

PROGRAM

Corporate Governance in the Banking and Financial Services Industries

A Symposium Jointly Sponsored by the Federal Reserve
Bank of New York, New York University, and the
Journal of Financial Intermediation

Stern School of Business, New York University, New York, November 8–9, 2001

Thursday, November 8

8:00 AM Continental Breakfast

8:45 AM **Welcoming Remarks**

William J. McDonough, President, *Federal Reserve Bank of New York*

SESSION 1: GOVERNANCE PROBLEMS OF BANKS AND FIRM PERFORMANCE

Chair: Kose John, *New York University*

9:00 AM **Solving the Corporate Governance Problems of Banks:
A Proposal**

Jonathan R. Macey, *Cornell University*

Maureen O'Hara, *Cornell University*

Discussant: Geoffrey Miller, *New York University*

10:15 AM Break

10:45 AM **Corporate Governance and Bank Holding Company
Performance**

Renee Adams, *Federal Reserve Bank of New York*

Hamid Mehran, *Federal Reserve Bank of New York*

Discussant: Marc Zenner, *University of North Carolina at Chapel Hill and Salomon Smith Barney*

- 12:15 PM Lunch
 Distinguished Speaker
 Bengt Holmstrom, *MIT*

SESSION 2: MANAGEMENT TURNOVER AND BOARD STRUCTURE DURING DISTRESS

Chair: Anil Shivdasani, *University of North Carolina at Chapel Hill*
 and Salomon Smith Barney

- 2:00 PM **Stability of Top Management Teams: Evidence from Banks and Thrifts**
 Rachel Hayes, *University of Chicago*
 Paul Oyer, *Stanford University*
 Scott Schaefer, *Northwestern University*
 Discussant: Charles Himmelberg, *Federal Reserve Bank of New York*
- 3:15 PM Break
- 3:30 PM **Deregulation, Natural Selection, and Governance Structure: Evidence from the Savings and Loan Crisis**
 John Byrd, *Fort Lewis College*
 Donald Fraser, *Texas A&M University*
 Scott Lee, *Texas A&M University*
 Thomas Williams, *William and Patterson University*
 Discussant: Haluk Unal, *University of Maryland*

Friday, November 9

- 8:00 AM Continental Breakfast

SESSION 3: MANAGERIAL INCENTIVES AND CORPORATE DECISIONS

Chair: Jennifer Carpenter, *New York University*

- 8:30 AM **How Do Stock Repurchases Affect Bank Holding Company Performance?**
 Beverly Hirtle, *Federal Reserve Bank of New York*
 Discussant: David Ikenberry, *Rice University*
- 9:30 AM Break

- 9:45 AM **Capital Structure and Firm Performance: A New Approach to Testing Agency Theory and Application to the Banking Industry**
 Allen Berger, *Board of Governors of the Federal Reserve System and Wharton Financial Institutions Center*
 Emilia Bonaccorsi di Patti, *Bank of Italy*
 Discussant: Sheridan Titman, *University of Texas at Austin*
- 10:45 AM Break
- 11:00 AM **Bank Mergers, the Market for Bank CEOs, and Managerial Incentives**
 Christopher Anderson, *University of Kansas*
 David Becher, *Northern Illinois University*
 Terry Campbell II, *University of Delaware*
 Discussant: David Yermack, *New York University*
- 12:00 PM Lunch
- Distinguished Speaker**
 Kevin J. Murphy, *University of Southern California*

SESSION 4: BOARD, MONITORING AND LENDING

Chair: Anjan Thakor, *University of Michigan*

- 1:45 PM **Throwing Good Money after Bad: The Role of Board Linkages and Bank Lending during Distress**
 Randall Kroszner, *University of Chicago*
 Philip Strahan, *Boston College*
 Discussant: Charles Calomiris, *Columbia University*
- 2:45 PM **The Structure of Bank Relationships, Endogenous Monitoring and Loan Rates**
 Elena Carletti, *University of Mannheim*
 Discussant: Robert Marquez, *University of Maryland*
- 3:45 PM Adjourn