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The FDIC Promotes Deposit Insurance on the International Stage



By Geneva Kropper, Office of Legislative Affairs

For much of the twentieth century, deposit insurance was a lonely field of work. In 1974, more than 40 years after its founding, the FDIC was one of only 12 deposit insurers worldwide. In the last quarter of the century,

The Office of International Affairs staff plays an important role in helping foreign regulators develop deposit insurance systems for their countries. From left, front row, Vijay Deshpande, Andrew Scott, Robin Zaner, and Taryn Jones. Second row, Shilpa Shah, Maisha Goss-Johns, OIA Director Fred Carns, Galo Cevallos, and Susan Randall. Not shown here: Lanu Duffy, Delia Lasconia, and Rohan Paris.

however, deposit insurance systems began to be implemented across the globe. The FDIC, as the oldest continuously operating deposit insurance institution, became a model for jurisdictions seeking to strengthen or create deposit insurance systems. In the twenty-first century, the FDIC has continued to set a standard of deposit insurance excellence, and its know-how is regularly sought. Each year, the FDIC hosts foreign government officials, and teaches them about the FDIC's policies, practices, and principles. As part of its global outreach efforts, the FDIC also actively engages with the International Monetary Fund, the World Bank, and the Financial Stability Board, and works closely with the International Association of Deposit Insurers (IADI) to help set and promote best practices for deposit insurance worldwide.

The Launch of *FDIC 101*

Since 2006, the FDIC's Office of International Affairs (OIA) has welcomed hundreds of visitors annually to the Corporation's Washington, D.C., headquarters. Most frequently, the visitors, who are deposit insurers, foreign central bankers, bank supervisors, and legislators, ask to meet with FDIC experts to learn how the FDIC supervises banks, provides deposit insurance, manages the resolution of failed financial institutions, and otherwise supports its mandate. The recent financial crisis led to a significant increase in the demand for FDIC expertise, creating an opportunity to rethink how the FDIC supports these requests. With the goal of delivering a standardized message and efficiently managing FDIC resources, OIA, working closely with Corporate University, has developed *FDIC 101*, an introductory course designed to familiarize foreign officials with the Corporation's key policies and operations. Galo Cevallos, OIA acting chief, says leaders of *FDIC 101* are careful about the tone that it sets. "We don't want to say 'do what we do,'" Cevallos said. "In fact, we go out of our way to avoid being prescriptive and emphasize 'here's what works for us, because of our unique experiences and 80+ year history.'"

FDIC 101 piloted in March and is scheduled to launch in October. Fred Carns, Deputy Director of the Division of Insurance and Research and Director of OIA, said that he hopes the course will consolidate the number of visits that the FDIC receives. "We see this as a more efficient use of the time of the many subject matter experts who make presentations to foreign visitors," he said. OIA plans to offer *FDIC 101* semi-annually, and perhaps to eventually develop more advanced courses. Carns says that the OIA's foreign visitor education programs are "among the most rewarding things that we do. For the FDIC, the potential return in the form of future stability is relatively high in exchange for the resources we devote to these visits."

Teaching and Learning Abroad



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Moving Forward with the Workforce Development Initiative



Some members of the WDI team, from left: front row, Emily Toto (Boston Consulting Group), Rowie Pangilinan, Camisha Pinkney, Joan Jorgenson, Sasha Estrada, Andrew Macurak, Frances Grillo, Margo Skinner, and Joleen Macek. Second row, Luke Reynolds (Boston Consulting Group), Jenelle Grier, Lori Dickson, Nancy Green, Michael Lervold and Eric Gold.

The WDI has many parts but one purpose: maintaining and strengthening the quality of the FDIC workforce and its leadership.

By Sally Kearney, Office of Communications

An agency-wide, multifaceted initiative designed to help position the FDIC workforce and its leadership to meet the challenges of the future is moving steadily through its implementation phase. Launched in September 2014 by Chairman Martin Gruenberg, the Workforce Development Initiative (WDI) contains many separate programs that together address many of the FDIC’s workforce capability needs ([see table below](#)). Chairman Gruenberg has declared the WDI a major FDIC priority and is lending his full support.

“One of the key challenges facing the FDIC is the future of our workforce given the large number of employees who are at or approaching retirement age,” Chairman

Gruenberg said. “Ensuring that we can continue to recruit, train, develop, promote, and retain the diverse, skilled workforce that we need to carry out our important responsibilities is a critical priority. The Workforce Development Initiative is a comprehensive, agency-wide effort to address this issue.”

Deputy to the Chairman and Chief Operating Officer/Chief of Staff Barbara Ryan

Barbara Ryan has a message for individuals aspiring to leadership: the role can be exceptionally gratifying. “Moreover, it can be fascinating, challenging, and fun,” she said. “Those who hope to be leaders should focus on the job’s full range of rewards and not just the added responsibilities.”

As a senior leader, Ryan enjoys many aspects of her work, including being able to think about the “broad strategic picture” and interacting daily with people inside and outside the FDIC and hearing their perspectives.

Ryan encourages aspiring leaders to be willing to take risks, noting that it can “pay dividends and open up the way to other opportunities that might not otherwise arise.” She also touts Corporate University’s many training and educational offerings and recommends furthering formal education through CU as well as pursuing graduate studies in work-related areas. Ryan capitalized on such opportunities to expand her knowledge, skills, and abilities, including earning two graduate degrees while working full-time. Describing the experience as “totally worthwhile,” she added, “those degrees advanced my career.”

Grateful for the “terrific bosses and colleagues” who have served as her informal mentors, Ryan is an enthusiastic supporter of mentorship opportunities. “Sometimes, when a person who aspires to leadership is at a fork in the road and wonders whether to stay in a current job or make a move, a more experienced mentor can help show the best way to a new destination,” she said. “Hearing how that person got to where they are can be invaluable.”

The Origins of WDI

The original impetus for the WDI was an analysis that found significant gaps in the succession pipeline for senior leadership positions. The analysis indicated that a significant portion of potential candidates for leadership roles would benefit from further experiences and skills development. Further, the study indicated that some potential candidates may not aspire to be senior leaders. Underscoring the critical nature of these findings was the fact that the FDIC already faces a retirement wave among its management ranks, with one-third of all CM-2s and EMs eligible to retire. With retirements on the horizon and gaps in the succession pipeline, Chairman Gruenberg recognized the importance of preparing future leaders now to fulfill roles in the years to come.

A review of FDIC career development opportunities revealed a considerable number of resources for employees but far fewer for managers. To provide opportunities for both managers and employees, Chairman Gruenberg and his senior team envisioned an in-depth, integrated initiative that would both create new programs to support managers’ development while also building on the successful programs already in place for employees. As a result, the WDI contains programs such as leadership mentoring and succession planning to strengthen the management ranks, while also offering programs such as career paths to expand opportunities for employees who wish to enhance their current capabilities and potentially aspire to supervisory roles.

