

Actuarial Society Update – February 2016

2016 will be a landmark year for the Actuarial Society. Not only will we be hosting the IAA meetings in November but, more importantly, transformation has been elevated from being a priority of the Society to being an overriding objective.

This first Update for 2016 provides the calendar for the year as well as an outline of the Society's transformation initiatives.

Key Dates for the Year

Event	Cape Town	Johannesburg	Other venue	
Seminars				
Life	5 May	13 May		
Health	11 May			
Investments		8 Jun*		
Retirement		2 Aug*		
Short term		5 Sep*		
Risk mgt				
Banking	22 Nov			
Golf days	14 Oct	20 May		
IAA meetings			St Peters- burg Cape Town	25-29 May 18-21 Nov
Sessional				
Young members convention		10 June		
Convention	23-24 Nov			
Africa Seminar	22 Nov			
A100/A200 & F106 exams	12-21 April & 27 Sept – 7 Oct			
A301 exams	3-4 May & 10-11 Oct			
A302 exam	16 May & 21 Oct			
F201-F206 exams	19 May & 24 Oct			
F101-F105	25 May – 3 June & 28 Oct – 9 Nov			

Dates marked with an asterisk (*) are provisional.

The Banking and Africa seminars are timed to coincide with the IAA and convention

Transformation

There is a tradition in American presidential politics for an outgoing president to sign a few executive orders during their final hours in office aimed at either challenging or embarrassing their successor. In a parallel move, towards the end of 2015, the outgoing president succeeded in getting the Council to approve a significant budget allocation for transformation. I can report that the new president, as she emphasised in her presidential address last year, has grabbed the challenge with both hands and is leading the drive to significantly transform the Society and actuarial profession.

Transformation has been a strategic driver of the Society since before the turn of the century. To date the Society's transformation drives have been focused on engagement with ASABA, SAADP, employers and universities as well as improving the quality of secondary school education through initiative like Paper Video. As essential as these strategies are – and they will continue – they do not adequately address the two core challenges we face as a Society and profession – firstly there are too few African Fellow members of the Society and, secondly, the exam pass rate of African students is lower than it needs to be for the Society to make meaningful progress with transformation. Clearly, the first is directly caused by the second. Various factors, including research presented at Actuarial Society Conventions, suggest that certain structural issues have to be addressed if the situation is to change. This requires targeted interventions

To address these challenges, we have implemented the ASSA academy initiative. This has been deliberately launched on the “fail fast, fail often” principle (that is referring to us and not the students) as we feel it is essential to start helping students now and not first develop a “perfect solution” for structured roll out in 2017 or 2018. We will, therefore, be piloting and measuring a range of initiative which will be refined and changed as we learn and as the needs of our target students change.

The first 3 initiatives are:

1. Induction workshops. These were piloted in Cape Town and Johannesburg for student starting work. The objective was to prepare new graduates for the worlds of work and part time study. The programme was held over 2 days with 15 students attending in each venue. The key focus areas were the development of workplace skills (communications, technology, business etiquette, ethics) and the attributes required to successfully complete the actuarial exams. We are analysing the feedback and plan to roll it out more widely in 2017.
2. Tuition support for A202 and A203 (modelling and contingencies). These are both “popular” exams with low pass rates. As a pilot initiative we are working with the University of the Free State on a distance learning initiative for these courses in preparation for the April exams.
3. Support to be launched for A302 (communications). This is another “popular” subject where over the last few sittings, Black African students have had worse pass experience than other groups. We are in the process of developing an intervention to help students for the May session. It will be a pilot intervention and probably only be offered to students who have failed the course previously.

The academy initiative is being led by Wim Els. We will be appointing someone to work with Wim to assume the load of some of his other duties – particularly his company secretarial type duties – so he can devote more time to this key initiative.

Although the office and Council are leading the academy initiative, we appeal to members of the Society – with a particular (but not exclusive) appeal to recently qualified actuaries – who are

willing to assist this initiative by providing either tutoring support or mentoring to the academy students to contact Wim (wels@actuarialsociety.org.za). Any questions or suggestions concerning the academy can be addressed to Wim or myself.

CAA

During 2015 we announced our intention to offer the CAA designation. As with the A100 and A200 exams we will be using the Institute and Faculty of Actuaries exams and exam process for most exams. Negotiations are being finalised with the IFoA and we hope to be open for registration in time for the 29 March deadline. A communication will be sent to all members and ATO's when registrations open.

At a later date we will consider the option for members who have written and passed certain A100 and A200 exams or received actuarial degrees to qualify for exemptions from some CAA exams. The first priority is to launch the CAA designation and only after that will we consider migration options for existing students.

Exams and related

The 2015 F100 and F200 series exams were all held in quickly arranged venues off the university campuses due to the #feesmustfall protests. Given the current situation on all the campuses, it is very clear that universities can no longer guarantee us secure and available examination venues. We are in the process of securing appropriate venues and good quality computers for the examinations.

8 students wrote our inaugural Banking Fellowship exam (F206) in October. Unfortunately no-one passed the exam. This result should not be seen as an indicator that this exam is more difficult than the other F200 level exams. Pass rates for students making a first attempt at any F200 subject tend to be low (by definition this was a first attempt for all the candidates) and the small number of candidates combine to suggest that a low pass rate was expected and the pass rate would be volatile.

For the first time the Society will be setting its own A301 exams – to be written on 03 and 04 May. The good news for candidates was the localisation of the exam resulted in an approximately R1 500 saving in their exam fees. I can assure candidates that our team of examiners are experienced lecturers and examiners for this subject.

New qualifiers

To qualify as a Fellow member of the Society students need to pass or be exempted from all the exams, to complete their work based learning and to attend a Fellowship professionalism course. Students who have passed the exams are encouraged to submit their work based learning so they can be admitted as a Fellow of the Society. Although company remuneration structures may acknowledge students as actuaries once they have passed their final exam, they are not recognised as an actuary legally or by the Society until they have completed all 3 elements of the qualification and been admitted as a Fellow. In addition, members' whose work

may require them to obtain a practicing certificate, their years of experience as an actuary are counted from the day they are admitted as a Fellow and not the day they pass their last exam. With new fellow dinners scheduled for both Cape Town and Johannesburg during April, these members are encouraged and challenged to submit their work based learning documentation by 24 March.

Actuarial education trust

Paper Video have launched a major initiative sponsored by MMI to provide hardware and learning resources to over 3 000 learners at 5 under resourced schools. We know this makes a difference for each of these learners.

Council has elected Tjaart Esterhuyse to the board of trustees. Tjaart's passion to make a contribution to education was evident to anyone who witnessed him handing over Paper Video resources sponsored by RGA to the Leap schools. His experience will further strengthen the trustees and help ensure that money donated to the Trust is well used.

In conclusion

With the transformation initiatives as well as the prospect of greater international participation in our Convention, 2016 promises to be an exciting and interesting year for the Society.

Regards



Mike McDougall