

A Study on Women Leadership in Indian Banking Industry



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Abstract

With the changing Global scenario, Indian women are realizing the power of bangle wearing hands for making things happen by putting signature on important documents. Their decisions are directly or indirectly making waves in the economy. Yes...the women in the country are moving towards the wider opportunities that the banking sector offers and they are climbing the ladders to reach the peak where eminence, acknowledgment and huge responsibilities are waiting for them. Indian women are getting themselves out of the constructive frame works of housewives or teachers. They are placing themselves in diversified areas. During the early nineties, one could hardly find an Indian woman at the top of a banking or financial institution. But now, the situation has changed. The growth in the banking sector has created new windows of opportunities for women to find employment in the banking sector. Indian women are placed at the top most positions of many major banks and they are proving themselves to be competitive. They are involved in taking major decisions; they are introducing innovative ideas and contributing towards the development of the economy. The leadership quality, managerial ability and the administrative skills are put together to make things happen. Many major Indian banks are hiring highly qualified young Indian women to their administrative levels and they are showing remarkable growth over the years. The main objective of this paper is to identify some of such women and appreciate their contribution by setting an example for other women aspirants in the country who want to make their career in the field of financial sector.

Keywords: Women in Banking, Women's growth in Indian Banking Sector, Women Leadership, Gender inequality in Banking

Introduction

When the global recession brought banking behemoths and financial institutions down on their knees, commentators dubbed it as a man-made disaster, "a testosterone-fuelled meltdown caused by men with high-risk appetite". "Women are not driven by wanting to just show numbers," says Karnad, who feels the recession was a result of excesses, of wanting to achieve goals at whatever cost. "Women are more practical and moderate in risk taking."

According to a study conducted by Nick Wilson, professor of credit Management at Leeds University Business School (LUBS), diversity on the boards of the companies leads to better productivity. With their balanced approach towards risk, women in senior roles help to build banks' reputation and profile internally. This might be the reason, then, that Indian banks, with better gender equality on board than their western counterparts, scraped through the economic slowdown unscathed. Banking in the India has traditionally been and continues to be male dominating, which makes it very difficult for women to break into. However, in the last three decades the gender equilibrium became 'fairly' poised. According to a study by Standard Chartered Bank about women on corporate boards in India, the financial sector performs best in terms of gender diversity, nine of the eleven banks listed on BSE-100 have a woman on their board and two of these banks have a female CEO. In fact, through the recent recession, Reserve Bank of India had two women deputy governors on board, Usha Thorat and Shyamala Gopinath. Banking and financial services sector has been particularly lucky in terms of women leadership. For, while only 11% of the companies across sectors in India had women CEOs, 54% of these CEOs come from the financial services sector, says a recent EMA Partners International study. In the Fortune 500 list though, financial services just

accounted for 7% of the women CEOs. Not only in the higher levels that we can see the involvement of women. In the clerical levels also women are more attracted. Secured family life, attractive salary, favourable working conditions and the stability in work are some of the reasons that make this sector more preferable to women. Women, who generally have a clerical working mindset, will be more attentive and keen in doing their work. There is much smaller incidence of being involved in corrupt and fraudulent activities against banks. At the same time, women employees in the banking sector are criticized for their clerical working mindset. They are not much innovative as men. In fact, they are not ambitious as men are and are not ready to undertake heavy risk. Banks are generally concerned about retention rates for women returning from maternity leave or career breaks.

Brief profiles of Successful Women Bankers in India

Some of the women leading banks in India are studied in the following paragraphs, their working style, background and achievements are studied in a limited extent to achieve the objectives of this paper.

Arundhati Bhattacharya

Arundhati Bhattacharya, got the opportunity



of being the first woman Chairperson of State Bank of India. She is also one of such women who got the opportunity of being listed as the 25th most powerful woman in the world by *Forbes* in 2016. Along with she got 26th rank in the list of Fortune's world's greatest leaders, not taken by any Indian yet. Born in a Bengali family in Kolkata, Bhattacharya spent her childhood in Bhilai. After joining SBI in 1977 as a Probationary Officer, she held several positions during her 36-year long career with the bank including working in foreign exchange, treasury, retail operations, human resources and investment banking. She has also been CEO of SBI Capital Markets besides being involved with the launch of several new businesses of SBI in various fields such as Insurance, Custodial Services, and Pension Funds etc. Being a woman, she has always been concerned for the physical and mental health of women in the banking sector. Some of such efforts by her for the betterment of bank's female employees have been introduction of two-year sabbatical leave policy as well as announcement of free vaccination against cervical cancer.

