

AUTHENTIC PROFESSIONAL DEVELOPMENT: KEY TO QUALITY SERVICE DELIVERY

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ABSTRACT

The Actuarial Society of South Africa ('Actuarial Society') requires its members to honour their professional promise to deliver specialist and up-to-date actuarial expertise that is ethical and subject to professional oversight. The purpose of this study is to investigate how the Actuarial Society can encourage its members to develop and maintain the capability to deliver this professional promise through continuing professional development ('CPD'). Current concepts of and approaches to 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 online survey. Analysis of the literature indicates that CPD 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 that are required in the workplace. Data from the survey supported these insights. It is concluded that the Actuarial Society's CPD requirements should be designed to encourage members to develop and maintain their capabilities, and it is therefore suggested that members be required to engage in work-based development cycles.

KEYWORDS

Professionalism; continuing professional development; CPD; professional development cycle; professional practice; work-based learning

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1. INTRODUCTION

1.1 The Actuarial Society of South Africa ('Actuarial Society') recently incorporated the principles of professionalism of the International Actuarial Association¹ ('IAA') into its Code of Professional Conduct.² 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 professional promise.³ The purpose of the study discussed in this paper was to investigate how the Actuarial Society could encourage its members to develop and maintain the capability to deliver their professional promise.

1.2 The authors consider professional development to be the process of capacitating oneself in a professional environment. Gardner (1978) described the individual professional's commitment to a full professional life, increasing capacity and good practice as continuing professional development ('CPD'). Subsequently many professions formalised CPD in various ways. The concept that CPD should address the development of professionals' capability to deliver a quality service has been highlighted in the fields of medicine (Davis & Davis, 2010; Carbon, 2005; Du Boulay, 2000), pharmacy (Konkol, 2005), physiotherapy (O'Sullivan, 2003) and accounting (Boritz & Carnaghan, 2003). However, in many professions, CPD has tended to become a set of compliances (Friedman & Phillips, 2004). The research question which guided this study was therefore: 'How should CPD be practised to enable South African actuaries to deliver their professional promise?'

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

1.4 In section 2 the methodology of the study is explained. Sections 3 to 5 outline insights from the literature on three aspects of professional development – the nature of professional development and the roles therein of the professional body and the employer respectively. Section 6 shifts the enquiry from professional development in general to the actuarial profession in particular. The insights from the literature are compared to CPD requirements of the IAA, the Actuarial Society and five other Anglophone national actuarial associations. Section 7 presents the opinions of South African actuaries on the

1 International Actuarial Association. *Principles of Professionalism* 2012. www.actuaries.org, 12/03/2012

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

3 *ibid.*

insights from the literature. Section 8 concludes by identifying implications of these insights for the Actuarial Society.

2. METHODOLOGY

2.1 Literature was sought to identify current concepts of and approaches to professional development and 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 Google Scholar search platform 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 the nature of professional development.

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 online 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 by 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 and 19% ($n=168$) responded. The insights from the literature, mapped against the results of the survey, were reported back at 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, judgements and feelings of others. By definition, development implies growth, evolution and gradual unfolding; in other words, 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, op. cit.). 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, *op. cit.*). Professional development is not just acquisition and transfer, but participation, construction and becoming (Boud & Hager, *op. cit.*).

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—this contextual learning is described as ‘work-based’ for the purposes of this paper. 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, *op. cit.*). 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 & 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 work-based professional development occurs in both planned and unplanned ways, as discussed in section 3.3.

3.3 THE DEVELOPMENT CYCLE

3.3.1 Friedman & Woodhead (unpublished) 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 (*op. cit.*) 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—for example, a better way of laying out a spreadsheet—to the macro—for example, the impact of the work on third parties.

3.3.2 From a study of Canadian accountants, Hicks et al. (*op. cit.*) derived twelve work-based learning strategies that could be planned:

- completing new tasks;
- applying past experience;
- working with others;
- thinking about past events;
- researching solutions to problems;
- external development programmes;

- intuition;
- observing others;
- reading;
- e-learning;
- formal meetings; and
- in-house professional development programmes.

