CONSULTING & ACTUARIAL FIRMS RATED BY RETIREMENT FUNDS

Published February 2008

PMR.africa has completed its annual, national survey on Consulting & Actuarial Firms rated by Retirement Funds. The principal officers, chairmen, trustees and senior managers of retirement funds rated the consultants and the actuaries on the following 22 attributes:

- Accessibility (i.e. does your consultant's response time comply with your requirements)
- Accuracy
- Adequacy of range of services offered
- Attitude of service provider staff
- BEE
- Commitment to the client
- Corporate governance (transparency of decision making, strict adherence to all rules and regulations)
- Depth of expertise
- Depth of resources
- Flexibility
- Integrity/trust
- Innovation in developing solutions
- Level of competence
- Professionalism
- Strategic insight
- Timeousness
- Thoroughness of responses
- Quality of advice
- Quality of service
- Understanding the clients needs
- Usefulness/clarity of reports
- Value for money (If the fees are expensive is it worth the cost)

The respondents were asked to indicate which of the following 16 services they used and to rate the services out of 5.00:

- Actuarial valuations (including statutory valuations and AC116 calculations and advice)
- Advice on benefit design
- Advice on investment strategy
- Advice on risk benefits
- Advice regarding the management or outsourcing of pensioner liabilities
- Advice regarding the merits of privately administered retirement funds versus umbrella retirement funds
- Benefits calculations
- Communication (verbal and written) to members
- Drafting of and amendments to fund rules
- Holistic management and input in governing the retirement fund
- Impact of legislation
- Liaising with regulatory authorities
- Surplus apportionment exercises
- Secretarial services, viz. preparation of agendas, minutes and other strategic inputs
- Trustee training
- Updates and advice on legislative implications

The respondents were asked:

- whether there were any services they felt should be provided independently, with reasons,
- to give verbatim comments on the perceived strengths and weaknesses of the institutions they rated,
- if there were any potential conflicts of interest, and to identify and rate them, with reasons,
- if a separation of the component parts of the conflicts of interest were a better method of handling them than an integrated offering, with reasons,
- whether they received full disclosure of interests from their service provider in terms of products/services,
- if there were any services not offered by their service provider that they require, with reasons, and
- if there were any services offered but were not receiving, with reasons.

The ratings are based on the perceptions of the respondents.

How the survey was conducted:

Universe: 220 biggest retirement funds in South Africa.

Timing: Interviews were conducted during November and December 2007 and January 2008.

Sample: A random, national sample of 127 principal officers, chairmen, trustees and senior managers.

Methodology: Interviews were carried out telephonically utilising semi-structured questionnaires. Back-checks were conducted at all stages of the fieldwork, response coding, data capture and analysis. 100% of the respondents' positions were checked.

Business Intelligence Research Report:

A detailed business intelligence research report providing competitive insight of strategic value is available. The research report includes comparative tables and graphs of all finalists, verbatim comments as well as demographic details delivered on CD with a PowerPoint presentation. Three year trends are available. This research report is available at R 20 000 excl.