

FACTORS AFFECTING CAREER ADVANCEMENT OF TOP LEVEL OF WOMEN IN LOCALLY OPERATED COMMERCIAL BANKS IN COLOMBO DISTRICT

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ABSTRACT

In recent years, women career has turn into a major area of concern and during the last two decades there has been an increase in the proportion of women at entry and middle-level management positions according to the census and statistic department. According to Central Bank report in 2017, there was a decline in the female and youth unemployment rates during 2017. The female unemployment rate declined from 7% in 2016 to 6.5% in 2017 and due to the declined in unemployment rate, labour force participation rate among females has increased from 35.9% in 2016 to 36.6% in 2017. In this background, this study aims to identify the factors influencing the career advancement of top level women who are working in locally operated commercial banks in Colombo district. It was focused on selected 12 commercial banks of out of 24 and from each bank, 10 women workers selected randomly in 2017. A semi-structured questionnaire was issued to the total sample of 120 respondents to collect the relevant data related to women career advancement which are categorized into 3 levels and it was considered as an ordinal dependent variable. Other data related to four variables such as, organizational factors, personal factors, family factors, and cultural factors also collected and they were used as explanatory variables in the study. The collected data were analyzed using econometrics techniques such as ordered probit model and marginal effects. Results shows that among the four variables, personal factors are the most important determinant while organizational and cultural factors are the most influence factor in career advancement among top level women in the locally operated commercial banks respectively.

Keywords: Banking Industry, Career Focused Top Level Women and Women Career Advancement

INTRODUCTION

In recent years, women career has turn into a major area of concern. According to the census and statistics, during the last two decades there has been an increase in the proportion of women at entry and middle-level management positions. However according to Meyerso & Fletcher, women at the highest levels of business are still rare. To fulfil the requirement of the research, gap the researcher is expected to identify the factors affecting career advancement for top level women in locally operated commercial banks in Colombo district, Sri Lanka. Therefore, in this study, banking industry was taken into consideration since this is playing very important rule in the Sri Lanka economy. The present study is concerned to evaluate the impact of organizational factors (of), personal factors (pf), family factors (fm), and cultural factors (cf) on top level of women in locally operated commercial banks in Colombo and also examine which factor is mostly influence on the career advancement for top level of women in locally operated commercial banks in Colombo.

Objectives of the study

- to evaluate the impact of organizational factors, personal factors, family factors, and cultural factors on career advancement of top level women in locally operated commercial banks in Colombo.
- to identify the most important determinant on the career advancement of top level women in locally operated commercial banks in Colombo.

LITERATURE REVIEW

According to the (Izraeli, 1994) noted that a male-dominated organizational culture is an obstacle to women's success.

The situational factors are usually discussed under two categories (Tharenou,

1994): the work situation (e.g. organizational culture and practices), and the home situation (e.g. spousal support and family responsibilities). The organization structure perspective is based on the premise that organization structures shape women's behavior on the job (Fagenson, 1990, 1993). According to Kanter (1977), there are 'advantageous' and 'disadvantageous' job situations. Advantageous positions, which offer job incumbents power and opportunities, are held by individuals whose gender is in the majority (that is, males). Disadvantageous positions, on the other hand, offer job occupants little power and fewer opportunities, and are held by individuals whose social category is few in number (that is, females). Kanter (1977) argued that it is because women are traditionally placed in low level positions in organizational hierarchies that feminine traits shape their behavior. Informal power and opportunity structures in organizations serve to exclude women. The organization-structure perspective, its primary focus on organization structure overlooks the saliency of other important organizational factors including norms and culture, policies, training systems, promotion, and reward systems (Fagenson, 1990).

According to (Chea, 2015), has examined factors affecting women's career advancement in Malasiya and the factors such as character, lack of support, treatment and family issues in their study has significant impact on the respondents' perception in the country. Another study has done by Francis (Afande, 2015), factors affecting women career advancement in the banking industry in Kenya:

A Case of Kenya Commercial Bank Branches in Nairobi County, Kenya. From his analysis, he found that, individual's age was first ranked, women's lack of self-confidence and their tendency to be more self-critical than men hinder their career advancement was second ranked, individual's level of education was third ranked, the gender issue was fourth ranked, and the least

ranked was individual's skills, tenure, hard work, reputation and performance in determines the women career advancement in Kenya. According (Molebatsi, 2006) stated that the glass ceiling phenomenon in Lesotho, he illustrated it as part of a management pyramid, which showed the number of women representation in management positions at each level.

