

Chartered Enterprise Risk Analyst Credential (CERA)

IAA Presidents' Forum
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SOCIETY OF ACTUARIES

Overview

- Society of Actuaries (SOA) identified the need for a new credential to demonstrate enterprise risk management competence in the traditional and broader financial services marketplace
- In June 2005 the Society of Actuaries Board of Governors approved the development of a new risk credential – Chartered Enterprise Risk Analyst (CERA)



Key Benefits

- Enhance awareness and understanding of actuarial techniques, training and perspectives in the practice of enterprise risk management.
- Assist members in competing for risk management roles in traditional sector firms.
- Obtain a foothold for members of the Society of Actuaries in broader financial services.



Key Benefits (cont'd)

- Attract new candidates to the profession.
- Meet evolving market and employer needs.



Credential Requirements

- Course P (Probability)
- Course FM (Financial Mathematics)
- Validation by Educational Experience (VEE) Economics
- Exam M (Actuarial Models) segment MFE
- Exam C (Construction of Actuarial Models)



Credential Requirements (cont'd)

- Operational Risk Module
- Advanced Finance/Enterprise Risk Management Exam
- Associateship Professionalism Course (APC)



Operational Risk Module

Currently, part of the FSA level Financial Reporting/Operational Risk Module

CERA candidates will be required to complete only the operational risk segment of this module: How to Identify, Measure, and Manage Operational Risk



Advanced Finance/ERM Exam

- Product development process
- Sources of risk
- Correlation of risks
- Underwriting and reinsurance to mitigate risk



Advanced Finance/ERM Exam (cont'd)

- Capital funding
- Capital sources
- Capital uses



Advanced Finance/ERM Exam (cont'd)

- Financial reporting
- Measuring value



Advanced Finance/ERM Exam (cont'd)

- Risk management
- ERM framework
- ERM fundamentals
- Credit risk
- Spread risk



FSA Finance/ERM Track

To obtain Fellowship (FSA) through this route, candidate is required to:

- Pick up those traditional ASA requirements that were not required for CERA.
- Fulfill additional requirements for FSA:
 - Financial economic theory – exam & module
 - Financial reporting module
 - Capstone module



Relation to Global ERM Credential

- SoA supports the development of a “Global ERM” credential
- SoA would consider amending its ERM designation requirements to meet international standards



Marketing and Communications Plan



Competitive Positioning

- Credential represents the most comprehensive and rigorously evaluated demonstration of enterprise risk management knowledge available.
- Credential is differentiated by its understanding of actuarial approaches to risk.
- Curriculum carefully developed to meet current and future needs.



Competitive Positioning (cont'd)

- Credential-holder will have a broad understanding of risk management and the ability to apply that knowledge to any risk-bearing enterprise.
- The credential holder is a member of a profession guided by an ethical code and subject to professional standards, education requirements and discipline.



Key Audiences

- “Supply Audiences”
 - New students
 - SOA candidates
 - Career ASAs
 - FSAs
 - Holders of other actuarial designations
 - Holders of other “risk related” credentials
 - Educational and academic counselors



Key Audiences (continued)

- “Demand Audiences”
 - Employers
 - Recruiters
 - Media



Awareness Campaign April – June 2007

- Created a Marketing Advisory Group to provide input to plan and key messages to target audiences.
- Introduced credential to internal audiences through existing communication channels (e.g. SOA Section Newsletters, *The Actuary*).
- Developed promotional flyer for events, meetings and conferences.



Marketing Launch July 2007

- Developed key messages that are aligned with the profession-wide branding efforts.
- Developed and launched an interactive press kit sent to over 90 media outlets on August 1.
- Developed a direct-mail piece to be sent to over 25,000 new students and their influencers in early September.



