

Royal Bank of Scotland

07:00 28 Dec 2018

How RBS's management team can achieve a FTSE 100 first in 2019

Royal Bank of Scotland Group PLC (LON:RBS) could achieve a FTSE 100 first next year and become London's first blue-chip company to boast a female chief executive and finance chief.

Earlier this month (December), interim CFO Katie Murray was given the number two job full-time following the departure of Ewen Stevenson, who left in June to take up a similar role at HSBC.

City insiders expect another female executive, Alison Rose, to eventually become the bank's chief executive having recently been promoted to the role of deputy CEO of its main retail banking unit.

Incumbent CEO Ross McEwan has shown no signs of slowing down but he has been at the helm for just over five years now, which is around the historical average tenure of an FTSE 100 boss.

Should he leave soon - whether that be next year or even 2020, which some think is more likely - and Rose takes the top job, RBS will be the first company in FTSE 100 history with women in the top two executive roles.

Elsewhere

There is a small chance that Direct Line Insurance Group PLC (LON:DLG), the insurance business spun out by RBS back in 2012, could pip the bank to the prize, though.

Penny James took over as finance chief back in March, while Paul Geddes, who has been chief executive for almost a decade, will step down next summer.

Analysts say there is no reason why his successor couldn't be a woman, although they aren't sure there is a stand-out female candidate to take over the reins at this moment in time.

That there has never been a female duo at the helm of a FTSE 100 company is indicative of a wider issue: a serious lack of diversity in London's boardrooms.

Of the five blue-chip bosses stepping down in 2019, we know the successors for three of them.

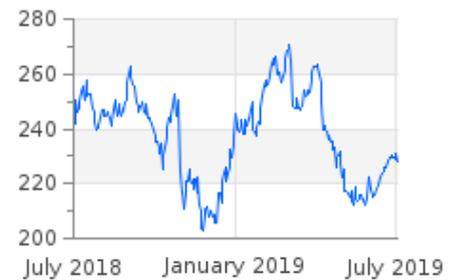
Philip Jansen will replace Gavin Patterson as BT Group PLC (LON:BT.A) boss in February; Alan Jope will take over from Paul Polman as Unilever PLC (LON:ULVR) CEO in January; while Brendan Horgan-White will take the top job at Ashtead Group PLC (LON:AHT) in May, replacing Geoff Drabble.

In the kindest possible way, it is middle-aged white men replacing middle-aged white men. That isn't a slight against those companies, it is just the way blue-chips have always tended to operate.

Price: 228.1p

Market Cap: £27580.07M

1 Year Share Price Graph



Share Information

Code: RBS

Listing: LSE

52 week High Low
274.20p 200.10p

Sector: Banks

Website: www.rbs.com

Company Synopsis:

RBS is one of the world's top 10 financial services groups and a leading provider of personal, business and institutional banking services. RBS is traded in the ISDX Exchange [HERE](#).

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

More than 90% of those at the most senior level of corporate leadership - CEO, CFO and chair - are white and male, according to a recent report by executive recruitment firm Green Park.

RBS and Direct Line both have a chance to break the mould in 2019.

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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