



Institute of Actuaries of Australia

**INSTITUTE OF ACTUARIES OF AUSTRALIA**

**STRATEGIC PLAN 2008-2010**

**COUNCIL PAPER**

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**PREPARED BY THE STRATEGIC PLANNING TASKFORCE**

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## **EXECUTIVE SUMMARY**

### **Overview**

The Institute has established a practice over recent years of developing and implementing a Strategic Plan based on a three year cycle. The most recent Strategic Plan and cycle related to the period 2005-2007. As the current Strategic Plan and cycle draws to a close, it is necessary to review and reassess the Strategic Plan and the medium term outlook for the Institute.

With this in mind, the Institute Council appointed the Strategic Planning Taskforce (“StratPTF”) to develop a draft Strategic Plan for its consideration. An important input to the development of this plan is the result of the recent work and membership consultations of the Vision 2020 Taskforce. Nonetheless, the process of the development of the Strategic Plan included appropriate, specific consultation with Institute members.

This paper is the final paper on the Institute’s 2008-10 Strategic Plan following the consultation purpose. The paper includes:

- An articulation of the Institute Mission and Vision in terms of what the StratPTF suggest the outcome should look like over the medium term and potential risks to be faced.
- A high level “gap analysis” of where we see the profession is and where it wishes to be (per the above).
- Proposed strategic imperatives, opportunities, initiatives and actions that are identified to “close the gap”.

### **Strategic Plan on a Page**

As part of the output of the Taskforce, we have attempted to produce a “Strategic Plan on a Page” as a high level summary of the overall goals, risks, strategies and key actions emerging from this strategic planning review. This plan on a page is provided over the page as an “Executive Summary” of our key conclusions.

## Strategic Plan on a Page

Whenever there is uncertainty as to future financial outcomes, actuaries will be sought for their valued advice and authoritative comment.

Goals	What Success Looks Like	Risks	Key Strategies	Key Actions
<p><b>The Actuarial Profession is Growing and Diversifying with Increasing Influence.</b></p> <p><b>Actuaries have a High Reputation for Ethics and Sound Advice</b></p> <p><b>The Profession and the Institute are Broadly Recognised and Actuaries have a Reputation for Highly Skilled Advice</b></p> <p><b>The Institute is valued and highly regarded by its members, with high member capture and retention rates</b></p> <p><b>The Actuarial Profession is Enjoying Global and Regional Success</b></p>	<ul style="list-style-type: none"> <li>➤ The number of actuaries is sound and growing, including in new areas.</li> <li>➤ Sound remuneration. Senior role numbers increasing.</li> <li>➤ Good flow of quality &amp; diverse new entrants, associates and fellows.</li> <li>➤ Limited negative press.</li> <li>➤ Actuaries recognised by business and public sector for ethics and reliability.</li> <li>➤ Actuaries valued for their contribution to business.</li> <li>➤ Institute sought for contribution to public debate.</li> <li>➤ Sound flow of R&amp;D.</li> <li>➤ Members value Institute services and education.</li> <li>➤ High membership take-up. Low lapses.</li> <li>➤ Volunteer numbers are maintained. Volunteers are effective and feel valued.</li> <li>➤ Regional societies meeting the demand for actuaries.</li> <li>➤ Institute contributing to and shares in regional success.</li> <li>➤ Good global progress by the profession.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Failure to move into new areas: <ul style="list-style-type: none"> <li>▪ Actuaries not valued.</li> <li>▪ Oversupply.</li> <li>▪ Not attractive to new entrants.</li> <li>▪ Poor salaries.</li> </ul> </li> <li>➤ Professional failures or poor performance. <ul style="list-style-type: none"> <li>▪ Reputation.</li> <li>▪ Regulatory model changes.</li> </ul> </li> <li>➤ Failure to maintain skill base, relevance.</li> <li>➤ Lack of leaders in the profession.</li> <li>➤ Profession marginalised to back room / compliance.</li> <li>➤ Institute fails broad membership service / value demand.</li> <li>➤ Insufficient volunteers.</li> <li>➤ Failure of regional engagement.</li> <li>➤ IAA progress failure.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Change Institute focus to "Member Services and Educator" (from "Licensor").</li> <li>➤ Members join for value proposition.</li> <li>➤ Revise Institute op. model.</li> <li>➤ Enable support of initiatives.</li> <li>➤ Volunteer management.</li> <li>➤ Pre-qualification education review.</li> <li>➤ Align needs and outcomes.</li> <li>➤ Skills, communication, ethics</li> <li>➤ Comprehensively implement the ERM domain initiative.</li> <li>➤ RM review of Institute.</li> <li>➤ Implement "life long education" CPD model.</li> <li>➤ All members, networking.</li> <li>➤ Marketing initiatives to support strategy.</li> <li>➤ Broad based R&amp;D.</li> <li>➤ Academic (fundamental), applied, industry.</li> <li>➤ Regional engagement.</li> <li>➤ Strategic IAA engagement.</li> <li>➤ Maintain professional standards &amp; guidance.</li> <li>➤ Disaster Recovery Plan.</li> <li>➤ Strategic management focus.</li> <li>➤ Improved data availability.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Implement Designations TF outcomes.</li> <li>➤ Assess and change Institute services, fees etc philosophy and structure.</li> <li>➤ Articulate the value of actuaries.</li> <li>➤ Proud to be an actuary program.</li> <li>➤ Business &amp; op plans linked to strategy.</li> <li>➤ IT resources, staffing,</li> <li>➤ Volunteer "list" &amp; employer support.</li> <li>➤ Stabilise current Part III delivery, resources.</li> <li>➤ Full competency review. Designations, aims, content, uni's, delivery, exams.</li> <li>➤ Text books as products.</li> <li>➤ CPD, Part III, Practice Committee.</li> <li>➤ ERM Seminar, marketing, international.</li> <li>➤ Part I, II. . ➤ Institute RM review.</li> <li>➤ Leadership, commun'tns, professionalism.</li> <li>➤ Part III leverage. ➤ Full program width.</li> <li>➤ Finalise Health, record keeping.</li> <li>➤ Investment Seminar series.</li> <li>➤ Employer marketing / liaison.</li> <li>➤ ASIC. ➤ Enlist Uni support (students)</li> <li>➤ PhD's &amp; Part III. ➤ Prizes and funding.</li> <li>➤ Uni accreditation, Academic Papers.</li> <li>➤ ARCA. ➤ Practitioner Papers.</li> <li>➤ Regional co-operation and leverage. Education, IAA involvement, governance.</li> <li>➤ Key IAA actions/focus.</li> <li>➤ Finalise current PS's. ➤ Review cycle.</li> <li>➤ Re-establish full PGL set (via PC's).</li> <li>➤ Standing review of Code, PSC, governance</li> <li>➤ Strategic Plan reviews &amp; monitoring.</li> <li>➤ Council, Exec, PC, CC interaction.</li> </ul>

## TABLE OF CONTENTS

1.	Introduction.....	5
1.1	Background to Strategic Planning Taskforce .....	5
1.2	Terms of Reference for StratPTF .....	6
1.3	Current Status, SWOT, Recent Successes and Progress .....	6
1.4	Membership Feedback.....	7
2.	Institute Mission & Vision.....	8
2.1	Current Stated Mission & Vision.....	8
2.2	StratPTF Observations.....	8
2.3	StratPTF Conclusions .....	8
3.	What Does It Look Like – What are the Goals? .....	9
3.1	Current “Goals” .....	9
3.2	Proposed Goals & Statement of Position .....	10
3.3	Key Strategic Risks (& Threats) .....	10
4.	The Gap – Now Versus Future.....	12
5.	Strategies and Actions.....	26
5.1	Strategic Imperatives & Opportunities.....	26
5.2	Strategic Initiatives and Action Plans .....	27
6.	Key Performance Indicators .....	36
7.	Conclusions & Closing Remarks .....	37

Appendix A: Summary of Vision 2020 Taskforce Findings & Views

Appendix B: Summary of Institute Strategic Plan 2005-7 Strategies & Actions

## 1. Introduction

### 1.1 *Background to Strategic Planning Taskforce*

As discussed in the Vision 2020 Taskforce discussion paper, the Institute has responded to a number of significant challenges and issues over recent years and has implemented or made important progress on a broad range of projects. These have included:

- Various corporate governance matters ranging from the Code of Professional Conduct, professional standards and guidance structure, disciplinary scheme, and Secretariat processes and documentation. The development and introduction of a revised Part III education program, supporting and encouraging the massive growth of the actuarial role in general insurance, input on International Financial Reporting Standards, progressing R&D initiatives, including the Actuarial Research Centre of Australia (ARCA) and commencing serious work on developing risk management as a practice area for actuaries.
- Other activities have included projects and initiatives ranging from improving member services, CPD programs, website development (albeit a continuing project!), raising and cementing our profile with governments, regulators and various public organisations, engagement and support of actuaries internationally, in particular engagement with the International Actuarial Association (IAA) and enhancing the substance of our representative office (the Secretariat). Preliminary work has also started in the areas of Leadership and Communications initiatives.
- Most recently, the strains and demands of the current Part III education program has been raising new challenges to be addressed.

Much of this work has arisen from the circumstances and demands of the time. Nonetheless, much also owes its origins and impetus to recent Institute Strategic Plans. The current strong position of the profession in Australia and of the members of the Institute operating outside Australia, owes much to the strategic planning process that has been adopted by the Institute over recent years.

While much of the work program over the next year or so may prima facie appear reasonably clear - just getting done what we need to do and/or have already planned, or committed to, will be a challenge – it is time to consider whether we are addressing the issues of most strategic importance or priority, and what other key issues and matters do we need to consider looking forward.

