



Institute  
and Faculty  
of Actuaries

# Associateship Qualification

## Business Management (CB3)

### Core Principles

Syllabus for the 2027 Assessment

April 2026

# Business Management (CB3)

## Syllabus for the 2027 Assessment

### Aim

The aim of Business Management is to provide candidates with an understanding of:

- the business environment in which they will be working.
- how to tackle business-related problems.
- the basic legal principles that are relevant to actuarial work.
- their professional responsibilities.
- the need for lifelong learning.

### Links to other subjects

Business Management has links to many other subjects. The knowledge gained should enable candidates to provide more rounded business-related solutions when working on later subjects and help them in the development of their practical work-based skills.

### Objectives

On completion of this subject, the candidate will be able to:

#### 1 Specify, describe or discuss a range of topics relevant to working as an actuary in the financial services industry.

- 1.1 Specify the type of skills that must be acquired to become a competent practising actuary in the financial services industry.
- 1.2 List the aspects of an employing company about which knowledge should be obtained.
- 1.3 Specify those aspects of the financial services industry about which knowledge should be obtained and maintained.
- 1.4 Describe why it is important to know how other industries affect the financial services industry.
- 1.5 State those aspects of the global economy and politics about which some knowledge should be gained and maintained.
- 1.6 Describe the activities of the Institute and Faculty of Actuaries.
- 1.7 Discuss the issues and challenges faced currently by each main practice area, namely life, pensions, general, healthcare, finance, investment and enterprise risk management.

#### 2 Develop an approach to strategic thinking.

- 2.1 Describe what a strategy is and how it relates to competitive advantage and competitive positioning.
- 2.2 Develop a process for strategic decision making.

- 2.3 Define a PEST analysis (Political/legislative, Economic, Societal, Technological) and describe how to carry one out.
- 2.4 Describe how to identify business and consumer needs and how to prioritise them.
- 2.5 Describe the industry value chain and how to apply it.
- 2.6 Discuss how to combat competitive forces.
- 2.7 Learn how to communicate strategic messages to gain buy-in and attention, selecting appropriate structures to present different types of information.
- 2.8 Discuss how a company's culture affects decision making.
- 2.9 Discuss how a company's structure affects decision making.
- 2.10 Analyse case studies and present results of the analyses.

### **3 Develop an approach to business decision making.**

- 3.1 Discuss the importance of a clear mission statement.
- 3.2 Describe the importance of a clear business strategy.
- 3.3 Describe the benefits of teamwork.
- 3.4 Describe the advantages of time management.
- 3.5 Discuss the importance of extracting relevant information from a large volume of data.
- 3.6 Describe the interaction of various company functions.
- 3.7 Discuss the value of different people skills.
- 3.8 Assess their ability to influence others.
- 3.9 Discuss the advantages of communicating clearly.
- 3.10 Describe how to develop a decision making process.
- 3.11 Discuss attitude to risk in decision making.
- 3.12 Discuss how competition can affect a market.

### **4 Describe and understand the basic legal principles that are relevant to the work of an actuary and their practical implications.**

- 4.1 Appreciate the sources of English law and how Scottish law may differ (overview only).
- 4.2 Understand the requirements for a valid contract (overview only).
- 4.3 Identify when the courts will imply terms into contracts.
- 4.4 Understand the extent to which liability can be excluded.
- 4.5 Make simple assessments of likely contractual remedies.
- 4.6 Calculate a basic award of damages.
- 4.7 Identify the factors that must be established before liability for professional negligence can arise.
- 4.8 Understand the concept of a trust and the duties of trustees.
- 4.9 Understand the concept of agency and list the types of authority an agent may possess.
- 4.10 Appreciate the concepts of separate legal personality and limited liability.

- 4.11 Understand and, at a basic level, be able to explain the role of directors and shareholders within a company.
- 4.12 Appreciate the duties imposed on directors by statute, common law and equity.
- 4.13 At a basic level, be able to explain the nature of partnership and the duties owed by partners to insiders and third parties.

## **5 Describe or specify important aspects of professionalism and ethics.**

- 5.1 State important characteristics of a profession and its advantages to interested parties.
- 5.2 Demonstrate a knowledge of the Actuaries' Code that binds all members of the Institute and Faculty of Actuaries.
- 5.3 List the measures by which the Financial Reporting Council and the Institute and Faculty of Actuaries regulate the activities of actuaries and candidates in the UK and overseas.
- 5.4 Describe the corporate governance structure of the Institute and Faculty of Actuaries.
- 5.5 Analyse appropriate case studies relating to professionalism and ethics, and present results of the analyses.

## **Assessment**

Assessment of CB3 is through:

- Individual full participation in the Business Simulation Game
- Submission of a written business report of 3000 words
- Submission of a written reflection of 1000 words
- Submission of the results of participation in the Business Simulation Game
- Please note that Topic 5 is assessed through the successful completion of the Stage One Professional Skills Course. Students cannot register for CB3 until Stage One PSC is successfully completed

The assessment brief contains further details and is available on the VLE.

Please read the CB3 subject guide, as well as the latest version of the IFoA Examinations Handbook and IFoA Examination Regulations on the IFoA website before sitting any IFoA examination.

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