

PROFESSIONAL WOMEN CEOS IN BANKING INDUSTRY

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Absatrcet : Banking Industry plays an important role in the development of economy of any country, more particularly in developing economy of a country like India. Further, performance of industry depends on Industry leaders. Historically, position of Chief Executive Officer of any industry, world over, has been occupied by male executives. However, during last twenty five to thirty years women professionals have shown their acumen in managing the corporate affairs which was hitherto sole domain of male counterpart.

Introduction: According to report published in Economic Times dated 14th March,2015, women executive made their mark in Indian banking in the 1990s when Bankers such as Lalita Gupte (Jt Managing Director,ICICI) and Ranjana Kumar (CMD of Bank of India) made it big. Then came second wave with the likes of Kalpana Morparia (MD & CEO of Jp Morgan, Chanda Kochhar CEO & MD ICICI, Shikha Sharma , MD , Axis Bank and Arundhati Bhattacharya MD & CEO of State Bank of India moved to the corner office of some of the biggest lenders in Inia. Reporter of Economic Times Mr. Pratil Bhakta , in his report on 15th October,2015 profiled a few top women bankers who could well comprise the third wave of woen becoming top executives in the industry.These executives include :

1. Chitra Pandya , Country Head, Liability Management, Cards and Direct Banking Yes Bank.
2. Anu Agarwal, Executive Vice President and Regional Head, Corporate Banking, Kotak Mahindra Bank.
3. Asshima Bhat, Head, Business Finance & Strategy, Admin, Infrastructure, HDFC Bank.
4. Smita Bhagat, Head, Branch Banking , Company Co Head E Commerce Vertical HDFC Bank.
5. Jyoti Vaswani, CFA, Former CIO of Aviva India now joined Future Generali Life Insurance as Chief Investment Officer and Director, Fund Management.

1. Educational Back ground :

In this paper, an attempt has been made to highlight the achievements of women professionals who have occupied the position of Chief Executive Officer in Banking Industry.

For the purpose of this paper, we have selected following women professionals:

1. Ms Shikha Sharma, M.D and CEO of Axis Bank
2. Ms. Vedika Bhandarkar, M.D and CEO of Credit Suisse
3. Ms. Naina Lal Kidwai, MD and CEO of HSBC Bank
4. Ms. Chanda Kochhar, MD and CEO of ICICI Bank
5. Ms. Arundhati Bhattacharya of State Bank of India.

Methodology: We obtained the profiles of these women executives from the public domain and thereafter obtained the details of performance of their organization during last five years, ie, from financial year ending 31.3.2011 to 31.3.2015. These performance data were obtained from corporate database of Capilaline. (www.capitalmarket.com). Important parameters of the performance data have been compared analyzed and commented upon in this paper.Our objective was to ascertain how exactly these women professionals have risen to the level of CEO and how good their performance has been.The data obtained has been analysed as under:

Sr.No.	Name	Educational Qualifications	Entry in Banking Sector
1.	Ms.Shikha Sharma	B.A.Hons Economics, MBA IIM Ahemdabad, PostGrad.Diploma in Software Technology (NCST)	Since 1988 at ICICI- worked there for 29 years, before moving to JP Morgan (1995-1997) .Returned to ICICI as MD & CEO of ICICI Prudential Life Insurance Co. Appointed MD & CEO of Axis Bank in 2009
2.	Ms.Vedika Bhandarkar	MBA IIM Ahmedabad	After MBA in 1989 joined ICICI and later moved to JP Morgan since its inception in India and in April,2010 was appointed as MD & Vice Chairman India and Head of Investment Banking Department of Credit Suisse Bank. Left after 18 months for health reasons.
3.	Ms. Naina	B.A. Economics,	Worked in ANZ Grindlays from 1982 to 1994 as Head of