3.3.3 These learning strategies may be supported or discouraged by aspects of the workplace, which Coldwell & Simkins (2010) term mediating and moderating variables respectively. The case study by Caffarella & Zinn (op. cit.) highlights that the mediating and moderating variables can be personal, inter-personal or institutional. Drawing inter alia on workplace studies, Boud & Hager (op. cit.), Hicks et al. (op. cit.) and Webster-Wright (2009) identify some of these variables, including:

- learning potential of task;
- opportunities for feedback;
- degree of formalisation or bureaucracy;
- allowance for initiative or resistance to change;
- learning resources;
- exposure to demands from stakeholders;
- need for direction;
- exposure to changes in technology and methods;
- managerial responsibility;
- external professional contact;
- reward for proficiency;
- not enough time or too many jobs;
- vested interests;
- staying up to date; and
- opportunity to discuss with others.

3.3.4 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. This process has been described by Gold et al. (op. cit.: 240) as “CPD on the run”, and by Raelin (1997: 563) as “communities of practice reflecting in action”. Thus, this type of work-based development follows the last three stages of the development cycle (action, results and reflection) even though the first stage (planning) is not possible.

3.3.5 Alsop (2002) and Klenowski et al. (2006) suggest 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.

3.4 THE ROLE OF INFORMATION-DOWNLOAD ACTIVITIES

3.4.1 In contrast to the concept that professional development is predominantly work-based, many CPD programmes require participation in activities such as seminars, conferences and professional committees—which are described as ‘information-download activities’ for the purposes of this paper. Davis & Davis (op. cit.), reviewing a number of studies of physicians, found that only a small percentage of development came from information-download activities, with most development being work-based and self-directed. Eraut (1994) argues that professional learning is not completed through information-download activities. 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. A number of large-scale studies support this position (Baldwin & Ford, 1988; Ford & Weissbein, 1997; Cheng & Ho, 2001; Steinert et al., 2006; Armour & Yelling 2002; Blume et al., 2010). For example, Blume et al. (op. cit.) analysed 89 empirical studies that explored the effectiveness of information-download activities. 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 information-download activities 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, for whom deliveries, such as standardised surgical protocols, are often very 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. THE ROLE OF THE PROFESSION

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

4.2 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 practitioners 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.

4.3 A large 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, op. cit.). Friedman & Woodhead (op. cit.) measured what they term the professional development value of the 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.

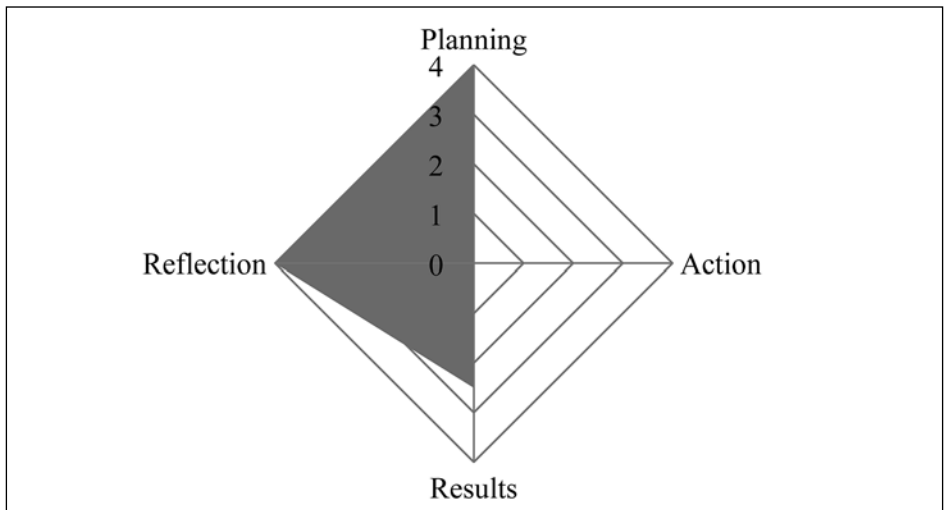


Figure 1. CPD requirements of CIMA (after Friedman & Woodhead, op. cit.: 27)

4.4 The South African Institute of Chartered Accountants ('SAICA') is reported in Friedman & Woodhead (op. cit.) 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.

