

Business

The Sunday Interview
Kate Grussing

'We need to be braver to crack the glass ceiling'

The City has been the last bastion of the white male for far too long, the founder of recruitment firm Sapphire, tells *Lucy Burton*

When the Bank of England decided it might be time to finally let a woman run the Old Lady of Threadneedle Street, former banker Kate Grussing was asked to find the candidates. Her search firm Sapphire Partners, created in 2005 with the aim of getting more women into top jobs, was the first headhunter in 326 years to help with the search. But the long line of white men in the role was not broken. Only two women, reported to be Baronesses Shriti Vadera and Minouche Shafik, went for it.

Grussing says there's no question that Andrew Bailey, the City watchdog chief who started as Governor last March, was a strong candidate. But she is still frustrated. The search process was typical to what she has experienced so many times before.

"In any search, the search consultant or the client, or both, does a lot of cajoling, and you have to do more cajoling with women," explains Grussing, whose all-female firm was paid £90,000 to conduct the search. "Women are much more prone to think, 'oh I'm not ready yet', it's so typical. We just finished a chair search and while there were women in the frame it was really hard to get them to the table. The women think, 'I don't have everything the board's looking for' - well guess what, none of the men do either."

More recently, Grussing was picked to find a new boss for City lobbying

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firm UK Finance following a sexism row that led to the resignation of its former chief executive Stephen Jones. Jones resigned over remarks he made about financier Amanda Staveley on a call 12 years ago, and it was expected that a woman would replace him. Yet the high-profile role, which paid around £1m last year, went to a man.

"They had amazing women on the short and long list, but they weren't as good as the candidate they chose, which was the white man," Grussing says. "Our long list was 50-50 men and women, and our shortlist was majority women. They wanted to make sure they had women in the frame. My job isn't to make the decision. In another five or 10 years, there will be more women who could step into that role."

The 56-year-old admits that trying to get more women into senior jobs has been a lot harder than she ever imagined. When she set up her recruitment business in 2005 she felt like a "salmon swimming upstream", and now she fears the pandemic will unwind years of progress. A report published by McKinsey last year found that women were more likely to have been laid off or furloughed during the Covid crisis, while the pandemic has intensified challenges some mothers already face with the so-called "double shift" - a full day of work followed by hours spent caring for children. Boris Johnson announced the closure of all schools last week as a result of soaring Covid cases and there are fears that parents might downshift their careers or even leave the workforce as a result.

But the pandemic is far from the only factor affecting the proportion of women getting into top jobs. Grussing tells the story of a fund management boss who has received a CV a week for the last 14 years, and not one has been from a woman. "Not once. I share that story with women because we need to be braver," she says.

Yet she also knows how easy it is to lose confidence in a male-dominated workplace. She was at Wall Street banking giant JP Morgan for seven years in the halcyon days before the financial crisis, when many big banks were seen as conservative old boys' clubs, and recalls being overlooked for a promotion several times before she quit as chief operating officer of the bank's European equity business.

"I was never going to get promoted, because being a COO even of a multibillion-pound division wasn't a rainmaker role," she says. "I had huge oversight and responsibility but my ego decided that if they are not going to recognise that success, then I will go somewhere I can have more impact."

Although the ex-McKinsey staffer overheard "a lot of nasty stuff" while working in banking - "the Christmas client gathering that ended up at a sex club sort of thing" - she says she didn't experience sexism first-hand.

"Maybe it helped that I was six feet tall and an outspoken American. Maybe if I was a petite, British, soft-spoken blonde it would have been harder."

The amount of stories she's been told since leaving banking, however, has given her the clear impression that sexism has simply "gone underground" and is much more subtle, making it harder to stamp out while it is quietly damaging women's careers in the City.



Kate Grussing fears that the pandemic has unwound the path of progress towards equality in the City

CV

- ◆ Age: 56
- ◆ Education: BA in economics and political science at Wellesley College, MBA at Dartmouth, LSE
- ◆ Career: Morgan Stanley, McKinsey, JP Morgan, Sapphire Partners
- ◆ Family: married with four children
- ◆ Big break: leading the search for the Governor of the Bank of England

"A lot of women don't want to raise the alarm because they don't want to nuke their career opportunities. So they quietly leave departments, bosses or firms. We need to call out this stuff," she argues. Some of the City's most venerable institutions have spent recent years scrambling to crack down

The enlarged company is expected

on boorish behaviour. Lloyd's of London called last orders in its on-site pub and introduced a strict code of conduct after it was rocked by allegations of harassment against female staff in 2019. Around the same time the London Metal Exchange (LME), where Nigel Farage traded metals in the Eighties, introduced a code of conduct for the first time in its 142-year history, months after one of its members held a networking event at the Playboy Club.

Sexism is not the only problem. Grussing believes women are less likely than their male peers to do things that make themselves more visible, such as going to networking events or sending out Christmas cards. "A lot of life is just about showing up," she says. In her view, women can also expect career progress to be simply about doing a good job when reality is a "complex cocktail" of working hard, being lucky, having a supportive partner, being in good health and working in a growing industry.

Not marrying your glass ceiling is a surprisingly crucial one, she explains, referencing a line that stood out to her after reading Facebook COO Sheryl Sandberg's book *Lean in*. "The most important career decision you make is choosing the right partner. That's so accurate. You need someone who has your back, or who when you have a lousy day doesn't say 'quit' but 'go give it to them,'" she says.

Grussing, who has four children and a "patient" husband who she met early in her career, planned to go into the lucrative world of private equity after leaving JP Morgan but couldn't get

Facts

2
Women who applied for the top Bank of England job

0
The number of women who have been Bank Governor in its 326-year history

5pc
Proportion of CEO roles held by women in the FTSE 100

58m
Amount (£) the best-paid male FTSE 100 chief was paid last year

excited about it after being offered a job. While turning down the role, she panicked and said she was setting up a specialist recruitment firm.

"When I was sitting in the office explaining why I wasn't going to take the role, I kind of made up on the spot that I was thinking of setting up Sapphire as a way to get out of his office as I didn't have a job to go to," she admits. "I'd always been wheeled out as the token senior woman, I'd always been frustrated that all my firms didn't look harder at what it could do to keep women. I thought well, actually, I can do something about it."

Grussing admits the first 13 years were hard, and she couldn't afford to pay herself very much. Things have only really taken off in the last few years. "The last three years have really paid off, but I definitely underestimated how long that would take," she says. "There were definitely some low moments."

The name Sapphire came because the URL was available, the word hire was in it, and there are "23 different colours of sapphires", which she thought fitted the diversity angle. "I didn't want to name it after myself, too many search firms are named after Mr Heidrick or Mr Ferry or Mr Spencer or Mr Russell". Does she not regret that? As she just pointed out, many men have named businesses after themselves and it would have been good for her profile. "Absolutely not," she responds.

In the coming months, she is hoping to hire a man to join her all-female team. "We have to work hard to make sure we aren't seen as a bunch of bra-burning feminists."