

The *Ambachtsheer* Letter

Research and Commentary on Pension Governance, Finance and Investments

Letter # 246

July 2006

PENSIONS, CREATIVITY, AND INNOVATION:

BREAKING DOWN THE BARRIERS

“With the increasing integration of knowledge capital into work-processes and outcomes, our economies are morphing in new ways every day into creative forces bound only by the limits of human talent and imagination. Not long ago, the world belonged to individuals whose thinking was characterized by objectivity and analysis. The keys of the kingdom are changing hands. From economies built on logical, linear capabilities, we are moving to ones built on the inventive, empathetic capabilities of what is rising in its place: the Creative Age...”

Roger Martin, Dean
Rotman School of Management
University of Toronto

Is a ‘Creative Age’ Dawning for Pensions?

The quote above came from Roger Martin’s introduction to the Spring/Summer 2006 issue of *ROTMAN*, the magazine of the Rotman School of Management (see www.rotman.utoronto.ca). The theme of the issue was “The Creative Age”, and was devoted entirely exploring the roles creativity and innovation can, and should play today in the design and management of organizations, in education, and in economic progress in general. The pervasive message of the articles, essays, and interviews in the issue was that ‘the keys to the kingdom’ are indeed changing. ‘Logical and linear’ is out. ‘Inventive and empathetic’ is in. Is this a good message for pension funds? Or is it irrelevant? Maybe even dangerous?

We intend to answer these questions below by describing, and summarizing the outcomes of two recent events that we were involved in creating and moderating. One took place on May 25-26 at Christ Church College, University of Oxford; the other on June 6-7 at the Rotman School of Management, University of Toronto. The Oxford event was billed as an “international dialogue on the crisis in corporate pension and health care liabilities”, and the Rotman event as a workshop on “redesigning the pension fund investment function”.