Ron Sandler CBE – Honoris Causa

Pro-Chancellor, today we are delighted to award Ron Sandler CBE an honorary degree from City University London. Our honorary graduates are those who have achieved international academic distinction or held major leadership roles nationally or globally in the areas of business and the professions that the University serves and who are considered to be appropriate role models for our students. Ron Sandler more than fulfils these criteria. Not only has he enjoyed a long and distinguished career in banking and finance, but he has also been a government adviser and has earned a reputation over the years as one of the City’s most dynamic and effective trouble-shooters.

Ron Sandler was born in Bulawayo in 1952 back in the days when Zimbabwe was still Southern Rhodesia and there he spent his formative years. He won a scholarship to study engineering at Queens’ College, Cambridge and left a small town in Africa to pursue his further studies at one of the world’s premier academic institutions. Ron has very fond memories of Cambridge, not least because he met his wife there.

From Cambridge he went on to read for an MBA at Stanford. Being one of several MBA students who had come straight from an undergraduate programme, he recalls the great discussions this group had with the older MBA students, who already had experience of the business world. These were intense conversations about theory versus reality and Ron learnt a great deal from the exchanges.

After Stanford, he joined the Boston Consulting Group and was subsequently appointed Chief Executive of money broker, Exco. Then, in 1995, Ron was the man chosen by Sir
David Rowland to help save one of the world’s most famous insurance markets, Lloyd’s of London, which was facing the gravest crisis it had experienced in its 300 year old history. With a financial liability of £9bn following a string of catastrophic events including the Exxon Valdez spill, asbestos exposure claims and the Los Angeles earthquake, the iconic market was in serious jeopardy. Ron helped broker a settlement between Lloyd’s, the underwriters and the Names, through the creation of the special reinsurance vehicle Equitas and then played a key role in the complex reconstruction and renewal programme.

Ron’s reputation for coolness under pressure helped secure his next position at National Westminster Bank, again at the instigation of Sir David Rowland, when the bank had become the target of a hostile takeover by the Bank of Scotland, a battle later joined by the Royal Bank of Scotland. Ron joined Nat West as Chief Operating Officer and between October 1999 and March 2000 worked alongside Sir David to secure the best possible outcome for shareholders. RBS eventually succeeded in the takeover and the teamwork of Sir David Rowland and Ron Sandler won strong praise in the City.

Ron has taken on several roles in the worlds of banking and insurance that most Chairmen and CEOs would regard as too contentious, too risky and far too complex. And yet, if you suggest to Ron that he is fearless, he will simply say he is a problem solver who likes the interesting and the complicated and this is borne out by the challenging tasks Ron has successfully managed in the City.

In 2001 he was asked by the then Chancellor of the Exchequer, Gordon Brown, to conduct a
review of Britain’s savings industry, an unenviable task and one which caused a storm of criticism from the sector. In what subsequently became known as the Sandler Report, he tackled many contentious issues including the impact of commissions paid to supposedly independent financial advisors by companies selling pensions and other savings products.

He outlined changes to simplify the range of financial products offered to customers, having demonstrated that the industry lacked competition and charged too much for products which were far too opaque and complicated. His report paved the way for many of the safeguards which have served to protect savers to this day.

In January 2008 Ron was appointed by the Government to the post of Executive Chairman of Northern Rock when that bank was taken into public ownership. Ron oversaw the turnaround of the bank which culminated in its return to private ownership through the recent sale to Virgin Money, thus ending years of uncertainty for its workforce. He plays down his role in this particular victory and will simply say, ‘The real credit for this result belongs to the staff of Northern Rock, who have shown enormous resilience and courage.’

Today Ron Sandler is Chairman of the Phoenix Group and Ironshore Inc. and a member of the advisory board of Palamon Partners. He has chaired various private and public sector boards and is a recent past President of the Chartered Institute of Bankers.

Ron is an acknowledged leader in his field. He is recognised for his talent in being able to facilitate complex change, to bring about stability and calm and to provide consistent visibility
and balanced optimism. He says his style is less about leading from the front but rather more about standing behind and chivvying forward.

Ron says his greatest achievement is that he feels he is still the same person as he was back in his days at Cambridge in the 1970s. He has not allowed his considerable successes to change his values or his view on life. He says ‘You must never believe in your own propaganda. There is a very fine line between success and failure and luck plays a great part in life’.

I am sure that you will agree that it is difficult to think of a more worthy person to receive an honorary degree from City University London.

Pro-Chancellor, in recognition of his distinguished contribution to the financial services, both insurance and banking, it is my great honour and privilege to present to you Ron Sandler CBE for the degree of Doctor of Science, honoris causa.