The historic strategic planning process has involved the development and implementation of Strategic Plans based on a three year cycle. The most recent Strategic Plan and cycle relates to the period 2005-07. As the current Strategic Plan and cycle draws to a close, it is necessary to review and reassess the Strategic Plan and the medium term outlook, goals and strategic focus and actions for the Institute.

On this basis, the Council of the Institute has appointed the Strategic Planning Taskforce (“StratPTF”) to develop a draft Strategic Plan for the Institute for the 2008-10 period for Council to consider, and subject to any amendment that Council determines, adopt on behalf of the Institute. In this context, the “Institute” includes the Institute Council, the Institute office and staff, and all of the many committees, taskforces, faculties and the many member volunteers that support these and that oversee and execute the work and deliverables of the Institute. Nonetheless, it is noted that as the key objectives of the Institute are to provide professional education, services and support to its members and to further the actuarial

profession generally, many of the key goals and outcomes considered in the Strategic Plan therefore focus on the Institute's members and the actuarial profession rather than the Institute itself.

The objective of the Strategic Plan is to determine the high level strategic focus areas and initiatives for the Institute, together with broadly indicative action plans to be targeted over the plan period. More detailed and specific actions are considered within the annual Institute business planning process.

Council has also directed certain other questions to the Taskforce (see below).

## **1.2 Terms of Reference for StratPTF**

At its May 2007 meeting, Council observed that (paraphrased):

- *Much preliminary strategic analysis was undertaken in 2006 by the Vision 2020 Taskforce. Council considered the final report of that Taskforce in December 2006 and resolved that it should be used to inform the strategic planning process.*
- *The final Vision 2020 report included a list of options and views on directional change and key priorities (refer Appendix A).*

On the basis of the above, Council's terms of reference for the StratPTF are as follows.

*Given the existing Mission and Vision and the work of the Vision 2020 Taskforce, the Strategic Planning Taskforce is directed to:*

- *Review the Institute's strategic goals and consider inclusion of operational efficiency and change management as additional goals.*
- *Review the key priorities identified by the Vision 2020 Taskforce, within the context of the next 3 to 5 years (or such longer period that is appropriate for particular priorities).*
- *Consider other inputs relevant to strategic planning for this period.*
- *Prepare a draft strategic plan for the period 2008 to 2010 for consideration by Council and Members.*
- *Arrange the appropriate consultation with Members, Practice Committees and other stakeholder groups.*
- *Make recommendations regarding the ongoing strategic planning process (including development, reviewing and updating).*

*The Taskforce will report to Council at each meeting (with sign off by Council at its August meeting).*

## **1.3 Current Status, SWOT, Recent Successes and Progress**

It has been the practice for past Strategic Plan discussion papers to set out, analyse and discuss items such as current membership statistics and growth, the professions "SWOT", current environmental issues and considerations, progress against the previous strategic plan, practice area outlook, member feedback etc.

In the context of this discussion paper, it is noted that:

- The Vision 2020 Taskforce Discussion Paper published in October 2006 included an extensive survey of these items and considerations and was followed by a Paper to Council on members' feedback on that Discussion Paper along with the strategic comments and conclusions of the Vision 2020 Taskforce.
- Fred Rowley's Presidential Address delivered in February 2007 included further discussion of the current strategic landscape and commentary on recent Institute progress.

We have therefore not sought to retrace all of this ground in this paper, but rather to turn our focus forward and specifically consider how the various issues and conclusions reached in those papers, including member feedback, may be addressed.

Nonetheless, we include a high level summary of the Vision 2020 Taskforce findings and views in Appendix A and a high level summary of the target initiatives of the previous 2005-07 strategic plan in Appendix B.

#### **1.4 Membership Feedback**

The process to date of the StratPTF has been to:

- Reflect on the recent work of the Vision 2020 Taskforce, member comment on that work and other relevant inputs to Institute strategy.
- Conduct a high level preliminary discussion with Council to collect its general views in June 2007. Conduct a high level discussion on a draft of this paper with the Institute's Practice Committees, International Council Committee and Executive Council Committee in July 2007.
- Publish a Discussion Paper in July 2007, present that Paper at Horizons meetings in July 2007 and receive written submissions.
- Taking account of the feedback received, produced this final paper for council to adopt including assessments of effort
- Prepared a council paper for the August meeting outlining key feedback and the StratPTF's response to that feedback

## **2. Institute Mission & Vision**

### **2.1 Current Stated Mission & Vision**

The current stated Mission and Vision of the Institute is as follows:

#### **Mission**

*To represent the actuarial profession and maintain, create and expand an environment where the skills of actuaries are widely used and valued.*

#### **Vision**

*Whenever there is uncertainty as to future financial outcomes, actuaries will be sought for their valued advice and authoritative comment.*

### **2.2 StratPTF Observations**

Under our terms of reference, the current Institute Mission and Vision are to be “taken as read”. Nonetheless, we observe:

- The Mission and Vision have been discussed and endorsed by Council in recent times.
- The Mission and Vision have been set out in recent papers such as the Vision 2020 Taskforce Paper discussed at various forums and there has not been any general dissent expressed with respect to the Mission and Vision within the member feedback on those papers.

### **2.3 StratPTF Conclusions**

Notwithstanding that it is a term of reference of the StratPTF to take the current Mission and Vision of the Institute “as read”, we have concluded that the current Mission and Vision remain relevant to the Institute and representative of broad membership views and aspirations.

We have not identified any material addition, edit or deletion that should be made.

### 3. What Does It Look Like – What are the Goals?

#### 3.1 Current “Goals”

In recent times, the Institute Mission statement (as per Section 2) has had the following further statements appended to it:

*The Institute:*

- *Establishes, maintains and enforces professional standards for the protection of the public and provides guidance to help actuaries provide professional services of high quality.*
- *Provides pre-qualification and continuing professional education, and creates forums for discussion about contemporary and relevant issues.*
- *Promotes research and the development of actuarial science.*
- *Promotes the actuarial profession’s value in existing and new roles, including contributing to and informing debate on public policy and business issues.*

In considering these statements, the StratPTF noted that while these outline much of the key current functional areas of activity of the Institute and are, in general, suitable appendages to the Mission, they don’t give a guide as to how well these may be performed nor a goal of what success might look like. Consequently, these statements do not represent strategic goals.

We also note that the 2004-07 Strategic Plan largely focused on four “key strategic objectives” that were identified as worthy of specific attention. However, other than noting the above Mission statement appendages, the subject of overall, fundamental Institute goals that flow from the Vision was not directly addressed.

With this in mind and to further the evolution of the Institute’s strategic planning framework, the current StratPTF started its work by attempting to take a step back from the recent strategic issues discussion and revisit the questions of:

- What do we want to achieve? What does the Vision mean?
- If we achieved our Vision, what would it look like, how would we know we had got there, how do we know if we are getting there?

Our attempt at answering these questions is set out below.

### 3.2 Proposed Goals & Statement of Position

The StratPTF has developed the following high level goals for “what it would look like in 5 years time” if we are progressing to the Vision:

Goals (Area of Focus)	Medium Term Target Position
<b>G1: The Profession is Growing and Diversifying with Increasing Influence</b>	<p>G1.1: The profession's numbers in existing practice areas are sound and growing.</p> <p>G1.2: The profession's numbers are expanding in new areas, with the number of “areas” growing.</p> <p>G1.3: There are an increasing number of the profession in senior management levels in business.</p> <p>G1.4: Typical member remuneration is sound (at least holding ground vis-à-vis others).</p> <p>G1.5: A good flow of quality new entrants to the profession with a broad range of existing attributes.</p> <p>G1.6: A good flow of quality new associates and fellows are emerging from the education process.</p>
<b>G2: The Profession has a High Reputation for Ethics and Sound Advice</b>	<p>G2.1: Negative press about actuarial ethics or ability is infrequent. Lots of good press coverage arises.</p> <p>G2.2: Any disciplinary actions are seen as timely, “clinical”, fair and adequate.</p> <p>G2.3: Actuaries provide increased work in reserved roles and “fairness” type opinions.</p> <p>G2.4: The profession is recognised by the business and public sector for its ethics and reliability.</p>
<b>G3: The Profession and the Institute is Broadly Recognised and has a Reputation for Highly Skilled Advice</b>	<p>G3.1: The profession is recognised for its valuable contribution to the business sector.</p> <p>G3.2: The profession and the Institute is recognised and sought after for its valuable and impartial contribution to public policy debate and support of the public interest.</p> <p>G3.3: There is a sound flow of R&amp;D enhancing and expanding the profession's relevance and skills.</p>
<b>G4: The Institute is valued and highly regarded by its members, with high member capture and retention rates</b>	<p>G4.1: Institute services provided are valued, supported and well regarded by members.</p> <p>G4.2: High membership take-up by “actuarial” university students and leavers, and low member lapse rates.</p> <p>G4.3: Delivery of pre-fellowship education services is valued and well regarded by members / students.</p> <p>G4.4: Volunteer numbers are maintained at desirable levels. Volunteers are effective and feel valued.</p>
<b>G5: The Profession is enjoying Global and Regional Success</b>	<p>G5.1: Regional societies are meeting the demand for actuaries (numbers &amp; quality), with our members contributing materially, and the position of the actuary in the region is sound and secure.</p> <p>G5.2: The Institute works with regional societies and meaningfully contributes to, and shares in, the success.</p> <p>G5.3: The profession is seen as a substantially global profession, with a comparable role for the IAA.</p> <p>G5.4: The profession globally is progressing on the above focus areas (albeit at different stages).</p>

### 3.3 Key Strategic Risks (& Threats)

Following on from the Section 3.2 Goals, the following represents the key risks and threats identified to achieving our Vision and Goals and where we want to be. We need to take these into account in our strategy:

