



## A Study on the Glass Ceiling faced by Women in the Banking Sector

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### ABSTRACT

Women who work in the banking industry are familiar with the term "glass ceiling," which refers to the unseen roadblocks that women face along the way to a successful career. The labour demographics in the hitherto predominately male Indian banking industry have changed in recent years. Even while female bankers are impressively moving up the ladder of power, they face several significant obstacles that impede their ability to advance professionally. The gender discrimination that has existed in India from ancient times is the cause of this discrepancy. From recruiting them to giving them with financial and non-financial advantages, bias appears to prevail towards female employees. a disparity. The widespread gender segregation at work and the dominance of men in senior positions paint a clear picture of the inequality faced by the female employees in the banking sector. This study attempts to illuminate bank workers' perceptions of the "glass ceiling," while also exposing the bottlenecks that contribute to it and offering recommendations for eradicating it.

Key words: Women, Bank, Glass Ceiling, Discrimination, Workforce

### Introduction

Indian women have endured generations of emasculation at the hands of the patriarchal culture. The women of India have not been fully freed from colonial control after 72 years of independence. This is eloquently illustrated by the World Economic Forum's Gender Gap Index, which places India at 112 out of 154 countries. (Dr. Sumee Dastidar, Niva Kalita).

The research also emphasizes how limited opportunities there are for women to grow their economies in India. The nation's financial sector has not been unaffected by this inequality. Jobs in the banking industry are highly sought after since it is the foundation of the economy. The percentage of women employed in this industry has increased significantly since it was nationalized.

The term "glass ceiling," which was first used in 1978 by Marilyn Loden, has been able to spur much study. This phrase became well-known in 1986 according to the "Wall Street Journal," and numerous academics have used it as their study topic to pinpoint and resolve the obstacles women face as they climb the corporate ladder.

Women still experience a "double glass ceiling" in the banking profession, despite overall staff representation reaching equal. "Artificial obstacles based on attitudinal or organisational prejudice that prohibit capable employees from rising ahead in their company into management-level positions" is the definition of the phrase "glass ceiling." Women and people of colour were unable to advance up the corporate ladder to management and executive-level jobs in 1991, according to US Secretary of Labor Lynn Martin, who confirmed the existence of intangible artificial barriers based on organizational racism. (Boyd, 2012).

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While Indian males deny that there is a glass barrier, the underlying assumptions are really well ingrained (Jain & Mukherji, 2010). There is a glass barrier for women at the entrance level and at the progression stage in the Indian banking industry, where women make up less than a quarter of the workforce (Thapar & Sharma, 2017; Com et al., 2020; Kaur & Singh, 2020). Although there are more women in lower and middle management positions, the trend is not yet evident at the high management level (Mollah & Uddin, 2018). Indian banks are still moving too slowly to break the glass ceiling (Lathabhavan et al., 2018).

### Harassment in office

Women who had male supervisors are more likely to report sexual harassment, which is one of the main obstacles keeping them from achieving the top jobs. Women in higher positions may receive the message from prospective harassers that they are not valued employees of the company (Bell et al., 2002). Since 2013, there has been a rise in the quantity of banks and insurance businesses with sexual harassment policies in place. 2020 (Kaur & Singh).

As one of the most significant glass ceiling challenges, it's critical to draw attention to the details of sexual harassment cases in the Indian banking sector in this context. The top three banks with the most reported sexual harassment instances in 2020 were ICICI Bank, HDFC Bank, and Axis Bank, which each reported 52, 52, and 45 complaints, respectively. The HDFC Bank had the most increase in complaints, with 27, demonstrating that women feel more at ease coming out and submitting a formal complaint. Public Sector Undertakings (PSUs) sent State Bank of India 44 cases in FY20, the most of any government-owned company (Sultana, 2020).

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### **The Banking Sector has Women Executives**

Women are underrepresented at all levels of the global financial system, from depositors and borrowers to bank board members and regulators. The gender balance in different nations varies greatly (Sahay & Cihak, 2018). The top three nations for female representation on bank boards are Sweden (45 percent), France (35 percent), and Canada (34.5 percent), while Singapore (15 percent), China (14 percent), and Japan (12 percent) have the lowest female presence. 2019 (Bandyopadhyay).

Tarjani Vakil was the first female CEO of the Export-Import Bank of India when she was appointed in 1996. Before transferring to the National Bank for Agriculture and Rural Development in 2003, Ranjana Kumar held the positions of Chairman and Managing Director of Indian Firm for four years, during which time she was instrumental in bringing the bank around. In 2005, HA Daurwalla was chosen to run the Central Bank of India. She is the second woman to hold that position in a commercial bank. In 2011, Nupur Mitra was named Chairman and Managing Director of Dena Bank (which had amalgamated with Bank of Baroda).

