

# Pulling up the Ladder in TSB

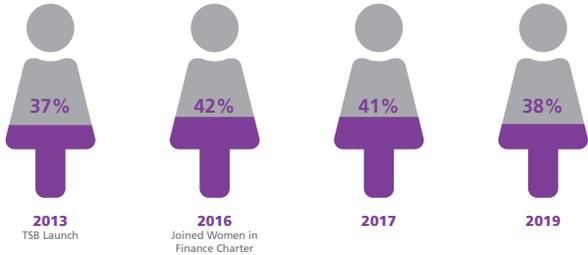
Debbie Crosbie, CEO of TSB, abandons the bank's long-standing commitment to have at least 45% of all senior roles filled by women by 2020.

By Mark Brown, General Secretary



As part of its commitment when it signed HM Treasury’s Women in Finance Charter in 2016, TSB said that by 2020 it would have between 45-55% of all senior roles at TSB held by women. Under Debbie Crosbie’s leadership, TSB has now abandoned that timescale and said that it won’t be able to achieve its objective until 2025, at the earliest. In 2025 TSB will almost likely be owned by another bank.

**Exhibit 1:**  
FEMALE REPRESENTATION AT SENIOR GRADES IN TSB

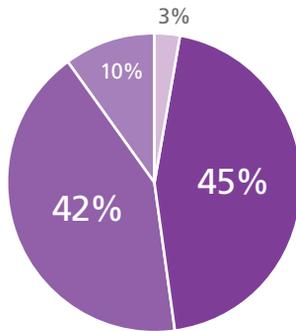


Debbie Crosbie was recently interviewed by Oliver Wyman, a leading management consultancy firm, for its ‘2020 Women in Financial Services’ report, when she said: “We need

sponsors that support women powerfully, with conviction and without any pre-conceived bias. This is how we will encourage more women into top positions”. Is abandoning TSB’s long-standing target and kicking it down the road until 2025, supporting women powerfully? We think not!

The number of senior management roles held by women in TSB has fallen steadily (see Exhibit 1) over the last few years and now stands at 38%, 4% less than it was when it signed up to the HM Charter. According to the latest report from HM

Treasury, 87% of those 341 organisations that signed the Finance Charter have either met or are on track to meet their targets. Only 10% of organisations are not on track to meet their targets. (see Exhibit 2)



**Exhibit 2:**  
PROGRESS AGAINST TARGETS.  
How signatories are progressing against their targets (%age of signatories).

- Met Target
- On Track
- Not on Track
- No Data

## The Executive Committee, Stupid

According to the McKinsey report, ‘Delivering through Diversity’, (2018) there is a positive correlation between greater levels of gender diversity and higher levels of financial outperformance at executive level. McKinsey said: “We believe this reflects that the executive bears the preponderance of direct influence on operations and on driving business outcomes”. Sir Philip Hampton, Chair ‘Hampton-Alexander Review’, said: “the strength of representation of women in top executive positions is the surest way of sustaining an improved gender balance”. (November, 2019)

In TSB the number of women on the bank’s executive committee (BEC) has fallen steadily from 23% in 2016 to 20% in 2019. The average number of women on executive boards in FTSE 100 companies is 23.1% according to the latest ‘Hampton-Alexander’ Report. The average number of women

on executive committees who are signatories to the HM Charter is 31%, compared to 20% in TSB (*see Exhibit 3*). The Oliver Wyman research (November 2019) shows that most of the roles occupied by woman on executive committees to be in “corporate functions”, like HR, and not in “revenue-generating businesses”. If you exclude Debbie Crosbie, CEO, the only other woman on the TSB executive committee is the HR Director.

When Debbie Crosbie joined TSB, she reduced the size of the executive committee and made 2 external appointments to key business areas. Both of those appointments were men. The Pipeline, which produced ‘Women Count 2019’ report, says: “where a company has a woman CEO there are on average 2.4 women members of the executive committee. This outstrips the performance of male CEOs by nearly 50%, as they only appoint an average of 1.7 women”. Not in the case of the TSB. The female CEO has appointed one woman to her executive committee compared to Paul Pester, her predecessor, who appointed 4.

## From Bad To Worse

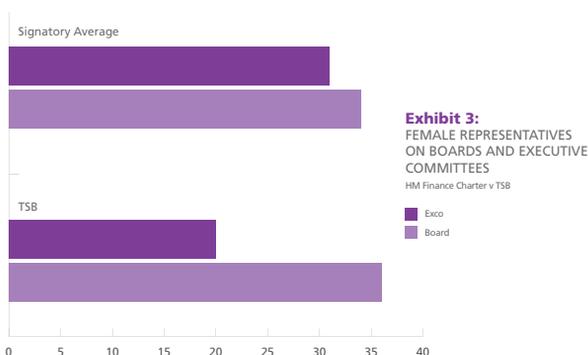
But it gets even worse. Debbie Crosbie recently appointed Mr. Suresh Viswanathan to the Chief Operating Officer role. He’s reorganised the division but none of his direct reports are women.

Mr. Robin Bulloch was appointed to run Customer Banking, the main revenue generating part of TSB’s business, but only 2 out of his 9 direct reports are women.

TSB has said “we believe that businesses need to reflect the communities they serve. Only then, will they build the right business models, with the right culture, that truly deliver for customers”. It seems that for TSB and Debbie Crosbie when

push comes to shove the first thing that gets abandoned is the commitment to gender balance. The message Debbie Crosbie’s actions are sending to staff is that gender balance doesn’t matter and it’s not core to TSB’s strategy.

Achieving gender balance should be at the core of all organisations, but especially for a challenger bank which says it wants to change the dynamics of retail banking. According to McKinsey, companies in the top quartile for gender diversity were 21% more likely to experience above-average profitability than companies in the fourth quartile. The business case for having a balanced workforce is unarguable and putting it off for another five years is a major step backwards, especially for an organisation with its female CEO.





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