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The Bank Clerk in Victorian Society: The Case of Hoare and Company

Abstract

Purpose

This paper considers the role of the bank clerk in the Victorian era and provides insights into clerical life in a London bank during the period.

Methodology/Approach

The paper draws on the archival records of Hoare and Company. Founded in the 17th century, it is the oldest surviving independent bank in the UK.

Findings

Drawing on the company's archival records, the paper examines issues such as recruitment, house rules, acts of paternalism and the overwhelming concern with maintaining respectability. Whilst Hoare's clerks humorously referred to themselves as the Association of the Sons of Toil, the records support the literature in revealing the relatively cosseted career of the bank clerk within Victorian clerical circles. He generally enjoyed a higher salary, longer holidays and more favourable working conditions than his clerical counterparts. It was therefore a highly sought after position. Only those of impeccable character however, were recruited into its ranks.

Practical Implications

The paper suggests the potential significance of Victorian values to the recruitment and general working conditions of contemporary members of the financial community.

Originality/Value

The paper's value lies in supplementing the existing literature with further insights into the life of the Victorian bank clerk.

Keywords: Bank Clerk, Banking History, Hoare and Company, Paternalistic management, Victorian Society

Paper Category: Research Paper

1. Introduction

The Victorian era witnessed the rise of the clerical class. As a social stratum they provide a fascinating focus of study, distinctly different from the labouring masses in their dress and manners, yet not quite reaching the ranks of the middle class. The bank clerk in particular poses an interesting domain of historical inquiry. Often viewed as the elite of the clerical categories, he could potentially enjoy a highly lucrative career with very real prospects of social mobility. In addition, a fear of scandal within the banking community generally ensured that the occupants of this post were imbued with the most ardent devotion to Victorian notions of respectability.

This paper examines the office of bank clerk in Victorian society and draws upon archival material to supplement insights from the existing literature. The paper is structured as follows. In the immediately following section, literature on the life of the Victorian bank clerk is reviewed. Attention is paid in particular to issues dealing with recruitment, clerical aptitude, career prospects and an underlying devotion to decorum. In the subsequent section, these same and other issues are examined within the context of the UK's oldest surviving independent bank: Hoare and Company of Fleet Street, London. The nineteenth century records of the bank's private archive yield a rich understanding of the Victorian bank career [1]. The final section discusses the contemporary insights that can be drawn from a consideration of Victorian banking values and the lessons it may yield for today's global financial crisis.

2. The Victorian bank clerk

The maintenance of respectability was paramount to the life of the Victorian workingman generally (Davidoff and Hall, 1992). However, the clerical classes were particularly concerned with the enhancement of status and "moral superiority" (Thompson, 1988, p.68). This was a grouping who exhibited strong social aspirations, often to the point of ridicule in the popular press (Crossick, 1977). Such aspirations were most vividly expressed in dress practices, with clerks readily emulating the fashions of their employers in an attempt to draw a clear demarcation line between themselves and manual workers (Klingender, 1935). These matters were, of course not of complete disinterest to employers either. In the interests of serving public appearances, an employee's mode of

dress was often as important to the employer as his clerk's level of competence and technical skill (Mcleod, 1977).

Within the broad spectrum that constituted this clerical class, the bank clerk held a particularly privileged position. Defined within Anderson's (1976, p.16) seminal work as "the aristocracy of the clerical profession", the bank clerk occupied distinctly higher rungs on the social ladder than the rest of the clerical populace. Whilst perhaps not quite achieving the ranks of the skilled engineer and other such members of the labour aristocracy, the bank clerk certainly lay more firmly within the grasp of the middle class than the rest of his clerical counterparts (Gray, 1981; Mcleod, 1977). Indeed, the professionalisation project of the late nineteenth century (Perkin, 1990) is clearly in evidence in the development of clerical banking careers through mediums such as the Institute of Bankers and the introduction of professional banking examinations (Green, 1979).

In the first instance, recruitment into a banking institution was invariably based on personal recommendation (Anderson, 1977). Hiring from the middle classes was a prime priority for the Bank of Scotland (McKinlay, 2002). A surety in the form of a bond was also a necessary requirement of recruitment. While such a guarantee offered the bank some financial protection from staff embezzlement, it also acted as a further indicator of the personal reputation of the candidate, since financial stability could be equated with good character. Indeed, bank concern over staff fraud was generally not directed at the financial loss but rather at any ensuing loss in public confidence. Fear of scandal often called for concealment of such practices (Anderson, 1976). Consequently, forms of

security such as a surety bond were easily overshadowed by the importance of the integrity of the new recruit. As one Victoria banker's guide advises:

This [bond] undoubtedly, prevents many frauds; yet the clerk's good character is looked to with far more satisfaction, and is the better security of the two. A banker would not willingly take into his house a person of indifferent character, even though he might find security for double the amount usually required. (The Banker's Clerk, 1843, p.156).

