- There are now 3117 actuaries worldwide that carry the CERA designation
- We have seen tremendous growth in numbers and interest over the past few years and hope to maintain this momentum
- Our long term goal is to increase the number of CERA holders to 10% of the global actuarial population, approximately 6,000 actuaries – will you be one of them?

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For more information on the
curriculum and paths to
CERA visit the CERA global
website



www.ceraglobal.org

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Hire a CERA; we can assure you that they have been properly trained and educated