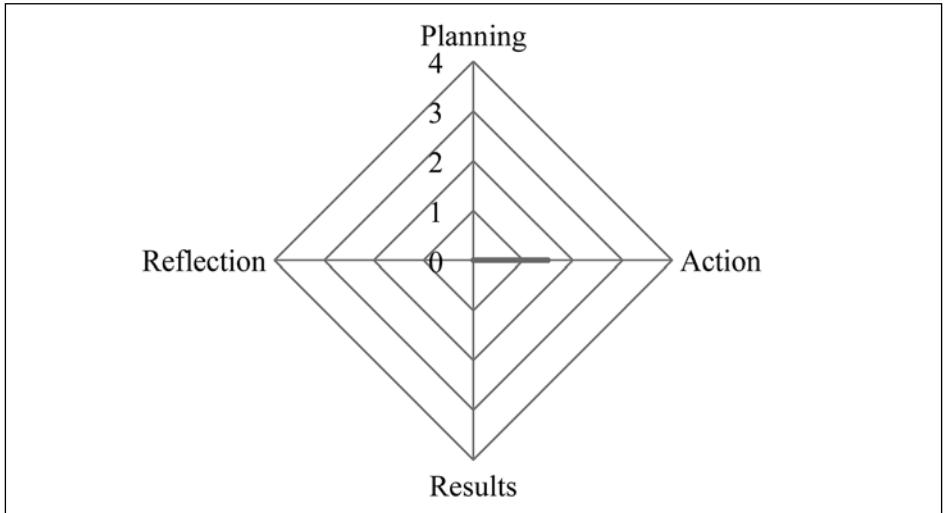


Figure 2. CPD requirements of SAICA (after Friedman & Woodhead, op. cit.: 31)

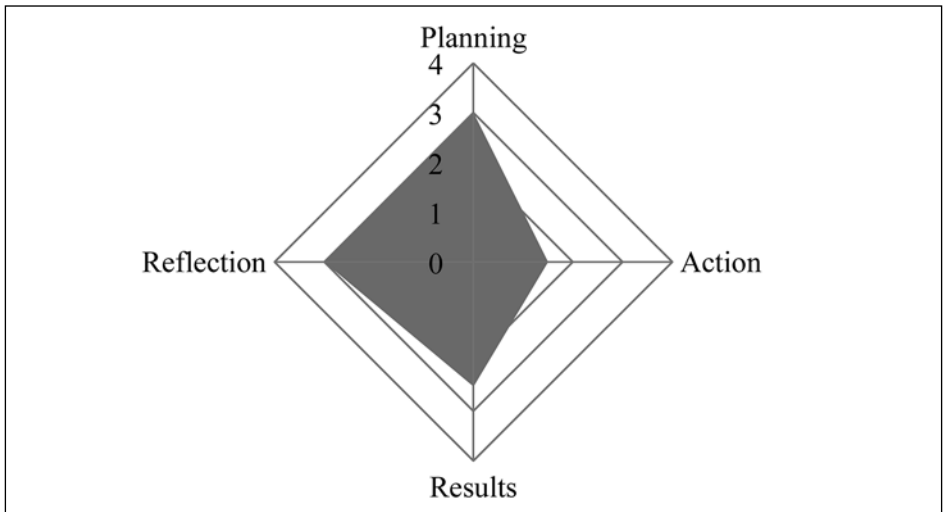


Figure 3. CPD requirements of RCPSYCH (after Friedman & Woodhead; op. cit.: 32)

4.5 The Royal College of Psychiatry ('RCPSYCH') in the UK was unique among the professional bodies interviewed by Friedman & Woodhead (op. cit.) 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 specialisations. 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.