Not surprisingly therefore, in outlining the qualities required in a bank clerk, the above manual encompasses reference not only to technical competence in arithmetic and double-entry booking, but also to the "habits and moral qualities which he must carefully cultivate" (The Banker's Clerk, 1843, p.149). Similarly, McKinlay (2002) has noted the tolerance for clerical flaws in Bank of Scotland employees, if gentlemanly attributes were otherwise exhibited. [2]. It is useful to attempt to speculate on what the banks actually meant by good character or reputation. Some insight can be found in the work of Galassi and Newton (2001) who found that factors such as social standing, religion and kinship were more important in the nineteenth century banker's measurement of reputation than more observable and tangible economic information on the individual. Certainly, activities such as drunkenness and indebtedness were particularly feared within the banking community. For example, the Glamorganshire Banking Company dismissed one of its clerks who had been fined for drunk and disorderly behaviour (Sayers, 1957, p.75).

This was due not only to a Victorian sense of respectability but also to the additional risk of bank fraud which was inherently bound up in such characteristics (Anderson, 1976).

Consequently, there was a highly overt moral dimension to bank employment (McKinlay and Guerriero Wilson, 2006). Under scrutiny was not only the competent completion of clerical tasks but also the very “soul of individual employees” (McKinlay, 2002, p.601). Indeed, some commentators of the era viewed a bank’s influential role as extending far beyond the immediate confines of the counting house, to a role which acted upon the moral fabric of society as a whole:

Banking exercises a powerful influence upon the morals of society. It tends to produce honesty and punctuality in pecuniary engagements. Bankers, for their own interest, always have a regard to the moral character of the party with whom they deal ... Thus the establishment of the bank in any place immediately raises the pecuniary value of a good moral character. (The Banker’s Clerk, 1843, p.158).

Of course, there was often a divergence between what bankers said and what they did. For example, the nineteenth century banker George Rea claimed that banks should never lend without securing collateral from the customer, even though his own bank (the North & South Wales) frequently lent without the provision of such protection (Newton, 1996). Similarly, Capie and Collins (1996) discovered that over half of the industrial overdrafts extended by English commercial banks during the period 1866-1914 were either unsecured or secured only by personal guarantee, while Cottrell (1980, p.214)

noted that the English based Barnsley Bank “had no hard and fast rules regarding acceptable security” during the years of the mid nineteenth century. Indeed, in her study of the assessment of borrowers by English banks at the turn of the nineteenth century, Newton (2000) argues that despite the rhetoric surrounding moral character, objective information such as the credit record of the applicant was invariably relied upon.

There appears to have been only one other attribute which rivalled a bank’s obsession with the moral decorum of its employees: this concerned the quality of the clerk’s penmanship. Good handwriting was viewed as an essential tool for a successful banking career (McKinlay and Guerriero Wilson, 2006). Indeed, poor handwriting was even a cause for dismissal in 1848 in Lloyds Bank (Sayers, 1957, p.69). Such careful penmanship served both legibility and also to minimize the correction of errors. Erasing errors in the bank’s books was a practice generally frowned upon due to its potential use in the concealment of fraud (The Banker’s Clerk, 1843).

However, if the moral requisites of bank employment were demanding, the potential pecuniary rewards to the bank clerk provided generous compensation. Bank clerks were amongst the highest paid clerical workers and had the potential to earn significant salaries with advancing seniority (Anderson, 1976; Crossick, 1977). There were also other non-monetary advantages to this position. Bank clerks generally worked shorter hours than most other clerical staff (Anderson, 1976). Given that Victorian banks were often purpose built structures of immense opulence, the working conditions of the bank clerk were unusually attractive (ibid.). There were also good opportunities for career

advancement within banking (Crossick, 1977). This was particularly the case for the clerk within a large joint-stock bank where numerous prospects for branch managership were on offer (Anderson, 1977). As a Victorian banker's guide pronounces:

An officer in a bank, however humble may be his station, can successfully aspire to the highest honours of the profession; and become himself a banker, or at least the manager of a joint-stock bank, if his talents and assiduity qualify him for the office. (The Banker's Clerk, 1843, p.143).