	Lal Kidwai	MBA from Howard Business School and Qualified Chartered Accountant. First Indian Woman to graduate from Harward.	Investment Banking. From 1994 to 2002, she served Morgan Stanley as Head of Investment Banking. She served as Group General Manager of HSBC Holding since 2006. Since April 2009, she was appointed Country Head of HSBC.
4.	Ms. Chanda Kochhar	B.A., ICWA, MBA from JBIMS	Joined ICICI in 1984. promoted as .D.G.M in 1996 Appointed Dy.MD in 2006, CFO and Jt MD in 2007 to 2009. CEO 7 MD since 2009.
5.	Ms Arundhati Bhattacharya	B.Sc, MBA Institute of Rural Management , Jodhpur.	Joined SBI in 1977 as Probationary officer at the age of 22 years and working since last 38years.Appointed Chairperson after Former Chairman, Pratip Choudhary retired.

Observations : All of them are highly educated and accomplished Professionals.

2. Profile Highlights and Achievements :

Sr.No	Name	Profile Highlights and Achievements
1.	Ms Shikha Sharma	Since appointment as CEO of Axis Bank stock price of the Bank has appreciated by 90%. She has more than doubled the branch network – Total branches 2225 and 11796 ATMs af 30.9.2013. Axis Bank Foundation won the title of Outstanding Corporate Foundation as as part of Forbes India Philanthropy Awards 2014. Other awards : Woman Leader of the year by Bloomberg – UTV Finanacial Leadership award. Forbes List of Asia’s 50 Power Business Women : 2012. India Today : 25 Most Influential Women 2012 Business Woman of The Year : Economic Times Award 2008.
2.	Ms. Vedika Bhandarkar	Raised performance level of Investment Banking Business of Credit Suisse Bank. Connected with 30 Industrial Houses as Director. Dealt with acquisition of Patni Computers by IGATE for US \$ 1.22 Billion in June 2011.
3.	Ms. Naina Lal Kidwai	Repeatedly ranked in the Fortune Global List of Top Women in Business. Padma Shree Award for her contribution in the area of trade and industry. Time Magazine listed her as 15 Globally Influential Women 2002.
4.	Ms. Chanda Kochhar	She was ranked 20 in World’s 100 Most Powerful Women by Forbes. She has been regularly featuring in the List of Most Powerful Women by Fortune 500 list. Honoured with Padma Bhushan Award by Govt of India in 2010. Asian Business Leadership Forum Award : 2011. Conferred Hon, Doctor of Laws by Carleton University Canada 2014 in recognition of

		pioneering Work in Financial sector and Effective leadership in the time of Economic Crisis. Ranked No. 1 in the Fortune's List of 100 Powerful Women in Asia Pacific : 2015.
5.	Ms. Arundhati Bhattacharya	First Woman To lead India based Fortune 500 company. In 2015 she was named the 30 th most powerful woman in the world by Forbes. In the same year she was ranked among the FP Top 100 Global Thinkers by Foreign Policy Magazine. She was also named 4 th most powerful women in Asia Pacific by Fortune.

Observations : All these women leaders have rendered great services and have been recognized and received awards for their extra ordinary services.

3. Performance of Organizations headed by them : Major indicators of performance :

i) Financial Performance of Axis Bank Headed by Ms Shikha Sharma:

Sr. No.	Particulars	31.3.2011	31.3.2012	31.3.2013	31.3.2014	31.3.2015
1	Equity	410.55	413.20	467.95	469.84	474.10
2	Net Worth	18998.83	22808.54	33107.86	38220.48	44676.51
3	Sales	15154.81	21994.65	27182.57	30641.16	35478.60
4	Other Income	4632.13	5420.22	6551.11	7405.22	8365.05
5	Profit after Tax	3388.49	4242.21	5179.43	6217.67	7357.82
Key	Financial Ratios					
1	Credit /Deposit (%)	74.65	76.26	77.58	80.03	84.71
2	Interest expended/interest earned (%)	56.69	63.55	64.44	60.99	59.99
3	Operating Expenses/ total Income (%)	24.15	21.91	20.50	20.77	20.99
4	Interest Income / Total Funds (%)	7.16	8.33	8.68	8.47	8.39
5	Interest expended/ Total Funds (%)	4.06	5.29	5.59	5.16	5.03
6	Net Profit/ Total Funds (%)	1.60	1.61	1.65	1.72	1.74
7	Return on Net Worth (%)	19.34	20.29	18.53	17.43	17.75

