



BANK OF ENGLAND

# Speech

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## **A Bank of England perspective on gender diversity: past, present and future**

Speech given by

Lea Paterson, Executive Director for People & Culture

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Thank you to colleagues in the Bank's Archives, our employee networks, our inclusion and sustainability team, Joanne Muir and Kirsty Woodgate for their assistance in preparing this speech. Thank you also to Joanna Place for helpful comments.

Thank you very much to Women in Banking and Finance (WIBF) for their invitation to speak today. I've had the pleasure of working alongside a number of WIBF colleagues recently in support of their 40<sup>th</sup> anniversary celebrations this year. That has really brought home to me the great work that WIBF do under Vivienne's leadership, and, critically, the way that WIBF has successfully stayed at the forefront of the changing nature of the gender diversity debate over the past four decades.

It is that changing nature of the debate about women in the workplace – and gender diversity more broadly – that I wanted to make the theme of my remarks today.

I hope you'll indulge me if I start with a bit of history. The Bank of England, which celebrated its 325<sup>th</sup> anniversary last year, has a rich history and heritage. And that provides a fascinating take on the evolution of gender diversity in the workplace through the years.

In 1694, when the Bank was founded, one of the very first decisions taken by the Bank's Court of Directors (its governing board) was to make a woman – Britannia – the new institution's corporate seal<sup>1</sup>.

The Bank of England was among the first institutions in the City to employ women, although it took a further 200 years for that to happen. In 1894, the Bank appointed Janet Hogarth – who had a first-class degree from Oxbridge – to set up a small women's unit charged with the menial role of note-sorting that was normally reserved for boys in their late teens. A small number of other female appointments followed Ms Hogarth's, albeit under strictly prescribed rules such as compulsory resignations upon marriage<sup>2</sup>.

How did it feel to be the first woman employed by the Bank – indeed one of the first women employed in the City? This is what Ms Hogarth wrote<sup>3</sup>:

*'When I first went to the Bank of England in 1894, . . . women in ordinary Banks were unheard of, and their introduction to the Bank of England, of all places, caused a mild sensation, not to mention a series of tiresome jokes about 'old' and 'young' ladies of Threadneedle Street<sup>4</sup>. How tired one got of trying to smile at them!'*

Janet Hogarth might have been the first woman in history to wince inwardly at workplace banter in the City. She wasn't by any means the last.

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<sup>1</sup> For more on the history of women in the Bank, see Bank of England (2017), co-produced by the Bank's Archives team and Women in the Bank, the Bank's gender network.

<sup>2</sup> See the extract from the Court minutes in the Annex.

<sup>3</sup> See Courtney (Hogarth) (1926).

<sup>4</sup> The nickname 'The Old Lady of Threadneedle Street' was coined some 100 years prior to Janet Hogarth's arrival at the Bank of England, by cartoonist James Gillray. It persists to this day.

Fast forward, and women in the Bank, and indeed in the City, became much less of a sensation. But gender stereotypes of course persisted. Those stereotypes were clearly in evidence in this archive shot of the Bank in 1955 (see Annex). The female typists. The male bosses checking in on their work. And, as was also the case with the City more broadly at that time, a resounding absence of ethnic diversity. The intersectionality between gender and race is something I will come back to in a moment.

Time ticked on. In the 1990s we had the first female Chief Cashier signing our bank notes – we’ve had two more since – and the first female member of the Bank’s Court. In the Noughties, we had our first female Deputy Governor in Rachel Lomax. And while we’ve not yet had a female Governor<sup>5</sup>, when I look at the great female talent we’re nurturing in the Bank – and indeed the great female talent that is being nurtured right across banking and finance – I’m confident that the day will not be too long in coming.

For those of us within the Bank, the pace of change on gender diversity accelerated notably from 2013 with the appointment of Mark Carney as Governor. The Governor made diversity a central pillar of our strategy at the Bank, and led from the front with a very clear commitment to making progress. We were proud hosts, for example, of the launch of the Women in Finance Charter at the Bank’s Threadneedle Street headquarters, a hugely important HM Treasury initiative which has put gender diversity firmly on the boardroom agenda.

At the Bank, our focus on gender diversity does not only apply to our own people. Take the example of the steps we are taking to improve the diversity of our external engagement with market participants<sup>6</sup>. And for our frontline responsibilities for the prudential supervision of banks, building societies, credit unions, and insurers, we have made it abundantly clear that we expect our regulated firms to consider diversity when recruiting board members. As Anna Sweeney, one of our most senior Bank of England supervisors, has put it: “The lack of intellectual diversity, including the lack of gender, race and other diversity, we believe contributed to the severity of the financial crisis through confirmation bias”.<sup>7</sup>

The need to do more on gender diversity is not all about the numbers, but the numbers undoubtedly matter. And this snapshot from our last Annual Report (see Annex) illustrates how we are getting on.