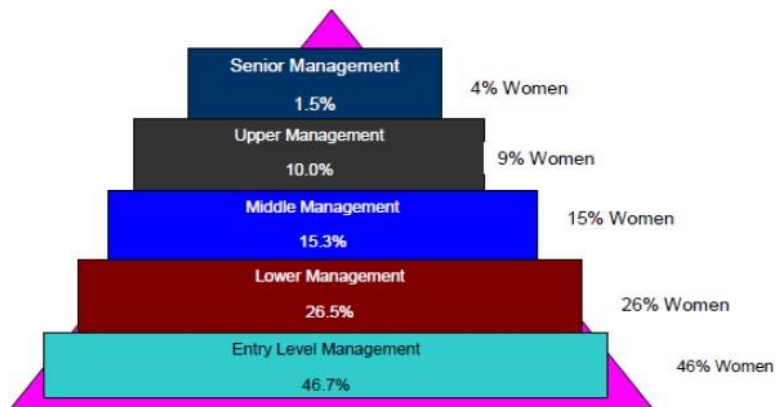


Figure 1: women representation in management positions

RESEARCH METHODOLOGY

The primary data were collected by using structured questionnaires from the respondents who are working in locally operated commercial banks in Colombo, Sri Lanka.

Out of 24 locally operated commercial banks, 12 banks were selected randomly and from each bank 10 women were included in the study. Data were collected related to organizational factors (OF), personal factors (PF), family factors (FF) and cultural factors (CF) which were treated as independent variables and career advancement considered as dependent variable in the study. Career advancement of top level women was categorized into 3 levels where it was coded as 1 for moderate, 2 for large and 3 for very large in the analysis. Because of the nature of the ordered dependent variable, ordered probit model is more applicable than other models and hence this model was applied in analyzing the data. To identify the impact of the above four

independent variables on the career advancement among top level women, the following ordered probit model was used and it can be written as:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y = Women career advancement (WCA) and it coded as an ordered outcome as,

= 3 for very large

= 2 for large

= 1 for moderate

β_0 = Constant value

$\beta_1, \beta_2, \beta_3$ and β_4 = Co-efficient of each independent variable

X_1 = Organizational factors

X_2 = Personal factors

X_3 = Family factors

X_4 = Cultural factors

ε = Error term

DATA ANALYSIS

The table illustrates the effect of each factor on career advancement among top level women workers working in locally operated commercial banks in Colombo.

Table 1: Estimated results of the ordered probit model for State Banks

Career advancement	Coefficient	Standard Error	z	P>z
Organizational factors	0.557	0.330	1.69	0.092*
Personal factors	-1.577	0.582	-2.71	0.007***
Family factors	-0.022	0.050	0.45	0.656
Cultural factors	-0.481	0.195	-2.46	0.014**

Source: Calculated by authors, 2017

*, ** and *** indicates the significance level at 10%, 5% and 1% respectively

In the above table shows that, all variables are statistically significant except family factors and out of three significant variables, only organizational factors have positive impact while other two have negative impact. It refers that top level women have more likely or probability to gain career advancement when the organization policy and management styles are support to them.

In other words, it reveals that organizational policies and management styles that are adopted by the state banks have supported to get more career advancement for the top level women workers in a favorably manner. Coefficient of organizational factors is 0.557 with positive sign and also statistically significant at 0.1 levels (10%) refers that, if the organizational factors improves more, then there is a possibility to raise the women career advancement level from moderate to very large level.

Table 2: Estimated results of the ordered probit model for most popular Banks

Career advancement	Coefficient	Standard Error	z	P>z
Organizational factors	-0.045	0.055	-0.83	0.040**
Personal factors	0.021	0.378	1.06	0.955

Family factors	-0.034	0.030	-1.14	0.255
Cultural factors	0.025	0.062	2.4	0.068*

Source: Calculated by authors, 2017

*, and ** indicates the significance level at 10%, and 5% respectively

In case of most popular banks, only organizational factors and cultural factors have significant effect on career advancement of top level women, but organizational factors have negative while cultural factors have positive impact on their career advancement in the banking industry in Colombo. Negative sign of the organizational factors indicates that organizational policies and management styles that are adopted by the most popular banks have not supported to get more career advancement for the top level women workers in a favorably manner.