Agency-wide Participation

For an initiative of this scope, it made sense to enlist the participation of executives and employees across divisions and offices. An Executive Advisory Committee, chaired by Barbara Ryan and including Steven App, Steven Quick, Tom Peddicord, and Christopher Aiello, oversees the effort. The WDI Steering Committee was created to facilitate the participation of all division and office directors in the Initiative. Led by division and office directors, eight teams of employees and managers from across the FDIC designed and developed integrated strategies and programs to support both leadership development and workforce capabilities. Nancy Green, Chief of Corporate HR Strategy, Performance Management, and Compensation, DOA, is on detail to the Office of the Chief Operating Officer as WDI Project Manager and runs the Initiative’s project management office (PMO). Jonathan Basirico (DOA), Lori Dickson (DIT), and Brian Smith (DOF) provide support in the PMO. In addition, managers and employees throughout the FDIC are assisting the PMO in various aspects of the Initiative, from communications to human resources

to training to resource planning.

OMWI Director Segundo Pereira

Making an investment in professional development is a responsibility that aspiring and current leaders share, according to Segundo Pereira. Aspiring leaders benefit by understanding that the most important job they could ever have is the one they currently have, he said. Earlier in his career, Pereira volunteered for many jobs that "no one else wanted," which gave him the opportunity to gain exposure to different areas, demonstrate his potential, and build his reputation. Whenever possible, he also tried to understand the overall mission of the organization he was working for and how he "fit into the big picture."

Today, Pereira takes an equally vested part in helping develop others. "If someone truly aspires to be a leader, then that person has already embraced the career path," he said. Pereira ensures that his staff receives basic competency training. "I also attempt to provide opportunities to develop their interpersonal as well as leadership and management skills," he said.

Showing aspiring leaders that their goals are within reach is also important. "The challenge for FDIC senior leaders is to build aspiration along with the professional and technical skills that will enable individuals to progress and become successful leaders themselves," he said.

According to DIR Acting Assistant Director Bob DiChiara of the New York Region, who served as a Team Leader in one of the programs, broad-based engagement was a precondition. "Early on, Chairman Gruenberg called for an inclusive approach, with both horizontal involvement across the agency and vertical involvement at different levels," he said. "As a result, dozens of individuals are deeply involved in the details of this Initiative and are bringing a diversity of perspectives and opinions to the tasks at hand."

The WDI is unified under the banner of four broad objectives. The first is to attract and develop talented employees across all divisions and offices of the FDIC. The second is to strengthen the capabilities of employees through training and diverse work experiences. The third goal encourages employees to seek leadership roles in the FDIC and to engage in active career development planning. The fourth goal is to build on and strengthen the FDIC's operations to best support these efforts. Together, these goals reinforce the WDI as an integrated mosaic that supports the FDIC's overall mission. Highlights of a few WDI programs follow.

The Onboarding and Leadership Mentoring Programs

Suppose a hypothetical individual, recently promoted to a CM-1 position and new to management, would like guidance and support from a more experienced manager. Such advice would prove invaluable as this person navigates the new job and continues his management career.

The Onboarding Program is designed to provide transition support to newly hired CG-14/15 employees and managers and first-time supervisors. This program pairs new managers and CG-14 /15 employees with a peer advisor and other resources to help them navigate their new jobs. The Onboarding Program continues for 12 months, at which time, this person may choose to enroll in the Leadership Mentoring Program or the existing Mentoring Program.

The WDI's new Leadership Mentoring Program is designed to provide guidance and support to emerging leaders. Targeting CM-1s, CM-2s, and EMs, the program connects FDIC managers to more experienced leaders through a 12-month relationship. "The Leadership Mentoring Program is modeled after the current successful FDIC Mentoring Program," said Human Resources Specialist Joleen Macek, who leads the Career Management Program. "The goal is to enhance job skills by providing learning opportunities and coaching, empower employees to aspire to executive roles, and promote good corporate citizenship by increasing cross-divisional communication. The program is designed to strengthen succession planning."

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Chief Learning Officer/CU Director Suzannah Susser

As Chief Learning Officer and Director of Corporate University (CU), Suzannah Susser is perfectly placed to contribute to the professional development of others. "I enjoy my role, because it's all about ensuring that our workforce has the skills to meet the FDIC's mission while investing in the careers of talented employees. What better role is there?"

Susser passionately embraces this role when speaking with participants in CU-sponsored programs, from the Corporate Employee Program and Leadership 101 to other leadership programs. Also, like many of her colleagues, Susser said that she recognizes "the importance of reaching out to mentor others" and does so frequently.

Susser serves as a worthy example of professional development, having volunteered for assignments, transferred laterally, cultivated relationships, and invested in training and education. Her first supervisor surprised her when he said that his job was to help her become his boss's boss, a comment that inspired her to set her sights high and to support others in their career aspirations. Now, as a role model, she tells employees, "Lead from whatever seat you currently sit in, and when the time is right, consider leading others."

eligible, employees must have served with the FDIC for at least one year and have received a satisfactory LPMR rating.

While the program offers no guarantees of promotion, it does offer opportunities for employees to broaden their skills and prepare for future career opportunities. "It will truly be a unique experience for the newer managers to have direct access to some of our most experienced leaders," said Lorraine Rushing, Chief, Internal Control and Review, DCP, and a member of the Leadership Mentoring Program design team. "Participants will have the opportunity to enhance their management styles and leadership philosophies as a result of the program's ongoing mentoring and coaching process."

The open enrollment period for the Leadership Mentoring Program is scheduled for the month of October 2015, concurrent with the open enrollment period for the existing Mentoring Program. The orientation session is anticipated to be held in the spring of 2016.

External Leadership Development Programs

A CG-14 employee would like to take a first step toward becoming a manager. This person would benefit from gaining exposure to other FDIC divisions and offices and networking with managers at FDIC or across agencies. She might consider applying to an external development program to learn more about the supervisory experience. The individual would then be able to test the waters to see if a future in management is a good fit for her.

The External Leadership Development Programs offer new avenues for employees to develop leadership skills and network across the FDIC and

DOF Director Craig Jarvill

Craig Jarvill views learning and helping others learn as a continual loop. Pointing to the “great supervisors and leaders” who were his role models, he said, “I learned from each of them just by watching how they conducted themselves.” One of those mentors, Craig Rice, recently retired from the FDIC, encouraged Jarvill to accept a job in Washington, D.C., even though he was comfortable in his job in Chicago. Another mentor, Al Long, taught him the fundamentals of bank closings, which gave Jarvill the opportunity to lead closing teams during the 1980s. “I found that I really liked it,” he said, adding that “leadership comes in many forms, from working with individuals and small teams, to graduating up through units, sections, branches, and divisions.”

Today, Jarvill considers “helping people learn and develop” an important and enjoyable aspect of his leadership role. He encourages his team to take advantage of FDIC resources such as training and coaching. Noting that leadership is a skill that can be learned, he said, “Some people are natural leaders, while others may take more time.” Jarvill’s personal definition of leadership is setting clear strategies, supporting one’s team through communication, motivation, and planning, and just doing the right thing.

government. The FDIC is sponsoring participation in several new programs through Corporate University. CU will communicate application timeframes and processes as they come up.

