

Education and Industry Forum on Financial Services Industry Culture  
Meeting Minutes  
Federal Reserve Bank of New York  
Via Zoom  
Friday, March 4, 2022  
2:30 p.m. – 4:00 p.m.

Members present: Bill Boulding, Joanne Ciulla, Mark Higgins, David Kirshenbaum, Jeremy Kress, Mark Higgins, Peg Sullivan, Danielle Warren, Jacqueline Welch

Federal Reserve Bank of New York (“FRBNY”): Barbara Biel, Toni Dechario, James Hennessy, Thomas Noone, Maria Carmelita Recto

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Thomas Noone called the meeting to order at 2:30 p.m.

Mr. Noone, James Hennessy, and Toni Dechario provided an update on the New York Fed’s Culture Initiative, including a recap of public webinars and podcasts. Recordings are available on the [New York Fed’s public webpage](#).

**EIF projects in 2022**

Mr. Noone provided an update on the EIF’s three projects for 2022: (1) educational materials memorializing ethical scandals in financial services industry; (2) a virtual speakers’ bureau; and (3) new EIF case studies. He invited members to volunteer for any project that interested with them.

On the first project, Mr. Noone reported that a working group had identified a number of case studies addressing prior ethical scandals published by the Harvard Business Review. The group had narrowed its focus to five cases, covering tax evasion, LIBOR manipulation, Wells Fargo fake accounts, an ethics reboot at the Commonwealth Bank of Australia, and compensation incentives. He then invited feedback on whether the scope (prior significant misconduct) was too narrow to be useful broadly in a business curriculum. He also asked members whether the EIF’s resources were better directed at promoting its own case studies, rather than cases published by another entity.

Members questioned whether cases from the Harvard Business Review featured decisions by senior officers or junior employees—the latter being the focus of the EIF’s work. They also debated the propriety of creating content for materials that were not available for free to the public. Finally, members questioned whether the focus of the project should be on ethical issues at the root of multiple scandals, rather than factual recaps. There was broad support for adopting an issue-oriented approach, which several academic members felt would offer greater flexibility in the classroom. Members also supported creating supplemental digital content to support the EIF’s case studies, and commented that their availability for free was a strength in promoting them. Members also suggested that a regulatory or enforcement perspective could be a valuable supplement to the cases, and that former prosecutors or enforcement attorneys would offer useful commentary. Finally, members proposed revisiting the topic of compensation as a stand-alone project down the road, since there was such a deep body of literature studying the issue from various angles.

On the second project, Mr. Noone said that the utility of a speakers bureau would be to allow business classes outside of the New York City area to have access to high-quality industry speakers, who may not otherwise travel to speak to a class. Members debated the likelihood of success in asking speakers to record videos about their personal experience of ethical dilemmas, with several members positing that it would be very difficult for someone to speak candidly if a story could potentially cause reputational harm to a former colleague. Here again, the discussion turned to the benefits of an issue-specific approach—for example, why ethics matter in financial services, or basic questions to ask if one is unsure whether a choice is ethical. Members agreed that this may be a more productive approach for speakers and for professors, who could include short videos into a syllabus for a variety of core business courses.

On the third project, Mr. Noone thanked members who had volunteered to write case studies. He proposed using at least one of the new cases to cover a previous scandal, such as LIBOR manipulation. Members agreed that this would be helpful, especially if the case were available for free. Finally, Mr. Noone again requested that members share ideas on how to further promote the current set of EIF cases.

Finally, members discussed the timeline for publishing all three projects in October 2022.

Mr. Noone adjourned the meeting at 3:30 p.m.