Goals (Area of Focus)	Key Strategic Risks and Threats
<b>G1: The Profession is Growing and Diversifying with Increasing Influence</b>	<p>R1.1: The profession becomes bound to existing practice areas and fails to expand into new areas (e.g. ERM).</p> <p>R1.2: Excessive numbers of actuaries and/or reducing demand for (or value of) actuaries reduces our status.</p> <p>R1.3: Profession fails to attract and retain adequate numbers of high quality new entrants.</p>
<b>G2: The Profession has a High Reputation for Ethics and Sound Advice</b>	<p>R2.1: Serious professional failures (ethics or ability) that result in a negative impact on our reputation.</p> <p>R2.2: Professional standards and/or performance found (perceived) to be inadequate.</p> <p>R2.3: Change in regulatory model e.g. moving away from the use of appointed/approved actuaries.</p>
<b>G3: The Profession and the Institute is Broadly Recognised and has a Reputation for Highly Skilled Advice</b>	<p>R3.1: The profession fails to define, articulate and promote its role in the world. Good work is provided by those with “actuarial skills” (perhaps educated by us) but who are not seen as actuaries.</p> <p>R3.2: The profession is marginalised as a narrow, “boffin” and/or “compliance” focused profession.</p> <p>R3.3: We fail to maintain our actuarial skill bases and are surpassed / supplanted by other experts.</p> <p>R3.4: The profession lacks leaders and “icons” amongst its members and becomes “rudderless”.</p>
<b>G4: The Institute is valued and highly regarded by its members, with high member capture and retention rates</b>	<p>R4.1: Institute fails to establish a sufficient service value proposition for “wider field” members.</p> <p>R4.2: Membership does not grow outside “traditional” fields or areas requiring an actuarial “license”.</p> <p>R4.3: Membership loss from disenfranchisement, outside Sydney, outside Australia.</p> <p>R4.4: Institute fails to maintain an adequate “army” of volunteers.</p> <p>R4.5: Education process and/or broader practice and operational functions are not supported or collapse.</p>
<b>G5: The Profession is Enjoying Global and Regional Success</b>	<p>R5.1: Regional societies don’t reach critical mass/quality and/or are supplanted by other experts.</p> <p>R5.2: The IAA fails to make adequate strategic and relevant progress and meet global challengers.</p> <p>R5.3: Regional societies make sound progress, but Australia plays little or no meaningful role regionally.</p> <p>R5.4: Institute wastes resources with uncoordinated or unfocussed activity in IAA and international activities.</p> <p>R5.5: Institute education and services are not leveraged within the region, but are instead undermined by other providers.</p>

#### 4. The Gap – Now Versus Future

Having established our Goals and “what it would look like”, the obvious questions are:

- Where are we now?
- What is the gap that needs to be traversed?
- What performance outcomes can we, or should we, measure to assess if we are closing the gap over time (and indeed arrive at our goals)?

The following analysis considers each of the Goals and:

- Proposes some relevant performance outcomes for each.
- Considers the data available to measure each performance outcome.
- Provides our assessment of the gap between the current state and the Goal state.
- Suggests a position to Target for 2010 (which in some cases will involve progress toward the Goal, but not necessarily full achievement by 2010).

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G1: The Profession is Growing and Diversifying with Increasing Influence</b>	<p><b>Growing membership with increasing diversification of membership demographics:</b></p> <ul style="list-style-type: none"> <li>➤ Number of Members is growing</li> <li>➤ Number practising in established fields is growing</li> <li>➤ Number practising in new fields is growing</li> <li>➤ Number practising overseas is growing</li> <li>➤ Increasing number of new fields</li> </ul>	<p><b>Membership Stats 2007:</b></p> <ul style="list-style-type: none"> <li>▪ Fellows &amp; Acc 1479</li> <li>▪ Associates 783</li> <li>▪ Students <u>1014</u></li> <li>▪ Total 3276</li> </ul> <p><b>Average annual growth rate in last 3 years</b></p> <ul style="list-style-type: none"> <li>▪ Fellows &amp; Acc 3%pa</li> <li>▪ Associates 7%pa</li> <li>▪ Students <u>4%pa</u></li> <li>▪ Total 4%pa</li> </ul> <p><b>New Fields (excl Students)</b></p> <ul style="list-style-type: none"> <li>▪ Banking and Fin 139</li> <li>▪ Investment 154</li> <li>▪ Health 40</li> <li>▪ Risk Mgt 25</li> <li>▪ Unknown 364</li> </ul> <p><b>Overseas members 707 (22%)</b></p> <ul style="list-style-type: none"> <li>▪ HK (5%)</li> <li>▪ UK (4%)</li> <li>▪ NZ (3%)</li> <li>▪ Singapore (2%)</li> <li>▪ Other (8%)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Numbers not bad at the moment supported by historical increases</li> <li>➤ Huge opportunity with ERM</li> <li>➤ Important to keep it rolling and don't "drop the ball"</li> <li>➤ Superannuation area is a challenge – in terms of both future growth (maintenance) prospects and attracting new actuarial entrants to the field.</li> <li>➤ Significant success in health insurance. The health financing field has little actuarial involvement so far.</li> <li>➤ Loss of members (not retaining / not gaining) in new areas, particularly BFI</li> <li>➤ Need better data on those working outside established fields, including what the "unknowns" are doing.</li> </ul>	<p><b>Membership 2010</b></p> <ul style="list-style-type: none"> <li>▪ Fellows &amp; Acc 1700</li> <li>▪ Associates 900</li> <li>▪ Students <u>1200</u></li> <li>▪ Total 3800</li> </ul> <p><b>Average annual growth rate in last 3 years</b></p> <ul style="list-style-type: none"> <li>▪ Total 5%pa</li> </ul> <p><b>New Fields (excl Students)</b></p> <ul style="list-style-type: none"> <li>▪ Banking and Fin 150</li> <li>▪ Investment 200</li> <li>▪ Health 60</li> <li>▪ Risk Mgt 100</li> <li>▪ Targets above adjusted for any reduction in unknown</li> </ul> <p><b>Overseas members 850</b></p>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G1: The Profession is Growing and Diversifying with Increasing Influence (cont...)</b>	<p><b>Increased seniority of involvement and influence:</b></p> <ul style="list-style-type: none"> <li>➤ Increase in absolute numbers of Profession occupying senior roles with an increase in percentage unless membership growth exceeds 5%pa</li> </ul>	<p>Present assessment is that 18% of profession occupy senior roles (defined as CEO, CFO, CRO, partners or directors of companies other than the smallest of companies or practices, and Appointed Actuaries as captured by membership records)</p>	<p>Anecdotally this is believed to have declined in recent years:</p> <ul style="list-style-type: none"> <li>➤ Some loss of seniority within some traditional employers (e.g. some life insurers).</li> <li>➤ Concern over potential “marginalisation” of some life insurance AA roles.</li> </ul> <p>Review of data capture and definition is required.</p>	<p>Improve data collection to enable regular updating and standard definition.</p> <p>Assuming 18% baseline is unchanged after definition review, grow this to 20%.</p> <p>Specifically grow the numbers of members acting in CRO positions.</p>
	<p><b>Sound and comparable remuneration:</b></p> <ul style="list-style-type: none"> <li>➤ Graduate Salaries</li> <li>➤ New Fellow Salaries</li> </ul>	<p><b>2007 Salary Survey:</b></p> <ul style="list-style-type: none"> <li>➤ Students (new grads) starting packages \$51,000 - \$63,000</li> <li>➤ Fellows (post Professionalism Course) packages \$107,000 - \$133,000</li> </ul> <p><b>Comparable salaries (2006)</b></p> <p>New graduates level:</p> <ul style="list-style-type: none"> <li>➤ Dentistry \$68,000</li> <li>➤ Optometry \$51,240</li> <li>➤ Medicine \$51,000</li> <li>➤ Engineering \$46,000</li> </ul>	<p>New grads ranked well against professions close to ours.</p> <p>Difficult to benchmark fellowship level.</p>	<p>Maintain current relativities.</p> <p>Improve data availability.</p> <p>Get Actuarial Science as a rated graduate category.</p>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G1: The Profession is Growing and Diversifying with Increasing Influence (cont...)</b>	<b>Quality and Number of entrants to profession:</b> <ul style="list-style-type: none"> <li>➤ Numbers entering University is growing</li> <li>➤ Breadth of educational background of those joining profession is widening</li> </ul>	<ul style="list-style-type: none"> <li>➤ Approx 500 new students entering Part I each year.</li> <li>➤ UAI/TER average is approx 95 on entry</li> </ul>	Broad evidence is that average UAI/TER scores have increased in recent years. Firm information on breadth of educational background is not available but anecdotally remains narrow.	TBD from base data observations.
<b>G2: The Profession has a High Reputation for Ethics and Sound Advice</b>	<b>Stakeholder Survey results demonstrate each of following groups have high regard for the professions ethics and reliability:</b> <ul style="list-style-type: none"> <li>➤ Relevant Employers</li> <li>➤ Relevant Regulators</li> <li>➤ Relevant Government agencies and ministers</li> </ul>	<ul style="list-style-type: none"> <li>➤ No firm data exists for these issues. Annual Beaton survey is an assessment from amongst peer professionals or Institutions.</li> </ul>	Current survey is not targeted at profession's stakeholders.  What evidence exists presents a picture of the profession having a high reputation for ethics and reliability but this needs to be maintained and quality information surveying developed to ensure it does not slip.	Include relevant question as part of other wider stakeholder survey development.  Define acceptable target.  Reassess actions in light of results.

