



The IAA and Actuarial Education in the 21st Century

Mesa del futuro de la educación del actuario en México
y perspectivas de desarrollo

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Strategic Objectives of the IAA

- 1** Identify, establish, and maintain relationships with key supranational audiences and provide them with actuarial input to improve the soundness of decisions being made on important issues with a global impact.
- 2** Facilitate the use and expansion of the scientific knowledge and skills of the actuarial profession, including beyond the traditional areas of actuarial practice, to help enhance the scope, availability, and quality of actuarial services offered by individual members of its member associations.
- 3** Establish, maintain and promote common standards of actuarial education, common principles of professionalism and model standards of actuarial practice for use by member associations worldwide.
- 4** Support the development, organization and promotion of the actuarial profession in areas of the world in which it is not present or is not fully developed.
- 5** Provide a forum for discussion among actuaries and actuarial associations throughout the world.



The IAA Syllabus

- Beginning in 2006, all IAA member associations must have admissions requirements for their fully qualified members at least at the level of the IAA Syllabus
- For the first time, the IAA can now state that all new fully qualified actuaries meet a common standard of education



IAA Subjects

- Financial Mathematics
- Probability & Mathematical Statistics
- Economics
- Accounting
- Modeling
- Statistical Methods
- Actuarial Mathematics
- Investment and Asset Analysis
- Actuarial Risk Management
- Professionalism



Associations remain in control

- **No requirements on mode of delivery of content**
 - University programs
 - Courses provided by the association
 - Self-study and examinations
- **Most associations are now using a combination**
 - In Mexico: university degree + professional examinations to become certified
- **Generalist and specialist approaches are acceptable**
 - Most specialist content is beyond the IAA syllabus



Filling in the Gaps

- **Many Associations already exceeded the IAA education level for some subjects**
- **Most Associations needed to “raise the bar” in some areas**
- **Especially Professionalism**
 - Associations that relied entirely on university programs started professionalism education
- **Nearly all Associations now certified by the IAA**
 - A few still in transition: government or university red tape slows the process



Association Benefits

- **Influence government policies by providing an international standard**
 - A much deeper program for US pension specialists (EA government syllabus) effective 2009
- **Raise all university programs to a common level**
 - CONAC will soon publish on its website which universities meet the education requirements
- **Growing understanding of actuary as professional**
 - Introduction of professionalism into the syllabus in many countries has led to a higher profile for the national association



The Syllabus is not Static

- **Basic subjects are not expected to change over time, but new research will be incorporated from time to time**
- **2006 Syllabus was unchanged from 1998**
- **New material / clarifications effective 2008**
 - Primarily in financial economics
- **Associations have time to implement**
 - All but one University in Mexico will be there by 2009
- **IAA will review periodically**



Education Beyond Qualification

- **An actuary's education does not end at qualification**
 - IAA policy on CPD: a necessity for every practicing actuary
- **Smaller associations have limited resources to provide CPD**
 - Over the next few years, IAA Education Committee will be working to help associations provide CPD to their members
 - Access to larger association programs through web sharing of content, perhaps Webinars



Spreading Actuarial Education

- **Large parts of the globe are underserved by actuaries**
 - Most of South/Central America
 - Asia outside a limited number of countries
 - Nearly all of Africa
- **Scarce resources**
 - Few if any qualified actuaries
 - No university programs
 - Language barriers to English-based examination programs



International Education Program

- **IAA is *considering* implementation of an international education program**
 - Available to new and existing associations as an option for part or all of qualifications
 - Provides outside verification
 - Frees up scarce resources for CPD, national content, local professionalism
 - Probably a mixture of university courses & outside exams



Iberian Program

- **Professors from Spain and Portugal have developed a new association “kit”**
 - Aimed at Spanish & Portuguese speaking countries without associations in South/Central America & Africa
 - University based education program + association start-up support
 - Working with IAA to ensure that an association that adopts will meet all IAA membership requirements
- **Plan is to work with government agencies to identify universities, professors, potential candidates to develop an association in 5 years**



Enterprise Risk Management

- **Several associations are working to define a syllabus for actuarial education in enterprise risk management**
- **IAA provides a natural meeting place for actuaries from around the globe**
 - Current discussions aimed at a common set of topics
 - Stay tuned!



Thank you