Remarks by Cathy E. Minehan
Ace of Clubs Luncheon
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When I first arrived in Boston, colleagues of mine recommended that I read Doris Kearns Goodwin's The Kennedys and the Fitzgeralds to get a better sense of the political dynamics of the city. That thick book has graced by bedside table for at least two years now, but it wasn't until this spring that I felt I really had to read it as a matter of survival. I had just passed the part where Rose Kennedy founds the Ace of Clubs in 1911 when the pressure of being both chief operating officer of the Boston Federal Reserve Bank and Acting President precluded anything other than work-related reading. Imagine my surprise, then, when Ann Phelan asked me to speak to you--I had no idea the Ace of Clubs still existed, nor that the goals of its founder were being so ably met through what I understand is the club's agenda of education and interaction for its members, combined with charitable fundraising. It's a pleasure to be here with you today to add whatever I can to that agenda.

As most of you know, I arrived in Boston better than three years ago to take the number 2 position--that of Chief Operating Officer--at the Boston Fed. That job involves managing the vast array of operational duties of the Bank--check processing, cash operations, electronic payments, as well as being responsible for budgets, planning, and all the internal building functions. Until that point, there had never been a woman in the COO slot at any Reserve Bank. For me, being a first was not new. I began my career with the Federal Reserve Bank of New York in 1968. I was their first female management trainee and in my initial assignment as a bank examiner, I was the first woman to travel as part of the examination team. Over the 23 years I spent in New York, I held positions at varying levels in over a dozen different areas of the Bank, and chaired several committees of System leaders from around the country. Most of the time in these assignments I was one of a handful, it not the only woman at my level. I never gave this much thought, frankly, until recently since I truly believed it was competence, drive and intelligence that opened doors and what sex you were was interesting but not terribly relevant.

I must say I have changed my mind about that since coming to Boston. I have seen first hand through a network of women that I was introduced to here that women supporting other women is vital if more of us are to succeed in formerly all male positions.

How did these women help me? They gave me political insights, invited me to meetings, introduced me to male colleagues they thought I should know, corrected me when they thought I might be conveying the wrong message in some subtle, or not so subtle way. In short, they took on my getting the Boston Fed presidency as a task of some meaning and importance to them as women, believing as I do now that it will be difficult to get beyond the female firsts, to the point where the unseen barriers to women progressing as far as they want to and are capable of are removed, unless more women make it to positions of leadership. It takes, I think, not only a tolerance of a variety of styles that comes with diversity in senior management, but also the realization that success is possible because there are role models at the top for true progress to be made.

That said, what do I have to offer to you collectively that may both provide some insight into my life and be helpful to you? Over the years, people have asked me from time to time what I think it takes to be successful and, in particular, what it takes to balance job and family priorities. I've distilled my thoughts on these matters to three maxims:

1. Do the best job you can with the job you have;
2. Try to see what you're doing in terms of broad systems or priorities;
3. Help each other.

Let me take each of these and talk about them in more detail.

Do the best job you can with the job you have. Sounds easy, doesn't it, but you'd be surprised how many people spend more time arguing about whether a task is necessary, envying what someone else is doing, or wondering what their next job will be than doing the task at hand. Now I don't mean just mindlessly focusing on the details--to do the best job you can involves being curious about why the job is being done; it involves a degree of intellectual involvement; and it involves caring and intensity. I feel I have been extremely fortunate to have worked at two Reserve Banks, since I believe the kind of work these Banks do lends itself to intellectual challenge, and to a level of caring and intensity of purpose that goes with a job that has a broad impact on society.

As most of you probably know, Reserve Banks are part of the uniquely structured central bank of the United States known as the Federal Reserve System. The System was established in 1914 in large part because of the financial panics of the early 1900's that demonstrated the need for a final source of liquidity for the banking system. The Federal Reserve has three primary purposes: to regulate the value of the nation's money; to oversee the banking system; and to provide for a smoothly functioning payments system. It has a unique structure--a Board of Governors in Washington that is a true government agency (headed as you know by Alan Greenspan), and 12 District Reserve Banks that have a private character and are banking institutions in the areas in which they are located. Reserve Banks are banks for banks; they keep no individual deposits, nor do they make loans to individuals. They function entirely behind the scenes, making sure the banking and payments systems function no matter what might be happening, and formation of national monetary policy.