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G2: The Profession has a High Reputation for Ethics and Sound Advice (cont...)</b>	<b>Media evidence of support</b> <ul style="list-style-type: none"> <li>➤ Increasing volume of press coverage relating to profession</li> <li>➤ Increasing percentage is positive</li> <li>➤ Nil adverse commentary about disciplinary scheme</li> </ul>	<b>Buchan 2006</b> <ul style="list-style-type: none"> <li>➤ 138 media articles in 2006 (49 in 2005)</li> <li>➤ 80% positive, 20% neutral, 0% negative</li> <li>➤ Nil adverse commentary about disciplinary scheme</li> </ul>	<p>Coverage is increasing but still confined to a narrow base.</p> <p>Buchan states that the challenge for the Institute will be to continue strengthening the relationships with key financial services media, building on and extending the reputation of the Institute and continuing to strengthen relationships with key journalists.</p> <p>Relatively minor impact from recent disciplinary processes. Need to ensure new scheme improves perception of timeliness of process.</p>	<b>Buchan 2010</b> <ul style="list-style-type: none"> <li>➤ 300 media articles</li> <li>➤ 80% positive, 20% neutral, 0% negative</li> <li>➤ Nil adverse commentary about disciplinary scheme</li> </ul>
	<b>Reserved role and Appointed Actuaries</b> <ul style="list-style-type: none"> <li>➤ No threat to reserved roles</li> </ul>	<p>Currently occupy:</p> <ul style="list-style-type: none"> <li>➤ Life: AA, FCR, RMF</li> <li>➤ GI: AA, FCR, RMF</li> <li>➤ Health: AA, FCR, RMF</li> <li>➤ Super: Various SIS roles</li> </ul> <p>[RMF = Risk Management Framework]</p>	<p>Roles increased in recent years.</p> <p>Some further opportunity exists, e.g. further risk management work in existing AA roles.</p>	<p>Maintain and extend to:</p> <ul style="list-style-type: none"> <li>➤ Further RM work.</li> <li>➤ Role with ASIC</li> </ul>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G3: The Profession and the Institute is Broadly Recognised and has a Reputation for Highly Skilled Advice</b>	<b>Business Sector Survey</b> <ul style="list-style-type: none"> <li>➤ Increasing % amongst current or potential users of actuarial services surveyed: <ul style="list-style-type: none"> <li>▪ Recognise what an actuary is</li> <li>▪ Recognise what an actuary could do for their business</li> <li>▪ Have used an actuary in last 12 months</li> <li>▪ Current users rate value added by the actuary as very high</li> </ul> </li> </ul>	Australian data not currently gathered.	Anecdotally: <ul style="list-style-type: none"> <li>➤ Profession well established in traditional fields but some threat due to other professionals expanding techniques and influence.</li> <li>➤ Some individuals performing well in non-traditional fields but not necessarily being viewed as actuaries or members of the Institute.</li> <li>➤ Institute recognition perceived as low amongst business stakeholders.</li> <li>➤ Recognition of profession is low with non users.</li> </ul>	Establish survey and measure observations.  Set goals and reset actions against observations.

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G3: The Profession and the Institute is Broadly Recognised and has a Reputation for Highly Skilled Advice (cont...)</b>	<b>Public Sector Survey</b> <ul style="list-style-type: none"> <li>➤ Increasing % amongst relevant departments surveyed: <ul style="list-style-type: none"> <li>▪ Recognise what an actuary is</li> <li>▪ Recognise what an actuary could do for their department</li> <li>▪ Have used an actuary in last 12 months</li> <li>▪ Rate value added by the actuary as very high</li> </ul> </li> </ul>	Data not currently gathered.	Profile with government is reasonably narrow. Little recognition outside a “narrow” base. Anecdotally: <ul style="list-style-type: none"> <li>➤ High use in traditional fields.</li> <li>➤ Little use in non traditional.</li> <li>➤ Need to increase recognition and use by policymakers.</li> <li>➤ No use of Actuaries in intergenerational exercise (an actuarial core competency area) a significant sign of weakness. Health financing similarly.</li> <li>➤ Actuaries apparently not seen as an obvious initial contributor to environmental economics or modelling.</li> <li>➤ Need to continue broadening and increasing number of effective submissions on areas of public policy.</li> </ul>	Establish survey and measure observations.  Set goals and reset actions against observations.  Broadly increase recognition and use in both traditional and non traditional areas.  Tangible increase in level of public policy submissions that are recognised as influencing policy.

