



Industry Professionals serving as non-executive directors to Alternative Fund

## All the gear and no idea



IPAF stands for Industry Professionals serving as Non-executive directors for Alternative Funds. IPAF's vision is that alternative funds should have capable and effective boards. IPAF's mission is to place people on the boards of alternative funds who have the necessary hands-on experience, know

what they're talking about and will do a first-class job for the fund and its investors.

A vision is the ability to think about or plan the future with imagination or wisdom. IPAF's vision came from the knowledge that, when it was first set up some 12 years ago, the future would require alternative funds to buck up their ideas about the quality of their directors.

A mission is a specific task with which a person or a group is charged. IPAF took it upon itself to spread the gospel on the need to pay attention to board quality in the alternatives industry.

But a company can't be "mission-led": The job of senior management is to lead the mission, not be led by it. And the job of senior management is to formulate the vision, not to wait around for a heavenly angel to drop one on its head.

These mission statements of great intent contain such words as trust, personal responsibility, service to clients, being bold etc. What do we conclude from this? That without these statements these companies would put up with dishonesty, passing the buck, shafting the clients and cowardice?

Admittedly, many mission and vision statements serve to waste a great deal of IPAF's staff's office time in mockery and laughter, but there is a serious point here.

At best, most of these statements are BGOs. And for those too young to get that expression, BGO was just another buzz phrase from the previous century: A Blinding Glimpse of the Obvious. At worst, they contain excessive jargon, whose definition is special words or expressions used by a profession or group that are difficult for others to understand.

So if they're just plain obvious or too full of jargon for the Man on the Clapham Omnibus to understand, for whom are these statements formulated? It feels like just another box-ticking exercise to keep the regulators happy. Form over substance yet again. Busy, buzzing bees that don't sting or make honey.

### About IPAF

IPAF provides Industry Professionals – independent, knowledgeable and experienced people - as non-executive directors to Alternative Funds. IPAF is run from London with a panel of 17 directors across 7 jurisdictions: Cayman, Luxembourg, Ireland, Switzerland, the Channel Islands, Portugal and UK. All the IPAF directors are independent of each other and no fee is charged by IPAF to a fund that selects a member of its panel; the fund only pays the director's fees.

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