Source : www.capitaline.com

ii) Financial Performance of Credit Suisse headed by Ms Vedika Bhandarkar:

Sr. No.	Particulars	31.3.2011	31.3.2012	31.3.2013	31.3.2014	31.3.2015
1	Equity	1135.00	1135.00	1135.00	1135.00	1135.00
2	Net Worth	1127.02	1216.17	1306.61	1376.38	1619.39
3	Sales	7.1	100.56	217.19	350.20	692.67
4	Other Income	0.00	123.831	90.02	47.58	289.23
5	Profit after Tax	-7.98	89.14	90.44	69.77	243.01
Key	Financial Ratios					
1	Credit /Deposit (%)	0.00	71.75	91.90	23.09	19.27
2	Interest	0.00	8.82	44.26	56.01	66.39

	expended/interest earned (%)					
3	Operating Expenses/ total Income (%)	293.80	24.36	16.88	17.34	7.80
4	Interest Income / Total Funds (%)	3.75	5.56	7.37	5.45	6.76
5	Interest expended/ Total Funds (%)	0.00	0.49	3.26	3.05	4.49
6	Net Profit/ Total Funds (%)	-4.21	4.93	3.07	1.09	2.37
7	Return on Net Worth (%)	0.00	7.61	7.17	5.20	6.22

Source : www.capitaline.com

iii) Financial Performance of HSBC headed by Ms Naina Lal Kidwai:

Sr. No.	Particulars	31.3.2011	31.3.2012	31.3.2013	31.3.2014	31.3.2015
1	Equity	4499.17	4499.17	4499.17	4499.17	4499.17
2	Net Worth	12999.75	14263.24	14441.33	15447.71	16644.36
3	Sales	5194.96	6262.57	7032.18	7465.96	8372.55
4	Other Income	1788.65	2200.77	1724.22	1520.89	2091.38
5	Profit after Tax	1527.59	1987.67	1935.71	1490.32	1629.41
Key	Financial Ratios					
1	Credit /Deposit (%)	46.31	54.46	60.21	59.04	55.31
2	Interest expended/interest earned (%)	35.79	40.19	42.66	48.42	52.20
3	Operating Expenses/ total Income (%)	31.37	28.57	28.14	29.35	29.98
4	Interest Income / Total Funds (%)	5.76	6.29	6.57	6.31	6.25
5	Interest expended/ Total Funds (%)	2.06	2.53	2.80	3.06	3.26
6	Net Profit/ Total Funds (%)	1.69	2.04	1.81	1.26	1.22
7	Return on Net Worth (%)	12.48	14.58	13.49	9.97	10.55

Source : www.capitaline.com

iii) Financial Performance of ICICI Bank headed by Ms Chanda Kochhar :

Sr. No.	Particulars	31.3.2011	31.3.2012	31.3.2013	31.3.2014	31.3.2015
1	Equity	1151.82	1152.77	1153.64	1155.02	1159.66
2	Net Worth	55090.93	60404.24	66705.96	73213.32	80429.35
3	Sales	25974.05	33542.65	40075.60	44178.15	49091.14
4	Other Income	6647.90	7502.76	8345.70	10427.87	12176.13
5	Profit after Tax	5151.38	6465.22	8325.47	9810.48	11175.35
Key	Financial Ratios					
1	Credit /Deposit (%)	92.97	97.71	99.25	100.71	104.72
2	Interest expended/interest earned (%)	65.28	68.00	65.40	62.71	61.22
3	Operating Expenses/ total Income (%)	20.20	19.13	18.61	18.88	18.76