Indeed, the existence of the joint-stock banks also offered promotion prospects to clerks within the older private banks. Staff often migrated from the latter to the former, particularly during the amalgamation phase in banking during the late nineteenth century (Sykes, 1926). This migratory movement often benefited both parties to the transaction, providing not only promotion opportunities to employees but also facilitating the newly formed joint-stock banks to quickly acquire the requisite knowledge skills within the local banking community (Newton, 2007). For example, when Lloyds amalgamated the small private bank of P & H Williams, they also acquired the owner's local knowledge of the coal and iron business by offering him a seat on the board of directors (Sayers, 1976). The Midland Bank offered similar directorships during its amalgamation forays (Holmes and Green, 1986).

Once a clerk had achieved such a position of seniority within the banking community, he could retain this situation into old age. Employees of the Bank of England

for example, often reached the age of eighty years or more before compulsory retirement at sixty-five was imposed in 1870 (Acres, 1931, p.559). The existence of a formal pension scheme facilitated this process within the Bank of England (Acres, 1931). Such rewards were another example of the benefits of bank employment and also highlight the strongly paternalistic side to employer relations (Anderson, 1976). For example, the archive of the London bank Coutts reveals the invariably favourable answer by partners to clerks' requests for financial assistance in times of trouble (Robinson, 1929, p.40). This aspect of Victorian bank life will be considered further in the following section when considering the paper's case organisation.

The prestige of the bank clerk was perhaps further enhanced by the fact that the status of clerical work generally was in decline during the later years of the 19th century (Anderson, 1936). This situation was fuelled by the sheer scale of increase in the size of the clerical workforce (Crossick, 1977). Over the thirty year period between 1861 and 1891, for example, the number of male clerks rose from 91,000 to 370,000 (Thompson, 1988, p.68). The increasing number of females entering the clerical classes in the late Victorian period also served to reduce its status as an occupational category (Cohen, 1995; Kwollek-Folland, 1994). In addition to the curb on the capacity for upward mobility consequent to the rising numbers of both sexes, the position of the clerk was perhaps further eroded by a failure to properly organise. Although, as Crossick (1977) has observed, this failure to combine may in fact be viewed as reflective of the power of individual bargains rather than the weakness of the clerical populace as a whole. The

social aspirations of clerks and the questionable respectability of trade unions were no doubt also contributing factors to a lack of persuasive representation (ibid.).

In the following section, the issues that have been discussed above will be considered within the context of a London private bank. The investigation complements the existing literature and provides further insights into the working life of the Victorian bank clerk.

3. The case of Hoare's Bank

Before introducing the case organisation it is perhaps useful to locate it within the context of UK banking history more generally. Perhaps unsurprisingly, London has played a central role in this narrative. Banking has its early roots in the capital's goldsmith trade and it became a recognised financial centre with the establishment of the Bank of England in 1694 (Acres, 1931; Sayers (1976)). The presence of the London Clearing House from 1773, a forum for the clearing of cheques, further secured the city's role in this regard (Collins, 1990, p.11). Legislation has also played a central role in the history of banking. The Joint-Stock Bank Act of 1826 is generally regarded as the most significant of such legislative outputs [3]. This act permitted the establishment of banks with an unlimited number of partners or shareholders; previously the number of such partners had been restricted to six in total. Consequently, the act allowed much greater access to capital and facilitated the growth of the large scale bank with its broad branch network. Ultimately the result of this situation was a decline in the number of private banks and a rising number of joint-stock banks. Private banks accounted for 41 per cent

of all banks in 1913; a century earlier they had represented 100 per cent of the total (Collins, 1990, p.54). It is the clerical life within one such private bank that is the focus of attention of the remainder of this paper.

Hoare and Company is the oldest surviving independent bank in the UK, a position it has held since the closure of its last rival in 1953 (Hunter, 2005). Similar to many other banking institutions, the company has its roots in the goldsmith business established by Richard Hoare circa 1673. This premises was located in the Cheapside area of London, and given the non-existence of street numbers at this time, its presence was marked by a gold painted leather bottle above the door. It came to be known therefore as the Golden Bottle at Cheapside and by the 1720s the business was entirely banking in nature. The remarkable feature of this bank is that it has remained, from its 17th century inception up until the present day, owned and managed by the founding family. The 10th and 11th generation of the Hoare family are its current guardians. It is legally structured as a private unlimited liability company whereby the partners, members of the Hoare family, are the sole shareholders. It is now situated in Fleet Street, on a site which it has occupied since 1690 [4]. The present building, completed in 1830, is a fine example of a purpose built bank of the Victorian age. Since partners and some staff regularly lived over the shop, its structure had to fulfil the needs of both business and residential accommodation. In addition, it had to achieve that fine balance between inspiring confidence amongst its clientele without exhibiting a wasteful sense of ostentation (Hunter, 2005).