It took a little over three decades after bank nationalisation for a woman to become the CEO of a bank. The progression of female bankers into the boardroom has, however, slowed considerably recently (2019 Bandyopadhyay).

Even on a global scale, women waited much too long to enter the male-dominated field of finance. The US Federal Reserve Board's new chairman, Janet L. Yellen, is the first woman to hold the position in the organization's century-long history. No woman has ever held the position of secretary of the US Treasury Department during its 229-year existence. Kishori J. Udesi became the country's first female deputy governor in June 2003, after 68 years of waiting for a woman to hold the position at the Reserve Bank of India. Arundhati Bhattacharya became the State Bank of India's first female chief executive after 206 years (Bandyopadhyay, 2019).

In an industry where women CEOs presided over banks until a few years ago, Zarin Daruwala, CEO of Standard Chartered Bank, India, Kaku Nakhate, President and Country Head of Bank of America, India, and Kalpana Morparia, CEO of JP Morgan India, are the outliers. Among the prominent women in banking in India are Arundhati Bhattacharya of the State Bank of India, Chanda Kochhar of the ICICI Bank, Shikha Sharma of the Axis Bank, and Usha Ananthasubramanian of the Allahabad Bank. However, they were forced to retire because they either gave up their jobs or were embroiled in scandals or conflicts (Bandyopadhyay, 2019). In India, there are fewer women working at the top levels of the banking industry.

In state-owned banks, just 10% of the top executive positions are held by women. There are a few organisations where there are no female upper-level executives (Bandyopadhyay, 2019).

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### **Workers in the Indian Banking Sector who are Women**

The level of economic and social advancement in a nation is determined by the participation of women. Such involvement in the paid workforce represents a huge social change during the previous century. However, women in India do not have equal access to employment possibilities (Kumar, 2021). India's overall population has 108.18 men for every 100 females as of 2020. Men make up 51.96 percent of the population, while women make up 48.04 percent of it (Statistics Times, 2021), a difference of barely about 4 percent.

India has one of the lowest rates of female labour force participation in the world despite the fact that women make up over half of the country's population, according to World Bank estimates (Kumar, 2021). India ranks 140th out of 156 nations in the 2021 Global Gender Gap Index, demonstrating its inability to take action to achieve gender equality. India is ranked sixth out of 8 South Asian nations in the Gender Gap Index's regional rankings. India dropped 28 spots to 140th rank out of 156 nations in the World Economic Forum's Global Gender Gap Index for 2021. Women's involvement in the work force fell to 22.3 percent from 24.8 percent the year before (Global Gender Gap Report, 2021).

The glass ceiling in banking is a widespread occurrence, and while many institutions work to ensure equal representation at the entry level, women frequently lag behind as they rise for factors unrelated to ability. The difficulty lies in nurturing the pipeline (Bandyopadhyay, 2019). There are many new professional opportunities for women in the post-globalization period as a result of the significant changes in organisational dynamics. The Indian banking industry is regarded as being a pleasant workplace for women. Female employees are seen as benefiting from the desk-based and stable nature of banking professions, non-discriminatory pay, and high social prestige afforded by a banking job.

Additionally, banking is a particularly tempting industry for women due to the greater development opportunities and competitive compensation packages. Despite all of these factors, the percentage of women working in the Indian banking industry is still low (Shaji & Joseph, 2020).

According to March 2021 data, women only make up about 24% of scheduled commercial banks in India's workforce overall. Women make up just 22.6% of officers, 31.7% of clerks, and 14.6% of subordinates. While foreign sector banks (31.6%) have the highest percentage of female employees overall, with 29.7% of female officers, 50.1 percent of female clerks, and 26.8% of female subordinates, small finance banks (11%) have the lowest percentage of female employees overall, with 13.1% of female officers, 6.8% of female clerks, and 2.8% of female subordinates.

Regional rural banks, private sector banks, and public sector banks all have just 27%, 22.2 %, and 20.7 % female workers, respectively, of their overall workforce (Basic Statistical Returns, RBI, 2021). Over the course of sixteen years, from 2005–2006 to 2020–21, women's involvement in the Indian banking sector climbed by a pitiful 9.2 percent. (Return on Basic Statistical Investment, RBI, 2005-06 to 2020-21).