Positive sign of the personal factors shows that it has positive effect on career focused for the women from moderate level to very large level, but it is insignificant. In case of cultural factors which has positive sign (0.025) with significant reveals that as the women workers not much believe their culture it will courage their career advancement in the way which leads to them become from moderate level to very large one. Also it is statistically significant at 10% level.

Table 3: Estimated results of the ordered probit model for popular Banks

Career advancement	Coefficient	Standard Error	z	P>z
Organizational factors	0.092	0 .057	1.59	0.081*
Personal factors	-0.02	0.096	-0.21	0.832
Family factors	-0.008	0.030	-0.27	0.785
Cultural factors	-0.1	0.042	-2.37	0.018**

Source: Calculated by authors, 2017

*, and ** indicates the significance level at 10%, and 5% respectively

The above results are opposite of the results in most popular banks where organizational factors have positive sign and cultural factors have negative sign in popular banks. This means that organizational policies and management styles that are adopted by the popular banks have supported to get more career advancement for the top level women workers in favorably manner which help them to raise their career from moderate level to very large level.

But cultural factors have negative sign (-0.100) which is an opposite sign of the most popular banks shows that, as the women workers much believe their culture it will discourage their career advancement in the opposite way which leads to them become from very large level to moderate one. Also it is statistically significant at 5% level.

The marginal effects were estimated after the ordered probit model in terms of probability and for state banks if organizational factors are supported to women workers they will have 21% of more probability to become very large level and will have 14% of less probability to become large level while 6.5% of less probability to become moderate level in their career advancement. For most popular banks if organizational factors are supported to women workers they will have 1.8% of less probability to become very large level and they have 1.0% of more probability to become large level while 0.7% of more probability to become moderate level in their career advancement. In popular banks if organizational factors are supported to women workers they will have 3.6% of more likely to become very large level and they have 1.7% and 1.9% of less probability to become large and moderate levels in their advancement respectively.

CONCLUSION AND RECOMMENDATION

CONCLUSION

The above study concluded that organizational factors, personal factors and cultural factors have impact on women career advancement on top level women in locally operated commercial banks even though family factors have not significant effect on women career advancement in any banks. Organizational and cultural factors are significantly effect on women career advancement and at the same time personal factors are significantly effect on career advancement only in state banks.

Similarly, results of marginal effect results summarized that, organization factors, personal factors, and cultural factors have more supported to women workers who work in state banks while family factors have more supported to women workers who are work in most popular banks. Finally, among the four variables, personal factors are the most important determinant while organizational and cultural factors are the next most determinant in career advancement among top level women in the locally operated commercial banks respectively. The hypothesis laid out in the research can be accepted or rejected based on the p-values given in the above tables. It can be seen that coefficient of organizational factors has positive sign at 10% level suggest that H₀ is rejected and H₁ is accepted in the state banks. Thus organizational factors have impact on career focused and further positive sign of the variable reveals that of such as management styles and organization policies affect positively their career to upgrade from moderate level to very large level in the state banks.

On the other hand, in case of most popular banks, hypothesis testing for organizational factors shows that H₀ is rejected and H₁ is accepted same as state banks. But in this case organizational factors have adversely affected on

women career advancement which is from very large level to moderate level. In same time popular banks hypothesis testing for organizational factors shows that H₀ is rejected and H₁ is accepted same as state banks and most popular banks. But in here organizational factors have positively affected on women career advancement which is from moderate level to very large level as state banks. And also personal factors are only affected in state banks rather than other two categories of banks.