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G3: The Profession and the Institute is Broadly Recognised and has a Reputation for Highly Skilled Advice (cont...)</b>	<p><b>R&amp;D is sound, relevant and enhances reputation and skills</b></p> <ul style="list-style-type: none"> <li>➤ Increasing number of: <ul style="list-style-type: none"> <li>▪ Quality academic papers</li> <li>▪ Quality practitioner papers at conferences and other sessions</li> <li>▪ Papers attracting media coverage</li> <li>▪ Papers/sessions attracting non member interest</li> </ul> </li> <li>➤ Skills and knowledge leveraged across profession from new and existing practice areas.</li> </ul>	<p><b>In 2006</b></p> <ul style="list-style-type: none"> <li>➤ Academic papers: 184</li> <li>➤ Practitioner papers: 11</li> <li>➤ Practitioner presentations: 73</li> <li>➤ Papers/Sessions receiving media coverage or non member attendance: <ul style="list-style-type: none"> <li>▪ Reserving for General Insurance: 188 attended with 10% non members</li> <li>▪ Financial Services Forum: 329 delegates attended with 20 non members</li> <li>▪ New Super Landscape: 111 attended with 41% non members</li> </ul> </li> </ul>	<p>No real shortage of material but could do with better targeting</p> <p>Need ARCA to deliver or redirect resources.</p> <p>Opportunity exists to better leverage skills across profession from various practice areas, including new and existing practice areas.</p>	<p><b>In 2010</b></p> <ul style="list-style-type: none"> <li>➤ Academic papers 200</li> <li>➤ Practitioner papers 20</li> <li>➤ Practitioner presentations 100</li> <li>➤ Papers receiving media coverage +50%</li> </ul> <p>Papers/Session attracting non member interest +100%</p> <p>Particularly looking for papers aligning to Institute strategic objectives:-</p> <ul style="list-style-type: none"> <li>▪ ERM with particular actuarial angles</li> <li>▪ Advancing actuarial science in finance space</li> <li>▪ Health Financing</li> <li>▪ Super – Policy Setting and macro Risk Framework</li> </ul>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<p><b>G4: The Institute is valued and highly regarded by its members, with high member capture and retention rates</b></p>	<p><b>Institute services are valued, supported and well regarded by members</b></p> <ul style="list-style-type: none"> <li>➤ Beaton member satisfaction index is increasing</li> <li>➤ Improvements sought by members are addressed</li> <li>➤ Attendance numbers at seminars and other events are meeting or exceeding targets for revenue and breadth</li> <li>➤ Content of events is aligned with Institute strategic priorities</li> <li>➤ High levels of satisfaction in surveys of members attending events</li> <li>➤ Good across practice interaction, exchange and involvement.</li> </ul>	<p>Overall satisfaction index from 2006 Beaton Survey = 60.3%</p> <p>The <b>key reasons for becoming a member</b> are:</p> <ul style="list-style-type: none"> <li>▪ Access to the education program</li> <li>▪ Support the development of my knowledge and skills</li> <li>▪ Keep up-to-date with developments or issues impacting my profession</li> <li>▪ Access information that will assist me to perform my role</li> <li>▪ Access information on the members section of the website</li> <li>▪ Attend interesting events</li> </ul> <p>Strategic Priority Matrix indicates <b>improvement needed</b> in related areas above:</p> <ul style="list-style-type: none"> <li>▪ Supports the development of my knowledge and skills</li> <li>▪ Provides valuable information on the website</li> <li>▪ Provides interesting events</li> <li>▪ Provides access to information that will assist me to perform my role</li> </ul>	<p>Survey of current members shows improvements are needed in services which are seen as core reasons for membership.</p> <p>An important strategic question is: what is the Institute's value proposition for members? Do members join and remain because they have to (for "licensing" purposes), or because of the value of services provided?</p> <p>Will the current approach move with an evolving and broadening profession?</p> <p>A clear definition of the value proposition for different classes of member will help improve new members capture and existing member retention.</p>	<p>Membership satisfaction index has improved to 70% as indicated through Beaton.</p> <p>Improvement in member satisfaction is observed in areas specifically targeted, including CPD and information access.</p> <p>Value proposition is clearly articulated.</p> <p>The Institute's "mind set" and approach moves with the evolution and growth of the profession.</p>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010																														
<b>G4: The Institute is valued and highly regarded by its members, with high member capture and retention rates (cont...)</b>	<b>High member capture and retention rates:</b> <ul style="list-style-type: none"> <li>➤ Increasing proportion of university actuarial students who join the Institute on graduation (or earlier)</li> <li>➤ Increasing proportion of Student members who progress to Associate and Fellow</li> <li>➤ Percentage who join institute who resign within each of 1, 2, up to 5, up to 10, &gt;10 years is declining</li> </ul>	<b>Joined as Student:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Uni</th> <th style="width: 35%;">Year to May 07</th> <th style="width: 35%;">Year to May 06</th> </tr> </thead> <tbody> <tr> <td>ANU</td> <td>48</td> <td>20</td> </tr> <tr> <td>CURTIN</td> <td>15</td> <td>1</td> </tr> <tr> <td>MAC</td> <td>107</td> <td>77</td> </tr> <tr> <td>MEL</td> <td>56</td> <td>76</td> </tr> <tr> <td>NSW</td> <td>82</td> <td>64</td> </tr> <tr> <td><b>Total</b></td> <td><b>308</b></td> <td><b>238</b></td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Transfer</th> <th style="width: 35%;">Year to May 07</th> <th style="width: 35%;">Year to May 06</th> </tr> </thead> <tbody> <tr> <td>Student to Assoc</td> <td>154</td> <td>115</td> </tr> <tr> <td>Assoc to Fellow</td> <td>64</td> <td>57</td> </tr> </tbody> </table>	Uni	Year to May 07	Year to May 06	ANU	48	20	CURTIN	15	1	MAC	107	77	MEL	56	76	NSW	82	64	<b>Total</b>	<b>308</b>	<b>238</b>	Transfer	Year to May 07	Year to May 06	Student to Assoc	154	115	Assoc to Fellow	64	57	<p>There is a lack of data and time series on university actuarial graduates becoming Institute members.</p> <p>Anecdotally, perception is that we are capturing and converting too small a proportion of actuarial graduates but retention rates of qualified actuaries are high.</p> <p>Large numbers of good quality graduates are being lost to the profession after leaving university because they perceive no value in becoming Institute members.</p> <p>Need to focus on what can encourage the best and brightest university graduates to join and remain in the profession even if their roles take them outside traditional fields.</p> <p>There is a link here with the work of the Designations Taskforce which may change KPIs and/or targets.</p>	<p>Data on member capture and retention is established and maintained.</p> <p>Capture and retention of actuarial graduates is showing measurable improvement.</p> <p>Retention of Associates and Fellows remains high.</p> <p>Members join and stay for the professional services provided, not for a "license" they may not need.</p>
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Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<p><b>G4: The Institute is valued and highly regarded by its members, with high member capture and retention rates (cont...)</b></p>	<p><b>Education service delivery is valued and well regarded by members</b></p> <ul style="list-style-type: none"> <li>➤ Number and breadth of learning opportunities are growing</li> <li>➤ Increase in enrolments in Part III courses</li> <li>➤ Operational deadlines met</li> <li>➤ Member Satisfaction Survey results for students and education volunteers are improving</li> <li>➤ Education volunteer numbers maintained at good levels</li> <li>➤ Volunteers are effective and feel valued</li> </ul>	<p>Data still to be collated on:</p> <ul style="list-style-type: none"> <li>▪ Number and subject range of pre-qualification courses offered in 2007</li> <li>▪ Internal performance measures on timeliness of delivery</li> <li>▪ Stakeholder (student) satisfaction measures, e.g. surveys; number of complaints</li> </ul> <p><b>Data on current education volunteers:</b></p> <ul style="list-style-type: none"> <li>➤ 402 places to fill in roles <ul style="list-style-type: none"> <li>▪ 130 assignment markers</li> <li>▪ 204 exam markers</li> <li>▪ 20 chief examiners</li> <li>▪ 48 scrutineers</li> </ul> </li> <li>➤ 320 volunteers involved in these roles.</li> </ul>	<p>Part III delivery is under severe strain and threatens the viability of the current volunteer-driven model. Part III review taskforce is aiming to address the key problems.</p> <p>Range of courses is being expanded with Health CPD course and proposed ERM course.</p> <p>Implementation of Baker recommendations is aimed at improving delivery and student satisfaction.</p>	<ul style="list-style-type: none"> <li>➤ Education Strategy is in place.</li> <li>➤ Pass rates for Part III have increased by 20%</li> <li>➤ E-learning and other blended modes of delivery are operating across all Education courses</li> <li>➤ Baker Review recommendations are implemented across all Education Programs</li> </ul> <p>Targets met for volunteer reliance:</p> <ul style="list-style-type: none"> <li>➤ Number of roles to fill.</li> <li>➤ Number of volunteers.</li> <li>➤ Breadth of volunteers doing the work.</li> </ul>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<p><b>G4: The Institute is valued and highly regarded by its members, with high member capture and retention rates (cont...)</b></p>	<p><b>(Non-education) Committee and taskforce volunteer numbers maintained at desirable levels. Volunteers are effective and feel valued:</b></p> <ul style="list-style-type: none"> <li>➤ Number of volunteers involved meets requirements</li> <li>➤ Appropriate turnover of volunteers (new people joining, old hands released)</li> <li>➤ High levels of volunteer member satisfaction as measured in survey</li> </ul>	<p>No. of committees and taskforces:</p> <ul style="list-style-type: none"> <li>▪ Faculty <b>(5)</b></li> <li>▪ Group/Board/Panel <b>(8)</b></li> <li>▪ Committee <b>(25)</b></li> <li>▪ Sub Committee <b>(13)</b></li> <li>▪ Taskforce <b>(16)</b></li> </ul> <p>No. and breadth of people involved (in addition to Education):</p> <ul style="list-style-type: none"> <li>▪ 279 members volunteer for 450 positions</li> </ul> <p><b>How do these people feel about being involved?</b></p> <ul style="list-style-type: none"> <li>▪ Rare that they say no</li> <li>▪ They are “putting back in”</li> <li>▪ Networking and marketing needs</li> <li>▪ Professional development</li> </ul> <p>What is the churn on committees?</p> <ul style="list-style-type: none"> <li>➤ Low (10-20%)</li> </ul>	<p>We don't have targets for numbers and turnover rates for committee membership.</p> <p>Need to consider the reasons for volunteering:</p> <ul style="list-style-type: none"> <li>➤ Personal gain, e.g. professional knowledge, networking.</li> <li>➤ Pure service to the profession.</li> </ul> <p>=&gt; suggests there are situations where volunteering is appropriate and desirable, other situations where it is not the best solution.</p> <p>The number of committees is large:</p> <ul style="list-style-type: none"> <li>➤ Are we effectively monitoring?</li> <li>➤ Do we have the right structure?</li> </ul> <p>A review of operations could lead to the development of a more streamlined structure and purposeful future of committees and taskforces.</p> <p>Comprehensive support structures should be in place subsequent to a review of operations.</p>	<p>Set targets appropriate to baselines on KPIs:</p> <ul style="list-style-type: none"> <li>➤ Number of volunteers involved</li> <li>➤ Turnover of volunteers (new people joining, old hands released)</li> <li>➤ Levels of member satisfaction as measured in survey</li> </ul> <p>Number and roles of Committees and Taskforces are monitored to enforce protocols.</p> <p>Support is delivered through the development and use of:</p> <ul style="list-style-type: none"> <li>➤ Committee/Sub-Committee and Taskforce Guidelines</li> <li>➤ New protocols and reporting processes</li> <li>➤ Development workshops for convenors</li> </ul>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G5: The Profession is Enjoying Global and Regional Success</b>	<p><b>Regional development of profession and societies:</b></p> <ul style="list-style-type: none"> <li>➤ Increasing number of members (qualified?) in regional societies</li> <li>➤ Measurable increase in status / recognition of regional societies, e.g. membership of IAA, mutual recognition, own exam systems, reserved roles</li> </ul> <p><b>Institute is working with regional societies and contributing to their success.</b></p>	<p>Define “region”, engage with their societies and collect data.</p>	<p><b>As above, the performance outcomes are beyond our direct control.</b></p> <p>Identify specific projects and initiatives with specific regional societies, e.g.:</p> <ul style="list-style-type: none"> <li>➤ Delivery of our education materials and/or courses</li> <li>➤ Sharing of our knowledge and experience of regulatory models</li> <li>➤ Assistance in development of governance structures and professional standards</li> </ul>	<ul style="list-style-type: none"> <li>➤ Set targets consistent with specified initiatives (within the Institute’s capacity to deliver).</li> </ul>

Goal / SoP	Performance Outcomes	Data Observations	Comment about GAP	Target 2010
<b>G5: The Profession is Enjoying Global and Regional Success (cont...)</b>	<b>Profession seen as substantially global with comparable role for IAA</b> <ul style="list-style-type: none"> <li>➤ Increasing number of full member associations of IAA</li> <li>➤ Growth of mutual recognition of global education standards</li> <li>➤ Total number of actuaries in the world growing</li> </ul>	Collate data around overseas growth and roles.	<p><b>Performance outcomes are beyond our direct control.</b></p> <p>Strategically we should narrow this to identify the priority areas for the global profession which align with our Institute's strategic objectives.</p> <p>International Committee to provide this input. Likely candidates are:</p> <ul style="list-style-type: none"> <li>➤ Global ERM qualification / designation</li> <li>➤ Global syllabus for Parts I and II</li> <li>➤ Development of IFRS for insurance</li> </ul>	<p>The Institute is influencing the development of these successful practices locally and regionally.</p> <p>Institute is achieving its agreed objectives in the IAA with appropriate commitment of resources.</p>
	<b>Institute is supporting profession globally to progress on above focus areas</b>	Meaningful data not available.	Our level of involvement in the IAA should be focused in the priority areas and be commensurate with other priorities.	<ul style="list-style-type: none"> <li>➤ Practices of the Institute are consistent with what the rest of the world sees as successful</li> <li>➤ Adoption of global Part I (and II) syllabus</li> <li>➤ Resources dedicated to IAA are in line with plans</li> </ul>

## 5. Strategies and Actions

### 5.1 Strategic Imperatives & Opportunities

Considering the Goals, Strategic Risks and the Gaps, the following key strategic imperatives and opportunities have been identified:

- Institute as a “Service Provider”: If in the longer term, the Institute is to be responsive to an evolving profession and changing world, maintain/grow our position in that global world, and be in a position to attract and retain professionals we think of as actuaries and who do good work in spaces we want to see identified as “actuarial” (and not a competing profession’s space), the Institute needs to evolve from a “Educator and Licensor” focus to a more “Member Services and Educator” focus.
  - Value proposition: Provide membership value across the range of different member segments.
  - Education and designations issues are directly inter-related with this (see further below).
  - Our CPD model is a key component. Our geographical service delivery is a key component.
  - Our “marketing” objectives, aims and support of members are a key component.
  - An efficient and cost effective Secretariat and an adequate, user friendly IT infrastructure is a key component.
- Pre-Qualification Education (Part I, II and III): A number of inter-linked issues currently impact the Part III program, but also Parts I and II, ranging from student (member) satisfaction, delivery issues, pass rates, outcomes achieved, ability to deal with an expanding remit (Health, GRIS, ERM), R&D leverage, CPD application, how to fit risk management in, and broader international opportunities and needs. While there are short term imperative issues to be addressed in terms of delivery and content (including planned new courses) for Part III, we need to:
  - Reassess what it is we wish to achieve with Parts I, II and III, the skills outcome we want (e.g. communication, business acumen, risk management) and their relationship with any changes to designations.
  - Align content, methods, delivery and examination/admittance standards and approaches with the clear outcome wanted.
  - Think about our education product, including delivery, content and text books, strategically.
- ERM is a clear growth opportunity as well as an imperative to compliment our pre-existing risk management skills and our “brand”. If we are going to succeed in delivering high value professional ERM skills to the marketplace and not be “pushed aside” we need to apply serious effort to establish our presence and win a satisfactory place in the marketplace.
- Relevance, Growth and Quality Assurance: R&D, professional standards and regional/global support and relevance:
  - Without adequate R&D to maintain and develop our science and skills, success will be short lived. R&D is a “service provider” issue.
  - Our reputation for high quality and ethics is an imperative to maintain.
  - Involvement, support and co-operation in our region is an imperative to underpin our long term global relevance and future.