## Banks Need More Gender Diversity

Beyond addressing gender imbalance, having women as financial services regulators would have benefits. For the sake of women, companies, and the economy, there should be more women in the workforce, especially on corporate boards. The stability of the banking system will increase when the gender gap is closed, and economic development will increase as well. The capital buffers, non-performing loan rate, stability, and stress resilience of banks with more female board members were all higher (Chihak & Sahay, 2018)

For a number of reasons, having more women on bank and supervisory boards may help maintain the economy's stability. Women could be better at managing risks than males. More women on boards contribute to more intellectual diversity and a wider spectrum of viewpoints, which results in better outcomes. Institutions that often choose and appoint women to senior positions may be better run (Chihak & Sahay, 2018).

Women are more focused, disciplined, and goal-oriented than males, making them better at handling stress and pressure. Compared to men, women are better at multitasking. Women are more sympathetic and empathic than men, which are essential traits for a leader to possess (Nath, 2020).

## Towards Greater Gender Equality

Contradictions and contestations surround the connection between women's employment and empowerment (Kabeer, 2008). I said in Chapter 2 that gender disparities in the labour market still exist despite an increase in women working in white-collar professions worldwide, including banking. This chapter elaborates on how these patterns relate to ideas that paid work is a sign of women's "empowerment" or a rise in their social standing (Kabeer, 2008; Pearson, 2004; Stichter and Parpart [eds], 1990).

There has been less concern about the empowerment of professional women in general, possibly because it is assumed that they are empowered based on their access to economic resources, despite the fact that the contested nature of empowerment has been a significant area of study for development geographers (Martin and Meyerson, 1998).

Women's "empowerment" is characterised in large part by its capacity to bring about changes that will advance gender equality. The purpose of this chapter is to evaluate women's employment and some of the key avenues via which they may assert their rights at work and enhance the results for women in the labour market, particularly through collective action, public action by the government, and/or legislation (Elson, 1999; Tzannatos, 1999). Early Marxist views, particularly those put forth by Engels, are where the idea that women's participation in the labour field results in increased empowerment can be found (Pearson, 2004).

Later development initiatives focused heavily on expanding women's access to paid employment (Kabeer, 1994). The belief that increasing women's work results in more empowerment endures despite research that has since challenged the idea that involvement in the paid labour market produces consistently favourable effects for women (Pearson, 2004).

The percentage of women who earn a wage in the non-agricultural sector, for instance, is one of the indicators for the Millennium Development Goal on the empowerment of women. Understanding the idea of empowerment is necessary before assessing the empowering effects of work. The phrase has been used in a variety of areas, including business, social work, and development. In terms of women's empowerment, there are certain parallels among the diversity and range of feminist interpretations of the phrase. First, the majority of strategies are based on a gender analysis of power.

First, the majority of strategies are based on a gender analysis of power. A gender analysis of power includes "power with" (which implies collective action) and "power within," which refers to assets like self-esteem and self-confidence, in addition to traditional definitions of power, primarily "power to" (ability to make decisions) and "power over," which requires increasing individual access to resources (Rowlands, 1997).

An examination of gender also makes use of Foucault's notion of power<sup>19</sup> as relational, or as being within a web of social connections. Understanding how internalised oppression may hinder women from using their power and their capacity to confront gender inequality are also part of this (Kumar and Varghese, 2005; Mosedale, 2005; Rowlands, 1997).

Second, empowerment "describes the process by which persons who have been denied the capacity to make decisions come into that capacity" (Kabeer, 2001: 19). As a result, this implies that in order to be empowered, one must first be disempowered (Kabeer, 2001, 2008)

As a result, Kabeer (2001, 2008) defines empowerment as the improvement of a person's capacity to make wise life decisions (choices that are critical for people to live the lives they want, such as the choice to create livelihoods and who to marry). According to her, the capacity to make strategic decisions is made up of three interconnected elements: resources (which improve the capacity to decide), agency (the capacity to set goals and carry them out), and accomplishments (outcomes of agency).

Since "conceptions about what is possible, desirable or conceivable in one's life are shaped in important ways by the society in which one lives and one's place within its social order," making choice a central component of empowerment inevitably necessitates an analysis of societal norms and regulations (Kabeer, 2008: 24).

When a woman chooses to work for pay or marries someone she chooses, for instance, this may be seen as exerting agency, but it would be less meaningful in situations when these options are provided (ibid.). Raju (2005) points out that because of this, empowering processes cannot be conceptualised just at the person level but also at the level of the larger societal environment.

A multi-level approach to understanding power relations recognises that transforming women's lives to achieve gender equality requires changes at multiple levels, from the individual, household to community. It also involves other stakeholders such as husbands/partners and community leaders. Such an approach also overcomes critiques that conceptualisations of empowerment focus exclusively on the local and individual level (Parpart, Rai and Staudt, 2002; Raju, 2005).

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