

## **Banking – Autumn semester 2024-2025**

### **Case 4: Wells Fargo Bank, N.A.: The Fake Accounts Scandal**

#### **Support questions**

##### **Group #12: presenter**

1. How did Wells Fargo's culture of cross-selling affect employees? Discuss the incentives that the sales goals create.
2. Are sales goals appropriate at a banking institution? If so, how is it possible to prevent them from encouraging unethical behavior?
3. Do you think top managers knew about the fake accounts? Discuss the role the Board of Directors play in the scandal.

##### **Group #11: presenter**

4. Is there any relationship between healthy profits and fake accounts? Could the bank achieve high returns without them?
5. Discuss possible programmes that could prevent future abuses of customer trust.
6. Position yourself in the current juncture. What are the main drivers of operational risk? Please provide evidence of its importance, magnitude, and your assessment of whether the regulatory framework has been effective.

##### **Group #10: discussant**

- Discuss the main conclusions of the case: key drivers, most relevant takeaways, etc.
- Your role is also to challenge some of the aspects raised by the previous two groups during their presentations after you present the main conclusions of the case.

You are encouraged to prepare support slides (2/3 maximum).