This takes me to my second maxim: Think of the job in terms of broad systems or priorities. Too many people think of their job--whether it be at work or within the home--in a narrow or vertical way. They think of themselves within a particular department or profession, and if they consider moving at all, that movement is upward in the hierarchy. I would argue that vertical thinking is a perfect way to be dead-ended in a job these days. To be effective, I have always looked to my peers across the organization, and worked at understanding how what they did interacted with my areas, and vice versa. By doing this, you understand much better how the entire organization operates, you can react much more quickly in crisis situations, and when management changes are being made you are a known quantity outside of your area.

I think following this maxim made it possible for me as an operations and payments specialist to win a job most often reserved for an economist. Reserve Bank responsibilities are said to resemble a three-legged stool--with a leg each for payments, bank regulation, and monetary policy. Like any stool, however, it only works if a seat connects and covers the legs, in effect making them a single system. Thus, while its possible, and even likely, to become a Reserve Bank president with only an economics background, to be effective you must understand how the three aspects of the Reserve Bank mandate work together in good times, and in times of crisis when the Bank may be called on to ensure, or restore, financial stability. An economist with my job would have to understand bank regulation, and payments, while the regulator would have to develop a feel for macroeconomic issues as well as operations. And I'm finding that my thorough understanding of Reserve Banks as financial entities and intermediaries, my experiences during the many operational and liquidity crises of the 80's, and my appreciation for how monetary policy is actually accomplished are a great preparation for this job. I've got lots to learn, but I think most new Fed Presidents have as well.

My final maxim is help each other. Sounds trivial you might say, but true teamwork is extremely difficult to come by. It's vital to most organizations in our increasingly complex marketplace. And, most importantly as women we must help each other. I spoke earlier of the women's network that helped me in getting this new job; sooner or later I will help each one of them by acting as a mentor, by being a contact in a job search or in ways I can't predict right now. Moreover, I think helping each other is important as we consider the relationships between women who work outside the home, and those who work inside. Each of us has had to make difficult choices about work and family and as each year passes I become convinced that no one answer is right for everyone, and maybe that the right answer for a given woman today may not be the best tomorrow. I believe that our children and families will survive and prosper if we are doing the thing that makes us the happiest and most fulfilled, whether that's working full-time or part-time outside the home or devoting full time to working inside. We have to remember, however, to respect each other's decision in this delicate arena, and where we can, help. Can you make it easier for working women to be involved in their children's school by scheduling PTA meetings frequently at night? Can you help a career homemaker by being willing to share your expertise with groups they may be leading? I have been fortunate over the years in being able to participate actively in school and civic groups, and my family has benefitted from the understanding that has given me of school and community issues.

Now if these three maxims I've just discussed are so important, you might well ask how I plan to follow them as President of the Boston Reserve Bank. I do intend to do the best job I can and I am defining that job broadly. The Boston Bank under my leadership will expand its ties with the premier academic institutions in this region; develop positions on policy issues of significance to the financial industry here; research and implement new payments services and products, and act as a resource to its community, whether that be local, national or international. The Bank will look to integrate its operations horizontally with the community in Boston and with the broader Federal Reserve community and take a leadership role in issues of importance. Finally the Bank will continue to help, particularly in areas related to economic and community development. I plan to personally play a role in local efforts under the School-to-Work legislation and related to the empowerment zone and enterprise community proposals underway in many cities across New England.

It's been a pleasure to speak before you today and share my thoughts on what it takes to be successful. As the years go by, I look forward to seeing you all again many times and I hope you'll feel free to let me know if I've succeeded at least in following my own advice. Thank you.