

Recipe for Success

Creating The Winning Formula

- Fluency Coherence Relevance
- Making the most of your IPE Awards entry





RECIPE FOR SUCCESS IN THE IPE AWARDS

INTRODUCTION – OUR COMMITMENT TO YOU

Success in the IPE European Pension Funds Awards depends largely on how well you make your case to impress the judges by submitting the strongest possible entry. Here are some practical points we hope will be helpful in the process of submitting an entry.

This guidance has been compiled from IPE's experience in reading and monitoring each entry and the subsequent discussions we have with the judges. This is especially true of the categories that now have a second review stage involving the judges coming together to discuss the results of the first round of judging that is based on the traditional IPE matrix scoring process.

IPE's guidance is both active and highly interactive. Our rôle in the entry process is to encourage you as best we can to participate and engage with us at any stage or on any level when you are putting your entry together. This could entail, among others:

- answering any queries you may have
- offering advice on the categories you could or should consider entering
- guidance on how to structure your entry
- working closely with you on drafting your entry or entries.

This also includes *interview entries*, whereby we interview you and then write all or part of your presentation for you.

Naturally, the entire entry process is undertaken with complete confidentiality. For more information or guidance, please contact **Robert Watson** on **+44 (0) 20 3465 9327** or email him at **robert.watson@ipe.com**.

Whatever the extent of IPE's input, your entry is always your own and you have complete control over its contents, structure and sign-off.

This guidance booklet is by no means a guarantee that you will win any category you enter. But we do hope it will give you the confidence to take part and inspire you to demonstrate your innovation, hard work, dedication and excellence in pensions management in the best possible light. Moreover, taking part is not exclusively about winning but presents you with an opportunity to participate in a meaningful annual benchmark that the results provide overall.

Finally, IPE has included a number of **mock** entries that are inspired by actual winning entries to demonstrate how a strong entry looks and the level of information you should consider imparting to impress the judges.

We trust you will find this guidance insightful and practical, but we would also welcome any feedback you might wish to provide.



SECTION ONE - THE JUDGES' VIEW

These views are intended to help you understand how to prepare a comprehensive and well-rounded entry that clearly demonstrates the areas of excellence you are focusing on and that these are displayed in the context of your scheme as a whole, whether they concern investments, strategy, management or any other aspect of your fund's constitution and operations.

Judge your own entry

Probably the over-riding point to keep in mind is that IPE Awards judges are pensions professionals and will read your entry from their wide experience and knowledge of pension scheme management. So when completing your entry, try to anticipate their reaction and structure your entry accordingly. Then test it as if you were asked to evaluate it. If any point in your entry raises a query in your own mind, you can be more or less sure the judges will ask the same thing. This exercise enables you to address any shortcomings.

In general, the judges will essentially be looking for a concept, idea, development or strategy that stands out and could be considered exceptional. This could take any form and be part of a longer term plan and does not necessarily need you to demonstrate exceptional annual performance to impress the judges. The long-term benefits of any change, development, innovation, among others, are considered equally, if not more important, than each year's individual return. Put more simply, as one judge suggested to us during our 2014 judges survey: "we do not want to read about the steps that all pension fund take as a matter of course".

Leave nothing to chance You should endeavour to answer all questions on the entry forms and offer reasons why you cannot give some of the fundamental data required. The more you provide, the more the judges have to go on. You may be marked down or receive negative feedback if you do not provide either the data or a reason why you haven't, especially if other entrants have answered in full.

This is particularly important in response to questions where the judges expect a specific reply. For instance, if a question asks you to explain your investment strategy, you should not write about, as one judge stressed "your business plan or schedule of benefits."

The judges are very positive about pension funds that demonstrate innovative thinking or approach challenges or problems in an original way or by using novel concepts. But they equally readily pick up on unsubstantiated claims or unclear objectives.

Remember, as a pension fund, your long-term approach is a key factor. You may base your entry on a particular strategy or change or course in the past few years. That is fine. But the judges will be keen to see outcomes of any short-term goals or reviews you have undertaken to protect against sudden volatility or downside pressure that coincides with the period under review. In other words, add in any updates to ensure your entry is as current as possible.

Where possible, demonstrate your case with relevant numbers. We do ask for certain figures to be given formally in the entry form and these are **mandatory**. Judges view negatively entries that do not provide all the fundamental data we require. So if there is some overriding reason



your fund cannot provide the requested data, please explain the reason why in the relevant box. The judges will take this into consideration and you will most likely not be marked down so much, if at all, as a result.

As pension professionals, the judges are extremely aware of the issues surrounding performance figures. While good performance numbers do enhance entries, they are not necessarily the strongest feature, as we have already suggested. First of all, judges like to see performance figures in context, such as the overall expectations of the pension fund, the regulatory environment and, perhaps, most importantly, your long-term strategy and objectives. So if you can, show the evolution of performance data in relation to any changes or new ideas you have introduced or part of the overall evolution of your scheme. Conversely, be careful not to give a misleading impression by presenting any data in isolation in the text boxes that the judges may not understand.