## 5.2 Strategic Initiatives and Action Plans

Based on the strategic imperatives and opportunities identified above and the Gap analysis of Section 4, the following strategic initiatives and action plans are proposed by the StratPTF.

The order of the initiatives indicates the broad priority assessed by the StratPTF.

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S1:</b> ↔ G4.1 G4.2 G5.2	<b>Change Institute from an “Educator &amp; Licensor” focus to a “Member Services and Educator” focus.</b>  <b>Members join/stay for the value proposition not just for a “licence”.</b>  <b>[NB: This is not intended to involve the Institute dropping its important “Licensor” role].</b>	<ul style="list-style-type: none"> <li>➤ Institute responsive to an evolving profession and changing world.</li> <li>➤ Service current “lost sheep”.</li> <li>➤ Future ERM.</li> <li>➤ Overseas v domestic.</li> <li>➤ Sydney v non-Sydney.</li> <li>➤ Support and service new areas so profession:               <ul style="list-style-type: none"> <li>▪ Leverages new skills.</li> <li>▪ Owns the new space.</li> </ul> </li> </ul>	S1.1 Appoint Taskforce to assess areas of change needed and change process planning/timetabling. Propositions for: <ul style="list-style-type: none"> <li>▪ Current members;</li> <li>▪ Students;</li> <li>▪ Current “wider field” members;</li> <li>▪ Overseas, non-Sydney members;</li> <li>▪ Non-actuaries.</li> </ul> (Dimensions include CPD/events, designations, R&D, representation).	Material	March 2008
			S1.2 Implement change process; e.g. <ul style="list-style-type: none"> <li>▪ Charge fees for services, events etc not a “licence” fee. NB: Uni students.</li> <li>▪ Practice committee focus and liaison.</li> <li>▪ Establish special interest groups.</li> <li>▪ Facilities, products and services provided (e.g. comprehensive, functional and accessible website and “library”).</li> </ul>	Substantial	Progressive implemtn over period to June 2010
			S1.3 Finalise designations review and implement.	Material	June 2008
			S1.4 Implement networking, “collegiate”, “bonding” programs, e.g. “Proud to be an Actuary” (see also S6). Articulate the “value of actuaries”.	Substantial	December 2008 (ongoing)

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S2</b> ↔ G1.5 G3.1 G4.1 G4.2 G4.3 G4.4 G5.1 G5.2	<b>Review Institute operating model to best support strategic initiatives:</b> ➤ Office ➤ Institute's volunteer "army".	➤ Ability to execute strategy ➤ Efficiency (cost) of Institute ➤ Member value proposition ➤ Volunteer maintenance	S2.1 Develop a formal annual Institute business plan (beyond the financial projection).	Modest	December 2007
			S2.2 Apply significant resources to adequately upgrade the Institute IT infrastructure, including the "website", in recognition of the critical strategic importance and cost/benefit consequence of not doing so.	Substantial	September 2009
			S2.3 Assess optimal staffing needs and skill mix looking forward, and review turn over rates.	Modest	December 2007
			S2.4 Leverage S6.4 to encourage employer buy-in to support their employees to provide some voluntary contribution to Institute activities.	Modest	November 2008
			S2.5 Implement a mechanism to specifically monitor, mobilise and marshal the "volunteer army".	Substantial	June 2009

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S3:</b> ↔ G1.5 G1.6 G4.2 G4.3 G4.4 G5.1 G5.2	<b>Reassess pre-fellowship qualification education objectives, aims and implementation.</b>	<ul style="list-style-type: none"> <li>➤ Student satisfaction</li> <li>➤ Pass rates</li> <li>➤ Outcomes achieved</li> <li>➤ Delivery sustainability</li> <li>➤ Attractive to students and members.</li> </ul>	S3.1 Develop agreed competencies for Part I, II, III (and relevant others) for accreditation. Full competency statement (skills, communication, business acumen etc) ↔ Designations.	Substantial	Progressive implemtn over period to 2010
			S3.2 Align education content and methods to S3.1. <ul style="list-style-type: none"> <li>▪ Uni course content – review UK alignment.</li> <li>▪ UAM Text book – focus and content.</li> <li>▪ Part III &amp; CAP – content, methods, focus.</li> <li>▪ Professionalism.</li> </ul>	Substantial	Progressive implemtn over period to 2010
			S3.3 Align examination standards and processes to S3.1.	Material	2009
			S3.4 Implement revised education delivery mechanisms and channels to achieve acceptable and efficient implementation [quality, volunteers, \$ costs (to all)] S3.1, S3.2, S3.3. Includes assessing/implementing e-learning, alternative routes to qualification.	Substantial	2009
			S3.5 Establish positioning of “Fellowship” qualification post designations changes.	Modest	January 2008
			S3.6 Review Uni accreditation and funding to enlist Uni support on “entry level” ambitions.	Modest	2009
			S3.7 Establish our various textbooks as strategic products and support them accordingly.	Material	2009
			S3.8 Finish implementation of current Part III initiatives: Part III delivery review, GRIS.	Substantial	2008

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S4</b>	<b>Comprehensively implement the ERM domain initiative.</b>	<ul style="list-style-type: none"> <li>➤ Growth &amp; influence</li> <li>➤ Member value &amp; support</li> <li>➤ Sustainable profession</li> </ul>	S4.1 Implement ERM CPD course for existing members and their roles.	Material	2007
↔			S4.2 Implement pre-qualification Part III course.	Substantial	2010
G1.2			S4.3 Align and achieve international designation.	Material	2009
G1.5			S4.4 Infuse ERM elements into Part I and II.	Substantial	2009
G3.1			S4.5 Establish a "full scope" Enterprise Risk Management Practice Committee.	Material	September 2008
G3.2			S4.6 Undertake a risk analysis of the Institute and the Profession as an exemplar and case study of our ERM skills.	Material	TBD
G3.3					
G4.1					
G4.2					
G5.2					

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S5</b> ↔ G2.1 G2.4 G3.1 G4.1 G4.2	<b>Complete CPD implementation of “life long education” model.</b>	<ul style="list-style-type: none"> <li>➤ Member value proposition</li> <li>➤ Quality and reliability of member skills</li> <li>➤ Value of actuarial skills to business etc</li> <li>➤ Skill support and skill updating including career change</li> </ul>	S5.1 Establish agreed Leadership program objectives and target outcomes and implement the program.	Substantial	June 2008
			S5.2 Establish agreed Communications objectives and target outcomes and implement CPD programs and pre-qualification changes.	Material	September 2008
			S5.3 Include networking and “collegiate” opportunities with CPD (e.g. Young Actuaries program).	Material	December 2008
			S5.4 Provide Part III material in a practical CPD format (career change, skill updating/maintenance etc).	Material	2009
			S5.5 Designations review ramifications supported.	Material	Refer S1.3
			S5.6 Implement “member friendly” CPD record keeping, reporting and monitoring system.	Modest	August 2008
			S5.7 Finalise Health Course development.	Material	TBD

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S6</b> ↔ G1.1 G1.2 G1.3 G1.5 G2.1 G2.3 G3.1 G3.2 G4.1 G4.2 G5.1 G5.2	<b>Implement a marketing and “public profile” program aligned to strategy.</b>	<ul style="list-style-type: none"> <li>➤ General profile with business and public sector</li> </ul>	S6.1 Build and establish a regular “industry focused” ERM seminar (event) to showcase actuarial skills and R&D.	Material	2009
			S6.2 Build and establish a regular “industry focused” investment and funds management seminar (event) to showcase actuarial skills and R&D.	Material	December 2008
		<ul style="list-style-type: none"> <li>➤ Profile building in new domains</li> </ul>	S6.3 Maintain existing Convention, FS Forum, GI Seminar, AC Seminar (i.e. BUA).	Substantial	Ongoing
			S6.4 Establish a specific program of employer marketing, including a schedule of employer visits by CEO/Presidents etc.	Material	June 2008
		<ul style="list-style-type: none"> <li>➤ Profile maintenance in existing domains</li> </ul>	S6.5 Maintain a program of public commentary and advice to government on issues relevant to members and to promote favourable public perceptions.	Substantial	Ongoing
			S6.6 Commence a program of relationship building with ASIC to identify and pursue appropriate actuarial opportunities to assist ASIC.	Modest	June 2008
		<ul style="list-style-type: none"> <li>➤ Favourable press coverage</li> </ul>	S6.7 Directly promote the role actuaries can play within the public sector, including the potential scope of the Australian Government Actuary’s role, involvement in intergenerational report.	Modest	September 2008
			<ul style="list-style-type: none"> <li>➤ Recognition and respect for actuaries in public</li> </ul>		
<ul style="list-style-type: none"> <li>➤ Members value support for their standing locally and regionally</li> </ul>					