Coefficients of personal factors have negative sign at 1% level suggest that H₀ is rejected and H₁ is accepted in the state bank. Even though personal factors have impact on career focused and further negative sign of the variable reveals that of such as personal traits and lack of confidence affect adversely their career to become from very large level to moderate level in the state banks. On the other hand, in case of most popular banks hypothesis testing for personal factors shows that H₀ is accepted and H₁ is rejected. But in this case personal factors have positively sign and that refers women can gain their career advancement which is from moderate level to very large level. But it is not statistically significant. In same time popular banks hypothesis testing for personal factors shows that H₀ is accepted and H₁ is rejected. But in here personal factors have negatively affected on women career advancement which is from very large level to moderate level. Coefficients of family factors have negative sign for all three categories of locally operated commercial banks suggest that it is affected adversely their career to become from very large level to moderate level.

And further negative sign of the variable reveals that of such as child care and house hold choruses affected adversely their career to become from very large level to moderate level in the state banks. Here H₀ is accepted and H₁ is rejected due to results are statistically insignificant at all levels.

When consider the coefficient of cultural factors have negative sign at 5% level suggest that H₀ is rejected and H₁ is accepted in the state bank. Thus cultural

factors have impact on career focused and further negative sign of the variable reveals that such as believes and stereotype affect adversely their career to become from very large level to moderate level in the state banks. On the other hand, in case of most popular banks hypothesis testing for cultural factors show that H0 is rejected and H1 is accepted same as state banks. But in this case cultural factors have positively affected on women career advancement which is from moderate level to very large level and it is statistically significant at 10% level. In same time popular banks hypothesis testing for cultural factors show that H0 is rejected and H1 is accepted same as state banks and most popular banks. But in here cultural factors have negatively affected on women career advancement which is from very large level to moderate level as state banks. Here also it is statistically significant at 5% level. When consider the results, organizational factors have impact on women career advancement on top level of women in state banks, most popular banks, and popular banks. Even though it has positively affected on women career advancement who are working in state and popular banks while it has negatively affected on women career advancement who are working in most popular banks. The above findings similar with the literature that organizational factors negatively affected to women career advancement. (Similarity – Attraction Theory, Kanter, (1997) and Tharenon, Latimer and Conroy (1994).

In meanwhile personal factors have adversely impact on women career advancement on top level of women in state banks and but who are working in most popular banks, and popular banks they are not affected on women career advancement. The above findings consist with the literature that personal factors have positive impact on women career advancement (Bomuwela P. M. De Alwis and A. Chamaru, 2013). And family factors have not impact on women who are working in any of these three banks categorise. But in the literature review according to the Hae young shin Cornell and

Hewlett, (2002) mentioned that family factors have negatively affected on women career advancement. Same as the organizational factors, cultural factors also impact on women career advancement on top level of women in state banks, most popular banks, and popular banks.

Even though it has negatively affected on women career advancement who are working in state and popular banks while it has positively affected on women career advancement who are working in most popular banks. When consider the all independent variable in all three categories of locally operated commercial banks in Colombo area in simply can summarized, organizational factors, personal factors and cultural factors have impact on women career advancement on top level of women in locally operated commercial banks and family factors have no impact on women career advancement on top level of women in locally operated commercial banks in Colombo area.

RECOMMENDATION

According to research findings among the factors most influenced factors are personal factors. For state banks and it was found that personal factors have negatively impacted on women career advancement for the top level women because of they have risk rather than the other banks they have less of confidence and positive attitudes. Hence female workers must work to avoid the individual barriers such, lack of self-confidence, being too emotional when working matters of workers by developing the self-confidence and positive thinking as such building can do perception. As an example one of the popular banks in Sri Lanka Amana bank has the cultural conditions for their women workers. Also to enable women who are in employment to advance their careers organization could support the provision of training and other developmental mechanisms that will also effect to change their attitudes regarding organization. Female workers who identified having difficulties in balancing work and family indicated that they had too many work and family

responsibilities and sometimes they did not have time to accomplish everything perfectly. And women workers can share their house hold chores with their spouse. To them, time management was the biggest challenge. To avoid the family barriers, organization can help with the female workers by offering day care centers, leave them in the weekends, giving some flexible office hours and home office. Some can argue that leaving the females in weekends will affect the organization performance but to get the fullest contribution of the creative, talented organization must give something and expect something from them.

Other factor is that our society has been built to bear the family responsibilities to women hence that must be a fair reason to give little bit freedom to them.

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