4	Interest Income / Total Funds (%)	6.74	7.49	7.81	7.79	7.88
5	Interest expended/ Total Funds (%)	4.40	5.09	5.11	4.89	4.82
6	Net Profit/ Total Funds (%)	1.34	1.44	1.62	1.73	1.79
7	Return on Net Worth (%)	9.65	11.20	13.10	14.02	14.55

Source : www.capitaline.com

v. Financial Performance of State Bank of India headed by Ms Arundhati Bhattacharya :

Sr. No.	Particulars	31.3.2011	31.3.2012	31.3.2013	31.3.2014	31.3.2015
1	Equity	635.00	671.04	684.03	746.57	746.57
2	Net Worth	64986.04	83951.20	98883.68	118282.25	128438.22
3	Sales	81394.36	106521.45	119655.10	136350.80	152397.07
4	Other Income	15824.60	14351.45	16036.84	18552.92	22575.89
5	Profit after Tax	8264.52	11707.29	14104.98	10891.17	13129.51
Key	Financial Ratios					
1	Credit /Deposit (%)	79.90	82.14	85.17	86.84	84.47
2	Interest expended/interest earned (%)	60.04	59.36	62.95	63.86	63.90
3	Operating Expenses/ total Income (%)	23.67	21.57	21.58	23.06	22.10
4	Interest Income / Total Funds (%)	7.14	8.32	8.23	8.11	7.93
5	Interest expended/ Total Funds (%)	4.29	4.94	5.18	5.18	5.07
6	Net Profit/ Total Funds (%)	0.73	0.91	0.97	0.65	0.68
7	Return on Net Worth (%)	12.62	15.72	15.43	10.03	10.62

Source : www.capitaline.com

Observations :

1. **Networth** : Net worth indicates equity plus reserves less accumulated losses if any. This indicates total shareholders funds invested into business. In all these banks net worth has continuously increased, as under:

Sr. No	Name of the Bank	Networth on 31.3.2011	Net worth on 31.3.2015	% increase
1.	Axis Bank	18998.83	44676.51	135.15
2.	Credit Suisse	1127.02	1619.39	43.68
3.	HSBC	25.68	75.81	199.48
4	ICICI	5,090.93	80,429.35	45.99
5.	State Bank of India	4,986.04	128438.22	97.63

HSBC HAS RECORDED HIGHEST INCREASE IN Network (199.48%) followed by Axis Bank (135.15%), SBI (97.63%), ICICI Bank (45.99%) and Credit Suisse (43.68%)

2. Interest Income

Sr. No.	Name of the Bank	Interest Income on 31.3.2011	Interest Income on 31.3.2015	% Increase
1.	Axis Bank	15,154.81	35,478,60	134.10

2.	Credit Suisse	100.56 on 31.3.2012	692.67	592.67
3.	HSBC	14.65	14.62	- 0.20
4	ICICI Bank	25974.05	49,091.14	48.99
5.	State Bank of India	81,394.36	152,397.07	87.23

Credit Suisse has shown highest increase in interest income of 592.67% followed by Axis Bank (134.10%), SBI (87.23)ICICI (48.99%) and HSBC (- 0,20%)

3 Net Profit

Sr. No	Name of the Bank	Net Profit on 31.3.2011	Net Profit on 31.3.2015	% increase
1.	Axis Bank	3388.49	7357.82	117.14
2.	Credit Suisse	89.14 on 31.3.2012	243.01	172.61
3.	HSBC	11.51	-0.79	- 106.86
4	ICICI Bank	5151.38	11175.35	110.75
5.	State Bank of India	8264.52	13101.57	130.01

Conclusion : Each of these women CEOs are professionally qualified and have long association with banking industry before assuming the charge of banks they headed. Their performance during the period under study has been profitable and successful. Their respective organizations have progressed and successfully competed in the present

day competitive world. Their thrust has been better service to the customers, innovative ways to implement technological changes. There has been considerable increase in Profits and Net Worth One would be tempted to say that in providing leadership to their organizations, they stand tall and on equal footing of male CEOs of Banking industry.

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