Since 2013, the proportion of women in senior management roles has almost doubled from 17% to a little above 30%<sup>8</sup>. On our executive committee, which sits just below Deputy Governor level and is responsible for day to day management of the organisation, we are split pretty much 50/50 men and women. We’ve also seen our gender pay gap begin to narrow as progression of women into more senior ranks improves – our mean gender pay gap dropped by a percentage point to 20.2% last year.

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<sup>5</sup> The Governor is not appointed by the Bank. The Chancellor makes a recommendation to the Prime Minister, who writes to Her Majesty the Queen for approval.

<sup>6</sup> See Hauser (2019).

<sup>7</sup> See Sweeney (2019).

<sup>8</sup> For a fuller account of the Bank’s progress on gender diversity, see Bank of England (2019) and Carney (2018).

Several factors have contributed to the progress we've made to date. Those include but are not limited to: a consistently supportive tone from the top; a pooled approach to appointments at senior level<sup>9</sup>; a sponsorship programme; and a strong commitment to flexible working. The latter is something that I have benefited from personally: I have worked part-time throughout my Bank career, and am currently one half of the Bank's first ever jobshare at Executive Director level.

None of that is to suggest, of course, that we are under any illusions at the Bank about how much more work we have to do. There is no shortage of challenges ahead. But for all of us across the UK who are working hard to make further progress on gender diversity, it is sometimes worth a brief pause to consider how far, collectively, we have come.

So what of the future? I want to finish by highlighting the importance of the two big 'Is' – intersectionality, and inclusion.

I believe it's important that we don't allow the debate on gender diversity to become a narrow discussion about the promotion of white, middle-class women. Progress risks stalling unless we continue work to address the unique challenges that different groups of women face. To ignore those would be to ignore the important impact of intersectionality<sup>10</sup> – for example, between gender and race, between gender and sexual orientation or between gender and neurodiversity.

At the Bank, our fantastic employee networks – including our highly effective gender network (known as 'Women in the Bank') – work with senior management on a wide range of issues. And that includes on intersectionality. For example:

- Our work at the Bank has shown that our ethnic minority colleagues do not always find the Bank as inclusive an organisation as we would like. Aims of initiatives such as our sponsorship programme include tackling some of the barriers that colleagues face. And to help us make further progress on ethnic minority diversity and inclusion (male and female), we have recently established a BAME<sup>11</sup> Task Force, supported at the very highest levels of the Bank. The Task Force is led by Deputy Governor Dave Ramsden<sup>12</sup>, its members include the three chairs of our ethnic minority network, and it reports regularly into our governing board (the Bank's Court of Directors).

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<sup>9</sup> Since summer 2018, we have been pooling vacancies in our senior management team, and look to appoint a cohort of colleagues rather than to make appointments on an individual basis.

<sup>10</sup> A term coined by Kimberlé Crenshaw, and which captures the interaction between different forms of inequality and disadvantage, such as race and gender. See Crenshaw (1989).

<sup>11</sup> Black, Asian and minority ethnic.

<sup>12</sup> The responsibilities of the BAME Taskforce are outlined in Carney (2019).

- Our thriving LGBT+ network is helping us – among other things – to understand more about the challenges that our female LGBT+ colleagues may experience in the workplace, as well as about how best to support colleagues who are transitioning gender or who identify as non-binary. Our recent ‘Out and Proud’ charter<sup>13</sup>, our public commitment to fostering LGBT+ inclusion, is a signal of the importance of these issues to us as an organisation.
- We know that in society at large, autism and other aspects of neurodiversity are almost certainly underdiagnosed in women and girls, and frequently misunderstood<sup>14</sup>. Understanding more about the challenges facing neurodiverse colleagues at work is among the areas where our disAbility network – and specialist workplace mentors – are helping us make progress.
- The Bank has for some time had a number of initiatives that speak to social mobility, such as our long-standing community work programme. But we want to do more here, and our signing of the Social Mobility Pledge<sup>15</sup> is one illustration of our commitment. In the coming year, we want to invest in a more consistent approach to measuring socio-economic background, as well as to participate in an external research programme to understand better the interaction between social mobility and characteristics such as gender and race.

How as leaders should we think about tackling the complex landscape that intersectionality brings? A large part of the solution lies in that that second ‘I’, inclusion.