She has been felicitated as Business Leader of the Year at The Asian Awards, in the year of 2018. After her retirement, Arundhati Bhattacharya has

joined as additional, 'independent director' of Reliance Industries. She has always shown belief in finding solutions instead of crying over problem through her intelligence and efforts. During her tenure in SBI she analysed the reasons of being fewer women in middle-management of companies as compared to their counterpart men. Interestingly it was not related to level of motivation or skill. Ironically as proposed by her, it could be rent as when promotions are given in succession, women find it quite difficult to find houses on rent in new areas which may be quite rural as well. She has been a real role model for many women who aspire to make their career in the field of banking and finance and bring their dreams come true.

Shikha Sharma

Shikha Sharma is an alumni of IIM-A, having more than 30 years of experience in the field of banking and finance. She is a lady with simple personality imbuing great confidence. After starting her career with ICICI Bank in 1980, Sharma has got various achievements such as setting up ICICI



Securities, investment banking and retail finance. Since 2009, Mrs. Sharma has been the CEO and Managing Director of India's third largest private lender, Axis Bank.

Her main focus always has been on strengthening its retail lending franchise, increasing pace of investment banking, enhancing advisory capabilities and creating a large portfolio of products. Her hard work and superb leadership led to increase in the stock price of Axis Bank as high as 90% in 2009, along with higher compounded annual net profit growth rate and simultaneous decrease in NPA ratio. This resulted in increased Net profits, resulting in higher net interest income. She has been felicitated with many awards and recognitions in her career to name a few, 'Banker of the Year' for 2014-15 by Business Standard, AIMA - JRD Tata Corporate Leadership Award for the Year 2014, 'India's Best Woman CEO' by Business Today- 2013, Forbes List of Asia's 50 Power Business Women - 2012, Business Today 'Hall of Fame' – 2011. She has also been part of several power lists, including the Forbes List of Asia's 50 Power Businesswomen, Finance Asia's Top 20 Women in Finance etc. All this indicates that Shikha Sharma has performed phenomenally in her professional life setting an example for young women of India.

Shanti Ekambaram

Another superb woman in the Indian banking sector is Shanti Ekambaram who is a C.A. by



profession and is working as the President of Consumer Banking of Kotak Mahindra Bank, a private bank. During her tenure, profits got almost doubled which clearly indicate her immense leadership and concrete decision-making skills. There are many awards in her kitty like Award for Outstanding Contribution in the field of Banking and Financial Services 2013-14. She has been very active towards the growth of the bank's consumer business, especially on the digital front. She has major milestone in the field of data analytics and implemented it across various customer segments. This increased consumer count to large extent and growth of business.

Her main responsibilities included timely delivery of comprehensive advisory & financial solutions to leading Indian Corporates, Public Sector Undertakings, Financial Institutions, Multinationals and the Government. She has got a wide range of experience of more than 26 years, during which, Shanti has been instrumental in various innovative projects of bank such as setting up new business units, executing the first book-built IPO in India, achieving global standards in the Indian capital markets in IPOs, Private Equity, Strategic Equity, M&As, Fixed Income, Fixed Income Syndication & Advisory, the Proprietary Fixed Income Government Securities business and Corporate Banking including Working Capital & Project Financing, transaction banking services and treasury products. She has been recognised as one of the 'Most Powerful Women in Indian Business' for four years in a row – 2013, 2014, 2015 and 2016; "CA Women business leader" in 2013; "Women of the Year 2013-14 by Indian Merchants in Banking and Financial Services and many more. Shanti has been a generous contributor sponsoring various NGOs and taking huge pledges along with fund raising.

Usha Ananthasubramanian

Chairperson of IBA and also the MD and CEO of Allahabad Bank, Usha Ananthasubramanian is another phenomenal woman in Indian Banking Sector having experience of approx 4 decades. She has also been Chairman and MD of all-women's Bharatiya Mahila Bank (BMB) between November 2013 and August 2015. She has been felicitated by Indian Government for her powerful leadership in establishment of the all-women's bank (Bhartiya Mahila Bank) in India. In the three decades of her career in banking, she has worked with many well-known Indian financial institutions like LIC, Bank of Baroda, Punjab National Bank and Bhartiya Mahila Bank. Under her leadership, Punjab National Bank received the Most Socially Responsible Bank Award 2011 by Business world-PricewaterhouseCoopers (PwC). On behalf of Bhartiya Mahila Bank, Usha Ananthasubramanian also received the Asian Banker Achievement Award 2015 in the technology implementation category of Best Outsourcing Project.

Naina Lal Kidwai

C.A. by profession, Naina Lal Kidwai, is the Country Head and Group General Manager of HSBC India. Brilliant in her studies, she was the first Indian



woman who got the opportunity to do graduation from Harvard Business School. Thus all youngsters especially young girls get lot of inspiration from her. She is one of those who face challenges on head and chase their dreams in spite of all difficulties along the way. She has worked on various prominent positions during her career such as Head of Investment Banking, Head of Global NRI Services and Head of Western India, Retail Bank. Apart from Banking, She is also on the board of Nestle, Chairwoman at City of London's Advisory Council for India, and Global Advisor at Harvard Business School.

