

VIDEO

August 1, 2014

Focus on Funds: Trends in Fund Board Composition

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The August 1, 2014, edition of *Focus on Funds* features insights from Amy Lancellotta, managing director of the Independent Directors Council, on what traits make for an effective fund board.

Transcript

Stephanie Ortvals-Tibbs, ICI Director, Media Relations: Welcome to Focus on Funds, the Investment Company Institute's weekly roundup of industry news, ICI activities, and research findings.

How should a fund's corporate board best govern itself? That was an important topic of discussion at ICI's General Membership Meeting. Here are some key takeaways.

Amy Lancellotta, Managing Director, Independent Directors Council: Well, it was interesting, at the conference this year, we talked a lot about some of the issues that are coming up on the horizon such as cybersecurity, globalization, and what makes a good director—today and going forward—to deal with some of these more complex issues that will eventually come to the boardroom.

Some of the observations and notes here: One is, someone with good judgment and willing to do the hard work and be diligent. Second, someone who is willing to ask the hard questions, someone with the guts to ask the hard questions. Third, someone who is constantly inquisitive. They're a student every day about what is going on around them, because it will come back to the boardroom.

And then the last thought deals with the composition of the board. There was a lot of talk about whether an individual should have, for example, a PhD from MIT in order to oversee investment risk with respect to use of derivatives and the conclusion was no, but you need to be strategic in the skill sets of the composition of the board as a whole.

Stephanie Ortvals-Tibbs: That's this week in funds. See you next week.

Additional Resources

- [Independent Directors Council \(IDC\)](#)
- [Upcoming Event: 2014 Fund Directors Conference](#)

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