During the course of over 300 years trading, this institution has hosted many celebrated historical figures. Samuel Pepys, Jane Austen and Thomas Gainsborough, to name a few, have banked with Hoare's. The founding family themselves have also occasionally ventured into the spotlight; three of the partners have held the post of Lord Mayor of London. However, the focus of this narrative is not upon the bank's glamorous clientele, its imposing architectural structure, nor the exciting exploits of its founding family. Rather, attention is directed here at the more mundane aspects of banking life and in particular the trials and tribulations of the Victorian bank clerk. The following section draws on nineteenth century archival records to examine clerical life at Hoare's Bank.

4. Clerical life at Hoare's Bank

For the purposes of structural clarity, it is useful to present the bank's archival findings in four broad areas. The subsections below, deal with the issues of clerical recruitment into the bank, the rules and regulations to which the Hoare's clerk was subject, the paternalism of the partners to their clerks, and the social activities and diversions from clerical toil which the employees enjoyed. The reader will note that the masculine term is used throughout the subsequent sections when referring to the Hoare's bank clerk. This is quite appropriate as women did not hold a position within the firm until 1915. Indeed, this was not an unusual scenario within banking employment more generally. While female workers flooded the clerical classes from the late nineteenth century, this surge was predominantly limited to the civil service and other state run organisations (Zimmeck, 1997). As Wardley (2006, p.2) notes "relatively few female workers in Britain found employment in financial services before 1914". When females did begin to

enter the banking sector it was to hold the poorly paid and low skilled posts (Batiz and Whardley, 2007). In particular, they were used to operate the new mechanised book-keeping machines that had started to appear from the 1930s (Booth, 2004). The high turnover of female staff acted as a further incentive to embrace automation (ibid.). In fact, it is the combination of these two factors, the employment of women and the use of automation, argues Wardley (2006) that supported the expansion of the British financial sector during the twentieth century.

4.1 Recruitment

Recruitment into Hoare's, as was the practice in banking generally, was based upon the perceived respectability of the applicant. This assurance was derived from a number of potential sources. The applicant's family might be personally known to the Hoare family, he might be the son of a valued client or he might produce respectable references in a letter of application. The bank's archive (hereafter referred to as HB) reveals a number of recruitment scenarios. The memoirs of clerk Tilden, who joined the bank in 1863, refer to his initial wait for an opening at the bank as the next available position had already been promised to the son of an old friend of the senior partner (Archive Ref. HB 8/3/5). Tilden's own recruitment was no doubt also assisted by the fact that during his interview with the firm, his connection with an acquaintance of the family came to light:

I was received by Mr Henry Hoare and his son Henry, a young man of about 23 who had just left Cambridge to take up a position in the Bank. By the merest chance I discovered in conversation with him that a cousin of mine, Rev. Robert Balls, who

had been at Eton, and was at that time one of the Masters there had been a chum of Henry Hoare Jr.

Tilden's subsequent letter of recommendation (dated October 1863) from this mutual friend (Reverend Balls) provides a useful example of the importance placed on the respectable character of potential recruits. Gentlemanly behaviour was certainly a favoured attribute to possess:

My dear Hoare

My cousin Henry John Tilden has appeared here this evening telling me that he has applied to you for one of your clerkships. Of his family, in which these cases is always a real consideration, I can give you a satisfactory account: being born a gentleman, I feel the greatest confidence in recommending his services to your consideration. I know an Eton man will appreciate the gentleman in all positions in life.

Evidence of previous banking experience was no doubt also useful as it suggested both the applicant's existing clerical competence and also, perhaps more importantly, some assurance regarding his respectability. The letter of application from a Henry Parker (dated 1863) is a good example of this situation:

Gentlemen

Referring to my recent interview with Mr H Hoare Jr. I beg to offer myself as a candidate for an appointment in your Establishment. I am 20 years of age and possess a general knowledge of banking business having held an appointment in the above Bank [The National Bank] for upwards of 4 years. I may add that my father has been manager of this Establishment almost from its formation and he will be happy to answer and inquiries you may think fit to make. Trusting my application may be favourably entertained. (Archive Ref. HB 8/1/1).

