# How Women Rose and Took the Fall on Wall Street

Melissa S. Fisher on Bloomberg

When Ina Drew resigned as JPMorgan Chase & Co. (JPM)'s chief investment officer last year after reports the bank lost more than $6 billion, the New York Times referred to her as "the woman who took the fall."

It is up for debate whether financial companies have scapegoated women such as Drew in the aftermath of the financial crisis. What is certain is that just half a century ago it was unimaginable that women might make it high enough in the ranks of Wall Street to take the fall for anything.

Women weren't entirely invisible. As a 1958 article in the New York Times pointed out, physically, women "play a part in the sense that each weekday the Street's stone and concrete canyons echo to the click-clack of approximately 60,000 high-heels as secretaries, stenos, bookkeepers, receptionists, ticker operators, file clerks, messengers and pages pour out of subways and into offices."

But those offices made most women less visible; they had to work not only in these subordinate positions but well behind the scenes. They were on call for powerful men. In the women's bathroom of at least one company, there were light bulbs labeled with partners' names. When a partner phoned a secretary from his desk, the corresponding light would go on, and the woman was expected to run out immediately to attend to him.

**Marry Boss**

Men didn't consider women contenders in the financial workplace. As the Times article put it, "It is extremely unlikely that any will attain any notable financial position unless she is able to marry the boss, outlive him and inherit his share of the business."

As it turned out, the New York Times wasn't entirely on the mark. A small but growing group of (mostly white) middle and upper-middle class women took advantage of the growing labor opportunities during the early post-World War II period.

Change was slow. As late as 1969, the Wall Street journalist Martin Mayer noted the presence of exactly one Asian American, one black and one woman. Two years earlier, Muriel Siebert had been the first woman to buy a seat on the New York Stock Exchange. But as she was opening her own business, about 60 other women were following in her footsteps -- the first generation of women in finance.

Many members of this first generation made their way in finance in the early 1970s, during one of the worst recessions. They lived in cramped studio apartments and walked or took the bus to work. Almost all began their careers in back-office support positions, most often in research. Some found jobs through ads in the newspapers; others through family or college connections. They were paid significantly less than their male counterparts. They weren't allowed to participate in the formal training programs, so they had to learn on the job from male bosses -- some supportive, others not.

For some, the entree, support and training almost made up for the lower pay. One woman said that she was very happy for the professional opportunity offered by her first job in the early 1970s, though her company paid women researchers less than secretaries. The director of research bragged that he was the only one hiring women because he could get the talent cheaper; he considered himself generous for hiring one female college graduate every year.

Other women were less accepting of such discrimination. In 1973, Helen O'Bannon, an unsuccessful applicant for a position as an account executive with Merrill Lynch & Co., sued the brokerage on the grounds that it had discriminated against her on the basis of her sex. Specifically, she sued the company over the entrance exam for its broker-trainee program, which asked questions such as "When you meet a woman, what interests you most about her?''

**Women's Intelligence**

Not only did such a question assume that the candidate was a heterosexual man, but the correct answer was the woman's beauty; the fewest points were given to those who said they would appreciate the hypothetical woman's intelligence. O'Bannon won the suit. Wall Street companies were now on notice.

Over the next three decades, the first generation of Wall Street women managed to move up the career ladder in part because of their own efforts and male mentors. But they couldn't have entered the professional workforce without the feminist movement's insistence on the opening up of formally male professions, such as finance.

And the women helped one another. At the beginning of their careers, women often felt isolated. But gradually many were able to form ties with one another at the Financial Women's Association of New York City. They fostered their own network beyond the walls of their specific companies. This became an alternate career training ground for women.

Moreover, beginning in the mid-1970s, the area of research (where most women worked) became increasingly important and analysts became valued employees, who eventually joined investment bankers and others in the "front office."

Accounts of women breaking glass ceilings on Wall Street, though still rare, were less uncommon from the 1980s to the early years of the new millennium.

Morgan Stanley's former co-president Zoe Cruz, former Lehman Brothers Holdings Inc. Chief Financial Officer Erin Callan and Sallie Krawcheck, a former senior executive at Bank of America Corp. and Citigroup Inc., followed in the footsteps of the first cohort of women. Many believed that a woman from their generation would break through the ultimate glass ceiling in finance and become a chief executive officer.

The 2008 financial crisis dashed such hopes. Instead of crashing triumphantly through the ultimate gendered boundary, accomplished women such as Cruz resigned. The number of younger women in finance declined, too. During the first decade of the new millennium, the number of women between the ages of 20 and 35 working in investment banks, brokerage houses and other financial-services companies dropped by 315,000, or 16.5 percent. Meanwhile, the number of men from that age group grew by 93,000, or 7.3 percent.

For the most part, members of the first generation of Wall Street women have left finance. Some left on their own. Others were asked to leave.

Their legacy is mixed. Male bosses can no longer summon a woman from the bathroom. And some female pioneers feel that senior men have become comfortable with the presence of women, at least when they are just a small minority. But women account for only 3 percent of chief executives of financial companies, according to the consulting group Catalyst. And a woman has yet to become CEO of a major Wall Street company.