
Promotion and Compensation of Women in Albanian Banking Sector

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Participation of women in different kind of professions, even in those which were considered to be men's domain, is not a strange phenomenon in lots of countries today. Women have fought and struggled a lot, to have opportunities for better education, careers, and salaries, even by competing with men. There have been important changes and no discrimination is pronounced in different industries and sectors of economy, anyway is the situation bright for women today? Concentrated in one of the most regulated sectors of economy-bank industry, this paper brings out a discussion about gender parity in promotion opportunities, professional development and salaries in Albanian context.

Keywords: women, gender parity, promotion, salary, banking sector

Introduction

There is said and done so much for gender parity, but still a lot needs to be done. Jacqueline (2004) noted that gender discrimination always exists in the labour market. Although disparity in education that kept women away from certain professions in the labour market has ended (Eurostat, 2015), women still have disparity in participation, poorer career development (Bygren&Gähler, 2012), have lower payments as they have less capacity to negotiate (Johnson, 2016), keep a heavier burden in their role as caregivers

for young children (Covert, 2014), take lower payment and put more working hours (UNICEF, 2007). According to Labour Force Survey Albania 2015 (INSTAT), most employed youth have informal or unpaid family jobs, and young women are more likely than male peers to be contributing family workers (65.2% and 53.6%, respectively).

From the year 1995 the service sector is the biggest employer for both genders (United Nations, 2015). It surpassed agriculture as the main employer for men in year 2004 and for women in year 2000. In year 2015, 52% of employed women and 43% of employed men were in the services sector. According to United Nations 2015, women remuneration varies between 63% to 98% of that of men's employed. Developed countries have lower variation and more parity can be seen, but recent data is mixed.

Referring to statistics reported by INSTAT there were more women than men graduated in the three last years in Albania. As for the year 2017, the ratio women/men graduated at all levels was 64% to 36% in country level. This means that education doesn't seem to be a problem for women in Albania. They have possibilities to be educated and data available in the latest years show they are more educated than men. Anyway, referring to average salaries reported by INSTAT for all kinds of activities in Albania, women in general earn less than men, even in financial and insurance companies (82% of men's salary), where highly educated people are employed.

This paper makes a discussion about the gender parity issue mostly considering the payment and career in the banking sector which is one of the most consolidated employers in Albania within the private sector.

The Albanian post-communism private banking sector is relatively new. Referring to the book "History of banks in Albania" (Historiku i bankave ne Shqiperi) by Albanian Association of Banks (AAB), the two level bank system in Albania was created in April 1992, when the Law no. 7559 "For the Bank of Albania" was approved. In June of 1992, as for this Law provisions, the Bank of Albania (Banka e Shqiperise) was performing as a national bank, following European model, and National Bank of Albania (Banka Kombetare e Shqiperise) began operating as the second level bank. Legal regulations opened the way to foreign and national private capital. In December 1992 the first licences for private banks were given. The boom of second level banks in Albania was in years 2000, when almost all the current banks were opened and began expanding their net all over the country.

The sector was growing very fast and began to accommodate a lot of graduates. At that time it was one of the most attractive sectors to work in, with attractive payment, great career possibilities, brand new work environment, and with all the safety given from working in well-structured companies, while small business and self-employment was the main characteristic of the labor market out of it (Mitllari&Kasimati, 2018). Young people coming from different fields of education had an opportunity to develop and make their career within it. Recent years the banking sector has seen stagnation, by not opening new jobs, unlike the flourishing period up to 2008 (Hackaj, 2015). Financial crisis of 2008, have had its effect even in Albania in terms of expanding the bank network and shrinking employment possibilities, but anyway the sector is still consolidated and a good employment opportunity for young people. According to INSTAT, the Finance and Banking is the third largest sector employer in the country. There were 16 private banks operating till September 2018, but currently there are 14, as two of them were bought by two other banks. The number may decrease again during 2019 as other developments are expected.

Referring to Human Resources Management KPI report of Albanian Association of Banks (AAB) for 14 banks (out of 16), private banks in Albania counted 6,435 employees in June 2017, where 4,569 (71%) of them are women.