Don't lose heart

Poor or negative numbers are often as a result of factors outside a pension fund's control. The judges are well aware of any challenges and trends that could affect a scheme's performance in the short-term. Please do not be discouraged from entering or afraid to declare negative returns; the judges are unlikely to penalise you, so long as you explain the downturn at your scheme and, more importantly, how you have reacted and drafted any short, medium or even long-term measures to counter the decline and ensure you meet the challenges ahead. Indeed, the judges will most likely actively reward schemes that have acted in a timely manner and set in motion a recovery plan. So long as you include this, you will be judged positively. Recent trends that the judges have rewarded pension scheme reactions to include volatile markets and the persistent low interest rate environment.

Full picture

The more background information and explanation you can give, the more the judges will understand your fund's achievements. Although you do not want to waffle, neither do you want the judges to feel like there is something missing with questions unanswered that could impede your chances of success. Try therefore to present as much as you can in a historical context. A good example is your investment strategy. In addition to reporting positive performance as a result your current allocation policy for the period under review; consider adding how the results affect your funding level and therefore your ability to cover your liabilities and increase the level of member benefits, your capacity to take extra risk and any other positive impact it might have in the long run.

Behind the scenes – putting it all together

Building on this last point, While entries often focus on investments, as many of the *themed awards* relate to specialist investment areas, the judges like to see how the investment areas relate to the fund's objectives overall. A good example could be investing in alternatives. Judges would be keener to see your reasons why you include alternatives as part of and impact on your overall risk budgeting and long-term objectives rather than a strategy that seeks returns only. Investments-aside, judges are equally responsive to entries focusing on any other aspect of a pension fund's activities, such as its structure, governance, operations, communications, IT systems, reporting, and general management, including personnel. But again, if your chosen area of excellence is, for example, member communications or implementing a new IT system, make sure that this is presented within the overall needs of the fund and its long-term goals. The message here is that the judges like to have as holistic and rounded a view of your fund as possible. Put yourselves in the judges' shoes as far as you can when you review and read over your entry before submitting it to IPE.



SECTION TWO - STRUCTURE

• Let it flow

Since the Judges read your entry as they would an article, our first tip is to make your entry flow as one. The *overview and investment strategy* and the *country award or themed award* texts should be treated as continuous as they complement each other.

The *overview and investment strategy* is designed as a key introduction to your fund to inform the judges who you are and what you are seeking to achieve. It is very important for them to understand why you may have adopted certain strategies and reforms that you highlight as the basis of your *country and/or themed awards*.

In the *overview and investment strategy* section, include a short history of your fund's origin, its objectives, its structure, the investment strategy and philosophy, the sector you operate in, membership details, and your assets under management. In fact, whatever you think the judges might need in order to understand your entry.

• Keep it relevant

When drafting your text for the *country or themed awards*, keep your focus on the topic and keep non-relevant matter out. Express your thoughts as clearly as possible. One judge's advice is stick to the topic; if the topic is your 'Long term Strategy', talk about this without any "marketing blurb."

You can assume judges will understand internationally used pensions words jargon and investment models, but you should explain any practices, laws and regulatory requirements, such as solvency levels, for instance, that someone not from your country or region may be unfamiliar with or not understand.

Try to keep technical issues to a minimum unless they are key to your entry. Do not repeat yourself – as that is a waste of your valuable word count. If you have any doubts about what judges might or might not be aware of in a particular situation, please call us at IPE and we'll be glad to help.

Repeat the *theme* or the topic where and when appropriate to bring your message home. For example:

- 'In terms of our approach to **risk management**, this enables us to...'
- 'This result clearly demonstrates how our **liability driven investment** solution is benefitting our fund overall...'
- 'Adopting this model has ensured our ability to cement our **ESG and sustainable investment** credentials...'
- 'This new communications policy is now an inherent part of our **DC structure**...'
- 'As a completely new investment framework, this underlines how we are constantly striving to be **innovative**...'
- 'Investing in **emerging markets** therefore offers key benefits...'

Highlight your case with relevant examples of recent activity or deals, when and if you can, as much as possible. Include supporting documents **where relevant** such as uploading graphs, tables, and publicity materials, among others. PowerPoint presentations can be helpful, but



large text documents or full annual reports are excessive and we may remove them. Judges tell us if they have to read too much additional information, it can be detrimental to your entry. We may limit the type and number of supporting documents we allow you to attach to an entry.

Be Generous

The word counts for the text on the entry forms are set at an optimum level for you to be able to provide plenty of high quality information for the Judges to review. While you do not have to use the whole word count permitted for each area, we recommend that you try and make use of the full word count available. The more you say, the more the judges have to go on to evaluate your achievements.

The more care and effort you put into your entry to make sure it says what you want it to – the better your chances. Remember, it is a competition so other pension funds will be doing all they can to make sure their entry is as persuasive as possible. Don't be afraid to use 'bullet points' if you can present your information effectively that way.

Avoid repetition – it is easy to find yourself saying the same thing again but in different words. That could use up words from your word limit that you could use more wisely to say more about your fund.

At the same time, avoid waffle and do not use words just to fill up the space. That could be counter-productive for your entry, as the judges have to work out what is mere words and what is actually telling them something useful. So a 400-word well-written and fluent entry instead of a 750-word one that is padded out by waffles would be preferable to the judges.

The three key elements to remember are:

- **Fluency**
- **Coherence**
- **Relevance**