“Box Score”

Marketing campaign

Target Market	Completed	Planned
College students; academic counselors	Direct mail piece sent to 23,000+	College Outreach Plan
SOA candidates, ASAs, FSAs	<ul style="list-style-type: none"> ▪ SOA and CIA publications ▪ SOA events 	Additional promotions
Holders of other actuarial designations		Partnering with appropriate organizations
Holders of other risk-related credentials		
Employers		tbd
Recruiters		tbd
Media	Interactive press kit sent to 90+ media outlets	Desk-side interviews



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Marketing Launch (cont'd)

July 2007

- Continued communication efforts to candidates, ASAs and FSAs using existing delivery channels (e.g. section newsletters, blast e-mails).
- 92 individuals have already earned the Chartered Enterprise Risk Analyst credential.



CERA
Chartered Enterprise Risk Analyst

[Overview](#)

[Benefits](#)

[Eligibility](#)

[Requirements](#)

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Do you want to use your quantitative strengths to bring technical sophistication to a rapidly emerging specialty?

[View the CERA press kit.](#)



Risk Management Has a New Face: Chartered Enterprise Risk Analyst

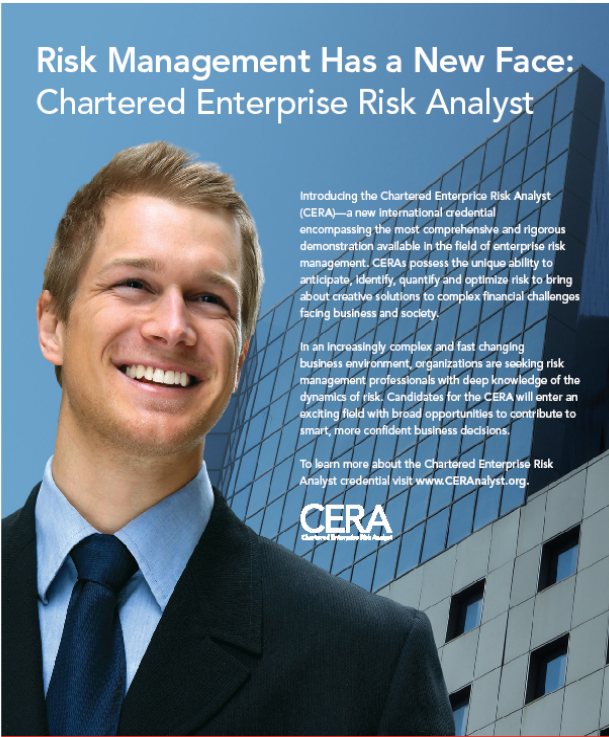
Risk Management Has a New Face: The Chartered Enterprise Risk Analyst, a new international credential encompassing the most comprehensive and rigorous demonstration available of enterprise risk management. CERAs possess the unique ability to anticipate, identify, quantify and optimize risk to bring about creative solutions to complex financial challenges facing business and society.

The CERA credential was developed in response to the business world's increasing reliance on professionals who are best equipped to convert risk into opportunity. CERAs don't merely speak to what we can lose; they focus on what we can gain.



Advertising

- Two-page ad in the August/September issue of *The Actuary*.
- Full-page add in the fall issue of *Beyond Risk* (Canadian Institute of Actuaries).
- Full-page ad in *Contingencies* (American Academy of Actuaries) - pending



**Risk Management Has a New Face:
Chartered Enterprise Risk Analyst**

Introducing the Chartered Enterprise Risk Analyst (CERA)—a new international credential encompassing the most comprehensive and rigorous demonstration available in the field of enterprise risk management. CERAs possess the unique ability to anticipate, identify, quantify and optimize risk to bring about creative solutions to complex financial challenges facing business and society.

In an increasingly complex and fast changing business environment, organizations are seeking risk management professionals with deep knowledge of the dynamics of risk. Candidates for the CERA will enter an exciting field with broad opportunities to contribute to smart, more confident business decisions.

To learn more about the Chartered Enterprise Risk Analyst credential visit www.CERAnalyst.org.

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Chartered Enterprise Risk Analyst

Actuaries
Risk is Opportunity.™

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Next Steps

- Development and implementation of “phase two” marketing and communications plan
 - Build awareness and bring new students into the profession
 - Promote credential to existing candidates, ASAs and FSAs
 - Partner with appropriate organizations and associations to enhance communication and marketing efforts
 - Build awareness among employers
 - Increase publicity efforts



Questions & Answers

