



Institute of Actuaries of India

Subject
CP3 – Communication Practice
For 2019 Examinations

Module summary

This module introduces candidates to the skill of providing effective written communication of a technical nature to a non-technical audience. It builds on the idea that actuaries, while working in technical and specialist environments, will often have to provide written communications to non-specialists. These communications need to convey appropriate information, but without unnecessary complexity. The audiences for such communications could include:

- pension scheme trustees and insurance company non-executive directors.
- CEOs, CFOs and other senior managers.
- business managers across business functions such as customer services and marketing.
- insurance brokers and financial advisors.

Aims

- to identify appropriate forms of written communication
- to select appropriate language for a non-specialised audience
- to identify the key issues that need to be addressed and convey these in an effective way

Competences

On completion of the module, a successful candidate will be able to:

- 1 draft an appropriate piece of communication as directed, to a standard expected of a newly qualified actuary without the need for significant re-drafting.
- 2 use an effective structure.
- 3 identify and use appropriate language that the intended recipient(s) will understand easily.
- 4 provide adequate and appropriate explanation of technical concepts.
- 5 incorporate appropriate communications tools to help convey meaning (e.g. graphs, tables and charts).
- 6 reflect appropriately on their approach to a particular piece of communication.

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Links to other subjects

The assessment will draw upon, although not exclusively, material from the core modules and will be set in an actuarial context. Individuals may wish to complete their core modules before sitting CP3, but they are not required to do so.

Syllabus topics

To ensure that the recipient receives an effective piece of written communication by:

- using an effective structure.
- adopting suitable language.
- including adequate explanations.
- incorporating appropriate communication tools effectively.
- justifying the approach used when communicating.

The balance and weighting given to these categories will depend on the nature of the scenario and the question asked.

Skill levels

The use of a specific command verb within a syllabus objective does not indicate that this is the only form of question which can be asked on the topic covered by that objective. Examiners may ask a question on any syllabus topic using any of the agreed command verbs, as are defined in the document “Command verbs used in the Associate and Fellowship written examinations”.

Questions may be set at any skill level: Knowledge (demonstration of a detailed knowledge and understanding of the topic), Application (demonstration of an ability to apply the principles underlying the topic within a given context) and Higher Order (demonstration of an ability to perform deeper analysis and assessment of situations, including forming judgements, taking into account different points of view, comparing and contrasting situations, suggesting possible solutions and actions and making recommendations).

In the CP3 subject, the approximate split of assessment across these skill types is 85% Application and 15% Higher Order.

Detailed syllabus objectives

1 Identify relevant information and appropriate content

1.1 Identify key information that must be conveyed in order for a communication to meet the objectives. This may include:

- setting out any implications that may affect the intended recipients’ decisions.

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- disclosing the extent of any uncertainty involved, and any limitations in the information being communicated, if that uncertainty or those limitations may affect the intended recipients' decisions.
- 1.2 Assess what information is not necessary and might, if included, detract from communicating effectively.
- 1.3 Use numbers in a way that is appropriate for the intended recipient(s), given the objectives of the communication:
- Prepare numerical examples, where appropriate, by drawing on some or all of the available data, or, creating representative numeric examples (if suitable data is not provided).
 - Prepare numerical information so that it is presented in an appropriate format (e.g. appropriate use of percentages, ratios, fractions) and level of detail (e.g. well-judged number of significant figures or decimal places).
- 1.4 Be able to justify the choice of information and content

2 Use an effective structure

- 2.1 Prepare an appropriate structure for a specific communication objective.
- 2.2 Be able to justify the choice of structure.

3 Adopt appropriate language

- 3.1 Assess what terminology will be easily understood by the intended recipient(s).
- 3.2 Explain or define necessary technical terms at an appropriate level of detail for the intended recipient(s).
- 3.3 Be able to justify the choice of language and terminology.

4 Include appropriate explanation

- 4.1 Set-out a draft communication for the intended recipient(s), including:
- sufficient explanatory steps.
 - effective explanation.
 - appropriate level of detail.
 - technically correct information that is not misleading.

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5 Incorporate effective communication tools

- 5.1 Set-out information using simple and effective communication tools:
- visual presentation of numerical information
 - diagrams or pictures
 - bullet points
- 5.2 Be able to justify the choice of communication tool(s) for presenting numerical information (e.g. data tables, bar charts, line charts, pie charts, scatter charts etc.).

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