As can be seen from the above letter, reference to the father's standing in life, was no doubt also useful in the construction of the applicant's impeccable character. There is evidence within the archive that some applicants even applied for positions through the parent (Archive Ref. HB 8/1/1). In addition to references of character, as discussed in earlier sections, all new recruits had to provide a surety to safeguard the bank from any future financial loss. A security bond for a William Lloyd in 1856, for example, provided the bank with the not insignificant sum of a guaranteed one thousand pounds safeguard (Archive Ref. HB 8/1/3).

4.2 House rules and regulations

Once within the confines of the counting house, the Hoare's employee had to continue donning the mantle of respectability. A list of bank rules and regulations dating from 1841 forbids, amongst other things, a clerk from getting into debt and insists upon a dress code entailing white neck handkerchief and black coat and waistcoat (Archive Ref. HB

8/1/6). Indeed, the memoirs of clerk Rawlinson, who joined the bank in 1888 and finally rose to the position of Chief Clerk, reveal the importance of appropriate attire both within the bank and beyond. Such was the importance placed on the bank's reputation, according to Rawlinson, that clerks "conducted no business outside the bank except in top hats" (Archive Ref. HB 8/3/7). Smoking was a practice particularly despised as an internal memo of 1871 highlights:

It having come to the knowledge of Mess Hoare that smoking is occasionally practised in the gentlemen's bedrooms, they wish it to be understood that such a custom has never yet been tolerated and cannot under any circumstances be allowed. Mr Pigeon has been ordered to report any infringements of this rule. (Archive Ref. HB 8/1/12).

Perhaps the most revealing insight into the significance of maintaining a façade of decorum relates to the case of clerk William Christmas. In 1825 this clerk was found guilty of embezzling £1,000 of Treasury Bills from the bank (Archive Ref. HB 8/3/3). The case was heard in the Old Bailey and reported upon in the press. It was therefore a very public scandal. However, it seems that it was not necessarily the financial fraud which caused the partners most distress, indeed this loss was only discovered following the clerk's dismissal. The Partner's Memorandum Book reveals that the reason behind his dismissal, and the cause of true scandal, lay in the fact that he had taken up residence with a Covent Garden actress with whom he had been living well beyond his means (Archive Ref. HB 2/7). The public embarrassment of this situation is aptly captured in a

letter from Henry Hoare to his brother Charles – note that this letter was written shortly before evidence of the embezzlement had come to light:

He has not that we know of defrauded us in a pecuniary point of view but he has defrauded us of his time. He acted in direct opposition to our repeated advice and to the admonitions of a father. He has associated with an actress whether criminally or not has not been made appear for certain but he lodged under the same roof. He appears to have had the use of a carriage and saddle horses. He has lived in a style and at an expense far beyond the means of a bankers clerk ... his sentiments are known to be radical and I fear no religious principles guiding or protecting his slippery path ... it is highly improper and may I say disgraceful to have our names mentioned as having in our House a clerk connected with an actress (HB Cabinet Display Case, Item 9).

As mentioned in an earlier section, good handwriting was viewed as an essential prerequisite to a successful banking career. This was no less the case at Hoare's. Applicants letters regularly refer to the quality of their penmanship, often containing, as one 1802 letter does, a sample of their hand writing within the application letters, (Archive Ref. HB 8/1/1). As an interesting aside, over a hundred years later, the importance of good handwriting was still a topic of concern, as the following 1933 memo from the Head of Books indicates:

I must again point out to my staff that more care must be taken when writing up passbooks. Mess Hoare require good writing, good figures and sensible abbreviations. Writing must be of a size which can easily be read by anyone and must not be scribbled (Archive Ref. HB 8/1/14).

Indeed, a year earlier, a number of clerks (including even a member of the Hoare family) had been ordered by the Head of Books to attend a writing school in order to improve the quality of their handwriting (Archive Ref. HB 8/1/15). A privileged family position, it seems, was not sufficient to escape the demands of good penmanship.

