

# The right qualities

✓ **The Pensions Regulator has long emphasised '21st century trusteeship', but what are the main skills and qualities required to be a modern-day trustee?**



**I** think the key quality of being a successful trustee is to continually ask questions, not only to get a full understanding of the issue in question, but to ensure you are receiving the best advice from your advisers.

There are various specific duties for trustees, eg acting in line with the trust deed and rules; acting prudently, responsibly and honestly; acting in

the best interests of the members and potential members of the scheme (including dependants); and acting impartially.

However, not being afraid or intimidated from asking questions, defines for me a good trustee.

**Lend Lease UK Pension Scheme  
ex-MNT Alan Gander**

**M**anaging a modern pension fund requires many skills and abilities. Whilst it is always advantageous to have good technical knowledge, the following points are important to thrive as a modern-day trustee.

An open-minded approach can take on board new perspectives and evidence, even if it contradicts their gut feeling or previous knowledge.

There is always something new to learn so being able and willing to develop your ideas is key and ideally there needs to be a desire to both acquire knowledge and the ability to do so.

Trusteeship is a team game so it's important for the players to be able to say when they don't agree, but also work cohesively with others.

Being strategic and focused despite having lots to do, constantly driving the agenda to the most important issues (even if they are difficult) is a hugely valuable trait.

**Redington head of governance and decision research Paul Richards**

**M**odern trustees need to possess a wide range of skills. At a technical level, they of course need to have the knowledge and understanding of their scheme and the wider pensions environment. They have also become risk managers, both in terms of controlling the short-term, day-to-day risks of operating the plan and then developing a plan to address the long-term strategic risks.

And it goes without saying that they should be people of honesty and integrity who will always act in good faith and in the best interests of their members.

But increasingly trustees need to demonstrate a spectrum of softer skills, so that they can deal with more complex situations and the potential for conflict:

- The ability to listen actively to and then communicate with all stakeholders and advisers.

- The confidence to challenge advisers and to hold the sponsoring employer to account.

- The ability to negotiate with and influence relevant stakeholders.

- The flexibility to be open to, but also critically assess, the myriad new ideas, options and solutions that are constantly evolving.

- The self-awareness to recognise when to ask for help and when they need additional training

- The objectivity to evaluate their own skills openly and to examine and manage their own conflicts

These qualities give trustees the range of attributes they need to manage the ever-more complex pensions landscape, and to ensure the best possible outcome for their members.

**Mercer principal and governance specialist Mark Wilkinson**