



Leading the risk profession

Media release

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Further crises inevitable unless ethics improve

HBOS whistleblower Paul Moore today told members of the Institute of Risk Management that further organisational crises were inevitable unless significant improvements in corporate culture, ethics and governance could be achieved.

Speaking at the Institute's annual conference at Keele University, Moore said that many organisations need to make rapid changes to their culture, behaviour and balance of power in the boardroom and to introduce measures to ensure the provision of independent assurance in respect of the management of risk. He repeated his assertion first given in evidence to the Treasury Select Committee in 2009 that "You can have the best governance and risk processes in the world, but if they are carried out in a culture of greed, unethical behaviour and indisposition to change, they will fail." Referring to a recent survey of over 500 risk professionals carried out by his firm, Moore Carter Associates, Moore confirmed that many industry experts believed strongly that the financial crisis had not been caused by any technical or process failure in risk management but by failures in culture and ethics. It was however perfectly possible to change the culture of an organisation and Moore called upon the industry to develop the appropriate methodology and benchmarking.

Andrew Keeling, Chairman of IRM, said "We were very grateful to Paul Moore for delivering this keynote address to the Institute at short notice, when our original keynote was stuck in South Africa because of the recent travel difficulties. Paul has challenged the risk profession to address this subject of culture and ethics and the Institute will be taking this further in its thought leadership programme and also in the content of the professional qualifications we provide."

-Ends-



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Note to Editors

The Institute of Risk Management was founded more than 20 years ago and is the leading professional education and training body, providing courses on risk management at a range of levels from introductory to expert. With over 3000 members in more than 50 countries, drawn from a variety of risk related disciplines and a wide range of industries, the Institute is governed by practising risk professionals and has strong, global links with academia and other risk and strategy organisations.

Paul Moore was formerly Head of Group Regulatory Risk at HBOS and was sacked for raising his concerns about potentially dangerous sales culture. The survey of risk professionals can be found on the Moore Carter website here: <http://www.moorecarter.co.uk/news.html>

Photo available of Paul Moore (with whistle) addressing the conference

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