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
S6  cont			S6.8 Establish a program, together with the Universities, to: <ul style="list-style-type: none"> <li>▪ Promote the profession to new entrants (high schools) to broaden intake characteristics.</li> <li>▪ Encourage students and Uni leavers to join the Institute.</li> </ul>	Material	June 2008
			S6.9 Establish a “disaster recovery process” to rapidly respond and manage future “actuarial failures” (reputation and public protection).	Material	September 2008
S7 ⇔ G2.1 G2.4 G3.1 G3.2 G3.3 G5.1 G5.2	<b>Develop a comprehensive approach to support broad based R&amp;D, including the advancement of actuarial science.</b>	<ul style="list-style-type: none"> <li>➤ Maintain / increase relative relevance and skills / ability</li> <li>➤ Promotion of the profession</li> <li>➤ Build and maintain domains</li> <li>➤ Underpin economic value actuaries contribute</li> </ul>	S7.1 Implement an avenue to achieve at least partial Part III satisfaction via PhD attainment. Consider scholarships.	Modest	2007
			S7.2 Reassess University R&D accreditation and funding dimension.	Modest	2008
			S7.3 Review and re-align mix of papers called for conventions and seminars, and mix of prizes awarded for such, to ensure a continuing range of practical and “new application” published R&D.	Substantial	December 2008
			S7.4 Encourage Practice Committees and other “special interest groups” to pursue committee driven practice and actuarial science based R&D.	Modest	September 2008
			S7.5 Find ARCA’s “place in the sun” and make it happen or exit it.	Substantial	Ongoing

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S8</b> ↔ G5.2 G5.3 G5.4 G4.1	<b>Engage with IAA and regional associations on a strategic footing.</b>	<ul style="list-style-type: none"> <li>➤ Contribute to the global success of actuaries</li> <li>➤ Contribute to the regional success of actuaries and our members in the region.</li> <li>➤ Improve economics of Institute services.</li> </ul>	S8.1 Support IAA initiatives of strategic importance to the global profession (and/or Australia). These include IAA governance, ERM initiatives, and actuarial guidance on IASB Phase II IFRS, Part I syllabus.	Material	Ongoing
			S8.2 Provide support to help regional (Asian based) societies maintain/establish: <ul style="list-style-type: none"> <li>▪ Credible governance structures.</li> <li>▪ Industry roles and achieve critical mass.</li> <li>▪ Leverage collective IAA involvement.</li> </ul>	Material	Ongoing
			S8.3 Pursue opportunities to leverage the Institute's education apparatus to achieve scale economies: <ul style="list-style-type: none"> <li>▪ Text Books.</li> <li>▪ Part III modules.</li> <li>▪ Asian Uni accreditation.</li> </ul>	Material	Ongoing
<b>S9</b> ↔ G2.1 G2.3 G2.4	<b>Maintain adequate and desired professional guidance &amp; standards to support members in roles.</b>	<ul style="list-style-type: none"> <li>➤ Support quality of actuarial services</li> <li>➤ Meet regulator needs</li> </ul>	S9.1 Complete current PS conversion and full end to end review (including a full review of the Code of Professional Conduct).	Substantial	December 2008
			S9.2 Establish a comprehensive suite of Practice Guidelines from the existing library of various items.	Substantial	December 2008
			S9.3 Implement standing (regular) review of governance, professional standards and Code. PS1 compliance audits.	Substantial	December 2008

	Strategic Initiative	Rationale	Specific Actions	Execution Demand	Due Date
<b>S10</b> ↔ G1 G2 G3 G4 G5	<b>Focus Council on strategic and governance issues, and align Council Committees, Practice Committees and Institute Office structures, delegations and responsibilities in support of this.</b>	<ul style="list-style-type: none"> <li>➤ Ability to execute strategy</li> <li>➤ Ability to identify, develop and change strategy</li> </ul>	S10.1 Maintain a sufficiently diversified Council membership and continue to improve Council process enhancements.	Material	September 2008
			S10.2 Establish the “Strategic Plan” as a dynamic plan used to inform and contextualise Council decisions and have it actively managed by Council and reported against by CEO.	Modest	February 2008
			S10.3 Improve Council, Executive, PC interaction, liaison and communication.	Modest	February 2008
<b>S11</b>	<b>Establish a meaningful suite of data sources to support future strategy development and progress monitoring.</b>	<ul style="list-style-type: none"> <li>➤ A fundamental need to measure progress and success</li> </ul>	S11.1 Establish a regular survey of relevant member and other relevant stakeholder views.	Modest	Ongoing
			S11.2 Establish a systematic media monitoring process.	Modest	2008
			S11.3 Leverage S6.4 to obtain relevant employer input.	Modest	November 2008
			S11.4 Establish other relevant data capturing and measuring means, including those for the KPI's and other membership trends (senior actuaries, practice areas).	Material	June 2008

## 6. Key Performance Indicators

The institute has not previously identified a set of Key Performance Indicators (KPIs) for the profession. As part of the continuing process to strengthen the institute's practices it is proposed that the institute should have a set of key performance indicators that allow it to track progress in critical result areas aligned to its strategy. The set below is a subset of the performance metrics articulated in Section 4, being those major metrics likely to be indicative of the profession's overall performance, most aligned to its current strategy and with a balance of outcome and forward looking measures.

Measures proposed are:

Item	Focus Area	KPI Proposed
P1	Is the profession growing at a healthy rate?	Membership growth across membership classes.
P2	Is the profession growing in the areas most likely to be important for the continued relevance of the profession?	Membership growth in new areas and increasing percentage of members in senior positions.
P3	Is the profession adding value to the community (business, public sector and public in general) and is it likely to continue to be attractive to high calibre students?	Relative salary growth compared to other professions.
P4	Is the Institute serving its membership well?	Beaton member satisfaction index.
P5	Is the profession remaining leading edge via research efforts?	Number of papers (academic, practitioner, industry presentations).

## 7. Conclusions & Closing Remarks

As discussed in the introduction to this paper, the Institute, its staff and many volunteer members have progressed a number of projects of strategic importance and addressed a number of issues arising in recent years, and there is much work that continues to be needed on plans already in train. Nonetheless, it is time to reassess whether we are addressing the issues of most strategic importance or priority, and what other key issues and matters we must consider looking forward.

This paper proposes:

- A number of strategic imperative and opportunities to be considered; and
- A significant list of potential strategic initiatives and actions plans that could flow from them.

The StratPTF commends the strategies and actions set out in this Paper to Council.

## APPENDIX A: SUMMARY OF VISION 2020 TASKFORCE FINDINGS & VIEWS

The following table summarises the findings and views of the Vision 2020 Task Force provided to Council in December 2006. These findings and views have been considered by the StratPTF. The “Strategy” column below indicates where those findings and views have been considered and/or reflected in the proposed strategies set out in this Discussion Paper.

Area of Focus	Findings, Options, Recommendations	Strategy
Asia Region & Global Strategy	Solidify and focus on our local region for mutual growth, development and success. <ul style="list-style-type: none"> <li>➤ Collaboration and leveraging our combined education needs, abilities and resources.</li> <li>➤ Collaboration and leveraging our IAA involvement.</li> </ul>	S8
The Title “Actuary”	Redefine Actuary as completion of Parts I and II and an abridged Commercial Actuarial Practice and Professionalism Course. Designations Taskforce to work out all the details.	S1, S3
Fellowship and Practising Certifications	Assuming the change to the title “Actuary” (above), we need to address: <ul style="list-style-type: none"> <li>➤ Positioning and promotion of the “fellowship” education program.</li> <li>➤ Ongoing support of “reserved” or “statutory” roles.</li> <li>➤ Use of practising certificates as link between the two.</li> <li>➤ Possibly position actuary as “general practitioner” and actuary + practising certificate as a “specialist”.</li> <li>➤ Decide whether Institute should award a separate ERM designation.</li> </ul>	S3, S4, S5
Education & CPD: Sub-Associate Level (Part I and II)	Strong need to: <ul style="list-style-type: none"> <li>➤ Modernise Part I and maintain relevance</li> <li>➤ Include more explicit content around communication and business skills</li> </ul> Need to address how to achieve this and meet needs of students who don’t pass all University course subjects and overseas students.  Our “control cycle” text book is an important strategic product – we need to enhance and defend it.	S3

Area of Focus	Findings, Options, Recommendations	Strategy
<p>Education &amp; CPD: Part III and CPD</p>	<p>Basic structure considerations:</p> <ul style="list-style-type: none"> <li>➤ Part III structure, content, delivery, assessment requires radical change and replacement.</li> <li>➤ Link Part III and CPD into multi-level structure.</li> <li>➤ Part III to be obtained via more than one route (e.g. CPD, PhD, research, “service”).</li> <li>➤ Need to deal with ever broadening range of specialist material / domains.</li> <li>➤ Pass rates should be more comparable with community expectations.</li> <li>➤ CPD needs a more educational framework.</li> <li>➤ Improved communications skills need to be part of the outcome.</li> </ul> <p>Education needs to be more focused to meet needs of overseas members, including allowing for language complications.</p> <p>Resourcing issues:</p> <ul style="list-style-type: none"> <li>➤ Need to consider moving to a more fully professional delivery basis (e.g. outsourcing).</li> <li>➤ Conscriptation for tutors/markers to be considered.</li> </ul>	<p>S2, S3, S5,</p>
<p>Domain Development &amp; Risk Management</p>	<ul style="list-style-type: none"> <li>➤ Need to urgently finalise our strategy on ERM to seize opportunity and keep up with global trends.</li> <li>➤ Otherwise, encourage ongoing development of actuarial science and skills and application to new areas. Aim to support involvement in new areas as they emerge.</li> </ul>	<p>S4, S6, S7</p>
<p>Research &amp; Development</p>	<ul style="list-style-type: none"> <li>➤ Need to drive research along multiple avenues, including a clear focus on developing our actuarial science.</li> <li>➤ ARCA is expected to be part of the strategy (however an exit strategy is required if it does not achieve “critical mass”).</li> </ul>	<p>S7</p>
<p>Marketing &amp; PR</p>	<ul style="list-style-type: none"> <li>➤ Entry level: Investigate appropriate strategies to broaden entry character of membership.</li> <li>➤ Employers: More direct focus on employers and business community.</li> <li>➤ Leadership (in a broad sense) is seen as an important underpin to marketing and PR.</li> </ul>	<p>S4, S5, S6</p>