Methodology and findings discussion

A literature review was conducted to see what is said about gender parity and main disparities that still prevail in the working environment in this sector, about possible institutional barriers in the sector as well as best practices known to promote parity between genders in the sector. This was compared with information taken from published sources in the sector. Then, a questionnaire was structured by authors in order to evaluate if there are differences in perceived chances offered to both genders in working environment, mostly in terms of pay and promotion. The questionnaire was delivered online and in printed copies, in employees of banking sector. The sector was intentionally chosen, as it is one of the most structured sectors in

Albania. A total of 264 filled questionnaires were collected in August-October 2018.

Possibilities for promotion and salaries for women and men in the banking sector

One of the concerns of career research has been on the underrepresentation of women in managerial positions (Lyness&Heilman, 2006). Based on World Women Report 2015 by United Nations, central banks are dominated by men in management and governing boards. Albania is one of few countries where the female participation in management and governing board of the Central Bank is 56%. In the private banks in Albania, only one has a female CEO. As mentioned above, referring to data from 14 private banks (all that operate in the country), in the middle of year 2017, 71 % of the employees were females. In the senior management group, 49% were female, and in middle management it was higher, as 53% of them were female.

In 264 answers gathered from banking employees, 69% of them were women and 31% men. This is not a representation of the real gender ratio in the sector, but approximately one can say that based on employment data, there are more women than men in Albanian banking sector.

Table1 presents information about the number of employees for each gender in different levels of work hierarchy in the sample. As number of women is higher in lower levels of hierarchy (from assistant, specialist, senior specialist), it goes down in managerial positions (in the random sample of 264). Men are 27% of employees in pre-managerial positions, but become 53% of the management group. Considering that senior specialists are mostly eligible for managerial positions, women seem to have better chances than men, as in this level they outnumber them by 46%. But if we see proportion of men and women already holding the managerial position, it seems that chances for women lower, as in fact, their group is only 47% of the total number of managers (and this is the only hierarchy level where men predominate numerically in the sample).

Even though during the years there are more and more women showing their desire to go further in top management, the lower percentage of women in managerial positions can be explained not only by discrimination barriers, but also by women's nature as less career oriented and risk takers (Morrison, et al, 1992). Many women lose their drive to excel

due to the many obstacles met along the path of becoming a manager and these obstacles include discrimination, stereotyping, prejudice, family demands, and lack of opportunities (Emory, 2008).

Percentage of people married/divorced was almost the same in both groups with 54% of women and 52% of men, which gives some support to the supposition that women put more effort to the families, and probably this is one among different reasons that keeps them from moving up (but this is only a supposition and cannot be supported by these data). Regardless reasons, one can say that for this sample, men are disproportionately outnumbering women in management while the sector (and the sample itself) is dominated by women.

Table 1: Number of women and men for each hierarchic position in the sample

Gender/Hierarchic level	Asistent 100%	Specialist 100%	Senior Specialist 100%	Manag er 100%
Women	15 (68%)	96 (74%)	49 (73%)	21(47%))
Men	7 (32%)	34 (26%)	18 (27%)	24(53%))

In the Table 2 below there are shown number of employees for four ranges of gross monthly salaries for each gender. Participants were asked to choose the range of gross monthly salary they get from their job, and it was found out that most of those who answered the question, were in the range 51'000-100'000 ALL/month, with 55% of women and 34% of men falling in this range. When comparing the two highest ranges of gross monthly salaries, employees that fall in the category are respectively 20% of all women and 45% of all men participating in the study, showing that for this sample, men are better paid than women. Salary gap can be related to multitude reasons: individual characteristics of employees, work experience, individual performance, difficulties of work/life balancing mainly for women, etc.(United Nations, 2015).

Table 2: Number of women and men for each range of gross monthly salary

Gender	Gross monthly salary (in thousand ALL)			
	Up to 50	51-100	101-150	Above 150
Women	44	101	25	12
Men	18	28	25	12

How do women and men perceive promotion, professional development and salary opportunities in banking sector?

HR written policies within banks include fair and non-discriminating treatment of employees based on gender. Selection, training, professional development and financial remuneration are clearly stated in these policies. Big data on the sector speak for nondiscrimination of women in selection process and career advancement. Unlike the public sector in Albania, where some political initiatives intent to increase the women participation (by deciding on some men/women numerical ratios to be respected by law, especially in Parliament), one cannot find similar enforcement in the banking sector. This latter, is explicitly guided by performance evaluation and skills as a criteria for reward and promotion.