The Executive Potential Program, which targets CG-14s, CG-15s, and CM-1s, will expand its annual openings from three to six spots. The first year of the expanded program is expected to run from 2016-2017.

The new Senior Managers in Government will offer EMs a three-week developmental program at the Harvard Kennedy School. Two openings will be available for the first session, scheduled for July 2016.

The new Senior Executive Fellows will offer CM-1s and CM-2s a four-week developmental program at the Harvard Kennedy School. Four openings will be available in 2016.

A new Capitol Hill Fellowship Program, sponsored in conjunction with Georgetown University’s Government Affairs Institute, will offer a one-year detail in Congress as well as access to courses at the Institute. CG-13 through CG-15 employees are eligible to apply. One opening will be available for the 2016 calendar year.

DOF Senior Management Analyst Brian Smith, a member of the team, said that other possibilities are also being considered. “One idea is an interagency rotation program in which the participant would spend six months at a different agency,” he said.

Another idea is for program participants to brief their supervisors or staff upon completing their assignments, said CU Leadership and Development Specialist Delaine Walker, also a team member. “Such discussions would help participants think through what the experience meant to them, how they plan to apply what they learned, and next steps in their careers,” Walker said. “Supervisors would also have a better understanding of what the person learned and how those lessons will benefit their work going forward.”

Administrative Professionals Career Paths

An administrative professional would like to advance into another position within the FDIC. This individual has already taken several courses, earned certifications, and participated in the Aspiring Leader Program, but attainable positions seem few and far between. Guidance on how to make the transition to a different career path would help.

The Administrative Professionals Career Paths will provide specialized coaching and support to help individuals advance into new roles. According to Joleen Macek, a career coach will be available exclusively for employees CG-9 and below who are interested in pursuing new career paths. “The career coach will work with administrative professionals to identify where they are now and what their goals are for the future,” said Macek. “The coach will help assess their strengths and capabilities as well as areas where they can improve their competencies. Together, they can chart a course to new opportunities.”

An

DRR Director Bret Edwards

Bret Edwards champions the professional development of his team, keeping in mind the advice that senior executives spend 40 to 50 percent of their time developing and mentoring others. “The explosion of knowledge and the accelerating pace of change require that all of us be in continuous learning mode, so I push people to adopt that frame of mind,” he said. He supports developmental assignments, details, and learning opportunities and actively promotes earning professional credentials, because “these defined bodies of knowledge form the cornerstone of the technical expertise folks are going to need to advance to the next level.”

Commenting that he “loves talking with people,” Edwards said that “leadership is fundamentally about working with others and bringing out the best in them. The more talented they become, the better our organization performs.”

Valuing the support he received from mentors, including Chief Financial Officer Steve App, for whom he served as Special Assistant, Edwards said: “Steve imparted wisdom that I am still benefiting from today. As one of our most experienced senior federal executives, he taught me a lot about how to effectively communicate and lead an organization.”

Edwards encourages employees to chart a course to leadership (*see “Embarking on a Path to Leadership” below*). “I think aspiring leaders need to know that the risks you have to take to advance are totally worth taking. Accepting a stretch assignment and excelling in it builds the skills and confidence needed to move to the next level. Climbing mountains isn’t supposed to be easy, but the view from the summit can be amazing.”

Administrative Professionals Advisory Group, comprised of administrative professionals, is providing advice and feedback on the program. “The group is sharing perspectives that are very useful to help shape the program and available supports,” said Brian Smith, a team member. “They are providing new ideas that we are incorporating into the program plans.”

The group members are consulting with human resources experts to identify bridge roles within the FDIC; qualified administrative professionals would be able to apply for these positions.

Legal Secretary Stacey Brewer said that the group is evaluating the way that announcements are written to determine if qualifying factors could

be expanded to include other experience, such as volunteer experience.

An administrative professional who is interested in a position can work with the coach to develop an action plan that addresses any gaps in experience or credentials, Macek noted.

"What is most important is ensuring that they walk away from these coaching sessions with more than what they walked in with, including stronger skills, knowledge, and abilities," she said.

This group is also partnering with CU to consider options for developing an internal training program focused on helping administrative professionals in grades CG-9 and below enhance their critical thinking, communication, and presentation skills.

"We want to ensure that administrative professionals are encouraged to pursue new career path opportunities and that there are in fact avenues available and resources to support success," said RMS Secretary Tina Northcross of the Memphis Area Office and a member of the advisory group.

At the observance of Administrative Professionals Day earlier this year, Chairman Gruenberg emphasized his commitment to this program.

Career Paths

A specialist at the CG-12 level would like to gain a broader understanding of the FDIC by exploring other positions within FDIC. The person's skills may fit in other FDIC divisions or offices, and she would benefit from learning about the operations of another area. This experience could help the individual enhance her skills and experience and potentially advance in the future.

Beyond traditional paths available within a division or office, an employee's skills may fit in areas across the FDIC. Many successful leaders have learned what it takes for FDIC to accomplish its mission by working in different FDIC divisions, offices, or regions, or even other organizations.

The Career Paths Program identifies a variety of "transfer points" where jobs in different divisions require similar skills. The goal of the effort is to support employees in identifying cross-divisional career path options and to promote employee development. "We want to give employees a better view of the alternative career paths that might be out there," said DIT Senior Financial Management Analyst Lori Dickson, a team member. "The traditional view at the FDIC has often been that people work their way up within a division. Mid-level Career Paths will give them insight into what sorts of transfer points are out there."

One goal is to facilitate lateral movement throughout the FDIC. "We hope to give employees the chance to develop a broader view of what the FDIC does and how the pieces fit together," Dickson said. "Having this big-picture view is a success factor for many top leaders. We want to encourage more people to have those experiences, because in doing so, they are also part of our succession management efforts."

Career Paths will highlight roles across divisions. "For example, an IT specialist in DIT may not know that several other divisions also employ IT specialists," Dickson said. "That person may be interested in moving to another division, such as DRR, as an IT specialist. We want to identify opportunities and give employees a chance to explore them."

Succession Planning Review

A CM-2 manager wants to move into an EM position. This person has gained significant experience at the FDIC and now wants to make contributions in a more senior capacity. This person would benefit from receiving developmental recommendations that support charting a path to such positions.

The Succession Planning Review Program is designed to review managers' developmental needs and develop recommendations that they may pursue to enhance their skills. Some recommendations might include participating in the recently updated Advanced Leadership Program offered by Corporate University or seeking a rotational experience in another division or region.

Open to EMs and CM-2s in its first year, the program will expand the pool of qualified candidates for senior leadership positions and provide developmental feedback to aspiring managers and leaders on recommendations they can pursue to enhance their skills and broaden their experiences.

In May, EMs and CM-2s completed a survey providing information on their backgrounds, achievements, and interests. The survey also asked if they aspired to advance into more senior positions or if they preferred to remain in their current roles. A review of the completed surveys showed that 41 of the respondents both met the eligibility requirements and expressed an interest in advancement.