4.6 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 (op. cit.) 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.). At the time of writing, the Actuaries Institute ('AI') in Australia had recently carried out an extensive project to document actuarial competencies as a guide for lifelong actuarial development.⁴ In this project, actuarial work is widely defined, and subdivided into generic technical and management functions, with associated performance indicators.⁵ 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 Framework⁶ 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.

5. THE ROLE OF THE EMPLOYER

5.1 Section 3 highlighted that much of a professional's development is work-based. A professional body therefore needs to acknowledge and understand that its CPD requirements are going to be undertaken predominantly in an employer's domain.

5.2 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 (Funck, 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

4 Actuaries Institute. *Actuarial Capabilities Framework*, 2012. www.actuaries.asn.au, 20/12/2012

5 ibid.

6 Financial Reporting Council. *Actuarial Quality Framework*, 2009. www.frc.org.uk, 20/12/2012

corporate governance initiatives.⁷ Furthermore, many professionals have migrated from traditional professional partnerships into large professional service organisations which are directed by expert managers who may not themselves be members of that profession (Evetts, 2003). In these organisations, professional competence is often measured by organisational goals of efficiency, which may emphasise service delivery, client satisfaction and cost and profit issues (Evetts, 2012).

5.3 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 (op. cit.) cautions professions against abdicating the responsibility for CPD to employers. Nevertheless, CIMA accredits employers as CIMA development partners,⁸ 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.⁹ Furthermore, the IFA intends to introduce a quality assurance scheme for employers, regarding the professional development of actuaries in their employ.¹⁰ In South Africa, employers may be accredited as Actuarial Training Offices for the work-based experience requirement of student actuaries.

6. CPD REQUIREMENTS FOR ACTUARIES

6.1 Section 6 shifts the enquiry from professional development in general to the actuarial profession in particular. 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 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 (op. cit.) to have substantial emphasis on the planning and reflection stages of professional development.

6.2 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.¹¹ However, the IAA's guidelines to national actuarial associations on CPD¹² are not yet fully consistent with the implications of this core

7 Braithwaite, J (2005). Neoliberalism or Regulatory Capitalism. *Regnet Occasional Paper No. 5*. Australian National University, Canberra

8 Chartered Institute of Management Accountants. *CIMA Professional Development*, 2012. www.cimaglobal.com, 16/02/2012

9 Institute and Faculty of Actuaries. *CPD – Developing Knowledge, Building Skills*, 2012. www.actuaries.org.uk, 03/12/2012

10 Institute and Faculty of Actuaries (2013). Quality Assurance. *The Actuary* (September), 10

11 *ibid*.

12 International Actuarial Association. Guidelines on Continuing Professional Development, 2011. www.actuaries.org, 13/02/2012

value, perhaps because of being issued earlier than the Principles of Professionalism. The IAA's CPD guidelines require individual actuaries to remain competent in their areas of work by continuing to learn about changes in both actuarial techniques and the regulatory environment. There is little reference to applying the learning, which is an important aspect of professional development.

6.3 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.¹³ The Actuarial Society defines CPD as¹⁴

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,¹⁵ which are similar to those of five other large Anglophone actuarial associations, namely the IFA in the UK,¹⁶ the AI in Australia,¹⁷ the Canadian Institute of Actuaries,¹⁸ and in the USA, the Society of Actuaries¹⁹ and the Casualty Actuarial Society,²⁰ entail only that members complete a minimum number of hours in relevant technical and professional learning. This requirement is therefore only for an action stage in the professional development cycle. 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 practise.²¹ The Australians are also alone in specifically including aspects of work as one of many items that could qualify for CPD credits.²² 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.

