

IAI Strategy Ex AG



May 2011

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Deliverables and key success factors

Terms of reference – Well defined but not grounded in operating realities

Terms of reference

Review examination infrastructure and ensure high level of integrity

Explore broad basing for example CT9 and CA2 examinations using external alliances and technology, if necessary

'Out of the box' thinking on pool of examiners, creating "staff actuary" system and oversight of examinations delivery

Ensure question papers and marking are of high standards within the laid down framework of the Education Policy

Conduct periodic meets of paper setters, examiners and markers with a view to ensuring that all stakeholders are on the same page with respect to what is expected of them

To liaise and work along with UK Actuarial Profession as far as examination governance is concerned

To work in sync with Strategy Advisory Group Education

Current Challenges

System not entirely Fool proof at the IAI and Exam centers. More importantly no mitigant in place in case a paper leak is detected

Limited help from external sources. Need motivated individuals to carry the day. Need to address structural issues in these subjects

Question paper standards vary across diets. Principal challenge when examiners discontinue. 'Guinea pig' system is a solution but unrealistic

Reliance on 'Voluntary' participation of qualified actuaries in the examination process. Increased student load has led to multiplicity of markers. Additional workload and commitments not welcomed by examiners

Examination system can not be considered in isolation and has critical linkages with Profession's realities and vision. Work currently in progress to implement Entry exam as a criterion for membership of the profession [\[Annexure 1\]](#)

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Need to develop a vision statement addressing key elements of an ideal examination system (1)

Key Element	Description	Remarks
Fair System	<ul style="list-style-type: none"> • Exam standards being sufficient enough to let deserving students progress through and non deserving to fail e.g. ensuring Syllabus coverage, maintaining paper standards like testing application based skills • Exam standards not being excessively stringent and not testing non essential skills e.g. Out of syllabus areas; Intentionally limiting time etc. • Script marking process being able to mitigate marker bias 	<ul style="list-style-type: none"> • Current process has Review examiners and UK external examiners • A virtually non existent forum for student feedback and representation . Lack of independence and potential conflict if put under Examination group • Marker Feedback on 5 sample scripts. Parallel script evaluation with review if required • Working well for students despite admin challenges due to wide marking variations. Being addressed through randomizing allocation of scripts. Annexure 2



Requirement of an independent forum/body to look into student complaints


Need to develop a vision statement addressing key elements of an ideal examination system (2)

Key Element	Description	Remarks
Consistency	<ul style="list-style-type: none"> Consistent exam papers from one session to another Consistent marking standards 	<ul style="list-style-type: none"> Pass percentage a good assessment measure for a statistically significant base. Annexure 3 reveals wide variances in the measure  Difficult to ascertain consistency and quality in absence of a guinea pig system. One solution could be to introduce a degree of flexibility in CT level pass criterion (already in place for higher order exams) Discontinuity of examiners key reason behind varying standards. Increase examiner interest and accountability to improve examiner persistency by a material increase in honorarium Reinforce marking guidelines through communication. Increase marker honorarium

Need to materially increase examiner's and marker's honorarium to ensure more persistency and accountability

Might need to outsource paper setting of CT subjects to professional institutions to free up valuable qualified resources for higher order subjects

Need to develop a vision statement addressing key elements of an ideal examination system (3)

Key Element	Description	Remarks
Transparent system	<ul style="list-style-type: none"> Examination rules Disclosure of marks and pass mark criterion Right to appeal 	<ul style="list-style-type: none"> Student's handbook contains details of rules Some of the recent court rulings have mandated more transparency in this particular area for some of the much wider Indian exams e.g. IITs, IIMs Would be difficult to continually deny this 'fundamental' right
Service Orientation	<ul style="list-style-type: none"> Timelines – Exam dates and result dates Exam Counselling/Coaching 	<ul style="list-style-type: none"> Exam dates now being announced an year in advance Annexure 4: Results being declared within a period of 60-70 days although no formally agreed TATs  Nice to have but resource crunch would inevitably push this to the bottom of the pecking order Indian students face a real challenge when it comes to some of the interactive examinations like CA 2 and proposed CA 3

Deliberations required around the issue of 'Right to appeal'

Need to provide students with more certainty around time lines

CA 2 and CA 3 courses would require special counselling

Need to develop a vision statement addressing key elements of an ideal examination system (4)