In July, division and office directors met to discuss the 41 individuals and share information about developmental needs within their respective areas. The directors also made recommendations about how the individuals could enhance their skills and experience to position themselves to be competitive when applying for higher level management positions. The recommendations will be conveyed to the individuals during their mid-year LPMR meetings. "These recommendations are non-binding, and it is completely up to the individuals whether or not to follow the ideas and advice offered by the directors," said Human Resources Specialist Rowie Pangilinan, a member of the team. "Also, this program does not pre-select individuals for positions. They are required to compete for any position just like any other employee."

An

DCP Senior Deputy Director Sylvia Plunkett

Sylvia Plunkett believes that you do not have to be a supervisor to be a leader. Employees should "look for opportunities to make a difference in the work they do where they are now. Conquer your current position and you will feel empowered to move on," she advised, adding that senior leaders should tell others that leadership is fulfilling and rewarding.

Plunkett practices what she preaches. Throughout her career, she worked hard and found areas that she enjoyed in each job, which gained her recognition as an expert in those areas. As a result, "mentors" sought her out for promotional opportunities. Plunkett recalled how a review examiner told her that he had observed her work and thought she would excel as a review examiner; this inspired her to apply for the job. Plunkett is a dedicated mentor herself and encourages employees to discover what they do well and then strive to be the best. As a senior FDIC leader, Plunkett has found what she does well. "I look at things from a top-down approach and assess the impact on all interested parties to try to make decisions that are in the best interests of the FDIC," she said.

important aspect of the program, Pangilinan noted, is to encourage cross-divisional sharing of information about potential opportunities. In its second year, the program will be expanded to include CM-1s.

DOF Administrative Specialist Sasha Estrada, who worked on the design of the program, said, "I think the Succession Planning Review will really

help our FDIC managers engage in new opportunities and enhance their skills, which will ultimately lead to a more prepared, well-rounded, and talented leadership in years to come.”

Learning More

The WDI offers a significant number of opportunities and resources. Planning your career benefits both you and the FDIC by aligning your professional development with the FDIC’s mission and goals. As Jonathan Basirico pointed out, however, employees must seize the initiative. “Career development is a two-way street,” he said. “The FDIC can present the opportunities, but every employee is responsible for managing his or her career development and identifying the resources and support that will be of the greatest benefit. The WDI can help individuals reach the point where they are competitive for a position, but there are no guarantees. Employees are the drivers of their own career paths.”

Employees interested in learning more about the Workforce Development Initiative (WDI) are advised to check the website at <http://fdic01/workforcedevelopment/> frequently or subscribe to receive an email when new information is posted as it will be updated on a regular basis.

Embarking on a Path to Leadership

Employees at all levels can take steps to contribute to their professional growth as leaders. In response to a request from the *FDIC News*, DRR Director Bret Edwards offered tips and insights on making the transition to leadership and qualities they can cultivate to become leaders.

Steps Aspiring Leaders May Take

- Always keep learning. Have a regularly updated career development plan and use your professional learning account money to continually add to your knowledge, skills, and abilities. Our Corporate University offers a wealth of learning and development opportunities (including leadership training and resources) and many of them are free to our employees.
- Get out of the building. Join professional associations and attend at least one external conference per year. There is a lot going on outside these four walls that will make us better at what we do.
- Participate in the FDIC Mentoring Program. This is a great way to meet and get to know people from other areas.
- Apply for external development programs. There is a very high correlation between the people that have participated in these programs and those occupying senior leadership positions in the FDIC.
- Take advantage of detail opportunities outside of your immediate area. And don’t discount collateral duty expressions of interest. Those opportunities represent a good way to get involved in something different and get to know new people, all without having to also leave your “day job.”
- Access the array of services available to you through our Career Management Program. In my view, it is one of the most underutilized services we offer. The best way to advance in your career is to have a thoughtful plan and to successfully execute on it. Career management is not an accidental science.
- Let people know you are interested in advancing and ask them for advice and assistance. The squeaky wheel really does get the grease.
- Build a circle of advisors and tap into it regularly. They can be a real source of strength and support when you need good career advice.
- Continually ask for feedback and then act on it. Former Mayor Ed Koch used to regularly ask his constituents: “How’m I doing?” and so should you.

Developing the Qualities of a Leader

- Be positive, resilient, and believe deeply in the FDIC’s mission.
- Love interacting with people and forming, motivating, and leading teams.
- Exercise sound judgment.
- Be willing to do and say things that are unpopular but necessary.
- Maintain a good sense of humor and be able to keep things in perspective when everything isn’t going according to plan.
- Develop a vision of where you want to take your organization and effectively communicate the roadmap that is going to help you and your organization realize that vision.

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Workforce Development Initiative Programs

Administrative Career Paths



Eligibility: CG9 – below (permanent employees)

WDI has partnered with the Workplace Excellence (WE) Steering Committee and Division/Office Councils to form an advisory council made up of administrative professionals. Together with the advisory council, WDI is developing new tools and resources to help employees develop their skills and to help managers to foster their employees’ development. Additionally, WDI has identified bridge roles that administrative professionals who are interested in transitioning to other positions can explore. These bridge roles will soon be posted to the WDI intranet site.

Mid-Career Paths



Eligibility: CG11 – 15 (permanent employees)

FDIC employees have forged and followed a broad set of career paths. Beyond traditional paths, many employees’ skills may fit in areas across the FDIC. The Workforce Development Initiative team has identified a variety of transfer points where jobs in different divisions require similar skills. Employees may find a potential opportunity in exploring these roles as they plan their own careers. These roles are posted to the WDI intranet site.

External Details and Leadership Development



Eligibility: CG13, CG14-15, CM1, CM2, EM

FDIC is expanding opportunities for employees to develop their leadership skills and connect with peers across government. Through Corporate University and external partners, FDIC is sponsoring participation in several new programs,

Manager Rotations



Target: CM2, EM

FDIC is expanding opportunities for employees to get management experience outside of their divisions. As part of the Workforce Development Initiative, select CM2 and EM roles will be posted through the EOI system as rotational

including Senior Managers in Government and Senior Executive Fellows at the Harvard Kennedy School; the Capitol Hill Fellowship at Georgetown University; and expanded slots in the Executive Potential Program at Graduate School USDA.

positions. Eligible employees may apply for these opportunities to enhance their leadership skills.

Learning, Development and Training

LDT

Eligibility: All grades

Through Corporate University, FDIC employees have access to many internal and external resources to develop their leadership skills. CU offers courses and programs to support FDIC employees at all levels to enhance their current leadership skills and build new ones across their careers.

Onboarding

ON

Eligibility: CM13-15, CM2, EM

The Onboarding Program is designed to help highly-graded new employees and first time managers to transition into their roles and to understand FDIC's culture. This new program integrates with existing offerings from the Career Management Program (CMP), Corporate University (CU) and other support areas. It consists of peer advising, structured manager check-ins, employee affiliation events, and a new employee survey.

