

Media Release
Actuarial Society of South Africa
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Actuaries develop unique projection model to guide transformation efforts

The Transformation Committee of the Actuarial Society of South Africa (ASSA) has deployed a unique demographic projection model to help focus the profession's transformation initiatives.

The model shows that by 2028 the Society's current efforts are likely to result in a significant increase in the number of qualified Black African actuaries from the current 101 to 566. This would take the Society's broader Black membership (African, Coloured, Indian and Asian) to 42%.

The first release of the demographic projection model was introduced to the more than 1 500 actuaries currently attending the Society's 2017 Convention in Johannesburg by Professor Roseanne Murphy Harris, President of ASSA.

Murphy Harris explained that the model was developed to guide the Society in its efforts. "If we are making good progress in transforming our demographics, this model will show us what this 'good' will look like 10 years from now.

"If we address the differences in the rates at which student actuaries of different races progress through exams, we can increase our projection of Black African actuaries by 2028 to 566. If we aren't able to improve these rates of progress, that projection might only be 354 and if we are able to achieve more rapid improvement it could go up to 635."

Acknowledging the many challenges that affect the pace of the actuarial profession's transformation, Murphy Harris reminded delegates that the Society had placed transformation at the top of its strategic priorities.

"There are very real impediments to achieving meaningful transformation in our profession and we need to partner with employers to make real improvements. We are engaging with a broad range of stakeholders to understand the concerns and the challenges."

She pointed out that a unique challenge facing the actuarial profession in speeding up transformation is the length of time it takes to qualify as an actuary after graduating from university.

On completion of an Actuarial Science degree, the student is expected to demonstrate at least three years of work-based learning under the supervision of a mentor. During this time, the student is also expected to complete the professional examination requirements. In total, a student is required to pass 13 professional examinations as well as a professionalism and normative skills programme to become a Fellow of the Actuarial Society.

“It takes on average between seven to 10 years to become a Fellow after graduating. An interesting finding produced by the demographic projection model has been that while gender does not seem to impact on how long it takes a student to progress from graduating to becoming fully qualified, race plays a significant role. I need to point out though that other research has shown that gender continues to play a role at university level.”

Murphy Harris said that for this reason supporting black student members during their time at university and then in their years of work-based learning is making a significant difference in speeding up transformation of the profession.

“While we have seen significant progress towards transformation in our student numbers, we are aware of the need to ensure that as the Actuarial Society we are helping more black students on their journey towards becoming Fellows,” she explained.

To this end, the Society launched the ASSA Academy at the beginning of last year. The Academy supports working student members in achieving their qualifications by providing educational support, as well as soft skills training such as communicating in a corporate environment, balancing work and studying, and coping with the demands of the workplace.

“The wide range of initiatives undertaken by the Academy to date with the help of many volunteers willing to contribute their time and expertise have already benefitted more than 200 students. We have seen a significant improvement in the pass rate of students who have participated in the Academy programmes.”

The Society also works closely with the South African Actuaries Development Programme (SAADP) and the Association of South African Black Actuarial Professionals (ASABA).

“The SAADP programme has supported over 500 students over the last 14 years and qualified 30 actuaries to date. I would also like to mention the enthusiastic ASABA leadership who are so committed to passing on their own experiences to encourage and support those coming after them.”

Murphy Harris also pointed out that the poor quality of Maths and Science education in South Africa has been a significant obstacle to transformation of the actuarial profession, preventing many learners from considering Actuarial Science and completing their qualifications.

The Society has therefore undertaken a number of education initiatives targeting high school learners, aiming to equip them with the skills needed to progress up the pipeline into the actuarial profession.

One of these is the partnership with revolutionary social enterprise Paper Video, which seeks to provide high-school learners with digital syllabus maps, past exam papers and comprehensive video lessons by qualified teachers in Mathematics, Physical Sciences, Life Sciences and Accounting, without requiring internet access.

Through donations, the Actuarial Society Education Trust has funded the Paper Video resources for 12 000 learners at more than 100 schools in previously disadvantaged communities, and provided additional training for 130 teachers across the country.

In conclusion, Murphy Harris told delegates that transformation is not just about changing demographics.

“We need to do so much more than this. Our transformation strategy is about fairness and inclusion, feeling welcome and inspired and being directly linked to our professional promise which is to ensure fairness, accuracy and mitigated risk.

“Every bright willing innovative actuary in South Africa, regardless of race, culture or gender has the ability to contribute to making the objectives of our country’s National Development Plan a reality.”

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The Actuarial Society of South Africa is the professional organisation for actuaries and actuarial students in South Africa. The vision of the Actuarial Society is an actuarial profession of substance and stature, serving, and valued by, our communities as a primary source of authoritative advice and thought leadership in the understanding, modelling and management of financial and other measurable risks.