The commonplace practice within banking, of forbidding erasures to be made within the books, was also in evidence at Hoare's and formalised within the Bank's rules of 1841 (Archive Ref. HB 8/1/6). Any attempt at altering bank books was viewed with suspicion and severely punished. For example, one clerk who had altered a customer's account by one shilling in order that it balanced with a summary listing suffered an instant salary reduction and jeopardised his future promotion prospects:

Mr F. having purposely made an alteration of a shilling in the account of 'MW' in the ledger of 1904/5 with the object of concealing the fact that he had falsely stated that this ledger agreed with its summary it was resolved that he should be reduced from his salary of £200 to the salary he was having in the year 1904/5 viz £195 rising to £200 from Michaelmas 1907 and placed under the new [salary] scheme

under which his promotion to Class II will depend upon the firm's decision. (Archive Ref. HB 8/1/13).

A strict regime therefore was in operation; in drawing and poems, the clerks humorously referred to themselves as the Association of the Sons of Toil (Archive Ref. HB 8/4). The level of discipline varied according to the personality of the senior partner in charge. In the early years of his appointment (1863-1866), clerk Tilden experienced the often dictatorial rule of partner Henry Hoare:

This Mr HH [Henry Hoare], the Grandfather of the present Partner, was a man quite of the old school, a stern disciplinarian, of whom everyone in the place, even his own family, stood in awe ... If the Family were seeking a cognomen for him he might certainly be called 'the Autocrat' for no man was ever more autocratic in his manner to those of lower grade than he. He always addressed his clerks in the third person and none were ever allowed to speak to him until he spoke to them (Archive Ref. HB 8/3/5).

As might be expected, the staff who resided within the confines of the bank walls (approximately six) were more particularly exposed to the influence of the paternal hand [5]. Their conduct was governed by a range of house rules as might be laid down by a legal guardian. Clerks had to be home by 11.30, any extensions to be granted only by special permission (Archive Ref. HB 8/1/6). Entertaining friends during the working week was simply out of the question. As a memo of 1893 declares: "The practice of

having anyone to dinner on a week day is strictly contrary to rules” (Archive Ref. HB 8/1/12). The Henry Tilden papers reveal the interesting case of one clerk who resided at the bank up until his marriage, and who returned from his honeymoon with some trepidation as he had failed to inform the bank in advance of his nuptials, “as in those days employers expected to be consulted by their clerks before taking a step of that magnitude” (Archive Ref. HB 8/3/5). In summary then, the Hoare’s bank clerk, recruited following a vigorous vetting procedure, entered a commune of discipline and decorum.

4.3 Partner’s paternalism

However, the potential inflexibility of this dictatorial regime was matched by acts of great kindness on the part of the partners. The archive reveals that the bank was also an establishment where rewards were generous and kind acts of paternalism prevailed.

For example, clerk Tilden’s memoirs acknowledge that a position at Hoare’s was “considered a great prize amongst bank clerks”. A new salary scheme adopted by the bank in 1899 reveals the scales of pay available to each level of seniority (Archive Ref. HB 8/2/13). From an initial annual salary of £60, a clerk could rise through the ranks to earn up to £600 per annum [6]. Higher earnings were possible if he reached one of the five top clerical posts: head of books, correspondence, cashier, deputy broker, and chief clerk. Further funds were also available if the clerk was involved in the bank’s brokerage activity. It was possible therefore, for the Hoare’s clerk, not only to enjoy a good income, but to also accumulate significant wealth. Clerk Tilden’s memoirs note how one Chief Clerk had amassed a fortune of £40,000 by the time of his death (Archive Ref. HB 8/3/5).

Given that access to these lucrative posts was available only through the retirement or death of its occupant, it is perhaps little wonder then, as clerk Rawlinson reminisces, that “when a man reached a certain age and was in good circumstances his juniors then made broad hints that he should rest from his labours.” (Archive Ref. HB 8/3/7). Retirement no doubt became a more attractive option in 1899 following the introduction of a formal pension plan based on years of service. It also initiated compulsory retirement at 65 years (Archive Ref. HB 8/2/13). Previously, as the memoirs of clerks Rawlinson and Tilden reveal, it was not uncommon to see men of between 70 and 80 years of age still working at the bank.

Hoare’s was also liberal with its holiday leave. Bank regulations dating from 1841 note that four weeks holiday was awarded to every clerk, regardless of seniority (Archive Ref. HB 8/1/6). This was a luxury not generally enjoyed throughout the banking community. Indeed, clerk Tilden’s recollection that it was double the standard of other London banks of the era (Archive Ref. HB 8/3/5) was quite accurate; **the London bank of Glyns offered only a fortnight’s holidays to its clerks (Fulford, 1953, p.169).**

Essentially therefore, a highly paternalistic relationship existed between Hoare’s clerical staff and the founding family. Disciplinary rules and regulations were tempered with conscientious care for staff wellbeing. Numerous examples of benevolence litter the archive. For example, a letter of thanks (dated 1802) from one clerk highlights the partners’ generosity in continuing his salary during illness (Archive Ref. HB 8/1/17). Fifty years later a memo to staff reveals the partners’ willingness to overlook the

accidental loss of a bag of gold worth £200 requesting only that the five clerks on duty make up the loss. The partners' memo of September 1853 clarifies: "that shop do not consider the honor of the parties in any way affected, but the amount wants to be gathered up and forgotten". (Archive Ref. HB 8/1/17).