Ensuring diversity in the workplace is never, on its own, going to be enough. Our diverse and talented employees can only ever reach their full potential if our culture is inclusive. As the Governor has said: “Inclusiveness unlocks the true value of an organisation’s diversity”<sup>16</sup>. We all need to feel comfortable being ourselves in the workplace, and being valued and listened to for what we bring, rather than for our background or upbringing.

In terms of how to build an inclusive culture, that is a whole summit in itself. But a personal reflection is that inclusion begins at home. We all have a responsibility, particularly as we progress in our careers, to think about how our own day to day actions and behaviours make others feel. And to broaden our minds by actively seeking out and listening to those with backgrounds and world views very different to our own.

To conclude, for me a great example of how the gender diversity debate is changing – and how we are building a more inclusive approach across banking and finance – is the active participation of men in the gender diversity debate. Not only in encouraging and supporting female colleagues to join WIBF and attend

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<sup>13</sup> See Breeden (2019).

<sup>14</sup> See, for example, Eaton (2017).

<sup>15</sup> See <https://www.socialmobilitypledge.org/>.

<sup>16</sup> See Carney (2017).

conferences like these. But, at least as importantly, taking an active role themselves, and it is great to see that in the programme here today.

So thank you to our male allies in the room and beyond, as well as all the participants today. Thank you – all of you – for your past work to improve gender diversity, and for your work in the present to ensure that gender diversity remains a business imperative. Thank you also for all you will do in the future as we collectively work together to ensure genuine equality of opportunity for all.

## References

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# Annex: supporting materials

## Corporate seal of Bank of England



1694



2020

## Rules governing women in Bank employment: 1894

*'Candidates must be 18 years of age, and under 25.'*

*'They must be unmarried or widows.'*

*"Regulations as to Employment, &c.  
"Candidates must be 18 years of age, and  
"under 25.  
"They must be unmarried or widows."*

Source: G4/117 p83, Bank of England Archive

*"Note:— Women Clerks will be required to resign  
"their appointments on marriage.  
"Bank of England,  
"June, 1894."*

Source: G4/117 p84, Bank of England Archive

*'Note – Women Clerks will be required to resign their appointments on marriage.'*



# Sexism in the City?

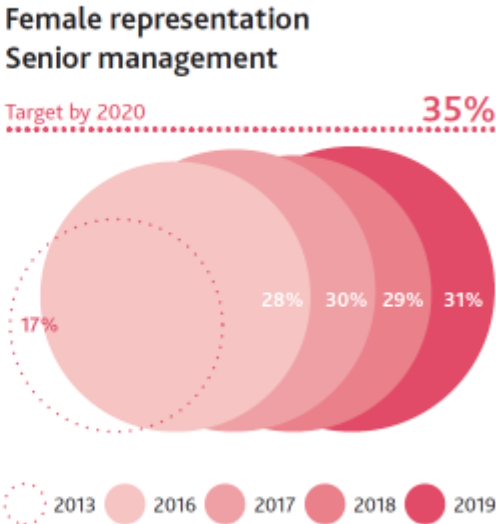
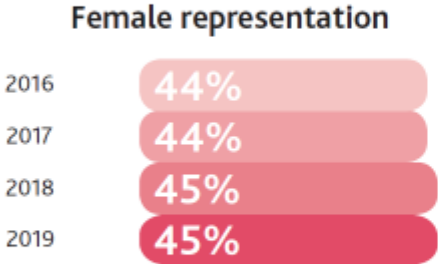


The Bank of England in 1955

Exchange Control typists working at Threadneedle Street in 1955

Source: 15A13/1/1/23/10, Bank of England Archive

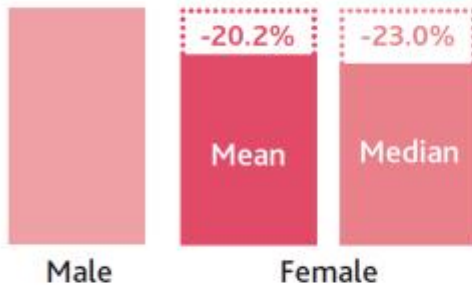
# Gender diversity 2019



Source: Bank of England Annual Report, 2019

## Gender pay gap 2019

### Pay gap



The pay gap figures are based on hourly rate of pay as at 31 March 2019 and bonuses paid in the year to March 2019

Source: Bank of England Annual Report, 2019

### Proportion of colleagues in each pay quartile



This chart shows the gender split when we order hourly rate of pay from highest to lowest and group into four equal parts

## The Bank today



The Bank of England in 2020