

# “No one likes to lose money.”

How **Rozanne Reszel** backs the investment industry as the knowledgeable leader of the not-for-profit **CIPF**

Interview by Christopher James Palafox



**B**ack in 1969, the Canadian investment industry wanted to be proactive in protecting its clients' assets, so it created the Canadian Investor Protection Fund (CIPF). The not-for-profit corporation is made up of almost 200 investment-dealer firms that are regulated by the Investment Industry Regulatory Organization of Canada, and for more than 40 years, CIPF has promised that clients who leave their cash and securities with one of its members will be able to get them back if the firm becomes insolvent. That promise—which came willingly from the industry rather than as a mandate from the government—is what drew current president and CEO Rozanne Reszel to the organization. Here, she discusses her experience and acumen and how she's evolved alongside the industry.

**Advantage:** Your organization is charged with handling up to \$1 million of assets for its members, but CIPF is actually relatively small. What's it like being CEO and president of such a uniquely positioned corporation?

*Rozanne Reszel:* The key to being CEO in a small organization like this is a daily reality check. Our permanent staff is 18 people in one office, so you're not living your life in meetings. Instead, you're directly involved in meaningful work every day.

**What do you think you bring to the organization that no one else can?**

I bring both the technical knowledge and the leadership and people skills to generate what we do as a small organization. I often laugh and say we're a bit of an industry skunkworks. We take on technology projects such as the financial-filings database and our credit-based model that would be huge undertakings in other organizations, but since we're so small, we have to do them efficiently.

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### What about your role do you find challenging?

One is the nature of the industry. It's increasingly complex, and there are huge volumes of information that pore over your computer screen every day that you're trying to sift through for relevance.

Next, given what we do, it is sometimes difficult to effectively communicate to the public what we can and can't cover—because no one likes to lose money. We can't protect against a loss of value in people's investment, but when there's a bankruptcy, we do make sure they do get their securities and cash back. It seems straightforward, but it's challenging for people to understand in a circumstance where they've lost money on an investment and they're looking for someone to make them whole again. It's a tough message to deliver.

### Since joining CIPF as vice president and secretary in 1990, how has your role evolved?

During the period when I joined, from 1990 to '98, I played a supporting role and didn't have to make final decisions. Also, we dealt with only one insolvency during that time period. When my predecessor retired and I took over as president, we suddenly we had four insolvencies in five years. It was a real challenge to add staff, to hire trustees, and to interact with all of them. And since each insolvency has different complexities, it was a steep learning curve.

### You have experience working on both the corporate for-profit side and the not-for-profit side. How do they compare?

Working in a for-profit entity, you understand the scorecard is based on the bottom line. Working in not-for-profit, the scorecard is more objectives-based. Clearly you have to be financially responsible, but your goals are not earnings-per-share measures. Not-for-profit often has a broader range of stakeholders, particularly in a regulated industry.

### Where would you like to see the investment industry evolve?

The industry is highly regulated with a pretty complicated structure. It's sometimes difficult

## Rozanne Reszel's Career Milestones

### 1979

Obtains her first professional designation: CA

### 1980

Is appointed as director of compliance for the Investment Dealers Association

### 1986

Obtains an MBA from the Harvard Business School and joins an active alumni group working in Canada

### 1988

Becomes VP at Nesbitt Thomson, responsible for a staff of more than 200

### 1990

Joins CIPF as VP and secretary

### 1998

Becomes president and CEO of CIPF

to explain to investors. The overall structure could benefit from some simplification.

### Do you have any passions outside of the office that inform your professional life?

I like using my business experience doing volunteer work. Suddenly you're sitting at a different table, with people for whom your experience can make a significant difference—a hospital or mental-health facility or family-services organization or children's community services. It reminds you how useful that knowledge that you take for granted can be.

### What future goals are guiding your work and keeping you excited?

First would be creating a sustainable management team for succession planning. I've also done a fair bit of work over the years organizing meetings with international compensation funds, so I'd like to ensure these continue going forward. **A**