Promotion Opportunity. Employees were asked to evaluate in a scale from 1 to 5 how they feel about the possibilities offered from their current employer in promotion. 38% of women have evaluated in the two upper scales (agree/ totally agree) that the bank which they work for, gives opportunity to be promoted within it, and so did 46% of men. 29% of women and 33% of men are in the neutral point for this. The data show that in percentage, women feel fewer possibilities for promotion within the bank they work than men.

Professional Development Opportunity. Advancement through the ranks takes time and effort to develop professional and managerial skills for different roles taken during this progression. This process is facilitated by training, mentorship, etc. Training provides more opportunities for career

progression because it may boost competence levels of individuals and the organization (Mullins, 2005). Differently from literature findings where women cannot access training for senior level management, as these are mostly held at offsite locations, only in 2017, 30 in-house trainings were organized by Albanian Association of Banks in collaboration with 14 partners (most of them international) and attended by 552 employees, as it comes from the Annual Report 2017 of the Albanian Bank Association. There is also a lot of training organized by each bank individually.

Talent management is one of the ways that private banks in Albania are going. HR training recently has focused on this, acknowledging that Talent management is now considered a key management function (Boston Consulting Group [BCG], 2008). Research has shown that women tend to be overlooked in many talent management initiatives due to their being considered as not having the capacity or that they may not be worth investing in because they may leave their job for family or even thought of as being not interested in those activities (Schein, 2007). Based on information made public in the websites of some of the biggest private banks in Albania, one can deduct that there is attention to support gender parity within them. This talent management models focuses on performance criteria and skills rather than gender, as it is promoted by that information.

When asked about the possibilities for their professional development, 49% of women and 65% of men agree/totally agree that the current employee has offered it. In the neutral point are answered 34% of women and 27% of men. The responses given show in general a good feeling about the promotion possibilities offered within banking system as the majority of respondents agree/totally agree in the respective question, but still the responses show that women perceive fewer possibilities for professional development.

Salary. Only 26% of women and 33% of men agree/totally agree that their salary is appropriate for the job they do. 31% of women and 30% of men has given an average evaluation of that. In this sample, data shows that there is a great percentage in both genders that don't feel their salary is appropriately evaluated.

As motivation is proved to be related to job satisfaction and this latter is seen as a compound of five elements, payment and promotion being two of them, employees were asked to evaluate how important would be promotion and salary raise in increasing their effort in the current job. The results show that 90% of women and 91% of men have given a great importance in the salary raise, which means that both of them are very motivated by it, and there is no difference between genders on this. Given the opportunity to learn and be professionally developed, 82% of women and 81% of men evaluated as important or very important in increasing their effort, and if they would have an opportunity to be promoted, 84% of women and 91% of men considered it as important or very important for them to increase effort. Data means that both women and men are motivated by promotion opportunities. As it came out from this sample, 81% of men are motivated to increase effort by learning and professional developed possibilities, but 91% of the same increase effort if promotion opportunity is given. The slightly difference can be explained with men's nature, being more competitive and seeking for dominance than women (Benenson, et al, 2002). It was almost the same percentage in women, meaning that for them professional development and promotion opportunity can mean the same thing.

Private Banks in Albania, have created a supportive and collaborative environment for women. Pregnant women are no victims of discrimination, as the sector applies all the state's rules and regulations about maternity leave up to one year, working time and payment in these occasions, not to mention extra benefits offered by some banks. Paternity leave is also regulated now in Albania, and banking sector is one of the fewest to respect it. These automatic benefits, together with the stability of the sector, make banks an attractive place of employment for many women. They probably enter the system, primarily considering it as a safe employment possibility.

On the other side, being more career savvy, men choose sales positions that are directly related to the bank's main business. This exposes them to better career possibilities within the institution. In this sample, 39% of all the female participants were in sales positions, compared to 52% of men.

All the data came out in a time when the sector is saturated, the boom phase is passed, the managerial levels have stability and there are lesser possibilities for promotion. This lowers the chances of better payment from promotion for both genders. Considering the high possible motivation from eventual increase in salaries, banks need to apply other ways of making it possible, other than career movement.

Conclusions

The study conducted in banking sector in Albania, showed that although the participation of women is larger than that of men in this sector, women seem to be less paid and promoted than men for a sample of 264. All the possible information gathered from banks as employing institutions speaks for policies to lower institutional barriers for women advancement in the sector as well as many good practices to support their professional development. In percentage, more women than men feel that they are not evaluated appropriately, not given promotions and professional development opportunities, which would be a very good reason for them to raise their effort.

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