

Controllability is dead. Long live responsibility!

We have been asked to take a reflective stance towards risk management approaches and discuss one of the many myths and delusions. To start, it is important to say that all organizations and formulated goals are a mental construct. I mean: you are able to touch e.g. the office property, the desks, (if allowed) your colleagues, but you can neither touch the organization nor its goals. An organization is basically the aggregate of the behaviour and decisions of the individuals at a certain location, at a certain time. The organization exists in our minds and this makes that every organization reaps the benefits of, or gets hindered by the (mis-)understanding of the conscious and unconscious behaviour of its members.

Some might say there is more and will point at the various documents which set out the formal boundaries of an organization, define its task, the various roles and distribution of authority. And it is certainly true that mission statements, strategies, fund prospectuses, control frameworks and other documents exist to guide the members of an organization towards an envisioned goal. All of this is helpful as corporate governance deals with the ways in which suppliers of finance to corporations assure themselves of getting a return on investment. To put it differently, it creates a system in which people act. The cynical news is; research has shown that all banks and institutions, both the good

and the bad, had their corporate governance well described and accordingly implemented before the Global Financial Crisis hit. So while there is a system, it doesn't tell anything about the behaviour in the system. Despite this finding of among others Kees Cools (2014), there was a predictable legislative and societal reflex after the crisis. A reflex requiring the implementation of a modified system with further segregation of duties, more countervailing power and supervision for all organizations. Probably with good intentions, yet a one-size-fits-all solution which stereotypically put all banks, institutions and regulators in the same bucket called 'bad'. Which is probably efficient, but far from motivating and effective.

don't see the bigger picture anymore. I am curious what she means, but I intuitively feel she is onto something.

By all means, let's not forget it is us human beings who have a moral compass too. Based on morality, we can take responsibility, be held responsible and hold others responsible. This is why we have to take risks and be courageous. Especially in a social context like an organization, but also in society in general. Whenever we stop acting, nothing will happen. We have to put things in motion. Get out of our comfort zones, have the guts to take social risks, speak up in groups, give feedback and challenge. To put it simple: connect and communicate. Break out of perceived isolation, silos and narrow focus. The clue is that everything that has been written, created, or is happening, is prone to interpretation. Acknowledge and accept differences! When I mention Van Gogh, do you think about a famous painter, or about a murdered cineaste, or something else? Our associations are probably and hopefully very diverse. But without asking me, you will not know what I intended to refer to. Let's be humble enough to create an open and safe environment for sharing perspectives and learning. So we get a better discussion about reality. Let's then be courageous and use this shared view of reality for taking meaningful actions. A fully controlled organization exists in Utopia. A responsible organization provides hope for the future!

On behalf of the Risk Management Committee,
Randy Caenen



According to Manfred Kets de Vries (2020) people are well intended, yet

aggressive primates with a will to survive. Since the implementation of formal post-GFC frameworks I perceive a formal need to stand apart from my colleagues in other departments or lines of defence. At times I notice an aggressive them-and-us-mentality has emerged within organizations. A mentality especially the various scapegoated use in order to prove their countervailing power and to make sure they will not be blamed again. While their colleagues might feel attacked by this approach. According to the director of the TV series 'Planet Finance', many people in our sector