4.4 Diversions from clerical toil

The Hoare's archive provides some insight not only into the duties of the bank clerk and the rules to which they were daily subject, but also to some extent into the social life of the clerk when off duty. For example, resident clerks enjoyed the facilities of their own sitting room within the building (Archive Ref. HB 8/1/17) which the partners had furnished with a piano for the clerk's entertainment (Archive Ref. HB 8/1/17). In addition, all staff, and not just those living-in, enjoyed the benefit of a generous lunch and dinner at the bank's expense. Clerk Tilden, who joined Hoare's in 1863, provides an interesting account of the formalities of the daily dinner table:

The dinner, which was of a very substantial character, was served every day punctually at 5 o'clock when the Bank doors were closed to the Public and was usually attended by nearly the whole staff ... all Clerks sat at the table in strict order of seniority. Four bottles of wine were supplied each day, 2 of sherry and 2 of port ... Two of the Porters waited at table and if the Balance was agreed before the dinner was over one of the Porters from downstairs was sent up to make the announcement, 'Gentlemen, the Balance is right' and always received from the Chairman a glass of wine for his pains. (Archive Ref. HB 8/3/5)

A particularly extravagant dinner was hosted for staff on the annual Balance Day (28 September). Clerk Rawlinson, who occupied his post at the bank for a period of fifty years (1888-1938) recalls how champagne flowed freely on that occasion and that “the partners strolled in and looked on with happy smiles” (Archive Ref. HB 8/3/7).

In addition to the social aspects of leisure time, there is also a sense from the memoirs of clerks Rawlinson and Tilden, that even daily clerical life at Hoare’s entailed regular exposure to entertaining eccentricities. For example, one partner, as clerk Rawlinson recalls, engaged in rather reclusive measures with the advancement of years:

Mr Peter Richard (partner) in his old age had a strong dislike to being seen by anyone except his immediate entourage. He had, I believe, a private door leading to Mitre Court. When he did go out by the front door David Moss his factotum came out of the partners room and cried “Mr Peter Hoare is coming thro” and the clerks in the Balance hid under the counter until the senior partner had passed into the hall. (Archive Ref. HB 8/3/7).

It appears that in house antics were often a cause of diversion to nineteenth century bank clerks more generally. For example, McKinlay and Guerriero Wilson’s (2006) study of the Bank of Scotland reveals how one clerk amused himself by producing regular cartoons of his fellow clerks and managers. Hoare’s customers also appeared to provide amusing diversions from the toils of clerkdom. The Tilden memoirs reveal that many

customers visited the bank “for no other purpose than to have a pinch of snuff and a chat” (Archive Ref. HB 8/3/5). The client base was drawn typically from lawyers, country squires and members of the aristocracy. The bank also dealt with Eton and some of the colleges of Oxford and Cambridge, but had no trade accounts. It was necessary therefore that Hoare’s clerks acquired the necessary social skills to interact with such a clientele. As clerk Tilden recounts:

When I entered the Bank I very soon discovered that it was necessary to improve my very limited knowledge of people of title and with that object I borrowed from the Partner’s Room an ancient volume of Burke’s Peerage. (Archive Ref. HB 8/3/5).

Although as clerk Rawlinson encountered, no guidance manual could cover some situations:

[A customer] came into the bank one day with a very sparkling female to whom he was temporarily attached and a magnificent spaniel. I admired the dog so he asked me what I would give for him. I mentioned some moderate figure at which he laughed desirously. He then pointed to the lady and asked me “And what will you give me for her?” I have often wondered since what the correct answer should have been. I can find no guidance in Pagets ‘Questions and Answers on Banking Practice. (Archive Ref. HB 8/3/7).

