

# INTRODUCTION TO OUTCOMES-BASED CPD

From **01.12.2016**, the Actuarial Society offers actuaries a focused way to develop their careers. In an optional 'parallel' CPD process, numbers of hours and structured or verified events are no longer prescribed. Instead, cycles of professional development support you in your career. "You decide where you need to improve, do it, and then assess yourself," as someone already using the revised approach reported.

The Professional Promise in the Actuarial Society's Code of Professional Conduct requires members to develop and maintain the ability to deliver a quality professional service in their chosen field. The revised CPD requirements give you techniques for remaining professionally competent.

## How does it work?

Members work through cycles of Professional Development on a regular basis, at least yearly.

1. you list the various professional roles that you perform, as well as any new areas you would like to grow into
2. consider what capabilities you should have for these roles and assess where you have development needs
3. select and carry out activities that may meet these needs
4. analyse the progress made or the outcome of each activity – preferably engaging with a work colleague or fellow actuary.

Just as in the actuarial control cycle, this last step leads to the beginning of a new cycle of planning, acting and analyzing. A pro-forma template is available for members to use, similar to that used in pre-fellowship work-based learning.

***"I now see CPD as an integral part of my life."***

***- what members piloting the new CPD requirements said.***

A small group of Actuarial Society members have been using the revised CPD system. Their feedback included ...

- "It has been immediately helpful to me, despite 30 years post-qualification experience."
- "You really need to think about what you need to know."
- "This system is ideally suited to actuaries, who have a good understanding of feedback systems."
- "I now see CPD as an integral part of my life, rather than chore."

For a detailed analysis of the pilot project see the report by Lowther and McMillan (2015) who concluded:

Feedback from volunteers on the pilot project indicated that the cycles of work-based personal learning fostered authentic professional development. It was also observed that the reflective process embedded in the development cycle resulted in professionals authoring on-going positive revisions to their professional identity. Further, that strengthened professional identity led to a 'virtuous circle' whereby the professional is in turn motivated to continue engaging in effective CPD.

### **Why change – what's wrong with the existing CPD requirements?**

For the 2016/17 and 2017/18 CPD years, the Actuarial Society is offering the refinements as an alternative. Members are free to use the old or the new system. However, based on commissioned research, the Society believes that 'outcomes-based' cycles of professional development are more likely to bring about true professional development for many members than the existing requirements. In fact, many of the activities that would 'count' under the existing system could also appear in the refined system – but as part of a cycle including prior planning and subsequent application and analysis.

Of course, the Society will itself apply a feedback cycle to these proposals as well, learning from experience to improve the process in future years!

#### ***The Professional Development Cycle – Key to Quality Service Delivery***

The Actuarial Society commissioned Lowther & McMillan (2014) to review current thinking on how professionals develop throughout their careers. They noted ...

##### HOW PROFESSIONALS DEVELOP

- They make their own interpretations of issues, rather than acting on the purposes, beliefs, judgments or feelings of others
- They are not passive recipients of claimed wisdom
- They strive for continuous improvement and adaptation in their own practice
- Professional development involves critical reflection on assumptions, validating contested beliefs through discussion with others, taking action on one's reflective insight, and critically assessing it
- Professional development occurs within the context and dilemmas of daily professional life.

##### THE DEVELOPMENT CYCLE

- Traditional hours based CPD focusses mainly on activities
- Development cycles add prior planning and subsequent analysis and application

- Sometimes also, without planning, we learn from our mistakes – what one of the sources dubbed ‘CPD on the run’
- Attendance at seminars may be necessary, but won't be sufficient until the content is reflected on and applied or rejected in practice.

#### ROLE OF THE EMPLOYER

- Work-based CPD requirements happen in the employer's domain
- There is potential for delegating the CPD process to accredited employers who use a similar understanding of professional development.

#### WHAT SOUTH AFRICAN ACTUARIES SAID

- They have continued to develop throughout their careers, irrespective of new techniques or changes in the environment
- The majority of their development has happened at work, not at seminars
- Learning is not complete until tried out in practice.

### Assessment

The Actuarial Society understands that members may be discouraged from honest and frank reflection if their records could be made public. At this stage, therefore, members are asked to keep their own records, explain to a colleague their experience in working through the system, and then declare at year-end that they have diligently applied cycles of professional development. In addition, the Society will be seeking feedback on the perceived value of the new process to members.

The refinements are designed to assist actuaries develop and maintain their careers – i.e. the 99+% of members who want to keep their Professional Promise. The Society will no longer have schedules of the number of hours of CPD carried out to show to the public and regulators – rather they will have improved confidence that members are maintaining their professional competence.

### Further information

- [The Society's definition of CPD](#)
- [Outcomes-based CPD – the movie](#)
- [Guide to the Actuarial Society's alternative CPD requirements 01.12.2016-30.11.2018](#)
- [Optional Pro-forma CPD record](#)
- [Example 1- An actuary in academia](#)
- [Example 2- An actuary acting as a non-executive director](#)
- Example 3 – Actuary managing a technical life insurance department (Not available yet)
- [Lowther, M.W. and McMillan, W.J. \(2014\), 'The professional development cycle: Key to quality service delivery', \*South African Actuarial Journal\*, vol. 14, pp. 1-18.](#)

- [Lowther, M.W. and McMillan, W.J. \(2015\) "I Now see CPD as an integral part of my life." Authorship in Continuing Professional Development. Conference presentation – OLKC, Milan](#)
- Guide for actuaries engaging with another actuary's professional development (not available yet)
- Information for partially regulated members of the Institute and Faculty of Actuaries (Not available yet)

Or send your queries to [cpdqueries@actuarialsociety.org.za](mailto:cpdqueries@actuarialsociety.org.za)