6.4 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

13 *ibid.*

14 Actuarial Society of South Africa. *CPD requirements of the Actuarial Society of South Africa*, 2007. www.actuaries.org.za, 16/02/2012: p1

15 *ibid.*

16 *ibid.*

17 Actuaries Institute. *Professional Standard No.1: CPD*, 2009. www.actuaries.asn.au, 03/12/2012

18 Canadian Institute of Actuaries. *Qualification Standard – Requirements for CPD*, 2008. www.actuaries.ca, 03/12/2012

19 Society of Actuaries. *CPD Requirement*, 2009. www.soa.org, 03/12/2012

20 Casualty Actuarial Society. *Continuing Education Policy*, 2012. www.casact.org, 03/12/2012

21 *ibid.*

22 *ibid.*

(op. cit.) argue that all four stages are necessary for effective professional development. In an online planning tool,²³ CIMA members are assisted to go through six steps in a professional development cycle:

- define their roles;
- assess their 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 questions²⁴ 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?

6.5 The Royal Institute of Chartered Surveyors ('RICS') also encourages their members to use a formal learning cycle in their professional development.²⁵ RICS acknowledges that some work-based professional development may be unplanned, but would still need the reflection stage in order to be effective.

7. SURVEY OF MEMBERS OF THE ACTUARIAL SOCIETY OF SOUTH AFRICA

7.1 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.

7.2 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 ¶7.4, no significant variations within responses were noted where the sub-groups were large enough to be reliable.

7.3 In Question 4, a clear majority of the respondents who had been qualified for more than five years indicated that most of their current professional capability was acquired post-qualification. This result indicates that the majority of respondents deemed post-qualification development necessary for professional service delivery. In Question 5, a

23 *ibid.*

24 *ibid.*

25 Royal Institute of Chartered Surveyors. *Continuing professional development*, 2011. www.rics.org/site/scripts_info.aspx?documentsID=250&pageNumbers=3, 16/01/2012

clear majority of respondents who had been qualified for more than five years indicated that the capabilities needed in their fields of practice had changed in the last five years. However, the reported change in capabilities was much less than 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. The responses to Questions 4 and 5 are indicated in Figure 4, where the mean of Question 4 is clearly seen to be about double that of Question 5.

7.4 In Questions 6 and 7, respondents clearly indicated that the majority of their post-qualification development was work-based, and the minority came from information-download activities. However, respondents who qualified more than 20 years ago reported experiencing more development from information-download activities than from work-based practices. It was noted in ¶3.4.2 that the contribution of structured seminars to work-based learning may be influenced by a professional’s stage of development. The responses to Questions 6 and 7 are indicated in Figure 5.

7.5 In Question 9, 75% of respondents felt that learning is not complete until analysed or tried out in practice.

7.6 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.

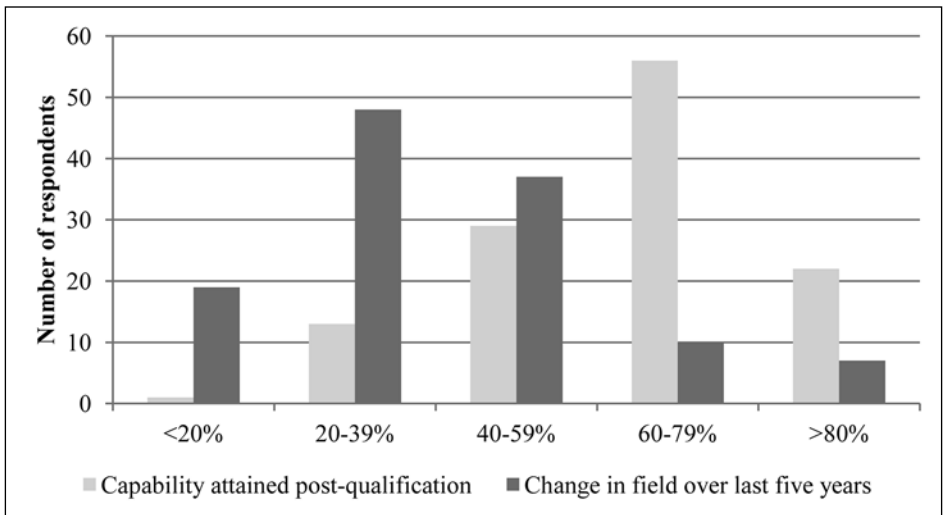


Figure 4. Comparison of the importance of post-qualification development for actuaries with more than five years’ experience relative to the change in their field