5. Discussion and concluding comments

A comprehensive body of work exists in the area of banking history. Individual bank histories have provided insights into the internal operations of venerable institutions. Despite this rich scholarship, as Bonin (2004, p.257) remarks, “little however, is known about the managerial organisation of banks”. While this current paper does not seek to unravel the organisational narrative within Hoare’s bank, it does provide some insight into its managerial culture, a strong system of paternalism was in evidence. What this paper does aim to provide however, is some insight into the daily working life of the Victorian bank clerk, albeit from the perhaps unique perspective of a small, private London bank. To this end, it attempts to complement the work of Anderson (1976) and others with further evidence of the privileged position of this particular member of the clerical classes. The Hoare’s archive supports the literature’s existing depiction of the bank clerk. He enjoyed a liberal income with good promotion prospects, a generous holiday allowance, and the benefits of a paternalistic regime that offered decent accommodation and ample sustenance. The archive also confirms the importance of exhibiting gentlemanly attributes in banking life. The issue of respectability was a constant feature within the personal recommendations of potential recruits. The house rules and regulations were also imbued with a sense of the decorum expected in everyday life. Contemporary clerical work may have suffered a decline in social status but the Victorian bank clerk employed in Hoare and Company readily donned the mantle of superiority, and it was a mantle worn perhaps not undeservingly.

However, in addition to supplementing the historical literature on the working life of the Victorian bank clerk, perhaps a further contribution of this paper is to explore whether any useful lessons can be learnt from this particular period of history for the dilemma facing contemporary banking institutions. Of course, the contexts of the two scenarios are very different. Hoare's is a small, private bank in comparison to the giant retail banks that have suffered near collapse today, and the subject of this study, the Victorian clerk, was far removed from the kind of lending decisions with which contemporary senior bankers are engaged. In addition, the Victorian era itself was not a paragon of virtue, free from its own banking collapses, public scandals or risky speculation. Collins' (1989) has commented on the scandal that accompanied the collapse of the City of Glasgow Bank in October 1878 and Newton's (1996) study of Sheffield banks in the mid-nineteenth century indicated that a potentially risky policy of over lending was often in operation. Notwithstanding these discrepancies, the case of Hoare's certainly raises a number of issues which may prove potentially directional to preventing a future global financial crisis. For example, consider the emphasis placed by Hoare's on the possession of gentlemanly attributes during the vetting process for new recruits. While it is easy to ridicule a system of patronage based on old school ties, a deeper issue is perhaps at stake here, and that is one essentially to do with the 'moral' character of the employee. One lesson that can be learnt from the case of Hoare's is that the recruitment stage is a particularly important moment in which to instil corporate values. Contemporary banking institutions therefore, could consider placing more emphasis on their recruitment stage in order to communicate core codes of appropriate corporate behaviour.

The rigorous listing of rules and regulations by which the Hoare bank clerk lived, also offer some lessons for the contemporary situation. This is not to suggest that the members of today's financial services community must don top hat and tails nor attend handwriting school. Rather, it is simply to suggest that contemporary institutions might consider setting the boundaries of acceptable corporate practice more tightly in order to avoid the loose cannon effect of independent souls. Similarly, there are many aspects of the general duty of care inherent in the paternalistic Victorian regime which may prove beneficial to the long term welfare of the contemporary workforce. In summary, there are perhaps important lessons for any age, and indeed any organisational form not just banking, to be learnt from the practices of Victorian establishments.

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Notes

1. While the majority of archive references are drawn specifically from the Victorian period, the paper also includes a small number of extracts from the early years of the nineteenth and twentieth centuries.
2. Such was the pervasive nature of these Victorian banking practices that they extended beyond Britain to the then colony of Australia. For example, the

character of the employee was one of the attributes commented upon in the annual performance reports of nineteenth century staff of the Union Bank of Australia (Seltzer and Simons, 2001).

3. For further reading on the 1826 Joint Stock Bank Act, see Collins (1990) and Pressnell (1956).
4. It is within this London base that the bank's private archive is maintained and to which this researcher conducted several visits over a period of eighteen months.
5. The majority of clerks lived outside the bank. Between 1841 and 1881, only four to six clerks lived in out of a total of sixteen to twenty clerks (Shop Expense Account, Hoare's Archive).
6. Comparison with clerical salaries at Lloyds London branch in 1884 reveals a similar starting point of £60 per annum (Sayers, 1957, p.71). However, a study by Boot (1991, p.643) indicates that the 1880 clerical salary of the London bank of Coutts ranged from £120-£850 per annum. This is a higher scale than that found in Hoare's. However, the Hoare's scale does not include brokerage commission which would have increased the actual amount of paid wages that clerks received.

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