



**CAREER CLUSTER**  
Finance

**INSTRUCTIONAL AREA**  
Operations

## **FINANCIAL SERVICES TEAM DECISION MAKING EVENT**

### **PARTICIPANT INSTRUCTIONS**

- The event will be presented to you through your reading of the 21<sup>st</sup> Century Skills, Performance Indicators and Case Study Situation. You will have up to 30 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 15 minutes to make your presentation to the judge (you may have more than one judge). All members of the team must participate in the presentation, as well as answer any questions.
- You will be evaluated on how well you demonstrate the 21<sup>st</sup> Century Skills and meet the performance indicators of this event.
- Turn in all of your notes and event materials when you have completed the event.

### **21<sup>st</sup> CENTURY SKILLS**

---

- Critical Thinking – Reason effectively and use systems thinking.
- Problem Solving – Make judgments and decisions and solve problems.
- Communication and Collaboration – Communicate clearly and show evidence of collaboration.
- Creativity and Innovation – Show evidence of creativity.

### **PERFORMANCE INDICATORS**

---

- Determine factors affecting business risk.
- Identify ways that technology impacts business.
- Explain routine security precautions.
- Follow established security procedures/policies.
- Protect company information and intangibles.
- Explain information privacy, security, and confidentiality considerations in business.
- Explain the nature of risk management.

## CASE STUDY SITUATION

---

You are to assume the role of the risk management team for BIG BANK, a global company that offers traditional banking services including checking, savings, investments, online banking, loans, credit cards and more. The new president of the bank (judge) wants to meet with your team to discuss the risks associated with the banking industry.

The banking industry has suffered a loss of reputation from many scandals including: setting up fake accounts, insufficiently fighting money laundering, improperly charging fees and security breaches.

The new president (judge) wants to learn as much as possible about risk and has asked your team to identify and address the potential risks facing the banking industry. The president (judge) wants your team to give examples of each of the following types of risk: regulatory risk, credit risk, interest rate risk, operational risk and strategic risk. You will then broadly explain how BIG BANK should respond to such risks.

You will present the information to the president (judge) in a meeting to take place in the president's (judge's) office. The president (judge) will begin the meeting by greeting you and asking to hear your ideas. After you have presented the information and have answered the president's (judge's) questions, the president (judge) will conclude the meeting by thanking you for your work.

## JUDGE INSTRUCTIONS

### DIRECTIONS, PROCEDURES AND JUDGE ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Participant Instructions, 21<sup>st</sup> Century Skills and Performance Indicators
2. Case Study Situation
3. Judge Characterization  
Allow the participants to present their ideas without interruption, unless you are asked to respond. Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant team.
4. Judge Evaluation Instructions and Judge Evaluation Form  
Please use a critical and consistent eye in rating each participant team.

### JUDGE CHARACTERIZATION

You are to assume the role of the new president of BIG BANK, a global company that offers traditional banking services including checking, savings, investments, online banking, loans, credit cards and more. You will meet with the risk management team (participant team) to discuss the risks associated with the banking industry.

The banking industry has suffered a loss of reputation from many scandals including: setting up fake accounts, insufficiently fighting money laundering, improperly charging fees and security breaches.

You want to learn as much as possible about risk and have asked the risk management team (participant team) to identify and address the potential risks facing the banking industry. You want the risk management team (participant team) to give examples of each of the following types of risk: regulatory risk, credit risk, interest rate risk, operational risk and strategic risk. The risk management team (participant team) will then broadly explain how BIG BANK should respond to such risks.

The participant team will present information to you in a role-play to take place in your office. You will begin the role-play by greeting the participant team and asking to hear about their ideas.

During the course of the role-play, you are to ask the following questions of each participant team:

1. Which risks lead to bank scandals?
2. How can each department within the bank help minimize risk?

Once the risk management team (participant team) has presented information and has answered your questions, you will conclude the role-play by thanking the risk management team (participant team) for the work.

You are not to make any comments after the event is over except to thank the participant.

## SOLUTION

---

Examples will vary.

*Regulatory Risk:* Driven by the political environment and violations that have occurred in the banking industry. An example of regulatory risks are the possible incorrect disclosures that are required related to fees when a customer opens a bank account or gets a loan.

*Credit Risk:* This is the risk that the bank takes on by offering credit to customers. The customer may not pay back a loan and the bank may have to write off the receivable.

*Interest Rate Risk:* Since interest rates fluctuate, they can affect borrowers and investors. For the bank, if interest rates are too high there are less customers getting loans, however, the high rates create more income for the bank from the loans and from investments. If the rates are too low, more people will get loans, but the bank earns less money from the loans and investments.

*Operational Risk:* This is the risk related to how the bank is operated. Examples include Cybersecurity risks related to hacking and data breaches, employees not following rules such as opening fake accounts or human capital shortages.

*Strategic Risk:* This is related to risks that will affect the bank's ability to grow. Examples include erroneous reporting, ineffective forecasting, improper use of data analysis.

*Broadly explain how the bank should respond to risks.*

Risks should be evaluated by management as to the amount of risk the bank is willing to accept. Possible responses include acceptance of the risk, avoidance, sharing the risk with insurance or mitigating the risk with internal control procedures.

## EVALUATION INSTRUCTIONS

---

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event. The maximum score for the evaluation is 100 points. The presentation will be weighted twice (2 times) the value of the exam scores.

### Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event director and the other judges to ensure complete and common understanding for judging consistency.

Level of Evaluation	Interpretation Level
Exceeds Expectations	Participants demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participants demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 <sup>th</sup> percentile of business personnel performing this performance indicator.
Below Expectations	Participants demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 <sup>th</sup> percentile of business personnel performing this performance indicator.
Little/No Value	Participants demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps the participants should seek other employment; would rank in the 0-49 <sup>th</sup> percentile of business personnel performing this performance indicator.



## FINANCIAL SERVICES TEAM DECISION MAKING 2023

**JUDGE'S EVALUATION FORM**  
DISTRICT EVENT

Participant: \_\_\_\_\_

**INSTRUCTIONAL AREA:**  
Operations

Participant: \_\_\_\_\_

ID Number: \_\_\_\_\_

Did the participant team:		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
<b>PERFORMANCE INDICATORS</b>						
1.	Determine factors affecting business risk?	0-1-2-3	4-5-6	7-8	9-10	
2.	Identify ways that technology impacts business?	0-1-2-3	4-5-6	7-8	9-10	
3.	Explain routine security precautions?	0-1-2-3	4-5-6	7-8	9-10	
4.	Follow established security procedures/policies?	0-1-2-3	4-5-6	7-8	9-10	
5.	Protect company information and intangibles?	0-1-2-3	4-5-6	7-8	9-10	
6.	Explain information privacy, security, and confidentiality considerations in business?	0-1-2-3	4-5-6	7-8	9-10	
7.	Explain the nature of risk management?	0-1-2-3	4-5-6	7-8	9-10	
<b>21<sup>st</sup> CENTURY SKILLS</b>						
8.	Reason effectively and use systems thinking?	0-1	2-3	4	5-6	
9.	Make judgments and decisions, and solve problems?	0-1	2-3	4	5-6	
10.	Communicate clearly and show evidence of collaboration?	0-1	2-3	4	5-6	
11.	Show evidence of creativity?	0-1	2-3	4	5-6	
12.	Overall impression and responses to the judge's questions	0-1	2-3	4	5-6	
<b>TOTAL SCORE</b>						