Leadership Mentoring

LM

Eligibility: CM1, CM2, EM

The Leadership Mentoring Program supports FDIC managers through a 12-month partnership with an experienced leader. Within their partnerships, mentees can explore career goals, strategies, and options; gain access to a sounding board; improve their understanding of FDIC's culture and operations; and fulfill LPMR requirements. Mentors can gain new perspectives; facilitate sharing of institutional knowledge; and also fulfill LPMR requirements.

Succession Planning Review

SPR

Eligibility: CM1 (coming 2016), CM2, EM

Succession Planning Review (SPR) assesses FDIC managers' individual and aggregate aspiration to take on more senior roles. The goals of SPR are to expand the pool of qualified candidates for senior leadership positions over time; to create broader organizational awareness of individual aspiration; and to serve as a mechanism for developmental feedback to aspiring managers/leaders on recommendations they can pursue to enhance their skills and broaden their experiences. All manager will participate in the SPR process in 2016.



Office of Communications

FDIC

Last Updated: September 08, 2015

For foreign senior regulators and agency executives, the FDIC offers secondment opportunities (or long-term internships for professionals), an intensive program of study lasting up to one year. During the course of their secondment, participants have the opportunity to take a deep look at the FDIC's operations and to build relationships with subject matter experts in their area of study. Alumni from the secondment program have returned home to lead regulatory efforts in their own countries. In 2007, the President of Nicaragua's Deposit Insurance Agency learned principles of deposit insurance at the FDIC that she would later put into place.

The Office of International Affairs also provides expertise in response to specific requests by foreign governments through its Technical Assistance Program. Technical assistance is "a way for us to provide customized consulting to counterparts in foreign governments, including deposit insurers, bank supervisors, or resolution authorities," Cevallos explained. Technical assistance missions are funded either by third-party organizations, like the World Bank, or by the beneficiaries of the assistance. During the first half of 2015, the FDIC provided expert consulting to Angola, Tanzania, Jordan, and Egypt through the Financial Services Volunteer Corporation.

After 16 years of working in international affairs, Cevallos has concluded that the benefits of providing assistance to foreign regulators go beyond strong deposit insurance programs. "I think it's our way of promoting safe, sound financial systems around the world, in a very soft diplomacy kind of way," he said.

Promoting International Standards

In 1998, in response to banking and thrift crises, the FDIC organized an international conference to discuss the role of deposit insurance in securing worldwide financial stability. During the three-day conference, regulators from five continents met in Washington, D.C., to share their experiences with deposit insurance. By the end of the conference, it became clear to the attendees that future meetings could be a key component of establishing international standards for deposit insurance.

During her closing remarks at the conference, then-Chairman Donna Tanoue called for the creation of an international consortium on deposit insurance. Claude Rollin, who at the time was Special Assistant to then-FDIC Director Joseph Neely, played a key role in organizing the conference and was one of many FDIC staffers who supported the Chairman during the consortium's early years. The organization subsequently evolved into the International Association of Deposit Insurers (IADI), which was officially founded in 2002.

Under the leadership of FDIC Chairman Martin Gruenberg, who served as President of IADI from 2007-2012, the Association came to play a much more significant international role. As IADI President, Chairman Gruenberg led a coalition of representatives from the World Bank, the IMF, and the Basel Committee, among others, to draft the Core Principles for Effective Deposit Insurance Systems. Carns says that because of the Chairman's work, "IADI was transformed from a professional association to an international standard-setter." In 2011, the Financial Stability Board adopted the Core Principles as part of its Key Standards for Sound Financial Systems. With the adoption, Carns said that it became internationally clear that "countries are expected, as 'good citizens' of the global community, to develop a deposit insurance program that works."

Since 2011, IADI has held a series of international workshops to test and refine the Core Principles. During the workshops, IADI experts evaluate the deposit insurance agencies of jurisdictions that have volunteered for compliance assessments. By putting the principles into practice, the experts are able to determine the weakness of both IADI's evaluation metrics and the host country's deposit insurance agency. In 2014, after holding eight workshops, IADI issued a revised set of Core Principles, which were accepted by the Financial Stability Board. One of the first IADI workshops in 2015 was in Kosovo, which established its deposit insurance system in 2010. Vijay Deshpande, Senior Consultant to the Director of OIA, said that IADI hopes to hold more workshops next year, after the election of its new president this fall.

The FDIC is currently represented on IADI's Executive Council by Vice Chairman Thomas Hoenig. He is actively engaged in policy leadership for the association and, at the request of IADI Chairman and President Jerzy Pruski (Poland), Vice Chairman Hoenig is also directing the development of plans for a strategic re-alignment of IADI operations to expand its influence and keep pace with its evolving responsibilities as a

global standard-setter.

In 1933, when the United States was establishing its deposit insurance program, a governor of the Federal Reserve, Eugene Black, reassured bankers that if the FDIC “is administered ably and honestly, as I deem it will be, it should be a menace to no bank or group of banks and a protective measure to all banks.” Today, IADI serves to enhance the effectiveness of deposit insurance systems by promoting guidance and international cooperation, in turn helping promote broad confidence in deposit insurance systems overall.

To assist proponents of new deposit insurance programs, IADI produces research outlining the benefits of federal deposit insurance guarantees. IADI’s research papers provide academics, policymakers, and regulators with guidance and research data to improve or establish deposit insurance systems in their respective jurisdictions. Existing deposit insurance organizations can also receive assistance from IADI through participation in the SATAP (the Self-Assessment Technical Assistance Program). Jurisdictions that would like to measure the adherence of their compliance with the IADI Core Principles can apply to SATAP to be assessed by a team of deposit insurance experts.

The deposit insurance landscape has changed considerably since 1974 when there were only a dozen countries with a deposit insurance system. Today, more than 100 countries have implemented a deposit insurance program and several more have systems under development or consideration. The FDIC, through its global outreach programs, and the expanding reach of IADI, is better able to promote sound deposit insurance practices around the world, providing for broader-based financial stability that benefits all domestic and global banking systems.

Geneva Kropper is a Pathways Intern serving in the Office of Legislative Affairs. OIA Director Fred Carns and his staff contributed to this story.

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John Thomas Retires, Leaving a Noteworthy Legacy at the FDIC



By Kristin Sonstebly, Office of Legislative Affairs

A weekend in 2008 stands out in John Thomas's memory. He had started a long weekend by taking Friday off, however, by mid-afternoon the BlackBerry traffic was almost constant, and late that afternoon he was on a long conference call, which he took on his cell phone while standing on the National Mall. Meetings and conference calls continued essentially unabated for the rest of that three-day weekend. The outcome of that weekend included the FDIC establishing its Temporary Liquidity Guarantee Program (TLGP). Thomas was deeply involved in senior-level communications both within the FDIC and with other regulators about the growing financial crisis.

Deputy General Counsel John Thomas enjoying his last day of work before retirement sets in.

