

As invited, I comment below on the FRC's discussion document "Promoting Actuarial Quality".

1. In my opinion, one of the chief insights of the paper is that actuarial work is not just 'product' but more 'process'. This understanding is important not only for promoting actuarial quality, but also for restoring trust in the profession, and improving our chances of survival.

2. The discussion paper sets out six drivers of actuarial quality, but does not refer to the process by which these drivers were deduced (except for the starting point of the FRC's similar document for auditors). The current consultation process may assist the validity and reliability of the six-drivers hypothesis. However, there is surely a great deal of literature from academics worldwide in the sociology and education of professions, as well as the experiences of various professions, which could lead to a more solid foundation for the FRC's future work.

3. A research project along these lines would reveal that a number of professions and academics have published lists of drivers, some long, some short. The IAA's professionalism committee for example has a draft document with four drivers, fairly similar to the first four in this paper. You might consider concentrating on just these four drivers (and some of driver 5 could be included in driver 4) given that the others are by definition out of our control.

4. I heartily endorse the connection drawn between delivering actuarial quality and educating for actuarial quality. Clearly, an actuarial professional education system must cover all the required drivers. In South Africa, in preparation for introducing our own exams from 2010, we have just completed a research project to define the purpose of an actuarial education system, the range of technical and normative capabilities that should be taught, and high level methodologies for ensuring effective education. This paper, entitled "Educating for Actuarial Quality" will shortly be available on the website of the Actuarial Society of South Africa www.actuarialsociety.org.za under 'Events/Annual Convention'. This paper also considers drivers of actuarial quality, and, in addition to the two subsets of normative capabilities mentioned in the FRC paper (ethics and communications) adds another two (life skills and business management).

Best wishes

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