

Trustee Effectiveness: The Need for Strategic Choices

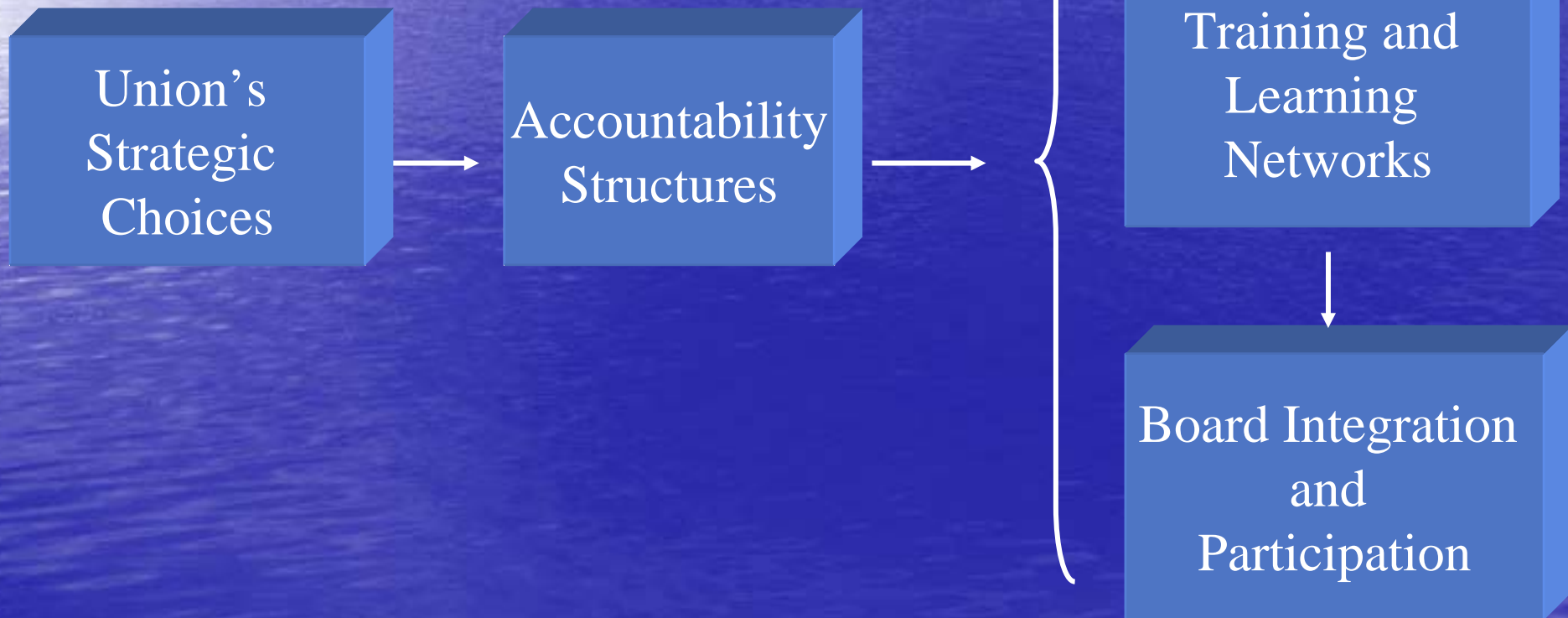
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and
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To be read in conjunction with "What Makes for Effective Labor Representation on Pension Boards?" by Johann Weststar and Anil Verma (Forthcoming 2007, *Labor Studies Journal*) and "Just Having a Voice is Not Enough: Labour's Voice on Pension Boards," by Johanna Weststar and Anil Verma (Forthcoming as a chapter in *Socially Responsible Investment of Union-Based Pension Funds*, Jack Quarter, Isla Carmichael, and Sherida Ryan (eds.) University of Toronto Press, Toronto



Centre for Industrial Relations and Human Resources

FACTORS RELATED TO TRUSTEE DEVELOPMENT



SOME FINDINGS...

