

Pensions Conference 2012
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Board polarities in trustee bodies

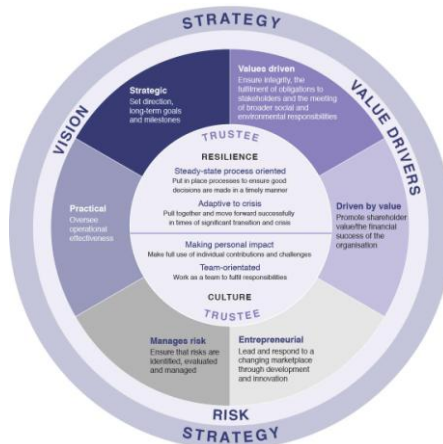
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What are polarities?

- An antidote to either/or thinking
- And to 'problem to solve' flip flopping
- Rather success often depends upon balancing two seemingly conflicting poles of an issue
- Strong positive outcomes on both poles balance and support each other
- Behaviours / actions can be identified to support each pole
- Warning outcomes and signs indicate when one pole is supported at the expense of the balancing pole
- Theory is the work of Barry Johnson
- Polarities for boards developed by Mazars LLP in conjunction with YSC

What are the key trustee polarities?



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How do we assess a trustee polarity profile?

- Series of 88 statements of belief
- Each polarity assessed separately
- “Perceived Outcome” and “Behaviours” assessed separately
- Perceived Outcome:
 - We have a strategy to deliver a sustainable scheme
 - Performance is consistently on track, we do not have surprises
- Behaviour:
 - We take significant time as a team to develop a clear strategy
 - We distinguish between what are trustees responsibilities and what are management responsibilities

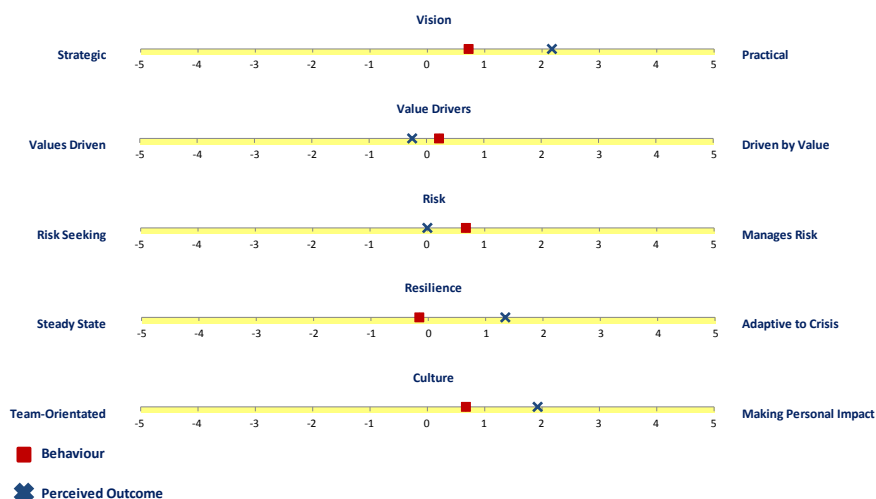
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How do we assess a trustee polarity profile?

- Individual trustees score each question from 1 to 5
- 1: “Very Poorly”.....to
- 5: “Very Powerfully”
- Results collated
 - Per trustee
 - For total board showing average score and any range of views in the group

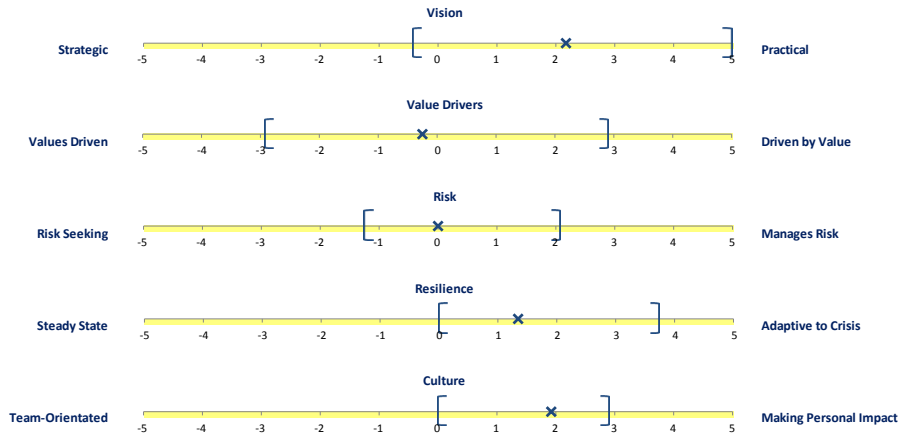
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Example results: Board medians



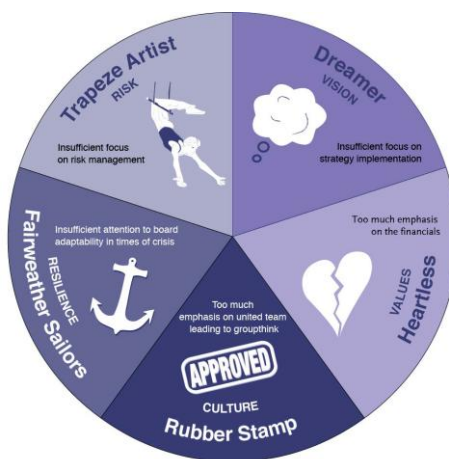
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Example results: Perceived outcome ranges



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What happens when polarities are unbalanced?



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Questions or comments?

Expressions of individual views by members of The Actuarial Profession and its staff are encouraged.

The views expressed in this presentation are those of the presenter.