Key Element	Description	Remarks
Integrity	<ul style="list-style-type: none"> Exam process being able to ensure paper security/prevent paper leaks Exam process being able to prevent unfair student practices 	<ul style="list-style-type: none"> System not entirely fool proof No mitigant in event a paper leak is detected. Availability of 2 sets of paper at any point of time would be a mitigant. Might require one time outsourcing to Acted to generate an additional set of papers Exam centre visitor process Photo ID card for students

Need to develop a formal student feedback mechanism on exam infrastructure

One time effort required to create an alternate set of papers to mitigate the risk arising in case of a paper leak

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Deliverables and key success factors

Key Deliverables and measures of success

Deliverables	Timelines for implementation	Measures of success
Implementing Entry exam	August/Sept 2011	Proportion of students not attempting the exam or scoring FC/FD grade
Improve persistency and accountability of examiners/markers	Long Term	Variation in pass percentage across exam diets Duration (as measured in number of exam diets) of examiners for a particular exam
Timeliness of results and exam dates	Immediate implementation	Announcement of exam dates at least an year in advance Delays in result declaration beyond 10 weeks
Student feedback – Exam Centre Examiner feedback – Performance of associate examiners	June 2011 Sept 2011	Dashboard measures to be developed and results shared with council

Annexure 1: Entry examination – Background information

Total inactive members	Total active members	Members with 3 or less than 3 exams	Associates/Fellows/affiliates
Approx. 21,000	Approx 11,800	Approx 3,600	400

October-09								
	CT1	CT2	CT3	CT4	CT5	CT6	CT7	CT8
Total registered	1831	833	1637	373	692	756	909	289
Total appeared	1422	582	1319	265	523	565	677	183
Total passed	400	209	287	25	165	110	301	38
Total Fail with FC	255	89	234	80	106	113	81	27
Total Fail with FD	390	75	320	61	95	116	61	38
% Not appeared or failing with FC/FD	58%	50%	53%	67%	53%	56%	41%	59%

May-10								
	CT1	CT2	CT3	CT4	CT5	CT6	CT7	CT8
Total registered	1318	858	1328	455	571	570	577	270
Total appeared	1017	639	1035	340	445	432	443	201
Total passed	164	224	132	26	55	66	221	72
Total Fail with FC	202	91	268	105	111	98	53	21
Total Fail with FD	407	121	393	97	144	94	59	36
% Not appeared or failing with FC/FD	69%	50%	72%	70%	67%	58%	43%	47%

- Basis these statistics, 50% to 70% students can be considered as non exam worthy
- This creates considerable pressure on the examination process
- Large number of inactive members and other members who haven't progressed too well with actuarial examinations



Annexure 2 : Current allocation process of scripts for marking has its pitfalls

Course	Current allocation process				Proposed Process	
	No of associate examiners	No of associate examiner Pairs	Pairs with Poor correlation	Prob.	No. of Pairs	Prob.
CT 1	30	18	0	6%	435	0.2%
CT 2	16	9	2	11%	120	0.8%
CT 3	28	16	3	6%	378	0.3%
CT 4	18	5	1	20%	153	0.7%
CT 5	14	9	0	11%	91	1.1%
CT 6	14	9	1	11%	91	1.1%
CT 7	13	9	1	11%	78	1.3%
CT 8	6	3	2	33%	15	6.7%

- Poor correlation in marks provided by a pair of examiners results in too many cases being thrown up for review
- The other risk in the current process is a bunch of scripts going to a highly correlated pair but where a 'strict pair' fails deserving candidates and a 'lenient pair' vice versa
- A randomized allocation process would mitigate this risk. Although this would come at cost of heavier administration and an additional risk of copying cases not getting caught

Annexure 3 : Variation in CT level pass percentages more than what should be acceptable

Course	Pass Percentages				Candidates
	May 09	Oct 09	May 10	Nov 10	Nov 10
CT 1	30%	28%	16%	26%	1144
CT 2	37%	38%	35%	24%	576
CT 3	23%	23%	13%	5%	1024
CT 4	39%	16%	8%	22%	297
CT 5	24%	33%	12%	21%	490
CT 6	30%	20%	16%	17%	474
CT 7	26%	47%	50%	31%	474
CT 8	9%	18%	36%	8%	181
CT9	100%	67%	73%	78%	9



Annexure 4 : Days taken for declaring results

Exam Diet	Number of Days
Nov 2008	63
May 2009	68
Oct 2009	60
May 2010	64
Nov 2010	65

