

Subject CP3

CMP Upgrade 2017/18

CMP Upgrade

This CMP Upgrade lists all significant changes to the Core Reading and the ActEd core material since last year so that you can manually amend your 2017 study material to make it suitable for study for the 2018 exams. It includes replacement pages and additional pages where appropriate. Alternatively, you can buy a full replacement set of up-to-date Course Notes at a significantly reduced price if you have previously bought the full price Course Notes in this subject. Please see our 2018 *Student Brochure* for more details.

This CMP Upgrade contains:

- all changes to the Syllabus objectives
- changes to the ActEd Course Notes and Series X Assignments that will make them suitable for study for the 2018 exams.

1 Changes to the Syllabus objectives

Syllabus objectives

No changes have been made to the Syllabus Objectives.

2 Changes to the ActEd Course Notes

Chapter 3, Section 1.2

We've inserted a tip on how to obtain a word count using Microsoft Word, as follows:



ActEd tip – get quick at counting words

You can get Microsoft Word to tell you the number of words in your document. Just select the appropriate text (after the address, heading, salutation etc) and a word count will appear at the bottom of the screen.

The specimen exam had a word count of 700 to 850 words, and the September 2017 exam had a word count of 650 to 750 words.

Chapter 3, Section 2

At the end of this section, we've inserted the following:

Example

Having firstly explained why the choice of pricing assumptions is subjective, you might then choose to back up that explanation. For example, you might quote a survey which reveals that actuaries pricing a particular form of general insurance used assumptions for the annual rate of claims inflation varying between 8% and 10%. Such a numeric example acts to *support* the explanation, but does *not* act as a *substitute* for the explanation.

Chapter 5, Section 1.3

Within this section, we've inserted the following additional option for structuring a communication:

Situation, Objective, Appraisal, Proposal (SOAP)

Start with a summary of the current position and the future objectives. Move on to appraise the gap between these two and the advantages and disadvantages of various ways forward. Finish with a plan as to how the gap can be filled, so that the future objectives are met.

Chapter 5, Section 2

The first bullet point on this page should not refer to 'language and terminology'. It should read as follows:

- describe the relevant characteristics of the recipient(s) that influenced your choice of structure

Chapter 8, Section 2.2

This section, on the structure of reports, has been significantly updated. Updated pages containing this section appear at the end of this update document.

3 Changes to the X assignments

The 2017 versions of the CP3 X assignments remain fit-for-purpose.

IMPORTANT

Please note that we only accept the 2018 version of assignments for marking in the sessions leading to the 2018 exams. However, if you purchased the 2017 version of the CP3 X assignments and wish to submit your scripts for marking in 2018, please let us know and we will send, free of charge, an up-to-date version for you to attempt and submit.

4 Other tuition services

In addition to this CMP Upgrade you might find the following services helpful with your study.

4.1 Study material

We offer the following study material in Subject CP3:

- Mock Exam A.

For further details on ActEd's study materials, please refer to our *Student Brochure*, which is available from the ActEd website at www.ActEd.co.uk.

4.2 Tutorials and Online Classroom

We currently offer the following in Subject CP3:

- a one-day tutorial, available either face-to-face or live online.

We are planning to launch an Online Classroom for Subject CP3 during 2018.

For further details on the above, please refer to our latest *Tuition Bulletin*, which is available from the ActEd website at www.ActEd.co.uk.

4.3 Marking

You can have your attempts at any of our assignments or mock exams marked by ActEd. When marking your scripts, we aim to provide specific advice to improve your chances of success in the exam and to return your scripts as quickly as possible.

For further details on ActEd's marking services, please refer to our *Student Brochure*, which is available from the ActEd website at www.ActEd.co.uk.

5 Feedback on the study material

ActEd is always pleased to get feedback from students about any aspect of our study programmes. Please let us know if you have any specific comments (*eg* about certain sections of the notes or particular questions) or general suggestions about how we can improve the study material. We will incorporate as many of your suggestions as we can when we update the course material each year.

If you have any comments on this course please send them by email to **CP3@bpp.com**.

If you are communicating bad news, try to start and end in an upbeat mood. The main text of the letter should build up to the bad news. And never use dismissive and negative phrases such as 'You are wrong' when it would be more polite (and just as accurate) to say, for example, 'Mortality rates are not as high as you suggest'.



ActEd tip – always use a business-like tone in CP3

Irrespective of the nature of the recipient/audience, we recommend that you use a business-like tone in all your answers to CP3 questions.

2.2 Drafting reports, discussion documents and briefing papers

Reports are probably the most substantial documents that you may be asked to draft in Subject CP3. They need to be structured carefully. We'll look at discussion documents (a variant of a report format) and briefing papers at the end of this section.

When structuring a report you need to make a decision as to whether to include an executive summary or not. An *executive summary* presents the key information (including conclusions and/or recommendations) at the *start* of the report, for individuals who don't need all the detail or who don't have time to read the full document.