During this weekend and many others to come, Thomas provided legal advice to then-Chairman Sheila Bair during meetings and conference calls between the FDIC, Treasury, the Federal Reserve, OCC, and the former Office of Thrift Supervision to deal with systemic risks. Thomas also worked especially closely with Deputy General Counsel Rick Osterman and the late Rick Aboussie throughout this period.

As with so many others at the FDIC, those were busy years for Thomas. He led Legal Division teams that dealt with an array of challenging legal issues. Under Thomas's leadership, one team played a key role in implementing the TLGP, while others helped develop and bring to the FDIC Board of Directors the Basel II and III implementing regulations and a series of Dodd-Frank Act implementing regulations, including the Volcker Rule. During this same period, the Regional Offices and Enforcement Section brought over 500 enforcement actions. Thomas brought an invaluable legal interpretation of FDIC policies and procedures to the table during the financial crisis.

Richard Gill, Counsel in the Professional Liabilities Unit, said, "Thomas was the key person in the recovery of over \$1 billion from four national accounting firms. In the last crisis, he was the driving force in the negotiations and without his quiet leadership, these recoveries, which served to bolster the Deposit Insurance Fund in its hour of need, would not have occurred."

Thomas recently concluded a distinguished career after 35 years of federal government service and 29 years at the FDIC. He most recently served as the Deputy General Counsel with the Legal Division.

Before transitioning to the FDIC, Thomas taught at the University of Toledo College of Law. He practiced law in New York for eight years before moving to the Department of Justice, where he worked in the Antitrust Division. During his time at DOJ, Thomas worked on several bank merger cases. Five years later, he was invited to join the Open Bank and Corporate Litigation Section of the Legal Division at the FDIC. He initially worked on litigation trials as a staff lawyer. In 1988, he became the Assistant General Counsel and then the Associate General Counsel in charge of the reorganized Professional Liability Section, where he served until 1996, when he became the head of the Receivership Goodwill Section of the FDIC.

During the savings and loan crisis of the late 1980s and early 1990s, thrifts were failing and the government needed to encourage healthier thrifts to acquire the failing institutions. At the time, the government

contractually agreed that the acquirers could count as capital the “goodwill” created when an acquirer paid more for a failing thrift than its tangible assets were worth. Congress passed FIRREA in 1989, disallowing thrifts from counting goodwill as an asset, causing several thrifts to fail. Thrift owners sued the United States for breach of contract, and the United States asserted that the bank owners could not sue the government. The Supreme Court, in the *Winstar* decision, stated that thrifts could sue, and that when the government acts like a private party entering into a contract, the government does not have immunity from suit. This opened the door for lawsuits from a mix of open and failed institutions.

Thomas led the FDIC’s effort to intervene on behalf of some failed thrifts in those lawsuits against the United States, arguing that if the plaintiffs won damages, the FDIC receiverships should be paid first. The U.S. Court of Federal Claims allowed the FDIC as receiver to enter the cases as plaintiff-intervener. Thomas assembled teams of lawyers and paralegals, as well as expert economists who created an economic theory geared towards calculating the value of goodwill. While Thomas and his legal team represented the plaintiffs, the DOJ requested FDIC legal expertise on information relating to failed thrift acquisition to assist in its defense of the cases. With the FDIC involved in both trying to recover from the United States and defend against such claims, a firewall was created within the Legal Division.

After serving with the Goodwill Unit for six years, in 2003 Thomas became head of the Open Bank Section in the Legal Division.

Thomas became a Deputy General Counsel in 2007 and most recently served as the Deputy General Counsel of the Supervision and Corporate Operations Branch. He said that much of his time was spent attending meetings and reviewing memos for various tasks within the Legal Division. The Supervision and Corporate Operations Branch provides legal support in the supervision of insured depository institutions and the administrative enforcement of laws to insured depository institutions. The Branch consists of four sections: the Bank Activities Section, the Open Bank Regional Affairs Section, the Corporate and Legal Operations Section, and the Executive Secretary Section. Thomas oversaw about 150 employees, approximately two-thirds of whom are lawyers.

Rick Osterman commented: “It has been a pleasure and a privilege to work with John during his long and distinguished career at the FDIC. He established the protocols for the professional liability program at the FDIC during the financial crisis in the late 1980s and early 1990s, oversaw the goodwill litigation for FDIC receiver, led the supervision branch after Doug Jones retired, and most recently directed legal support for FDIC’s corporate operations. His judgment and knowledge have been critical in guiding the agency through many difficult issues. During the most recent crisis, his thoughtful leadership contributed to the successful implementation of the TLGP and TAG [Transaction Account Guarantee] programs and several other significant agency initiatives. John has been a great friend, colleague, and mentor, and I wish him all the best in his well-deserved retirement. He will be missed.”

Ashley Doherty, a Senior Counsel at the FDIC, spoke highly of Thomas. “When you work with John Thomas, there’s little or no ‘process loss,’ the term psychologists use for ‘wasted energy and loss of productivity caused by interpersonal difficulties.’ Specifically, there’s no miscommunication, no unresolved tension, no breakdown in collaboration, no turf war, and no interpersonal drama. Instead, there’s up-front commitment, respectful communication, positive encouragement, critical evaluation, and timely corrective feedback when you’re off course. Combine that, as John does, with not just tolerance but appreciation for modes of thinking different than his own, and you have the perfect colleague.”

Legal Counsel John Dorsey expresses similar sentiments in that he “met John literally on my first day on my first job after law school when I joined the Antitrust Division of the Department of Justice in 1981, and other than for a few years when I was not working in government, I worked directly or indirectly for him ever since. John brought unsurpassed insight and analytic skills and of course a prodigious memory, to the FDIC. With an unflappable demeanor, he lent an air of stability and calm to even the most trying circumstances. We will miss his constancy, reliability, and patience; on the plus side, it will be nice for someone else to get a shot at being described as ‘the smartest person in the Legal Division.’”

Thomas said he worked with an amazing group of people doing very interesting work and that he will miss

the people. He spoke highly of his colleagues and the FDIC Legal team. Practicing law was second nature to Thomas, and he enjoyed every minute of it.

In his retirement, Thomas and his wife will spend time traveling, with Antarctica on their list of places to visit as recommended by his friends. Thomas also plans to spend time with his two daughters and granddaughter. He also intends to pursue his hobby of countryside landscape photography.

Kristin Sonsteby is a Pathways Intern serving in the Office of Legislative Affairs.

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Len Samowitz Concludes Long Run as FDIC Library's Ambassador



Len Samowitz made customer service a priority.

With élan and virtuosity, Samowitz elevated the role of reference services.

By Sally Kearney, Office of Communications

It might be a stretch to say that Len Samowitz never met a reference question he didn't like, but not much of a stretch. In his nearly 35 years with the FDIC's Library, arriving in 1980 as a young librarian, fresh from a stint with the Environmental Protection Agency's Library, and ascending through the ranks of Senior, Lead, and Supervisory Librarian to his ultimate position of Chief Reference Librarian, Samowitz relished his role as the FDIC's most famous answer man. The questions flowed in his direction not only because he brought intellectual curiosity to whatever came his way but also because he made his questioners feel as though they had arrived, safely, at the hub of the FDIC's information central nervous system. All sorts of synapses sparked during a

conversation with Samowitz as he sorted out and relayed what immediately came to mind and prepared to hunt down whatever did not. And then the search was on and Samowitz was in pursuit, with the alacrity and unwavering focus of Sherlock Holmes himself.

