

RISK issues in 2024

IRM asked Paul May to identify and share some thoughts and questions regarding key RISK issues in 2024. He chose these four issues:-

- Working from home
- Corporate Governance Risk
- Artificial Intelligence
- Political recognition for Risk Management

Working from home

Who really knows how working from home (WFH) affects the risks being run by an organisation? Does the practice of WFH mitigate risk or present new risks? Is anyone in business, the risk profession, or government trying to find the answers?

There are perhaps benefits especially at a time of disruption to the business in having key individuals dispersed at various locations. But how do they work together if say the mobile and ever-reducing landline telephone networks are disrupted? How many organisations have introduced satellite communication into their business for key individuals?

Do those key individuals have a paper copy of their organisation's Crisis Response Plan (as recommended by the National Crime Agency)? During a cyber attack/lockdown they may be unable to access soft copies of the plans online.

Organisations often show in their Annual Reports the number of Board Meetings that each director has attended during the year. Should that attendance information be sub-divided into:

- In-person
- Virtual (WFH)

Should each organisation explain in the Annual Report their decision (with reasoning) as to how many WFH virtual attendances at Board and Committee meetings are considered acceptable to ensure full and thorough participation by the directors?

Corporate Governance Risk

There are many recent examples of governance failures leading to business closures, litigation and increasing costs of insuring for Directors & Officers insurance. Failure to question and challenge when the *wheels started to wobble* especially by non-executives, risk managers, and auditors (internal and external) is often raised as the reason why the organisation eventually crashed.

Might the *hierarchical and contractual subservience* of non-executives, risk managers, and auditors (internal and external) be the reason why such interventions don't occur to prevent the crash as the *wheels fall off*?

How many organisations grant their non-executive directors full and confidential access to a law firm otherwise unconnected to the organisation? Is the provision of hundreds of pages of documents prior to board meetings an overly onerous transfer of risk to each non-exec?

Surely it is time for the IRM to take the lead and create a Special Interest Group for Corporate Governance Risk.

Artificial Intelligence

Plagiarism has always been a concern especially in the areas of education and publishing. What steps are recommended to minimise the risks to organisations from uncontrolled and undetected use of AI generated text, questions and document reviewing?

For example, are non-execs using AI to cope with, analyse and raise questions about the masses of board meeting documents?

Political recognition for Risk Management

There are several hundred All Parliamentary Groups (APGs) established including

Corporate Governance:

[House of Commons - Register Of All-Party Parliamentary Groups as at 24 January](#)

[2024: Corporate Governance](#)

And

Insurance and Financial Services:

[House of Commons - Register Of All-Party Parliamentary Groups as at 24 January](#)

[2024: Insurance and Financial Services](#)

But there is no APG for Risk Management. Will IRM and other interested organisations such as AIRMIC encourage and lead the way to enable the formation of a Risk Management APG ?

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