88% feel like integrated and participating board members

BUT evidence of:

- Lack of training
- Lack of social networks
- Lack of prior exposure to pension issues
- Lack of guidance from unions

None	Poor	Minimal	Adequate	Good	Excellent
11%	8%	27%	25%	21%	8%

LEVELS OF STRATEGIC CHOICES

Full participation with a stakeholder perspective

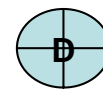
Full participation in a traditional fiduciary role



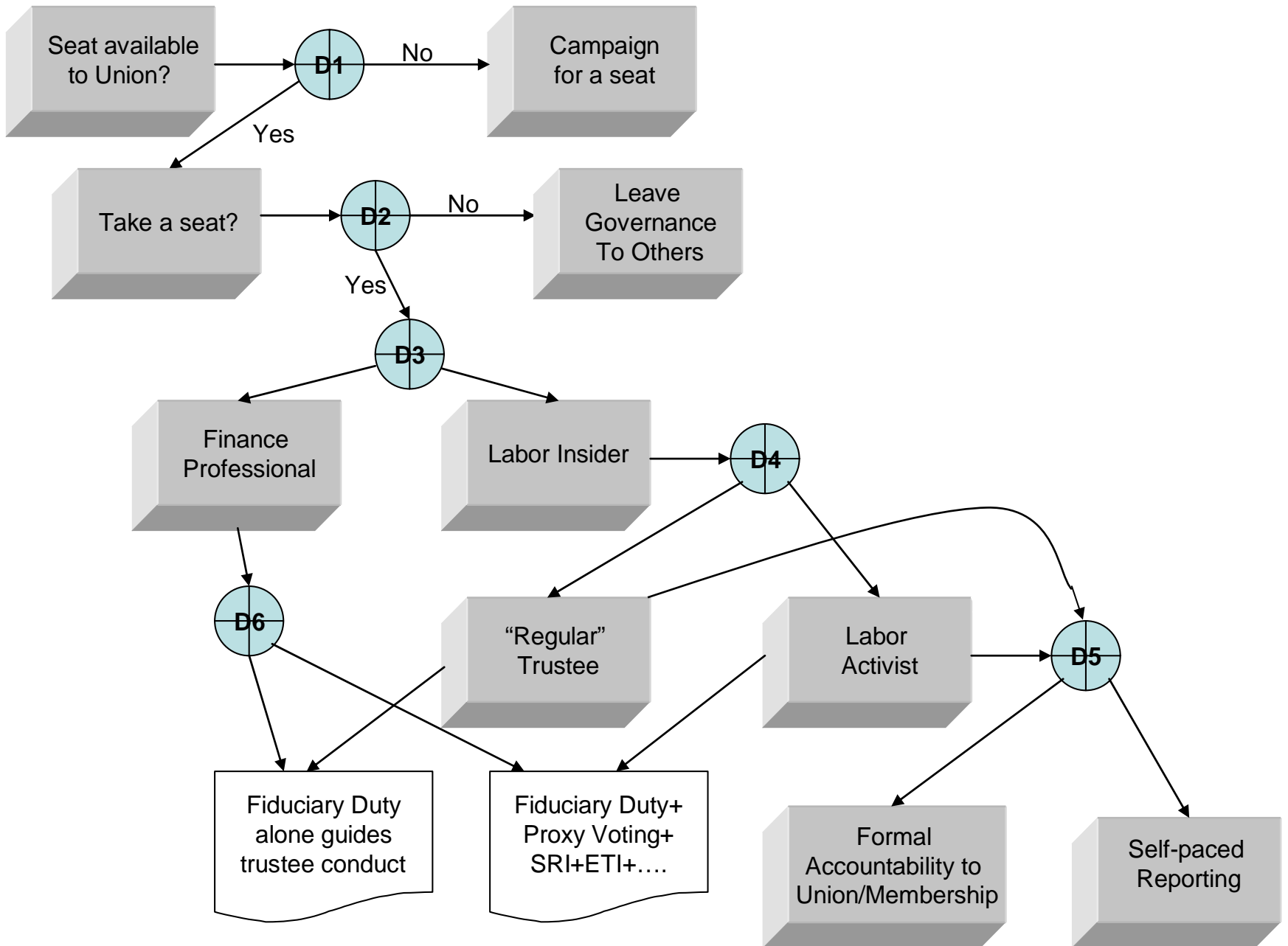
A Seat on the Board



At each level implications for trustee selection and support grow and change



Denotes decision points



PENSION GOVERNANCE: A STRATEGIC OPPORTUNITY FOR LABOUR

- BUT unions need to express a comprehensive and proactive policy on their role in pension governance
- AND decisions about trustee selection and development must be aligned with these strategic decisions

Two Broad Debates

1. Strategic Union Agenda

- What do unions want?
 - Traditional fiduciary
 - Broad stakeholder role

2. Trustee Selection and Development

- How do they get it?
 - Human Resource Model?
 - Nomination / Political Model?