Area of Focus	Findings, Options, Recommendations	Strategy
Institute Governance and Quality Assurance	<ul style="list-style-type: none"> <li>➤ Standing review of governance, professional standards and code of conduct regularly.</li> <li>➤ Develop a “Disaster” (Actuary failure) Recovery Plan.</li> <li>➤ Ongoing consideration of the role of Council.</li> </ul>	S6, S9, S10
Member Services – Satisfying the broad family	<p>Key consideration for supporting a broader membership:</p> <ul style="list-style-type: none"> <li>➤ Make member services less Sydney (and Melbourne) centric.</li> <li>➤ Achieve membership connection with students at university.</li> <li>➤ Increase engagement more broadly across the membership.</li> </ul>	S1, S3, S4, S5, S8
Funding and Resourcing the Institute	<ul style="list-style-type: none"> <li>➤ Critical review of Institute resources, expenditure, efficiency.</li> <li>➤ Examine revenue sources, structures and approaches.</li> <li>➤ Measure and articulate the value proposition to members.</li> </ul>	S1, S2

## APPENDIX B: SUMMARY OF INSTITUTE STRATEGIC PLAN 2005-7 STRATEGIES & ACTIONS

The following provides a high level overview of the 2005-07 Institute Strategic Plan actions by way of background reference to this discussion paper.

### Strategic Plan 2005-07 Overview

The key focus areas of the 2004-7 Strategic Plan were:

- Positioning and Marketing of the profession
- Strengthening Quality of actuarial advice
- Extending Influence of IAAust and actuaries
- Leadership Development within the profession
- Raising Practice Committees status/profile
- New Domain Development
- Research and Development initiatives
- Education & CPD programs
- Internal communication & member services
- Asian development

At a high level it can be observed that there was a lot of environmental change that arose during 2005/07 following earlier events such as HIH, Enron, Equitable collapses. Consequently, a number of areas demanding immediate attention arose that somewhat over took the Strategic Plan intentions. Nonetheless, in terms of the intended plan:

- Significant effort was applied and progress made in the areas of strengthening quality of advice, Part III implementation and support (notwithstanding emerging issues), risk management domain development, health course, launch of ARCA, preliminary analysis and planning in leadership/communication, secretariat support of activities and extending the CPD program.
- Good progress on “low hanging fruit” and/or pre-existing strategies, including media and public sector, practice committee focus and liaison.
- Less progress in some newer strategies such as employer consultation/marketing, “proud to be an actuary” program, Asia development. Also lack of quantum achievement in member services/support, with IT infrastructure issues part of the issue.

The key actions and targets under each of the above focus areas are summarised below, along with some limited progress comment on each in (brackets).

## Positioning and Marketing

- Market Research: Understand current issues:
  - Employer groups to be consulted (currently outstanding).
  - Market survey (currently outstanding).
- Understand current perceptions, future opportunities & repositioning imperatives.
  - Survey to be sent to employers. (currently outstanding).
  - Access existing “corporate knowledge”.
- Identify and execute key strategic partnering opportunities
  - Attain position on Board of ERMII (achieved 2005).
  - Representation on Society for Knowledge Economics (achieved 2005).
  - Others as opportunities arise (limited progress).
- Implement stakeholder programs with policymakers, employers, media and analysts.
  - Media lunches (various held and ongoing).
  - Discussions with Ministerial advisers (various held and ongoing).
  - Employers (limited progress).
- Promote “proud to be an actuary” program
  - Develop plan based on market survey and work of Communications Taskforce (currently outstanding).

## Strengthening Quality of Advice

- Professional Standards: review all PS's and GN's on a rolling 3 year basis to ensure up-to-date and meet external demands:
  - New PSC and PS reviews (Substantial progress. Current high priority).
  - Considerable road testing on Code of conduct, EPR, CPD, FCR, PS 200.
- Corporate Governance: Implement the recommendations of the Institute's Corporate Governance Taskforce (as appropriate):
  - EPR (PS completed for GI / Life. More work on superannuation / health. Good progress).
  - Whistle-blowing (Reference in Code. Further discussion with authorities. Good progress).
  - Risk Management (Initial work undertaken, more to do. Good progress).
  - Disclosure of uncertainty (Emphasised in new Code. Good progress).
- CPD: Strengthen CPD requirements:
  - New PS 500 (completed 2005/6).
  - Further CPD for actuaries in statutory roles (Currently with Designations Taskforce. being considered).

## Extending Influence

- Identifying key public / business issues, setting priorities.
  - (Appointment of Director of Public Affairs. Little progress on employers).
  - (Other progress includes: benefit projections, longevity, tax simplifications and RITF).
- R&D to underpin policy:
  - Link R&D in practice development, academic research and public policy (Launch of ARCA...slow progress so far).
- Robust public/external affairs:
  - Build on established reputation for impartial/authorative advice. (Strong on reactive submissions. Reputation for independence and integrity maintained.)
  - Roundtables, forums, media. (Ongoing program with media and political advisers.)
  - Tax simplification on super a major project (Substantial submissions. Ongoing).
  - Programs around Council meetings (Limited number of programs so far. Ongoing).

## Leadership Development

- Introduce leadership programs:
  - Identify individuals and offer them skills development, where they indicate interest and talent. (Leadership Taskforce investigating and planning implementation of various programs).
- Encourage key individuals to take up the positions of convenors of the practice committees - higher profile as leaders and spokespersons.
  - (Not explicitly actioned – no disrespect to current incumbents intended!!!).
- Identify a group of spokespeople on key policy and practice issues - provide these with media training etc:
  - (Not explicitly actioned).

## Developing Practice Committees

- Refine terms of reference for PC's:
  - 5 key responsibilities – education, CPD, public policy, technical issues, member services/communication (Completed).
- Raise the status / profile of PC's:
  - Abolition unnecessary Council Committees (completed, but over done in a couple of places needing reversing).
  - Commenced PC convenors and Executive meetings (implemented and ongoing).
- Support role and responsibility of PC's by Secretariat:
  - Director Practice Development to attend all PC meetings (partial implementation).
  - Formalisation of roles through Terms of Reference (complete).
  - Practice Committee presentation at Council meetings (program of revolving briefings implemented).

## **New Domain Development**

- Vision 2007 Taskforce to consult Council, PC's etc (risk and risk management emerged as a key domain to be developed).
- Other targets: economic valuations, capital management, risk management and customer insights (currently applying resources to risk).
- Domain specific taskforces to plan/implement "growth/development" (Risk Taskforce to be transitioned to a Practice Committee).
- Identify "strategic partners". Risk Committee to have two way dialogue with other Committees. (We have involvement with ERMII).
- Incorporate "domain plans" into Horizons programs, CPD, R&D, AAJ contributions and "stakeholder influencing" initiatives (should be a natural outcome of the main initiatives).

## **R&D initiatives**

- Establish an effective research structure – bring together research needs, the research capability of members and funding. (Launch of ARCA. Implementation and progress limited, slower than initially hoped. Supporters remain committed).
- Leverage voluntary members efforts in research - cross fertilise with Uni's:
  - Maintain Horizons, Insights, Conventions, GI seminars, Financial Services Forum (maintained).
  - Funding universities + ARCA (ongoing...no change target).
- Utilise external funding – industry and stakeholder groups, government CRCs and private 'think tanks'. ARCA. (Has proved much more difficult and time consuming than initially hoped).

## **Education and CPD Programs**

- Effective implementation of the new Part III. (Achieved. But significant issues have arisen throughout).
- Introduce Health Financing into the Part III in 2007 (Significant progress on Health education. Currently CPD focus. Part III outstanding).
- Increased rigor in the CPD requirements (achieved via new CPD PS).
- Improve level and variety of CPD programs being offered by the Institute (major increase in events and programs).
- CPD program vested in Secretariat. Review the content of the CPD program with a goal of facilitating actuaries broadening and deepening member expertise. (Program delegated to Secretariat. Lots of technical Insight sessions. Good progress).

## Internal Communications, Member Services

- Increase focus on member services:
  - MSCC abolished (achieved).
  - Member services fully delegated to Secretariat. Council to monitor (no outcome to measure).
- Increase reporting to the membership.
  - Improve the design and delivery of information via the website/electronically (progress made, but IT infrastructure has been an issue).
  - Improve website discussion forums, search function etc (Some improvements, but IT infrastructure has been an issue).
- Temper growth in annual subscription rates. Electronic delivery versus other increased services. (Limited success).
- Increase the contact between PC's and their constituents (ongoing campaign. PC liaison meetings now implemented).
- Targeted member services to members in newer domain areas and those outside of the Sydney region (limited progress).

## Asian Development

- Bring together current initiatives – drive to increase involvement in Asia (limited initiatives to bring together).
- Maintain program of visits and exchanges with actuaries in Asia (maintained, but outcome/objective unclear).
- Develop strategic partnerships across region – actuarial bodies and education institutions (limited progress).
- Focus Institute actions in Asia to be economically sustainable (noted, but not an action).