7.7 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 1, together with their frequency.

Table 1. 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

8. IMPLICATIONS OF THE INSIGHTS FOR THE ACTUARIAL SOCIETY

8.1 The insights that have emerged from this study may be used by the Actuarial Society to design CPD requirements that encourage its members to develop and maintain the capability to deliver their professional promise.

8.2 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

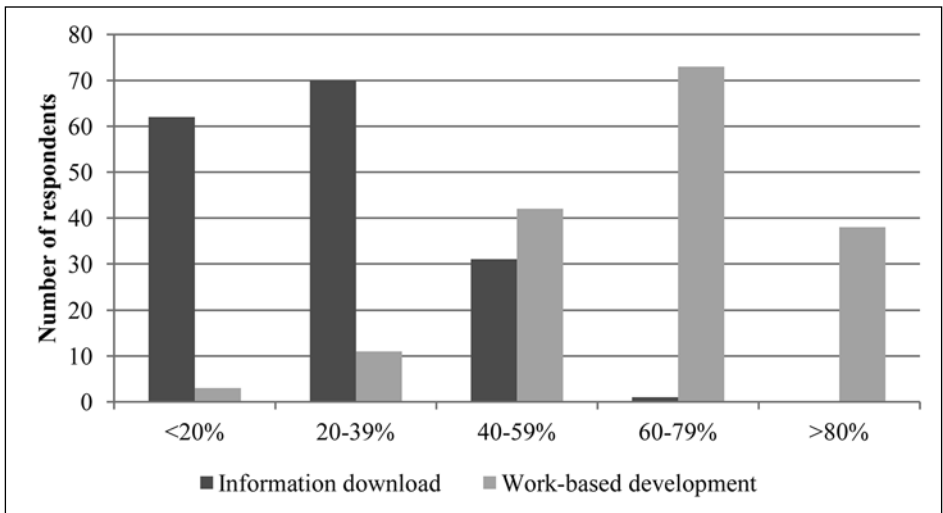


Figure 5. Comparison of the amount of post-qualification development that came from work-based activities relative to information-download activities

of a development cycle. For example, while the action stage of a cycle might be an information-download activity, the literature makes it clear that development is not complete until what has been learnt through that activity has been synthesised into an authentic work-based practice. 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.

8.3 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 Society is that it should encourage its members to understand and apply this concept of professional development.

8.4 Accordingly, the purpose of the Actuarial Society's CPD requirements should be to encourage members to develop and maintain the capability to keep their professional promise to deliver a quality service as set out in the Code of Professional Conduct. 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 online planning tools similar to those already in use by CIMA. Members would be required to declare annually that they have complied with their CPD obligations. Since most of this development will take place in the employer's workplace, the Actuarial Society needs to consider the extent to which the employer should be a partner in CPD.

8.5 A minimum number of hours for the action stage could be stipulated by the Actuarial Society—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 (op. cit.) caution against CPD requirements being designed around the ease of producing statistics and monitoring compliance, to the detriment of a focus on effective development.

8.6 The suggested CPD model would best be introduced as a pilot project, in which the experience of members choosing to carry out their CPD in this way would inform the development of the process. Concurrent with the pilot project, some modifications can easily be made for those members choosing to comply with the existing CPD requirements, so as to give some recognition to the insights emerging from this study. For example, members could be invited to record a development outcome for each required hour of CPD.

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