Global Review Warns Supervisory Culture Must Evolve to Retain Legitimacy & Advance Efficacy

Starling's 'Supervisors on Supervision' Deeper Dive study seeks public comment on necessary reforms to culture risk governance and supervision.

"Supervisors on Supervision" — A Starling Insights Deeper Dive

WASHINGTON, DC, UNITED STATES, November 17, 2025 / EINPresswire.com/ -- Starling today announced the launch of its new Deeper Dive report, "Supervisors on Supervision," following a global stocktake that convened dozens of senior financial-sector supervisors, ranging from Canada to New Zealand. The study captures emerging views on reform efforts focused on culture risk governance and supervision.

Randal K. Quarles, former U.S. Federal Reserve Board Vice Chair for Supervision and past Chair of the Financial Stability Board, chaired the stocktake and led the report's production. Chapter co-chairs included Wayne Byres, former Chair of the Australian Prudential Regulation Authority; Elizabeth McCaul, a former Member of the Supervisory Board of the European Central Bank; Carolyn Rogers, Senior Deputy Governor of the Bank of Canada; and Fernando Restoy, Chair of the Financial Stability Institute.

> We must modernize supervision."
>
> *Randal K. Quarles*

Since the Global Financial Crisis, conduct and prudential regulators alike have increasingly identified organizational culture as a root cause of misconduct and failures in risk governance control systems. Post-mortem reviews of the 2023 banking sector turmoil likewise concluded that supervisory culture contributed to oversight lapses, the failure of several U.S. regional banks, and the near-collapse of Credit Suisse, a global systemically important bank, or G-SIB.

Despite heightened concern about culture as a supervisory and policy issue, no global effort has yet defined core terms or established common frameworks or metrics to facilitate culture risk governance and supervision. “Supervisors on Supervision” sets the stage for doing so.

“This study offers a full account of the global stocktaking effort and summarizes its implications,” Quarles writes in his Opening Letter. “Under the guidance of a remarkable leadership and advisory team, it curated the views of dozens of senior figures worldwide. Their consensus is clear: culture must move from the margins of rhetoric to the center of credible supervision, and collaboration is essential if supervisory legitimacy is to be retained and efficacy is to be advanced.”

Quarles adds, “This report should be read as a call to action: we must modernize supervision. Doing so requires a shared understanding of culture risk governance and a commitment to define and delimit the problem.”

Starling Founder and CEO Stephen Scott emphasized the urgency of this work. “Our 2025 Compendium underscored the need to modernize culture risk governance and supervision,” he said. “The stocktake participants cited here argue with broad unanimity that this is central to institutional safety and soundness, economic competitiveness, and the restoration of supervisory legitimacy following the 2023 turmoil. We are honored to curate this crucial work, which outlines the collective action and public-private partnership required going forward. This initiative goes to our core mission: equipping leaders to preserve institutional integrity and to sustain public trust.”

The report is available for download at Starling Insights.

PUBLIC COMMENT PERIOD

The report is released as a Public Exposure Draft to solicit broad industry feedback. Starling Insights will open the comment period at an event on December 15, 2025, in New York City. The comment period will extend through March 15, 2026, and will inform a Final Report to be published shortly thereafter.

The New York event will feature a keynote address by Study Chair Quarles, alongside other project leaders and contributors. Updated event details will be posted at Starling Insights. Registration for the New York event will open soon, and space is limited.

Those interested in attending may contact events@starlingtrust.com. Media and others seeking information about the Supervisors on Supervision stocktake may reach editor@starlingtrust.com.

ABOUT STARLING
A pioneer in risk governance and supervision, Starling's advisory and enterprise software solutions use Predictive Behavioral Analytics to anticipate, target, and mitigate culture-driven risks that impact systems, processes, and controls. Marrying AI to behavioral science and network science, Starling provides leading indicators of trouble, so those responsible for risk management and oversight can anticipate and mitigate those risks proactively. The company's peer knowledge exchange, Starling Insights, and its annual flagship publication, the Starling Compendium, are globally recognized as the authoritative sources of information regarding relevant industry trends worldwide.

ABOUT THE STARLING COMPENDIUM
The Starling Compendium chronicles efforts to bolster trustworthiness in the financial sector through improved culture and conduct risk governance and supervision. The report is widely read by policymakers, regulators, investors, boards, executives, standard-setting bodies, scholars, and the media, worldwide. We are humbled to have been entrusted with the curation of deep thinking from the remarkable group of nearly 200 leaders worldwide who have contributed to the series since its 2018 inception.

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