

Citigroup strips COO of responsibility after \$136mn fine

Former PwC partner Tim Ryan will take over data overhaul team from Anand Selva



Citi has added thousands of employees in an effort to fix problems in risk and data controls © AP

Stephen Gandel in New York

Published SEP 16 2024



Citigroup is stripping chief operating officer Anand Selva of his responsibility for a key piece of its compliance work, after the bank was fined \$136mn by regulators this summer for reporting failures.

According to four people familiar with the changes, Selva will no longer head the data overhaul team working to satisfy regulators that the bank's compliance systems are up to scratch.

He will lose responsibility for about 800 employees.

Citi was [fined \\$136mn in June](#) after inaccurately reporting the details of tens of billions of dollars of loans to regulators.

Following the fine — which specifically mentioned Citi's data issues — chief executive [Jane Fraser](#) pledged to commit more resources to improving data controls.

Selva's responsibility for data compliance will be shared with Tim Ryan, the former accountant and top PwC partner who joined Citi in June.

The move makes Ryan, the bank's chief technology officer, the third senior [Citi](#) executive in three years to oversee the task of fixing the bank's persistent data problems.

The decision to move responsibilities to Ryan from Selva was made last week during a series of meetings Fraser held with bank executives and board members.

Selva will remain head of Citi's larger effort to improve risk controls and continue to head the bank's back-office operations.

The shift is seen as an acknowledgment that he had been stretched too thin, according to a person close to the bank, and that adding another executive to the effort would speed up the overhaul.

The change in responsibilities is a blow to Selva, a 33-year Citi veteran and one of the bank's most senior executives. Selva ran Citi's consumer business and was promoted to chief operating officer in March last year.

Citi is expected to announce the changes as early as Monday morning.

The bank will also name a new top data officer to replace Japan Mehta, who reported to Selva. Ashutosh Nawani will instead report to Ryan.

Selva and Citi were sued this year by a former staffer, Kathleen Martin, who claims she was instructed by the executive to lie to regulators. Martin alleges she was fired after telling regulators instead that the bank was behind schedule in fixing its issues.

Citi, which is fighting the lawsuit, said Martin was fired legitimately for performance issues. A spokesperson for Selva declined to comment.

The bank has added tens of thousands of employees in recent years as it seeks to close gaps in its risk management and data controls.

In 2020, it mistakenly sent \$900mn to creditors of cosmetics company Revlon. The error resulted in the ousting of the bank's then-chief executive Michael Corbat and the imposition of a regulatory consent order requiring it to fix the issues.

Selva assumed responsibility for fixing Citi's compliance issues in the first half of last year after the departure of Karen Peetz, a veteran bank executive.

At the time, Fraser said Selva was a "highly disciplined operator who delivers results".

However, the bank failed an inspection by the Federal Reserve in September last year. In May, the bank was fined £62mn for failing to catch a \$1.4bn trading error that briefly shook European markets.

In June, banking regulators [rejected Citi's so-called living will](#) — a detailed plan to wind itself down in the event of catastrophic failure, also citing data issues. The following month, it was hit with the \$136mn fine.

Fraser has said that fixing the bank's risk controls and satisfying regulators is one of the areas in which the bank has come up short under her leadership. She has pledged changes and previously said the bank would redouble its efforts.

Citi declined to comment.

This article has been amended to clarify that Anand Selva will share leadership of Citi's data programme with Tim Ryan

Copyright The Financial Times Limited 2025. All rights reserved.

Follow the topics in this article

- US banks
- Citigroup Inc
- Stephen Gandel