In addition, she is on the Governing Board of the National Council of Applied Economic Research, Audit Advisory Board and Auditor General of India, and on the National Executive Committee of the Federation of Indian Chambers of Commerce and Industry. Naina Lal Kidwai is very hard working and diligent banker. Her works are praiseworthy and her contributions are duly recognised in the form of Padma Shri Award, Delhi Women of the Decade Achievers Award for Excellence in Banking. She is a true believer in sharing and contributing towards society giving her opinions on the situation of women in India at FICCI. She has received numerous honourable awards for her achievements in the industry. She has been repeatedly listed in the

Fortune global list for Top Women in Business. Her major interests are micro financing as it may bring many improvements in livelihood of rural women and provide them better living environment.

Kalpana Morparia

After being associated with ICICI Bank for thirty three



years, Kalpana Morparia is now working at the position CEO of JP Morgan India. She is serving as an independent Board of Director. Fortune magazine has ranked her among Top 50 most powerful women in international business. During her tenure at ICICI, she was delegated many responsibilities in India as well as NYSE, USA. She has played a crucial role in the merger of ICICI bank with ICICI in 2002. She has experience of working in Legal department of being in charge of the legal, planning, treasury and corporate communications departments. Then she got promoted to the Boards of the bank. These promotions continued and she was promoted from ED to managing director thus controlling the whole set of operations at the Corporate Centre with numerous responsibilities. Being a woman, he has never found herself in the wrong positions as she finds financial sector to be quite diverse offering an equal opportunity to every employee. She thinks that every woman should help other women in her network so that their voice and opinions are heard. She truly believes in Diversity in unity and equal opportunity in corporate boardrooms as well through the creation of a culture where both men and women feel respected.

Zarin Daruwala



First woman CEO of Standard Chartered Bank, Gold medallist, Zarin Daruwala, holds C.A. and C.S. degrees and has been one of the top rankers during her ICSI as well as ICAI courses. Besides, she was also named one of the top 25 powerful business women by Fortune India. Her joining of the bank was amid many problems and she had to do a lot of hard work to stream line things through refurbishing the engines of growth while maintaining the asset quality.

She is always careful to keep the team in confidence and keeping everyone aware of the challenges and changes who aspire to bring into the system. Her persistence, confidence and steadiness along with being innovative has brought many fruits in terms of customer service awards, CA Business Achiever Award, increase in number of employees as well as customers. Having experience of approx three decades Zarin's positive attitude are such features which make her true professional. It was the result of her efforts that the first rural ATM of ICICI in India was established to meet the needs of our farmers, rural people, artisans etc.

Kaku Nakhate



Another powerful women banker is Kaku Nakhate, under whose leadership, Bank of America Merrill Lynch got its position in Indian financial sector. In her academics she has done MBA from NIMS Mumbai. Before her current position she has graced the position VC of JPMorgan Chase & Co, India operations. In 2017 bank's profitability achieved new heights under the vision and hard work of Ms. Nakhate, attracting the global peer group of the bank. As a result some of the biggest deals went to the bank's kitty in the field of wealth management, capital markets and financial advisory. She is also an expert in building franchise in India, and overseeing its strategy and direction.

Kaku has got many awards to her name, to name as few are, Most Powerful Women 2010' by Business Today. She was listed in the 'Top 20 Women in Finance' in 2011. In 2011, she was named among 'Fortune India's 50 Most Powerful Women in Business'. She has been awarded for the 'Deal of the year' from CNBC-TV 18 CFO Awards in 2013. She is also member as well chairperson of many boards and committees such as National Executive Board of AMCHAM (American Chamber of Commerce) and Chairperson of its Western Chapter; Non-Executive Chairman, Director and Chairman of Audit Committee of DSP Merrill Lynch Limited since 2010.

Conclusion

To attract more female graduates into banking, the industry needs to provide roles with a clear progression route. Graduate training schemes, networking and mentoring will help to create a talent pipeline. Banks need to develop more effective systems of performance management. Banks need to measure diversity instead of focusing on quotas. Organisations keen to increase the flow of female talent into senior positions can set targets for recruiting, training and promoting women. Not all female senior managers expect to reach board level in the next 10 years. It is possible that banks could make

use of sponsorship, coaching and mentoring all of which can play an important role in raising women's aspirations and self-confidence. There is a need to showcase more female role models with families and children, who had not sacrificed their personal life to get ahead. Banking is more of a relationship thing and women excel at that. In the Indian context, while women have started venturing out to work in the corporate world, they have been handling relationships at home too, as a wife or a mother. This nurturing and adjusting attitude flows into the workplace as well. Interestingly, today, these women are role models for a number of other women who have the ambition and confidence to make it big in the world of banking. When they see talented women who have become successful leaders, they get inspired to follow their footsteps!

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