



# 2013 IAA Education Guidelines

1. An IAA Education Syllabus and Guidelines were approved by the IAA Council at its meeting in Birmingham, England on 6 June 1998. This version of the Guidelines and an updated Syllabus were approved at the Council meeting on 26 May 2012 and replace the 2007 document.
2. As part of the full membership requirements of the IAA, associations must have education requirements which are at least equivalent to the Syllabus (taken in conjunction with these Education Guidelines). The objective is that all students will have completed a compliant education syllabus on becoming full members.

## Framework

3. All associations are asked to ensure that all their fully qualified actuaries are admitted through education processes that meet the Education Syllabus and Guidelines. The IAA through the Education Committee would be pleased to work with associations to help them achieve the IAA Education Syllabus and Guidelines. The Secretariat can arrange contact with the Education Committee.
4. Cross recognition of qualifications is an association decision. Compliance by an association with the IAA Education Syllabus and Guidelines will not by itself achieve cross recognition of qualifications.
5. The criteria for being a full member of an IAA Full Member Association are defined by the association; however, such members who began their studies after the date the association became a Full Member of the IAA must have completed a set of education requirements that satisfy the IAA Education Syllabus and Guidelines. The requirements may be those in force at the time the member started their studies or any later version.

## Objectives of Education and Qualification in terms of Communication Skills

6. As business professionals, fully qualified actuaries need to possess not only the technical skills covered by the Syllabus topics, but also the ability to communicate the results of technical analyses to a wide range of audiences.
7. Although Communication is not explicitly included as a subject within the Syllabus, associations are encouraged to include training within the qualification process to ensure

that newly qualified actuaries can communicate actuarial results and conclusions to at least the following audiences:

- Peers
- More senior actuaries
- Non-actuarial managers or clients with some technical background
- Managers, clients or other audiences with general business awareness but without technical background

8. This training should include all aspects of communication skills.

## Variations in Education and Qualification

9. The IAA Education Syllabus and Guidelines do not prescribe an education process, leaving this to each association. There are many effective actuarial education and qualification programs which vary from organisation to organisation and country to country. Some of the important differences are the following:

- 9.1 **Education basis** - University courses v. self-study with professional examinations.
- 9.2 **Education source** - Own system in association or use of the system in another association.
- 9.3 **Training source** - Own organisation training v. use of other organisation training.
- 9.4 **Control of educational content and qualification standards** - by the actuarial organisation, by universities or by government.
- 9.5 **Qualification basis** - Examination scores v. university grades.
- 9.6 **Mathematics / Business Orientation** - Proportion of education on mathematics v. business topics, e.g. accounting, law, regulation, marketing.
- 9.7 **Specialisation** - Limited (or no) speciality differentiation v. extensive speciality tracks or separate speciality organizations.
- 9.8 **Qualification standards** - One qualification standard for all actuaries (set by the actuarial organisation or government) v. separate qualification standards by area of practice.
- 9.9 **National actuarial structures** - One organisation per country v. multiple organisations per country.
- 9.10 **Diversity of markets for actuaries** - Relative size of market for life insurance, pension, health care, general insurance and other areas of actuarial practice and service.
- 9.11 **Geographic scope** - Serve one country, several countries or many countries.

10. Nonetheless, there is a high degree of commonality among the education systems for fully qualified actuaries, and the IAA Education Syllabus and Guidelines have been developed for use as described in the sections below.

## Criteria for Meeting Guidelines

### Breadth

11. The syllabus has 10 subjects. Each subject contains a number of topics. The following criteria are set to ensure appropriate breadth of coverage:
  - 11.1 All subjects in the Syllabus must be covered.
  - 11.2 Subjects/topics do not need to be grouped or packaged in the same manner as in the Syllabus.
  - 11.3 Some subjects may be required by an association to be taken as pre-study or pre-requisite to actuarial study.
  - 11.4 The subjects should not be treated as being of equal weight when prescribing a full qualification process.
  - 11.5 It is important that students are introduced to all the subjects in the Syllabus but the application of topics can be covered through a limited number of areas.
  - 11.6 Different associations will give more or less weight to the various topics within each subject based on the needs for actuaries in the markets that each association services.

### Depth

12. The following criteria are set to ensure appropriate depth of coverage:
  - 12.1 Each subject should be covered to a depth whereby the student has a good knowledge of the subject as defined in the Syllabus and an understanding of how the subject is used in problem solving so that the student is able to solve well-defined problems that actuaries may encounter in their work. This is level 2 on the scale below. Some subjects may be covered in more depth.
  - 12.2 In assessing depth associations should consider a four point scale for the treatment of each subject:
    - 0 – Not covered at all
    - 1 – An introduction to the topics so the student has a basic knowledge of the subject
    - 2 – The student has a good knowledge of the subject as defined in the Syllabus and an understanding of how the subject is used in problem solving so that the student is able to solve well-defined problems that actuaries may encounter in their work.
    - 3 – The student has a deep knowledge of the subject and is able to solve complex problems using judgement.

It will be appreciated that there is another point of depth on the scale whereby an experienced practitioner with a specialism in the subject is able to solve ill-defined complex problems using judgement. However, this depth is unlikely to be achieved at the point when an individual initially qualifies as this is acquired with experience.

  - 12.3 In assessing the depth of coverage of any one subject there may be some averaging across all topics as depth of treatment of different topics within that subject may vary.
13. As a guide to required depth, in many countries, the IAA Education Syllabus and Guidelines depth would be achieved on a combination of university courses of which at least some will be on courses offered after the first level of university degree.

## Purposes of IAA Education Syllabus and Guidelines

14. The IAA believes that this document will:
  - 14.1 Assist a new actuarial association in establishing its education system and requirements.
  - 14.2 Assist an actuarial association in reviewing its education system and requirements.
  - 14.3 Assist an actuarial association in evaluating recognition for the training of members of other organizations.
  - 14.4 Assist the IAA in evaluating the education requirements of current or prospective IAA members.
  - 14.5 Assist a university in establishing or reviewing its actuarial courses.
15. It is intended that the IAA Education Syllabus and Guidelines will serve to improve the international portability of actuaries, actuarial graduates and actuarial students and to improve the international recognition of the actuarial profession.
16. The IAA Education Syllabus and Guidelines are not intended to prescribe an education process and this decision is left to each individual actuarial association. However, each association must demonstrate that its education requirements for admitting members as fully qualified actuaries satisfy these IAA Education Syllabus and Guidelines.

## Recognition by Associations of Other Associations' Education System

17. Some associations may choose to use the education system of one or more associations whose education requirements satisfy the IAA Education Syllabus and Guidelines.
18. The IAA Education Syllabus and Guidelines may be used to assist associations in decision making on cross recognition of qualifications.
19. The IAA Education Syllabus and Guidelines do not address the qualification standard appropriate to practice in particular specialty areas of locations.

## Important Considerations

20. The Guidelines do not prescribe either delivery or assessment methods.
21. The structure of an education system (whether involving universities, other educational institutions or professional examinations) need not follow the order shown in the Syllabus. Subjects may be arranged and material from various topics within each suggested subject may be combined in examinations or courses as appropriate.
22. Professionalism is one of the subjects in the Syllabus and it is important that associations consider their treatment of this even if for most of the education process they use the system of another association or a university. Associations need to develop a solution that is not theoretical but practical and which has regard to local needs and conditions.
23. Because of the wide variety of situations from jurisdiction to jurisdiction, the IAA Education Syllabus and Guidelines do not address the extent of additional education that might be required to change practice from one jurisdiction to another or from one practice area to another within a jurisdiction.