For example, you may write a report for the directors of a company: the finance director may wish to read the entire report, whereas the managing director may read only the summary. This is why such a summary is often referred to as the 'executive summary'.

The decision as to whether or not you choose to use an executive summary should be driven by the purpose of the report and the structure adopted for the main text. For example, if the purpose of the report is largely to educate the readers, and the structure of the main text is bottom-up, then you may choose to place the summary within the conclusion section at the end of your report.

We'll firstly look at structuring a report with an executive summary, and then look at structuring a report without such a summary.

Structure of reports with an executive summary

An outline structure of a report with an executive summary might be:

1. Header, including as appropriate, the:
 - title of the report
 - name of the person or group of people to whom the report is addressed
 - the name(s) of the report's commissioner(s)
 - date of the report.

2. Executive Summary including:
 - what the report is trying to achieve
 - sources of data, if applicable
 - key ideas from the main text
 - limitations of the report, if applicable
 - conclusions and recommendations, as appropriate.
3. Main text.

Somewhere in the report the following items should be stated:

- the author's name
- the capacity in which they are writing the report (*eg* as a treasurer of a local club, or as a manager of an actuarial department)
- the author's contact details.

These might be provided within the executive summary, or at the end of the report.

Note that, if you do decide to include an executive summary at the start, this does not mean that you should write the summary before writing the report. It is generally easiest to write the summary towards the end of the drafting process.

Structure of reports with no executive summary

An outline of a possible structure for a report with no executive summary is:

1. Header, including as appropriate, the:
 - title of the report
 - name of the person or group of people to whom the report is addressed
 - name(s) of the report's commissioner(s)
 - date of the report.
2. Introduction, specifying the scope of the report including:
 - what the report is trying to achieve
 - sources of data, if applicable
 - limitations of the report, if applicable.
3. Main text.
4. Conclusion (summarising key points and, if appropriate, covering recommendations).

Somewhere in the report the following items should be stated:

- the author's name
- the capacity in which they are writing the report (*eg* as a treasurer of a local club, or as a manager of an actuarial department)
- the author's contact details.

These might be provided within the introduction, or at the end of the report.

Components of a report

Some elements of the two report structures (outlined above) are described more fully below.

Title

The title of the report needs to be concise but informative. If possible, it should encapsulate the purpose of the report. For example:

- *Investment Report 2018* is concise but vague.
- *Report on the investment performance of Charity XYZ – year ended 31 December 2018* is concise and clear.

Main text

The approach to constructing the main text of a report should follow that described earlier in these notes.

Summary of key ideas from the main text

The summary of key ideas from the main text (appearing in either the executive summary or conclusion section) should draw out the key ideas from the main text, without introducing any new material.

Conclusion

What you conclude should be based on (and backed up by) the key ideas in the main text.

A good conclusion should:

- be short
- refer back to the purpose of the report
- summarise the main points
- make recommendations, if appropriate.

Recommendations are action points recommended as a result of coming to a conclusion. Recommendations should only be included if applicable. For example, it may be that the purpose of the report is to inform a discussion, rather than make recommendations.

Recommendations, if included in the report, should:

- be listed and numbered
- be drawn from the conclusions
- be supported effectively by the main text
- be expressed as action points
- match the objectives of the report.

General content

The content of a report should be:

- accurate, but also appropriate in its level of detail
- comprehensive, but solely relevant to the objectives
- objective rather than subjective – based on real evidence.

Where the content is based on your opinion or on your judgement, you should make this quite clear, and you should support any opinions with evidence. Unsubstantiated views are inappropriate in a report.

Discussion documents and briefing papers

A discussion document or briefing paper can be written in the same way as a report, but omit any sections that are inappropriate for your particular document. For example, recommendations may not have been asked for.

Although you should use the same framework as for a report, an executive summary is perhaps less likely to be appropriate for a discussion document.

Summary – standard document formats

Formal letters:

- Know the key rules for the layout and content of formal letters.
- Introductions should cover: what and why, and include signposts backwards and forwards, if appropriate.
- Keep the style positive (particularly at the start and end of a letter), but don't be dismissive nor too 'pally'.
- Summarise in a conclusion but avoid simple repetition and don't introduce any new ideas.
- Always offer further help at the end of any letter.

Reports, discussion documents and briefing papers:

- Structure such documents carefully
- Consider whether to have an executive summary at the start of a report, or to have a conclusion section at the end.
- Know the key content of a good introductory section.
- Ensure the content remains relevant to the stated objectives.
- Don't include unsubstantiated opinions, views or recommendations.

Articles, memos and emails:

- Memos and emails have specific structural elements (*eg to, from, informal signoff*) that make them distinct from formal letters.
- Memos and emails typically contain the same general sections as a letter (*eg introduction, main text, conclusion, offer of further help etc*).
- Good emails and memos use structural techniques to help the reader search efficiently for the specific information that they require (*eg title, headings, signposting*).
- An email or memo can be more informal than a letter and is briefer in style (*eg may use bullet points and shorter sentences*).
- Always offer further help at the end of any email. Refer to the author and their contact details in an article.