Embracing Change, Preserving Priorities

As a key member of the Library and Public Information Section, Samowitz banished once and for all any preconceived notions of librarians lingering among dusty book-filled shelves. As times changed, so did Samowitz and the Library. Rather than viewing the advent of electronic search engines and online access as an encroachment upon established territory, Samowitz seized the opportunity to expand the Library's tools and resources. Understanding that there is both an art and a science to successful database searches, Samowitz saw a need for reference librarians to support clients as coaches and tutors. Throughout his tenure, the Library evolved and adapted and made available a much larger and more versatile set of resources and services to its clients.

Yet a constant that endured throughout the changes was Samowitz's steadfast commitment to client services. In this, he acknowledged the influence of two mentors. "Carole Cleland, who was the FDIC's Chief Librarian and who hired me, started a year before I did," he recalled. "We were both sort of new. She was service oriented, upbeat, and supportive, all the things you want in a manager. Another librarian, Kit Harahan of the former U.S. League [of Savings Institutions], then headquartered in the building next door, was also extremely knowledgeable, and her enthusiasm for her work stayed with me. I tried to follow in both of their footsteps."

He succeeded; client services continue as a lasting Library fixture. "People ask if my job has changed, and I tell them that it has changed completely and not at all," Samowitz said. "How I do my job has changed completely as we have embraced electronic tools. But what my job entails in providing quality information services and guiding people to online resources and helping them conduct their own research remains the same. Librarianship is one of the few careers that has always been service-oriented and always will be, and that has been my view since day one. What is striking to me is that despite the growth of online access, the

Library is still a basic resource for information. As with Rome, all roads lead to the Library, whether you want a magazine, a book, or access to databases or other online resources. And if you don't know how to get what you need, we will help you get there."

The Value of Outreach

All roads may lead to the Library, but Samowitz was also intent on bringing the Library's many resources to employees' doorsteps. A gifted public speaker, he dutifully served as the Library's ambassador, conducting outreach sessions on a regular basis. "One thing I've tried to do is promote the Library and make people aware of our resources," he said. "Over the course of my career, I've had the opportunity to speak to thousands of employees at headquarters and in the regions, doing live presentations and handing out literature. It is important for libraries to be proactive. People are busy. The goal of these sessions is simply to help everyone do their jobs better by making them aware of the wealth of tools at their disposal."

Perhaps because he has worn the mantle of his public role so easily, Samowitz often was perceived as the familiar face that personified the Library and what it has to offer. While he clearly enjoys the outreach aspect of his work, Samowitz quickly dispels any misconceptions about being the Library's "brand." "Sure, everyone knows me, because I've been the Library's front man, literally and figuratively, for decades," he said. "When people think to call the Library, they often think to call Lenny. What they may not realize is that often as not I turn their requests over to my extremely capable team of librarians and library technicians, who then pick up the ball. I often end up garnering the attention and credit that they deserve." He paid tribute to his "excellent staff," noting, "We have consistently benefited from having such great professionals."

One of the highlights of Samowitz's FDIC career came in 1993, when he was the sole recipient of the Chairman's Award for outstanding service to his fellow employees.



Samowitz was proud of the Library's quality of services and enthusiastically supported the Library staff. He is shown here with members of the team in a December 2012 *FDIC News* story. From left: Beverly Wallace, Alicia Amiel, Barbara Davis, Rosemary Rykhus, Ellin McNamara, Len Samowitz, Samantha Burden, Stan Smith, and Laura Keen. Not shown here, Teresa Neville, Assistant Director of the Library and Public Information Section.

Versatile Achievements

Samowitz's role has extended to other activities. As Chair of the Resource Center Committee of the Career Transition and Outplacement Program in 1997, he oversaw the Center's transition to the 550 Building in Washington, D.C., and the inclusion of new materials to help hundreds of employees make successful career

transitions. In 1998, he staffed the Conference Resource Center during the FDIC's first International Conference on Deposit Insurance. In 2007 and 2008, he collaborated with FDIC Historian Lee Davison and Senior Writer-Editor Jay Rosenstein to produce the interactive public exhibit housed in the lobby of the 550 Building. The exhibit commemorated the FDIC's 75th anniversary during a yearlong, nationwide initiative coinciding with the financial crisis and has since become a permanent display frequented by visitors to the nation's capital.

Looking back on a satisfying career, Samowitz said that at the heart of his job was fielding all manner of questions and savoring the give-and-take with clients and with his staff. "I have had the opportunity to work with everyone from the Chairman on down," he said. "What has made the job so interesting is the fact that the questions come from everywhere and can be on anything. From soup to nuts, I'm not exaggerating. Sometimes there were no answers—they just do not exist." Yet it was the love of the game of chasing down those questions—even those for which there were no answers—that both enlivened Len Samowitz and made

him the FDIC's All-Star Librarian.

Colleagues Have Their Say

Samowitz's colleagues shared their reflections on his contributions. "Len's knowledge regarding the information available for a wide range of issues has never ceased to astound me," said RMS Senior Examination Specialist Suzy Gardner. "Len always epitomized the Library's motto of 'Yes, We Have the Answer!'"

FDIC Chief Economist Rich Brown said: "For many years, Len and his team have been an instrumental part of the research effort here at the FDIC. If there are hard-to-find resources out there that we need to access, the Library always seems to find a way to get them for us. Len's can-do approach to information resources has always helped us keep our projects moving forward during their critical early stages when we are scrambling to find basic information."

DCP Deputy Director Jonathan Miller said: "Len has been a highly valued colleague. Right from the start, he helped make me aware of resources, sought me out when he found something he thought would be useful (and he was usually right), and was always patiently responsive to my many inquiries. I wish him the best of luck in his retirement."

DOA Assistant Director Rochelle Myles Galloway expressed her appreciation. "Len's long tenure with the Corporation and knowledge of all things FDIC, combined with his impeccable memory recall ability, was a solid and reliable source for me when a search of FDICnet, FDIC.gov, or Internet Explorer failed to yield needed information. I will miss him as a direct resource and the laughter each encounter produced."

Art Murphy, Special Assistant to the DOF Director, said: "Len was the best; he was so easy going, just a great guy to work with, always helpful. I can't tell you how many times over the years I have been in meetings where we were stymied in tracking information down, and I would say 'Let me give Len a call, he always gets me answers.' That was the thing about Len, he solved problems. Len to me was like a human Internet, with tremendous access to just a wealth of knowledge and a lot more user friendly. I am very happy for him and wish him the best going forward. It is definitely a loss for the Corporation, and I will miss having him as a resource."

Executive Secretary Robert Feldman valued his friendship with Samowitz. "When Len retired, he was the FDIC employee I had worked with the longest since I arrived in the fall of 1981. He was much more than an extremely helpful colleague for nearly 34 years. He became a great friend, who as a skilled raconteur, was always able to brighten my day as well as those of others around him. I will miss working and lunching with him and wish the very best for Len and his family as he embarks on his newest adventures."

Supervisory Counsel Valerie Best offered a witty summation. "Len is a consummate professional and a joy to work with," she said. "I've asked him for privately circulated legislative analyses prepared by law firms for their top-tier clients, IMF reports regarding Kyrgyzstan, commentaries from National Historic Preservation Act specialists regarding bat habitats, Jordanian banking laws, and unpublished state-court decisions. No request could confound him. Anyone could see that he had a world-class brain. The Library of Congress may have Minerva, the Roman goddess of wisdom, and the Gutenberg Bible, but the FDIC had Len Samowitz, and he is priceless."

The Next Chapter

Samowitz is excited about pursuing a variety of interests in retirement. A Mediterranean cruise is already booked. "I've always dreamed of going to these places, and some of my children have gone to them, on my dime, so now it's my turn!" he said. He also looks forward to resuming his long-ago piano lessons and picking up where he left off after three semesters of college Spanish with the goal of becoming fluent. Cooking classes with his wife, Arlene, and volunteering at the local library (surprise) are also on the agenda. With more time on his hands, he hopes to read more (surprise again), dig deeper into his genealogy, frequent the gym more regularly, and hike outdoors as often as possible.

"FDIC is a terrific place to work," he said. "I've had the opportunity to work with smart, dedicated people, with a clear mission and focus, but after 37 years of federal service, I'm ready for the new opportunities

that retirement will bring.”

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INSIDE/OUT



The FDIC helped ensure “business as usual” after a 2013 bank failure by agreeing to let a high school in rural Lanett, Alabama, continue to hold its prom in a vacant branch as scheduled, but with added legal and safety precautions for the agency. Shown are students cleaning and decorating for the event (photo courtesy of The Valley Times-News).

When a Failed Bank Was in the Banquet Business ... and the FDIC Hosted a Prom

By Jay Rosenstein, Office of Communications

It was early in 2013 and Barry Gilman, a manager of bank closings for the FDIC’s Division of Resolutions and Receiverships, was nervous about getting ready for the Springwood School’s Junior-Senior Prom in Lanett, Alabama.

Why the anxiety? Did Gilman have a kid going to the prom? No, but he had a prom ...and about 100 kids ... going to a bank! Actually, to a long-vacant Lanett branch of Frontier Bank, LaGrange Georgia, which failed in March of that year.

Frontier Bank had agreed to rent the branch, about 20 miles away, to the small private school for its prom. The empty bank building was to be turned into a banquet hall for just one night. The FDIC got involved because the institution that purchased most of Frontier Bank’s branches didn’t want the one in Lanett. So, it was up to the FDIC, as the new owner of the building, to decide if *we* should host the prom, which was scheduled for just a few weeks after the bank failure.

Gilman was the FDIC’s Receiver-in-Charge, and he and his team were dealing with the matter of the prom even before the bank closed.

“We were in scramble mode preparing for the failure, and then we had to deal with concerns about a prom at a branch and all sorts of liability issues,” said Gilman, who at the time was a DRR Senior Strategic Operations Specialist based in Jacksonville, Florida.

“One of the biggest concerns was that the branch had a safe deposit box vault with the door still open,” he recalled. “We didn’t want one of the prom attendees to get locked in there, so we had to make sure that vault was properly closed. There was also going to be some cooking done on the premises, and we were concerned about a fire.”

The FDIC could have said “no” to the prom at the branch. But as Gilman explained, “The bank failure happened so close to the scheduled date for the prom, finding another venue in the area on such short notice would have been next-to-impossible. So I said that this was a once-in-a-lifetime thing for these kids, and if we can possibly have the prom at the branch we would like to do it.”

Mary Audick, who was the Legal Division’s lead attorney at the closing and also from Jacksonville, quickly prepared a new rental contract with stronger safety provisions.

“The school agreed to purchase an insurance policy that protected the FDIC against liability if anyone got

hurt on the premises and insured against any damage to the property, because we needed to prevent any loss of marketability or value when the FDIC went to sell the property," she said. "The school also agreed to our other conditions, which included no alcohol on site, no cooking inside the premises, and strong adult supervision through numerous chaperones."

How did things turn out? "The kids were very responsible and the prom went off without a hitch," Gilman proudly proclaimed.

The FDIC staff also achieved their goal of helping to promote goodwill in the community. As Sharon Hashimoto, Executive Assistant to the Headmaster at Springwood School put it in an e-mail to Gilman, "Thank you so much for allowing us to hold our prom at the bank. It turned out to be a wonderful night and the venue with the decorations was better than I imagined ... THANK YOU, THANK YOU, THANK YOU!"

Gilman, Audick and Dirk Williams, then a DRR Resolution and Receivership Specialist in Jacksonville, were among the many term employees in three temporary offices who successfully served in leadership roles at Frontier Bank and hundreds of other failures and near-failures nationwide.

Mike Spaid, a DRR Assistant Director in Dallas who formerly oversaw operations at the temporary office in Jacksonville, said the staff at the Frontier Bank closing "saw a community impacted by the failure and did the right things for the community and the kids going to the prom. Not only that, it turned out to be a good business decision for the FDIC."

A good business decision for the FDIC? Yes, and here's why.

KNOW SOMETHING UNUSUAL OR HUMOROUS ABOUT THE FDIC?

Please send your stories, insights, anecdotes, humor and other suggestions to: Jay Rosenstein, INSIDE/OUT, FDIC Office of Communications, 550 17th Street, NW, Room 7100, Washington, DC 20429. Phone: (202) 898-7303. Fax: (202) 898-3543. Email address: jrosenstein@fdic.gov.

The branch where the 2013 prom was held was interesting architecturally and featured a three-story, all-glass atrium in front, but it had been out of use for several years and was desperately in need of repairs and a cleaning. That was until Springwood School students, parents and staff gave the building an extreme makeover.

"This branch had problems!" recalled Williams, who was on-site overseeing the failed bank's real estate that was coming under FDIC ownership and eventually would need to be sold. "The lights inside were dark, but one of the parents who was an electrician connected new lights, including a crystal chandelier that was borrowed and hung in the main lobby. The air conditioning wasn't working, and one of the parents got that up and running. One of the parents went in and repaired the bathrooms. I couldn't believe this was the same place!"

Williams wasn't alone in being impressed by the new look of the branch. The father of a junior attending the prom briefly stopped by with his wife that night and was so charmed by the way the building came to life that in February of 2014 ... he bought it from the FDIC.

And guess where the 2015 Springwood School Junior-Senior Prom was just held?

Special Request: Do you have a great story about something funny, heart-warming or otherwise unusual that you've seen, heard or done at an office of a failed or an open bank? If so, I want to hear from you. Requests for anonymity will be honored, but please do include your name, e-mail address and phone number. My contact information is in the box.

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